



TOWN COUNCIL MINUTES

REGULAR MEETING

Monday, November 20, 2023 @ 6:00 p.m.

The Kure Beach Town Council held its regular meeting on Monday, November 20, 2023 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
Director of Recreation & Events – Nikki Keely
Director of Development and Compliance – John Batson
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. Accept the resignation of Tony Garibay from the Planning & Zoning Commission
2. Accept Tim Wright resignation from the Stormwater Oversight Committee and approve Glenn Peddle appointment to the Committee
3. Approve the Capital Project Budget Ordinance for the Fort Fisher Boulevard and K Avenue Intersection Improvement Project
4. Approve Budget Amendment 24-02 to reclassify \$46,964 from the Fire Dept. Capital Outlay budget line to the Fire Dept. Minor Equipment budget line
5. Approve Closing K Avenue east of Fort Fisher Boulevard and Atlantic Avenue between K and L Avenues to vehicle traffic from the early morning hours on Sunday, December 31, 2023 through the early morning hours on Monday, January 1, 2024, Authorize the closure of the beach strand, boardwalk, and Atlantic Avenue as needed to establish the required safety zone around the fireworks launch site Authorize Island of Lights and up to two food trucks to vend within the event area during event hours, Waive the Special Event Fees associated with this event due to the non-profit status of Island of Lights
6. Close K Avenue east of Fort Fisher Boulevard and Atlantic Avenue between K and L Avenue to vehicle traffic from the early morning hours through 5 p.m. on Saturday, February 17, 2024, Allow for a 5K race to be held on Kure Beach streets in conjunction with the event and authorize the Police Department to close any additional streets along



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the race route deemed necessary to ensure participant safety during the race (Example: Atlantic Avenue between L and N Avenues), Authorize up to 3 food trucks and other vendor booths to operate within the event area during the event hours, Waive the Special Event fees associated with this event due to the non-profit status of Special Olympics New Hanover County

7. Minutes:

- October 16, 2023 Regular
- October 16, 2023 Closed
- October 18, 2023 Special

MOTION- Commissioner Heglar made a motion to approve the consent agenda as presented

SECOND- Commissioner Ellen

VOTE- Unanimous

ADOPTION OF THE AGENDA

MOTION- Commissioner Heglar made a motion to adopt the agenda as presented

SECOND- MPT Oliver

VOTE- Unanimous

PUBLIC COMMENTS

Joe Barlok resident at 314 H Avenue stated he is here to speak regarding the new Public Works Building that is proposed on the corner of 4th and H Avenue where he currently lives. He has been following the process and reviewed the renderings in the package. He is very pleased with the plans and thank you to the staff who worked on the project.

Howard Ames resident at 313 Atlantic Avenue commented he is here tonight regarding the statement under the Public Comment section on the agenda. He is referring to the section "Written and emailed comments will not be read at the meeting and will be included with the minutes of the meeting." He never heard this discussed at a Council meeting and does not think it would have been discussed in closed session so it would be interesting to know how it even got there. Town Council says it wants the citizens informed, involved and engaged yet you state policies such as this. Residents listen to the audio of the meetings to learn about the government and local government and now Council has taken this away. His solution is limit the readings of emails to 5 random emails with limited time of 3 minutes and the rest could be added to the minutes.



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PRESENTATIONS

1. Bernard Robinson & Co., Victor Blackburn, presentation of FY 2022-2023 audit

Victor Blackburn gave the presentation on the FY 2022-2023 audit that is hereby incorporated into the minutes.

DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

1. Bike/Ped Advisory Committee

Chairperson Linquist commented the Committee attended the Holiday market and the Recreation Department knocked it out of the park on Saturday. It was the best market so far. The Committee would like to also thank Mayor Bloszinsky for all he has done to create safety for Bicyclists, Pedestrians and all travelers in our Town. The Bike/Ped Committee wishes Mayor Bloszinsky safe travels.

2. Stormwater Committee

Vice Chair Stewart stated after a lot of discussion and a motion made by Michael Davenport it is the recommendation of the Stormwater Committee that the Town Council permanently suspends the proposed plan to place a stormwater drain along the westside of Settlers lane in the Town of Kure Beach.

DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

None.

DISCUSSION AND CONSIDERATION OF OLD BUSINESS

1. Reschedule the Planning & Zoning Commission Legislative Hearings to January Town Council Meetings

Town Clerk Chase stated the Legislative Hearings were suppose to be held tonight but she spoke with PZC Chairman Ashbridge to move these hearings to January due to the reception being held tonight in Mayor Bloszinsky honor.

MOTION- Commissioner Heglar made a motion to schedule the Legislative Hearings to the January Town Council meeting

SECOND- Commissioner Panicali

VOTE- Unanimous



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2. Consideration and action on the Stormwater project behind the homes on Settlers Lane

Commissioner Heglar stated at the last meeting this was discussed. The Town had worked to get easements from MOTSU. The HOA president reached out members of the HOA and the survey was sent last month to Town Council regarding the project. The cost of the project was estimated 2 years ago at \$200,000 and the updated estimate received last week is \$741,000 for the project which \$130,000 is the required fence from MOTSU. MPT Oliver stated last meeting that residents may not know about Town Council taking action on this so tabled the item to tonight.

MPT Oliver stated he is torn about this project as Town Council promised citizens in that 300 block the Town would do something to correct this problem and have spent Town money at almost \$40,000 bringing in engineers and worked with MOTSU. He has a problem going back on Town Council word but he is also torn at the cost of the project. He wishes he had known Beachwalk was opposed of the project at the beginning of the project.

Commissioner Heglar stated citizens change their mind and Council received more information about the project. He agrees he hates the Town spent \$40,000 but the Town can recognize it and not spend more money on the project.

Resident Bill Mahn at 305 Settlers Lane commented he has had the water issue for the past 6 years and there are 2-3 weeks in the summer where he can not step foot into his yard. He is not in favor of a fence and agrees that the cost of the project is too much. He just wishes Council would give him a simple solution to the project. He does not want Council to install the fence or spend the funds on this project.

Commissioner Heglar commented any project the Town does in the future will require a fence on MOTSU property.

MOTION- Commissioner Heglar made a motion to stop the current proposed pipe project behind Settlers Lane and investigate other options

SECOND- Commissioner Panicali

VOTE- Unanimous

3. Consideration of and Action on Proposed Fiscal Sponsorship Agreement with Ocean Dunes HOA

Attorney Eldridge stated in October Town Council approved the resolution in support of the partnership with Ocean Dunes HOA in applying for grant funding to underwrite the planning process for the erosion problem Ocean Dunes is facing. At this time the HOA proposed an MOU that Town Council has in front of them. The HOA is responsible for submitting the letter of



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intent and will allow the Town to review before it is submitted. The MOU has the Town to decide on accepting or declining the grant.

MOTION- Commissioner Heglar made a motion to approve the Proposed Fiscal Sponsorship Agreement with Ocean Dunes HOA

SECOND- MPT Oliver

VOTE- Unanimous

DISCUSSION AND CONSIDERATION OF NEW BUSINESS

1. Consideration and approval on the Public Works Building

MPT Oliver stated for several months staff has been working with the engineer and construction group to provide a set of floor plans. He wanted to provide the copy to citizens to review.

Commissioner Heglar stated the goal is to go out for bids in January. Town Council will need to approve HUB goals for recruiting in December.

MOTON- MPT Oliver made a motion to authorize moving forward with the construction documents and working with the Town Attorney

SECOND- Commissioner Heglar

VOTE- Unanimous

2. Reschedule the December 18, 2023 Town Council Meeting

MOTON- Commissioner Heglar made a motion to reschedule the December Town Council meeting to Thursday, December 14, 2023

SECOND- Commissioner Panicali

VOTE- Unanimous

3. Schedule a Legislative Hearing for the Beach Management Plan

MOTON- Commissioner Heglar made a motion to schedule the Legislative Hearing for the Beach Management Plan on Friday, December 15, 2023 at 2:00 p.m.

SECOND- Commissioner Panicali

VOTE- Unanimous

MAYOR UPDATES

None.

COMMISSIONER ITEMS



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None.

ADJOURNMENT

MOTION- Commissioner Heglar made a motion to adjourn the meeting at 6:51 p.m.

SECOND- Commissioner Panicali

VOTE- Unanimous

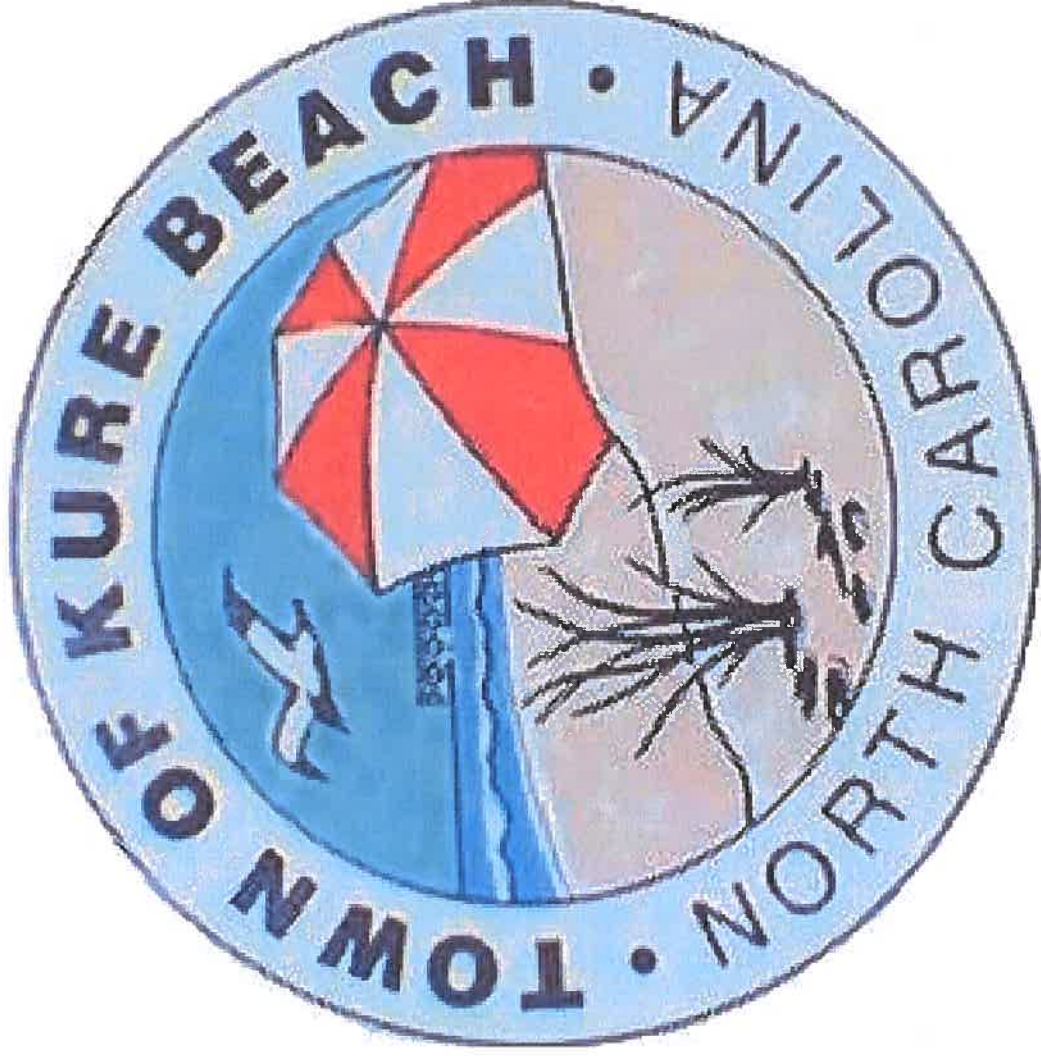
A handwritten signature in black ink that reads "Beth Chase".

ATTEST: Beth Chase, Town Clerk

A handwritten signature in black ink 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, 2023**

**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, 2023, 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	85.2%	10.22

Fiscal Year	Kure Beach FBA as a % of Expenditures
2021	92.6%
2022	91.5%
2023	85.2%

FINANCIAL PERFORMANCE INDICATORS

WATER & SEWER FUND

Quick Ratio

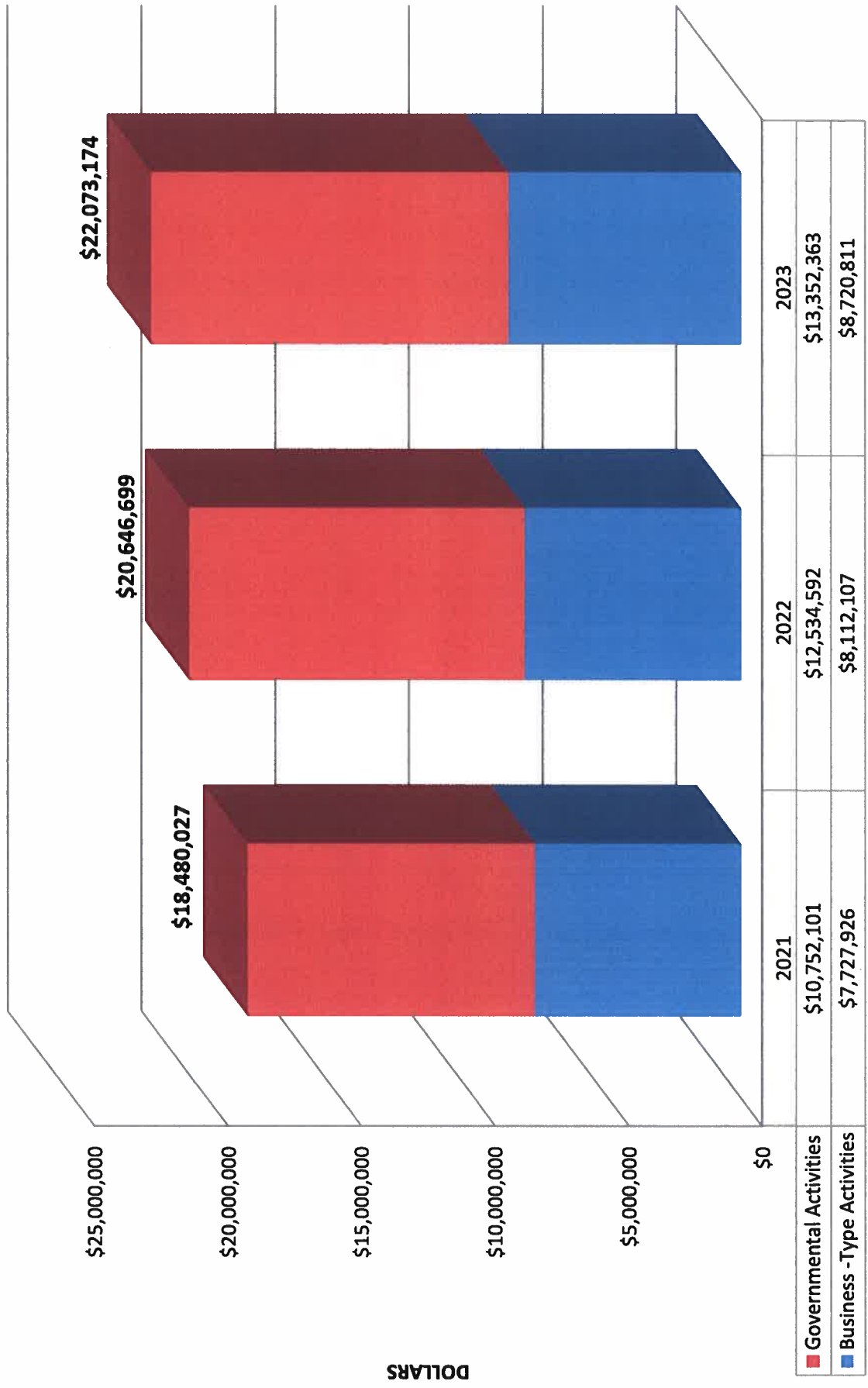
- Quick Ratio is a measure of short-term liquidity (the utility's ability to pay its current bills).
- It may be calculated as the ratio of unrestricted current assets to current liabilities.
- The industry accepted minimum benchmark for this ratio is 1, although utilities should strive to achieve a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

FINANCIAL PERFORMANCE INDICATORS

WATER & SEWER FUND

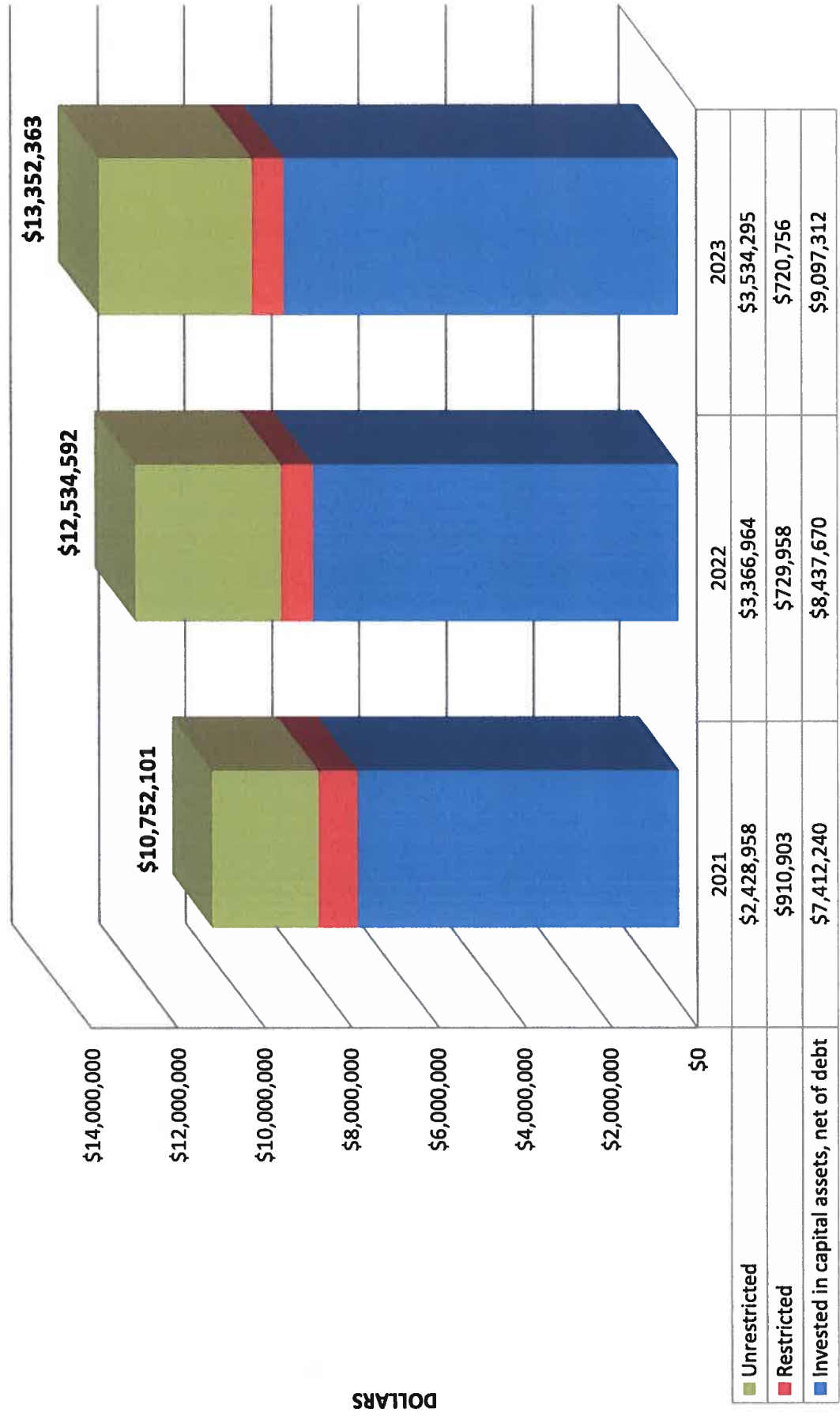
	Minimum Threshold	Kure Beach FY 2021	Kure Beach FY 2022	Kure Beach FY 2023
Quick Ratio	Equal to or Greater Than 1	6.44	5.11	8.33
Operating Net Income (Loss) Excluding Depreciation & Debt Service Principal	Greater Than Zero	\$289,869	\$399,283	\$348,928
Unrestricted Cash / Total Expenses Less Depreciation & Debt Service Principal	Greater Than 16%	133.3%	162.8%	186.5%

TOWN OF KURE BEACH TOTAL NET POSITION

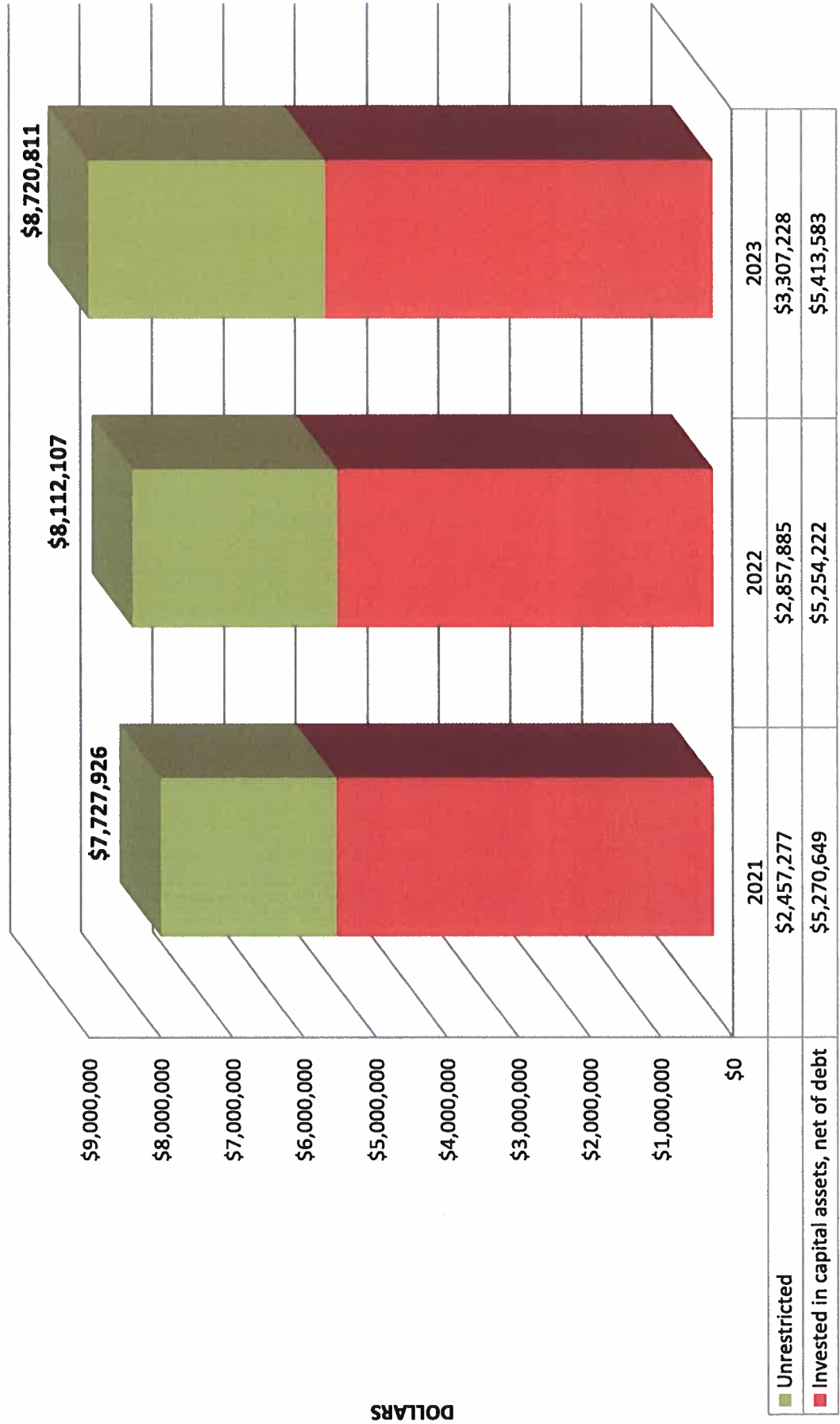


DOLLARS

TOWN OF KURE BEACH GOVERNMENTAL ACTIVITIES NET POSITION

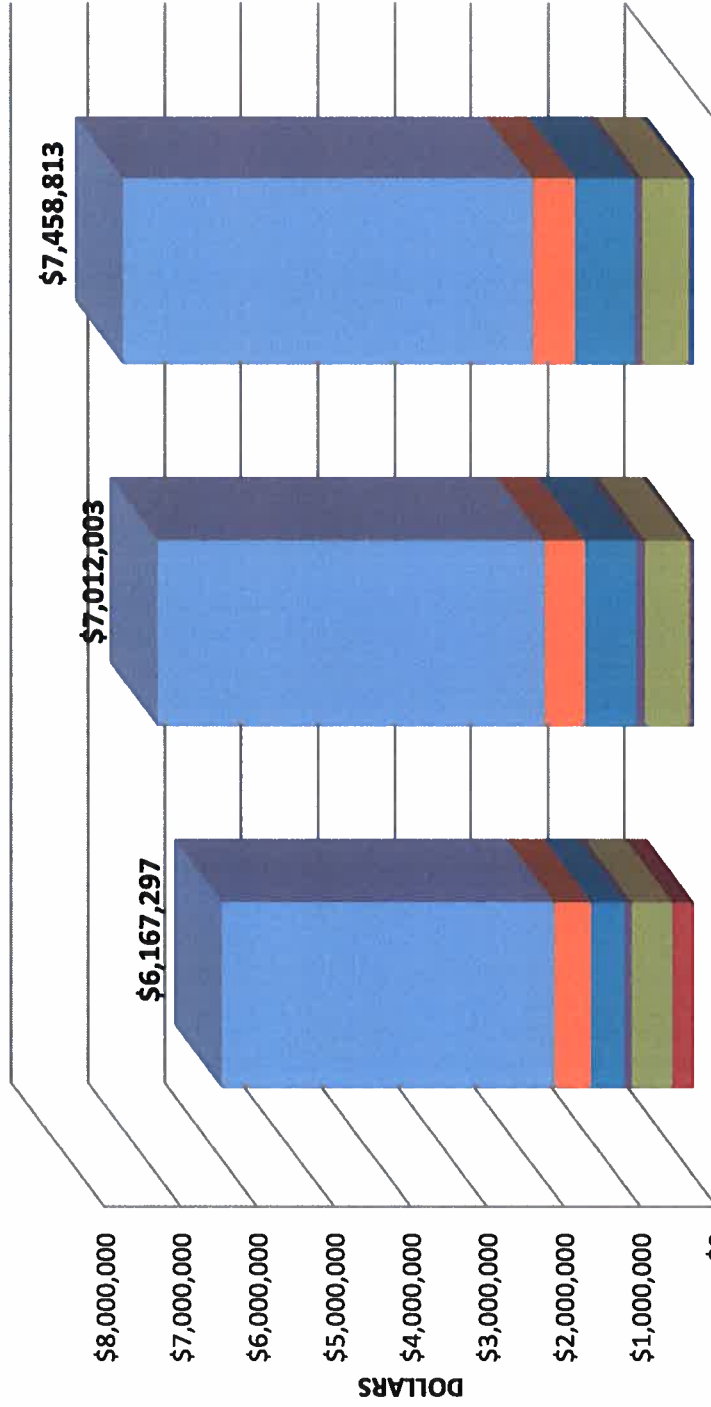


TOWN OF KURE BEACH BUSINESS-TYPE ACTIVITIES NET POSITION



DOLLARS

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



	2021	2022	2023
Unassigned	\$4,335,032	\$5,053,050	\$5,351,310
Assigned - Beach Protection	\$481,020	\$531,977	\$548,046
Assigned - Storm Water	\$440,342	\$667,545	\$780,664
Restricted - Federal Asset Forfeitures	\$86,104	\$111,272	\$92,327
Restricted - State Statute	\$539,341	\$580,548	\$611,675
Restricted - Streets	\$285,458	\$38,138	\$16,754
Non-Spendable - Leases	\$0	\$29,473	\$58,037

**TOWN OF KURE BEACH
GOVERNMENTAL FUND BALANCE
(includes General, Storm Water, Powell, Beach Protection & Federal Asset Forfeiture)
June 30, 2023**

	FINAL BUDGET	ACTUAL AMOUNTS	VARIANCE – POSITIVE/ (NEGATIVE)
Total Revenue	\$8,607,431	\$8,399,355	(\$208,076)
Total Expenditures	<u>\$9,447,174</u>	<u>\$8,430,069</u>	<u>\$1,017,105</u>
Revenues over (under) expenditures	(\$839,743)	(\$30,714)	\$809,029
Other Financing Sources (Uses) & Transfers	\$489,063	\$477,524	(\$11,539)
Fund Balance Appropriation	<u>\$350,680</u>	<u>\$0</u>	<u>(\$350,680)</u>
Net Change in Fund Balance	<u>\$0</u>	\$446,810	<u>\$446,810</u>
Fund Balance, beginning		<u>\$7,012,003</u>	
Fund Balance, ending		<u>\$7,458,813</u>	

**TOWN OF KURE BEACH
WATER AND SEWER FUND (including SERF)
REVENUES, EXPENSES AND NET POSITION
JUNE 30, 2023**

	ACTUAL AMOUNTS
Total Operating Revenues	\$2,402,554
Total Operating Expenses	<u>\$2,107,041</u>
Operating Income	\$295,513
Total Non-Operating Revenue/(Expense)	(\$8,740)
Transfers In (from American Rescue Plan)	<u>\$321,931</u>
Change in Net Position	\$608,704
Total Net Position, Beginning	\$8,112,107
Total Net Position, Ending	<u>\$8,720,811</u>