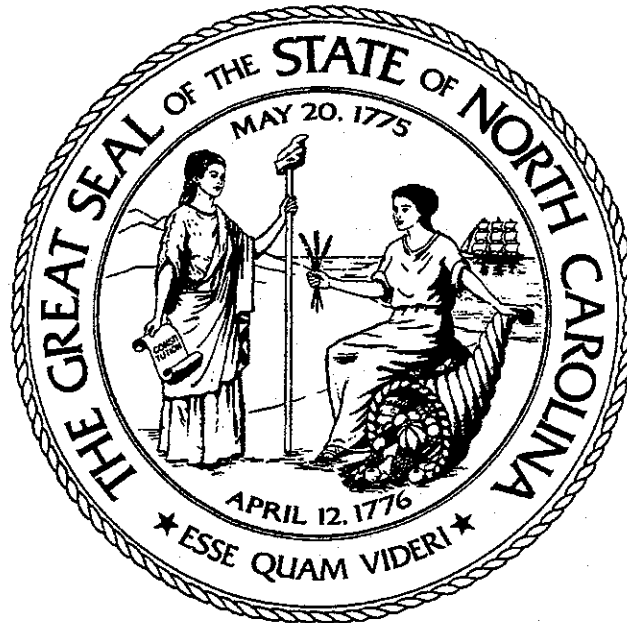


**JOINT LEGISLATIVE COMMISSION
ON MUNICIPAL INCORPORATIONS**



**REPORT TO THE
GENERAL ASSEMBLY
OF NORTH CAROLINA
Proposed Village of Corolla**

June 25, 2007

REPORT TO THE GENERAL ASSEMBLY

Proposed Incorporation of the Village of Corolla June 25, 2007

The Joint Legislative Commission on Municipal Incorporations was created in 1986 by the General Assembly to conduct an independent review and evaluation of proposed municipal incorporations. This evaluation, to be conducted in accordance with a statutory set of objective criteria, is designed to allow the General Assembly to see the feasibility of the proposed new municipality. The Commission consists of four members of the General Assembly, one city official, and one county official. A list of members appears as Appendix A.

The statutory criteria require a review of community support (a petition is required), population, land development, nearness to other urban areas, and ability to provide municipal services at a reasonable tax rate. A copy of the statutes authorizing the Commission and setting up the review standards is attached as Appendix B.

The Commission received a petition proposing the incorporation of the Village of Corolla in Currituck County on October 30, 2006. A copy of the petition is attached as Appendix C.

The Commission, pursuant to G.S. 120-161, asked the Division of Community Assistance of the Department of Commerce to evaluate the petition. The Division conducted the evaluation and, based upon its report, the Commission found that the requirements of G.S. 120-163 and G.S. 120-164 had been met (a copy of the report is attached as Appendix D).

The Commission also requested that the Division of Community Assistance evaluate the proposed Village's petition for incorporation under G.S. 120-166 (a copy of the report is attached as Appendix E). The Division conducted the evaluation and determined that the statutory requirements had been met.

The Commission further requested that the Division of Community Assistance evaluate the proposed Village's petition under G.S. 120-167 through G.S. 120-170 (a copy of the report is attached as Appendix F). The Division conducted the evaluation and determined that all statutory requirements had been met.

Pursuant to G.S. 120-169.1, the Commission requested that the Fiscal Research Division of the General Assembly provide data that shows the impact on other municipalities and counties of the diversion of already levied taxes or State-shared revenues to support services in the proposed Village of Corolla (a

copy of the report is attached as Appendix G). The data provided by the Division (based upon figures from 2005-2006) shows that sales tax revenue in Currituck County is distributed on a per capita basis. If the proposed Village of Corolla had been incorporated at that time, it would have received approximately \$210,687 in sales tax revenues, assuming an estimated permanent population of 600 residents. The incorporation of Corolla would have a marginal impact on the distribution of Powell Bill funds in the State and Currituck County. If incorporated in 2005-2006, the proposed Village of Corolla would have received approximately \$345,000 in other forms of revenue, including Powell Bill funds, from the State as long as the proposed Village had met the statutory requirements to receive those funds.

On Friday, June 1, 2007, the Commission held a public hearing at the Outer Banks Center for Wildlife Education in Corolla, North Carolina to receive comment from the public about the incorporation of the proposed Village of Corolla. Approximately 34 people spoke in favor of incorporation; 47 against.

The Commission finds that the proposed Village of Corolla does not meet the standards required by Article 20 of Chapter 120 of the General Statutes, and therefore the Commission does not recommend incorporation of the area as the Village of Corolla. Of particular concern to the Commission were the following: (i) concerns about population density; (ii) clear dissent among members of the Currituck County Board of Commissioners on the question of incorporation; (iii) the fact that permanent residents constitute only a small portion of property owners; and (iv) the overwhelming opposition to the incorporation from non-residents property owners.

APPENDIX A

JOINT LEGISLATIVE COMMISSION ON MUNICIPAL INCORPORATIONS 2004-2006 Membership

President Pro Tem's Appointments

Senator Fletcher Hartsell
P. O. Box 368
Concord, NC 28026-0368

Senator Vernon Malone
2124 Lyndhurst Dr.
Raleigh, NC 27610

Mr. Steven Raper
P. O. Box 1180
Rocky Mount, NC 27802-1180
raper@ci.rocky-mount.nc.us
(252) 972-1325

Staff

Gayle L. Moses, Staff Attorney
Bill Drafting Division

Gerry Cohen, Director
Bill Drafting Division

Oliver Bass
Dept of Commerce, Division of
Community Assistance
733-2853

Speaker's Appointments

Representative Becky Carney
P. O. Box 32873
Charlotte, NC 28232

Representative William Wainwright
P. O. Box 941
Havelock, NC 28532

Mr. Mike Cross
Chatham County Commissioner
388 Cross Point Road
New Hill, NC 27562

Legislative Assistant

Delta Prince
2125 Legislature Building
Raleigh, NC
919-733-5649

APPENDIX B

Article 20.

Joint Legislative Commission on Municipal Incorporations.

Part 1. Organization.

§ 120-158. Creation of Commission.

(a) There is created the Joint Legislative Commission on Municipal Incorporations, referred to in this Article as "Commission".

(b) The Commission shall consist of six members, appointed as follows:

- (1) Two Senators appointed by the President Pro Tempore of the Senate;
- (2) Two House members appointed by the Speaker;
- (3) One city manager or elected city official, appointed by the President Pro Tempore of the Senate from a list of three eligible persons nominated by the North Carolina League of Municipalities; and
- (4) One county commissioner or county manager, appointed by the Speaker from a list of three eligible persons nominated by the North Carolina Association of County Commissioners. (1985 (Reg. Sess., 1986), c. 1003, s. 1; 1991, c. 739, s. 17.)

§ 120-159. Terms.

Members shall be appointed for terms ending June 30, 1987, and subsequently for two-year terms beginning July 1, 1987, and biennially thereafter. A member eligible when appointed may continue for the remainder of the term regardless of the member's continued eligibility for the category. The Commission shall elect a chairman from its membership for a one-year term. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-160. Compensation.

Members of the Commission who are members of the General Assembly shall receive subsistence and travel allowances as provided by G.S. 120-3.1. Members who are State officers or employees shall receive subsistence and travel allowances as provided by G.S. 138-6. All other members shall receive per diem, subsistence, and travel allowances as provided by G.S. 138-5. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-161. Facilities and staff.

The Commission may meet in the Legislative Building or the Legislative Office Building. Staff for the Commission shall be provided by the Legislative Services Commission. The Commission may contract with the Institute of Government, the Local Government Commission, the Department of Environment and Natural Resources, or other agencies as may be necessary in completing any required studies, within the funds appropriated to the Commission. (1985 (Reg. Sess., 1986), c. 1003, s. 1; 1989, c. 727, s. 218(82); 1997-443, s. 11A.119(a).)

§ 120-162. Reserved for future codification purposes.

Part 2. Procedure for Incorporation Review.

§ 120-163. Petition.

(a) The process of seeking the recommendation of the Commission is commenced by filing with the Commission a petition signed by fifteen percent (15%) of the registered voters of the area proposed to be incorporated, but by not less than 25 registered voters of that area, asking for incorporation. The voter shall sign the petition and also clearly print that voter's name adjacent to the signature. The petition must also contain the voter's residence address and date of birth.

(b) The petition must be verified by the county board of elections of the county where the voter is alleged to be registered. The board of elections shall cause to be examined the signature, shall place a check mark beside the name of each signer who is qualified and registered to vote in that county in the area proposed to be incorporated, and shall attach to the petition a certificate stating the number of voters registered in that county in the area proposed to be incorporated, and the total number of registered voters who have been verified. The county board of elections shall return the petition to the person who presented it within 15 working days of receipt. That period of 15 working days shall be tolled for any period of time that is also either two weeks before or one week after a primary or election being conducted by the county board of elections.

(c) The petition must include a proposed name for the city, a map of the city, a list of proposed services to be provided by the proposed municipality, the names of three persons to serve as interim governing board, a proposed charter, a statement of the estimated population, assessed valuation, degree of development, population density, and recommendations as to the form of government and manner of election. The petition must contain a statement that the proposed municipality will have a budget ordinance with an ad valorem tax levy of at least five cents (5¢) on the one hundred dollar (\$100.00) valuation upon all taxable property within its corporate limits. The petition must contain a statement that the proposed municipality will offer four of the following services no later than the first day of the third fiscal year following the effective date of the incorporation: (i) police protection; (ii) fire protection; (iii) solid waste collection or disposal; (iv) water distribution; (v) street maintenance; (vi) street construction or right-of-way acquisition; (vii) street lighting; and (viii) zoning. In order to qualify for providing police protection, the proposed municipality must propose either to provide police service or to have services provided by contract with a county or another municipality that proposes that the other government be compensated for providing supplemental protection. The proposed municipality may not contain any noncontiguous areas.

(d) The petitioners must present to the Commission the verified petition from the county board of elections.

(e) A petition must be submitted to the Commission at least 60 days prior to convening of the next regular session of the General Assembly in order for the Commission to make a recommendation to that session. (1985 (Reg. Sess., 1986), c. 1003, s. 1; 1999-458, s. 1; 2001-353, s. 6.)

§ 120-164. Notification.

(a) Not later than five days before submitting the petition to the Commission, the petitioners shall notify:

- (1) The board or boards of county commissioners of the county or counties where the proposed municipality is located;
- (2) All cities within that county or counties; and
- (3) All cities in any other county that are within five miles of the proposed municipality of the intent to present the petition to the Commission.

(b) The petitioners shall also publish, one per week for two consecutive weeks, with the second publication no later than seven days before submitting the petition to the Commission, notice in a newspaper of general circulation in the area proposed to be incorporated of the intent to present the petition to the Commission. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-165. Initial inquiry.

(a) The Commission shall, upon receipt of the petition, determine if the requirements of G.S. 120-163 and G.S. 120-164 have been met. If it determines that those requirements have not been met, it shall return the petition to the petitioners. The Commission shall also publish in the North Carolina Register notice that it has received the petition.

(b) If it determines that those requirements have been met, it shall conduct further inquiry as provided by this Part. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-166. Additional criteria; nearness to another municipality.

(a) The Commission may not make a positive recommendation if the proposed municipality is located within one mile of a municipality of 5,000 to 9,999, within three miles of a municipality of 10,000 to 24,999, within four miles of a municipality of 25,000 to 49,999, or within five miles of a municipality of 50,000 or over, according to the most recent decennial federal census, or according to the most recent annual estimate of the Office of State Budget and Management if the municipality was incorporated since the return of that census. For purposes of this section, "municipality" means a city as defined by G.S. 160A-1(2) or a county that has exercised its authority under Article 24 of Chapter 153A of the General Statutes.

(b) Subsection (a) of this section does not apply in the case of proximity to a specific municipality if:

- (1) The proposed municipality is entirely on an island that the nearby city is not on;
- (2) The proposed municipality is separated by a major river or other natural barrier from the nearby city, such that provision of municipal services by the nearby city to the proposed municipality is infeasible or the cost is prohibitive, and the Commission shall adopt policies to implement this subdivision;
- (3) The municipalities within the distances described in subsection (a) of this section by resolution express their approval of the incorporation; or
- (4) An area of at least fifty percent (50%) of the proposed municipality has petitioned for annexation to the nearby city under G.S. 160A-31 within the previous 12 months before the incorporation petition is submitted to the Commission but the annexation petition was not approved. (1985

(Reg. Sess., 1986), c. 1003, s. 1; 1989 (Reg. Sess., 1990), c. 1024, s. 25; 1998-150, s. 2; 2000-140, s. 93.1(a); 2001-424, s. 12.2(b); 2005-35, s. 2.)

§ 120-167. Additional criteria; population.

The Commission may not make a positive recommendation unless the proposed municipality has a permanent population of at least 100 and a population density (either permanent or seasonal) of at least 250 persons per square mile. (1985 (Reg. Sess., 1986), c. 1003, s. 1; 1999-458, s. 2.)

§ 120-168. Additional criteria; development.

The Commission may not make a positive recommendation unless forty percent (40%) of the area is developed for residential, commercial, industrial, institutional, or governmental uses, or is dedicated as open space under the provisions of a zoning ordinance, subdivision ordinance, conditional or special use permit, or recorded restrictive covenants. (1985 (Reg. Sess., 1986), c. 1003, s. 1; 1999-458, s. 3.)

§ 120-169. Additional criteria; area unincorporated.

The Commission may not make a positive recommendation if any of the proposed municipality is included within the boundary of another incorporated municipality, as defined by G.S. 153A-1(1), or if any of the proposed municipality is included within the boundary of a county that has exercised its authority under Article 24 of Chapter 153A of the General Statutes. (1985 (Reg. Sess., 1986), c. 1003, s. 1; 2005-35, s. 3.)

§ 120-169.1. Additional criteria; level of development, services; financial impact on other local governments.

- (a) Repealed by Session Laws 1999-458, s. 4.
- (b) Services. – The Commission may not make a positive recommendation unless the area to be incorporated submits a plan for providing a reasonable level of municipal services. This plan shall be based on the proposed services stated in the petition under G.S. 120-163(c).
- (c) The Commission in its report shall indicate the impact on other municipalities and counties of diversion of already levied local taxes or State-shared revenues from existing local governments to support services in the proposed municipality. (1998-150, s. 3; 1999-458, s. 4.)

§ 120-170. Findings as to services.

The Commission may not make a positive recommendation unless it finds that the proposed municipality can provide at a reasonable tax rate the services requested by the petition, and finds that the proposed municipality can provide at a reasonable tax rate the types of services usually provided by similar municipalities. In making findings under this section, the Commission shall take into account municipal services already being provided. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-171. Procedures if findings made.

- (a) If the Commission finds that it may not make a positive recommendation because of the provisions of G.S. 120-166 through G.S. 120-170, it shall make a negative recommendation to the General Assembly. The report to the General Assembly shall list the grounds on which a negative recommendation is made, along with specific findings.

If a negative recommendation is made, the Commission shall notify the petitioners of the need for a legally sufficient description of the proposed municipality if the proposal is to be considered by the General Assembly. At the request of a majority of the members of the interim board named in the petition, the Commission may conduct a public hearing and forward any comments or findings made as a result of that hearing along with the negative recommendation.

(b) If the Commission determines that it will not be barred from making a positive recommendation by G.S. 120-166 through G.S. 120-170, it shall require that petitioners have a legally sufficient description of the proposed municipality prepared at their expense as a condition of a positive recommendation.

(c) If the Commission determines that it is not barred from making a positive recommendation, it shall make a positive recommendation to the General Assembly for incorporation.

(d) The report of the Commission on a petition shall be in a form determined by the Commission to be useful to the General Assembly. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-172. Referendum.

Based on information received at the public hearing, the Commission may recommend that any incorporation act passed by the General Assembly shall be submitted to a referendum, except if the petition contained the signatures of fifty percent (50%) of registered voters the Commission shall not recommend a referendum. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-173. Modification of petition.

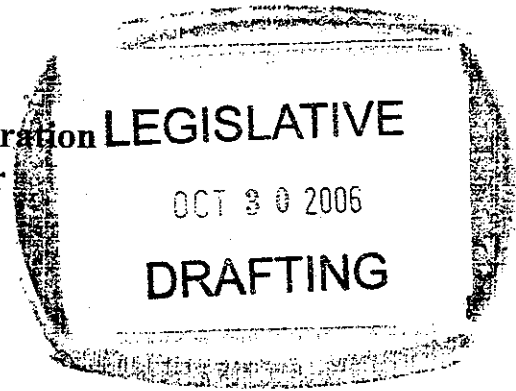
With the agreement of the majority of the persons designated by the petition as an interim governing board, the Commission may submit to the General Assembly recommendations based on deletion of areas from the petition, as long as there are no noncontiguous areas. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§ 120-174. Deadline for recommendations.

If the petition is timely received under G.S. 120-163(e), the Commission shall make its recommendation to the General Assembly no later than 60 days after convening of the next regular session after submission of the petition. (1985 (Reg. Sess., 1986), c. 1003, s. 1.)

§§ 120-175 through 120-179. Reserved for future codification purposes.

People of Corolla for Incorporation
Robert P. Collins, Chair
1024 Lighthouse Drive
Corolla, NC 27927
(252) 453-4060



October 30, 2006

NC Joint Legislative Commission on Municipal Incorporations
 Attention: Staff Liaison Gayle Moses
 Legislative Office Building
 Bill Drafting Division
 301 North Salisbury Street
 Raleigh, NC 27603

Dear Commission Members:

Included herewith is the Petition for Incorporation of Corolla, North Carolina submitted by the People of Corolla for Incorporation.

The People of Corolla for Incorporation have studied, researched, and discussed incorporation since 2003. A vast majority of our residents support incorporation. We have an abundance of actively employed, semi-retired, and retired professionals, corporate executives, and business men and women who are willing to step forward to provide the leadership to guide our municipality during the early days of incorporation and into the future.

We meet all the requirements for incorporation in Chapter 120 and other municipal laws in the North Carolina General Statutes.

The People of Corolla for Incorporation are most appreciative for the assistance provided by Representative Bill Owens and his staff, Senator Marc Basnight and his staff, and Ms. Gayle Moses, your staff liaison of the Legislative Bill Drafting Division.

We invite you to visit Corolla to see firsthand why incorporation is in the best interest of our permanent and seasonal residents. Please let us know if we can provide personal testimony as you consider our Petition.

Respectfully yours,
 PEOPLE OF COROLLA FOR INCORPORATION

Robert P. Collins, Chair

Pc: Representative Owen
 Senator Basnight

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North Carolina)
)
County of Currituck)

PETITION FOR THE INCORPORATION
OF
COROLLA AS A MUNICIPALITY

The incorporation of Corolla as a municipality is herein proposed pursuant to the provisions contained in Chapter 120 of the General Statutes and other applicable Statutes governing municipalities in North Carolina.:

Name

1. The proposed name shall be the Village of Corolla.
(GS 120-163 (c))

Village Boundaries

2. A map prepared by Mr. John M. DeLucia, PE, Albemarle Engineering & Associates, Kill Devil Hills, NC, is attached as Exhibit A.
(GS 120-163 (c))

Proposed Services

3. The services to be provided by the Village no later than the first day of the third fiscal year following the effective date of incorporation are listed below. A Plan for Provision of these services has been included in Exhibits E and F:
(GS 120-163 (c)) and (GS 120-169.1 (b))
 - a. Police Protection (Services will be contracted with the Sheriff of Currituck County)
 - b. Solid Waste Collection
 - c. Street Maintenance
 - d. Zoning and Planning

Interim Village Council

4. The names of the residents and registered voters of Corolla who have agreed to serve as an interim governing body are:
(GS 120-163 (c))
 - a. Robert P. Collins
 - b. Robert G. Green
 - c. B. Gary McGee
 - d. J. Gregory Shuk
 - e. Walter P. Stiff

Proposed Charter

5. The proposed Charter of the Village is attached hereto as Exhibit B.

Note: **Defeat of Unified Government Vote in Currituck County.** On May 2, 2006, the Currituck County Board of Commissioners, through special legislation

by the NC General Assembly, proposed a Referendum to the people of Currituck County that Currituck County be granted municipal powers and authorities in addition to powers and authorities of a county that Currituck County already possessed. The Referendum was known as a vote on Unified Government in Currituck County. During the May 2, 2006 Referendum, the people of Currituck County overwhelmingly rejected (3,050 AGAINST, 1,819 FOR) the proposition that would have prohibited incorporated municipalities in Currituck County and would have granted municipal responsibilities exclusively to the Currituck County Commissioners. Therefore, the people of qualifying Currituck County communities may now petition the NC Joint Legislative Commission on Municipal Incorporations and the NC General Assembly for incorporation under the existing laws of the State of North Carolina.

(GS 120-163 (c))

Population

6. The most recent (2006) documents of the Currituck County Board of Elections estimate the number of registered voters in the Village of Corolla (Whalehead Voting Precinct) at 567. However, the United States Census in 2000 estimates the population of the Corolla zip code (27927) at 648. However, some included in this estimate may reside in the more remote "Four-Wheel Drive Area" north of the proposed Village of Corolla boundaries to which the 27927 zip code also applies. Residents in the Four-Wheel Drive Area must travel to and from their homes on the beaches of the Atlantic Ocean by four-wheel drive vehicles. For purposes of this Petition, the People of Corolla for Incorporation are utilizing the more conservative estimate of 567 provided by the Currituck Board of Elections.
(GS 120-163 (c))

Assessed Valuation

7. The estimated assessed property valuation of the Village is \$ 4,257,969,732.00. (Currituck County Tax Department)
(GS 120-163 (c))

Degree of Development

8. Approximately 77.7 percent of the area within the Village is developed for residential, commercial, institutional, or governmental uses, or is dedicated as open space under the provisions of a zoning ordinance, subdivision ordinance, condition or special use permit, or recorded restrictive covenants. This percent of development of the area has been calculated and certified by Mr. John M. DeLucia, PE, using information from the Currituck County Planning Department and an actual survey of the Corolla area to be incorporated. See Exhibit A.
(GS 120-163 (c)) and (GS 120-168)

Population Density

9. The estimated permanent and seasonal population density for the Village is 3,920 persons per square mile. This population density of the Village is calculated and certified by Mr. John M. DeLucia, PE, using information from the Currituck

County Planning Department and the Currituck County Chamber of Commerce.
See Exhibit A.
(GS 120-163 (c)) and (GS 120-167)

Form of Government

10. The proposed form of government is the Council-Manager Plan. The governing body would consist of five (5) members, all elected by the qualified voters of the Village on a non-partisan basis. Members of the Village Council would be elected to four-year, staggered terms. The Mayor and the Mayor Pro-Tempore would be elected by members of the Village Council for one-year terms and could serve consecutive terms if selected by the Village Council for consecutive terms.
(GS 120-163 (c))

Proposed Budget

11. The proposed budget ordinance of the Village provides for an ad valorem tax levy of five cents (\$0.05) per \$100 valuation upon all taxable property within the Village's corporate limits. See Exhibit F. (GS 120-163 (c))

Non-Contiguous Areas

12. The proposed Village does not contain any non-contiguous areas.
(GS 120-163 (c))

Other Requirement, Exhibits, and Additional Criteria

13. Attached in support of this petition are the following documents:
 - a. Exhibit C: Discussion: Rationale and objectives for incorporation.
 - b. Exhibit D: Statement of statistics.
 - c. Exhibit E: Statement and Plan of Services to be provided.
(GS 120-163 (c)) and (GS 120-169.1 (b))
 - d. Exhibit F: Pro-forma budget for Fiscal Year 2007-2008 and Statement of Diversion of Existing Revenues from Currituck County.
(GS 120-163 (c)) and (GS 120-169.1 (c))

- e. Exhibit G:

(1) Notifications to municipal and county officials.

Date of Notification of Currituck County Board of Commissioners:
September 25, 2006.

Date of Notification of Town of Duck, located in Dare County, NC:
September 4, 2006.

(GS 120-164 (1)(3))

Note:

Closest Incorporated Town

The closest incorporated town to the proposed Village of Corolla is the Town of Duck, NC, in Dare County. Duck, NC had a 2004 estimated population by the NC Department of Commerce of 517 people. While the Town of Duck, NC has been officially notified of Corolla's Intent to Incorporate, Duck, NC does not fall within the criteria stated in GS 120-166.

Duck Cannot Annex Into Currituck County

The North Carolina General Assembly ratified House Bill 645 during its 2003 Session (Session Law 2003-27). This bill is attached as *Exhibit H*. This bill prohibits any government entity outside of Currituck County from annexing any territory in Currituck County. Although the corporate limits of Duck, NC and Corolla, NC would be contiguous at the county lines of Dare and Currituck, Duck is located exclusively in Dare County and is prohibited by law from annexing any territory in Currituck County. Corolla would abut the corporate limits of Duck, but would in no way be within the boundary of Duck.

No Petitions from Corolla to be Annexed by Duck

No residents of Corolla or Currituck County have ever petitioned the Town of Duck to be annexed by Duck. Session Law 2003-27 prohibits such action(s).

(GS 120-169) and (GS 120-166)(4)

(2) There are currently no municipalities within Currituck County that would require notification.

(GS 120-164 (2))

- f. Exhibit H: Publishers' affidavits evidencing publication of Notice of Intent to Petition to Incorporate.

(GS 120-164(b))

- h. Exhibit I:

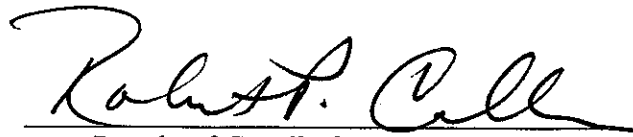
Verification by the Currituck County Board of Elections of signatures to Petition of Municipal Incorporation.

(GS 120-163 (d))

Petition for Municipal Incorporation signed by registered voters.

(GS 120-163 (d))

THIS PETITION TO THE NORTH CAROLINA JOINT LEGISLATIVE COMMISSION ON MUNICIPAL INCORPORATIONS FOR INCORPORATION OF THE VILLAGE OF COROLLA RESPECTFULLY SUBMITTED THIS 30th DAY OF OCTOBER 2006.



People of Corolla for Incorporation

Robert P. Collins, Chair

1024 Lighthouse Drive

Corolla, NC 27927

(252) 453-4060

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2007

H

2

HOUSE BILL 2

Committee Substitute Favorable 3/12/07

Short Title: Incorporate Corolla.

(Local)

Sponsors:

Referred to:

January 25, 2007

A BILL TO BE ENTITLED

AN ACT TO INCORPORATE THE VILLAGE OF COROLLA.

The General Assembly of North Carolina enacts:

SECTION 1. A Charter for the Village of Corolla is enacted to read:

"CHARTER OF THE VILLAGE OF COROLLA.

"ARTICLE I. INCORPORATION AND CORPORATE POWERS.

"Section 1.1. **Incorporation and Corporate Powers.** The inhabitants of the Village of Corolla are a body corporate and politic under the name 'Village of Corolla'. The Village of Corolla has all the powers, duties, rights, privileges, and immunities conferred and imposed on cities by the general law of North Carolina.

"ARTICLE II. CORPORATE BOUNDARIES.

"Section 2.1. **Village Boundaries.** Until modified in accordance with law, the boundaries of the Village of Corolla are as follows:

BEGINNING at the point of intersection of the northeast corner of the corporate limits of the Town of Duck in Dare County, North Carolina, with the mean high water mark of the Atlantic Ocean; thence along a line in a general easterly direction for a distance of 1,000 feet to a point along an eastern projection of the northern Town of Duck limit line to a point in the Atlantic Ocean; thence, in a northwesterly direction along a line 1,000 feet parallel to the mean high water mark of the Atlantic Ocean until such line forms a point of intersection with another line, such line being the projection of the southern boundary line of the State of North Carolina property as more particularly described by deeds recorded in Deed Book 195, Page 165 and Deed Book 195, Page 151 of the Currituck County Registry 1,000 feet easterly from the mean high water mark of the Atlantic Ocean; thence, in a westerly direction along the projected line to the intersection of the southern boundary line of the State of North Carolina property as more particularly described by deeds recorded in Deed Book 195, Page 165 and Deed Book 195, Page 151 of the Currituck County Registry with the mean high water mark of the Atlantic Ocean; thence, in a westerly direction along the southern boundary line of the State of North Carolina property as more particularly described by deeds recorded in

1 Deed Book 195, Page 165 and Deed Book 195, Page 151 of the Currituck County
2 Registry to the point of intersection of the southern boundary line of the State of North
3 Carolina property as more particularly described by deeds recorded in Deed Book 195,
4 Page 165 and Deed Book 195, Page 151 of the Currituck County Registry with the
5 mean high water mark of the Currituck Sound; thence, along a line in a general westerly
6 direction for a distance of 1,000 feet to a point along a western projection of the
7 southern boundary line of the State of North Carolina property as more particularly
8 described by deeds recorded in Deed Book 195, Page 165 and Deed Book 195, Page
9 151 of the Currituck County Registry boundary line to a point in the Currituck Sound;
10 thence, in a southeasterly direction along a line 1,000 feet parallel to the mean high
11 water mark of the Currituck Sound until such line forms a point of intersection with
12 another line, such line being the projection of the northern line of the Town of Duck
13 corporate limits 1,000 feet westerly from the mean high water mark of the Currituck
14 Sound; thence, in a easterly direction along the projected line to the intersection of the
15 northwest corner of the Town of Duck corporate limits with the mean high water mark
16 of the Currituck Sound; thence, in an easterly direction along the northern line of the
17 Town of Duck corporate limits to the place of beginning.

18 "ARTICLE III. GOVERNING BODY.

19 "Section 3.1. **Structure of Governing Body; Number of Members.** The governing
20 body of the Village of Corolla shall be the Village Council, which shall have five
21 members.

22 "Section 3.2. **Temporary Officers.** Until the initial election of 2007, provided for
23 by Article IV of this Charter, Robert P. Collins, Robert G. Green, Gary McGee, J.
24 Gregory Shuk, and Walter P. Stiff are appointed to the Village Council of the Village of
25 Corolla. The temporary officers shall elect persons to serve as Interim Mayor and
26 Interim Mayor Pro Tempore. If any person named in this section is unable to serve, the
27 remaining temporary officers shall, by majority vote, appoint a person to serve until the
28 initial election is held.

29 "Section 3.3. **Manner of Electing Council; Term of Office.** The qualified voters of
30 the entire Village shall elect members of the Village Council from the Village at large
31 and, except as provided in this section, they shall serve four-year terms. In 2007, the
32 three candidates receiving the highest numbers of votes shall be elected to four-year
33 terms and the two candidates receiving the next highest numbers of votes shall be
34 elected to two-year terms. In 2009, and quadrennially thereafter, two members shall be
35 elected to four-year terms. In 2011, and quadrennially thereafter, three members shall be
36 elected to four-year terms. To be eligible for election to the Village Council, an
37 individual must reside in the Village of Corolla. Vacancies on the Village Council shall
38 be filled in accordance with G.S. 160A-63.

39 "Section 3.4. **Manner of Electing Mayor; Term of Office; Duties.** The Mayor
40 shall be elected from among the members of the Village Council at the organizational
41 meeting after the initial election in November 2007, and shall serve for a term of one
42 year. Any member of the Village Council is eligible to serve successive one-year terms
43 as Mayor, and the member shall be elected in the same manner in which the member
44 was initially elected. The Mayor shall attend and preside over meetings of the Village

1 Council, shall advise the Village Council from time to time as to matters involving the
2 Village of Corolla, and shall have the right to vote as a member of the Village Council
3 on all matters before the Council, but shall have no right to break a tie vote in which the
4 Mayor has participated.

5 **"Section 3.5. Manner of Electing Mayor Pro Tempore; Term of Office; Duties.**

6 The Mayor Pro Tempore shall be elected from among the members of the Village
7 Council at the organizational meeting after the initial election in November 2007, and
8 shall serve for a term of one year. Any member of the Village Council is eligible to
9 serve successive one-year terms as Mayor Pro Tempore, and the member shall be
10 elected in the same manner in which the member was initially elected. The Mayor Pro
11 Tempore shall act in the absence or disability of the Mayor. If the Mayor and Mayor Pro
12 Tempore are both absent from a meeting of the Village Council, the members of the
13 Village Council present may elect a temporary chairman to preside in the absence. The
14 Mayor Pro Tempore shall have the right to vote on all matters before the Village
15 Council and shall be considered a member of the Village Council for all purposes.

16 **"ARTICLE IV. ELECTIONS.**

17 **"Section 4.1. Conduct of Village Elections.** Elections shall be conducted on a
18 nonpartisan basis and results determined by a plurality as provided in G.S. 163-292.

19 **"Section 4.2. Date of Election.** Elections shall be conducted in accordance with
20 Chapter 163 of the General Statutes, with the first election to be held on November 6,
21 2007.

22 **"Section 4.3. Special Elections and Referenda.** Special elections and referenda
23 may be held only as provided by general law or applicable local acts of the General
24 Assembly.

25 **"ARTICLE V. ORGANIZATION AND ADMINISTRATION.**

26 **"Section 5.1. Form of Government.** The Village shall operate under the
27 Council-Manager plan as provided in Part 2 of Article 7 of Chapter 160A of the General
28 Statutes.

29 **"Section 5.2. Village Manager; Appointment; Power and Duties.** The Village
30 Council shall appoint a Village Manager who shall be responsible for the administration
31 of all departments of the Village government, except as otherwise directed by the
32 Village Council. The Village Manager shall have all the powers and duties conferred by
33 general law, except as expressly limited by the provisions of this Charter, and the
34 additional powers and duties conferred by the Village Council, so far as authorized by
35 general law.

36 **"Section 5.3. Village Manager's Authority Over Personnel; Role of Elected**
37 **Officials.** As chief administrator of the Village, the Village Manager shall have the
38 power to appoint, suspend, and remove all Village officers, department heads, and
39 employees, except the Village Attorney, Village Clerk, and any other official whose
40 appointment or removal is vested in the Village Council by this Charter or by general
41 law. Neither the Village Council nor any of its members shall take part in the
42 appointment or removal of officers or employees in the administrative service of the
43 Village of Corolla, except as provided by this Charter. Except for purposes of inquiry,
44 or for consultation with the Village Attorney, the Village Council and its members shall

1 deal with Village employees solely through the Village Manager or Acting Village
2 Manager, and neither the Village Council nor any of its members shall give any
3 specific orders to any subordinates of the Village Manager or Acting Village Manager,
4 either publicly or privately.

5 "Section 5.4. **Village Attorney.** The Village Council shall appoint a Village
6 Attorney licensed to practice law in North Carolina. It shall be the duty of the Village
7 Attorney to represent the Village, advise Village officials, and perform other duties
8 required by law or as the Village Council may direct.

9 "Section 5.5. **Village Clerk.** The Village Council shall appoint a Village Clerk to
10 keep a journal of the proceedings of the Village Council, to maintain official records
11 and documents, to give notice of meetings, and to perform such other duties required by
12 law or as the Village Council may direct.

13 "Section 5.6. **Other Administrative Officers and Employees.** The Village Council
14 may authorize other offices and positions and appoint persons to fill the offices and
15 positions, or the Council may authorize the offices and positions to be filled by
16 appointment by the Village Manager. The Village Council may organize the Village
17 government as deemed appropriate, subject to the requirements of general law.

18 "Section 5.7. **Consolidation of Functions.** Where positions are not incompatible,
19 the Village Council may combine in one person the powers and duties of two or more
20 officers created or authorized by this Charter.

21 "ARTICLE VI. TAXES AND BUDGET ORDINANCE.

22 "Section 6.1. **Powers of the Village Council.** The Village Council may levy those
23 taxes and fees authorized by general law. An affirmative vote equal to a majority of all
24 the members of the Village Council shall be required to change the ad valorem tax rate
25 from the rate established during the prior fiscal year.

26 "Section 6.2. **Budget.** From and after July 1, 2007, the citizens and property in the
27 Village of Corolla shall be subject to municipal taxes levied for the fiscal year
28 beginning July 1, 2007, and, for that purpose, the Village shall obtain from Currituck
29 County a record of property in the area herein incorporated that was listed for taxes as
30 of January 1, 2007. The Village may adopt a budget ordinance for fiscal year
31 2007-2008 without following the timetable in the Local Government Budget and Fiscal
32 Control Act, but shall follow the sequence of actions in the spirit of the Act insofar as is
33 practical. For fiscal year 2007-2008, ad valorem taxes may be paid at par or face
34 amount within 90 days of adoption of the budget ordinance and thereafter in accordance
35 with the schedule in G.S. 105-360 as if the taxes had been due and payable on
36 September 1, 2007. If the effective date of incorporation is prior to July 1, 2007, the
37 Village may adopt a budget ordinance for fiscal year 2006-2007 without following the
38 timetable in the Local Government Budget and Fiscal Control Act, but shall follow the
39 sequence of actions in the spirit of the Act insofar as is practical, but no ad valorem
40 taxes shall be levied for that year.

41 "ARTICLE VII. ORDINANCES.

42 "Section 7.1. **Ordinances.** Except as otherwise provided in this Charter, the Village
43 of Corolla is authorized to adopt such ordinances as the Village Council deems
44 necessary for the governance of the Village.

1 "Section 7.2. **Settlement Agreement.** The vested rights in undeveloped parcels in
2 the Ocean Sands subdivision granted to Coastland Corporation by Currituck County,
3 North Carolina, in a settlement agreement entered into by the parties on June 16, 1987,
4 and recorded in Book 230, Page 600, Currituck County Registry, shall be included and
5 honored in any zoning or subdivision ordinance adopted by the Village unless the
6 Village and Coastland Corporation agree otherwise.

7 "ARTICLE VIII. MISCELLANEOUS.

8 "Section 8.1. **Conflicts of Interest.** No person, or a member of the person's
9 immediate family, who is employed by or is an official of the Village of Corolla, shall
10 do business with the Village unless such activity is approved by the Village Council.
11 All appointed officials of the Village shall inform the Village Council of any conflicts
12 of interest, and the failure to so inform shall constitute grounds for immediate dismissal
13 for cause. No official of the Village may accept any gratuity from any business, person,
14 or other official if the gratuity is related to his or her official duties.

15 "Section 8.2. **Enlargement of Village Council.** The qualified voters of the Village
16 of Corolla may seek to enlarge the number of members of the Village Council by
17 submitting a petition to that effect signed by twenty percent (20%) of the qualified
18 voters. Upon passage of a resolution as provided in G.S. 160A-102 or upon receipt of a
19 valid petition, the Village Council shall immediately take steps as provided in Part 4 of
20 Article 5 of Chapter 160A of the General Statutes to determine by referendum whether
21 the number of members of the Village Council should be increased. If a majority of the
22 votes cast in the referendum are in the affirmative, a special election shall be held at the
23 earliest possible date to elect the additional members required to enlarge the Village
24 Council to the number set forth in the referendum.

25 "Section 8.3. **Amendments to Charter.** The Village Council may propose and enact
26 amendments to this Charter in accordance with Part 4 of Article 5 of Chapter 160A of
27 the General Statutes. No amendment to this Charter shall become effective until public
28 notice is given and a public hearing is held to receive comments on the proposed
29 Charter amendment. Notwithstanding G.S. 160A-103, upon receipt of a referendum
30 petition bearing the signatures and residence addresses of twenty percent (20%) of the
31 qualified voters of the Village, the Village Council shall submit ordinances adopted
32 under G.S. 160A-102 to a vote of the people.

33 "Section 8.4. **Provision of Services and Administration of Functions.** The Village
34 Council may enter into agreements with other governmental bodies and private
35 enterprises for the provision of services and the administration of corporate functions in
36 order to provide the services and administer the functions in the most efficient and
37 cost-effective manner.

38 "ARTICLE IX. SPECIAL PROVISIONS.

39 "Section 9.1. **Ad Valorem Taxes.** The Town Council shall not increase the ad
40 valorem tax rate more than five cents (5¢) per one hundred dollars (\$100.00) valuation
41 above the ad valorem tax rate initially established after incorporation of the Village of
42 Corolla without the vote or consent of a majority of the qualified voters of the Village of
43 Corolla. The procedures of G.S. 160A-209 shall be followed for any such election."

1 **SECTION 2.** The Currituck County Board of Elections shall conduct an
2 election on a date set by the Board, to be not less than 60 nor later than 120 days after
3 this act becomes law, for the purpose of submission to the qualified voters for the area
4 described in Section 2.1 of the Charter of the Village of Corolla the question of whether
5 or not the area shall be incorporated as the Village of Corolla. Registration for the
6 election shall be conducted in accordance with G.S. 163-288.2.

7 **SECTION 3.** In the election, the question on the ballot shall be:

8 "FOR AGAINST

9 Incorporation of the Village of Corolla."

10 **SECTION 4.** In the election, if a majority of the votes are cast "For the
11 Incorporation of the Village of Corolla", Section 1 of this act shall become effective on
12 the date that the Currituck County Board of Elections certifies the results of the election.
13 Otherwise, Section 1 of this act shall have no force and effect.

14 **SECTION 5.** This act is effective when it becomes law.

VILLAGE OF COROLLA, NC PLAN AND STATEMENT OF SERVICES

As provided by Section 120-163 of the North Carolina General Statutes, the proposed Village of Corolla will be required to provide at least four of the following services no later than the first day of the third fiscal year following the effective date of incorporation: (1) police protection; (2) fire protection; (3) solid waste collection or disposal; (4) water distribution; (5) street maintenance; (6) street construction or right-of-way acquisition; (7) street lighting; and (8) zoning. The Village proposes to offer police protection, street maintenance, solid waste collection, and zoning and planning. In the following section the Village of Corolla's plan for provision of each of the services is described.

Provision of the Four Proposed Services

Police Protection: Currently the resources of the Sheriff's Department limit the level of services provided in the unincorporated Corolla neighborhoods. Therefore, The Village of Corolla proposes to increase the level of law enforcement services through a purchase of services agreement with the Currituck County Sheriff's Department. To conceptualize and formulate this purchase of services agreement, the People of Corolla for Incorporation have worked closely with Sheriff Susan Johnson. The proposal and budget developed from this collaborative planning will add two additional deputies per shift to patrol Corolla and will require the employment of eight deputies, along with vehicles, uniforms and equipment in order to accomplish this increased level of law enforcement service.

Currently, the county assigns only two deputies to Corolla. Because of the rapid growth of the area, this level of service is inadequate. When one of the deputies makes an arrest, he or she must travel to and from the county seat in Currituck to book the arrestee. This activity alone takes the deputy out of the Corolla area for over three hours, including travel time and booking time. During those times, only one deputy is left to patrol the entire 12.9 square miles in Corolla. By providing the higher level of service proposed, this type of occurrence will be avoided. Additionally, the level of enforcement included in the purchase of services agreement will permit more comprehensive enforcement of existing State laws and local ordinances. The addition and availability of policing in the community will also promote traffic safety in the Village and help mitigate traffic bottlenecks along North Carolina Highway 12 during the tourist season. The Village's proposed Year One Budget includes \$851,500 in purchase of services funds to supplement the Sheriff's budget for these additional services in Corolla.

Street Maintenance: Proposed services will include stormwater damage prevention and migration, grading, patching, paving, resurfacing, and right-of-way maintenance. District employees of the North Carolina Department of Transportation (NCDOT) have informed the People for the Incorporation of Corolla that NCDOT and the proposed Village of Corolla can negotiate which of the public roads in Corolla will be designated as Village streets and which will remain the State's responsibility. Initially, the Village of Corolla proposes to take over maintenance of approximately 1.5 miles of road in the historic part of the Village. Initially, the Village of Corolla will contract with

private companies to provide all street maintenance services. However, a Public Works Department will be established when resources so permit. Many of the streets in Corolla are located within subdivisions with Property Owner Associations that maintain these private streets. However, there are a number of public streets that would also benefit from increased maintenance, stormwater management, and beautification. Mitigation of stormwater on public streets in Corolla is a major concern. Since 2003, Currituck County has collected a special tax for stormwater improvements in the Whalehead Subdivision Special Stormwater Tax District. The County has included \$493,102 in its Fiscal Year 2007 budget based on special taxes collected. However, to date, no planning or engineering for these improvements has been initiated. The Village of Corolla will either work cooperatively with the County to proceed with stormwater mitigation or would ask the County to turn those special tax funds over to the Village Council for initiation of the proposed stormwater projects. A total of \$15,800 is included in the Village's proposed Year One budget for street maintenance purposes.

Zoning and Planning: As provided in Section 160A-360 (f) of the North Carolina General Statutes, the Currituck planning and zoning regulations will remain in effect for a period up to 60 days or until the Village of Corolla adopts its own planning and zoning regulations. Accordingly, the Village will install and implement planning and zoning regulations within 60 days of incorporation. In addition the Village will establish a Planning Board and a Board of Adjustment. Funds have been allocated in the proposed Year One budget of the Village to establish and to train citizens to serve on these boards. The Year One budget also contains funds for the employment of a Village

Planner/Zoning Administrator and Building Inspector, along with equipment these positions would need. Landuse planning and protection of the sensitive environmental and ecological lands are particularly critical to Corolla. Because development pressures continue on the Outer Banks, it will be essential for Corolla to implement controlled and sustainable planning and zoning measures to maintain the character of the community, protect the unique environment, and realize sustainable development. A total of \$236,500 is contained in the Village's Year One budget for these purposes.

Solid Waste Collection: The Village will either grant franchises to private companies to operate in Corolla or will contract with private companies to provide solid waste collection at current levels of service contractually provided by Currituck County. Future issues to be addressed by the Village of Corolla include frequency of pickups during the tourist season and requirements regarding number of rollout containers per household. Many tourist homes in Corolla contain six to 12 bedrooms and are occupied by large numbers of residents on a weekly basis. Many of these larger homes have a minimum number of rollout containers. As a result, seasonal residents fill the existing containers and then pile garbage around them for pickup. The over-filled containers and garbage left outside the containers attract area wildlife and often garbage is strewn along roadsides in the subdivisions by the wildlife. The Village Council would address these issues promptly. A total of \$820,000 is included in the Year One budget for this activity.

Other Municipal Services

Administrative and Financial Services: During the earliest phases of incorporation, many administrative services will be provided through volunteer staffing. The first hires are expected to be a Village Manager, Village Clerk, Village Planner/Zoning Administrator, and Village Building Inspector. The Village office would be located in rented space in one of the established shopping centers in the Village. The Administrative Services portion of the Year One budget for the Village amounts to \$306,400.

The North Carolina Local Government Budget and Fiscal Control Act requires local governments in the State to maintain at least an eight percent General Fund balance. The Fiscal Year One budget for the Village of Corolla appropriates \$317,916 to the General Fund balance. This is 12% of the operating budget of the General Fund and exceeds the minimum required by the Local Government Budget and Fiscal Control Act. However, coastal municipalities frequently maintain much higher fund balances due to the probability of major storms impacting the municipalities and the need to respond on an emergency basis. The Village of Corolla would attempt to increase its General Fund balance to approximately 50% to 60% over the first three years of incorporation.

Additionally, the Village of Corolla would transfer \$328,084 in its Year One budget to a capital reserve fund for future capital needs of the Village.

Fire Protection: The Corolla Fire and Rescue Department, a non-profit volunteer agency, currently provides fire protection, ocean rescue, and emergency medical service.

Corolla Fire and Rescue currently enjoys an excellent reputation in the community, both for its level of service and by acting as a central part of community life through its fundraising activities and volunteer opportunities. Many Corolla residents are volunteers in the department. This service is provided through an ad valorem tax collected and distributed by Currituck County on a countywide basis. The Village of Corolla would continue this relationship and would pursue opportunities to assist the Corolla Fire and Rescue Department.

Water Distribution: Corolla is now served by the Southern Outer Banks Water System (SOBWS), a county owned and operated system, and by Carolina Water Service, based in Charlotte, NC. All of Corolla is served by one of these production and distribution systems. The Village would continue this relationship with SOBWS and Carolina Water.

Street Construction or Right-of-Way Acquisition: No new streets are anticipated for the Village. There are a few small parcels of land still to be developed, but any new streets would be built to NCDOT standards and would be the responsibility of the developer and/or Property Owner Associations.

Street Lighting: Permanent and seasonal residents enjoy seeing the moon and stars at night and walking the beach without the intrusion of artificial light. Consequently, to nurture and support Village ambiance, street lighting and special lighting along North

Carolina Highway 12 will be held to a minimum and introduced only in support of safety standards.

**STATEMENT OF IMPACT AND DIVERSION
OF LEVIED LOCAL TAXES OR
STATE-SHARED REVENUES
FROM CURRITUCK COUNTY**

The Village of Corolla's proposed budget does not impact or divert local taxes or revenues from Currituck County, with the exception of the sales tax and the beer and wine tax. Assuming that Currituck County would select the per capita method of distribution of Sales Tax to the Village of Corolla instead of the ad-valorem tax method, Corolla would receive \$168,750 of the sales tax in Currituck County. This is 2.39% of the sales tax in Currituck County (\$7,061,040 according to the FY 2006 – 2007 County budget) and is only 0.38% of Currituck County's total current General Fund budget of \$43,304,000. Corolla would also receive \$2,000 (2.39%) of Currituck County's \$84,000 in Beer and Wine Tax revenue. This \$2,000 represents 0.005% of Currituck County's total current General Fund Budget.

Since there are no other incorporated municipalities in Currituck County, there would be no impact or diversion of revenues from other municipalities in Currituck County. *(GS 120-169.1(c))*

General Fund Revenues

Revenue Source	\$	Amount
Ad valorem Tax	\$	2,022,500.00
Prior Years Taxes	\$	-
Penalties/Interest	\$	1,500.00
Motor Vehicle Tax	\$	8,000.00
Telecom Tax	\$	10,000.00
Electric Utilities Tax	\$	100,000.00
Piped natural Gas Tax	\$	-
Cable Franchise Fee	\$	25,000.00
Occupancy Tax	\$	-
Sales Tax	\$	168,750.00
Land Transfer Tax	\$	-
Mixed Beverage Tax	\$	10,000.00
Beer and Wine Tax	\$	2,000.00
Building Permits	\$	100,000.00
Merchandise Sales	\$	500.00
Interest on Investments	\$	-
Miscellaneous Revenue	\$	2,250.00
Powell Bill	\$	15,800.00
Board of Adjustment Revenue	\$	-
Court Fees	\$	2,000.00
Sanitation User Fees	\$	820,000.00
Homeowner Recovery Fees	\$	500.00
Code Enforcement Fees	\$	500.00
Site Plan Review Fees	\$	2,000.00
CAMA Permit Fees	\$	1,000.00
Sale of Surplus Property	\$	-
Planning Permits and Fees	\$	3,000.00
Total Revenue	\$	3,295,300.00

General Fund Expenditures

	<u>General Government</u>	<u>Public Safety</u>	<u>Environmental Protection</u>	<u>Transportation</u>	<u>Other Financing Sources</u>
Governing Body	\$ 15,000.00				
Administrative Services	\$ 306,400.00				
Planning and Inspections	\$ 223,500.00				
Planning Board	\$ 6,500.00				
Board of Adjustment	\$ 6,500.00				
Non-Departmental	\$ 404,100.00				
Police Protection		\$ 851,500.00			
Sanitation			\$ 820,000.00		
Transportation				\$ 15,800.00	
Transfer to Fund Balance					\$ 317,916.00
Transfer to CIP					\$ 328,084.00
Totals	\$962,000.00	\$851,500.00	\$ 820,000.00	\$ 15,800.00	\$ 646,000.00
				Budget Total	\$ 3,295,300.00

Village Council

Proposed Budget

<u>Expenditure by Type</u>		<u>Amount</u>
Operations		
Legal Advertising	\$	3,000.00
Training	\$	5,000.00
Dues & Subscriptions	\$	5,000.00
Miscellaneous	\$	2,000.00
Total	\$	15,000.00

Budget Highlights and Line Item Explanations

Operations

- Legal Advertising – Advertisement of Village Council meetings
- Training – Attendance by members of the Village Council at conferences and seminars
- Dues & Subscriptions – Dues for professional and membership organizations (NCLM, Chamber of Commerce, School of Government, etc.)

Administrative Services

Proposed Budget

<u>Expenditure by Type</u>	<u>Amount</u>
Personnel	
Salaries & Wages	\$ 157,200.00
FICA	\$ 12,100.00
Group Insurance	\$ 23,300.00
Retirement	\$ 7,600.00
401 K Town	\$ 3,200.00
Total	\$ 203,400.00
Operations	
Communications	\$ 1,000.00
Training	\$ 5,000.00
Service & Maint. Contracts	\$ 8,000.00
Dues & Subscriptions	\$ 1,500.00
Miscellaneous	\$ 5,000.00
Total	\$ 20,500.00
Capital	
Office Furniture	\$ 12,000.00
Computer Equipment	\$ 10,500.00
Financial Software	\$ 60,000.00
Total	\$ 82,500.00
Totals	\$ 306,400.00

Budget Highlights and Line Item Explanations

Personnel

- Salaries and Wages – Salaries for Village Manager, Finance Technician, and Administrative Assistant. Administrative Assistant would also serve Planning Department.
- FICA – Social Security and Medicare paid at a rate of 7.65%
- Group Insurance – Medical, Vision, Dental, and Life insurance
- Retirement – NC Local Government Employees' Retirement System
- 401 K Town – Supplemental Retirement paid at a rate of 2%

Operations

- Communications – Cell Phone for Manager
- Training – Attendance at conferences and seminars
- Service & Maintenance Contracts – Maintenance contract for financial software
- Dues & Subscriptions – Professional organization dues

Capital

- Office Furniture – Three sets of desks, chairs, bookcases, etc.
- Computer Equipment – Computers and related peripherals
- Financial Software – Accounting software package

Planning and Inspections

Proposed Budget

<u>Expenditure by Type</u>	<u>Amount</u>
Personnel	
Salaries & Wages	\$ 103,000.00
FICA	\$ 7,900.00
Group Insurance	\$ 15,500.00
Retirement	\$ 5,000.00
401 K Town	\$ 2,100.00
Professional Services	\$ 5,000.00
Total	\$ 138,500.00
Operations	
Uniforms	\$ 1,000.00
Vehicle Supplies & Materials	\$ 2,000.00
Communications	\$ 5,000.00
Printing & Binding	\$ 1,500.00
Repair & Maint. - Equipment	\$ 1,500.00
Repair & Maint. - Vehicles	\$ 1,000.00
Advertising	\$ 3,500.00
Training	\$ 5,000.00
Service & Maint. Contracts	\$ 5,000.00
Dues & Subscriptions	\$ 1,500.00
Miscellaneous	\$ 3,000.00
Total	\$ 30,000.00
Capital	
Inspections Truck	\$ 25,000.00
Office Furniture	\$ 8,000.00
Computer Equipment	\$ 7,000.00
Inspections Software	\$ 15,000.00
Total	\$ 55,000.00
 Totals	 \$ 223,500.00

Budget Highlights and Line Item Explanations

Personnel

- Salaries and Wages – Salaries for Planning/Zoning Administrator and Building Inspector
- FICA – Social Security and Medicare paid at a rate of 7.65%
- Group Insurance – Medical, Vision, Dental, and Life insurance
- Retirement – NC Local Government Employees' Retirement System
- 401 K Town – Supplemental Retirement paid at a rate of 2%
- Professional Services – Engineering assistance

Operations

- Uniforms – Uniform and personal protective equipment (PPE) for the Building Inspector
- Vehicle Supplies and Materials – Fuel, tires, etc. for the Building Inspectors vehicle
- Communications – Cell phones for staff and radio for Building Inspector
- Printing and Binding – Brochures, Community Rating System (CRS) mailings, etc.
- Repair and Maintenance Equipment – Repair of office/field equipment
- Repair and Maintenance Vehicles – Routine vehicle maintenance
- Advertising – Advertisement of variances, special use permits, etc.
- Training – Attendance at conferences and seminars
- Service & Maintenance Contracts – Maintenance contract for inspections software
- Dues & Subscriptions – Professional organization dues

Capital

- Inspections Truck – Vehicle for Building Inspector
- Office Furniture – Two sets of desks, chairs, bookcases, etc.
- Computer Equipment – Computers and related peripherals
- Inspections Software – Permit tracking software

Planning Board

Proposed Budget

<u>Expenditure by Type</u>	<u>Amount</u>
Operations	
Legal Advertising	\$ 1,000.00
Training	\$ 5,000.00
Miscellaneous	\$ 500.00
Totals	\$ 6,500.00

Budget Highlights and Line Item Explanations

Operations

- Legal Advertising - Advertisement of Planning Board meetings
- Training – Attendance by Planning Board members at conferences and seminars

Board of Adjustment

Proposed Budget

<u>Expenditure by Type</u>	<u>Amount</u>
Operations	
Legal Advertising	\$ 1,000.00
Training	\$ 5,000.00
Miscellaneous	\$ 500.00
Totals	\$ 6,500.00

Budget Highlights and Line Item Explanations

Operations

- Legal Advertising - Advertisement of Board of Adjustment meetings
- Training – Attendance by Board of Adjustment members at conferences and seminars

Non-Departmental

Proposed Budget

<u>Expenditure by Type</u>	<u>Amount</u>
Professional Services	
Legal Services	\$ 50,000.00
Accounting	\$ 25,000.00
Tax Collections	\$ 48,600.00
Facility Maintenance	\$ 25,000.00
Total	\$ 148,600.00
Operations	
Supplies & Materials	\$ 10,000.00
Communications	\$ 9,000.00
Utilities	\$ 8,000.00
Printing & Binding	\$ 2,000.00
Repair & Maint. - Equipment	\$ 1,500.00
Advertising	\$ 2,000.00
Building Rental	\$ 48,000.00
Service & Maint. Contracts	\$ 30,000.00
Insurance & Bonding	\$ 50,000.00
Miscellaneous	\$ 5,000.00
Total	\$ 165,500.00
Capital	
Telephone System	\$ 15,000.00
Office Equipment	\$ 25,000.00
Computer Equipment	\$ 10,000.00
Vehicle Purchase	\$ 25,000.00
Office Furniture	\$ 15,000.00
Total	\$ 90,000.00
Totals	\$ 404,100.00

Budget Highlights and Line Item Explanations

Professional Services

- Legal Services – Annual retainer plus additional legal work (legal fees may be significant in year one due to the drafting of ordinances, attendance at meetings, assistance to staff, etc.)
- Accounting – Annual audit and technical assistance
- Tax Collections – Tax billing and collections by Currituck County at a rate of 1.5%
- Facility Maintenance – Landscaping and other facility maintenance for municipal facilities

Operations

- Supplies & Materials – Paper, pens, pencils, fasteners, etc.
- Communications – Telephone service, postage, etc.
- Utilities – Electricity, water and sewer, and cable at municipal building
- Printing & Binding – Printing budget and other documents
- Repair & Maintenance Equipment – Parts and maintenance for equipment
- Advertising – Position advertisements, publicity, etc.
- Building Rental – Rental of a municipal building
- Service & Maintenance Contracts – Computer and copier maintenance agreements
- Insurance & Bonding – property, liability; worker's comp, flood, etc.

Capital

- Telephone System – Telephones, hardware, installation, etc. for municipal building
- Office Equipment – Document copier, fax machine, shredder, binding machine, etc.
- Computer Equipment – Server and related hardware and software
- Vehicle Purchase – Purchase of vehicle to be shared by administration and Planning/Zoning
- Office Furniture – Tables, chairs, podium, etc. for municipal building

Police Protection

Proposed Budget

<u>Expenditure by Type</u>	<u>Amount</u>
Professional Services	
Contract Currituck Sherriff	\$ 851,500.00
Totals	\$ 851,500.00

<u>Expenditure by Type</u>	<u>Amount</u>
Personnel	
Salaries & Wages	\$ 337,400.00
FICA	\$ 25,900.00
Group Insurance	\$ 40,000.00
Retirement	\$ 16,200.00
401 K	\$ 16,900.00
Total	\$ 436,400.00

Operations	
Uniforms	\$ 10,000.00
Supplies and Materials	\$ 5,700.00
Vehicle Supplies & Materials	\$ 15,000.00
Communications	\$ 5,000.00
Printing & Binding	\$ 1,500.00
Repair & Maint. - Equipment	\$ 5,000.00
Repair & Maint. - Vehicles	\$ 8,000.00
Advertising	\$ 900.00
Training	\$ 5,000.00
Miscellaneous	\$ 3,000.00
Total	\$ 59,100.00

Capital	
Patrol Vehicles (8)	\$ 356,000.00
Total	\$ 356,000.00

Totals **\$ 851,500.00**

Budget Highlights and Line Item Explanations

Personnel

- Salaries and Wages – Salaries for eight patrol officers including holiday and overtime pay
- FICA – Social Security and Medicare paid at a rate of 7.65%
- Group Insurance – Medical and dental insurance
- Retirement – NC Local Government Employees' Retirement System
- 401 K – State mandated supplemental retirement paid at a rate of 5%

Operations

- Uniforms – Uniforms, leather gear, etc.
- Supplies and Materials – Ammunition, weapons, bulletproof vests, etc.
- Vehicle Supplies and Materials – Fuel, tires, etc.
- Communications – Radios
- Printing and Binding – Ticket books, policy manuals, training manuals, etc.
- Repair and Maintenance Equipment – Repair costs and parts for equipment
- Repair and Maintenance Vehicles – Routine vehicle maintenance
- Advertising – Position advertisements
- Training – Attendance at continuing education courses, conferences, and seminars

Capital

- Patrol Vehicles – Purchase of eight patrol vehicles completely outfitted

Sanitation

<u>Expenditure by Type</u>	<u>Amount</u>
Professional Services	
Solid Waste Collection/Disposal	\$ <u>820,000.00</u>
Totals	\$ 820,000.00

Budget Highlights and Line Item Explanations

Professional Services

- Solid Waste Collection/Disposal – Contract with GDS

Transportation

Proposed Budget

<u>Expenditure by Type</u>	<u>Amount</u>
Professional Services	
ROW Maintenance	\$ 15,800.00
Totals	\$ 15,800.00

Budget Highlights and Line Item Explanations

- ROW Maintenance – Maintenance of 1.5 miles of Village streets

Other Financing Uses

Proposed Budget

<u>Expenditure by Type</u>	<u>Amount</u>
Transfers	
Transfer to Fund Balance	\$ 317,916.00
Transfer to Capital Improvements Plan	\$ 328,084.00
Totals	\$ 646,000.00

Budget Highlights and Line Item Explanations

- Transfer to Fund Balance – This figure equals 12% of the total operating budget
- Transfer to Capital Improvements Plan – Transfer to CIP for future capital projects and items

**People of Corolla for Incorporation
Robert P. Collins, Chair
1024 Lighthouse Drive
Corolla, North Carolina 27927
(252) 453-4060**

September 4, 2006

Mayor Neil Morrison
Town of Duck
PO Box 8369
Duck, NC 27949

Dear Mayor Morrison:

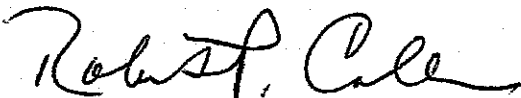
Pursuant to GS 120-164(a)(3) of the State of North Carolina, this is to officially notify the Town Council of the Town of Duck, NC that a petition will be presented to the NC Joint Legislative Commission on Municipal Incorporations for the incorporation of the Village of Corolla during the 2007 Session of the North Carolina General Assembly.

The Village of Corolla will be contiguous to the Town of Duck, NC at the Town of Duck's northern boundary and will include all of the Whalehead Voting District in Currituck County, NC.

An overwhelming number of registered voters in the Whalehead Voting District signed a petition supporting incorporation of their community in August and September 2006.

The People of Corolla are excited about this opportunity for self-governance as a municipality in Currituck County and the State of North Carolina. We have observed the progress the Town of Duck has made since it was incorporated in 2002, and we hope to be as successful. We look forward to working cooperatively with the Town of Duck on matters of mutual interest and benefit.

Sincerely yours,



Robert P. Collins

CC: Town Manager Chris Layton

YAHOO! MAIL

Print - Close Window

Subject: Letter from People of Corolla for Incorporation

Date: Wed, 20 Sep 2006 16:13:36 -0400

From: "Chris Layton" <clayton@townofduck.com>

To: "Gary McGee" <bgmcgee1@yahoo.com>

To Whom It May Concern:

The Town of Duck, North Carolina, received a letter dated September 4, 2006, notifying the Town that a petition will be presented to the North Carolina Joint Legislative Commission on Municipal Incorporations related to the incorporation of the Village of Corolla during the 2007 Session of the North Carolina General Assembly.

Christopher Layton
Town Manager
Town of Duck, North Carolina

**People of Corolla for Incorporation
c/o Robert P. Collins, Chair
1024 Lighthouse Drive
Corolla, North Carolina 27927**

252-453-4060

SENT VIA UPS TRACKING DELIVERY

To: Currituck County Board of Commissioners
Attention: Clerk to the Board of Commissioners
From: Robert P. Collins
Subject: Public Documents To Be Kept On File In Clerk's Office
Date: October 5, 2006

Enclosed are letters sent to all of the Currituck County Commissioners and to the County Manager. Please file them in the Clerk's Office for public inspection by any person who wants to view or copy them. Please notify each of the persons to whom the letters are addressed that copies have been sent to you for filing and public viewing under North Carolina's Public Records Law.



Close Window

Tracking Detail

Your package has been delivered.

Tracking Number: 1Z EW3 751 03 3777 468 4
 Type: Package
 Status: **Delivered**
 Delivered on: 10/09/2006 11:14 A.M.
 Signed by: GILBERT
 Location: OFFICE
 Delivered to: US
 Shipped or Billed on: 10/06/2006
 Service Type: GROUND
 Weight: .20 Lb

Package Progress

Location	Date	Local Time	Description
EDENTON, NC, US	10/09/2006	11:14 A.M.	DELIVERY
	10/09/2006	8:00 A.M.	OUT FOR DELIVERY
	10/09/2006	6:00 A.M.	ARRIVAL SCAN
RALEIGH, NC, US	10/09/2006	3:01 A.M.	DEPARTURE SCAN
RALEIGH, NC, US	10/08/2006	10:51 P.M.	ARRIVAL SCAN
MANTEO, NC, US	10/06/2006	8:43 P.M.	DEPARTURE SCAN
	10/06/2006	7:12 P.M.	ORIGIN SCAN
US	10/06/2006	5:29 P.M.	BILLING INFORMATION RECEIVED

Tracking results provided by UPS: 10/09/2006 1:20 P.M. EST (USA)

NOTICE: UPS authorizes you to use UPS tracking systems solely to track shipments tendered by or for you to UPS for delivery and for no other purpose. Any other use of UPS tracking systems and information is strictly prohibited.

Close Window

People of Corolla for Incorporation
Robert P. Collins, Chair
1024 Lighthouse Drive
Corolla, North Carolina 27927
(252) 453-4060

SENT VIA US POSTAL SERVICE CERTIFIED, RETURN RECIEPT MAIL
NUMBER 7003 2260 0004 0209 4331

7001 1140 0003 9401 9994

September 18, 2006

The Honorable S. Paul O'Neal, Chairman
Currituck County Board of Commissioners
893 Waterlily Road
Coinjock, NC 27923

Dear Mr. O'Neal:

Pursuant to GS 120-164(a)(1) of the State of North Carolina, this is to officially notify the Board of Commissioners of Currituck County, NC that a petition will be presented to the NC Joint Legislative Commission on Municipal Incorporations for the incorporation of the Village of Corolla during the 2007 Session of the North Carolina General Assembly.

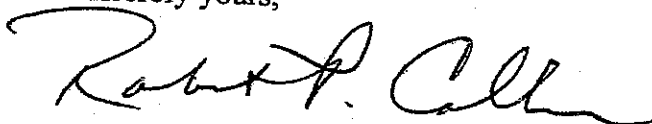
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The People of Corolla are excited about this opportunity for self-governance as a municipality in Currituck County and the State of North Carolina. We pledge to work amicably and cooperatively with the government of Currituck County to address the many issues and problems currently existing in and facing the proposed incorporated area in the future.

Likewise, we respectfully request that the government of Currituck County also work amicably and cooperatively with us for the mutual benefit of the citizens, the property owners, and the many visitors to the area.

Sincerely yours,



Robert P. Collins

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

Gwen H. Keene, Clerk
Currituck Board of Commissioners
PO Box 39
Currituck, NC 27929

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
x Danny Jordan Addressee

B. Received by (Printed Name) C. Date of Delivery
Danny Jordan *10-6-06*

D. Is delivery address different from item 1? Yes
S, enter delivery address below: No

Service Type

- Certified Mail Express Mail
- Registered Return Receipt for Merchandise
- Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number

7001 1140 0003 9401 9994

**People of Corolla for Incorporation
Robert P. Collins, Chair
1024 Lighthouse Drive
Corolla, North Carolina 27927
(252) 453-4060**

SENT VIA US POSTAL SERVICE CERTIFIED, RETURN RECIEPT MAIL
NUMBER 7001 1140 0003 9402 0006

7001 1140 0003 9401 9994

September 18, 2006

The Honorable Ernie Bowden
2155 Sandfiddler Road
Corolla, NC 27927

Dear Mr. Bowden:

Pursuant to GS 120-164(a)(1) of the State of North Carolina, this is to officially notify the Board of Commissioners of Currituck County, NC that a petition will be presented to the NC Joint Legislative Commission on Municipal Incorporations for the incorporation of the Village of Corolla during the 2007 Session of the North Carolina General Assembly.

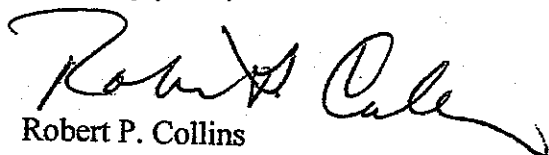
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Sincerely yours,


Robert P. Collins

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- Attach this card to the back of the mailpiece, or on the front if space permits.

Gwen H. Keene, Clerk
Currituck Board of Commissioners
PO Box 39
Currituck, NC 27929

COMPLETE THIS SECTION ON DELIVERY

A. Signature <i>x Danny Jordan</i>		<input type="checkbox"/> Agent
		<input type="checkbox"/> Addressee
B. Received by (Printed Name) <i>Danny Jordan</i>	C. Date of Delivery <i>10-6-00</i>	
D. Is delivery address different from item 1? <input type="checkbox"/> Yes		
S, enter delivery address below: <input type="checkbox"/> No		

Service Type

- | | |
|--|--|
| <input checked="" type="checkbox"/> Certified Mail | <input type="checkbox"/> Express Mail |
| <input type="checkbox"/> Registered | <input checked="" type="checkbox"/> Return Receipt for Merchandise |
| <input type="checkbox"/> Insured Mail | <input type="checkbox"/> C.O.D. |

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number

7001 1140 0003 9401 9994

**People of Corolla for Incorporation
Robert P. Collins, Chair
1024 Lighthouse Drive
Corolla, North Carolina 27927
(252) 453-4060**

SENT VIA US POSTAL SERVICE CERTIFIED, RETURN RECIEIPT MAIL
NUMBER 7001 1140 0003 9402 4356

September 18, 2006

The Honorable J. Owen Etheridge
169 Maple Knoll Road
Shawboro, NC 27973

Dear Mr. Etheridge:

Pursuant to GS 120-164(a)(1) of the State of North Carolina, this is to officially notify the Board of Commissioners of Currituck County, NC that a petition will be presented to the NC Joint Legislative Commission on Municipal Incorporations for the incorporation of the Village of Corolla during the 2007 Session of the North Carolina General Assembly.

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Sincerely yours,



Robert P. Collins

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

The Honorable J. Owen Etheridge
169 Maple Knoll Road
Shawboro, NC 27973

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent
J. Owen Etheridge Addressee

B. Received by (Printed Name) C. Date of Delivery
J. Owen Etheridge 9/23/06

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number
(Transfer from service label) 7001 1140 0003 9402 4356

**People of Corolla for Incorporation
Robert P. Collins, Chair
1024 Lighthouse Drive
Corolla, North Carolina 27927
(252) 453-4060**

SENT VIA US POSTAL SERVICE CERTIFIED, RETURN RECIEPT MAIL
NUMBER 7003 2260 0004 0209 4355

7001 1140 0003 9401 9994

September 18, 2006

The Honorable Paul R. Martin
107 White Heron Drive
Currituck, NC 27929

Dear Mr. Martin:

Pursuant to GS 120-164(a)(1) of the State of North Carolina, this is to officially notify the Board of Commissioners of Currituck County, NC that a petition will be presented to the NC Joint Legislative Commission on Municipal Incorporations for the incorporation of the Village of Corolla during the 2007 Session of the North Carolina General Assembly.

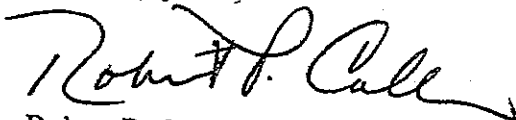
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Sincerely yours,



Robert P. Collins

SENDER: COMPLETE THIS SECTION

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- Attach this card to the back of the mailpiece, or on the front if space permits.

Gwen H. Keene, Clerk
Currituck Board of Commissioners
PO Box 39
Currituck, NC 27929

COMPLETE THIS SECTION ON DELIVERY

A. Signature Agent Addressee
x Danny Jordan

B. Received by (Printed Name) C. Date of Delivery
Danny Jordan 10-6-06

Is delivery address different from item 1? Yes
If Yes, enter delivery address below: No

Service Type

- Certified Mail Express Mail
- Registered Return Receipt for Merchandise
- Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number

7001 1140 0003 9401 9994

**People of Corolla for Incorporation
Robert P. Collins, Chair
1024 Lighthouse Drive
Corolla, North Carolina 27927
(252) 453-4060**

SENT VIA US POSTAL SERVICE CERTIFIED, RETURN RECIEPT MAIL
NUMBER 7003 2260 0004 0209 4362

September 18, 2006

The Honorable Eldon L. Miller, Jr.
PO Box 127
Moyock, NC 27958

Dear Mr. Miller:

Pursuant to GS 120-164(a)(1) of the State of North Carolina, this is to officially notify the Board of Commissioners of Currituck County, NC that a petition will be presented to the NC Joint Legislative Commission on Municipal Incorporations for the incorporation of the Village of Corolla during the 2007 Session of the North Carolina General Assembly.

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Likewise, we respectfully request that the government of Currituck County also work amicably and cooperatively with us for the mutual benefit of the citizens, the property owners, and the many visitors to the area.

Sincerely yours,



Robert P. Collins

SENDER: COMPLETE THIS SECTION

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

The Honorable Eldon L. Miller, Jr.
PO Box 127
Moyock, NC 27958

COMPLETE THIS SECTION ON DELIVERY

A. Signature x <i>Eldon L Miller</i>		<input type="checkbox"/> Agent <input type="checkbox"/> Addressee
B. Received by (Printed Name) <i>ELDON L Miller</i>	C. Date of Delivery <i>9-21-06</i>	
D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No		

3. Service Type

<input checked="" type="checkbox"/> Certified Mail	<input type="checkbox"/> Express Mail
<input type="checkbox"/> Registered	<input checked="" type="checkbox"/> Return Receipt for Merchandise
<input type="checkbox"/> Insured Mail	<input type="checkbox"/> C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number
(Transfer from service label)

7003 2260 0004 0209 4362

**People of Corolla for Incorporation
Robert P. Collins, Chair
1024 Lighthouse Drive
Corolla, North Carolina 27927
(252) 453-4060**

SENT VIA US POSTAL SERVICE CERTIFIED, RETURN RECEIPT MAIL
NUMBER 7003 2260 0004 0209 4348

September 18, 2006

Mr. Daniel F. Scanlon, II, County Manager
Currituck County
PO Box 39
Currituck, NC 27929

Dear Mr. Scanlon:

Pursuant to GS 120-164(a)(1) of the State of North Carolina, this is to officially notify the Board of Commissioners of Currituck County, NC that a petition will be presented to the NC Joint Legislative Commission on Municipal Incorporations for the incorporation of the Village of Corolla during the 2007 Session of the North Carolina General Assembly.

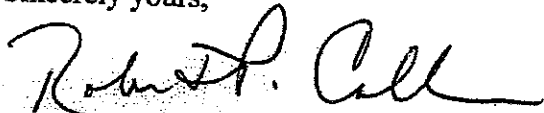
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Sincerely yours,



Robert P. Collins

SENDER: COMPLETE THIS SECTION

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- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. Daniel F. Scanlon, II
Currituck County
PO Box 39
Currituck, NC 27929

COMPLETE THIS SECTION ON DELIVERY

A. Signature

Danny Jordan Agent Addressee

B. Received by (Printed Name)

Danny Jordan C. Date of Delivery *9-21-06*

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

- Certified Mail Express Mail
- Registered Return Receipt for Merchandise
- Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

2. Article Number

(Transfer from service label)

7003 2260 0004 0209 4348



COUNTY OF CURRITUCK

RESOLUTION OF THE BOARD OF COMMISSIONERS OF CURRITUCK COUNTY, NORTH CAROLINA SUPPORTING A BILL OF INCORPORATION FOR COROLLA, NC

WHEREAS, 194 eligible voters in Corolla, North Carolina have signed a Petition to Incorporate the Village of Corolla; and

WHEREAS, the People of Incorporation for Corolla has presented a Petition for Incorporation to the North Carolina Joint Legislative Commission on Municipal Incorporations; and

WHEREAS, North Carolina Representative Bill Owens, who represents Currituck County, North Carolina, said bill to contain a provision that the Currituck County Board of Elections shall conduct an incorporation referendum within 60 to 120 days after passage of the Bill of Incorporation by the 2007 North Carolina General Assembly; and

WHEREAS, the Petition for Incorporation of Corolla contains a projected budget and statement of services to be provided; and

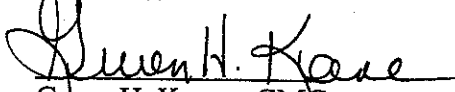
WHEREAS, said budget and statement of services does not negatively impact the finances or operations of Currituck County; and

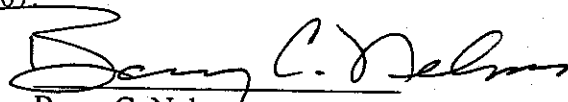
WHEREAS, the People of Corolla for Incorporation has voiced a sincere desire to work cooperatively with Currituck County on all matters of mutual interest that would benefit the mainland and the beach communities of Currituck County;

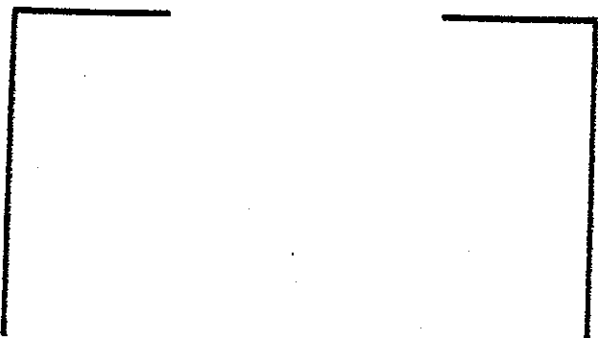
NOW, THEREFORE BE IT RESOLVED, that the Currituck County Board of Commissioners does hereby respect the ability of Corolla voters to participate in a referendum on whether or not they want to incorporate and offers no objection to the introduction of the Bill of Incorporation by Representative Bill Owens and Senator Marc Basnight when the North Carolina General Assembly convenes in January 2007.

ADOPTED this the 2nd day of January, 2007.

ATTEST:


Gwen H. Keene, CMC
Clerk to the Board


Barry C. Nelms
Chairman



NORTH CAROLINA
DARE COUNTY.

AFFIDAVIT OF PUBLICATION

Before the undersigned, a Notary Public of said County and State, duly commissioned, qualified, and authorized by law to administer oaths, personally appeared

Susan M. Simpson, treasurer

....., who being first duly sworn, deposes and says: that he (she) is of The Times Printing Co., Inc., engaged in the publication of a newspaper known as THE COASTLAND TIMES, published, issued, and entered as second class mail in the Town of Manteo, in said County and State; that he is authorized to make this affidavit and sworn statement; that the notice or other legal advertisement, a true copy of which is attached hereto, was published in THE COASTLAND TIMES on the following dates:

September 28 and October 5,

2006.....; and that the said newspaper in which said notice, paper, document, or legal advertisement was published was, at the time of each and every such publication, a newspaper meeting all of the requirements and qualifications of Sections 1-596 and 1-597 of the General Statutes of North Carolina and was a qualified newspaper within the meaning of Section 1-597 of the General Statutes of North Carolina.

This 9th day of October 2006

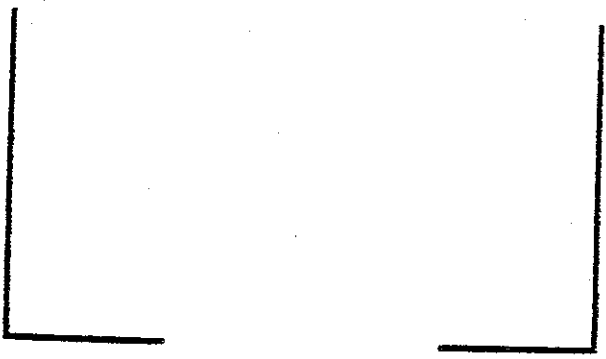
Sworn to and subscribed to before me, this 9th day of October 2006

Patricia A. McInerney
Notary Public

My Commission expires: August 12, 2010

Public Notice
Pursuant to NCGS 120-164 (b), notice is hereby given that a petition will be presented on or before November 1, 2006 to the NC Joint Legislative Commission on Municipal Incorporations for the incorporation of the Village of Corolla, NC during the 2007 Session of the NC General Assembly.
People of Corolla for Incorporation
Robert P. Collins, Chair
1024 Lighthouse Dr.
Corolla, NC 27927
(252) 453-4060

9-28, 10-5c



The Daily Advance
215 S. Water Street
Elizabeth City, NC 27909

North Carolina
Pasquotank County

Affidavit of Publication

Before the undersigned, a Notary Public of said County and State, duly commissioned, qualified and authorized by law to administer oaths, personally appeared **Maureen Brinson** who being first duly sworn, deposes and says that she is the Manager of Accounting and Administration of the Daily Advance engaged in the publication of a newspaper known as The Daily Advance, published, issued and entered as second class mail in the City of Elizabeth City in said County and State; is authorized to make this affidavit and sworn statement; that the notice or other legal advertisement, was published in the Daily Advance on the following dates:

9/27 AND 10/04/06 PUBLIC NOTICE

And that the said newspaper in which such notice, paper, document, or legal advertisement was published was, at the time of each and every such publication, a newspaper meeting all of the requirements and qualifications of Section 1-597 of the General Statutes of North Carolina and was a qualified newspaper within the meaning of Section 1-597 of the General Statutes of North Carolina.

Maureen Brinson

Sworn to and subscribed before me, this 30th day of September, 2006

[Signature]
Notary Public

Commission Expires November 22nd, 2006

PUBLIC NOTICE

Pursuant to NCGS 120-164(b), notice is hereby given that a petition will be presented on or before November 1, 2006 to the NC Joint Legislative Commission on Municipal Incorporations for the incorporation of the Village of Corolla, NC during the 2007 Session of the NC General Assembly. People of Corolla for Incorporation, Robert P. Collins, Chair, 1024 Lighthouse Dr., Corolla, NC 27927. (252) 453-4060.

9/27, 10/04

31 06 04:52p

Mary Etheridge



CURRITUCK COUNTY BOARD OF ELECTIONS

2826 CARATOKE HWY., P. O. BOX 177
CURRITUCK, NORTH CAROLINA 27929-0177

Phone: 252-232-2525
Fax: 252-232-2427

MARY R. ETHERIDGE
Director

CERTIFICATE BY CURRITUCK COUNTY BOARD OF ELECTIONS

Pursuant to GS 120-163, I hereby certify that the total number of voters registered in the Whalehead Precinct of Currituck County at the time of the petition for PEOPLE OF COROLLA FOR INCORPORATION was 571 voters. The names of 193 qualified registered voters were certified on October 3, 2006.

Mary R. Etheridge, Director
Currituck County Board of Elections

n. 58

Assessment of the Petition

By

Town of Corolla

For

Incorporation

Relative to NC G.S. 120-163 and NC G.S. 120-164

North Carolina Department of Commerce

Division of Community Assistance

The Division of Community Assistance (DCA) staff has reviewed the petition for the incorporation of Corolla to determine if the requirements of NC G.S. 120-163 and 120-164 have been satisfied. These sections of the General Statutes refer to the petition and notification requirements. The requirements of these sections have been satisfied as described below.

G.S. 120-163(a) requires that the petition be signed by at least 15 percent (but not less than 25 voters) of the registered voters in the area proposed for incorporation. The proposed Town of Corolla has submitted a petition with the required signatures.

G.S. 120-163(b) requires that “the petition be verified by the county board of elections of the county where the voter is alleged to be registered. The board of elections shall cause to be examined the signature, shall place a check mark beside the name of each signer who is qualified and registered to vote in that county in the area proposed to be incorporated, and shall attach to the petition a certificate stating the number of voters registered in that county in the area proposed to be incorporated, and the total number of registered voters who have been verified. The county board of elections shall return the petition to the person who presented it within 15 working days of receipt.” G.S. 120-163(d) requires that the petitioners present to the Commission the verified petition from the county board of elections. The Currituck County Board of Elections has verified the Town of Corolla’s petition.

G.S. 120-163(c) requires that the petition include a number of items. These items are:

- A proposed name of the city. The proposed name is the “Town of Corolla”.
- A map of the city. The petition of the Town of Corolla does include a map.
- A list of proposed services to be provided by the proposed municipality. The petition of the Town of Corolla does include a list of proposed services.
- The name of three persons to serve as the interim governing board. The petition does include the name of at least three persons to serve as the interim board.
- A proposed charter. The petition does include a proposed charter.
- A statement of the estimated population and density. The petition does include a statement on the estimated population and density.
- A statement on assessed valuation. The petition does include a statement on the assessed value of property in the proposed area to be incorporated.

- A statement on the degree of development. The petition does include a statement on the degree of development.
- Recommendations as to the form of government and manner of election. The petition does include a recommendation as to the form of government and manner of election.
- A statement that the Town will have a budget ordinance with an ad valorem tax levy of at least \$.05 per \$100 valuation. The petition does include such statement.

According to G.S. 120-163, the proposed municipality may not contain any noncontiguous areas. Based on the map submitted with the petition, the proposed boundary of the municipality does not contain any noncontiguous areas.

According to G.S. 120-164(a) not later than five days before submitting the petition to the Commission, the petitioners shall notify:

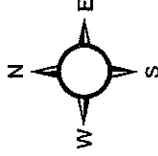
- (1) the board of county commissioners of the county where the proposed municipality is located;
- (2) all cities within that county;
- (3) and all cities in any other county that are within five miles of the proposed municipality of the intent to petition the Commission.

The petition includes copies of notification letters mailed to Currituck County and the municipality of Duck. There are currently no municipalities in Currituck County. Therefore, all required notifications have been sent.

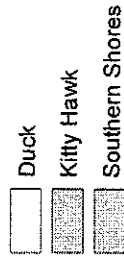
According to G.S. 120-164(b), the petitioners shall also publish, one per week for two consecutive weeks, with the second notice appearing no later than seven days before submitting the petition to the Commission, notice in a newspaper of general circulation in the area proposed to be incorporated of the intent to present the petition to the Commission.

The required notifications were published in The Coastal Times (Manteo) on September 28, 2006 and October 5, 2006 as evidenced by an affidavit of publication.

**Village of Corolla, NC
Incorporation Study
Nearness to Another Municipality**

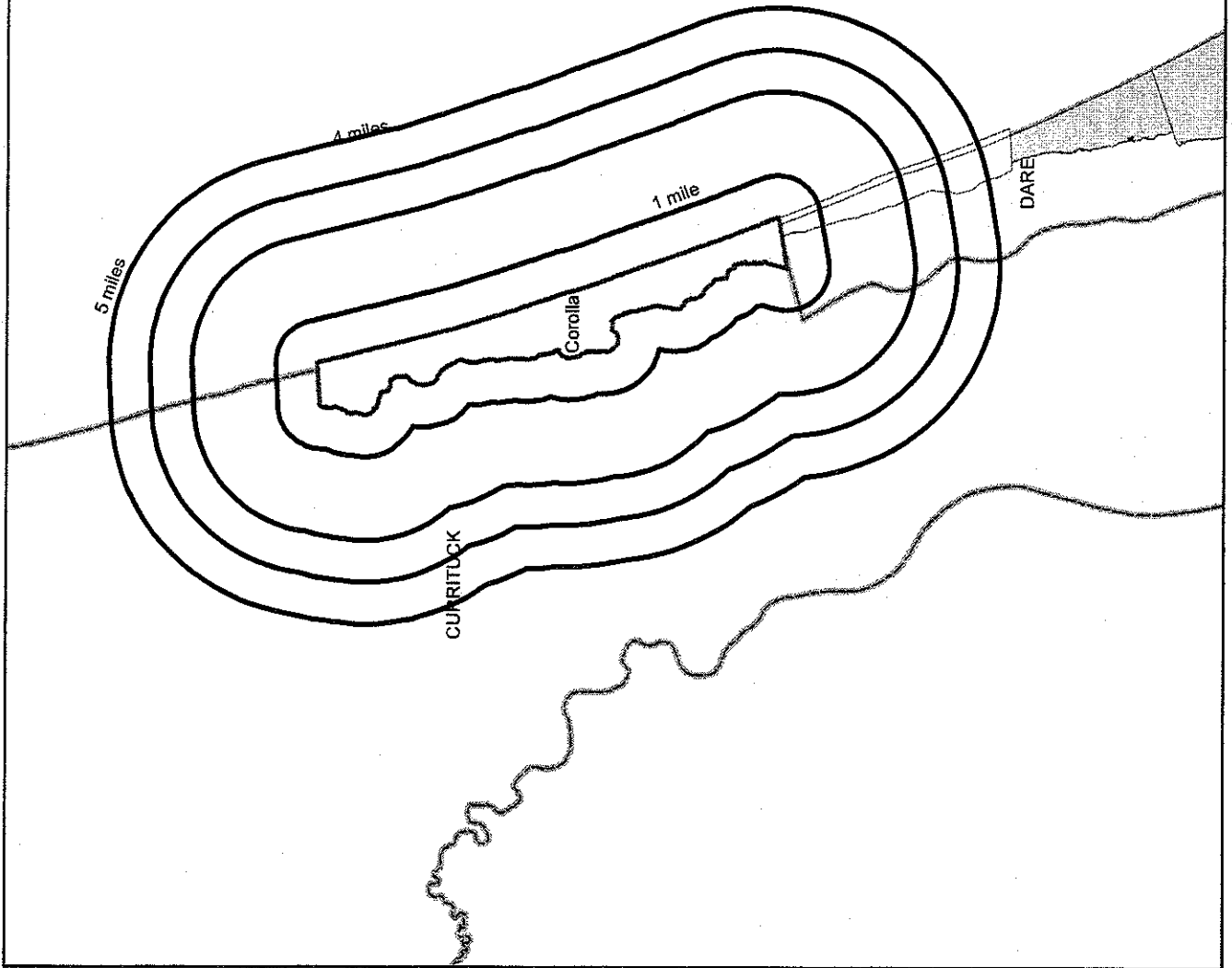


Nearby Municipalities



Prepared: 11/07/2006

Source: Map based on digital geographic data provided by the GIS Departments of Currituck and Dare Counties. Boundary for Corolla are approximate based on map presented by petitioners and should be used for review purposes only.



Assessment of Petition

By

Town of Corrolla

for

Incorporation

Relative to G.S. 120-166, Nearness to another municipality

**North Carolina Department of Commerce
The Division of Community Assistance**

The Division of Community Assistance staff has reviewed the petition for incorporation from Corrolla as it relates to N.C.G.S.120-166¹. Section (a) of the statute establishes criteria based upon the nearness of the proposed town to existing municipalities and their respective populations. The statute requires that the population values be in accordance with the most recent decennial federal census, or according to the most recent annual estimate of the Office of State Budget and Management if the municipality was incorporated since the return of that census. These relations are presented in the following table:

Critical distance	Population of neighboring municipalities
1 mile	5,000 to 9,999
3 miles	10,000 to 24,999
4 miles	25,000 to 49,999
5 miles	50,000 and over

The Town of Duck (population 521) is within 1 mile of the proposed boundaries of Corrolla but does not meet the population threshold set in G.S. 120-166(a). No additional municipalities are within the distance thresholds set in the statute. No nearby municipality falls within the population and distance thresholds set in G.S. 120-166(a).

The Commission is not precluded from making a positive recommendation on the petition for incorporation of the proposed Town of Corrolla.

Methodology:

The proposed boundary of Corrolla is estimated based on the boundary description and the boundary map presented with the petition. The boundary for existing municipalities were determined from the most recent digital data available from Currituck County, Dare County, and any other county within 5 miles of Corrolla. The buffer area around Corrolla shown on the attached map, which identifies municipalities that are within 1 mile, 3 miles, 4 miles, and 5 miles of the proposed municipality, were calculated using ArcGIS software. The population estimates for the Town of Duck (incorporated in 2002) are the 2005 estimate of the Office of State Budget and Management (<http://demog.state.nc.us/>).

¹ § 120-166. **Additional criteria; nearness to another municipality.**

(a) The Commission may not make a positive recommendation if the proposed municipality is located within one mile of a municipality of 5,000 to 9,999, within three miles of a municipality of 10,000 to 24,999, within four miles of a municipality of 25,000 to 49,999, or within five miles of a municipality of 50,000 or over, according to the most recent decennial federal census, or according to the most recent annual estimate of the Office of State Budget and Management if the municipality was incorporated since the return of that census.

(b) Subparagraph (a) of this section does not apply in the case of proximity to a specific municipality if:

- (1) The proposed municipality is entirely on an island that the nearby city is not on;
- (2) The proposed municipality is separated by a major river or other natural barrier from the nearby city, such that provision of municipal services by the nearby city to the proposed municipality is infeasible or the cost is prohibitive, and the Commission shall adopt policies to implement this subdivision;
- (3) The municipalities within the distances described in subparagraph (a) of this section by resolution express their approval of the incorporation; or
- (4) An area of at least fifty percent (50%) of the proposed municipality has petitioned for annexation to the nearby city under G.S. 160A-31 within the previous 12 months before the incorporation petition is submitted to the Commission but the annexation petition was not approved. (1985 (Reg. Sess., 1986), c. 1003, s. 1; 1989 (Reg. Sess., 1990), c. 1024, s. 25; 1998-150, s. 2; 2000-140, s. 93.1(a); 2001-424, s. 12.2(b).

**Assessment of Petition
by
Village of Corolla
(Currituck County)
for
Incorporation**

**Relative to NC G.S. 120-167
through NC G.S. 120-170**

April 4, 2007

**North Carolina Department of Commerce
Division of Community Assistance**

Division of Community Assistance (DCA) staff has reviewed the petition for incorporating the Village of Corolla relative to NC G.S. 120-167 through G.S. 120-170. The following discussion addresses each of these sections of the General Statutes.

NC G.S. 120-167 Additional criteria; population.

NC G.S. 120-167 refers to population and requires that the permanent population must be at least 100 and a population density (permanent and seasonal) of at least 250 persons per square mile. The Currituck County Board of Elections determined there are 571 registered voters living in the proposed Village of Corolla, exceeding the required minimum permanent population. The Division of Community Assistance performed a land use survey of the subject area, identifying 3782 dwelling units. The 2000 US Census Bureau data estimates an average of 2.61 persons per household for Currituck County and a non seasonal housing vacancy rate of 4.5 percent. This suggests that at least 9,427 persons are likely to reside in a total land area of 12.95 square miles in-season. DCA has calculated Corolla total population density at 727.95 persons per square mile (permanent and seasonal). It appears that NC G.S. 120-167 is satisfied.

NC G.S. 120-168 Additional criteria; development.

NC G.S. 120-168 refers to development and requires that at least 40 percent of the area must be "developed for residential, commercial, industrial, institutional, or governmental uses, or is dedicated as open space under the provisions of a zoning ordinance, subdivision ordinance, conditional or special use permit, or recorded restrictive covenants."(1985 (Reg. Sess., 1986), c. 1003, s. 1.)

DCA used a land use survey combined with an analysis of available county tax information and aerial photographs to determine the degree of development. The analysis considered parcels as "developed" if they had land use characteristics that were residential, commercial, institutional or governmental, industrial, or dedicated open spaces. Vacant parcels, forested parcels, or agricultural parcels were considered "undeveloped." Parcels with less than 1 dwelling per 5 acres were also considered undeveloped.

DCA's analysis indicated that 48.99 percent of the subject area, as presently proposed, is developed (see Table 1 and Map A). It appears that NC G.S. 120-168 is satisfied.

Table 1:
Development Relative to NC G.S. 120-168

Land Use	Acres
Commercial	169.093
Industrial	0.00
Institutional/Governmental	140.238
Residential	1342.416
Restricted open space	674.040
Undeveloped	2421.942
Total acreage	4747.729
Total Developed Acreage	2325.787
% Developed	48.99

NC G.S. 120-169 Additional criteria; area unincorporated.

NC G.S. 120-169 requires that none of the area proposed for incorporation may be included within the boundary of another incorporated municipality. DCA compared the proposed boundary for the Village of Corolla with the most recently updated Currituck County (GIS) data as well as the North Carolina Department of Transportation (GIS) data and found no evidence that any of the subject area is part of an incorporated municipality or is within the boundary of a county that has exercised its authority under Article 24 of Chapter 153A of the General Statutes. It appears that NC G.S. 120-169 is satisfied.

NC G.S. 120-169.1 Additional criteria; services.

NC G.S. 120-169.1(b) requires that the area to be incorporated submit a plan for providing a reasonable level of municipal services. To meet the requirements of this section, the persons submitting the plan for incorporation must propose to provide at least four of the following services:

- 1) Police protection.
- 2) Fire protection.
- 3) Solid waste collection or disposal.
- 4) Water distribution.
- 5) Street maintenance.
- 6) Street construction or right-of-way acquisition.
- 7) Street lighting.
- 8) Zoning.

The proposed Village of Corolla has submitted a sufficient plan for providing four out of eight of the above services. Corolla will provide police protection, solid waste collection, street maintenance, and zoning services. Police protection will be provided

through an agreement with the Currituck County Sheriff's Department. Street maintenance will be provided by a private contractor. Zoning will be adopted and administered by the Town. Solid waste collection services will be provided through a contract with a private service provider. It appears that NC G.S. 120-169.1(b) is satisfied.

NC G.S. 120-170 Findings as to services.

NC G.S. 120-170 requires that the proposed municipality can provide, at a reasonable tax rate the services requested by the petition and that the proposed municipality can provide at a reasonable tax rate the types of services usually provided by similar municipalities. Corolla has proposed a \$0.05/\$100 property tax rate with an estimated property tax revenue of \$2,022,500. As a result of the types of services the Village of Corolla plans to provide and the manner in which those services would be provided, the proposed \$0.05/\$100 property tax rate appears to be reasonable.

To give some indication of a comparison of Corolla tax rate and that assessed by other similar municipalities, DCA compared Corolla with the North Carolina Department of Treasurer's 2006 Municipal Financial Profiles for municipal populations between 2500 to 9,999 persons. Corolla has proposed a \$0.05/\$100 property tax rate with an estimated property tax revenue of \$2,022,500.00. In comparison, the North Carolina Department of Treasurer indicates in its report an average property tax rate of \$0.2921/\$100 assessment and average property tax revenue of \$1,520,336. For the proposed Village of Corolla to generate similar revenues it would need to levy a property tax rate of \$0.0357/\$100 assessment (assuming a total assessment of \$4,257,969,732). As stated above, Corolla can provide the four proposed services at a reasonable tax rate. It appears that NC G.S. 120-170 is satisfied.

The attached table shows a comparison of the financial data provided in the petition with municipalities incorporated since 2000 based on a report by the NC Treasury Department.

Conclusion

It appears that the proposed Village of Corolla satisfies the North Carolina General Statutes 120-167 through 120-170. The Commission is not precluded from making a positive recommendation on the incorporation of the proposed Village of Corolla.

Information sources:

Petition for Incorporation of the Village of Corolla
2000 US Census (referenced 04/2007), <http://www.census.gov/>
Currituck County GIS Department, Parcel Data and Assessment Data
North Carolina Office of State Treasurer (referenced 04/2007)
http://www.treasurer.state.nc.us/lgc/units/D_NC.htm

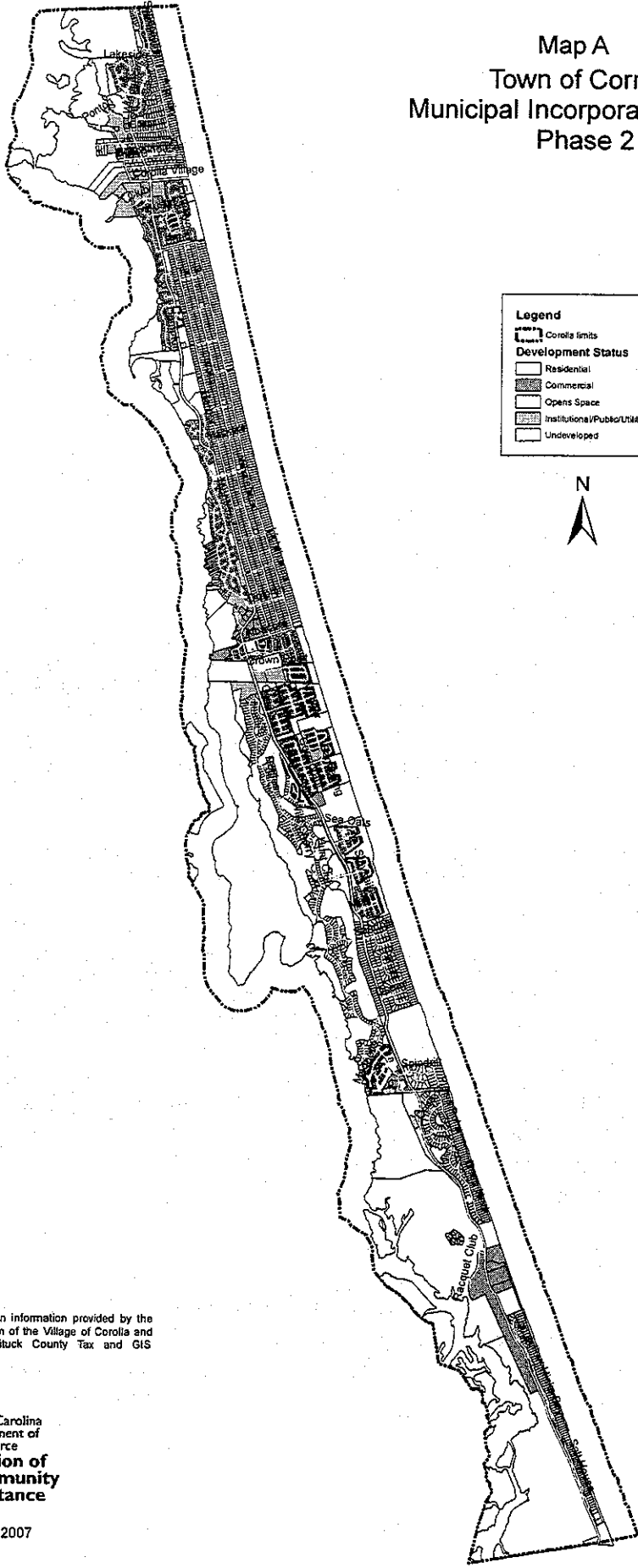
Financial Comparison of Municipalities Incorporated from 2000 to 2005 (FYE 2005)												
Municipality	Corolla (1)	Ossipee	Midland	Duck	Mills River	Misenheimer	Red Cross	Wallburg	Mioway	Fairview	Union	
County	Orrituck	Alamance	Cabarrus	Dare	Henderson	Stanly	Stanly	Davidson	Davidson	Davidson	Union	
Date of Incorp.		12/9/2002	11/7/2000	5/1/2002	6/24/2003	6/26/2003	8/1/2002	6/29/2004	6/29/2006	6/29/2004	1/15/2002	
Pop. 7/1/2005 (2)	527	452	2,820	521	6,147	685	770	2,894	4,399	4,201		
Tax Rate per \$100 (3)	\$ 0.050	\$ 0.050	\$ 0.150	\$ 0.200	\$ 0.075	\$ 0.150	\$ 0.160	\$ 0.050	\$ 0.050	\$ 0.050	\$ 0.020	
2005 Revenues (3)												
Ad valorem	\$ 2,022,500	\$ 9,085	\$ 331,911	\$ 1,522,929	\$ 414,986	\$ 21,873	\$ 66,890	\$ 84,366	\$ -	\$ -	\$ -	
Local Sales Tax	\$ 168,750	\$ 75,801	\$ 103,485	\$ 645,799	\$ 1,360,672	\$ 111,880	\$ 118,498	\$ 301,252	\$ -	\$ -	\$ -	
Solid Waste fees	\$ 820,000	\$ 11,940	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Utility Franchise	\$ 135,000	\$ 13,834	\$ 86,593	\$ 156,748	\$ 317,449	\$ 21,548	\$ 16,832	\$ 45,529	\$ -	\$ -	\$ -	
Powell Bill	\$ 15,800	\$ -	\$ 63,753	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Water/Sewer Fees	\$ -	\$ 49,721	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Beer & Wine	\$ 2,000	\$ 2,062	\$ -	\$ 2,253	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other	\$ 131,250	\$ 1,787	\$ 39,412	\$ 1,576,837	\$ 63,505	\$ 299,066	\$ 5,316	\$ 50	\$ -	\$ -	\$ -	
Total 2005 Revenue	\$ 3,295,300	\$ 164,130	\$ 625,154	\$ 3,904,566	\$ 2,156,612	\$ 454,367	\$ 207,536	\$ 431,197	\$ -	\$ -	\$ -	
Per capita revenue	\$ 6,253	\$ 363	\$ 222	\$ 7,484	\$ 351	\$ 663	\$ 270	\$ 149	\$ -	\$ -	\$ -	
2005 Expenditures (4)												
General Govt.		\$ 38,928	\$ 126,469	\$ 404,130	\$ 549,069	\$ 112,425	\$ 12,554	\$ 29,543	\$ -	\$ -	\$ -	
Police	\$ 851,500	\$ -	\$ -	\$ 523,752	\$ 18,272	\$ 250,346	\$ 11,220	\$ -	\$ -	\$ -	\$ -	
Fire	\$ -	\$ 17,819	\$ 111,122	\$ 486,349	\$ 339,221	\$ -	\$ 23,280	\$ -	\$ -	\$ -	\$ -	
Water	\$ -	\$ 57,568	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Solid Waste	\$ 820,000	\$ 30,033	\$ 94,080	\$ 742,498	\$ -	\$ 14,915	\$ 32,333	\$ -	\$ -	\$ -	\$ -	
Street Maintenance	\$ 15,800	\$ -	\$ 1,200	\$ 102,147	\$ -	\$ 2,221	\$ -	\$ -	\$ -	\$ -	\$ -	
Street Construction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Street lighting	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Zoning	\$ 236,500	\$ -	\$ 3,236	\$ 180,819	\$ 75,842	\$ -	\$ 4,196	\$ -	\$ -	\$ -	\$ -	
Other	\$ 1,371,500	\$ 10,963	\$ -	\$ 727,440	\$ 5,346	\$ 17,817	\$ -	\$ -	\$ -	\$ -	\$ -	
Total 2005 Expenditures	\$ 3,295,300	\$ 155,311	\$ 336,107	\$ 3,167,135	\$ 987,750	\$ 397,724	\$ 83,583	\$ 29,543	\$ -	\$ -	\$ -	
Per capita expenditures	\$ 6,253	\$ 344	\$ 119	\$ 6,079	\$ 161	\$ 581	\$ 109	\$ 10	\$ -	\$ -	\$ -	

Sources:

- (1) Data on Corolla is based on information provided in petition
- (2) Office of State Planning: Population Estimates for July, 2005
- (3) NC Revenue Department: FYE 2004-05 Tax Rates Publication
- (4) NC Treasury Department: Municipal Annual Financial Information Summary Report for FYE 2005

Note: Data Compiled by NC Division of Community Assistance on January 8, 2007 based on most recent data available from identified sources

Map A
Town of Corolla
Municipal Incorporation Study,
Phase 2

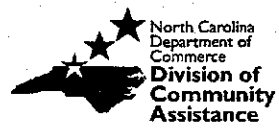


Legend

- Corolla limits
- Development Status**
- Residential
- Commercial
- Open Space
- Institutional/Public/Utilities
- Undeveloped



Source: This map is based on information provided by the petitioners for the incorporation of the Village of Corolla and data provided by the Currituck County Tax and GIS Departments.



Map prepared on April 4, 2007

1. Sales Tax Revenue Change

Currituck County distributes sales tax revenues on a per capita basis. This analysis uses the 2005-06 actual sales tax distribution to show how the distribution would have changed had Corolla been incorporated at that time.

Current

County	Municipalities	Population	% of Population	Sales Tax Distribution
Currituck		21,876	100.0%	7,681,632
	TOTAL	21,876		7,681,632

With Incorporation

County	Municipalities	Population	% of Population	Sales Tax Distribution	Change
Currituck		21,276	97.3%	7,470,945	(210,687)
	Corolla	600	2.7%	210,687	210,687
	TOTAL	21,876		7,681,632	

2. Powell Bill Allocation Change

Annual state street aid (Powell Bill) allocations are made to incorporated municipalities which establish their eligibility and qualify as provided by G.S. 136-41.1 through 136-41.3. The total amount allocated is seventy-five percent (75%) on the basis of relative population and twenty-five percent (25%) on the basis of relative non-State System local street mileage.

For 2005-06, population-based allocations assumed a statewide qualifying municipal population of 4,606,230 and available funds of \$136,850,768. This created a per capita distribution rate of \$29.71.

Adding the population of the proposed town of Corolla to the statewide total creates a new population of 4,606,830 and a new per capita distribution rate of \$29.70. The rate change is too small to have a significant impact on the Powell Bill distributions to other Currituck County municipalities.

The attached report from the Department of Revenue estimates that the Town of Corolla would receive \$121,000 in Powell Bill funds based on population. The town plans to maintain streets locally; therefore, an additional allocation based on street miles is included in the amount.

3. Other Revenues

Municipalities receive an amount equal to approximately 3.09% of the gross receipts resulting from the sale of power and light within the respective municipality. In addition, municipalities receive a portion of the telecommunications sales tax and the piped natural gas tax. Municipalities receive a share of the excise tax on beer and wine if they hold a referendum approving the sale of beer and wine within the corporate limits.

The Department of Revenue has estimated the amount of revenue that the town of Corolla would have received in FY 2005-06 from each of these taxes. This information is included in the attached report.

Prepared by:
Rodney Bizzell, Fiscal Research Division
Brian Slivka, Fiscal Research Division
May 8, 2007

**PRO FORMA ESTIMATE OF REVENUES FOR THE POSSIBLE INCORPORATION
OF COROLLA (CURRITUCK COUNTY)
FOR FISCAL YEAR 2005-06**

Proposed Property Tax Rate per \$100 valuation	0.05
Estimated Permanent Resident Population	600
Roads - Locally Maintained	<u>63.8</u>

Pro Forma Revenue, Fiscal Year 2005-06

1. Sales & use tax *	\$190,000
2. Electric power franchise tax***	\$23,000
3. Beer & wine excise taxes *,**	\$3,000
4. Piped natural gas excise tax***	\$0
5. Telecommunications sales tax*,***	\$8,000
6. Powell Bill*	<u>\$121,000</u>
TOTAL	\$345,000

* Items 1, 3, 5, and 6 require a minimum tax rate of \$0.05 per \$100 valuation.

**

A newly incorporated municipality in Currituck County would share in the beverage tax revenues only after holding a referendum in which the sales of beer and/or wines are approved.

*** The electric power franchise tax distribution is equal to 3.09% of the gross receipts from the sale, within the corporate limits of the municipality, of electricity. Effective July 1, 1999, the utility franchise tax on piped natural gas was repealed and replaced with the piped natural gas excise tax. Effective January 1, 2002, the telephone franchise tax was repealed and replaced with a sales & use tax.

THIS DOCUMENT REPRESENTS A PUBLIC RECORD WHICH MAY BE DISTRIBUTED TO ANYONE REQUESTING IT.