



TOWN COUNCIL AGENDA

REGULAR MEETING

May 16, 2017 @ 6:30 p.m.

***Asterisks indicate documentation is included in agenda packet**

Call to Order – Mayor Swearingen

Invocation & Pledge of Allegiance – Pastor Keck, Kure Memorial Lutheran Church

APPROVAL OF CONSENT AGENDA ITEMS

1. *Approve Mayor's travel to Raleigh on May 24, 2017 to attend the NC Association of Resort Towns and Convention Cities Legislative Breakfast, at an approximate cost of \$324 from council's Travel & Training budget
2. *Adopt Proclamation P17-01, declaring May 20-26, 2017 National Safe Boating Week
3. *Appoint David Garceau as a member of the Shoreline Access and Beach Protection Committee
4. *Adopt amended ordinance to Section 12-50, 12-51 and 12-52, increasing the number of Community Center Committee members from seven to nine.
5. *Appoint Linda Brett-Kell as a member of the Community Center Committee.
6. *Building Inspections Report – April 2017
7. *Fire Department Report – April 2017
8. *YTD Finance Report Meeting
9. Minutes:
 - *April 7, 2017 – budget workshop
 - *April 18, 2017 – regular meeting
 - *April 21, 2017 – budget workshop

Consent agenda items are to be voted on as one item. If a member of Council wishes to discuss an individual item, a vote must be taken to approve moving the item to the agenda.

PROCLAMATION P17-01 READING (Swearingen)

ADOPTION OF THE AGENDA

DISCUSSION AND CONSIDERATION OF PERSONS TO ADDRESS COUNCIL

Sign up at podium (3-minute limit)

DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

1. Board of Adjustment
2. Community Center Committee
3. Marketing Committee (Elliott)
 - a. *Presentation of FY17-18 Proposed Marketing Budget for Approval (Elliott)
4. Planning & Zoning Commission (Ellen)
 - a. *Request to Adopt New Definitions and Ordinances in Sections 1-2 and 4.20-4.29 of the Code, regarding livestock and exotic animals



TOWN COUNCIL AGENDA

REGULAR MEETING

May 16, 2017 @ 6:30 p.m.

- b. *Request to Adopt Amended Ordinance in Sections 5-141(a) and (b) of the Code, regarding fences
5. Shoreline Access and Beach Protection Committee
6. Non-town Committee Reports

DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

1. Administration and Recreation
 - a. Request consideration of holding a special meeting at Town Hall on Tuesday, June 20th at 2:00 p.m., preceding the regular council meeting, for the purpose of holding a closed session per N.C.G.S. 143-318.11(a)(6) to perform department head evaluations (Avery)
 - b. *Replacement of Community Center building roof (Avery)
 - c. *Draft RFQ for Project Manager Services (Avery)
 - d. *Clarification of Committee Membership Policy for Residency Status: Sections 1.01 - B.1 and B.2.b. (Hewitt)
2. Finance Department
 - a. *Presentation of budget message, draft FY17-18 budget ordinance and fee schedule. *Council needs to direct the Town Clerk to advertise budget inspection and a budget public hearing at Town Hall on Tuesday, June 6th at 6:30 p.m.*
3. Building Department
4. Fire Department
5. Police Department
6. Public Works Department

DISCUSSION AND CONSIDERATION OF OLD BUSINESS

DISCUSSION AND CONSIDERATION OF NEW BUSINESS

1. *Proposal for use of privately owned lots for town paid parking (Avery)
2. *Adopt 2017 Emergency Operations Plan (Heglar)
3. Review Town Survey (Heglar)
4. *KB/CB Sewer Authority Update (Heglar)

MAYOR UPDATES (no action required)

COMMISSIONER ITEMS (no action required)

CLOSED SESSION

Personnel, per N.C.G.S. 143-318.11(a)(6)

ADJOURNMENT

NC Association of Resort Towns & Conv Cities Legis Breakfast

RALEIGH, NC

5/24/2017

	Amount	Quantity	Total
Hotel 5/23-5/24/17 @ \$126/nt	\$126	1	\$126
Meals Per Diem (1D, 1L)	\$42	1	\$42
Gas Allow: 292 miles, roundtrip @ .535/mile	\$156	1	\$156
TOTAL ESTIMATED COST			\$324

Mayor requesting to attend

Breakfast is Free



TOWN COUNCIL
TOWN OF KURE BEACH, NC

PROCLAMATION P17-01

IN SUPPORT OF NATIONAL SAFE BOATING WEEK

WHEREAS, year-round, people continue to enjoy all that our natural environment has to offer through the joy of boating; and

WHEREAS, National Safe Boating Week is observed to bring attention to important life-saving tips for recreational boaters so that they can have a safer, more fun experience out on the water; and

WHEREAS, on average, 650 people die each year in boating-related accidents in the U.S. with approximately three-fourths of these being fatalities caused by drowning; and

WHEREAS, the vast majority of these accidents are caused by human error or poor judgment and not by the boat, equipment, or environmental factors; and

WHEREAS, a significant number of boaters who lose their lives by drowning each year would be alive today had they worn their life jackets; and

WHEREAS, today's life jackets are more comfortable, more attractive, and more wearable than styles of years past;

NOW, THEREFORE, BE IT PROCLAIMED that Kure Beach Town Council hereby supports the goals of the North American Safe Boating Campaign (Wear It!) and proclaim May 20-26, 2017 as National Safe Boating Week and the start of the year-round effort to promote safe boating.

Proclaimed this 16th day of May, 2017.

Emilie Swearingen, Mayor

Attest: Nancy Hewitt, CMC, NCCMC
Deputy Clerk



TOWN OF KURE BEACH
REQUEST FOR APPOINTMENT

Board/Commission/Committees

Approved by Comm. 4
May 2nd, 2017
Town Clerk, Jeff
For May Council agenda

MUST BE A FULL-TIME RESIDENT TO SERVE ON TOWN COMMITTEES

Request for Appointment to: Shoreline Access and Beach Protection Committee
Name David Garceau
Address 1038 Fort Fisher Blvd S, Kure Beach, NC 28449
Telephone 704-941-0921 Cell 704-941-0921
Email david@lykicare.com (You will receive the majority of correspondence via email)
Length of permanent residence in Kure Beach 1 1/2 yrs
Employment Gemaire Distributors
Job Title Technical Support & Training Manager

Professional Activities My business activities don't directly tie to this committee, but I do develop online training programs which could be useful for educating residents and visitors.

Volunteer Activities Currently not serving on any other volunteer committees.

Other committee work, past or present Past scouting leader and scouting council. Past committee member for state apprenticeship contest. Past member of PHCC and RSES chapters.

What is your understanding of the purpose of this committee?
To provide direction regarding access points to the beach strand and general beach/ dune conditions.

Why are you interested in serving on this committee?
The beach is why we moved here, so this is a good opportunity to start to supporting my community.

What specific concerns or areas are you interested in?
Beach access points, education and enforcement of existing beach rules.

Are there any time blocks from 8am-8pm, Monday through Friday, when you cannot attend meetings?
Varies on travel schedules. Planned meetings should be OK. Emergency meetings are questionable.

Any misrepresentation of fact on this application will subject the applicant to legal proceedings as prescribed by law.

Signature [Handwritten Signature] Date April 18th 2017

Thank you for your interest in serving the Town of Kure Beach

Please return ORIGINAL to: Town Clerk - Town of Kure Beach 117 Settlers Lane, Kure Beach, NC 28449

Town Use Only
Date Received 5/2/17 Initials [Handwritten] Utilities Current [X] YES [] NO
Interview Date 5/2/17 (If applicable) Appointment Date 5/16/17
Term Length [Blank] Term Expiration [Blank]



ORDINANCE AMENDMENT

That Chapter 12, Parks and Recreation, Article III Community Center, Sections 12-50, 12-51 and 12-52 of the Code of the Town of Kure Beach, is hereby amended as follows:

Sec. 12-50. - Community Center Committee.

The Community Center Committee shall consist of ~~seven (7)~~ nine (9) members of the community at large all of whom shall be permanent residents of Kure Beach. The committee members shall hold no other public office under the town government and shall be appointed by the town council.

Sec. 12-51. - Terms, removal and filling of vacancies.

- (a) Community Center Committee members shall have no term limits.
- (b) Members may be removed by the appointing authority for inefficiency, neglect of duty, or malfeasance in office.
- (c) Vacancies occurring for reasons other than expiration of term shall be filled as they occur.
- (d) Faithful attendance at meetings of the committee is considered a prerequisite for the maintenance of membership on the committee. The ~~seven (7)~~ nine (9) committee members shall have equal voting powers on all matters which come before the committee.

Sec. 12-52. - Organization, meetings and quorum.

- (a) The committee as soon as practicable after the annual appointment shall meet and organize by electing officers as deemed necessary. The term of officers shall be one (1) year with eligibility for reelection.
- (b) The committee shall meet at least once a month. Regular meetings shall be open to the public. The committee shall adopt rules for transaction of its business and shall keep a record of its members attendance and of its resolutions, findings and recommendations, which records shall be part of the public record.
- (c) There shall be a quorum of ~~four (4)~~ five (5) members for the purpose of taking any official action.
- (d) All members of the committee shall serve without compensation.

Ordinance amendments adopted by Kure Beach Town Council on May 16, 2017.

Emilie Swearingen, Mayor

ATTEST:

Nancy Hewitt, CMC, NCCMC
Deputy Clerk



TOWN OF KURE BEACH REQUEST FOR APPOINTMENT

Board/Commission/Committees

MUST BE A FULL-TIME RESIDENT TO SERVE ON TOWN COMMITTEES

Request for Appointment to: _____

Name Linda Brett-Kell

Address 434 S. 4th Ave

Telephone _____ Cell 910 540 4390

Email lbrettkell@gmail (You will receive the majority of correspondence via email)

Length of permanent residence in Kure Beach 1 month

Employment Rgina Drury Real Estate Group

Job Title Realtor

Professional Activities Cape Fear Board of Realtors

Volunteer Activities Guardian Ad Litem, High School Mentor

Pink Bow Foundation (all in Florida) Board of Directors
for LINC (Wilmington) Island Women

Other committee work, past or present _____

What is your understanding of the purpose of this committee?
Provide activities for center & see it is well maintained

Why are you interested in serving on this committee?
New to area, have always volunteered wherever I lived. Feel I can bring ideas, & hard work to any task.

What specific concerns or areas are you interested in?
Continue w/ variety of activities offered at center.

Are there any time blocks from 8am-8pm, Monday through Friday, when you cannot attend meetings?
NO

Any misrepresentation of fact on this application will subject the applicant to legal proceedings as prescribed by law.

Signature Linda Brett-Kell Date 5-9-17
Thank you for your interest in serving the Town of Kure Beach

Please return ORIGINAL to: Town Clerk - Town of Kure Beach 117 Settlers Lane, Kure Beach, NC 28449

Date Received	<u>5/9/17</u>	Town Use Only	Utilities Current	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
Interview Date	<u>5/9/17</u>	Initials <u>MSH</u>	Appointment Date	<u>5/16/17</u>
Term Length	_____	(If applicable)	Term Expiration	_____

Kure Beach Inspections Dept.-All Permits Issue Date: 4/1/2017 - 4/30/2017

Permit Type / SubType		Est Cos	Fee
Building			
addition			
	Total addition 5	\$227,791	\$1,710.00
Deck			
	Total Deck 1	\$18,000	\$200.00
New Construction			
	Total New Construction 2	\$995,000	\$25,095.00
pool			
	Total pool 1	\$34,990	\$300.00
Renovations			
	Total Renovations 1	\$5,200	\$150.00
Rot Repair			
	Total Rot Repair 1	\$9,000	\$150.00
Shed			
	Total Shed 1	\$0	\$25.00
	Total Building 12	\$1,289,981	\$27,630.00
CAMA			
Residential			
	Total Residential 1	\$0	\$100.00
	Total CAMA 1	\$0	\$100.00
Fence			
Residential			
	Total Residential 1	\$0	\$25.00
	Total Fence 1	\$0	\$25.00
Landscape			
Residential			
	Total Residential 2	\$0	\$50.00
	Total Landscape 2	\$0	\$50.00
Total Permits: 16		\$1,289,981	\$27,805.00

Kure Beach Inspections Dept.-All Permits Issue Date: 4/1/2017 - 4/30/2017

PermitNo	Issue Date	Owner	Project Addr	ParcelID	Est Cost	Fee
Building addition						
Active						
170024	4/3/2017	FLEMING JASON T ALISSA R DARK FREUDEMAN	210 H AVE	R09217-018-010-000	\$7,000.00	\$150.00
		Addition				
170027	4/4/2017	HUNNICUTT RONDA ROBINSON	321 ATLANTIC AVE	R09213-004-018-000	\$0.00	\$50.00
		Laundry Room				
170029	4/5/2017	DAVIS JOYCE	837 S FORT FISHER BLV	R09409-002-001-000	\$126,791.00	\$780.00
		New deck addition				
170032	4/6/2017	CLARK GREGORY M DONNA A	130 HANBY AVE	R09205-007-063-000	\$8,000.00	\$150.00
		bathroom additlon				
170034	4/27/2017	DRAKE BILLY NOLAN BETTY TAYLOR	210 WATER OAK CIR	R09405-013-007-000	\$86,000.00	\$580.00
		Additlon				
Total addition 5					\$227,791.00	\$1,710.00
Deck						
Active						
170033	4/18/2017	NEWMAN ROBERT L MELISSA W	1102 FORT FISHER BLV N	R09206-001-010-000	\$18,000.00	\$200.00
		New deck additlon				
Total Deck 1					\$18,000.00	\$200.00
New Construction						
Active						
170035	4/27/2017	AUSTIN TOMMY L SUZANNE S	301 FOURTH AVE S	R09217-017-001-001	\$300,000.00	\$11,360.00
		New SFD				
170028	4/4/2017	COZZA PAUL J	125 SEAWATCH WAY	R09200-001-141-000	\$695,000.00	\$13,735.00
		New SFD				
Total New Construction 2					\$995,000.00	\$25,095.00
pool						
Active						
170030	4/5/2017	DAVIS JOYCE	837 S FORT FISHER BLV	R09409-002-001-000	\$34,990.00	\$300.00
		New Pool				
Total pool 1					\$34,990.00	\$300.00
Renovations						
Active						
170031	4/5/2017	OCHIS ADRIENNE CHILD	329 S FORT FISHER BLV	R09217-019-010-000	\$5,200.00	\$150.00
		Deck renovations				
Total Renovations 1					\$5,200.00	\$150.00
Rot Repair						
Active						
170025	4/3/2017	BUTZ STEVEN C DONNA S	1718 MACKEREL LN	R09205-005-015-000	\$9,000.00	\$150.00
		Rot Repair				
Total Rot Repair 1					\$9,000.00	\$150.00
Shed						
Active						
170026	4/4/2017	SAFFO PETER AND ARGIRO	633 S FOURTH AVE	R09405-009-016-000	\$0.00	\$25.00
		New shed				
Total Shed 1					\$0.00	\$25.00
Total Building 12					\$1,289,981.00	\$27,630.00
CAMA						
Residential						
Active						
170005	4/17/2017	DRAKE BILLY NOLAN BETTY TAYLOR	210 WATER OAK CIR	R09405-013-007-000	\$0.00	\$100.00
		deck extension with elevator				

PermitNo	Issue Date	Owner	Project Addr	ParcelID	Est Cost	Fee
CAMA						
Residential						
Total Residential 1					\$0.00	\$100.00
Total CAMA 1					\$0.00	\$100.00
Fence						
Residential						
Active						
170006	4/28/2017	PETERSON JAMES RANDALL	930 S FORT FISHER BLV	R09409-001-012-000	\$0.00	\$25.00
		New 4' fence				
Total Residential 1					\$0.00	\$25.00
Total Fence 1					\$0.00	\$25.00
Landscape						
Residential						
Active						
170006	4/4/2017	RAGON BRUCE ETAL	128 DOW AVE	R09205-011-003-000	\$0.00	\$25.00
		New driveway				
170007	4/10/2017	MCKENNA ROBERT	924 GENERAL WHITING BLV	R09312-001-005-000	\$0.00	\$25.00
		Clearing lot				
Total Residential 2					\$0.00	\$50.00
Total Landscape 2					\$0.00	\$50.00
Total Permits: 16					\$1,289,981.00	\$27,805.00

TOWN OF KURE BEACH
REVENUE AND EXPENDITURE SUMMARY
JULY 1, 2016 TO MAY 9, 2017

REVENUES

	2017 Initial Bud.	2017 Amend. Bud.	Actual 5/9/2017	% Collected
GENERAL FUND				
Property Taxes (Cur. & PY)	\$ 2,328,500	\$ 2,328,500	\$ 2,348,502	100.9%
Local Option Sales Tax	\$ 800,075	\$ 800,075	\$ 685,213	85.6%
Franchise & Utility Tax	\$ 249,000	\$ 249,000	\$ 174,144	69.9%
TDA Funds	\$ 204,517	\$ 204,517	\$ 173,088	84.6%
Garbage & Recycling	\$ 343,375	\$ 343,375	\$ 303,685	88.4%
ABC Revenue	\$ 12,300	\$ 12,300	\$ 14,247	115.8%
Bldg. Permit & Fire Inspect. Fees	\$ 56,800	\$ 56,800	\$ 76,520	134.7%
Communication Tower Rent	\$ 77,408	\$ 77,408	\$ 72,380	93.5%
Motor Vehicle License Tax/Decals	\$ 12,000	\$ 12,000	\$ 14,175	118.1%
Com Ctr/Parks & Rec/St Festival	\$ 26,350	\$ 26,350	\$ 22,283	84.6%
Town Facility Rentals	\$ 11,000	\$ 11,000	\$ 16,730	152.1%
Beer & Wine Tax	\$ 10,000	\$ 10,000	\$ -	0.0%
OFF - Bluefish Purchases	\$ 13,200	\$ 13,200	\$ 7,360	55.8%
Sales Tax Refund	\$ 47,500	\$ 47,500	\$ 48,902	103.0%
CAMA & Impact Fees	\$ 3,200	\$ 3,200	\$ 4,790	149.7%
All Other Revenues	\$ 3,145	\$ 69,217	\$ 91,739	132.5%
Other Financing Sources	\$ 290,000	\$ 290,000	\$ 280,123	96.6%
Total Revenues	\$ 4,488,370	\$ 4,554,442	\$ 4,333,881	95.2%

EXPENDITURES

	2017 Initial Bud.	2017 Amend. Bud.	Actual 5/9/2017	% Spent
GENERAL FUND				
Governing Body	\$ 35,517	\$ 35,517	\$ 32,336	91.0%
Committees	\$ 4,300	\$ 12,280	\$ 11,505	93.7%
Finance	\$ 151,889	\$ 151,889	\$ 109,537	72.1%
Administration	\$ 397,192	\$ 397,192	\$ 320,398	80.7%
Community Center	\$ 23,300	\$ 23,300	\$ 18,593	79.8%
Emergency Management	\$ 100	\$ 100	\$ 11	11.0%
Tax Collections	\$ 25,000	\$ 25,000	\$ 19,891	79.6%
Legal	\$ 28,900	\$ 28,900	\$ 22,644	78.4%
Police Department	\$ 1,265,716	\$ 1,265,716	\$ 997,943	78.8%
Fire Department	\$ 685,845	\$ 685,845	\$ 497,199	72.5%
Lifeguards	\$ 192,217	\$ 200,309	\$ 109,396	54.6%
Parks & Recreation	\$ 146,114	\$ 146,114	\$ 108,109	74.0%
Bldg Inspection/Code Enforcement	\$ 124,763	\$ 124,763	\$ 94,758	76.0%
Streets & Sanitation	\$ 988,011	\$ 988,011	\$ 823,118	83.3%
Debt Service	\$ 316,626	\$ 316,626	\$ 308,756	97.5%
Transfer to Other Funds	\$ 50,000	\$ 100,000	\$ 100,000	100.0%
Contingency	\$ 52,880	\$ 52,880	\$ -	0.0%
Total Expenses	\$ 4,488,370	\$ 4,554,442	\$ 3,574,194	78.5%

WATER & SEWER FUND

Water Charges	\$ 791,800	\$ 791,800	\$ 647,380	81.8%
Sewer Charges	\$ 1,110,100	\$ 1,110,100	\$ 932,635	84.0%
Tap, Connect & Reconnect Fees	\$ 27,900	\$ 58,631	\$ 67,500	115.1%
All Other Revenues	\$ 187,375	\$ 187,375	\$ 217,104	115.9%
Other Financing Sources	\$ 102,500	\$ 102,500	\$ 52,637	51.4%
Total Revenues	\$ 2,219,675	\$ 2,250,406	\$ 1,917,256	85.2%
Total Expenses	\$ 15,017	\$ 15,017	\$ 11,899	79.2%
Legal	\$ 28,900	\$ 28,900	\$ 22,644	78.4%
Finance	\$ 178,238	\$ 178,238	\$ 146,067	82.0%
Administration	\$ 248,806	\$ 248,806	\$ 210,582	84.6%
Operations & Transfer	\$ 1,748,714	\$ 1,779,445	\$ 1,574,278	88.5%
Total Expenses	\$ 2,219,675	\$ 2,250,406	\$ 1,965,470	87.3%

STORM WATER FUND

Total Revenues	\$ 690,373	\$ 1,117,511	\$ 315,275	28.2%
Total Expenses	\$ 690,373	\$ 1,117,511	\$ 990,074	88.6%

POWELL BILL FUND

Total Revenues	\$ 65,050	\$ 65,050	\$ 65,142	100.1%
Total Expenses	\$ 65,050	\$ 65,050	\$ 30,358	46.7%

SEWER EXPANSION RESERVE FUND (SERF)

Total Revenues	\$ 180,000	\$ 330,000	\$ 45,788	13.9%
Total Expenses	\$ 180,000	\$ 330,000	\$ 330,000	100.0%

BEACH PROTECTION FUND

Total Revenues	\$ 50,440	\$ 50,440	\$ 50,553	100.2%
Total Expenses	\$ 50,440	\$ 50,440	\$ -	0.0%

FEDERAL ASSET FORFEITURE FUND

Total Revenues	\$ 50,000	\$ 50,000	\$ 1,145	2.3%
Total Expenses	\$ 50,000	\$ 50,000	\$ 18,390	36.8%

**TOWN OF KURE BEACH
CASH AND INVESTMENTS
AS OF APRIL 30, 2017**

<u>FUND</u>	<u>CASH IN BANK</u>	<u>INVESTMENTS</u>	<u>TOTAL CASH & INVESTMENTS</u>
General	\$3,077,116	\$342,851	\$3,419,967
Water/Sewer	\$1,330,954	\$586,601	\$1,917,555
Storm Water	\$49,918	\$241,030	\$290,948
SERF	\$43,386	\$91,530	\$134,916
Powell Bill	\$270,054	\$19,985	\$290,039
Beach Protection	\$111,640	\$175,845	\$287,485
Federal Asset Forfeiture	\$78,433	\$0	\$78,433
Capital Project Funds	\$191,990	\$0	\$191,990
TOTAL	\$5,153,491	\$1,457,842	\$6,611,333
<u>INSTITUTION</u>			
BB&T	\$5,153,491	\$0	
First Bank - Certificates of Deposit	\$0	\$964,296	
NCCMT Term Portfolio	\$0	\$484,186	
NCCMT Cash Portfolio	\$0	\$9,360	
TOTAL	\$5,153,491	\$1,457,842	

**TOWN OF KURE BEACH
SUMMARY OF CONTINGENCY FUND AND COMMITTEE
EXPENDITURE ACTIVITY
07/01/2016 - 05/09/2017**

CONTINGENCY FUND

Fiscal Year 2017 Budget	\$52,880.00
Less:	
No activity	<u>\$0.00</u>
Remaining Budget as of 05/09/2017	<u><u>\$52,880.00</u></u>

COMMITTEE (Shoreline Access, Beach Protection & Parking) EXPENDITURES

Amended Fiscal Year 2017 Budget	\$12,280.00
Less Expenditures:	
Grant Writer Fees (E & I Avenue)	\$525.00
H Ave. Beach Access Solar Lighting	\$7,980.00
E Ave. Parking 60% of Design & Eng.	\$1,500.00
I Ave. Parking 60% of Design & Eng.	<u>\$1,500.00</u>
Total Expenditures	\$11,505.00
Projects Approved By Council But Not Yet Expended:	
No activity	<u>\$0.00</u>
Total Approved, Not Expended	<u><u>\$0.00</u></u>
Remaining Budget as of 05/09/2017	<u><u>\$775.00</u></u>

**TOWN OF KURE BEACH
DEBT LISTING
MAY 16, 2017**

LOAN PURPOSE/DESCRIPTION	FUND	LENDER	DATE OF LOAN	AMOUNT FINANCED	INTEREST RATE	LOAN TERM (YRS)	DATE PAID OFF	BALANCE AT 05/16/17	PAYMENT FREQUENCY	PAYMENT AMOUNT	NEXT PAY DATE	INT. EXPENSE LIFE OF LOAN
Sewer Rehabilitation Project (a)	W/S	Fed Gov	5/1/2010	\$432,660	0.00%	20	5/1/2030	\$137,224.32	Annual	\$10,555.72	5/1/2018	\$0.00
Ocean Front Park (development)	G	BB&T	7/12/2011	\$347,000	4.39%	17	7/12/2028	\$244,941.20	Annual	\$31,164.68	7/12/2017	\$137,099.64
Ocean Front Park (acquisition)	G	BB&T	12/19/2007	\$3,600,000	4.28%	20	12/19/2027	\$713,942.41	Annual	\$95,460.60	12/19/2017	\$690,135.16
334 S. 4th, 402 H & 406 H Ave. Water Tower & Well House & Town Hall Expansion (b)	G, W/S	BB&T	3/12/2015	\$409,471	2.49%	10	3/12/2025	\$327,576.91	Annual	\$49,103.79	3/12/2018	\$56,077.07
2016 John Deere Backhoe (c)	W/S, SW	BB&T	4/11/2007	\$1,187,187	3.92%	15	5/7/2022	\$474,524.79	Semi-annual	\$52,716.71	11/7/2017	\$394,314.33
2017 Freightliner Garbage Truck	G	BB&T	11/9/2016	\$105,273	1.87%	5	11/9/2021	\$105,273.00	Annual	\$22,250.35	11/9/2017	\$5,978.75
(2) 2016 Police Dodge Chargers	G	1st Bank	8/23/2016	\$179,756	1.70%	5	8/23/2021	\$179,756.00	Annual	\$37,805.31	8/23/2017	\$9,270.57
O'Brien 7065 Hydroletter (c)	W/S, SW	1st Bank	11/9/2016	\$63,500	1.60%	4	11/9/2020	\$63,500.00	Annual	\$16,515.04	11/9/2017	\$2,560.16
2016 Chevrolet Silverado	G	1st Bank	8/13/2015	\$81,485	1.70%	5	8/13/2020	\$65,732.71	Annual	\$17,149.28	8/13/2017	\$4,202.44
Cutter Court Drainage Project	SW	1st Bank	7/26/2016	\$36,867	1.60%	4	7/26/2020	\$36,867.00	Annual	\$9,593.55	7/26/2017	\$1,486.39
FY 2016 Equipment & Vehicles (d)	G, W/S	B of A	7/23/2005	\$875,000	4.40%	15	6/23/2020	\$236,221.30	Monthly	\$6,677.76	5/23/2017	\$326,995.49
(2) 2015 Police Cars	G	BB&T	9/14/2015	\$186,000	2.01%	4	9/14/2019	\$140,878.73	Annual	\$48,859.87	9/14/2017	\$9,439.48
2015 Ford F-250 Utility Truck	W/S	BB&T	3/27/2015	\$48,359	2.19%	4	3/27/2019	\$24,703.23	Annual	\$12,758.83	3/27/2018	\$2,676.33
Downtown Improvement Project	G	BB&T	10/24/2014	\$32,216	2.19%	4	10/24/2018	\$16,456.90	Annual	\$8,499.73	10/24/2017	\$1,782.92
2013 Ford F-150 Police Truck	G	BB&T	1/17/2014	\$117,000	1.93%	4.5	6/17/2018	\$48,308.45	Annual	\$24,719.00	1/17/2018	\$6,595.00
2013 Ford Police Utility	G	BB&T	1/15/2014	\$32,000	2.18%	4	1/15/2018	\$8,260.62	Annual	\$8,440.70	1/15/2018	\$1,762.80
			6/28/2013	\$29,836	2.17%	4	6/28/2017	\$7,700.88	Annual	\$7,867.99	6/28/2017	\$1,635.96

FUND CODES

G - General Fund
W/S - Water/Sewer Fund
SW - Storm Water Fund

TOTAL OUTSTANDING DEBT AT 05/16/2017:

General Fund	\$ 1,838,139.85
Water/Sewer Fund	\$ 672,004.45
Storm Water Fund	\$ 321,724.16
Total	\$ 2,831,868.45

NOTES

- (a) - Total amount borrowed was \$432,660. As part of ARRA, the unpaid balance was immediately reduced by one-half of the loan amount.
(b) - 78% of loan is Water/Sewer Fund and 22% is General Fund.
(c) - 50% of loan is Water/Sewer Fund and 50% is Storm Water Fund.
(d) - 55.5% of loan is General Fund and 44.5% is Water/Sewer Fund.

LOAN PAYMENTS DUE (Next 12 Months):

05/17/2017 - 06/30/2017	\$ 21,223.51
07/01/2017 - 09/30/2017	\$ 164,605.97
10/01/2017 - 12/31/2017	\$ 215,475.71
01/01/2018 - 05/16/2018	\$ 185,005.79
Total	\$ 586,310.98

**TOWN OF KURE BEACH
KURE BEACH PUMP STATION #1
CAPITAL PROJECT FUND
AS OF 05/09/2017**

	<u>APPROVED BUDGET</u>	<u>ACTUAL AS OF 05/09/17</u>
<u>EXPENDITURES</u>		
<u>ENGINEERING SERVICES, PA</u>		
Land Surveying Fees	\$4,000	\$4,000.00
Engineering Planning	\$5,000	\$0.00
Engineering Design	\$47,000	\$35,250.00
Bidding Assistance	\$6,500	\$3,250.00
Construction Administration	\$25,000	\$0.00
Construction Inspection	\$28,500	\$0.00
Total Engineering Services, PA	<u>\$116,000</u>	<u>\$42,500.00</u>
<u>T&H CONSTRUCTION OF HAMPSTEAD, NC</u>		
Construction	\$589,731	\$0.00
<u>GRAND TOTAL EXPENDITURES</u>	<u><u>\$705,731</u></u>	<u><u>\$42,500.00</u></u>
<u>PROJECT REVENUE SOURCES</u>		
Transfer From Water/Sewer Fund to H Avenue Lift Station Capital Project Fund	\$80,731	\$80,731.00
Transfer From Sewer Expansion Reserve Fund (SERF) to H Avenue Lift Station Capital Project Fund	\$150,000	\$150,000.00
Installment Financing	<u>\$475,000</u>	<u>\$0.00</u>
<u>GRAND TOTAL PROJECT REVENUE SOURCES</u>	<u><u>\$705,731</u></u>	<u><u>\$230,731.00</u></u>

TOWN OF KURE BEACH
TOWN HALL EXPANSION AND NEW FIRE STATION
CAPITAL PROJECT BUDGET STATUS
AS OF 05/09/2017

	APPROVED BUDGET	ACTUAL AS OF 05/09/17
<u>EXPENDITURES</u>		
Architectural Services	\$28,500	\$35,500.00
Topographical Survey & Other Planning Costs	\$21,500	\$3,250.00
Legal - Contract Review	\$0	\$6,240.75
Total Expenditures	\$50,000	\$44,990.75
 <u>PROJECT FINANCING SOURCES</u>		
Transfer From General Fund	\$50,000	\$50,000.00

KURE BEACH FIRE DEPARTMENT

FIRE CHIEF'S REPORT APRIL, 2017

DATE	PURPOSE
04/02/17	MUTUAL AID Cbfd
04/03/17	FIREFIGHTER I&II CLASS
04/04/17	EMS
04/09/17	INVESTIGATE UNKNOWN
04/09/17	OCEAN RESCUE
04/10/17	FIREFIGHTER I&II CLASS
04/12/17	EMS
04/13/17	EMS
04/14/17	MUTUAL AID Cbfd
04/14/17	MUTUAL AID Cbfd
04/15/17	STRUCTURE FIRE
04/15/17	EMS
04/15/17	WATER RESCUE
04/15/17	ASSIST PUBLIC
04/16/17	EMS
04/16/17	AUTO FIRE
04/17/17	EMS
04/17/17	DRILL
04/18/17	MUTUAL Cbfd
04/19/17	TRANSFORMER
04/20/17	WATER RESCUE
04/20/17	EMS
04/21/17	EMS
04/22/17	EMS
04/22/17	EMS
04/23/17	EMS
04/23/17	WATER RESCUE
04/23/17	EMS
04/24/17	MUTUAL AID Cbfd

KURE BEACH FIRE DEPARTMENT

04/27/17	EMS
04/27/17	EMS
04/30/17	MUTUAL AID CBFD

All equipment checked and found to be in working order

Harold Heglar
Chief



TOWN COUNCIL MINUTES

FY17-18 BUDGET WORKSESSION #1

April 7, 2017

The Kure Beach Town Council held a budget work session for Fiscal Year (FY)17-18 at the Community Center on Friday, April 7, 2017. A quorum of council was present. The town attorney was unable to attend.

COUNCIL MEMBERS PRESENT

Mayor Emilie Swearingen
Mayor Pro Tem (MPT) Craig Bloszinsky
Commissioner David Heglar (via conference call first hour)
Commissioner Joseph Whitley
Commissioner Jim Dugan

STAFF PRESENT

Finance & Budget Officer (FO) – Arlen Copenhaver
Town Clerk – Nancy Avery
Building Inspector – John Batson
Police Chief – Mike Bowden
Fire Chief – Harold Heglar
Assistant Fire Chief – Ed Kennedy
Public Works Director – Sonny Beeker
Crew Leader – Jimmy Mesimer
Recreation Manager – Nikki Keely
Personnel and Facilities Manager – Mandy Sanders
Deputy Town Clerk – Nancy Hewitt

CALL TO ORDER

Mayor Swearingen called the meeting to order at 9:05 a.m.

PRESENTATION OF FIRST DRAFT OF FY17-18 BUDGET

1. Budget Assumptions

FO Copenhaver reviewed the assumptions he used to plan the first draft of the proposed budget, as follows: 1) no changes in services provided or level of services provided; 2) change current tax rate from \$0.285 to estimated Revenue Neutral tax rate of \$0.2737; 3) no General Fund contingency; 4) no transfer from General Fund to the Beach Protection fund; 5) no additions to head count; and 6) employee compensation increase of 1.5 percent for COLA and 2.5 percent for Merit. He said there is currently a Contingency of \$53K, and this year's transfer to the Beach Protection Fund was \$50K.

Commissioner Heglar said he would like to transfer something into the Contingency and Beach Protection Funds in the draft budget.



TOWN COUNCIL MINUTES

FY17-18 BUDGET WORKSESSION #1

April 7, 2017

2. Budget Summary by Fund

FO Copenhaver said the General Fund is short by almost \$37K, which doesn't include anything for the Contingency or Beach Protection Funds. He said the Water/Sewer Fund is over by almost \$130K which could be allocated to future capital projects, but that could change with some new information he received from the Sewer Authority. He said council may have to look at putting another \$10K in the budget, since it looks like some of the rates from Carolina Beach are going up. He said in order to balance the Storm Water budget, there is a fund balance appropriation of about \$331K to finish relining pipes and other projects. He said Storm Water's fund balance has been significantly depleted from the projects that are almost finished this year, going from a balance of about \$1 million to one of about \$200K. He said the Powell Bill, SERF, Beach Protection and Asset Forfeiture funds' revenues and expenses are level.

FO Copenhaver compared the proposed budget requests compared to this year's budget and budget amendments. He said the requests decreased for the coming year because a number of large capital projects have been accomplished this year.

MPT Bloszinsky said, when we share with the community our draft budget as well as what we spent this year, it is important to highlight the work done by public works to improve the town's infrastructure, as well as the important work done by the fire and police departments to keep our fire rates and crime down.

3. Budget Summary by Department

FO Copenhaver showed the difference between FY17-18 and FY16-17, by department, in the town's three main funds.

INDIVIDUAL DEPARTMENT BUDGET EXPENDITURE OVERVIEW

1. Public Works Department

Director Beeker said he tried to keep his budget tight and asked his Crew Leader, Jimmy Mesimer, to present the Public Works budget.

Mr. Mesimer presented the budget noting the following changes:

- **STREETS & SANITATION (GF):** Significant increases in uniforms, garbage cart purchases, Christmas decorations, minor equipment and Joe Eakes Park maintenance. Significant decreases in building maintenance, capital outlay for equipment and capital outlay for vehicles. Overall, the proposed budget is under by 12.6 percent.
- **WATER/SEWER OPERATIONS (W/S):** Significant increases in telephone, equipment rental, permit/lease fees, minor equipment, capital outlay for sewer rehab and debt service. Significant decreases in system maintenance, vehicle supplies and capital outlay for equipment. Overall, the proposed budget is under by 9.9 percent.



TOWN COUNCIL MINUTES

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- **STORM WATER FUND (SW):** The proposed FY17-18 request is for \$385K, compared to an amended FY16-17 budget of \$887K due to this year's storm water pipe relining project and the storm water outfall replacement due to Hurricane Matthew storm damage.

MPT Bloszinsky said Kure Beach's sewer usage numbers are down so council can expect to see increased rates from Carolina Beach.

Director Beeker said the plan is to figure out our treatment process and slowly drop the town's sewage flow to Carolina Beach way down.

FO Copenhaver explained the Debt Service listed in the Water and Sewer Fund. He said it is going to go up by a lot because of the \$475K loan for the lift station. He said that those payments will start in the upcoming fiscal year.

OUTSIDE AGENCY FUNDING REQUESTS

Outside Agency representatives gave a summary of their organizations, as follows:

- Rebecca Taylor, Federal Point Historic Preservation Society: They have exhibits, a library, photographs and artifacts. Funding from the town will go to the operation of the history center. They will have a display at the KB Community Center for the 70th Anniversary celebration. Commissioner Dugan said about half of their members are from Kure Beach.
- Eleanor Magnus, Federal Point Help Center: They have served over 4,000 people and 119 Christmas baskets last year. They work with KB police to help people who are homebound and, so far, have helped over 900 individuals with food, rental assistance, childrens clothing, bus passes and vehicle fuel on the island.
- Sarah Williams, Katie B. Hines Senior Center: They are open to all ages and have free lunch three times a week and free dinners on Christmas and St. Patrick's Day, paid for strictly by donations. They have exercise, dance and other classes. They raise funds through membership fees, donations and a monthly pancake breakfast. The money they get from KB will help them maintain their building and grounds.
- Paul Laird, Friends of Fort Fisher: They are the #1 visited historic site in the state. While the state pays for a portion of building and grounds maintenance, they depend on donations for additional upkeep, free public programs, exhibits, re-enactment equipment and PT/temporary employees. The money from the town will help finance the 27 free public programs planned for this year.
- Nancy Busovny, PI Sea Turtle Project: Patrol for new turtle nests begins on May 1st, and last year Kure Beach had 11 nests. They monitor the nests, handle stranded turtles and transport injured turtles to the Karen Beasley Sea Turtle Hospital. They give Turtle Talks at the Ocean Front Park every Monday evening in the summer. All funds received from Kure Beach are used for Kure Beach to rent beach vehicles and buy gear and supplies.



TOWN COUNCIL MINUTES

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- Greg Reynolds, PI Chamber of Commerce: Their goal is to get people to come to the island for improved business and tourism. All funds received from the town will be used to pay for the bands, set-up and sound system for the annual Summer Concert Series held at the Ft. Fisher Air Force Rec Area on the 2nd and 4th Fridays from June through August.
- Frances Massey, Island of Lights: They host the public Christmas events for the island, and the New Years Eve Countdown. They raise funds through a fashion show and Christmas cards and ornaments sales. These funds are used for the events and to help the towns purchase lighted Christmas displays. Their events draw large crowds for improved tourism on the island.

Mayor Swearingen asked Ms. Massey to discuss the town's need for more lighted Christmas displays with Director Beeker and Recreation Manager Keely, as she'd like them to help the town purchase some more.

At 10:40 a.m., Mayor Swearingen called for a break.
The meeting resumed at 10:55 a.m.

2. Police Department

Chief Bowden presented his budget, noting the following changes:

Significant increases in minor equipment and computer services, and significant decreases in part-time pay, taxes and capital outlay for vehicles. Overall, his proposed budget is over by 3.4 percent.

Chief Bowden said the minor equipment includes funds for a camera to be placed near the Ocean Front Park to provide 24/7, 360-degree surveillance. He said one camera is \$16,800 for a three-year contract to provide equipment, maintenance, tech support and warranty. He said the system needs WiFi and power access, and the camera is weather proof with night vision and audio. He said he'd like to get another system for surveilling the park pavilion, bathrooms and children's play area.

MPT Bloszinsky said surveillance by camera provides a tremendous amount of safety and security at minimum cost, compared to the cost of paying officers to surveil the area for the same amount of time. He also suggested they put a camera in the leased downtown parking area, since there have been issues there in past years.

Chief Bowden said they are looking at an estimated cost of \$105K for Motorola radios that he wants to put in the FY18-19 budget. He said they applied for a Motorola grant and will know in about 10 days if they get it.

MPT Bloszinsky suggested the police department put the radios in the upcoming budget rather than the FY18-19 budget.



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Discussion ensued about also purchasing radios for the emergency manager and public works, with Commissioner Dugan pointing out that they can use the lifeguards' new radios, when needed.

CONSENSUS – Council directed the police and fire departments to work with the finance officer to figure out how to put the cost of radios in the upcoming budget and bring their information to the next budget workshop.

FO Copenhaver said this would increase capital expenditure, but the offset would be grant funds which he can't factor in until he knows the grant has been awarded. He said financing the radios won't change the overall percent, over or under, but it will change the debt service numbers.

Mayor Swearingen said she has been talking to Chief Bowden about one or two police officers participating in the Special Olympics Torch Run on May 24th. She asked that the town donate \$1K from the current budget.

FO Copenhaver said the money would have to come from the Contingency Fund, since council doesn't have enough money in their current budget.

CONSENSUS – Council directed the clerk to put the Mayor's request for a \$1K donation to the Special Olympics Torch Run on the April council meeting agenda for further consideration.

3. Fire Department & Lifeguards

Assistant Chief Kennedy presented his budget, noting the following changes:

Significant increases in part-time pay and taxes for hiring two part-time employees rather than one full-time employee. Significant decreases in building maintenance because the increased staff has been keeping the building maintained and the town is getting ready to break ground on the new fire station. Overall, the proposed budget is over by 2.3 percent, compared to the current budget. He said he will know by the end of April if they get the \$160K grant for radios, which also includes radios for the lifeguards.

MPT Bloszinsky said attendees at the recent NCBIWA meeting complained to the state's new insurance commissioner that the training requirements for firefighters wishing to become certified were too oppressive, so he said he would look into online learning capabilities for them.

Mayor Swearingen said there are house and senate bills being introduced this year that propose to make it a requirement for municipalities to provide retirement for firefighters.

FO Copenhaver said, if the bills pass, the town would be required to pay for those eligible for retirement. He said small towns like Kure Beach operate on a "pay-as-you-go" basis; the town



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would recognize the expense only when it occurs. He said the town would need to recognize the liability and pay for an Actuary Study, if this goes through.

Fire Chief Heglar said it won't affect his department for quite a few years because one has to be at least 55 years old and have 20 years of service with the department to be eligible.

Assistant Chief Kennedy said the Lifeguards budget decreased by 1.7 percent with the most significant decrease coming from capital outlay. He said the USLA, which provides certification of the lifeguards, removed the requirement for a skin cancer check, and the department was able to find someone who will perform all of the required physicals for just \$1K.

FO Copenhaver told council that the lifeguards' TDA reimbursement is located on the revenue side of the draft budget.

4. Building Inspections

Inspector Batson presented his budget, noting the following changes:

Significant increases in part-time pay and taxes, and beach-related costs. Overall, his proposed budget is over by 8.4 percent, compared to the current budget. He said the part-time pay and tax increase is for a temporary, part-time fire inspector, as well as a full year of increased hours for his new assistant. He said the increase in beach-related costs is for sea oats but, after riding the beach with Spencer Rogers (Sea Grant) and two SLABP Committee members, Spencer said sea oats were probably not needed this year. Inspector Batson explained that Ocean Dunes is trying to create parental dunes, and sand needs to build up behind them which sea oats could prevent from happening. He said Ocean Dunes may still ask the town to buy sea oats, but it will be up to council what they want to do.

Commissioner Whitley said that, if Ocean Dunes decides to plant sea oats, he thinks the people who live there will volunteer to help plant them.

Inspector Batson said he hears that purchasing sea oats right now is difficult since Oak Island and Holden Beach are planting a lot of them because of the damage from Hurricane Matthew.

FO Copenhaver reminded everyone that there is no money in the current budget for sea oats, if anyone is looking to purchase sea oats before the next fiscal year.

Discussion ensued about a house bill regarding Impact Fees that stems from the NC Supreme Court ruling that only counties can charge for them.

FO Copenhaver said Attorney Eldridge is helping the town research this. He said the town's impact fees may not be a problem because of the way they are described in the ordinances.



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Mayor Swearing said she talked with Rick Catlin about The Riggings condos. She said he sees no reason why they can't do beach nourishment there, even though the Army Corps of Engineers (USACE) study said it shouldn't be done. He told her there is plenty of room for beach nourishment there and it won't affect the cochina rock. He said he would like to meet with the HOA reps and an engineer from USACE to show how and why they can do it. She added that someone from a town above Nags Head gave a good presentation on the work being done by different towns to raise their own funds for beach nourishment.

MPT Bloszinsky said it's not a matter of protecting the cochina rock, it's that the sand isn't very deep there and it won't stay on the rock; it will wash away.

Inspector Batson said that the town's project expires in 2047 and adding more square footage of sand would nullify the current contract. He added that it's also state law that cochina rock can't be covered with sand.

Inspector Batson proceeded to review his department's revenues, stating revenues from stormwater taps and permit fees will decrease as the town moves from development to redevelopment. He said permit fees are about \$8K-\$12K for new builds compared to permit fees of about \$2K for rebuilds, no matter how big the rebuild size. He said the finance officer and Attorney Eldridge are working on the legality of the fees and then it's crucial that council revisit them.

Director Beeker said that the influx of people living in or renting these huge homes is affecting the budget of every one of the town's departments.

The mayor called for a lunch break at 12:15 p.m.
The meeting resumed at 1:00 p.m.

5. Administration & Recreation

• GOVERNING BODY

Deputy Clerk Hewitt presented her budget, noting the following changes:

Increases in dues/subscriptions, contributions and governmental relations. Decrease in travel & training. Overall, the proposed budget is over by 3.7 percent. She said governmental relations includes funds for one special mailing to residents and funds for council to place "appreciation" notices in the newspaper to recognize town volunteers. She said the budget also depends on how much council decides to approve for Outside Agency Funding.

• EMERGENCY MANAGEMENT

No change

• ELECTIONS

Deputy Clerk Hewitt said the town received a quote from the county's Election Board for almost \$3K to pay for the election in November.



TOWN COUNCIL MINUTES

FY17-18 BUDGET WORKSESSION #1

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Outside Agency Funding Requests

Mayor Swearingen asked why the annual Christmas Show wasn't included in the agency requests.

FO Copenhaver explained that the town can only give money to tax exempt organizations, so the show is budgeted under the Parks and Recreation budget. He explained that the \$1,500 difference in funding requests is from the historic society asking for \$3K, compared to the \$1.5K council approved in the current budget.

MPT Bloszinsky said council should approve the same or less than the amount they approved for the current budget.

Commissioner Dugan said he would like to at least give to the organizations that help people who can't help themselves.

Commissioner Whitley said he doesn't have a problem matching the draft budget with what council approved for this year.

Mayor Swearingen said she won't cut the Island of Lights off the list, but she expects them to help pay for at least \$1,200-\$1,500 worth of Christmas light displays for the town, and she agreed that council should only approve what they approved for this year.

MOTION – Commissioner Whitley moved to approve funding for Outside Agencies as follows: PI Chamber of Commerce \$8,800, Katie B Hines Senior Center \$2K, Federal Point Historic Preservation Society \$1,500, Federal Point Help Center \$1,500, Island of Lights \$1,200 and Friends of Fort Fisher \$1,500: for a total of \$16,500.

SECOND – Commissioner Dugan

VOTE – Unanimous

Council Pay

Town Clerk Avery said there is no increase in council pay in the proposed budget. She gave council a comparison of council salaries from similar-sized beach towns and asked them to decide what they wanted to do. She pointed out that they are making significantly less than the other town councils.

FO Copenhaver advised council that their salaries can't be changed with a budget amendment once the budget has been adopted, so they need to decide now what they want to do.

Comments made were, as follow:

- Members don't do this job for the compensation; leave it the same (Bloszinsky)



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- Pay doesn't make any difference, but the time and effort spent on the job is over what the members are making. Wages should be equal to what's going on in the industry. (Dugan)
- Council pay is fine where it is; some months are busier than others. Council is getting ready to spend a large sum on the facilities expansion project and doesn't need to also increase their pay. (Whitley)
- She will not be here next year, but she has spent more money performing her mayoral duties than she has received in pay. She is embarrassed to say how much her salary is, and everyone's salary should be doubled. (Swearingen)
- Council should address the need for a town manager as things have gotten far too complicated for the town to not have one. (Swearingen)

Discussion ensued on additional ways to compensate council, besides pay.

CONSENSUS – Council asked that consideration of increasing council pay be moved to the next budget workshop so that Commissioner Heglar can give his input.

- **PARKS AND RECREATION**

Recreation Manager Keely said Parks and Recreation's overall budget is the same as the current budget. She said she had an increase in part-time pay & taxes and decreases in activity expenses, supplies, Street Festival expenses and minor equipment. She said there are no bus trips planned, and most of her supplies and equipment have already been purchased.

- **COMMUNITY CENTER**

Recreation Manager Keely said the Community Center's overall budget amount is the same as the current budget.

Mr. Mesimer from Public Works said the Community Center and the Public Works buildings are getting their exteriors painted this year.

Town Clerk Avery said some of the center's roof shingles had to be replaced this year, and it has been determined that the entire roof needs to be replaced in the upcoming year.

Ms. Keely said this year's rental revenue for the center and the Ocean Front Park has increased by 25 percent, compared to last fiscal year, and she expects the trend to continue.

- **ADMINISTRATION**

Personnel and Facilities Manager Sanders presented her budget, noting the following changes: Significant increases in telephone costs and computer services. Significant decreases in travel and training, codification costs and minor equipment. Overall, the proposed budget is only 2.7 percent over. She said the town has contracted with Spirit Communications to deliver fiber optic



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internet since Charter's cable service has been unreliable. She said computer service costs increased because VC3 will be maintaining the systems 24/7, providing cloud coverage and monitoring. She said the minor equipment is for wiring the new offices after the expansion project.

Town Clerk Avery said minor equipment it also includes replacing any computers that fail with cloud-based equipment consisting of a screen and keyboard; no terminal needed.

- **LEGAL**

Town Clerk Avery said the legal budget is only increasing by \$50. She explained that this budget is for Attorneys Canoutas and Eldridge, and anything paid to Attorney Crouch is budgeted in the Project Ordinance budget.

Mayor Swearingen asked if Attorney Canoutas has mentioned to anyone about retiring this year since the legal opinions they have received over the last year have been from Attorney Eldridge and not him. She said that Attorney Canoutas isn't an employee and council should be able to discuss this in an open session.

Town Clerk Avery asked council to think about having this conversation with Attorney Canoutas before discussing it in public.

MPT Bloszinsky said the subject warrants discussion, but he would rather discuss it in closed session.

Commissioner Dugan said he would rather someone talk to Attorney Canoutas, first.

Mayor Swearingen asked Town Clerk Avery to talk to Commissioner Heglar about this and suggested holding a closed session with council only, at the April council meeting, and then deciding if Attorney Canoutas should be invited into the meeting.

CONSENSUS – Council will hold a closed session at their April meeting to discuss this personnel matter without Attorney Canoutas present, and decide whether or not to bring him into the session for further discussion.

Mayor Swearingen asked Town Clerk Avery to check with other towns that have contracted attorneys to find out if they pay for their attorneys to attend the Municipal Attorney Conferences, or if their attorneys attend at their own, personal expense.

6. Finance, Committee, Debt Service, Contingency, Tax Collection
FO Copenhaver presented his budget, noting the following changes:



TOWN COUNCIL MINUTES

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- **FINANCE (GF & W/S)**

FO Copenhaver said he took out the parking lot lease expense since council is still undecided if they will lease it again. He said there were increases in personnel related costs and auditor/actuary fees, so his budget went over by .7 percent. He said the finance budget went over by 4.5 percent for the Water/Sewer Fund due to personnel-related costs.

- **COMMITTEES**

FO Copenhaver said this budget is over by 877.3 percent because it includes the paving and lighting project for E and I Avenue beach accesses, which are partially funded by grant proceeds. He said he also budgeted for town signs and appreciation certificates for Adopt-A-Beach volunteers.

- **TAX COLLECTION**

FO Copenhaver said this budget increased by 8 percent because of an increased tax base and collection rates.

- **DEBIT SERVICE**

FO Copenhaver said this budget increased by 13.9 percent because of new loans added in FY2017 for a garbage truck and other vehicles.

- **CONTINGENCY**

FO Copenhaver said he will add in an amount for this fund, as requested by Commissioner Heglar, similar to what was added to the current budget.

- **BEACH PROTECTION**

FO Copenhaver said he will add money to this fund, as requested by Commissioner Heglar; probably \$50K.

Discussion ensued about the downtown parking lot lease, whether to pursue it or not this season. Council decided to discuss this further during their April council meeting.

FO Copenhaver concluded that, overall, the draft budget shows the General Fund expenses under by less than 1 percent, the Water/Sewer Fund expenses under by 9 percent, the Storm Water Fund expenses under by 43.6 percent, no change to the Powell Bill Fund, the SERF expenses under by 83.2 percent, the Beach Protection Fund expenses under by 98.7 percent and no change to the Federal Asset Forfeiture Fund.

BUDGET REVENUE

FO Copenhaver reviewed the projected town revenues. The most significant changes are listed, as follows:

GENERAL FUND REVENUE BUDGET: an overall decrease of 1.8 percent in revenues.

- **SALES TAX:** a 6.2 percent increase since the actual growth in FY17 was greater than what was budgeted, and FY18 is estimated to be the same.
- **FRANCHISE & UTILITY TAXES:** a decrease of 5.8 percent since electricity sales tax has been lower than anticipated.



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- **ABC REVENUE:** an increase of 18.7% due to an upward trend in sales.
- **VEHICLE LICENSE TAX & RE-ENTRY DECALS:** an increase of 25 percent now that the license tax is collected as part of vehicle registration and there is a slight upward trend in re-entry decal sales.
- **COMMUNITY CENTER/PARKS & REC/STREET FEST/BLUEFISH:** a decrease of 20.4 percent due to a decrease in activity fees, market fees and bluefish sales.
- **TOWN FACILITY RENTALS:** an increase of 9.1 percent with an upward trend in facility rentals.
- **SALES TAX REFUND:** an increase of 13.7 percent, based on sales tax paid in the prior fiscal year.
- **ALL OTHER REVENUE:** an increase of 34.7 percent which includes a CAMA grant for E & I Avenue access paving. This year, there was a \$50K fund balance appropriation transferred to the Capital Project Fund.
- **OTHER FINANCING SOURCES:** a decrease of 75.9 percent in capital outlay requiring financing.

WATER/SEWER FUND REVENUE BUDGET: an overall decrease of 3.1 percent in revenues.

- **WATER & SEWER TAP FEES:** an increase of 33.3 percent in revenues based on estimated building activity.
- **INTEREST INCOME:** an increase of 45.6 percent in revenues due to changes to investment allocation.
- **TRANSFER FROM SERF:** a decrease of 100 percent in revenues because FY17 included a transfer from SERF for the sewer bypass project.
- **OTHER FINANCING SOURCES:** an increase of 41.5 percent in revenues from loans for half of a mini-evacuator and the sewer rehab project.

STORM WATER REVENUE BUDGET: an overall decrease of 43.6 percent in revenues.

- **INTEREST INCOME:** an increase of 45.8 percent in revenues due to changes in investment allocation.
- **HURRICANE REIMBURSEMENT:** an overall decrease of 100 percent in revenues because of this year's revenue from a significant FEMA reimbursement for storm water outfall repairs from Hurricane Matthew damage.
- **OTHER FINANCING:** an overall decrease of 44 percent in revenues because of a loan for half of a mini-evacuator.
- **APPROPRIATE FUND BALANCE:** an overall decrease of 50.5 percent in revenues due to fund balance appropriations for the remaining projects in the Kure Beach Village area.

FO Copenhaver concluded that, at the beginning of the meeting, council was looking at an overall shortage of \$37K in the projected General Fund, but they are now looking at a shortage of \$140K, because of the request to add funds to the Contingency and Beach Protection Funds.



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REVALUATION UPDATE

FO Copenhaver said the county's tax department shows an estimated valuation increase of \$48 million for the town and, based on the new values, the revenue neutral tax rate would be .2737 cents which is .0113 less than the town's current tax rate. He pointed out that the town had the least percent of change, compared to the county's other towns and its fire district.

SUGGESTIONS TO REDUCE BUDGET SHORTFALL

1) FO Copenhaver said that he thinks the county may decide to go revenue neutral because of the numbers from the tax department. He proposed that council not reduce the town's current tax rate to the revenue neutral rate in order to create a 4.1 percent increase, or an estimated \$98K, in tax revenues. He said this would take care of a good portion of the budget shortfall.

2) FO Copenhaver proposed scenarios to increase the rates for residential garbage pickup, and/or commercial garbage pickup, and/or trash pickup by 25 or 50 percent. He showed the calculated revenue for each scenario. He noted that Carolina Beach's trash pickup fees start at \$30 compared to the town's \$10 base fee.

Council liked the idea of only raising the fees for trash pickup because it is an optional service. The following suggestions were made by council members:

- Leave the garbage fees the same, increase the trash pickup fee by 25 percent and keep the tax rate the same. (Swearingen)
- Leave the garbage fees the same, increase the trash pickup fee to whatever is best and keep the tax rate the same. (Dugan)
- Leave the garbage fees the same, increase the trash pickup fee by 50 percent and keep the tax rate the same. (Bloszinsky)
- Leave the garbage fees the same, increase the trash pickup fee by 50 percent and keep the tax rate the same. (Whitley)

FO Copenhaver said the budget will still be about \$32K short, even if council raises the trash collection fee by 50 percent and keeps the tax rate as-is.

MPT Bloszinsky suggested subtracting the \$32K from the total amount that FO Copenhaver was going to transfer to the Contingency and Beach Protection Funds. He also suggested council could increase the Community Center rental rate from \$100/hour to \$125/hour.

Inspector Batson asked why council doesn't charge commercial garbage rates to the homes that are paying ROT, especially since council now has a list of those properties.

FO Copenhaver said it would make a huge difference in the budget, but he will ask Attorney Eldridge if it's legal. He added that he doesn't want his department to have to track those properties and keep flipping the status back to residential when the properties aren't renting out.



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Town Clerk Avery suggested charging the commercial rate to anyone that has five or more garbage carts, rather than basing it on short-term rental properties.

Inspector Batson said to charge the commercial rate to those who have more than two carts.

CONSENSUS – Council directed the finance officer to increase the trash pickup fees by 50 percent, leave the tax rate as-is, and adjust transfers to the Contingency and Beach Protection Funds to nullify the remaining shortage. They also instructed him to research the feasibility of charging commercial garbage rates to ROT properties or homes with more than two carts.

3) FO Copenhaver reminded council that the Storm Water Fund reserves have been significantly depleted and suggested that council build the fund back up by either increasing the Storm Water Fee by 14.8 percent to bring in an additional \$33,200 in revenues, or increasing it by 37.8 percent to bring in an additional \$85,200 in revenues. He said the last time these fees were increased was FY2012.

Mr. Mesimer said storm water issues in areas for which the town is responsible have been fixed, and the only issues left are on private properties that have issues with standing water at the south end of town.

FO Copenhaver said that, even though the town will be getting 75 percent reimbursement from FEMA for Hurricane Matthew damage, the other \$45K must be paid from town funds.

Questions were raised on how the storm water fees were originally calculated and what they were based on. Mayor Swearingen asked the finance office to find out, as the fee may need to be calculated more logically.

APRIL COUNCIL MEETING DATE

Deputy Clerk Hewitt reminded council that Commissioner Heglar wanted them to consider rescheduling their April council meeting since he will be unable to attend it on the 18th.

Council wasn't able to come up with a good, alternate date, so they decided to not reschedule the meeting.

FO Copenhaver mentioned to council that, during their annual retreat, Mayor Swearingen requested they wait until the budget workshop to set their annual goals.

Mayor Swearingen agreed to forego planning their goals at this time.

ADJOURNMENT

MOTION – Commissioner Dugan moved to adjourn.



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SECOND – Commissioner Whitley
VOTE – Unanimous

The meeting adjourned at 3:45 p.m.

Emilie Swearingen, Mayor

ATTEST: Nancy Hewitt, CMC, NCCMC
Deputy Town Clerk

NOTE: These are action minutes reflecting items considered and actions taken by Council. These minutes are not a transcript of the meeting.

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TOWN COUNCIL MINUTES

REGULAR MEETING

April 18, 2017

The Kure Beach Town Council held their regular meeting on Tuesday, April 18, 2017 at 6:30 p.m. The town attorney was present and there was a quorum of council members.

COUNCIL MEMBERS PRESENT

Mayor Emilie Swearingen
Mayor Pro Tem (MPT) Craig Bloszinsky
Commissioner Joseph Whitley
Commissioner Jim Dugan

COUNCIL MEMBERS ABSENT

Commissioner David Heglar

STAFF PRESENT

Building Inspector – John Batson
Finance Officer – Arlen Copenhaver
Town Clerk – Nancy Avery
Deputy Clerk – Nancy Hewitt

CALL TO ORDER

Mayor Swearingen called the meeting to order at 6:30 p.m., and MPT Bloszinsky delivered the opening invocation and led everyone in the Pledge of Allegiance.

VOTE TO EXCUSE COMMISSIONER HEGLAR FROM MEETING

MOTION – Commissioner Dugan moved to excuse Commissioner Heglar from the meeting.

SECOND – Commissioner Whitley

VOTE – Unanimous

APPROVAL OF CONSENT AGENDA ITEMS

1. Approve Budget Amendment 17-06 to increase the Storm Water Fund budget by \$175,206 for replacement of Hurricane Matthew-damaged storm water outfalls and record the estimated FEMA reimbursement.
2. Approve Budget Amendment 17-07 to increase the budget for transfer from the Water/Sewer Fund (\$30,731) and SERF (\$150,000) to the Kure Beach Pump Station #1 Capital Project Fund.
3. Building Inspections Report – March 2017
4. Fire Department Report – March 2017
5. YTD Finance Report Meeting
6. Minutes:
 - March 10, 2017 Public Hearing
 - March 15, 2017 Special Meeting
 - March 21, 2017 Regular Meeting
 - March 21, 2017 Closed Session (sealed)



TOWN COUNCIL MINUTES

REGULAR MEETING

April 18, 2017

MOTION – Commissioner Dugan moved to approve the Consent Agenda Items, as presented.

SECOND – MPT Bloszinsky

VOTE – Unanimous

Said budget amendments are herein incorporated as part of these minutes.

ADOPTION OF THE AGENDA

Mayor Swearingen asked that Second Annual Law Enforcement Appreciation Event be added as Item 2 under Old Business, and that Adoption of Resolution to Oppose Repeal of Ban on Plastic Bags be added as Item 2 under New Business.

MOTION – MPT Bloszinsky moved to adopt the meeting agenda, as amended by Mayor Swearingen.

SECOND – Commissioner Whitley

VOTE – Unanimous

DISCUSSION AND CONSIDERATION OF PERSONS TO ADDRESS COUNCIL

PROPOSED KURE BEACH DEVELOPMENT LINE

Inspector Batson reviewed information pertaining to the proposed Kure Beach Development Line. He said CAMA staff realized in their final review that a portion of the development line on the map was removed during editing, but the map wasn't able to be fixed quickly enough to be presented at the upcoming Coastal Resources Commission (CRC) meeting. He said he will come back to council with a revised map and, if approved, he will present the map at the June meeting of the CRC in Atlantic Beach.

Mayor Swearingen said she talked with a woman who was worried about how the line would affect Ocean Dunes.

Inspector Batson said he had a lengthy conversation with her this morning, and she asked him if she needed to be at the meeting. He said he told her that was completely up to her.

Bill Moore, Ocean Dunes resident, said he extended the same invitation to the board of Ocean Dunes.

DISCUSSION AND CONSIDERATION OF PERSONS TO ADDRESS COUNCIL

1. Debbie Leonard, 226 S. 4th Ave. – Irrigation Meter and Parking on I Avenue

Ms. Leonard said she likes to keep her property looking nice, so she irrigates her lawn which pushes her water bill to over \$600 per month. She was told by a friend from Carolina Beach (CB) to get an irrigation meter installed so that she only has to pay for the water she uses. She found that Kure Beach charges \$4,500 for an irrigation meter, as opposed to CB's \$705 fee. She asked council to consider lowering the cost of the meter.



TOWN COUNCIL MINUTES

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Inspector Batson said he has heard complaints about the cost of an irrigation meter from other property owners, and this came to council several years ago but nothing ever changed.

FO Copenhaver said the town has been charging that amount for about 10 years.

MPT Bloszinsky asked to table this matter until it can be discussed with Director Beeker and Commissioner Heglar.

Ms. Leonard also talked about public parking on I Avenue, near her home, and asked council if they could have the area patrolled. She added that there are some days when she can't even get out of her own driveway because of all the cars. She asked why the town doesn't install parking meters.

Mayor Swearingen said there aren't enough parking spaces in town for paid parking to pay for itself. She explained the cost of equipment and maintenance, stating the town may actually lose money on paid parking, in the long run. She said other avenues are being examined, and council will review the results of a recent town survey to see if there is still interest in paid parking.

2. Janet Carrol 302 S. 4th Ave. – Privacy Fences

Ms. Carrol said that privacy fences on Kure Beach properties can't be any taller than four feet, and she would like council to consider allowing them to be taller.

Inspector Batson said that the Planning and Zoning Commission is going to propose that the town allow 6-foot privacy fencing to be installed in the rear of properties.

DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

1. Planning & Zoning Commission (P&Z)

- a. Request to adopt Exotic Animals and Livestock Ordinances: Definitions and Section 4.20-4.29 of Town Code

Chairman Ellen said P&Z has spent the last few months discussing this proposed ordinance.

Commissioner Dugan said that one section of the ordinance states that no one can keep an exotic animal in the town, then another part of the ordinance seems to say people with exotic animals can apply for a permit.

Chairman Ellen explained that P&Z put a grace period in the ordinance so people who have exotic animals won't be breaking the law if council adopts the ordinance. He said that an exotic animal would have to be removed from town within the 30-day period.

Mayor Swearingen said there are pocket pets, birds, reptiles, fish, amphibians, primates, kangaroos, pot-belly pigs, rabbits, ferrets, hamsters, guinea pigs, insects, spiders, crabs, etc. She



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said it's usually common to categorize them as exotic pets since they're not as common as dogs and cats, and not all small animal veterinarians are willing or able to care for them. She asked if P&Z considered the enormous amount, and variations, of animals.

Chairman Ellen said there are many variations of what is and what isn't considered an exotic animal, which is why the definition lists specific examples as well as the criteria of an exotic.

Mayor Swearingen said the ordinance needs to state who the "Town Inspector" would be to enforce the ordinance.

MPT Bloszinsky said he is concerned with how the ordinance would be enforced, too. He said, if we need a definitive list of exotic animals, we can make it and give it to the person responsible for enforcing the ordinance.

Michelle Collins, 822 Cutter Court

Ms. Collins stated that she owns two capuchin monkeys and she and her husband, Chris, picked Kure Beach to live in because there are no laws in town or with the NC Wildlife Management against them. She said no one has complained about the monkeys, and they live next to the mayor. She listed the safety measures they follow and asked council to table the ordinance for the next 60 days to give P&Z members time to educate themselves further. She asked P&Z to exempt capuchin monkeys, as well as other small monkeys, or include them in the livestock ordinance for indoor caging.

Dennis Panicali, 217 Marquesa Way

Mr. Panicali asked council if they were going beyond what was necessary in trying to legislate what people can keep in the privacy of their own homes. He said he understands the need for a livestock ordinance because they are kept outside and affect neighborhoods. He said people are allowed to have dangerous weapons in their homes without government interference.

MPT Bloszinsky said a weapon doesn't have a mind of its own, whereas animals have instincts of their own and can't necessarily be controlled.

Chris Collins read a portion of *Pet Primates in North Carolina*, written by the NC Primate Owners United. He said that they lived in Florida where there was a whole department dedicated to maintaining laws regarding exotic animals. He said their laws are extensive and fair, and he would be happy to provide that information to P&Z.

Mayor Swearingen asked Mr. Collins to provide P&Z with the information and asked P&Z to work on the ordinance more, using the information they receive.



TOWN COUNCIL MINUTES

REGULAR MEETING

April 18, 2017

Commissioner Whitley told everyone the date and time of the next P&Z meeting and invited them to attend.

b. Fence Heights

Chairman Ellen said that he plans to present P&Z's recommendation at the May council meeting to amend the fence ordinance. He said P&Z is going to recommend that 6-foot tall fencing be allowed in the back of the property.

2. Shoreline Access and Beach Protection Committee

Chairman Panicali said his committee is still working on signage recommendations to present to council.

DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

1. Administration and Recreation

a. FEMA Meetings

Town Clerk Avery gave an update on the FEMA Resilient Redevelopment Plan meetings she has been attending, regarding rebuilding counties and towns after Hurricane Matthew. She said there was little to no damage to the county's housing, but there was infrastructure and environmental damage. She said she submitted a list of needs from Kure Beach, including the remaining \$30K+ for replacing the town's storm water outfalls and the Dow intake structures. She said the plan will be submitted on May 1st to NC Emergency Management.

b. DOT

Town Clerk Avery said that the DOT plans to pave the parking and road area that surrounds the Fort Fisher Historic Site's monument.

c. Project Manager for Facilities Expansion

Town Clerk Avery gave each council member a memo regarding the project manager for the expansion of town facilities.

Mayor Swearingen said that she, Commissioner Dugan and the town clerk have been working with Attorney Lee Crouch on the contract from Oakley Collier Architects. She reviewed their concerns and said that Attorney Crouch feels strongly that a third-party project manager should be hired to perform duties that the architects aren't interested in doing. She said they talked about doing an RFQ for a manager, interviewing candidates and getting their cost estimates in order to decide if it's something the town can afford. She said, if the third-party candidates are too expensive, maybe the architects can perform these duties at an additional cost.

CONSENSUS – Council directed the Town Clerk to draft an RFQ for a Project Manager to oversee the town facilities expansion project. Council is to review the draft and provide feedback to the clerk on any changes they want to make to the RFQ before it is made public



TOWN COUNCIL MINUTES

REGULAR MEETING

April 18, 2017

DISCUSSION AND CONSIDERATION OF OLD BUSINESS

1. Town Participation in Special Olympics Torch Run and Donation

Mayor Swearingen said the town needs at least one person from the Police Department to take part in the run, but she will check to see if the Fire Department can participate. She also asked if council would approve making a donation to the event.

FO Copenhagen asked Attorney Canoutas if this would meet the public purpose requirement for use of town funds, to which Attorney Canoutas said it wouldn't. With that information, no action was taken by council.

2. Second Annual Law Enforcement Appreciation Event

Mayor Swearingen said that this event is taking place on Saturday, September 16th, with the town's police department being recognized this year. She said Chief Bowden will be there and his department will select one of its own to be recognized during the event. She asked council members to consider attending the event, as she plans to go.

Commissioner Dugan said he will be going, too.

DISCUSSION AND CONSIDERATION OF NEW BUSINESS

1. Downtown Parking Lot Rental for 2017 Season

MPT Bloszinsky said that council has worked over the last three seasons with the owner of the empty lot next to the Islander Kwik Mart to lease it for public parking at a total of \$7,500/season, with the town contributing \$2,599 and local business owners paying the rest. He said the business owners paid their share in 2014 and 2015, but not all business owners participated last year, so the lot owner took less money. He said, if council doesn't want to support leasing the lot again this year, he will tell the lot owner to do whatever he wants with his property.

Commissioner Dugan said he doesn't like to use tax dollars for visitors to park for free, but he's willing to see if the business owners will support the effort for one more season. He said the leased public parking lot benefits the businesses more than the residents.

Mayor Swearingen said there have been problems with bad behavior in the lot over the years and asked if the business owners could pay the entire amount themselves. She also suggested the lot owner could hire someone, himself, to collect a parking fee, but the town could continue to provide trash pickup, upkeep and law enforcement.

MOTION – MPT Bloszinsky moved to pursue the opportunity to lease the downtown parking lot again this year, with the town's portion of the lease set at \$2,599; the stipulation being that council reserves the right to cancel the contract and have the money returned to the town if the downtown business owners don't support the remainder of the funds needed to lease the lot.



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REGULAR MEETING

April 18, 2017

SECOND – Commissioner Whitley

VOTE – Unanimous

2. Adoption of Resolution to Oppose Repeal of the Ban on Plastic Bags

Mayor Swearingen said that the Dare County Board of Commissioners has asked other municipalities to support their effort to prevent legislation that would repeal their ban on plastic bags, which they have had in place for eight years.

MPT Bloszinsky said it's quite evident that the municipalities in Dare County know what is better for them than the state legislature.

Commissioner Dugan said that, even if he wasn't in favor of the resolution, he would vote for it because this is just another example of the big guys in Raleigh stepping on the communities.

MOTION – MPT Bloszinsky moved to adopt Resolution R17-07, opposing the repeal of the ban on plastic bags.

SECOND – Commissioner Whitley

VOTE – Unanimous

Said resolution is herein incorporated as part of these minutes.

Mayor Swearingen asked the deputy clerk to send a copy of the resolution to the legislators whose names are on the bills, our legislative delegation and Dare County's town manager.

CLOSED SESSION

MPT Bloszinsky asked that the closed session be moved to council's May meeting so that all of the commissioners can be present at the meeting.

ADJOURNMENT

MOTION – Mayor Swearingen moved to adjourn.

SECOND – Commissioner Dugan

VOTE – Unanimous

The meeting adjourned at 8:14 p.m.

Emilie Swearingen, Mayor

ATTEST: Nancy Hewitt, CMC, NCCMC
Deputy Clerk

NOTE: These are action minutes reflecting items considered and actions taken by Council. These minutes are not a transcript of the meeting.



TOWN COUNCIL MINUTES

FY17-18 BUDGET WORKSESSION #2

April 21, 2017

The Kure Beach Town Council held a budget work session for Fiscal Year (FY)17-18 at the Community Center on Friday, April 21, 2017. The town attorney was present and there was a quorum of council members.

COUNCIL MEMBERS PRESENT

Mayor Emilie Swearingen
Mayor Pro Tem (MPT) Craig Bloszinsky
Commissioner Joseph Whitley
Commissioner Jim Dugan

COUNCIL MEMBERS ABSENT

Commissioner David Heglar

STAFF PRESENT

Finance & Budget Officer (FO) – Arlen Copenhaver
Town Clerk – Nancy Avery
Building Inspector – John Batson
Police Chief – Mike Bowden
Public Works Director – Sonny Beeker
Recreation Manager – Nikki Keely
Personnel and Facilities Manager – Mandy Sanders
Deputy Town Clerk – Nancy Hewitt

CALL TO ORDER

Mayor Swearingen called the meeting to order at 9:06 a.m.

PRESENTATION OF REVISED DRAFT OF FY17-18 BUDGET

FO Copenhaver reviewed the changes and additions that council made to the assumptions he presented during the previous budget worksession.

- Maintain tax rate at current amount of \$0.285, rather than estimated revenue neutral tax rate of \$0.2737 (changed)
- Increase trash pickup fees by 50 percent (added)
- General Fund Contingency comparable to FY2017 (changed)
- Transfer to Beach Protection Fund comparable to FY 2017 (changed)

FO Copenhaver reviewed the changes that were made to the first draft of the budget, which decreased the budget shortage from \$36,865 to a balanced budget.

- On the expense side, council increased Transfer to Beach Protection by \$50K, increased the Contingency by \$52K, and lowered the historic society's funding by \$1.5K.
- On the revenue side, keeping the tax rate the same increased revenue by \$98K, changing trash pickup fees increased revenue by \$11K, revising the Community Center rental fee increased revenue by \$2K and revising OFP rental fee increased revenue by \$1K (the last two changes were made based on current rental trends).



TOWN COUNCIL MINUTES

FY17-18 BUDGET WORKSESSION #2

April 21, 2017

- Council instructed the finance officer to split any remaining shortage between the Contingency Fund (reduced to \$38,885) and the Transfer to Beach Protection Fund (reduced to \$37,750).

MPT Bloszinsky said he was pleased that provision was made for the contingency and beach protection funds, and he commended FO Copenhaver for doing a great job balancing the budget. He asked what the total amount of payroll is for everyone who works for the town.

FO Copenhaver replied that total payroll is about \$2 million, and benefits are another 20-25 percent on top of that.

MPT Bloszinsky asked where the money will come from if the town ends up owing Carolina Beach (CB) more than anticipated for water and sewer.

FO Copenhaver said it will come from the Fund Balance, if there's not enough money in the water/sewer fund. He said there's a meeting with the KB/CB Water and Sewer Authority in a couple weeks and the information he has received from CB, so far, shows the town may owe them an additional \$26K.

Police Department (PD) Radios

FO Copenhaver said Chief Bowden decided against buying new radios for now. He said the county has no plans to convert to the new system. He said, if the Fire Department (FD) gets their \$160K grant for radios, the town should go ahead with getting the FD radios since the town's share of the "match" will be fairly low. He said, if they get it after the budget is approved, then council can do a budget amendment.

Commissioner Dugan said it may be five years before the PD needs new radios.

Garbage Fees

FO Copenhaver showed what the revenue would be if residential and/or commercial garbage fees are increased. He said that similar NC beach town fees range from \$8.71 to \$22.50 per cart, compared to the town's \$6.00 per-cart fee. He said that the town's ordinance states that short term rental (ROT) properties should be charged the same fees as commercial, but that would mean they would have to be provided commercial service.

Director Beeker said commercial garbage pickup is five days a week and having to do this for all of the ROT properties would create such a burden on his department that he would need to contract with a garbage collection company.



TOWN COUNCIL MINUTES

FY17-18 BUDGET WORKSESSION #2

April 21, 2017

MPT Bloszinsky said there are about 300 ROT properties, to which Town Clerk Avery added that would mean all of their garbage carts would be out on the curb constantly, including weekends, if they are charged and treated like commercial properties.

FO Copenhaver said council could create a higher fee, like \$18 per cart for every cart over one. He said this is more comparable to what other towns charge and would yield an extra \$35,568 in revenue for the town.

Director Beeker said that the free annual trash pickup is getting worse each year. He said he had to hire a contractor to come in this year to haul the enormous amount of trash away because his department can't keep up with it. He said they start picking up trash on Monday morning and there's still trash to pick up by Friday, this all during a time period when his crew needs to be doing other things.

MPT Bloszinsky said charging more for anything over one cart for residences would be better than charging ROT homes the commercial rate and burdening Public Works with picking up their garbage five days a week.

Discussion ensued about garbage and trash pickup costing the town more than what the town collects in garbage fees, with MPT Bloszinsky stating this needs to be explained to the residents so they understand why council is thinking of increasing the fees. He also said whether or not to raise the garbage fees should be discussed in a council meeting.

Mayor Swearingen said if everyone agrees they don't want any kind of increase, then there's no need to talk about it in a council meeting. She asked for council's opinion on increasing the per-cart fee.

MPT Bloszinsky said council may not need to do anything this year, but he supports increasing the garbage fee for ROT properties next year, since those property owners probably increase their rental rates each year. He said the rest of the town shouldn't be subsidizing their garbage pickup.

Mayor Swearingen said his idea should be researched over the next few months and the results made ready for next year's budget worksession. She said she supports increasing the per-cart rate to either \$9 or \$12 per cart.

MPT Bloszinsky said if the residents are shown at the May council meeting why their rates may increase for garbage, it might be better than approving it now.

FO Copenhaver said that the draft budget is usually presented at the May council meeting for council, at which point they schedule a public hearing and publish the budget message.



TOWN COUNCIL MINUTES

FY17-18 BUDGET WORKSESSION #2

April 21, 2017

Commissioner Whitley asked council if they wanted to talk to Commissioner Heglar about it.

Mayor Swearingen said that the only way council is going to know to do it or not is to vote on it; and if we vote it down, we vote it down.

FO Copenhaver reminded council that just because they vote to do something now doesn't mean they can't change it again later.

MOTION – Mayor Swearingen moved to increase the cost per cart to \$12 for residential properties that have more than one cart, as part of the proposed budget.

SECOND – Commissioner Dugan

VOTE – PASSED four to one, as follows: Mayor Swearingen and Commissioners Heglar, Whitley and Dugan FOR, and MPT Bloszinsky AGAINST.

Council noted that they forgot to excuse Commissioner Heglar at the beginning of the meeting, so that counts as a “yes” vote from him.

Comment was made that people might get rid of their extra carts and leave bagged garbage next to their one cart. It was suggested that Public Works only dispose of garbage in the cart and leave the rest for the resident to clean up or for code enforcement to address.

Downtown Parking Lot Lease

MPT Bloszinsky said he thinks Mike Robertson and Sam Katib are going to go to paid parking for their lots. He said he talked to Mike who said that he and Sam had talked about this. He told the finance officer to take the item off of the proposed budget until he gets a definite answer next week.

Storm Water (SW) Fund

FO Copenhaver said the SW Fund went from having \$2 million in it at the start of this fiscal year to now having about \$300K, which is enough to complete the KB Village project. He said it will take time to build the fund back up but, for now, council can finance additional funding if an emergency comes up. He showed potential revenue from SW fees at an increase of 14.8 percent and 37.8 percent. Referring to council's request at the previous worksession to find out how the SW fees were initially calculated, he said he still doesn't understand it, but there was a study done a long time ago on building size, which may have been a factor in how the fees were calculated.

The mayor commented on the SW fee inconsistencies “opportunities,” and asked the building inspector and finance officer to come up with a better way to calculate them.



TOWN COUNCIL MINUTES

FY17-18 BUDGET WORKSESSION #2

April 21, 2017

Inspector Batson said they may need to look at what the ordinance says about it, or someone will have to physically go out and get a footprint of every property in town.

Mayor Swearingen said council may want to wait until next year to make adjustments until this could be researched further.

FO Copenhagen said he didn't think they needed to wait on a decision to adjust the fee, but he wasn't sure what approach to take in setting it.

Deputy Clerk Hewitt reminded council that they may want to vote to excuse Commissioner Heglar from the meeting, if they plan to vote again.

Director Beeker suggested contacting other towns to ask how their storm water fees are calculated.

FO Copenhagen said there is a list from UNCW that compares the storm water fees of 50 towns, including Kure Beach. He said the monthly residential fees average from \$0.50 to \$10.18, with CB's rate at \$9 and Wrightsville Beach's rate at \$7. He said non-residential fees average from \$0.75 to \$117, with the highest rate coming from CB. He said the town's fees were increased six years ago which enabled the fund to grow large enough to pay for all the SW projects this year.

Director Beeker said that the mayor should refer to the SW fees as "opportunities," and not "inconsistencies." Mayor Swearingen asked the deputy clerk to change any of her references to SW fee "inconsistencies" to SW fee "opportunities" in the minutes.

MOTION – MPT Bloszinsky moved to make no change to the Storm Water fees.

SECOND – Commissioner Whitley

VOTE – Unanimous

The mayor said she still wants the "opportunities" in the storm water fees cleared up.

At 10:52 a.m., Mayor Swearingen called for a break.

The meeting resumed at 11:10 a.m.

The mayor reviewed meetings that are coming up soon to get the names of council members who want to attend them.

DISCUSSION AND CONSIDERATION OF COUNCIL PAY

Commissioner Dugan said he talked to Commissioner Heglar about council pay, and he wants to discuss it further and possibly make changes to it at the end of the calendar year.



TOWN COUNCIL MINUTES

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FO Copenhaver said council pay is one of the only things in the budget that council can't change after the budget has been adopted.

Attorney Canoutas said that the only way council can have their pay rate changed during the fiscal year is to set the amount and a date that the change is to be made during the budget planning process.

MPT Bloszinsky said he had suggested during the previous budget worksession to pay for gas and phone rather than increase council pay. He said he would rather have a gas allowance than have to submit a request for reimbursement every time he drives somewhere.

FO Copenhaver explained that gas allowance is considered compensation and has to be taxed.

Mayor Swearingen said she didn't like the policy that requires council members to get prior approval to travel to a meeting, since sometimes she doesn't know about an upcoming meeting opportunity until after council has already met.

FO Copenhaver pointed out that the travel policy to get prior approval was requested by council, not town staff, and council can choose to change that policy if they wish.

After further discussion, council asked what the total expense would be to have a \$75/month gas allowance and a \$25/month cell phone allowance for each council member.

FO Copenhaver explained that council expenses and pay are split between the General Fund and the Water/Sewer Fund. He reviewed what the total gas and cell phone allowance expense would be for each fund. He said, if this is what council wants to do, they may want to set a policy that if they travel 50 miles or less, their gas allowance will cover it; but, any more mileage than that, they can submit an expense report for gas reimbursement.

MPT Bloszinsky said he would talk to Commissioner Heglar about the gas and cell phone allowance and let the finance officer know by next week if this is something that should be put in the draft budget.

Mayor Swearingen asked for approval to travel to Hampstead on Monday night for an MPO meeting, and she will turn in her mileage for reimbursement.

MOTION – MPT Bloszinsky moved to approve Mayor Swearingen's travel, as presented.

SECOND – Commissioner Dugan

VOTE – **PASSED** four to one, as follows: Mayor Swearingen, MPT Bloszinsky and Commissioners Heglar and Dugan **FOR**, and Commissioner Whitley **AGAINST**.



TOWN COUNCIL MINUTES

FY17-18 BUDGET WORKSESSION #2

April 21, 2017

IRRIGATION METERS

FO Copenhaver reminded council that a resident came to their regular meeting on Tuesday night asking for council to lower the amount the town charges to install an irrigation meter. He said that the town charges \$4K for one, and CB charges \$655, but CB has a much different rate structure than the town's for water from an irrigation meter. He explained that the whole idea of the increased charge for irrigation meters is to promote water conservation. He said the resident uses about 30,000 gallons of water, per month, to irrigate her property.

MPT Bloszinsky said he was interested in knowing how the \$4K meter charge was decided.

Director Beeker said that it was decided years ago that for every 100 irrigation meters the town installed, a new well would have to be put in. He said it looks like that may not be true, since the town has about 400,000 gallons of water in reserve, per day; but, if council makes irrigation cheap, water usage can add up quickly. He said most people hold their irrigation usage to about 15,000-20,000 gallons per month to keep their costs down, which also helps conserve water. He said water usage has decreased since council put in the new tier for water/sewer fees this year. He said, during the drought of 2007, piping had to be extended on one of the main wells, and there was a voluntary water restriction; but, if a worse drought comes requiring mandatory water restrictions, people with irrigation meters who have put in nice gardens and grass aren't going to be happy.

FO Copenhaver said the resident at the council meeting told them she paid between \$600-\$700 on her water bill, but her highest bill was only \$429, and that included garbage and storm water fees.

CONSENSUS – Council decided to leave the town's price for an irrigation meter, as-is.

COUNCIL GOALS

Mayor Swearingen said she needed help from everyone to plan the council goals, requesting that council and staff give her one or two words describing the most important thing they do for the town. They are, as follows: Dugan – life and property safety; Bowden – safety; Copenhaver – financial stability; Bloszinsky – true cost for service and balanced budget; Avery – council and departmental support; Sanders – personnel and benefits; Batson (per Whitley) – customer service (residents & staff); Beeker – quality of services/infrastructure; Keely – events and public relations; Hewitt – accurate record keeping; Canoutas – loyalty, consideration and respect.

Mayor Swearingen asked everyone to pick from the entire list what they think the three most important things are for Kure Beach in the coming year. The most popular selections were life, property, safety, financial stability, quality of services and infrastructure.



TOWN COUNCIL MINUTES

FY17-18 BUDGET WORKSESSION #2

April 21, 2017

Mayor Swearingen divided the popular selections and asked four assigned groups to each come up with a sentence that best describes council's overall goals for the coming year.

The mayor called for a lunch break at 12:20 p.m.
The meeting resumed at 12:40 p.m.

The list of council goals submitted by each group were, as follows:

1. Work smarter and harder to maintain and improve our quality of life in Kure Beach.
2. Ensure the integrity of Town financial data, and maintain financial stability in all town funds.
3. Enable an optimum working environment for staff to produce high levels of service to the public.
4. Provide support to all departments to maintain the town's current level of safety.

Mayor Swearingen asked council if they wanted to make any changes to the goals. She instructed the department heads to ask their staff if their goals addressed these goals. She said every department should maintain these goals.

MPT Bloszinsky said he would reword the last goal to state, "Provide all departments with the support to maintain a safe working and living environment." He questioned if this was a list of goals, or if it was a list of principals that drive the goals.

Mayor Swearingen said that principals are things we have for the town, permanently.

FINALIZATION OF PROPOSED BUDGET

MPT Bloszinsky said he will give the finance officer the following information before the end of next week:

- He will get a definite answer regarding the downtown parking lot.
- He will talk to Commissioner Heglar about council compensation. He said there are four choices: increase pay, get an allowance for gas and phone, continue to submit receipts for reimbursement or make no changes.

Mayor Swearingen said that Commissioner Heglar is out of town a lot and usually only goes to the Emergency Management meetings, and she questioned if he should receive a \$1,200/year stipend.

MPT Bloszinsky said Commissioner Heglar may, at any point in time, be expected to travel to meetings, and he is willing to do so when he is home. He said he travels for anything relative to any type of safety issue.



TOWN COUNCIL MINUTES

FY17-18 BUDGET WORKSESSION #2

April 21, 2017

ADJOURNMENT

MOTION – MPT Bloszinsky moved to adjourn.

SECOND – Commissioner Whitley

VOTE – Unanimous

The meeting adjourned at 12:53 p.m.

Emilie Swearingen, Mayor

ATTEST: Nancy Hewitt, CMC, NCCMC
Deputy Town Clerk

NOTE: These are action minutes reflecting items considered and actions taken by Council. These minutes are not a transcript of the meeting.

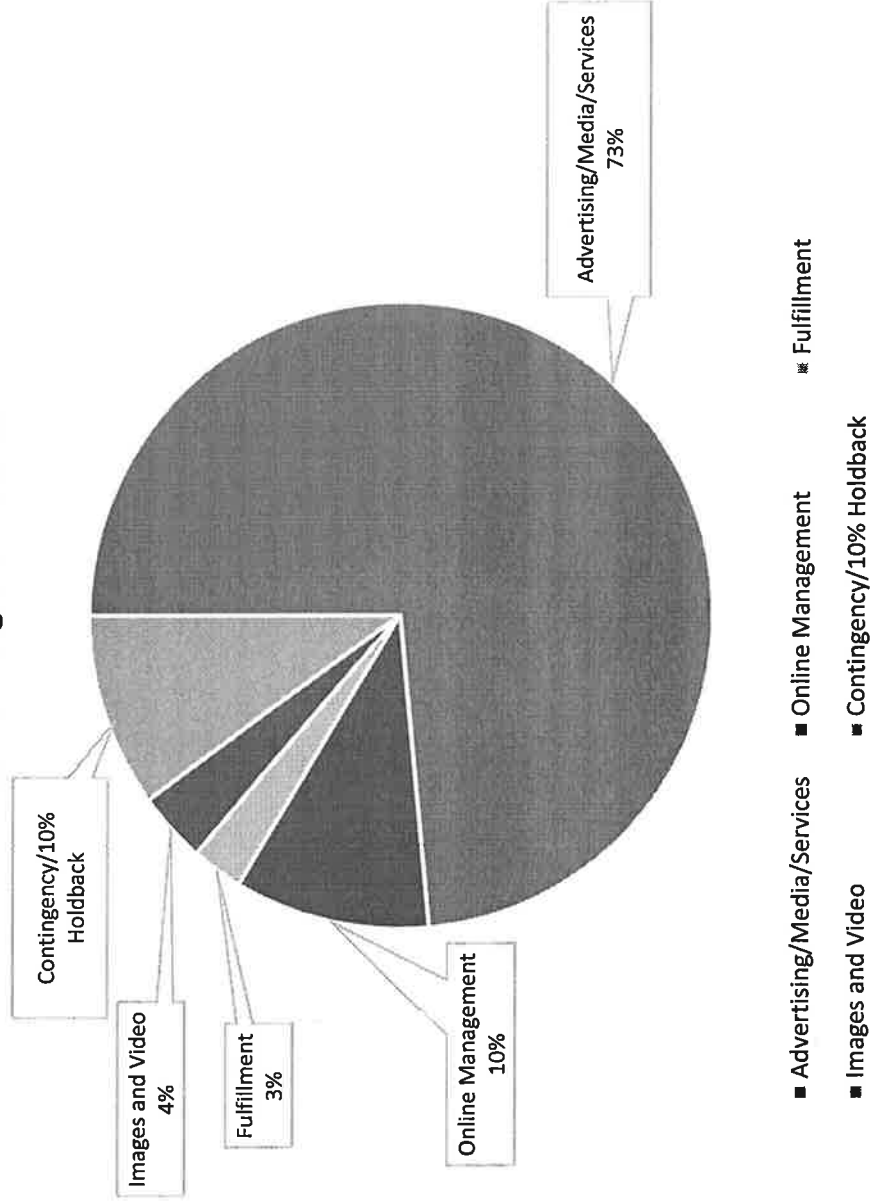
DRAFT

Kure Beach Budget Allocations FY 17-18

FY 17-18 Budget Allocations

Advertising/Media/Services	\$155,968.00
Online Management	\$21,375.00
Fulfillment	\$5,750.00
Images and Video	\$7,825.00
Contingency/10% Holdback	\$21,213.00

FY 17-18 Budget Allocations

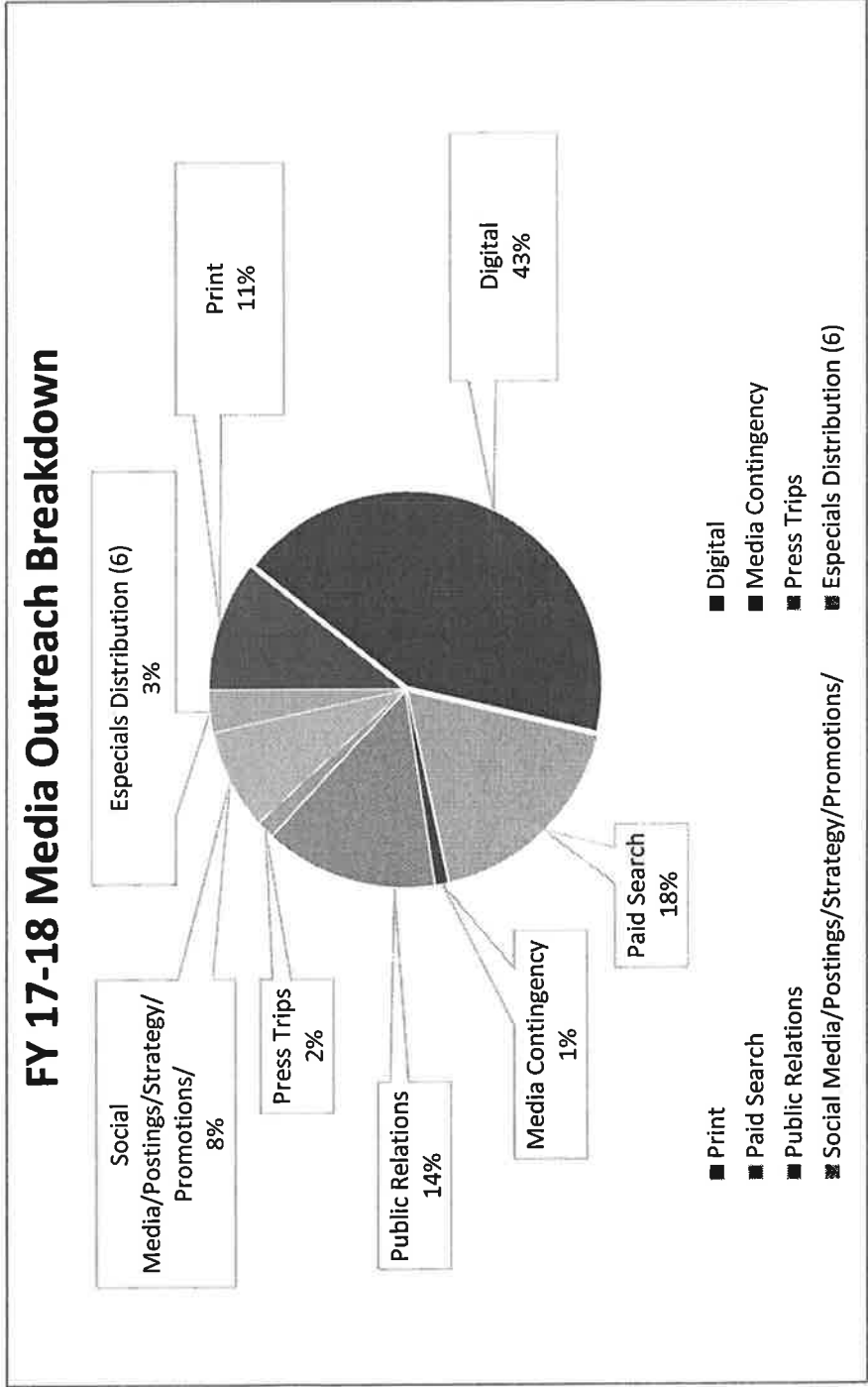


- Advertising/Media/Services
- Online Management
- Fulfillment
- Images and Video
- Contingency/10% Holdback

FY 17-18 Media Outreach Breakdown

Print	\$15,034.00
Digital	\$60,489.00
Paid Search	\$25,057.00
Media Contingency	\$1,348.00
Public Relations	\$20,000.00
Press Trips	\$2,000.00
Social Media/Postings/Strategy/Promotions/	\$11,700.00
Specials Distribution (6)	\$4,800.00

FY 17-18 Media Outreach Breakdown





MEMO

To: Members of Town Council
From: Planning & Zoning Commission
CC: Nancy Avery
Date: May 16, 2017
Re: Request for approval to add definitions to Chapter 1 and insert a new Article regulating livestock and exotic animals

1 - Approval requested for amendments to Chapter 1 *General Provisions* Sec. 1-2 *Definitions and Rules of Construction* as follows:

Sec. 1-2

- Insert definition for exotic animal
- Insert definition for livestock
- Insert definition for livestock enclosure

2 - Approval requested for addition of Chapter 4 *Animals* Article III *Livestock and Exotic Animals* as follows:

ARTICLE III Sec. 4.20 through 4.29

- See attachment

Clarified Building Inspector as permitting/code enforcement officer
&
Removed Monkey from definition of Exotic Animal.



PROPOSED NEW DEFINITIONS

That the following definitions are hereby added to Chapter 1 *General Provisions*, Sec. 1-2 *Definitions and Rules of Constructions*:

Insert new definitions in Chapter 1 General Provisions, Sec. 1-2 Definitions and Rules of Construction, as follows:

Exotic Animal. An animal that: i) is typically found in a non-domesticated state and that, because of its size, vicious propensity, toxicity, or otherwise, reasonably poses a potential danger to persons, property, or other animals; ii) is classified as a wild animal by the North Carolina Wildlife Commission; or iii) is deemed to be an endangered or protected species under any federal, state, or local statute, regulation, ordinance, policy, or program. Exotic animals shall include, without limitation, apes, bears, raccoons, wild cats, wolves, venomous reptiles, and venomous amphibians.

Livestock. Poultry (ducks, geese, turkeys, roosters), horses, mules, cows, pigs, goats, sheep, rabbits, and all other animals which are generally kept primarily for productive or useful purposes rather than as pets; provided that, however, chickens shall not constitute livestock as defined herein.

Livestock Enclosure. a space enclosed on all sides and overhead by wire, metal bars, wood, or a combination thereof, designed to hold and shelter livestock and prevent them from running free. While the specific type and design of an enclosure will vary depending on the animal species being confined and the materials used, common examples of livestock enclosures include: hutches; coops; yards; kennels; and pens. All livestock enclosures shall be designed and used in such a manner so as to prevent the occurrence of a related public nuisance, ensure the humane care and handling of livestock, and provide a favorable environment for animal growth.



PROPOSED NEW ORDINANCE

That the following ordinance is hereby added to Chapter 4 *Animals* as follows:

Insert a new, ARTICLE III in Chapter 4. Animals

ARTICLE III. LIVESTOCK AND EXOTIC ANIMALS

Sec. 4.20.-Purpose.

To establish standards for exotic animals and for the keeping of livestock within the Town's jurisdictional limits.

Sec. 4.21.-Interlocal Agreements.

Any applicable inter-local agreements made and entered into by the Town shall take precedence over the provisions contained within this section.

Sec. 4.22.- Exotic animals.

No person or entity may keep an exotic animal within the Town's jurisdictional limits.

Sec. 4.23.-Running at large.

It shall be unlawful for the owner or keeper of any livestock to permit the livestock to be or run at large within the Town's jurisdictional limits. All permitted livestock shall be kept in livestock enclosures and no livestock enclosure shall be erected or maintained within the front or side yard.

Sec. 4.24.-Permits.

- (a) Permit Required. Keeping livestock within the Town's jurisdictional limits shall be allowed in accordance with the following:
- (1) A permit obtained from the Building Inspector in conformity with the provisions of this article;
 - (2) Compliance with the provisions of any applicable federal, state or local statute, regulation, ordinance, rule, policy, program or inter-local agreement including, in particular, provisions regulating animal cruelty and the prevention and abatement of public nuisances; and

- (3) No permit shall be issued until the appropriate application has been filed with the Building Inspector.
- (b) No permit may be issued for any livestock unless the applicant shall demonstrate that the livestock will be kept on a property complying with the standards set forth in Table 4.1 and that the locations and sizes of livestock enclosures shall be depicted on a site plan to be included with the permit application; provided that, however, the Town Inspector is authorized to:
- (1) Accept, review, and issue permits for livestock animal types not enumerated in Table 4.1 which could be reasonably kept within the Town's jurisdictional limits; and
 - (2) In the event such a permit is issued, set forth therein the maximum number of and the minimal enclosure size for the permitted livestock.
- (c) Waste generated from the keeping of livestock (manure, etc.) must be properly managed so as not to create a public nuisance (*e.g.* noise, odor complaints) and properly handled so as not to result in surface water or groundwater degradation. An owner or keeper of livestock must strictly comply with all federal, state, and local statutes, regulations, ordinances, and rules governing waste management, pollution prevention and abatement, and public health and safety.
- (d) Subject to the provisions of G.S. 106-701, the requirements of this section apply to exotic animals and livestock present within the Town's jurisdictional limits on the effective date of these provisions as well as livestock brought into the Town thereafter; provided that, however, owners of exotic animals or livestock within the Town on the effective date of these provisions shall not be deemed in violation of this section until thirty (30) days after the effective date and have either failed to apply for the required permit during that time or upon application, have been denied a permit and failed to remove the livestock or exotic animals within thirty (30) days after the denial.
- (e) A permit issued in accordance with this section may be revoked by the Building Inspector for any violation of this article or for any reason justifying denial of an application as set forth herein. If a permit is revoked, the applicant shall be given a written explanation of the reasons for the revocation. Upon the determination of a violation, the Building Inspector shall notify the owner or keeper of livestock or an exotic animal of the violation in writing with instructions to remedy the violation, which may include a specified time frame to bring the property or condition into compliance, or remove the livestock/exotic animals from the premises.

Sec. 4-25.-Application Denial Procedure.

- (a) The Building Inspector shall deny, within ten (10) business days after receipt of an application, any application that is incomplete or inaccurate, contains false material statements or omissions, or includes elements in violation of any standard herein. An application denied for one (1) or more of the reasons set forth herein shall be returned to the applicant, along with a written notice setting forth the reasons why the application was denied.

- (b) The Building Inspector shall process all complete and accurate livestock permit applications within ten (10) business days of the Town's receipt of the same. The Building Inspector shall provide written notice to the applicant of his/her decision provided that an application meeting the standards of this article shall be granted and a permit issued.
- (c) An application that has been denied and later resubmitted in conformity with this article shall be deemed to have been submitted on the date of resubmission and shall comply with all applicable provisions for original applications.

Sec. 4-26.-Permit Revocation.

- (a) Following a determination that a permit was issued under an application containing a false material statement or omission, the Building Inspector shall revoke said permit and the subject livestock shall be removed within thirty (30) days after the revocation. The permittee shall be notified in writing of the revocation and the notice shall state the grounds upon which the revocation is based.
- (b) The violation of any provision of this article shall be sufficient grounds upon which to revoke a permit.
- (c) Revoking a permit does not in any way preclude or limit the Town from taking any action provided by the Code or any other applicable legal authority to enforce, remedy, or abate the any underlying violation of this article.

Sec. 4-27.-Appeal of Permit Denial or Revocation.

The denial of a livestock permit application or the revocation of a livestock permit may be reviewed in accordance with the provisions for administrative hearings as set forth in Sec. 1-15(f) of Chapter 1 *General Provisions* of the Code.

Sec. 4-28.-Persons/Entities Liable.

The owner, tenant, or occupant of any structure or property, or part thereof, and/or the authorized agents or representative(s) of the same, who create(s), maintain(s), or allow(s) for the existence of any situation constituting a violation of this article may be held jointly or severally liable for the violation and be subjected to the enforcement remedies and penalties set forth herein.

Sec. 4-29.-Violations, Enforcement and Penalties.

- (a) The following, without limitation, shall constitute violations of this article:
 - (1) The keeping of livestock or exotic animals in violation of the standards set forth herein; and
 - (2) The keeping of livestock without first obtaining a permit from the Town.
- (b) Enforcement
 - (1) Violations of this article shall be enforced in accordance with the provisions of Secs. 1-14; -15 of Chapter 1 *General Provisions* of the Code.

(2) In addition, violations of this article shall be deemed to constitute a public nuisance such that the provisions of Article II of Chapter 11, *Nuisances* of the Code shall be fully applicable.

Table 4.1 Permitted Livestock.

Animal Type	Maximum Number	Minimal Enclosure Size per Animal (sq ft)
Cow	0	NA
Goat	0	NA
Horse	0	NA
Duck	4	327
Turkey	0	NA
Rabbit	6	109
Sheep	0	NA
Swine	0	NA

Ordinances adopted by Kure Beach Town Council on _____, 2017.

Emilie Swearingen, Mayor

ATTEST: _____
Nancy Hewitt, CMC, NCCMC
Deputy Clerk



MEMO

To: Members of Town Council
From: Planning & Zoning Commission
CC: Nancy Avery
Date: May 16, 2017
Re: Request for approval to amend ordinance regulating fences

Approval requested for amendments to Chapter 5 *Buildings and Building Regulations*
Article VII *Fences* as follows:

Sec. 5-141

- Amend 5-141(a), to increase maximum fence height in rear yards to six (6) feet
- Amend 5-141(b) to restrict wire fences entirely



CURRENT ORDINANCE

Chapter 5 *Buildings and Buildings Regulations* Article VII *Fences*

Sec. 5-141. - Restrictions; exemptions.

- (a) Fences shall be defined as construction of any solid barriers or fence, including wire fences containing any type of webbing or weaving which creates a solid appearance, erected and designed for the purpose of privacy or designation of property lines. Any such type of fence constructed within the jurisdiction of the town shall not exceed four (4) feet in height.
- (b) A wire fence other than defined herein which is erected or constructed shall not exceed five (5) feet in height.
- (c) This section shall apply to such barriers and fences which are constructed on or within five (5) feet of the side lines of property, or ten (10) feet of the rear of the owner's property line. It shall be unlawful for any person to erect, construct or maintain on any premises along any street of the town, any barbed wire or barbed-wire fences.
- (d) Fences further than five (5) feet of the side lines of property, or ten (10) feet of the rear of the owner's property line shall not exceed six (6) feet in height.
- (e) Exemptions. This section shall not apply to any utility company or governmental agency which must maintain fences around their utility equipment and property, which are by nature enclosed to protect the general public from safety hazards and which are classified by law as an attractive nuisance.

(Ord. of 7-20-82, § 6-97; Ord. of 3-17-87; Ord. of 10-16-07(1))

Secs. 5-142—5-155. - Reserved.



ORDINANCE WITH PROPOSED CHANGES

That Section 5-141 of Chapter 5, *Building and Building Regulations*, Article VII, *Fences* is hereby amended as follows:

Sec. 5-141. – Restrictions; exemptions.

(a) Fences shall be defined as construction of any solid barriers or fence, ~~including excluding wire fences containing any type of webbing or weaving which creates a solid appearance,~~ erected and designed for the purpose of privacy or designation of property lines. Any such type of fence constructed within the jurisdiction of the town shall not exceed four (4) feet in height; **provided that, however, a fence in the rear yard shall not exceed six (6) feet in height. For the purposes of this section, “rear yard” shall have the meaning ascribed to it in Section 19-1 Definitions in Chapter 19 of this Code.**

(b) ~~A wire fences of any type shall not be constructed or used within the jurisdiction of the town other than defined herein which is erected or constructed shall not exceed five (5) feet in height.~~

(c) This section shall apply to such barriers and fences which are constructed on or within five (5) feet of the side lines of property, or ten (10) feet of the rear of the owner's property line. It shall be unlawful for any person to erect, construct or maintain on any premises along any street of the town, any barbed wire or barbed-wire fences.

(d) Fences further than five (5) feet of the side lines of property, or ten (10) feet of the rear of the owner's property line shall not exceed six (6) feet in height.

(e) Exemptions. This section shall not apply to any utility company or governmental agency which must maintain fences around their utility equipment and property, which are by nature enclosed to protect the general public from safety hazards and which are classified by law as an attractive nuisance.

Ordinance adopted by Kure Beach Town Council on _____, 2017.

Emilie Swearingen, Mayor

ATTEST: _____
Nancy Hewitt, CMC, NCCMC
Deputy Clerk

Chapter 19 - ZONING

ARTICLE I. - IN GENERAL

Sec. 19-1. - Definitions.

Yard shall mean an open space on the same lot with a building (primary and accessory), unoccupied and unobstructed from the ground upward except by trees, shrubbery, or screen walls or fences as otherwise provided or required in this chapter. The minimum allowable depth or width of a yard shall be determined by a line parallel to or following the curvature of the property line a constant distance there from.

Yard, front shall mean a yard across the full width of the lot, extending from the front line of the nearest building on the lot to the front line of the lot.

Yard, rear shall mean a yard across the full width of the lot, as measured from the furthest rear point of the principal building to the rear line of the lot.

Yard, side shall mean a yard across the full width of the lot, extending from the side line of the principal building on the lot to the side line of the lot.

(Ord. of 8-19-03; Ord. of 11-20-07; Ord. of 4-15-08; Ord. of 3-17-09; Ords. of 5-17-2016)



PROPOSED NEW ORDINANCE

That Section 5-141 of Chapter 5, *Building and Building Regulations*, Article VII, *Fences* is hereby amended as follows:

Sec. 5-141. – Restrictions; exemptions.

- (a) Fences shall be defined as construction of any solid barriers or fence erected and designed for the purpose of privacy or designation of property lines. Any such type of fence constructed within the jurisdiction of the town shall not exceed four (4) feet in height; provided that, however, a fence in the rear yard shall not exceed six (6) feet in height. For the purposes of this section, “rear yard” shall have the meaning ascribed to it in Section 19-1, Definitions in Chapter 19 of this Code.
- (b) Wire fences of any type shall not be constructed or used within the jurisdiction of the town.
- (c) This section shall apply to such barriers and fences which are constructed on or within five (5) feet of the side lines of property, or ten (10) feet of the rear of the owner's property line. It shall be unlawful for any person to erect, construct or maintain on any premises along any street of the town, any barbed wire or barbed-wire fences.
- (d) Fences further than five (5) feet of the side lines of property, or ten (10) feet of the rear of the owner's property line shall not exceed six (6) feet in height.
- (e) Exemptions. This section shall not apply to any utility company or governmental agency which must maintain fences around their utility equipment and property, which are by nature enclosed to protect the general public from safety hazards and which are classified by law as an attractive nuisance.


Ordinance adopted by Kure Beach Town Council on _____, 2017.

Emilie Swearingen, Mayor

ATTEST: _____
Nancy Hewitt, CMC, NCCMC
Deputy Clerk



MEMO

TO: Town Council
FROM: Nancy Avery, Town Clerk 
RE: Agenda item, Department Business, replacement of CC roof
DATE: 5/9/17

Background

A month or so ago, I informed you that we were having some issues with the roof on the Community Center and had our insurance company adjuster examine it. They have agreed to pay \$5,574 towards replacement. I received approval from all of you to replace the roof using a transfer from the contingency fund.

We were able to get only one vendor to give us a quote, and that was Carolina Building Specialists. Four options were provided:

1. \$11,450 to replace with a similar shingled roof
(5-year warranty)
2. \$17,455 to overlay existing roof with metal roof
(5-year warranty)
3. \$19,760 to take off existing roof and replace with metal roof
(5-year warranty)
4. \$20,770 to take off existing roof and replace with metal roof
(10-year warranty with ice and water shield)

All of the above quotes include gutters and downspouts over the front and rear doors.

Comments for consideration

I requested PW Director Beeker's opinion, but had not received it at the time of this memo. He stated in a previous conversation about it that he thought a metal roof would be better for the town for maintenance reasons.

I suggest option 4 as the best option for long term maintenance, wear and tear. Due to the age of the building (1954) and the fact that we do not know the condition underneath the current shingles, plus we know half of the shingles are 25+ years old; it makes sense to tear off the existing roof and replace it. Plus, there is a tree next to the building that regularly grows into and damages the shingles, which won't happen with a metal roof.

Action requested by staff

Approve Resolution R17-08 transferring \$15,196 from the contingency fund to the Community Center maintenance line item.

Funding required

Not budgeted. Impacts current year contingency fund which has a balance of \$52,880.
Nothing has been used from the contingency fund so far in this budget year.



707 St. Joseph Street ♦ Carolina Beach ♦ NC 28428 ♦ (910) 458-8587

PROPOSAL

CONTRACT SUBMITTED TO:		WORK PERFORMED AT:	
Name:	KB COMMUNITY CENTER/ Mandy Sanders	Address:	Same
Address:	117 Settlers In.	City:	
City, State:	Kure Beach, NC	State:	
Phone:	O:910-458-8216 C:910-409-6574	Date:	07-20-17

We hereby propose to furnish the materials and perform the necessary labor for completion of:

Scope of Work: SHINGLE OPTION

- Remove existing shingles and dispose of.
- Inspect roof sheathing as needed. (\$48.50 per sheet of roof sheathing replacement).
- Install SYNTHETIC underlayment over roof sheathing as needed.
- Install Starters shingles as needed per manufacturer's specifications.
- Install 30 arch. Shingles (130 MPH) as needed (6) nails per shingles, manufacturers specifications.
- Install **ICE & WATER SHIELD** around all roof penetrations as needed.
- CBS will maintain a clean and safe job site during our scope of work.
- **FIVE YEAR STANDARD** workmanship warranty provided by Carolina Building Specialist, INC.

All material is guaranteed to be as specified, and the above work to be performed in accordance with the drawings and specifications submitted for above work and completed in a substantial workmanlike manner for the sum of:

Scope of Work: 26 Ga. METAL ROOFING OVERLAY

PRICE: \$11,450.00

- Inspect roof sheathing as needed. (\$48.50 per sheet of roof sheathing replacement).
- Install SYNTHETIC underlayment over existing roof sheathing as needed.
- Install **26 Ga. GALVALUME METAL ROOFING WITH 1-1/2"-2" STAINLESS STEEL EXPOSED FASTNERS.**
- Install **ICE & WATER SHIELD** around all roof penetrations as needed.
- CBS will maintain a clean and safe job site during our scope of work.
- **FIVE YEAR STANDARD** workmanship warranty provided by Carolina Building Specialist, INC.

All material is guaranteed to be as specified, and the above work to be performed in accordance with the drawings and specifications submitted for above work and completed in a substantial workmanlike manner for the sum of:

(5) YEAR WARRANTY OVERLAY GALVALUME

PRICE: \$16,675.00

(5) YEAR WARRANTY TEAR OFF WITH SYNTHETIC UDL

PRICE: \$18,980.00

(10) YEAR WARRANTY WITH ICE & WATER SHIELD UDL

PRICE: \$ 19,990.00

(5) YEAR WARRANTY OVERLAY PAINTED GALVALUME

PRICE: \$17,275.00

(5) YEAR WARRANTY TEAR OFF WITH SYNTHETIC UDL

PRICE: \$19,380.00

(10) YEAR WARRANTY WITH ICE & WATER SHIELD UDL

PRICE: \$22,290.00

Install 6" Gutters and Downspouts on front and rear door areas

Price: \$780.00

Respectfully Submitted: Terry Greer
(910)-264-9989

Thank you for the Opportunity and please call with any questions.

*Any alterations or deviation from above specifications involving extra costs will be executed only upon written order, and will become an ~~extra charge~~ over and above the estimate. All agreements contingent upon accidents or delays beyond our control. 30 day price guarantee.

*Payment is due upon completion. Material draw at signing of contract. Unpaid balances are subject to a finance charge of 1.5% per month. If legal action is necessary to collect unpaid balances, owner and/or customers will be liable for all legal fees and costs incurred.

ACCEPTANCE: _____ DATE _____

Summary for Commercial Property - BLANKET COVERAGE

Line Item Total	6,574.30
Replacement Cost Value	\$6,574.30
Less Deductible	(1,000.00)
Net Claim	\$5,574.30

Nancy Avery

From: Mandy Sanders
Sent: Tuesday, May 9, 2017 9:37 AM
To: Nancy Avery; Nikki Keely
Subject: FW: Community Center Building... Roof inspection.
Attachments: TOWN_OF_KURE_BEACH_Final Draft Separate Coverage Type.pdf; Kure Beach Claim Summary Sheet.pdf; Kure Beach Community Building POL.docx; Kure Beach Contractor Proposal for Community Building.doc

Mandy Sanders

Personnel & Facilities Manager
Town of Kure Beach
117 Settlers Lane
Kure Beach, NC 28449
Direct: 910.707.2012
Fax: 910.458.7421
Cell: 910.409.6574
www.townofkurebeach.org

From: Joel Livengood [mailto:jlivengood@NCLM.ORG]
Sent: Monday, May 8, 2017 3:54 PM
To: Mandy Sanders <m.sanders@townofkurebeach.org>
Subject: RE: Community Center Building... Roof inspection.

Hi Mandy,

I received the roofing contractor proposals and reviewed.

Their quote for roofing work for the different types of materials appeared to be reasonable for the work you want completed. They were actually lower than my 50% roof estimate, and I found their metal roofing costs to be same, reasonable, based on industry standard for your area of the NC.

The policy will allow for a settlement of like and kind quality materials that were on the roof at time of the loss that were identified as laminated 40-year asphalt fiberglass roof shingles. However you can choose to use the settlement to replace with any material with any upgrades to materials to be out-of-pocket expenses that we cannot consider.

Unfortunately the metal roofing is considered an upgrade and I will only be able to consider the roofing materials that were in-place at time of loss, but my estimate was approximately \$1,000 higher than your contractor for same materials, so you received >50% of the contractor's proposal to replace ½ of the roof.

I have attached the Proof of Loss for this claim for your review. If you have any questions or concerns feel free to contact me.

Regards,

Joel

Hi Mandy,

I have attached my roof inspection for IRFFNC-NCLM. My roof top down inspection found scattered wind damage to the right slope of the roof that is the slope nearest the parking lot, and a handful of wind damaged shingle tabs on the front and back Dutch hip slopes, but no wind damage from this cause and date of loss on the left slope and rear extension half hip roof. On the left slope, I noted pre-existing tree rub damage that we call mechanical damage that was caused by lack of maintenance (trimming of trees off of roof).

However I found enough recent wind associated damages contributed by this cause and date of loss to consider approximately 50% of the cost for a total roof replacement due to the scattered wind damages found on the right slope with a handful of shingle tabs along the front and back slope eave edges.

The roof is not deemed repairable based on the age and condition, and would recommend replacement of the entire roof, but we would only be able to consider a little more than 50% based on the lack of sudden and accidental damages on the left and back slopes. The attached repair estimate will give you an idea of the cost for like and kind quality materials that are currently on the affected roof.

Regarding the interior water damages... If you have any water damages on the right side of the building (parking lot side of the building), I would be able to consider those water damages, but if the water damage to the ceiling and/or walls is on the left rear corner of the building, the roof damage in that area was due tree limbs that had been rubbing on the roof and fascia over months and/or years prior to being recently trimmed back from laying on top of the roof, and is not considered wind damage per the policy, but a maintenance issue. Additionally, I documented a roof opening in the left rear corner of the building and a newly installed plumbing pipe boot that may have affected the interior bathroom area directly below this area of the roof, but I did not find an opening on the roof caused by wind. If the interior water damage is in this left rear corner of the building it would not be covered by the insurance policy unless the pipe boot was damaged by wind and/or flying debris rather than wear and tear due to age and dry rotted to allow interior water intrusion.

Please submit any interior pictures to support the claim, and note where the water damages were located, and I will be happy to include them in the file for consideration..

If you have any questions or concerns feel free to contact me.

Regards,

Joel

Joel D. Livengood
Property and Liability Claims Adjuster
308 West Jones Street
Raleigh, NC 27603

jlivengood@nclm.org

Phone: 919-715-2298

Fax: 919-301-1026

*****Please Note: due to extensive fire damage sustained on March 16, 2017, the League's main phone line, (919) 715-4000, and fax numbers are currently unavailable. NCLM staff are working remotely and readily available via email.*****

BUDGET AMENDMENT

FISCAL YEAR ENDING JUNE 30, 2017

AMENDMENT DATE: 05/09/2017

Budget Amendment No.: 17-08

DESCRIPTION/PURPOSE OF AMENDMENT

Earlier in 2017, issues with the 20 plus year old Community Center roof became apparent. Upon inspection by roofing specialists, the recommendation was that the roof should be replaced. The estimate to replace the roof totals \$20,770. Adjusters from the Town's insurance company also examined the roof and agreed to pay \$5,574 towards replacement of the roof. Since this expenditure was not anticipated when the FY 2017 Budget was prepared and approved, this Budget Amendment increases the capital outlay budget for the Community Center by \$20,770 with the funding sources being \$5,574 of insurance proceeds and \$15,196 from the General Fund Contingency account. At the May 16, 2017 Town Council meeting, Council adopted Resolution 17-08 to transfer funds from the FY 2017 Contingency account to the Community Center Budget for the additional expenses.

ACCOUNTS AFFECTED

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-421-74-00	Community Center Capital Outlay	\$20,770	
10-340-00-00	Insurance Claims Paid		\$5,574
10-490-00-00	General Fund Contingency		\$15,196

NOTE: (a) Budget Officer may transfer between line item expenditures without limitation and without a report being required up to \$10,000 at any one time. (b) The Budget Officer may transfer amounts within departments and of the same fund and reported as part of the financial statements. He/She shall make an official report immediately to Council on such transfers. (c) The Budget Officer may not transfer amounts between funds without prior Council action.

Requested By: Nancy Avery, Town Clerk Date: 05/09/17

Approved By: Arlen Copenhaver, Finance/Budget Officer Date: 05/09/17

(Copies of actions/directives from Council Meeting to be attached, if required as per NOTE above).

Approved by Council 05/16/17 _____ Emilie Swearingen, Mayor

ATTEST: _____ Nancy Avery, Town Clerk



TOWN COUNCIL
TOWN OF KURE BEACH, NC

RESOLUTION R17-08

**TRANSFERRING FUNDS FROM CONTINGENCY LINE ITEM
TO FY 16-17 COMMUNITY CENTER BUDGET
FOR ROOF REPLACEMENT**

WHEREAS, it is a policy of the Town of Kure Beach that the Kure Beach Town Council adopt a resolution any time funds need to be transferred out of the General Fund Contingency account; and

WHEREAS, the Kure Beach Town Council has approved a FY 16-17 Budget Amendment totaling \$20,770 for replacement of the Community Center roof requiring \$15,196 from the Contingency account; and

NOW, THEREFORE, BE IT RESOLVED THAT the Kure Beach Town Council authorizes the Finance Officer to transfer funds in the amount of \$15,196 from the General Fund Contingency account to the Community Center FY 16-17 Budget to cover a portion of the costs of replacing the roof.

Adopted by the Kure Beach Town Council this 16th day of May, 2017.

Emilie Swearingen, Mayor

Attest: Nancy Avery, Town Clerk



DRAFT REQUEST FOR PROJECT MANAGER SERVICES

INTRODUCTION

The Town of Kure Beach is seeking qualified providers of project management services to serve as the town's agent to initiate, plan, execute, monitor, control, reduce risk, and close the town's expansion of facilities and construction of a new fire station project; herein referred to as 'the project'. Overall expectation is facilitation of completion of the project on time and on budget while providing proper management of the taxpayer's resources and perception of the project to the greater community.

BACKGROUND

The Town of Kure Beach is a municipality serving a community of 2,012 year-round residents and a summer population in the tens of thousands. Services provided by the town are garbage and recycling pick-up, water and sewer service, building inspection, code enforcement, police, and fire. The existing town hall facility and the site of a new fire station are located 6 blocks from the Atlantic Ocean, approximately 6-8 blocks from the Cape Fear River and in a high wind, hurricane prone area.

On February 21, 2017, the Town Council awarded a contract to Oakley Collier Architects, PA for architectural and engineering services for a new 9,000 square foot fire station; 6,400 square foot expansion of the existing town hall; renovation of the existing fire station for use by police staff; renovation of the existing police station; and redesign of traffic flow and vehicular patterns.

SITE

Town Hall complex located at 117 Settlers Lane in Kure Beach, NC

PROPERTY INSPECTION OR QUESTIONS

All interested parties may contact Nancy Avery, Town Clerk at 910-458-8216 or n.avery@tokb.org with questions.

SCOPE OF WORK

The exact scope of services required by the town will be set forth in an agreement between the town and the selected firm or individual providing project management services.

The scope of work for the project manager shall include, but not be limited to:

- Initiating, planning, executing, monitoring, controlling and closing the project;
- Setting realistic and achievable boundaries for the project and for leading the project team to completion on time, within budget, within scope and with town approved measures of quality;
- Providing associated oversight, troubleshooting, coordinating and conflict resolution for the project;
- Preparing an in-depth construction schedule to include phasing, commencement, sequencing, order and delivery of materials, determination of milestones, deliverables, submittals, timeframes and critical actions;



DRAFT REQUEST FOR PROJECT MANAGER SERVICES

- Reviewing contractor bids and materials list and providing input and recommendation to the Town Council with regards to selection of a qualified general contractor, in association with the architectural firm;
- Preparing, soliciting and managing the bid process for other firms, if required, for the completion of the project with recommendations for selection to the Town Council;
- On-site construction observation;
- Contract and legal requirement adherence;
- Written reporting and in person meeting with town's appointed staff liaison on a weekly basis or more often, if required;
- Reporting to Town Council monthly on project budget, cash flow, cost and status;
- Reviewing and monitoring contractor's daily log entries;
- Coordinating design changes with the town's staff liaison, architect, engineering consultant and general contractor;
- Evaluating with recommendation regarding whether proposed change(s) entitles architect or general contractor to additional time or money;
- Reviewing and negotiating architect's and or general contractor's cost for any proposed changes;
- Reviewing architect's and general contractor's pay applications and approving in writing before submittal to town for payment;
- Preparing project documentation to memorialize the project record;
- Developing a punch list & ensuring completion;
- Coordinating and facilitating project closeout and owner training;
- Maintaining project documents on secure cloud based storage system accessible to all stakeholders;
- Controlling outcome and quality of entire project.

PROPOSAL SUBMISSION

Proposals must be received by 3:00 pm on Friday, June 30, 2017. Proposals are to be submitted to the attention of the Town Clerk by either email to n.avery@tokb.org or by mail to:

Kure Beach Town Hall
117 Settlers Lane
Kure Beach, NC

Submissions received after 3:00 pm on Friday, June 30th will not be considered.

Proposals will be reviewed by the Town Council in a regular Council meeting on July 18, 2017 with the expectation that an applicant will be selected for contract negotiations.

CONTENT OF RESPONSES

Each response shall provide:

- Description of the overall capabilities and experience relevant to experience in managing a project of similar or larger scope;
- General information and background to include contact information, size of the firm;



DRAFT REQUEST FOR PROJECT MANAGER SERVICES

- Number of years in business, number of staff by discipline and total personnel;
- Summary of most recently completed projects on which similar services were provided;
- References

PROJECT FUNDING

The project will be funded from the Town's General Fund budget in the form of a loan which requires approval from the Local Government Commission (LGC).

EXPECTED TIMELINE OF PROJECT

September 2017 – Bid process for general contractor

October 2017 – Award of contract to general contractor

November 2017 – Construction begins

TOWN RESERVATIONS

The Town expressly reserves the right to:

- Withdraw this request anytime without prior notice;
- Postpone the response due date for its own convenience;
- Reject any or all responses;
- Accept the responses deemed by the town to be in its best interest and that of the general public;
- Waive any irregularity and/or informality in the responses received;
- Award a contract for the project or not;

It is understood and agreed between the Town of Kure Beach and the project manager to be chosen that if the project does not receive LGC approval and construction is not funded; then and in that event, the Town of Kure Beach will only be responsible for any project management fees incurred to the point of notification of such occurrence.

Basic Architectural Services VS. Construction Manager (B144) Comparison

ART #	Responsibility	Basic Architectural	Notes/Comments
Article 2 - Preconstruction Phase			
2.1	Preliminary Evaluation of Owner's Program	Already Complete	See attached – Appendix A
2.2	Preliminary Cost Estimates	Already Complete	See attached – Appendix B
2.3	Updated Cost Estimates (increasing detail) during design	Included in Basic Services	Cost Estimates are provided at each phase of design for Owner review and approval – See attached examples – Appendix C
2.4	Updated Cost Estimate (Detailed) for CD phase	Included in Basic Services	
2.5	Recommendations on Feasible Construction Methods, materials, etc	Included in Basic Services	
2.6	Prepare Project Schedule for Design & Construction	Design Schedule & Overall Construction Completion included in basic services (Architect does not PREPARE in-depth construction schedule – this is a part of "means & methods" responsibility of Contractor)	Architect to determine/identify time required for construction & notify all bidders in specs; Contractor is legally responsible for maintaining schedule & completion; Architect/ Owner to specify contractual consequences (Liquidated damages cost) prior to bidding. Architect acts on behalf of Owner to review GC schedule on a regular basis
2.7	Identify Owner-supplied Critical/long-lead items for coordination with overall design schedule	Included in Basic Services / potential additional service (see notes)	Typically, these items are things like furniture, technology/IT, security systems, etc. OCA assists Owner in determining WHEN such items are needed for design coordination, but can also supply full design of such items as an additional service.
2.8	Assist in selection of surveyors, special consultant, Geotech, etc	Included in Basic Services; Already completed	See attached checklist for surveyors & example Geotech site boring locations – Appendix D
2.9	List of prospective Bidders & Schedule	Included in Basic Services	See attached example – Appendix E
2.10	Bidding interest & documents, including pre-bid conference	Included in Basic Services (Bidding & Negotiation Phase)	See attached examples: Bidder's List – Appendix F Pre-Bid Minutes – Appendix G Addendum – Appendix H
2.11	Bid analysis & recommendations	Included in Basic Services	See attached Bid Tabulation Form – Appendix I
2.12	Pre-award Conference	Included in Basic Services (Specs)	OCA reviews & confirms that Bidder subcontractors/suppliers are satisfactory for project requirements

YELLOW -ARCHITECT DOES BY CONTRACT

PINK - ARCHITECT DOES NOT DO

Basic Architectural Services VS. Construction Manager (B144) Comparison

2.13	Temporary Facilities	Included in Basic Services (Specs)	Requirements included in Division 1 Specifications
2.14	Advisement on Delivery Method & Contractor selection	Included in Basic Services	OCA will discuss & recommend appropriate delivery method for complexity of project & Owner's satisfaction; Multiple Prime contracts are no longer used in NC; Typical delivery methods include Single Prime GC (OCA recommends Pre-qualification process); Design-Build; & CM@Risk (all the previous delivery methods are approved for public bidding)
2.15	Project Conditions	Included in Basic Services (Specs)	Division 1 Specifications cover responsibilities and expectations of the Contractor for the project, including execution of the project, quality of materials/installation & procedural requirements. See attached Division 1 Spec table of contents – Appendix J
2.16	Special Permits	Included in Basic Services	Typical permits that may be required during the design process include Storm Water (DWQ/DENR) & Soil Erosion (DWQ/DENR). Design Team is responsible for providing permit review plans to the appropriate governing authority. Other related permits include Building, demolition, etc. and are typically obtained by the Contractor as part of his bid.

Article 3 - Construction Phase

3.1	Detailed Construction Schedule (phasing, commencement, order/delivery of materials, etc.)	Not provided, other than an overall completion date and possible phasing of construction, as required by Owner (usually for an occupied facility). A phasing schedule would include separate required occupancy dates for each phase, to assist contractor in planning the overall construction schedule	Specs require Contractor to provide detailed construction schedule that includes all construction activities (inclusive of milestone dates) and which shows completion within the contractual completion date, as outlined in the specs; Providing this schedule on behalf of the Owner could assume Owner responsibility for completion and remove consequence/penalty of liquidated damages from Contractor
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Basic Architectural Services VS. Construction Manager (B144) Comparison

3.2	Construction Schedule (overall)	Included in Basic Services	Provided as an overall time of completion, in calendar days, to denote desired occupancy date. Often associated with this date are liquidated damages in case the contractor fails to meet completion, due to his own fault. A notice to proceed is the official document that 'starts' the required time for completion, and includes an actual date of completion.
3.3	Management & coordination responsibility of Construction personnel in order to meet schedule	Not provided – this is the responsibility of the General Contractor because he employs the subcontractors/suppliers; Architect coordinates with General Contractor, not subs/suppliers	The Owner will hold a contract with the General Contractor, which obligates him to manage his lower tier subs during construction. There are tools included in the specs that describe the appropriate process to use when construction is not managed properly.
3.4	Construction Meetings	Included in Basic Services	OCA initiates Pre-construction conference, regular (no LESS than weekly) and monthly job progress meetings. All discussions are documented in meeting minutes or field reports (with photographs) and distributed to all parties (Owner, Engineers, Contractors, etc)
3.5	Updates to Schedule	Most of 3.5 is included in Basic Services	Not included as a basic service would be the actual 'sequencing' of contractor activities; OCA would review and provide comment as to whether the Contractor-provided schedule was appropriate for the overall completion schedule of the project. Also, during construction, the architect reviews and approves/denies any requests from the GC for additional time, due to specific events (weather, changes to the design, etc.) This additional time, if any, would be added to the original contract completion time – all is documented throughout process
3.6	Construction Sequencing	Not included	See 3.5 notes above
3.7	Estimate of Construction Cost	Included in Basic Services	'Estimate' would really be a hard-bid cost; OCA will monitor work progress completed and review monthly pay

Basic Architectural Services VS. Construction Manager (B144) Comparison

3.8	Cash Flow Reports	Not included; can be provided as an additional service if required	applications for accuracy before approving any payments to contractor Hard-bid construction costs will be a known entity – no 'estimates'
3.9	Unit Cost Work	Included in Basic Services	Contractor is required to provide actual invoices, with separate quantities for material & labor when documenting unit cost work (Unit costs are itemized in construction documents). No payment is made without verification of documentation and any monies not spent in a unit cost allowance are returned to Owner.
3.10	Progress Reports	Included in Basic Services	All Site visits are documented by either a field report or meeting minutes, depending on the particulate type of site visit. Photographs are included, along with any assigned tasks. See example Field Report in Appendix K
3.11	Daily Logs	Not included	Specs require Contractor to be responsible for maintaining Daily Logs for the duration of the project. There are submitted for review, as needed, to the architect at the end of the project.
3.12	Project Records on site	Not included	Specs require Contractor to be responsible for keeping – on site – up-to-date copies of all records pertaining to the construction project. These are required for use by the Design Team and Owner when visiting the site. Specs also require the contractor to provide "Project Close-out Documents", which include the items listed in 3.12. These close-out docs also include all maintenance manuals, warranties, etc. and are reviewed by the Architect prior to delivery to the Owner.

Memo



To: Town Council 
From: Nancy Hewitt, Deputy Clerk
Date: May 11, 2017
Re: Clarification of Committee Policy on Residency Status of a Member

A resident of Carolina Beach who owns property in Kure Beach would like to apply for membership on one of our town committees. Attached, is the Committee Policy that states in Section 1.01-B.1., "any full-time resident of KB is eligible...;" while under Section 1.01-B.2.b it states, "A resident or property owner becomes eligible..."

This is a request for council to clarify what residency status to require from someone who wants to serve on a town committee: that a member be required to be a full-time resident, only, or that a member be required to be either a full-time resident or a non-resident property owner.

Article 1. COMMITTEES

Section 1.01 General Policy

Adopted 2/16/2010, Updated 02/21/2012

A. GENERAL POLICY REGARDING AD HOC COMMITTEES

Ad Hoc Committees are herein identified as: Community Center, Marketing, and Shoreline Access and Beach Protection (SLABP).

1. The Kure Beach Town Council is responsible for the creation and management of all ad hoc, standing committees and boards of the Town. The Town Council will fix the membership number of each committee unless otherwise prescribed by statute.
2. It is the policy of the Kure Beach Town Council that all committee membership will represent a cross section of the Town of Kure Beach to the extent possible, consistent with the goals and operations of the committee.
3. All committees or boards required by the N.C. General Statutes will perform the duties and functions required by the statutes. Anything in this policy relating to such committees is superseded by the statutory requirements.
4. Committees and appointees thereto must uphold Town policies pertaining to the committee. The Kure Beach Town Council may, at its discretion, replace any committee members who violate town policies or conducts themselves in any way detrimental to the Town or the purpose of the committee.
5. All committees and boards, unless required by statute, are ad hoc and serve at the pleasure of the Council.
6. The Kure Beach Town Council may waive, at the discretion of Council, any policies or procedures herein set forth.

B. AD HOC COMMITTEE MEMBERSHIP

1. Except as noted below, any full-time resident of Kure Beach is eligible to serve on appointed committees, boards and commissions.
2. No person may be appointed to serve on, or in any way be associated with, any committee if that person has an unpaid financial obligation to the Town.

- a. Such obligations include past due taxes, water and sewer and related fees more than 60 days in arrears and unpaid citations, unless under contest or other obligations as may be determined by the Town.
 - b. A resident or property owner becomes eligible to serve upon certification by the Town Finance Officer or Town Clerk that all financial obligations to the Town of Kure Beach have been satisfied.
3. No person may be appointed to, or serve on, any committee except upon submittal of proper application and appointment by a vote of the Kure Beach Town Council.
 4. Each committee of the Town is requested to prepare and submit to Town Council a list of minimum requirements for committee membership. The Town Clerk will maintain such lists as approved by the Council. Each committee may update the requirements periodically as needed. (*Exemption –Marketing Committee*)
 5. Requirements of this section notwithstanding, any person serving on an appointed committee and or board at the time this policy is adopted, may serve out the term of appointment.
 6. No person may serve upon more than three committees at one time nor serve as chairperson of more than one committee.

C. AD HOC COMMITTEE TERMS AND VACANCIES

1. All committee appointees for ad hoc committees have no set term limits. (revised 1/24/12 and 2/21/12)
2. Committee members are required to attend all regularly scheduled committee meetings unless excused by the committee chair or a vote of the committee. Three unexcused absences shall be deemed a resignation from the committee and reported as such to the Kure Beach Town Council. Vacancies resulting from such absences shall be filled according to the procedure listed below.
3. The chair of each committee shall report all committee vacancies to the Town Clerk who is hereby authorized to advertise for volunteers to submit applications to serve on Town committees.
4. Vacancies on ad hoc committees will be filled by the following procedure:

Emilie Swearingen
Mayor

David Heglar
Commissioner

Jim Dugan
Commissioner



Craig Bloszinsky
Mayor Pro Tem

Joseph Whitley
Commissioner

Nancy Avery
Town Clerk

TOWN OF KURE BEACH

117 Settlers Lane • Kure Beach, NC 28449

(910) 458-8216 • Fax (910) 458-7421

www.townofkurebeach.org

May 16, 2017

**RE: TOWN OF KURE BEACH, NORTH CAROLINA
FISCAL YEAR 2018 BUDGET MESSAGE**

The Honorable Mayor Swearingen and Town Council:

In accordance with Section 159-11 of the NC General Statutes (N.C.G.S.), I am pleased to present the proposed fiscal year 2018 budget for the Town of Kure Beach for your review and consideration. The budget is a sound financial plan and has been prepared with the Council's goals and objectives adopted from their budget work sessions. All sections of the proposed budget are in conformance with the Local Government Budget and Fiscal Control Act as amended. A balanced budget for the next fiscal year, or an interim budget, must be adopted by July 1, 2017. Pursuant to N.C.G.S. 159-12, a public hearing on the proposed budget must be held before adoption. With the submittal of the budget proposal to Council, copies will be available for public inspection on the Town's website and in the Office of the Town Clerk. The public hearing has been scheduled for June 6, 2017 at 6:30 pm.

The proposed fiscal year 2018 Town of Kure Beach budget is balanced and totals \$7,580,656 for all operations. This total budget is comprised of the following seven funds: General Fund \$4,607,417; Water and Sewer Fund \$2,150,655; Storm Water Fund \$630,094; Powell Bill Fund \$65,070; Beach Protection Fund \$47,090; Federal Asset Forfeiture Fund \$50,000; and Sewer Expansion Reserve Fund (SERF) \$30,330.

The proposed budget supports the fiscal year 2018 goals established by Town Council during their budget work sessions. These goals are:

1. Work smarter to maintain and improve our quality of life in Kure Beach.
2. Ensure the integrity of Town financial data and maintain financial stability in all Town funds.
3. Enable an optimum working environment for staff to produce high levels of service to the public.
4. Provide all departments with the support to maintain a safe working and living environment.

BUDGET HIGHLIGHTS

IMPACT OF PROPERTY REVALUATION AND CALCULATION OF THE REVENUE-NEUTRAL TAX RATE

Real property within New Hanover County was reappraised as of January 1, 2017. The impact for the County as a whole was an increase in value of approximately 9.8%. However, the percentage increase for Kure Beach was less than the overall County increase. The Town's tax base has increased 6.2% (\$51,542,623), from \$831,382,452 to \$882,925,075.

As required by N.C.G.S., Section 159-11 (e), in each year that a general reappraisal of real property has been conducted, a statement of the revenue-neutral tax rate must be presented for comparison purposes. The revenue-neutral tax rate is the rate that is estimated to produce revenue for the next fiscal year equal to the revenue that would have been produced for the next fiscal year by the current tax rate if no reappraisal had occurred. To calculate the revenue-neutral tax rate, a rate that would produce revenues equal to those produced for the current fiscal year must be determined and then the rate is increased by a growth factor equal to the average annual percentage increase in the tax base due to improvements since the last general reappraisal. This growth factor represents the expected percentage increase in the value of the tax base due to improvements during the next fiscal year.

The calculation of the growth factor to be used in determining the revenue-neutral tax rate is as follows:

FISCAL YEAR	ASSESSED VALUATION	VALUATION INCREASE	PERCENTAGE CHANGE
2017/2018	\$882,925,075		
Revaluation 1/1/2017			
2016/2017	\$831,382,452	\$8,924,452	1.09%
2015/2016	\$822,458,000	\$9,261,000	1.14%
2014/2015	\$813,197,000	\$154,000	0.02%
2013/2014	\$813,043,000	\$17,187,000	2.16%
2012/2013	\$795,856,000		
Revaluation 1/1/2012			

The average annual growth in assessed valuation from fiscal year 2013 to 2017 is 1.1025%.

The revenue-neutral tax rate for Kure Beach is 27.13 cents (\$0.2713) after application of the 1.1025% growth factor. The calculation of the revenue-neutral tax rate is as follows:

Average Growth % (FY 2013 - 2017)	1.1025%
Current Tax Rate Per \$100 of Valuation	\$0.285
FY 2017 Tax Levy (\$831,382,452 / \$100) x \$0.285	\$2,369,440
FY 2018 Tax Levy Without Revaluation Including Average Growth % (((\$831,382,452 x 1.011025) / \$100) x \$0.285	\$2,395,563
Revenue-Neutral Tax Rate for FY 2018 Based on Revaluation \$2,395,563 / (\$882,925,075 / \$100)	\$0.2713

The revenue-neutral tax rate is intended to be revenue-neutral for the Town as a whole, not for individual property owners. Therefore, some taxpayers may receive a higher tax bill even if the revenue-neutral rate is adopted.

PROPOSED TAX RATE FOR FISCAL YEAR 2018

The proposed tax rate for fiscal year 2018 is 28.5 cents (\$0.285). This rate is unchanged from fiscal year 2017, however, it is 1.37 cents (5%) greater than the revenue-neutral tax rate. After careful analysis, the tax rate of 28.5 cents was determined to be the most effective manner in which to maintain existing Town-provided services at their current levels, maintain reserve funds for potential beach nourishment costs and to support the Council goal relating to financial stability.

From an overall perspective (both New Hanover County and Kure Beach), property taxes Town-wide are estimated to be only \$56 more than the current year. This estimate assumes that New Hanover County’s final 2018 budget includes the tax rate (\$0.57 per \$100 of value) that was proposed in early May 2017. The following is a summary comparing the current and proposed tax rates:

	Total Kure Beach Valuation Before Revaluation	Property Tax at Current Rates (KB = \$0.285 & NHC = \$0.623)	Total Kure Beach Valuation After Revaluation	Property Tax at Proposed Rates (KB = \$0.285 & NHC = \$0.57)	Change In Town-Wide Property Tax
Kure Beach	\$831,382,452	\$2,369,440	\$882,925,075	\$2,516,336	\$146,896
New Hanover County	\$831,382,452	<u>\$5,179,513</u>	\$882,925,075	<u>\$5,032,673</u>	<u>(\$146,840)</u>
Total		<u>\$7,548,953</u>		<u>\$7,549,009</u>	<u>\$56</u>

Under the above assumption, the estimated annual New Hanover County and Kure Beach property taxes on a property revalued to \$350,000 will be \$2,992.50 as determined below:

<u>VALUATION</u>	<u>KB TAX @ \$0.285 PER \$100 OF VALUE</u>	<u>NHC TAX @ \$0.57 PER \$100 OF VALUE</u>	<u>TOTAL TAX</u>
\$350,000	\$997.50	\$1,995.00	\$2,992.50

The effect of the additional 1.37 cents over the Town’s revenue-neutral tax rate contributes \$47.95 (\$4 per month) to this estimated amount as follows:

Annual Kure Beach tax at revenue-neutral tax rate (\$0.2713):	\$949.55
Proposed increase over Kure Beach revenue-neutral (\$0.0137):	<u>47.95</u>
Total Kure Beach tax at \$0.285 per \$100 of value	<u>\$997.50</u>

Property taxes are the Town’s largest single source of revenue. Fiscal year 2018 property tax revenue is estimated at \$2,491,300. This includes both current tax year and prior tax years’ collections and represents 54.1% of the General Fund revenue. Kure Beach property taxes are billed and collected by the New Hanover County Tax Department and remitted to Kure Beach. Based on historical data, the property tax collection rate is estimated at 98.75%.

GENERAL FUND FEES

As part of the fiscal year 2018 budget submission, the following General Fund fee increases are being proposed:

1. Trash Pickup

	CURRENT FEE	PROPOSED FEE
Trash Pickup Fee		
Minimum	\$10.00	\$15.00
1/4 Load	\$30.00	\$45.00
1/2 Load	\$60.00	\$90.00
3/4 Load	\$90.00	\$135.00
Full load	\$120.00	\$180.00
Appliances	\$10.00	\$15.00

The trash pickup fee amounts have not changed in over 10 years. The proposed increases are necessary to cover costs associated with providing these services.

2. Residential Garbage Collection

The residential garbage collection fee for the first garbage cart will remain at \$6. However, an increase to \$12 per cart is being proposed for all carts after the first cart. Therefore, an account with only one garbage cart will not be subject to any increase. An account with two garbage carts would be charged \$6 for the first cart and \$12 for the second cart. This proposed fee increase will assist in offsetting the costs associated with garbage collection.

WATER AND SEWER RATES

There are no Water and Sewer Fund fee increases being proposed as part of the budget.

STORM WATER FEES

There are no proposed changes to the existing storm water fees as part of this budget.

STAFFING AND COMPENSATION

There are no changes to the number of full-time employees being proposed for fiscal year 2018. The number of full-time personnel will remain at 44, which is consistently fewer than other beach towns of a similar size. The full-time personnel are allocated to Town funds based on the type of work performed, as follows:

<u>FUND</u>	<u>NO. OF EMPLOYEES</u>
General	33
Water and Sewer	9
Storm Water	<u>2</u>
Total	<u>44</u>

This budget includes a proposed merit increase of 2.5% to reward those employees who are performing above expectations. Also, a 1.5% cost of living adjustment (COLA) for all full-time employees is included in the fiscal year 2018 budget. The employee benefits are consistent with prior years.

GOVERNING BODY

The budget for Town Council related expenses includes annual compensation for Council members (Mayor - \$3,600, Mayor Pro Tem - \$2,700, and Commissioners - \$2,400), cell phone and/or internet service allowance of \$3,022, vehicle allowances of \$4,500, travel/training of \$5,000 and dues/subscriptions of \$7,500. The aforementioned expenses will be divided equally amongst the General Fund and Water and Sewer Fund. Also, the General Fund Governing Body budget includes funding for the Pleasure Island Chamber of Commerce concert series (\$8,800), Katie B. Hines Senior Center (\$2,000), The Help Center of Federal Point (\$1,500), Federal Point Historic Preservation Society (\$1,500), Friends of Fort Fisher (\$1,500) and the Island of Lights (\$1,200). Additionally, the General Fund budget includes \$1,750 for funding the portion of the Carolina Beach Inlet maintenance dredging that may be requested from the Town.

DEBT SERVICE

General Fund debt service totals \$360,615 and includes payments on existing loans for the Ocean Front Park (acquisition and development loans), Town Hall renovation, downtown improvement project, vacant land and vehicles/equipment. This is an increase of \$43,989 (13.9%) over fiscal year 2017 which is primarily attributable to the purchase of equipment and vehicles. The Water and Sewer Fund includes debt service totaling \$195,759 (water tower, infrastructure and vehicles/equipment). This is an increase of \$64,146 (48.7%) over fiscal year 2017 which is primarily attributable to financing for a new sewer pump station. Finally, the Storm Water Fund debt service totals \$99,840 relating to the Cutter Court infrastructure project and equipment. This is an increase of \$11,131 (12.6%) over fiscal year 2017. The increase in the Storm Water Fund pertains to financing the purchase of equipment.

Debt service for each fund, as a percentage of the applicable fund's total budget is as follows:

General Fund	7.8%
Water and Sewer Fund	9.1%
Storm Water Fund	15.8%

The Town's total outstanding debt (all funds) is estimated to be \$3,299,168 at July 1, 2017. The Local Government Commission (LGC) uses 8% of the assessed value of property subject to taxation as the maximum debt level. The Town's outstanding debt at July 1 will be approximately 0.37% of the assessed value of property, well within LGC guidelines.

OPERATING EXPENSES

The budget for General Fund operating expenses (excluding capital outlay, debt service, contingency and transfer to the Beach Protection Fund) is 5% greater than the original fiscal year 2017 budget and 5.1% greater than the fiscal year 2017 amended budget as of May 16, 2017. The primary factors contributing to the increase in relation to the original budget are general price increases in purchased services and materials and the previously mentioned employee compensation actions.

The fiscal year 2018 operating budget (excluding capital outlay and debt service) for the Water and Sewer Fund is 5% less than the fiscal year 2017 budget. The decrease in relation to the 2017 budget is the result of increased sewer maintenance costs being incurred during fiscal year 2017.

The fiscal year 2018 Storm Water Fund operating budget (excluding capital outlay and debt service) is 4.4% greater than the original fiscal year 2017 budget and 3% greater than the fiscal year 2017 amended budget as of May 16, 2017. This increase relates to the amount of storm water related work planned for fiscal year 2018, as well as general price increases in purchased services and materials.

CAPITAL OUTLAY

The General Fund capital outlay for fiscal year 2018 totals \$214,710, which includes the following:

- \$35,000 – Replacement of a Police vehicle (will be purchased using installment financing)
- \$114,710 – E and I Avenue beach access improvements (primarily funded with grant proceeds)
- \$35,000 – Replacement of a lift truck for Public Works (will be purchased using installment financing)
- \$30,000 – Fire Department equipment

The fiscal year 2018 budgeted capital outlay for the General Fund is \$105,290 (32.9%) less than the original fiscal year 2017 budget. The amount of capital outlay varies from year-to-year and is contingent on the useful life of previously purchased capital items.

The Water and Sewer Fund capital outlay totals \$324,040 for fiscal year 2018 and includes the following:

- \$47,000 – Equipment (will be partially purchased using installment financing)
- \$167,040 – water line replacement and various other projects
- \$110,000 – Sewer rehabilitation work

The Water and Sewer Fund fiscal year 2018 budgeted capital outlay is \$2,540 (0.8%) greater than the fiscal year 2017 budget.

The fiscal year 2018 Storm Water Fund capital outlay totals \$385,000 and is comprised of the following:

- \$35,000 – Equipment (will be purchased using installment financing)
- \$350,000 – infrastructure projects

The Storm Water Fund fiscal year 2018 budgeted capital outlay is 516% greater than the original fiscal year 2017 budget, but 56.6% less than the fiscal year 2017 amended budget as of May 16, 2017. The amended fiscal year 2017 budget included significant infrastructure projects in the Kure Beach Village area.

FUND TRANSFERS

The General Fund budget includes a \$46,450 transfer to the Beach Protection Fund. The Beach Protection Fund is a reserve fund for beach related expenditures. Refer to page 20 for more information regarding the Beach Protection Fund.

There are no other transfers proposed in the fiscal year 2018 budget for the remaining funds.

CONTINGENCY

A contingency of \$48,100 (1% of the budget) is included in the General Fund budget for fiscal year 2018. This contingency appropriation is to provide for unanticipated increases in budgetary needs during the course of the year.

No actual expenditures can be made from the contingency appropriation. Funds must first be moved from the contingency appropriation to a department or function and then expended. This movement of funds shall be authorized by resolution of the governing body and will be deemed an amendment to the budget ordinance.

GENERAL FUND SUMMARY

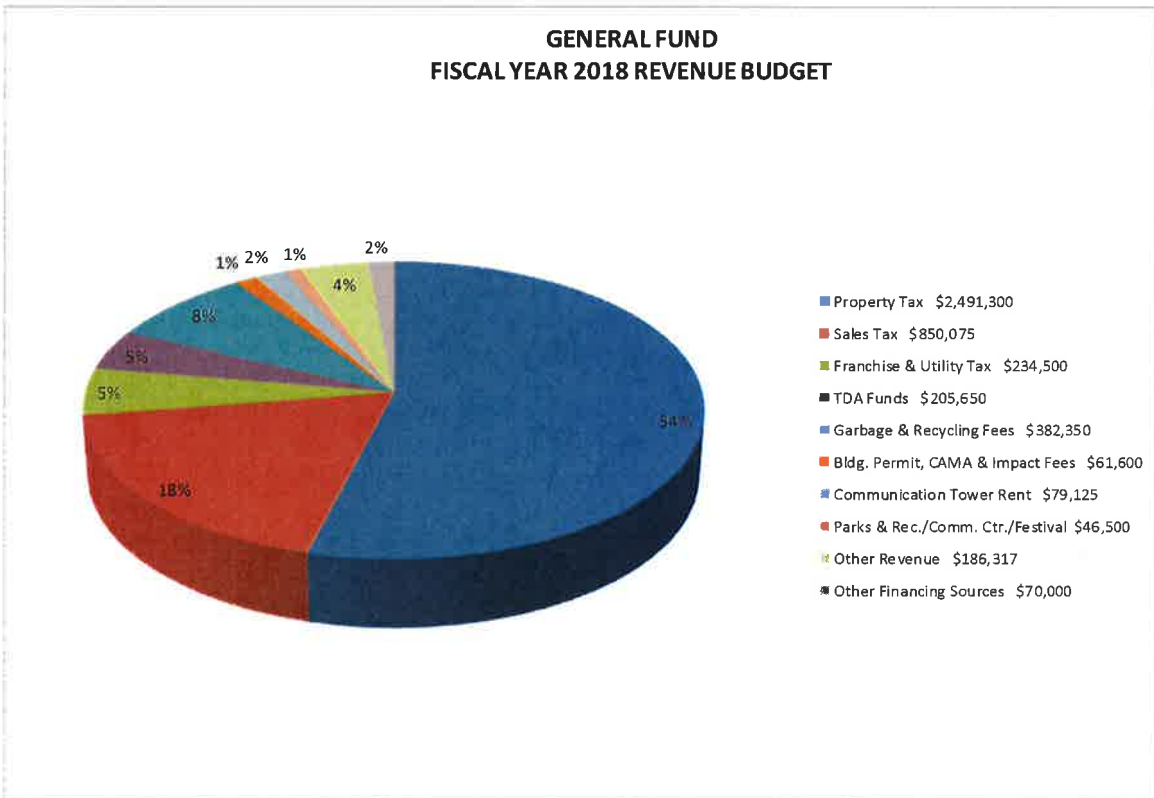
The budget preparation for the General Fund has, as in the past, been the most difficult of all of our funds. The number of non-utility services provided by the Town, as well as the general expenses of operating the government, makes the process of developing and balancing this budget challenging. Issues, including, but not limited to the following have made the allocation of finite General Fund resources difficult:

- 1) The desire to maintain the types and levels of service provided to Town residents and property owners.
- 2) The need to build reserves in anticipation of future beach nourishment costs.
- 3) General price increases for purchased services and materials.

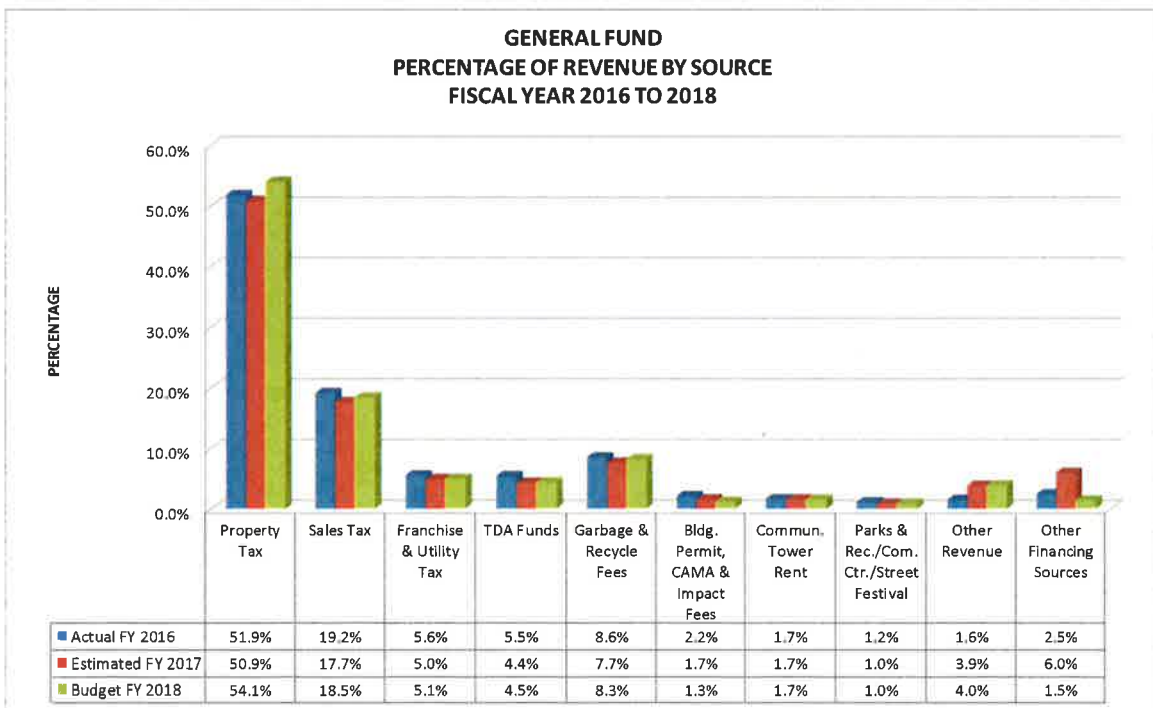
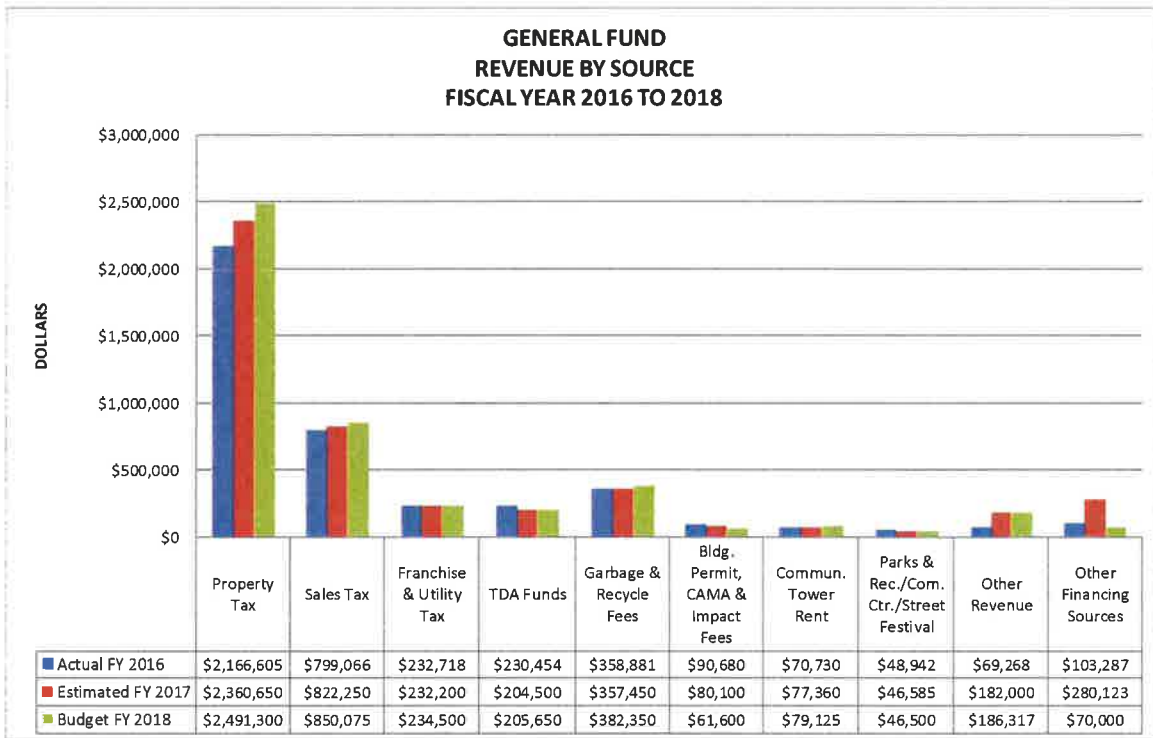
As noted earlier, the issues listed above have led to the proposal to maintain the tax rate at 28.5 cents rather than at the revenue-neutral rate associated with the property revaluation. Also, proposed increases to certain fees relating to Town-provided garbage and trash services are necessary due to increases in the costs for these services.

When comparing the total fiscal year 2018 General Fund budget to the fiscal year 2017 original budget and amended budget as of May 16, 2017, the total 2018 budget has increased by 2.7% in relation to the original budget and 1.2% in relation to the amended budget. In comparison to the fiscal year 2017 original budget, operating expenses have increased 5%, capital outlay decreased 32.9%, debt service increased 13.9%, fund transfers have decreased 7.1% and the contingency decreased 9%.

The breakdown of budgeted revenue, by major source, for fiscal year 2018 is as follows:



For comparative purposes, the following charts present the revenue by source and the percentage of revenue by source budgeted for fiscal year 2018 in relation to the estimated revenue for fiscal year 2017 and the actual revenue for fiscal year 2016.

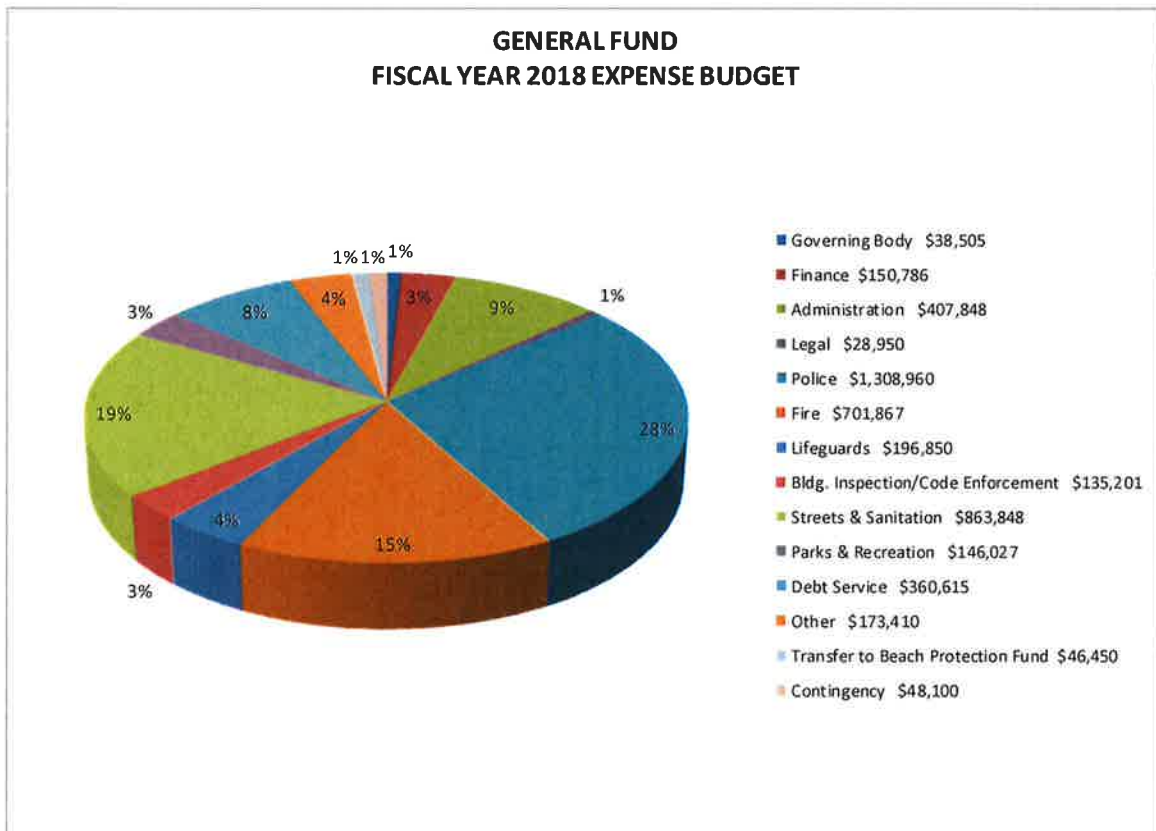


As the charts on the previous page depict, revenue from property taxes consistently exceeds 50% of the General Fund’s total revenue. The other categories have remained fairly consistent from year-to-year with the exception of “Other Revenue” and “Other Financing Sources”.

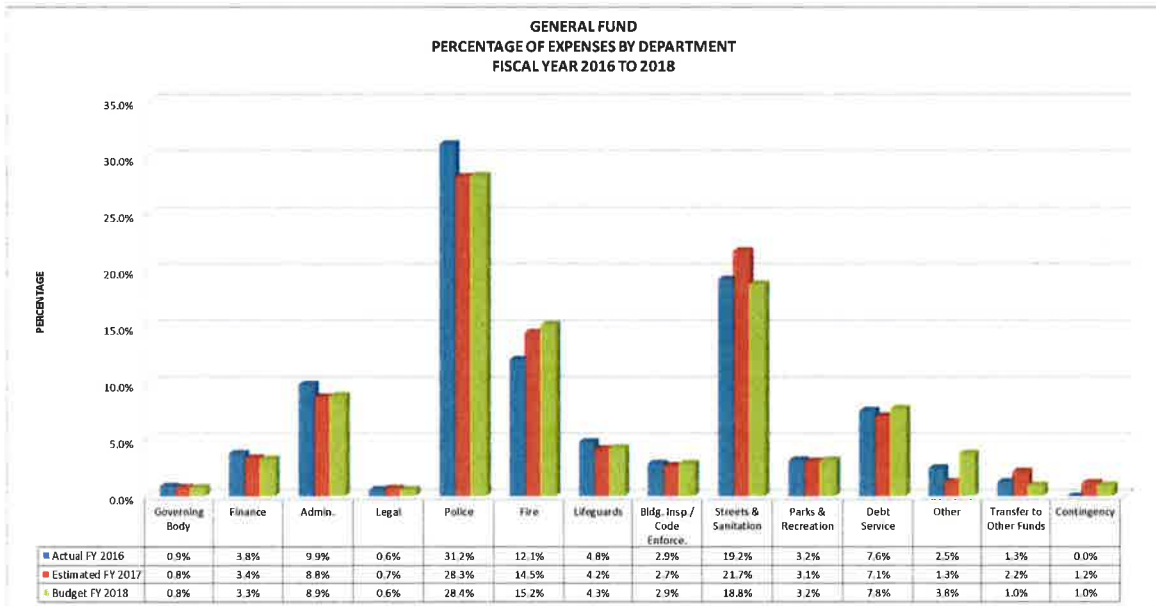
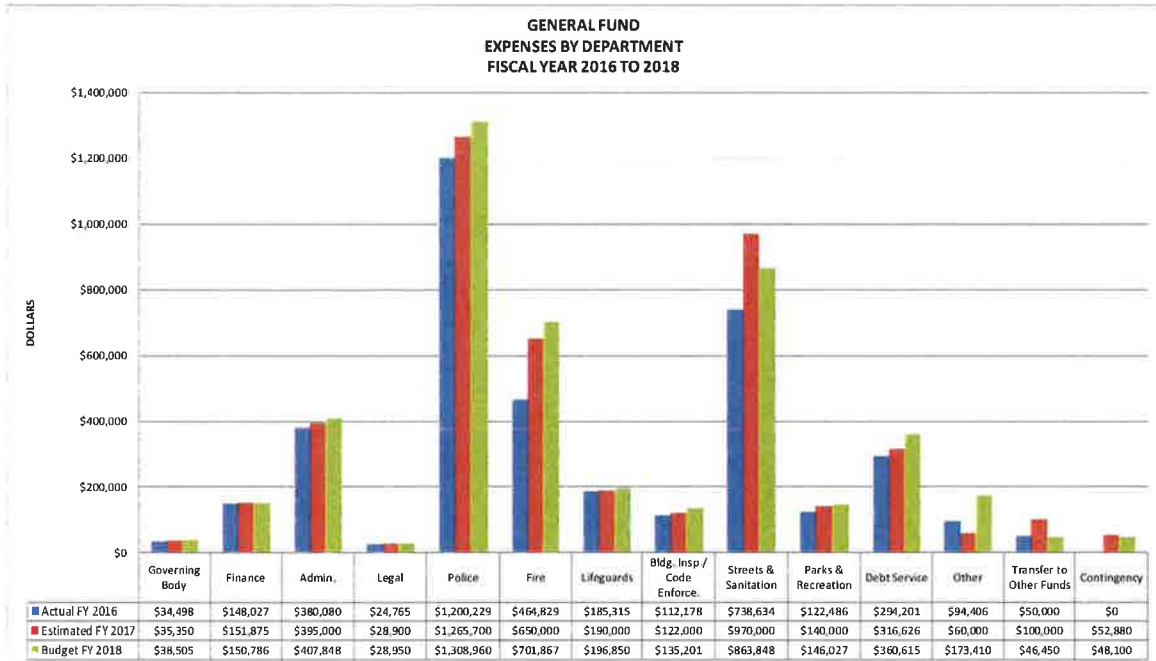
In both fiscal years 2017 and 2018, “Other Revenue” includes grant proceeds for beach access improvements. “Other Financing Sources” are installment loans and vary based on the level of capital outlay. Fiscal year 2017 includes a loan of \$179,756 for a garbage truck, as well as loans for other vehicle and equipment purchases.

Refer to Exhibit A (on pages 22 to 23) for a summary of the most significant changes, by General Fund revenue source, between the budgets for fiscal year 2018 and 2017.

The breakdown of budgeted General Fund expenses, by department/function, for fiscal year 2018 is as follows:



The charts on the next page present the expenses by department/function and the percentage of expenses by department/function budgeted for fiscal year 2018 in relation to the estimated expenses for fiscal year 2017 and the actual expenses for fiscal 2016.



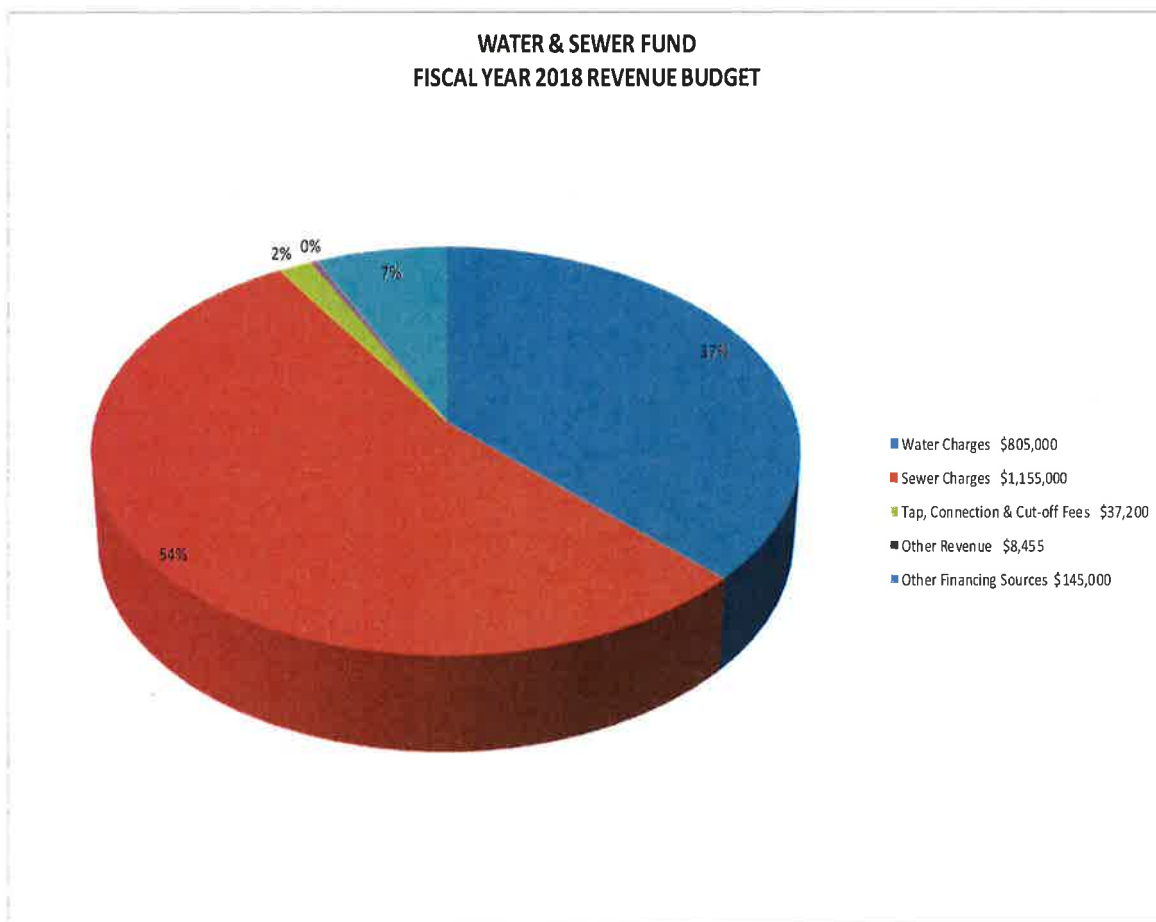
The General Fund expenses by department/function, both dollars and percentage, have remained relatively consistent. Many of the fluctuations relate to the amount of capital outlay for the given year. For example, “Streets & Sanitation” is higher in fiscal year 2017 due to the purchase of a new garbage truck. In regard to “Police” and “Fire” expenses, additions to staffing were included in the fiscal year 2017 budget. Finally, “Other” expenses are higher for fiscal year 2018 due to capital projects at the E and I Avenue beach accesses.

Refer to Exhibit B (on pages 24 to 27) for a summary of the most significant changes, by General Fund department/function, between the budgets for fiscal year 2018 and 2017.

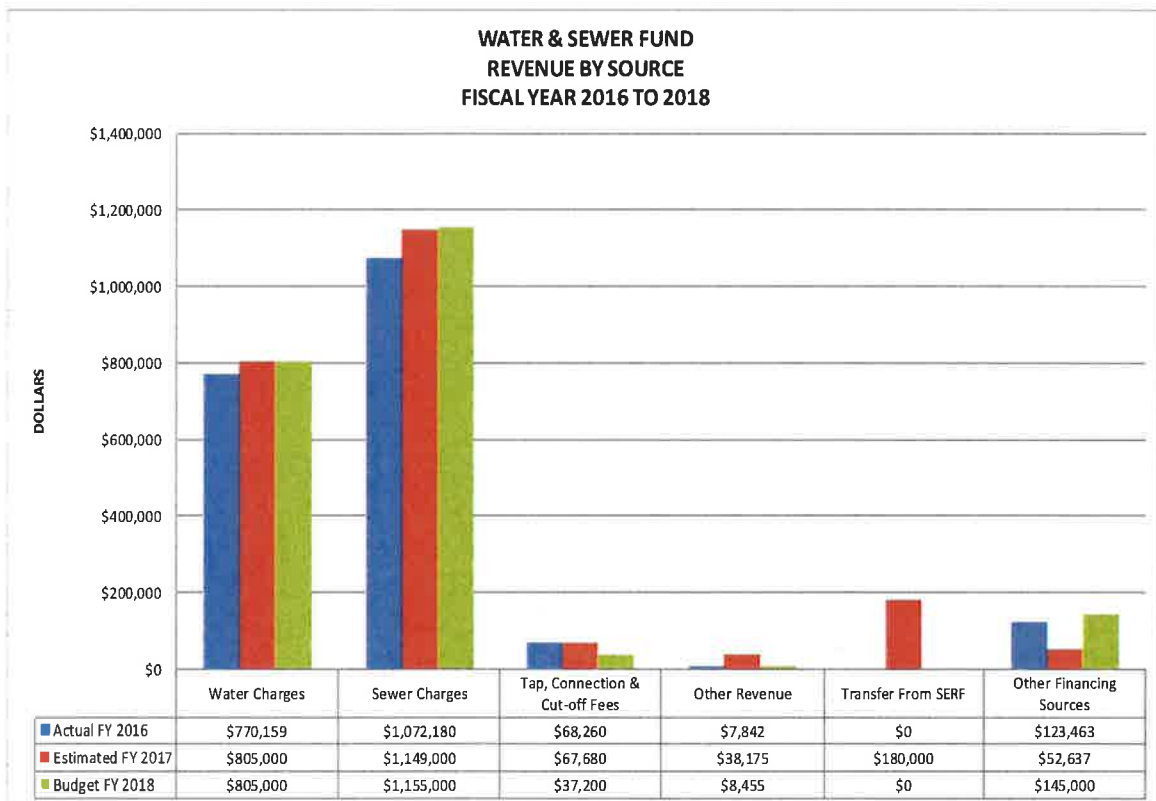
WATER AND SEWER FUND SUMMARY

Overall, the fiscal year 2018 Water and Sewer Fund budget is 3.1% less than the original fiscal year 2017 budget and 4.4% less than the amended 2017 budget as of May 16, 2017. In relation to the original fiscal year 2017 budget, operating expenses have decreased 5%, capital outlay has increased by 0.8%, debt service has increased by 48.7% and fund transfers have decreased by 100%.

The breakdown of Water and Sewer Fund budgeted revenue, by major source, for fiscal year 2018 is as follows:



The chart below shows the Water and Sewer Fund revenue by source budgeted for fiscal year 2018 compared to the estimated revenue for fiscal year 2017 and the actual revenue for fiscal year 2016.

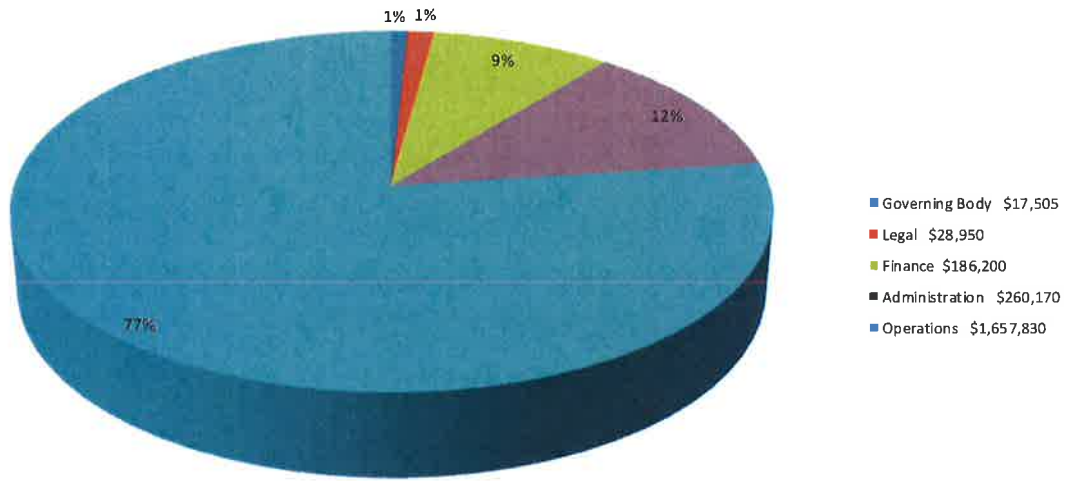


The most significant revenue sources, “Water and Sewer Charges”, have increased in fiscal year 2017 as a result of the addition of another rate tier for residential customers when monthly usage exceeds 7,000 gallons. Also, fiscal year 2017 includes a transfer from the Sewer Expansion Reserve Fund (SERF) that was used for a sewer capital project.

Refer to Exhibit C (on page 28) for a summary of the most significant changes, by Water and Sewer Fund revenue source, between the budgets for fiscal year 2018 and 2017.

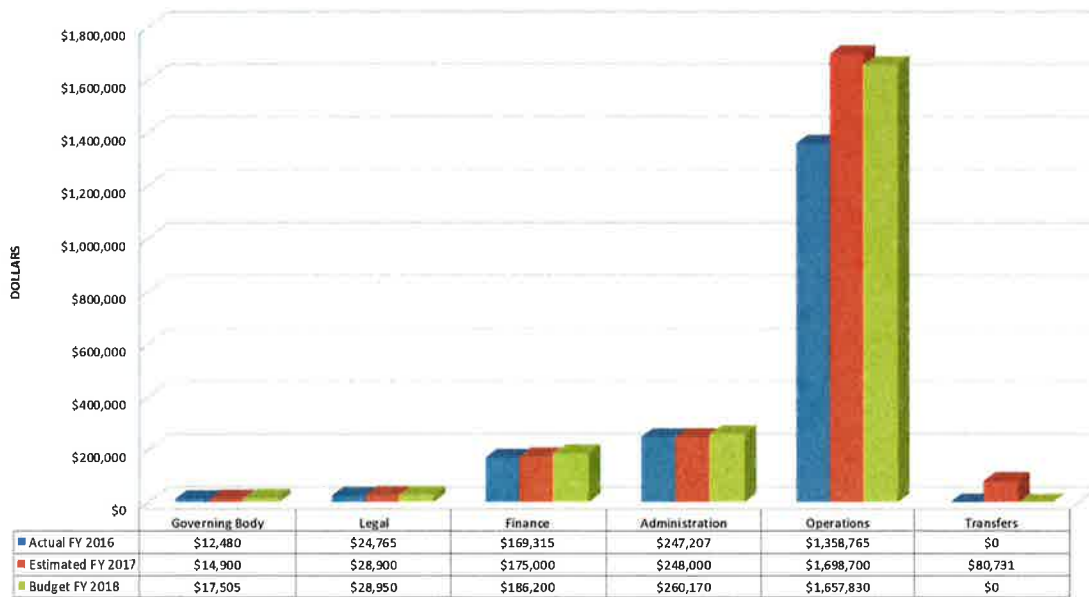
The breakdown of budgeted Water and Sewer Fund expenses, by department/function, for fiscal year 2018 is presented on the next page.

**WATER & SEWER FUND
FISCAL YEAR 2018 EXPENSE BUDGET**



The chart below shows the expenses by department/function for the Water and Sewer Fund budgeted for fiscal year 2018 in comparison to the estimated expenses for fiscal year 2017 and the actual expenses for fiscal year 2016.

**WATER & SEWER FUND
EXPENSES BY DEPARTMENT
FISCAL YEAR 2016 - 2018**



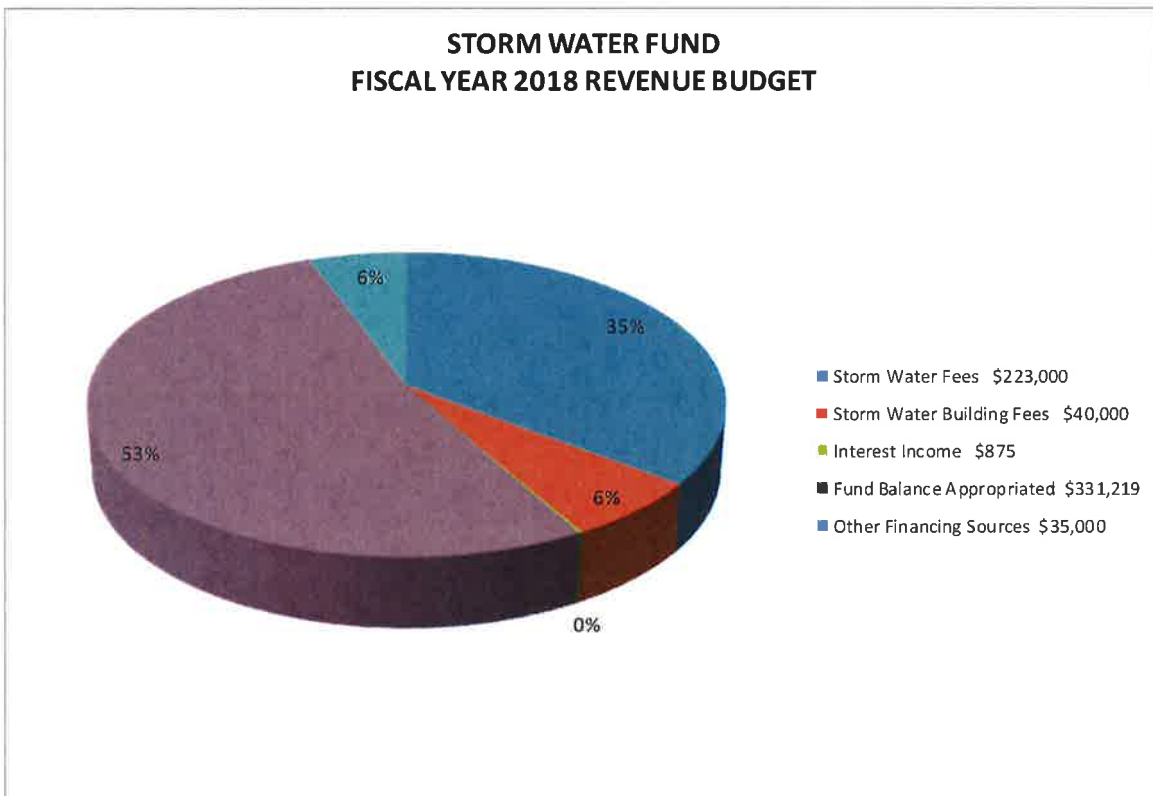
In reference to the chart on the previous page, the variations in “Operations” expenses primarily relate to the amount of capital outlay for the given year and increased system maintenance costs. In regard to “Transfers”, fiscal year 2017 includes a transfer of funds to the Kure Beach Pump Station #1 Capital Project Fund to cover part of the cost for construction of a new pump station.

Refer to Exhibit D (on pages 29 and 30) for a summary of the most significant changes, by Water and Sewer Fund department/function, between the budgets for fiscal year 2018 and 2017.

STORM WATER FUND SUMMARY

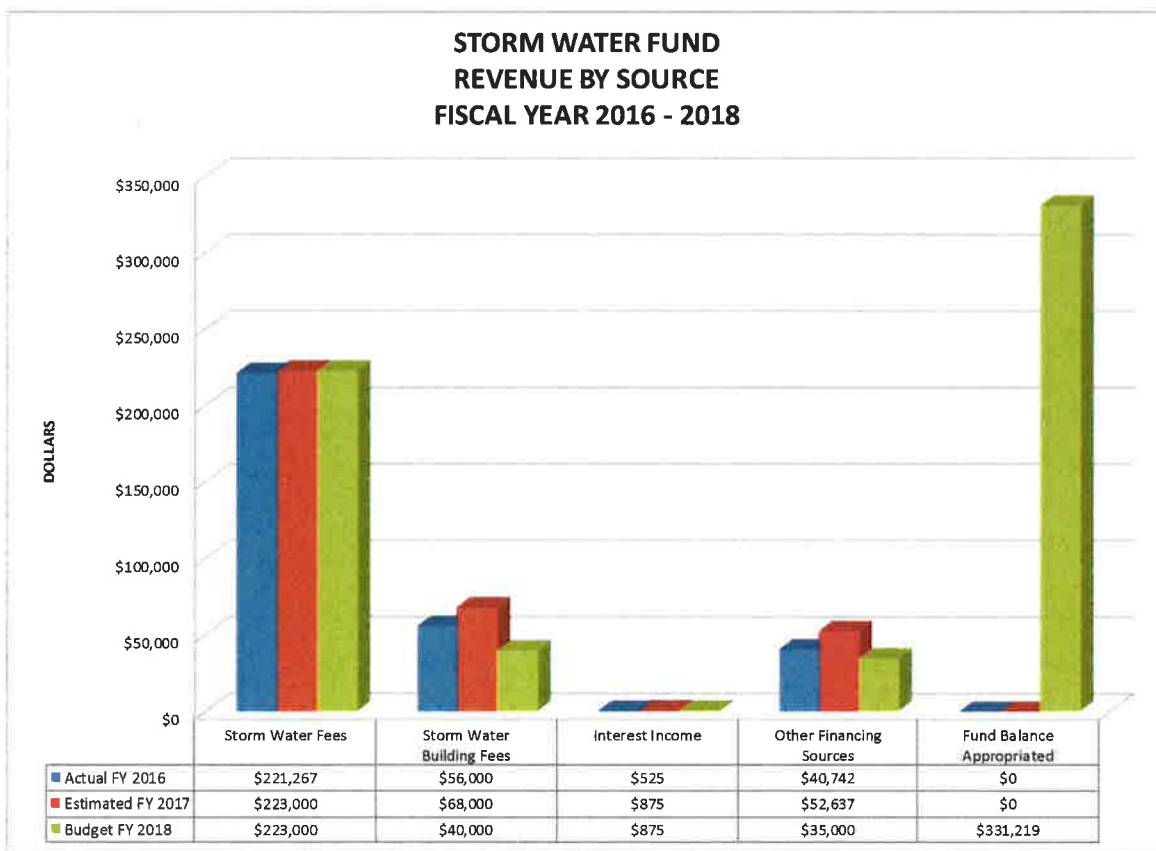
Overall, the fiscal year 2018 Storm Water Fund budget is 8.7% less than the original fiscal year 2017 budget and 43.6% less than the 2017 amended budget as of May 16, 2017. In comparison to the fiscal year 2017 original budget, operating expenses have increased 4.4%, capital outlay increased 516%, debt service increased 12.6% and fund transfers decreased 100%. The significant increase in capital outlay is the result of planned infrastructure projects and equipment purchases.

The breakdown of Storm Water Fund budgeted revenue, by major source, for fiscal year 2018 is as follows:



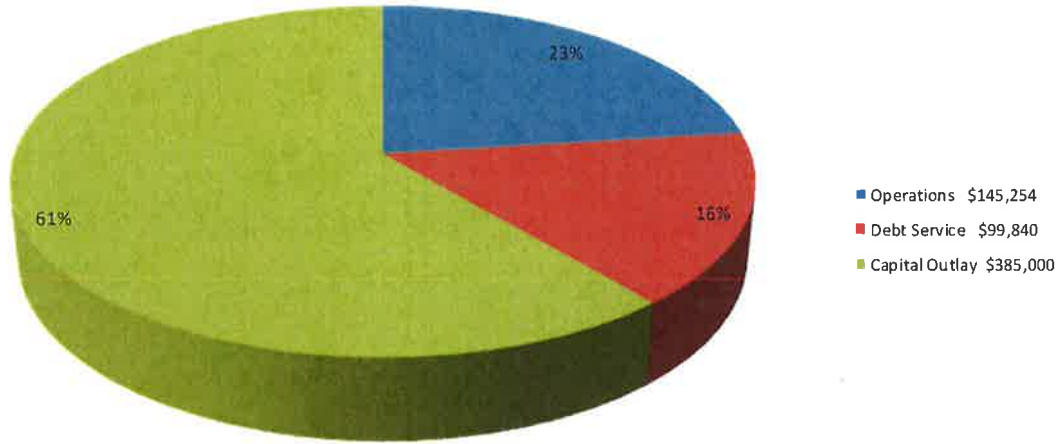
Refer to Exhibit E (on page 31) for a summary of the most significant changes, by Storm Water Fund revenue source, between the budgets for fiscal year 2018 and 2017.

The chart below compares the budgeted fiscal year 2018 revenue to the estimated revenue for fiscal year 2017 and the actual revenue for 2016. As depicted by the chart, the major revenue source, “Storm Water Fees”, has remained steady. “Storm Water Building Fees” fluctuate based on the amount of building activity. Finally, fiscal year 2018 includes an appropriation of fund balance that will be the primary source for infrastructure capital projects.



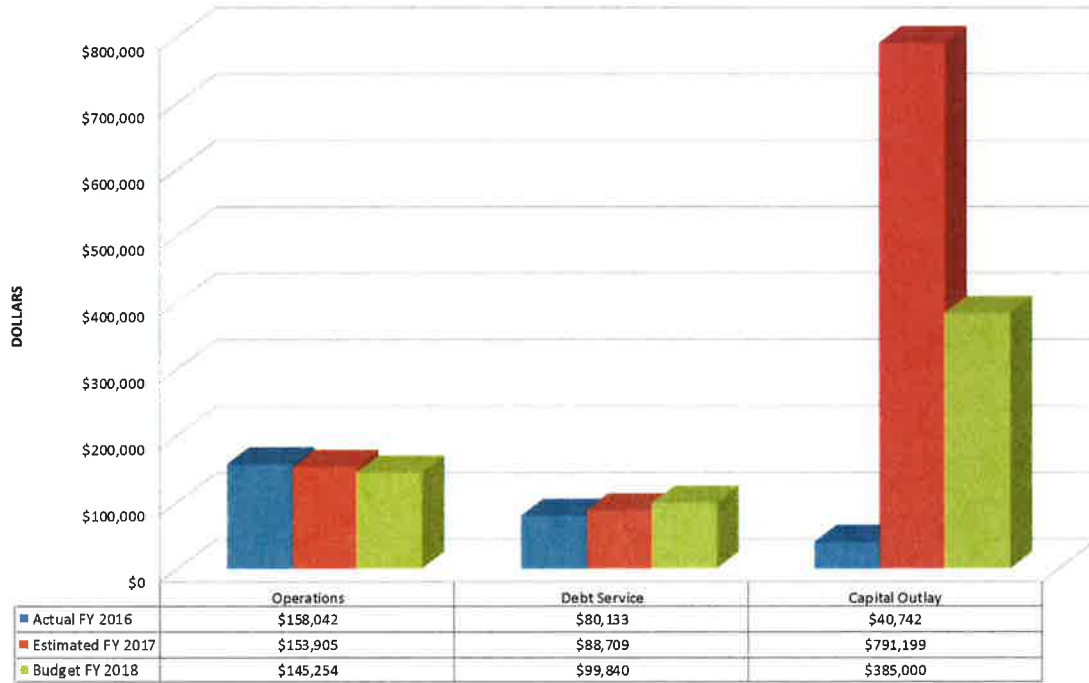
The breakdown of budgeted Storm Water Fund expenses, by type, for fiscal year 2018 is presented on the following page:

**STORM WATER FUND
FISCAL YEAR 2018 EXPENSE BUDGET**



The following chart shows the budgeted fiscal year 2018 expenses by type in relation to the estimated fiscal year 2017 and actual 2016 Storm Water Fund expenses.

**STORM WATER FUND
EXPENSES BY TYPE
FISCAL YEAR 2016 - 2018**



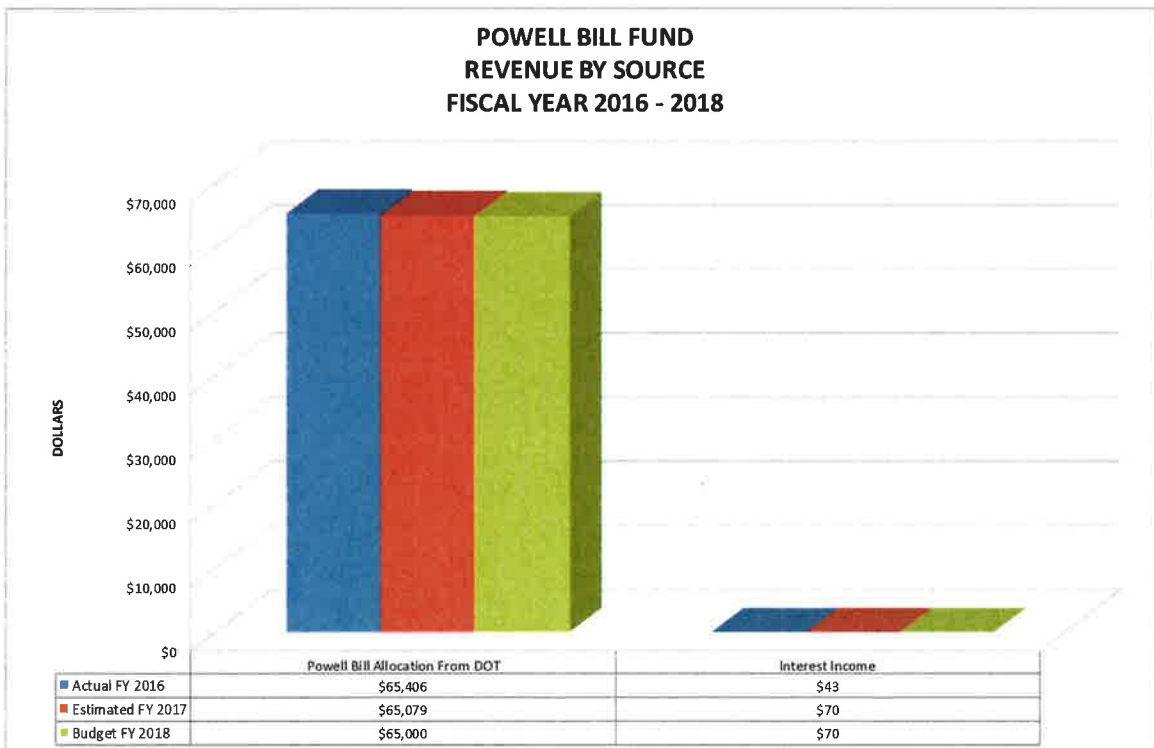
As indicated by the chart on the previous page, the expenses relating to “Operations” have remained fairly consistent. Fluctuations in “Capital Outlay” relate to the number and size of projects to be performed in a given year. Both fiscal year 2017 and 2018 include significant storm water infrastructure projects.

Refer to Exhibit F (on page 32) for a summary of the most significant changes, by Storm Water Fund expense type, between the budgets for fiscal year 2018 and 2017.

POWELL BILL FUND SUMMARY

Funds received through the Powell Bill may only be used for the purpose of maintaining, repairing, constructing, reconstructing or widening of any street or public thoroughfare including bridges, drainage, curbs and gutters and other necessary appurtenances within the corporate limits. Beginning in fiscal year 2016, the General Statutes relating to Powell Bill funding were changed. The General Assembly may now appropriate funds to the Department of Transportation for State aid to municipalities rather than linking it to fuel tax collections. The total amount allocated to each qualifying municipality is 75% on the basis of relative population and 25% on the basis of relative non-State System local street mileage. The total budgeted allocation to Kure Beach for fiscal year 2018 is estimated at \$65,000 and interest income is estimated at \$70. Additionally, budgeted Powell Bill eligible expenditures total \$65,070.

The chart below shows budgeted Powell Bill Fund revenue for fiscal year 2018 in comparison to estimated fiscal year 2017 revenue and actual fiscal year 2016 revenue. As indicated by the data, revenue for this fund remains very constant.



BEACH PROTECTION FUND SUMMARY

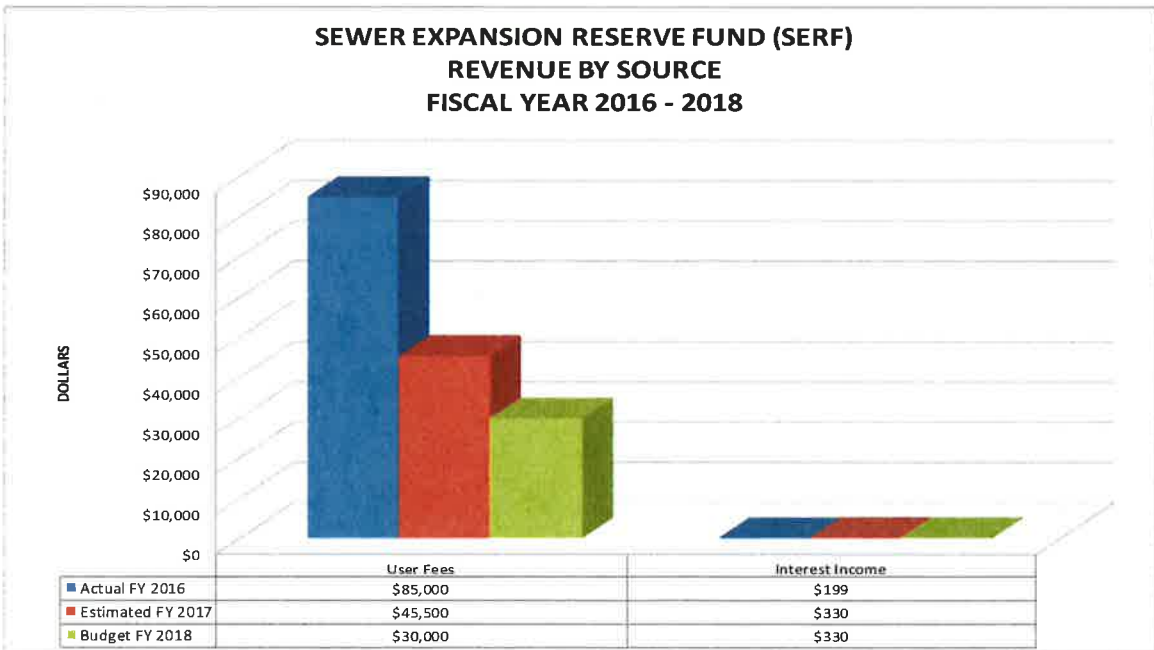
The Beach Protection Fund was established in fiscal year 2014 as a reserve fund for future beach nourishment expenses, as well as other beach related expenditures including, but not limited to, beach access improvements/repairs, dune maintenance, dune plantings, beach protection signage, dune infiltration systems, etc. The uncertainties surrounding state and federal funding of future beach nourishment projects was the driving force behind the establishment of this fund. For fiscal year 2018, the revenue source for the Beach Protection Fund will be a transfer of \$46,450 from the General Fund and interest of \$640 from Fund investments.

FEDERAL ASSET FORFEITURE FUND SUMMARY

On an as needed basis, the Kure Beach Police Department participates in investigations conducted by several federal agencies. The Police Department shares in the assets that are forfeited based on the outcome of the investigations and the level of resources provided. The funds received may only be used for Police related activities that are beyond the Police Department operating budget (which is a portion of the total General Fund budget). Under no circumstances, can the Police Department operating budget be funded with forfeiture proceeds. For fiscal year 2018, the use of asset forfeiture funds will be appropriated from the fund’s balance and is estimated at \$50,000.

SEWER EXPANSION RESERVE FUND (SERF) SUMMARY

The Sewer Expansion Reserve Fund (SERF) is for future expansion, construction, repairs or alterations to the sewer system. For fiscal year 2018, revenue from user fees is estimated at \$30,000 and interest income from Fund investments is budgeted at \$330. SERF revenue budgeted for fiscal year 2018 in comparison to the estimated revenue for fiscal year 2017 and the actual revenue for fiscal year 2016 is presented below. The revenue for this fund is dependent on the level of construction activity within the Town.



SUMMARY

The fiscal year 2018 Town of Kure Beach budget reflects a thorough review of Town expenditures and conservative, but reasonable, estimation of revenues.

The upward trends in tourism and full-time population growth have placed increased demands on Town personnel and the corresponding Town-provided services. These trends are expected to continue thereby creating an ongoing challenge to manage and control the costs to provide these services, while ensuring sufficient revenue sources exist to fund the services. Additionally, investment in Town infrastructure, including, but not limited to water, sewer, storm water and streets, continues as needed to ensure Town systems function properly and efficiently. The fiscal year 2018 budget proposal addresses these challenges. This budget also includes a process to continue to build reserves for potential future beach nourishment needs. A transfer of \$46,450 from the General Fund to the Beach Protection Fund is included in this budget.

In conclusion, I believe the proposed fiscal year 2018 Kure Beach budget supports the goals established by Town Council, reflects the Council's service priorities and is responsive to the Town's needs. I would like to express my appreciation to all Department Heads, as well as all Town employees, who participated in the development of the fiscal year 2018 budget.

Respectfully submitted,



Arlen Copenhaver
Finance and Budget Officer

EXHIBIT A

**GENERAL FUND REVENUE BY MAJOR SOURCE
FY 2018 VS. FY 2017
(as of 5/16/17)**

REVENUE TYPE	ORIGINAL 2017 BUD.	AMENDED 2017 BUD.	PROPOSED 2018 BUD.	DIFF. 2018 & ORIG. 2017	% CHG.	DIFF. 2018 & AMENDED 2017	% CHG.	SIGNIFICANT CHANGES FY 2018 VS. FY 2017
Property Taxes	\$2,328,500	\$2,328,500	\$2,491,300	\$162,800	7.0%	\$162,800	7.0%	Increase in property valuation as a result of revaluation. Assumes tax rate remains at \$0.285 rather than revenue neutral rate.
Sales Tax	\$800,075	\$800,075	\$850,075	\$50,000	6.2%	\$50,000	6.2%	Actual growth in FY 2017 greater than budgeted. FY 2018 estimated to be same as FY 2017 forecast.
Franchise & Utility Taxes	\$249,000	\$249,000	\$234,500	(\$14,500)	-5.8%	(\$14,500)	-5.8%	Electricity sales tax has been lower than anticipated, therefore FY 2018 budget reduced. Telecommunications & video programming taxes remain neutral.
TDA	\$204,517	\$204,517	\$205,650	\$1,133	0.6%	\$1,133	0.6%	FY 2018 budget is for lifeguards & Pleasure Island Chamber of Commerce concerts.
Garbage & Recycle Fees	\$343,375	\$343,375	\$382,350	\$38,975	11.4%	\$38,975	11.4%	Increase in number of garbage carts, fee increase for more than one cart and 50% increase in trash pickup fees.
ABC Revenue	\$12,300	\$12,300	\$14,600	\$2,300	18.7%	\$2,300	18.7%	Upward trend in ABC revenue.
Building Permits, CAMA, Impact Fees, Fire Inspections	\$60,000	\$60,000	\$61,600	\$1,600	2.7%	\$1,600	2.7%	Upward trend in building related fees and fire inspection fees.

EXHIBIT A

**GENERAL FUND REVENUE BY MAJOR SOURCE
FY 2018 VS. FY 2017
(as of 5/16/17)**

REVENUE TYPE	ORIGINAL 2017 BUD.	AMENDED 2017 BUD.	PROPOSED 2018 BUD.	DIFF. 2018 & ORIG. 2017	% CHG.	DIFF. 2018 & AMENDED 2017	% CHG.	SIGNIFICANT CHANGES FY 2018 VS. FY 2017
Communication Tower Rent	\$77,408	\$77,408	\$79,125	\$1,717	2.2%	\$1,717	2.2%	FY 2018 includes annual increase for existing leases.
Motor Vehicle License Tax & Re-Entry Decals	\$12,000	\$12,000	\$15,000	\$3,000	25.0%	\$3,000	25.0%	Motor Vehicle License Tax collected as part of vehicle registration and slight upward trend in re-entry decal sales.
Beer & Wine Tax	\$10,000	\$10,000	\$9,500	(\$500)	-5.0%	(\$500)	-5.0%	Forecasted state-wide decreases for FY 2018.
Sales Tax Refund	\$47,500	\$47,500	\$54,000	\$6,500	13.7%	\$6,500	13.7%	Estimated sales tax refund based on sales tax paid in prior fiscal year.
Community Center/ Parks & Rec/ Street Festival/Bluefish	\$39,550	\$39,550	\$31,500	(\$8,050)	-20.4%	(\$8,050)	-20.4%	Estimated decrease in P & R activity fees, market fees and bluefish sales.
Town Facility Rentals	\$11,000	\$11,000	\$15,000	\$4,000	36.4%	\$4,000	36.4%	Upward trend in facility rental revenue.
All Other Revenue	\$3,145	\$69,217	\$93,217	\$90,072	2864.0%	\$24,000	34.7%	FY 2018 includes \$89,332 for CAMA grant (E & I access paving). Amended FY 2017 includes \$50,000 fund balance appropriation for transfer to capital project fund.
Other Financing Sources	\$290,000	\$290,000	\$70,000	(\$220,000)	-75.9%	(\$220,000)	-75.9%	Decrease in capital outlay requiring financing.
TOTAL GENERAL FUND	\$4,488,370	\$4,554,442	\$4,607,417	\$119,047	2.7%	\$52,975	1.2%	

EXHIBIT B

GENERAL FUND BUDGET BY DEPARTMENT/FUNCTION

FY 2018 VS. FY 2017

(as of 5/16/17)

DEPARTMENT	DEPT. NO.	ORIGINAL 2017 BUD.	AMENDED 2017 BUD.	PROPOSED 2018 BUD.	DIFF. 2018 & ORIG. 2017	% CHG.	DIFF. 2018 & AMENDED 2017	% CHG.	SIGNIFICANT CHANGES FY 2018 VS. FY 2017
Governing Body	410	\$35,517	\$35,517	\$38,505	\$2,988	8.4%	\$2,988	8.4%	Addition of a vehicle allowance of \$2,250, increase of \$761 (102%) for phone allowance, increase of \$250 (7%) in dues/subscriptions, \$500 (12%) increase in governmental relations and \$1,000 (29%) decrease in Travel & Training.
Committees	412	\$4,300	\$12,280	\$120,010	\$115,710	2691%	\$107,730	877.3%	FY 2018 includes the paving and lighting projects for the E Avenue and I Avenue beach accesses (\$114,710) partially funded by grant proceeds.
Finance	415	\$151,889	\$151,889	\$150,786	(\$1,103)	-0.7%	(\$1,103)	-0.7%	Overall a \$2,860 (4%) increase in personnel-related costs. Other changes include \$799 (8%) increase in auditor/actuary fees and \$5,930 (100%) decrease in parking lot lease expense.
Administration	420	\$397,192	\$397,192	\$407,848	\$10,656	2.7%	\$10,656	2.7%	Overall \$6,189 (5.5%) increase in personnel-related costs. Other changes include a \$1,800 (7.3%) increase in retiree medical insurance, \$2,520 (42%) increase in telephone costs, \$5,897 (49%) increase in computer services, \$1,500 (33%) decrease in travel & training, \$2,000 (1.5%) decrease in recycle service costs, \$1,000 (40%) decrease in codification costs and \$2,000 (67%) decrease in minor equipment.
Community Center	421	\$23,300	\$23,300	\$23,300	\$0	0.0%	\$0	0.0%	
Elections	430	\$0	\$0	\$3,000	\$3,000		\$3,000		No local election in FY 2017.

EXHIBIT B

**GENERAL FUND BUDGET BY DEPARTMENT/FUNCTION
FY 2018 VS. FY 2017
(as of 5/16/17)**

DEPARTMENT	DEPT. NO.	ORIGINAL 2017 BUD.	AMENDED 2017 BUD.	PROPOSED 2018 BUD.	DIFF. 2018 & ORIG. 2017	% CHG.	DIFF. 2018 & AMENDED 2017	% CHG.	SIGNIFICANT CHANGES FY 2018 VS. FY 2017
Emergency Management	446	\$100	\$100	\$100	\$0	0.0%	\$0	0.0%	
Tax Collection	460	\$25,000	\$25,000	\$27,000	\$2,000	8.0%	\$2,000	8.0%	Increase in tax base and collection rates.
Legal	470	\$28,900	\$28,900	\$28,950	\$50	0.2%	\$50	0.2%	
Police Dept.	510	\$1,265,716	\$1,265,716	\$1,308,960	\$43,244	3.4%	\$43,244	3.4%	Overall \$65,282 (6.8%) increase in full-time personnel-related costs. Other changes are \$20,453 (26%) decrease in part-time pay & taxes, \$2,367 (9%) decrease in LEO separation allowance & taxes, \$8,000 (114%) increase in minor equipment, \$28,500 (1900%) increase in computer services and \$35,000 (50%) decrease in capital outlay - vehicles.
Fire Dept.	530	\$685,845	\$685,845	\$701,867	\$16,022	2.3%	\$16,022	2.3%	Overall \$27,284 (5%) decrease in full-time personnel-related costs due to not utilizing one of the 4 full-time positions added in FY 17. Other changes include a \$45,600 (170%) increase in part-time pay & taxes, \$4,494 (10%) decrease in drill fees & taxes, \$1,100 (44%) increase in telephone/ postage, \$1,000 (18%) increase in equipment maintenance and \$1,000 (50%) decrease in building maintenance.

EXHIBIT B

**GENERAL FUND BUDGET BY DEPARTMENT/FUNCTION
FY 2018 VS. FY 2017
(as of 5/16/17)**

DEPARTMENT	DEPT. NO.	ORIGINAL 2017 BUD.	AMENDED 2017 BUD.	PROPOSED 2018 BUD.	DIFF. 2018 & ORIG. 2017	% CHG.	DIFF. 2018 & AMENDED 2017	% CHG.	SIGNIFICANT CHANGES FY 2018 VS. FY 2017
Lifeguards	531	\$192,217	\$200,309	\$196,850	\$4,633	2.4%	(\$3,459)	-1.7%	Overall \$3,393 (2%) increase in personnel-related expenses, \$1,408 (17%) increase in minor equipment and \$9,500 (100%) decrease in capital outlay.
Parks & Rec.	532	\$146,114	\$146,114	\$146,027	(\$87)	-0.1%	(\$87)	-0.1%	Overall \$6,357 (10%) increase in full-time personnel-related costs and a \$4,306 (67%) increase in part-time pay & taxes. Other changes are \$1,050 increase for Joe Eakes Park lease, \$1,000 (7.7%) increase in Boogie In The Park expenses, \$4,500 (38%) decrease in P&R activity expenses, \$1,000 (17%) decrease for the cost of boardwalk fish, \$800 (18%) decrease for sponsorship maintenance, \$1,000 (29%) decrease for supplies, \$4,000 (40%) decrease for the Street Festival and \$1,000 (33%) decrease for minor equipment.
Building Inspection/Code Enforcement	540	\$124,763	\$124,763	\$135,201	\$10,438	8.4%	\$10,438	8.4%	Overall \$2,635 (3%) increase in full-time personnel-related costs. Other changes include a \$5,383 (50%) increase in part-time pay & taxes, \$420 (17%) increase in telephone and \$2,000 (31%) increase in beach-related costs.

EXHIBIT B

GENERAL FUND BUDGET BY DEPARTMENT/FUNCTION

FY 2018 VS. FY 2017

(as of 5/16/17)

DEPARTMENT	DEPT. NO.	ORIGINAL 2017 BUD.	AMENDED 2017 BUD.	PROPOSED 2018 BUD.	DIFF. 2018 & ORIG. 2017	% CHG.	DIFF. 2018 & AMENDED 2017	% CHG.	SIGNIFICANT CHANGES FY 2018 VS. FY 2017
Streets & Sanitation	550	\$988,011	\$988,011	\$863,848	(\$124,163)	-12.6%	(\$124,163)	-12.6%	Overall \$36,837 (8.5%) increase in personnel-related costs. Other changes include a \$6,000 (14%) increase in materials/supplies, \$1,000 (33%) increase in uniforms, \$2,000 (25%) increase in garbage cart purchases, \$1,500 (18%) increase in decorations/Christmas, \$2,000 (25%) increase in minor equipment, \$20,000 (400%) increase in Joe Eakes Park maintenance, \$9,000 (69%) decrease in building maintenance, \$150,000 (81%) decrease in capital outlay - equipment and a \$35,000 (100%) decrease in capital outlay - vehicles.
Debt Service	560	\$316,626	\$316,626	\$360,615	\$43,989	13.9%	\$43,989	13.9%	New loans added in FY 2017 for garbage truck and vehicles.
Contingency	490	\$52,880	\$52,880	\$48,100	(\$4,780)	-9.0%	(\$4,780)	-9.0%	
Transfers	580	\$50,000	\$100,000	\$46,450	(\$3,550)	-7.1%	(\$53,550)	-53.6%	Transfer to Beach Protection Fund.
TOTAL GENERAL FUND		\$4,488,370	\$4,554,442	\$4,607,417	\$119,047	2.7%	\$52,975	1.2%	

EXHIBIT C

**WATER AND SEWER FUND REVENUE BY MAJOR SOURCE
FY 2018 VS. FY 2017
(as of 5/16/17)**

REVENUE TYPE	ORIGINAL 2017 BUD.	AMENDED 2017 BUD.	PROPOSED 2018 BUD.	DIFF. 2018 & ORIG. 2017	% CHG.	DIFF. 2018 & AMENDED 2017	% CHG.	SIGNIFICANT CHANGES FY 2018 VS. FY 2017
Water Charges	\$791,800	\$791,800	\$805,000	\$13,200	1.7%	\$13,200	1.7%	Impact of full year from FY 2017 rate structure changes.
Sewer Charges	\$1,110,100	\$1,110,100	\$1,155,000	\$44,900	4.0%	\$44,900	4.0%	Impact of full year from FY 2017 rate structure changes.
Water & Sewer Tap Fees	\$27,000	\$57,731	\$36,000	\$9,000	33.3%	(\$21,731)	-37.6%	Based on estimated building activity.
Cutoff & Reconnection Fees	\$900	\$900	\$1,200	\$300	33.3%	\$300	33.3%	
Other Revenue/ Fees	\$5,905	\$5,905	\$6,315	\$410	6.9%	\$410	6.9%	Primarily past due charges (\$6,000).
Interest Income	\$1,470	\$1,470	\$2,140	\$670	45.6%	\$670	45.6%	Changes to investment allocation.
Other Financing Sources	\$102,500	\$102,500	\$145,000	\$42,500	41.5%	\$42,500	41.5%	Loans for 1/2 of mini excavator & sewer rehab project.
Transfer From SERF	\$180,000	\$180,000	\$0	(\$180,000)	-100%	(\$180,000)	-100%	FY 2017 included a transfer from SERF for the sewer bypass project.
TOTAL WATER/ SEWER FUND	\$2,219,675	\$2,250,406	\$2,150,655	(\$69,020)	-3.1%	(\$99,751)	-4.4%	

EXHIBIT D

WATER AND SEWER FUND BUDGET BY DEPARTMENT/FUNCTION

FY 2018 VS. FY 2017

(as of 5/16/17)

DEPARTMENT	DEPT. NO.	ORIGINAL 2017 BUD.	AMENDED 2017 BUD.	PROPOSED 2018 BUD.	DIFF. 2018 & ORIG. 2017	% CHG.	DIFF. 2018 & AMENDED 2017	% CHG.	SIGNIFICANT CHANGES FY 2018 VS. FY 2017
Governing Body	410	\$15,017	\$15,017	\$17,505	\$2,488	16.6%	\$2,488	16.6%	Addition of a vehicle allowance of \$2,250, increase of \$761 (102%) for phone allowance, increase of \$250 (7%) in dues/subscriptions and \$1,000 (29%) decrease in Travel & Training.
Legal	470	\$28,900	\$28,900	\$28,950	\$50	0.2%	\$50	0.2%	
Finance	715	\$178,238	\$178,238	\$186,200	\$7,962	4.5%	\$7,962	4.5%	Overall a \$6,335 (4.6%) increase in personnel-related costs.
Administration	720	\$248,806	\$248,806	\$260,170	\$11,364	4.6%	\$11,364	4.6%	Overall \$6,189 (5.5%) increase in personnel-related costs. Other changes include a \$2,078 (18%) increase in retiree medical insurance, \$2,520 (42%) increase in telephone, \$5,897 (49%) increase in computer services, \$1,570 (58%) decrease in special long-term disability, \$1,500 (33%) decrease in travel & training, \$2,000 (67%) decrease in minor equipment and \$1,000 (40%) decrease in codification costs.

EXHIBIT D

WATER AND SEWER FUND BUDGET BY DEPARTMENT/FUNCTION

FY 2018 VS. FY 2017

(as of 5/16/17)

DEPARTMENT	DEPT. NO.	ORIGINAL 2017 BUD.	AMENDED 2017 BUD.	PROPOSED 2018 BUD.	DIFF. 2018 & ORIG. 2017	% CHG.	DIFF. 2018 & AMENDED 2017	% CHG.	SIGNIFICANT CHANGES FY 2018 VS. FY 2017
W/S Operations	810	\$1,698,714	\$1,698,714	\$1,657,830	(\$40,884)	-2.4%	(\$40,884)	-2.4%	Overall \$33,270 (8%) decrease in personnel-related costs. Other changes include \$3,500 (35%) increase in telephone, \$1,000 (33%) increase in equipment rentals, \$5,000 (6%) increase in materials/supplies, \$1,500 (18%) increase in uniforms, \$14,500 (73%) increase in permit/lease fees, \$6,000 (60%) increase in minor equipment, \$80,000 (267%) increase in capital outlay - sewer rehab, \$64,146 (49%) increase in debt service, \$95,000 (56%) decrease in system maintenance, \$11,000 (48%) decrease in equipment/building maintenance, \$69,500 (60%) decrease in capital outlay - equipment and \$7,960 (4.5%) decrease in capital outlay - improvements.
Transfers	999	\$50,000	\$80,731	\$0	(\$50,000)	-100.0%	(\$80,731)	-100.0%	FY 2017 includes transfer to Kure Beach Pump Station #1 Capital Project Fund.
TOTAL WATER/SEWER FUND		\$2,219,675	\$2,250,406	\$2,150,655	(\$69,020)	-3.1%	(\$99,751)	-4.4%	

EXHIBIT E

**STORM WATER FUND REVENUE BY MAJOR SOURCE
FY 2018 VS. FY 2017
(as of 5/16/17)**

REVENUE TYPE	ORIGINAL 2017 BUD.	AMENDED 2017 BUD.	PROPOSED 2018 BUD.	DIFF. 2018 & ORIG. 2017	% CHG.	DIFF. 2018 & AMENDED 2017	% CHG.	SIGNIFICANT CHANGES FY 2018 VS. FY 2017
Storm Water Charges	\$220,500	\$220,500	\$223,000	\$2,500	1.1%	\$2,500	1.1%	
Storm Water Building Fees	\$32,000	\$33,932	\$40,000	\$8,000	25.0%	\$6,068	17.9%	Based on estimated building activity.
Interest Income	\$600	\$600	\$875	\$275	45.8%	\$275	45.8%	Changes to investment allocation.
Hurricane Reimbursement	\$0	\$131,404	\$0	\$0		(\$131,404)	-100.0%	Amended FY 2017 included a significant FEMA reimbursement relating to storm water outfall repairs from Hurricane Matthew damage.
Other Financing	\$62,500	\$62,500	\$35,000	(\$27,500)	-44.0%	(\$27,500)	-44.0%	Loan for 1/2 of mini excavator.
Appropriate Fund Balance	\$374,773	\$668,575	\$331,219	(\$43,554)	-11.6%	(\$337,356)	-50.5%	Fund balance appropriation for remaining projects in KB Village area.
TOTAL STORM WATER FUND	\$690,373	\$1,117,511	\$630,094	(\$60,279)	-8.7%	(\$487,417)	-43.6%	

EXHIBIT F

**STORM WATER FUND EXPENSE BUDGET BY TYPE
FY 2018 VS. FY 2017
(as of 5/16/17)**

DEPARTMENT	DEPT. NO.	ORIGINAL 2017 BUD.	AMENDED 2017 BUD.	PROPOSED 2018 BUD.	DIFF. 2018 & ORIG. 2017	% CHG.	DIFF. 2018 & AMENDED 2017	% CHG.	SIGNIFICANT CHANGES FY 2018 VS. FY 2017
SW Operations	610	\$139,164	\$141,096	\$145,254	\$6,090	4.4%	\$4,158	2.9%	Overall \$4,090 (3.7%) increase in personnel-related costs.
Capital Outlay	610	\$62,500	\$887,706	\$385,000	\$322,500	516.0%	(\$502,706)	-56.6%	FY 2018 includes \$35,000 for half of mini excavator and \$350,000 for projects in Kure Beach Village area. Original FY 2017 included purchase of equipment (half of backhoe). Amended FY 2017 includes equipment purchase, storm water pipe relining projects (\$650,000) and storm water outfall replacement (\$175,206) from storm damage.
Debt Service	610	\$88,709	\$88,709	\$99,840	\$11,131	12.5%	\$11,131	12.5%	New loan for backhoe added in FY 2017.
Transfers	610	\$400,000	\$0	\$0	(\$400,000)	-100.0%	\$0		No transfer to capital project fund planned for FY 2018.
TOTAL STORM WATER FUND		\$690,373	\$1,117,511	\$630,094	(\$60,279)	-8.7%	(\$487,417)	-43.6%	



Ordinance Number: FY 2017-18
Date Adopted: **Draft**
Effective Date: July 1, 2017

**BUDGET ORDINANCE FY 2017-2018
KURE BEACH, NORTH CAROLINA**

Be it ordained by the Town Council of Kure Beach, North Carolina:

Section I. Budget Adoption: There is hereby adopted the following operating budget for the Town of Kure Beach for the Fiscal Year beginning July 1, 2017 and ending June 30, 2018; the same being adopted by fund. Activity within each fund is listed as follows:

GENERAL FUND

EXPENDITURES:

Governing Body	\$ 38,505
Committees	120,010
Finance	150,786
Administration	407,848
Community Center	23,300
Elections	3,000
Emergency Management	100
Tax Collections	27,000
Legal Department	28,950
Police Department	1,308,960
Fire Department	701,867
Lifeguards	196,850
Parks & Recreation	146,027
Building Inspections	135,201
Streets & Sanitation	863,848
Debt Service	360,615
Transfer to Beach Protection Fund	46,450
Contingency	<u>48,100</u>
TOTAL EXPENDITURES	<u>\$4,607,417</u>

GENERAL FUND (continued)

REVENUES:

Property Tax (current & prior years)	\$2,491,300
Sales Tax	850,075
Franchise & Utility Tax	234,500
Garbage & Recycle Fees	382,350
TDA Funds	205,650
Motor Vehicle License Tax	9,500
ABC Revenue	14,600
Building Permits/Impact Fees/ CAMA Fees/Fire Inspections	61,600
Communication Tower Rent	79,125
Town Facility Rentals	15,000
Parks & Rec/Community Center/ Street Festival	31,500
Other Revenue	162,217
Other Financing Sources	<u>70,000</u>

TOTAL REVENUES **\$4,607,417**

POWELL BILL FUND

EXPENDITURES:

Street Maintenance & Repair	<u>\$ 65,070</u>
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TOTAL EXPENDITURES **\$ 65,070**

REVENUES:

Powell Bill Allocation	\$ 65,000
Interest Income	<u>70</u>

TOTAL REVENUES **\$ 65,070**

STORM WATER FUND

EXPENDITURES:

Storm Water Operations \$ 630,094

TOTAL EXPENDITURES \$ **630,094**

REVENUES:

Storm Water Monthly Fees \$ 223,000

Storm Water Building Fees 40,000

Interest Income 875

Other Financing Sources 35,000

Fund Balance Appropriated 331,219

TOTAL REVENUES \$ **630,094**

BEACH PROTECTION FUND

EXPENDITURES:

Beach Protection Reserves \$ 47,090

TOTAL EXPENDITURES \$ **47,090**

REVENUES:

Interest Income \$ 640

Transfer from General Fund 46,450

TOTAL REVENUES \$ **47,090**

FEDERAL ASSET FORFEITURE FUND

EXPENDITURES:

Federal Asset Forfeiture Expenses \$ 50,000

TOTAL EXPENDITURES \$ **50,000**

FEDERAL ASSET FORFEITURE FUND (continued)

REVENUES:

Fund Balance Appropriated	\$ 50,000
TOTAL REVENUES	<u>\$ 50,000</u>

WATER AND SEWER FUND

EXPENDITURES:

W/S Governing Body	\$ 17,505
W/S Legal Department	28,950
W/S Finance	186,200
W/S Administration	260,170
W/S Operations	<u>1,657,830</u>
TOTAL EXPENDITURES	<u>\$2,150,655</u>

REVENUES:

Water Charges	\$ 805,000
Sewer Charges	1,155,000
Tap & Reconnection Fees	37,200
Other Revenue	8,455
Other Financing Sources	<u>145,000</u>
TOTAL REVENUES	<u>\$2,150,655</u>

SEWER EXPANSION RESERVE FUND (SERF)

EXPENDITURES:

Sewer Reserve	\$ <u>30,330</u>
TOTAL EXPENDITURES	<u>\$ 30,330</u>

SEWER EXPANSION RESERVE FUND (SERF) (continued)

REVENUES:

User Fees	\$ 30,000
Interest Income	<u>330</u>
TOTAL REVENUES	<u>\$ 30,330</u>

EXPENDITURES	ALL FUNDS	<u>\$7,580,656</u>
REVENUES	ALL FUNDS	<u>\$7,580,656</u>

Section II. Levy of Taxes: There is hereby levied, for the Fiscal Year 2017-2018, an Ad Valorem tax rate of 28.5 cents (\$0.285) per one hundred dollars (\$100) valuation of taxable property as listed for taxes as of January 1, 2017. This rate shall be levied entirely in the General Fund.

The tax rate is based on an estimated total valuation of property for the purposes of taxation of eight hundred eighty-two million nine hundred twenty-five thousand seventy-five dollars (\$882,925,075) and an estimated collection rate of ninety-eight and three-quarter percent (98.75%).

Section III. Revenue-Neutral Tax Rate: As required by N.C.G.S., Section 159-11(e), in each year that a general reappraisal of real property has been conducted, a statement of the revenue-neutral tax rate must be presented for comparison purposes. In regard to the January 1, 2017 reappraisal, the revenue-neutral tax rate, adjusted for growth, has been calculated at 27.13 cents (\$0.2713) per one hundred dollars (\$100) valuation.

Section IV. Salaries: The following shall govern salary and wage compensation for Fiscal Year 2017-2018:

A. Pay Plan. There is hereby adopted a pay plan that includes an across the board cost of living adjustment in the amount of 1.5% applicable to all Town employees.

B. Salary Adjustments. Each employee's salary shall be examined to ensure that the pay grade reflects the years of service, proficiency and quality of work. Merit raises are allotted at 2.5% this year for employees.

Section V. The Budget Officer hereby authorized to transfer appropriations within a fund as contained herein under the following conditions as specified in North Carolina General Statute Chapter 159.

A. The Budget Officer may transfer amounts between line item expenditures without limitation and without a report being required up to \$10,000 at any one time.

B. The Budget Officer may transfer amounts within departments and of the same fund and reported as part of the financial statements. He shall make an official report immediately to Council on such transfers.

C. The Budget Officer may not transfer amounts between funds without prior Council action.

Section VI. Restricted Revenues: The Finance Officer is hereby directed to fund appropriations that have specified revenues prior to funding with General Fund monies. This is to include but not limited to Local, State and Federal grants.

Section VII. Encumbrances: All outstanding encumbrances from prior fiscal years are to be carried forward to Fiscal Year 2017-2018. All Project Ordinance appropriations are continued.

Section VIII. Budget Control: The Town Council in approving the budget has utilized to the fullest extent possible its revenue sources. Over collections of revenues or unanticipated revenue sources cannot be expected during the year. It is therefore of utmost importance that Department Heads initiate steps to insure compliance with the budget as fixed herein and they are hereby directed to do so.

Section IX. The Town Council hereby authorizes the New Hanover County Tax Administrator to bill and collect taxes for the Town, including the annual five dollars (\$5) motor vehicle license tax.

Section X. Fees and Charges: There is hereby established, for Fiscal Year 2017-2018, various fees and charges as contained in the attached Fee Schedule. Changes from the Fiscal Year 2016-2017 Fee Schedule are as follows:

Residential Garbage Collection Fee – per cart after the first cart	Increase from \$6.00 to \$12.00
Trash Pickup - Minimum	Increase from \$10.00 to \$15.00
Trash Pickup – ¼ Load	Increase from \$30.00 to \$45.00
Trash Pickup – ½ Load	Increase from \$60.00 to \$90.00
Trash Pickup – ¾ Load	Increase from \$90.00 to \$135.00
Trash Pickup – Full Load	Increase from \$120.00 to \$180.00
Trash Pickup - Appliance	Increase from \$10.00 to \$15.00

This ordinance being duly passed and adopted this 20th day of June, 2017.

Emilie Swearingen, Mayor

Nancy Avery, Town Clerk



**TOWN OF KURE BEACH
DRAFT FEE SCHEDULE
FISCAL YEAR 2017-2018**

Fee Schedule to be updated each year as part of the adoption of the new fiscal year budget ordinance.

<u>AD VALOREM TAX RATE per \$100</u>	\$0.285
<u>MOTOR VEHICLE LICENSE TAX (per vehicle registered in Kure Beach)</u>	\$5.00
<u>WATER FEES</u>	
Residential (monthly minimum - up to 2,500 gallons)	\$13.50
Incremental rate per 100 gallons over the 2,500 gallons monthly minimum:	
2,501 gallons to 7,000 gallons	\$0.45
Over 7,000 gallons	\$0.675
Commercial (monthly minimum - up to 2,500 gallons)	\$18.50
Incremental rate per 100 gallons over the 2,500 gallons monthly minimum	\$0.694
Out of Town (ETJ) (monthly minimum - up to 2,500 gallons)	\$23.00
Incremental rate per 100 gallons over the 2,500 gallons monthly minimum	\$0.7875
<u>SEWER FEES</u>	
Residential (monthly minimum - up to 2,500 gallons)	\$23.50
Incremental rate per 100 gallons over the 2,500 gallons monthly minimum:	
2,501 gallons to 7,000 gallons	\$0.58
Over 7,000 gallons	\$0.87
Commercial (monthly minimum - up to 2,500 gallons)	\$25.50
Incremental rate per 100 gallons over the 2,500 gallons monthly minimum	\$0.7125
Out of Town (ETJ) (monthly minimum - up to 2,500 gallons)	\$40.50
Incremental rate per 100 gallons over the 2,500 gallons monthly minimum	\$1.0125
<u>OTHER WATER & SEWER FEES</u>	
Water Service Fee - nonrefundable fee for service technician site visit	\$30.00
Additional Water Service Fee - fee for each additional visit if customer fails to meet technician at site	\$10.00
Water Service Meter Check Fee - customer request that a meter be read, checked, or turned on or off. If problem found with meter, fee can be waived at discretion of the Public Works Director	\$30.00
Water Cut-ons Outside Working Hours	\$25.00
Special Meter Tests - if customer requests meter test and the meter is found to be defective, charge will be refunded	\$50.00
Reconnection Fee - if water is cut-off due to non-payment	\$60.00
Returned Check Fee	\$25.00
Account Past Due Charge - per month	\$10.00

WATER TAP FEE

3/4 X 5/8	\$1,500.00
1 Inch	\$2,000.00
1 1/2 Inch	\$2,500.00
2 Inch	\$3,000.00
Irrigation	\$4,000.00

SEWER TAP FEE

4 inch	\$1,500.00
4 inch	\$1,500.00
6 inch	\$2,000.00
6 inch	\$2,000.00

USER FEE Sect 17-127 of Code

Common Areas-No Charge	\$2,500.00
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IMPACT FEE

Voluntary Annexation Only Sect 17-128 of Code	\$400.00
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STORM WATER FEES

Building Fee - may be waived w/installation of engineered storm water system and approval of building inspector and public works director	\$4,000.00
Residential-monthly	\$8.71
Business - monthly	varies by account

RECYCLE FEE - per bin monthly (residential)

\$4.88

GARBAGE COLLECTION FEES

Residential - per cart monthly - 1st cart	\$6.00
Residential - per cart monthly - after the 1st cart	\$12.00
Commercial - per can monthly	\$26.25
Garbage cart purchase	\$80.00

TRASH PICKUP FEE

Minimum	\$15.00
1/4 load	\$45.00
1/2 load	\$90.00
3/4 load	\$135.00
Full load	\$180.00
Appliances	\$15.00

CITY BEER AND WINE RETAIL LICENSE

As stipulated in N.C. General Statute 105-113.77

RE-ENTRY DECAL FEES

Resident or non-resident property owner, January 1 to March 31	\$5.00
Resident or non-resident property owner, after March 31	\$15.00

COPY/FAX FEES

Fax: 1 PAGE	\$2.00
Fax: Each additional page	\$1.00
Zoning map - each	\$5.00
Copies: Per page	\$0.10
Copy of Zoning Ordinance	\$10.00
Copy of Town Code	\$70.00
Flood map - each	\$5.00

RENT COMMUNITY CENTER:DEPOSIT & PER HOUR FEES-2 HOUR MINIMUM (then hourly)

Deposit (refundable if center is cleaned, as instructed, and there's no damage)	\$250.00
KB Resident/Property Owner & Non-Profit Organization	\$75.00 per hour
Non-resident & Commercial Organization for Profit	\$100.00 per hour

OTHER FEES COMMUNITY CENTER

Service charge for cancellation of contract	\$50.00
Rental fee will not be refunded for cancellation of lease by lessee made within 30 days before the event. Security deposit will be refunded.	

RENT OCEAN FRONT PARK PAVILION:DEPOSIT & PER HOUR FEES-*4 HOUR MINIMUM (then hourly)

***Exception: Can rent pavilion for 1 HOUR, if rented in conjunction with Community Center**

Deposit (refundable if no damage to pavilion/grounds)	\$250.00
KB Resident/Property Owner & Non-Profit Organization, Pavilion ONLY	\$75.00 per hour
Non-resident & Commercial Organization for Profit, Pavilion ONLY	\$100.00 per hour
KB Resident/Property Owner & Non-Profit Organization, Pavilion & Lawn	\$125.00 per hour
Non-resident & Commercial Organization for Profit, Pavilion & Lawn	\$150.00 per hour

PARKS AND RECREATION PROGRAM FEES

Fees for specific Parks and Recreation activities will be set prior to commencement of the activity	varies
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SPECIAL EVENT FEES

General Use Impact Fees:

minimal use of public property -low impact - per day	\$150.00
includes intermittent traffic control - medium impact-per day	\$300.00
includes closing of public streets - high impact - per day	\$500.00

Personnel:

Police-minimum of four hours - per hour (includes overhead)	\$40.00
Sanitation - per hour (includes overhead)	\$40.00
Street - per hour (includes overhead)	\$40.00
Fireman - per hour (includes overhead)	\$40.00

Facilities Rental:

Council Chambers - per day	\$100.00
Public land per site - per day	\$100.00
Public building - per day	\$100.00

Equipment:

Police/Fire/Lifeguard or other Town Vehicle - per hour	\$25.00
Trash pickup - per cart per pickup	\$15.00
-minimum 2 carts required for recyclable materials and one for regular trash	

PERMIT/CONSTRUCTION FEES

Fence	\$25.00	
Window Replacement	\$25.00	
Prefab Shed	\$25.00	
Handicap Ramp	\$25.00	
Beach Access	\$25.00	
Pool-residential	\$300.00	
Pool -commercial	\$2,000.00	
Landscape	\$25.00	
House moved (plus any cost incurred by public works or police dept.)	\$150.00	
House moved out of town (plus any cost incurred by public works or police dept.)	\$150.00	
Demolition (residence)	\$150.00	
Demolition (commercial)	\$300.00	
Building -New Construction - processing fee	\$200.00	
Mobile Home Fee-set up (plus permit fee)	\$200.00	
Mobile Home and Travel Trailer Park - \$5.00 space up to 100 spaces	\$350.00	
Yard sale	\$1.00	
Temporary structures in excess of 200 square feet - Sec. 12-45	\$250.00	obtained 7 days prior
Temporary structures in excess of 200 square feet - Sec. 12-45	\$500.00	obtained less than 7 days prior
Replace permit card -Each	\$10.00	
Improvements, additions and renovations to include decks, garages, etc.:		
from \$0 to \$500	\$25.00	
from \$501 to \$2,500	\$50.00	
from \$2,501 to \$5,000	\$100.00	
from \$5,001 to \$10,000	\$150.00	
from \$10,001 to \$20,000	\$200.00	
from \$20,001 to \$30,000	\$250.00	
from \$30,001 to \$40,000	\$300.00	
from \$40,001 to \$50,000	\$350.00	
from \$50,100 and above + \$5.00 per \$1,000.00 over \$50,001	\$400.00	
Signs		
from \$0 to \$500	\$25.00	
from \$501 to \$2,500	\$40.00	
from \$2,501 to \$5,000	\$55.00	
from \$5,001 to \$10,000	\$70.00	
from \$10,001 to \$20,000	\$85.00	
from \$20,001 to \$40,000	\$95.00	
from \$40,001 to \$50,000	\$130.00	
from \$50,100 and above + \$3.00 per \$1,000.00 over \$50,000	\$155.00	

PLANNING/ZONING FEES

Text amendment to Town Code	\$100.00
Advertisement for public notices	\$50.00
Application - minor subdivision (per lot)	\$200.00
Subdivision Appeal:	
TRC to Planning Board	\$150.00
TRC to Planning Board (Height Exception Application fee - Sec. 19-333.1)	\$250.00
TRC to BOA	\$375.00
Final plat approval submission (or 50 cents per lot, whichever is greater)	\$125.00
Request for zoning change (plus \$5.00 fee for each notification mailed)	\$100.00
Chapter 19 Zoning violation - Sec. 19-401	\$50.00

BOARD OF ADJUSTMENT FEES

Appeal/Variance	\$375.00
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FIRE INSPECTION AND PERMIT FEES

Commercial New and Existing Construction Permit Fees:

A= Total gross building floor area of construction

B= Fee per Square Foot

0 - 5,000 sf

5,001-15,000 sf

Over 15,000 sf

$A \times B = \text{Permit Fee}$

$(A \times B \times .75) + (1250 \times B) = \text{Permit Fee}$

$A \times B \times .50 + (5000 \times B) + \text{Permit Fee}$

Occupancy Type:

Residential

Storage

Assembly

Institutional

Business

Mercantile

Hazardous

Factory Indust

Education

Fee Per Square Foot

\$0.05

\$0.035

\$0.06

\$0.06

\$0.06

\$0.06

\$0.05

\$0.04

\$0.065

Construction Permits:

Sprinkler Systems

Fire Alarm Systems

Suppression Systems

Fire pump and related Equipment

Private Fire Hydrants

Standpipe Installation per Riser

\$85.00

\$85.00

\$85.00

\$85.00

\$85.00

\$85.00

Additions

Up Fits

Mobile Buildings

Accessory Structures

Commercial Inspection Fee

Occupancy Certification

Occupying building without CO

Working without Permit

Stop Order Removal

Failure to Obtain Final Inspection

Afterhours/Weekend/Holiday Inspections

ABC Permit

Fire Flow Test

Day Care State Inspection

Witness Fire Flow/Pump Test

Commercial Construction Inspection

Reinspection Fee

Scheduled Fire Inspection

Standpipe Test per Riser

Temporary Structures (Tents, Etc.)

Use Schedule or Min. \$45 + Inspection Fees

Use Schedule or Min. \$45 + Inspection Fees

\$45 + Inspection fee

\$45 + Inspection fee

\$45 Per Inspection per bldg. (Applies to all bldgs.)

\$25 + Inspection Fee

\$250

\$50 or 2x Permit Fee, whichever is greater

\$200

\$100

\$120

\$45

\$45

\$45

\$45

\$45

\$45

\$45

\$75

Revert to Building Permit Fee

CIVIL CITATION PROGRAM FEES

Beach:

	<u>1st Offense</u>	<u>2nd Offense</u>
Dogs prohibited on beach strand Sec. 4-17	\$150.00	Misdemeanor
Vehicles prohibited on beach strand Sec. 10-104	\$25.00	Misdemeanor
Fire prohibited on beach strand Sec. 12-40	\$100.00	\$200.00
Litter, glass & alcohol prohibited on beach Sec.12-35	\$150.00	Misdemeanor
Boats, jet skis prohibited w/in 300' from high tide mark Sec. 12-37	\$25.00	\$50.00
Surfing regulations Sec. 12-33	\$25.00	Misdemeanor
Dune trespassing prohibited Sec. 12-39	\$100.00	Misdemeanor
Digging holes in the beach/beach restoration Sec. 12-46	\$100.00	Misdemeanor
No items on beach between 7pm-8am/No beach equip. within 15 ft of turtles/No beach equip. within 25 ft of emergency access points Sec. 12-43	\$50.00	\$100.00
Sleeping on beach after midnight prohibited Sec. 12-31	\$25.00	Misdemeanor
Nude bathing, including thong bathing suits or similar attire, prohibited Sec. 12-32	\$25.00	Misdemeanor
Leaping from commercial pier Sec. 12-34	\$250.00	

Animals/Pets:

Dogs must be on a leash Sec. 4-16	\$150.00	Misdemeanor
Animal/Pet waste removal Sec. 4-16.1	\$150.00	Misdemeanor

Vehicles/Parking:

Parking Ticket Sec. 10-222 - 235	\$50.00	
Parking in a handicap space	\$150.00	Misdemeanor
Soliciting transportation Sec. 10-68	\$10.00	
Vehicles prohibited certain areas Sec.10-60	\$50.00	Misdemeanor

Miscellaneous:

Bicycle regulations Sec. 10-291-308	\$25.00	\$50.00
Noise violations prohibited Sec. 11-31	\$250.00	Misdemeanor
Alcohol consumption/open containers prohibited on public property Sec. 3-1	\$50.00	Misdemeanor
Requirements for taverns and bars Sec. 3-2	\$50.00	G.S.18B-302.1
Beach Vitex Prohibited Sec. 12-41	\$25.00	\$50.00
Numbering of buildings Sec.5-121	\$50.00	
Real estate signs on Town property Sec. 11-80	\$50.00	

Adopted by Town Council on June 20, 2017.

Emilie Swearingen, Mayor

Attest: Nancy Avery, Town Clerk



MEMO

TO: Town Council
FROM: Nancy Avery, Town Clerk *Nancy Avery*
RE: Agenda item 1, New Business, Proposal for use of privately owned lots
DATE: May 10, 2017

Background

Mike Robertson (pier owner) and Sam Khatib (convenience store owner) visited me on May 2nd to discuss a public/private partnership for paid parking on 3 lots that they own. Mr. Robertson owns a lot on FFB by Bud and Joes' and one on 3rd Avenue behind Big Daddy's. Mr. Khatib owns the lot next to the convenience store that we have leased for the last few years. Any costs the town incurs to install equipment and enforcement would be netted from revenue with a split of the remaining revenue between the town and each of them on an agreed upon percentage.

Both property owners stated enforcement was too much for them to handle plus they couldn't write tickets or enforce collection of ticket revenue and that this was something that could be better handled by the town.

I spoke with Mayor Pro Tem Bloszinsky about this and he asked me to add it to the May agenda.

ITEMS FOR CONSIDERATION

- I believe it is important to give consideration to the fact that two of the town's business owners are coming to the town for assistance on a matter that has the potential to help both the town, the business area and tourism;
- After a lot of thought, I believe there is merit in the idea;
- In the 9 years I have worked for the town, paid parking has been discussed 7 times. Studies have been done by parking vendors, the MPO, the SLAP committee and individual Council members;
- The only information the town has had to work with are estimates;
- To pursue paid parking on town property, the parking code would have to be rewritten to address issues arising from the possible push back of folks parking in the residential area to avoid paying and the town staff would be subjected to a couple of years of complaints and issues while people get used to the idea;
- A trial run for a season gives the town the chance to experience paid parking and all the possible impacts without involving town property. It would require one amendment to the parking code to restrict parking on the shoulders of the roads so the police can enforce it, something that should be considered anyway;
- Use of the 3rd lot, which is currently closed, would add approximately 22 parking spaces within one block of the downtown area;
- A trial run would provide actual numbers related to expense and revenue;

- A trial run would also introduce the concept of paid parking to the town using 'overflow' lots on private property allowing Council and staff the opportunity to gauge the reaction to the concept;
- Once the town has true hard numbers and an idea of the types of issues that might arise, this data will provide substantial information for future decisions on the validity of paid parking;
- A trial run will also allow for a chance to see if paid parking really will push parking into the residential areas;
- Should Mr. Khatib close the lot that has been used for parking in recent years, 40 parking spaces will be lost within one block of downtown. There will be impact from this, which will cause the police to write more tickets and deal with more traffic back-up as folks ride around and around trying to park;
- Two of these lots have been used for parking in the past and the police already respond to any incidents that occur and PW already picks up garbage if there is a cart on the lot. Changing these lots to paid parking may cause additional issues that require our police to respond;
- It is possible that the town could invest in leasing equipment and clear only enough revenue to cover that cost, or the town could receive a sizeable amount of revenue;
- I will provide example costs to set up a program like this to run from the middle of June through the middle of September at the Council meeting. I contacted the vendor that provides paid parking in Carolina Beach for a quote for this program only to lease 3 pay stations, one per lot. This firm handles all enforcement, issuance of tickets, problem resolution, and collection of money. I will also provide estimated costs to lease 3 pay stations while hiring seasonal staff to monitor these lots. This last method requires more staff time. It might also allow for other uses of the seasonal staff time for things like dogs on the beach, traffic flow control on K and Atlantic Avenues, and other related code enforcement issues during the season.

Action requested by staff

None

Funding required

Possible impact to contingency fund.

Memo



To: Emilie Swearingen, Craig Bloszinsky, David Heglar,
Jim Dugan and Joseph Whitley

From: Arlen Copenhaver *AC*

Date: May 9, 2017

Re: Carolina/Kure Beach Sewer Authority Update

The Carolina/Kure Beach Sewer Authority met on May 8, 2017, to finalize expenses for fiscal year 2016, adjust rates for fiscal year 2017 and to set rates for fiscal year 2018. The Authority previously met on February 25, 2016, at which time fiscal year 2015 was reconciled.

The rates previously established for fiscal year 2017 were adjusted based on the actual data from fiscal year 2016 as follows:

Variable Costs: decrease of 1.18 cents per 1,000 gallons (from 77.66 to 76.48)

Fixed Costs: \$2,955.97 per month increase (from \$13,671.31 to \$16,627.28)

Capital Recovery: No change (\$3,746.25 per month)

As a result of the above adjustments to the fiscal year 2017 rates, Kure Beach owes Carolina Beach \$28,217.33 for the period of July 2016 through April 2017. This was determined as follows:

<u>Over/(Under)</u> <u>Variable Costs</u>	<u>Over/(Under)</u> <u>Fixed Costs</u>	<u>Over/(Under)</u> <u>Capital</u>	<u>Over/(Under)</u> <u>Total</u>
\$1,342.37	(\$29,559.70)	\$0.00	(\$28,217.33)

Prior to the meeting, explanations for several expense categories that had significant changes from the prior year were obtained from Carolina Beach personnel. These explanations were reviewed and deemed to be reasonable. At the meeting, Commissioner Heglar reiterated with the Carolina Beach representatives the need to provide Kure Beach with advance notification of potentially significant expenditures and projects.

As of May 8, 2017, the Authority set the following rates for fiscal year 2018 subject to approval by the respective Town Councils:

Variable Costs: 76.48 cents per 1,000 gallons

Fixed Costs: \$16,627.28 per month

Capital Recovery: \$3,746.25 per month

Please let me know if you have any questions or require additional information.