

TOWN OF KITTY HAWK, NORTH CAROLINA  
OPERATING BUDGET

FISCAL YEAR  
2022-2023





**Elected Officials:**

Mayor  
Mayor Pro Tem  
Councilwoman  
Councilwoman  
Councilman

D. Craig Garriss  
Jeff Pruitt  
Lynne McClean  
Charlotte Walker  
David Hines

**Leadership Team:**

Town Manager  
Administrative Services Director  
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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March 28, 2022

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 2022-2023 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

As the Town of Kitty Hawk begins to move beyond the COVID-19 pandemic that began in 2020, the long-term effects of the pandemic are becoming more translucent moving into FY 2022-2023. The pandemic abruptly disrupted our social environment causing grief, hardships, and confusion to many of our residents and property owners in the Town of Kitty Hawk. However, it is said that a silver lining can be found in most hardships and for the Town of Kitty Hawk there were several positive aspects that came to light in an otherwise negative situation. The pandemic highlighted the strength and resiliency of the community, its employees, and Town leadership. The Town has thrived during the pandemic and will continue to thrive by adapting and responding to change. These attributes coupled with Kitty Hawk's geographical location have attributed to a robust increase in travel and tourism to the Outer Banks. Tourism boosts the revenue of the economy, creates jobs, helps fund infrastructure, provides additional funding for schools and allows the Town to provide a higher level of service to residents. Tourism comes with many great benefits and contributes to a better quality of life for our residents, however, there are many social, economic, and environmental costs that must be accounted for with tourism and these costs have been carefully considered when planning the FY 2022-2023 budget. While tourism is important for the local economy, the budget continues utilizing revenues generated from tourism to maintain the culture, qualities, and way of life for our residents.

The sustainability of revenue growth related to tourism in the future is yet to be determined, however, this growth coupled with the Town's past fiscal policies will allow the Town to accelerate the construction of long overdue capital improvements such as the new Police Station/Fire Bay/EMS Substation and beach parking improvements, scheduled in the FY 2022-2023 budget. As people return to the workforce and inflation continues to rise the budget remains optimistically cautious at over projecting tourism related revenues to avoid a financial shortfall at year end. Town Staff and Department Heads continue to be fiscally responsible and operate with the philosophy "You can't spend what you don't have". Therefore, the budget continues to project revenues that are weighted more heavily on pre-pandemic collections to account for uncertainties in the economic environment.



The proposed budget recommends total revenues in the amount of \$11,033,617 as compared to the current year's budget of \$10,168,483. The current Town budget represents an 8% increase in revenues as compared to the previous FY 2021-2022 budget. The increase in revenues can be attributed to a one-time revenue source from the collection of American Recovery Act Funds in the amount of \$1,138,069.

The largest financial impact to the proposed budget is the construction of the new Police Station, Fire Bay, and EMS Substation estimated at \$8,500,000. The current project is identified in the budget, but the costs of the project are accounted for in a separate construction fund Ordinance adopted by the Town Council in 2021. The fund currently identifies \$3,500,000 in funding; however, the Ordinance will be adjusted as additional funds are deposited. The proposed budget transfers \$1,083,583 to the Police/Fire Bay/EMS Substation reserve from operating revenues to help fund this project. The additional funding for the project will come from a combination of the Town's unrestricted fund balance and a reduction to the Town's emergency reserve as needed. The Town will fund this project with cash vs. financing the project that saves approximately \$1,400,000 in interest over a 15-year period.

The FY 2022-2023 Budget focuses on a comprehensive review of the Town Pay Plan in accordance with the Town's Personnel Policy Handbook. Article II, Section 4 of the Town's Personnel Policy Handbook states: *The Town Manager shall allocate each position covered by the classification plan to its appropriate class and shall be responsible for the administration of the position classification plan. The Town Manager shall periodically review the classification plan and recommend appropriate changes to the Town Council.* Article III, Section 3 of the Town's Personnel Policy Handbook further states: *The 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 conditions of the Town, and other factors.* In accordance with this policy, Staff has reviewed the existing pay plan to ensure the Town remains competitive in the local market and can continue to hire qualified employees. Salaries from local municipalities were reviewed and this data was used to bring the Town's entry level salaries within no less than 10% below the local market. The pay plan and adjustments are fully funded from operating revenues in the FY 2022-2023 budget.

The proposed budget is balanced and requires no funds from the unrestricted fund balance to balance the budget. The proposed budget was prepared responsibly and conservatively to ensure accountability to the taxpayers of Kitty Hawk. The budget requires no increase in property tax and is balanced with total revenues and expenditures of \$11,033,617.

**Budget Highlights:**

- No tax increases
- Utilizes no unrestricted fund balance to balance operating expenditures
- No increase to staffing levels
- Implements a revised and updated Step Pay Plan
- Budgets a transfer to the future PD Station, Fire Bay, EMS Substation of \$1,083,583
- 10% tentative budget increase in Health Insurance Premiums (Expect 5% to 8%)
- Incorporates project ordinances (Beach Renourishment; PD, FD/EMS Substation)
- Funds the Beach Renourishment Projected slated in May/June 2022

**General Fund**

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

**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.

The budget adopts a revised and updated Position Pay and Classification for the Town which has been adjusted to bring starting pay ranges more in line with the local workforce market. Town Staff for the past six months has been compiling information from local municipalities and formulating a plan within budget constraints to assist funding the new pay plan. The budget continues to fund 100% for health, dental, life and vision insurance for full-time employees. The



budget includes a 10% increase percent increase for health insurance premiums as a precautionary measure as renewal quotes do not become available until May of each year.

The budget provides no new positions and continues to do "more with less" by funding technology improvements that reduces the need for increased personnel in the future.

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

Budgeted	Full-Time	Part-Time	Seasonal	Total
FY 18/19	47	7	14	68
FY 19/20	47	7	14	68
FY 20/21	48	7	14	69
FY 21/22	48	7	14	69
FY 22/23	48	7	14	69

### 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 highlights in the FY 2022-2023 budget by Department include:

#### ***Town Council***

- No highlights

#### ***Recreation Committee (Contingent on Grant Funding)***

- Preliminary Study and Design of Pump Track – Dare Co. Park - \$7,500

#### ***Administrative Services***

- New Title: Management Assistant to Administrative Services Director

#### ***Finance Department***

- Pay Grade: 59 to 60 – Finance Technician

#### ***Public Works***

- Pay Grade: 69 to 70 – Public Works Director
- Pay Grade: 56 to 59 – Public Works Supervisor

#### ***Police Department***

- Increase to Service & Maintenance Contracts – 911 System Upgrade: \$105,808
- Pay Grade: 69 to 66 – Police Lieutenant



***Fire Department***

- No highlights

***Ocean Rescue***

- No highlights

**Capital Expenditures**

The budget continues to plan for critical capital purchases that accounts for \$453,102 of total budget expenditures. These expenditures include current year purchases and future reserve funding.

The capital purchases and future reserves included in the FY 2022-2023 budget consists of the following:

**Capital Purchases in FY 2021-2022:**

- Public Works Vehicle Replacement - \$36,000
- Paul Pruitt Playground Replacement - \$30,000
- Mower Attachment - \$18,000
- Police Department Equipment - \$38,000
- Police Car Replacement(s) - \$80,000
- Bunker Gear Replacement - \$30,000
- Land Use Plan Update - \$25,000
- Street Resurfacing - \$143,102

***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 renourishment. The current year additions to the Capital Reserve Fund include:

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

- Boardwalk and Dock Repairs - \$10,000
- HVAC Replacement Fire Department - \$10,000
- Caterpillar Backhoe Replacement - \$8,000
- Future Fire Truck Reserve - \$25,000

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

CAPITAL RESERVE FUND BALANCE						
Dept.	Description	Actual FY 19/20	Actual FY 20/21	Budget FY 21/22	Budget FY 22/23	Ending Balance FY 22/23
	Interest in investments (Estimate)	4,498	80	-		
4100	IT Development	-	(5,000)	-		49,071
4100	Fiber Optic Phone System Replace.	5,000	-	5,000		35,000
4100	Document Imaging System	-	-	-		20,000
4130	Finance Software Upgrade	(10,000)	-	-		-
4270	Bathhouse Repairs/Replacement	(20,000)	-	-		-
4270	Fuel Storage Tank Replacement	12,000	-	12,000		41,000
4270	Board Walks and Dock Repairs	8,000	8,000	10,000	10,000	44,000
4270	Future Sidewalk US 158	254,000	-	-		254,000
4270	Town Park & Recreation Develop.	-	-	-		144,735
4270	HVAC Replacement at Fire Station	-	-	5,000	10,000	15,000
4270	Caterpillar Backhoe replacement	-	-	15,000	8,000	23,000
4310	Police Department Building	-	2,000,000	(2,000,000)	1,083,593	1,203,593
4340	Fire Truck & Equipment	100,000	(204,000)	30,575	25,000	55,736
4340	Fire Department Air Compressor	(40,000)	-	-	-	-
4340	Fire Department Training Equip.	15,000	-	(30,000)		-
4340	800 mhz- Radio Replacements	-	25,000	25,000	-	50,000
4410	Storm Damage /Beach Nourish.	63,979	(258,584)	196,111	239,697	2,377,999
4910	Land Use Plan Update	5,000	-	-	(20,000)	-
Total		397,477	1,565,496	(1,731,314)	1,356,290	4,313,133

#### Beach Renourishment Fund

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 have scheduled the renourishment project in 2022. The Municipal Service District and Town-wide dedication is expected to remain in place to fund future beach re-nourishment projects. The total cost of the renourishment project is expected to cost \$9,283,491. Of this amount the Town will be responsible for paying \$5,020,429, the Dare County Occupancy Tax Fund (\$2,854,815) and NC Department of Environmental Quality Grant (\$1,408,247) will contribute the remaining balance. The engineering and design for the project is complete and the project is expected to begin in the Town of Kitty Hawk between May and June of this summer.

The budget continues to dedicate 3.5 cents of the 30 cents town wide tax to the beach renourishment Project. Properties located in the Municipal Service District will continue to pay



an additional .10 cents that is restricted for expenditures related specifically for beach renourishment.

#### **Police Station/Fire Bay/EMS Substation Fund**

The Police Station/Fire Bay/EMS Station Fund is being adopted in the FY 2022-2023 as construction is anticipated to begin before the end of 2022. The Town will be constructing a facility intended to house Police services provided by the Town of Kitty Hawk and EMS services provided by Dare County. The Town owns multiple contiguous parcels comprising of 1.84 Acres near the intersection of U.S. 158 and Bennett St.

The anticipated project will consist of approximately 20,620 gross square feet of construction and associated site work. The design and site work are organized to allow for future expansion of bunk rooms and administrative office facilities should the need ever arise. The preliminary conceptual plan for the building has been completed and the project is currently in the design and permitting phase. The total project costs are estimated to be \$8,500,000 with more defined budget numbers expected in May 2022.

#### **Financial Stability**

The FY 2022-2023 budget maintains the Emergency Fund in the amount of \$3,500,000 and in accordance with Council fund balance policy. The FY 2022-2023 budget does not utilize any of the Town's unrestricted fund balance for operating expenditures. The un-restricted fund balance and Emergency Fund may be reduced during the fiscal year and those funds would be utilized to construct the Police Station, Fire Bay, and EMS Substation project. These funds would be utilized in lieu of issuing debt service for the project. Utilizing a portion of Town reserves will save \$1,400,000 in interest over a 15-year period and allow these savings to be used for more meaningful purposes in the future.

#### **Conclusion**

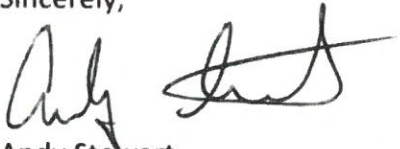
This budget document remains the same in format, layout and content as the previous four budgets. This format has proven effective over the past five years and intends to be easily interpreted by the general public.

In conclusion I would like to express my gratitude to the Town employees and efforts of the Town Council throughout the COVID-19 pandemic. The Town remains positioned to easily adapt to change and will continue to monitor economic conditions throughout the fiscal year to ensure financial accountability to the taxpayers of the Town of Kitty Hawk.



It is my pleasure to present to you the budget document for FY 2022-2023.

Sincerely,

A handwritten signature in black ink, appearing to read 'Andy Stewart', with a stylized flourish at the end.

Andy Stewart

Town Manager, Town of Kitty Hawk

## Town of Kitty Hawk Budget Ordinance - FY 2022-2023

**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, 2022, and ending June 30, 2023, to meet appropriations approved by the Town Council herein. The property tax revenue estimate is based on a projected collection rate of 98% by the Dare County Tax Department.

### GENERAL FUND BUDGET

Source	Amount
Ad Valorem Tax (\$.265)	\$3,731,584
Ad Valorem Tax (\$.035) Beach Nourishment	\$492,851
Ad Valorem Tax MSD (\$.10) Beach Nourishment	\$524,482
Prior Years Taxes	\$19,000
Penalties/Interest	\$6,000
Motor Vehicle Tax	\$170,000
Motor Vehicle Tax (\$.035) Beach Nourishment	\$23,000
Motor Vehicle Tax (\$.10) MSD	\$8,000
Local Option Sales Tax	\$1,400,000
Local Option Sales Tax – BN & MSD	\$157,220
Land Transfer Tax	\$400,000
Occupancy Tax	\$1,600,000
Beer and Wine Tax	\$15,000
Telecom Tax	\$19,000
Electric Utility Tax	\$385,000
Cable Franchise Tax	\$75,000
Piped Natural Gas Tax	\$1,750
PEG Channel Tax	\$30,000
Solid Waste Disposal Tax	\$2,700
Mixed Beverage Tax (ABC)	\$55,000
Building Permits	\$110,000
Homeowner Recovery Fee	\$1,000
CAMA Permits	\$3,500
Planning Permits and Fees	\$6,800
Board of Adjustment Fees	\$500
Site Plan Reviews	\$500
Sanitation Fees (Garbage Carts)	\$6,500
Powell Bill Allocation	\$143,102
Dept of Justice Asset Forfeiture Program	\$1,000
NCDOR Unauthorized Sub Tax Distribution	\$3,500
Dare County Sand Fencing	\$15,000

Source	Amount
Governor Crime Commission Grant	\$25,000
Dare County Payment to Obligation Bonds Dare	\$256,545
Dare County Payment to EMS Substation	\$158,964
County Court Fees	\$2,500
Code Enforcement Fines & Parking Violations	\$3,200
Fines and Forfeitures	\$150
Interest on Investments	\$3,000
Town Merchandise Sales	\$300
Office Rental- DNR NC	\$4,400
Sale of Surplus Property	\$10,000
Miscellaneous Revenue	\$1,500
Icarus International	\$3,000
Fund Balance Appropriated	\$0
Transfer in from Capital Reserve Fund	\$20,000
Transfer in from Special Revenue Fund (ARP)	\$1,138,069
<b>Total</b>	<b>\$11,033,617</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, 2022 and ending June 30, 2023.

Function	Budget
General Government	\$2,578,264
Public Safety	\$5,624,486
Transportation – Powell Bill	\$150,102
Sanitation	\$1,216,000
Beach Nourishment	\$1,464,765
<b>Total</b>	<b>\$11,033,617</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, 2022, and ending June 30, 2023 to meet appropriations approved by the Town Council herein.

Function	Budget
Capital Reserve Appropriated	\$20,000
Transfer from General Fund – Future Capital	\$1,136,583
Transfer from General Fund – Excess Beach Nourishment	\$239,697
<b>Total</b>	<b>\$1,396,280</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, 2022, and ending June 30, 2023

Function	Budget
Transfer to General Fund	\$20,0000
Reserves	\$1,376,280
<b>Total</b>	<b>\$1,396,280</b>

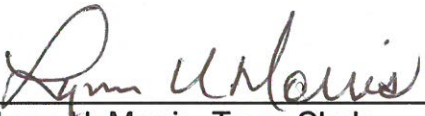
**TAXES AND FEES LEVIED:** The tax rate for the current year is 30 cents (\$0.2982) and 10 cents (\$0.1026). There is hereby levied a tax rate of .30 cents (\$0.30) on each one hundred dollars (\$100.00) valuation of all real estate, personal and motor vehicle taxable property in the Town of Kitty Hawk, 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 **\$1,504,794,624** with the MSD portion representing **\$541,852,497** of the total property tax base. The total property tax levies are anticipated to produce **\$4,748,917** in revenue based on a 98% collection rate. A penny on the tax rate is projected to generate approximately **\$204,682.72**


**ENCUMBERED OPERATING FUNDS REAPPROPRIATED:** The operating funds encumbered on the financial records as of June 30, 2022, 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 2022-2023 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 10<sup>th</sup> day of June 2022.

  
Lynn U. Morris, Town Clerk

  
D. Craig Garriss, Mayor

FISCAL YEAR 2021/2022

## Police, Fire/EMS Substation Project Ordinance

Ordinance No. 21-06

### Capital Project Ordinance Fund 40

#### For the Town of Kitty Hawk

**BE IT ORDAINED** by the Governing Board of the Town of Kitty Hawk, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance hereby adopted as follows:

**Section 1:** The project authorized is the construction of a new Police Department Building, Fire and EMS Building. The project is to be financed with a combination of both financing and cash reserves. The project life is estimated to be through July 2022; and will be amended throughout the project.

**Section 2:** The officers of the Town are hereby directed to proceed with the capital project within the contribution the proposed funding sources and secure debt service in the amount of \$1,500,000.

**Section 3:** The following amounts are appropriated for the project:

Engineering & Design	\$500,000
Construction	<u>\$3,000,000</u>
<b>Total appropriations</b>	<b>\$3,500,000</b>

**Section 4:** The following revenues are available to complete this project:

Contribution from Capital Reserve Fund PD	\$2,000,000
<u>Loan Proceeds</u>	<u>\$1,500,000</u>
<b>Total estimated revenues</b>	<b>\$3,500,000</b>

**Section 5:** The Finance Director is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements, and federal regulations. The terms of the loan covenants shall also be met.

**Section 6:** Funds may be advanced from the Capital Project Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.



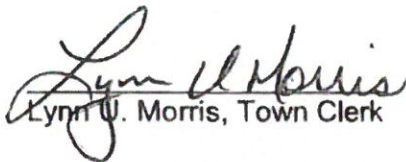
**Ordinance No. 21-06**

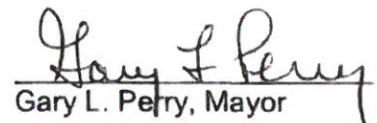
**Section 7:** The Finance Director is directed to report, on a quarterly basis, on the financial status of each project element in Section 3 and on the total revenues received or claimed.

**Section 8:** The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this Council.

**Section 9:** Copies of this capital project ordinance shall be furnished to the Clerk to the Governing Board and to the Budget Officer and Finance Officer for direction in carrying out this project.

Adopted the 7<sup>th</sup> day of June 2021.

  
Lynn W. Morris, Town Clerk

  
Gary L. Perry, Mayor



## Capital Project Ordinance

### For the Town of Kitty Hawk

**BE IT ORDAINED** by the Governing Board of the Town of Kitty Hawk, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance originally adopted on January 4<sup>th</sup>, 2021, and amended on May 3, 2021, September 7, 2021, today Monday January 10, 2022. is hereby amended as follows:

**Section 1:** The project authorized is 2022 Beach nourishment project to be financed by special obligation bonds, contributions from Dare County beach nourishment occupancy tax fund, ad valorem revenues, or other sources of revenue. The project life is estimated to be through July 2027; and will be amended throughout the project.

**Section 2:** The officers of the Town are hereby directed to proceed with the capital project within the terms of the Municipal Service District (MSD) Resolution, Dare County Inter-local agreement, bond resolution, and budget contained herein.

**Section 3:** The following amounts are appropriated for the project:

Cost of the Bond Issuance	\$88,166
Pre-Construction	\$75,241
Design and Environmental Permitting	\$422,748
<u>Construction Management</u>	<u>\$6,340,510</u>
<b>Total appropriations</b>	<b><u>\$6,926,665</u></b>

**Section 4:** The following revenues are available to complete this project:

Grant- NC Department of Environmental Quality	\$1,408,247
Proceeds from Special Obligation Bond	\$5,020,429
<u>Transfer from Capital Reserve</u>	<u>\$497,989</u>
<b>Total estimated revenues</b>	<b><u>\$6,926,665</u></b>

**Section 5:** The Finance Director is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements, and federal regulations. The terms of the bond resolution also shall be met.

**Section 6:** Funds may be advanced from the Capital Project Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

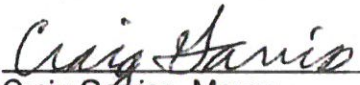
**Ordinance No.22-01**

**Section 7:** The Finance Director is directed to report, on a quarterly basis, on the financial status of each project element in Section 3 and on the total revenues received or claimed.

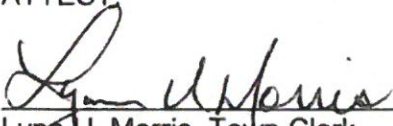
**Section 8:** The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this Council.

**Section 9:** Copies of this capital project ordinance shall be furnished to the Clerk to the Governing Board and to the Budget Officer and Finance Officer for direction in carrying out this project.

Adopted the 10th day of January 2022.

  
\_\_\_\_\_  
Craig Garriss, Mayor

ATTEST:

  
\_\_\_\_\_  
Lynn J. Morris, Town Clerk



2022 Date	Action Item
March 28	<a href="#">Budget Work Session with Town Council</a>
May 2022	<a href="#">Public Hearing Advertised for Budget Ordinance</a>
May 2022	<a href="#">Town Manager files proposed Budget with Town Clerk</a>
June 6	<a href="#">Council Holds Public Hearing on Proposed Budget and adoption of FY 2022-2023 Budget Ordinance</a>
July 1	<a href="#">Approved FY 2022-2023 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

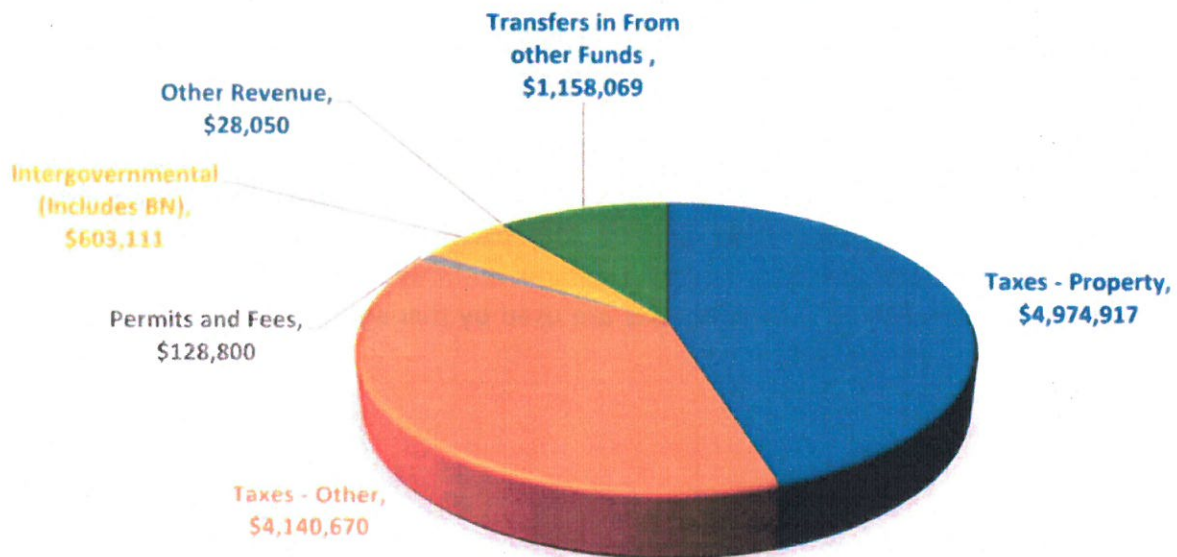
Expenses or transfers incurred throughout the year in excess of appropriations must have prior Council approval. These approvals are formally acknowledged by the Town Council in the form of budget amendments. The budget is prepared on a line-item basis and budgetary compliance is maintained on the Department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

## Summary of General Fund Revenues by Percentage

## Percentage of Revenues by Source

CLASSIFICATION	ACTUAL FY 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23	% of Total Revenues
<b>REVENUES</b>					
Taxes- Property	4,602,419	5,044,271	4,890,002	4,974,917	45.09%
Taxes- Other	3,795,502	5,252,893	3,789,193	4,140,670	37.53%
Permits and Fees	126,744	143,454	133,000	128,800	1.17%
Intergovernmental	1,641,590	1,490,479	1,289,688	603,111	5.47%
Fines and Forfeits	6,954	6,020	7,000	5,850	0.05%
Interest Earnings	158,771	3,542	10,000	3,000	0.03%
Other Revenue	109,951	41,683	19,600	19,200	0.17%
Fund Balance Appropriated	-	-	-	-	0.00%
Transfer in From Capital Reserve Fund	116,114	709,000	30,000	20,000	0.18%
Transfer in From Special Revenue Fund	-	-	-	1,138,069	10.31%
<b>Total Revenues</b>	<b>10,558,045</b>	<b>12,691,342</b>	<b>10,168,483</b>	<b>11,033,617</b>	<b>100.00%</b>

## TOP FIVE REVENUES BY SOURCE



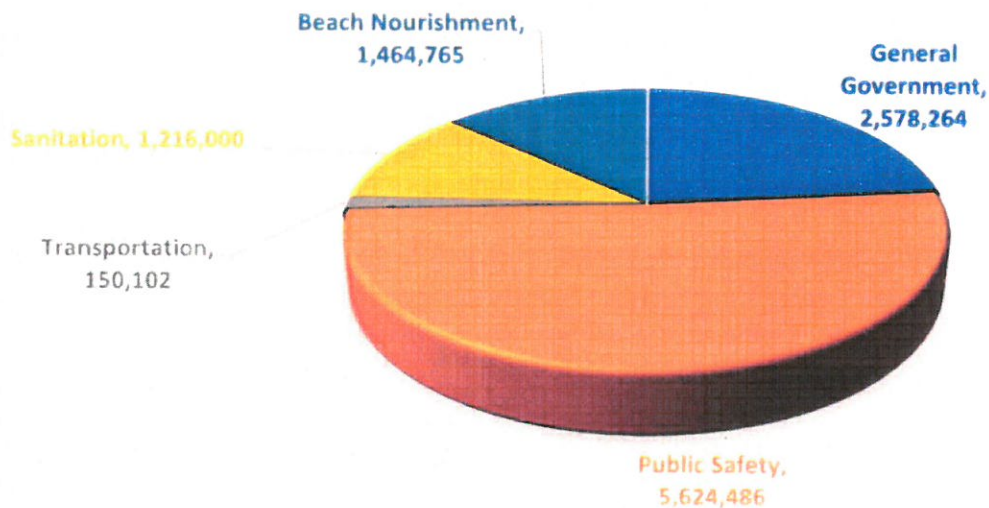


## Summary of General Fund Expenditure by Percentage

## Percentage of Expenditures by Function

Department	CLASSIFICATION	ACTUAL FY 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23	% of Total Expenditures
<b>EXPENDITURES</b>						
4100	Non- Departmental	362,760	408,651	423,200	451,350	4.09%
4110	Governing Body ( Town Council )	23,103	18,498	48,164	44,400	0.40%
4111	Recreation Committee	3,530	-	3,700	9,700	0.09%
4120	Administration Services	469,285	488,275	508,977	570,594	5.17%
4130	Finance Department	292,837	230,520	254,247	270,037	2.45%
4270	Public Works Department	1,392,398	815,043	750,269	850,902	7.71%
4310	Police Department	1,935,595	4,059,869	2,293,156	3,599,954	32.63%
4340	Fire Department	1,528,577	2,659,647	1,724,046	1,842,190	16.70%
4370	Ocean Rescue	138,284	153,522	181,191	182,342	1.65%
4410	Beach Nourishment	2,327,581	2,399,033	2,290,909	1,464,765	13.28%
4510	Transportation ( Powell Bill )	151,141	30,297	137,000	150,102	1.36%
4710	Environmental Services	977,371	1,088,567	1,216,000	1,216,000	11.02%
4910	Planning & Inspection Department	313,989	296,933	321,329	368,529	3.34%
4980	Planning Board	2,713	4,278	12,043	8,500	0.08%
4990	Board of Adjustment	-	-	4,252	4,252	0.04%
Total Expenditures		9,919,163	12,653,132	10,168,483	11,033,617	100.00%

## EXPENDITURES BY FUNCTION



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 45.09% of General Fund revenues is the proposed property tax, budgeted at \$4,974,917. Property tax is calculated according to the gross taxable value assessment certified by the Dare County Tax Office based on the Town's property tax rate.

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 98%-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 \$204,682.72 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 \$201,000 for FY 22/23 and represents 1.83% 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.

The local option sales tax will generate an estimated \$1,557,220 and represents 14.12% 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.

The Occupancy Tax will generate an estimated \$1,600,000 and represents 14.51% 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 Electric Utility Tax will generate an estimated \$385,000 and represents 3.49% 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 \$400,000 and represents 3.63% 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.

Building Permits revenues will generate an estimated \$110,000 and represents 1% 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 \$143,102 and represents 1.30% 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 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 \$25,000. 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 is tracking at an all-time low therefore a quite reduction is expected to occur in FY 22-23.

The interest earnings on investments are expected to generate an estimated \$3,000.

### **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 22-23 budget identifies transfers in the amount of \$20,000.

### **Transfers from the Special Revenue Fund**

The Town was awarded a Grant by the U.S Department of the Treasury; the Coronavirus State and Local Fiscal Recovery Funds (SLFRF), a part of the American Rescue Plan, in the amount of \$1,138,068.58 in 2021. These funds will be utilized to supplant the Police Department Salaries and free that money for other Government Services.

# General Fund Revenues - Detailed

## GENERAL FUND - 10 / DEPARTMENT DETAIL

ACCOUNT NUMBER	REVENUE SOURCE	ACTUAL FY 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>TAXES - PROPERTY</b>					
10-0000-3100-2022	Ad Valorem Tax (\$.265)	3,411,780	3,765,138	3,663,139	3,731,584
10-0000-3172-2022	Ad Valorem (\$.035) BN	457,432	500,282	483,811	492,851
10-0000-3174-2022	Ad Valorem (\$.10) MSD	506,210	535,891	519,052	524,482
10-0000-3100-0000	Ad Valorem Prior Years	19,604	21,896	20,000	19,000
10-0000-3100-4170	Ad valorem and Vehicle Penalties ,Fees, Interest	5,596	8,545	6,000	6,000
10-0000-3280-4121	Motor Vehicle Tax	170,421	179,929	170,000	170,000
10-0000-3280-4123	Motor Vehicle Tax - (\$.035)BN	22,718	23,808	20,000	23,000
10-0000-3280-4125	Motor Vehicle Tax - (\$.10)MSD	8,658	8,782	8,000	8,000
	Subtotal	4,602,419	5,044,271	4,890,002	4,974,917
<b>TAXES - OTHER</b>					
10-0000-3230-0000	Local Option Sales Tax	1,249,791	1,571,467	1,295,723	1,400,000
10-0000-3230-0012	Local Option Sales Tax - BN MSD	162,881	198,602	145,380	157,220
10-0000-3245-0000	Land Transfer Tax	369,067	840,436	325,000	400,000
10-0000-3270-0000	Occupancy Tax	1,405,630	2,054,762	1,413,590	1,600,000
10-0000-3322-0000	Beer and Wine Tax	15,355	15,115	15,000	15,000
10-0000-3324-4001	Telecom Tax	19,906	19,825	25,000	19,000
10-0000-3324-4002	Electric Utility Tax	402,851	389,506	400,000	385,000
10-0000-3324-4003	Cable Franchise Tax	76,565	75,953	78,000	75,000
10-0000-3324-4004	Piped Natural Gas Tax	1,609	2,500	1,700	1,750
10-0000-3324-4005	PEG Channel	27,353	26,451	27,000	30,000
10-0000-3471-0000	Solid Waste Disposal Tax	2,702	2,709	2,800	2,700
10-0000-3837-0000	Mixed Beverage Tax (ABC)	61,794	55,568	60,000	55,000
	Subtotal	3,795,502	5,252,893	3,789,193	4,140,670
<b>PERMITS AND FEES</b>					
10-4910-3343-4010	Building Permits	109,364	123,094	110,000	110,000
10-4910-3343-4011	Homeowner Recovery Fee	1,570	920	1,000	1,000
10-4910-3343-4012	CAMA Permits	2,355	5,050	3,500	3,500
10-4910-3343-4013	Planning Permit and Fees	7,030	6,815	10,000	6,800
10-4990-3345-4020	Board of Adjustment Fees	-	-	500	500
10-4990-3345-4021	Site Plan Review Fees	-	-	1,000	500
10-0000-3470-0000	Sanitation Fees (Garbage Carts)	6,425	7,575	7,000	6,500
	Subtotal	126,744	143,454	133,000	128,800
<b>INTERGOVERNMENTAL</b>					
10-0000-3316-0000	Powell Bill Allocation (pass through)	105,022	99,980	106,000	143,102
10-0000-3311-4091	Dept of Justice Asset Forfeiture Program	-	-	1,000	1,000
10-0000-3317-4092	NCDOR Unauthorized Sub Tax Distribution	8,626	3,738	5,000	3,500
10-0000-3431-0000	Grants-Kitty Hawk Park Connector Trail Project	60,691	69,408	-	-
10-0000-3623-0000	FEMA- Federal Grant Revenue(pass through)	204,392	-	-	-
10-0000-3633-0000	FEMA - State Grant Revenue (pass through)	67,872	64,886	-	-
10-0000-3633-0000	Grant- NC Dept Agriculture (pass through)	-	-	-	-
10-0000-3432-0000	Dare County - Sand Fencing (pass through)	-	15,517	24,000	15,000
10-0000-3433-0000	Dare County Payment to EMS Substation	-	-	35,000	158,964
10-0000-3496-0000	Grants- Dare County Tourism Board	-	47,592	-	-
10-4310-3431-0000	Gov. Crime Commission Grant (pass through)	24,315	57,674	25,000	25,000
10-4340-3431-0000	Grants Other- Fire Department	991	-	-	-
10-4410-3333-0000	Dare County Payment to Obligation Bonds	1,169,681	1,131,684	1,093,688	256,545
	Subtotal	1,641,590	1,490,479	1,289,688	603,111



# General Fund Revenues - Detailed

## GENERAL FUND - 10 / DEPARTMENT DETAIL

ACCOUNT NUMBER	REVENUE SOURCE	ACTUAL 19/20	FY FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>FINES &amp; FORFEITS</b>					
10-0000-3330-0000	Dare County Court Fees	2,079	2,615	2,500	2,500
10-0000-3331-0000	Code Enforcement Fines & Parking Violations	3,525	3,255	3,500	3,200
10-0000-3332-0000	Fines and Forfeitures	1,350	150	1,000	150
	Subtotal	6,954	6,020	7,000	5,850
<b>INTEREST EARNINGS</b>					
10-0000-3831-0000	Interest on Investments	158,771	3,542	10,000	3,000
	Subtotal	158,771	3,542	10,000	3,000
<b>OTHER REVENUE</b>					
10-0000-3412-0000	Town Merchandise Sales	408	348	300	300
10-0000-3434-0000	General Donations	36,150	225	-	-
10-0000-3834-0000	Office Rental - DNR NC	4,800	4,000	4,800	4,400
10-0000-3835-0000	Sale of Surplus Property	12,729	2,600	10,000	10,000
10-0000-3839-0000	Miscellaneous Revenue	52,547	31,107	1,500	1,500
10-4270-3839-0110	Icarus International	3,317	3,403	3,000	3,000
	Subtotal	109,951	41,683	19,600	19,200
<b>FUND BALANCE</b>					
10-0000-3991-0000	Fund Balance-Appropriated	-	-	-	-
	Subtotal	-	-	-	-
<b>TRANSFER IN FROM CAPITAL RESERVE</b>					
10-0000-3900-0000	Bath House Repairs/ Replacement	20,000	-	-	-
10-0000-3900-0000	Fire - Training Equipment	40,000	-	30,000	-
10-0000-3900-0000	IT -Police Department Body Cameras	10,000	5,000	-	-
10-0000-3900-0000	Fire Truck	-	704,000	-	-
10-0000-3900-0000	Storm Water Pump Purchase	46,114	-	-	-
10-0000-3900-0000	Land Use Plan Update Reserve	-	-	-	20,000
	Subtotal	116,114	709,000	30,000	20,000
10-0000-3982-0000	<b>TRANSFER IN FROM SPECIAL REVENUE FUND</b>	-	-	-	1,138,069
	Subtotal	-	-	-	1,138,069
<b>TOTAL REVENUES</b>		<b>10,558,045</b>	<b>12,691,342</b>	<b>10,168,483</b>	<b>11,033,617</b>

## Non-Departmental





**NON-DEPARTMENTAL OPERATING EXPENDITURES**

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

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>OPERATING</b>						
10-4100-5005-0000		PEG Government Channel (pass through)	20,550	26,717	30,000	30,000
10-4100-5006-0000		Tax Collection Fees to Dare County	51,565	56,934	53,000	59,000
10-4100-5007-0000		Collection Fees -NCVTS	6,470	6,927	8,000	8,000
10-4100-5220-0000		Employee Relations and Events	3,882	5,662	5,000	6,000
10-4100-5250-0000		Vehicle Supplies	44	62	400	400
10-4100-5299-0000		Departmental Supplies	5,566	5,288	5,000	6,000
10-4100-5321-0000		Telephone, Communications , Email	7,395	11,518	6,000	12,000
10-4100-5325-0000		Postage	204	236	300	300
10-4100-5330-0000		Utilities	4,113	3,981	6,000	6,000
10-4100-5340-0000		Printing	-	-	500	200
10-4100-5370-0000		Advertising	-	869	500	1,000
10-4100-5383-0000		IT Services	67,564	66,668	80,000	80,000
10-4100-5440-0000		Service & Maintenance Contracts	5,274	7,269	6,000	10,750
10-4100-5450-0000		Insurance & Bonding	173,541	207,720	200,000	220,000
10-4100-5451-0000		Employee Assistance Program	4,234	1,578	2,500	2,000
10-4100-5455-0000		Unemployment Compensation Contribution	875	980	10,000	5,000
10-4100-5456-0000		Fines and Forfeitures	1,350	150	-	200
10-4100-5491-0000		Dues & Subscriptions	939	3,536	4,000	4,000
		Subtotal	353,566	406,094	417,200	450,850
<b>MAINTENANCE &amp; REPAIRS</b>						
10-4100-5353-0000		Maintenance and Repairs - Vehicle	1,693	-	1,000	500
		Subtotal	1,693	-	1,000	500
<b>PROGRAMS AND GRANTS</b>						
10-4100-5090-0000		Grant - Gov. Education Access Channel	2,500	2,557	-	-
		Subtotal	2,500	2,557	-	-
<b>CONTINGENCY</b>						
10-4100-5991-0000		Budgetary Contingency	-	-	-	-
		Subtotal	-	-	-	-
<b>CAPITAL OUTLAY</b>						
		Subtotal	-	-	-	-
<b>TRANSFER TO CAPITAL RESERVE</b>						
10-4100-5921-0000		VOIP Town Phone System	5,000	-	5,000	-
		Subtotal	5,000	-	5,000	-
<b>TOTAL NON-DEPARTMENTAL EXPENDITURES</b>			<b>362,760</b>	<b>408,651</b>	<b>423,200</b>	<b>451,350</b>

Governing Body  
Town Council

Councilman  
David Hines

Councilwoman  
Lynne McClean

Mayor  
D. Craig Garriss

Mayor Pro Tem  
Jeff Pruitt

Councilwoman  
Charlotte Walker





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

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

ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>PERSONNEL</b>					
10-4110-5121-0000	Council Compensation	7,875	10,775	30,900	30,900
10-4110-5181-0000	FICA	654	993	764	1,000
	Subtotal:	8,529	11,768	31,664	31,900
<b>OPERATING</b>					
10-4110-5310-0000	Travel and Training	608	431	1,000	2,500
10-4110-5321-0000	Telephone, Communications, Email	1,538	1,165	2,000	1,500
10-4110-5491-0000	Dues and Subscriptions	7,521	5,013	8,000	8,000
10-4110-5492-0000	Contract Services - Dare Co. Board Elections	4,717	-	5,000	-
10-4110-5499-0000	Miscellaneous	191	122	500	500
	Subtotal:	14,574	6,730	16,500	12,500
<b>TOTAL GOVERNING BODY EXPENDITURES</b>		<b>23,103</b>	<b>18,498</b>	<b>48,164</b>	<b>44,400</b>

## Recreation Committee





# RECREATION COMMITTEE OPERATING EXPENDITURES

## GENERAL FUND - 10 / DEPARTMENT DETAIL - 4111

ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>OPERATING</b>					
10-4111-5370-0000	Advertising	130	-	200	200
10-4111-5396-0000	Contracter Services - Transcriptions	-	-	500	500
10-4111-5499-0000	Miscellaneous Exp / Sandy Run Maintenance	3,400	-	3,000	1,500
10-4111-5499-0000	Dare County Park Pump Track Planning/Design	-	-	-	7,500
	Subtotal:	3,530	-	3,700	9,700
<b>TOTAL RECREATION EXPENDITURES</b>		<b>3,530</b>	<b>-</b>	<b>3,700</b>	<b>9,700</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 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>PERSONNEL</b>						
10-4120-5121-0000		Salaries & Wages	299,635	310,748	313,137	350,176
10-4120-5181-0000		FICA	22,310	23,047	24,028	26,862
10-4120-5182-0000		Retirement Contribution	30,984	31,704	35,635	44,632
10-4120-5183-0000		Health Insurance	50,813	50,651	57,815	67,720
10-4120-5184-0000		401K	942	6,078	6,262	7,004
		Subtotal	404,684	422,228	436,877	496,394
<b>PROFESSIONAL SERVICES</b>						
10-4120-5192-0000		Professional Services -Legal	40,711	44,156	42,000	45,000
10-4120-5199-0000		Professional Services - Other	-	1,075	2,500	2,500
		Subtotal	40,711	45,231	44,500	47,500
<b>OPERATING</b>						
10-4120-5299-0000		Supplies Departmental	2,103	856	2,500	2,500
10-4120-5310-0000		Travel & Training	2,470	1,735	2,000	2,000
10-4120-5321-0000		Telephone, Communications , Email	2,334	4,980	4,000	5,000
10-4120-5325-0000		Postage	175	161	100	200
10-4120-5349-0000		Printing Codification of Ordinances	225	-	4,000	-
10-4120-5370-0000		Advertising	2,314	-	2,000	2,000
10-4120-5396-0000		Contract Services Video & Transcription	7,665	9,975	9,000	11,000
10-4120-5440-0000		Service & Maintenance Contracts	1,651	1,775	2,000	2,000
10-4120-5491-0000		Dues and Subscriptions	4,954	1,335	2,000	2,000
		Subtotal	23,890	20,816	27,600	26,700
<b>TOTAL ADMIN SERVICES EXPENDITURES</b>			<b>469,285</b>	<b>488,275</b>	<b>508,977</b>	<b>570,594</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 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>PERSONNEL</b>						
10-4130-5121-0000		Salaries & Wages	112,357	117,911	119,868	134,209
10-4130-5181-0000		FICA	7,796	8,373	9,206	10,304
10-4130-5182-0000		Retirement Contribution	10,839	10,727	13,641	17,106
10-4130-5183-0000		Health Insurance	31,402	27,990	31,785	33,135
10-4130-5184-0000		401K	225	1,848	2,397	2,684
		Subtotal	162,619	166,849	176,897	197,437
<b>PROFESSIONAL SERVICES</b>						
10-4130-5191-0000		Prof. Services Auditor & Actuaries	27,817	20,384	30,000	30,000
		Subtotal	27,817	20,384	30,000	30,000
<b>OPERATING</b>						
10-4130-5299-0000		Supplies	2,134	906	1,700	2,000
10-4130-5310-0000		Travel & Training	1,763	3,168	3,500	5,000
10-4130-5321-0000		Telephone, communications , Email	742	818	850	1,000
10-4130-5325-0000		Postage	346	231	400	400
10-4130-5340-0000		Printing	1,503	55	1,700	1,000
10-4130-5440-0000		Service & Maintenance Contracts	10,764	37,198	39,000	33,000
10-4130-5491-0000		Dues and Subscriptions	25	410	200	200
		Subtotal	17,277	42,787	47,350	42,600
<b>CAPITAL OUTLAY</b>						
10-4130-5520-0000		Capital Outlay Financial Software	85,123	500	-	-
		Subtotal	85,123	500	-	-
<b>TRANSFER TO CAPITAL RESERVE</b>						
		Subtotal	-	-	-	-
<b>TOTAL FINANCE EXPENDITURES</b>			<b>292,837</b>	<b>230,520</b>	<b>254,247</b>	<b>270,037</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 public trust.





**PUBLIC WORKS DEPARTMENT OPERATING EXPENDITURES**

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

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>PERSONNEL</b>						
10-4270-5121-0000		Salaries & Wages	239,624	249,505	229,240	263,897
10-4270-5121-0000		Seasonal/Part time	-	-	23,159	24,544
10-4270-5122-0000		Overtime	2,657	-	-	-
10-4270-5181-0000		FICA	17,848	18,431	19,492	22,066
10-4270-5182-0000		Retirement Contribution	19,181	22,394	26,088	32,412
10-4270-5183-0000		Health Insurance	47,187	53,193	72,705	71,205
10-4270-5184-0000		401K	582	3,803	4,585	5,278
		Subtotal	327,078	347,326	375,269	419,402
<b>OPERATING</b>						
10-4270-5212-0000		Uniforms	5,438	2,909	3,000	3,000
10-4270-5250-0000		Vehicle Supplies- Fuel	9,401	10,041	12,000	15,000
10-4270-5260-0000		Shop Tools & Equipment	4,299	9,277	2,000	2,500
10-4270-5293-0000		Supplies Signs	3,642	8,272	2,500	2,500
10-4270-5299-0000		Departmental Supplies	2,594	1,908	3,000	3,000
10-4270-5310-0000		Travel & Training	492	2,037	2,000	3,000
10-4270-5321-0000		Telephone, Communications , Email	4,638	5,776	4,500	7,500
10-4270-5330-0000		Utilities	13,168	14,107	14,000	16,000
10-4270-5433-0000		ATV Rental	2,078	2,098	5,000	5,000
10-4270-5440-0000		Service & Maintenance Contracts	257,673	21,995	22,000	25,000
10-4270-5491-0000		Dues and Subscriptions	212	(77)	1,000	1,000
		Subtotal	303,635	78,343	71,000	83,500
<b>MAINTENANCE AND REPAIRS</b>						
10-4270-5295-0000		Building and Grounds	126,444	190,970	165,000	165,000
10-4270-5295-0000	800110	Icarus	266	-	6,000	25,000
10-4270-5352-0000		Equipment	9,264	23,631	16,000	15,000
10-4270-5353-0000		Vehicle	10,007	9,894	7,000	7,000
10-4270-5599-0000		Sand Fence - (pass through)	43,028	15,167	24,000	24,000
		Subtotal	189,009	239,662	218,000	236,000
<b>CAPITAL OUTLAY</b>						
10-4270-5540-0000		Vehicles	-	-	35,000	36,000
10-4270-5550-0000		Replace Mower Attachment	-	-	-	18,000
10-4270-5550-0000		8" Stormwater Pump	112,228	-	-	-
10-4270-5550-0000		Dump trailer Replacement	-	-	9,000	-
10-4270-5580-0000		Bath House Repairs/Moore Shore Rd Living Shoreline	452,164	-	-	-
10-4270-5595-0000		Dare County Park Trail Connector	8,283	141,711	-	-
10-4270-5595-0000		Pruitt Park Playground Replacement	-	-	-	30,000
		Subtotal	572,675	141,711	44,000	84,000
<b>TRANSFER TO CAPITAL RESERVE</b>						
10-4270-5921-0000		US 158 Sidewalk	-	-	-	-
10-4270-5921-0000		Fuel Storage Tank Replacement	-	-	12,000	-
10-4270-5921-0000		Town Wide Boardwalk and Dock Repairs	-	8,000	10,000	10,000
10-4270-5921-0000		Future HVAC Fire House replacement	-	-	5,000	10,000
10-4270-5921-0000		Replacement Caterpillar Backhoe	-	-	15,000	8,000
		Subtotal	-	8,000	42,000	28,000
<b>Public Works Subtotal</b>			<b>1,392,398</b>	<b>815,043</b>	<b>750,269</b>	<b>850,902</b>

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

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

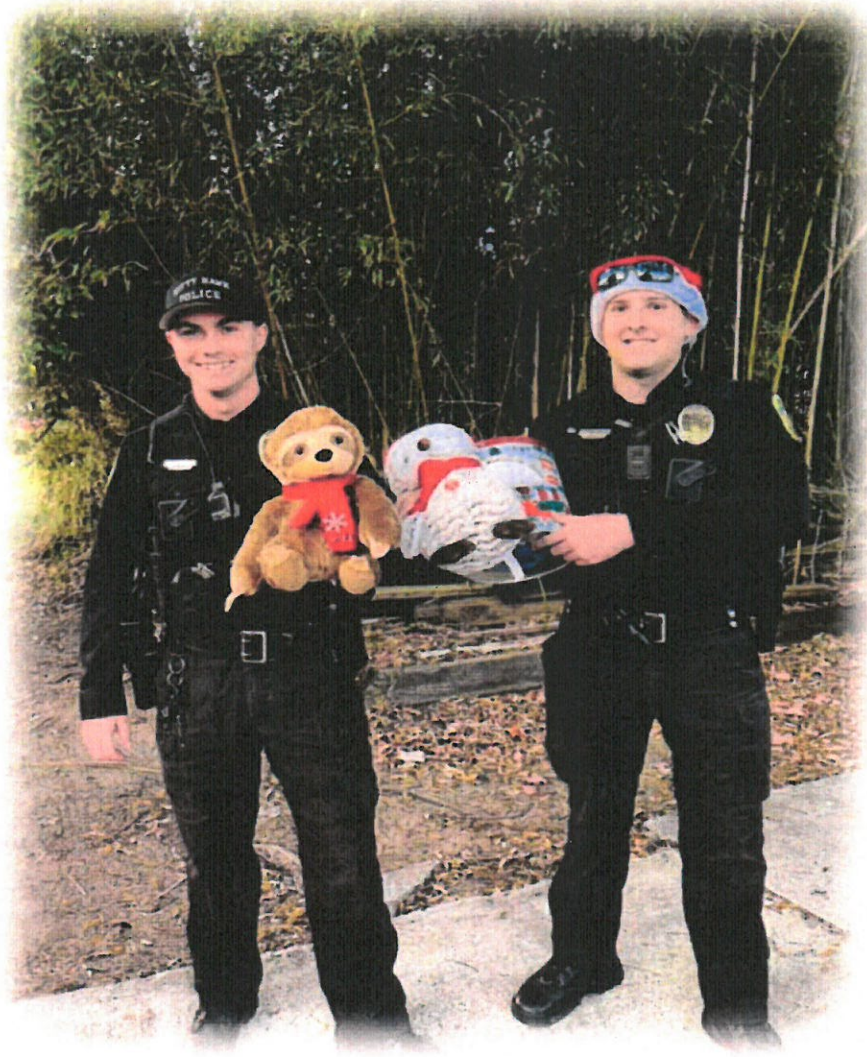
ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>TRANSPORTATION (4510)</b>					
10-4510-5195-0000	Engineering Services	9,618	600	-	-
10-4510-5199-0000	Prof. Services Engineering (pass through PB)	-	370	5,000	5,000
10-4510-5293-0000	Street Signs	-	-	-	2,000
10-4510-5295-0000	Street Maintenance and Repairs	82	2,990	-	-
10-4510-5590-0000	Street Maintenance & Repairs (pass through PB)	141,440	26,337	132,000	143,102
	Subtotal	151,141	30,297	137,000	150,102
<b>ENVIRONMENTAL SERVICES (4710)</b>					
10-4710-5690-0000	Chipping Contracted Services	10,075	13,485	16,000	16,000
10-4710-5691-0000	Solid Waste Collection	967,296	1,075,082	1,200,000	1,200,000
	Subtotal	977,371	1,088,567	1,216,000	1,216,000
<b>TOTAL PUBLIC WORKS EXPENDITURES</b>		<b>2,520,910</b>	<b>1,933,908</b>	<b>2,103,269</b>	<b>2,217,004</b>



## 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,



**POLICE DEPARTMENT OPERATING EXPENDITURES**

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

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>PERSONNEL</b>						
10-4310-5121-0000		Salaries & Wages	968,231	1,003,659	1,070,636	1,195,509
10-4310-5121-0000		Part time Salaries	-	-	2,500	2,500
10-4310-5122-0000		Overtime	14,689	19,632	15,000	15,000
10-4310-5181-0000		FICA	69,532	71,577	89,998	92,604
10-4310-5182-0000		Retirement Contribution	140,822	117,742	138,488	161,183
10-4310-5183-0000		Health Insurance	266,706	288,343	365,733	373,974
10-4310-5184-0000		401K- State Mandate 5%	-	-	49,307	57,403
10-4310-5184-0000		401K 2%	9,404	62,560	21,758	24,210
		Subtotal	1,469,383	1,563,513	1,753,420	1,922,383
<b>PROFESSIONAL SERVICES</b>						
10-4310-5193-0000		Medical & Physicals	4,995	7,134	6,000	6,000
10-4310-5199-0000		Architectual Services - New Station	6,250	-	-	-
		Subtotal	11,245	7,134	6,000	6,000
<b>OPERATING</b>						
10-4310-5212-0000		Uniforms	12,518	15,830	13,000	18,000
10-4310-5220-0000		Employee Events	745	1,342	2,500	2,500
10-4310-5250-0000		Vehicle Supplies- Fuel	28,957	26,827	30,000	36,000
10-4310-5299-0000		Supplies Departmental	7,810	10,821	9,000	11,000
10-4310-5310-0000		Travel & Training	8,937	18,925	15,000	20,000
10-4310-5321-0000		Telephone, Communications , Email	18,265	21,296	31,000	31,000
10-4310-5325-0000		Postage	1,225	1,379	1,800	1,500
10-4310-5330-0000		Utilities	4,907	5,465	6,000	6,500
10-4310-5340-0000		Printing	670	1,035	1,500	1,500
10-4310-5380-0000		Controlled Substance Enforcement	-	1,710	1,000	1,000
10-4310-5433-0000		Special Operations Rent Veh/Equip	-	4,354	1,000	-
10-4310-5440-0000		Service & Maintenance Contracts	25,163	21,874	50,000	168,816
10-4310-5491-0000		Dues and Subscriptions	1,470	1,832	1,800	1,800
10-4310-5495-0000		Dept. Of Justice Assest Forfeiture	1,153	-	1,000	1,000
10-4310-5498-0000		Controlled Substances Tax- Restricted	13,166	4,622	1,000	1,000
		Subtotal	124,987	137,309	165,600	301,616
<b>MAINTENANCE AND REPAIRS</b>						
10-4310-5352-0000		Equipment	21,085	22,268	21,000	23,000
10-4310-5353-0000		Vehicle	21,088	27,260	24,000	24,000
		Subtotal	42,172	49,528	45,000	47,000
<b>PROGRAMS AND GRANTS</b>						
10-4310-5070-0000		Governor's Crime Commission Grant	24,315	58,176	25,000	24,500
10-4310-5497-0000		Community Outreach Programs	1,080	790	1,000	3,000
		Subtotal	25,395	58,966	26,000	27,500

**POLICE DEPARTMENT OPERATING EXPENDITURES (Continued)**

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

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>CAPITAL OUTLAY</b>						
10-4310-5540-0000		Vehicles	113,471	104,690	76,000	80,000
10-4310-5550-000		Equipment	90,095	63,676	38,000	38,000
		Subtotal	203,566	168,366	114,000	118,000
<b>DEBT SERVICE</b>						
10-4310-5710-0000		Loan Principal (\$2.5 million/20 year)	-	-	71,000	-
10-4310-5720-0000		Loan Interest	-	-	29,000	-
		Subtotal	-	-	100,000	-
<b>TRANSFER TO CAPITAL RESERVE</b>						
10-4310-5921-0000		Future Police Department Building	-	2,000,000	-	1,083,583
		Subtotal	-	2,000,000	-	1,083,583
<b>POLICE DEPARTMENT</b>			<b>1,876,749</b>	<b>3,984,816</b>	<b>2,210,020</b>	<b>3,506,082</b>
10-4311-5131-0000		Separation Allowance	54,719	69,802	83,136	93,871
10-4311-5181-0000		FICA Separation Allowance	4,126	5,250	-	-
<b>SEPARATION ALLOWANCE</b>			<b>58,846</b>	<b>75,053</b>	<b>83,136</b>	<b>93,871</b>
<b>TOTAL POLICE DEPARTMENT EXPENDITURES</b>			<b>1,935,595</b>	<b>4,059,869</b>	<b>2,293,156</b>	<b>3,599,954</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 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>PERSONNEL</b>						
10-4340-5121-0000		Salaries & Wages	847,748	876,264	887,990	996,101
10-4340-5121-0000		Part time Salaries	-	-	69,973	81,090
10-4340-5121-0000		Volunteer Incentive Pay	-	-	12,000	12,000
10-4340-5122-0000		Overtime	18,066	25,341	24,000	24,000
10-4340-5181-0000		FICA	63,546	66,340	76,258	85,379
10-4340-5182-0000		Retirement Contribution	85,644	85,925	103,782	127,513
10-4340-5183-0000		Health Insurance	191,982	193,537	227,358	244,885
10-4340-5184-0000		401 K	1,998	13,065	18,240	20,402
10-4340-5185-0000		Firefighter Pension Fund	-	2,730	5,220	5,220
		Subtotal	1,208,984	1,263,203	1,424,821	1,596,590
<b>PROFESSIONAL SERVICES</b>						
10-4340-5193-0000		Medical & Physicals	9,888	7,278	13,500	13,500
		Subtotal	9,888	7,278	13,500	13,500
<b>OPERATING</b>						
10-4340-5212-0000		Uniforms & Personal Protective Equipment	18,644	12,998	19,500	21,000
10-4340-5250-0000		Vehicle Supplies- Gas & Oil	10,038	10,926	11,050	13,500
10-4340-5299-0000		Supplies Departmental	14,397	14,538	15,000	16,000
10-4340-5310-0000		Travel & Training	11,617	13,806	15,000	16,000
10-4340-5321-0000		Telephone, Communications , Email	20,355	18,607	18,500	21,000
10-4340-5325-0000		Postage	125	73	250	250
10-4340-5330-0000		Utilities	11,886	11,650	15,000	15,000
10-4340-5440-0000		Service & Maintenance Contracts	9,298	9,309	10,500	12,000
10-4340-5491-0000		Dues and Subscriptions	2,159	2,081	2,350	2,350
		Subtotal	98,519	93,989	107,150	117,100
<b>MAINTENANCE AND REPAIRS</b>						
10-4340-5352-0000		Equipment	11,555	18,760	13,000	15,000
10-4340-5353-0000		Vehicle	44,445	52,774	40,000	45,000
		Subtotal	56,001	71,534	53,000	60,000
<b>CAPITAL OUTLAY</b>						
10-4340-5540-0000		Vehicles	-	671,866	-	-
10-4340-5550-0000		Equipment	-	26,777	-	-
10-4340-5550-0000		Fire Safety Gear	-	-	25,000	30,000
10-4340-5550-0000		Training Equipment	155,185	-	45,000	-
		Subtotal	155,185	698,643	70,000	30,000
<b>TRANSFER TO CAPITAL RESERVE</b>						
10-4340-5921-0000		Future Fire Truck Reserve	-	500,000	30,575	25,000
10-4340-5921-0000		800 mhz - Radio Replacement	-	25,000	25,000	-
		Subtotal	-	525,000	55,575	25,000
<b>TOTAL FIRE DEPARTMENT EXPENDITURES</b>			<b>1,528,577</b>	<b>2,659,647</b>	<b>1,724,046</b>	<b>1,842,190</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 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>PERSONNEL</b>						
10-4370-5121-0000		Salaries & Wages	111,708	122,060	144,813	144,814
10-4370-5181-0000		FICA	8,546	9,337	11,078	11,078
10-4370-5183-0000		Health Insurance Contribution	49	49	-	-
		Subtotal	120,303	131,446	155,891	155,892
<b>PROFESSIONAL SERVICES</b>						
10-4370-5193-0000		Medical & Physicals	55	935	1,500	1,500
		Subtotal	55	935	1,500	1,500
<b>OPERATING</b>						
10-4370-5212-0000		Uniforms	4,286	3,976	4,200	4,500
10-4370-5250-0000		Vehicle Supplies- Gas & Oil	1,896	2,677	3,000	3,200
10-4370-5299-0000		Departmental Supplies	4,464	4,652	5,200	5,400
10-4370-5310-0000		Travel & Training	380	918	750	800
10-4370-5321-0000		Telephone, Communications , Email	106	117	1,000	1,000
10-4370-5340-0000		Printing	574	630	650	700
10-4370-5433-0000		ATV Lease	4,000	4,361	5,400	5,500
10-4370-5491-0000		Dues and Subscriptions	30	-	100	100
		Subtotal	15,737	17,332	20,300	21,200
<b>MAINTENANCE AND REPAIRS</b>						
10-4370-5352-0000		Equipment	1,779	1,498	1,500	1,600
10-4370-5353-0000		Vehicle	410	2,312	2,000	2,150
		Subtotal	2,189	3,810	3,500	3,750
<b>TOTAL OCEAN RESCUE DEPARTMENT EXPENDITURES</b>			<b>138,284</b>	<b>153,522</b>	<b>181,191</b>	<b>182,342</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 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>PROFESSIONAL SERVICES</b>						
10-4410-5195-0000		Beach Profile Survey	107,080	67,612	60,000	60,000
		Subtotal	107,080	67,612	60,000	60,000
<b>OPERATING</b>						
10-4410-5006-0000		Dare County Collection Fee - (BN and MSD)	15,617	16,809	16,000	17,000
10-4410-5598-0000		Dune Walk Over Repair/Replacements	-	-	-	50,000
		Subtotal	15,617	16,809	16,000	67,000
<b>DEBT SERVICE</b>						
10-4410-5710-0000		Principal	1,999,800	1,999,800	1,999,800	1,004,086
10-4410-5720-0000		Interest	94,991	56,995	18,998	93,982
		Subtotal	2,094,791	2,056,795	2,018,798	1,098,068
<b>TRANSFER TO CAPITAL RESERVE</b>						
10-4410-5921-0000		Excess Beach Nourishment Collections	110,093	257,817	196,111	239,697
		Subtotal	110,093	257,817	196,111	239,697
<b>TOTAL BEACH NOURISHMENT EXPENDITURES</b>			<b>2,327,581</b>	<b>2,399,033</b>	<b>2,290,909</b>	<b>1,464,765</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

**PLANNING & INSPECTIONS DEPARTMENT OPERATING EXPENDITURES**

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

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>PERSONNEL</b>						
10-4910-5121-0000		Salaries & Wages	192,254	199,305	202,487	220,588
10-4910-5181-0000		FICA	14,078	14,571	15,564	17,022
10-4910-5182-0000		Retirement Contribution	19,391	20,307	23,043	27,132
10-4910-5183-0000		Health Insurance	44,224	44,149	50,825	48,425
10-4910-5184-0000		401K	600	3,761	4,050	4,412
		Subtotal	270,546	282,092	295,969	317,579
<b>PROFESSIONAL SERVICES</b>						
10-4910-5195-0000		Professional Services- Engineering	-	-	2,000	2,000
10-4910-5199-0000		Prof . Serv.- contracted Inspections Services	450	-	800	800
		Subtotal	450	-	2,800	2,800
<b>OPERATING</b>						
10-4910-5212-0000		Uniforms	158	136	200	200
10-4910-5250-0000		Gas and Oil	1,454	2,507	1,760	2,500
10-4910-5299-0000		Supplies Departmental	1,261	1,313	2,200	2,000
10-4910-5310-0000		Travel & Training	4,977	1,127	2,750	3,500
10-4910-5321-0000		Telephone, communications , Email	1,319	1,311	1,250	1,350
10-4910-5325-0000		Postage	1,962	90	2,300	2,300
10-4910-5340-0000		Printing	2,202	-	2,000	2,000
10-4910-5370-0000		Advertising	160	386	800	500
10-4910-5440-0000		Service & Maintenance Contracts	2,000	4,110	4,000	4,000
10-4910-5441-0000		Condemnation & Demolition	19,563	-	-	-
10-4910-5491-0000		Dues and Subscriptions	932	1,121	2,000	1,500
10-4910-5693-0000		Homeowner Recovery Fees	648	972	800	800
		Subtotal	36,635	13,073	20,060	20,650
<b>MAINTENANCE AND REPAIRS</b>						
10-4910-5353-0000		Vehicle	1,358	1,768	2,500	2,500
		Subtotal	1,358	1,768	2,500	2,500
<b>CAPITAL OUTLAY</b>						
10-4910-5352-0000		Land Use Plan Update	-	-	-	25,000
		Subtotal	-	-	-	25,000
<b>TRANSFER TO CAPITAL RESERVE</b>						
10-4910-5921-0000		Land Use Plan Update Reserve	5,000	-	-	-
		Subtotal	5,000	-	-	-
<b>TOTAL PLANNING &amp; INSPECTIONS EXPENDITURES</b>			<b>313,989</b>	<b>296,933</b>	<b>321,329</b>	<b>368,529</b>

# Planning Board



# PLANNING BOARD OPERATING EXPENDITURES

## GENERAL FUND - 10 / DEPARTMENT DETAIL - 4980

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 19/20	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>PERSONNEL</b>						
10-4980-5121-0000		Member Compensation	2,000	3,500	8,400	5,000
10-4980-5181-0000		FICA	153	268	643	1,000
		Subtotal	2,153	3,768	9,043	6,000
<b>PROFESSIONAL SERVICES</b>						
10-4980-5396-0000		Transcriptions	560	510	2,500	2,000
		Subtotal	560	510	2,500	2,000
<b>OPERATING</b>						
10-4910-5310-0000		Travel & Training	-	-	500	500
		Subtotal	-	-	500	500
<b>TOTAL PLANNING BOARD EXPENDITURES</b>			<b>2,713</b>	<b>4,278</b>	<b>12,043</b>	<b>8,500</b>

# Board of Adjustment

# **BOARD OF ADJUSTMENT OPERATING EXPENDITURES**

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

ACCT. NO.	Project Code	EXPENDITURE CLASSIFICATION	ACTUAL FY 19/20	ACTUAL FY 19/20	BUDGET FY 20/21	BUDGET FY 22/23
<b>PERSONNEL</b>						
10-4990-5121-0000		Member Compensation	-	-	1,500	1,500
10-4990-5181-0000		FICA	-	-	102	102
		Subtotal	-	-	1,602	1,602
<b>PROFESSIONAL SERVICES</b>						
10-4990-5192-0000		Professional Services Legal	-	-	1,500	1,500
10-4990-5396-0000		Contracted Services Transcriptions	-	-	750	750
		Subtotal	-	-	2,250	2,250
<b>OPERATING</b>						
10-4990-5310-0000		Travel & Training	-	-	250	250
10-4990-5370-0000		Advertising	-	-	150	150
		Subtotal	-	-	400	400
		<b>TOTAL BOARD OF ADJUSTMENT EXPENDITURES</b>	-	-	<b>4,252</b>	<b>4,252</b>



# 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. Project NO. Code	ACTUAL FY 20/21	BUDGET FY 21/22	BUDGET FY 22/23
<b>REVENUES</b>			
<i>TRANSFER IN FROM THE GENERAL FUND BY DEPARTMENTS FOR THE FUTURE</i>			
4100 Fiber Optic Phone System Replacement	-	5,000	-
4270 Fuel Storage Tank	-	12,000	-
4270 Town Board Walks and Dock Repairs	8,000	10,000	10,000
4270 HVAC replacement at Fire Station	-	5,000	10,000
4270 Caterpillar Backhoe replacement	-	15,000	8,000
4310 Police Department Building	2,000,000	-	1,083,583
4340 Future Fire Truck Replacement	500,000	30,575	25,000
4340 800 mhz - Radio Replacements	25,000	25,000	-
4410 Storm Damage/ Beach Nourishment	217,915	196,111	239,697
4910 Land Use Plan Update	-	-	-
Interest Earnings	80	-	-
Capital Reserve Appropriated	-	2,030,000	20,000
<b>TOTAL RESERVE FUND REVENUES</b>	<b>2,750,995</b>	<b>2,328,686</b>	<b>1,396,280</b>
<b>EXPENSES</b>			
<i>TRANSFER OUT TO THE GENERAL FUND FROM THE RESERVE</i>			
4100 IT Development	5,000	-	-
4270 Bathhouse Repairs/Replacement	-	-	-
4310 Police Department Building	-	2,000,000	-
4340 Fire Department Truck	704,000	-	-
4340 Fire Department Training Equipment	-	30,000	-
4410 Storm Damage/Beach Nourishment	497,989	-	-
4910 Land Use Plan Update	-	-	20,000
<i>TRANSFER TO THE RESERVE FUND FOR FUTURE CAPITAL PROJECTS</i>			
Interest Earned	-	-	-
4100 Fiber Optic Phone System Replacement	-	5,000	-
4270 Bathhouse Reapirs/Replacement	-	-	-
4270 Fuel Storage Tank Replacement	-	12,000	-
4270 Town Wide Boardwalk & Storage Repair	8,000	10,000	10,000
4270 HVAC replacement at Fire Station	-	5,000	10,000
4270 Caterpillar Backhoe replacement	-	15,000	8,000
4310 New Police Department Station	2,000,000	-	1,083,583
4340 Future Fire Truck Replacement	-	30,575	25,000
4340 800 mhz - Radio Replacements	25,000	25,000	-
4410 Storm Damage/Beach Nourishment	-	196,111	239,697
4910 Land Use Plan Update	-	-	-
<b>TOTAL RESERVE FUND EXPENDITURES</b>	<b>3,239,989</b>	<b>2,328,686</b>	<b>1,396,280</b>

**CAPITAL RESERVE FUND BALANCE**

Dept.	Description	Actual FY 19/20	Actual FY 20/21	Budget FY 21/22	Budget FY 22/23	Ending Balance FY 22/23
	Interest in investments (Estimate)	4,498	80	-		
4100	IT Development	-	(5,000)	-		49,071
4100	Fiber Optic Phone System Replace.	5,000	-	5,000		35,000
4100	Document Imaging System	-	-	-		20,000
4130	Finance Software Upgrade	(10,000)	-	-		-
4270	Bathhouse Repairs/Replacement	(20,000)	-	-		-
4270	Fuel Storage Tank Replacement	12,000	-	12,000		41,000
4270	Board Walks and Dock Repairs	8,000	8,000	10,000	10,000	44,000
4270	Future Sidewalk US 158	254,000	-	-		254,000
4270	Town Park & Recreation Develop.	-	-	-		144,735
4270	HVAC Replacement at Fire Station	-	-	5,000	10,000	15,000
4270	Caterpillar Backhoe replacement	-	-	15,000	8,000	23,000
4310	Police Department Building	-	2,000,000	(2,000,000)	1,083,593	1,203,593
4340	Fire Truck & Equipment	100,000	(204,000)	30,575	25,000	55,736
4340	Fire Department Air Compressor	(40,000)	-	-	-	-
4340	Fire Department Training Equip.	15,000	-	(30,000)		-
4340	800 mhz- Radio Replacements	-	25,000	25,000	-	50,000
4410	Storm Damage /Beach Nourish.	63,979	(258,584)	196,111	239,697	2,377,999
4910	Land Use Plan Update	5,000	-	-	(20,000)	-
<b>Total</b>		<b>397,477</b>	<b>1,565,496</b>	<b>(1,731,314)</b>	<b>1,356,290</b>	<b>4,313,133</b>



**Debt Policy & Schedule**

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 Beach Renourishment 2022 Project which was established by the adoption of Capital Project Ordinance No. 21-01, 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 31% of the principal and interest payments yearly. The final payment of the initial Beach Nourishment project will be paid in 2026.

**Debt Policy & Schedule****BEACH NOURISHMENT**

Fund	Project	Loan Origination Date	Original Loan Amount	FY 22/23 Principal & Interest	Outstanding Principal Balance	Expected Pay-Off Date
Beach Nourishment Fund	Beach Nourishment	12/14/21	5,020,429	1,098,068	3,012,257	12/14/26
<b>Total Payments by Fund</b>						
	Beach Nourishment Fund			1,098,068		

**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.

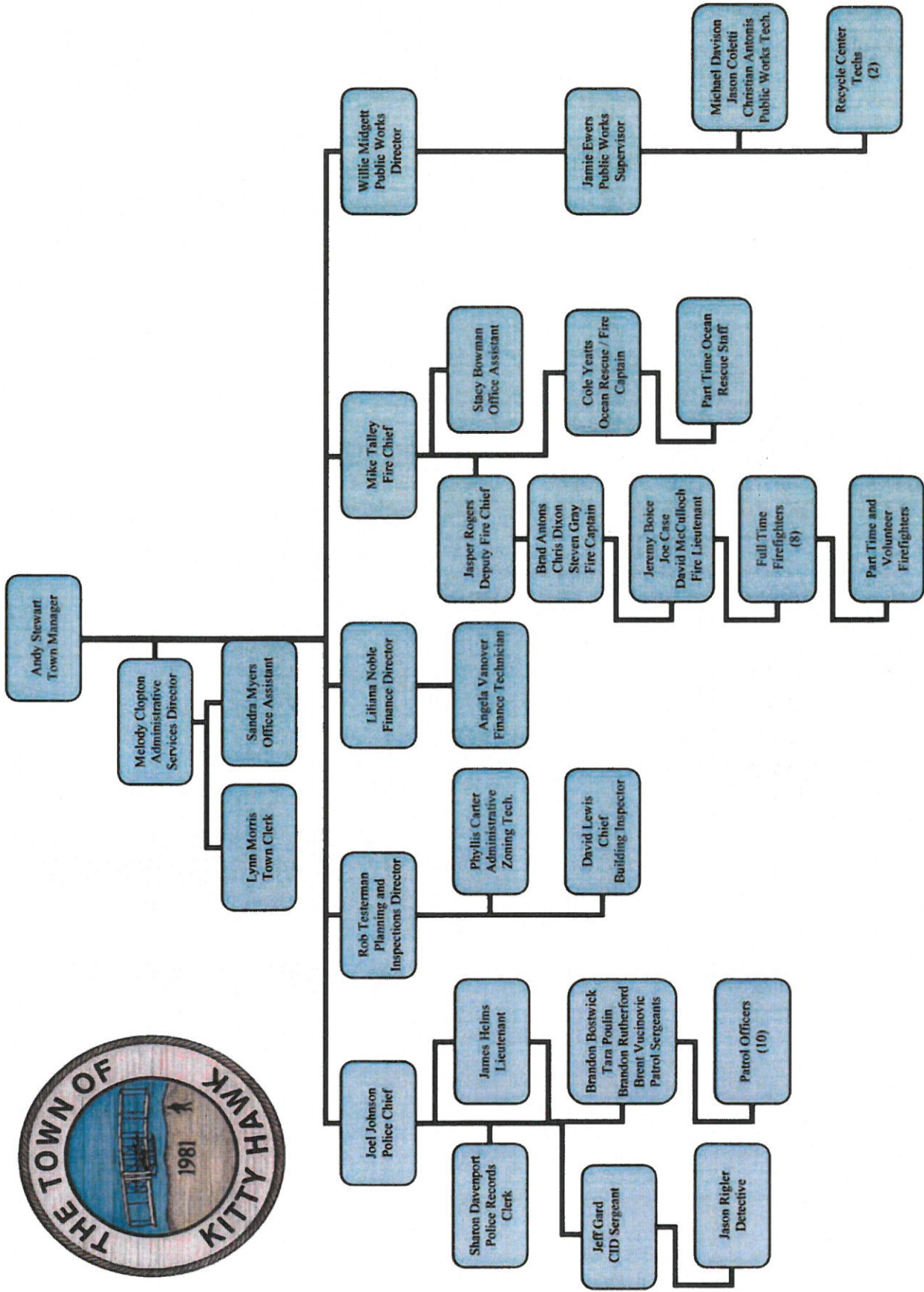
**G.S. 159-13 The budget ordinance**

- (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 three 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.
3. **Capital Project Fund**, established for the construction or acquisition of capital assets (capital projects) or for projects that are financed in whole or at least in part by bonds, notes, or debt instruments.





<u>Grade</u>	<u>Position</u>	<u>Minimum</u>	<u>Maximum</u>
55	Public Works Technician Police Records Clerk Office Assistant/Receptionist	\$36,276.56	\$57,526.74
56		\$38,185.85	\$60,554.46
57		\$40,195.63	\$63,741.54
58		\$42,311.19	\$67,096.35
59	Police Officer I* Firefighter I Public Works Supervisor	\$44,538.10	\$70,627.74
60	Police Officer II* Firefighter Engineer Administrative Zoning Technician Administrative Records Technician Finance Technician	\$46,882.21	\$74,344.99
61	Police Officer III* & Master Police Officer Master Firefighter	\$49,349.69	\$78,257.88
62	Detective I & II Fire Lieutenant	\$51,947.05	\$82,376.72
63	Police Sergeant I & II Fire Captain Ocean Rescue Director **	\$54,681.10	\$86,714.34
64	Building Official Town Clerk**	\$57,559.05	\$91,276.15

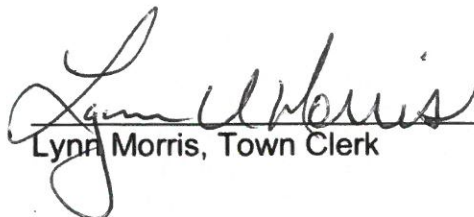
*\*Position starting pay is above Step 1 on Pay Scale*

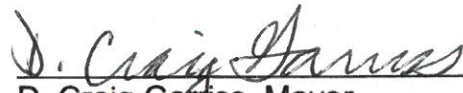
*\*\*Exempt position as defined by the Fair Labor Standards Act (FLSA)*

<u>Grade</u>	<u>Position</u>	<u>Minimum</u>	<u>Maximum</u>
65		\$60,588.48	\$96,080.15
66	Police Lieutenant	\$63,777.35	\$101,137.00
67		\$67,134.05	\$106,460.00
68		\$70,667.42	\$112,063.16
69	Finance Officer** Administrative Services Director** (Formerly Management Assistant) Deputy Fire Chief **	\$74,386.76	\$117,961.22
70	Director of Planning and Inspections** Public Works Director**	\$78,301.85	\$124,169.71
71	Police Chief ** Fire Chief**	\$82,423.00	\$130,704.96
72	Town Manager**	\$86,544.15	\$137,240.20

Approved by the Kitty Hawk Town Council this 6<sup>th</sup> day of June 2022.

(SEAL)

  
Lynn Morris, Town Clerk

  
D. Craig Garriss, Mayor



## Retiree Health and Separation Allowance

<p align="center"><b>Approved Positions for FY 2022-2023</b></p>
--

Department	Full-Time	Part-Time
Administration	4	0
Finance	2	0
Planning & Inspections	3	0
Public Works	5	2
Police	18	2
Fire	16	6
<b>Total</b>	<b>48</b>	<b>10</b>

Longevity Awards	
<b>Total</b>	\$4,000.00
<b>Last Year Longevity Award</b>	<b>\$12,000</b>
<b>Total Change</b>	<b>\$8,000</b>

Retiree Insurance			
Retiree Health Insurance Payments for FY 2022-2023			
	Health	Life	Total
<b>Total</b>	<b>\$87,356.00</b>	<b>\$266.00</b>	<b>\$87,622.00</b>

Separation Allowance		
Separation Allowance 2022-23		
	Monthly	Annual
<b>Total</b>	<b>\$7,694.14</b>	<b>\$93,871.00</b>

## Fee Schedule

Item	Fee
<b>Town Merchandise</b>	
Town of Kitty Hawk Hats	\$19.00
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>	
Copies from Town Copy Machine	\$0.25 per page
Zoning Maps	\$3.25
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	\$30.00
Horse Registration Annual	\$10.00 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
Handicapped Parking Violation	\$100.00
All other Parking Violations	\$25.00
<b>Fire Department</b>	



## Fee Schedule

Item	Fee
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 a 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	\$50.00
Zoning Compliance – Commercial	\$100.00
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>	<b>\$125/unit</b>
<b>Garbage / Trash can fee</b>	
	1 Can (<3 br)– \$125.00 2 Cans (4 to 6 br) - \$215.00 3 Cans (7 to 9 br) - \$300



## Fee Schedule

Item		Fee
<b>Special Use Permits</b>		
	Special Use Permit	\$300.00
	SUP- Family Dare Care	\$50.00
	SUP- 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)	\$50.00
	Residential Erosion and Sedimentation Control Permit(5,500 sq. ft. or greater)	\$100.00
	Commercial Erosion and Sedimentation Control Permit(5,500 sq. ft. or greater)	\$0.05/sq. ft. of disturbed area,\$1,000 maximum
<b>Signs</b>		
Zoning	New Sign	\$50.00
	Temporary Sign /Banner	\$25.00+\$50.00 deposit
	Change of sign Face	\$25.00
Building	New Sign w/o electric	\$55.00
	New Sign w/electric	\$110.00
<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 – Planning</b>		
	Pre- Planning Board Review	\$75% refund



## Fee Schedule

Item	Fee
If planning Board has begun review	\$50% refund
Pre-Council Review	\$25% refund
<b>Miscellaneous Permits and Fees</b>	
Sprinkler System	\$100.00
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 \$85.00 per square foot, for permitting purposes. Minimum 24 hours requested for inspections.	
1.First \$1,000 of estimated cost(minimum fee)-\$55.00, plus per \$1,000 after the first(round up to the next\$1,000) (\$5.00/\$1,000)	
2.Above –ground Swimming Pool	\$100 plus cost of electric
3.Building Demolition – Per Building	Residential \$100.00 Commercial \$200.00
4.Day Care, ABC License, inspections, etc.	\$75.00
5.Moving a Building and /or Approved, labeled Modular Unit	\$350.00
6.Manufactured mobile home (includes building, electrical, plumbing and mechanical fees	Single Wide \$250.00 Double Wide \$300.00
<b>Insulation</b>	
1.Minimum permit fee applies to each dwelling	\$55.00/unit and /or tenant space
<b>Plumbing</b>	
1.Minimum Permit fee applies to each dwelling unit and /or tenant space	\$55.00, plus \$5.00 per fixture, trap or similar device.
<b>Gas</b>	



## Fee Schedule

Item	Fee
1.Minimum permit fee applies to each dwelling unit/or tenant space	\$55.00, plus \$5.00 per gas outlet/connection
<b>Mechanical</b>	
1.Walk –in cooler or freezer; Commercial cooking	\$75.00/hood
2.Heating, air- conditioning and /or combination unit Change Out	\$75.00 per unit, plus per fire, radiation and/or smoke damper-\$5.00
3. New HVAC Installation (Not New Construction)	\$55.00 plus electrical
3.Minimum Permit Fee	\$55.00 plus Non-walk in cooler, freezer, and/or other equipment
<b>Electrical</b>	
1.Temporary Service	\$55.00
2.Temporary Service w/construction site trailer	\$100.00
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	\$55.00, 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	\$35 plus \$0.10 for each additional opening over 100
5b. Sub-panel , Transformer, Generator	\$50.00 each
5c. Baseboard heaters(per thermostat) Signs, Fuel dispensers, "freestanding" per parking light poles, Manufactured Home Pedestals	Minimum + \$6.00 each
5d. In- ground swimming pools & solar panels	Minimum + \$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 - Building</b>	
Permit Refund	\$55.00 processing fee
Permit Renewal	\$100.00
Permit Transfer	\$100.00
Re-Inspections Fee	\$55.00
Negligence Fee	\$100.00/trade
Work Without Permit	\$Double Permit Fees
Stop Work Order Fee	50.00



## Fee Schedule

Item		Fee
Homeowner Recovery fee		\$10.00
Commercial Change of Use		\$55.00
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 2022 to 2027



<u>Section</u>	<u>Page No.</u>
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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

Dept.	Description	Actual FY 19/20	Actual FY 20/21	Budget FY 21/22	Budget FY 22/23	Ending Balance FY 22/23
	Interest in investments (Estimate)	4,498	80	-		
4100	IT Development	-	(5,000)	-		49,071
4100	Fiber Optic Phone System Replace.	5,000	-	5,000		35,000
4100	Document Imaging System	-	-	-		20,000
4130	Finance Software Upgrade	(10,000)	-	-		-
4270	Bathhouse Repairs/Replacement	(20,000)	-	-		-
4270	Fuel Storage Tank Replacement	12,000	-	12,000		41,000
4270	Board Walks and Dock Repairs	8,000	8,000	10,000	10,000	44,000
4270	Future Sidewalk US 158	254,000	-	-		254,000
4270	Town Park & Recreation Develop.	-	-	-		144,735
4270	HVAC Replacement at Fire Station	-	-	5,000	10,000	15,000
4270	Caterpillar Backhoe replacement	-	-	15,000	8,000	23,000
4310	Police Department Building	-	2,000,000	(2,000,000)	1,083,593	1,203,593
4340	Fire Truck & Equipment	100,000	(204,000)	30,575	25,000	55,736
4340	Fire Department Air Compressor	(40,000)	-	-	-	-
4340	Fire Department Training Equip.	15,000	-	(30,000)		-
4340	800 mhz- Radio Replacements	-	25,000	25,000	-	50,000
4410	Storm Damage /Beach Nourish.	63,979	(258,584)	196,111	239,697	2,377,999
4910	Land Use Plan Update	5,000	-	-	(20,000)	-
<b>Total</b>		<b>397,477</b>	<b>1,565,496</b>	<b>(1,731,314)</b>	<b>1,356,290</b>	<b>4,313,133</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 22/23. 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.



<b>5 YEAR CAPITAL IMPROVEMENTS</b>						
Project Name	Funding	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27
<b>Non-Departmental (4100)</b>						
No Requests		-	-	-	-	-
<b>TOTAL NON-DEPARTMENTAL</b>		-	-	-	-	-
<b>Finance (4130)</b>						
No Requests	Operating	-	-	-	-	-
<b>TOTAL FINANCE</b>		-	-	-	-	-
<b>Public Works (4270)</b>						
Town Hall Septic Replacement	Operating	-	20,000	-	-	-
Fire Department - Exterior Paint	Operating	-	30,000	-	-	-
Vehicle Replacement(s)	Operating	36,000		36,000	-	36,000
Boardwalks and Docks Repairs	Reserve	10,000	10,000	10,000	10,000	-
Replacement Pruitt Park Playground	Operating	30,000	-	-	-	-
Mower Attachment Replacement	Operating	18,000	-	-	-	-
HVAC Replacements Fire Station	Reserve	10,000	5,000	5,000	5,000	-
Replacement Caterpillar Backhoe	Reserve	8,000	5,000	5,000	5,000	-
<b>TOTAL PUBLIC WORKS</b>		<b>112,000</b>	<b>70,000</b>	<b>56,000</b>	<b>20,000</b>	<b>36,000</b>
<b>Police (4310)</b>						
Police Equipment	Operating	38,000	70,000	56,000	44,000	48,000
Vehicles Replacement(s)	Operating	80,000	116,000	118,000	120,000	122,000
<b>TOTAL POLICE</b>		<b>118,000</b>	<b>186,000</b>	<b>174,000</b>	<b>164,000</b>	<b>170,000</b>
<b>Fire (4340)</b>						
Self Contained Breathing Apparatus	Operating	-	24,000	-	-	30,000
Gym Equipment	Reserve		6,000	-	-	2,000
Bunker Gear Replacement	Operating	30,000	-		-	-
Replacement Fire Truck	Reserve	25,000	50,000	50,000	50,000	50,000
Fire Equipment	Operating	-	25,000	-	25,000	-
Vehicle Replacement	Operating	-	50,000	-	-	50,000
<b>TOTAL FIRE</b>		<b>55,000</b>	<b>155,000</b>	<b>50,000</b>	<b>75,000</b>	<b>132,000</b>
<b>Ocean Rescue (4370)</b>						
Truck Replacement	Operating	-	37,000	-	-	-
Jet Ski Replacement	Operating	-	13,000	-	-	-
<b>TOTAL OCEAN RESCUE</b>		-	<b>50,000</b>	-	-	-
<b>Planning (4910)</b>						
Update Land Use Plan	Operating	25,000	3,000	3,000	3,000	3,000
<b>TOTAL PLANNING</b>		<b>25,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>	<b>3,000</b>
<b>Powell Bill Funds</b>						
Streets Resurfing Project	Operating	143,102	120,000	120,000	120,000	120,000
<b>TOTAL POWELL BILL</b>		<b>143,102</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>453,102</b>	<b>584,000</b>	<b>403,000</b>	<b>382,000</b>	<b>461,000</b>

**Capital Improvements Plan  
Department Project Requests**

**Fiscal Year 2022/2023 to 2026/2027**

**Non – Departmental**

**No Requests**

**Finance Department**

**No Requests**

**Public Works Department**

**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 manhole 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 2023-2024      \$20,000

**Funding:** 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 2023-2024        \$30,000

**Funding:** Operating Revenue

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

**Project/Item Description:** Truck Replacement(s)

**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 2022-2023        \$36,000  
                                 FY 2024-2025        \$36,000  
                                 FY 2026-2027        \$36,000

**Funding:** 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.

**Estimated Cost:**        FY 2022-2023        \$10,000  
                                 FY 2023-2024        \$10,000  
                                 FY 2024-2025        \$10,000  
                                 FY 2025-2026        \$10,000

**Funding:** Reserve



### **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.

**Estimated Cost:**        FY 2022-2023        \$30,000

**Funding:** Operating Revenue

### **Mower Attachment Replacement**

**Description of the Project or Item(s):** Replace Blower Attachment for Mower

**Justification:** The Town has multiple walking trails that require routine maintenance to keep free of vegetative debris and sand. The Blower Attachment will automate blowing of these walking trails.

**Estimated Cost:**        FY 2022-2023        \$18,000

**Funding:** Operating Revenue

### **HVAC Replacements Fire Station**

**Description of the Project or Item(s):** The Fire Station has five (5) commercial HVAC units. Units are currently operational but will require replacement in future.

**Justification:** Age of Fire Station will require HVAC replacement at some point in the future.

<b>Estimated Cost:</b>	FY 2022-2023	10,000
	FY 2023-2024	\$5,000
	FY 2024-2025	\$5,000
	FY 2025-2026	\$5,000

**Funding:** Reserve

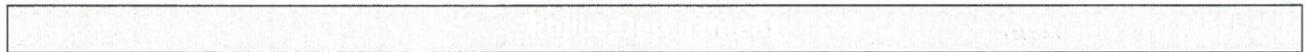
### **Backhoe Replacement Reserve**

**Description of the Project or Item(s):** Replace 2007 Caterpillar Backhoe

**Justification:** Backhoe will be 20 years old in 2027.

<b>Estimated Cost:</b>	FY 2022-2023	\$8,000
	FY 2023-2024	\$5,000
	FY 2024-2025	\$5,000
	FY 2025-2026	\$5,000

**Funding:** Reserve



### **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. Expenses may be deferred by funds received from the Governor's Highway Safety Program LEL Grant and other grants.

<b>Estimated Cost:</b>	FY 2022-2023	\$38,000
	FY 2023-2024	\$70,000
	FY 2024-2025	\$56,000
	FY 2025-2026	\$44,000
	FY 2026-2027	\$48,000

**Funding:** 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 along with laptops.

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 2022-2023	\$ 80,000 (2 patrol vehicles)
	FY 2023-2024	\$116,000 (3 patrol vehicles)
	FY 2024-2025	\$118,000 (3 patrol vehicles)
	FY 2025-2026	\$120,000 (3 patrol vehicles)
	FY 2026-2027	\$122,000 (3 patrol vehicles)

**Funding:** Operating Revenue

## Fire Department

### **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	\$24,000
	FY 2026-2027	\$30,000

**Funding:** 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.

<b>Estimated Cost:</b>	FY 2023-2024	\$6,000
	FY 2026-2027	\$2,000

**Funding:** 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.

<b>Estimated Cost:</b>	FY 2022-2023	\$30,000
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**Funding:** Operating Revenue

### **Future Fire Truck Purchase & Future Reserve**

**Description of the Project or Item(s):** The reserve is being established to replace fire engines on a more routine basis and to ensure funds are available when equipment is beyond useful life.

**Justification:** The Town approved purchase of a new pumper truck to replace the 1990 Grunman which is beyond it's useful life. The Fire Department is requesting funds to be set aside to ensure funds are available when future engines are beyond their useful life.

<b>Estimated Cost:</b>	FY 2022-2023	\$25,000
	FY 2023-2024	\$50,000
	FY 2024-2025	\$50,000
	FY 2025-2026	\$50,000
	FY 2026-2027	\$50,000

**Funding:** Operating Revenue

### **Fire Equipment**

**Description of the Project or Item(s):** Purchase 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 2023-2024	\$25,000
	FY 2025-2026	\$25,000

**Funding:** Operating Revenue.

**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	\$25,000
	FY 2023-2024	\$25,000

**Funding:** Operating Revenue.

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

**Project/Item Description:** Replace 2014 Ford Expedition

**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.

<b>Estimated Cost:</b>	FY 2023-2024	\$50,000
	FY 2026-2027	\$50,000

**Funding:** Operating Revenue

**Operating Revenue**

**Vehicle Replacement(s)**

**Description of the Project or Item(s):** 4x4 Truck Replacement

**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 2023-2024        \$37,000

**Funding:** Operating Revenue

**Jet Ski Replacement**

**Description of the Project or Item(s):** Jet Ski

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

**Estimated Cost:**        FY 2023-2024        \$13,000

**Funding:** Operating Revenue

**Operating Revenue**

**Update the Land Use Plan**

**Project/Item Description:** Future Land Use Plan Update

**Justification:** Plan required to be updated every 5-10 years, budgeting \$3,000 per year in the CIP for the next 10 years will have \$30,000 set aside to be dedicated to a 2032/2033 future land use plan update.

**Estimated Cost:**        FY 2022-2023        \$25,000  
                                 FY 2023-2024        \$3,000



FY 2024-2025	\$3,000
FY 2025-2026	\$3,000
FY 2026-2027	\$3,000

**Funding:** Operating Revenue



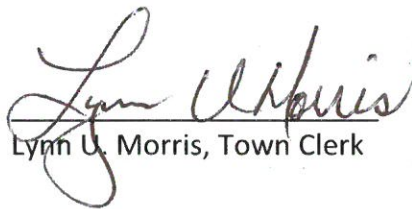
### **Road Resurfacing**

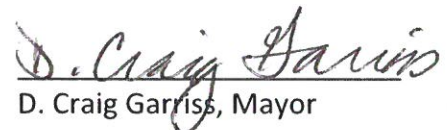
**Project/Item Description:** Annual resurfacing program as determined by Public Works Director.

<b>Estimated Cost:</b>	FY 2022-2023	\$143,102
	FY 2023-2024	\$120,000
	FY 2024-2025	\$120,000
	FY 2025-2026	\$120,000
	FY 2026-2027	\$120,000

**Funding:** State Funded

Adopted by the Kitty Hawk Town Council this 6<sup>th</sup> day of June 2022.

  
Lynn U. Morris, Town Clerk

  
D. Craig Garriss, Mayor