



# TOWN COUNCIL MINUTES

## REGULAR MEETING

April 21, 2015

The Kure Beach Town Council held their regular meeting on Tuesday, April 21, 2015 at 6:30 p.m. The Town Attorney was present and there was a quorum of Council present.

### COUNCIL MEMBERS PRESENT

Mayor Dean Lambeth  
Commissioner Emilie Swearingen  
Commissioner David Heglar  
Commissioner Steve Pagley

### COUNCIL MEMBERS ABSENT

Mayor Pro Tem Craig Bloszinsky

### STAFF PRESENT

Finance Officer – Arlen Copenhaver  
Town Clerk – Nancy Avery  
Deputy Town Clerk – Nancy Hewitt

### CALL TO ORDER AND WELCOME

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

### VOTE TO EXCUSE MAYOR PRO TEM BLOSZINSKY FROM THE MEETING

MOTION – Commissioner Heglar made the motion to excuse Mayor Pro Tem Bloszinsky from the Council meeting.

SECOND – Commissioner Pagley

VOTE – Unanimous

### APPROVAL OF CONSENT AGENDA ITEMS

1. Appoint Anne Brodsky as a member on the Board of Adjustment
2. Approve contract with the auditing firm of Bernard Robinson and Company, LLP in the amount of \$16,400 for FY14-15
3. Building Inspections Report – March 2015
4. Fire Department Report – March 2015
5. YTD Finance Report
6. Approve Meeting Minutes:
  - March 23, 2015 regular
  - March 23, 2015 closed session

MOTION – Commissioner Swearingen made the motion to approve the Consent Agenda Items, as presented.

SECOND – Commissioner Heglar

VOTE – Unanimous

Said contract is herein incorporated as part of these minutes.



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### ADOPTION OF THE AGENDA

Commissioner Heglar asked to amend the meeting agenda to add “Beach Nourishment Interlocal Agreement” and “Sandman Property” as Items 4 and 5, respectively, under Old Business, and to add “Downtown Parking” as Item 2 under New Business.

MOTION – Commissioner Heglar made the motion to adopt the agenda, as amended.

SECOND – Commissioner Pagley

VOTE – Unanimous

### DISCUSSION AND CONSIDERATION OF PRESENTATIONS TO COUNCIL

#### 1. Wes Moore, Wilmington Trolley Company

Mr. Moore told Council he would like to provide Trolley service for Kure Beach and Carolina Beach on a daily basis from 5:30 to 10:30 p.m., beginning June 1<sup>st</sup> and operating through August at the cost of \$2 per ride, per boarding. He showed Council a map of the route which would include one stop at the Kure Beach Fishing Pier. He said he’d need to put a temporary bus stop sign at the location that can be put up before 5:30 p.m. and taken away after 10:30 p.m. He said, if the service is successful, he’d like to eventually include daytime hours. He presented his idea to Carolina Beach Town Council who was in favor of the service.

Commissioner Heglar asked the Town Attorney if there was any legal action Council needed to take, or if they could just give Mr. Moore permission to operate in Kure Beach, to which the attorney responded that Council only needed to give their permission.

CONSENSUS – Council gave permission to the Wilmington Trolley Company to operate a trolley stop near the Kure Beach Fishing Pier from 5:30 – 10:30 p.m., beginning June 1, 2015 and continuing through the summer months.

Commissioner Heglar asked Mr. Moore to give the finalized information on the service to the Deputy Town Clerk, for her to put on the Town’s website.

### DISCUSSION AND CONSIDERATION OF COMMITTEE BUSINESS

#### 1. Planning and Zoning (P&Z) Commission

##### a. Identification and Tracking of Violations for Short-term Rentals

Craig Galbraith, Chairperson, said that P&Z has been looking at this issue for several months and voted to not develop a separate “all-inclusive” permitting process for short-term rentals. He said, instead, P&Z voted to recommend following the process allowed in G.S. 160A-424(c), which basically states that permitting can’t be required on rental properties except for properties that have had multiple, verified crime or disorder problems within a 12-month period, as set forth in an ordinance. He said that several Kure Beach residents complained, during recent public hearings held by the commission, about disorderly conduct coming from specific short-term rental properties. He said that the majority of those



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residents said they hadn't reported their concerns to the police or Town officials. He said that P&Z recommends the following:

1. Town Council should develop a local ordinance that specifies what constitutes a "crime and/or disorder" problem relevant to short-term rentals, as allowed and defined by the state statute.
2. The Town needs a method to track these problems per the state statute.

Mr. Galbraith asked if Council wanted P&Z to develop the language for a local ordinance that defines what it considers "disorderly conduct," related to short-term rentals. He said he can try to find NC municipalities that have done this, if Council would like.

Commissioner Heglar said that he is concerned to hear that citizens are having problems with disorderly conduct coming from short-term rental properties but are not reporting them to the proper authorities within Kure Beach.

Commissioner Swearingen said it would be good for P&Z to look for other municipalities, or check with the NC League, to see if anyone has an ordinance about this issue.

Council directed Mr. Galbraith to consult with the Police Chief and the Building Inspector on how "disorderly conduct" complaints are tracked and to search for other municipalities in NC that have ordinances about this; his findings are to be reported at the May Council meeting.

### b. Short-term Rental Room Occupancy Tax (ROT)

Mr. Galbraith said that, during P&Z's investigation into permitting short-term rental properties, they found that there is a serious problem with the way the ROT is collected. He explained that the County has been allowing Real Estate agents and managers of these properties to simply pay a lump sum for all of the properties they manage, without distinguishing how much ROT was collected for each property. He said that the municipalities from which the taxes come are not listed on the account file which causes three major problems, as follows:

1. The ROT is impossible to track, which violates a basic auditing principle and creates the window for fraud.
2. Since the agent pays the ROT in a "bundle," there is no way to verify the percentage allocated to a municipality, thus the municipality may not receive credit for the ROT.
3. Individual properties are not currently required to have a payment file account address with the County, so it is impossible to see if rental properties are paying ROT.

Mr. Galbraith recommended that Council consider having an ordinance that requires each short-term rental property in Kure Beach to have a separate ROT account with the County,



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“by property location,” and to require each property owner to pay the ROT. He said that the County would then have to be responsible for entering the amount of ROT received from the property into that property’s file. He said that, with this new Town ordinance and the County’s proper handling of the ROT file, all three of the aforementioned problems would be solved.

Commissioner Heglar asked Mr. Galbraith how he determined that Kure Beach has over 100 short-term rental properties.

Mr. Galbraith replied that he talked to the County and they identified the properties, but there is no way to identify how much ROT was associated with each one.

Commissioner Heglar said that the Mayor will be attending a meeting with the local beach mayors who might find this information interesting. He suggested the mayors get together with the County to figure out how to address this issue with the tax office.

Council instructed Mayor Lambeth to discuss the process of collecting and distributing ROT received from individual, short-term rental properties with the local beach mayors and County to decide how to address the tax office on this subject; the Mayor is to give an update to Council at the May Council meeting.

### 6. Shoreline Access, Beach Protection and Parking Committee

Town Clerk Avery asked Council to approve a Memo of Understanding to pay \$900 to Diana Woolley to apply for a \$35,000 CAMA grant to construct a handicap beach access at H Avenue. She said there is usually a 25 percent In-Kind contribution required from the Town, if the grant is awarded.

VOTE – Commissioner Heglar made the motion to approve a Memo of Understanding to pay Diana Woolley of Southern GrantWorks \$900 to apply for a \$35,000 CAMA grant to pay for a handicap beach access ramp at H Avenue.

SECOND – Commissioner Pagley

VOTE – Unanimous

## DISCUSSION AND CONSIDERATION OF DEPARTMENT HEAD BUSINESS

### 1. Administration and Recreation Department

- a. Proposed On the Job Training policy and proposed revision to the Tuition Reimbursement policy

Town Clerk Avery said these policies were on the March Council agenda. She said that Council was instructed to give her their input and that a final decision would be made at this meeting. She said that the Mayor, the Mayor Pro Tem and Commissioner Heglar said they were fine with the policies, as written. She said that Commissioner Swearingen suggested both policies be merged into one policy.



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MOTION – Commissioner Heglar made the motion to adopt the proposed On the Job Training policy and the revised Tuition Reimbursement policy, as presented.

SECOND – Commissioner Pagley

VOTE – Unanimous

## DISCUSSION AND CONSIDERATION OF OLD BUSINESS

1. Revised job description for the Finance/Budget Officer and the Town Clerk  
Town Clerk Avery said these job descriptions were on the March Council agenda. She said that Council was instructed to give her their input and that a final decision would be made at this meeting. She said she only heard from the Mayor and the Mayor Pro Tem, and they were fine with the job descriptions, as written.

MOTION – Commissioner Heglar made the motion to approve the revised job descriptions for the Finance/Budget Officer and the Town Clerk, as presented.

SECOND – Commissioner Pagley

VOTE – Unanimous

2. Proposed ordinance amendment to add one alternate member position to the Planning and Zoning Commission

Town Attorney Canoutas read the proposed amended ordinance to Council.

MOTION - Commissioner Heglar made the motion to adopt the proposed amendment to Town ordinance Section 2-41, (1) and (2), as presented.

SECOND – Commissioner Swearingen

VOTE – Unanimous

Said ordinance is herein incorporated as part of these minutes.

4. Beach Nourishment Interlocal Agreement

Mayor Lambeth explained that the Town, along with other municipalities, signed an emergency proclamation several years ago agreeing to pick up 17.5 percent of the cost of beach renourishment in order to help Carolina Beach that year. He said that the three local beach mayors don't think it's fair to continue to tax their citizens an extra 17.5 percent to pay for any shortfall that the County has. He said that the local beach mayors are very upset that the County didn't put any line item in their budget to address beach nourishment. He said that the interlocal agreement stated it was a "one-time deal" that would go away whenever the mayors gave the County enough notice, so the mayors are meeting tomorrow to discuss this. He asked Council's permission to vote against keeping the 17.5 percent in the Town's budget. He said he explained to the County Commission chairman that, if the Town has to pay the percentage, it will cost every man, woman and child in Kure Beach about \$500 each; but the chairman still didn't see any reason to drop the percent.



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Commissioner Heglar said that the chairman is only one member of the County board and asked what the other commissioners thought about it.

Mayor Lambeth said that the County is going to pass a budget that includes a tax increase for all County residents and, with that in mind, the other commissioners would rather the beach towns try to readjust the percentage with their ROT funds.

Commissioner Heglar asked how the commissioners proposed the beach towns do that.

Mayor Lambeth said the commissioners didn't say, but that the local mayors approached the County about having a food and beverage tax or increasing sales tax, but the County didn't go for it.

CONSENSUS – Council gave Mayor Lambeth permission to vote against continuing the interlocal agreement with the County to budget 17.5 percent for beach nourishment.

### 5. Sandman Property

Commissioner Heglar gave background on this subject, summarizing that the Beachwalk HOA would like the Town to fix a storm water ditch that is located on private property. He said that the HOA has an easement and is also working on getting a temporary easement for the Town to access the ditch on the property. He said he talked with the Public Works Director who estimates the project will take about three hours for three Public Works crew members to use the Town's backhoe to dig out silt from the ditch. He said a Town truck will be used to haul away the silt.

The Mayor asked Tom Moffitt from the Beachwalk HOA if he could share new information on having access to the property for storm water issues.

Mr. Moffitt said that the Beachwalk HOA just rewrote their declaration that makes it clear that the HOA has access to easements shown on their plat map, as well as access to private lots in their community, to do whatever storm water maintenance is needed; and the declaration also has a provision giving the HOA authority to delegate the easement to the Town. He said that the legal language in the declaration gives the HOA an easement, whether the homeowner wants it or not, because the HOA has a permit from the state to manage its community's entire storm water system.

Commissioner Swearingen asked if there was any consideration into who would take care of reseeding and cleaning up the property once the work was completed, to which Mr. Moffitt said that the Beachwalk HOA was prepared to reseed the lawn and clean it up.

Commissioner Heglar asked the Town Attorney to add that information into the agreement before any work begins, to which the Town Attorney agreed he would do so.



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MOTION – Commissioner Heglar made the motion to permit Commissioner Pagley to recuse himself from voting on this matter because he is a resident of the Beachwalk community.

SECOND – Mayor Lambeth

VOTE – Unanimous

MOTION – Mayor Lambeth made the motion to give Commissioner Heglar permission to work with the Town and HOA attorneys to obtain a temporary easement to access private property in the Beachwalk community and to work with the Director Beeker to have Public Works clean out the storm water ditch using Town equipment.

SECOND – Commissioner Swearingen

VOTE – Unanimous

## DISCUSSION AND CONSIDERATION OF NEW BUSINESS

1. Adoption of Resolution R15-03 opposing Senate Bill 369 that proposes decreases in annual sales tax revenues for the Town

Commissioner Swearingen said that she used the same draft resolution drawn up by the clerks, but revised it to include the mention of tourists along with residents. She read the revised resolution.

Mayor Lambeth said that the mayors of the local beach towns, the Leland and Wilmington mayors, and the County Commission chairman met together and gave a televised interview on their opposition to the proposed tax bill.

MOTION – Commissioner Heglar made the motion to adopt Resolution R15-03, opposing Senate Bill S369.

SECOND – Commissioner Pagley

VOTE – Unanimous

Said resolution is herein incorporated as part of these minutes.

## COMMISSIONER ITEMS

Commissioner Heglar read a letter from MPT Bloszinsky regarding the temporary parking area located downtown. He said that the property owner would like the Town to pay the taxes on the property which come to \$405.47, in addition to the \$7,500 lease amount. He asked for Council's permission to continue to work with the merchants to obtain their financial support on leasing the property, like last year. There was also a question of whether it was advisable to require a right turn only from the lot onto Fort Fisher Boulevard, concluding it may cause traffic problems.

**CONTRACT TO AUDIT ACCOUNTS**

OF Town of Kure Beach, North Carolina  
 Governmental Unit and Discretely Presented Component Unit (DPCU) if applicable

On this 30th day of March, 2015.

Auditor: Bernard Robinson & Company, L.L.P. Auditor Mailing Address: 1501 Highwoods Blvd, Ste. 300  
Greensboro, North Carolina 27410 Hereinafter referred to as The Auditor

and Town Council (Governing Board (s)) of the Town of Kure Beach, North Carolina

: hereinafter referred to as the Governmental Unit (s), agree as follows:  
 Governmental Unit (s)

1. The Auditor shall audit all statements and disclosures required by generally accepted accounting principles (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit (s) for the period beginning July 1, 2014, and ending June 30, 2015. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion will be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCU's, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).
2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with generally accepted auditing standards. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated workpapers may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit and/or workpapers are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC CPA Board).  
  
 County and Multi-County Health Departments: The Office of State Auditor will designate certain programs that have eligibility requirements to be considered major programs in accordance with OMB Circular A-133 for the State of North Carolina. The LGC will notify the auditor and the County and Multi-Health Department of these programs. A County or a Multi-County Health Department may be selected to audit any of these programs as major.
3. If an entity is determined to be a component of another government as defined by the group audit standards - the entity's auditor will make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unqualified opinion being rendered. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the LGC prior to the execution of the audit contract (See Item 22). **If the audit firm received a peer review rating other than pass**, the Auditor shall not contract with the Governmental Unit without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.  
  
 If the audit engagement is not subject to Government Accounting Standards or if financial statements are not prepared in accordance with GAAP and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment..
6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the State and Local Government Finance Division (SLGFD) within four months of fiscal year end. Audit report is due on: October 31, 2015. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay must be submitted to the Secretary of the LGC for approval.



**Contract to Audit Accounts (cont.)**

Town of Kure Beach, North Carolina

Name of Governmental Unit and Discretely Presented Component Unit's (DPCU) if applicable

- 7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's systems of internal control and accounting as same relates to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor will make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report must include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
- 8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. **Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the LGC.** (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work must be submitted by email in PDF format to the Secretary of the LGC for approval. The invoices must be sent to: [lgc.invoice@netreasurer.com](mailto:lgc.invoice@netreasurer.com). Subject line should read "Invoice – [Unit Name]. The PDF invoice marked 'approved' with approval date will be returned by email to the Auditor to present to the Governmental Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
- 9. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit shall pay to the Auditor, upon approval by the Secretary of the LGC, the following fee, which includes any cost the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (Federal and State grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts:

**Year-end bookkeeping assistance – [For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards]** None

**Audit** \$12,800

**Preparation of the annual financial statements** \$3,600

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee. **The 75% cap for interim invoice approval for this audit contract is \$ 12,300** **\*\* NA if no interim billing**

- 10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall include documentation either in the notes to the audited financial statements or as a separate report submitted to the SLGFD along with the audit report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor should be aware that any other bond compliance statements or additional reports required in the authorizing bond documents need to be submitted to the SLGFD simultaneously with the Governmental Unit's audited financial statements unless otherwise specified in the bond documents.
- 11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include but not be limited to the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the client or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the accounting period.
- 12. If the audit firm is required by the NC CPA Board or the Secretary of the LGC to have a pre-issuance review of their audit work, there must be a statement added to the engagement letter specifying the pre-issuance review including a statement that the Governmental Unit will not be billed for the pre-issuance review. The pre-issuance review must be performed **prior** to the completed audit being submitted to the LGC. The pre-issuance report must accompany the audit report upon submission to the LGC.
- 13. The Auditor shall electronically submit the report of audit to the LGC when (or prior to) submitting the invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the SLGFD by any interested parties. Any subsequent revisions to these reports must be sent to the Secretary of the LGC. These audited financial statements are used in the preparation of official statements for debt offerings (the Auditors' opinion is not included) by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and other lawful purposes of the Governmental Unit without subsequent consent of the

Town of Kure Beach, North Carolina

Contract to Audit Accounts (cont.)

Name of Governmental Unit and Discretely Presented Component Unit's (DPCU) if applicable

Auditor. If it is determined by the LGC that corrections need to be made to the Governmental Unit's financial statements, they should be provided within three days of notification unless, another time frame is agreed to by the LGC.

If the OSA designates certain programs to be audited as major programs, as discussed in item #2, a turnaround document and a representation letter addressed to the OSA shall be submitted to the LGC.

The LGC's process for submitting contracts, audit reports and invoices is subject to change. Auditors should use the submission process in effect at the time of submission. The most current instructions will be found on our website: <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>

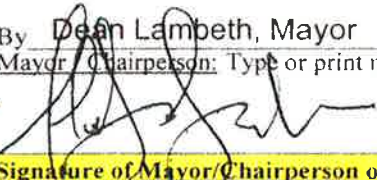
14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be varied or changed to include the increased time and/or compensation as may be agreed upon by the Governing Board and the Auditor
15. If an approved contract needs to be varied or changed for any reason, the change must be made in writing, signed and dated by all parties and pre-audited if the change includes a change in audit fee. This document and a written explanation of the change must be submitted by email in PDF format to the Secretary of the LGC for approval. The portal address to upload your amended contract and letter of explanation documents is <http://nctreasurer.slgfd.leapfile.net> No change shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.
16. Whenever the Auditor uses an engagement letter with the Governmental Unit, Item #17 is to be completed by referencing the engagement letter and attaching a copy of the engagement letter to the contract to incorporate the engagement letter into the contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract will control. Engagement letter terms are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item #23 of this contract. Engagement letters containing indemnification clauses will not be approved by the LGC.
17. Special provisions should be limited. Please list any special provisions in an attachment. None
18. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not issued and the DPCU is included in the primary government audit, the DPCU must be named along with the parent government on this audit contract. Signatures from the DPCU Board chairman and finance officer also must be included on this contract.
19. The contract must be executed, pre-audited, physically signed by all parties including Governmental Unit and Auditor signatures and submitted in PDF format to the Secretary of the LGC. The current portal address to upload your contractual documents is <http://nctreasurer.slgfd.leapfile.net> Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of April, 2014. These instructions are subject to change. Please check the NC Treasurer's web site at [www.nctreasurer.com](http://www.nctreasurer.com) for the most recent instructions.
20. The contract is not valid until it is approved by the LGC Secretary. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.
21. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.
22. Municipal & County Contracts: The Auditor acknowledges that any private employer transacting business in this State who employs 25 or more employees in this State must, when hiring an employee to work in the United States, use E Verify to verify the work authorization of the employee in accordance with N.C.G.S. §64 26(a). The Auditor acknowledges further that any such private employer and its subcontractors must comply with all of the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes (North Carolina's E-verify law), and that such private employer has a duty under the law to ensure compliance by its subcontractors. The Auditor further acknowledges that this contract is of the type governed by S.L. 2013-418, which makes it unlawful for a local government to enter into certain types of contracts unless the contractor and its subcontractors comply with North Carolina's E-verify law, and that failure to comply with such law could render this contract void. The Auditor hereby covenants, warrants and represents for itself and its subcontractors that with respect to this contract the Auditor and its subcontractors shall comply with the provisions of North Carolina's E-verify law and that failure to comply with such law shall be deemed a breach of this contract and may render this contract void.
23. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted: (See Item 16 for clarification). None

Contract to Audit Accounts (cont.) Town of Kure Beach, North Carolina  
Name of Governmental Unit and Discretely Presented Component Unit's (DPCU) if applicable

Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.

Audit Firm Signature:  
Bernard Robinson & Company, L.L.P.  
Name of Audit Firm  
By Victor Blackburn  
Authorized Audit firm representative name: Type or print  
  
**Signature of authorized audit firm representative**  
vblackburn@brccpa.com


**Email Address of Audit Firm:**  
Date 4/2/15

Governmental Unit Signatures:  
By Dean Lambeth, Mayor  
Mayor / Chairperson: Type or print name and title  
  
**Signature of Mayor/Chairperson of governing board**  
Date 4/9/15

By \_\_\_\_\_  
DPCU Chairperson: Type or print name and title  
**Signature of Chairperson of DPCU if applicable**  
Date \_\_\_\_\_

Unit Signatures (continued):  
By n/a  
Chair of Audit **Committee** - Type or print name  
**Signature of Audit Committee Chairperson**  
Date  
*\*\* If Governmental Unit has no audit committee, this section should be marked "N.A."*

**PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)**  
This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act. Additionally, the following date is the date this audit contract was approved by the governing body.

By Arlen Copenhaver  
Governmental Unit Finance Officer: Type or print name  
  
**Finance Officer Signature**  
acopenhaver@townofkurebeach.org

**Email Address of Finance Officer**  
Date 4/9/15  
*(Pre-audit Certificate must be dated.)*

**Date Governing Body Approved Audit Contract - G.S. 159-34(a)** 4/21/15  
**Board Approval Date - Primary Government**

**Board Approval Date - DPCU**



TOWN COUNCIL  
TOWN OF KURE BEACH, NC

**R**ESOLUTION R15-03

**A RESOLUTION OPPOSING SENATE BILL 369 (S369)**

**WHEREAS**, the Town of Kure Beach is a public entity established under the laws of the State of North Carolina; and

**WHEREAS**, the Town serves as many as 400,000 to 700,000 tourists per year; and

**WHEREAS**, the Town relies heavily on sales tax revenues to provide services, to include those necessary to provide for the health and safety of its residents and tourists; and

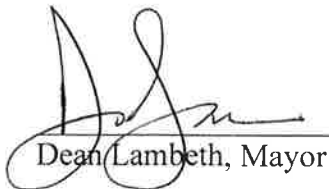
**WHEREAS**, Senate Bill 369 (S369), as proposed, will result in the Town potentially losing over \$454,000 in annual sales tax revenues, resulting in a projected 55.6 percent decrease as compared to projected collections under the current law; and

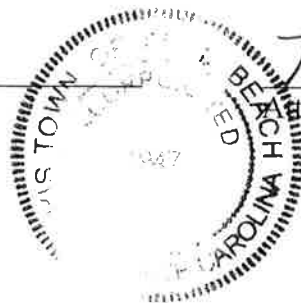
**WHEREAS**, the Town would have to increase the property tax rate by approximately 5.75 cents per \$100 in valuation (22 percent increase) to replace lost revenues as a result of S369 in order to continue providing services required to protect the health and safety of our residents and tourists; and

**WHEREAS**, Senate Bill 369 (S369), as proposed, would result in a 22 percent increase to the property tax rate, placing a burden on our residents;

**NOW, THEREFORE, BE IT RESOLVED THAT** the Kure Beach Town Council strongly opposes Senate Bill 369 (S369) due to the detrimental effect this proposed bill will have on the Town's ability to provide for and protect the health and safety of our residents and tourists.

Adopted by the Kure Beach Town Council this 21st day of April, 2015.

  
Dean Lambeth, Mayor



  
Attest: Nancy Hewitt, Deputy Town Clerk



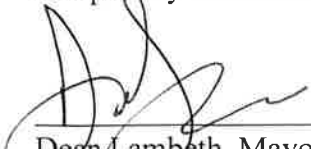
ORDINANCE AMENDMENT

That Section 2-41 of the Code of the Town of Kure Beach, North Carolina, is hereby amended to read as follows:


Sec. 2-41. - Composition; terms of office.

- (1) The Planning and Zoning Commission shall consist of five (5) regular members who shall be citizens and residents of the town.
- (2) One (1) alternate may be appointed by the Town Council who shall be seated as a regular member, automatically, in the event a member of the Commission resigns or becomes incapacitated and unable to serve.

Adopted by Kure Beach Town Council on Tuesday, April 21, 2015.

  
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Dean Lambeth, Mayor



  
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Nancy Hewitt, Deputy Town Clerk



# TOWN COUNCIL MINUTES

## REGULAR MEETING

April 21, 2015

MOTION – Commissioner Heglar made the motion to approve Mayor Pro Tem Bloszinsky to work with the Kure Beach merchants to obtain their financial support of the temporary parking lot located downtown.

SECOND – Commissioner Swearingen

VOTE – Unanimous

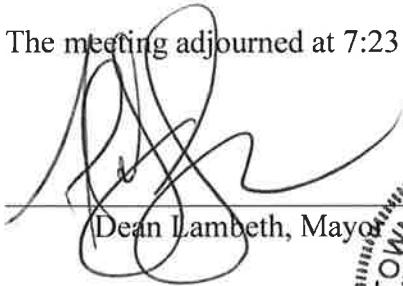
## ADJOURNMENT

MOTION – Commissioner Pagley made the motion to adjourn.

SECOND – Commissioner Heglar

VOTE – Unanimous

The meeting adjourned at 7:23 p.m.

  
\_\_\_\_\_  
Dean Lambeth, Mayor  
\_\_\_\_\_  
Nancy Hewitt, Deputy Town Clerk

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