



TOWN COUNCIL AGENDA

REGULAR MEETING

May 20, 2019 @ 6:00 p.m.

*Asterisks indicate documentation is included in agenda packet

Call to Order – Mayor Bloszinsky

Invocation & Pledge of Allegiance – Pastor Dan Keck

APPROVAL OF CONSENT AGENDA ITEMS

1. *Approval of change order #5 for facility construction project in amount of \$6,897
2. *Approve Budget Amendment 19-06, totaling \$59,600 for storm water project change order
3. *Approve Budget Amendment 19-07, totaling \$33,231 for radios for Police, Fire, Lifeguards and Public Works
4. *Minutes:
 - April 15, 2019 Regular
 - April 15, 2019 Budget Workshop #2
 - April 15, 2019 Closed Session

ADOPTION OF THE AGENDA

DISCUSSION AND CONSIDERATION OF PERSONS TO ADDRESS COUNCIL

SPECIAL USE PERMIT APPLICATION HEARING

Call to order and swearing in of witnesses – Mayor Bloszinsky

Testimony:

- Staff
- Applicants Sheila and Dean Emblar
- Others to give testimony

Closing of hearing

Proposed text amendment Chapter 19 (Zoning), Article III (District regulations), Division 10 (B1 business district), Section 243 (Permitted and Special Uses in the B1) to add ‘golf cart rentals’ with a SIC code of 7999 s an allowable use only via a Special Use process and associated amendment insert in the conversion table of the Code

(Requires motion if adopting, and must also add approval of Consistency Statement 19-01)



TOWN COUNCIL AGENDA

REGULAR MEETING

May 20, 2019 @ 6:00 p.m.

DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

1. Community Center Committee
2. Marketing Committee
 - *FY 19-20 Budget Presentation (Chairperson Debbie Elliot)
(Requires motion)
3. Shoreline Access and Beach Protection
 - *Authorization to purchase 7 vests at \$30 each for Ocean Life project volunteers from committee budget – total \$183 (Chairperson Dennis Panicali)
(Requires motion)
4. Non town Committee Reports
5. Planning & Zoning Commission
 - *Guidance on regulation of B-1 and surrounding districts

DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

1. Administration
 - *Schedule date in June for Department Head evaluations (Avery)
(Requires motion)
2. Building Inspections Department
3. Finance Department
 - *Presentation of budget message, draft FY19-20 budget ordinance and fee schedule.
(Copenhaver)
Requires motion directing Town Clerk to advertise that proposed budget is available for inspection with a public hearing on Monday, June 10, 2019 at 6:00 p.m.

 - *Approval of Resolution R19-06 approving financing terms with BB&T in amount not to exceed \$1.4 million at an interest not to exceed 2.78 percent for a term not to extend 10 years for water meter replacement and automatic meter reading system
(Requires motion)
4. Fire Department
5. Police Department
6. Public Works Department
7. Recreation Department



TOWN COUNCIL AGENDA

REGULAR MEETING

May 20, 2019 @ 6:00 p.m.

DISCUSSION AND CONSIDERATION OF OLD BUSINESS

1. *Final plat approval for the Cove at Kure Beach
(Requires motion)

DISCUSSION AND CONSIDERATION OF NEW BUSINESS

1. Review and approval of 2019 EOC plan (Heglar)
2. *Resolution 19-05 Regarding House Bill 971 - Privatizing NC ABC (Bloszinsky)
3. *Carolina Beach/Kure Beach Sewer Authority adoption of rates (Heglar)
(Requires motion)

MAYOR UPDATES (no action required)

COMMISSIONER ITEMS (no action required)

CLOSED SESSION

Closed session for consultation on a personnel matter with the attorney as per N.C.G.S. 143-318.11(a)(6)

ADJOURNMENT

CONSENT

AIA Document G701™ – 2017

Change Order

PROJECT: *(Name and address)*
 Kure Beach Town Hall Expansion & New Fire Station

CONTRACT INFORMATION:
 Contract For: General Construction
 Date: 12/29/2017

CHANGE ORDER INFORMATION:
 Change Order Number: 005
 Date: 4/16/2019

OWNER: *(Name and address)*
 Town of Kure Beach
 117 Settlers Lane
 Kure Beach, NC 28449

ARCHITECT: *(Name and address)*
 Oakley Collier Architects, PA
 109 Candlewood Road
 Rocky Mount, NC 27804

CONTRACTOR: *(Name and address)*
 Thomas Construction Group, LLC
 1111 Military Cutoff Road, Suite 191
 Wilmington, NC 28405

THE CONTRACT IS CHANGED AS FOLLOWS:

(Insert a detailed description of the change and, if applicable, attach or reference specific exhibits. Also include agreed upon adjustments attributable to executed Construction Change Directives.)

Please incorporate the following into Original Contract:

PCO 50: Payment for Electricity at Town Hall / Fire Station	\$6,928.00
Fire Station : \$1,128	
Town Hall: \$5,800	
TCG to Split Town Hall Bill 50/50 per Matt Oakley	(\$2,900.00)
PCO 52: Addressable Relay Module Required by Fire Marshall	\$1,983.00
PCO 53: Add Access Door and Locksets	\$886.00
TOTAL: Debit	\$6,897.00

The original Contract Sum was	\$ 4,386,807.00
The net change by previously authorized Change Orders	\$ 67,711.00
The Contract Sum prior to this Change Order was	\$ 4,454,518.00
The Contract Sum will be increased by this Change Order in the amount of	\$ 6,897.00
The new Contract Sum including this Change Order will be	\$ 4,461,415.00

The Contract Time will be unchanged by Zero (0) days.
 The new date of Substantial Completion will be 3/11/19

NOTE: This Change Order does not include adjustments to the Contract Sum or Guaranteed Maximum Price, or the Contract Time, that have been authorized by Construction Change Directive until the cost and time have been agreed upon by both the Owner and Contractor, in which case a Change Order is executed to supersede the Construction Change Directive.

NOT VALID UNTIL SIGNED BY THE ARCHITECT, CONTRACTOR AND OWNER.

Oakley Collier Architects, PA
ARCHITECT *(Firm name)* DS

SIGNATURE
 Timothy Oakley, AIA, LEED AP
PRINTED NAME AND TITLE
 April 16, 2019
DATE

Thomas Construction Group, LLC
CONTRACTOR *(Firm name)*

SIGNATURE
 Vince Tryer, Vice President
PRINTED NAME AND TITLE
 April 16, 2019
DATE

Town of Kure Beach
OWNER *(Firm name)*

SIGNATURE
 Craig Bloszinsky, Mayor
PRINTED NAME AND TITLE
 05/09/2019
DATE

BUDGET AMENDMENT

FISCAL YEAR ENDING JUNE 30, 2019

AMENDMENT DATE: 05/08/2019

Budget Amendment No.: 19-06

DESCRIPTION/PURPOSE OF AMENDMENT

An unbudgeted storm water project in the vicinity of General Whiting and President Davis, totaling \$84,020, was previously approved by Town Council and Budget Amendment 19-04 was processed. Subsequently, there has been a project change order to add a storm drain in the Ocean View Estates area. The project change order, with an estimated cost of \$29,600, is necessary to further alleviate storm water drainage issues in the southern part of Town. Additionally, unbudgeted cleaning and imaging of portions of the storm water system is necessary (total of \$30,000). The revenue source for the budget increase is storm water building fees received in excess of the budget and an appropriation of fund balance.

ACCOUNTS AFFECTED

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
32-610-74-01	Capital Outlay – Improvements	\$29,600	
32-610-18-00	Storm Water System Maintenance	\$30,000	
32-379-00-01	Storm Water Building Fees		\$36,000
32-310-00-00	Appropriated Fund Balance		\$23,600

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: Jimmy Mesimer, Public Works Director Date: 05/08/19

Approved By: Arlen Copenhaver, Finance/Budget Officer Date: 05/08/19

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

Approved by Council 05/20/19 _____ Craig Bloszinsky, Mayor

ATTEST: _____ Nancy Avery, Town Clerk

BUDGET AMENDMENT

FISCAL YEAR ENDING JUNE 30, 2019

AMENDMENT DATE: 05/15/2019

Budget Amendment No.: 19-07

DESCRIPTION/PURPOSE OF AMENDMENT

As a result of communication issues that occurred during Hurricane Florence, the need for an alternative communication system was identified. The solution proposed by the Fire, Police and Public Works Departments was the use of VHF radios. Additionally, it was determined that the radios used by Ocean Rescue needed to be replaced. These expenditures were not included in the original fiscal year 2019 budget, therefore this Budget Amendment increases the respective departments' budgets with the offset being reimbursements received from FEMA relating to Hurricane Florence.

ACCOUNTS AFFECTED

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
10-510-73-00	Police Minor Equipment	\$4,170	
10-530-73-00	Fire Minor Equipment	\$4,170	
10-531-73-00	Lifeguards Minor Equipment	\$20,197	
10-550-73-00	Public Works Minor Equipment	\$4,694	
10-343-00-00	Hurricane Reimbursement		\$33,231

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: Fire Chief, Police Chief & Public Works Director Date: 05/15/19

Approved By: Arlen Copenhaver, Finance/Budget Officer Date: 05/15/19

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

Approved by Council 05/20/19 _____ Craig Bloszinsky, Mayor

ATTEST: _____ Nancy Avery, Town Clerk

SPECIAL USE PERMIT APPLICATION
EVIDENTIARY HEARING

AND

PROPOSED TEXT AMENDMENT TO ALLOW
GOLF CART RENTALS VIA SUP

SCRIPT for SPECIAL USE Text Amendment by addition of GOLF CART RENTALS to: 1) Chapter 19, Zoning, Art. III, Div. 10, Sec 243 (Permitted uses B1), 2) Chapter 19, Zoning, App. A Sec Codes, 3) Chapter 19, Zoning. App. B, APPLICATION

Request by SHEILA and DEAN EMBLER on behalf of the property owner, SAM KHATIC, to grant a Special Use Permit to the property located at 112 Ft. Fisher Blvd. South, Kure Beach, NC, to operate a golf cart rental/taxi cab service.

1. Swear witnesses: **Announce** that “the Special Use process requires a quasi-judicial hearing; therefore, any person wishing to testify must be sworn in. All persons who signed in to speak or who want to present testimony please step forward to be sworn in. Thank you.”
Do you and each of you solemnly swear the testimony you are about to give is the truth, the whole truth, and nothing but the truth so help you God.
2. This is a **public** hearing. We will hear a **presentation from staff**. Then the **applicant and any opponents will each be allowed 15 minutes for their presentation and additional 5 minutes for rebuttal**.
3. **Conduct Hearing, as follows:**
 - a. Staff presentation
 - b. Applicant’s presentation (up to 15 minutes)
 - c. Opponent’s presentation (up to 15 minutes)
 - d. Applicant’s cross examination/rebuttal (up to 5 minutes)
 - e. Opponent’s cross examination/rebuttal (up to 5 minutes)
4. **Close the public hearing.**
5. **Board discussion.**
6. **Ask Applicant whether he/she agrees with the staff findings and any conditions proposed to be added to the Special Use Permit.**
7. **Vote on text amendments (first vote).** The motion should include a statement saying how the change is, or is not, consistent with the land use plan and why it is, or is not, reasonable and in the public interest.

Suggested Motion:

Motion to approve text amendment by the addition of golf carts to the sections hereinabove described for zoning amendment by Planning and Zoning Commission. *and associated Consistency Statement 19-01*

Motion for Approval:

Motion to approve, as the Board finds that this application for a Special Use Permit meets the four required conclusions based on the findings of fact included in the Staff Summary's Zoning Consistency statement.

[OPTIONAL] Note any additional findings of fact related to the four required conclusions.

[OPTIONAL] State conditions of approval.

Motion for Denial:

Motion to deny, as the Board **cannot** find that this proposal:

1. Will not materially endanger the public health or safety;
2. Meets all required condition and specification of the Zoning Ordinance;
3. Will not substantially injure the value of adjoining or abutting property;
4. Will be in harmony with the surrounding area, and is in general conformity of the plans of development for TOWN OF KURE BEACH Land Use Plan.

[State the finding(s) that the application does not meet and include reasons to why it is not being met]

This the _____ day of May, 2019.

CRAIG BLOSZINSKY, MAYOR



TOWN OF KURE BEACH

117 SETTLERS LANE ♦ KURE BEACH, NORTH CAROLINA 28449
TELEPHONE (910) 458-6535 ♦ FAX (910) 458-4269

SPECIAL USE PERMIT APPLICATION

Purpose

Special use permits add flexibility to the zoning regulations. Subject to high standards of planning and design, certain property uses may be allowed in certain districts where these uses would not otherwise be acceptable. By means of controls exercised through the special use procedures, property uses, which would otherwise be undesirable in certain districts, can be developed to minimize any adverse effects they might have on surrounding properties.

Procedure

- Applicant must fill out all sections of the application
- Special use permit applications shall only be submitted by the property owner(s) or their duly authorized agent.
- Site plans shall be prepared by qualified professionals based upon current land records information. The plan shall be drawn to an accurate scale and legible size as required by each parcel and contain the following information:
 - (1) Names of the owner, developer and design professionals;
 - (2) Scale, dimensions, date, north arrow, property boundaries;
 - (3) Location, height, number of stories, floor area, setbacks and proposed uses of all structures;
 - (4) Open space and recreational areas and impervious surface calculations;
 - (5) Buffering and screening areas, fencing, walls and landscaping indicating the type, number and size of all plantings;
 - (6) Vehicular and pedestrian circulation including existing and proposed rights-of-way with cross-sections, design details and dimensions;
 - (7) Location and geometry of all parking, loading, and sanitation pickup;
 - (8) Conceptual grading, site preparation and stormwater management plans;
 - (9) Lighting details including type, location, and radius and intensity in footcandles;
 - (10) Location, height and dimensions of all signs; and
 - (11) Any additional conditions and requirements that represent greater restrictions on development and use of the site than the underlying zoning district.
- Upon receiving the recommendations of the planning and zoning commission and holding a public hearing, the town council may grant or deny the special use permit. The special use permit, if granted shall include such approved plans as may be required.

Property Owner Information

Property Owner's Name Sea Mist LLC Phone # 910-200-1982
Mailing Address 7004 E schol Ct Wilmington NC 28409
E-mail address _____

Applicant Information

Applicant SunFun Rentals LLC Phone # 910-707-0926
Mailing Address 1204 N Lake Park Blvd W F Carolina Beach NC 28428
Email Address SunFunnc@~~carol~~ gmail.com
Representative/Agent for Owner Sheila + Dean Embler
(AUTHORITY FOR APPOINTMENT OF AGENT IS ATTACHED)

Property Information

Property Address 112 Fort Fisher Blvd South
PIN (parcel identification #) Kure Beach NC 209217-005-010-000
Proposed Project Name SunFun Rentals - Kure Beach

Application for Special Use Permit

Application is hereby made for the following use: (Please explain below)

Rentals of LSV (Golf Carts)
Charging and staging area for SunFun taxi

General conditions

When granting a special use permit, Council shall find that all four of the following factors exist. In the spaces provided below, indicate the facts and arguments that prove you meet the following conditions:

- 1. Indicate how the proposed special use will not materially endanger the public health or safety if located where proposed and approved:

Area will be contained by natural barrier and a rope barrier. Surface will be filled w/crushed rock.

- 2. Indicate if the proposed special use meets all required conditions and specifications:

Proposed area will follow ordinances of barriers and signage as well as planning + zoning requirements.

3. Indicate how the proposed special use will not substantially injure the value of the adjoining property, or that the use is a public necessity:

Kene Beach tourist and residence have expressed a desire for a more convenient location. Area is already designated and utilized for the public. It will fit with the current surroundings.

4. Indicate that the location and character of the use, if developed according to the plan as submitted and approved, will be in harmony with the area in which it is located and in general conformity with the comprehensive plan and other plans for the area:

Lot is already designated for public parking. The portion we are using will flow with the parking concept. Only difference is that our area caters only to golf carts.

Property Owner's Signature

J. B. Hatfield

Please sign in blue or black ink

Date 4-2-19

Applicant's Signature

James Deaton

Please sign in blue or black ink

Date 4-1-19

Town of Kure Beach

AUTHORITY FOR APPOINTMENT OF AGENT

The undersigned owner, Sam Bhatig, does hereby appoint Dean + Sheila Embler as his, or its exclusive agent for the purpose of petitioning the Town of Kure Beach for approval of a Special Use Permit, as applicable to the property having the address of 112 F + Fisher Blvd S. and described in the attached application.

The owner does hereby covenant and agree with the Town of Kure Beach that said agent has the authority to do the following acts for and on behalf of the owner:

1. To submit a proper application and the required supplemental material; and
2. To appear at public meetings to give representation and commitments on behalf of the owner; and
3. To accept conditions or recommendations made for the issuance of the Special Use Permit on the owner's property; and
4. To act on the owner's behalf without limitations with regard to any and all things directly or indirectly connected with or arising out of any petition.

This agency agreement shall continue in effect until final disposition of the application submitted in conjunction with this appointment.

Date: 4-1-19

Agent's name, Address & Telephone:

Dean + Sheila Embler
1204 N Lake PK Blvd
Unit F
Carolina Beach

Owner*

[Signature]

* If the owner is an individual, the owner (or all owners if there is more than one) must sign the authorization. If a corporation, print the name of the corporation and have signed by an authorized officer. If a partnership, print the name of the partnership and have signed by an authorized partner.



SUNFUN RENTALS LLC

Kure Beach ANNEX Business Plan:

Objectives:

- 1) Alternate lot for LSV's (Golf Carts) and Taxi Cabs.
- 2) Convenient location for Kure Beach online reservations to pick up and return their rentals.
- 3) Convenient location where Kure Beach tourist and residents can rent LSV Golf Carts without going to Carolina Beach.
- 4) Charging station for SunFun Taxi so they can efficiently service the Kure Beach residents and tourist.

Location Requirements:

- 1) Seasonal operation only May – September: non season operation on weekends with 60 degree or above weather.
- 2) Operation managed by 1 person during open hours.
- 3) Seasonal Hours: Sun – Sat 9 to 5: Non seasonal Hours: 10 - 4
- 4) 200amp power pole with 8 golf cart outlets.
- 5) Ipad with Checkfront Rental Program to manage pickups, drop offs, and new rentals.
- 6) Utility building for office space.
- 7) Barrier between lot space and adjoining parking lot.
- 8) Natural barrier between lot space and Kwik Mart; and at entrance.
- 9) Crushed gravel even surface lot.
- 10) Signage: Small smart sign that meets city standards secured to the Utility Building.
- 11) Add Location to Insurance policy.
- 12) Location owner: Sea Mist LLC, 7004 Eschol Court Wilmington NC 28409

Land Lease Agreement

Owner: SeaMist LLC

7004 Eschol Court Wilmington NC 28409

Leaser: SunFun Rentals LLC

1204 N Lake Park Blvd Unit F

Carolina Beach NC 28428

Lot Address: 112 Fort Fisher Blvd South Kure Beach NC

Lot Size: 40x100

Terms: 1 year for a total of \$12,000.00

Payment: \$2000 monthly for 6 months (May – October)

Due 1st of every month.

Renewal: Option to renew each year.

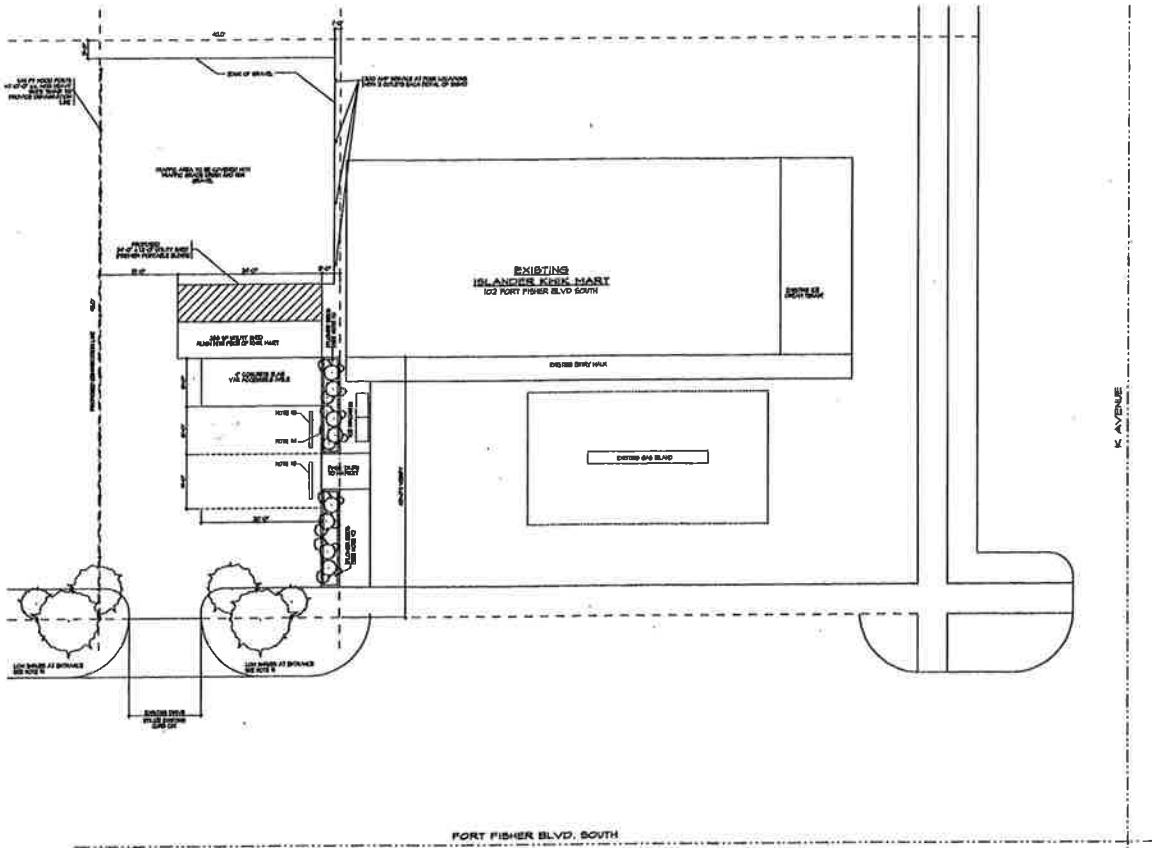
Leaser or Owner must give a 30 day notice to terminate the lease.

Owner: _____

Leaser: _____

Date: _____

4-2-19



PRELIMINARY SITE PLAN
 SCALE: 1/8" = 1'-0"
 PREPARED BY: SUN FUN RENTALS (304-301-4444)
 PROJECT: 100 FORT FISHER BLVD, SOUTH
 CITY: PORT FISHERS BLVD, SOUTH
 COUNTY: BUREAU COUNTY, MISSOURI
 LOT COVERAGE - 168
 ROOF OF ROOF IS LESS THAN 10'-0" AFF.
 TRAILER PICK UP LIMITED TO CURB SIDE ROLL-OFF CONTAINER
 SHEDS TO EXISTING - NO NEW PROPOSED CHANGES
 HOUSING OPERATIONS CO MAY REQUIRE ADDITIONAL LIGHTING
 SIGNAGE LIMITED TO 6% OF BUILDING FACADE (24'-0" X 8'-0" - H3 SIGN NOT TO EXCEED 38 SF)
 LANDSCAPE NOTES
 NOTE 11 - PROVIDE AND INSTALL SIX (6) BALLS HAWK PERILLA PLANTS PER SIDE
 NOTE 12 - PLANTS SHOULD BE PLANTED WITH SEASONAL PLANTS (e.g. - DAYLILIES, PANSIES, ETC.)
 NOTE 13 - 6'-0" LANDSCAPE LIGHTS (H3, 800V TYP OF 144)
 NOTE 14 - VAN ACCESSIBLE SIGNAGE PER 902.3 (401) INTI-3000



NO.	DATE	DESCRIPTION
1	10/15/2023	PRELIMINARY SITE PLAN
2	10/15/2023	REVISIONS
3	10/15/2023	REVISIONS
4	10/15/2023	REVISIONS
5	10/15/2023	REVISIONS
6	10/15/2023	REVISIONS
7	10/15/2023	REVISIONS
8	10/15/2023	REVISIONS
9	10/15/2023	REVISIONS
10	10/15/2023	REVISIONS

SPECIAL USE PERMIT SITE PLAN
 PREPARED BY: SUN FUN RENTALS
SUN FUN RENTALS
 100 FORT FISHER BLVD, SOUTH
 BUREAU COUNTY, MISSOURI

A2.1

**CONDITIONS RECOMMENDED BY
P&Z FOR APPROVAL OF GOLF CART
RENTAL SUP**



**TOWN OF KURE BEACH
PLANNING & ZONING COMMISSION**

SPECIAL USE PERMIT APPLICATION FOR SUNFUN RENTALS, LLC

During its April 9, 2019 meeting, the Kure Beach Planning & Zoning Commission (“PZC”) reviewed the special use permit application submitted by SunFun Rentals, LLC (“Applicant”) for the rental of golf carts from a lot located at 112 Fort Fisher Boulevard South, Kure Beach, NC (hereinafter the “Property”). Having reviewed the application and following Staff’s presentation and remarks from Applicant’s representative Sheila Embler, PZC makes the following findings:

FINDINGS:

1. Applicant is an active domestic limited liability company with its principal office located in Carolina Beach, NC.
2. The Property is owned by Sea Mist, LLC (“Owner”) and is located in the B-1 Business District.
3. Materials submitted for PZC’s review included a site plan dated April 2, 2019, Applicant’s Business Plan for the proposed use, an executed Land Lease Agreement between the Owner and the Applicant, and Owner’s executed Authority for Appointment of Agent appointing Applicant’s principals as its agent for purposes of the application.
4. Applicant did not submit a lighting plan for PZC’s review.
5. Additional information is needed from Applicant with respect to its proposed signage on the Property.
6. The standards for granting a special use permit are set forth in Chapter 19 *Zoning*, Section 19-82 *Special Use Permits* of the Code of the Town of Kure Beach (“Town Code”).
7. Section 19-82(2) a. requires that the proposed special use will not materially endanger public health or safety if located where proposed. Applicant’s plan to contain the Property by natural and rope barriers and to fill the Property’s surface with “traffic grade crushed and run gravel” is consistent with this standard. Additionally, no one spoke in opposition to the

application such that there was not any showing that the proposed use would endanger public health or safety.

8. Section 19-82(2) b. requires that the proposed special use meets all required conditions and specifications. Applicant's statement that the proposed use "will follow ordinances of barriers and signage as well as planning and zoning requirements" is consistent with this standard.

9. Section 19-82(2) c. requires that the proposed special use will not substantially injure the value of adjoining properties. Applicant's statement that the proposed use "will fit the current surroundings" is consistent with this standard. Additionally, no one spoke in opposition to the application such that there was not any showing that the proposed use would injure the value of adjoining properties.

10. Section 19-82(2) d. requires that the location and character of the proposed special use, if approved and developed according to Applicant's site plan, will be harmonious with the area in which it is located and in general conformity with official plans for the area. Applicant's statement that the Property is presently designated for public parking is consistent with this standard.

Based on these findings, PZC makes the following conclusion and recommends the following conditions:

CONCLUSION AND CONDITIONS:

1. The application for the special use permit is consistent with the regulations, principles, and safeguards provided under Chapter 19, Section 82 of the Town Code and approval by the Kure Beach Council ("Council") is recommended subject to the following conditions to assure that the proposed use is harmonious with the area in which it will be located and meets the intent of the town's zoning regulations:

A. Applicant shall designate parking spaces on the Property for the orderly parking of golf carts when they are not in use.

B. Golf carts shall exit the Property by a right-turn only onto S. Fort Fisher Boulevard.

C. The structure to be located on the Property shall be limited to the "C Cabin" illustrated in the Premier Advertising brochure included with the materials submitted for PZC's review.

D. Applicant shall present to Council, prior to its hearing on the application, a clearly described lighting plan appropriate for the Property's location; appropriateness in this instance to be construed as lighting that: is shielded to prevent glare; is directed downward; does not exceed a specified lumens; and does not exceed, at the respective property lines, 0.1 foot-candles adjacent to commercial uses and 0.05 foot-candles adjacent to residential uses.

E. Applicant shall present to Council, prior to its hearing on the application, a clear description of its proposed signage which complies with the sign regulations set forth in Chapter 19 Zoning, Article VI Signs of the Town Code.

F. Applicant shall maintain policies of insurance, including general liability, motor vehicle liability, and workers compensation coverage, sufficient to insure against all liabilities, claims, demands, and other obligations assumed by Applicant under its proposed use of the Property and with the following minimum limits:

General Liability: \$1,000,000.00 per occurrence;
Automotive Liability: \$1,000,000.00; and
Workers Compensation: As required by statute.

Applicant shall deliver to the Town's Building Inspector, prior to commencing its use of the Property, a Certificate of Insurance verifying such coverage and expressly naming thereon the Town as an additional insured under the liability coverages. Applicant shall provide the Building Inspector with at least thirty (30) days' written notice of the cancellation of any required insurance coverage.

G. Applicant shall enter into a written indemnification and hold harmless agreement with the Town for its use of the Property.

This the 7th day of May, 2019.

**TOWN OF KURE BEACH
PLANNING & ZONING COMMISSION**



Craig Galbraith, Chairman

TEXT AMENDMENT



KURE BEACH
TOWN COUNCIL

Council Meeting Date:
May 20, 2019

Date(s) Public Hearing(s) held:
May 20, 2019

ZONING CONSISTENCY STATEMENT 19-01
N.C.G.S. 160A-383

- X Consideration of recommended text amendments to the Code of Ordinances:
Chapter 19, Zoning:
- Article III, Division 10, Section 243 *Permitted uses (B-1)*
 - App. A *Extraction of SIC Codes for Zoning*
 - App. B *Conversion Tables (Amendatory Insert)*
- X The Town Council considers adoption of these amendments CONSISTENT WITH the objectives/policies of the Town of Kure Beach Land Use Plan adopted by Council September 27, 2006 and Coastal Resources Commission November 17, 2006 and is particularly consistent with Part 3, Section 2.B *Land Use Compatibility* of the Land Use Plan.
- X The proposed text amendments are CONSISTENT WITH Part 3, Section 2.B. of the LUP

The Town Council hereby adopts the amendments to Chapter 19 of the Kure Beach Code which are attached hereto and incorporated herein by reference. The proposed amendments expressly regulate golf cart rentals as a special use in the B-1 district by providing a specific SIC code classifying the use.

The Town Council finds that adopting the amendments will be reasonable and in the public interest inasmuch as they are consistent with the goal on land use compatibility as set forth in Part 3, Section 2.B. of the Land Use Plan which provides, in pertinent part, as follows:

“Kure Beach desires to ensure (consistency) with the historic small town nature of the community . . . and will work to . . . ensure that any uses of the land and water minimize negative environmental impacts and avoid risks to public health, safety and welfare. . .”

Attest:

Nancy Avery, Town Clerk

Craig Bloszinsky, Mayor

CHAPTER 19 ZONING – SEC. 19-243 PERMITTED USES IN B-1
CURRENT

Sec. 19-243. - Permitted uses.

The following are the permitted uses and special uses (S) in the B-1 district:

- (1) Accessory uses clearly incidental to a permitted use and which will not create a nuisance or hazard;
- (3) Banks, finance and loan companies (6021, 6022);
- (4) Bus terminal (4173); (S)
- (5) Churches and other places of worship (8661);
- (8) Dwelling when constructed in conjunction with permitted use provided such dwellings are an integral part of the main building of such a permitted use; (S)
- (9) Eating and drinking establishments (5812, 5813);
- (10) Service stations (5541); (S)
- (11) Food stores (5411, 5431, 5441, 5451, 5461);
- (12) Hotels and motels (7011);
- (14) Parking lots (7521); (S)
- (15) Offices for professional business activities (80-11, 21, 31, 41, 42, 43, 49; 8711, 12, 21; 8111);
- (16) Personal service establishments such as barber and beauty shops (7231, 7241, 5611, 5651);
- (17) Public buildings and facilities;
- (18) Retail stores not otherwise listed: (5251, 5261, 5912, 5921, 5932, 5941, 5942, 5943, 5944, 5945, 5947, 5948, 5949, 5961, 5992, 5993, 5995, 5331, 5399, 5712, 5722, 5731);
- (19) Arcades (7993); (S)
- (20) Theaters when housed in a permanent structure (6512); (S)
- (21) Dance halls when at least five hundred (500) square feet of space is provided for dancing (7911);
- (23) Reserved;
- (24) Real estate offices (6531);
- (25) Home occupation as defined in section 19-1.

CHAPTER 19 ZONING- SEC. 19-243 PERMITTED USES IN B-1
PROPOSED AMENDMENT/REDLINE

Sec. 19-243. - Permitted uses.

The following are the permitted uses and special uses (S) in the B-1 district:

- (1) Accessory uses clearly incidental to a permitted use and which will not create a nuisance or hazard;
- (3) Banks, finance and loan companies (6021, 6022);
- (4) Bus terminal (4173); (S)
- (5) Churches and other places of worship (8661);
- (8) Dwelling when constructed in conjunction with permitted use provided such dwellings are an integral part of the main building of such a permitted use; (S)
- (9) Eating and drinking establishments (5812, 5813);
- (10) Service stations (5541); (S)
- (11) Food stores (5411, 5431, 5441, 5451, 5461);
- (12) Hotels and motels (7011);
- (14) Parking lots (7521); (S)
- (15) Offices for professional business activities (80-11, 21, 31, 41, 42, 43, 49; 8711, 12, 21; 8111);
- (16) Personal service establishments such as barber and beauty shops (7231, 7241, 5611, 5651);
- (17) Public buildings and facilities;
- (18) Retail stores not otherwise listed: (5251, 5261, 5912, 5921, 5932, 5941, 5942, 5943, 5944, 5945, 5947, 5948, 5949, 5961, 5992, 5993, 5995, 5331, 5399, 5712, 5722, 5731);
- (19) Arcades (7993); (S)
- (20) Theaters when housed in a permanent structure (6512); (S)
- (21) Dance halls when at least five hundred (500) square feet of space is provided for dancing (7911);
- (23) Reserved;
- (24) Real estate offices (6531);
- (25) Home occupation as defined in section 19-1;
- (26) Golf cart rentals (7999); (S).

**CHAPTER 19 – SEC. 19-243 PERMITTED USES IN B-1
PROPOSED AMENDMENT/BLACKLINE**

Sec. 19-243. - Permitted uses.

The following are the permitted uses and special uses (S) in the B-1 district:

- (1) Accessory uses clearly incidental to a permitted use and which will not create a nuisance or hazard;
- (3) Banks, finance and loan companies (6021, 6022);
- (4) Bus terminal (4173); (S)
- (5) Churches and other places of worship (8661);
- (8) Dwelling when constructed in conjunction with permitted use provided such dwellings are an integral part of the main building of such a permitted use; (S)
- (9) Eating and drinking establishments (5812, 5813);
- (10) Service stations (5541); (S)
- (11) Food stores (5411, 5431, 5441, 5451, 5461);
- (12) Hotels and motels (7011);
- (14) Parking lots (7521); (S)
- (15) Offices for professional business activities (80-11, 21, 31, 41, 42, 43, 49; 8711, 12, 21; 8111);
- (16) Personal service establishments such as barber and beauty shops (7231, 7241, 5611, 5651);
- (17) Public buildings and facilities;
- (18) Retail stores not otherwise listed: (5251, 5261, 5912, 5921, 5932, 5941, 5942, 5943, 5944, 5945, 5947, 5948, 5949, 5961, 5992, 5993, 5995, 5331, 5399, 5712, 5722, 5731);
- (19) Arcades (7993); (S)
- (20) Theaters when housed in a permanent structure (6512); (S)
- (21) Dance halls when at least five hundred (500) square feet of space is provided for dancing (7911);
- (23) Reserved;
- (24) Real estate offices (6531);
- (25) Home occupation as defined in section 19-1;
- (26) Golf cart rentals (7999); (S).

APPENDIX B – CONVERSION TABLES
PROPOSED AMENDATORY INSERT

1. Alphabetical Index SIC: insert, alphabetically, “Golf cart rentals...7999”
2. Numerical Index SIC: no insert required; 7999 already indexed.

CHAPTER 19 APPENDIX A – EXTRACTION OF SIC CODES FOR ZONING (EXTRACT)
CURRENT

7999 - Amusement and Recreation Services, Not Elsewhere Classified

Establishments primarily engaged in the operation of sports, amusement, and recreation services, not elsewhere classified, such as bathing beaches, swimming pools, riding academies and schools, carnival operation, exposition operation, horse shows, picnic grounds operation, rental of rowboats and canoes, and shooting galleries. Establishments primarily engaged in showing or handling animals at shows or exhibitions are classified in Agricultural Services, Industry Group 075.

- Amusement concessions
- Bathing beaches, public
- Bingo parlors
- Bridge instruction
- Fishing piers and lakes, operation of
- Golf courses, miniature operation of
- Karate instruction
- Lifeguard service
- Rental of beach chairs and accessories
- Rental and instruction of Scuba and skin diving equipment
- Sporting goods rental
- Tennis clubs, non-membership
- Tennis courts, outdoor and indoor operation of, non-membership
- Yoga instruction

CHAPTER 19 APPENDIX A – EXTRACTION OF SIC CODES FOR ZONING (EXTRACT)
PROPOSED AMENDMENT/REDLINE

7999 - Amusement and Recreation Services, Not Elsewhere Classified

Establishments primarily engaged in the operation of sports, amusement, and recreation services, not elsewhere classified, such as bathing beaches, swimming pools, riding academies and schools, carnival operation, exposition operation, horse shows, picnic grounds operation, rental of rowboats and canoes, and shooting galleries. Establishments primarily engaged in showing or handling animals at shows or exhibitions are classified in Agricultural Services, Industry Group 075.

- Amusement concessions
- Bathing beaches, public
- Bingo parlors
- Bridge instruction
- Fishing piers and lakes, operation of
- Golf courses, miniature operation of
- **Golf cart rentals**
- Karate instruction
- Lifeguard service
- Rental of beach chairs and accessories
- Rental and instruction of Scuba and skin diving equipment
- Sporting goods rental
- Tennis clubs, non-membership
- Tennis courts, outdoor and indoor operation of, non-membership
- Yoga instruction



**TOWN OF KURE BEACH
PLANNING & ZONING COMMISSION**

PZC Meeting Date: 04/09/2019

PZC Agenda Item No.: 5.b

**ZONING CONSISTENCY STATEMENT
N.C.G.S. 160A-383**

X Consideration of proposed text amendments to The Town of Kure Beach Code:

1. Chapter 19 Zoning, Art. III, Div. 10, Sec. 243 *Permitted Uses* (B-1)
2. Chapter 19 Zoning, App. A *Extraction of SIC Codes for Zoning*
3. Chapter 19 Zoning, App. B *Conversion Tables* (Amendatory Insert)

X The proposed text amendments are CONSISTENT WITH the objectives/policies of the Town of Kure Beach Land Use Plan ("LUP").

X The proposed text amendments are CONSISTENT WITH Part 3, Section 2.B. of the LUP.

_____ The proposed text amendment is NOT CONSISTENT WITH Part _____, Section _____ of the LUP.

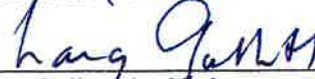
The Planning and Zoning Commission ("Commission") requests Town Council's consideration and adoption of Staff's proposed text amendments to Chapter 19 of the Kure Beach Code which are attached hereto and incorporated herein by reference. The proposed amendments expressly regulate golf cart rentals as a special use in the B-1 district by providing a specific SIC code classifying the use.

The Commission finds that adopting the amendments will be reasonable and in the public interest inasmuch as they are consistent with the goal on land use compatibility as set forth in Part 3, Section 2.B. of the LUP which provides, in pertinent part, as follows:

Kure Beach desires to ensure [consistency] with the historic small town nature of the community...and will work to...ensure that any uses of the land and water minimize negative environmental impacts and avoid risks to public health, safety and welfare....

Based on these findings, the Commission recommends that Town Council adopt the proposed text amendments.

**TOWN OF KURE BEACH
PLANNING AND ZONING COMMISSION:**



Craig Galbraath, Chairman



KURE BEACH PLANNING & ZONING COMMISSION
REGULAR MEETING MINUTES
April 9, 2019

The Kure Beach Planning & Zoning Commission held their regular meeting at Town Hall on Wednesday, **April 9, 2019**. A quorum of commission members was present.

P&Z MEMBERS PRESENT

Chair Craig Galbraith
Vice Chair William Moore
Member Kenneth Richardson
Member Retha Deaton
Member Robert Young

P&Z MEMBERS ABSENT

Alternate Member David Garceau

STAFF PRESENT

John Batson – Building Inspections
Kathleen Zielinski – Secretary

~~~~~  
Commissioner Joseph Whitley, Council Liaison  
Attorney James E. Eldridge

**1. CALL TO ORDER**

Chairman Galbraith called the meeting to order at 7:00 p.m.

**2. ADOPTION OF AGENDA**

**MOTION** – Member Richardson moved to adopt the agenda as presented

**SECOND** – Vice Chair Moore

**VOTE** – Unanimous

**3. APPROVAL OF MEETING MINUTES:**

**MOTION** – Vice Chair Moore moved to approve the minutes for the February 6, 2019 Regular Meeting as presented

**SECOND** – Member Young

**VOTE** – Unanimous

**MOTION** – Vice Chair Moore moved to approve the minutes for the March 20, 2019 Special Meeting as presented

**SECOND – Member Richardson**  
**VOTE – Unanimous**

#### **4. PUBLIC COMMENTS**

Mr. Steve McCurry made a request to move the meeting date for May to accommodate Inspector Batson's schedule. He was advised that the date of the next meeting will be addressed later in the meeting at Item 8 on the agenda.

#### **5. OLD BUSINESS**

##### **a. Downtown Mixed-Use Overlay District**

Chairman Galbraith stated that he researched 20-30 overlay districts related to what the commission is trying to accomplish and created a PowerPoint presentation for starting the process. He considered character preservation of the overlay district to be closest to Council's assignment and sited the City of Raleigh as a good model to follow. He said that several municipalities utilize a certificate of appropriateness (COA) process as a way to preserve a particular character and outlined the approach:

- A separate COA board issues major COAs
- Minor COAs are issued by staff
- Defining the difference between major and minor is needed
- Review is based on written guidelines that will need to be written to include intents
- A chart designates minor versus major work and the processes for each

The chairman then went on to share what he had learned about design guidelines. Key points of what he ascertained include:

- Some towns limit use in the overlay while others focus on design and rely on the underlying zoning map for allowed uses
- Can be very simple or quite complicated
- Design guidelines focus on building exteriors
- Consistency is very important

Three towns that Chairman Galbraith used for examples were Raleigh, Chapel Hill and Bolton, MA. Raleigh and Chapel Hill regulate their overlay districts with Certificates of Appropriateness while Bolton, MA utilizes Special Use Permits (SUP) and the chairman presented highlights from each. His concentration was on commercial and he stated that if residential is involved more research will be needed.

The presentation ended with a color-coded map of the districts in the downtown area and the chairman's suggestion to follow the COA model. He then asked the attorney for guidance regarding how specific they need to be or how broad they can keep it. He also asked the commission members for their thoughts on keeping the overlay for only the downtown district or extending it into surrounding districts.

Attorney Eldridge expressed his appreciation for the chairman's research and presentation, but stated that he has questions. He observed that the discussion of COA versus SUP does not seem to focus on controlling use. He asked, for example, if a McDonald's restaurant could come in and



be permitted as long as it fits the design. The chairman responded that yes, it could, but that elements could be regulated such as no drive-through, no golden arches, certain colors and materials. We cannot restrict a restaurant, but we can control the design.

Attorney Eldridge then stated that if you are concerned about uses coming in, you may want to check on special use. He said that, under SUP, the deciding body has discretionary control and questioned if there is authority to impose conditions with an approval under the COA process. The chairman replied that he could not find any COA that controls special use.

Other points made were:

- Each separate process can do some but neither may be able to do all
- Raleigh's examples are geared primarily toward controlling historic districts
- Statute prohibits residential guidelines
- More research is needed

Attorney Eldridge said that he would be glad to look at Raleigh to further understand these concepts. The approach is good, but these issues need to be looked into further.

Chairman Galbraith then opened the discussion up to the commissioners. Input included:

- The overlay should include districts B-1, B-2, RA-2 and RA-3
- Inquire of Council if they want to include only non-residential construction
- Encourage commercial type business on ground level with residential above due to limited footprint
- Extend mixed-use overlay from K Avenue
- If regulations are general to provide wiggle room that gets into quasi-judicial due to discretionary decision at which point the COA would be ineffective
- Attorney Eldridge will bring back findings next month about COA authority and design guidelines in Raleigh.

Chairman Galbraith stated that the decision to go outside the B-1 district and whether to regulate residential are still to be made. He added that the process for establishing an overlay district is not as complicated as he had first thought it might be.

Member Richardson proposed a footprint for the overlay district to include I Avenue to the RA-2 district on 4<sup>th</sup> Avenue S to the B-2 district, and include B-2, B-1 and RA-3 along Fort Fisher Blvd S. He said this footprint captures five or six businesses outside the B-1 that would not fall under the regulations of the overlay district. He will put together a map to illustrate this for the next meeting.

Chairman Galbraith stated that he will bring recommended design standard models. He would also like to have counsel look at COA versus special use permit processes and added that there are many other things to consider as they move along.

- b. Chapter 19 text amendment and associated consistency statement to add SIC Code 7999 and golf cart rentals to permitted uses for the B-1 District

Attorney Eldridge presented redline and blackline versions of the proposed text amendment to Section 19-243 and associated consistency statement for adding golf cart rentals to permitted uses in the B-1 district. An "S" to indicate a special use will accompany golf cart rentals.

**MOTION** - Member Richardson moved to recommend the text amendment to Chapter 19 to Town Council

**SECOND** – Member Deaton

**VOTE** - Unanimous

**MOTION** – Vice Chair Moore moved to send the associated consistency statement to Town Council

**SECOND** – Member Richardson

**VOTE** - Unanimous

Said text amendment and consistency statement are herein included as part of these minutes.

## **6. NEW BUSINESS**

### **a. Special Use Permit application from Sun Fun Rentals**

Inspector Batson informed the commission that Sun Fun Rentals had submitted an application to operate a golf cart rental business beside the gas station in downtown Kure Beach. He said that the proprietor, Sheila Embler, is present to answer questions that the Commission may have regarding the application. The application packet includes the completed special use permit application, an authorized agent appointment, a site plan and a letter from Sun Fun Rentals outlining their business plan.

Attorney Eldridge reminded the members that the job of P&Z is to review and recommend to Council their opinion. The recommendation may include conditions that will keep the use harmonious with the area. He added that when this goes before Council it will be heard in a quasi-judicial setting. He then brought attention to the four general conditions on the application set forth in town ordinance that must be satisfied.

Ms. Embler then stood to address the Commission. She stated that she started in business in Carolina Beach in 2014 with golf cart sales, rentals and service, and last year started a taxi business. When looking to further improve the business the one thing that kept coming back was Kure Beach. They would like to cater to the customers here so they would not have to travel to Carolina Beach. The location fits their needs and intentions to comply with ordinances, setbacks and fitting into harmony of Kure Beach.

Ms. Embler added several points in reply to questions from the commissioners:

- Golf cart sales would be an option only if possible.
- Business would operate seven days a week from May to October, limited days during the off-season.
- The golf carts comply with DOT standards for motor vehicles.
- Taxi drivers are licensed.
- They do not utilize medallions as done in Wrightsville Beach
- Sun Fun Rentals has written rules and regulations.
- There will be a station area for charging taxis to service this community.
- There are many building design options and they will abide by P&Z preference.
- Maintenance of carts will be performed at their Carolina Beach location.
- 80% of customers are tourists.
- A structure is needed to provide employees protection from the heat.

- How many they will store will depend on how many can fit on the lot. Off-season all the carts are pulled in.
- A pole and corded barrier will contain the business.
- The lot will not be shared.

Chairman Galbraith would like to recommend that council approve the application, subject to two conditions:

- present what signage will look like
- C cabin shown on Premier advertisement

Several questions were raised concerning the number of carts that would be kept on the lot. Ms. Embler explained that six-passenger carts require more space than four-passenger carts and the number of each would determine the total number of carts. She added that the lot would be organized with designated parking spots so that carts are not strewn about.

When asked by Attorney Eldridge if there are any things she has witnessed in Carolina Beach of which this commission should be aware, Ms. Embler replied that they have had very few issues and they purposely built the business slowly to avoid running into problems. They have had no reported injuries and the carts have switches and GPS tracking mechanisms to prevent theft. The company provides a brochure outlining dos and don'ts, stressing strongly that this is like driving a car and should be treated as such.

Member Richardson stated that downtown traffic during the season could be problematic and suggested that a third condition for approval should be, if recommended by the Police Chief, to have the carts exit onto Third Ave S. only or right-turn only when exiting onto Fort Fisher Blvd. S.

It was then suggested as a fourth condition that the company maintain all appropriate insurances to which Ms. Embler stated that would not be a problem since they carry million dollar liability, general liability and umbrella insurance policies.

**MOTION** - Chairman Galbraith moved to recommend approval of the special use permit by Council with five conditions:

- Signage to conform with Chapter 19
- C cabin design from Premier
- Designated parking spots
- Right turn only to exit
- Adequate insurance maintained by applicant

Chairman Galbraith added that lighting should be shown to Council, ensuring that the location is appropriate and does not interfere with residents. Ms. Embler noted that the hours of operation will be 9-5 in season, but a taxi can have access to plug in after 5:00.

**SECOND** – Vice Chair Moore

**VOTE** – Motion passed 4-1 with Member Deaton dissenting

Attorney Eldridge will prepare the documents for presentation to Council.

Said application is herein included as part of these minutes.

## 7. MEMBER ITEMS

- a. Chairman Galbraith stated that the next agenda will include a broad discussion about changing the SIC codes of permitted uses to specifically prohibit things in certain zoning districts.
- b. The issue of instating a moratorium during the overlay district process will be discussed at the April Town Council meeting.

## 8. NEXT MEETING

Inspector Batson will be unable to attend the next regularly scheduled meeting, but will be back May 4 and available the following week.

**MOTION** – Chairman Galbraith moved to change the next meeting date to May 8, 2019 at 7 p.m.

**SECOND** – Member Young

**VOTE** – Unanimous

## 9. ADJOURNMENT

**MOTION** – Member Deaton moved to adjourn

**SECOND** – Member Richardson

**VOTE** – Unanimous

Meeting was adjourned at 8:38 p.m.



\_\_\_\_\_  
Craig Galbraith, Chairman



\_\_\_\_\_  
Kathleen Zielinski, Secretary

NOTE: These minutes reflect items considered and actions taken by the Planning & Zoning Commission and should not be considered a transcript of the meeting. An audio recording of the entire meeting can be found on the Town of Kure Beach website.

# **COMMITTEE BUSINESS**

# **MARKETING**

**Kure Beach Budget Allocations FY19-20 DRAFT**

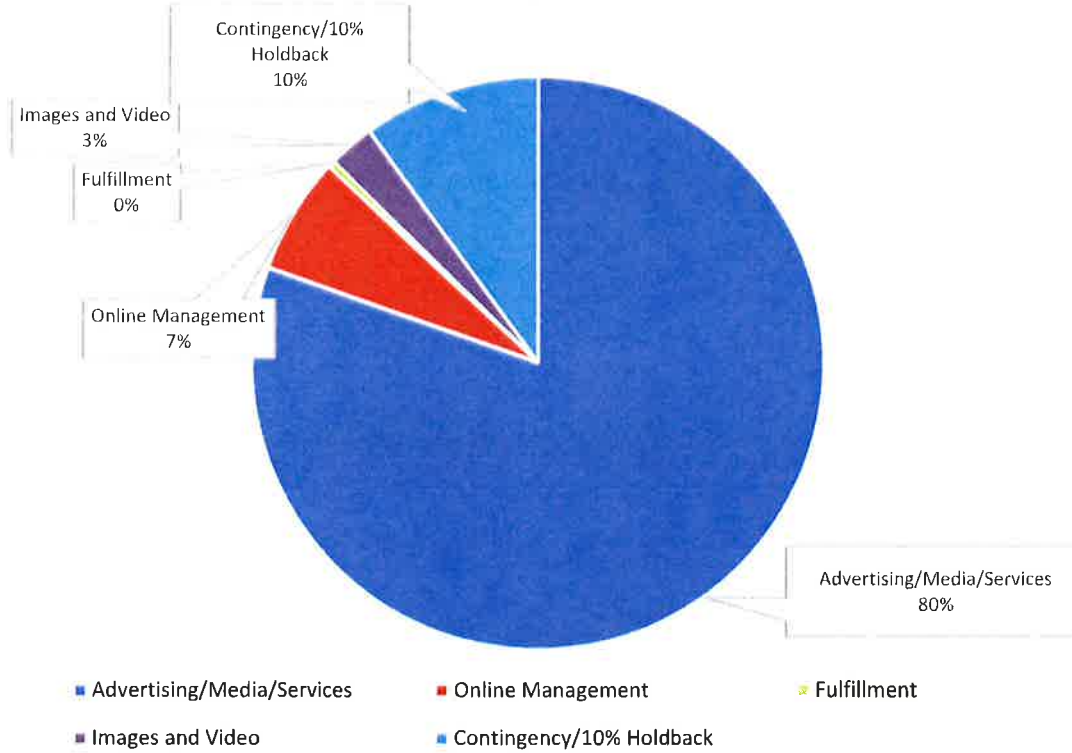
| <b>ADVERTISING/MEDIA/SERVICES</b>       |                                                                 | <b>FY 19-20</b>     | <b>FY 18-19</b>     | <b>Notes</b>                                                                            |
|-----------------------------------------|-----------------------------------------------------------------|---------------------|---------------------|-----------------------------------------------------------------------------------------|
| Media                                   | Print (Our State)                                               | \$5,800.00          | \$7,500.00          |                                                                                         |
|                                         | Paid Search (Search Listings, Display Ads, Display Retargeting) | \$23,200.00         | \$25,000.00         |                                                                                         |
|                                         | Paid Social (Facebook, Instagram)                               | \$19,720.00         | \$38,400.00         | Moved influencer marketing to social media plan                                         |
|                                         | Programmatic (Pre-roll Video, Weather Triggered)                | \$26,680.00         | \$13,000.00         |                                                                                         |
|                                         | Publisher Direct (Trip Advisor, VisitNC, eBlasts, You Tube)     | \$40,600.00         | \$24,400.00         |                                                                                         |
|                                         |                                                                 | <b>\$116,000.00</b> | <b>\$108,300.00</b> | 7% increase in media spend                                                              |
|                                         |                                                                 |                     |                     | Can't compare; different vendors & based on channel results                             |
|                                         | Contingency                                                     | <b>\$11,647.00</b>  | <b>\$7,065.00</b>   |                                                                                         |
|                                         | Promotional Giveaways                                           | <b>\$300.00</b>     | <b>\$300.00</b>     | No increase                                                                             |
| Public Relations & Social Media         | Public Relations and Content Development                        | \$25,200.00         | \$24,000.00         | 5% increase in agency fee for media relations and blog development                      |
|                                         | Press Trips (FY18-19 Reserve due to Hurricane)                  | \$0.00              | \$2,500.00          | FY18-19 Reserve \$7,770 due to hurricane                                                |
|                                         | Social Media/Strategy/Content Calendar/Postings                 | \$13,200.00         | \$12,000.00         | 10% increase to manage influencer campaigns, UGC & Insta stories                        |
|                                         | Social Media Content Amplification                              | \$15,600.00         | \$9,000.00          | Increase due to boosting content and helps drive web traffic                            |
|                                         | Influencer Marketing Campaigns                                  | \$11,000.00         | \$2,100.00          |                                                                                         |
|                                         |                                                                 | <b>\$65,000.00</b>  | <b>\$49,600.00</b>  | 31% increase due to moving influencer campaign to social media                          |
| Account Management                      | Agency Retainer/Project Management/Meetings                     | \$5,292.00          | \$4,725.00          |                                                                                         |
| Strategic Planning                      | Agency Research/Analysis                                        | \$3,096.00          | \$2,765.80          |                                                                                         |
| Creative Development                    | Print/Digital                                                   | \$15,176.00         | \$13,550.00         |                                                                                         |
|                                         |                                                                 | <b>\$23,564.00</b>  | <b>\$21,040.80</b>  | 12% increase based on increase in media spend; more creative & labor intensive creative |
| <b>ADVERTISING/MEDIA/SERVICES TOTAL</b> |                                                                 | <b>\$216,511.00</b> | <b>\$186,305.80</b> | <b>16% increase</b>                                                                     |
| <b>ONLINE MANAGEMENT</b>                |                                                                 |                     |                     |                                                                                         |
| Account Management                      | Account Management/CMS Licensing/Hosting                        | \$2,000.00          | \$2,000.00          |                                                                                         |
|                                         | Domain Renewals                                                 | \$260.00            | \$260.00            |                                                                                         |
| Email Marketing                         | Especials Distribution (6)                                      | \$4,390.00          | \$4,390.00          |                                                                                         |
|                                         | Especials Reengagement/Clean Up List                            | \$1,000.00          | \$1,000.00          |                                                                                         |
| Search Marketing                        | SEO                                                             | \$4,000.00          | \$4,000.00          |                                                                                         |
| Site Development                        | Maintenance/General Improvements                                | \$2,000.00          | \$2,000.00          |                                                                                         |
|                                         | Social Media Aggregator Licensing                               | \$2,000.00          | \$1,000.00          | Increase for UGC rights management and robust search features                           |
|                                         | CMS Modules Licensing                                           | \$2,215.00          | \$2,215.00          |                                                                                         |
| <b>ONLINE MANAGEMENT TOTAL</b>          |                                                                 | <b>\$17,865.00</b>  | <b>\$16,865.00</b>  | <b>6% increase</b>                                                                      |
| <b>FULFILLMENT</b>                      |                                                                 |                     |                     |                                                                                         |
|                                         | Postage                                                         | \$1,000.00          | \$2,000.00          |                                                                                         |
|                                         | Handling/Service Fees                                           | N/A                 | \$1,500.00          |                                                                                         |
|                                         | Storage Fees                                                    | N/A                 | \$300.00            |                                                                                         |
| <b>FULFILLMENT TOTAL</b>                |                                                                 | <b>\$1,000.00</b>   | <b>\$3,800.00</b>   | <b>Decrease due to moving handling/storage fees to first 3%</b>                         |
| <b>IMAGES &amp; VIDEO</b>               |                                                                 |                     |                     |                                                                                         |
|                                         | Videos                                                          | \$4,000.00          | \$6,000.00          | Decrease due to no SkyNav updates needed                                                |
|                                         | Photography (Images, Usage Rights, Talent)                      | \$3,000.00          | \$4,000.00          | Decrease due to photos captured pre-hurricane                                           |
|                                         | Visitors Guide Image Rights                                     | \$75.00             | \$75.00             |                                                                                         |
| <b>IMAGES &amp; VIDEO TOTAL</b>         |                                                                 | <b>\$7,075.00</b>   | <b>\$10,075.00</b>  |                                                                                         |
| <b>Total</b>                            |                                                                 | <b>\$242,451.00</b> | <b>\$217,045.80</b> |                                                                                         |
| <b>Contingency/10% Holdback</b>         |                                                                 | <b>\$26,939.00</b>  | <b>\$24,116.20</b>  |                                                                                         |
|                                         |                                                                 | <b>\$269,390.00</b> | <b>\$241,162.00</b> | <b>11.7% Increase</b>                                                                   |

Kure Beach Budget Allocations FY19-20 DRAFT

FY19-20 Budget Allocations

|                            |              |
|----------------------------|--------------|
| Advertising/Media/Services | \$216,511.00 |
| Online Management          | \$17,865.00  |
| Fulfillment                | \$1,000.00   |
| Images and Video           | \$7,075.00   |
| Contingency/10% Holdback   | \$26,939.00  |

FY19-20 Budget Allocations



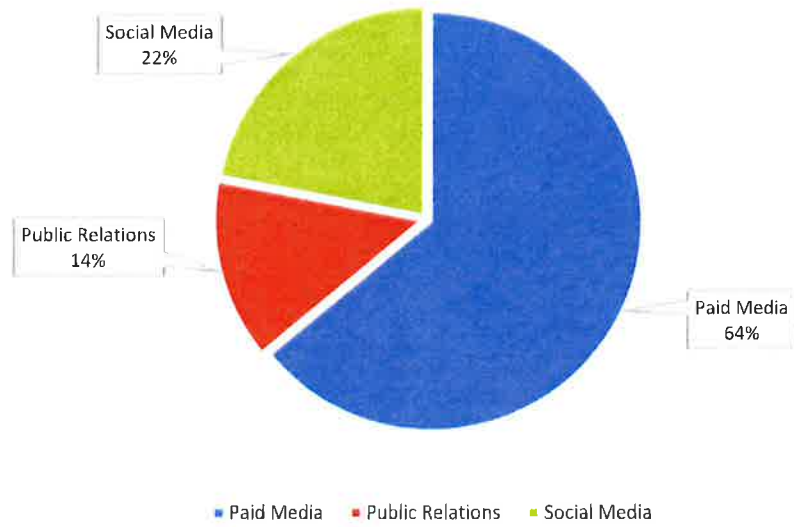


Kure Beach Budget Allocations FY19-20 DRAFT

FY19-20 Media Outreach Breakdown

|                  |              |
|------------------|--------------|
| Paid Media       | \$116,000.00 |
| Public Relations | \$25,200.00  |
| Social Media     | \$39,800.00  |

FY19-20 Media Outreach Breakdown



# **SHORELINE ACCESS & BEACH PROTECTION**

## Beth Chase

---

**From:** Dennis <dlpanicali@gmail.com>  
**Sent:** Monday, May 6, 2019 12:36 PM  
**To:** Beth Chase; Nancy Avery  
**Subject:** Fwd: SLABP budget

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Beth  
Would you please put this on the agenda for the next Council meeting.  
Thanks  
Dennis  
Sent from my iPad

Begin forwarded message:

**From:** Arlen Copenhaver <[a.copenhaver@townofkurebeach.org](mailto:a.copenhaver@townofkurebeach.org)>  
**Date:** May 6, 2019 at 12:21:52 PM EDT  
**To:** Dennis <[dlpanicali@gmail.com](mailto:dlpanicali@gmail.com)>  
**Subject:** RE: SLABP budget

Dennis,

SLABP has enough money remaining to pay for the vests. It would just require Council approval before expending the funds.

Take care.

Arlen Copenhaver, CPA  
Finance & Budget Officer  
Town of Kure Beach  
117 Settlers Lane  
Kure Beach, NC 28449  
Tel: (910) 458-8216  
Fax: (910) 458-7421  
[a.copenhaver@tokb.org](mailto:a.copenhaver@tokb.org)

-----Original Message-----

**From:** Dennis <[dlpanicali@gmail.com](mailto:dlpanicali@gmail.com)>  
**Sent:** Monday, May 6, 2019 11:53 AM  
**To:** Arlen Copenhaver <[a.copenhaver@townofkurebeach.org](mailto:a.copenhaver@townofkurebeach.org)>  
**Subject:** SLABP budget

Arlen

Does SLABP have enough money in its budget to pay for vests for the Ocean Life volunteers?  
They're about \$30 each and we need 8- 10 vests.

Dennis

Sent from my iPad

# **PLANNING & ZONING**



**KURE BEACH PLANNING & ZONING COMMISSION  
REGULAR MEETING MINUTES  
May 8, 2019**

The Kure Beach Planning & Zoning Commission held their regular meeting at Town Hall on Wednesday, **May 8, 2019**. A quorum of commission members was present.

**P&Z MEMBERS PRESENT**

Chair Craig Galbraith  
Member Kenneth Richardson  
Member Retha Deaton  
Member Robert Young  
Alternate Member David Garceau

**P&Z MEMBERS ABSENT**

Vice Chair William Moore

**STAFF PRESENT**

John Batson – Building Inspections  
Kathleen Zielinski – Secretary

~~~~~  
Commissioner Joseph Whitley, Council Liaison
Attorney James E. Eldridge

1. CALL TO ORDER

Chairman Galbraith called the meeting to order at 7:01 p.m.

2. ADOPTION OF AGENDA

MOTION – Member Richardson moved to adopt the agenda as presented

SECOND – Member Deaton

VOTE – Unanimous

3. APPROVAL OF MEETING MINUTES

MOTION – Member Richardson moved to approve the minutes for the April 9, 2019 regular meeting as presented

SECOND – Member Young

VOTE – Unanimous

4. PUBLIC COMMENTS

None

5. OLD BUSINESS

a. Downtown Mixed-Use Overlay District

Member Richardson presented a map to illustrate his suggestion for the footprint of the overlay district as a starting point for discussion. He tried to capture the majority of businesses in the downtown area and along Atlantic Avenue. Further discussion is needed on whether the overlay should be larger or smaller and what properties should be included. Mr. Richardson included the K Avenue overlay district in his depiction, but several businesses remain outside his proposed map while a lot of residential is included. Furthermore, his map has recommendations for crosswalks and he asked if the commission might also try to do something to designate a bike path through town. In the course of designing an overlay district, he feels that pedestrian safety measures should be implemented at K Avenue and 421 and at Settlers Lane and Sixth Avenue.

Chairman Galbraith stated that in the formal charge by Council for P&Z to research an overlay district, the B-1 district was identified specifically. He inquired of Commissioner Whitley how Council would feel about expanding beyond B-1. Mr. Whitley replied that Council is expecting such action and that P&Z is going down the right path.

Attorney Eldridge suggested incorporating a text amendment provision in the current overlay district rather than overlay an overlay and added that there would still be a prohibition on regulating exterior design elements of single-family and duplex residences. Chairman Galbraith noted that in his extensive research he still finds a lot of COA type situations that do have regulations on architectural design of residences.

Attorney Eldridge then reported that he looked at Raleigh and Chapel Hill for COA (Certificate of Appropriateness) approaches and found that the COA approach is authorized by a set of statutes to regulate exterior design in historic districts. He highlighted some of the applicable statutes:

- Must be established by Town Council
- Area must be deemed to be of special significance by several criteria
- Investigation and a report of those features is required
- Request can be made to State Department of Natural and Cultural Resources for recommendations
- Town Council can submit report to a local preservation commission
- Council can establish historic district just as it does text amendments under Chapter 19
- No improvements can be implemented until COA is approved by preservation commission

COA approach is limited to historic districts and the structures located within. This will only work if the historic nature of the downtown area can be proven. Chairman Galbraith believes the B-1 area could qualify as historic even though not every building is historical. Taking that approach would allow for the regulation of residential exteriors. Without the historic district approach, architectural components can only be regulated on buildings other than single-family and duplex.

Attorney Eldridge stated that it does not seem too difficult to qualify as a historic district, although there is a process. He offered to bring an outline of the procedures and reiterated that it would be easier to regulate exterior architectural features if the area was designated a historic district. However, there would be no jurisdiction over interior design. While the B-1 district could easily qualify as a historic district, those districts outside of B-1 may not. If not classified as historic district, a special use permit process would be needed.

Continuation of the discussion included several points:

- Investigation, report, drafting of guidelines all are required to move in this direction
- Special significance should be given to history, architecture, culture
- First step would be creation of a preservation commission
- Many communities have historic districts
- Council of Governments may be helpful
- Old plats of Kure Beach are basically the way the town is currently laid out
- P&Z could act as architectural review committee
- If you want to go heavy on architecture, the historic approach is better
- Historic preservation commission would need to be established by Town Council
- COA can be created in the same amount of time as an overlay district ~ 4 to 6 months
- How to regulate outside the B-1 district is still in question

The B-1 district is a good starting point for COA approach, but adjacent districts may not qualify as historic and it may be better to regulate them through special use permits. Discussion turned to permitted uses as stated in the code for several districts. A solution could be to specify permitted uses in districts outside B-1 and designate B-1 as historic. Consider abolishing the K Ave overlay district and incorporate that area into the new overlay district.

Chairman Galbraith said that it is important to realize that creating a historic district does not have to be onerous. He will present the options at the next Council meeting, explaining both approaches, and ask for further direction.

MOTION – Chairman Galbraith moved that he present to Council the COA process for the B-1 district, and for districts outside of B-1 look at specific uses for an overlay district

SECOND – Member Deaton

VOTE - Unanimous

- b. The discussion on SIC codes in permitted uses and prohibiting specific things in certain zoning districts was tabled.

6. NEW BUSINESS

- a. The Cove at Kure Beach final plat review

Inspector Batson reported to the commission that the land for the new development has been cleared and the builder is ready for construction of The Cove at Kure Beach. He displayed the review procedure and directed the commission to use the checklist provided along with the final plat in their agenda packets to complete their review. When asked by the chairman his opinion, Mr. Batson said that he had completed his checklist and all of his concerns have been satisfied. In his opinion, everything on the checklist can be approved.

Member Richardson asked if the drainage concerns brought up by surrounding property owners had been addressed. Luke Menius, the engineer for the builder, replied in the affirmative and outlined the various techniques that will be utilized for stormwater runoff including drop inlets, proper grading, pervious driveways and shallow ditches.

MOTION – Member Richardson moved to approve the final plat of The Cove at Kure Beach as is and send it to Council.

SECOND – Member Young

VOTE – Unanimous

7. MEMBER ITEMS

Chairman Galbraith reported that he presented recommendations regarding the special use permit application for SunFun Rentals LLC to Council at their April meeting, which included several conditions:

- Designate orderly parking spaces
- Right-turn-only exit onto Ft. Fisher Blvd. S.
- Specific building design
- Lighting plan
- Proper signage
- Adequate insurance

Council has set a public hearing prior to the next Council meeting on May 20, 2019 and the chairman will attend to present the recommendations of P&Z.

8. NEXT MEETING

June 5, 2019 at 7 p.m.

9. ADJOURNMENT

MOTION – Member Deaton moved to adjourn

SECOND – Member Richardson

VOTE – Unanimous

Meeting was adjourned at 8:12 p.m.

Craig Galbraith, Chairman

Kathleen Zielinski, Secretary

NOTE: These minutes reflect items considered and actions taken by the Planning & Zoning Commission and should not be considered a transcript of the meeting. An audio recording of the entire meeting can be found on the Town of Kure Beach website.

ADMINISTRATION

June

2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	5	6	7	8
9	10 Budget Public Hearing	11	12	13	14	15
16	17 Town Council Meeting	18	19	20	21	22
23	24	25	26	27	28	29
30						

FINANCE DEPARTMENT

TOWN OF KURE BEACH FISCAL YEAR 2019/2020 PROPOSED BUDGET



MAY 20, 2019

GENERAL BUDGET INFORMATION

- The budget proposal is in accordance with NC General Statutes Section 159-11
- All sections of the budget are in conformance with The Local Government Budget and Fiscal Control Act
- As required by NC General Statutes Section 159-12, a public hearing must be held prior to budget adoption. [The public hearing is proposed for Monday, June 10th at 6:00 pm](#)
- Once the budget proposal is accepted by Town Council, copies will be available for public inspection on the Town's website and at Town Hall
- A balanced budget, or an interim budget, must be adopted before July 1st

GENERAL BUDGET INFORMATION

The budget proposal consists of 3 components:

1. Budget Message – summarizes the budget, provides key highlights and identifies significant differences from the current year budget
2. Draft Budget Ordinance – contains the budgeted revenues and expenditures by fund, information regarding property taxes, salaries, any changes to the Fee Schedule, as well as other statutory requirements
3. Draft Fee Schedule – includes the fees to be charged by the Town for various services

**TOWN OF KURE BEACH
FISCAL YEAR 2019/2020
PROPOSED BUDGET**

<u>FUND</u>	<u>PROPOSED FY 2020 BUDGET</u>	<u>ORIGINAL FY 2019 BUDGET</u>	<u>CHANGE</u>	<u>% CHANGE</u>
General Fund	\$5,559,748	\$5,280,032	\$279,716	5.3%
Water and Sewer Fund	\$2,424,390	\$2,202,085	\$222,305	10.1%
Storm Water Fund	\$ 335,225	\$ 358,380	(\$23,155)	(6.5%)
Powell Bill Fund	\$ 66,450	\$ 175,000	(\$108,550)	(62.0%)
Federal Asset Forfeiture Fund	\$ 50,000	\$ 50,000	\$0	0.0%
Beach Protection Fund	\$ 24,500	\$ 13,397	\$11,103	82.9%
Sewer Expansion Reserve Fund (SERF)	<u>\$ 17,420</u>	<u>\$ 16,250</u>	<u>\$1,170</u>	7.2%
TOTAL	<u>\$8,477,733</u>	<u>\$8,095,144</u>	<u>\$382,589</u>	<u>4.7%</u>

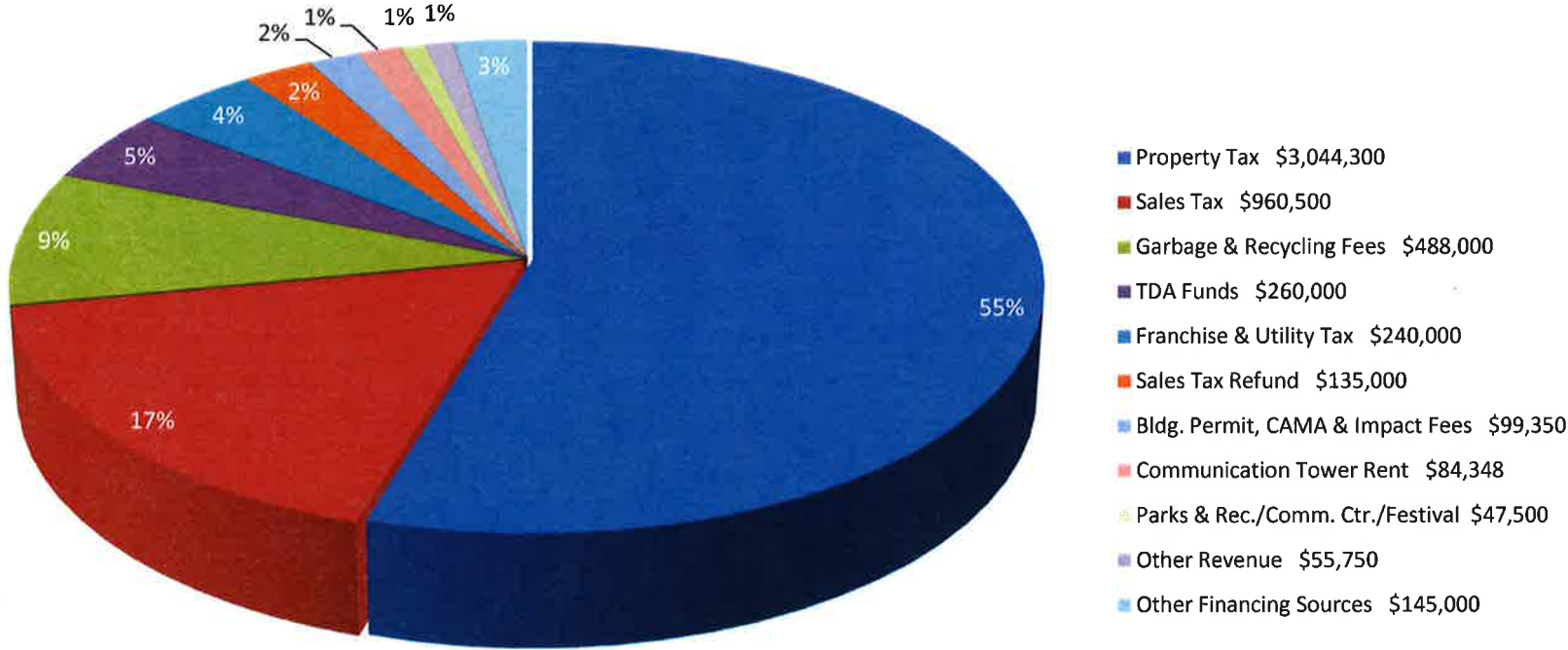
**TOWN OF KURE BEACH
FISCAL YEAR 2019/2020 PROPOSED BUDGET
GENERAL FUND HIGHLIGHTS**

1. Proposed tax rate increase – 1 cent (3%)
 - New rate would be 34 cents (\$0.34) per \$100 of valuation
2. 2.8% Cost of Living Adjustment and 1.5% merit increase for full-time employees
3. Additions to full-time employees:
 - One employee in Police Department
 - One employee in Building Inspections/Code Enforcement Department

**TOWN OF KURE BEACH
FISCAL YEAR 2019/2020 PROPOSED BUDGET
GENERAL FUND HIGHLIGHTS**

4. Capital expenditures totaling \$170,050
5. Debt service totaling \$716,925
6. Transfer \$18,000 to the Beach Protection Fund
7. Contingency of \$20,000
8. Overall, the 2020 General Fund budget is 5.3% greater than the 2019 original budget

GENERAL FUND REVENUE BUDGET FISCAL YEAR 2020



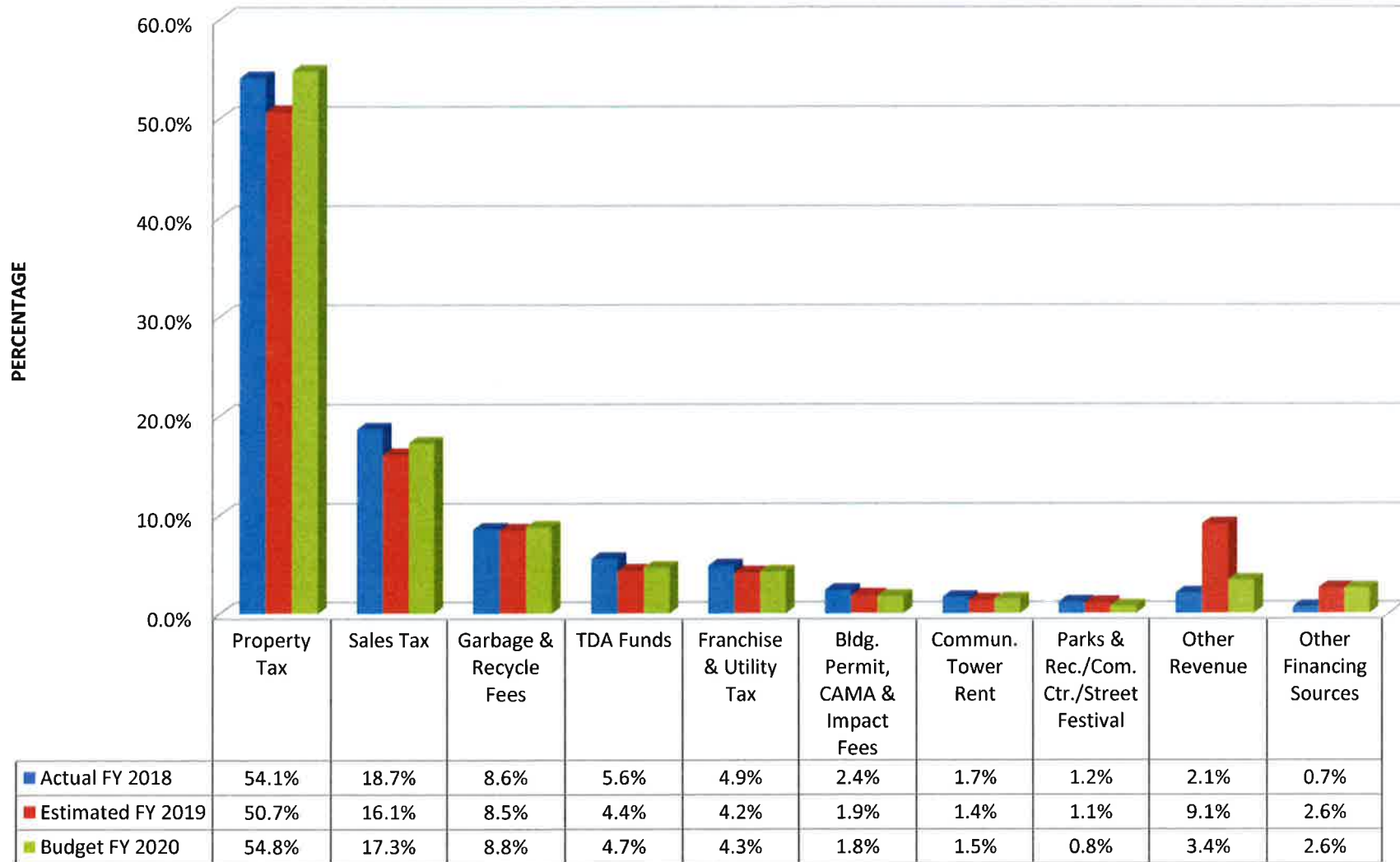
**IMPACT OF KURE BEACH PROPOSED
PROPERTY TAX RATE ON A
PROPERTY VALUED AT \$350,000**

Tax at Current Tax Rate (\$0.33)	\$1,155.00
Proposed Tax Increase (\$0.01)	<u>\$35.00</u>
Total Tax at Proposed Tax Rate (\$0.34)	<u>\$1,190.00</u>

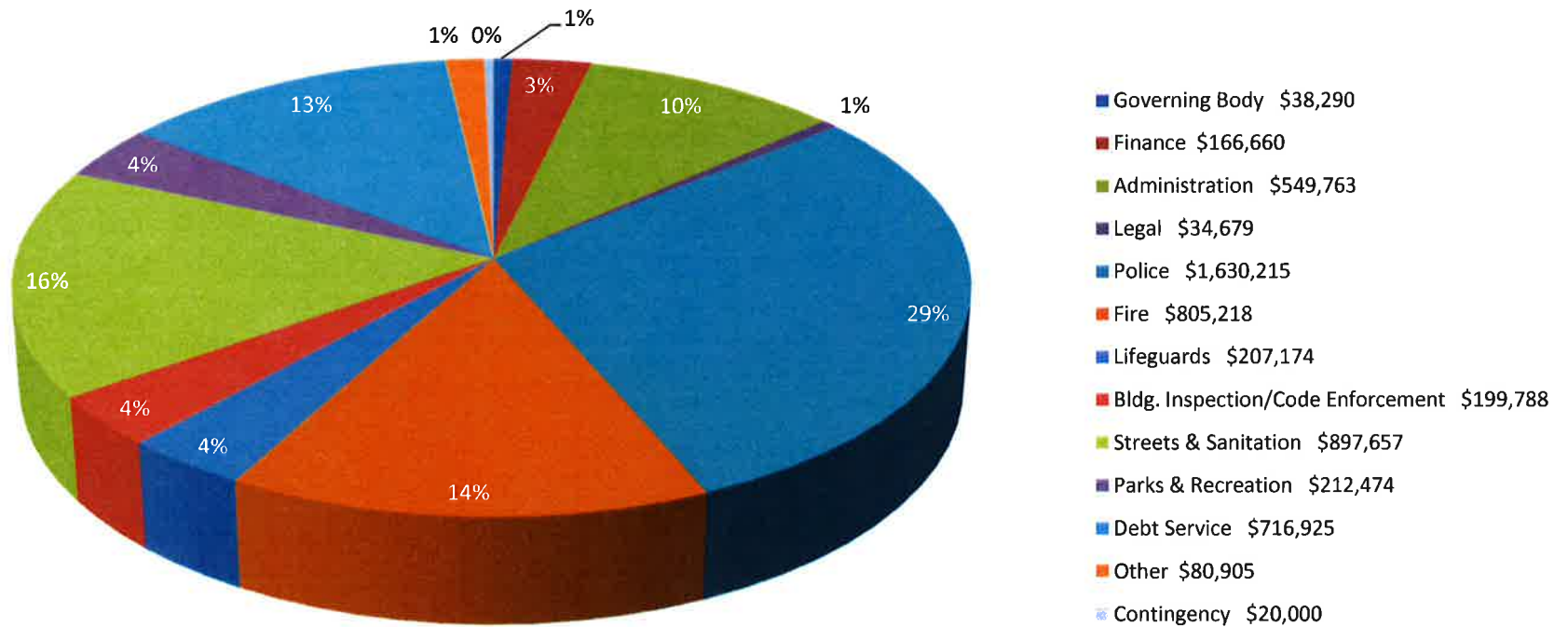
**IMPACT OF KURE BEACH AND NEW HANOVER COUNTY
PROPOSED FISCAL YEAR 2020 PROPERTY TAX RATES ON A
PROPERTY VALUED AT \$350,000**

	CURRENT		PROPOSED FOR FY 2020		ANNUAL TAX DIFFERENCE
	TAX RATE	ANNUAL TAX	TAX RATE	ANNUAL TAX	
Kure Beach	\$0.33	\$1,155.00	\$0.34	\$1,190.00	\$35.00
New Hanover County (including debt service)	\$0.555	<u>\$1,942.50</u>	\$0.555	<u>\$1,942.50</u>	<u>\$0.00</u>
TOTAL		<u>\$3,097.50</u>		<u>\$3,132.50</u>	<u>\$35.00</u>
			% Change Kure Beach & NHC		1.13%

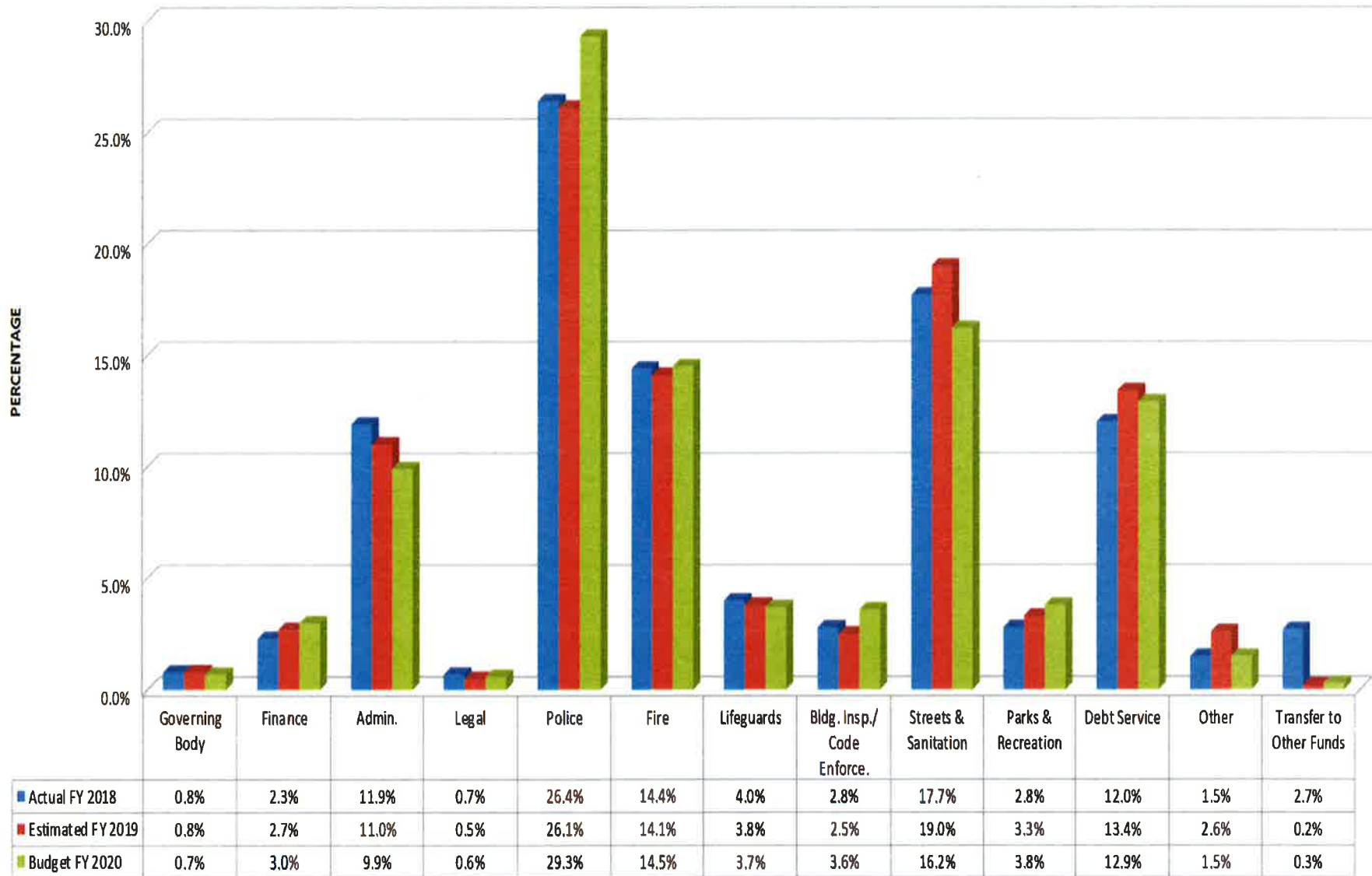
**GENERAL FUND
PERCENTAGE OF REVENUE BY SOURCE
FISCAL YEAR 2018 TO 2020**



GENERAL FUND EXPENSE BUDGET FISCAL YEAR 2020



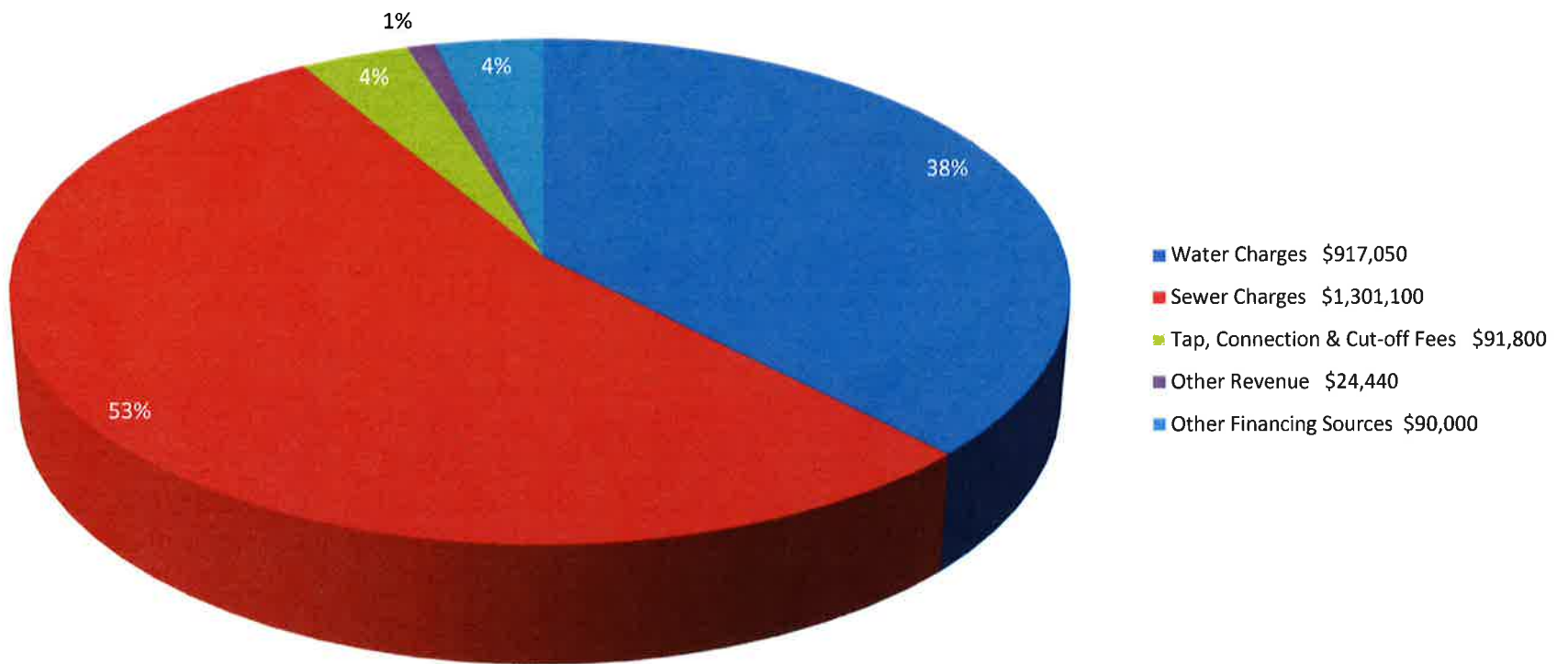
**GENERAL FUND
PERCENTAGE OF EXPENSES BY DEPARTMENT
FISCAL YEAR 2018 TO 2020**



**TOWN OF KURE BEACH
FISCAL YEAR 2019/2020 PROPOSED BUDGET
WATER AND SEWER FUND HIGHLIGHTS**

1. Changes to the existing water and sewer rate structure for all customer types (residential, commercial & out of jurisdiction):
 - Lower minimum gallons from 2,500 to 2,000 gallons
 - 10% increase to the usage-based rate tiers for monthly usage above the minimum number of gallons
2. Approximately \$202,800 for infrastructure projects and equipment capital expenditures
3. Debt service totaling approximately \$426,350
4. Overall, the 2020 Water and Sewer budget is 10.1% greater than the 2019 budget

**WATER & SEWER FUND
REVENUE BUDGET
FISCAL YEAR 2020**



**WATER AND SEWER FUND
GALLONS BILLED BY CUSTOMER TYPE
4/1/2018 – 3/31/2019**

	GALLONS			
	RESIDENTIAL	COMMERCIAL	OUT OF JURISDICTION	TOTAL
WATER	91,555,700	8,257,800	7,896,140	107,709,640
	85.0%	7.7%	7.3%	

PROPOSED FISCAL YEAR 2019/2020
RESIDENTIAL WATER & SEWER RATE STRUCTURE CHANGES

1. Continue to ensure that there is increased financial responsibility for those customers who use the most water and sewer resources
2. The monthly minimum gallons will be reduced from 2,500 to 2,000 gallons
 - Estimate that each month an additional 120 accounts (6%) will exceed the monthly minimum gallons
3. The usage-based rate tiers for usage above the minimum gallons will be increased by 10%
 - Estimate that 51% of the annual residential billings will be impacted

PROPOSED FISCAL YEAR 2019/2020 RESIDENTIAL WATER & SEWER RATE STRUCTURE CHANGES

4. Proposed rate structure for residential customers for fiscal year 2020:

RATE TIER	WATER		SEWER		COMMENTS
	CURRENT (2,500 min. gals.)	PROPOSED (2,000 min. gals.)	CURRENT (2,500 min. gals.)	PROPOSED (2,000 min. gals.)	
Minimum	\$13.50	\$13.50	\$23.50	\$23.50	No change
Min. to 7,000 gals. (rate per 100 gals.)	\$0.45	\$0.495	\$0.58	\$0.638	10% Inc.
7,001 to 12,000 gals. (rate per 100 gals.)	\$0.675	\$0.7425	\$0.87	\$0.957	10% Inc.
Over 12,000 gals. (rate per 100 gals.)	\$1.0125	\$1.11375	\$1.305	\$1.4355	10% Inc.

5. There will be no impact on a residential customer using less than 2,000 gallons

**IMPACT OF RATE CHANGES ON A RESIDENTIAL ACCOUNT
AT 4 MONTHLY USAGE LEVELS**

	EXISTING RATES (2,500 min. gals.)	PROPOSED RATES (2,000 min. gals.)
<u>Monthly Usage of 2,500 Gallons</u>		
Minimum (Water & Sewer)	\$37.00	\$37.00
Minimum to 2,500 gallons	<u>\$0.00</u>	<u>\$5.67</u>
Total	<u>\$37.00</u>	<u>\$42.67</u>
Increase Amount		\$5.67
% Change		15.3%
<u>Monthly Usage of 5,000 Gallons</u>		
Minimum (Water & Sewer)	\$37.00	\$37.00
Minimum to 5,000 gallons	<u>\$25.75</u>	<u>\$33.99</u>
Total	<u>\$62.75</u>	<u>\$70.99</u>
Increase Amount		\$8.24
% Change		13.1%

**IMPACT OF RATE CHANGES ON A RESIDENTIAL ACCOUNT
AT 4 MONTHLY USAGE LEVELS**

	EXISTING RATES (2,500 min. gals.)	PROPOSED RATES (2,000 min. gals.)
<u>Monthly Usage of 12,000 Gallons</u>		
Minimum (Water & Sewer)	\$37.00	\$37.00
Minimum to 7,000 gallons	\$46.35	\$56.65
7,001 to 12,000 gallons	<u>\$77.25</u>	<u>\$84.98</u>
Total	<u>\$160.60</u>	<u>\$178.63</u>
Increase Amount		\$18.03
% Change		11.2%
<u>Monthly Usage of 18,000 Gallons</u>		
Minimum (Water & Sewer)	\$37.00	\$37.00
Minimum to 7,000 gallons	\$46.35	\$56.65
7,001 to 12,000 gallons	\$77.25	\$84.98
Over 12,000 gallons	<u>\$139.05</u>	<u>\$152.96</u>
Total	<u>\$299.65</u>	<u>\$331.59</u>
Increase Amount		\$31.94
% Change		10.7%

PROPOSED FISCAL YEAR 2019/2020 COMMERCIAL WATER & SEWER RATE STRUCTURE CHANGES

1. The monthly minimum gallons will be reduced from 2,500 to 2,000 gallons
2. The usage-based rate tiers for usage above the minimum gallons will be increased by 10%
3. Proposed 2020 rate structure for commercial customers:

RATE TIER	WATER		SEWER		COMMENTS
	CURRENT (2,500 min. gals.)	PROPOSED (2,000 min. gals.)	CURRENT (2,500 min. gals.)	PROPOSED (2,000 min. gals.)	
Minimum	\$18.50	\$18.50	\$25.50	\$25.50	No change
Min. to 70,000 gals. (rate per 100 gals.)	\$0.694	\$0.7634	\$0.7125	\$0.78375	10% Inc.
Over 70,000 gals. (rate per 100 gals.)	\$0.8675	\$0.95425	\$0.89063	\$0.9797	10% Inc.

**IMPACT OF RATE CHANGES ON A COMMERCIAL ACCOUNT
AT 2 MONTHLY USAGE LEVELS**

	EXISTING RATES (2,500 min. gals.)	PROPOSED RATES (2,000 min. gals.)
<u>Monthly Usage of 20,000 Gallons</u>		
Minimum (Water & Sewer)	\$44.00	\$44.00
Minimum to 20,000 gallons	<u>\$246.14</u>	<u>\$278.49</u>
Total	<u>\$290.14</u>	<u>\$322.49</u>
Increase Amount		\$32.35
% Change		11.1%
<u>Monthly Usage of 118,000 Gallons</u>		
Minimum (Water & Sewer)	\$44.00	\$44.00
Minimum to 70,000 gallons	\$949.39	\$1,052.06
Over 70,000 gallons	<u>\$843.90</u>	<u>\$928.30</u>
Total	<u>\$1,837.29</u>	<u>\$2,024.36</u>
Increase Amount		\$187.07
% Change		10.2%

PROPOSED FISCAL YEAR 2019/2020 OUT OF JURISDICTION WATER & SEWER RATE STRUCTURE CHANGES

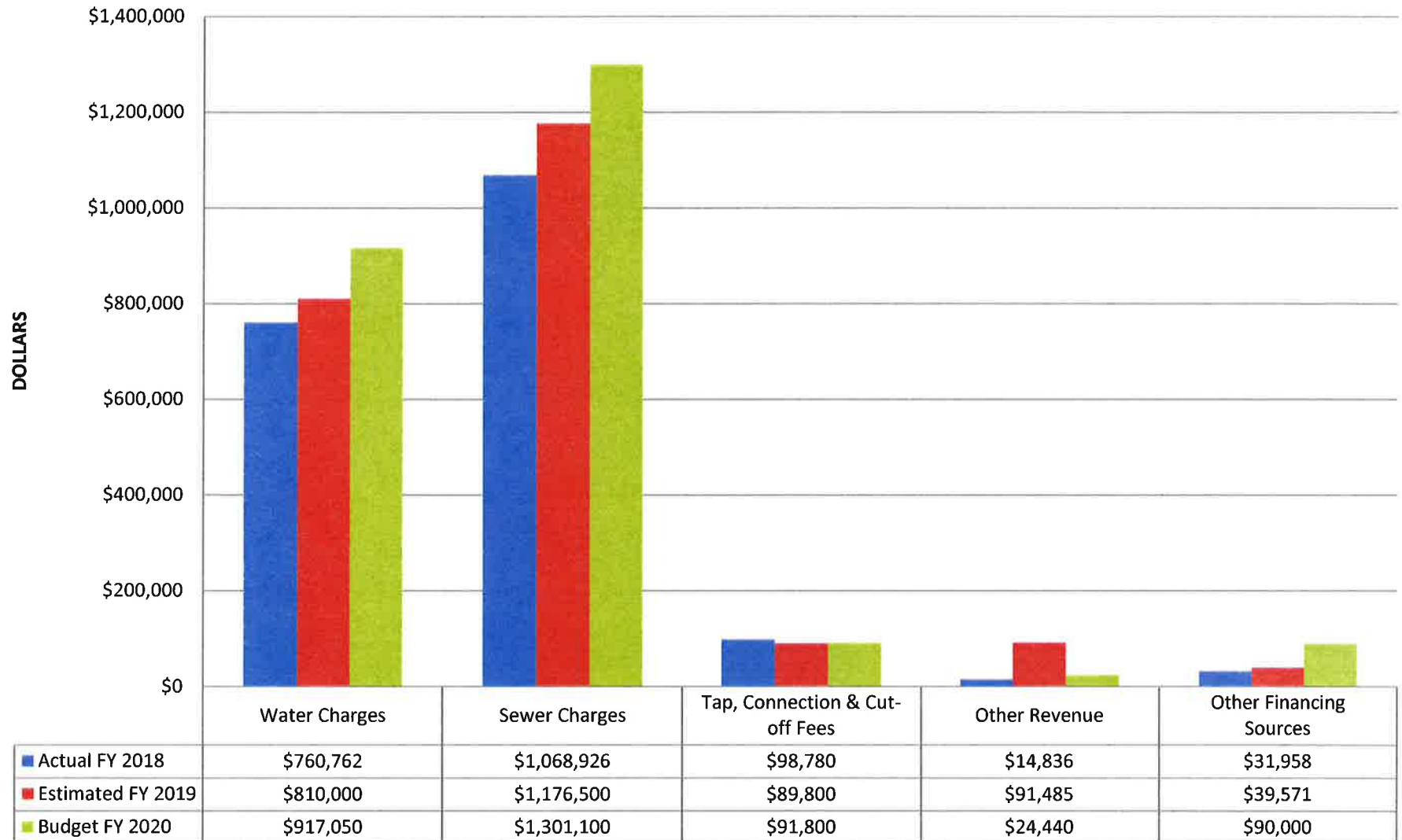
1. The monthly minimum gallons will be reduced from 2,500 to 2,000 gallons
2. The usage-based rate tiers for usage above the minimum gallons will be increased by 10%
3. Proposed rate structure for Out of Jurisdiction customers for fiscal year 2020:

RATE TIER	WATER		SEWER		COMMENTS
	CURRENT (2,500 min. gals.)	PROPOSED (2,000 min. gals.)	CURRENT (2,500 min. gals.)	PROPOSED (2,000 min. gals.)	
Minimum	\$23.00	\$23.00	\$40.50	\$40.50	No change
Min. to 70,000 gals. (rate per 100 gals.)	\$0.7875	\$0.86625	\$1.0125	\$1.11375	10% Inc.
Over 70,000 gals. (rate per 100 gals.)	\$0.98438	\$1.08282	\$1.26563	\$1.39219	10% Inc.

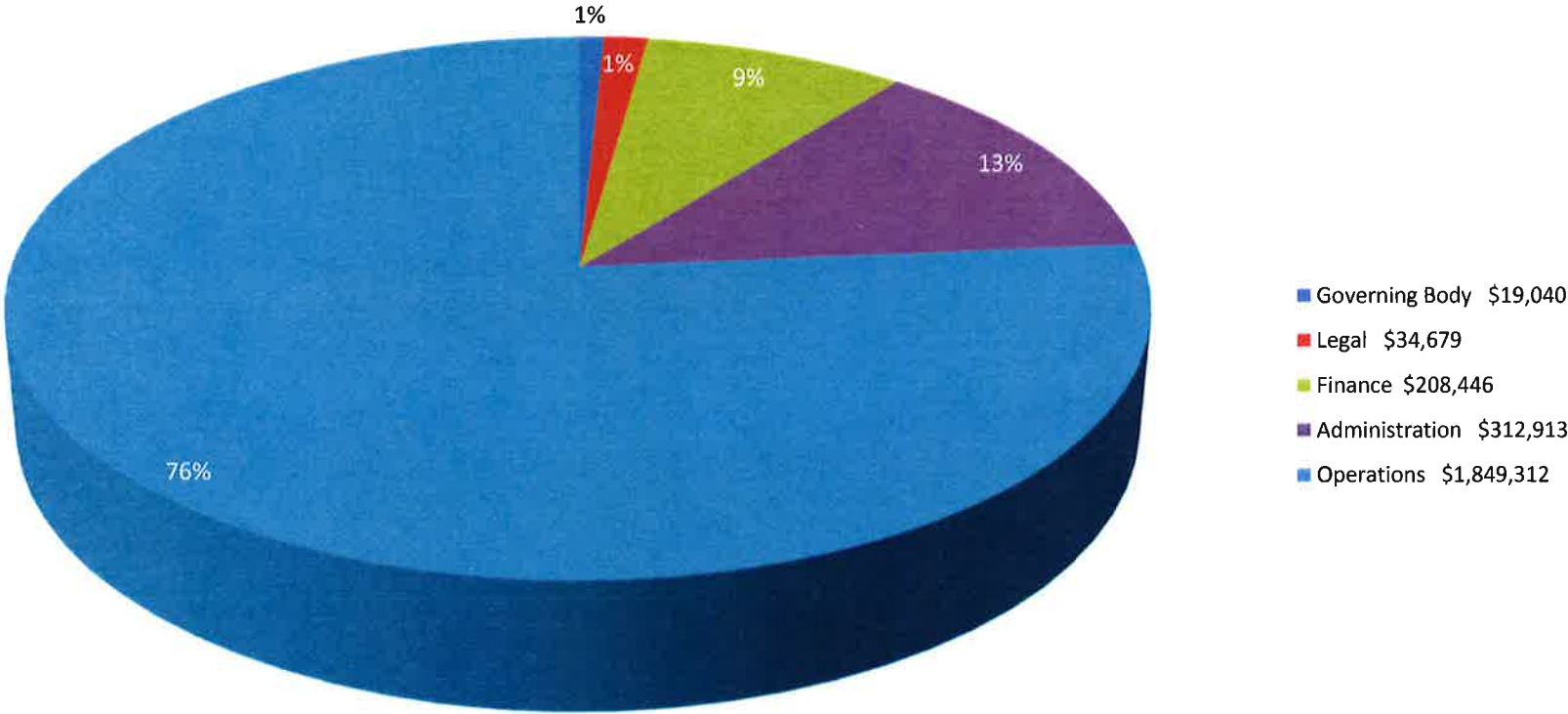
**IMPACT OF RATE CHANGES ON AN OUT OF JURISDICTION
ACCOUNT AT 2 MONTHLY USAGE LEVELS**

	EXISTING RATES (2,500 min. gals.)	PROPOSED RATES (2,000 min. gals.)
<u>Monthly Usage of 20,000 Gallons</u>		
Minimum (Water & Sewer)	\$63.50	\$63.50
Minimum to 20,000 gallons	<u>\$315.00</u>	<u>\$356.40</u>
Total	<u>\$378.50</u>	<u>\$419.90</u>
Increase Amount		\$41.40
% Change		10.9%
<u>Monthly Usage of 400,000 Gallons</u>		
Minimum (Water & Sewer)	\$63.50	\$63.50
Minimum to 70,000 gallons	\$1,215.00	\$1,346.40
Over 70,000 gallons	<u>\$7,425.03</u>	<u>\$8,167.53</u>
Total	<u>\$8,703.53</u>	<u>\$9,577.43</u>
Increase Amount		\$873.90
% Change		10.0%

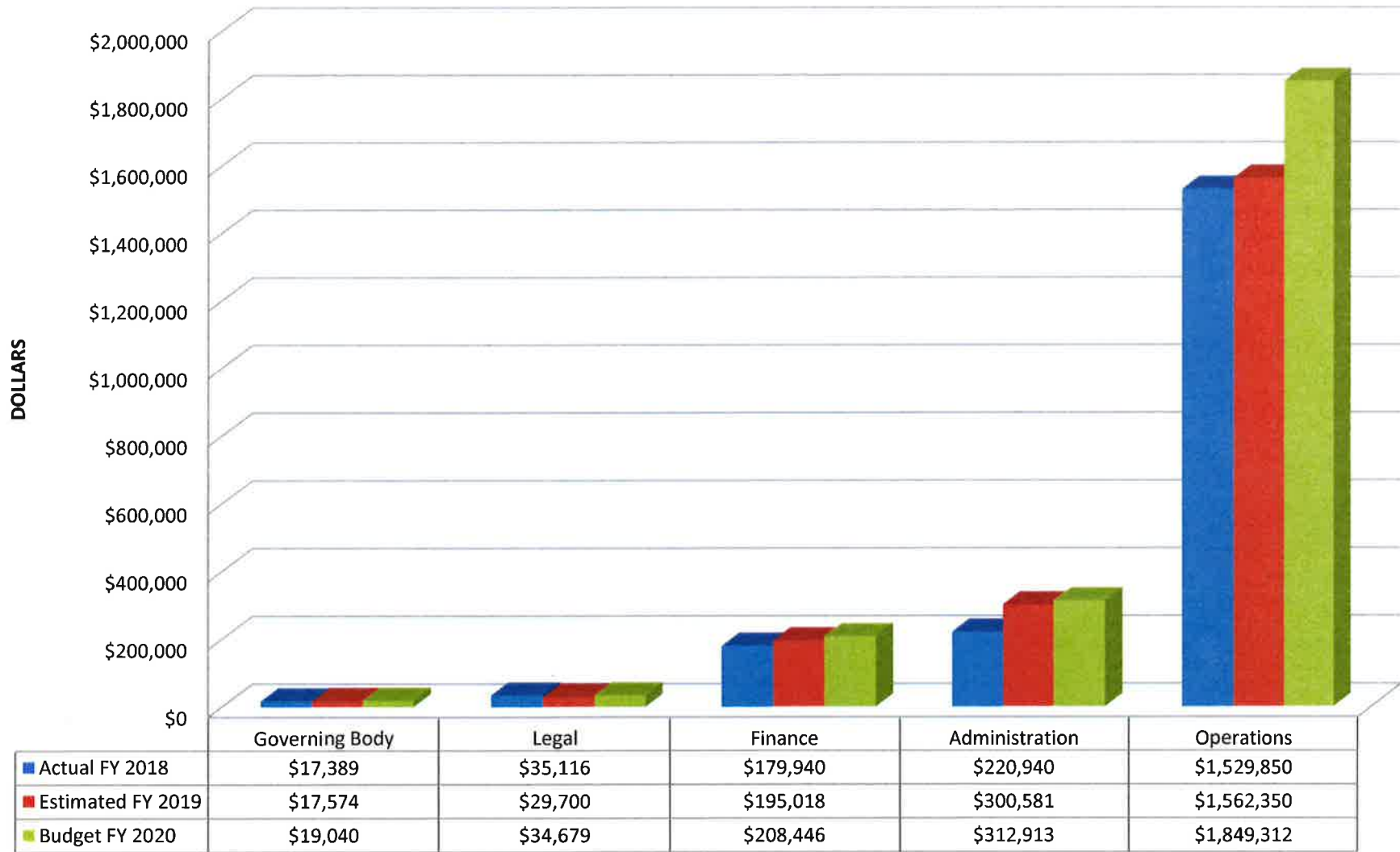
WATER & SEWER FUND REVENUE BY SOURCE FISCAL YEAR 2018 TO 2020



**WATER & SEWER FUND
EXPENSE BUDGET
FISCAL YEAR 2020**



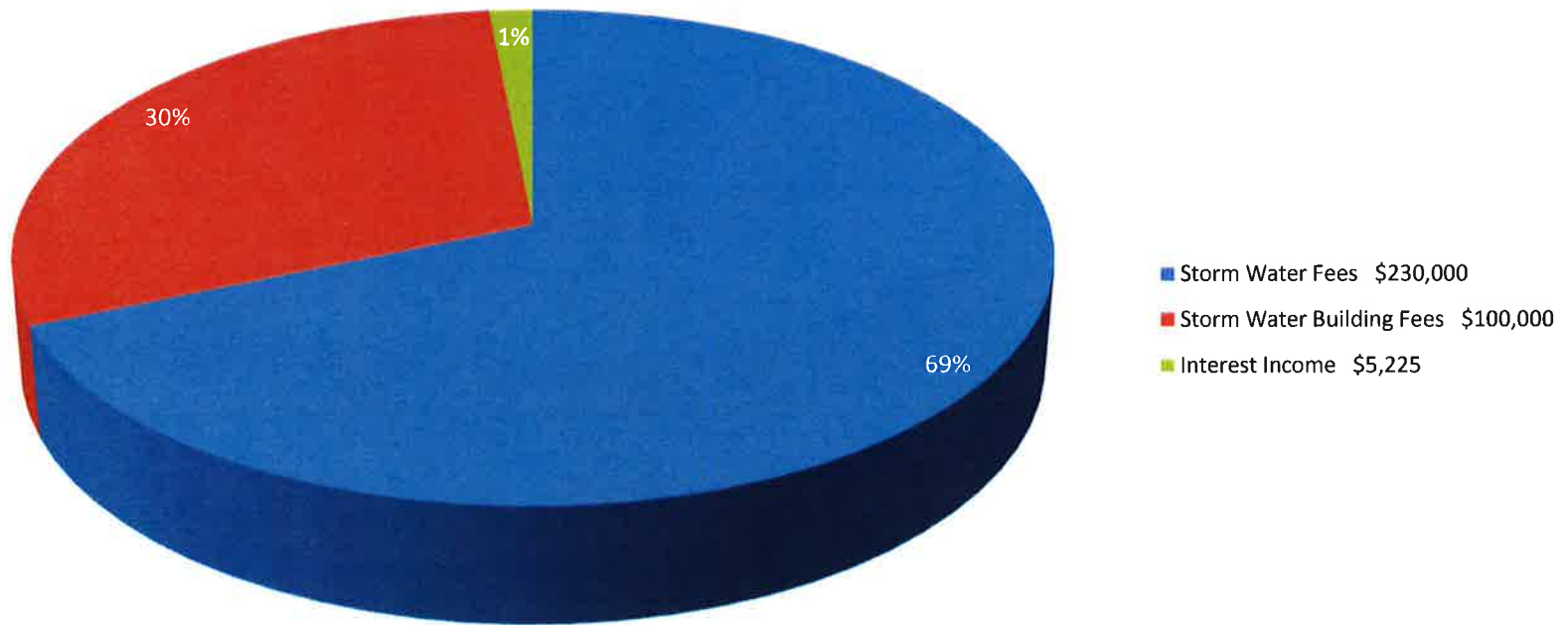
WATER & SEWER FUND EXPENSES BY DEPARTMENT FISCAL YEAR 2018 - 2020



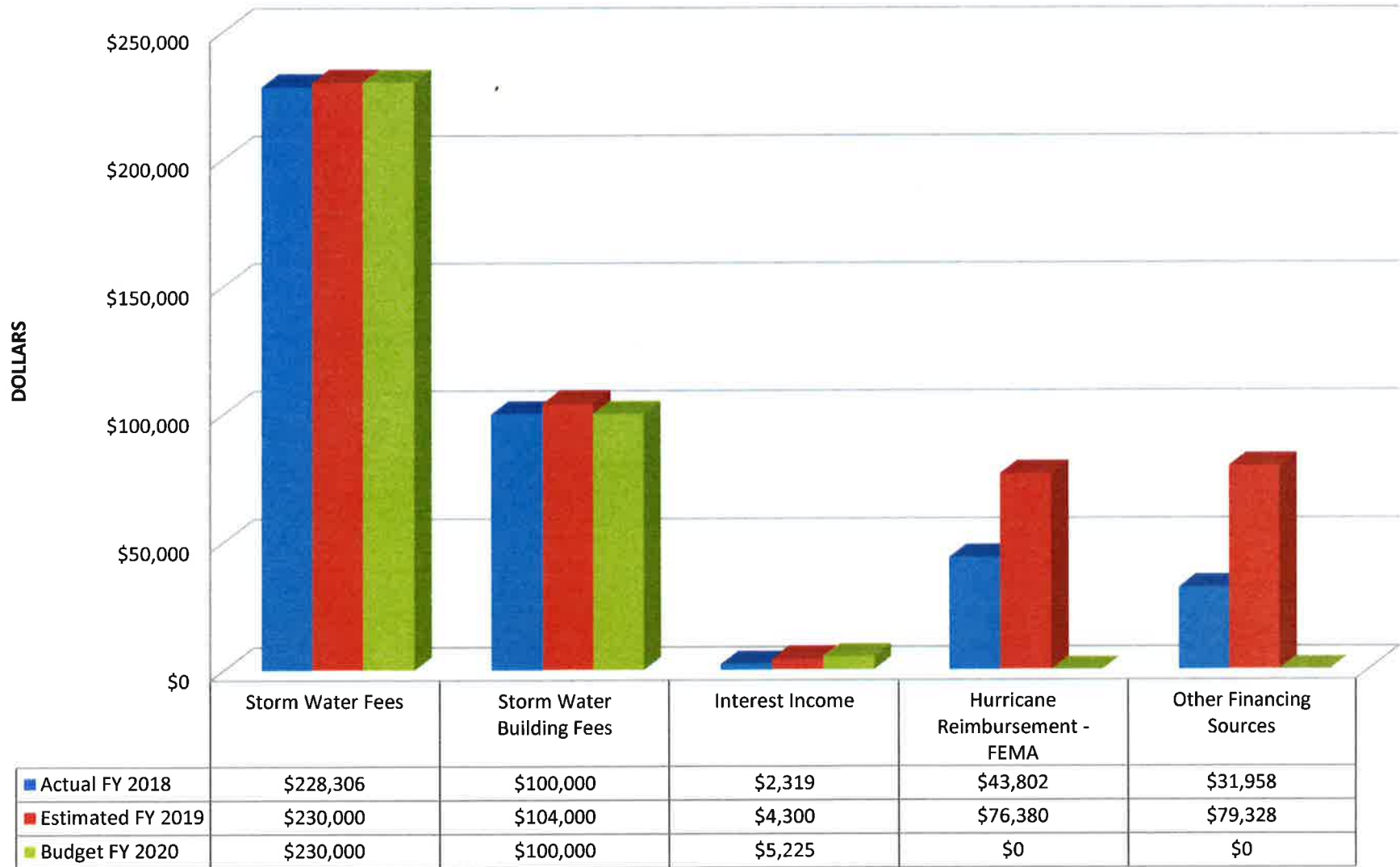
**TOWN OF KURE BEACH
FISCAL YEAR 2019/2020 PROPOSED BUDGET
STORM WATER FUND HIGHLIGHTS**

1. No proposed changes to existing storm water fees
2. Debt service totaling approximately \$125,650
3. \$29,500 for infrastructure projects
4. Overall, the 2020 Storm Water budget is 6.5% less than the 2019 original budget

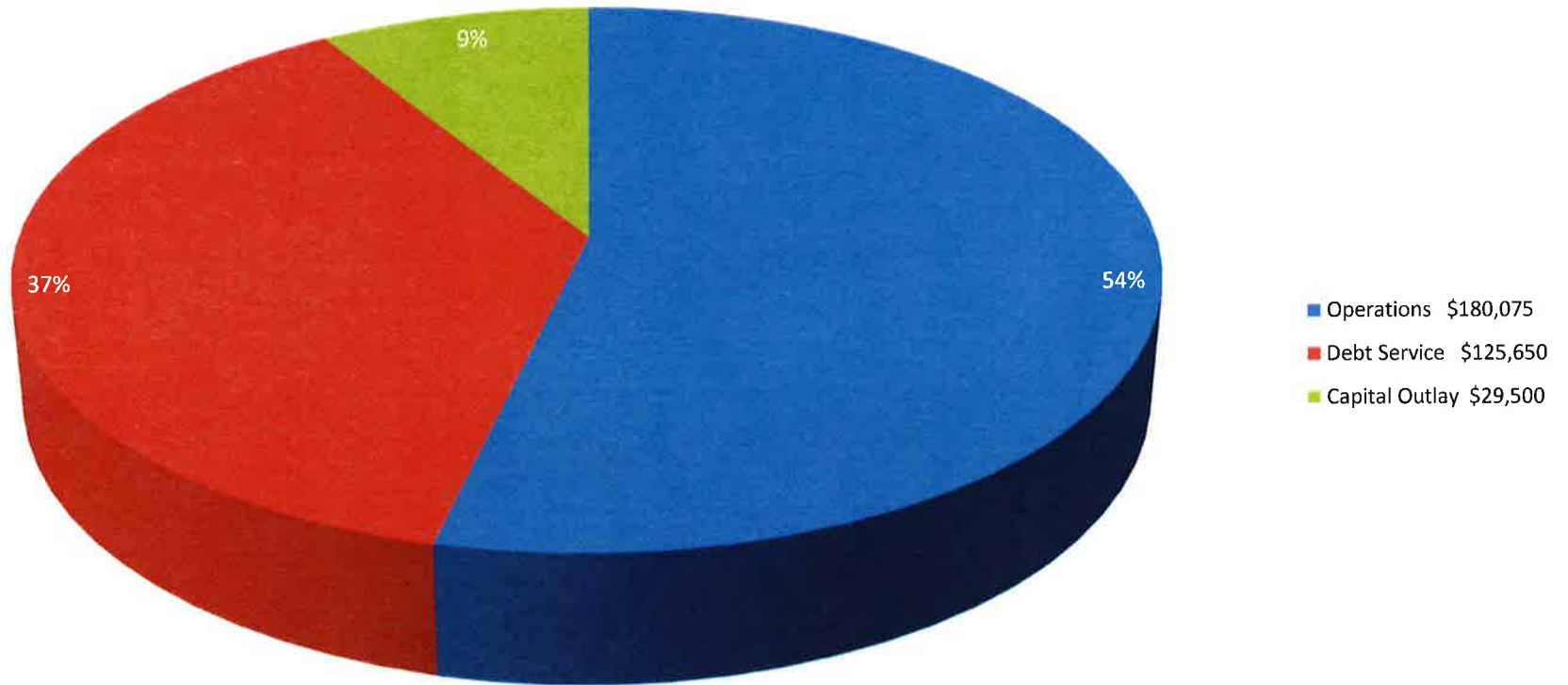
**STORM WATER FUND
REVENUE BUDGET
FISCAL YEAR 2020**



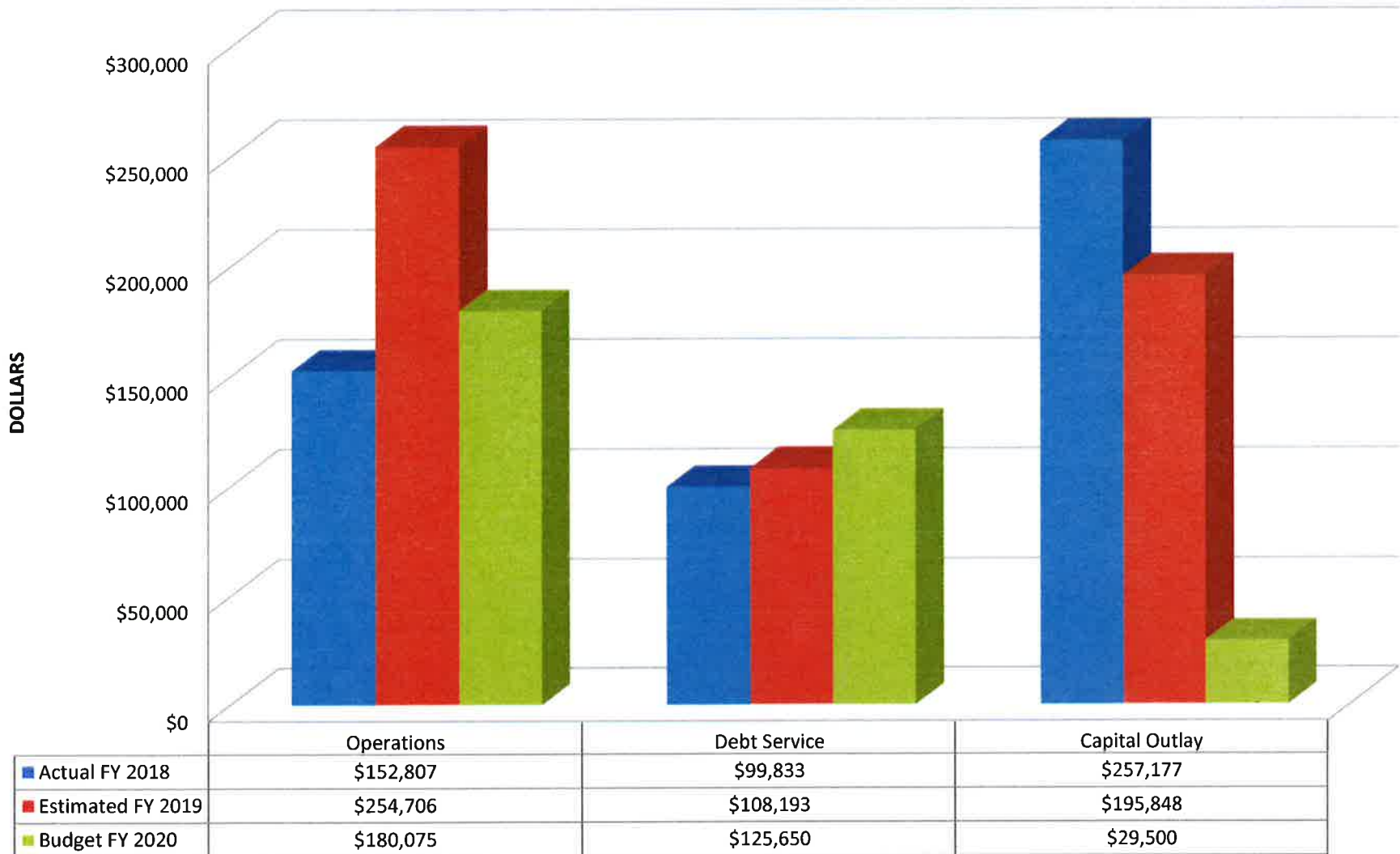
**STORM WATER FUND
REVENUE BY SOURCE
FISCAL YEAR 2018 - 2020**



**STORM WATER FUND
EXPENSE BUDGET
FISCAL YEAR 2020**



STORM WATER FUND EXPENSES BY TYPE FISCAL YEAR 2018 - 2020



**FISCAL YEAR 2019/2020 PROPOSED BUDGET
OTHER FUNDS**

FUND NAME	DESCRIPTION	BUDGET
Powell Bill	NC DOT allocation to be used solely for street related maintenance, repairs, etc.	\$66,450
Beach Protection	Reserve fund for future beach related needs	\$24,500
Federal Asset Forfeiture	Restricted use funds from participation in federal agency investigations	\$50,000
Sewer Expansion Reserve (SERF)	Reserve fund for future sewer expansion projects	\$17,420

Craig Bloszinsky
Mayor

Joseph Whitley
Commissioner

Allen Oliver
Commissioner



David Heglar
Mayor Pro Tem

John Ellen
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 20, 2019

**RE: TOWN OF KURE BEACH, NORTH CAROLINA
FISCAL YEAR 2020 BUDGET MESSAGE**

The Honorable Mayor Bloszinsky 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 2020 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 priorities and objectives adopted from their annual retreat and 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, 2019. 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 tentatively scheduled for June 10, 2019 at 6:00 pm.

The proposed fiscal year 2020 Town of Kure Beach budget is balanced and totals \$8,477,733 for all operations. This total budget is comprised of the following seven funds: General Fund \$5,559,748; Water and Sewer Fund \$2,424,390; Storm Water Fund \$335,225; Powell Bill Fund \$66,450; Federal Asset Forfeiture Fund \$50,000; Beach Protection Fund \$24,500 and Sewer Expansion Reserve Fund (SERF) \$17,420.

Comparison of the proposed fiscal year 2020 budget for each fund to the original and, if applicable, amended fiscal year 2019 budgets is as follows:

FUND	2019 ORIGINAL BUDGET	2019 AMENDED BUDGET	REQUESTED 2020 BUDGET	DIFF. 2020 & ORIG. 2019	% CHANGE	DIFF. 2020 & AMENDED 2019	% CHANGE
General	\$5,280,032	\$5,363,232	\$5,559,748	\$279,716	5.3%	\$196,516	3.7%
Water/Sewer	\$2,202,085	\$2,202,085	\$2,424,390	\$222,305	10.1%	\$222,305	10.1%
Storm Water	\$358,380	\$551,260	\$335,225	(\$23,155)	-6.5%	(\$216,035)	-39.2%
Powell Bill	\$175,000	\$175,000	\$66,450	(\$108,550)	-62.0%	(\$108,550)	-62.0%
Federal Asset Forfeiture	\$50,000	\$75,000	\$50,000	\$0	0.0%	(\$25,000)	-33.3%
Beach Protection	\$13,397	\$13,397	\$24,500	\$11,103	82.9%	\$11,103	82.9%
Sewer Expansion Reserve	\$16,250	\$16,250	\$17,420	\$1,170	7.2%	\$1,170	7.2%
TOTAL - ALL FUNDS	\$8,095,144	\$8,396,224	\$8,477,733	\$382,589	4.7%	\$81,509	1.0%

BUDGET HIGHLIGHTS

PROPOSED TAX RATE FOR FISCAL YEAR 2020

The proposed tax rate for fiscal year 2020 is 34 cents (\$0.34) per \$100 of valuation. This is an increase of 1 cent (3%) over the prior year’s tax rate. The primary reason for this tax rate change is to cover the costs associated with the addition of two full-time employees. This increase in full-time employees is discussed further on page seven.

The impact on a homeowner with property valued at \$350,000 would be as follows:

Annual Kure Beach tax – existing tax rate (\$0.33):	\$1,155.00
Proposed increase (\$0.01):	<u>35.00</u>
Total Kure Beach tax after increase for a home valued at \$350,000	<u>\$1,190.00</u>

Property taxes are the Town’s largest single source of revenue. Fiscal year 2020 property tax revenue is estimated at \$3,044,300. This includes both current tax year and prior tax years’ collections and represents 54.8% of the General Fund revenue.

The estimated Kure Beach tax base, as provided by the New Hanover County Tax Department, is \$903,449,700. This is an increase of \$11,786,700 (1.3%) over the prior year’s estimated tax base. 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 99%.

GENERAL FUND FEES

There are no General Fund fee increases included in the proposed fiscal year 2020 budget.

WATER AND SEWER RATES

The water and sewer fees being paid by system users must provide funds for the day-to-day operating costs of the Town’s water and sewer systems and provide for some additions to the water and sewer reserve funds for future infrastructure repairs and replacement. The costs necessary to properly operate the Town’s water and sewer systems continue to increase, as does the need to increase our reserves for future capital projects as our infrastructure ages. To continue to provide for sufficient funding for our water and sewer operations, this budget includes proposed changes to the water and sewer rate structure.

The following table highlights water usage by Kure Beach water customers during the period of April 1, 2018 to March 31, 2019. During this 12 month period, approximately 108 million gallons of water were used by the three primary customer types.

CUSTOMER TYPE	GALLONS USED	PERCENTAGE OF TOTAL GALLONS
Residential	91,555,732	85.0%
Commercial	8,257,800	7.7%
Out of Jurisdiction	7,896,140	7.3%
Total	107,709,672	100%

The proposed changes to the water and sewer rate structure impact the three types of customers noted above.

Residential Customers

For residential customers, the monthly minimum number of gallons will be reduced from 2,500 gallons to 2,000 gallons. Also, the rates for each usage tier above the minimum will be increased by 10 percent. **Residential customers using less than 2,000 gallons in a month will see no change to their bill.** The following is the proposed rate structure for residential customers:

RATE TIER	WATER		SEWER		COMMENTS
	CURRENT (2,500 min. gals.)	PROPOSED (2,000 min. gals.)	CURRENT (2,500 min. gals.)	PROPOSED (2,000 min. gals.)	
Minimum	\$13.50	\$13.50	\$23.50	\$23.50	No change
Minimum to 7,000 gals. (rate per 100 gals.)	\$0.45	\$0.495	\$0.58	\$0.638	10% Increase
7,001 to 12,000 gals. (rate per 100 gals.)	\$0.675	\$0.7425	\$0.87	\$0.957	10% Increase
Over 12,000 gals. (rate per 100 gals.)	\$1.0125	\$1.11375	\$1.305	\$1.4355	10% Increase

Based on historical data, the reduction in the minimum monthly gallons (from 2,500 to 2,000) will result in about 120 additional accounts per month exceeding the monthly minimum. This represents approximately six percent of the monthly residential billings. In regard to the 10 percent rate tier increase, it is estimated that approximately 51% of the residential billings will be impacted.

The following table demonstrates the impact of the proposed rate changes on a residential account at four usage levels. These examples show usage levels of 2,500 gallons, 5,000 gallons, 12,000 gallons and 18,000 gallons and indicate the amount and percentage increase that result from the proposed rate changes.

	EXISTING RATES (2,500 min. gals.)	PROPOSED RATES (2,000 min. gals.)
Monthly Usage of 2,500 Gallons		
Minimum (Water & Sewer)	\$37.00	\$37.00
Minimum to 2,500 gallons	\$0.00	\$5.67
Total	<u>\$37.00</u>	<u>\$42.67</u>
Increase Amount		\$5.67
% Change		15.3%

	EXISTING RATES (2,500 min. gals.)	PROPOSED RATES (2,000 min. gals.)
<u>Monthly Usage of 5,000 Gallons</u>		
Minimum (Water & Sewer)	\$37.00	\$37.00
Minimum to 5,000 gallons	<u>\$25.75</u>	<u>\$33.99</u>
Total	<u>\$62.75</u>	<u>\$70.99</u>
Increase Amount		\$8.24
% Change		13.1%
<u>Monthly Usage of 12,000 Gallons</u>		
Minimum (Water & Sewer)	\$37.00	\$37.00
Minimum to 7,000 gallons	\$46.35	\$56.65
7,001 to 12,000 gallons	<u>\$77.25</u>	<u>\$84.98</u>
Total	<u>\$160.60</u>	<u>\$178.63</u>
Increase Amount		\$18.03
% Change		11.2%
<u>Monthly Usage of 18,000 Gallons</u>		
Minimum (Water & Sewer)	\$37.00	\$37.00
Minimum to 7,000 gallons	\$46.35	\$56.65
7,001 to 12,000 gallons	\$77.25	\$84.98
Over 12,000 gallons	<u>\$139.05</u>	<u>\$152.96</u>
Total	<u>\$299.65</u>	<u>\$331.59</u>
Increase Amount		\$31.94
% Change		10.7%

Commercial Customers

For commercial customers, the monthly minimum number of gallons will be reduced from 2,500 gallons to 2,000 gallons. Also, the rates for each usage tier above the minimum will be increased by 10 percent. The following is the proposed rate structure for commercial customers:

RATE TIER	WATER		SEWER		COMMENTS
	CURRENT (2,500 min. gals.)	PROPOSED (2,000 min. gals.)	CURRENT (2,500 min. gals.)	PROPOSED (2,000 min. gals.)	
Minimum	\$18.50	\$18.50	\$25.50	\$25.50	No change
Minimum to 70,000 gals. (rate per 100 gals.)	\$0.694	\$0.7634	\$0.7125	\$0.78375	10% Increase
Over 70,000 gals. (rate per 100 gals.)	\$0.8675	\$0.95425	\$0.89063	\$0.9797	10% Increase

The table below shows the impact of the rate changes on a commercial account at two usage levels:

	EXISTING RATES (2,500 min. gals.)	PROPOSED RATES (2,000 min. gals.)
Monthly Usage of 20,000 Gallons		
Minimum (Water & Sewer)	\$44.00	\$44.00
Minimum to 20,000 gallons	<u>\$246.14</u>	<u>\$278.49</u>
Total	<u>\$290.14</u>	<u>\$322.49</u>
Increase Amount		\$32.35
% Change		11.1%
Monthly Usage of 118,000 Gallons		
Minimum (Water & Sewer)	\$44.00	\$44.00
Minimum to 70,000 gallons	\$949.39	\$1,052.06
Over 70,000 gallons	<u>\$843.90</u>	<u>\$928.30</u>
Total	<u>\$1,837.29</u>	<u>\$2,024.36</u>
Increase Amount		\$187.07
% Change		10.2%

Out of Jurisdiction Customers

Finally, for Out of Jurisdiction customers, the monthly minimum gallons is being reduced to 2,000 and the usage rate tiers are being increased by 10 percent. The following is the proposed rate structure for Out of Jurisdiction customers:

RATE TIER	WATER		SEWER		COMMENTS
	CURRENT (2,500 min. gals.)	PROPOSED (2,000 min. gals.)	CURRENT (2,500 min. gals.)	PROPOSED (2,000 min. gals.)	
Minimum	\$23.00	\$23.00	\$40.50	\$40.50	No change
Minimum to 70,000 gals. (rate per 100 gals.)	\$0.7875	\$0.86625	\$1.0125	\$1.11375	10% Increase
Over 70,000 gals. (rate per 100 gals.)	\$0.98438	\$1.08282	\$1.26563	\$1.39219	10% Increase

The table below shows the impact of the rate changes on an Out of Jurisdiction account at two usage levels:

	EXISTING RATES (2,500 min. gals.)	PROPOSED RATES (2,000 min. gals.)
<u>Monthly Usage of 20,000 Gallons</u>		
Minimum (Water & Sewer)	\$63.50	\$63.50
Minimum to 20,000 gallons	<u>\$315.00</u>	<u>\$356.40</u>
Total	<u>\$378.50</u>	<u>\$419.90</u>
Increase Amount		\$41.40
% Change		10.9%
<u>Monthly Usage of 400,000 Gallons</u>		
Minimum (Water & Sewer)	\$63.50	\$63.50
Minimum to 70,000 gallons	\$1,215.00	\$1,346.40
Over 70,000 gallons	<u>\$7,425.03</u>	<u>\$8,167.53</u>
Total	<u>\$8,703.53</u>	<u>\$9,577.43</u>
Increase Amount		\$873.90
% Change		10.0%

An added benefit to the rate structure changes for residential, commercial and Out of Jurisdiction customers is that it hopefully will encourage further water conservation.

STORM WATER FEES

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

STAFFING AND COMPENSATION

The fiscal year 2020 budget includes the addition of two full-time employees, increasing the Town's full-time personnel to 48. One of the positions is for an additional Police Officer. As both the Town's year-round population and tourism increase, this position is necessary to ensure there is an adequate law enforcement presence at all times. The second position is within the Building Inspections/Code Enforcement Department. This department has been staffed by one full-time person for numerous years and increasing demands necessitate additional personnel. In particular, this will allow the Town to move toward pro-active code enforcement rather than reactive. Both positions are expected to be filled at the beginning of the fiscal year and are included in the General Fund budget.

The fiscal year 2020 cost (salary, taxes, benefits, insurance, etc.) of adding these full-time employees is estimated to be \$64,300 to the Police Department and \$61,500 to the Building Inspections/Code Enforcement Department. Including the proposed two additional employees, 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	36
Water and Sewer	10
Storm Water	<u>2</u>
Total	<u>48</u>

This budget includes a proposed merit increase of 1.5% to reward those employees who are performing above expectations. Also, a 2.8% cost of living adjustment (COLA) for all full-time employees is included in the fiscal year 2020 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 \$3,782, vehicle allowances of \$4,500, travel/training of \$5,000 and dues/subscriptions of \$8,250. The aforementioned expenses will be divided equally amongst the General Fund and Water and Sewer Fund.

In addition, the General Fund Governing Body budget includes funding for the Pleasure Island Chamber of Commerce concert series (\$9,800), 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).

DEBT SERVICE

General Fund

General Fund debt service totals \$716,925 and includes payments on existing loans for the following:

Equipment & Vehicles	\$133,753
Land & Renovations	70,260
Ocean Front Park	119,287
Fire Station & Town Hall	<u>393,625</u>
General Fund Total	<u>\$716,925</u>

This is an increase of \$8,875 (1.3%) over fiscal year 2019. This increase is attributable to the financing of equipment.

Water and Sewer Fund

The Water and Sewer Fund debt service totals \$426,349 and includes payments on existing loans for the following:

Equipment & Vehicles	\$ 60,625
Water/Sewer Infrastructure	312,050
Town Hall	<u>53,674</u>
Water/Sewer Fund Total	<u>\$426,349</u>

This is an increase of \$167,259 (64.7%) over fiscal year 2019. The increase primarily relates to financing of the Town-wide water meter replacement project to be performed in fiscal year 2020.

Storm Water Fund

Finally, the Storm Water Fund debt service totals \$125,650 relating to the Cutter Court infrastructure project and equipment. This is an increase of \$17,457 (16.1%) over fiscal year 2019. 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 proposed fiscal year 2020 total budget is as follows:

General Fund	12.9%
Water and Sewer Fund	17.6%
Storm Water Fund	37.5%

The Town's total outstanding debt (all funds) is estimated to be \$7,063,500 at July 1, 2019. 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 0.78% of the assessed value of property, well within LGC guidelines.

OPERATING EXPENSES

General Fund

The budget for General Fund operating expenses (excluding capital outlay, debt service, contingency and transfer to the Beach Protection Fund) is 6.7% greater than the original fiscal year 2019 budget for operating expenses. The primary factors contributing to the increase in relation to the original budget include:

- Additions to full-time staff in the Police and Building Inspections/Code Enforcement Departments.
- Anticipated increases in general operating costs relating to the new Fire Station and expanded/renovated Town Hall.
- General price increases for purchased services and materials.
- Previously mentioned employee compensation actions.

Water and Sewer Fund

The fiscal year 2020 operating budget (excluding capital outlay and debt service) for the Water and Sewer Fund is 5.4% greater than the fiscal year 2019 budget. The primary reason for the increase in relation to the 2019 budget are general price increases for purchased services and materials.

Storm Water Fund

The fiscal year 2020 Storm Water Fund operating budget (excluding capital outlay and debt service) is 16.7% greater than the original fiscal year 2019 budget, but 27% less than the 2019 amended budget. The increase in relation to the 2019 original budget is due to increased maintenance costs.

CAPITAL OUTLAY

General Fund

The General Fund capital outlay for fiscal year 2020 totals \$170,050, which includes the following:

- \$35,000 – Replacement of a Police vehicle (will be purchased using financing)
- \$110,000 – Town fuel tank (will be purchased using financing)
- \$25,050 – Replacement of equipment

The fiscal year 2020 budgeted capital outlay for the General Fund is \$37,400 (18%) less than the original fiscal year 2019 budget. The amount of capital outlay varies from year-to-year and is contingent on the useful life of previously purchased capital items.

Water and Sewer Fund

The Water and Sewer Fund capital outlay totals \$202,807 for fiscal year 2020 and includes the following:

- \$90,000 – Telemetry system (will be purchased using financing)
- \$112,807 – Infrastructure projects

The Water and Sewer Fund fiscal year 2020 budgeted capital outlay is \$37,493 (15.6%) less than the fiscal year 2019 budget.

Storm Water Fund

The fiscal year 2020 Storm Water Fund capital outlay totals \$29,500 for infrastructure projects.

The Storm Water Fund fiscal year 2020 budgeted capital outlay is \$66,440 (69.3%) less than the fiscal year 2019 original budget and \$167,020 (85%) less than the 2019 amended budget.

FUND TRANSFERS

The General Fund budget includes an \$18,000 transfer to the Beach Protection Fund. The Beach Protection Fund is a reserve fund for beach related expenditures. Refer to page 22 for more information regarding the Beach Protection Fund.

There are no other transfers proposed in the fiscal year 2020 budget for the remaining funds.

CONTINGENCY

A contingency of \$20,000 (0.4% of the budget) is included in the General Fund budget for fiscal year 2020. 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:

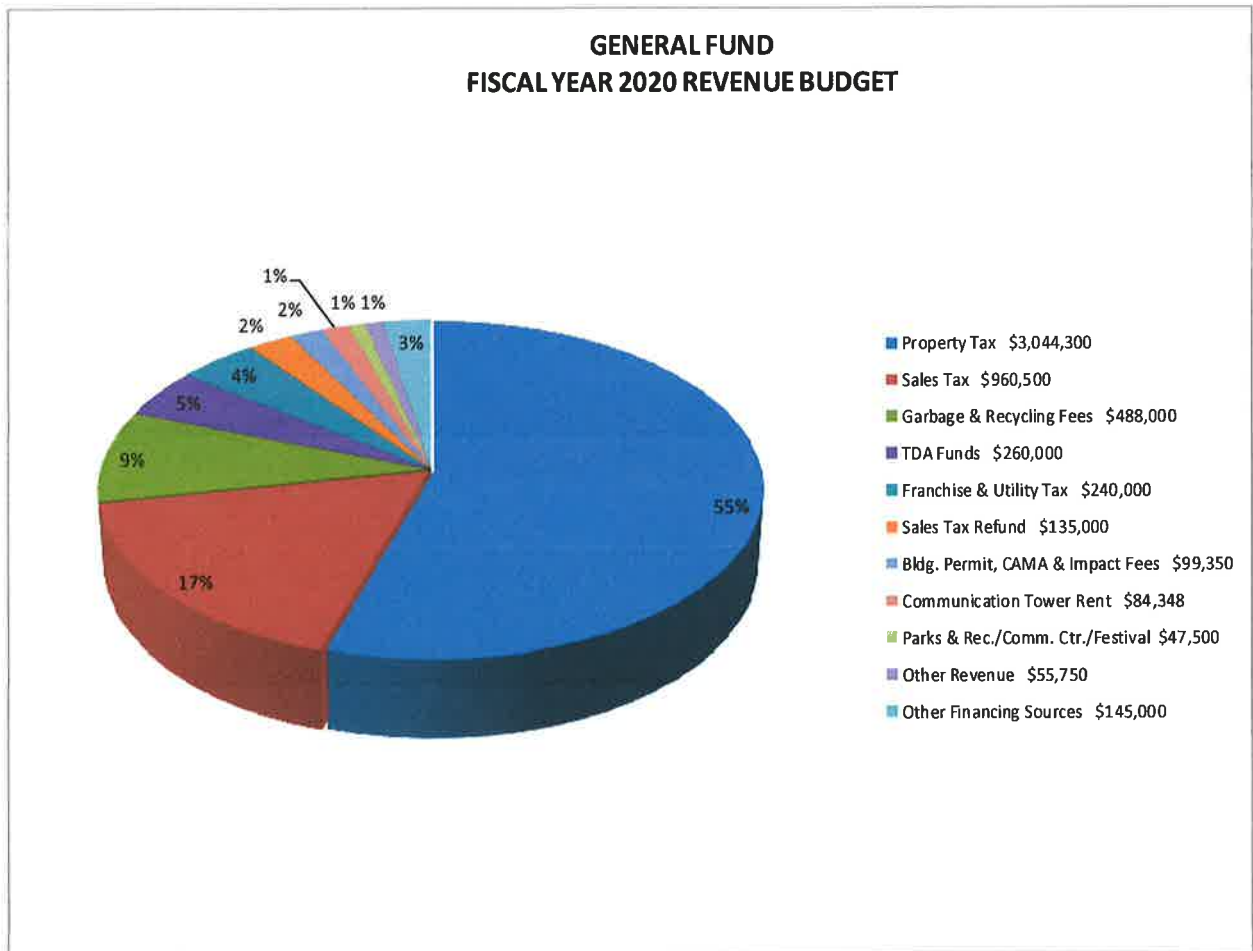
- 1) The desire to maintain the types and levels of service provided to Town residents and property owners as both the year-round population and number of tourists increase.
- 2) The need to build reserves in anticipation of future beach nourishment costs.

- 3) General price increases for purchased services and materials.
- 4) The need for improvements to, and maintenance of, Town infrastructure and facilities.

As noted earlier, the issues listed above have contributed to the need to propose a one cent increase in the property tax rate for fiscal year 2020.

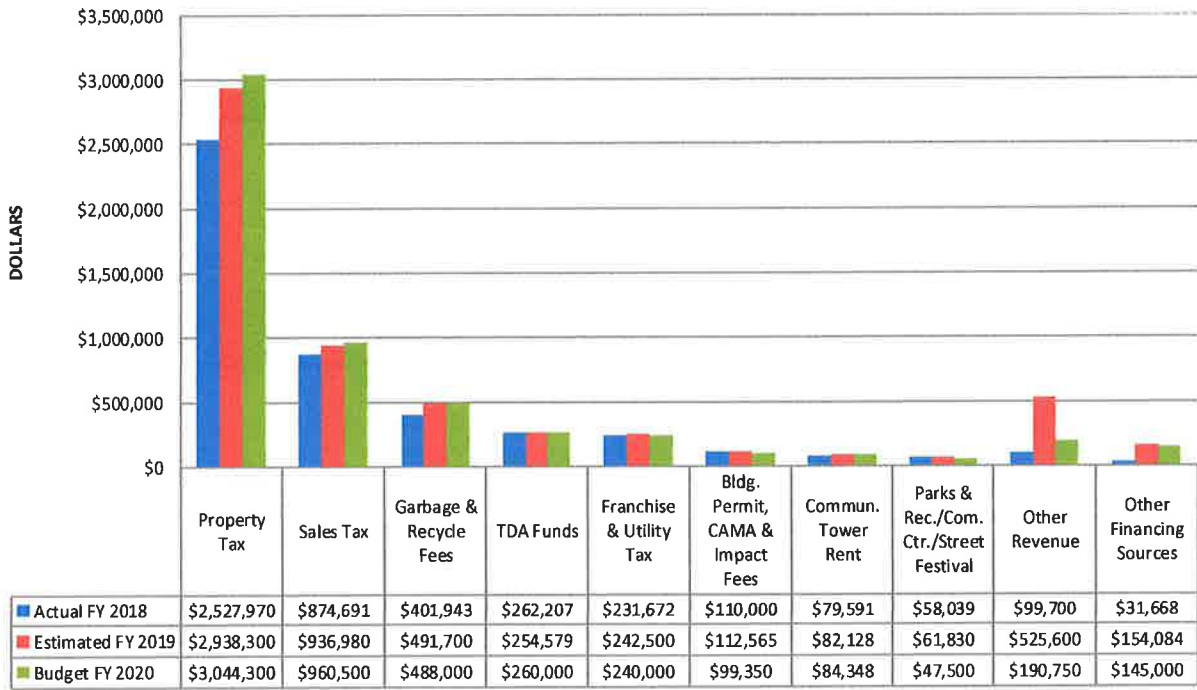
When comparing the total fiscal year 2020 General Fund budget to the fiscal year 2019 original budget and amended budget as of May 20, 2019, the total 2020 budget has increased by 5.3% in relation to the original budget and 3.7% in relation to the amended budget. In comparison to the fiscal year 2019 original budget, operating expenses have increased 6.7%, capital outlay decreased 18%, debt service increased 1.3%, fund transfers have increased 83.5% and the contingency increased 103%.

The breakdown of budgeted revenue, by major source, for fiscal year 2020 is as follows:

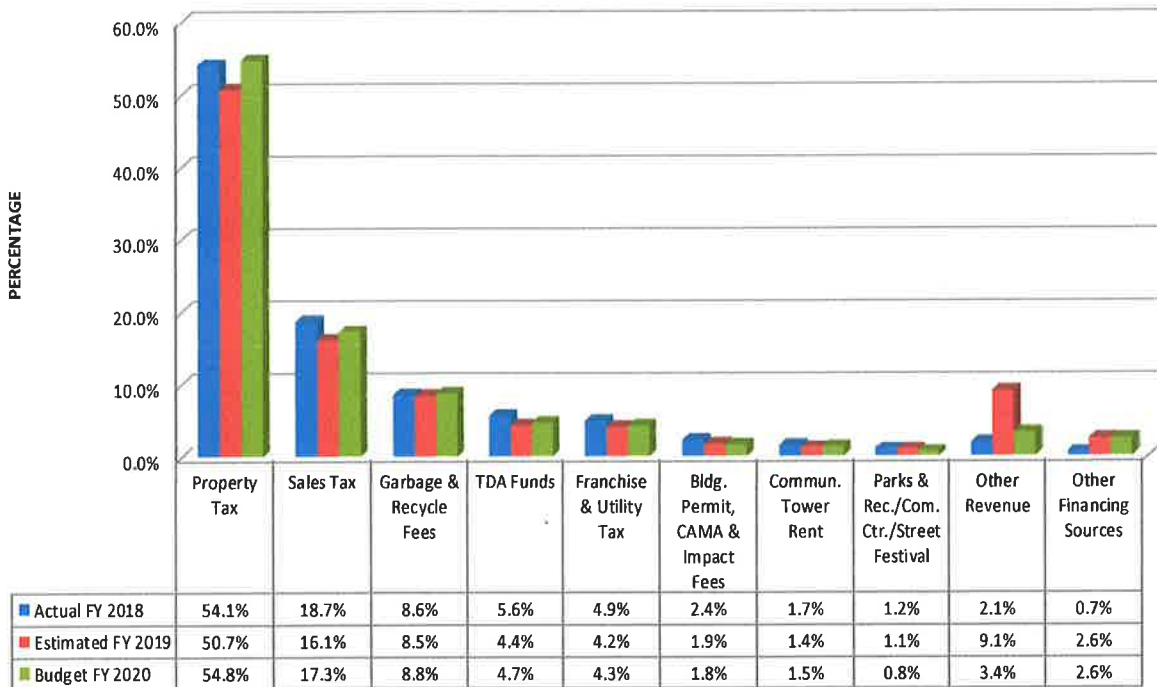


For comparative purposes, the charts on the next page present the revenue by source and the percentage of revenue by source budgeted for fiscal year 2020 in relation to the estimated revenue for fiscal year 2019 and the actual revenue for fiscal year 2018.

**GENERAL FUND
REVENUE BY SOURCE
FISCAL YEAR 2018 TO 2020**



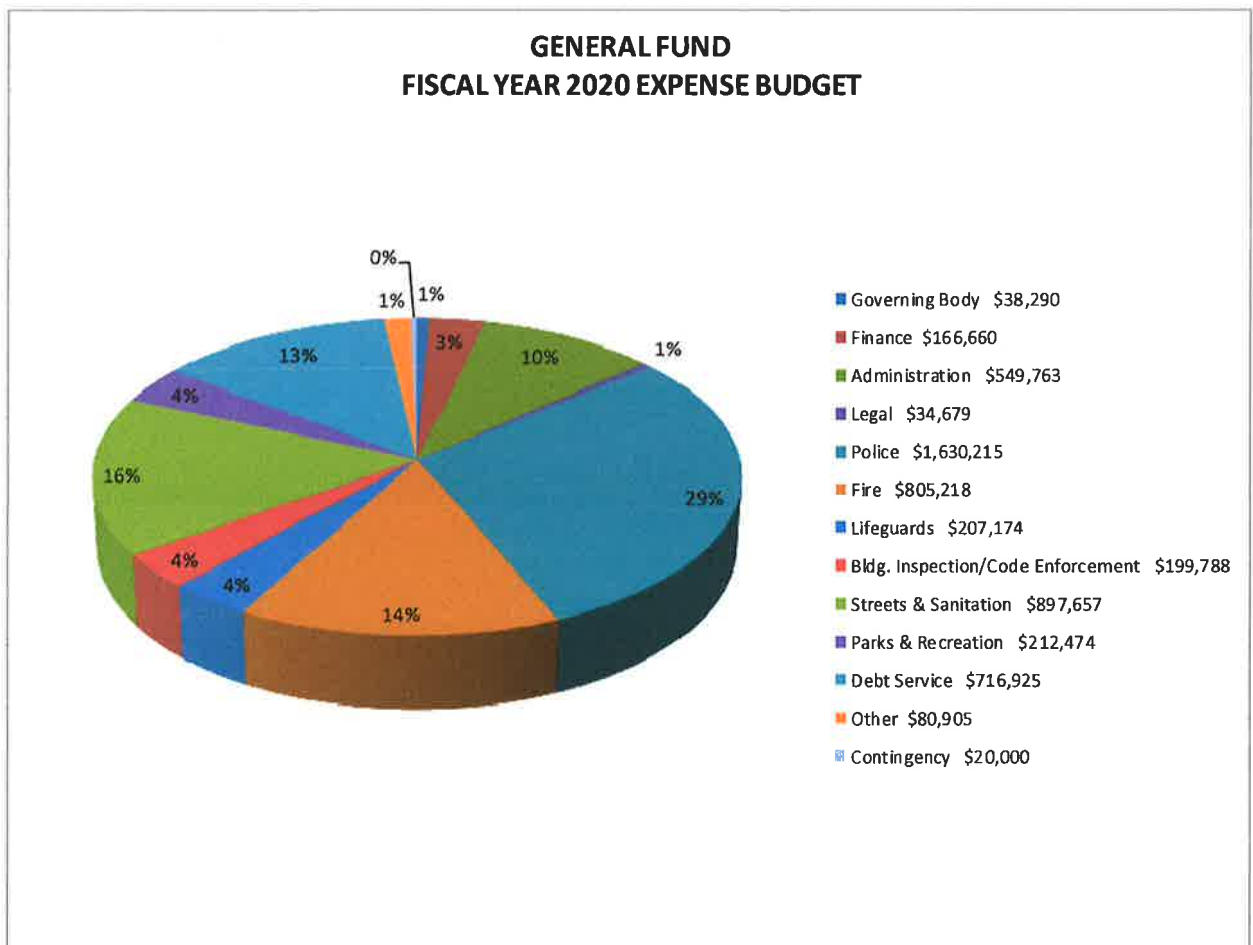
**GENERAL FUND
PERCENTAGE OF REVENUE BY SOURCE
FISCAL YEAR 2018 TO 2020**



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 consistent from year-to-year with the exception of “Other Revenue” and “Other Financing Sources”. “Other Revenue” is significantly higher in fiscal year 2019 due to FEMA reimbursements relating to Hurricane Florence and “Other Financing Sources” are installment loans and vary based on the level of capital outlay.

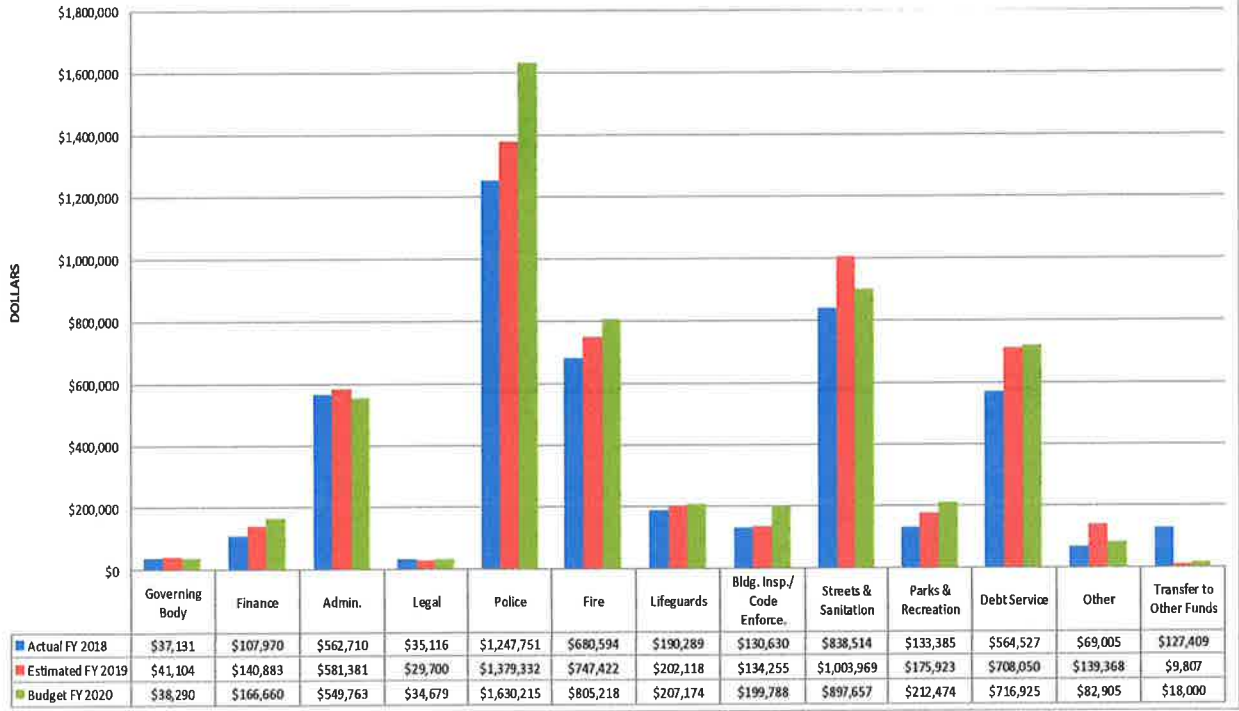
Refer to Exhibit A (on pages 24 to 26) for a summary of the changes, by General Fund revenue source, between the budgets for fiscal year 2020 and 2019.

The breakdown of budgeted General Fund expenses, by department/function, for fiscal year 2020 is as follows:

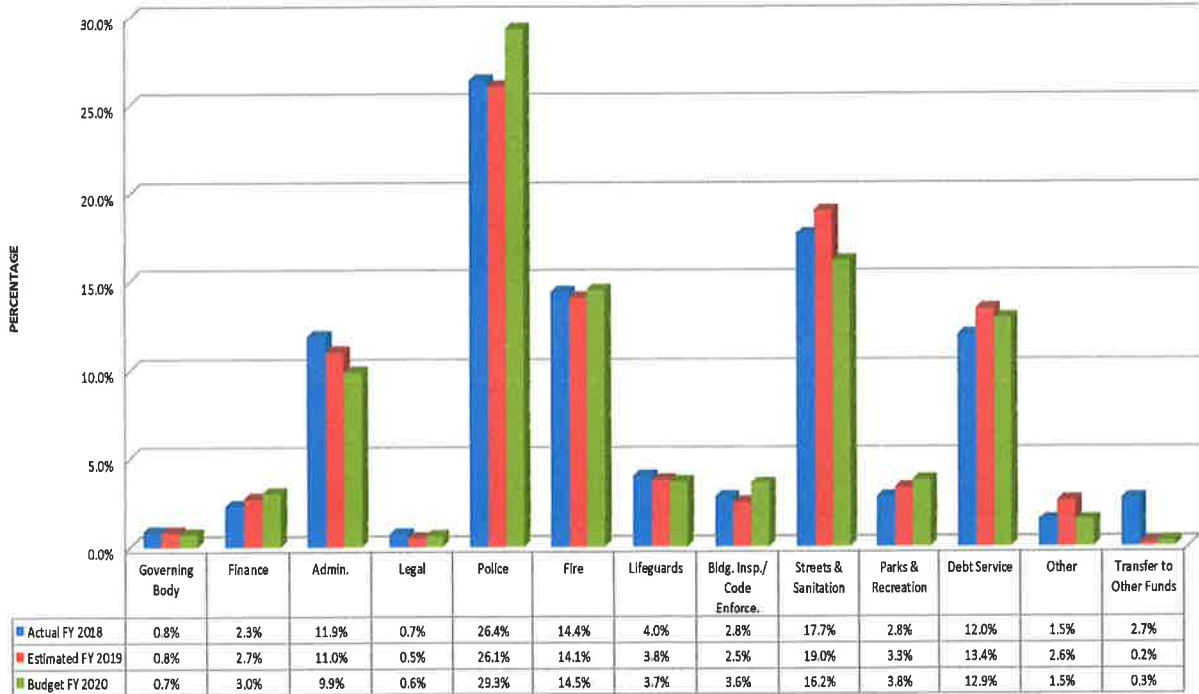


The charts on the next page present the expenses by department/function and the percentage of expenses by department/function budgeted for fiscal year 2020 in relation to the estimated expenses for fiscal year 2019 and the actual expenses for fiscal 2018.

**GENERAL FUND
EXPENSES BY DEPARTMENT
FISCAL YEAR 2018 TO 2020**



**GENERAL FUND
PERCENTAGE OF EXPENSES BY DEPARTMENT
FISCAL YEAR 2018 TO 2020**



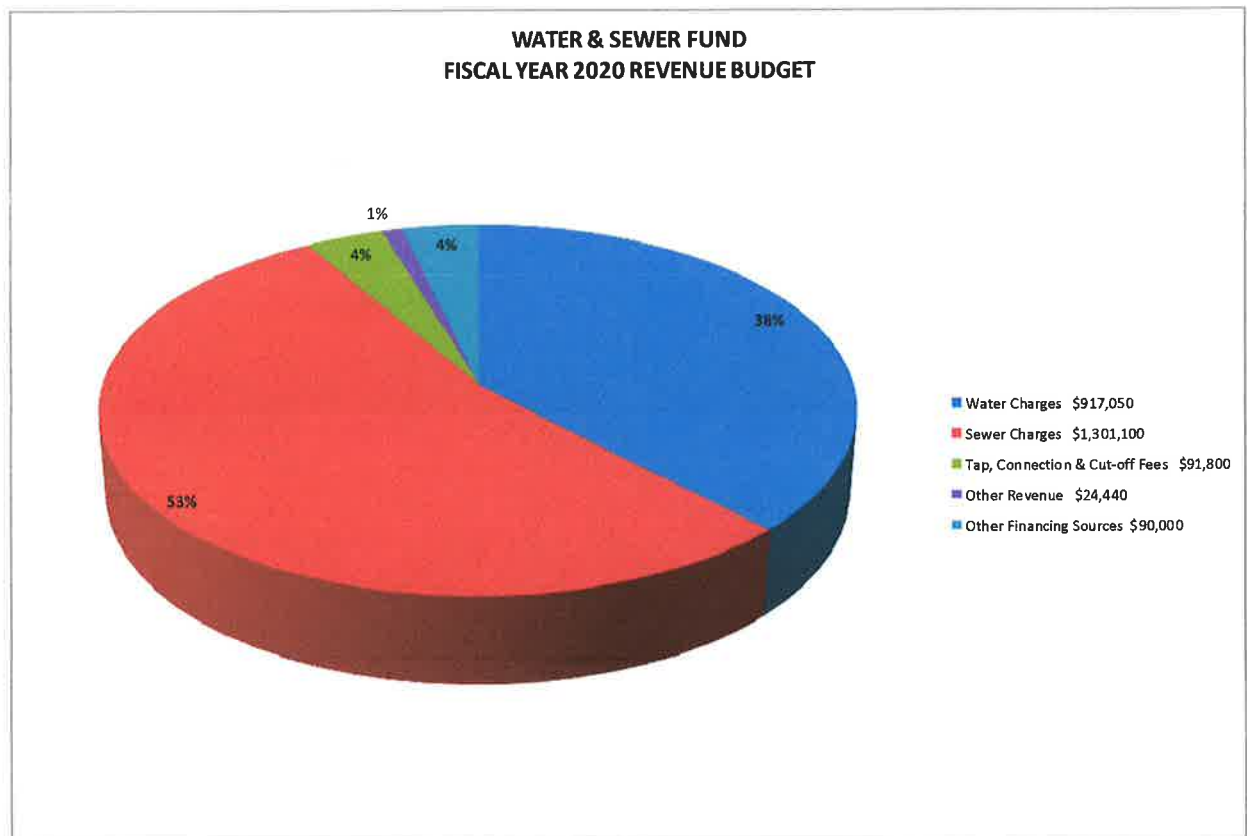
As indicated on the charts on the previous page, the General Fund expenses by department/function, both dollars and percentage, have remained relatively consistent. Many of the fluctuations relate to the amount of capital outlay for the given year. For example, “Streets & Sanitation” is higher in fiscal year 2019 due to the purchase of a dump truck and street sweeper. Concerning the increase in “Police” expenses for 2020, the cost of an additional Police Officer, as well as a capital expenditure relating to a Town fuel tank are budgeted. Finally, “Other” expenses are higher for fiscal year 2019 due to capital projects at the E and I Avenue beach accesses.

Refer to Exhibit B (on pages 27 to 31) for a summary of the changes, by General Fund department/function, between the budgets for fiscal year 2020 and 2019.

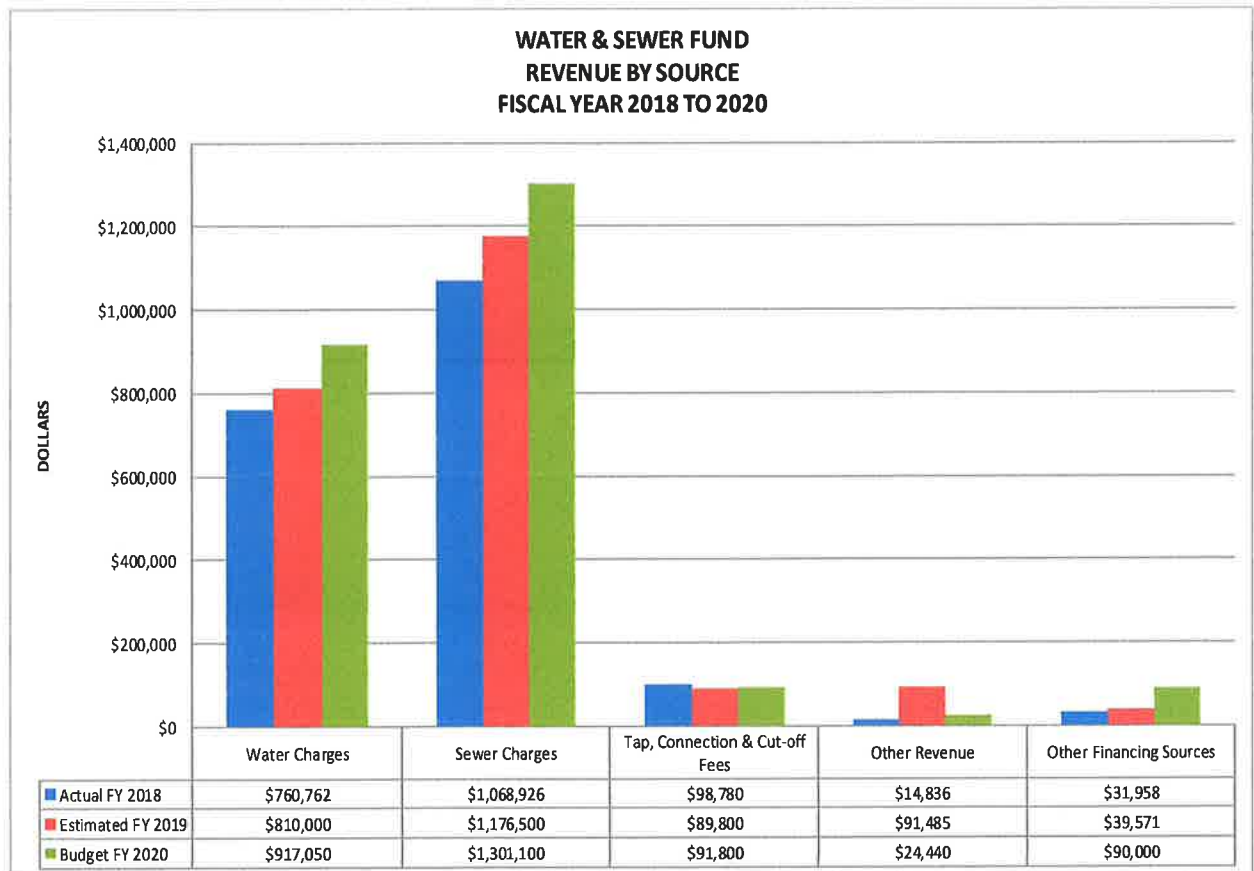
WATER AND SEWER FUND SUMMARY

Overall, the fiscal year 2020 Water and Sewer Fund budget is 10.1% greater than the fiscal year 2019 budget. In relation to the fiscal year 2019 budget, operating expenses have increased 5.4%, capital outlay has decreased by 15.6% and debt service has increased by 64.7%.

The breakdown of Water and Sewer Fund budgeted revenue, by major source, for fiscal year 2020 is as follows:



The chart below shows the Water and Sewer Fund revenue by source budgeted for fiscal year 2020 compared to the estimated revenue for fiscal year 2019 and the actual revenue for fiscal year 2018.

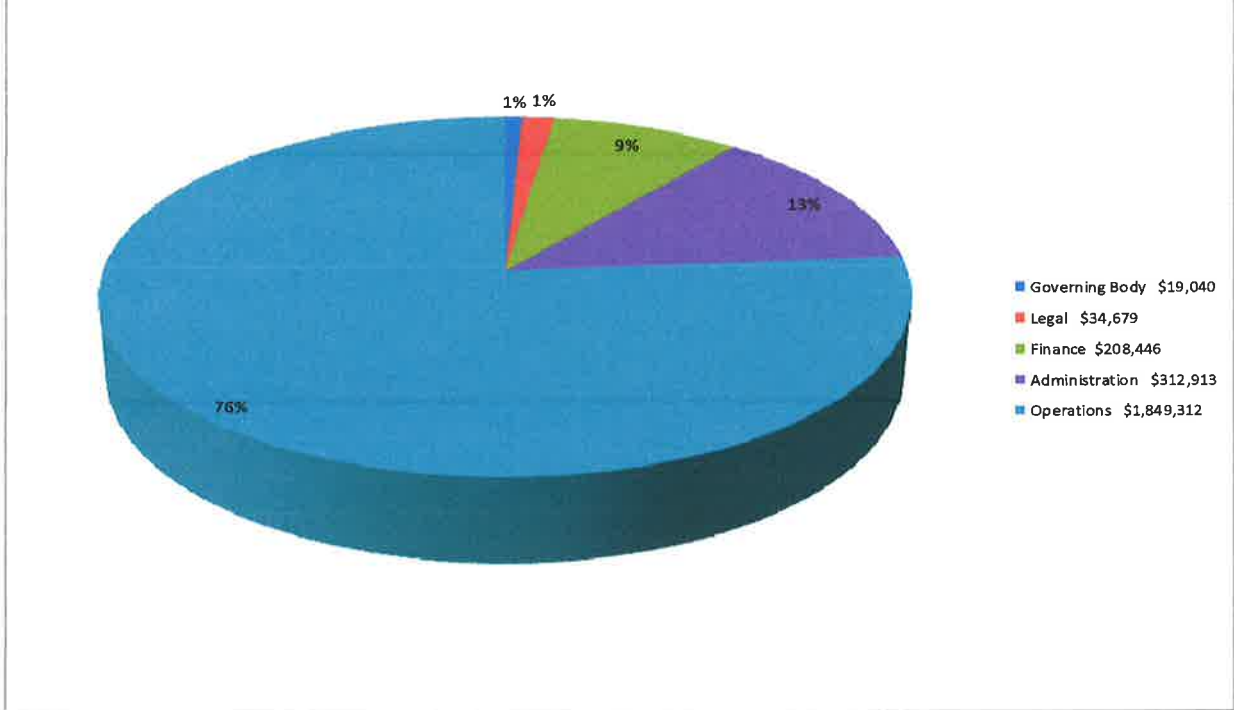


The most significant revenue sources, “Water and Sewer Charges”, are projected to increase in fiscal year 2020 as a result of the previously discussed changes to the water and sewer rate structure. “Other Revenue” is significantly higher in fiscal year 2019 due to FEMA reimbursements relating to Hurricane Florence. Finally, “Other Financing Sources” is higher in fiscal year 2020 due to planned financing of a new telemetry system.

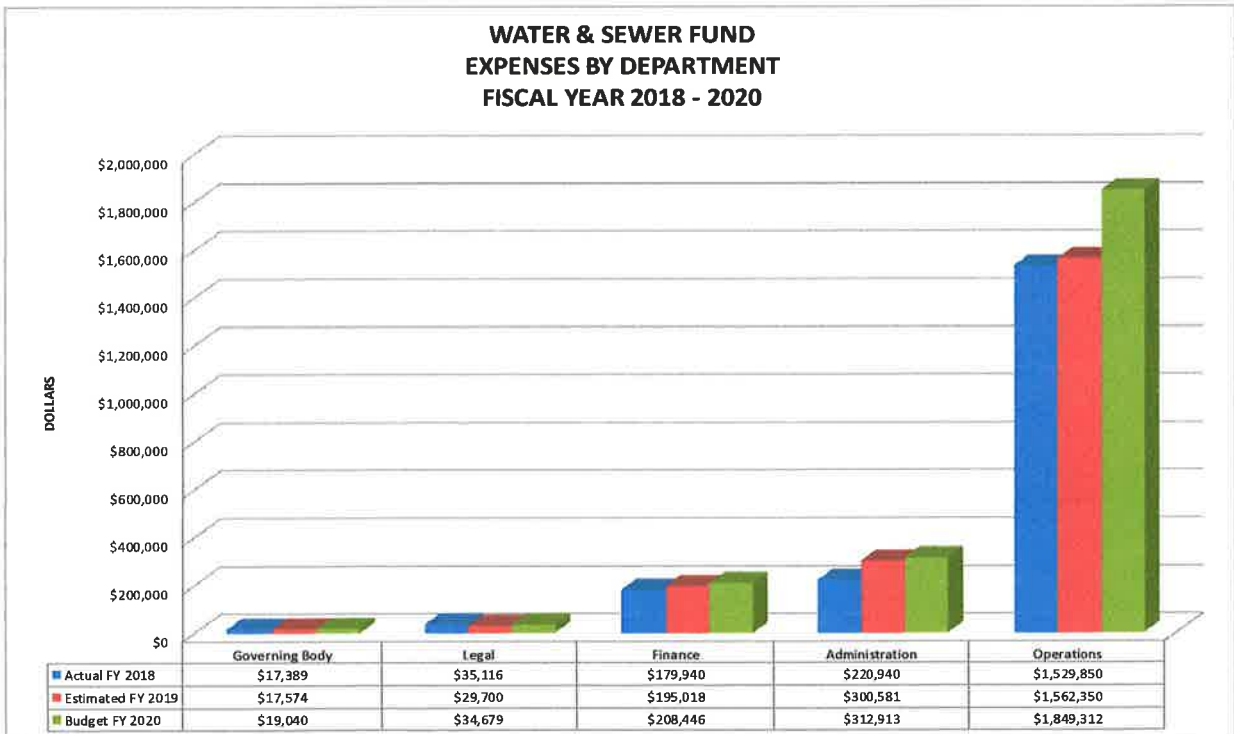
Refer to [Exhibit C](#) (on pages 32 and 33) for a summary of the changes, by Water and Sewer Fund revenue source, between the budgets for fiscal year 2020 and 2019.

The breakdown of budgeted Water and Sewer Fund expenses, by department/function, for fiscal year 2020 is on the following page.

**WATER & SEWER FUND
FISCAL YEAR 2020 EXPENSE BUDGET**



The chart below shows the expenses by department/function for the Water and Sewer Fund budgeted for fiscal year 2020 in comparison to the estimated expenses for fiscal year 2019 and the actual expenses for fiscal year 2018.

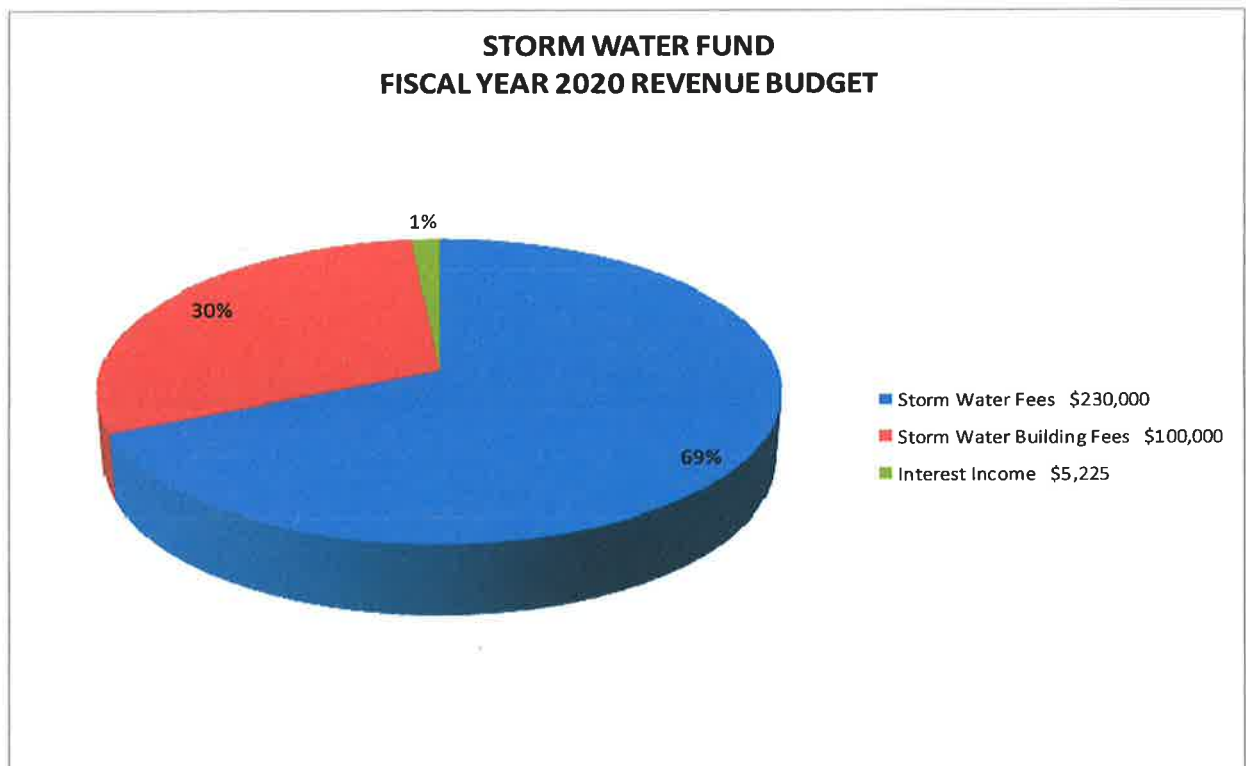


In reference to the chart on the previous page, the variations in “Operations” expenses primarily relate to the amount of capital outlay for the given year and increasing costs for water and sewer system maintenance. Refer to Exhibit D (on pages 34 and 35) for a summary of the changes, by Water and Sewer Fund department/function, between the budgets for fiscal year 2020 and 2019.

STORM WATER FUND SUMMARY

Overall, the fiscal year 2020 Storm Water Fund budget is 6.5% less than the fiscal year 2019 original budget. In comparison to the fiscal year 2019 original budget, operating expenses have increased 16.5%, capital outlay decreased 68.9% and debt service increased 16.1%. The decrease in capital outlay is the result of significant infrastructure projects that were performed and completed in fiscal year 2019.

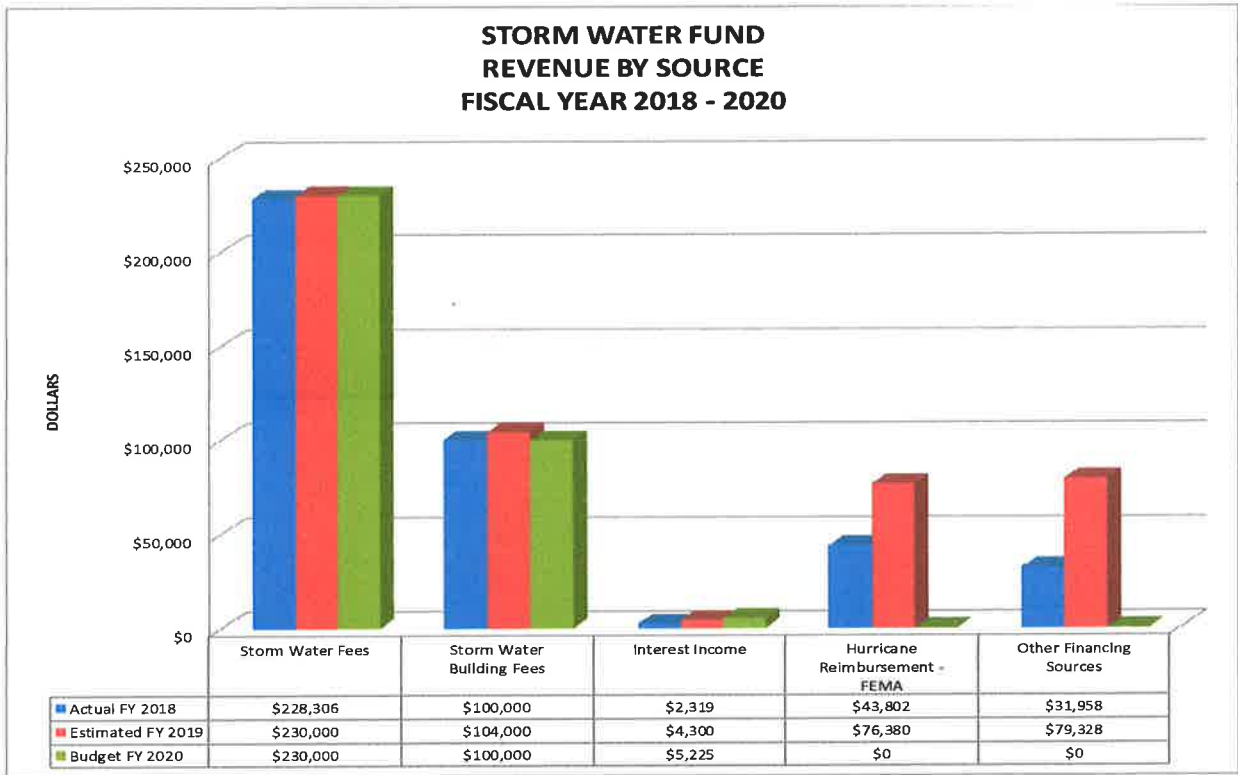
The breakdown of Storm Water Fund budgeted revenue, by major source, for fiscal year 2020 is as follows:



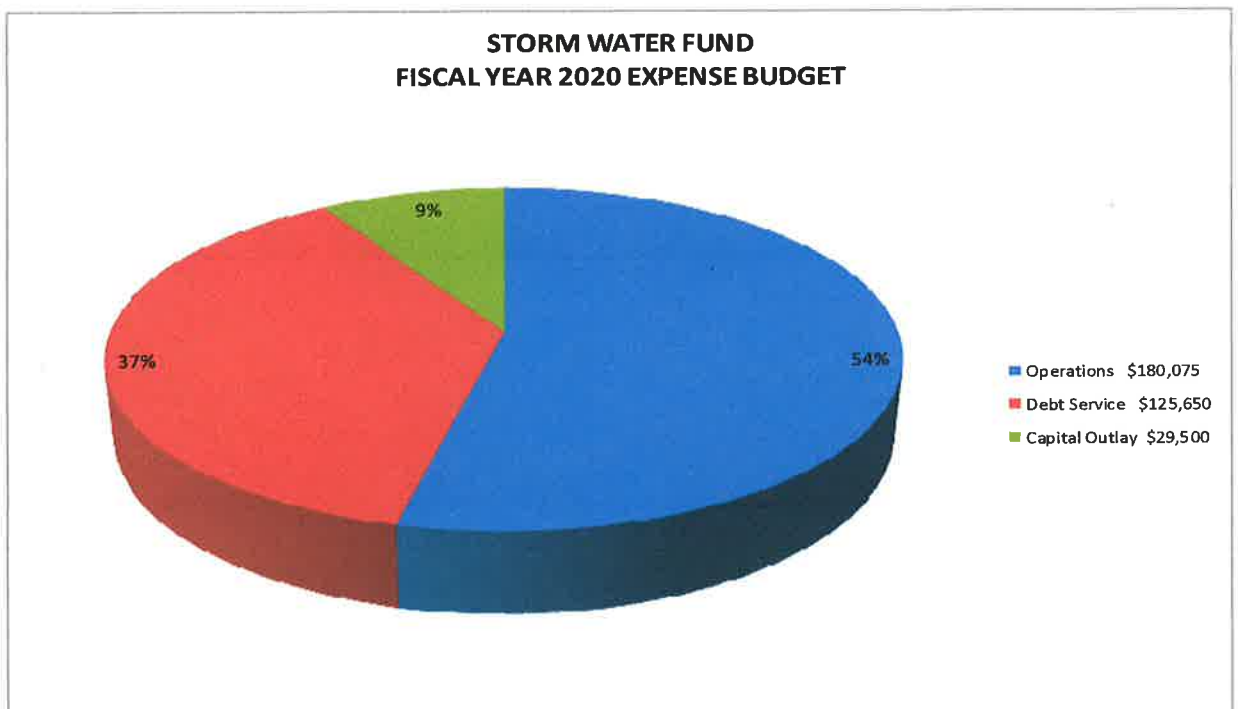
Refer to Exhibit E (on page 36) for a summary of the changes, by Storm Water Fund revenue source, between the budgets for fiscal year 2020 and 2019.

The chart on the next page compares the budgeted fiscal year 2020 revenue to the estimated revenue for fiscal year 2019 and the actual revenue for 2018. 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. Additionally, fiscal years 2018 and 2019 include reimbursements from FEMA for Hurricane Matthew

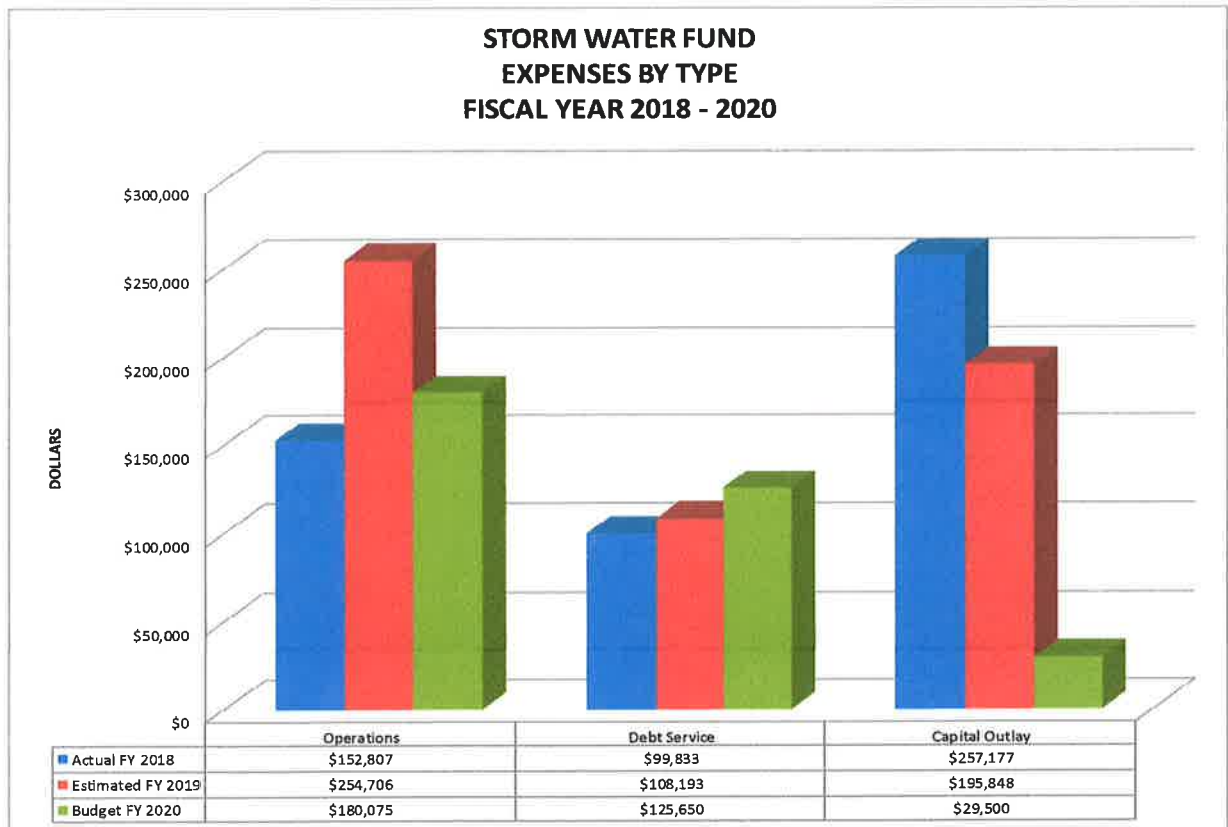
and Florence related damages to storm water infrastructure. Finally, “Other Financing Sources” was higher in fiscal year 2019 due to the financing of equipment.



The breakdown of budgeted Storm Water Fund expenses, by type, for fiscal year 2020 is as follows:



The following chart shows the budgeted fiscal year 2020 expenses by type in relation to the estimated fiscal year 2019 and actual 2018 Storm Water Fund expenses.



As indicated by the chart above, the expenses relating to “Operations” have increased for both fiscal year 2019 and 2020. Additional repair and maintenance costs were incurred in 2019 as a result of Hurricane Florence and 2020 includes increases for on-going maintenance of the storm water system. Fluctuations in “Capital Outlay” relate to the number and size of projects to be performed in a given year. Both fiscal year 2018 and 2019 included significant storm water infrastructure projects.

Refer to Exhibit F (on page 37) for a summary of the changes, by Storm Water Fund expense type, between the budgets for fiscal year 2020 and 2019.

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 2020 is estimated at \$64,950 and interest income is estimated at \$1,500. Finally, budgeted Powell Bill eligible expenditures total \$66,450.

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 2020, the revenue source for the Beach Protection Fund will be a transfer of \$18,000 from the General Fund and interest of \$6,500 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 2020, 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 2020, revenue from system development fees is estimated at \$14,800 and interest income from Fund investments is budgeted at \$2,620. The primary revenue source for this fund, system development fees, is dependent on the level of construction activity within the Town.

SUMMARY

The fiscal year 2020 Town of Kure Beach budget reflects a thorough review of Town expenditures and conservative, but reasonable, estimation of revenues.

The continuing 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, streets and facilities, continues as needed to

ensure Town systems function properly and efficiently. The proposed fiscal year 2020 budget addresses these challenges. This budget also includes a process to continue to build reserves for potential future beach nourishment needs.

In conclusion, I believe the proposed fiscal year 2020 Kure Beach budget supports the priorities established by Town Council and Department Heads, reflects the Council's commitment to providing exceptional services to residents and visitors and is responsive to the overall needs of the Town.

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 2020 budget.

Respectfully submitted,

A handwritten signature in blue ink that reads "Arlen Copenhaver". The signature is written in a cursive style with a large initial 'A'.

Arlen Copenhaver
Finance and Budget Officer

EXHIBIT A

**GENERAL FUND REVENUE BUDGET
FY 2020 VS. FY 2019
(as of 5/20/2019)**

REVENUE TYPE	ORIGINAL 2019 BUD.	AMENDED 2019 BUD.	PROPOSED 2020 BUD.	DIFF. 2020 & ORIG. 2019	% CHG.	DIFF. 2020 & AMENDED 2019	% CHG.	SIGNIFICANT CHANGES FY 2020 VS. FY 2019
Property Taxes	\$2,920,300	\$2,920,300	\$3,044,300	\$124,000	4.2%	\$124,000	4.2%	Assumes a \$0.01 Increase in the tax rate (new rate will be \$0.34) and an increase in property valuation.
Sales Tax	\$886,000	\$886,000	\$960,500	\$74,500	8.4%	\$74,500	8.4%	Actual growth in FY 2019 greater than budgeted. FY 2020 estimated to be moderate increase over FY 2019 forecast.
Garbage & Recycle Fees	\$493,580	\$493,580	\$488,000	(\$5,580)	(1.1%)	(\$5,580)	(1.1%)	Decrease in trash pickup revenue.
TDA	\$235,000	\$235,000	\$260,000	\$25,000	10.6%	\$25,000	10.6%	FY 2020 budget is for lifeguards, Pleasure Island Chamber of Commerce concerts & some OFP activities.
Franchise & Utility Taxes	\$225,000	\$225,000	\$240,000	\$15,000	6.7%	\$15,000	6.7%	State-wide forecasts are for an increase in electricity sales tax.
Communication Tower Rent	\$81,924	\$81,924	\$84,348	\$2,424	3.0%	\$2,424	3.0%	FY 2020 includes annual increase for existing leases.
Building Permits, CAMA, Impact Fees, Fire Inspections	\$76,750	\$76,750	\$99,350	\$22,600	29.4%	\$22,600	29.4%	Upward trend in building related fees.

EXHIBIT A

**GENERAL FUND REVENUE BUDGET
FY 2020 VS. FY 2019
(as of 5/20/2019)**

REVENUE TYPE	ORIGINAL 2019 BUD.	AMENDED 2019 BUD.	PROPOSED 2020 BUD.	DIFF. 2020 & ORIG. 2019	% CHG.	DIFF. 2020 & AMENDED 2019	% CHG.	SIGNIFICANT CHANGES FY 2020 VS. FY 2019
Sales Tax Refund	\$59,000	\$59,000	\$135,000	\$76,000	129%	\$76,000	129%	Estimated sales tax refund based on sales tax paid in prior fiscal year. Significantly higher due to Town Hall/Fire Station capital project.
Community Center/ Parks & Rec/ Street Festival/Bluefish	\$34,700	\$34,700	\$28,500	(\$6,200)	(17.9%)	(\$6,200)	(17.9%)	Estimated decrease in bluefish sales.
Town Facility Rentals	\$18,000	\$18,000	\$19,000	\$1,000	5.6%	\$1,000	5.6%	Upward trend in facility rentals (Community Center & Ocean Front Park).
ABC Revenue	\$15,900	\$15,900	\$19,175	\$3,275	20.6%	\$3,275	20.6%	Upward trend in ABC revenue.
Motor Vehicle License Tax	\$9,750	\$9,750	\$10,000	\$250	2.6%	\$250	2.6%	
Beer & Wine Tax	\$9,300	\$9,300	\$9,600	\$300	3.2%	\$300	3.2%	
Re-Entry Decal Sales	\$4,500	\$7,700	\$2,500	(\$2,000)	(44.4%)	(\$5,200)	(67.5%)	FY 2020 estimated to be lower due to property owners being provided with 2 free decals.

EXHIBIT A

**GENERAL FUND REVENUE BUDGET
FY 2020 VS. FY 2019
(as of 5/20/2019)**

REVENUE TYPE	ORIGINAL 2019 BUD.	AMENDED 2019 BUD.	PROPOSED 2020 BUD.	DIFF. 2020 & ORIG. 2019	% CHG.	DIFF. 2020 & AMENDED 2019	% CHG.	SIGNIFICANT CHANGES FY 2020 VS. FY 2019
Interest & Investment Earnings	\$4,100	\$4,100	\$7,450	\$3,350	81.7%	\$3,350	81.7%	Increase in CD interest rates & NCCMT earnings.
All Other Revenue	\$2,885	\$2,885	\$7,025	\$4,140	144%	\$4,140	144%	Largest components are surplus property sales (\$3,500) and fines/citations (\$2,300).
CAMA Grant - Beach Access Paving	\$78,523	\$78,523	\$0	(\$78,523)	(100%)	(\$78,523)	(100%)	FY 2019 included grant for paving E & I Avenue beach access parking lots.
Appropriation of Fund Balance	\$9,820	\$9,820	\$0	(\$9,820)	(100%)	(\$9,820)	(100%)	
Other Financing Sources	\$115,000	\$195,000	\$145,000	\$30,000	26.1%	(\$50,000)	(25.6%)	Financing for new Police vehicle (\$35,000) and Town fuel tank (\$110,000).
TOTAL GENERAL FUND	\$5,280,032	\$5,363,232	\$5,559,748	\$279,716	5.3%	\$196,516	3.7%	

EXHIBIT B

**GENERAL FUND BUDGET BY DEPARTMENT
FY 2020 VS. FY 2019
(as of 5/20/2019)**

DEPARTMENT	DEPT. NO.	ORIGINAL 2019 BUD.	AMENDED 2019 BUD.	PROPOSED 2020 BUD.	DIFF. 2020 & ORIG. 2019	% CHG.	DIFF. 2020 & AMENDED 2019	% CHG.	SIGNIFICANT CHANGES FY 2020 VS. ORIGINAL FY 2019
Governing Body	410	\$38,994	\$42,194	\$38,290	(\$704)	(1.8%)	(\$3,904)	(9.3%)	<p><u>Increases:</u> Dues & subscriptions: \$375 / 10%</p> <p><u>Decreases:</u> Contributions: \$1,000 / 6% Telephone/IPad: \$109 / 6%</p>
Committees	412	\$100,115	\$100,115	\$5,005	(\$95,110)	(95.0%)	(\$95,110)	(95.0%)	<p><u>Decreases:</u> Capital outlay: \$92,450 / 100% Committee expenses: \$2,660 / 35%</p>
Finance	415	\$157,937	\$157,937	\$166,660	\$8,723	5.5%	\$8,723	5.5%	<p><u>Increases:</u> F/T personnel-related costs: \$5,569 / 6.7% Re-entry decal expense: \$1,000 / 100% Equipment rental: \$750 / 18% Payroll processing fees: \$500 / 8%</p> <p><u>Decreases:</u> Credit card processing fees: \$450 / 90% Unemployment insurance: \$433 / 12%</p>
Community Center	421	\$23,300	\$23,300	\$23,300	\$0	0.0%	\$0	0.0%	

EXHIBIT B

**GENERAL FUND BUDGET BY DEPARTMENT
FY 2020 VS. FY 2019
(as of 5/20/2019)**

DEPARTMENT	DEPT. NO.	ORIGINAL 2019 BUD.	AMENDED 2019 BUD.	PROPOSED 2020 BUD.	DIFF. 2020 & ORIG. 2019	% CHG.	DIFF. 2020 & AMENDED 2019	% CHG.	SIGNIFICANT CHANGES FY 2020 VS. ORIGINAL FY 2019
Administration	420	\$629,908	\$629,908	\$549,763	(\$80,145)	(12.7%)	(\$80,145)	(12.7%)	<p><u>Increases:</u> F/T personnel-related costs: \$8,807 / 6.1% Computer services: \$13,175 / 66% Building maintenance: \$8,850 / 89% Telephone: \$5,697 / 67% Supplies: \$5,000 / 63% Travel & training: \$2,000 / 50% Minor equipment: \$1,200 / 33% Advertising: \$1,000 / 12%</p> <p><u>Decreases:</u> Relocation expenses: \$88,000 / 100% Insurance (<u>Workers Comp. Ins. now allocated to each dept.</u>): \$38,000 / 44% Codification: \$1,000 / 33%</p>
Elections	430	\$1,000	\$1,000	\$3,300	\$2,300	230%	\$2,300	230%	No local election in FY 2019.
Emergency Mgmt.	446	\$100	\$100	\$2,500	\$2,400	2400%	\$2,400	2400%	<p><u>Increases:</u> Satellite phone & service: \$2,400 / 2400%</p>
Tax Collection	460	\$28,800	\$28,800	\$28,800	\$0	0.0%	\$0	0.0%	
Legal	470	\$29,850	\$29,850	\$34,679	\$4,829	16.2%	\$4,829	16.2%	<p><u>Increases:</u> Professional legal service: \$4,600 / 44%</p>

EXHIBIT B

**GENERAL FUND BUDGET BY DEPARTMENT
FY 2020 VS. FY 2019
(as of 5/20/2019)**

DEPARTMENT	DEPT. NO.	ORIGINAL 2019 BUD.	AMENDED 2019 BUD.	PROPOSED 2020 BUD.	DIFF. 2020 & ORIG. 2019	% CHG.	DIFF. 2020 & AMENDED 2019	% CHG.	SIGNIFICANT CHANGES FY 2020 VS. ORIGINAL FY 2019
Police Dept.	510	\$1,372,757	\$1,372,757	\$1,630,215	\$257,458	18.8%	\$257,458	18.8%	<p><u>Increases:</u> F/T personnel-related costs (includes a new F/T position): \$131,976 / 12.3% Capital – equip.: \$110,000 / new expense Workers Comp. Ins.: \$28,235 / new expense Wellness/Screenings: \$5,000 / 143% Gas/Oil/Tires: \$5,000 / 14% Utilities: \$2,000 / 31% Uniforms: \$1,500 / 13%</p> <p><u>Decreases:</u> P/T personnel-related costs: \$26,913 / 46%</p>
Fire Dept.	530	\$740,482	\$740,482	\$805,218	\$64,736	8.7%	\$64,736	8.7%	<p><u>Increases:</u> F/T personnel-related costs: \$27,637 / 5.5% P/T personnel-related costs: \$7,593 / 8.8% Workers Comp. Ins.: \$19,125 / new expense Utilities: \$3,886 / 43% Telephone/Postage: \$3,072 / 87% Computer software/support: \$2,070 / 71%</p>
Lifeguards	531	\$200,088	\$200,088	\$207,174	\$7,086	3.5%	\$7,086	3.5%	<p><u>Increases:</u> Personnel-related costs: \$1,901 / 1.1% Capital outlay – equipment: \$10,050 / new expense Workers Comp. Ins.: \$4,635 / new expense</p> <p><u>Decreases:</u> Minor equipment: \$9,500 / 100%</p>

EXHIBIT B

**GENERAL FUND BUDGET BY DEPARTMENT
FY 2020 VS. FY 2019
(as of 5/20/2019)**

DEPARTMENT	DEPT. NO.	ORIGINAL 2019 BUD.	AMENDED 2019 BUD.	PROPOSED 2020 BUD.	DIFF. 2020 & ORIG. 2019	% CHG.	DIFF. 2020 & AMENDED 2019	% CHG.	SIGNIFICANT CHANGES FY 2020 VS. ORIGINAL FY 2019
Parks & Rec.	532	\$187,268	\$187,268	\$212,474	\$25,206	13.5%	\$25,206	13.5%	<p><u>Increases:</u> F/T personnel-related costs (includes full year of new employee added in FY 2019): \$35,174 / 32.3% Travel & training: \$1,000 / 50% Telephone: \$800 / 50% Workers Comp. Ins.: \$300 / new expense</p> <p><u>Decreases:</u> Part-Time pay & taxes: \$3,768 / 44% Bluefish purchases: \$6,000 / 55% Sponsorship maintenance: \$1,700 / 46% Advertising: \$500 / 25%</p>
Bldg. Inspection	540	\$139,268	\$139,268	\$199,788	\$60,623	43.6%	\$60,623	43.6%	<p><u>Increases:</u> F/T personnel-related costs (includes a new F/T position): \$66,366 / 71.7% Bldg. Insp. Gas Allowance: \$1,000 / 14% Equipment rental: \$3,940 / new expense Workers Comp. Ins.: \$2,500 / new expense Telephone: \$1,020 / 35%</p> <p><u>Decreases:</u> P/T personnel-related costs: \$16,148 / 100%</p>
Debt Service	560	\$708,050	\$708,050	\$716,925	\$8,875	1.3%	\$8,875	1.3%	

EXHIBIT B

**GENERAL FUND BUDGET BY DEPARTMENT
FY 2020 VS. FY 2019
(as of 5/20/2019)**

DEPARTMENT	DEPT. NO.	ORIGINAL 2019 BUD.	AMENDED 2019 BUD.	PROPOSED 2020 BUD.	DIFF. 2020 & ORIG. 2019	% CHG.	DIFF. 2020 & AMENDED 2019	% CHG.	SIGNIFICANT CHANGES FY 2020 VS. ORIGINAL FY 2019
Streets & Sanitation	550	\$902,561	\$982,561	\$897,657	(\$4,904)	(0.5%)	(\$84,904)	(8.6%)	<p><u>Increases:</u> Temp. Employees: \$5,813 / new expense Boardwalk Repairs: \$20,000 / new expense Landscaping: \$18,000 / new expense Workers Comp. Ins.: \$14,965 / new expense Materials & Supplies: \$7,000 / 15% Garbage Carts: \$4,000 / 33% Uniforms: \$1,500 / 15% Utilities: \$1,500 / 3% Telephone: \$1,200 / 38%</p> <p><u>Decreases:</u> F/T personnel-related costs: \$4,182 / 0.9% Capital outlay - equipment: \$65,000 / 81% Christmas Decorations: \$12,000 / 55%</p>
Transfers	580	\$9,807	\$9,807	\$18,000	\$8,193	83.5%	\$8,193	83.5%	Transfer to the Beach Protection Fund.
Contingency	490	\$9,850	\$9,850	\$20,000	\$10,150	103%	\$10,150	103%	
TOTAL GENERAL FUND		\$5,280,032	\$5,363,232	\$5,559,748	\$279,716	5.3%	\$196,516	3.7%	

**WATER/SEWER FUND REVENUE BUDGET
FY 2020 VS. FY 2019
(as of 5/20/2019)**

<u>REVENUE TYPE</u>	<u>2019 BUDGET</u>	<u>PROPOSED 2020 BUD.</u>	<u>DIFF. 2020 & 2019</u>	<u>% CHANGE</u>	<u>SIGNIFICANT CHANGES FY 2020 VS. FY 2019</u>
Water Charges	\$840,650	\$917,050	\$76,400	9.1%	Proposed changes to the water rate structure for residential, commercial and out of jurisdiction customers: a. Lower minimum gallons from 2,500 to 2,000 b. 10% increase to usage-based rate tiers for usage above the minimum
Sewer Charges	\$1,174,500	\$1,301,100	\$126,600	10.8%	Proposed changes to the sewer rate structure for residential, commercial and out of jurisdiction customers: a. Lower minimum gallons from 2,500 to 2,000 b. 10% increase to usage-based rate tiers for usage above the minimum
Water & Sewer Tap Fees	\$66,000	\$90,000	\$24,000	36.4%	Based on estimated building activity.
Cutoff & Reconnection Fees	\$1,500	\$1,800	\$300	20.0%	Upward trend in account cutoff & reconnections.

**WATER/SEWER FUND REVENUE BUDGET
FY 2020 VS. FY 2019
(as of 5/20/2019)**

REVENUE TYPE	2019 BUDGET	PROPOSED 2020 BUD.	DIFF. 2020 & 2019	% CHANGE	SIGNIFICANT CHANGES FY 2020 VS. FY 2019
Account Past Due Fees	\$6,200	\$6,300	\$100	1.6%	
New Account Setup Fee	\$6,000	\$5,100	(\$900)	(15.0%)	Based on estimated activity.
Other Revenue/ Fees	\$215	\$290	\$75	34.9%	
Interest Income	\$7,020	\$12,750	\$5,730	81.6%	Increase in CD interest rates & NCCMT earnings.
Other Financing Sources	\$100,000	\$90,000	(\$10,000)	(10.0%)	Financing for telemetry system.
TOTAL WATER/ SEWER FUND	\$2,202,085	\$2,424,390	\$222,305	10.1%	

**WATER/SEWER FUND BUDGET BY DEPARTMENT
FY 2020 VS. FY 2019
(as of 5/20/2019)**

DEPARTMENT	DEPT. NO.	2019 BUDGET	PROPOSED 2020 BUD.	DIFF. 2020 & 2019	% CHG.	SIGNIFICANT CHANGES FY 2020 VS. FY 2019
Governing Body	410	\$17,994	\$19,040	\$1,046	5.8%	<p><u>Increases:</u> Governmental relations: \$750 / new expense Dues & subscriptions: \$375 / 10%</p> <p><u>Decreases:</u> Telephone/iPad: \$109 / 6%</p>
Finance	715	\$197,817	\$208,446	\$10,629	5.4%	<p><u>Increases:</u> F/T personnel-related costs: \$9,054 / 5.9% Equipment rental: \$750 / 18% Payroll processing fees: \$500 / 8% Postage: \$360 / 4.4%</p> <p><u>Decreases:</u> Credit card processing fees: \$450 / 90%</p>
Administration	720	\$317,187	\$312,913	(\$4,274)	(1.3%)	<p><u>Increases:</u> F/T personnel-related costs: \$8,807 / 6.1% Computer services: \$13,175 / 66% Telephone: \$5,697 / 67% Building Maintenance: \$3,850 / 39% Travel & training: \$2,000 / 50% Advertising: \$1,000 / 33%</p> <p><u>Decreases:</u> Insurance (<u>Workers Comp. Ins. now allocated to each dept.</u>): \$38,000 / 44% Retiree Medical Insurance: \$1,203 / 7% Codification: \$1,000 / 33%</p>

EXHIBIT D

**WATER/SEWER FUND BUDGET BY DEPARTMENT
FY 2020 VS. FY 2019
(as of 5/20/2019)**

<u>DEPARTMENT</u>	<u>DEPT. NO.</u>	<u>2019 BUDGET</u>	<u>PROPOSED 2020 BUD.</u>	<u>DIFF. 2020 & 2019</u>	<u>% CHG.</u>	<u>SIGNIFICANT CHANGES FY 2020 VS. FY 2019</u>
Legal	470	\$29,850	\$34,679	\$4,829	16.2%	<u>Increases:</u> Professional legal service: \$4,600 / 44%
W/S Operations	810	\$1,639,237	\$1,849,312	\$210,075	12.8%	<u>Increases:</u> Debt service: \$167,529 / 65% Capital outlay – improvements: \$74,507 / 195% System maintenance: \$50,000 / 67% Carolina Beach Treatment: \$25,000 / 8% Workers Comp. Ins.: \$10,940 / new expense Dues & permit fees: \$2,500 / 7% <u>Decreases:</u> F/T personnel-related costs: \$13,701 / 3.4% Capital outlay – sewer rehab.: \$100,000 / 100% Capital outlay – equipment: \$10,000 / 10%
TOTAL WATER/ SEWER FUND		\$2,202,085	\$2,424,390	\$222,305	10.1%	

EXHIBIT E

**STORM WATER FUND REVENUE BUDGET
FY 2020 VS. FY 2019
(as of 5/20/2019)**

REVENUE TYPE	ORIGINAL 2019 BUD.	AMENDED 2019 BUD.	PROPOSED 2020 BUD.	DIFF. 2020 & ORIG. 2019	% CHG.	DIFF. 2020 & AMENDED 2019	% CHG.	SIGNIFICANT CHANGES FY 2020 VS. FY 2019
Storm Water Charges	\$227,500	\$227,500	\$230,000	\$2,500	1.1%	\$2,500	1.1%	
Storm Water Building Fees	\$48,000	\$68,000	\$100,000	\$52,000	108%	\$32,000	47.1%	Based on estimated building activity.
Interest Income	\$2,880	\$2,880	\$5,225	\$2,345	81.4%	\$2,345	81.4%	Increase in CD interest rates & NCCMT earnings.
Hurricane Reimbursement	\$0	\$76,125	\$0	\$0		(\$76,125)	(100%)	
Other Financing	\$80,000	\$80,000	\$0	(\$80,000)	(100%)	(\$80,000)	(100%)	
Appropriate Fund Balance	\$0	\$96,755	\$0	\$0		(\$96,755)	(100%)	
TOTAL STORM WATER FUND	\$358,380	\$551,260	\$335,225	(\$23,155)	(6.5%)	(\$216,035)	(39.2%)	

EXHIBIT F

**STORM WATER FUND BUDGET BY EXPENSE TYPE
FY 2020 VS. FY 2019
(as of 5/20/2019)**

DEPARTMENT	DEPT. NO.	ORIGINAL 2019 BUD.	AMENDED 2019 BUD.	PROPOSED 2020 BUD.	DIFF. 2020 & ORIG. 2019	% CHG.	DIFF. 2020 & AMENDED 2019	% CHG.	SIGNIFICANT CHANGES FY 2020 VS. ORIGINAL FY 2019
SW Operations	610	\$154,247	\$246,547	\$180,075	\$25,828	16.7%	(\$66,472)	(27.0%)	<u>Increases:</u> F/T personnel-related costs: \$5,900 / 4.8% Maintenance: \$15,000 / new expense Workers Comp. Ins.: \$4,928 / new expense
Debt Service	610	\$108,193	\$108,193	\$125,650	\$17,457	16.1%	\$17,457	16.1%	New Loan in FY 2019 for 50% of street sweeper (split with General Fund)
Capital Outlay	610	\$95,940	\$196,520	\$29,500	(\$66,440)	(69.3%)	(\$167,020)	(85.0%)	<u>Increases:</u> Capital - improvements: \$13,560 / 85% <u>Decreases:</u> Capital outlay – equipment: \$80,000 / 100%
TOTAL STORM WATER FUND		\$358,380	\$551,260	\$335,225	(\$23,155)	(6.5%)	(\$216,035)	(39.2%)	



Ordinance Number: FY 2019-20
Date Adopted: **DRAFT**
Effective Date: July 1, 2019

**BUDGET ORDINANCE FY 2019-2020
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, 2019 and ending June 30, 2020; the same being adopted by fund. Activity within each fund is listed as follows:

GENERAL FUND

EXPENDITURES:

Governing Body	\$ 38,290
Committees	5,005
Finance	166,660
Administration	549,763
Community Center	23,300
Elections	3,300
Emergency Management	2,500
Tax Collections	28,800
Legal Department	34,679
Police Department	1,630,215
Fire Department	805,218
Lifeguards	207,174
Parks & Recreation	212,474
Building Inspections	199,788
Streets & Sanitation	897,657
Debt Service	716,925
Transfer to Beach Protection Fund	18,000
Contingency	<u>20,000</u>
TOTAL EXPENDITURES	<u>\$5,559,748</u>

GENERAL FUND (continued)

REVENUES:

Property Tax (current & prior years)	\$3,044,300
Sales Tax	960,500
Garbage & Recycle Fees	488,000
TDA Funds	260,000
Franchise & Utility Tax	240,000
Motor Vehicle License Tax	10,000
ABC Revenue	19,175
Building Permits/Impact Fees/ CAMA Fees/Fire Inspections	99,350
Communication Tower Rent	84,348
Town Facility Rentals	19,000
Parks & Rec/Community Center/ Street Festival	28,500
Other Revenue	161,575
Other Financing Sources	<u>145,000</u>

TOTAL REVENUES **\$5,559,748**

POWELL BILL FUND

EXPENDITURES:

Street Maintenance & Repair	<u>\$ 66,450</u>
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TOTAL EXPENDITURES **\$ 66,450**

REVENUES:

Powell Bill Allocation	\$ 64,950
Interest Income	<u>1,500</u>

TOTAL REVENUES **\$ 66,450**

STORM WATER FUND

EXPENDITURES:

Storm Water Operations \$ 335,225

TOTAL EXPENDITURES \$ 335,225

REVENUES:

Storm Water Monthly Fees \$ 230,000

Storm Water Building Fees 100,000

Interest Income 5,225

TOTAL REVENUES \$ 335,225

BEACH PROTECTION FUND

EXPENDITURES:

Beach Protection Reserves \$ 24,500

TOTAL EXPENDITURES \$ 24,500

REVENUES:

Interest Income \$ 6,500

Transfer from General Fund 18,000

TOTAL REVENUES \$ 24,500

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	\$ 19,040
W/S Legal Department	34,679
W/S Finance	208,446
W/S Administration	312,913
W/S Operations	<u>1,849,312</u>
TOTAL EXPENDITURES	<u>\$2,424,390</u>

REVENUES:

Water Charges	\$ 917,050
Sewer Charges	1,301,100
Tap & Reconnection Fees	91,800
Other Revenue	24,440
Other Financing Sources	<u>90,000</u>
TOTAL REVENUES	<u>\$2,424,390</u>

SEWER EXPANSION RESERVE FUND (SERF)

EXPENDITURES:

Sewer Reserve	\$ <u>17,420</u>
TOTAL EXPENDITURES	<u>\$ 17,420</u>

SEWER EXPANSION RESERVE FUND (SERF) (continued)

REVENUES:

System Development Fees	\$ 14,800
Interest Income	<u>2,620</u>
TOTAL REVENUES	<u>\$ 17,420</u>

EXPENDITURES	ALL FUNDS	<u>\$8,477,733</u>
REVENUES	ALL FUNDS	<u>\$8,477,733</u>

Section II. Levy of Taxes: There is hereby levied, for the Fiscal Year 2019-2020, an Ad Valorem tax rate of 34 cents (\$0.34) per one hundred dollars (\$100) valuation of taxable property as listed for taxes as of January 1, 2019. 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 nine hundred three million four hundred forty-nine thousand seven hundred dollars (\$903,449,700) and an estimated collection rate of ninety-nine percent (99%).

Section III. Salaries and Staffing: The following shall govern salary and wage compensation for Fiscal Year 2019-2020:

A. Pay Plan. There is hereby adopted a pay plan that includes an across the board cost of living adjustment in the amount of 2.8% applicable to all full-time 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 1.5% this year for employees.

The number of full-time personnel is increased by two, one in the Police Department and one in the Building Inspections/Code Enforcement Department.

Section IV. 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 V. 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 VI. Encumbrances: All outstanding encumbrances from prior fiscal years are to be carried forward to Fiscal Year 2019-2020. All Project Ordinance appropriations are continued.

Section VII. 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 VIII. 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 IX. Fees and Charges: There is hereby established, for Fiscal Year 2019-2020, various fees and charges as contained in the attached Fee Schedule. Changes from the Fiscal Year 2018-2019 Fee Schedule are as follows:

Ad Valorem Tax Rate (per \$100 of valuation)	Increase from \$0.33 to \$0.34
Residential Water – Monthly minimum gallons	Decrease from 2,500 to 2,000 gallons
Residential Water – per 100 gallons for monthly usage from 2,001 gallons to 7,000 gallons	Increase from \$0.45 to \$0.495
Residential Water – per 100 gallons for monthly usage from 7,001 gallons to 12,000 gallons	Increase from \$0.675 to \$0.7425
Residential Water – per 100 gallons for monthly usage in excess of 12,000 gallons	Increase from \$1.0125 to \$1.11375
Residential Sewer – Monthly minimum gallons	Decrease from 2,500 to 2,000 gallons
Residential Sewer – per 100 gallons for monthly usage from 2,001 gallons to 7,000 gallons	Increase from \$0.58 to \$0.638

Residential Sewer – per 100 gallons for monthly usage from 7,001 gallons to 12,000 gallons	Increase from \$0.87 to \$0.957
Residential Sewer – per 100 gallons for monthly usage in excess of 12,000 gallons	Increase from \$1.305 to \$1.4355
Commercial Water – Monthly minimum gallons	Decrease from 2,500 to 2,000 gallons
Commercial Water – per 100 gallons for monthly usage from 2,001 gallons to 70,000 gallons	Increase from \$0.694 to \$0.7634
Commercial Water – per 100 gallons for monthly usage in excess of 70,000 gallons	Increase from \$0.8675 to \$0.95425
Commercial Sewer – Monthly minimum gallons	Decrease from 2,500 to 2,000 gallons
Commercial Sewer – per 100 gallons for monthly usage from 2,001 gallons to 70,000 gallons	Increase from \$0.7125 to \$0.78375
Commercial Sewer – per 100 gallons for monthly usage in excess of 70,000 gallons	Increase from \$0.89063 to \$0.9797
Out of Town (EJT) Water – Monthly minimum gallons	Decrease from 2,500 to 2,000 gallons
Out of Town (EJT) Water – per 100 gallons for monthly usage from 2,001 gallons to 70,000 gallons	Increase from \$0.7875 to \$0.86625
Out of Town (EJT) Water – per 100 gallons for monthly usage in excess of 70,000 gallons	Increase from \$0.98438 to \$1.08282
Out of Town (EJT) Sewer – Monthly minimum gallons	Decrease from 2,500 to 2,000 gallons
Out of Town (EJT) Sewer – per 100 gallons for monthly usage from 2,001 gallons to 70,000 gallons	Increase from \$1.0125 to \$1.11375
Out of Town (EJT) Sewer – per 100 gallons for monthly usage in excess of 70,000 gallons	Increase from \$1.26563 to \$1.39219

This ordinance being duly passed and adopted this 17th day of June, 2019.

Craig Bloszinsky, Mayor

Nancy Avery, Town Clerk



**TOWN OF KURE BEACH
DRAFT FEE SCHEDULE
FISCAL YEAR 2019-2020**

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>	\$0.34
<u>MOTOR VEHICLE LICENSE TAX (per vehicle registered in Kure Beach)</u>	\$5.00
<u>WATER FEES</u>	
Residential (monthly minimum - up to 2,000 gallons)	\$13.50
Incremental rate per 100 gallons over the 2,000 gallons monthly minimum:	
2,001 gallons to 7,000 gallons	\$0.495
7,001 gallons to 12,000 gallons	\$0.7425
Over 12,000 gallons	\$1.11375
Commercial (monthly minimum - up to 2,000 gallons)	\$18.50
Incremental rate per 100 gallons over the 2,000 gallons monthly minimum:	
2,001 gallons to 70,000 gallons	\$0.7634
Over 70,000 gallons	\$0.95425
Out of Town (ETJ) (monthly minimum - up to 2,000 gallons)	\$23.00
Incremental rate per 100 gallons over the 2,000 gallons monthly minimum:	
2,001 gallons to 70,000 gallons	\$0.86625
Over 70,000 gallons	\$1.08282
<u>SEWER FEES</u>	
Residential (monthly minimum - up to 2,000 gallons)	\$23.50
Incremental rate per 100 gallons over the 2,000 gallons monthly minimum:	
2,001 gallons to 7,000 gallons	\$0.638
7,001 gallons to 12,000 gallons	\$0.957
Over 12,000 gallons	\$1.4355
Commercial (monthly minimum - up to 2,000 gallons)	\$25.50
Incremental rate per 100 gallons over the 2,000 gallons monthly minimum:	
2,001 gallons to 70,000 gallons	\$0.78375
Over 70,000 gallons	\$0.9797
Out of Town (ETJ) (monthly minimum - up to 2,000 gallons)	\$40.50
Incremental rate per 100 gallons over the 2,000 gallons monthly minimum:	
2,001 gallons to 70,000 gallons	\$1.11375
Over 70,000 gallons	\$1.39219
<u>OTHER WATER & SEWER FEES</u>	
New Account Setup Fee	\$50.00
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

OTHER WATER & SEWER FEES (continued)

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

SYSTEM DEVELOPMENT FEE

Section 17-127 of Code	\$592.00
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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 cart monthly (residential & commercial)

	\$7.40
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GARBAGE COLLECTION FEES

Residential - per cart monthly - 1st cart	\$7.00
Residential - per cart monthly - after the 1st cart	\$14.00
Commercial - per can monthly	\$30.63
Garbage cart purchase	\$80.00
Additional Vacation Rental (Summer) Garbage Collection (June until Labor Day): - Per cart per month (minimum of 2 months)	\$50.00

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 (per appliance)	\$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 \$20.00

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) & DAILY FEES

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
KB Resident/Property Owner & Non-Profit Organization \$675.00 daily rate
Non-resident & Commercial Organization for Profit \$100.00 per hour
Non-resident & Commercial Organization for Profit \$900.00 daily rate

OTHER FEES COMMUNITY CENTER & OCEAN FRONT PARK PAVILION

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

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

AxB = Permit Fee

(AxBx.75)+(1250xB) = Permit Fee

AxBx.50) + (5000xB) + 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	
<u>Animals/Pets:</u>		
Dogs must be on a leash Sec. 4-16	\$150.00	Misdemeanor
Animal/Pet waste removal Sec. 4-16.1	\$150.00	Misdemeanor
<u>Vehicles/Parking:</u>		
Parking Ticket Sec. 10-222 - 235	\$25.00	
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
<u>Miscellaneous:</u>		
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 17, 2019.

RESOLUTION R19-06



TOWN COUNCIL
TOWN OF KURE BEACH, NC

RESOLUTION R19-06

**APPROVING FINANCING TERMS WITH
BRANCH BANKING AND TRUST COMPANY FOR WATER
METER REPLACEMENT AND AUTOMATIC METER READING SYSTEM**

WHEREAS, The Town of Kure Beach (“Town”) has previously determined to undertake a project for the financing of replacement of water meters and installation of an automatic meter reading system (the “Project”), and the Finance Officer has now presented a proposal for the financing of such Project;

NOW, THEREFORE, BE IT RESOLVED THAT

1. The Town hereby determines to finance the Project through Branch Banking and Trust Company (“BB&T”), in accordance with the proposal dated May 15, 2019. The amount financed shall not exceed \$1,400,000, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.78 percent and the financing term shall not exceed ten (10) years from closing.
2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the Town are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary, or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.
3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Town officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer’s release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document’s final form.



TOWN COUNCIL
TOWN OF KURE BEACH, NC

*R*ESOLUTION R19-06

4. The Town shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Town hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The Town intends that the adoption of this resolution will be a declaration of the Town's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The Town intends that funds that have been advanced, or that may be advanced from the Town's general fund, or any other Town fund related to the project for project costs, may be reimbursed from the financing proceeds.

6. All prior actions of Town officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Adopted by the Kure Beach Town Council this 20th day of May, 2019.

Craig Bloszinsky, Mayor

Attest: Nancy Avery, Town Clerk

NEW BUSINESS

RESOLUTION 19-05



TOWN COUNCIL
TOWN OF KURE BEACH, NC

RESOLUTION R19-05

IN SUPPORT OF THE CURRENT ABC CONTROL SYSTEM FOR THE SALE OF LIQUOR

WHEREAS, House Bill 971 (Modern Licensure Model for Alcohol Control) was filed on April 25, 2019 and this bill privatizes the retail sale and wholesale distribution of liquor, allows a minimum of 1,500 permits to be issued to any business that sells food (grocery stores, convenience stores, pharmacies, variety stores, etc.) or to any “retail business”, with additional numbers of permits available for issuance based on population growth, with retail liquor sales authorized between the hours of 7 a.m. and 2 a.m., and with those businesses allowed to ship liquor directly to individuals in or out of the State; and

WHEREAS, North Carolina’s local ABC boards operate about 423 retail stores, balancing access to liquor and generating local revenue while maintaining control; and

WHEREAS, NC’s Department of Health and Human Services’ website notes that *excessive alcohol use cost NC more than \$7 Billion* in 2010, that excessive alcohol use is the third leading preventable cause of death in NC, and that according to [Centers for Disease Control’s Community Guide on Excessive Alcohol Use](#) strategies to reduce excessive drinking include maintaining state control of alcohol sales and continuing to limit the number of outlets selling and distributing alcohol; and

WHEREAS, the General Assembly’s nonpartisan Program Evaluation Division (PED) was directed to examine whether other systems for alcohol beverage control, including privatized systems, are appropriate for North Carolina, specially to include the State of Washington, which recently changed its beverage control system from state government control of wholesale and retail control of spirituous liquor to a licensure model; and

WHEREAS, The PED Report, “Changing How North Carolina Controls Liquor Sales Has Operational, Regulatory, and Financial Ramifications”, released on February 11, 2019: (1) did not recommend privatization, (2) found that among the southeastern states, NC collects the most revenue per gallon, has the lowest outlet density and has the second lowest per capita consumption; and (3) the PED expects retail liquor consumption to increase by 20% with privatization based on 1,000 expected outlets; and

WHEREAS, for fiscal year ending 2018, local ABC boards distributed \$430,635,861: County-City Distributions \$80 million; State General Fund \$323 million; Local Alcohol Education/Treatment \$13 million; Local Law Enforcement \$8.8 million; Rehabilitation Services \$5 million; Operation of ABC Commission/Warehouse \$17.7 million.

WHEREAS, North Carolina is unique as it allows communities to vote to establish local ABC boards for the sale of liquor in their communities, with liquor profits distributed back to those communities, thereby reducing the need to increase local property taxes.

WHEREAS, No State funds are spent to distribute or sell liquor as the state and local operation of the ABC system is receipt supported;

WHEREAS, Of the 50 states, North Carolina ranks 44th lowest in consumption per capita and 7th highest in revenue per capita and NC's ABC system accomplishes both revenue and public health, welfare and safety objectives;

WHEREAS, privatization will result in a marked increase in the number of outlets, longer hours of sale, greater advertising and more promotion, significantly more consumption, and increased societal costs;

WHEREAS, local revenue from ABC stores operations is important;

WHEREAS, local control over the sale of liquor is an important function.

NOW, THEREFORE, BE IT PROCLAIMED that Kure Beach Town Council hereby desires to retain North Carolina's current control system for the sale of liquor and believes that privatization of liquor will lead to many adverse effects.

Adopted by the Kure Beach Town Council this 20th day of May, 2019.

ATTEST: Nancy Avery, Town Clerk

Craig Bloszinsky, Mayor

SUMMARY OF CHANGES NEW HANOVER COUNTY WOULD EXPERIENCE UNDER HB 971

More Retail Outlets and Longer Hours of Sale –

HB 971 (Modern Licensure Model for Alcohol Control) would first of all increase the number of stores from currently 8 to over 50 based on the population of New Hanover County and the large percentage of tourism in our area. The hours of operation would change from 9:00 A.M. -9:00 P.M. Monday through Saturday – Closed on Sunday, to **Monday – Saturday 7:00 A.M. – 2:00 A.M. and Sunday 10:00 A.M. – 2:00 A.M.** Privatization will result in a market increase in the number of outlets, longer hours of sale, greater advertising, more promotions, and significantly more consumption, thereby creating a need for more law enforcement officers.

Less money to our current Board’s local government beneficiaries –

In 2018 New Hanover County ABC Board paid \$9,642,060 in State Excise Tax at 30% per our current guidelines. Per HB 971 the amount would change from 30% to a flat \$28.00 per gallon. This will not only bring less money back to our local beneficiaries, it will also increase the price per bottle for the consumer. The new HB 971 would change the State Excise Tax and only 25% will be sent back to the local governments, local distributions will be eliminated. From the State excise taxes that will be distributed to cities and counties, the bill requires funds returned to local governments to be used as follows: 4% for treatment of alcoholism or substance abuse, 15% for research or education on alcohol or substance abuse; 11% for local law enforcement costs from enforcing alcohol laws.

Breakdown and example per the HB 971 using last year’s State Excise Tax of \$9,642,060

25% will be given back to NHC	\$ 2,410,515.00
Subtract 4% for tx of alcoholism/substance abuse	\$ 96,420.60
Subtract 15% for research	\$ 361,577.25
Subtract 11% for Law Enforcement	\$ 265,156.65
Total Amount for New Hanover County	<u>\$1,687,360.50</u>

Last year, our Total Distributions to our Community:

New Hanover County	\$ 2,339,390.00
City of Wilmington	\$ 1,489,359.00
Wrightsville Beach	\$ 569,693.00
Carolina Beach	\$ 368,049.00
Kure Beach	\$ 22,827.00
Law Enforcement	<u>\$ 495,642.00</u>
Total	<u>\$ 5,284,960.00</u>

That is a loss of \$3,597,599.50 for our current beneficiaries and a \$230,485.35 loss for local Law Enforcement.

ABC Boards will have to liquidate all assets and will give all the money to the public schools within their jurisdiction- By January 1, 2020, the bill requires local ABC boards to liquidate all assets by public sale to the highest bidder; requires the funds received to be paid to the general fund of the county or municipality for which the local ABC board is established to be used only for capital expenses for any public schools in that jurisdiction. The bill makes no provision for the payment of debts and liabilities of a local ABC board. In New Hanover County alone, this would eliminate jobs for at least 85 employees who roll their income back into the local economy. Private liquor stores will be paying minimum wage with no benefits.

Given the unique nature of liquor, as well as its potential to do harm, state and local governments are in the best position to balance access and convenience with control. The Program Evaluation Division (PED) released its report regarding ABC on February 11, 2019. The ***PED did not recommend privatization.*** PED found that among the southeastern states, NC collects the most revenue per gallon, has the lowest outlet density and has the second lowest per capita consumption. This finding validates the current system if the objective is ***public health, safety and welfare.*** PED analyzed several types of ABC Systems and concluded that should NC Privatize, retail liquor consumption would increase by 20% and retail prices would increase by 15.7%. Under the current control system, the profit incentive is removed thus reducing the chance of overzealous clerks or owners to sell alcohol to underage persons or intoxicated. Elimination of the private profit helps to facilitate the enforcement of laws against selling to minors or intoxicated persons and also restricts alcohol advertising reducing the exposure of alcoholic beverage products to youth.

The New Hanover County ABC Board and the State's ABC System controls the sale of spirits by:

- Recognizing that alcohol is not an ordinary commodity and that liquor is a different product than beer and wine.
- Determines where there is a need for an ABC retail outlet, maintaining stores only where there is such a need and by locating stores in appropriate areas away from schools and churches.
- Conducts sales during reasonable hours.
- Employs local people who care about the community and who are committed to responsible sales and excellent customer service.
- Ensures responsible sales by refusing sales to minors and intoxicated patrons. New Hanover County ABC Board has a zero tolerance policy for underage sales and employees can be expected to be fired for unlawful sales.
- Maintains a uniform price of spirits throughout the state without discounted "loss leaders". Advertising is allowed only within the store and not outside to entice youth.
- Conducts business in public, transparent and accountable way, as ABC Boards are required to have balanced budgets following a public process, a dedicated finance officer, and an annual audit of their operations.

- Provides for Alcohol Law Enforcement, either through its own ABC Officers, or by contracting with local law enforcement.
- Continually makes distributions of revenue to alcohol education and rehabilitation, and returns net profits to appointing authorities.
- Operates ethically, as ABC Boards are required to have an ethics policy and receive training for management and board members.
- **FYE 2018, North Carolina ABC Boards distributed a total of \$430,635,861**, which breaks down as follows: County-City Distributions \$80 million; State General Fund \$323 million; Local Education/Treatment \$13 million; Local Law Enforcement \$8.8 million; Rehabilitation Services \$5 million.

Privatization does not make sense from a public health, public safety or economic standpoint. If the State privatizes either its wholesale or its retail functions, in whole or in part, **there is no going back.**

SEWER AUTHORITY ADOPTION

Memo



To: Craig Bloszinsky, David Heglar, John Ellen,
Allen Oliver and Joseph Whitley

From: Arlen Copenhaver

Date: May 15, 2019

Re: Carolina/Kure Beach Sewer Authority Update

The Carolina/Kure Beach Sewer Authority met on May 13, 2019, to finalize expenses for fiscal year 2018, adjust rates for fiscal year 2019 and to set rates for fiscal year 2020. The Authority previously met on April 30, 2018, at which time fiscal year 2017 was reconciled.

The rates previously established for fiscal year 2019 were adjusted based on the actual data from fiscal year 2018 as follows:

Variable Costs: \$0.3993 increase per 1,000 gallons (from \$0.7254 to \$1.1247)

Fixed Costs: \$2,117.91 per month increase (from \$12,234.87 to \$14,352.78)

Capital Recovery: \$200.58 per month increase (from \$4,897.16 to \$5,097.74)

As a result of the above adjustments to the fiscal year 2019 rates, Kure Beach owes Carolina Beach \$58,253.89 for the period of July 2018 through March 2019. 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>
(\$37,387.45)	(\$19,061.22)	(\$1,805.22)	(\$58,253.89)

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 reasonable. At the meeting, the need for, and potential timing of, significant expenditures and projects for the treatment facility were discussed. The need to manage and control flows to the treatment facility were also discussed. Finally, Commissioner Heglar reiterated with the Carolina Beach representatives the need for all of Pleasure Island to continue to take actions to promote water conservation.

As of May 13, 2019, the Authority set the following rates for fiscal year 2020 subject to approval by the respective Town Councils:

Variable Costs: \$1.1247 per 1,000 gallons

Fixed Costs: \$14,352.78 per month

Capital Recovery: \$5,097.74 per month

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

A handwritten signature in blue ink, appearing to read "Auler", is centered on the page.

MINUTES



TOWN COUNCIL MINUTES

**BUDGET WORKSHOP #2
TOWN HALL**

Monday, April 15, 2019 @ 9:00 am

The Kure Beach Town Council held budget workshop # 2 for the proposed FY19-20 budget on Monday, April 15, 2019.

COUNCIL MEMBERS PRESENT

Mayor Craig Bloszinsky
Mayor Pro Tem (MPT) David Heglar
Commissioner Joseph Whitley
Commissioner Allen Oliver
Commissioner John Ellen

STAFF PRESENT

Finance Officer (FO) – Arlen Copenhaver
Town Clerk – Nancy Avery
Deputy Town Clerk – Mandy Sanders
Police Chief – Mike Bowden
Fire Chief – Ed Kennedy
Building Inspector - John Batson
Public Works Director – Jimmy Mesimer
Recreation Director – Nikki Keely

CALL TO ORDER

Mayor Bloszinsky called the meeting to order at 9:00 A.M.

PRESENTATION OF REVISED DRAFT OF FY18-19 BUDGET

Finance Officer Copenhaver presented assumptions and revisions to the draft FY19-20 budget from the first budget workshop. Said presentation is herein incorporated as part of these minutes.

Assumptions and revisions General Fund:

1. Water and sewer rates – lower minimum gallons to 2,000 and increase rate tiers by 10% for all customer types
2. General Fund Contingency of \$20,000
3. General Fund full-time headcount increased by 2 (Police & Building Inspections)
4. Shortage was \$131,526



TOWN COUNCIL MINUTES

**BUDGET WORKSHOP #2
TOWN HALL**

Monday, April 15, 2019 @ 9:00 am

Expenditure increases:

- Administration - Town Hall HVAC & Generator Maintenance Contract \$5,000
- Administration - Building maintenance \$3,750
- Emergency Management - Satellite Phone \$2,000
- Police - Equipment Capital Outlay - Town Fuel Tank \$110,000
- Contingency \$20,000

Expenditure decreases:

- Governing Body – Contributions \$2,000
- Streets & Sanitation - Eliminate new full-time position \$47,460

Revenue increases:

- Sales Tax - Revised estimates based on new data provided by NCLM
- Electricity Sales Tax - Revised estimate based on new data provided by NCLM
- Sales Tax Refund - Revised estimate based on current & projected sales tax expense for FY 2019 that will be refunded in FY 2020
- Beer & Wine Tax - Revised estimate based on new data provided by NCLM
- TDA - Revised estimate of available funds
- Other Financing - Increased for financing of town fuel tank

Discussion Highlights:

Fire Chief Kennedy stated:

- Currently demoing two radios that have okay range
- Specialist recommended repeaters with an antenna
- The cost would be \$7,000 to \$10,000
- Asked the specialist if he could reprogram the current repeater and the specialist is currently looking into it if it's possible
- Should hear back in the next few days

MPT Heglar stated he agrees with the Chiefs. Issuing expensive equipment to staff will cost the Town more in the end. Reusing a repeater is a great option. Please continue researching the information and let us know if Council needs to fund.

CONSENSUS- Fire Chief Kennedy and Police Chief Bowden to move forward evaluating the lower cost solution of the VHF radios and repeater. If supported by both Department Heads execute in this fiscal year.



TOWN COUNCIL MINUTES

BUDGET WORKSHOP #2
TOWN HALL

Monday, April 15, 2019 @ 9:00 am

Financial Officer Arlen Copenhaver stated:

- Temporary help for Public Works Department
- Start in this upcoming fiscal year
- \$12.50 would be \$4,800 per person
- \$15 an hour it would be about \$5,800
- This would be for about 9 weeks of employment

CONSENSUS- Town Council stated to put a placeholder in the amount of \$5,800 for part time help or contract work for the Public Works Department

The Finance Officer stated these revisions balance the General Fund.

He reviewed the tax increase impact for property valued at \$400,000:

- 0.75 cent increase impact to property owner is \$30 a year or \$2.50 a month
- 1.0 Cent increase impact to property owner is \$40 a year or \$3.33 a month

Discussion Highlights:

- Towns around us aren't increasing taxes
- 93% of amended budget is used each year
- Insurances and income taxes increase each year and won't decrease
- It's the cost of maintaining the village feel
- One cent increase without using reserves

MOTION – MPT Heglar made a motion to approve the budget as presented with the changes added for the water sewer rates as presented by Financial Officer Copenhaver and a one cent increase to the tax rate

SECOND – Commissioner Whitley

VOTE – Unanimous

Police Chief Bowden stated:

- Talked with other Chiefs and the Sheriff regarding retention for officers
- Trying to keep officers motivated to work nights
- Looking to potentially give bonus once a year for night shift officers
- \$2,000 to each night shift officer
- Give the bonus around May

MPT Heglar stated he is very supportive of the program but advises rewriting the program to do the bonus quarterly. If you have turnover you won't lose the whole amount of the bonus to the officer.



TOWN COUNCIL MINUTES

BUDGET WORKSHOP #2 TOWN HALL

Monday, April 15, 2019 @ 9:00 am

Mayor Bloszinsky commented the quarterly bonus is a great idea. Officers may choose to stay longer to receive the bonus.

CONSENSUS- Fund \$9,800 in the budget for the Police Department to offer a \$500 bonus quarterly for the 4 night shift officers. Policy to be drafted by the Town Clerk, Financial Officer and Police Chief.

Water Fund:

- Shortage was \$61,593

Revenue Increases:

- Residential, Commercial & Ft. Fisher Water - Lower minimum to 2,000 gals. & increase rate tiers by 10% increase of \$77,050
- Residential, Commercial & Ft. Fisher Sewer - Lower minimum to 2,000 gals. & increase rate tiers by 10% increase of \$101,100

Expenditure Increases:

- Administration – Building maintenance \$3,750
- W/S Operations – Potential Capital improvement projects \$112,807

This balances the Water Fund budget.

Commercial Logo:

Recreation Director Keely stated:

- Removed the white border around the seal
- Changed the wording and format
- Two logo designs were created by the graphic designer
- Added a sunrise version of the logo
- Would like to use both logos on the online store

MOTION-Commissioner Oliver made a motion to approve both commercial logos presented by Recreation Director Keely

SECOND- MPT Heglar

VOTE- Unanimous

MOTION - MPT Heglar made a motion to set the design fee for each item at \$3 for the online merchandise store

SECOND - Commissioner Ellen

VOTE – Unanimous



TOWN COUNCIL MINUTES

BUDGET WORKSHOP #2
TOWN HALL

Monday, April 15, 2019 @ 9:00 am

MOTION - Commissioner Ellen motioned to adjourn the budget workshop at 10:52 a.m.
SECOND – MPT Heglar
VOTE – Unanimous

ATTEST:

Nancy Avery, Town Clerk

Craig Bloszinsky, Mayor

NOTE: These are action minutes reflecting items considered and actions taken by Council. These minutes are not a transcript of the meeting. A recording of the meeting is available on the town's website under government, council.



TOWN COUNCIL MINUTES

REGULAR MEETING

April 15, 2019 @ 6:00 p.m.

The Kure Beach Town Council held its regular meeting on Monday, April 15th, 2019 beginning at 6:00 pm. There was a quorum of Council and the Town Attorney was present.

COUNCIL MEMBERS PRESENT

Mayor Craig Bloszinsky
(MPT) David Heglar
Commissioner Joseph Whitley
Commissioner Allen Oliver
Commissioner John Ellen

COUNCIL MEMBERS ABSENT

None

STAFF PRESENT

Town Clerk – Nancy Avery
Finance Officer (FO) – Arlen Copenhaver
Building Inspector – John Batson
Police Chief – Mike Bowden
Recreation Director – Nikki Keely
Public Works Director – Jimmy Mesimer
Fire Chief – Ed Kennedy

Mayor Bloszinsky called the meeting to order at 6:00 pm. Reverend Williams gave the invocation and led in the Pledge of Allegiance.

APPROVAL OF CONSENT AGENDA ITEMS

1. Appoint Dale Akstin as an Alternate Member of the Community Center Committee
2. Appoint Mo Linquist to the MPO Bicycle and Pedestrian Committee
3. Appoint Lisa Leppo to the Shoreline Access Beach Protection Committee
4. Accept Sharon Lambeth's resignation from the Community Center Committee
5. Appoint Debbie Hayden from Alternate to full Member of the Community Center Committee
6. Approve Proclamation P19-01 in support of National Safe Boating week
7. Approve Resolution R19-04 to Donate Surplus Property
8. Approve Budget Amendment 19-04, totaling \$84,020 for an unbudgeted storm water project
9. Approve the Budget Amendment 19-05, totaling \$25,000 to increase the Federal Asset Forfeiture Fund budget for additional equipment purchases
10. Minutes:
 - March 18, 2019 Regular
 - March 18, 2019 Public Hearing
 - March 18, 2019 Closed Session
 - April 1, 2019 Budget Workshop



TOWN COUNCIL MINUTES

REGULAR MEETING

April 15, 2019 @ 6:00 p.m.

MOTION- MPT Heglar made a motion to move item number 6, Approve Proclamation P19-01 in support of National Safe Boating week of the consent agenda to Discussion and Consideration of Person to Address Council

SECOND- Commissioner Oliver

VOTE- Unanimous

ADOPTION OF THE AGENDA

MOTION- Commissioner Oliver made a motion to adopt the agenda as amended

SECOND- Commissioner Whitley

VOTE- Unanimous

DISCUSSION AND CONSIDERATION OF PERSONS TO ADDRESS COUNCIL

1. Cape Fear Sail & Power Squadron on National Safe Boating Week

Captain Ed Otters stated:

- Commander of the Cape Fear Squadron
- Cape Fear Sail & Power Squadron is a local chapter of America's boating club
- We learn to improve our navigation educational skills
- Engage with our boating friends with regular meetings and social activities
- Wearing a life jacket is important part of boating safety
- A lifejacket should be worn all year round
- Modern and inflatable lifejackets are comfortable and don't restrict movement
- Lifejackets save lives
- National safe boating week is May 18th-24th 2019 and allows us to bring additional focus to the wearing of lifejackets

MOTION- Commissioner Ellen made a motion to approve Proclamation P19-01 in support of National Safe Boating week

SECOND- MPT Heglar

VOTE- Unanimous

2. Denise Hubbard, Resident of Kure Beach Village on Storm Water

Denise Hubbard stated:

- Resident at 818 Cutter Court
- Thank you for allowing me the opportunity to speak with you this evening
- Will be presenting a program addressing storm water issues that occurred during Hurricane Florence



TOWN COUNCIL MINUTES

REGULAR MEETING

April 15, 2019 @ 6:00 p.m.

- At the completion of the program she believes Council will clearly see the need for a comprehensive analysis of future and current storm water needs
- This analysis should be completed by a trained professional in the field
- Council should develop a plan to implement the recommendations of the analysis in a timely manner
- All federal and state infrastructure sources should be utilized to minimize the impact on the citizens of Kure Beach
- Suggestions in the PowerPoint that can be utilized immediately
- Increase maintenance of the storm water system, swales and ditches
- Encourage HOAs to draw down retention ponds, prior to a storm event
- This program only looks north of K Ave
- Former Kure Beach Village HOA president sent out a survey to Kure Beach Village residents
- There were more than 40 responses from Kure Beach Village residents indicating residential water intrusion due to “the subsequent rain and rising water
- Including homes identified by the town, 75 residences were identified as having water intrusion due to flooding
- Coastal property has always been in high demand and developers naturally want to maximize every square inch. Properties which were once maritime forests and wetlands are now the sites of some of our homes
- The Kure Beach Village storm water system carries runoff to Henniker’s Ditch
- Beachwalk HOA controls storm water using two retention ponds
- 71.64 inches of rain in 2016
- 62.64 inches of rain in 2017
- 102.40 inches of rain in 2018
- Henniker’s Ditch is the primary conduit for storm water runoff to the Cape Fear River for both Kure and Carolina Beach

Questions to be addressed:

1. Does Henniker’s Ditch need to be expanded (widened? more access points? etc.)
2. We’re competing for “ditch-space” with Carolina Beach. They *pump* water, ours is *gravity-driven*. Does our approach need to be more active than passive (pumps? more pumps?)
3. What Federal/State assistance is available to help us solve our storm water problem?



TOWN COUNCIL MINUTES

REGULAR MEETING

April 15, 2019 @ 6:00 p.m.

Mayor Bloszinsky stated Council will process the information given tonight and prepare a response. He appreciates all of the effort and the information gathered.

MPT Heglar commented the Town has spent a lot of money on storm water but there is always room for improvement.

DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

1. Shoreline Access and Beach Protection

Chair Person Dennis Panicali stated thank you to the Public Works department for putting up the new beach signs at the public beach accesses.

2. Planning & Zoning Commission

a. Recommendation regarding Special Use Permit application for Sun Fun Rentals

Chairman Craig Galbraith stated:

- Planning & Zoning is bringing two items before Council tonight
- The first item is a recommendation regarding a special use permit for Sun Fun Rentals
- Applicant applied for a special use permit
- During the last meeting the commission discussed the item and decided to bring it forward to Council with a few conditions
- Whenever you're in the B1 district you need to be cautious of lighting
- We recommend an appropriate lighting plan
- Lighting needs to be fully shielded for dust and dawn
- The commission recommends approving subject to the conditions as the commission has identified as presented in the agenda packet

Building Inspector Batson stated he has received all documentation required by Planning and Zoning commission.

MOTION- MPT Heglar made a motion to schedule a Public Hearing on the Special Use Permit (SUP) application for Sun Fun Rentals on May 20, 2019 at 5:00 pm

SECOND- Commissioner Ellen

VOTE- Unanimous



TOWN COUNCIL MINUTES

REGULAR MEETING

April 15, 2019 @ 6:00 p.m.

- b. Proposed text amendment Chapter 19 (Zoning), Article III (District regulations), Division 10 (B1 business district), Section 243 (Permitted and Special Uses in the B1) to add 'Golf cart rentals' with a SIC code of 7999 as an allowable use only via a Special Use process and associated amendment insert in the conversion table of the Code

Chairman Craig Galbraith stated:

- The second item before Council is an amendment to the code
- Fairly recent case decision by the supreme court
- If you don't identify prohibited uses in zoning then they are allowable uses
- The ordinance doesn't currently identify golf cart rentals
- Building Inspector Batson thought it would fall under Special Use Permit
- It will clean up the language
- Recommendation from P&Z commission is to approve this item

MOTION- MPT Heglar made a motion to schedule a Public Hearing to amend Chapter 19, Article III, Division 10, Section 243 to add 'Golf cart rentals' with a SIC code of 7999 as an allowable use only via a Special Use process on May 20, 2019 at 5:00 pm, right after the Public Hearing on the SUP

SECOND- Commissioner Oliver

VOTE- Unanimous

DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

1. Administration

- a. CAMA grant pre-application submission approval

Town Clerk Avery stated:

- Memo included in the agenda packet for the pre-application for the CAMA grant
- It will replace the beach access 1004 ½
- Currently only accessible by stairs and the grant would replace it with an ADA ramp with solar lighting
- Estimate is \$80,000 total with a cash match from the Town of \$20,000
- Requesting approval to move forward with the grant application
- The Town won't know till August if we move past the first part of the process
- The grants won't be granted till September

MOTION- MPT Heglar made a motion to direct the Town Clerk to apply for the CAMA grant as discussed

SECOND- Whitley

VOTE- Unanimous



TOWN COUNCIL MINUTES

REGULAR MEETING

April 15, 2019 @ 6:00 p.m.

- b. Renewal of combined license for MOTSU property leased at JE Park and Assembly Way water tower and payment options
 - Town currently leases 3 properties with Military Operations at Sunny Point
 - Two leases have expired and one is about to expire
 - MOTSU has decided to combine two leases into one
 - The lease will be for 5 years
 - New annual cost will be \$13,400 compared to prior years of \$17,150
 - MOTSU is now also offering in kind service
 - In kind service may be offered for the fencing that MOTSU may be requesting which is similar to the fencing put along the bike path in Carolina Beach
 - Asking Council if you want to continue the conversation about the in kind services or go ahead and pay the annual fee

Mayor Bloszinsky stated he would like to commend Town Clerk Avery for saving tax payers over \$3000 for her campaign and for her outstanding work on the in kind service.

MPT Heglar stated we need to discuss this as he knows some citizens that won't like the fencing in certain areas.

Mayor Bloszinsky directed Town Clerk Avery to proceed with the discussion of in kind services offered with MOTSU.

2. Recreation

Recreation Director Keely stated:

- Reminder the Street festival is next weekend
- 38 vendors have registered this year

DISCUSSION AND CONSIDERATION OF OLD BUSINESS

1. Town Facility Construction Project Status Update

- Approve change orders totaling \$30,640

Commissioner Oliver stated:

- Change order number 4 cleans up a few items
- Still under budget on the project
- Change order 5 will be ready by the next Council meeting

MOTION- MPT Heglar made a motion to approve the change order totaling \$30,640

SECOND- Commissioner Whitley

VOTE- Unanimous



TOWN COUNCIL MINUTES

REGULAR MEETING

April 15, 2019 @ 6:00 p.m.

2. Dedication Ceremony Update

Commissioner Ellen stated:

- Dedication is May 11th starting at 10am
- Announcement has been posted on Town website
- Open house and refreshments will be from 11am - 2pm
- Ribbon Cutting will be outside
- Unveiling of dedication sign will be after the ribbon cutting
- All food is being donated from local restaurants and vendors
- The band is donating the performance

DISCUSSION AND CONSIDERATION OF NEW BUSINESS

1. Annual free bulk trash pickup

Commissioner Whitley stated:

- Spoken with Public Works Director Mesimer
- The department picked up a lot after Hurricane Florence
- Public Works Department is still trying to catch up from the hurricane
- The bulk pickup would put Public Works farther behind if the Town doesn't push this pickup to the fall

Public Works Director stated after the Hurricane the pickup cost was over \$100,000. The bulk pickup is not free. Last year it cost the Town \$10,000 - 12,000 to do this bulk pickup. Not counting equipment wear or employees time.

MPT Heglar stated he is against the bulk pickup. The Town has a process on Thursdays for residents to get rid of debris by paying for it themselves.. People bring debris from other Towns and drop it off for Public Works to take to the dump.

Mayor Bloszinsky stated Council can look at this when it gets closer to the fall.

MOTION- MPT Heglar made a motion to cancel the annual free bulk pickup for the spring

SECOND- Commissioner Whitley

VOTE- Unanimous

MAYOR UPDATES

Mayor Bloszinsky stated:

- Beach Nourishment is on schedule
- Should be complete by May 2nd weather permitting
- The corps has till May 15th to finish
- North end of city looks good



TOWN COUNCIL MINUTES

REGULAR MEETING

April 15, 2019 @ 6:00 p.m.

COMMISSIONER ITEMS

Commissioner Whitley stated:

- Tuesday May 21st will be the final presentation of the MOTSU joint land use plan study
- It will be an open meeting to the public
- The meeting will start at 5:00 pm at Town Hall

Mayor Bloszinsky stated this is a very important meeting as the Town will find out what we shall receive from the federal government regarding the requests made and the impacts to Sunny Point.

MPT Heglar commented the Emergency management policy will be discussed at the May Council meeting for any changes that need to be made before it is approved at the June Council meeting. He also encourages citizens to have flood polices. It's a great investment for the issues with storm water.

Building Inspector Batson stated a preferred risk policy runs on average about \$432 a year

MOTION- MPT Heglar made a motion to go into closed session for consultation on a personnel matter with the attorney as per N.C.G.S. 143-318.11(a)(6) at 7:21

SECOND- Commissioner Oliver

VOTE- Unanimous

MOTION- Commissioner Oliver made a motion to return into open session at 8:10 pm

SECOND- MPT Heglar

VOTE- Unanimous

MPT Heglar stated in closed session Town Council discussed guidance to the Town Clerk clarifying issues in the personnel policy. Gave direction on hiring a safety officer and personnel auditor for the Town. Council gave guidance to him and the Mayor for the sandman lots.

MOTION- MPT Heglar made a motion to adjourn the meeting at 8:12 pm

SECOND- Commissioner Oliver

VOTE- Unanimous



TOWN COUNCIL MINUTES

REGULAR MEETING

April 15, 2019 @ 6:00 p.m.

ATTEST: _____
Nancy Avery, Town Clerk

Craig Bloszinsky, Mayor

NOTE: These are action minutes reflecting items considered and actions taken by Council. These minutes are not a transcript of the meeting. A recording of the meeting is available on the town's website under government>council.

DEPARTMENT REPORTS

KURE BEACH FIRE DEPARTMENT

FIRE CHIEF'S REPORT

APRIL, 2019

DATE	PURPOSE
04/02/19	ASSIST PUBLIC
04/05/19	MUTUAL AID Cbfd
04/06/19	EMS
04/08/19	2 ASSIST PUBLIC
04/11/19	ASSIST PUBLIC
04/12/19	2 EMS
04/13/19	2 EMS
04/13/19	MUTUAL AID Cbfd
04/15/19	FALSE DISPATCH
04/16/19	EMS
04/16/19	MUTUAL AID Cbfd
04/17/19	WATER RESCUE
04/18/19	WATER RESCUE
04/18/19	EMS
04/19/19	2 ASSIST PUBLIC
04/19/19	EMS
04/20/19	AUTO FIRE
04/21/19	EMS
04/22/19	FALSE ALARM
04/23/19	WATER RESCUE
04/24/19	2 MUTUAL AID Cbfd
04/24/19	2 EMS
04/24/19	2 WATER RESCUE
04/25/19	EMS
04/25/19	MUTUAL AID Cbfd
04/26/19	EMS
04/29/19	MUTUAL AIS Cbfd
04/30/19	2 EMS
04/30/19	ASSIST PUBLIC

All equipment checked and found to be in working order

Ed Kennedy

Chief

Kure Beach Inspections Dept.-All Permits Issue Date: 4/1/2019 - 4/30/2019

PermitNo	Issue Date	Owner	Project Addr	Descript	Fee
Building					
New Construction					
190065	4/9/2019	SOUTH 4TH KURE PARTNERS LLC	213 S FOURTH AVE	New townhome UNIT B	\$5,152.00
190064	4/9/2019	SOUTH 4TH KURE PARTNERS LLC	213 S FOURTH AVE	New townhome UNIT A	\$9,152.00
190066	4/9/2019	MASON RICHARD E JR JOANNA C	114 SEAWATCH WAY	New SFD	\$11,077.00
190071	4/16/2019	CASTERELLA LLC	834 N FORT FISHER BLV	New duplex UNIT B	\$2,720.00
190070	4/16/2019	CASTERELLA LLC	834 N FORT FISHER BLV	New duplex UNIT A	\$10,512.00
190069	4/16/2019	T.O.O. Construction Co. Chad Shingleton	1729 PINFISH LN	New SFD	\$8,827.00
190073	4/22/2019	T.O.O. Construction Co. Chad Shingleton	1725 MACKEREL LN	New SFD	\$8,827.00
190076	4/22/2019	T.O.O. Construction Co. Chad Shingleton	1729 MACKEREL LN	New SFD	\$9,152.00
190078	4/22/2019	SLUGG ROBERT LAURIE	118 MYRTLEWOOD CT	New SFD	\$10,777.00
190075	4/22/2019	T.O.O. Construction Co. Chad Shingleton	1706 PINFISH LN	New SFD	\$8,902.00
190074	4/22/2019	T.O.O. Construction Co. Chad Shingleton	1714 PINFISH LN	New SFD	\$9,152.00
190081	4/24/2019	REIDSVILLE CENTRE LLC	904 FORT FISHER BLV N	New SFD	\$7,610.00
190080	4/24/2019	CRAVEN S NEAL ARETTA S	637 S THIRD AVE	Addition	\$360.00
Total New Construction 13					\$102,220.00
pool					
190061	4/2/2019	KARBOSKI ANTHONY J CONNIE MEARKLE	454 N FORT FISHER BLV	New Pool	\$300.00
190060	4/10/2019	CASTERELLA LLC	834 N FORT FISHER BLV	New Pool	\$300.00
190077	4/22/2019	MARCINOWSKI KATHERINE M	217 SIXTH AVE S	New 10x20 pool	\$300.00
Total pool 3					\$900.00
Renovations					
190063	4/3/2019	MARVEL CATHERINE	1108 N FORT FISHER BLV	Florence damage renovation	\$480.00
190062	4/3/2019	FUNK JILL RUSSELL	102 S SIXTH AVE	Enclose garage	\$60.00
190067	4/10/2019	PRICE MONICA AND DAVID	334 THIRD AVE S	Enclose bottom	\$260.00
190068	4/11/2019	ELMORE JOHN E JENNIFER M	737 FORT FISHER BLV N	Bedroom addition	\$160.00
190079	4/22/2019	KB BIG DADDYS LLC	202 K AVE	Roof repair	\$200.00
Total Renovations 5					\$1,160.00
Total Building 21					\$104,280.00
Fence					
Commercial					
190012	4/2/2019	KURE BEACH VILLAGE HOA INC	666 KURE VILLAGE WAY	New 5' fence	\$25.00
Total Commercial 1					\$25.00
Residential					
190013	4/22/2019	BRINKLEY PAMELA JANE ETAL	213 FORT FISHER BLV S	New 4 and 6' fence	\$25.00
Total Residential 1					\$25.00
Total Fence 2					\$50.00
Landscape					
Residential					
190003	4/11/2019	MCCUBBINS JEFFREY L EVELYN	122 FIFTH AVE S	New driveway	\$25.00
Total Residential 1					\$25.00
Total Landscape 1					\$25.00
Total Permits: 24					\$104,355.00

Kure Beach Inspections Dept.-All Permits Issue Date: 4/1/2019 - 4/30/2019

PermitNo	Issue Date	Owner	Project Addr	ParcelID	Est Cost	Fee
Building						
New Construction						
Active						
190065	4/9/2019	SOUTH 4TH KURE PARTNERS LLC New townhome UNIT B	213 S FOURTH AVE	R09217-010-004-000	\$240,000.00	\$5,152.00
190066	4/9/2019	MASON RICHARD E JR JOANNA C New SFD	114 SEAWATCH WAY	R09200-001-133-000	\$625,000.00	\$11,077.00
190064	4/9/2019	SOUTH 4TH KURE PARTNERS LLC New townhome UNIT A	213 S FOURTH AVE	R09217-010-004-000	\$240,000.00	\$9,152.00
190069	4/16/2019	T.O.O. Construction Co. Chad Shingleton New SFD	1729 PINFISH LN	R09205-005-006-000	\$175,000.00	\$8,827.00
190071	4/16/2019	CASTERELLA LLC New duplex UNIT B	834 N FORT FISHER BLV	R09205-009-008-000	\$512,000.00	\$2,720.00
190070	4/16/2019	CASTERELLA LLC New duplex UNIT A	834 N FORT FISHER BLV	R09205-009-008-000	\$512,000.00	\$10,512.00
190075	4/22/2019	T.O.O. Construction Co. Chad Shingleton New SFD	1706 PINFISH LN	R09017-024-007-000	\$190,000.00	\$8,902.00
190076	4/22/2019	T.O.O. Construction Co. Chad Shingleton New SFD	1729 MACKEREL LN	R09205-006-007-000	\$240,000.00	\$9,152.00
190073	4/22/2019	T.O.O. Construction Co. Chad Shingleton New SFD	1725 MACKEREL LN	R09205-006-006-000	\$175,000.00	\$8,827.00
190078	4/22/2019	SLUGG ROBERT LAURIE New SFD	118 MYRTLEWOOD CT	R09209-007-008-000	\$565,375.00	\$10,777.00
190074	4/22/2019	T.O.O. Construction Co. Chad Shingleton New SFD	1714 PINFISH LN	R09205-004-011-000	\$240,000.00	\$9,152.00
190081	4/24/2019	REIDSVILLE CENTRE LLC New SFD	904 FORT FISHER BLV N	R09205-009-006-000	\$650,000.00	\$7,610.00
190080	4/24/2019	CRAVEN S NEAL ARETTA S Addition	637 S THIRD AVE	R09405-008-025-000	\$46,700.00	\$360.00
Total New Construction 13					\$4,411,075.00	\$102,220.00
pool						
Active						
190061	4/2/2019	KARBOSKI ANTHONY J CONNIE MEARKLE New Pool	454 N FORT FISHER BLV	R09209-002-012-000	\$125,000.00	\$300.00
190060	4/10/2019	CASTERELLA LLC New Pool	834 N FORT FISHER BLV	R09205-009-008-000	\$38,432.00	\$300.00
190077	4/22/2019	MARCINOWSKI KATHERINE M New 10x20 pool	217 SIXTH AVE S	R09217-012-003-000	\$32,000.00	\$300.00
Total pool 3					\$195,432.00	\$900.00
Renovations						
Active						
190063	4/3/2019	MARVEL CATHERINE Florence damage renovation	1108 N FORT FISHER BLV	R09206-001-007-000	\$64,000.00	\$480.00
190062	4/3/2019	FUNK JILL RUSSELL Enclose garage	102 S SIXTH AVE	R09213-019-006-000	\$2,500.00	\$60.00
190067	4/10/2019	PRICE MONICA AND DAVID Enclose bottom	334 THIRD AVE S	R09217-017-014-000	\$23,000.00	\$260.00
190068	4/11/2019	ELMORE JOHN E JENNIFER M Bedroom addition	737 FORT FISHER BLV N	R09205-022-008-000	\$10,000.00	\$160.00
190079	4/22/2019	KB BIG DADDYS LLC Roof repair	202 K AVE	R09213-013-007-000	\$18,200.00	\$200.00
Total Renovations 5					\$117,700.00	\$1,160.00
Total Building 21					\$4,724,207.00	\$104,280.00

PermitNo	Issue Date	Owner	Project Addr	ParcelID	Est Cost	Fee
Fence						
Commercial						
Active						
190012	4/2/2019	KURE BEACH VILLAGE HOA INC New 5' fence	666 KURE VILLAGE WAY	R09209-009-009-000	\$0.00	\$25.00
Total Commercial 1					\$0.00	\$25.00
Residential						
Active						
190013	4/22/2019	BRINKLEY PAMELA JANE ETAL New 4 and 6' fence	213 FORT FISHER BLV S	R09217-008-007-000	\$0.00	\$25.00
Total Residential 1					\$0.00	\$25.00
Total Fence 2					\$0.00	\$50.00
Landscape						
Residential						
Active						
190003	4/11/2019	MCCUBBINS JEFFREY L EVELYN New driveway	122 FIFTH AVE S	R09213-018-001-001	\$0.00	\$25.00
Total Residential 1					\$0.00	\$25.00
Total Landscape 1					\$0.00	\$25.00
Total Permits: 24					\$4,724,207.00	\$104,355.00

**TOWN OF KURE BEACH
REVENUE AND EXPENDITURE SUMMARY
JULY 1, 2018 TO MAY 14, 2019**

REVENUES

	2019 Initial Bud.	2019 Amend. Bud.	Actual 5/14/2019	%
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GENERAL FUND

Property Taxes (Cur. & PY)	\$ 2,920,300	\$ 2,920,300	\$ 2,920,445	100.0%
Local Option Sales Tax	\$ 886,000	\$ 886,000	\$ 782,148	88.3%
Garbage & Recycling	\$ 493,580	\$ 493,580	\$ 410,584	83.2%
TDA Funds	\$ 235,000	\$ 235,000	\$ 254,579	108.3%
Franchise & Utility Tax	\$ 225,000	\$ 225,000	\$ 182,070	80.9%
Communication Tower Rent	\$ 81,924	\$ 81,924	\$ 75,018	91.6%
CAMA Grants - Beach Access Paving	\$ 78,523	\$ 78,523	\$ -	0.0%
Bldg. Permit & Fire Inspect. Fees	\$ 74,050	\$ 74,050	\$ 96,120	129.8%
Sales Tax Refund	\$ 59,000	\$ 59,000	\$ 71,533	121.2%
Com Ctr/Parks & Rec/St Festival	\$ 20,700	\$ 20,700	\$ 17,007	82.2%
Town Facility Rentals	\$ 18,000	\$ 18,000	\$ 21,417	119.0%
ABC Revenue	\$ 15,900	\$ 15,900	\$ 21,901	137.7%
Motor Vehicle License Tax/Decals	\$ 14,250	\$ 17,450	\$ 22,974	131.7%
OFP - Bluefish Purchases	\$ 14,000	\$ 14,000	\$ 12,775	91.3%
Beer & Wine Tax	\$ 9,300	\$ 9,300	\$ -	0.0%
All Other Revenues	\$ 19,505	\$ 19,505	\$ 216,838	1111.7%
Other Financing Sources	\$ 115,000	\$ 195,000	\$ 154,084	79.0%
Total Revenues	\$ 5,280,032	\$ 5,363,232	\$ 5,259,493	98.1%

EXPENDITURES

	2019 Initial Bud.	2019 Amend. Bud.	Actual 5/14/2019	%
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GENERAL FUND

Governing Body	\$ 38,994	\$ 42,194	\$ 33,011	78.2%
Committees	\$ 100,115	\$ 100,115	\$ 86,809	86.7%
Finance	\$ 157,937	\$ 157,937	\$ 130,905	82.9%
Administration	\$ 629,908	\$ 629,908	\$ 503,537	79.9%
Community Center	\$ 23,300	\$ 23,300	\$ 17,276	74.1%
Emergency Mgmt./Elections	\$ 1,100	\$ 1,100	\$ 8	0.7%
Tax Collections	\$ 28,800	\$ 28,800	\$ 24,271	84.3%
Legal	\$ 29,850	\$ 29,850	\$ 17,753	59.5%
Police Department	\$ 1,372,757	\$ 1,372,757	\$ 1,183,957	86.2%
Fire Department	\$ 740,482	\$ 740,482	\$ 631,495	85.3%
Lifeguards	\$ 200,088	\$ 200,088	\$ 117,843	58.9%
Parks & Recreation	\$ 187,268	\$ 187,268	\$ 141,488	75.6%
Bldg Inspection/Code Enforcement	\$ 139,165	\$ 139,165	\$ 113,893	81.8%
Streets & Sanitation	\$ 902,561	\$ 982,561	\$ 877,961	89.4%
Debt Service	\$ 708,050	\$ 708,050	\$ 508,375	71.8%
Transfer to Other Funds	\$ 9,807	\$ 9,807	\$ 9,807	100.0%
Contingency	\$ 9,850	\$ 9,850	\$ -	0.0%
Total Expenses	\$ 5,280,032	\$ 5,363,232	\$ 4,398,389	82.0%

WATER & SEWER FUND

Water Charges	\$ 840,650	\$ 840,650	\$ 649,555	77.3%
Sewer Charges	\$ 1,174,500	\$ 1,174,500	\$ 964,592	82.1%
Tap, Connect & Reconnect Fees	\$ 67,500	\$ 67,500	\$ 83,860	124.2%
All Other Revenues	\$ 19,435	\$ 19,435	\$ 88,218	453.9%
Other Financing Sources	\$ 100,000	\$ 100,000	\$ 39,571	39.6%
Total Revenues	\$ 2,202,085	\$ 2,202,085	\$ 1,825,796	82.9%

WATER & SEWER FUND

Governing Body	\$ 17,994	\$ 17,994	\$ 13,908	77.3%
Legal	\$ 29,850	\$ 29,850	\$ 17,753	59.5%
Finance	\$ 197,817	\$ 197,817	\$ 169,664	85.8%
Administration	\$ 317,187	\$ 317,187	\$ 260,616	82.2%
Operations	\$ 1,639,237	\$ 1,639,237	\$ 1,241,628	75.7%
Total Expenses	\$ 2,202,085	\$ 2,202,085	\$ 1,703,569	77.4%

STORM WATER FUND

Total Revenues	\$ 358,380	\$ 551,260	\$ 455,070	82.6%
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STORM WATER FUND

Total Expenses	\$ 358,380	\$ 551,260	\$ 431,768	78.3%
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POWELL BILL FUND

Total Revenues	\$ 175,000	\$ 175,000	\$ 65,962	37.7%
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POWELL BILL FUND

Total Expenses	\$ 175,000	\$ 175,000	\$ 170,475	97.4%
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SEWER EXPANSION RESERVE FUND (SERF)

Total Revenues	\$ 16,250	\$ 16,250	\$ 17,735	109.1%
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SEWER EXPANSION RESERVE FUND (SERF)

Total Expenses	\$ 16,250	\$ 16,250	\$ -	0.0%
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BEACH PROTECTION FUND

Total Revenues	\$ 13,397	\$ 13,397	\$ 14,142	105.6%
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BEACH PROTECTION FUND

Total Expenses	\$ 13,397	\$ 13,397	\$ -	0.0%
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FEDERAL ASSET FORFEITURE FUND

Total Revenues	\$ 50,000	\$ 75,000	\$ 5,000	6.7%
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FEDERAL ASSET FORFEITURE FUND

Total Expenses	\$ 50,000	\$ 75,000	\$ 34,003	45.3%
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**TOWN OF KURE BEACH
CASH AND INVESTMENTS
AS OF APRIL 30, 2019**

<u>FUND</u>	<u>CASH IN BANK</u>	<u>INVESTMENTS</u>	<u>TOTAL CASH & INVESTMENTS</u>
General	\$3,350,694	\$351,390	\$3,702,084
Water/Sewer	\$1,510,079	\$601,212	\$2,111,291
Storm Water	\$123,720	\$247,032	\$370,752
SERF	\$52,618	\$124,398	\$177,016
Powell Bill	\$317,926	\$71,466	\$389,392
Beach Protection	\$42,897	\$307,680	\$350,577
Federal Asset Forfeiture	\$141,431	\$0	\$141,431
Capital Project Funds	\$196,426	\$0	\$196,426
TOTAL	<u>\$5,735,791</u>	<u>\$1,703,178</u>	<u>\$7,438,969</u>

<u>INSTITUTION</u>	<u>CASH IN BANK</u>	<u>INVESTMENTS</u>
BB&T	\$5,735,791	\$0
First Bank - Certificates of Deposit	\$0	\$668,032
NCCMT Term Portfolio	\$0	\$557,272
NCCMT Governmental Portfolio	\$0	\$477,874
TOTAL	<u>\$5,735,791</u>	<u>\$1,703,178</u>

**TOWN OF KURE BEACH
SUMMARY OF CONTINGENCY FUND AND COMMITTEE
EXPENDITURE ACTIVITY
07/01/2018 - 05/14/2019**

CONTINGENCY FUND

Fiscal Year 2019 Budget	\$9,850.00
Less:	
No activity	<u>\$0.00</u>
Remaining Budget as of 05/14/2019	<u><u>\$9,850.00</u></u>

COMMITTEE (Shoreline Access and Beach Protection) EXPENDITURES

Fiscal Year 2019 Budget	\$100,115.00
Less Expenditures:	
E & I Ave. Beach Access Parking Project - Capital Project	\$83,894.84
Beach Brochures	\$321.98
Beach Access Signs	<u>\$2,592.00</u>
Total Expenditures	\$86,808.82
Projects Approved By Council But Not Yet Expended:	
None	<u>\$0.00</u>
Total Approved, Not Expended	<u>\$0.00</u>
Remaining Budget as of 05/14/2019	<u><u>\$13,306.18</u></u>

**TOWN OF KURE BEACH
DEBT LISTING
MAY 20, 2019**

LOAN PURPOSE/DESCRIPTION	FUND	LENDER	DATE OF LOAN	AMOUNT FINANCED	INTEREST RATE	LOAN TERM (YRS)	DATE PAID OFF	BALANCE AT 05/20/19	PAYMENT FREQUENCY	PAYMENT AMOUNT	NEXT PAY DATE	INT. EXPENSE LIFE OF LOAN
Fire Station/Town Hall Project (a)	G, W/S	BB&T	12/11/2017	\$5,000,000	2.58%	15	12/11/2032	\$4,666,666.66	Semi-annual	\$226,866.67	6/11/2019	\$999,750.00
Sewer Rehabilitation Project (b)	W/S	Fed Gov	5/1/2010	\$432,660	0.00%	20	5/1/2030	\$116,112.88	Annual	\$10,555.72	5/1/2020	\$0.00
Ocean Front Park (development)	G	BB&T	7/12/2011	\$347,000	4.39%	17	7/12/2028	\$204,117.68	Annual	\$29,372.53	7/12/2019	\$137,099.64
Ocean Front Park (acquisition)	G	BB&T	12/19/2007	\$3,600,000	4.28%	20	12/19/2027	\$584,134.69	Annual	\$89,904.82	12/19/2019	\$690,135.16
Kure Beach Pump Station #1	W/S	1st Bank	6/28/2017	\$475,000	2.11%	10	6/28/2027	\$410,043.04	Semi-annual	\$26,507.64	6/28/2019	\$55,152.80
334 S. 4th, 402 H & 406 H Ave.	G	BB&T	3/12/2015	\$409,471	2.49%	10	3/12/2025	\$245,682.67	Annual	\$47,064.62	3/12/2020	\$56,077.07
Street Sweeper & Dump Truck (c)	G, SW	BB&T	10/30/2018	\$233,412	3.26%	5	10/30/2023	\$233,412.00	Annual	\$51,345.54	10/30/2019	\$23,315.68
2018 GMC Sierra 2500	W/S	BB&T	8/23/2018	\$39,571	3.68%	4	8/23/2022	\$39,571.00	Annual	\$10,819.32	8/23/2019	\$3,706.28
Water Tower & Well House & Town Hall Expansion (d)	G, W/S	BB&T	4/11/2007	\$1,187,187	3.92%	15	5/7/2022	\$295,687.93	Semi-annual	\$52,716.71	11/7/2019	\$394,314.33
2016 John Deere Backhoe (e)	W/S, SW	BB&T	11/9/2016	\$105,273	1.87%	5	11/9/2021	\$64,330.24	Annual	\$22,250.35	11/9/2019	\$5,978.75
2018 Police Dodge Durango	G	1st Bank	10/19/2017	\$31,668	1.95%	4	10/19/2021	\$23,978.85	Annual	\$8,312.14	10/19/2019	\$1,558.73
2017 Freightliner Garbage Truck	G	1st Bank	8/23/2016	\$179,756	1.70%	5	8/23/2021	\$109,666.34	Annual	\$38,303.62	8/23/2019	\$9,270.57
Compact Excavator (e)	W/S, SW	1st Bank	7/28/2017	\$63,915	1.80%	4	7/28/2021	\$48,361.26	Annual	\$16,714.37	7/28/2019	\$2,901.83
(2) 2016 Police Dodge Chargers	G	1st Bank	11/9/2016	\$63,500	1.60%	4	11/9/2020	\$32,253.94	Annual	\$16,524.00	11/9/2019	\$2,560.16
O'Brien 7065 Hydrojetter (e)	W/S, SW	1st Bank	8/13/2015	\$81,485	1.70%	5	8/13/2020	\$33,420.33	Annual	\$17,149.28	8/13/2019	\$4,202.44
2016 Chevrolet Silverado	G	1st Bank	7/26/2016	\$36,867	1.60%	4	7/26/2020	\$18,726.07	Annual	\$9,593.55	7/26/2019	\$1,486.39
Cutter Court Drainage Project	SW	B of A	7/23/2005	\$875,000	4.40%	15	6/23/2020	\$84,580.02	Monthly	\$6,677.76	6/23/2019	\$326,995.49
FY 2016 Equipment & Vehicles (f)	G, W/S	BB&T	9/14/2015	\$186,000	2.01%	4	9/14/2019	\$47,897.14	Annual	\$48,859.87	9/14/2019	\$9,439.48

FUND CODES

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

TOTAL OUTSTANDING DEBT AT 05/20/2019:

General Fund	\$ 5,570,913.08
Water/Sewer Fund	\$ 1,450,733.65
Storm Water Fund	\$ 236,996.02
Total	\$ 7,258,642.74

NOTES

- (a) - 88% of loan is General Fund and 12% is Water/Sewer Fund.
- (b) - Total amount borrowed was \$432,660. As part of ARRA, the unpaid balance was immediately reduced by one-half of the loan amount.
- (c) - 66% of loan is General Fund and 34% is Storm Water Fund.
- (d) - 78% of loan is Water/Sewer Fund and 22% is General Fund.
- (e) - 50% of loan is Water/Sewer Fund and 50% is Storm Water Fund.
- (f) - 55.5% of loan is General Fund and 44.5% is Water/Sewer Fund.

LOAN PAYMENTS DUE (Next 12 Months):

05/21/2019 - 06/30/2019	\$ 260,052.07
07/01/2019 - 09/30/2019	\$ 190,845.82
10/01/2019 - 12/31/2019	\$ 512,311.15
01/01/2020 - 05/20/2020	\$ 143,725.85
Total	\$ 1,106,934.89

**TOWN HALL RENOVATION AND NEW FIRE STATION
CAPITAL PROJECT FUND SUMMARY
AS OF 05/14/2019**

	<u>APPROVED BUDGET</u>	<u>ACTUAL AS OF 05/14/19</u>	<u>% OF BUDGET</u>
<u>EXPENDITURES</u>			
<u>ARCHITECT</u>			
Oakley Collier Architects	<u>\$415,257</u>	<u>\$415,362.62</u>	100.0%
<u>OTHER PROJECT COSTS</u>			
Surveys	\$6,500	\$4,475.00	68.8%
Legal Fees	\$25,000	\$24,020.18	96.1%
LGC Loan Application Fee	\$1,250	\$1,250.00	100.0%
Bank Loan Fees	\$2,900	\$2,900.00	100.0%
Special Inspections	\$16,000	\$13,141.76	82.1%
Other	<u>\$500</u>	<u>\$150.00</u>	30.0%
Total Other Project Costs	<u>\$52,150</u>	<u>\$45,936.94</u>	88.1%
<u>PROJECT MANAGEMENT COSTS</u>			
Constructive Building Solutions	<u>\$100,000</u>	<u>\$86,219.94</u>	86.2%
<u>CONSTRUCTION</u>			
Town Hall	\$2,448,843	\$2,162,156.70	88.3%
Fire Station	<u>\$2,177,809</u>	<u>\$2,147,619.58</u>	98.6%
Total Construction Costs	<u>\$4,626,652</u>	<u>\$4,309,776.28</u>	93.2%
<u>FURNITURE & FIXTURES</u>			
Town Hall	\$47,500	\$28,157.44	59.3%
Fire Station	<u>\$89,400</u>	<u>\$86,888.33</u>	97.2%
Total Furniture & Fixtures	<u>\$136,900</u>	<u>\$115,045.77</u>	84.0%
<u>GRAND TOTAL EXPENDITURES</u>	<u>\$5,330,959</u>	<u>\$4,972,341.55</u>	93.3%
<u>PROJECT REVENUE SOURCES</u>			
Transfer From General Fund	\$330,959	\$330,959.00	100.0%
Installment Financing	\$5,000,000	\$5,000,000.00	100.0%
Interest on Project Fund Bank Account	<u>\$0</u>	<u>\$354.80</u>	
<u>GRAND TOTAL PROJECT REVENUE SOURCES</u>	<u>\$5,330,959</u>	<u>\$5,331,313.80</u>	100.0%