



TOWN OF SOUTHERN SHORES  
5375 N VIRGINIA DARE TRAIL | SOUTHERN SHORES, NC 27949  
(252) 261-2394 | [WWW.SOUTHERNSHORES-NC.GOV](http://WWW.SOUTHERNSHORES-NC.GOV)

FISCAL YEAR 2020-2021  
PROPOSED OPERATING BUDGET

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FILED AND SUBMITTED MAY 5, 2020

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# Town of Southern Shores

5375 N. Virginia Dare Trail, Southern Shores, NC 27949

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[www.southernshores-nc.gov](http://www.southernshores-nc.gov)

May 5, 2020

## Budget Message Fiscal Year 2020-2021 [NCGS §159-1]

To the Honorable Mayor and Members of the Town Council:

In accordance with the State of North Carolina's Local Government Budget and Fiscal Control Act, the proposed budget for fiscal year 2020-2021 was filed today with the Town Clerk and will be available for public inspection beginning May 6, 2020. Public Notice of the proposed operating budget will be posted on the Town's bulletin boards, the Town's website, the Town's social media outlet, and in a Notice of Public Hearing to be published in accordance with NCGS §159-12 for a Public Hearing to be held June 1, 2020 at 5:30 p.m. in the Pitts Center.

During the current fiscal year, the number of residential and commercial building permits has decreased compared to fiscal year 2018-2019 but the number of new single-family dwellings are on track to exceed those permitted in the previous two fiscal years. Due to the revaluation of all property in Southern Shores that was completed earlier this year, the overall value of the Town's taxable property increased 20%. This results in a re-setting of the Town's tax rate to 19.58 cents in order to keep revenues the same to fund the current cost of expenses. Property taxes comprise 53% of the Town's major sources of revenues in the proposed budget.

The other major sources of revenue for the Town of Southern Shores include occupancy tax, sales tax, and land transfer tax, which is distributed to each municipality in Dare County. Due to the COVID-19 pandemic, we are projecting a 20% reduction in occupancy tax revenue, 5% decrease in sales tax revenue, and 2.5% decrease in land transfer revenue. As directed by Council, the \$662,340 that has traditionally been allocated to fund street projects has been used to offset the anticipated loss of revenue due to the COVID-19 pandemic.

During the months of February and March, 2020, Finance Officer Bonnie Swain and I met with each Department Head, including the Southern Shores Volunteer Fire Department, and gathered the proposed expenses for services for the next fiscal year. The costs for contracted services, including lifeguard service, limb and branch collection, and fire protection, are established in each contract. The proposed expenses and revenues were presented to Council at the April 21, 2020 Budget Work Session which was broadcasted on the Zoom online meeting platform. Council had the opportunity to ask questions about each line item as they were reviewed. The Finance Officer has made the adjustments to the budget as directed by Council at the Work Session and the proposed budget is balanced at the revenue neutral rate without a tax increase.

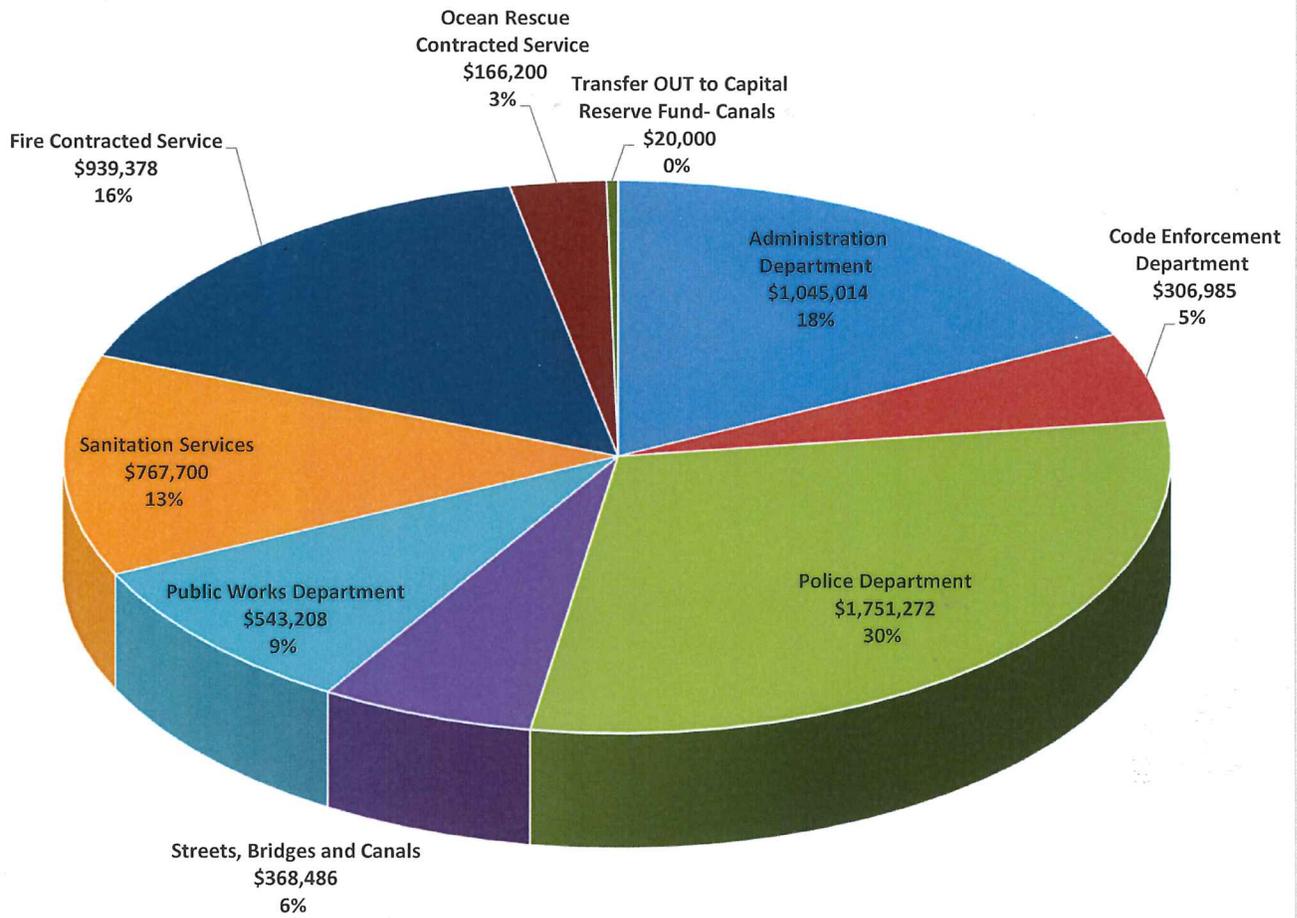
The proposed budget has been filed and will be available for public inspection tomorrow morning. Following the Public Hearing held on June 1, 2020 Council may amend the proposed budget or adopt it as proposed which must occur prior to July 1, 2020.

Wes Haskett  
Interim Town Manager/Budget Officer  
Town of Southern Shores

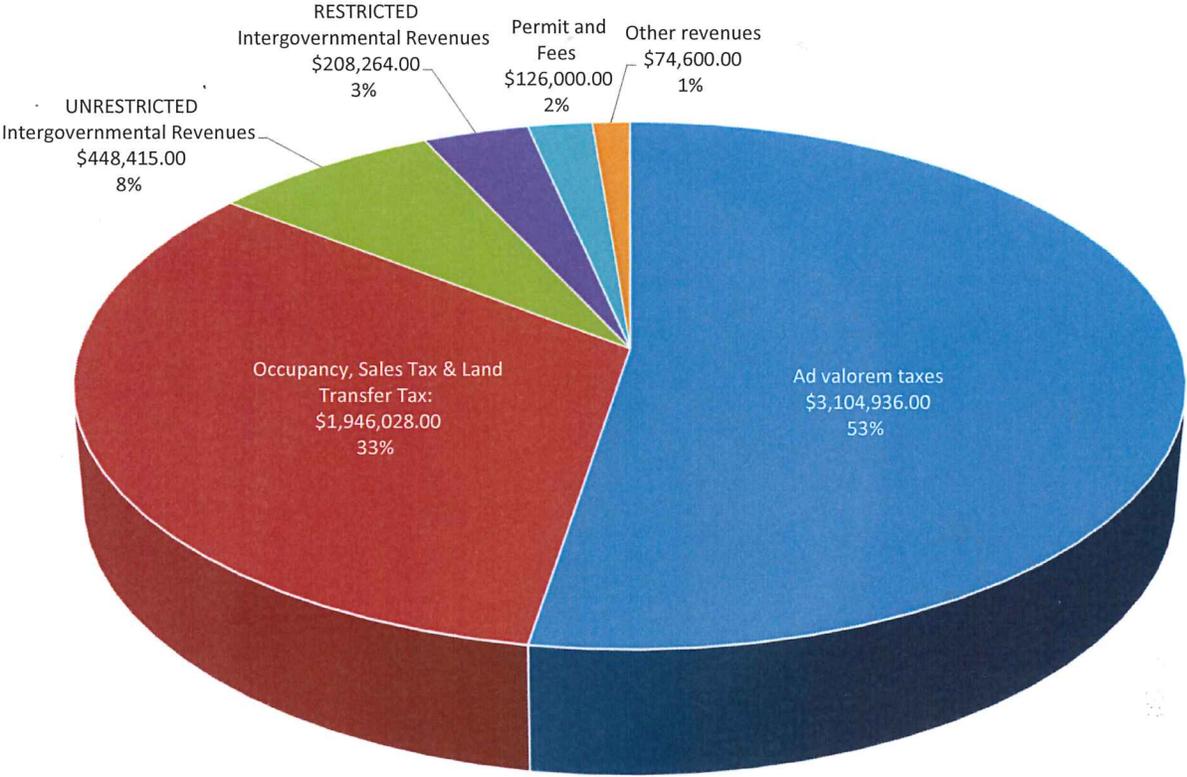
## Budget Preparation Calendar for Fiscal Year 2020-2021

- **April 21, 2020 - 9:00 AM Town Council Workshop Meeting (Council Work Session-Budget Planning)** Review of Budget Officer's projected revenues and expenditures and Draft proposed budget intended to be filed and submitted. Opportunity for Town Council, by its action, to direct Budget Officer to submit different revenues and expenses, including capital and special projects, in his proposed budget.
- **May 5, 2020 - 5:30 PM Regular Meeting** - Budget Officer officially files his recommended budget (inclusive of any previous Council directives) with the Clerk - (Clerk makes Budget Officer's filed-recommended budget document available for public inspection, and publishes notice of June 1, 2020 Public Hearing
- **June 1, 2020 - 5:30 PM Regular meeting** - Public Hearing (separate from public comment periods) on the Budget Officer's FY 2020-2021 filed recommended budget. After the Public Hearing, the Council must adopt (prior to July 1, 2020), with any changes it enacts as a Council, an annual operating budget for FY 2020-2021.

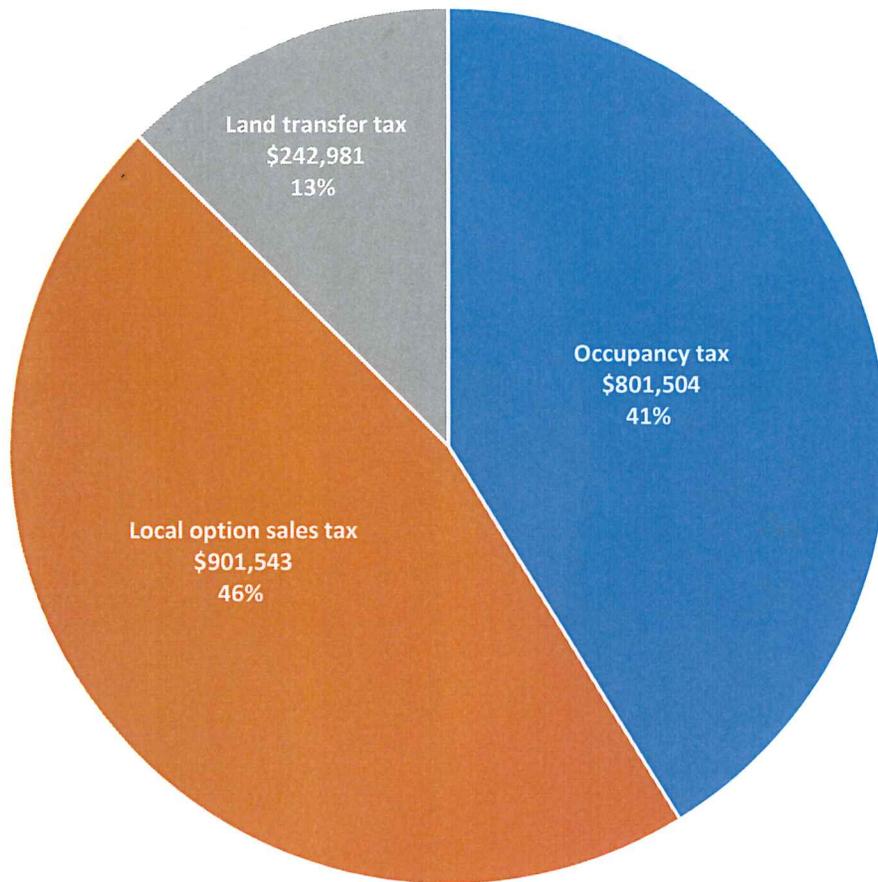
### EXPENDITURES FY 2020-2021



GENERAL FUND REVENUES  
FY 2020-2021



**OCCUPANCY, SALES TAX & LAND TRANSFER TAX**



<b>GENERAL FUND SUMMARY</b>						
	<b>FY 17-18 Actual</b>	<b>FY 18-19 Actual</b>	<b>FY 19-20 Amended</b>	<b>FY 20-21 Requested</b>	<b>FY 20-21 Recommended</b>	<b>FY 20-21 Adopted</b>
<b>Revenues:</b>						
Ad valorem taxes	3,030,645	3,064,445	3,081,460	3,104,936	3,104,936	
Occupancy, Sales Tax & Land Transfer Tax:	2,227,618	2,200,084	2,165,590	1,946,028	1,946,028	
UNRESTRICTED Intergovernmental Revenues	453,294	461,463	450,200	448,415	448,415	
RESTRICTED Intergovernmental Revenues	639,141	235,748	664,382	208,264	208,264	
Permit and Fees	156,815	139,324	129,000	126,000	126,000	
Other revenues	81,833	234,125	147,674	74,600	74,600	
<b>SubTotal:</b>	<b>6,589,346</b>	<b>6,335,189</b>	<b>6,638,306</b>	<b>5,908,243</b>	<b>5,908,243</b>	
Transfer IN from Other Funds	22,000	-	-			
Appropriated-Undesignated Fund Balance	-	-	1,406,411			
<b>Total:</b>	<b>6,611,346</b>	<b>6,335,189</b>	<b>8,044,717</b>	<b>5,908,243</b>	<b>5,908,243</b>	
<b>Expenditures:</b>						
Administration Department	944,656	1,004,062	1,080,656	1,045,014	1,045,014	
Code Enforcement Department	245,974	300,597	270,673	306,985	306,985	
Police Department	1,468,688	1,621,713	1,768,688	1,751,272	1,751,272	
Streets, Bridges and Canals	1,419,636	1,078,281	2,355,404	368,486	368,486	
Public Works Department	389,150	513,722	752,469	543,208	543,208	
Sanitation Services	650,166	685,046	742,863	767,700	767,700	
Fire Contracted Service	691,767	633,240	890,464	939,378	939,378	
Ocean Rescue Contracted Service	161,550	163,500	163,500	166,200	166,200	
<b>Total Operating General Fund Expenditures</b>	<b>5,971,587</b>	<b>6,000,161</b>	<b>8,024,717</b>	<b>5,888,243</b>	<b>5,888,243</b>	
Transfer OUT to Capital Reserve Fund- Canals	20,000	20,000	20,000	20,000	20,000	
Transfer OUT to Capital Reserve Fund	254,019					
			<b>8,044,717</b>	<b>5,908,243</b>	<b>5,908,243</b>	
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>617,759</b>	<b>335,028</b>	<b>-</b>	<b>-</b>		
.01 = \$156,617						

<b>GENERAL FUND</b>							
	<b>FY 17-18</b>	<b>FY 18-19</b>	<b>FY 19-20</b>	<b>FY 20-21</b>	<b>FY 20-21</b>	<b>FY 20-21</b>	
<b>REVENUES</b>	<b>Actual</b>	<b>Actual</b>	<b>Amended</b>	<b>Requested</b>	<b>Recommended</b>	<b>Adopted</b>	
<b>AD VALOREM TAXES:</b>							
Property taxes - current year	2,885,427	2,920,081	2,936,160	2,961,936	2,961,936		
Property taxes - prior years	10,210	9,775	5,000	5,000	5,000		
Vehicle taxes - prior years	42	58	2,300	-	-		
NCVTS	101,506	100,228	105,000	105,000	105,000		
Tax penalties and interest	3,460	4,303	3,000	3,000	3,000		
Special Assessment	30,000	30,000	30,000	30,000	30,000		
<b>Total Ad Valorem Taxes</b>	<b>3,030,645</b>	<b>3,064,445</b>	<b>3,081,460</b>	<b>3,104,936</b>	<b>3,104,936</b>		
<b>Occupancy, Sales Tax &amp; Land Transfer Tax:</b>							
Occupancy tax	1,014,531	1,001,880	958,000	801,504	801,504		
Local option sales tax	964,512	948,993	961,619	901,543	901,543		
Land transfer tax	248,575	249,211	245,971	242,981	242,981		
<b>Total Occupancy, Sales Tax &amp; Land Transfer</b>	<b>2,227,618</b>	<b>2,200,084</b>	<b>2,165,590</b>	<b>1,946,028</b>	<b>1,946,028</b>		
<b>UNRESTRICTED INTERGOVERNMENTAL REVENUES:</b>							
Utilities franchise tax	259,893	271,200	263,000	264,315	264,315		
Video Programming Tax	68,982	66,316	65,000	63,900	63,900		
Telecommunications tax	24,875	23,193	23,000	21,000	21,000		
PEG Channel Revenue	27,031	26,893	26,000	26,000	26,000		
ABC revenues	57,717	58,947	58,000	58,000	58,000		
Beer and Wine Tax	12,786	12,837	13,000	13,000	13,000		
Solid Waste Disposal Tax	2,010	2,077	2,200	2,200	2,200		
<b>Total Unrestricted Intergovernmental Revs</b>	<b>453,294</b>	<b>461,463</b>	<b>450,200</b>	<b>448,415</b>	<b>448,415</b>		
<b>RESTRICTED INTERGOVERNMENTAL REVENUES:</b>							
Powell Bill	119,139	117,888	118,000	118,000	118,000		
COPS Grant- DOJ	15,869	-	-	-	-		
GCC Grant	21,486	-	18,632	61,264	61,264		
GHSP Grant	-	-	18,750	-	-		
Dare County Tourist Bureau Grant	-	86,938	-	-	-		
Controlled Substance tax	1,775	922	-	-	-		
Government Access Channel Grant	7,424	6,000	10,000	5,000	5,000		
Shoreline Stabilization	24,000	24,000	24,000	24,000	24,000		
US Dept of Homeland Security- FEMA	-	-	475,000	-	-		
Dare County Beach Noursihment Grant	449,448	-	-	-	-		
<b>Total Restricted Intergovernmental Revs</b>	<b>639,141</b>	<b>235,748</b>	<b>664,382</b>	<b>208,264</b>	<b>208,264</b>		

REVENUES	FY 17-18 Actual	FY 18-19 Actual	FY 19-20 Amended	FY 20-21 Requested	FY 20-21 Recommended	FY 20-21 Adopted	
<b>PERMITS AND FEES:</b>							
Building permits	128,873	117,621	105,000	105,000	105,000		
Plan review fees	12,376	10,356	10,000	10,000	10,000		
CAMA fees	4,615	3,415	2,500	2,500	2,500		
Planning board fees	4,775	3,050	3,000	2,500	2,500		
Court costs and fees	777	882	1,000	1,000	1,000		
Parking and other fines	5,399	4,000	7,500	5,000	5,000		
<b>Total Permits and Fees</b>	<b>156,815</b>	<b>139,324</b>	<b>129,000</b>	<b>126,000</b>	<b>126,000</b>		
<b>Other Revenues:</b>							
Interest income	68,955	122,608	100,000	65,000	65,000		
Sale of fixed assets	2,074	31,700	4,280	-	-		
Rental Income	3,000	1,600	2,400	2,400	2,400		
Miscellaneous	6,054	66,203	5,500	5,000	5,000		
Body Armour Grant	750	-	1,200	1,200	1,200		
Outer Banks Community Foundation	1,000	1,000	1,000	1,000	1,000		
Insurance proceeds	-	11,014	33,294	-	-		
<b>Total Other Revenues</b>	<b>81,833</b>	<b>234,125</b>	<b>147,674</b>	<b>74,600</b>	<b>74,600</b>		
<b>Total Other Revenues</b>	<b>1,331,083</b>	<b>1,070,660</b>	<b>1,391,256</b>	<b>857,279</b>	<b>857,279</b>		
<b>TOTAL REVENUE BEFORE TRANSFERS</b>							

<b>ADMINISTRATION DEPARTMENT</b>	<b>FY 17-18 Actual</b>	<b>FY 18-19 Actual</b>	<b>FY 19-20 Amended</b>	<b>FY 20-21 Requested</b>	<b>FY 20-21 Recommended</b>	<b>FY 20-21 Adopted</b>
Salaries	370,844	375,442	364,150	369,009	369,009	
FICA	26,243	26,820	30,887	28,229	28,229	
Retirement	46,572	48,057	50,324	56,089	56,089	
Group Health insurance	43,044	47,119	53,845	47,360	47,360	
Council Compensation	18,600	18,600	18,600	18,600	18,600	
Council Travel & Training	2,394	3,123	5,000	5,000	5,000	
Unemployment Payments	-	761	1,000	1,000	1,000	
Merit/Bonus Pay	-	-	-	35,000	35,000	
Legal services	59,251	102,702	100,000	60,000	60,000	
Audit services	16,000	17,000	17,000	17,000	17,000	
Payroll services	8,511	7,017	8,200	8,200	8,200	
Computer services	53,455	61,512	75,000	72,127	72,127	
Insurance and bonds	70,230	73,681	75,000	75,000	75,000	
Advertising	725	1,616	1,000	1,000	1,000	
Travel	8,490	8,860	15,000	15,000	15,000	
Telephone	29,845	30,842	31,500	31,500	31,500	
Utilities	22,822	22,592	25,000	25,000	25,000	
Dues/subscriptions	8,240	8,191	10,000	10,000	10,000	
Training	5,731	7,267	13,500	13,500	13,500	
Supplies	7,378	6,443	10,000	12,000	12,000	
Postage	1,286	1,754	2,000	2,000	2,000	
Equipment lease & maintenance	8,291	14,091	16,000	16,000	16,000	
Municipal Elections	4,280	-	5,000	-	-	
Dare County & NCVTS tax collection	47,540	48,168	50,000	54,000	54,000	
Gov't. Access Channel (PEG Channel)	27,031	26,893	26,000	26,000	26,000	
Gov't. Access Channel Membership	1,000	1,000	1,000	1,000	1,000	
Municode publishing	3,706	1,175	5,000	5,000	5,000	
Vehicle Operations	386	438	500	500	500	
EE Recognition & Appreciation	9,258	6,841	8,500	8,500	8,500	
Wellness Initiative	2,862	1,935	3,000	3,000	3,000	
Contracted Services	3,630	3,580	30,100	4,000	4,000	
Misc.	7,286	4,905	10,000	10,000	10,000	
Technology Update- Pitts Center	7,424	6,000	10,000	5,000	5,000	
Recording of Meetings	5,681	4,437	7,550	8,400	8,400	
Cleaning of Town Buildings	16,620	15,200	1,000	1,000	1,000	
<b>Total</b>	<b>944,656</b>	<b>1,004,062</b>	<b>1,080,656</b>	<b>1,045,014</b>	<b>1,045,014</b>	

<b>PLANNING &amp; CODE ENFORCEMENT</b>						
	<b>FY 17-18 Actual</b>	<b>FY 18-19 Actual</b>	<b>FY 19-20 Amended</b>	<b>FY 20-21 Requested</b>	<b>FY 20-21 Recommended</b>	<b>FY 20-21 Adopted</b>
Salaries	152,443	177,390	184,009	207,772	207,772	
FICA	10,793	13,141	14,077	15,895	15,895	
Group Health insurance	21,901	22,677	25,862	31,311	31,311	
Employee retirement	16,419	19,675	21,425	28,207	28,207	
Contracted Services	9,267	9,800	3,600	3,600	3,600	
Printing	561	1,337	1,000	1,000	1,000	
Advertising	1,317	1,562	1,000	1,000	1,000	
Travel	123	4,829	1,500	1,500	1,500	
Dues/subscriptions	105	170	350	350	350	
Training	562	4,050	2,000	2,000	2,000	
Supplies	334	990	3,000	1,000	1,000	
Uniforms	198	-	200	200	200	
Medical Testing	66	-	-	-	-	
Capital Outlay- Vehicles	-	27,775	-	-	-	
Vehicle Maintenance	-	-	1,000	1,000	1,000	
Vehicle operations	630	565	1,000	1,000	1,000	
Homeowners Recovery fee	558	495	1,000	1,000	1,000	
Historic Landmarks Designation	-	1,728	1,500	1,000	1,000	
Flood Zone Map Mailing	1,797	1,602	2,000	3,000	3,000	
Misc	-	1,094	1,000	1,000	1,000	
Town Code Update	27,600	11,717	5,150	5,150	5,150	
BOA Meeting transcription	1,300	-	-	-	-	
<b>Total Code Enforcement</b>	<b>245,974</b>	<b>300,597</b>	<b>270,673</b>	<b>306,985</b>	<b>306,985</b>	

	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 20-21	FY 20-21
POLICE DEPARTMENT	Actual	Actual	Amended	Requested	Recommended	Adopted
Salaries	871,532	850,576	887,575	876,130	876,130	
Holiday	30,775	31,190	25,000	25,000	25,000	
Overtime	14,247	12,209	20,000	20,000	20,000	
FICA	67,569	66,923	71,343	70,466	70,466	
Group Health insurance	119,430	117,529	129,191	131,690	131,690	
Employees retirement	120,389	118,746	135,041	144,722	144,722	
Career Development	1,000	-	1,500	1,500	1,500	
Computer services	9,649	675	13,700	11,000	11,000	
Printing	-	100	1,000	1,000	1,000	
Advertising	707	1,712	-	1,000	1,000	
Travel	9,400	3,931	7,300	10,000	10,000	
Dues/subscriptions	790	566	1,500	1,500	1,500	
Training	7,438	9,562	4,000	12,000	12,000	
Medical testing	269	676	1,000	1,800	1,800	
Uniforms	9,709	10,602	20,000	20,000	20,000	
Supplies	33,208	20,984	37,200	28,000	28,000	
Contracted Services	15,412	22,767	25,000	35,000	35,000	
Equipment lease & maint.	7,588	-	5,000	5,000	5,000	
Equipment purchase	55,543	77,773	100,780	97,200	97,200	
Vehicle maintenance & repair	29,891	28,404	28,000	28,000	28,000	
Vehicle operations	30,199	31,626	35,000	35,000	35,000	
Misc.	3,095	67	3,475	10,000	10,000	
Capital Outlay- Vehicles	-	191,511	124,819	95,000	95,000	
GCC Grant- BWC cameras	7,264	-	37,264	37,264	37,264	
GCC Grant Thermal Cams	-	-	-	24,000	24,000	
GHSP Grant	-	-	25,000	-	-	
<b>Total</b>	<b>1,445,104</b>	<b>1,598,129</b>	<b>1,739,688</b>	<b>1,722,272</b>	<b>1,722,272</b>	
Sep. Allowance Transferred to Pension Fund	23,584	23,584	29,000	29,000	29,000	
<b>Total Police</b>	<b>1,468,688</b>	<b>1,621,713</b>	<b>1,768,688</b>	<b>1,751,272</b>	<b>1,751,272</b>	

<b>Streets, Bridges, Beaches and Canals</b>	<b>FY 17-18 Actual</b>	<b>FY 18-19 Actual</b>	<b>FY 19-20 Amended</b>	<b>FY 20-21 Requested</b>	<b>FY 20-21 Recommended</b>	<b>FY 20-21 Adopted</b>
Street Sign Maintenance	748	1,586	5,000	5,000	5,000	
Engineering & Arborist Services	5,850	7,408	5,000	5,000	5,000	
Street Maintenance	20,633	10,605	57,202	57,202	57,202	
Brush Trimming	5,245	8,300	20,000	20,000	20,000	
Bridge Maintenance	-	-	2,125	2,125	2,125	
Beach Profile Study	33,106	-	45,000			
Financial Planning-Beach Nourishment	-	-	35,000	35,000	35,000	
Beach Noursihment	889,048	70,557	-			
Beach Surveys	-	-	3,337			
Osprey Lane	338	-	-			
Juniper Trail	2,418	315,501	-			
Fairway Drive	225	-	-			
N,S & E Dogwood Intersection	5,025		-			
Yaupon Trail	4,669	461,687	-			
Wild Swan Lane	113	-	-			
Hollow Beach Court	2,688	-	-			
Palmetto Lane	162,310	-	-			
Clam Shell Trail	185,006	-	-			
Skyline Dr. Intersection	52,567	-	-			
East Dogwood Bike Path	-	181,733	-			
Dogwood Bike Path Phase 2	-	8,624	-			
FY 19-20 Infrastructure Projects	-	-	322,910	-	-	
Hillcrest Drive	-	-	22,000			
Sea Oats Trail	-	-	16,000			
Dewberry Lane	-	-	10,000			
East Dogwood Trail	-	-	291,430			
FY 20 -21 Infrastructure Projects	-	-	-	198,759	198,759	
Waterway Maintenance and Repair	400	400	400	400	400	
Storm Debris Cleanup	-	11,880	20,000	20,000	20,000	
Bulkhead Maintenance and Repair	38,857	-	25,000	25,000	25,000	
NC Hwy12-E. Dogwood Stormwater Floodin	10,390	-	-			
South Dogwood Walkway	-	-	1,000,000			
Hurricane Dorian Recovery	-	-	475,000			
<b>Total</b>	<b>1,419,636</b>	<b>1,078,281</b>	<b>2,355,404</b>	<b>368,486</b>	<b>368,486</b>	

<b>PUBLIC WORKS DEPARTMENT</b>						
	<b>FY 17-18 Actual</b>	<b>FY 18-19 Actual</b>	<b>FY 19-20 Amended</b>	<b>FY 20-21 Requested</b>	<b>FY 20-21 Recommended</b>	<b>FY 20-21 Adopted</b>
Salaries	204,882	272,355	303,306	320,888	320,888	
FICA	15,995	20,579	23,203	24,458	24,458	
Group Health insurance	26,017	31,274	35,489	32,701	32,701	
Employee retirement	24,794	32,249	38,221	45,916	45,916	
Training	573	1,485	3,000	3,000	3,000	
Printing	-	72	600	200	200	
Travel	560	1,031	2,000	2,000	2,000	
Uniforms	3,484	3,292	3,500	3,500	3,500	
Dues and Subscriptions	385	-	350	350	350	
Supplies	9,884	6,814	8,500	9,000	9,000	
Advertising	1,530	985	500	500	500	
Safety Compliance	878	905	1,500	2,000	2,000	
Town buildings maintenance & repairs	12,700	22,230	33,300	33,300	33,300	
Beautification-grounds	4,245	3,750	5,000	6,000	6,000	
Equipment lease & maintenance	3,897	5,368	6,500	8,000	8,000	
Building Upgrades	-	-	220,000	-	-	
Vehicle maintenance & repair	1,386	2,306	3,500	4,500	4,500	
Vehicle operations	6,239	8,537	9,000	10,000	10,000	
Misc	549	328	1,000	1,000	1,000	
Capital Outlay- Equipment	39,378	-	-	-	-	
Capital Outlay- Vehicle	-	33,524	-	-	-	
Medical Testing	132	168	150	150	150	
Equipment Purchase	-	16,100	27,850	9,745	9,745	
Contracted Service	5,236	-	-	-	-	
Shoreline Stabilization	26,406	24,000	24,000	24,000	24,000	
Facilities Assessment	-	26,370	-	-	-	
Parking Lot Maintenance	-	-	2,000	2,000	2,000	
<b>Total</b>	<b>389,150</b>	<b>513,722</b>	<b>752,469</b>	<b>543,208</b>	<b>543,208</b>	









