



TOWN COUNCIL MINUTES

REGULAR MEETING

Monday, November 21, 2022 @ 6:00 p.m.

The Kure Beach Town Council held its regular meeting on Monday, November 21, 2022 at 6:00 p.m. The Town Attorney was present and there was a quorum of Council members present.

COUNCIL MEMBERS PRESENT

Mayor Craig Bloszinsky
MPT Allen Oliver
Commissioner John Ellen
Commissioner David Heglar
Commissioner Dennis Panicali

COUNCIL MEMBERS ABSENT

STAFF PRESENT

Police Chief – Mike Bowden
Fire Chief – Ed Kennedy
Recreation Director – Nikki Keely
Building Inspector – John Batson
Code Enforcement Officer – Bethany White
Town Clerk – Mandy Sanders
Deputy Town Clerk – Beth Chase
Public Works Director – Jimmy Mesimer
Finance Officer – Arlen Copenhaver

Mayor Bloszinsky called the meeting to order at 6:00 p.m. and Commissioner Ellen gave the invocation and Pledge of Allegiance.

APPROVAL OF CONSENT AGENDA ITEMS

1. Approve Budget Amendment 23-01 to revise the American Rescue Plan Grant Project Fund to reflect the Town's election of the standard allowance for the provision of government services in the Water and Sewer Fund
2. Approve application for TDA funding totaling \$19,380 for Pleasure Island Chamber of Commerce Free Summer Concerts and Cape Fear Kite Festival
3. Approve the Town of Kure Beach Safety Policy
4. Appoint William Reynolds to the Bike/Ped Committee as a Full Member
5. Approve the Proposed 2023 Ocean Front Park Program Schedule
6. Minutes:
 - October 24, 2022

MOTION- Commissioner Heglar approve the Consent agenda as presented

SECOND- MPT Oliver

VOTE- Unanimous



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ADOPTION OF THE AGENDA

MOTION- Commissioner Heglar made a motion to add a Closed Session per (GS 143-318.11(a)(3) for Attorney Client Privilege and approve the agenda as amended

SECOND- MPT Oliver

VOTE- Unanimous

PUBLIC COMMENTS

PRESENTATIONS

1. Bernard Robinson & Co., Victor Blackburn, presentation of FY 2021-2022 audit

Victor Blackburn with Bernard Robinson & Co., Victor Blackburn gave a presentation hereby incorporated into the minutes.

DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

Bike/Ped Committee

Increase Committee from 7 Full Members to 9 Full Members

Chairperson Linquist stated:

- Thank you for appointing William Reynolds to the Committee as a new member
- October was a busy month for the Committee as members spent the month creating the strategic plan that is included in the agenda packet
- The Committee appointed Eline Clute as Vice Chair of the Committee
- Moving forward with Fort Fisher and K Avenue Crosswalk with NCDOT grant funds installing crosswalks
- The Committee attended the Bike/Walk NC this month and the connections made with East Coast Greenway, NCDOT, AARP and other agencies was invaluable
- The next Committee meeting is Monday, December 5, 2022 and will have a presentation by AARP on crosswalks and creating a high livability community with walk ability and bike ability
- The Committee is requesting Councils approve the addition of adding two new members to the Committee making the Committee 9 full members



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MOTION- Commissioner Ellen made a motion to increase the Bike/Ped Committee from 7 full members to 9 full members

SECOND- MPT Oliver

VOTE- Unanimous

Planning & Zoning Commission

- Proposed Text Amendment Application to KBC 15.36.070 Location of Accessory Buildings on Residential Lots & 15.36.010 Control of Yards/Setbacks

Chairman Galbraith commented:

- Proposed text application received for KBC 15.36.070 Location of Accessory Buildings on Residential Lots
- A text amendment applies to all of Kure Beach not just the individual applicant who is applying
- The Commission had a lively discussion and PZC's general feeling was if this amendment were recommended there would need to be strict regulations regarding height requirements etc.
- The other position which PZC is recommending is not approving the text amendment as it applies to all of Kure Beach

Building Inspector Batson stated the Building Inspections Department get these requests often to allow sheds in the setback. The Department does not have an opinion on it but if approved has certain restrictions the Department would suggest Town Council to consider.

MOTION- Commissioner Heglar made a motion to deny the proposed text amendment to 15.36.070 Location of Accessory Buildings on Residential Lots & 15.36.010 Control of Yards/Setbacks

SECOND- Commissioner Ellen

VOTE- Unanimous

MOTION- Commissioner Heglar made a motion to adopt the consistency statement to 15.36.070 Location of Accessory Buildings on Residential Lots & 15.36.010 Control of Yards/Setbacks to deny the application

SECOND- MPT Oliver

VOTE- Unanimous



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REGULAR MEETING

Monday, November 21, 2022 @ 6:00 p.m.

- Interview Connie Mearkle for the Planning & Zoning Alternate Member and the Historic Preservation Full Member

Commissioner Panicali commented he was present for the PZC interview and thinks she is highly qualified.

Commissioner Heglar commented he has served on the Stormwater Committee with her for the last two years so supports it. He also liked she served on the Board of Adjustment before.

Mayor Bloszinsky stated he does not have any questions.

MPT Oliver commented he appreciates Connie Mearkle's willingness to serve.

Commissioner Ellen stated he fully supports her being on Planning & Zoning Commission.

MOTION- Commissioner Heglar made a motion to approve Connie Mearkle as the Planning & Zoning alternate member and the Historic Preservation full member

SECOND- Commissioner Ellen

VOTE- Unanimous

DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

1. Administration

- Appointment of Cape Fear Council of Government (CFCOG) Alternate Member

Town Clerk Sanders commented the Cape Fear Council of Government has requested the Town Council appoint an alternate member.

MOTION- Commissioner Heglar made a motion to appoint Commissioner Ellen as the Cape Fear Council of Government (CFCOG) Alternate Member

SECOND- MPT Oliver

VOTE- Unanimous

2. Building Inspections Department

- Proposed Text Amendment to KBC 15.36.140 Roof Pitch

Building Inspector Batson commented:

- This is an issue that was brought to his attention and he brought it to Town Council a few months ago regarding roof pitch



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- This ordinance was put into effect in 2008 to discourage big boxy looking duplexes or flat roof structures in Kure Beach
- The past several years the Town has been doing significant updates to the Town ordinances due to the legislation update of 160D and this ordinance was missed
- Part of the 160D regulation prohibits municipalities from prohibiting design elements
- It is not legal for the Town to have this ordinance in effect so PZC has reviewed and the recommendation is to delete the ordinance
- He would also like to let Town Council know Code Enforcement White passed the exam and is now a certified Flood Plan Manager for the State of NC

Attorney Eldridge commented there is discussion if it is prohibited design element or a safety feature.

MPT Oliver commented what data does the Town have on what other coastal communities are doing?

Wes Macleod with the Cape Fear Council of Government stated for one and two single family structures local government would not have this in their ordinance.

Commissioner Ellen asked can HOAs dictate?

Wes Macleod commented yes but local government cannot.

MOTION- Commissioner Heglar made a motion to approve Proposed Text Amendment to KBC 15.36.140 Roof Pitch

SECOND- Commissioner Ellen

VOTE- Unanimous

MOTION- Commissioner Heglar made a motion to approve the Zoning Consistency Statement Proposed Text Amendment to KBC 15.36.140 Roof Pitch consistent with the proposed text amendment

SECOND- Commissioner Ellen

VOTE- Unanimous

3. Public Works Department

Commissioner Heglar commented Public Works Director has a request to do the painting on Settlers Lane. If Town Council approves the Public Works Director will let the contractor know.

MPT Oliver commented he has no problem with the contractor painting this week.



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CONSENSUS- Town Council approved Public Works Director to do the paving on Settlers Lane this week

4. Recreation Department:

Recreation Director Keely stated the Town has held the first Holiday market and it was an successful event. The Department is currently having a Toys for Tots drive at Town Hall in the lobby. The Department will also be holding a food drive starting November 30th through December 17th. The house decorating contest is now open for residents to nominate their houses.

DISCUSSION AND CONSIDERATION OF OLD BUSINESS

1. Continued Discussion of the Emergency Operations Plan

Commissioner Heglar commented the Town received one comment from a Citizen he will incorporate into the plan and will also incorporate Staff suggestions and will bring forward the final plan to the December Town Council Meeting.

2. Approval and Adoption of the Kure Beach 2022 Land Use Plan

MOTION- MPT Oliver made a motion to Approve Resolution R22-12 adopting the Kure Beach 2022 Comprehensive Land Use Plan

SECOND- Commissioner Ellen

VOTE- Unanimous

MOTION- MPT Oliver made a motion to approve the Ordinance adopting the Kure Beach 2022 Comprehensive Land Use Plan

SECOND- Commissioner Panicali

VOTE- Unanimous

3. Proposed Text Amendment to KBC 13.14.020.R Restoration of Beach

Commissioner Panicali commented based on discussion from the last Town Council meeting he worked with the Town Attorney to draft the proposed text amendment included in the agenda packet. He fully supports the proposed amendment.

MOTION- Commissioner Panicali made a motion to approve KBC 13.14.020.R Restoration of Beach

SECOND- Commissioner Heglar

VOTE- Unanimous



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DISCUSSION AND CONSIDERATION OF NEW BUSINESS

1. Discussion of Carolina Beach Parking Proposal

Mayor Bloszinsky commented there is an offer from Carolina Beach to allow each other's community to participate in the other municipality parking program. Kure Beach residents would be allowed to purchase a Carolina Beach parking pass at the rate of \$40.00 for the whole parking season. Carolina Beach residents would be allowed to purchase the Kure Beach pass at the rate of \$20.00. There may need to be some limitations regarding the number of passes each resident may purchase.

Commissioner Heglar commented his only concern is the number of passes residents can purchase. He is in favor of the program but need to work out the details.

Carolina Beach Mayor Barbee commented the idea was that each Town would limit their program however the Town sees fit.

MOTION- Commissioner Heglar made a motion to give authority to Mayor Bloszinsky to work with Premium Parking and Carolina Beach to create a reciprocal agreement on Parking Passes that meets both Towns needs

SECOND- MPT Oliver

VOTE- Unanimous

MAYOR UPDATES

COMMISSIONER ITEMS

- Update on NCBIWA

MPT Oliver stated Commissioner Ellen and himself attended the NCBIWA meeting. The NC Port has received funding and authorization to do an environmental study to deepen the navigation channel from 42 feet to 47 feet and will take about 4 years to complete. He would like with Town Council permission to reach out to the Port to share the Towns desire to be part of this process.

CLOSED SESSION

MOTION- Commissioner Ellen made a motion to go into Closed Session per (GS 143-318.11(a)(3) for Attorney Client Privilege at 7:31 p.m.

SECOND- Commissioner Panicali

VOTE- Unanimous



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Monday, November 21, 2022 @ 6:00 p.m.

MOTION- Commissioner Ellen made a motion to return to open session 8:35 p.m.

SECOND- Commissioner Heglar

VOTE- Unanimous

MOTION- MPT Oliver made a motion to adjourn the meeting at 8:36 p.m.

SECOND- Commissioner Heglar

VOTE- Unanimous

A handwritten signature in cursive script that reads "Mandy Sanders".

ATTEST: Mandy Sanders, Town Clerk

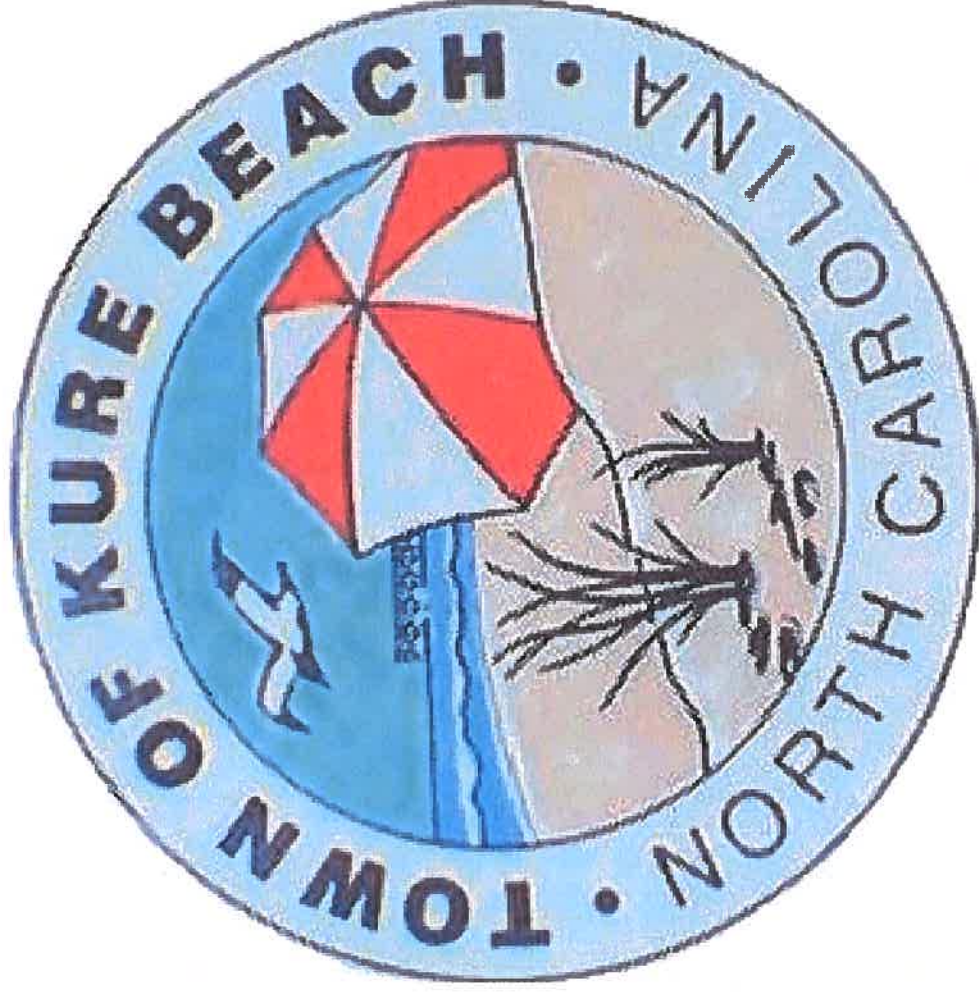
A handwritten signature in cursive script that reads "Craig Bloszinsky".

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>agendas&minutes

**FINANCIAL
HIGHLIGHTS
AUDIT
PERFORMED BY
BERNARD
ROBINSON &
COMPANY, L.L.P.**

**AS OF
JUNE 30, 2022**



**REQUIREMENTS
UNDER NORTH
CAROLINA
ADMINISTRATIVE
CODE**

FOR AUDITORS

- Report Financial Performance Indicators to the governing board.
- Notify the governing board to submit a response to the LGC if there are Financial Performance Indicators of Concern or if the audited financial statements included one or more significant deficiencies, material weaknesses or other findings.

**REQUIREMENTS
UNDER NORTH
CAROLINA
ADMINISTRATIVE
CODE**

FOR GOVERNING BODIES

- Submit a response to the LGC if there are Financial Performance Indicators of Concern or if the audited financial statements included one or more significant deficiencies, material weaknesses or other findings.

AUDIT OPINION, SIGNIFICANT DEFICIENCIES, MATERIAL WEAKNESSES OR OTHER FINDINGS

AUDIT OPINION

Based on the audit, the basic financial statements present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, and each major fund of the Town of Kure Beach as of June 30, 2022, the respective changes in financial position and cash flows and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

SIGNIFICANT DEFICIENCIES, MATERIAL WEAKNESSES OR OTHER FINDINGS

During the audit, no significant deficiencies, material weaknesses or other findings were identified.

FINANCIAL PERFORMANCE INDICATORS

GENERAL FUND

Fund Balance Available (FBA)

- FBA is an important reserve for local governments to provide cash flow during periods of declining revenues and to be used for emergencies and unforeseen expenditures.
- The calculation looks at fund balance available less Powell Bill. This number is then divided by the total expenditures.

FINANCIAL PERFORMANCE INDICATORS

GENERAL FUND

Fund Balance Available (FBA)

For municipalities with General Fund expenditures between \$1,000,000 and \$9,999,999:

Median FBA as a % of Expenditures	Minimum Thresholds FBA as a % of Expenditures	No. of Months FBA Using Annualized Expenditures	Kure Beach FBA as a % of Expenditures	Kure Beach No. of Months FBA Using Annualized Expenditures
63%	34%	4.08	91.5%	10.98

Fiscal Year	Kure Beach FBA as a % of Expenditures
2020	77.8%
2021	92.6%
2022	91.5%

FINANCIAL PERFORMANCE INDICATORS

WATER & SEWER FUND

Quick Ratio

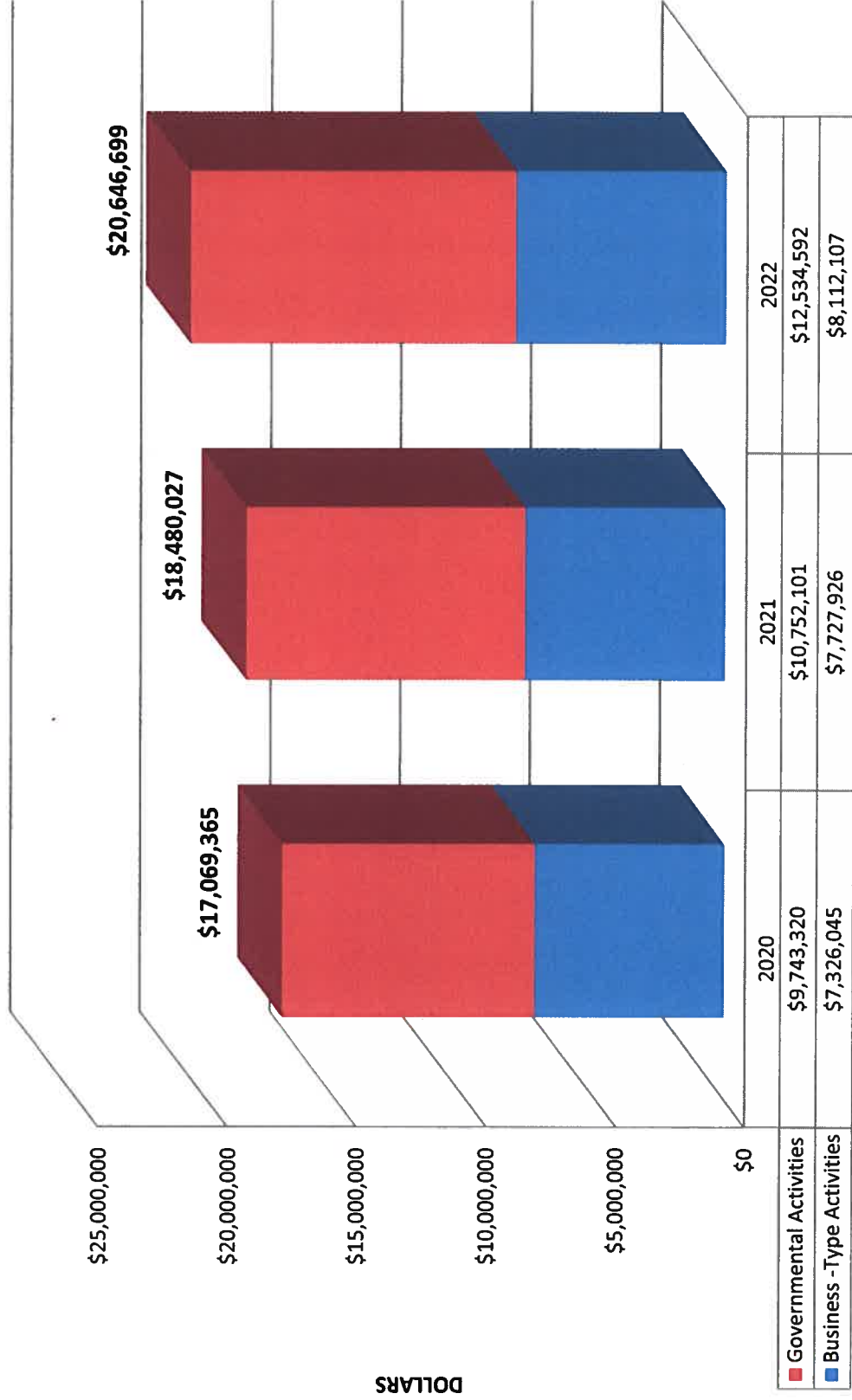
- Quick Ratio is a measure of short-term liquidity (the utility's ability to pay its current bills).
- It may be calculated as the ratio of unrestricted current assets to current liabilities.
- The industry accepted minimum benchmark for this ratio is 1, although utilities should strive to achieve a higher ratio for financial security.

FINANCIAL PERFORMANCE INDICATORS

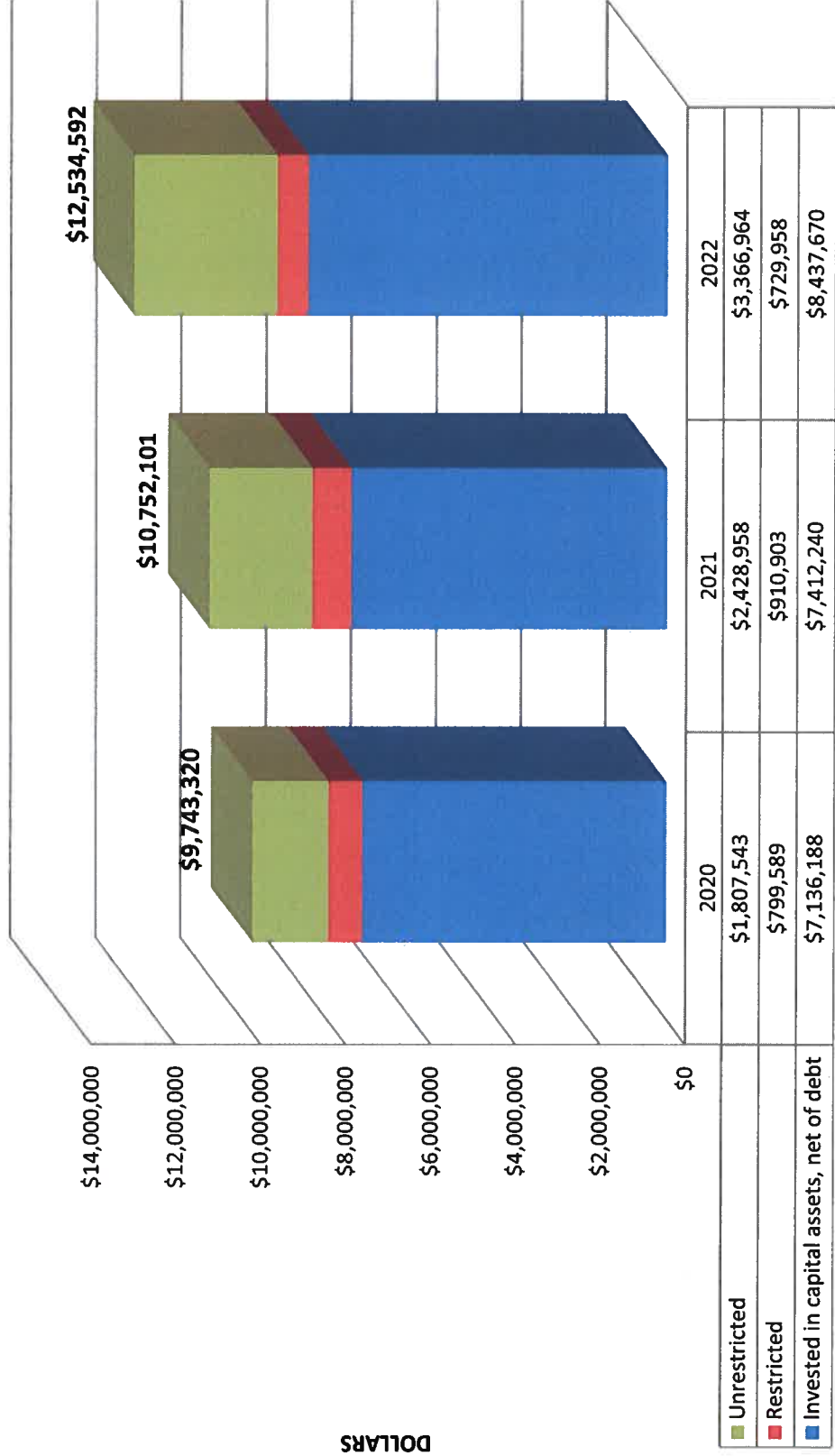
WATER & SEWER FUND

	Minimum Threshold	Kure Beach FY 2020	Kure Beach FY 2021	Kure Beach FY 2022
Quick Ratio	Equal to or Greater Than 1	6.12	6.44	5.11
Operating Net Income (Loss) Excluding Depreciation & Debt Service Principal	Greater Than Zero	\$233,698	\$289,869	\$399,283
Unrestricted Cash / Total Expenses Less Depreciation & Debt Service Principal	Greater Than 16%	126.3%	129.6%	158.8%

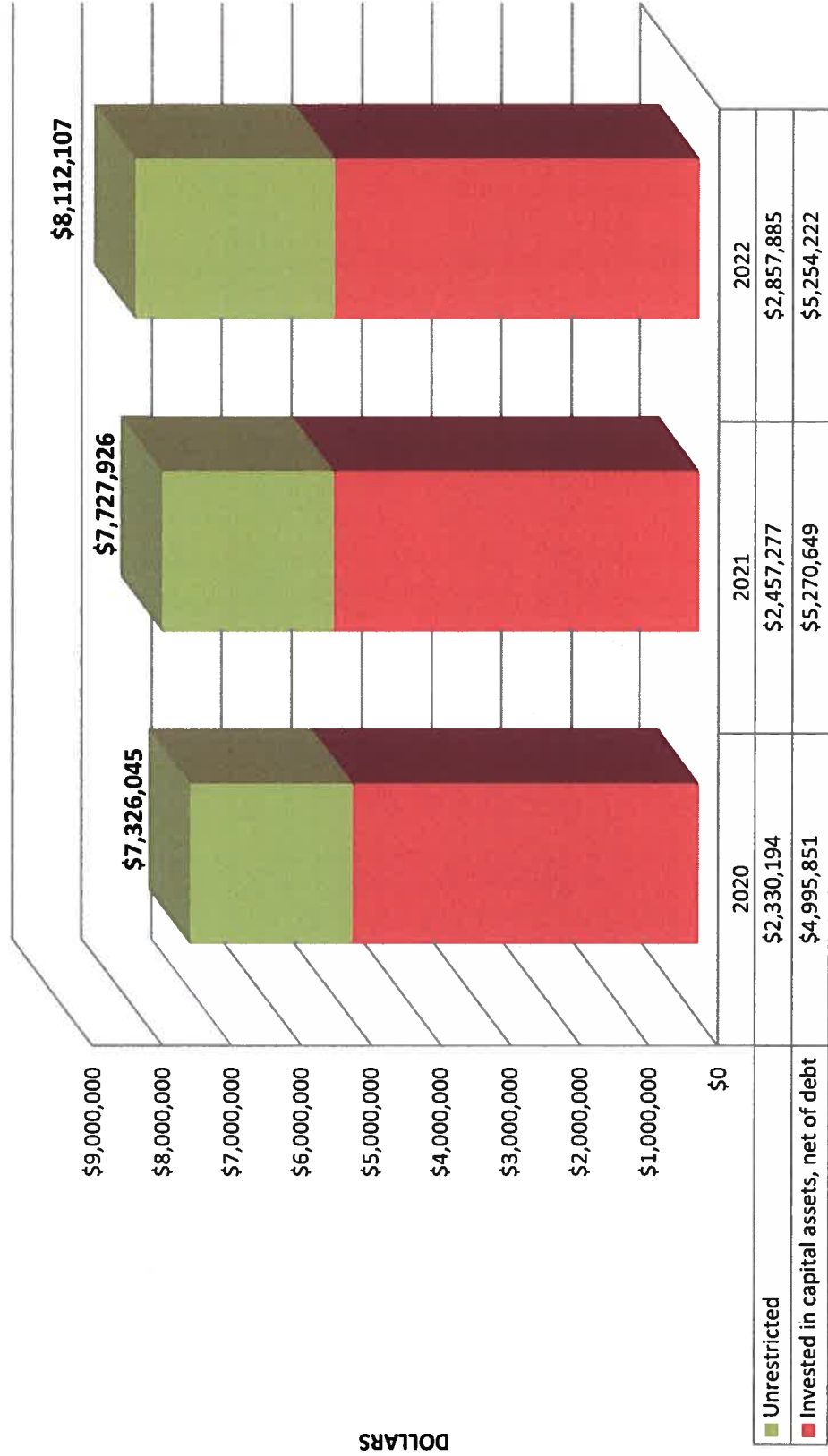
TOWN OF KURE BEACH TOTAL NET POSITION



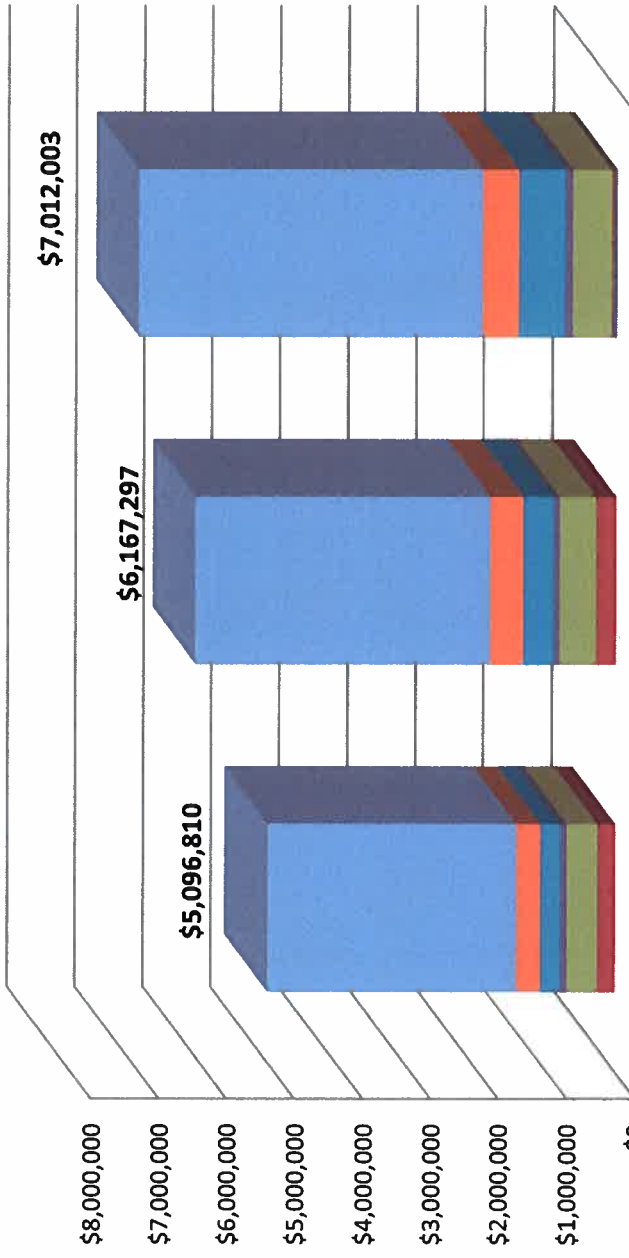
TOWN OF KURE BEACH GOVERNMENTAL ACTIVITIES NET POSITION



TOWN OF KURE BEACH BUSINESS-TYPE ACTIVITIES NET POSITION



**TOWN OF KURE BEACH
GOVERNMENTAL FUNDS
(General, Powell, Storm Water, Forfeiture, Beach Protection, Capital Projects)
FUND BALANCE**



	2020	2021	2022
Unassigned	\$3,655,801	\$4,335,032	\$5,053,050
Assigned - Beach Protection	\$351,597	\$481,020	\$531,977
Assigned - Storm Water	\$289,823	\$440,342	\$667,545
Restricted - Federal Asset Forfeitures	\$89,269	\$86,104	\$111,272
Restricted - State Statute	\$455,060	\$539,341	\$580,548
Restricted - Streets	\$255,260	\$285,458	\$38,138
Non-Spendable - Leases	\$0	\$0	\$29,473

DOLLARS

TOWN OF KURE BEACH
GOVERNMENTAL FUND BALANCE
(includes General, Storm Water, Powell, Beach Protection & Federal Asset Forfeiture)
June 30, 2022

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE – POSITIVE/ (NEGATIVE)
Total Revenue	\$7,071,739	\$7,800,428	\$728,689
Total Expenditures	<u>\$7,942,011</u>	<u>\$7,174,720</u>	<u>\$767,291</u>
Revenues over (under) expenditures	(\$870,272)	\$625,708	\$1,495,980
Other Financing Sources (Uses) & Transfers	\$581,000	\$219,000	(\$362,000)
Fund Balance Appropriation	<u>\$289,272</u>	<u>\$0</u>	<u>(\$289,272)</u>
Net Change in Fund Balance	<u>\$0</u>	\$844,708	<u>\$844,708</u>
Fund Balance, beginning		<u>\$6,167,295</u>	
Fund Balance, ending		<u>\$7,012,003</u>	

**TOWN OF KURE BEACH
WATER AND SEWER FUND (including SERF)
REVENUES, EXPENSES AND NET POSITION
JUNE 30, 2022**

	ACTUAL AMOUNTS
Total Operating Revenues	\$2,442,991
Total Operating Expenses	<u>\$2,009,479</u>
Operating Income	\$433,512
Total Non-Operating Revenue/(Expense)	<u>(\$49,330)</u>
Change in Net Position	\$384,182
Total Net Position, Beginning	\$7,727,925
Total Net Position, Ending	<u>\$8,112,107</u>