

# MINUTES



## TOWN OF KURE BEACH TOWN COUNCIL

117 Settlers Lane ▪ Kure Beach, NC 28449

Mac Montgomery, Mayor  
Jim Dugan, Mayor Pro Tem  
Dean Lambeth, Commissioner  
Barry Nelder, Commissioner  
Jim Vattr, Commissioner  
Michelle James, Town Administrator ▪ Kaysie Pralle, Town Clerk

**PUBLIC HEARING**  
**JUNE 16, 2009 5:30 P.M.**

### PURPOSE

The purpose of this public hearing is to hear public comment on the preliminary budget for FY2009-10.

### COUNCIL MEMBERS PRESENT:

Mayor Mac Montgomery  
Mayor Pro Tem Jim Dugan  
Commissioner Dean Lambeth  
Commissioner Barry Nelder  
Commissioner Jim Vattr

### COUNCIL MEMBERS ABSENT:

None

### STAFF PRESENT:

Town Administrator Michelle James  
Building Inspector John Batson  
Public Works Sonny Beeker  
Police Chief Dennis Cooper  
Town Clerk Kaysie Pralle

Town Attorney A. A. Canoutas was in attendance. There was a quorum of the Town Council present.

### CALL TO ORDER AND WELCOME

Mayor Montgomery called the meeting to order at 5:31 pm.

Mayor Montgomery stated that once the preliminary budget is approved, the budget will be advertised for 10 days before the final approval of the budget.

Administrator James distributed an informational budget packet to Council and the audience. She briefly discussed the highlights included in the packet.

This packet is incorporated by reference and made a part of these minutes.

General Fund	\$2,861,403.56
Water Fund	\$2,482,199.04
Water/SERF	\$ 115,730.64
Powell Fund	\$ 55,800.00
Storm Water Fund	\$ 136,913.88

Mayor Montgomery opened the floor for discussion on the budget.

Charlie Allo

Recycling – Recycling used to be picked up only two times a month and questioned if this was the reason for the increase.

Administrator James explained that the increase in pickup frequency was not the reason for the increase. She stated there are two increases from Waste Management which triggered the increase.

Mayor Montgomery explained that we used to have a dumpster at a cost of \$20,000 per year that the Town was paying for. This service was very costly and often abused, therefore it was discontinued.

Beach Renourishment – Charlie is questioning whether the State does not have the money for this.

Mayor Montgomery clarified the State Budget has not approved the appropriation of these funds to Kure Beach for Beach Renourishment. Commissioner Vatrtr will be attending a meeting where this will be addressed. He will relay the information back to Council.

Reserves – Charlie questions using the reserve funds to balance the budget.

Commissioner Vatrtr stated that at the end of this fiscal year there will be budget funds left over that will be close to \$500,000.00 that will go into the reserve fund. There are no appropriations from fund balances in this budget.

Charlie questioned if the commercial rate increase in garbage will apply to rental homes. Administrator James stated that it will apply and read from the Code of Ordinances that addresses this issue.

Economic Development Study – Charlie questioned the amount budget for this study.

Commissioner Vatrtr clarified that the total \$25,000.00 budgeted spanned two budget cycles. He explained that the Town has limited revenues, but its expenses continue to rise. This study is looking to uncover new revenue streams. The amount budgeted for FY2009-10 is \$15,000.00.

Beautification – Charlie questions the amount of money appropriated for this committee. He feels that any unnecessary expenditures need to be cut out.

Commissioner Vatrtr clarified that the amount for Atlantic Avenue landscaping is \$30,000.00 from a grant, but the committee cannot freely spend these monies.

Committees - He recommends that the Council get rid of the unnecessary committees. He recommends one committee that would work on projects related to the even distribution to the cost of any one area.

Debbie Price

Garbage - Debbie questioned if there be an increase in the charge for commercial pickup? Administrator James explained that the charge is \$17.50 for commercial pickup that includes 170 pickups a year.

Debbie questioned how is the Town going to identify short term rentals?

Administrator James explained that the first way would be through ROT. We will then work with local rental agencies and HOA's to assist us.

Free Trash Pickup - Will the Town continue to do the pickup?

Sonny explained that he and the Council will be looking into this at a later time.

Economic Development Study - She agrees that there have been several studies done since she lived here. She questions the study.

Commissioner Vattrt explained that there will be an update at the regular Council meeting this evening and perhaps that might address some of her questions and concerns.

Eric Vann

Recycling - He questions the increase in recycling and if there are other companies that would offer this service for a lesser amount.

Administrator James explained that Carolina Beach uses Waste Industries that charge over \$15.00 for their services, where our projected cost to the public is \$8.52 (recycling & garbage).

Mayor Montgomery explained that the contract with Waste Management is up in one year. At that time the Town can open this service up for bid.

Chuck Mullen

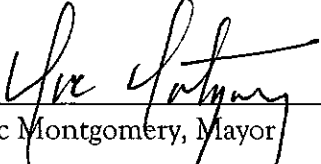
Garbage pickup - He questions if the garbage pickup is coming out of the general fund.

Mayor Montgomery clarified that the money taken was from the Town reserves in the past. He pointed out that this upcoming budget will not draw any monies from the fund balance to balance the budget.

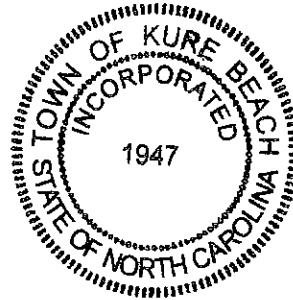
Mayor Montgomery clarified that this item will be discussed as item #1 under New Business at the regular Council meeting at 6:30 pm tonight.

ADJOURNMENT

ACTION - Commissioner Vattr MADE THE MOTION to adjourn the meeting at 6:30 pm. Mayor Pro Tem Dugan seconded the motion. THE VOTE OF APPROVAL WAS UNANIMOUS.

  
\_\_\_\_\_  
Mac Montgomery, Mayor

  
\_\_\_\_\_  
Kaysie Pralle, Town Clerk



NOTE: These are action minutes reflecting items considered and actions taken by Council. These minutes are not a transcript of the meeting. Persons wishing to hear the recording of this meeting may request to do so by contacting the Town Clerk.

ITEMS  
INCORPORATED BY REFERENCE  
AND MADE A PART OF THESE  
MINUTES

OR

SIGNED AND SEALED  
ORDINANCE  
RESOLUTION  
PROCLAMATION  
CONTRACT



**Ordinance Number:** 09-10  
**Date Adopted:**  
**Effective Date:** July 1, 2009

**BUDGET ORDINANCE FY 2009 - 2010  
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, 2009 and ending June 30, 2010; the same being adopted by fund. Activity within each fund is listed as follows.

**GENERAL FUND**

**EXPENDITURES:**

Governing Body	41,857
Town Clerk	59,062
Committees	31,100
Finance Department	108,126
GF Administration	234,108
Community Center	15,440
Elections	8,520
Emerg. Management	500
Tax Collections	35,000
Legal Department	29,800
Police Department	949,507
Fire Department	262,080
Lifeguards	146,567
Building Inspections	102,973
Streets & Sanitation	836,765
<b>TOTAL</b>	<b>\$2,861,404</b>

**REVENUES:**

Ad Valorem Tax	1,560,092
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Ad Valorem Tax-Prior	10,000
Motor Vehicle Tax	28,180
Motor Vehicle License	8,500
Privilege License	7,000
Interest Income	40,000
Franchise & Utility Tax	126,710
Beer & Wine	8,600
Local Optional Sales Tax	494,900
TDA Funds	151,297
ABC Revenue	15,424
Garbage & Recycling Fees	244,201
Building Permit Fees	28,000
Other Revenues	138,500
Fund Balance Appropriated	0
<b>TOTAL</b>	<b>\$ 2,861,404</b>

**POWELL FUND**

**EXPENSES:**

Street Maintenance & Repair	55,800
<b>TOTAL</b>	<b>\$ 55,800</b>

**REVENUES:**

Powell Fund	55,800
<b>TOTAL</b>	<b>\$ 55,800</b>

**STORM WATER**

**EXPENSES:**

Storm Water Maintenance & Repair	136,914
<b>TOTAL</b>	<b>\$ 136,914</b>

**REVENUES:**

Storm Water Monthly Fees	120,814
Storm Water Building Fees.	5,000
Interest Income	10,200
Fund Balance Appropriated	0
Other Revenues	900
<b>TOTAL</b>	<b>\$ 136,914</b>

**WATER /SEWER FUND**

**EXPENSES:**

Water Fund Adm./Finance/Town Clerk	195,942
Water Fund Operations	2,401,988

<b>TOTAL</b>	<b>\$ 2,597,930</b>
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**REVENUES:**

Water & Sewer Charged	1,259,767
Tap & Reconnection Fees	0
Interest Income	12,000
CWMTF Grants Sewer Rehab	591,000
ARRA Funding Sewer Rehab	619,432
Other Revenues	115,731
Fund Balance Appropriated	0
<b>TOTAL</b>	<b>\$ 2,597,930</b>

**Total W/S Reserve Fund \$115,731**

**Total All Funds \$5,652,048**

**SECTION II. Levy of Taxes:** There is hereby levied, for Fiscal Year 09-10, an Ad Valorem Tax Rate of thirteen & one half cents (.135¢) per one hundred dollars (\$100) valuation of taxable property as listed for taxes as of January 1, 2009. 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 one million five hundred sixty thousand ninety two dollars (\$1,560,092) and an estimated collection rate of ninety-eight percent (98%).

**SECTION III. Fees and Charges:** There is hereby established, for Fiscal Year 2009-10 various fees and charges as contained in the attached Fee Schedules.

**SECTION IV. Schedule B (Privilege) Licenses** shall be levied in accordance with the North Carolina Revenue Act.

**SECTION V. Fees** shall be levied at the following rates:

- A. Recycling Fees shall be levied at a rate of Four dollars fifty-two cents (\$4.52) per household per month.
- B. Storm Water Fees shall be levied at a .09 cents increase per household per month.
- C. A flat rate will be levied for both commercial and residential customers. Residential rate will be levied at four dollars (\$4.00) per can per month and the Commercial rate will be levied at seventeen dollars and fifty cents (\$17.50) per can per month.

**SECTION VI. Salaries:** The following shall govern salary and wage compensation for Fiscal Year 2009-10:

- A. Pay Plan. There is hereby adopted a pay plan that includes an across the board cost of living adjustment in the amount of 0% percent from the June 2007 Pay Plan and is applicable to all Town employees.



- B. Salary Adjustments. Each employee's salary shall be examined to ensure that the pay grade reflects the years of service, proficiency and quality of work. Merit raises are allotted at 0% this year for employees with performance rated above the basic requirements.

**SECTION VII.** The Budget Officer is hereby authorized to transfer appropriations within a fund as contained herein under the following conditions as specified in North Carolina General Statute §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/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.

**SECTION VIII.** 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 IX.** Encumbrances: All outstanding encumbrances from prior fiscal years are to be carried forward to Fiscal Year 2009-10. All Project Ordinance appropriations are continued.

**SECTION X.** Budget Control: The Town Council in approving the Budget has utilized to the fullest extent possible its revenue sources. Over collections of revenue or unanticipated revenue sources cannot be expected to materialize during the year. It is therefore, of utmost importance, and the Department Heads are hereby directed to initiate steps to insure compliance with the Budget, as fixed herein.

**SECTION XI.** The Town Council hereby authorized the New Hanover County Tax Administrator to bill and collect taxes for the Town.

**THIS ORDINANCE** being duly passed and adopted this \_\_\_\_ day of June, 2009.

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Mac Montgomery, Mayor

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Nancy Avery, Town Clerk



**TOWN OF KURE BEACH  
FEE SCHEDULE**

**FISCAL YEAR 2009-2010**

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

<b>TAX RATE per \$100</b>	0.135
<b>WATER &amp; SEWER FEES</b>	
Residential minimum	\$34.00
Increases incrementally per 100 gallons of use water - .240 per 100 gallons sewer - .310 per 100 gallons	
Commercial (minimum)	\$40.00
Increases incrementally per 100 gallons of use water - .370 per 100 gallons sewer - .380 per 100 gallons	
Out of Town (ETJ) (minimum)	\$59.50
Increases incrementally per 100 gallons of use water - .420 per 100 gallons of use sewer - .540 per 100 gallons of use	
<b>WATER TAP FEE</b>	
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
<b>SEWER TAP FEE</b>	
4 inch	\$1,500.00
4 inch	\$1,500.00
6 inch	\$2,000.00
6 inch	\$2,000.00
<b>USER FEE Sect 17-127 of Code</b>	\$2,500.00
Common Areas-No Charge	
<b>IMPACT FEE</b>	\$400.00
Voluntary Annexation Only Sect 17-128 of Code	

**STORM WATER FEES**

Building Fee	\$4,000.00
Residential-monthly	\$4.80
Business - monthly	\$20.09

RECYCLE FEE (residential)	\$4.52
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**GARBAGE COLLECTION FEES**

Residential -per can monthly	\$4.00
Commercial- per can monthly	\$17.50
Garbage cart purchase	\$80.00

**TRASH PICKUP FEE**

Minimum	\$10.00
1/4 load	\$30.00
1/2 load	\$60.00
3/4 load	\$90.00
Full load	\$120.00
Appliances	\$10.00

**PRIVILEGE LICENSE FEES**

Privilege License Fees as stipulated in N.C.General Statute 105-33(C).

**VEHICAL DECAL FEES**

Resident	\$5.00
Late Fee (resident)	\$10.00
Non-resident	\$5.00

**COPY/FAX FEES**

Fax 1 PAGE	\$2.00
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-DEPOSITS**

KB Resident/Property Owner	\$50.00
Nonresident	\$100.00
Commercial Org. for Profit	\$100.00
Non-Profit Organization	\$50.00

**RENT COMMUNITY CENTER FEES-PER HOUR**

KB Resident/Property Owner	\$10.00
Nonresident	\$25.00
Commercial Org. for Profit	\$25.00
Non-Profit Organization	No Charge

**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 two hours - per hour (includes FICA & Retirement)	\$30.00
Sanitation - per hour (includes FICA & Retirement)	\$30.00
Street - per hour (includes FICA & Retirement)	\$30.00
Volunteer Fireman - per hour (includes FICA & Retirement)	\$30.00

**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
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
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

**BOARD OF ADJUSTMENT FEES**

Appeal/Variance	\$375.00
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**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	\$50.00	Misdemeanor
Fire prohibited on beach strand Sec. 12-40	\$25.00	\$50.00
Litter, glass & alcohol prohibited on beach Sec.12-35	\$25.00	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	\$25.00	Misdemeanor

Animals/Pets:

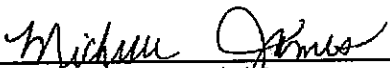
Dogs must be on a leash Sec. 4-16	\$150.00	Misdemeanor
Animal/Pet waste removal Sec. 4-16.1	\$150.00	Misdemeanor

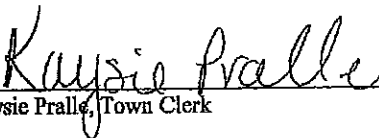
Vehicles/Parking:

Failure to purchase & display Town decal Sec. 10-17	\$25.00	Misdemeanor
Parking Ticket	\$10.00	
Parking in a handicap space	\$25.00	Misdemeanor

Miscellaneous:

Bicycle regulations Sec. 10-291-308	\$25.00	\$50.00
Noise violations prohibited Sec. 11-31	\$50.00	Misdemeanor
Alcohol consumption/open containers prohibited on public property Sec. 3-1	Class 1 Misdemeanor	

  
\_\_\_\_\_  
Michelle James, Town Administrator

  
\_\_\_\_\_  
Kaysie Pralle, Town Clerk

**Preliminary FY 2009-10 Budget  
Highlights  
6/12/2009**

**Fund Totals**

Management is pleased to present a preliminary balanced budget for FY 2009-10 of \$5,652,047.12.

The Total Operating Budget for General Fund and Water Fund combined is \$4,441,615.12. This total does not include grant/project funds. The Sewer Rehab Project has been approved by the American Recovery and Reinvestment Act (ARRA) and the Clean Water Management Trust Fund (CWMTF). The amount budgeted for this grant-funded project is \$1,210,432.00

<b>Totals:</b>	<b>FY2009-10</b>	<b>FY2008-09</b>
General Fund	\$2,861,403.56	\$2,801,211.00
Water Fund	\$2,482,199.04	\$1,649,317.00
Water/SERF	\$115,730.64	\$61,400.00
Powell Fund	\$55,800.00	\$75,653.00
Storm Water Fund	\$136,913.88	\$251,220.00

***Highlights General Fund***

**Benefits and Salaries**

- An 8.9 percent increase in the State Health Care Plan is included as a result in higher Town premium's passed on by the State. (This is a total of \$12,000 to the overall budget.)
- A 0 percent merit and a 0 percent cost of living (COLA) has been budgeted for all employees as directed by a consensus of Council.
- A small percent of active payroll (4.1%) has been budgeted for the State Health Care Plan to assume the Town's retirement liability as required by GASB accounting standards. This action decreases total liability to the Town and enrolls our retirees on the State Health Care Plan in perpetuity.
- There are several salaries in the finance and administration departments which are divided between Water/Sewer and the General Fund because staff work 30 percent or 50 percent of their time completing duties in General Fund and the Water Fund.
- The Town Clerk's salary is budgeted 100 percent in the General Fund.

- There are salary adjustments in each specific department for employees who are expected to gain additional duties or who are expected to be promoted within their respective department. An example is the Jr. Finance Officer. Based on an performance evaluation in June, this staff member will become eligible for the position, classification and salary proposed for the Finance Officer's position.
- Funding for a new K-9 Officer has been budgeted in the Police Department; however, there are no requests for adding any new employees in any other departments in the General Fund.
- A health fair, holiday luncheon, and the longevity program are included in the preliminary budget.

#### **Debt Service**

- The Ocean Front Park loan payment which is due in December, 2010 is to be prepaid in June, 2009 using the grant proceeds from the Natural Heritage Trust Fund, CAMA, and the federal government. Total grant proceeds are expected in June at \$1,195,000. Prepaying this loan payment of \$162,278.54 reduces the overall debt service of the Town. The rest of the grant proceeds can be used to pay down the principal of the Ocean Front Park loan.

#### **Committees & External Contributions**

- Committees are budgeted in one area of the budget, except for the Community Center which is budgeted as a separate department. A portion of the Parks & Recreation Budget is addressed in the contributions line item added to the Governing Body. Beach fertilization is budgeted in the Code Enforcement Officer's budget instead of the Beach Protection Committee's budget.
- There is a newly added contributions line item to the Governing Body budget. Parks and Recreation has been allocated \$500 for their Spring, Summer and Fall program expenses. It is budgeted here as a result of the last worker's compensation audit. The Town will need to contribute funding to Parks and Recreation unless there is a consensus to provide 1099's to all speakers and presenters who are involved in the programs. A luncheon or gift at \$15 per person has been budgeted for volunteers this year. It is also budgeted in this line item.

#### **Planning and Zoning Commission**

- Planning and Zoning/BOA has been budgeted in the Code Enforcement Officer's departmental budget now that his assistant is the secretary for BOA and P&Z.
- A decrease in legal fees for P&Z has been made as it may not be necessary for their attorney to attend all of their meetings.

#### **Election Commission**

- According to NHC, the Election expense for the Town's election is projected at \$8,520.00.

#### **Lifeguard Program**

- Lifeguards are again budgeted against the Tourism Development Authority (TDA) funds. The lifeguard budget is projected at \$142,121.66. TDA is projected at over \$151,296.64.

### **Recycling Program**

- A recycling rate increase is recommended at \$4.52. The current rate is \$2.52. A 4.1 percent increase is expected in the CPI on July 1 which will be passed on to the Town by Waste Management. You will recall that the Town absorbed the last CPI increase last November. The Town's recycling rates are lower than other coastal communities.

### **Investment Proceeds/Reserves**

- A reduction in investment proceeds has been budgeted given the market and current economy. The Town's reserves are earning interest with Capital Cash Management and with Bank of America. Total Reserves on Hand: \$1,995,329.00.

### **Beach Renourishment**

- A total of \$10,900 has been budgeted for Beach Renourishment expenses such as the Turtle Program.

### **Economic Development**

- A total of \$15,000 has been budgeted for Economic Development to continue with plans associated with the Economic Development Committee and the NCSU School of Design.

### **Garbage Service**

- Budget provides for an equitable and fair garbage rate program per can, per customer. Collection of this charge will be assessed to each customer using the water bills. It already provides billing for water/sewer and recycling charges per month.
- The program provides a flat garbage rate to service both commercial and residential customers. The residential rate is proposed at \$4.00 per can. The commercial rate is proposed at \$17.50 per can. New garbage cans remain at a cost of \$80.00 per can.

### ***Highlights Storm Water***

- A \$.9 increase is recommended to the storm water fees to both commercial and residential customers due to storm water expenses far exceeding revenues over the past years. Appropriations from the reserves have been taken in the past to balance and subsidize this fund. The Town's storm water fees are overall lower than other coastal communities.

### ***Highlights Water/Sewer***



- New revenue from Fort Fisher is projected at \$28,000. With User Fees to be projected at \$184,062.50 if Council agrees to charge them under the current ordinance. Only \$112,196.21 has been budgeted in Water/SERF Fund of the proposed \$184,062.50.
- A rate increase to commercial and residential users may be recommended. The Water Rate Study performed by the Cape Fear COG is completed. However, the preliminary budget does not include a rate increase.
- The Water Rehab Grant and Loan has been budgeted at \$1,210,432.00. Part of this grant, \$309,000, is an interest-free loan. Therefore, a \$15,000 payment to repay the loan over 20 years has been added to the Water Department's debt service.
- There are no additions to staff in the departmental budget.
- A reduction in investment proceeds has been budgeted given the market and current economy.
- A five percent increase has been budgeted for property and liability insurance.
- An 8.9 percent increase has been budgeted due to the mandatory increases with the State Health Care Plan.
- Equipment necessary to maintain this department at a very minimum has been budgeted to include a new service truck.
- There is no appropriation from reserves in this budget as directed by the LGC.

#### *Highlights Powell Fund*

- There is an 11 percent decrease in the Powell Fund as determined by the State.

# Proposed Garbage Plan & Current Collection Ordinances

## Residential

\$4.00 per month/\$48.00 per year (Actual Cost to Town is \$10.70/month)

Weekly pick up/52 weeks a year

*Currently, there are 2011 cans being used by residential customers*

## Commercial

\$17.50 per month/\$210.00 per year (Actual Cost to Town is \$33.00/month)

Weekly pick up & 5-days-a-week pick up during summer months/170 Pick Ups a Year\*

*Currently, commercial business pay an extra fee (\$200 a can)) for the 5-days-a-week pick-up*

*Currently, there are 104 cans being used by commercial businesses*

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## Current Ordinances pertaining to Garbage Collection

### ARTICLE II. COLLECTION\*

#### DIVISION 1. GENERALLY

##### Sec. 7-16. Supervision of collection.

The superintendent of the sanitation department with the approval of the town council shall supervise the collection, removal and disposition of all garbage and trash.

(Code 1973, § 11-2)

##### Sec. 7-17. Collection schedules.

The superintendent of the sanitation department with approval of the town council may arrange the schedule for the public collections of garbage and trash throughout the town. The schedule shall be on file in the town clerk's office.

(Code 1973, § 11-5)

**Cross references:** Town clerk, § 2-106.

##### Sec. 7-18. Collection routes; where containers placed for collection.

(a) Alleys will be used as routes for the collection of garbage and trash wherever the physical features of the alley are such that its use is practical for the purpose.

(b) Where collection of garbage or trash is made from the side or rear of property, containers shall be placed near the service street. Collections will be made only to the rear of interior property when such service street is provided and is usable.

(c) Where no access road or alley exists behind or beside property from which the town removes garbage and trash, containers shall be placed directly behind the curbing or three (3) feet from the edge of those paved streets having no curbing.

(d) All containers for garbage and trash shall be placed only in front of the premises served.

(Code 1973, § 11-6)

##### Sec. 7-19. Width of rights-of-way used for removal.

Any right-of-way dedicated for public use and lying to the rear or side of any building lot shall be not less than twenty (20) feet in width if such right-of-way is to serve in any capacity for the removal of garbage and trash.

(Code 1973, § 11-9)

Sec. 7-20. Removal from unimproved premises.

Garbage and trash shall not be removed from unimproved property except when such garbage and trash meets the conditions set forth in this chapter and may not be excessive

(Code 1973, § 11-10)

Secs. 7-21--7-30. Reserved.

## DIVISION 2. CONTAINERS

Sec. 7-31. Rules and regulations.

The superintendent of the sanitation department and the town council, either or both, may prepare and publish rules for the effective administration and enforcement of the provisions of this chapter. It shall be unlawful for any person to fail, neglect or refuse to comply with such rules and regulations and failure to comply shall subject such person to a fine or civil penalty as prescribed in section 1-15.

(Code 1973, § 11-3; Ord. of 5-20-03)

Sec. 7-32. Containers required.

It shall be the duty of the occupant or owner of every dwelling house, apartment house or any other structure whether residential or commercial to provide and maintain for such premises such garbage container as hereinafter required by the town for the efficient disposal of garbage and trash and such occupant or owner shall have a sufficient number of these containers to accommodate the accumulation of garbage and trash between the collection thereof by the town.

(Code 1973, § 11-4; Ord. of 6.30-89)

Sec. 7-33. Container requirement.

It shall be the duty of every occupant or owner of every dwelling house, apartment house or any other structure whether residential or commercial to provide such containers according to the specifications and requirements as approved by the superintendent of the sanitation department or they may be purchased through the town. Tight fitting covers shall be kept on refuse containers at all times except when filling or emptying same. The specifications of the containers shall be strictly adhered to so as to maintain efficient collection and maintain durability.

(Code 1973, § 11-4; Ord. of 6-30-89)

Sec. 7-34. Maintenance.

(a) Containers used for holding garbage or refuse shall be maintained in good condition. Any container that does not conform to the provisions of this chapter or that may have ragged or sharp edges or any other defect shall be promptly replaced by a proper container upon receipt of notice to that effect from the superintendent of the sanitation department.

(b) Failure to replace such nonconforming or defective container within ten (10) days shall be sufficient reason for the department to collect and dispose of such defective container and to discontinue service until compliance is effected.

(Code 1973, § 11-4)

Sec. 7-35. When containers set out for collection.

Containers for garbage and trash shall be placed in front of premises served only after sunset of the day prior to pickup and must be returned to a location adjacent to the structure which container serves by midnight of the day of pickup.

(Code 1973, § 11-7; Ord. of 5-20-03)

Sec. 7-36. Short term rentals and business.

All short term rentals for the purpose of garbage and trash pickup shall fall under the same rules and regulations as businesses served by the town.

(Code 1973, § 11-8; Ord. of 5-20-03)

**Editor's note:** An Ord. of May 20, 2003, repealed former section 7-36 in its entirety and added new provisions designated as section 7-36.1. In order to simplify the numbering of provisions the editor has redesignated the new provisions as section 7-36. Former section 7-36 pertained to the removal of containers after collection.

**Secs. 7-37--7-50. Reserved.**

#### DIVISION 4. CHARGES AND BILLING\*

Sec. 7-66. Charges.

For the service of collecting and disposing of garbage and rubbish, the owner or occupant of each premises from which garbage, rubbish and recycling, which is mandatory throughout the town, the owner or occupant of each premises from which garbage, rubbish and recycling is collected by the town shall be charged such rates as established by the town council which are on file in the town clerk's office. **Such charges shall be considered a debt owing to the town from the owner or occupant of the premises and other persons using the disposal area. No owner or occupant of a premise within the town shall be exempt from the collection and disposal service provided by the town or by individual collectors and licensees except by special permission of the town council.** All owners or occupants of premises within the town shall be subject to the service charges prescribed by the town council, and an adjustment for such charges shall be made at the discretion of the town council.

(Code 1973, § 11-2.2; Ord. of 7-17-07)

Mac Montgomery  
*Mayor*  
Dean Lambeth  
*Commissioner*  
Jim Vatr  
*Commissioner*



Jim Dugan  
*Mayor Pro Tem*  
Barry Nelder  
*Commissioner*  
Michelle James  
*Town Administrator*

## *Town of Kure Beach*

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**FOR IMMEDIATE RELEASE**  
June 17, 2009

**FOR MORE INFORMATION, CONTACT:**  
**Michelle James, Town Administrator**  
**910.458.8216**

### **Town of Kure Beach balances FY2009-10 Budget and establishes fair & equitable garbage collection program**

The Town of Kure Beach will not require a 2009-10 fiscal year tax adjustment; however, the town will impose specific service fees in order to offer a balanced \$5.6 million budget. The budget also includes a freeze on employee merit and cost of living programs.

“I have shared my concern over the issue of our town revenues lagging behind increased annual town operational costs,” said Finance Commissioner Jim Vatr. “The council will present a plan to increase revenues by imposing a service fee for garbage collection on an equitable residential collection plan.”

“The Council’s plan is to place a small monthly fee on each residential can serviced,” he continued. “Therefore, residences with multiple cans versus residences with a single can will have a more equitable share of what it costs to provide the program. Commercial garbage service costs are based on a business fee schedule.”

Because the Town has been exceptionally conservative with its spending over the years, it is not experiencing the need to furlough or cut services during this economic downturn occurring in North Carolina and across the nation. “This is a bare bones budget and it isn’t subsidized by the Town’s savings as it has been in the past two years,” explained Mayor Montgomery.

He continued, “In order to maintain the level of service expected by our property owners, this budget also calls for increases in recycling and storm water fees.”

The Town has maintained low customer fees by dipping into its savings when contractors, like Waste Management, have passed on fuel charges and other rate hikes over the past years. “The Local Government Commission (LGC) mandates that towns cover all enterprise fund expenses

with specific service fees,” explained Finance Commissioner Jim Vatr. “Although the Town is in a positive cash management position, it cannot continue to balance its budgets by borrowing from its General Fund reserves.”

He explained, “If we continue to use our savings to supplement Town services, we’ll jeopardize our ability to withstand unforeseen financial issues now and in the future.”

The state Local Government Commission, which provides financial oversight to local governments, has recently cautioned the Town about its past spending decisions regarding the use of its savings. “We have been warned that our services, such as recycling, storm water and water & sewer, should pay for themselves,” explained Vatr.

When the budget passes, recycling fees will increase in July to \$4.52 while storm water fees will increase a mere \$.09 for both commercial and residential customers. The new garbage program will charge residential customers \$4.00 per cart a month for weekly pick-up while commercial customers will be assessed a charge of \$17.50 per month, per cart for 170 pick-ups a year. The commercial plan includes the seasonal pick-ups for which businesses are currently paying extra in this current budget year.

In Carolina Beach, recycling and garbage services will cost a resident more than \$15.00. In Wrightsville Beach, garbage service costs approximately \$37.00 per cart. In July, if Council passes the budget, residents in Kure Beach will pay just over \$8.00 for recycling and garbage service.

“We continue to keep our taxes and fees at a conservative and affordable level,” said Mayor Montgomery.