




FISCAL YEAR 2026-2027 **DRAFT** BUDGET



Our vision for tomorrow starts today

Elected Officials:

	Mayor	Charlotte Walker
	Mayor Pro Tem	Jeff Pruitt
	Councilman	David Hines
	Councilman	Peter Mantz
	Councilman	Dylan Tillett

Leadership Team:

Town Manager
Administrative Services Director
Finance Director
Fire Chief
Planning & Inspections Director
Police Chief
Public Works Director
Town Clerk

Melody Clopton
Laura Walker
Liliana Noble
Mike Talley
Rob Testerman
Mike Palkovics
William Midgett
Lauren Garrett

Town Attorney

Casey Varnell

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MISSION STATEMENT

The Town of Kitty Hawk emphasizes community involvement, family values, and responsible use of town resources. Our top priorities include preserving the town's rich history, enhancing natural resources, and promoting resilience. We are committed to striking a balance between the needs of our year-round residents, property owners and visitors, while continuously improving the quality of coastal living.

VISION STATEMENT

We are committed to maintaining the tradition of persistence and innovation that has been the foundation of our community for centuries. We aim to be highly skilled, adaptable, and resilient so that we can successfully navigate through any challenges that come our way. We will follow our TIDES to create abundant opportunities for our team and community.

CORE VALUES

- Teamwork
- Integrity
- Dedication
- Engagement
- Service

We are guided by our TIDES



TOWN STRATEGIC MISSION

The Town of Kitty Hawk is dedicated to sustaining a community-focused, family-oriented coastal community that values stewardship, natural resources, and heritage. We work to enhance public safety and preparedness, practice transparent and effective governance, and actively engage our community in shaping the town's future. By protecting our natural resources, strengthening environmental resiliency, and preserving our unique cultural history, we support a vibrant coastal lifestyle through collaboration and thoughtful planning, balancing the needs of residents and visitors and continually enhancing quality of life in our Outer Banks community.

TOWN PRIORITIES

- **Public Safety**
Protect the well-being of residents and visitors through proactive services, preparedness, and strong partnerships.
 - **Financial Responsibility**
Manage public resources wisely to ensure long-term stability, transparency, and value for taxpayers.
 - **Coastal Resiliency**
Strengthen our community's ability to adapt to coastal challenges and protect natural and built environments.
 - **Responsible Development**
Guide growth in ways that reflect community values, supports sustainability, and enhances quality of life.
 - **Investment in Community**
Support infrastructure, services, businesses, and amenities that enrich daily life and foster connection.
 - **Cultural Heritage**
Honor and protect the history, character, and traditions that define our community
-



BUDGET MESSAGE

May 4, 2026

Honorable Mayor Charlotte Walker
Esteemed Members of Kitty Hawk Town Council, Mayor Pro Tempore Jeff Pruitt, Councilman David Hines, Councilman Dylan Tillett, and Councilman Peter Mantz

Dear Mayor Walker and esteemed members of the Kitty Hawk Town Council,

A vision for tomorrow starts today. With that guiding principle, I am pleased to present the Fiscal Year 2027 budget. This budget reflects a collaborative effort between council and staff to thoughtfully plan for the future while meeting the needs of today. It balances the delivery of high-quality services with a commitment to efficiency, fiscal responsibility, and long-term sustainability. Our focus remains on maintaining a strong financial foundation that supports growth, enhances public safety, and delivers essential services without placing undue burden on our residents.

This year's budget is built around the town council's core priorities: strengthening public safety, upholding financial responsibility, advancing coastal resiliency, promoting responsible development, and investing in our community and cultural heritage. Together, these priorities guide our decisions and ensure that today's investments create lasting value for future generations.

It is also my pleasure to present the recommended budget for Fiscal Year 2027 to you and our community. This budget has been prepared and balanced in full compliance with the North Carolina Local Government Budget and Fiscal Control Act, as required by North Carolina General Statute Chapter 159-11.

As we move into Fiscal Year 2027, the town continues to stand in a strong strategic and financial position. Guided by a shared vision for the future, the town council and staff remain dedicated to advancing our mission, supporting our workforce, and providing exceptional services and opportunities for our community—because the decisions we make today are the foundation for tomorrow.

BUDGET SUMMARY

The town continues to maintain a strong financial position through deliberate planning, disciplined spending policies, and effective oversight of its resources. However, the cost of doing business is rising at an accelerated rate, with necessary expenditures now outpacing revenues. These shifting dynamics require continued attention and prudent financial management.

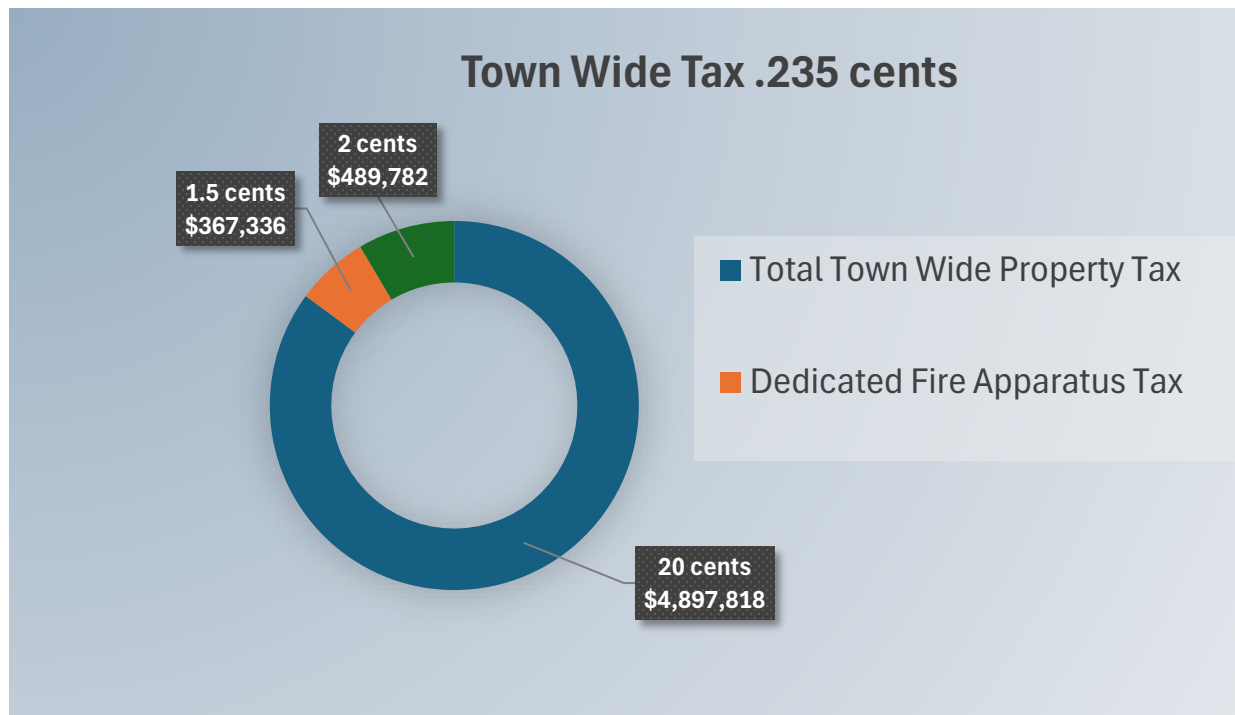


The town council and staff have worked diligently to address these challenges by prioritizing core operational needs while remaining committed to serving residents and visitors. Despite these pressures, the town remains dedicated to delivering high-quality services and is confident that, through ongoing collaboration and strategic decision-making, it will continue to navigate future demands with resilience and innovation.

Looking ahead, the proposed budget for Fiscal Year 2027 projects total revenues of \$13,176,710. These projections are conservative and based on data from the state, the NC League of Municipalities, and Dare County. The budget is balanced, and no funds from the unrestricted fund balance are required. As of the Fiscal Year 2025 audit, the unassigned fund balance was \$7,308,808, this includes the town’s emergency fund of \$3,500,000.

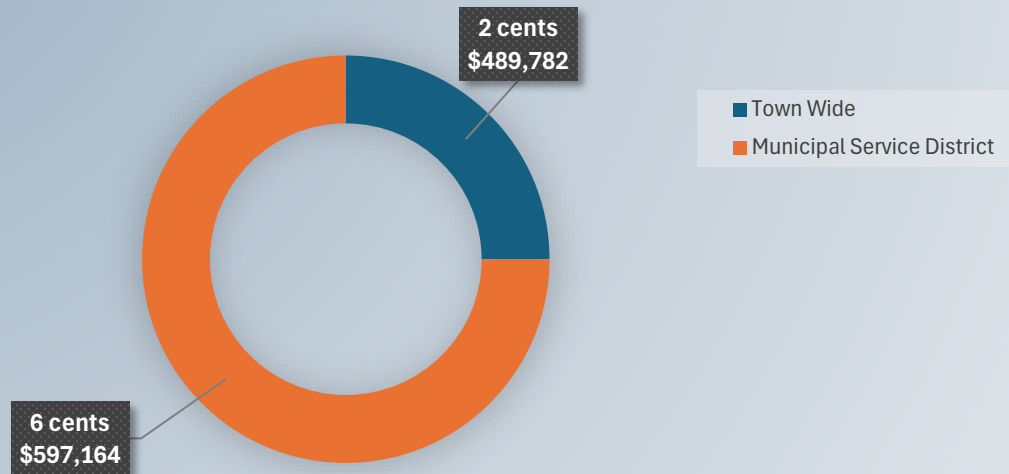
This budget reflects a balanced and responsible approach centered on a total property tax rate of twenty-three and one-half (23.5) cents per \$100 of value. This rate includes the addition of a dedicated one-and-a-half (1.5) cent tax to establish a Fire Apparatus Reserve Fund, increasing the overall rate from the previous twenty-two (22) cents. The existing two (2) cent town-wide beach nourishment tax remains unchanged and is incorporated within the 23.5 cent total rate, while the Municipal Service District tax continues at six (6) cents per \$100 of value.

The inclusion of the 1.5 cent dedicated fire apparatus funding represents a proactive investment in public safety and long-term financial planning. With the cost of fire apparatus rising significantly in recent years, this reserve will position the town to meet future equipment needs—such as the planned replacement of a ladder truck and engine—without placing sudden financial strain on taxpayers. By planning ahead, the town ensures it can maintain reliable emergency response capabilities while managing costs over time.





Beach Nourishment Tax



Overall, the recommended tax rate of twenty-three and one-half (23.5) cents supports critical services, reinforces fiscal stability, and demonstrates a commitment to both immediate needs and long-term sustainability. At the same time, the town remains mindful of broader economic pressures and will continue to evaluate opportunities to strengthen and diversify revenues to support service levels in the future.

As we continue to manage these challenges with prudence and foresight, we are optimistic that our collective efforts will keep Kitty Hawk on a successful path.

BUDGET HIGHLIGHTS

- Tax rate of twenty-three and one-half (23.5) cents per \$100 of value
- Establishment of a town-wide tax dedicated to Fire Apparatus Reserve. The tax rate of one and one-half (1.5) cents per \$100 of value is included in the town-wide tax rate
- Town-wide tax includes Beach Nourishment tax rate of two (2) cents per \$100 of value
- Municipal Service District tax rate of six (6) cents per \$100 of value



- Utilizes no unrestricted fund balance to balance operating expenditures
- Includes a 3% pay plan adjustment and an additional one-step pay increase for all staff
- Six percent increase in health insurance premiums, increased employee portion of premium for the first time in six years
- Reclassification of two positions
- Revised Career Development program for Police
- Authorizes an additional roving Ocean Rescue guard during peak season
- Final loan payment for 2022 Beach Nourishment Project

TOWN PROJECTS UPDATE

Fiscal year 2026 has been a productive year for the town, during which we completed several projects focused on infrastructure, public facilities, recreational, and community enhancements. Key efforts included painting and siding work at the Medical Building on N. Croatan Highway, with roof replacement at the same location now approximately 85% complete and scheduled for finalization in June 2026. Additionally, the pipe culvert on North Midgett Road has been replaced.

Coastal and recreational improvements consist of completing construction of the pedestrian trail around Town Hall and repairs to the multi-use path. The playground equipment at The Paul Pruitt Park has been replaced, and we successfully completed the sand fencing project, which was funded partially through a Dare County passthrough. In addition, repairs to the East Kitty Hawk Beach Access have been finished using beach nourishment funds.

One of the town's most significant long-term projects was completed during fiscal year 2025–26 with the opening of the new police department facility. The police department proudly moved into its state-of-the-art building in June 2025, representing the culmination of years of thoughtful planning, dedicated effort, and sound financial stewardship. The project was completed under its total budget, largely because construction expenses were lower than anticipated. This allowed the town to realize meaningful savings. Although construction extended by approximately two months beyond the original schedule, the project's successful completion under budget reflects the town's commitment to responsible financial management and delivers a high-quality public safety facility for the community.



PROJECTS IN PROCESS

Cyber Security Enhancements

The town was awarded a grant from the State and Local Cybersecurity Grant Program (SLCGP). This grant is designed to help state, local, tribal, and territorial governments strengthen their cybersecurity defenses and reduce cyber risk. Administered by the Cybersecurity and Infrastructure Security Agency and the Federal Emergency Management Agency, the program provides funding to improve technology, enhance incident response capabilities, support workforce training, and encourage collaboration across jurisdictions. Its overall purpose is to protect government systems and data while ensuring the continuity of essential public services.

This is a 3-year grant opportunity, and the town will work with our IT services provider to prioritize projects that best leverage these resources.

Multi-Modal Pedestrian/Bicycle Plan

The town also received a grant to develop a Multimodal Plan. This opportunity is a program offered and funded by the North Carolina Department of Transportation to help local governments develop comprehensive transportation plans that go beyond just vehicles. Its purpose is to support the creation of pedestrian, bicycle, and other multimodal options that improve safety, accessibility, and connectivity within communities. Through this grant, we will work with an engineering firm to identify infrastructure needs, prioritize projects, and develop long-term strategies that promote walking, biking, and other alternative transportation options while enhancing overall mobility. The Team has held a kick-off meeting and aims to complete the project by the end of 2026.

US Lifesaving Service Memorial

The town's recreation committee is coordinating a project to honor the legacy of the United States Life-Saving Service, which is remembered for its bravery, innovation, and foundational role in maritime rescue operations in the United States. A memorial structure is in progress at the Kitty Hawk Bath House and will feature educational panels and a replica surf boat, creating both a meaningful tribute and an engaging public space. The project is anticipated to be completed in summer 2026, with a ribbon-cutting ceremony and reception planned for late summer 2026. This effort reflects the town's continued commitment to preserving its rich coastal history while enhancing community amenities.



Multi-Use Path Along HWY 158

In fiscal year 2025, the town entered into an agreement with the North Carolina Department of Transportation (NCDOT) to construct a multi-use path along the west side of Highway 158. The council firmly believes that this project is essential for public safety and will be a valuable asset to the community. Additionally, it aligns with our citizens' requests as outlined in the updated Land Use Plan. Design engineering for this project has already begun, and we now anticipate that construction will commence in the fall of 2027.

Development of a Strategic Plan

During the Fiscal Year 2027 budget process, the council started developing a strategic plan. Such a plan is essential for the town as it provides clear direction, aligns priorities, and ensures that resources are used effectively to achieve community goals. A strategic plan is especially valuable in today's climate of change, uncertainty, and growth, where clear guidance and priorities are essential. The council has identified a strategic mission and six priorities as previously outlined at the beginning of this document. Decisions in this budget have been made utilizing these priorities. In fiscal year 2027, we will be working on goals, objectives, strategies, and performance measures.

FISCAL YEAR 2027 BUDGET OVERVIEW

The town's general fund supports essential services through five key functional categories:

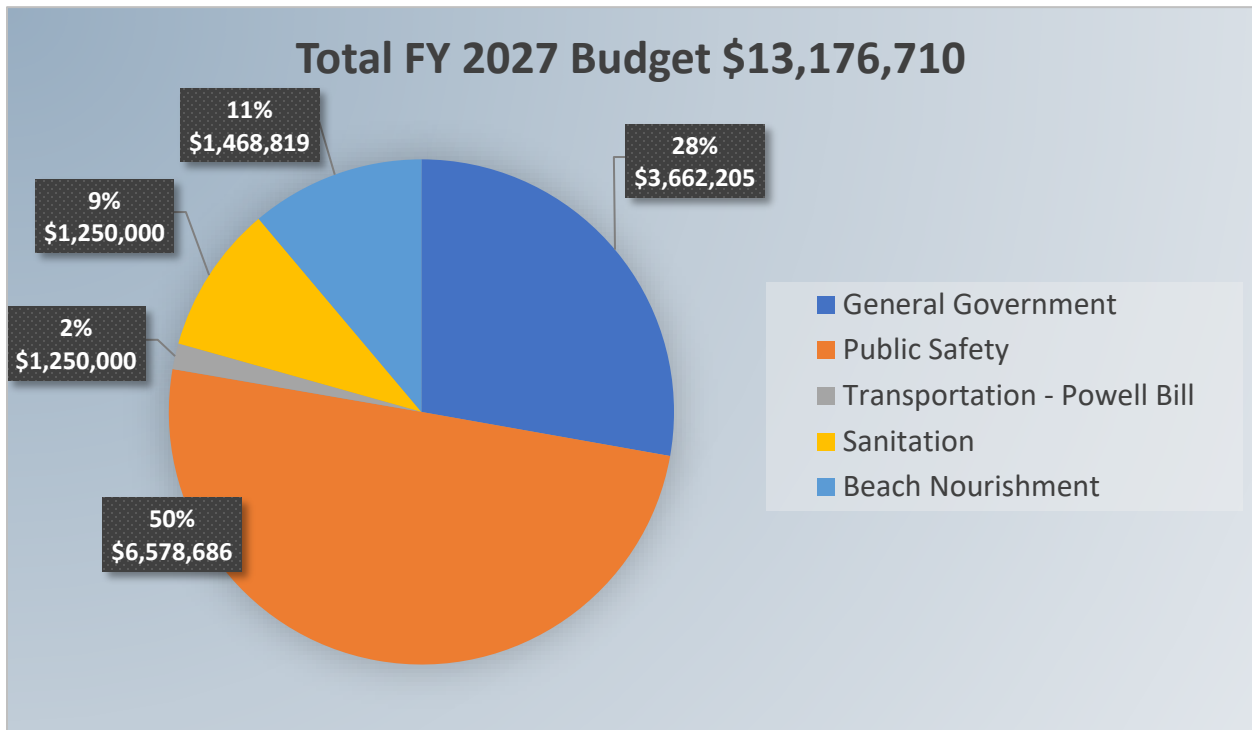
- 1. General Government – \$3,662,205**
This category includes administrative functions such as the town council, town manager, finance, legal, and human resources. These departments ensure effective governance and day-to-day operations.
- 2. Public Safety – \$6,578,686**
Funding supports police, fire, and emergency services, prioritizing the safety and security of our residents and visitors.
- 3. Transportation (Powell Bill) – \$217,000**
These funds are dedicated to maintaining and repairing town streets and sidewalks, helping ensure safe and accessible transportation infrastructure.
- 4. Sanitation – \$1,250,000**
This includes waste collection, recycling services, and debris removal, helping to maintain public health and community cleanliness.



5. Beach Nourishment – \$1,468,819

Funds support coastal protection efforts, including sand replenishment and shoreline maintenance, preserving our beaches for future generations.

Together, these investments reflect our continued commitment to providing high-quality services and maintaining a vibrant, safe, and sustainable community.



Beach Renourishment Fund

Under North Carolina general statutes, all revenues and expenditures related to beach nourishment must be accounted for within the town’s general fund. To support this ongoing effort, the budget designates two (2) cents of the town-wide tax rate of twenty-three and one-half (23.5) cents specifically for beach renourishment. In addition, properties within the municipal service district pay an additional six-cent tax that is dedicated solely to beach nourishment expenses.

The town’s initial beach nourishment project was completed in 2017, followed by a renourishment project in 2022. The final payment of this project’s loan will be paid in December 2026. These projects have provided long-term shoreline stability, benefiting both the community and property owners, and the dedicated funding structure is expected to continue to support future nourishment efforts.



As planning begins for the next anticipated project, projected to start at the end of fiscal year 2027, the current annual budget includes a transfer of \$376,291 to the beach nourishment fund to ensure continued preparation and funding readiness.

Capital Reserve Overview

The capital reserve consists of funds 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 most significant item in the capital reserve is the funds set aside for beach renourishment and the fire apparatus reserve.

Capital Outlay Expenditures and Funding

This budget plans for essential future capital purchases and transfers \$928,163 to the capital reserve. This year's capital expenditures total \$358,824.

The capital purchases included in the fiscal year 2026 budget consist of the following:

Capital Purchases in Fiscal Year 2027

- Replace Playground Equipment, Sandy Run Park - \$30,000
- Police Equipment - \$50,234
- Police Vehicle and Equipment Replacement (3) – \$196,590
- Fire Rescue Self Contained Breathing Apparatus (5) - \$57,000
- Fire Rescue Equipment (for vehicle) - \$25,000

Fiscal Year 2027 Capital Reserve Funding \$928,163 (Funds being set aside for future years):

- IT Equipment Replacement and Development - \$20,000
- Finance Software Upgrade - \$10,000
- Town-wide Boardwalk and Dock Repairs - \$10,000
- Fire Rescue HVAC Repairs - \$7,500
- Caterpillar Backhoe Replacement - \$10,000
- Rehab Fire Rescue Galley - \$10,000
- Fire Rescue Roof Repair - \$25,000
- Land Use Plan Update - \$3,000
- Zoning Ordinance Rewrite - \$20,000
- Future Bikeways/Pedestrian Pathways - \$15,000
- Fire Station Alert System - \$40,000
- Fire Apparatus Replacement - \$381,372
- Beach Nourishment Reserve - \$376,291

The following chart summarizes the capital reserve available for future projects:



CAPITAL RESERVE FUND BALANCE

RESERVE FUND -21

DEPARTMENT	PROJECT DESCRIPTION	Actual FY 24-25	Projected FY 25-26	FISCAL YEAR 2026-2027		
				Transfer in	Transfer Out	Ending Balance
4100	IT Equipment Replacement & Development	33,471	8,196	20,000		28,196
4100	Phone System Replacement	13,000	13,000	-		13,000
4130	Finance Software Upgrades	-	10,000	10,000		20,000
4270	Board Walks and Dock Repairs	104,000	104,000	10,000		114,000
4270	Town Park & Recreation Development	174,735	168,735	-	(30,000)	138,735
4270	HVAC Replacement at Fire Station	12,400	-	7,500		7,500
4270	Caterpillar Backhoe replacement	39,000	30,087	10,000		40,087
4270	Upgrade Public Works Building	50,000	50,000	-		50,000
4270	Dump Trailer Replacement	10,000	10,000	-		10,000
4270	Rehab Fire House Galley	15,000	20,000	10,000		30,000
4270	Fire Department Roof Replacement	-	-	25,000		25,000
4270	Future Bikeways/ Pedestrian Pathways	-	-	15,000		15,000
4310	Police in car- radios	32,000	52,000	-		52,000
4340	Future Fire Apparatus Truck	786,467	986,467	381,372		1,367,839
4340	800 mhz- Radio Replacements	6,500	-	-		-
4340	Station Alert System	-	-	40,000		40,000
4410	Beach Nourishment	3,765,190	3,406,577	376,291		3,782,868
4910	Land Use Plan Update	-	9,000	3,000		12,000
4910	Zoning Ordinance Rewrite	-	-	20,000		20,000
Total		5,041,762	4,868,062	928,163	(30,000)	5,746,225

FINANCIAL STABILITY

The fiscal year 2027 budget maintains the emergency fund in the amount of \$3,500,000 in accordance with the council fund balance policy. The fiscal year 2027 budget does not utilize any of the town’s unrestricted fund balance for operating expenditures.

The town’s 2024-2025 Financial Audit was conducted under recognized professional standards, and the auditors provided an unmodified (clean) opinion, indicating that the Town of Kitty Hawk’s financial statements and records were presented fairly. Management is acknowledged as having responsibility for maintaining proper financial controls and ensuring accurate reporting, with no indication of material weaknesses or concerns noted.

Overall, the report signaled sound financial health, with no substantial doubt raised about the town’s ability to continue operating in the near term, reinforcing confidence in its financial stability and governance practices.



CONCLUSION

In conclusion, this budget reflects the Town of Kitty Hawk's continued commitment to fiscal responsibility, thoughtful planning, and high-quality service delivery. While the town is facing increasing costs and evolving revenue trends, this financial plan prioritizes essential services, maintains core infrastructure, and supports the community's long-term sustainability. By aligning resources with the town's values and strategic priorities, this budget positions Kitty Hawk to remain resilient, responsive, and well-prepared to meet the needs of its residents and visitors in the year ahead.

I would like to take this moment to extend my sincere appreciation to our lead team, support staff, and especially the town council for their invaluable time, insights, and contributions throughout the budget discussions and processes.

Together our vision for tomorrow has started. While mindful of evolving economic conditions and rising costs, the town remains focused on maintaining essential services, advancing key projects, and preserving the character and resilience of the community. Through continued collaboration between the town council, staff, and the public, Kitty Hawk is well-positioned to meet current needs while planning responsibly for the future.

Respectfully,

Melody C. Clopton

Melody C. Clopton
Town Manager, Town of Kitty Hawk



TOWN OF KITTY HAWK BUDGET ORDINANCE - FY 2026-2027

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

GENERAL FUND BUDGET

ESTIMATED GENERAL FUND REVENUES: It is estimated that the following General Fund Revenues will be available during the fiscal year beginning July 1, 2026, and ending June 30, 2027, to meet appropriations approved by the town council herein:

Source	Amount
Ad Valorem Tax (20 cents) Town Wide	\$4,897,818
Ad Valorem Tax (1.5 cents) Fire Apparatus Reserve Town Wide	\$367,336
Ad Valorem Tax (2 cents) Beach Nourishment Town Wide	\$489,782
Ad Valorem Tax (6 cents) Beach Nourishment Municipal Service District	\$597,164
Prior Years Taxes	\$10,000
Penalties/Interest	\$6,000
Motor Vehicle Tax (20 cents) Town Wide	\$230,000
Motor Vehicle Tax (1.5 cents) Fire Apparatus Reserve Town Wide	\$14,036
Motor Vehicle Tax (2 cents) Beach Nourishment Town Wide	\$28,000
Motor Vehicle Tax (6 cents) Beach Nourishment Municipal Service District	\$10,700
Local Option Sales Tax	\$1,877,288
Local Option Sales Tax – Beach Nourishment & Municipal Service District	\$228,712
Land Transfer Tax	\$500,605
Occupancy Tax	\$2,060,000
Beer and Wine Tax	\$20,000
Telecom Tax	\$14,800
Electric Utility Tax	\$512,000
Cable Franchise Tax	\$65,000
Piped Natural Gas Tax	\$6,200
PEG Channel Tax	\$25,600
Solid Waste Disposal Tax	\$3,000
Mixed Beverage Tax (ABC)	\$88,000
Building Permits	\$200,000
Homeowner Recovery Fee	\$1,600
CAMA Permits	\$3,500
Planning Permits and Fees	\$26,000
Board of Adjustment Fees	\$100
Site Plan Reviews	\$100
Sanitation Fees (Garbage Carts)	\$10,000



Source	Amount
Powell Bill Allocation	\$143,000
NCDOR Unauthorized Sub-Tax Distribution	\$3,000
Dare County Sand Fencing	\$24,000
State Grant Revenue SLGP	\$12,942
Dare County Payment to Obligation Bonds	\$115,752
County Court Fees	\$1,500
Code Enforcement Fines and Parking Violations	\$1,500
Fines and Forfeitures	\$500
Interest Earnings	\$300,000
Town Merchandise Sales	\$500
Building Rentals	\$133,675
Sale of Surplus Property	\$10,000
Miscellaneous Revenue	\$30,000
Icarus International	\$20,000
Fund Balance Appropriated for Powell Bill	\$57,000
Transfer in from Capital Reserve	\$30,000
Total	\$13,176,710

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, 2026, and ending June 30, 2027.

Function	Budget
General Government	\$3,662,205
Public Safety	\$6,578,686
Transportation – Powell Bill	\$217,000
Sanitation	\$1,250,000
Beach Nourishment	\$1,468,819
Total	\$13,176,710



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, 2026, and ending June 30, 2027, to meet appropriations approved by the town council herein.

Source	Budget
Transfer in from the General Fund for Future Capital	\$551,872
Transfer in from the General Fund Excess Beach Nourishment	\$376,291
Total	\$928,163

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, 2026, and ending June 30, 2027

Function	Budget
Reserves for future capital projects	\$928,163
Total	\$928,163



ESTABLISHED TAX RATES

The following tax rates have been adopted for the town. They are expressed in cents per \$100 of assessed value and will be used to calculate the respective tax levies for the 2026 tax year. The rates apply to all real estate, personal property, corporate utilities, and registered motor vehicles:

The town-wide Ad Valorem tax rate is twenty (20) cents

The town-wide Fire Apparatus Reserve tax rate is one and one-half (1.5) cents

The town-wide Beach Nourishment tax rate is two (2) cents

The Municipal Service District Beach Nourishment (MSD) tax rate is six (6) cents

The town-wide beach nourishment and municipal service district taxes are restricted to beach nourishment purposes, including debt payment on bonds issued for beach nourishment projects. The town-wide fire apparatus reserve tax is a dedicated tax fund for purchasing future fire apparatus.

Property Tax	Value	Tax rate	Levy	Collection rate	Budgeted Levy
Town-wide Ad Valorem	2,458,497,043	0.20	4,916,994	99.61%	4,897,818
Town-wide Fire Apparatus Reserve	2,458,497,043	0.015	368,775	99.61%	367,336
Town-wide Beach Nourishment	2,458,497,043	0.02	491,699	99.61%	489,782
Municipal Service District	998,067,657	0.06	570,037	99.72%	597,164

A penny of town-wide property Tax is projected to generate approximately \$244,891.

A penny of the municipal service district tax is projected to generate approximately \$95,006.

The following tax rates per hundred-dollar valuation and collection levied on all vehicles in the Town of Kitty Hawk as levied by the North Carolina Department of Revenue throughout the fiscal year ending June 30, 2027:

Motor Vehicle Tax	Value	Tax rate	Levy	Collection rate	Budgeted Levy
Town-wide	93,573,479	0.20	174,426	100%	230,000
Town-wide Fire Apparatus Reserve	93,573,479	0.015	14,036	100%	14,036
Town-wide Beach Nourishment	93,573,479	0.02	18,715	100%	28,000
Municipal Service District	12,806,430	0.06	7,684	100%	10,700

Budgeted tax levies are based on the certified collection rates for the fiscal year ending June 30, 2025.



Encumbered Operating Funds Reappropriated

The operating funds encumbered on the financial records as of June 30, 2026, are hereby re-appropriated to this budget.

Budget Officer Authorization

The town Manager is the budget officer, authorized to transfer amounts between objects of expenditure not adopted in the capital improvements program (CIP) within a department without limitation, and a report is requested. The budget officer is authorized to reallocate appropriations between departments among the various objects of expenditure as necessary; such changes should be reported to the town council at the next regular meeting or in the next monthly budget transfer report.

In case of an emergency threatening the public's lives, health, and safety, the town manager may execute contractual documents and authorize expenditures in an amount necessary to meet the emergency, so long as such amount does not exceed the contingency amount or \$50,000. The spending is reported to the town council as soon as possible, and the appropriate budget amendments are submitted at the next regular meeting.

Authorization To Execute Contractual Documents

The town manager, or in their absence, their designated representative, is hereby authorized to execute contractual documents under the following conditions:

The town manager may execute contracts for:

- a. Purchases of apparatus, supplies, materials, and equipment that are within budgeted departmental appropriations, where a formal bid is not required.
- b. Leases of personal property for one year or less, which are within budgeted departmental appropriations.
- c. Services and service contracts which are within budgeted departmental appropriations.
- d. Formal bids involving purchase contracts, including rejecting bids and re-advertising to receive bids. This delegation does not apply to construction or repair contracts.
- e. Contracts for design consultant services, where consultant fees are estimated to be less than \$50,000.
- f. Contracts for construction and repair projects that do not require formal competitive bid procedures.

The town manager may execute change orders or amendments to construction contracts for up to \$50,000 when the appropriate annual budget or capital project ordinance contains sufficient appropriated but encumbered funds.



Utilization Of the Budget and Budget Ordinance

This ordinance and the budget document shall be the basis of the financial plan for the Town of Kitty Hawk during the fiscal year 2026-2027. The budget officer shall administer the budget and ensure that operating officials receive guidance and sufficient detail to implement their respective budget portions.

Copies of the fiscal year 2026-2027 budget shall be furnished to the town council members, town manager, town finance director, 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 on this first day of June 2026.

Charlotte Deloutch Walker
Mayor

Lauren Fox Garrett
Town Clerk & Public Information Officer



BUDGET CALENDAR & PROCESS

2026 Date	Action Item
March 20 & 23 April 14	Budget Work Sessions with Town Council
May 2026	Public Hearing Advertising for Budget Ordinance
May 2026	Town Manager files proposed Budget with Town Clerk
June 1	Council Holds a Public Hearing on Proposed Budget and Adoption of FY 2026-2027 Budget Ordinance
July 1	Approve the FY 2026-2027 Budget Ordinance to become effective
For information regarding meeting time and location, visit www.kittyhawkncc.gov	

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 year. State law requires a balanced budget, i.e., a budget in which the sum of estimated revenues and appropriated fund balances equals 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 prepare 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.

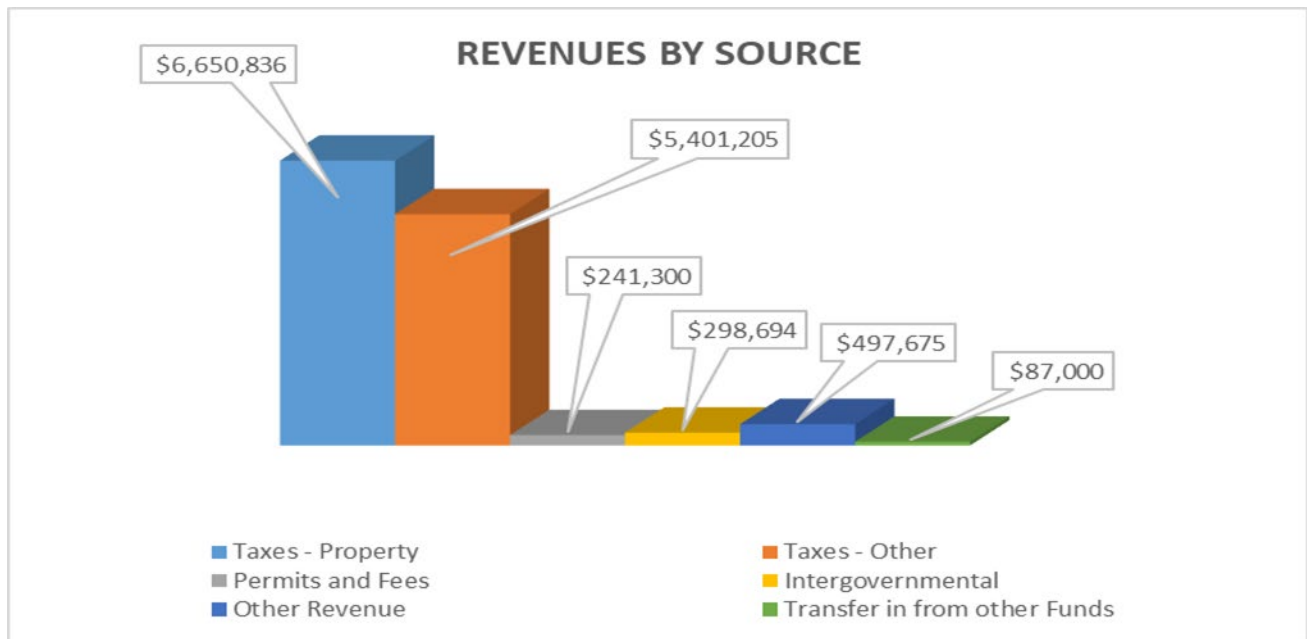
Budget Amendments

Expenses or transfers incurred throughout the year that exceed appropriations must have prior council approval. These approvals are formally acknowledged by the town council through budget amendments. The budget is prepared on a line-item basis, and budgetary compliance is maintained at the department level.



GENERAL FUND REVENUE SUMMARY

Summary of General Fund Revenues by Category						
Percentage of Revenues by Source						
REVENUE CLASSIFICATIONS	ACTUAL	ACTUAL	Revised Budget	ESTIMATED	BUDGET Proposed	% Total
	FY 23/24	FY 24/25	FY 25/26	6/30/2026	FY 26/27	Revenues
Taxes- Property	5,209,731	5,287,778	6,231,507	6,212,655	6,650,836	50.47%
Taxes- other	5,542,569	5,313,606	5,335,636	5,242,240	5,401,205	40.99%
Permits and Fees	192,754	225,151	222,700	237,259	241,300	1.83%
Intergovernmental	369,902	411,049	485,818	345,973	298,694	2.27%
Fines and Forfeits	3,154	2,692	3,500	2,150	3,500	0.03%
Interest Earnings	668,627	518,496	75,934	325,000	300,000	2.28%
Other Revenue	224,957	257,407	281,465	313,729	194,175	1.47%
Fund Balance Appropriated	-	-	264,030	0	-	
Fund Balance Appropriated Powell Bill	-	-	-	0	57,000	0.43%
Transfer in From Capital Reserve Fund	349,000	28,200	587,988	455,701	30,000	0.23%
Total Revenues	12,560,695	12,044,379	13,488,578	13,134,707	13,176,710	100.00%

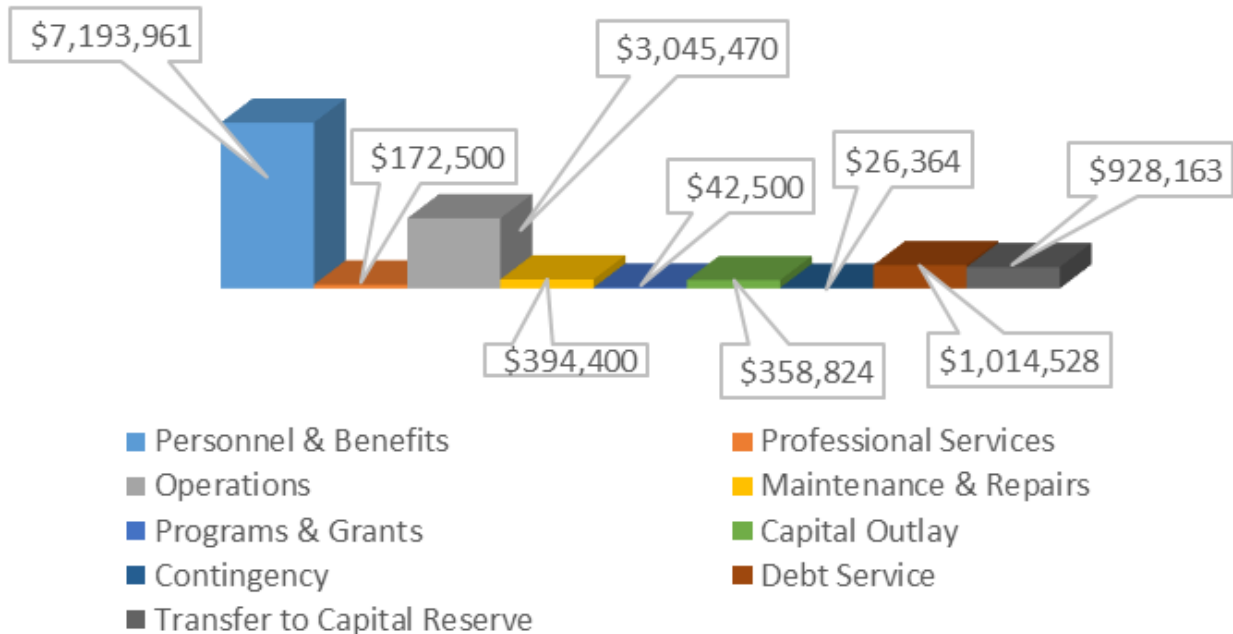




GENERAL FUND EXPENSE SUMMARY

Summary of General Fund Expenditures by Category						
Percentage of Expenditures by Function						
EXPENDITURES BY CATEGORIES	ACTUAL	ACTUAL	Amended	Estimated	Proposed	% of Total Expenses
	FY 23/24	FY 24/25	Budget FY 25/26	Actual FY 25/26	Budget FY 26/27	
Personnel & Benefits	5,272,328	5,775,682	6,773,441	6,216,295	7,193,961	54.60%
Professional Services	154,962	165,061	539,113	415,147	172,500	1.31%
Operations	2,964,932	3,932,884	3,160,256	2,800,529	3,045,470	23.11%
Maintenance and Repairs	499,930	454,938	516,637	485,626	394,400	2.99%
Programs and Grants	29,698	25,905	28,100	19,357	42,500	0.32%
Capital Outlay	317,752	425,896	902,403	792,023	358,824	2.72%
Contingency	-	-	38,000	0	26,364	
Debt Service	1,077,183	1,056,298	1,035,414	1,035,414	1,014,528	7.70%
Transfer Out to Capital Reserve	1,003,524	915,277	495,214	495,214	928,163	7.04%
Total Expenditures	11,320,309	12,751,941	13,488,578	12,259,605	13,176,710	100%

EXPENDITURES BY FUNCTION





REVENUE SOURCES AND TRENDS

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

Property Tax

The proposed property tax, budgeted at \$6,650,836, is the town's largest revenue source, accounting for 50.47% of general fund revenues. The property tax is calculated according to the gross taxable value assessment certified by the Dare County Tax Office, which is 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 the council after the property appraiser certifies the gross taxable value. The proposed budget uses the tax rate of twenty-three and one-half (0.235) cents per \$100 of property valuation town-wide and is based on a 99.61% collection rate. Of the twenty-three and one-half (0.235) cent property tax, one and one-half cents (0.15) are dedicated to saving for the purchase of a fire apparatus, and two (0.2) cents of this tax rate are specifically dedicated to the beach nourishment fund. Residents within the beach nourishment municipal service district also pay six (0.6) cents in addition to the town-wide property tax of twenty-three and one-half (0.235) cents per \$100 of property valuation.

A penny of the property tax rate, town-wide, is projected to generate approximately \$244,891, and a penny of the municipal service district is projected to generate roughly \$99,527. The Town receives a significant 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 the heart of the town's financing and is heavily affected by property values and new construction. In January 2025, Dare County conducted a revaluation of real properties. The property tax revaluation is scheduled every five years.

Motor Vehicle Tax

North Carolina residents must 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 \$282,736 for fiscal year 2026-2027, representing 2.15% of the general fund revenues.



Local Option Sales Tax

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

Proceeds from the sales tax collected are distributed utilizing the ad valorem distribution formula. Under 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 significant tax increase of one unit in one year may distort the following 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. They may even be lower than the previous year.

The local option sales tax and occupancy tax are the second-largest sources of revenue. The sales tax will generate an estimated \$2,106,000, representing 16.44% of general fund revenues.

Occupancy Tax

Dare County collects a six percent tax (6%) on gross receipts from rental rooms, lodging, campsites, or similar accommodations furnished by any hotel, motel, inn, private residences and cottages rented to visitors. Half of the 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 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 to fund beach nourishment (2% tax) and promote tourism in Dare County (1% tax).

The occupancy tax will generate an estimated \$2,060,000, representing 15.63% 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 particular interests in real property. The tax imposed is \$1 per \$100 or fraction thereof on the total consideration of the value of the interest conveyed. Currently, the county receives 65% of the proceeds, while the towns receive 35%, in proportion to the ad valorem taxes each town levied for the preceding fiscal year.



The land transfer tax fluctuates based on the housing market environment. After the last revaluation (January 2025), the housing market is predicted to remain stable, and this tax is expected to remain consistent.

The land transfer tax will generate an estimated \$500,605 in revenue, representing 3.80% 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 where these gross sales are made.

The municipal distributions of the utility franchise tax on electricity gross receipts are September 15, December 15, March 15, and June 15.

The electric utility tax is estimated to generate \$512,000, representing 3.89% of General Fund Revenues.

Building Permits

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

Building permit revenues are estimated at \$200,000, representing 1.51% of general fund revenues.

Powell Bill

The Powell Bill Funds come from revenues generated by the state gas tax and other highway user fees. The formula requires that 75% of the funds be awarded based on population, while the remaining 25% is 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 used primarily for resurfacing streets within the corporate limits of the municipality. Still, they may also be used for maintaining, repairing, constructing, reconstructing, or widening any street or public thoroughfare within the municipal limits or for planning, constructing, and maintaining bikeways, greenways, or sidewalks.



The funds generated are expected to remain consistent with the previous year's allocations due to slow population growth and the absence of additional streets planned for construction.

Powell Bill revenues are estimated at \$143,000, representing 1.10% of general fund revenues.

Grants

The Town of Kitty Hawk has proactively relieved residents' financial burdens for projects and programs by securing grant funding from other governmental agencies. The town's goal is to actively pursue appropriate grant funding this fiscal year.

Grant funding anticipated before the fiscal year ends June 30, 2027, is estimated at \$24,000 from Dare County for the sand fencing project. The town expects this revenue to increase as grants are applied for and awarded throughout the year.

Interest in Earnings on Investments

The town has legal limitations on investments permitted under NC General Statute 159-30; however, it makes investments to maximize the return on available funds. The town has experienced higher-than-projected interest earnings over the past few years due to Federal Treasury rates; this is expected to change, and interest earnings may not be as high as in the last three years. The town is consistently analyzing the investment funds available through the North Carolina Capital Management Trust to maximize return on investments.

The interest earnings from investments are projected to generate \$300,000.

Office Rental

The town leases office space at the building located at 5200 N Croatan Hwy, and the revenues from the rent are expected to generate \$133,675

Transfers from Capital Reserve and Fund Balance

These revenues typically represent funds transferred into the current year's budget from town reserves. These funds are usually 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 when 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 2026-2027 budget identifies \$30,000 in transfers from the capital reserve.



GENERAL FUND REVENUES DETAILED

General Fund Revenues- Detailed						
GENERAL FUND - 10						
ACCOUNT NUMBER	REVENUE SOURCE	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised Budget March 2026 FY 25/26	Estimated 06/30/2026	BUDGET FY 26/27
TAXES - PROPERTY						
10-0000-3100-2026	Ad Valorem Tax (20 cents) Town-Wide	3,883,897	3,903,215	4,952,317	4,866,484	4,897,818
10-0000-3171-2026	Ad Valorem Tax (.15 cents) Fire Apparatus Reserve	-	-	-	-	367,336
10-0000-3172-2026	Ad Valorem (2 cents) Beach Nourishment Town-Wide	513,522	516,684	494,984	486,648	489,782
10-0000-3174-2026	Ad Valorem (6 cents) Beach Nourishment MSD	548,133	562,606	566,046	579,497	597,164
10-0000-3100-0000	Ad Valorem Prior Years	4,292	10,718	10,000	10,000	10,000
10-0000-3100-4170	Ad Valorem and Vehicle Penalties, Fees, Interest	4,045	4,101	6,000	6,000	6,000
10-0000-3280-4121	Motor Vehicle Tax (20 cents)	216,438	245,378	174,426	226,392	230,000
10-0000-3280-4124	Motor Vehicle Tax (1.5 cents) Fire Apparatus Reserve	-	-	-	-	14,036
10-0000-3280-4123	Motor Vehicle Tax (2 cents) Beach Nourishment Town-Wide	28,587	32,408	17,434	27,077	28,000
10-0000-3280-4125	Motor Vehicle Tax (6 cents) Beach Nourishment MSD	10,817	12,666	10,300	10,557	10,700
	Subtotal	5,209,731	5,287,778	6,231,507	6,212,655	6,650,836
TAXES - OTHER						
10-0000-3230-0000	Local Option Sales Tax	1,899,513	1,865,101	1,871,064	2,098,503	1,877,288
10-0000-3230-0012	Local Option Sales Tax - BN MSD	227,601	223,478	219,214	0	228,712
10-0000-3245-0000	Land Transfer Tax	484,976	500,605	480,000	473,047	500,605
10-0000-3270-0000	Occupancy Tax	2,245,442	2,029,119	2,033,259	2,003,861	2,060,000
10-0000-3322-0000	Beer and Wine Tax	18,318	15,120	20,000	15,120	20,000
10-0000-3324-4001	Telecom Tax	14,010	13,406	14,800	13,728	14,800
10-0000-3324-4002	Electric Utility Tax	470,447	498,139	512,799	482,735	512,000
10-0000-3324-4003	Cable Franchise Tax	64,615	58,606	65,000	53,309	65,000
10-0000-3324-4004	Piped Natural Gas Tax	2,736	5,316	3,000	6,168	6,200
10-0000-3324-4005	PEG Channel	25,806	25,734	25,600	25,158	25,600
10-0000-3471-0000	Solid Waste Disposal Tax	2,934	2,918	2,900	3,005	3,000
10-0000-3837-0000	Mixed Beverage Tax (ABC)	86,170	76,065	88,000	67,606	88,000
	Subtotal	5,542,569	5,313,606	5,335,636	5,242,240	5,401,205
PERMITS AND FEES						
10-4910-3343-4010	Building Permits	160,581	186,352	191,000	203,834	200,000
10-4910-3343-4011	Homeowner Recovery Fee	1,285	1,180	1,000	1,000	1,600
10-4910-3343-4012	CAMA Permits	3,465	3,890	3,500	4,342	3,500
10-4910-3343-4013	Planning Permit and Fees	17,460	24,254	17,000	21,083	26,000
10-4990-3345-4020	Board of Adjustment Fees	-	-	100	-	100
10-4990-3345-4021	Site Plan Review Fees	-	-	100	-	100
10-0000-3470-0000	Sanitation Fees (Garbage Carts)	9,963	9,475	10,000	7,000	10,000
	Subtotal	192,754	225,151	222,700	237,259	241,300
INTERGOVERNMENTAL						
10-0000-3311-4091	Dept of Justice Asset Forfeiture Program	-	33,876	-	-	-
10-0000-3316-0000	Powell Bill Allocation (pass through)	131,725	144,263	144,263	142,127	143,000
10-0000-3317-4092	NCDOR Unauthorized Sub Tax Distribution	912	279	3,000	1,000	3,000
10-0000-3431-0000	Grants -Other	5,000	5,119	5,000	5,000	0
10-0000-3432-0000	Dare County - Sand Fencing (pass through)	10,919	3,324	24,000	24,000	24,000
10-0000-3496-0000	Grants- Dare County Tourism Board	-	38,040	72,330	22,896	-
10-0000-3623-0000	Federal Grant Revenue (pass through)	-	-	-	-	-
10-0000-3633-0000	State Grant Revenue SLCGP Grant (pass through)	-	-	86,275	-	12,942
10-4410-3333-0000	Dare County Payment to Obligation Bonds	221,346	186,148	150,950	150,950	115,752
	Subtotal	369,902	411,049	485,818	345,973	298,694



GENERAL FUND REVENUES DETAILED (CONTINUED)

General Fund Revenues - Detailed (Continued)						
GENERAL FUND - 10						
ACCOUNT NUMBER	REVENUE SOURCE	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised Budget March 2026 FY 25/26	Estimated 06/30/2026	BUDGET FY 26/27
FINES & FORFEITS						
10-0000-3330-0000	Dare County Court Fees	1,264	2,042	1,500	1,500	1,500
10-0000-3331-0000	Code Enforcement Fines & Parking Violations	1,690	650	1,500	650	1,500
10-0000-3332-0000	Fines and Forfeitures	200	-	500	-	500
	Subtotal	3,154	2,692	3,500	2,150	3,500
INTEREST EARNINGS						
10-0000-3831-1004	Interest on Investments	668,627	518,496	75,934	325,000	300,000
	Subtotal	668,627	518,496	75,934	325,000	300,000
OTHER REVENUE						
10-0000-3412-0000	Town Merchandise Sales	531	730	500	2,000	500
10-0000-3434-0000	General Donations	8,450	8,951	15,200	7,215	-
10-0000-3834-0000	Rents	134,670	188,753	165,237	149,638	133,675
10-0000-3835-0000	Sale of Surplus Property	24,865	14,950	10,000	10,000	10,000
10-0000-3839-0000	Miscellaneous Revenue	32,839	17,384	67,528	124,876	30,000
10-4270-3839-0110	Icarus International	23,603	26,639	23,000	20,000	20,000
	Subtotal	224,957	257,407	281,465	313,729	194,175
FUND BALANCE						
10-0000-3991-0000	Fund Balance Appropriated	-	-	264,030		
10-0000-3991-0000	Fund Balance Appropriated-Powell Bill	-	-	-		57,000
	Subtotal	-	-	264,030	-	57,000
TRANSFER IN FROM CAPITAL RESERVE						
10-0000-3900-0000	HVAC Replacement at Fire Station	-	12,600	12,600	22,400	-
10-0000-3900-0000	Future Side Walk USA 158 payment to DOT	289,000	-	-	-	-
10-0000-3900-0000	IT Development	-	15,600	45,275	45,275	-
10-0000-3900-0000	Document imaging	20,000	-	-	-	-
10-0000-3900-0000	Beach Nourishment	-	-	498,613	358,613	-
10-0000-3900-0000	Caterpillar Blackhoe Replacement	-	-	19,000	16,913	-
10-0000-3900-0000	Town Parks & Recreation Development	-	-	6,000	6,000	30,000
10-0000-3900-0000	800 hmz Radio Replacement	40,000	-	6,500	6,500	-
	Subtotal	349,000	28,200	587,988	455,701	30,000
TOTAL REVENUES		12,560,695	12,044,379	13,488,578	13,134,707	13,176,710



NON-DEPARTMENTAL

FY 2026-2027



NON-DEPARTMENTAL OPERATING EXPENDITURES						
GENERAL FUND - 10 / DEPARTMENT DETAIL - 4100						
ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised BUDGET FY 25/26	ESTIMATED 6/30/2026	BUDGET FY 25/26
OPERATING						
10-4100-5005-0000	PEG Government Channel (pass through)	26,765	26,935	25,600	26,118	27,000
10-4100-5006-0000	Tax Collection Fees to Dare County	58,405	58,812	75,000	77,000	79,000
10-4100-5007-0000	Collection Fees -NCVTS	7,891	6,048	8,000	6,000	7,000
10-4100-5220-0000	Employee Relations and Events	10,582	11,481	13,000	11,305	13,000
10-4100-5250-0000	Vehicle Supplies	104	216	400	250	400
10-4100-5299-0000	Departmental Supplies	17,986	3,761	4,000	3,150	4,000
10-4100-5310-0000	Travel and Training Development Town-Wide	26,184	15,432	25,225	17,000	16,500
10-4100-5321-0000	Telephone, Communications, Email	30,666	32,025	9,454	11,284	3,637
10-4100-5325-0000	Postage	-	161	0	0	0
10-4100-5330-0000	Utilities	4,837	5,223	5,000	5,200	5,500
10-4100-5340-0000	Printing	12	381	400	0	400
10-4100-5350-0000	Merchandise for sale	-	319	2,000	700	2,000
10-4100-5370-0000	Advertising	3,359	7,254	2,500	1,200	2,500
10-4100-5383-0000	IT Services	84,190	111,528	239,400	115,000	110,000
10-4100-5440-0000	Service & Maintenance Contracts	13,747	25,639	34,101	26,169	32,640
10-4100-5450-0000	Insurance & Bonding	288,645	295,756	319,000	285,000	380,000
10-4100-5451-0000	Employee Assistance Program	1,499	1,999	2,100	1,200	2,400
10-4100-5455-0000	Unemployment Compensation Contribution	3,231	-	4,000	0	4,000
10-4100-5456-0000	Fines and Forfeitures	200	6	200	0	200
10-4100-5491-0000	Dues & Subscriptions	3,902	7,732	10,608	18,120	19,271
	Subtotal	582,206	610,709	779,988	604,696	709,448
MAINTENANCE & REPAIRS						
10-4100-5353-0000	Maintenance and Repairs - Vehicle	1,519	1,393	800	0	800
	Subtotal	1,519	1,393	800	-	800
PROGRAMS AND GRANTS						
10-4100-5090-0000	Grant - Gov. Education Access Channel	-	-	5,000	5,000	-
	Subtotal	-	-	5,000	5,000	-
CONTINGENCY						
10-4100-5991-0000	Budgetary Contingency	-	-	38,000	-	26,364
	Subtotal	-	-	38,000	-	26,364
CAPITAL OUTLAY						
10-4100-5540-0001	Capital Outlay - Land	800	-	-	-	-
	Subtotal	800	-	-	-	-
TRANSFER TO CAPITAL RESERVE						
10-4100-5921-0000	IT Equipment Replacement & Development	-	-	20,000	20,000	20,000
	Subtotal	-	-	20,000	20,000	20,000
	TOTAL NON-DEPARTMENTAL EXPENDITURES	584,525	612,101	843,788	629,696	756,612



GOVERNING BODY

FY 2026-2027



GOVERNING BODY (TOWN COUNCIL) OPERATING EXPENDITURES						
GENERAL FUND - 10 / DEPARTMENT DETAIL - 4110						
ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 23/24	ACTUAL FY 24/25	REVISED BUDGET FY 25/26	ESTIMATED 6/30/2026	BUDGET FY 26/27
PERSONNEL						
10-4110-5121-0000	Salary and Wages	30,600	30,600	30,000	30,600	30,600
10-4110-5181-0000	FICA	2,525	2,525	2,500	2,525	2,525
	Subtotal:	33,125	33,125	32,500	33,125	33,125
OPERATING						
10-4110-5310-0000	Travel and Training	160	460	5,000	4,000	5,000
10-4110-5321-0000	Telephone, Communications, Email	2,928	2,967	2,400	2,400	2,400
10-4110-5491-0000	Dues and Subscriptions	5,323	-	-	-	-
10-4110-5492-0000	Contract Services - Dare Co. Board Elections	5,746	-	5,800	5,848	-
10-4110-5499-0000	Miscellaneous Expenses	1,444	1,159	1,305	3,000	2,500
	Subtotal:	15,601	4,586	14,505	15,248	9,900
TOTAL GOVERNING BODY EXPENDITURES		48,726	37,711	47,005	48,373	43,025



RECREATION COMMITTEE

FY 2026-2027



RECREATION COMMITTEE OPERATING EXPENDITURES

GENERAL FUND - 10 / DEPARTMENT DETAIL - 4111

ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised BUDGET FY 25/26	ESTIMATED 6/30/2026	BUDGET FY 26/27
OPERATING						
10-4111-5370-0000	Advertising	-	-	-	-	-
10-4111-5396-0000	Contracter Services - Transcriptions	-	-	240	-	-
10-4111-5499-0000	Miscellaneous Expenses	9,242	6,544	16,000	1,000	10,000
	Subtotal:	9,242	6,544	16,240	1,000	10,000
	TOTAL RECREATION EXPENDITURES	9,242	6,544	16,240	1,000	10,000



ADMINISTRATION

FY 2026-2027



ADMINISTRATIVE SERVICES OPERATING EXPENDITURES

GENERAL FUND - 10 / DEPARTMENT DETAIL - 4120

ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised BUDGET FY 25/26	ESTIMATED 6/30/2026	BUDGET FY 26/27
PERSONNEL						
10-4120-5121-0000	Salaries & Wages	355,212	379,009	415,621	394,932	437,091
10-4120-5121-0000	Salaries & Wages- Merit Pay	-	-	-	-	10,905
10-4120-5181-0000	FICA	26,491	28,302	31,163	29,513	33,437
10-4120-5182-0000	Retirement Contribution	46,052	51,978	58,198	57,068	66,001
10-4120-5183-0000	Health Insurance	56,149	74,741	69,878	71,561	72,672
10-4120-5184-0000	401K	5,746	6,588	8,111	7,876	8,742
	Subtotal	489,650	540,618	582,971	560,950	628,848
PROFESSIONAL SERVICES						
10-4120-5192-0000	Professional Services-Legal	48,482	45,403	50,000	46,000	50,000
10-4120-5199-0000	Professional Services-Other	-	3,850	-	-	-
	Subtotal	48,482	49,253	50,000	46,000	50,000
OPERATING						
10-4120-5299-0000	Supplies Departmental	5,862	4,219	5,000	4,000	5,000
10-4120-5310-0000	Travel & Training	8,945	11,676	9,000	11,867	9,000
10-4120-5321-0000	Telephone, Communications , Email	2,669	3,273	2,500	1,950	1,896
10-4120-5325-0000	Postage	419	213	400	200	400
10-4120-5349-0000	Printing Codification of Ordinances	1,340	8,380	5,000	4,837	5,000
10-4120-5370-0000	Advertising	817	120	-	-	-
10-4120-5396-0000	Contract Services Video & Transcription	11,600	12,125	14,500	10,325	15,000
10-4120-5440-0000	Service & Maintenance Contracts	1,885	-	1,000	-	1,000
10-4120-5491-0000	Dues and Subscriptions	2,891	3,619	2,044	1,500	1,204
	Subtotal	36,428	43,624	39,444	34,679	38,500
PROGRAMS AND GRANTS						
10-4120-5497-0000	Community Engagement	-	5,974	9,500	9,000	12,500
	Subtotal	-	5,974	9,500	9,000	12,500
CAPITAL OUTLAY						
10-4120-5520-0000	Capital Outlay - Computer and Software	20,825	-	-	-	-
	Subtotal	20,825	-	-	-	-
	TOTAL ADMIN SERVICES EXPENDITURES	595,385	639,468	681,915	650,629	729,848



FINANCE

FY 2026-2027



FINANCE DEPARTMENT OPERATING EXPENDITURES						
GENERAL FUND - 10 / DEPARTMENT DETAIL - 4130						
ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised BUDGET FY 25/26	ESTIMATED 6/30/2026	BUDGET FY 26/27
PERSONNEL						
10-4130-5121-0000	Salaries & Wages	140,312	160,220	172,551	165,425	184,819
10-4130-5121-0000	Salaries & Wages- Merit Pay	-	-	-	-	4,611
10-4130-5181-0000	FICA	10,245	11,730	12,926	12,039	14,139
10-4130-5182-0000	Retirement Contribution	19,114	21,973	24,162	23,906	27,908
10-4130-5183-0000	Health Insurance	30,258	38,866	39,564	39,522	41,321
10-4130-5184-0000	401K	2,125	3,204	3,367	3,308	3,696
	Subtotal	202,055	235,993	252,570	244,200	276,494
PROFESSIONAL SERVICES						
10-4130-5191-0000	Prof. Services Auditor & Actuaries	42,976	37,691	49,400	44,000	45,400
	Subtotal	42,976	37,691	49,400	44,000	45,400
OPERATING						
10-4130-5299-0000	Supplies	2,512	954	1,500	1,400	2,000
10-4130-5310-0000	Travel & Training	5,201	4,570	5,500	5,975	6,000
10-4130-5321-0000	Telephone, Communications, Email	1,294	1,199	1,000	974	1,300
10-4130-5325-0000	Postage	539	520	500	300	500
10-4130-5340-0000	Printing	15	311	200	200	1,100
10-4130-5440-0000	Service & Maintenance Contracts	28,378	28,689	30,000	30,071	32,000
10-4130-5491-0000	Dues and Subscriptions	307	591	500	948	800
	Subtotal	38,246	36,835	39,200	39,868	43,700
TRANSFER TO CAPITAL RESERVE						
10-4130-5921-0000	Future Software upgrades	-	-	10,000	10,000	10,000
	Subtotal	-	-	10,000	10,000	10,000
	TOTAL FINANCE EXPENDITURES	283,276	310,519	351,170	338,068	375,594



PUBLIC WORKS

FY 2026-2027



PUBLIC WORKS DEPARTMENT OPERATING EXPENDITURES						
GENERAL FUND - 10 / DEPARTMENT DETAIL - 4270						
ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised BUDGET FY 25/26	ESTIMATED 6/30/2026	BUDGET FY 26/27
PERSONNEL						
10-4270-5121-0000	Salaries & Wages	306,754	365,123	413,938	397,346	454,066
10-4270-5121-0000	Salaries & Wages-Merit Pay	-	-	-	-	11,256
10-4270-5122-0000	Overtime	-	-	5,000	1,500	5,000
10-4270-5181-0000	FICA	22,642	27,037	31,293	29,526	35,119
10-4270-5182-0000	Retirement Contribution	36,585	46,570	52,204	53,851	65,165
10-4270-5183-0000	Health Insurance	60,815	80,028	92,715	86,515	95,596
10-4270-5184-0000	401K	4,598	5,104	7,621	6,557	8,449
	Subtotal	431,394	523,862	602,771	575,295	674,651
OPERATING						
10-4270-5212-0000	Uniforms	3,012	3,646	3,000	1,500	3,000
10-4270-5250-0000	Vehicle Supplies-Fuel	11,794	16,191	18,000	21,000	20,000
10-4270-5260-0000	Shop Tools & Equipment	4,606	2,441	3,000	3,000	3,500
10-4270-5293-0000	Supplies and Signs	2,111	5,031	5,000	6,500	5,000
10-4270-5299-0000	Departmental Supplies	2,936	8,737	3,000	6,200	3,000
10-4270-5310-0000	Travel & Training	4,649	6,328	6,000	2,322	6,000
10-4270-5321-0000	Telephone, Communications, Email	8,619	10,968	11,000	12,702	15,000
10-4270-5330-0000	Utilities	42,970	42,064	45,000	45,402	50,000
10-4270-5433-0000	Rent vehicle / Equipment	8,270	6,492	10,000	4,601	10,000
10-4270-5440-0000	Service & Maintenance Contracts	112,727	147,184	96,000	90,000	115,500
10-4270-5491-0000	Dues and Subscriptions	229	868	750	1,500	1,750
	Subtotal	201,923	249,950	200,750	194,727	232,750
MAINTENANCE AND REPAIRS						
10-4270-5295-0000	Building and Grounds	310,104	319,506	298,012	290,000	169,400
10-4270-5295-0000	Icarus	-	-	-	-	26,000
10-4270-5352-0000	Equipment	20,478	21,439	33,000	39,000	18,500
10-4270-5353-0000	Vehicle	7,159	6,095	7,000	6,000	7,000
10-4270-5599-0000	Sand Fence - (pass through)	10,919	3,324	24,000	5,000	24,000
	Subtotal	348,660	350,365	362,012	340,000	244,900
CAPITAL OUTLAY						
10-4270-5540-0000	Vehicles	-	128,497	41,749	45,975	-
10-4270-5550-0000	Equipment	-	29,614	-	-	-
10-4270-5595-0000	Building & Grounds (Sandy Run Playground)	-	-	150,000	150,000	30,000
10-4270-5595-0000	Infrastructure	23,663	-	-	-	-
	Subtotal	23,663	158,111	191,749	195,975	30,000
TRANSFER TO CAPITAL RESERVE						
10-4270-5921-0000	Fire Dept Roof Replacement /Repair	-	-	-	-	25,000
10-4270-5921-0000	Town Parks and Recreation Development	30,000	-	-	-	-
10-4270-5921-0000	US 158 Sidewalk	25,000	-	-	-	-
10-4270-5921-0000	Town-Wide Boardwalk and Dock Repairs	50,000	10,000	-	-	10,000
10-4270-5921-0000	Future HVAC Fire House replacement	10,000	10,000	10,000	10,000	7,500
10-4270-5921-0000	Replacement Caterpillar Backhoe	8,000	8,000	8,000	8,000	10,000
10-42470-5921-0000	Upgrade Public Works Building	25,000	25,000	-	-	-
10-4270-5921-0000	Rehab Fire House Galley	10,000	15,000	5,000	5,000	10,000
10-4270-5921-0000	Future Bikeways / Pedestrian Pathways	-	-	-	-	15,000
	Subtotal	158,000	68,000	23,000	23,000	77,500
	Public Works Subtotal	1,163,640	1,350,288	1,380,282	1,328,997	1,259,801



PUBLIC WORKS DEPARTMENT OPERATING EXPENDITURES (Continued)

GENERAL FUND - 10 / DEPARTMENT DETAIL - 4510 & 4710

ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised BUDGET FY 25/26	ESTIMATED 6/30/2026	BUDGET FY 26/27
TRANSPORTATION (4510)						
10-4510-5195-0000	Engineering Services	4,093	-	10,000	-	-
10-4510-5199-0000	Prof. Services Engineering (pass through PB)	-	-	-	3,957	10,000
10-4510-5293-0000	Street Signs	-	686	2,000	-	2,000
10-4510-5295-0000	Street Maintenance and Repairs	157	-	-	-	5,000
10-4510-5590-0000	Street Maint. & Repairs (pass through PB)	127,111	25,727	240,000	250,045	200,000
10-4510-5595-0000	Capital outlay Infrastructure	320,000	1,120,000	-	-	-
	Subtotal	451,362	1,146,413	252,000	254,002	217,000
ENVIRONMENTAL SERVICES (4710)						
10-4710-5690-0000	Chipping Contracted Services	13,140	14,040	16,000	4,230	-
10-4710-5691-0000	Solid Waste Collection	1,064,807	1,139,161	1,150,000	1,169,000	1,250,000
	Subtotal	1,077,947	1,153,201	1,166,000	1,173,230	1,250,000
	TOTAL PUBLIC WORKS EXPENDITURES	2,692,948	3,649,902	2,798,282	1,427,232	2,726,801



POLICE DEPARTMENT

FY 2026-2027



POLICE DEPARTMENT OPERATING EXPENDITURES						
GENERAL FUND - 10 / DEPARTMENT DETAIL - 4310						
ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised BUDGET FY 25/26	ESTIMATED 6/30/2026	BUDGET FY 26/27
PERSONNEL						
10-4310-5121-0000	Salaries & Wages	1,141,771	1,198,217	1,629,008	1,381,723	1,617,834
10-4310-5121-0000	Salaries & Wages-Merit Pay	-	-	-	-	42,834
10-4310-5122-0000	Overtime	15,691	16,754	15,000	8,000	15,000
10-4310-5181-0000	FICA	82,486	87,964	122,600	104,684	124,912
10-4310-5182-0000	Retirement Contribution	156,365	180,530	258,021	226,868	276,381
10-4310-5183-0000	Health Insurance	294,208	333,527	425,898	394,184	475,787
10-4310-5184-0000	401K-State Mandate 5%	-	-	-	-	74,940
10-4310-5184-0000	401K	74,343	75,739	106,112	90,027	32,657
	Subtotal	1,764,864	1,892,731	2,556,639	2,205,486	2,660,343
PROFESSIONAL SERVICES						
10-4310-5193-0000	Medical & Physicals	4,088	13,239	7,500	6,615	7,500
	Subtotal	4,088	13,239	7,500	6,615	7,500
OPERATING						
10-4310-5212-0000	Uniforms	19,415	25,948	31,192	20,726	30,000
10-4310-5212-0001	Uniforms Allowance	-	1,000	1,000	1,000	1,000
10-4310-5220-0000	Employee Engagement	-	826	5,350	1,900	3,500
10-4310-5250-0000	Vehicle Supplies-Fuel	46,371	36,917	53,000	41,206	53,000
10-4310-5299-0000	Supplies Departmental	10,764	11,874	14,100	11,000	12,000
10-4310-5310-0000	Travel & Training	15,428	32,050	36,000	30,000	32,000
10-4310-5321-0000	Telephone, Communications, Email	27,159	27,803	30,390	27,200	30,000
10-4310-5325-0000	Postage	673	764	1,000	500	1,000
10-4310-5330-0000	Utilities	6,469	8,430	11,000	20,306	26,000
10-4310-5340-0000	Printing	688	933	1,000	1,000	1,000
10-4310-5440-0000	Service & Maintenance Contracts	144,101	76,071	102,932	90,000	89,522
10-4310-5491-0000	Dues and Subscriptions	2,287	1,942	2,500	2,000	2,500
10-4310-5495-0000	Dept. Of Justice Assesst Forfeiture	-	-	-	-	-
10-4310-5498-0000	Controlled Substances Tax- Restricted	1,147	-	-	-	-
	Subtotal	274,502	224,560	289,464	246,838	281,522
MAINTENANCE AND REPAIRS						
10-4310-5352-0000	Equipment	14,227	14,441	31,115	20,000	26,000
10-4310-5353-0000	Vehicle	27,332	29,054	39,085	40,120	31,000
	Subtotal	41,560	43,496	70,200	60,120	57,000
PROGRAMS AND GRANTS						
10-4310-5497-0000	Community Outreach Programs	3,345	3,398	8,600	5,000	5,000
	Subtotal	3,345	3,398	8,600	5,000	5,000



POLICE DEPARTMENT OPERATING EXPENDITURES (Continued)						
GENERAL FUND - 10 / DEPARTMENT DETAIL - 4310						
ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised BUDGET FY 25/26	ESTIMATED 6/30/2026	BUDGET FY 26/27
CAPITAL OUTLAY						
10-4310-5540-0000	Vehicles	45,178	99,476	322,666	277,275	154,590
10-4310-5550-000	Equipment for Vehicles	39,462	93,937	231,488	92,686	42,000
10-4310-550-0000	Equipment for the Department	-	-	-	69,213	50,234
	Subtotal	84,640	193,412	554,154	439,174	246,824
TRANSFER TO CAPITAL RESERVE						
10-4310-5921-0000	Future In car radios	12,000	20,000	20,000	20,000	-
10-4310-5940-0000	Transfer out to capital project fund 41	230,307	454,062	-	-	-
10-4310-5921-0000	Records Management System	-	-	-	-	-
10-4310-5940-0000	Body Worn Camera and Tasers	-	-	-	-	-
	Subtotal	242,307	474,062	20,000	20,000	-
	Subtotal POLICE DEPARTMENT	2,415,306	2,844,898	3,506,557	2,983,233	3,258,189
SEPARATION ALLOWANCE						
10-4311-5131-0000	Separation Allowance	130,902	87,132	79,554	76,495	79,554
10-4311-5181-0000	FICA Separation Allowance	9,937	6,663	6,086	5,853	6,086
	Subtotal	140,839	93,795	85,640	82,348	85,640
	TOTAL POLICE DEPARTMENT EXPENDITURES	2,556,144	2,938,694	3,592,197	3,065,581	3,343,830



FIRE DEPARTMENT

FY 2026-2027



FIRE DEPARTMENT OPERATING EXPENDITURES						
GENERAL FUND - 10 / DEPARTMENT DETAIL - 4340						
ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised BUDGET FY 25/26	ESTIMATED 6/30/2026	BUDGET FY 26/27
PERSONNEL						
10-4340-5121-0000	Salaries & Wages	1,174,606	1,272,878	1,416,438	1,348,394	1,345,269
10-4340-5121-0000	Part time Salaries	-	-	-	-	90,000
10-4340-5121-0000	Volunteer Incentive Pay	-	-	-	-	12,000
10-4340-5121-0000	Salaries & Wages - Merit Pay	-	-	-	-	34,208
10-4340-5122-0000	Overtime	28,802	21,334	24,000	32,000	25,000
10-4340-5181-0000	FICA	91,639	96,155	124,176	96,903	112,629
10-4340-5182-0000	Retirement Contribution	148,751	158,706	188,242	175,591	206,634
10-4340-5183-0000	Health Insurance	228,971	249,309	281,504	267,852	291,918
10-4340-5184-0000	401 K	17,746	18,679	26,236	19,968	28,681
10-4340-5185-0000	Firefighter Pension Fund	2,590	1,590	3,770	3,266	3,480
	Subtotal	1,693,106	1,818,650	2,064,366	1,943,974	2,149,819
PROFESSIONAL SERVICES						
10-4340-5193-0000	Medical & Physicals	9,972	11,732	14,500	11,732	15,500
	Subtotal	9,972	11,732	14,500	11,732	15,500
OPERATING						
10-4340-5212-0000	Uniforms & Personal Protective Equipment	21,785	24,894	23,000	23,000	25,000
10-4340-5250-0000	Vehicle Supplies- Gas & Oil	18,823	16,245	18,000	15,906	18,000
10-4340-5299-0000	Supplies Departmental	19,668	19,686	18,600	17,496	19,000
10-4340-5310-0000	Travel & Training	19,409	13,571	20,000	11,926	20,000
10-4340-5321-0000	Telephone, Communications, Email	23,723	23,342	11,477	11,912	17,000
10-4340-5325-0000	Postage	69	139	250	200	250
10-4340-5330-0000	Utilities	14,213	14,010	14,000	15,034	14,500
10-4340-5440-0000	Service & Maintenance Contracts	4,883	5,206	20,688	24,000	24,450
10-4340-5491-0000	Dues and Subscriptions	2,653	2,653	2,500	2,000	2,500
	Subtotal	125,226	119,746	128,515	121,474	140,700
MAINTENANCE AND REPAIRS						
10-4340-5352-0000	Equipment	14,717	18,637	17,000	17,992	17,500
10-4340-5353-0000	Vehicle	89,556	34,993	52,625	58,452	60,000
	Subtotal	104,273	53,630	69,625	76,444	77,500
PROGRAMS AND GRANTS						
10-4340-5497-0000	Emergency Management Plan	26,353	16,533	5,000	357	25,000
		26,353	16,533	5,000	357	25,000
CAPITAL OUTLAY						
10-4340-5540-0000	Vehicle	-	49,978	50,000	50,000	-
10-4340-5550-0000	Equipment for Vehicle	37,397	6,291	10,000	17,896	-
10-4340-5550-0000	Equipment-Self-contained breathing apparatus	-	-	45,000	-	57,000
10-4340-5550-0000	Equipment-other than vehicle	100,000	18,103	31,500	68,978	25,000
	Subtotal	137,397	74,372	136,500	136,874	82,000
TRANSFER TO CAPITAL RESERVE						
10-4340-5921-0000	Future Fire Truck Apparatus Reserve	200,000	200,000	200,000	200,000	381,372
10-4340-5921-0000	800 mhz - Radio Replacement	6,500	-	-	-	-
10-4340-5921-0000	Station Alert System	-	-	-	-	40,000
	Subtotal	206,500	200,000	200,000	200,000	421,372
	TOTAL FIRE DEPARTMENT EXPENDITURES	2,302,827	2,294,665	2,618,506	2,490,855	2,911,891



OCEAN RESCUE

FY 2026-2027



OCEAN RESCUE DEPARTMENT OPERATING EXPENDITURES						
GENERAL FUND - 10 / DEPARTMENT DETAIL - 4370						
ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised BUDGET FY 25/26	ESTIMATED 6/30/2026	BUDGET FY 26/27
PERSONNEL						
10-4370-5121-0000	Salaries & Wages	119,474	156,332	211,877	185,609	257,655
10-4370-5181-0000	FICA	9,140	11,959	16,209	14,175	19,711
	Subtotal	128,614	168,291	228,086	199,784	277,366
PROFESSIONAL SERVICES						
10-4370-5193-0000	Medical & Physicals	900	1,284	1,600	1,600	1,600
	Subtotal	900	1,284	1,600	1,600	1,600
OPERATING						
10-4370-5212-0000	Uniforms	4,897	5,841	5,150	6,629	5,500
10-4370-5250-0000	Vehicle Supplies-Gas & Oil	1,718	1,571	3,500	2,442	3,500
10-4370-5299-0000	Departmental Supplies	5,149	8,433	5,400	5,400	5,600
10-4370-5310-0000	Travel & Training	756	852	1,200	710	2,000
10-4370-5321-0000	Telephone, Communications, Email	1,212	1,875	3,000	3,000	4,000
10-4370-5340-0000	Printing	136	-	700	-	700
10-4370-5433-0000	Rental of Equipment -ATV Lease	11,852	11,559	7,000	7,000	11,000
	Subtotal	25,720	30,130	25,950	25,181	32,300
MAINTENANCE AND REPAIRS						
10-4370-5352-0000	Equipment	1,874	5,610	9,000	5,396	9,000
10-4370-5353-0000	Vehicle	1,179	317	2,500	3,566	2,700
	Subtotal	3,053	5,927	11,500	8,962	11,700
CAPITAL OUTLAY						
10-4370-5540-0000	Vehicle	50,427	-	20,000	20,000	-
10-4370-5550-0000	Equipment	-	-	-	-	-
	Subtotal	50,427	-	20,000	20,000	-
	TOTAL OCEAN RESCUE EXPENDITURES	208,714	205,632	287,136	255,527	322,966



BEACH NOURISHMENT

FY 2026-2027



BEACH NOURISHMENT OPERATING EXPENDITURES						
GENERAL FUND - 10 / DEPARTMENT DETAIL - 4410						
ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised BUDGET FY 25/26	ESTIMATED 6/30/2026	BUDGET FY 26/27
PROFESSIONAL SERVICES						
10-4410-5195-0000	Beach Profile Survey	47,135	46,998	411,613	305,200	51,000
	Subtotal	47,135	46,998	411,613	305,200	51,000
OPERATING						
10-4410-5006-0000	Dare County Collection Fee - (BN and MSD)	17,369	17,255	17,000	16,801	17,000
10-4410-5598-0000	Beach Maintenance	54,602	243,302	140,000	30,000	10,000
	Subtotal	71,971	260,557	157,000	46,801	27,000
DEBT SERVICE						
10-4410-5710-0000	Principal	1,004,086	1,004,086	1,004,086	1,004,086	1,004,086
10-4410-5720-0000	Interest	73,097	52,212	31,328	31,328	10,442
	Subtotal	1,077,183	1,056,298	1,035,414	1,035,414	1,014,528
TRANSFER TO CAPITAL RESERVE						
10-4410-5921-0000	Excess Beach Nourishment Collections	393,717	170,215	219,214	219,214	376,291
	Subtotal	393,717	170,215	219,214	219,214	376,291
TOTAL BEACH NOURISHMENT EXPENDITURES		1,590,006	1,534,068	1,823,241	1,606,629	1,468,819



PLANNING AND INSPECTIONS

FY 2026-2027



PLANNING & INSPECTIONS DEPARTMENT OPERATING EXPENDITURES

GENERAL FUND - 10 / DEPARTMENT DETAIL - 4910

ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised BUDGET FY 25/26	ESTIMATED 6/30/2026	BUDGET FY 26/27
PERSONNEL						
10-4910-5121-0000	Salaries & Wages	273,884	321,305	245,672	250,524	259,838
10-4910-5121-000	Parttime Salaries	-	-	-	-	8,580
10-4910-5121-0001	Salaries & Wages - Merit Pay	-	-	-	-	6,496
10-4910-5181-0000	FICA	20,043	23,316	18,433	18,035	20,534
10-4910-5182-0000	Retirement Contribution	35,502	44,063	32,847	36,077	39,235
10-4910-5183-0000	Health Insurance	48,295	69,374	59,286	57,057	61,453
10-4910-5184-0000	401K	5,093	6,306	4,795	4,829	5,197
	Subtotal	382,816	464,364	361,033	366,522	401,333
PROFESSIONAL SERVICES						
10-4910-5195-0000	Professional Services- Engineering	1,410	-	2,000	-	-
10-4910-5199-0000	Prof . Serv.- contracted Inspections Services	-	-	1,000	-	-
	Subtotal	1,410	-	3,000	-	-
OPERATING						
10-4910-5212-0000	Uniforms	344	392	450	706	500
10-4910-5250-0000	Vehicle Supplies and Fuel	2,157	1,714	3,300	1,840	3,000
10-4910-5299-0000	Supplies Departmental	1,494	1,621	2,000	1,729	2,000
10-4910-5310-0000	Travel & Training	15,294	10,971	11,000	10,000	11,000
10-4910-5321-0000	Telephone, communications, Email	2,147	2,268	2,000	960	2,000
10-4910-5325-0000	Postage	1,107	232	3,000	1,250	3,000
10-4910-5340-0000	Printing	1,299	1,835	2,000	500	3,000
10-4910-5370-0000	Advertising	-	680	800	600	800
10-4910-5440-0000	Service & Maintenance Contracts	27,278	23,411	23,150	23,300	23,850
10-4910-5491-0000	Dues and Subscriptions	1,148	1,246	1,500	800	1,500
10-4910-5693-0000	Homeowner Recovery Fees	486	1,660	1,000	800	1,000
	Subtotal	52,754	46,029	50,200	42,485	51,650
MAINTENANCE AND REPAIRS						
10-4910-5353-0000	Vehicle Maintenance and Repairs	864	128	2,500	100	2,500
	Subtotal	864	128	2,500	100	2,500
TRANSFER TO CAPITAL RESERVE						
10-4910-5921-0000	Land Use Plan Update	3,000	3,000	3,000	3,000	3,000
10-4910-5921-0000	Zoning Ordinance Rewrite	-	-	-	-	20,000
		3,000	3,000	3,000	3,000	23,000
TOTAL PLANNING & INSPECTIONS EXPENDITURES		440,845	513,521	419,733	412,107	478,483



PLANNING BOARD

FY 2026-2027



PLANNING BOARD OPERATING EXPENDITURES						
GENERAL FUND - 10 / DEPARTMENT DETAIL - 4980						
ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised BUDGET FY 25/26	ESTIMATED 6/30/2026	BUDGET FY 26/27
PERSONNEL						
10-4980-5121-0000	Member Compensation	5,300	3,400	5,300	4,000	5,300
10-4980-5181-0000	FICA	405	260	450	287	450
	Subtotal	5,705	3,660	5,750	4,287	5,750
OPERATING						
10-4980-5310-0000	Travel & Training	-	-	500	300	500
10-4980-5396-0000	Contracted Services Transcriptions	1,806	-	-	-	-
	Subtotal	1,806	-	500	300	500
TOTAL PLANNING BOARD EXPENDITURES		7,511	3,660	6,250	4,587	6,250



BOARD OF ADJUSTMENT

FY 2026-2027



BOARD OF ADJUSTMENT OPERATING EXPENDITURES

GENERAL FUND - 10 / DEPARTMENT DETAIL - 4990

ACCT. NO.	EXPENDITURE CLASSIFICATION	ACTUAL FY 23/24	ACTUAL FY 24/25	Revised BUDGET FY 25/26	ESTIMATED 6/30/2026	BUDGET FY 26/27
PERSONNEL						
10-4990-5121-0000	Member Compensation	150	550	1,000	300	550
10-4990-5181-0000	FICA	11	42	115	24	42
	Subtotal	161	592	1,115	324	592
PROFESSIONAL SERVICES						
10-4990-5192-0000	Professional Services Legal	-	4,865	1,500	-	1,500
	Subtotal	-	4,865	1,500	-	1,500
OPERATING						
10-4990-5310-0000	Travel & Training	-	-	250	-	250
10-4990-5370-0000	Advertising	-	-	250	-	250
	Subtotal	-	-	500	-	500
TOTAL BOARD OF ADJUSTMENT EXPENDITURES		161	5,457	3,115	324	2,592



CAPITAL RESERVE FUND

FY 2026-2027



CAPITAL RESERVE FUND REVENUES VS EXPENDITURES					
RESERVE FUND - 21 / DEPARTMENT DETAIL					
DEPARTMENT		ACTUAL FY 23/24	ACTUAL FY 24/25	Revised BUDGET FY 25/26	BUDGET FY 26/27
REVENUES					
<i>TRANSFER IN FROM THE GENERAL FUND BY DEPARTMENTS FOR THE FUTURE</i>					
4100	IT Equipment System Replacement	-	-	20,000	20,000
4130	Finance Software Upgrades	-	-	10,000	10,000
4270	Town Parks & Recreation Development	30,000	-	-	-
4270	Town wide Boardwalks and Dock Repairs	50,000	10,000	-	10,000
4270	HVAC Replacement at Fire Station	10,000	10,000	10,000	7,500
4270	Caterpillar Backhoe Replacement	8,000	8,000	8,000	10,000
4270	Future Side walk US 158	25,000	-	-	-
4270	Upgrade Public Works Building	25,000	25,000	-	-
4270	Dump Trailer replacement	10,000	-	-	-
4270	Rehab Fire House Galley	-	15,000	5,000	10,000
4270	Fire Department Roof Replacement	-	-	-	25,000
4270	Future Bikeways/Pedestrian Pathways	-	-	-	15,000
4310	Police In car Radios	12,000	20,000	20,000	-
4340	Future Fire Apparatus Truck	200,000	200,000	200,000	381,372
4340	800 mhz - Radio Replacements	6,500	-	-	-
4340	Station Alert System	-	-	-	40,000
4410	Storm Damage/ Beach Nourishment	393,717	642,115	217,959	376,291
4910	Land Use Plan Update	3,000	3,000	3,000	3,000
4910	Zoning Ordinance Rewrite	-	-	-	20,000
	Interest Earnings	175,827	210,639	-	-
	Capital Reserve Appropriated	-	-	445,901	-
	TOTAL RESERVE FUND REVENUES	949,044	1,143,754	939,860	928,163
EXPENSES					
<i>TRANSFER TO THE RESERVE FUND FOR FUTURE CAPITAL PROJECTS</i>					
4100	IT Equipment System Replacement	-	-	20,000	20,000
4130	Finance Software Upgrades	-	-	10,000	10,000
4270	Town Parks & Recreation Development	30,000	-	-	-
4270	Town Wide Boardwalk & Dock Repairs	50,000	10,000	-	10,000
4270	HVAC replacement at Fire Station	10,000	15,000	10,000	7,500
4270	Caterpillar Backhoe replacement	8,000	8,000	8,000	10,000
4270	Future Sidewalk US 158	25,000	-	-	-
4270	Dump Trailer Replacement	10,000	-	-	-
4270	Rehab Fire House Galley	-	-	5,000	10,000
4270	Fire Department Roof Replacement	-	-	-	25,000
4270	Future Bikeways / Pedestrian Pathways	-	-	-	15,000
4310	Police In car radios	12,000	20,000	20,000	-
4340	Future Fire Truck Replacement	200,000	200,000	200,000	381,372
4340	800 mhz - Radio Replacements	6,500	-	-	-
4340	Station Alert System	-	-	-	40,000
4410	Storm Damage/Beach Nourishment	393,717	642,116	217,959	376,291
4910	Land Use Plan Update	3,000	3,000	3,000	3,000
4910	Zoning Ordinance Rewrite	-	-	-	20,000
<i>TRANSFER OUT TO THE GENERAL FUND FROM THE RESERVE</i>					
4100	IT Development	-	-	45,275	-
4100	Document Imaging software	20,000	15,600	-	-
4270	Town Parks & Rec Development	-	-	6,000	30,000
4270	HVAC replacement at Fire Station	-	12,600	12,600	-
4270	Caterpillar Backhoe replacement	-	-	16,913	-
4340	800 MHz radio replacements	-	-	6,500	-
4510	Future Sidewalk USA 158	289,000	-	-	-
4410	Storm Damage/Beach Nourishment	40,000	-	358,613	-
	TOTAL RESERVE FUND EXPENDITURES	349,000	28,200	939,860	928,163



APPENDICES



DEBT POLICY AND 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, the current town council has made every effort to avoid debt service when paying 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 assets or large capital projects to avoid debt service. The town has taken the “pay as you go” approach.

The 2022 Beach Nourishment Project was established by adopting Capital Project Ordinance No. 21-01, in which all funds are derived from the special obligation bond and repaid by dedicated revenue sources. This debt is shared between Dare County and the Town of Kitty Hawk under an interlocal agreement. Dare County contributes approximately 31% of the principal and interest payments yearly. The final payment for the 2022 Beach Nourishment project will be made in 2026.

FISCAL YEAR 2026-2027						
Fund	Project	Loan Origination Date	Original Loan Amount	FY 26/27 Principal & Interest Payments	Outstanding Principal Balance	Expected Pay-Off Date
Beach Nourishment Fund	2022-Beach Nourishment	12/14/21	\$ 5,020,429.00	\$ 1,014,528.00	\$ -	12/14/26
Total Payments by Fund						
Beach Nourishment Fund	\$1,014,528.00					



STATISTICAL DATA AND DEMOGRAPHICS

Year Incorporated: Kitty Hawk was established in the early 18th century as Chickahawk. The town was 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 the 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) are water.

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, is warm during summer, with temperatures in the mid-80s, and cold during winter, with temperatures in the mid-50s.

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 low temperature of 35.80 degrees Fahrenheit.

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



Demographics

According to the 2020 United States Census, the town's total population was 3,689.

Population by Age Range

- Under 5 years - 3.6 %
- Under 18 years - 18.3%
- 18 years and over - 81.7%
- 65 years and over - 23.4%

Older Population

- 65 to 74 years - 15.8%
- 75 to 84 years - 6.1%8%
- 85 years and over - 1.5%

Ancestry

- English - 21.8%
- French - 1.6%
- German – 9.5%
- Irish - 9.6%
- Italian - 11%
- Norwegian - 0.4%
- Polish - 4.4%
- Scottish - 1.4%

Language Spoken at Home

- English Only - 92.5%
- Spanish - 6.8%
- Other Indo- European Language - 0.7%

Education

Bachelor's Degree or Higher - 36.8%

Housing

Total housing units 3,207

Families and Living Arrangements

Total households 1,571

Income

Median Household Income \$80,172



GENERAL STATUTE REQUIREMENTS

G.S. 159-8. Annual Balanced Budget Ordinance

- (a) Each local government and public authority shall operate under an annual balanced budget ordinance.
- (b) A local government unit's budget ordinance covers 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 with a 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 the governing board.
- (b) The budget and a budget message shall be submitted to the governing body no later than June 1. The budget and budget message should, but need not, be submitted at the board's formal meeting.
- (c) The governing body may authorize or request the budget officer to submit a budget containing recommended appropriations in a manner that will reveal to 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 the town manager submits the budget to the governing board, the budget officer shall file a copy in the clerk's office 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 any person who wishes 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. No later than July 1, the governing board shall adopt a budget ordinance making appropriations and levying taxes for the budget year in sums the board may consider sufficient and proper, whether greater or less than the sums recommended by the budget.



FUND TYPES

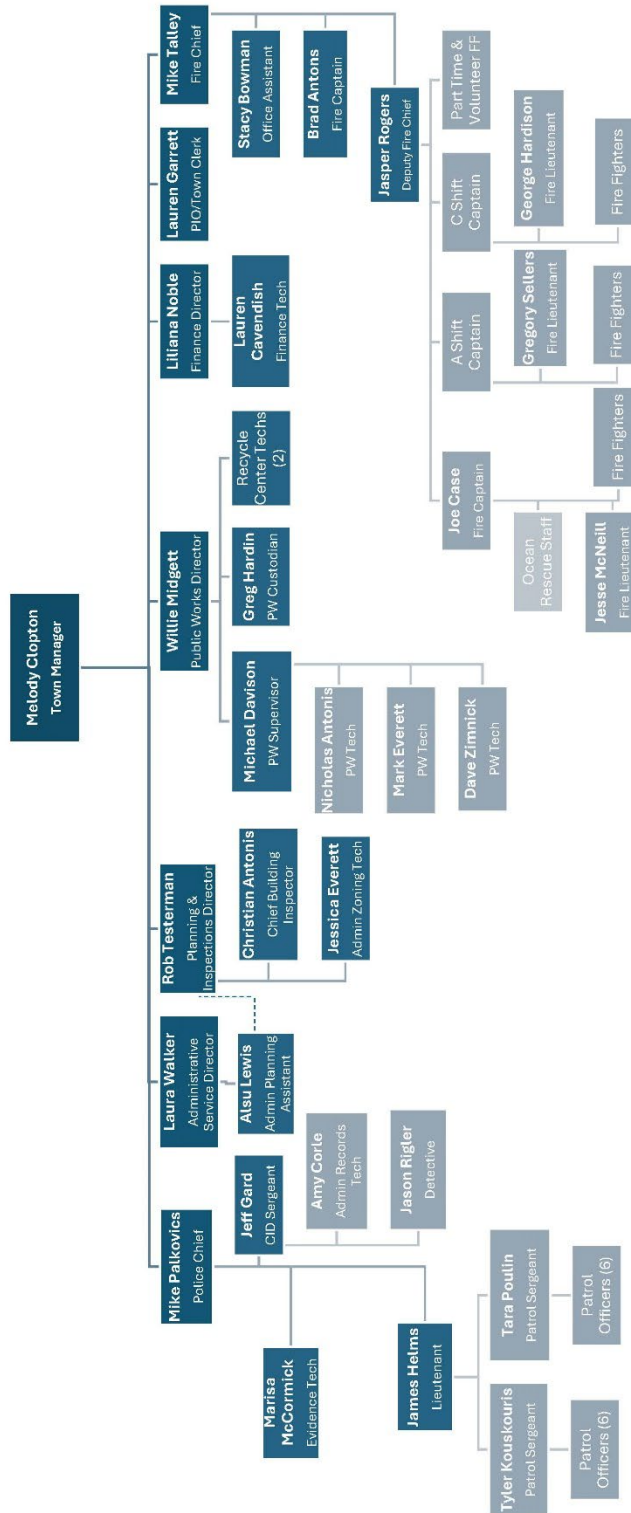
The town's budget addresses three main types of governmental funds:

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.



ORGANIZATION CHART (DEPARTMENT LEVEL)

FISCAL YEAR 2026/2027





GENERAL EMPLOYEE CLASSIFICATIONS

<u>Grade</u>	<u>Position</u>	<u>Minimum</u>	<u>Maximum</u>
55	Public Works Technician/Custodian Office Assistant/Receptionist Evidence Logistics Technician	\$42,626.88	\$67,596.96
56	Public Works Technician II Public Works Custodian II	\$44,870.40	\$71,154.69
57	Public Works Crew Leader	\$47,231.99	\$74,899.67
58	Firefighter Trainee Logistics & Evidence Technician	\$49,717.89	\$78,841.76
59	Administrative Planning Assistant Firefighter I Public Works Supervisor	\$52,334.62	\$82,991.33
60	Firefighter Engineer Administrative Zoning Technician Administrative Records Technician Building Inspector & Code Enforcement Trainee Finance Technician Administrative Planning Coordinator	\$55,089.07	\$87,359.29



GENERAL EMPLOYEE CLASSIFICATIONS (CONTINUED)

<u>Grade</u>	<u>Position</u>	<u>Minimum</u>	<u>Maximum</u>
61	Master Firefighter	\$57,988.50	\$91,957.15
62	Fire Lieutenant	\$61,040.33	\$96,797.00
63	Fire Captain Ocean Rescue Director	\$64,253.18	\$101,891.58
64	Chief Building Official Public Information Officer & Town Clerk**	\$67,634.93	\$107,254.29
65		\$71,194.66	\$112,899.26
66		\$74,941.75	\$118,841.32
67		\$78,886.05	\$125,096.13
68		\$83,037.95	\$131,680.14
69	Finance Director** Administrative Services Director** Deputy Fire Chief **	\$87,408.37	\$138,610.67



GENERAL EMPLOYEE CLASSIFICATIONS (CONTINUED)

<u>Grade</u>	<u>Position</u>	<u>Minimum</u>	<u>Maximum</u>
70	Director of Planning and Inspections** Public Works Director**	\$92,008.81	\$145,905.97
71	Police Chief ** Fire Chief**	\$96,851.38	\$153,585.23
72		\$101,693.95	\$161,264.49

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

Sworn Police Officer Classifications

<u>Grade</u>	<u>Position</u>	<u>Minimum</u>	<u>Maximum</u>
PD57	Officer Trainee	\$52,719.41	\$82,752.77
PD59	Officer	\$58,414.86	\$91,692.82
PD60	Officer First Class	\$61,489.32	\$96,518.76
PD61	Master Officer	\$64,725.60	\$101,598.69
PD62	Detective Career Officer	\$68,132.21	\$106,945.99



Sworn Police Officer Classifications (Continued)

<u>Grade</u>	<u>Position</u>	<u>Minimum</u>	<u>Maximum</u>
PD63	Sergeant	\$71,718.12	\$112,574.73
PD66	Lieutenant	\$83,648.48	\$131,301.62

Approved by the Kitty Hawk Town Council on this 1st day of June 2026.

(SEAL)

Charlotte Deloutch Walker, Mayor

Lauren Fox Garrett, Public Information Officer & Town Clerk



PERSONNEL SUMMARY FOR FY 2026-2027

Approved Positions for FY 2026-2027		
Department	Full-Time	Part-Time
Administration	4	0
Finance	2	0
Planning & Inspections	3	1
Public Works	6	2
Police	21	0
Fire	16	9
Total	52	12

Longevity Awards	
Total	
Last Year Longevity Award	\$8,000.00
Total Change	+\$2,500

Retiree Insurance			
Retiree Health Insurance Payments for FY 2026-2027			
	Health	Life	Total
Total	\$149,919.06	\$240.00	\$150,159.06

Separation Allowance		
Separation Allowance 2026-2027		
	Monthly	Annual
Total	\$7,136.68	\$85,640.18



2026-2027 PROPOSED FEE SCHEDULE

Item	Fee
Credit Card Processing Fees	
A service fee of 3.5% on the bill or \$2(two) dollars minimum if the invoice is under \$57.	
Town Merchandise	
Town of Kitty Hawk Hats - Baseball	\$12.50
Town of Kitty Hawk Hats – Ladies	\$15.50
Town of Kitty Hawk Hats - Trucker	\$23.00
Town of Kitty Hawk License Plates	\$7.50
Town of Kitty Hawk License Plates Dark Blue	\$14.50
Town of Kitty Hawk License Plate Limited Edition	\$15.00
Town of Kitty Hawk Police Patch	\$5.00
Town of Kitty Hawk Police Challenge Coin	\$10.00
Town of Kitty Hawk Fire Department Patch	\$5.00
Town of Kitty Hawk Limited Edition T-shirt	\$25.00
Town Flag	\$85.00
Town 25th Anniversary Cookbook	\$9.00
Town Documents	
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
Town Miscellaneous Fees	
Smith Room Rental Fee	\$50.00
Fire Department Meeting Room	\$50.00
Special Meeting /Town council	\$825.00
Horse Registration Initial Fee (per horse)	\$50.00
Horse Registration Annual (per horse)	\$20.00
Horse Registration Late Fee (per horse)	\$50.00
Dune Sign	\$31.00
Road Sign Repair	\$250.00
Christmas Tree Lot Permit	\$100.00 Refundable Permit
Kayak Permits (Annually)	\$300.00
Police Department	
False Alarm -1 st Call in a Month	No charge
False Alarm -2 nd Call in a Month	\$50.00



Item	Fee
False Alarm- 3 rd Call in a Month and subsequent calls	\$100.00
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
Handicapped Parking Violation	\$100.00
All other Parking Violations	\$25.00
Fire Department	
Fire Inspection-1 st Inspection	No Charge
Fire Inspection-1 st Follow-up	No Charge
Fire Inspection-2 nd Follow-up	\$50.00
Fire Inspection- 3 rd and subsequent follow-ups	\$100.00
False Alarm-1 st Call in a Month	No Charge
False Alarm-2 nd Call in a Month	\$50.00
False Alarm-3 rd 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
Sprinkler System	\$100.00
Fire Suppression	\$100.00
Battery Systems	\$75.00
Compressed Gasses	\$75.00
Fire Alarm & Detection Systems and Related Equipment	\$100.00
Fire Pumps and Related Equipment	\$100.00
Flammable and Combustible Liquids	\$75.00
Hazardous Materials	\$75.00
Industrial Ovens	\$75.00
Private Fire Hydrants	\$75.00
Spraying or Dipping	\$75.00
Standpipe Systems	\$100.00
PLANNING PERMIT AND FEES	
General Planning Fees	
Zoning Compliance Verification Letter - Residential	\$75.00
Zoning Compliance Verification Letter – Commercial	\$100.00
Type I Home Occupation Fee	\$75.00
Type II Home Occupation Permit	\$150.00
Outdoor Gathering Permit Fee	\$75.00
Outdoor Gathering Permit Fee with Tent	\$100.00



Item	Fee
Planning Board Special Meeting	\$825.00
Short Term Business Registration	\$50.00
Pre-application Conference	
Pre-Planning Application	\$255.00
PCD/PUD	\$535.00
BC3	\$0.15/sq ft of building
Site Plans Review / Zoning Permit Fees	
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
Single-Family Residence & Duplex	
New construction or substantial improvement	\$150 per unit up to 3,000 sq ft Structures over 3,000 sq ft is \$150 + \$0.05 for each additional sq. ft. over 3,000 (heated space)
Accessory Dwelling Units	\$150.00
Additions for existing SFR and duplex (less than 50% of structure value)	\$75.00
Pools, driveways, decks and deck additions, accessory structures when not associated with new construction or substantial improvement	\$50.00
Multifamily/Townhouse/Hotel/Motel	\$150/unit
Garbage/Trash can fee	1 Can (<3 br)-\$125.00 2 Cans (4 to 6 br)-\$215.00 3 Cans (7 to 9 br)-\$300.00
Special Use Permits	
Special Use Permit	\$300.00
SUP-Family Day Care	\$75.00
SUP-Residence in a Commercial Zone	\$25.00
Subdivision Plan Review	
Subdivision	\$100.00/lot
Exempt Subdivision	\$150.00
Erosion and Sediment Control	
Land Disturbance Permit (less than 5,550 sq ft of disturbance)	\$75.00
Residential Erosion and Sedimentation Control Permit (5,500 sq. ft. or greater)	\$100.00



Item		Fee
	Commercial Erosion and Sedimentation Control Permit (5,500 sq. ft. or greater)	\$0.05/sq ft of disturbed area, \$1,000 maximum
Signs		
Zoning	New Sign (per site)	\$100.00
	Temporary Sign /Banner	\$25.00+\$50.00 deposit
	Change of Sign Face	\$40.00
Building	New Sign w/o electric	\$75.00
	New Sign w/electric	\$150.00
Zoning Text/Map Amendment		
	Zoning Text Amendment	\$350.00
	Map Amendment (Rezoning)	\$400.00
Wireless Communication Facility Review		
	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
Board of Adjustment		
	Variance Request	\$500.00
	Appeal of Zoning Decision	\$350.00
CAMA		
	CAMA Minor Permit	\$119.00
Refund Schedule – Planning		
	Pre-Planning Board Review	\$75% refund
	If planning Board has begun review	\$50% refund
	Pre-Council Review	\$25% refund
Miscellaneous Permits and Fees		
NOTE: Double fees will apply to all permits if work has commenced before an application approval.		
Building Permit Fees		
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 of \$245.00 per square foot, for permitting purposes. Minimum of 24 hours requested for inspections.		
1. First \$1,000 of estimated cost (minimum fee) \$100.00, plus per \$1,000 after the first (round up to the next (\$1,000) (\$5.00/\$1,000)		
	2. Above-ground Swimming Pool/Hot Tub (includes electric outside of service change	\$100.00
	3. Building Demolition – Per Building	Residential \$100.00 Commercial \$200.00



Item	Fee
4. Day Care, ABC License, inspections, etc.	\$75.00
5. Moving a Building and/or approved, labeled Modular Unit	\$500.00
6. Manufactured mobile home (includes building, electrical, plumbing, and mechanical fees)	Single Wide \$250.00 Double Wide \$300.00
Insulation	
1. The minimum permit fee applies to each dwelling	\$75.00/unit and/or tenant space
Plumbing	
1. Minimum Permit fee applies to each dwelling unit and/or tenant space	\$75.00, plus \$10.00 per fixture, trap or similar device.
1a. Irrigation System	\$100.00
Gas	
1. Minimum permit fee applies to each dwelling unit/or tenant space	\$75.00, plus \$5.00 per gas outlet/connection
Mechanical	
1. Walk-in cooler or freezer; Commercial cooking	\$75.00/hood
2. Heating, air conditioning, and /or combination unit Change Out	\$150.00 per unit, plus per fire, radiation, and/or smoke damper-\$5.00
2a. Residential additional equipment or system	\$100.00
2b. Commercial additional equipment or system	\$150.00
3. New HVAC Installation (Not New Construction)	\$55.00 plus electrical
3. Minimum Permit Fee	\$75.00 plus Non-walk-in cooler, freezer, and/or other equipment
Electrical	
1. Temporary Service	\$75.00
2. Temporary Service with w/construction site trailer	\$150.00
3.Approved/Labeled Modular (per service size)	Per service size
4.0-200 Ampere Service	\$125.00 plus \$0.50 per ampere above 200
5. Electrical Trade Permit up to (5) 120-Volt circuits	\$125.00
6. Minimum permit fee	\$75.00, plus (waive minimum permit fee, if associated work is performed in conjunction with new service and /or service change)
6a. Openings 1-100 receptacles, switches, or fixtures	\$50 plus \$0.10 for each additional opening over 100
6b. Sub-panel, Transformer, Disconnect	\$75.00 each
6c. Baseboard heaters (per thermostat) Signs, Fuel dispensers, "freestanding" per parking light poles, Manufactured Home Pedestals	Minimum +\$10.00 each
6d. In-ground swimming pools & solar panels	\$250.00



Item	Fee
6e. Exhaust fans/hood, range, oven, dryer, dishwasher, garbage disposal, water heater, spa, mini split, whirlpool, window A/C, through-the-wall heat pump, motor, and other equipment/machinery, etc	\$10.00 each
6f. The generator includes a subpanel	\$100.00 each
6g. Elevator includes subpanel	\$100.00 each
6h EV charging station	\$150.00 per unit + \$10 for each additional circuit

NOTE: *In addition to each individual service, applicable items a-e also apply to each dwelling unit and/or tenant space.*

*Red denotes proposed changes to fee schedule



GLOSSARY AND ACRONYMS

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 town’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 (MSD) - 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, merit pay, overtime, 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).