



# Town of Southern Shores

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Ordinance No. 2014-06-01

## **An Ordinance of the Southern Shores Town Council Adopting a Budget and Tax Rate for FY 2014-2015 and Continuing a Capital Project**

**BE IT ORDAINED** by the Town Council of the Town of Southern Shores, North Carolina that the following be the various budgets for FY 2014-15:

### SECTION I. GENERAL FUND

- A. Appropriations: The following amounts are appropriated for the operation of the Town government and its activities for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

|   |                     |
|---|---------------------|
| Administration Department                           | \$ 923,705          |
| Code Enforcement & Inspections Department           | \$ 199,370          |
| Fire Department                                     | \$ 525,505          |
| Ocean Rescue Services                               | \$ 158,000          |
| Police Department                                   | \$ 1,458,684        |
| Public Works Department                             | \$ 508,787          |
| Public Works Department – Streets, Bridges & Canals | \$ 1,401,507        |
| Sanitation Services                                 | \$ 639,950          |
| Contribution to Capital Reserve Fund                | \$ <u>20,000</u>    |
| <b>Total General Fund Appropriations</b>            | <b>\$ 5,835,508</b> |

- B. Estimated Revenues: It is estimated that the following revenues will be available during the fiscal year beginning July 1, 2014 and ending June 30, 2015 to meet foregoing appropriations:

|   |                     |
|---|---------------------|
| Property Taxes- Current Year                                  | \$ 2,790,599        |
| Vehicle Taxes- Current Year                                   | \$ 50,000           |
| Property & Vehicle Taxes- Prior Years, Penalties and Interest | \$ 9,500            |
| Subtotal: Property and Vehicle Taxes                          | \$ 2,850,099        |
| Land Transfer   | \$ 198,625          |
| Local Option Sales Tax  | \$ 804,695          |
| Occupancy Tax   | \$ 852,000          |
| Other Intergovernmental Revenues                              | \$ 906,347          |
| Building Permits & Fees                                       | \$ 97,000           |
| Lease purchase proceeds                                       | \$ 74,000           |
| Other Revenues  | \$ 22,900           |
| Transfer In from Capital Reserve Fund                         | \$ <u>29,842</u>    |
| <b>Total General Fund Revenues</b>                            | <b>\$ 5,835,508</b> |

SECTION II. CAPITAL RESERVE FUND

Appropriations Authorized:

|   |           |
|---|-----------|
| Transfer OUT to General Fund to Supplement FY 14-15 Capital Projects<br>(Street Improvements) | \$ 29,842 |
|---|-----------|

Revenues Anticipated:

|   |           |
|---|-----------|
| Transfer IN from General Fund for "Canal and Channel Maintenance" | \$ 20,000 |
|---|-----------|

|  |                 |
|--|-----------------|
| <b>EXISTING CAPITAL RESERVE FUND BALANCE</b> | <b>\$ 5,160</b> |
|--|-----------------|

SECTION III. CEMETERY FUND

Appropriations Authorized:

|   |           |
|---|-----------|
| Cemetery Maintenance and Beautification | \$ 11,180 |
|---|-----------|

Revenues Anticipated:

|   |           |
|---|-----------|
| Transfer from Cemetery Fund-Undesignated Fund Balance (UFB) | \$ 10,180 |
| Proceeds from Sales of Cemetery Plots                       | \$ 1,000  |

|  |                  |
|--|------------------|
| <b>TOTAL FY 14-15 CEMETERY FUND REVENUES</b> | <b>\$ 11,180</b> |
|--|------------------|

|   |                  |
|---|------------------|
| <b>EXISTING CEMETERY FUND-UFB BALANCE</b> (as of 5/31/14) | <b>\$ 50,792</b> |
|---|------------------|

SECTION IV. TAX RATE ESTABLISHED

There is hereby levied a property tax of twenty-two cents (\$0.22) on each one hundred dollars (\$100) valuation of real and personal taxable property in the Town of Southern Shores, as listed for taxes as of January 1, 2014 by the Dare County Tax Department, for the purpose of raising revenue included in "Property Taxes – Current Year" and "Vehicle Taxes – Current Year" in the General Fund, being Section I. B. of this Ordinance.

The rate of tax is based on an estimated total valuation of real and personal property for the purpose of taxation of \$1,267,050,698 and an estimated collection rate of 99.65%. The estimated rate of collection is based on the fiscal year 2012-2013 collection rate pursuant to NCGS §159-13(b)(6).

SECTION V. EXPENDITURES

All expenditures must be made in accordance with governing North Carolina General Statutes and adopted Town policies regarding purchasing and bidding as last updated by the Town Council on April 1, 2014. Notwithstanding, the Budget Officer is hereby authorized to expend funds

consistent with the governmental functions and amounts shown as appropriated and to execute such documents necessary for same. Notwithstanding current Town policies regarding purchasing and bidding, the Budget Officer is also hereby authorized to execute documents for the following items or services in accordance with the specific appropriations established by this Ordinance or as the budget may be amended during the fiscal year:

1. multi-year lease, lease-purchase, or purchase of vehicles and equipment.

Notwithstanding current Town policies regarding purchasing and bidding, the Budget Officer is also hereby authorized to execute documents for the following items or services in accordance with the specific appropriations established by this Ordinance or as the budget may be amended during the fiscal year:

2. contracting services for Council-approved capital street improvement projects

#### SECTION VI. CAPITAL RESERVE FUND EXPENDITURES

Withdrawals from the Capital Reserve Fund shall continue to be made for the purposes outlined in that Fund's establishing resolution adopted March 6, 2007, and amended June 19, 2012, and by this Ordinance are authorized to be made to the General Fund for such purposes consistent with the provisions outlined in NCGS §159-22.

#### SECTION VII. CAPITAL PROJECT AND FUND ESTABLISHED [NCGS §159-13.2(b); §159-26(b)(6)]

Pursuant to authority granted in NCGS §159-13.2(b), the Town Council did heretofore (Budget Ordinance adopted for FY 2013-2014) establish a *Capital Project* as defined in NCGS §159-13.2(a)(1) and a *Capital Project Fund* within the meaning of NCGS §159-26(b)(6).

The Capital Project, known as the "Canal Dredging Project Phase II", was established for the primary purpose of removing remaining accumulated spoil material from the submerged bottoms of Town-owned recreational and navigable canals located throughout the Town. Also included in the Capital Project was the secondary purpose of constructing improvements to buildings (or new construction) at the Town Hall complex. After completion of all Capital Project work, debt financing for the Capital Project shall continue to be paid back over a seven (7) year period following date of original loan closing. Total debt service payments are anticipated at \$243,000 annually. This Capital Project and Capital Project Fund will continue to exist until all related debt is satisfied.

#### SECTION VIII. LEASE REVENUES

The Budget Officer is hereby authorized to negotiate in the best interest of the Town and execute such documents necessary for the realization of revenues or other consideration from lease or use of any Town property with a term not to exceed three years.

#### SECTION IX. BUDGET OFFICER LINE TRANSFER AUTHORIZATION

The Budget Officer shall be authorized to re-allocate intra-departmental appropriations among the various objects of expenditures as he believes necessary for appropriate budget performance, and is also authorized to affect inter-departmental transfers including from a departmental contingency line, within the same Fund, not to exceed 10% of the appropriated monies for the Department whose allocation is reduced.

SECTION X. BUDGET OFFICER RESTRICTIONS

With exception of any cost of living adjustments as appropriated in this ordinance, no salary increases may be made without approval of the Town Council. Inter-fund transfers not established in this budget document may be accomplished only with the prior authorization of the Town Council.

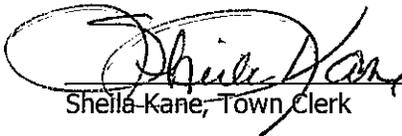
SECTION XI. UTILIZATION OF BUDGET AND BUDGET ORDINANCE

This Ordinance and the Budget Document shall be the basis of the financial plan for the Town of Southern Shores, North Carolina Municipal Government during the fiscal year 2014-15. Copies of this Budget Ordinance shall be furnished to the Clerk of the Town Council and to the Budget Officer and Finance Officer, and is to be kept on file by them for their direction in the disbursement of funds.

ADOPTED this 3 day of June, 2014.

  
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Mayor Tom Bennett

ATTEST:

  
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Sheila Kane, Town Clerk

