



**TOWN OF SOUTHERN SHORES**  
**TOWN COUNCIL WORKSHOP MEETING**

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

Phone 252-261-2394 / Fax 252-255-0876

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

**PITTS CENTER**

**Tuesday, February 21, 2023 at 9:00 AM**

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## **AGENDA**

### **Call to Order**

Pledge of Allegiance

Moment of Silence

### **Amendments to / Approval of Agenda**

**General Public Comment (Limit: 3 minutes per speaker.)**

### **Business Items**

1. Budget Amendment #21-Record Donation Given to Police Department
2. Public Works Building Improvements & Budget amendment #22
3. Amendment to Fee Schedule
4. Budget Overview Discussions

### **Council Comments**

5. Closed Session-N.C.G.S. § 143-318.11(a)(5) and N.C.G.S. § 143-318.11(a)(3)

### **Adjourn**

**Town of Southern Shores  
Budget Amendment Number # 21**

<b>Police Increases</b>			<b>Police Decreases</b>		
<u>Account Number</u>	<u>Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
40-33500	<b>Revenues</b> Misc. Revenue	\$500			
51-50112	<b>Expenditures</b> Supplies	\$500			
	<b>TOTAL</b>			<b>TOTAL</b>	\$ -

Explanation: To record donation given to the Police Dept.

Recommended By:

\_\_\_\_\_  
Cliff Ogburn, Town Manager

Approved By: Town Council

\_\_\_\_\_  
Elizabeth Morey, Mayor

\_\_\_\_\_  
Date



## AGENDA ITEM SUMMARY # 2

**MEETING DATE:** February 21, 2023

**ITEM TITLE:** Public Works Building Improvements

**ITEM SUMMARY:**

The Town tasked Florez Design Studios with drawing plans for upgrades at the Public Works building. The upgrades will address some safety concerns as well as some comfort and growth needs. Two major safety concerns in the shop are that of exhaust fumes from equipment and high temperatures in the summer months. Equipment that is stored inside the shop routinely fills the office and bathroom with harmful exhaust fumes when started to begin work for the day. Garage doors are opened, and fans are used to help remove the fumes from the building. These measures do not prevent the fumes from making their way into the current conditioned space. The proposed upgrades will prevent this from happening. The addition of a break/meeting room is also proposed in these drawings. Temperatures inside the shop regularly reach 100 degrees in the summer months. The Public Works staff currently take their lunch breaks in these conditions at the designated break area. The other alternative to escaping the heat is to sit in a running truck to take their breaks. This proposed new space will allow staff to escape the harsh conditions of the shop to have a clean conditioned space to eat. This will also give the department a space for safety and staff meetings. Removing the current insulation and replacing it with spray foam insulation in the entire shop is also proposed in these drawings. This will help to control the temperatures inside the shop. Exhaust fans on either end of the shop will serve two purposes. The first will be the removal of exhaust fumes. The second will be to help cool the shop during the summer months.

Staff sought bids from four contractors for the proposed work. Bids were due on February 10, 2023. We received only bid, but we believe it to be fairly priced.

Base Bid: \$102,810.00.

Add option for spray foam insulation for entire shop: \$36,400.00.

Add option for exhaust fans: \$7,220.00.

Add Option for attic space: \$5,248.00

**STAFF RECOMMENDATION:**

Staff recommends that the Base bid of \$102,810.00, the add option of \$36,400.00 for insulation, and the add of \$7,220.00 for exhaust fans be accepted.

**REQUESTED ACTION:**

A motion to approve staff recommendations.

A motion to approve Budget amendment #22 in the amount of \$151,130.00. This amount includes the \$4,700.00 for the work performed by Florez Design Studios.

# C & T CONTRACTING

115 Inge Dr.  
Manteo NC 27954  
(252) 255-1084 Phone  
(252) 202-9943 Cell  
(252) 255-3351 Fax  
candtcontracting@gmail.com  
NC Lic# 45367 VA Lic# 2705 046778A

Date: 2/10/23

## Proposal

Proposal Submitted To:  
Town of Southern Shores

Work to Be Performed At:  
Public Works Building 27 Pintail Trail

We hereby propose to furnish the materials and perform the labor necessary for the completion of:  
Alterations to the Public Works Building as indicated on the project plans dated 1/11/23 and the specifications therein.  
Base Bid \$102810.00

Add option for spray foam insulation on walls and ceiling of existing metal building including removal of existing blanket insulation. \$36400.00

Add option to install two box style exhaust fans on the north and south gable walls controlled by a switch outside the new breakroom. \$7220.00

Add option for attic space above new breakroom and bath. \$5248.00

Payments shall be invoiced 5% mobilization at start and then for completed work on or about the 1<sup>st</sup> of each month with final payment due upon completion.

Work can commence immediately upon receipt and acceptance of the required flood certificate and Notice to Proceed from the owner, completion should be within 90 days thereafter. Completion time is dependent on availability of materials and equipment.

Respectfully Submitted by: C&T Contracting  
Per: C.E. Batschelet



Accepted by:

Date

**Town of Southern Shores  
Budget Amendment Number # 22**

<b>Public Works Increases</b>			<b>Public Works Decreases</b>		
<u>Account Number</u>	<u>Description</u>	<u>Amount</u>	<u>Account Number</u>	<u>Description</u>	<u>Amount</u>
40-32900	<b>Revenues</b> Interest Income	\$151,130			
59-50978	<b>Expenditures</b> Town Building Upgrades	\$151,130			
	<b>TOTAL</b>			<b>TOTAL</b>	\$ -

Explanation: To make upgrades to Public Works Shop. This also includes the cost of architectural drawings for this project.

Recommended By:  


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 Cliff Ogburn, Town Manager

Approved By: Town Council  


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 Elizabeth Morey, Mayor

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 Date



## AGENDA ITEM SUMMARY #4

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**MEETING DATE:** February 21, 2023

**ITEM TITLE:** Amendment to Fee Schedule

**ITEM SUMMARY:**

Amendment to the Fee Schedule to include the cost of trash/recycle replacement lids.

**REQUESTED ACTION:**

Staff requests a motion to amend the Fee Schedule to include a line item, Receptacle Lids \$45.00

**BE IT ORDAINED BY THE SOUTHERN SHORES TOWN COUNCIL AS FOLLOWS:**

Item 3.

**TOWN OF SOUTHERN SHORES FEE SCHEDULE**

Adopted: 3/4/2003 | Amendment Date: 02/21/2023

\* All fees shall include, whenever applicable, the reasonable cost of any expert advice obtained by the Town or other direct expenses incurred by the Town during the review of the application. All fees must be paid in full prior to any further reviews by the Town or prior to issuance of any permits sought, whichever comes first. Submitted fees shall not be refunded.

Item	Fee
<b>Miscellaneous:</b>	
Returned Checks/charge back (NSF)	Current Bank Fee
Credit Card Convenience Fee	
Credit card present	2.65%
Credit card not present	3.5%
Cemetery Lot Purchase:	
TOSS Property Owners	\$500.00
Non-property Owners	\$2,000.00
Cost of Copies	\$0.25 B/W \$0.30 Color
Annual Lease Fee –Town Canal-Street Right of Way	\$5.00
Beach Parking Tag or Sticker-Replacement	\$75.00
<b>Receptacle Lid</b>	<b>\$45.00</b>
<b>Planning</b>	
<b>Development Review:</b>	
Zoning Map Amendment	\$300.00
Zoning Text Amendment	\$200.00
Zoning Compliance Letter	
a. Residential	\$35.00
b. Commercial	\$75.00
Application to Board of Adjustment	\$350.00
(includes cost of certified mailings and public notices)	
Conditional Use Permit	\$300.00
(includes cost of certified mailings and public notices)	
Filing fee for site plan for dwelling or lodging unit, other than single-family detached homes, per unit.	\$50.00
Filing fee for commercial structures and improvements	\$0.10/SF
<b>Wireless Applications:</b>	
a. Application for new tower	\$200.00
b. Tower annual renewal	\$100.00
c. New collocation	\$100.00
d. Collocation annual renewal	\$50.00
<b>Subdivision Plat Review:</b>	
a. Exempt	\$50.00/lot
b. Subdivision	\$100.00/lot
<b>Building Inspections</b>	
<b>Plan Review:</b>	
Lot Disturbance and Stormwater Management Permit	\$150.00
Zoning Permit	\$75.00
Single family new construction	\$150.00
Single family addition or renovation minimum	\$100.00
<b>New Building Permits for Structures/Additions/Reconstruction:</b>	
Heated/living areas - Single Family	\$0.60/SF
All Others	\$0.75/SF
Non heating areas, i.e., deck, porch, garages, etc. - Single Family	\$0.30/SF
All Others	\$0.35/SF
Remodeling and alterations to existing structures (no additional square footage, \$10.00 Per \$1,000 of Construction Cost)	\$10.00
Swimming Pools and Tennis Courts (flat fee)	\$250.00
Demolition	\$150.00
Generator	\$150.00
Sign	\$100.00
Bulkhead	\$150.00
Trade (HVAC, Mechanical, Plumbing, Gas, Electrical)	\$150.00
Re-inspection charge	\$100.00
Work Proceeding Without Necessary Inspections	1/2 Permit Fee
Work Proceeding Without Necessary Permit	Double Permit Fee



**House Moving:**

Out of Southern Shores	\$1	Item 3.
Within Southern Shores	\$250.00	
Into Southern Shores from elsewhere	\$350.00	

**Miscellaneous:**

Contractors Licensing Board Fee (Homeowner's Recovery Fund)	\$10.00
CAMA Permit: minor development permit if the project is within the Ocean Hazard or Estuarine AECs and does not qualify for an Exemption	\$100.00
Construction & Demolition Debris Disposal Permit	\$50.00

**NOTWITHSTANDING THE ABOVE, THE MINIMUM FEE SHALL BE: \$100.00**

Attest:

\_\_\_\_\_  
Sheila Kane, Town Clerk

\_\_\_\_\_  
Elizabeth Morey, Mayor

**Adopted:** 3/4/2003

**Amended** 1/6/04, 2/3/04, 6/27/06, 1/23/07, 2/26/08, 5/27/08, 3/2/2010, 11/3/10, 9/20/2011, 6/2/2015, 6/7/2016, 11/09/2021, 6/07/2022, 02/21/2023





## AGENDA ITEM SUMMARY # 4

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**MEETING DATE:** February 21, 2023

**ITEM TITLE:** Budget Overview Discussion

**ITEM SUMMARY:** Town staff would like to discuss with Council budgeting items to both begin the budget process for the FY 24 fiscal year as well as plan for the FY 25 budget year.

Discussion items:

- 1- Revenues YTD and forecast next FY
- 2- Expenditures YTD and forecast FY
- 3- Fund Balance
- 4- Capital Reserve Fund
- 5- Capital Improvement Planning
- 6- Employee pay/benefits
- 7- Stormwater Improvements

Staff would also request Council consensus for staff to initiate the bid process for street work this spring. The streets listed below are from the 10 Year Street Improvement CIP and include this year’s work (Year 2) and a portion of similar work from next year’s plan (Year 3). Combining this work should lower the cost as well as expedite plan completion. Funds have been budgeted for this work which can be coupled with savings from Year 1 which was completed earlier this FY.

**Spring 2023 Street Work**

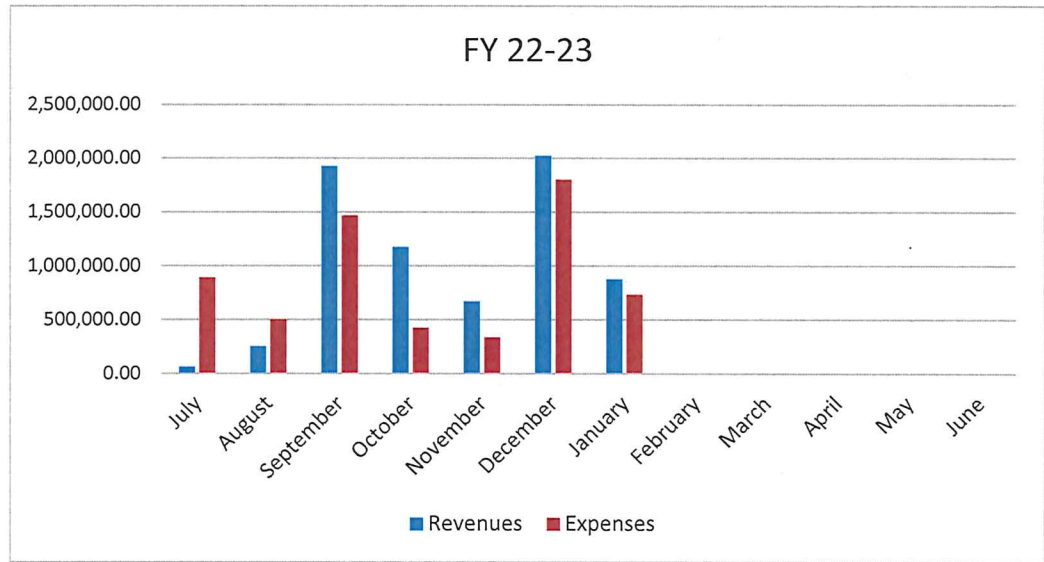
Street Name	BEGIN DESCRIPTION	END DESCRIPTION	Treatment (Spring of 2023)
Mizzenmast	entire cul-de-sac		1.5" overlay
Turtle Pond	entire cul-de-sac		1.5" overlay
Ginguite	400 ft		1.5" overlay
HICKORY TRL	WAX MYRTLE TRL	NC 12	Rehab (Major with Build Up)
OCEAN BLVD	PERIWINKLEPL	E DOGWOOD TRL	Rehab (Major with Build Up)
PERIWINKLE PL	NC 12	OCEAN BLVD	Rehab (Major with Build Up)
1ST AVE	DEAD END	DEAD END	Rehab (Major with Build Up)
HICKORYTRL	HILLCREST DR	WAX MYRTLE TRL	Rehab (Major) - Mill and Fill 2in
E DOGWOOD TRL	BAYBERRY TRL	WAX MYRTLE TRL	Rehab (Major) - Mill and Fill 2in
SEA OATS TRL	SOUNDVIEW TRL	HILLCREST DR	Rehab (Major) - Mill and Fill 2in
1ST AVE	NC 12	1ST AVE	Rehab (Major) - Mill and Fill 2in
CIRCLE DR	HICKORYTRL	HICKORYTRL	Rehab (Major) - Mill and Fill 2in
GOOSE FEATHER LN	CHICHAUK TRL	DEAD END	Rehab (Major) - Mill and Fill 2in
9th Avenue			pave/stormwater

**Attachments:**

- General Fund Revenues & Expenditures [page 13-17](#)
- Unassigned Fund Balance as of 6/30/22 [page 18](#)
- Capital Reserve Fund [page 19](#)
- Employee Benefits – Retiree [20-22](#)
  
- 10 Year Street CIP [page 23-34](#)
  
- Notes from NC Capital Management Trust Regional Meeting [page 35-39](#)

## GENERAL FUND

	<u>Revenues</u>	<u>Expenses</u>
July	65,200.97	893,904.67
August	256,434.66	503,777.67
September	1,925,948.20	1,470,050.45
October	1,177,628.48	425,526.55
November	674,081.18	340,469.83
December	2,022,015.30	1,800,014.55
January	877,799.77	735,254.37
February		
March		
April		
May		
June		
<b>Total YTD</b>	<b>6,999,108.56</b>	<b>6,168,998.09</b>



<b>Depository</b>	<b>Ending Balance as of 1/31/23</b>
PNC Bank- Operating Account	<b>386,993.93</b>
PNC Payroll Account	<b>2,559.57</b>
NC Capital Management Trust	<b>12,317,607.98</b>
PNC Special Obligation Bond Proceeds	-

**Town of Southern Shores Statement of Revenues**  
**General Fund as of January 31, 2023**

<u>Revenue Source</u>	<u>Amended Budget</u>	<u>1/31/2023</u>	<u>Amount over/under</u>	<u>% collected</u>
<b>Taxes</b>				
Ad Valorem Tax (\$.1958)	3,133,958	2,789,896	-344,062	89.02%
Ad Valorem Tax-BN (\$.04)	657,850	569,950	-87,900	86.64%
Ad Valorem- MSD 1 (\$.0715)	194,100	171,254	-22,846	88.23%
Ad Valorem- MSD 2 (\$.03)	173,574	155,549	-18,025	89.62%
Ad Valorem Prior Years	5,000	2,045	-2,955	40.90%
Tax Penalties & Interest	3,000	140	-2,860	4.67%
NCVTS- Motor Vehicles (MVT)	102,321	60,202	-42,119	58.84%
MVT- Townwide BN	0	12,318	12,318	0.00%
MVT-MSD 1	0	525	525	0.00%
MVT-MSD 2	0	939	939	0.00%
<b>Subtotal</b>	<b>4,269,803</b>	<b>3,762,818</b>	<b>-506,985</b>	<b>88.13%</b>
<b>Occupancy, Sales Tax &amp; Land Transfer</b>				
Occupancy Tax	1,381,935	1,112,791	-269,144	80.52%
Sales Tax	1,400,000	939,457	-460,543	67.10%
Land Transfer	350,735	224,531	-126,204	64.02%
<b>Subtotal</b>	<b>3,132,670</b>	<b>2,276,779</b>	<b>-855,891</b>	<b>72.68%</b>
<b>Intergovernmental</b>				
Utilities Franchise Tax	259,579	158,584	-100,995	61.09%
Video Programming	60,000	30,251	-29,749	50.42%
Telecommunications Tax	15,000	7,076	-7,924	47.17%
PEG Channel Revenue	26,000	12,780	-13,220	49.15%
ABC Revenues	75,000	61,884	-13,116	82.51%
Beer and Wine Tax	13,000	0	-13,000	0.00%
Solid Waste Disposal Tax	2,400	591	-1,809	24.63%
Powell Bill	122,000	130,774	8,774	107.19%
Government Access Channel Grant	5,000	5000		100%
Shoreline Stabilization	24,000	0	-24,000	0%
Body Armor Grant	1,200	0	-1,200	0%
<b>Subtotal</b>	<b>603,179</b>	<b>406,940</b>	<b>-196,239</b>	<b>67.47%</b>

<b>Town of Southern Shores Statement of Revenues</b>				
<b>General Fund as of January 31, 2023</b>				
<b><u>Revenue Source</u></b>	<b><u>Amended Budget</u></b>	<b><u>1/31/2023</u></b>	<b><u>Amount over/under</u></b>	<b><u>% collected</u></b>
<b>Permits and Fees</b>				
Building Permits	150,000	144,831	-5,169	96.55%
Plan Review Fees	8,000	1,750	-6,250	21.88%
CAMA Fees	2,500	865	-1,635	34.60%
Planning Fees	2,500	1,335	-1,165	53.40%
Court Costs and fees	1,000	252	-748	25.20%
Parking and other fines	8,500	5,250	-3,250	61.76%
<b>Subtotal</b>	<b>172,500</b>	<b>154,283</b>	<b>-18,217</b>	<b>89.44%</b>
<b>Other Revenue</b>				
Interest Income	113,709	192,423	78,714	169.22%
Rental Income	2,400	1,592	-808	66.33%
Sale of Fixed Assets	0	5,707	5,707	0.00%
Miscellaneous	15,080	21,151	6,071	140.26%
<b>Subtotal</b>	<b>131,189</b>	<b>220,873</b>	<b>89,684</b>	<b>168.36%</b>
Subtotal General Fund Budget	<b>8,309,341</b>	<b>6,821,693</b>	<b>-1,487,648</b>	<b>82.10%</b>
Transfer In From CRF		177,415		
<b>Total General Fund Budget</b>		<b>6,999,108</b>		
<b>Fund Balance Appropriated</b>	<b>1,633,293</b>			



**Town of Southern Shores Statement of Expenditures  
General Fund as of January 31, 2023**

<u>Expenditures by Department</u>	<u>Amended Budget</u>	<u>1/31/2023</u>	<u>Available</u>	<u>% Used</u>
Administration	1,217,037	728,666	488,371	<b>59.87%</b>
Police	2,245,571	1,130,728	1,114,843	<b>50.35%</b>
Sanitation	880,555	452,915	427,640	<b>51.44%</b>
Ocean Rescue	184,000	122,667	61,333	<b>66.67%</b>
Fire Department	1,004,243	847,233	157,010	<b>84.37%</b>
Streets	3,436,216	2,208,272	1,227,944	<b>64.26%</b>
Public Works	667,694	338,413	329,281	<b>50.68%</b>
Code Enforcement	445,733	240,104	205,629	<b>53.87%</b>
Transfer out to CRF	100,000	100,000	0	<b>100.00%</b>
<b>Total</b>	<b>10,181,049</b>	<b>6,168,998</b>	<b>4,012,051</b>	<b>60.59%</b>

Town of Southern Shores  
 Analysis of Unassigned Fund Balance 6-30-22

	<u>6/30/2021</u>	<u>CY Revenues over Expenses</u>	<u>Other Changes</u>	<u>6/30/2022</u>
Stabilization by State Statute:				
Accounts receivable	834,811	-	7,597	842,408
Encumbrances	<u>247,520</u>	-	<u>977,464</u>	<u>1,224,984</u>
	1,082,331	-	985,061	2,067,392
Prepaid expenses	6,115	-	(1,687)	4,428
Drug enforcement	9,491	-	-	9,491
Subsequent year's budget	1,270,519	-	(905,210)	365,309
LEOSSA	250,390	557	-	250,947
Powell Bill	-	131,134	-	-
Unassigned	<u>5,189,116</u>	<u>1,446,168</u>	<u>(78,164)</u>	<u>6,557,120</u>
Total GF fund balance	7,807,962	1,577,859	-	9,254,687
Unassigned fund balance				6,557,120
Working capital/fund balance policy				<u>(3,000,000)</u>
Remaining fund balance				3,557,120
ARP Funds				471,353
				4,028,473

**Capital Reserve Fund**

Ending Balance 6/30/22	478,192
Transferred IN to CRF (6/30/22) BN	1,707,927
Transferred IN to CRF (7/1/22) Canals	100,000
Trnsferred OUT to GF BN Debt Service	-177,415
Interest	8,359
Total Capital Reserve Fund	<b>2,117,063</b>

**Available for Future Capital Projects**

Total Capital Reserve Fund	2,117,063
Less amount for Canals	-238,000
Beach Nourishment	-1,780,512
Available for other Capital Projects	<b>98,551</b>

**Canal Maintenance**

Transfer FROM GF (FY 14-15)	20,000
Transfer FROM GF (FY 15-16)	20,000
Transfer FROM GF (FY 16-17)	20,000
Transfer FROM GF (FY 17-18)	20,000
Transfer TO GF (FY 17-18 to purchase boat)	-22,000
Transfer FROM GF (FY 18-19)	20,000
Transfer FROM GF (FY 19-20)	20,000
Transfer FROM GF (FY 20-21)	20,000
Transfer FROM GF (FY 21-22)	20,000
Transfer FROM GF (FY 22-23)	100,000
	<b>238,000</b>

**Beach Fund**

Transfer FROM GF (FY 20-21)	250,000
Transfer FROM GF (FY 21-22)	750,000
Transfer FROM GF from MSD's (FY 21-22)	957,927
Transfer from CRF to GF for Debt Payment	-177,415
	<b>1,780,512</b>

Adopted  
November 7, 2007

**TOWN OF SOUTHERN SHORES  
RETIREE HEALTH AND DENTAL  
INSURANCE BENEFITS  
POLICY**

**A. HEALTH INSURANCE FOR RETIREES HIRED ON OR AFTER NOVEMBER 1, 2007**

For employees hired on or after November 1, 2007, the term "qualified retiree" is defined as an employee who:

- (1) Retires from the Town with **25 20** completed years of service with the Town, will have their premiums paid 100% by the Town, employees with 15-19 years of completed service with the Town, will have 75% of their insurance premiums paid by the Town and those employees with 10-14 years of completed service, will have 50% of their medical premiums paid by the Town; **and**
- (2) Retires with **unreduced benefits** from the NC Local Government Employee's Retirement System. See definition of unreduced benefits in Section F of this policy.

A qualified retiree will have their individual health and dental insurance coverage paid for by the Town if the retiree elects to retain health and dental insurance for themselves through the Town. In the event that the Town's health insurance plan does not provide retiree health coverage, the Town shall reimburse the qualified retiree for monthly health premiums paid by the qualified retiree for individual employee only coverage. This shall be done upon receipt of proof of payment. ~~The amount the Town will pay for coverage or will reimburse a qualified retiree for coverage shall not exceed the then current health benefit paid by the Town for active employees for individual employee only coverage.~~ The Town will pay the premium (as stated above), for health and dental coverage **only** until the qualified retiree becomes eligible for Medicare coverage. Upon a qualified retiree becoming eligible for Medicare coverage or reaching the age of 65 whichever comes first, the Town will no longer pay premiums for health or dental coverage of any kind.

**B. HEALTH INSURANCE BENEFITS FOR RETIREES HIRED BEFORE NOVEMBER 1, 2007**

For employees hired before November 1, 2007, the term "qualified retiree" is defined as an employee who:

- (1) Retires from the Town with **10** completed years of service with the Town; **and**
- (2) Retires with **unreduced benefits** from the NC Local Government Employee's Retirement System. See definition of unreduced benefits in Section F of this policy.

A qualified retiree will have their health and dental insurance coverage paid for by the Town if the retiree elects to retain health and dental insurance for themselves through the Town. In the event the Town's health insurance plan does not provide retiree health coverage, the Town shall reimburse the qualified retiree for individual employee only coverage. The Town will not pay for a plan richer in benefits than what is being offered for an active employee.

The amount the Town will pay for coverage or will reimburse a qualified retiree for coverage shall not exceed the then current health benefit paid by the Town for active employees for individual employee only coverage.

Upon a qualified retiree becoming eligible for Medicare coverage or reaching the age of 65 whichever comes first, the Town will pay premiums for a Medicare supplement and prescription plan only. The Town will no longer pay dental or vision premiums. Under no circumstances will the Town pay more than the amount the Town pays for individual employee only coverage for employees actively participating in the Town's health program.

Dependent coverage may also be purchased but must be paid entirely by the qualified retiree.

In the event of the death of the retired employee, covered dependents may continue coverage for 36 months under COBRA.

#### **C. ELECTION OF RETIREE HEALTH INSURANCE COVERAGE**

Qualified retirees must decide within thirty (30) days after their retirement if they wish to continue Town health/dental insurance coverage, if it is available through the Town's plan. Before insurance can be reinstated, the qualified retiree must make payment arrangements for any premium due during the 30 day election period. If a decision has been made not to continue coverage, coverage will not be reinstated at any future date.

#### **D. PAYMENT OF PREMIUM**

Payment of premiums for coverage on dependents and the portion of the qualified retiree's premium not covered by the Town must be made by the last business day of the month prior to coverage. For example, payments of premiums for coverage during the month of July must be made on or before June 30. (If June 30 is a Saturday, the payment must be made by June 29<sup>th</sup>). A 2% administrative fee may be charged in addition to the monthly premium. Payments can be made monthly or quarterly and can either be mailed or brought to the Town's Finance Department so long as the payment is actually received before the last business day of the month. Monthly statements will be sent out indicating any balances due. Failure to pay the required premium to the Town's Finance Department within thirty (30) days of the due date will result in cancellation and loss of coverage. Once coverage has been cancelled for any reason, it cannot be reinstated.

**E. AMENDMENTS**

This policy is subject to change from time to time as the coverage requirements of the NC Local Government Employee's Retirement System or other benefit plans sponsored by the Town change. All benefits are contingent on the financial condition of the Town and the provision for such funding in each annual budget. The insurance benefits are subject to change with or without notice and in no way should this section be construed as a contract or guarantee of provision of these benefits beyond the current fiscal year. This policy supersedes all other policies relating to health/dental benefits.

**F. DEFINITION OF UNREDUCED BENEFITS**

The NC Local Government Employee's Retirement System classifies unreduced benefits to be one of the following:

- Law Enforcement Employees who are age 55 and have completed 5 years of creditable service as an officer **OR** 30 years of creditable service at any age.
- All General Employee's who are age 65 and completed 5 years of creditable service **OR** age 60 with 25 years of creditable service **OR** 30 years of creditable service at any age.

Revised 7/6/10

Revised 4/1/14

Revised

Year 1 FY 23						
SectionID	Street Name	BEG_DESC	END_DESC	PCI	Treatment (2021)	Class
65	HICKORY TRL	NC 12	DEAD-END	55.51	Rehab (Major with Build Up)	A
51	HILLCREST DR	SEA OATS TRL	HICKORY TRL	62.78	Patching	A
128	TRINITIE TRL	CHICAHOUK TRL	EAGLES-NEST LN	64.89	Patching	A
90	HILLCREST DR	HICKORY TRL	E-DOGWOOD TRL	65.37	Patching	A
153	S-DOGWOOD TRL	GINGUITE TRL	TEAL CT	65.68	Patching	A
26	SEA OATS TRL	SOUNDVIEW TRL	NC 12	66.74	Patching	A
111	S-DOGWOOD TRL	YAUPON TRL	FAIRWAY DR	77.08	Patching	A
130	S-DOGWOOD TRL	FAIRWAY DR	GINGUITE TRL	77.24	Patching	A
95	S-DOGWOOD TRL	E-DOGWOOD TRL	YAUPON TRL	78.98	Patching	A
11	HAPPY INDIAN LN	HIGH DUNE LOOP	DEAD-END	51.97	Patching	B
33	SOUNDVIEW TRL	SEA OATS TRL	NORTH DUNE LOOP	55.29	Patching	B
54	6TH AVE	NC 12	6TH AVE	55.69	Patching	B
12	HIGH DUNE LOOP	SPINDRIFT TRL	SPINDRIFT TRL	64.91	Patching	B
58	4TH AVE	NC 12	4TH AVE	65.28	Patching	B
29	12TH AVE	NC 12	12TH AVE	65.85	Patching	B
53	6TH AVE	DEAD-END	DEAD-END	66.81	Patching	B
50	7TH AVE	NC 12	7TH AVE	67.54	Patching	B
121	FAIRWAY DR	S-DOGWOOD TRL	EOM	77.66	Patching	B
142	GRAVEY POND LN	DEAD-END	DEAD-END	82.50	Patching	B
126	TURTLE POND CT	POTESKEET TRL	DEAD-END	63.28	Patching	C
81	WOODLAND DR	E-DOGWOOD TRL	N-WOODLAND DR	64.33	Patching	C
92	MIZZENMAST LN	SEA OATS LN	DEAD-END	64.70	Patching	C

Year 2	FY 23					
SectionID	Street Name	BEG DESC	END DESC	PCI (2021)	Treatment (2022)	Class
71	HICKORY TRL	HILLCREST DR	WAX MYRTLE TRL	63.57	Patching	A
84	E DOGWOOD TRL	BAYBERRY TRL	WAX MYRTLE TRL	64.16	Rehab (Major) - Mill and Fill 2in	A
<del>125</del>	<del>CHICHAUK TRL</del>	<del>CLAM SHELL TRL</del>	<del>SPINDRIFT TRL</del>	<del>64.51</del>	<del>Rehab (Major) - Mill and Fill 2in</del>	<del>A</del>
38	SEA OATS TRL	SOUNDVIEW TRL	HILLCREST DR	64.62	Rehab (Major) - Mill and Fill 2in	A
64	1ST AVE	NC 12	1ST AVE	47.97	Rehab (Major) - Mill and Fill 2in	B
74	CIRCLE DR	HICKORY TRL	HICKORY TRL	48.42	Rehab (Major) - Mill and Fill 2in	B



Year 3 FY 24						
SectionID	Street Name	BEG_DESC	END_DESC	PCI (2022)	Treatment (2023)	Class
69	HICKORY TRL	WAX MYRTLE TR	NC 12	60.01	o (Major with Bui	A
82	E DOGWOOD TR	N DOGWOOD TR	BAYBERRY TRL	60.97	Patching	A
86	SEA OATS TRL	HICKORY TRL	E DOGWOOD TR	61.34	Patching	A
68	SEA OATS TRL	HILLCREST DR	HICKORY TRL	61.45	Patching	A
157	S DOGWOOD TR	TEAL CT	CROATAN HWY	61.87	Patching	A
47	HILLCREST DR	SEA OATS TRL	NC 12	62.32	Patching	A
80	OCEAN BLVD	PERIWINKLE PL	E DOGWOOD TR	45.49	o (Major with Bui	B
77	PERIWINKLE PL	NC 12	OCEAN BLVD	45.49	o (Major with Bui	B
63	1ST AVE	DEAD END	DEAD END	46.44	o (Major with Bui	B
11	HAPPY INDIAN L	HIGH DUNE LOO	DEAD END	67.97	Patching	B
55	5TH AVE	DEAD END	DEAD END	50.40	Patching	B
60	3RD AVE	NC 12	3RD AVE	50.50	Patching	B
133	PUDDING PAN LI	SPINDRIFT TRL	DEAD END	50.93	Patching	B
127	CLAM SHELL TRL	CHICHAUK TRL	OTTER SLIDE LN	50.99	Patching	B
1	SEA OATS LN	E DOGWOOD TR	DEAD END	50.99	Patching	B
59	3RD AVE	DEAD END	DEAD END	51.03	Patching	B
56	5TH AVE	NC 12	5TH AVE	51.13	Patching	B
33	SOUNDVIEW TRL	SEA OATS TRL	NORTH DUNE LO	71.29	Patching	B
171	OTTER SLIDE LN	CLAM SHELL TRL	CHICHAUK TRL	51.39	Patching	B
32	SOUNDVIEW TRL	NORTH DUNE LO	SEA OATS TRL	51.39	Patching	B
54	6TH AVE	NC 12	6TH AVE	71.69	Patching	B
6	OCEAN BLVD	DOLPHIN RUN	PORPOISE RUN	59.46	Patching	B
108	OCEAN BLVD	PORPOISE RUN	NC 12	59.46	Patching	B
124	GOOSE FEATHER	CHICHAUK TRL	DEAD END	46.74	(Major) - Mill and	C

included with year 2 work

Year 4						
SectionID	StreetName	BEG_DESC	END_DESC	PCI (2023)	Treatment (2024)	Class
55	5TH AVE	DEAD END	DEAD END	70.40	Patching	B
60	3RD AVE	NC 12	3RD AVE	70.50	Patching	B
133	PUDDING PAN LN	SPINDRIFT TRL	DEAD END	70.93	Patching	B
127	CLAM SHELL TRL	CHICHAUK TRL	OTTER SLIDE LN	70.99	Patching	B
1	SEA OATS LN	E DOGWOOD TRL	DEAD END	70.99	Patching	B
59	3RD AVE	DEAD END	DEAD END	71.03	Patching	B
56	5TH AVE	NC 12	5TH AVE	71.13	Patching	B
171	OTTER SLIDE LN	CLAM SHELL TRL	CHICHAUK TRL	71.39	Patching	B
32	SOUNDVIEW TRL	NORTH DUNE LOOP	SEA OATS TRL	71.39	Patching	B
155	WILD PONY LN	SPINDRIFT TRL	DEAD END	47.61	Rehab (Major with Build Up)	B
49	7TH AVE	DEAD END	DEAD END	48.04	Rehab (Major with Build Up)	B
79	SANDFIDDLER CT	NC 12	DEAD END	55.46	Patching	B
14	SPINDRIFT TRL	HIGH DUNE LOOP	DEAD END	55.49	Patching	B
18	OCEAN VIEW LOOP	DEAD END	DEAD END	55.54	Patching	B
129	SPINDRIFT TRL	CHICHAUK TRL	HIGH DUNE LOOP	55.74	Patching	B
13	OCEAN VIEW LOOP	OCEANVIEW LOOP	NC 12	55.86	Patching	B
87	OCEAN BLVD	E DOGWOOD TRL	DOLPHIN RUN	55.94	Patching	B
9	PORPOISE RUN	WAX MYRTLE TRL	NC 12	55.94	Patching	B
8	PORPOISE RUN	NC 12	OCEAN BLVD	55.96	Patching	B
134	CROOKED BACK LOOP	CHICHAUK TRL	PUDDING PAN LN	56.16	Patching	B
85	WAX MYRTLE TRL	HICKORY TRL	E DOGWOOD TRL	56.16	Patching	B
34	NORTH DUNE LOOP	SOUNDVIEW TRL	SOUNDVIEW TRL	56.39	Patching	B
61	2ND AVE	DEAD END	DEAD END	56.53	Patching	B
36	10TH AVE	DEAD END	DEAD END	56.65	Patching	B
39	10TH AVE	NC 12	10TH AVE	56.65	Patching	B
40	9TH AVE	DEAD END	DEAD END	56.65	Patching	B
158	SKYLINE RD	NC 12	DEAD END	56.65	Patching	B
138	TEA PLANT CT	PUDDING PAN LN	DEAD END	56.65	Patching	B
99	DOLPHIN RUN	WAX MYRTLE TRL	NC 12	57.07	Patching	B
150	HAPPY INDIAN CT	HAPPY INDIAN LN	DEAD END	46.50	Rehab (Major) - Mill and Fill 2in	C

## Year 5

SectionID	Street Name	BEG_DESC	END_DESC	PCI (2024)	Treatment (2025)	Class
51	HILLCREST DR	SEA OATS TRL	HICKORY TRL	71.00	Rehab (Major) - Mill and Fill 2in	A
128	TRINITIE TRL	CHICHAUK TRL	EAGLES NEST LN	71.00	Rehab (Major) - Mill and Fill 2in	A
90	HILLCREST DR	HICKORY TRL	E DOGWOOD TRL	71.00	Rehab (Major) - Mill and Fill 2in	A
153	S DOGWOOD TRL	GINGUITE TRL	TEAL CT	71.00	Rehab (Major) - Mill and Fill 2in	A
103	BRIGHT LANTERN LN	SEA OATS LN	DEAD END	46.39	Patching	C
172	KINGFISHER CT	KINGFISHER TRL	DEAD END	46.45	Patching	C
120	OYSTER BED LN	POTESKEET TRL	DEAD END	46.49	Patching	C

Year 6						
SectionID	Street Name	BEG_DESC	END_DESC	PCI (2025)	Treatment (2026)	Class
26	SEA OATS TRL	SOUNDVIEW TRL	NC 12	68.50	Rehab (Major) - Mill and Fill 2in	A
112	CHICAHAWK TRL	CLAMSHELL TRL	DEAD END	71.03	Rehab (Major) - Mill and Fill 2in	A
45	HILLCREST DR	NC 12	DEAD END	71.90	Rehab (Major) - Mill and Fill 2in	A
15	TRINITIE TRL	DEER PATH LN	SWEETGUM LN	72.42	Rehab (Major) - Mill and Fill 2in	A
100	WAX MYRTLE TRL	E DOGWOOD TRL	PORPOISE RUN	48.65	Rehab (Major with Build Up)	B
24	13TH AVE	DEAD END	DEAD END	48.90	Rehab (Major with Build Up)	B
89	POMPANO CT	OCEAN BLVD	DEAD END	49.16	Rehab (Major) - Mill and Fill 2in	B
57	4TH AVE	DEAD END	DEAD END	49.58	Rehab (Major) - Mill and Fill 2in	B
31	11TH AVE	DEAD END	DEAD END	49.78	Rehab (Major) - Mill and Fill 2in	B
28	12TH AVE	DEAD END	DEAD END	49.78	Rehab (Major) - Mill and Fill 2in	B
46	8TH AVE	DEAD END	DEAD END	49.82	Rehab (Major) - Mill and Fill 2in	B
43	KINGFISHER TRL	SOUNDVIEW TRL	SEA OATS TRL	43.45	Rehab (Major) - Mill and Fill 2in	C

Year 7						
SectionID	StreetName	BEG_DESC	END_DESC	PCI (2026)	Treatment (2027)	Class
82	E DOGWOOD TRL	N DOGWOOD TRL	BAYBERRY TRL	72.50	Thin Lift	A
86	SEA OATS TRL	HICKORY TRL	E DOGWOOD TRL	72.50	Thin Lift	A
68	SEA OATS TRL	HILLCREST DR	HICKORY TRL	72.50	Thin Lift	A
157	S DOGWOOD TRL	TEAL CT	CROATAN HWY	72.50	Thin Lift	A
47	HILLCREST DR	SEA OATS TRL	NC 12	72.50	Thin Lift	A
11	HAPPY INDIAN LN	HIGH DUNE LOOP	DEAD END	72.50	Thin Lift	B
60	3RD AVE	NC 12	3RD AVE	75.00	Thin Lift	B
133	PUDDING PAN LN	SPINDRIFT TRL	DEAD END	75.00	Thin Lift	B
1	SEA OATS LN	E DOGWOOD TRL	DEAD END	75.00	Thin Lift	B
56	5TH AVE	NC 12	5TH AVE	75.00	Thin Lift	B
33	SOUNDVIEW TRL	SEA OATS TRL	NORTH DUNE LOOP	72.50	Thin Lift	B
171	OTTER SLIDE LN	CLAM SHELL TRL	CHICHAUK TRL	75.00	Thin Lift	B
54	6TH AVE	NC 12	6TH AVE	72.50	Thin Lift	B

Year 8						
SectionID	Street Name	BEG_DESC	END_DESC	PCI (2027)	Treatment (2028)	Class
71	HICKORY TRL	HILLCREST DR	WAX MYRTLE TRL	67.50	Rehab (Major) - Mill and Fill 2in	A
70	WAX MYRTLE TRL	HILLCREST DR	HICKORY TRL	39.86	Rehab (Major with Build Up)	B
52	N DOGWOOD TRL	E DOGWOOD TRL	DEAD END	41.09	Patching	B
62	2ND AVE	NC 12	2ND AVE	41.11	Patching	B
67	OCEAN BLVD	HICKORY TRL	PERIWINKLE PL	41.11	Patching	B
21	DUCK WOODS DR	CROATAN HWY	DEAD END	41.38	Patching	B
42	9TH AVE	NC 12	9TH AVE	41.40	Patching	B
78	N WOODLAND DR	DEAD END	DEAD END	41.64	Patching	B
25	13TH AVE	NC 12	13TH AVE	41.99	Patching	B
5	BAYBERRY TRL	E DOGWOOD TRL	SCUPPERNONG LN	42.02	Patching	B

Year 9						
SectionID	Street Name	BEG_DESC	END_DESC	PCI (2028)	Treatment (2029)	Class
12	HIGH DUNE LOOP	SPINDRIFT TRL	SPINDRIFT TRL	56.50	Rehab (Major) - Mill and Fill 2in	B
58	4TH AVE	NC 12	4TH AVE	56.50	Rehab (Major) - Mill and Fill 2in	B
94	DOLPHIN RUN	NC 12	OCEAN BLVD	37.01	Patching	B
23	GINGUITE TRL	PINTAIL TRL	S DOGWOOD TRAIL	37.02	Patching	B
16	TALL CLIFF LN	HIGH DUNE LOOP	DEAD END	37.17	Patching	B
110	W HOLLY TRL	HOLLY TRL	DEAD END	37.34	Patching	B
66	PURPLE MARTIN LN	OCEAN BLVD	DEAD END	37.51	Patching	B
107	E HOLLY TRL	HOLLY TRL	DEAD END	37.54	Patching	B
48	8TH AVE	NC 12	8TH AVE	37.90	Patching	B
72	SAND PIPER LN	OCEAN BLVD	DEAD END	37.90	Patching	B
37	11TH AVE	SEA OATS TRL	NC 12	38.64	Patching	B
73	MOCKINGBIRD LN	OCEAN BLVD	DEAD END	38.67	Patching	B
41	10TH AVE	NC 12	DEAD END	38.74	Patching	B
35	11TH AVE	NC 12	11TH AVE	38.74	Patching	B
44	9TH AVE	NC 12	DEAD END	38.95	Patching	B
119	BENT OAK CT	POTESKEET TRL	DEAD END	44.28	Patching	C
139	LAND FALL LOOP	SPINDRIFT TRL	SPINDRIFT TRL	44.57	Patching	C
149	POINT COMFORT LN	GINGUITE TRL	DEAD END	45.61	Patching	C
154	TEAL CT	S DOGWOOD TRL	DEAD END	46.03	Patching	C
104	TROUT RUN	NC 12	OCEAN BLVD	46.13	Patching	C
145	LAST HUNT LN	HIGH DUNE LOOP	DEAD END	46.17	Patching	C
160	WOOD DUCK CT	S DOGWOOD TRL	DEAD END	46.17	Patching	C
159	BLUE PETE CT	S DOGWOOD TRL	DEAD END	46.26	Patching	C
122	TWISTED TREE CT	POTESKEET TRL	DEAD END	59.81	Rehab Minor Overlay	C
151	YUCCA LN	CYPRESS LN	JUNIPER TRL	66.03	Rehab Minor Overlay	C
97	BIRCH LN	HOLLY TRL	DEAD END	66.19	Rehab Minor Overlay	C
22	PINTAIL TRL	GINGUITE TRL	S DOGWOOD TRL	66.45	Rehab Minor Overlay	C
3	LIVE OAK LN	HOLLY TRL	DEAD END	66.82	Rehab Minor Overlay	C
88	LOBLOLLY LN	HOLLY TRL	DEAD END	68.03	Rehab Minor Overlay	C
136	OLD PASSAGE LN	POTESKEET TRL	TRINITIE TRL	68.08	Rehab Minor Overlay	C
148	EAGLES NEST LN	TRINITIE TRL	DEAD END	68.25	Rehab Minor Overlay	C
162	WIDGEON CT	S DOGWOOD TRL	DEAD END	68.25	Rehab Minor Overlay	C
17	SWEETGUM LN	CYPRESS LN	TRINITIE TRL	68.42	Rehab Minor Overlay	C
98	SASSAFRAS LN	S DOGWOOD TRL	DEAD END	68.61	Rehab Minor Overlay	C
76	REDBAY LN	HICKORY TRL	DEAD END	68.75	Rehab Minor Overlay	C
163	PINTAIL CT	PINTAIL TRL	DEAD END	68.92	Rehab Minor Overlay	C

Year 10						
SectionID	Street Name	BEG_DESC	END_DESC	PCI (2029)	Treatment (2030)	Class
75	HICKORY TRL	HILLCREST DR	E DOGWOOD TRL	59.69	Rehab (Major with Build Up)	A
55	5TH AVE	DEAD END	DEAD END	67.50	Rehab Minor Overlay	B
127	CLAM SHELL TRL	CHICAHAWK TRL	OTTER SLIDE LN	67.50	Rehab Minor Overlay	B
59	3RD AVE	DEAD END	DEAD END	67.50	Rehab Minor Overlay	B
32	SOUNDVIEW TRL	NORTH DUNE LOOP	SEA OATS TRL	67.50	Rehab Minor Overlay	B
29	12TH AVE	NC 12	12TH AVE	52.50	Rehab (Major) - Mill and Fill 2in	B
53	6TH AVE	DEAD END	DEAD END	52.50	Rehab (Major) - Mill and Fill 2in	B
50	7TH AVE	NC 12	7TH AVE	52.50	Rehab (Major) - Mill and Fill 2in	B
30	12TH AVE	NC 12	DEAD END	52.86	Rehab (Major) - Mill and Fill 2in	B
142	GRAVEY POND LN	DEAD END	DEAD END	67.50	Rehab Minor Overlay	B
119	BENT OAK CT	POTESKEET TRL	DEAD END	64.28	Rehab Minor Overlay	C
139	LAND FALL LOOP	SPINDRIFT TRL	SPINDRIFT TRL	64.57	Rehab Minor Overlay	C
149	POINT COMFORT LN	GINGUITE TRL	DEAD END	65.61	Rehab Minor Overlay	C
154	TEAL CT	S DOGWOOD TRL	DEAD END	66.03	Rehab Minor Overlay	C
104	TROUT RUN	NC 12	OCEAN BLVD	66.13	Rehab Minor Overlay	C
27	SEA OATS CT	SEA OATS TRL	DEAD END	43.70	Patching	C



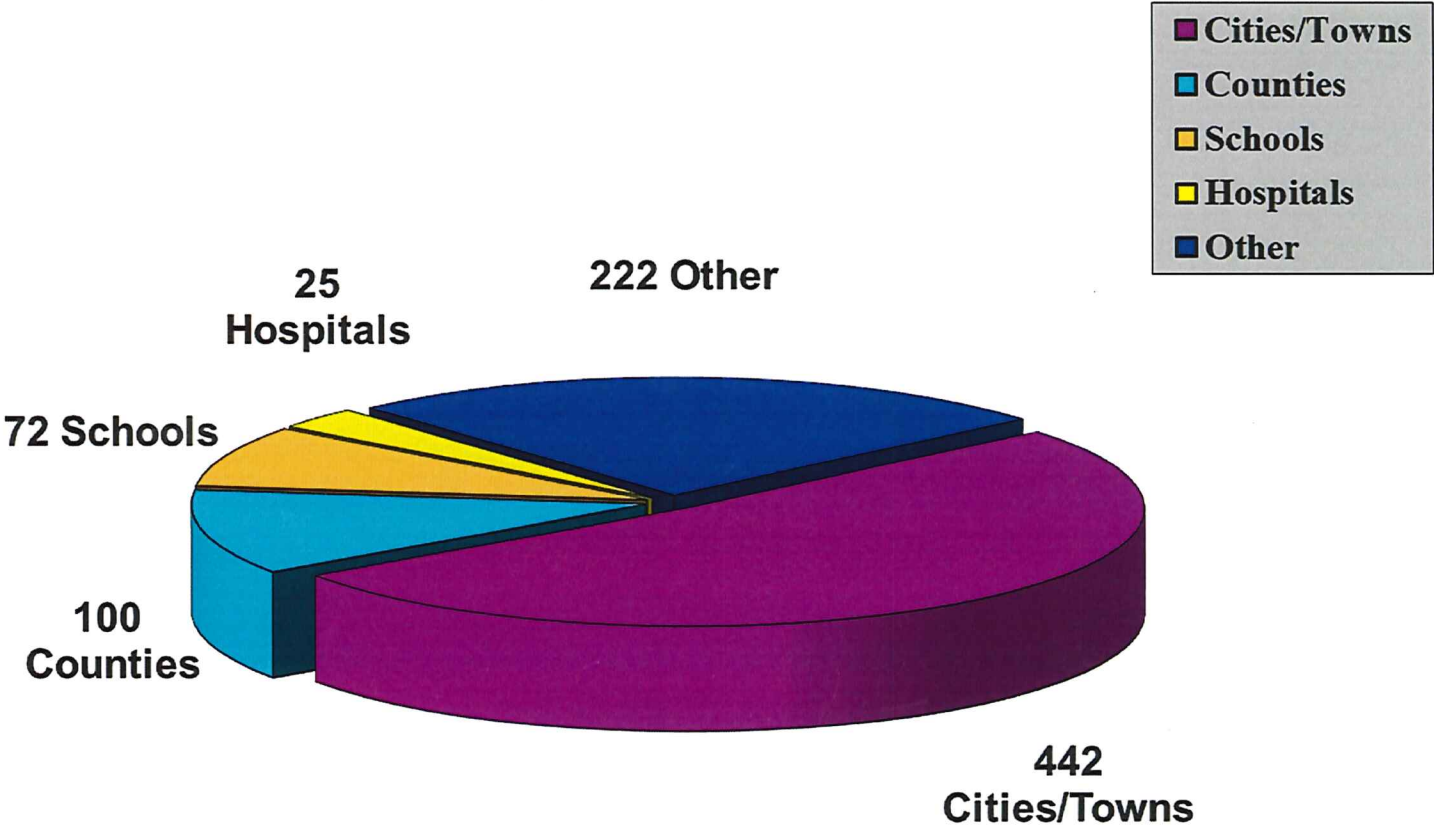
Year 2031 Option \$800,000							
SectionID	Street Name	BEG_DESC	END_DESC	PCI (2030)	Treatment (2031)	Cost 2031	Class
65	HICKORY TRL	NC 12	DEAD END	74.00	Thin Lift	\$43,515	A
6	OCEAN BLVD	DOLPHIN RUN	PORPOISE RUN	57.46	Rehab (Major with Build Up)	\$134,069	B
108	OCEAN BLVD	PORPOISE RUN	NC 12	57.46	Rehab (Major with Build Up)	\$140,104	B
14	SPINDRIFT TRL	HIGH DUNE LOOP	DEAD END	55.99	Rehab (Major with Build Up)	\$288,339	B
18	OCEAN VIEW LOOP	DEAD END	DEAD END	56.04	Rehab (Major with Build Up)	\$154,996	B
61	2ND AVE	DEAD END	DEAD END	57.03	Rehab (Major with Build Up)	\$10,817	B
36	10TH AVE	DEAD END	DEAD END	57.15	Rehab (Major with Build Up)	\$19,133	B
27	SEA OATS CT	SEA OATS TRL	DEAD END	63.70	Rehab Minor Overlay	\$9,267	C
						<b>\$800,240</b>	<b>Yearly Total</b>

Year 2032 Option \$800,000							
SectionID	StreetName	BEG_DESC	END_DESC	PCI (2031)	Treatment (2032)	Cost 2030	Class
79	SANDFIDDLER CT	NC 12	DEAD END	51.96	Rehab (Major) - Mill and Fill 2in	\$41,724	B
129	SPINDRIFT TRL	CHICAHIAUK TRL	HIGH DUNE LOOP	52.24	Rehab (Major) - Mill and Fill 2in	\$214,924	B
13	OCEAN VIEW LOOP	OCEANVIEW LOOP	NC 12	52.36	Rehab (Major) - Mill and Fill 2in	\$30,979	B
87	OCEAN BLVD	E DOGWOOD TRL	DOLPHIN RUN	52.44	Rehab (Major) - Mill and Fill 2in	\$90,839	B
8	PORPOISE RUN	NC 12	OCEAN BLVD	52.46	Rehab (Major) - Mill and Fill 2in	\$26,937	B
134	CROOKED BACK LOOP	CHICAHIAUK TRL	PUDDING PAN LN	52.66	Rehab (Major) - Mill and Fill 2in	\$194,446	B
85	WAX MYRTLE TRL	HICKORY TRL	E DOGWOOD TRL	52.66	Rehab (Major) - Mill and Fill 2in	\$195,285	B
						<b>\$795,134</b>	<b>Yearly Total</b>



# Regional Advisory Board Meeting

***NCCMT Type of Participants***  
***Total Participants 861***  
***as of 12/31/2022***





# Regional Advisory Board Meeting

- Economic activity continues to slow, employment relatively strong.
- Real GDP grew by 3.2% in Q32 of 2022.
- Consumer Price Index (CPI) rose 6.4% in December 2022 (YoY).
- Employment Cost Index up 5.05% in 2022 (Wages and Salaries).
- Fed “Dots Chart” calling for continued rate increases in 2023.
- Markets are expecting higher rates:

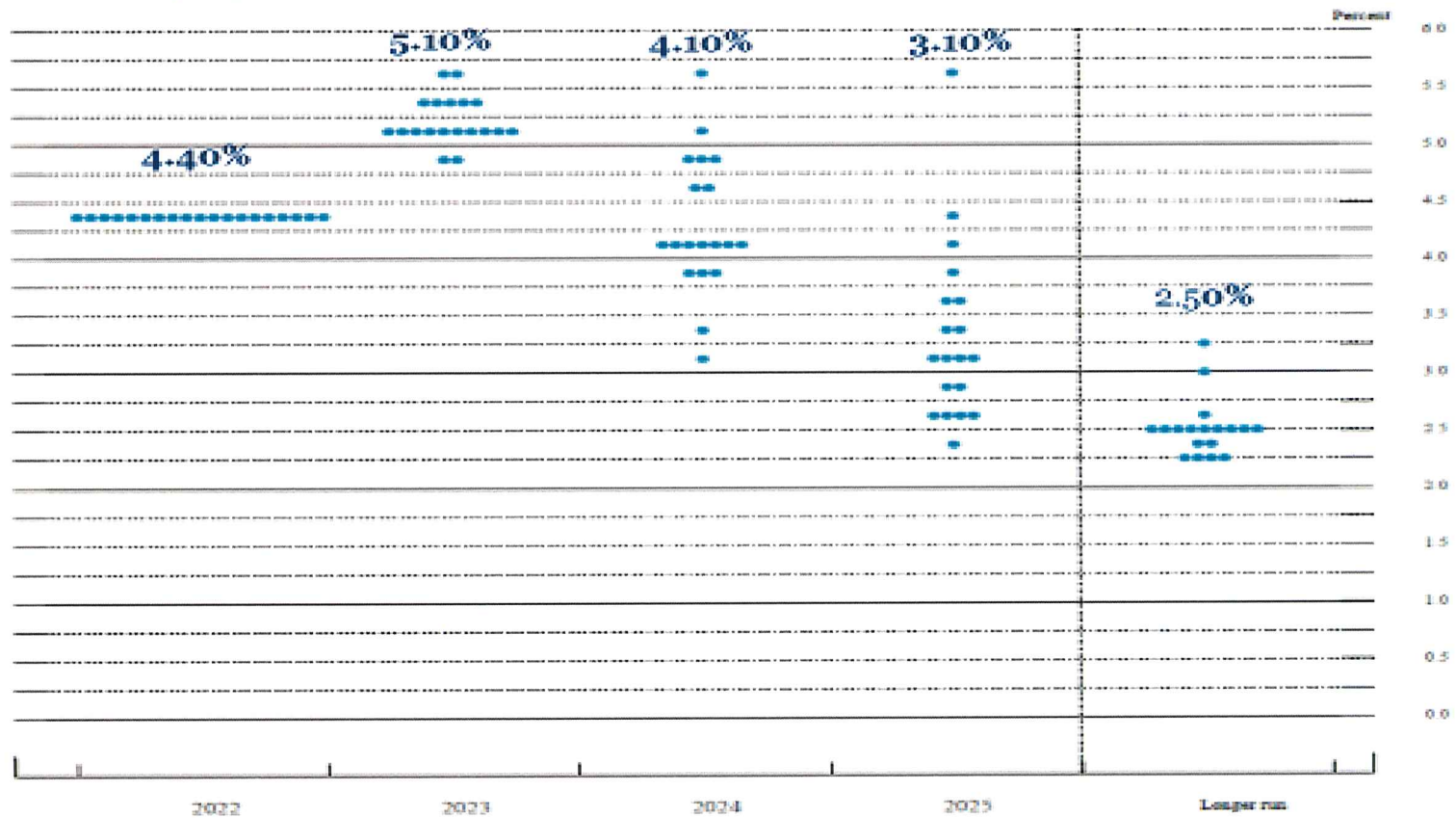
	<u>PEAK</u>	<u>END OF 2023</u>
Goldman Sachs	5.25%	5.25%
Wells Fargo	5.25%	5.25%
Bank of America	5.25%	5.00%
JPMorgan Chase	5.00%	5.00%
Morgan Stanley	4.75%	4.50%



# Regional Advisory Board Meeting

## Federal Reserve "Dot" Plot

Estimate of Appropriate Level of Federal Funds Rate at End of Each Year



Source: Minutes of Federal Reserve Meeting **December 14, 2022**



# Regional Advisory Board Meeting

## U.S. Economy

- Unemployment rate – 3.5% in December 2022.
- Wage growth +4.6% Dec 2022 (average hourly earnings).
- GDP growth +9.23% (Q3 2022).
- Stock prices -19% in 2022 (S&P 500) worst decline in 14 years.
- Bond Market – Total Bond Index -13% (2022) worst performance ever .
- CPI December 2022 +6.4% from year ago.

## N.C. Economy

- NC Unemployment Rate – 3.9% in November 2022. Peaked at 12.9% in April 2020
- Real NC GDP expected to grow at 1.2% over 2023 levels.
- NC expected to gain 72,800 jobs in 2023, an increase of 1.5%. Information technology expected to be the biggest gainer.

# Regional Advisory Board Meeting

## Key Takeaways

- U.S. economic growth has peaked as the economy is in late-cycle.
- A sustained economic slow down is the most likely scenario.
- Inflation rates have probably peaked and should moderate in the year ahead.
- Supply-side pressures should start to be alleviated.
- Federal fiscal outlays in 2023 will be much less than the last few years and will be a drag on growth. Political divide will make governing harder.
- Aggressive monetary tightening by the world's major central banks bring short-term rates to their highest levels in nearly 40 years.
- Rate hikes may be nearing an end, but easing is not imminent.