



## **Town of Beaufort, NC**

701 Front St. - P.O. Box 390 - Beaufort, N.C. 28516  
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### **Board of Commissioners Regular Meeting 6:00 PM Monday, December 12, 2022 Train Depot, 614 Broad Street Beaufort, NC 28516 Minutes**

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#### **Call to Order/Pledge of Allegiance**

Mayor Harker called the meeting to order at 6:00 p.m. and invited all to join in reciting the Pledge of Allegiance.

#### **Roll Call**

Elizabeth Lewis, Town Clerk, called the roll.

#### **PRESENT:**

Mayor Harker  
Mayor Pro Tem Hagle  
Commissioner Oliver  
Commissioner Cooper  
Commissioner Terwilliger  
Commissioner Hollinshed

#### **Agenda Approval**

Commissioner Hagle made a motion to approve the agenda as presented.

The motion carried unanimously.

#### **Public Comment**

Marji Rawson, 900 Cedar Street in Beaufort, expressed her opinion on the proposed Comprehensive and CAMA Land Use Plan in relation to citizen and Commissioner involvement. She referenced prior meetings involving the consideration of the document and encouraged the Board to listen to the citizens' request to approve the draft plan.

## **Presentations**

1. FY 2022 Audit Presentation

Ko Tang Cha-Moses with Martin Starnes & Associates, presented the FY 22 Audit for the Town of Beaufort. *A copy of the presentation is attached and incorporated as part of the minutes.*

The Board of Commissioners commended staff who helped prepare the audit and asked questions about the report. Ms. Cha-Moses noted there would be a follow-up email addressing outstanding questions that required additional research.

## **Items of Consent**

1. Minutes
2. Human Resources- Amendments to Personnel Policy

Commissioner Hagle made a motion to approve the Items of Consent.

The motion carried unanimously.

## **Items for Discussion and Consideration**

1. Comprehensive & CAMA Land Use Plan

Todd Clark, noted the latest draft version of the Comprehensive & CAMA Land Use Plan was provided to the Board for review at the last Work Session. He explained at this point, it was the pleasure of the Board as to what changes were accepted before moving forward in the approval process.

Commissioner Terwilliger noted there were several changes made to the plan, including the addition of an executive summary, but they were ineffective. He suggested the document could use additional work to make it more user friendly. He shared that he had offered numerous times to work with the Town and/or consultant to help re-write the plan. He expressed his concerns about the plan and said he would not approve it at the current meeting.

Commissioner Oliver stated the following for the record: It is the responsibility of the Board of Commissioners to make decisions based upon the best interests of Beaufort and its citizens. I take very seriously the responsibility as 1 of 5 persons responsible for approving what is described as 25-year plan of guidance for our Town. As stated in the Plan, NOAA predicts with 95% confidence that 1.1 foot of sea level rise will occur in 100 years. I agree this prediction deserves Beaufort's serious, long-term study and attention, especially since King Tides continue to stare us in the face at all times. Missing from this Plan, in my opinion, is equal or greater attention to stormwater and flooding which are immediate issues addressable by enforcement, permitting and maintenance. Jay McLeod instead ratcheted up the emotional effects of King Tides and failed to include adequate attention to stormwater and flooding in the initial document and in his response to specific recommendations from the Commissioners. I suggest we focus on the achievable. In my opinion, Beaufort deserves a better Plan for this and other reasons.

Commissioner Hollinshed suggested the plan had been put together by so many people, it might be hard to understand from an outside point of view. She noted the Town would continue dealing with common occurrences, such as flooding on Front Street, even with plans in place and appropriate maintenance, as each situation depends on multiple factors.

Commissioner Hagle suggested the document would be less complex if multiple plans had not been combined. He discussed concerns such as stormwater, flooding and other

issues mentioned by other Commissioners. He noted the CAMA review process would be lengthy and it was time to move the plan along.

Commissioner Cooper made a motion to approve the November 22, 2022 revised version of the Comprehensive & CAMA Land Use Plan.

Voting Yea: Commissioner Hagle, Commissioner Hollinshed, Commissioner Cooper

Voting Nay: Commissioner Oliver, Commissioner Terwilliger

The motion carried with a 3-2 vote.

## 2. Preliminary Plat – Davis Bay

Kyle Garner, Planning & Inspections Director, presented the case and explained the request was to subdivide two tracts totaling 20.08 acres into four lots. He noted the lots would be served with utility infrastructure by Phase 3 of the Beau Coast Development. He shared there were revised plans submitted since the meeting packet went out for review, noting the additional of a turn around area for emergency vehicles. He notified the Board that staff did not have adequate time to review the revisited plans. He also shared at their December meeting, the Planning Board unanimously recommended denial of the Preliminary Plat for Davis Bay, because it did not meet current standards of the subdivision ordinance.

Commissioner Terwilliger commented on the the access, turn around and wetlands area referenced in the plans. He shared that a citizen had expressed concerns about the amount of room in that area, questioning whether or not there would be enough room to put up protective screening while constructing the road. He also discussed public water access requirements, noting it should be reviewed to ensure all development standards are met.

Joe Boyd, with WithersRavenel represented the applicant and spoke on the proposed turn around area and grading area, assuring the Board the wetlands would not be disturbed. He confirmed there was enough room in the area to install silt fencing and other protective barriers without intruding on the wetlands. He explained the revised plans reflected an appropriate turn around area for emergency vehicles. He addressed the comment about public water access within the subdivision, noting the ordinances could be interpreted different ways. He pointed out that all four of the lots would have water access.

Commissioner Oliver asked if the applicant was willing to ensure each of the four lots has water access as a condition of approval.

Mr. Boyd confirmed the applicant was willing to accept that condition.

Commissioner Oliver also asked if the applicant was willing to commit to providing any buffer that is required by NC DEQ for wetlands as a condition of approval.

Mr. Boyd confirmed the applicant was willing to accept that condition.

Commissioner Oliver referenced conditions from the applicant and staff recommended conditions, as noted in the meeting packet.

Commissioner Hagle noted that the statements concerning the water access were vague. He recalled when the guidelines were written, and suggested the intent was to provide public access to water, not just to property owners that are adjacent to the water.

Eddie Myers, Real Estate Agent for the Burdett Family Trust, explained it was a private subdivision and there would be covenants and restrictions on the land. He noted each lot would have it's own waterfront access. He said that the Planning Board denied the request because of access, noting two lots did not have road frontage, and that had since been amended.

Mr. Garner stated the Planning Board did not specifically say why they denied it.

Commissioner Terwilliger made a motion the item be tabled, pending a review of the revised plans by the Town Engineer to confirm that all ordinances have been met and accommodated within the current plat design, and report back to the Board at the next meeting.

The motion carried unanimously.

3. Preliminary Plat – Beau Coast Phase 3

Mr. Garner, Planning & Inspections Director, presented the case and explained the request was to subdivide one tract totaling 27.64 acres into 48 lots, with 4.53 acres of open space. He noted these were the last lots associated with the Beau Coast & Beaufort East Village Development that would need preliminary plat approval. He referenced the plans included in the meeting packet and noted the Planning Board recommended approval on a 4-2 vote.

Commissioner Oliver asked Mr. Garner, in his opinion, had stormwater, flooding and sea level rise been considered in the approval.

Mr. Garner confirmed they had, based on current standards and Town Ordinances.

Commissioner Hagle asked for a review on the stormwater flow and had questions about the retaining wall near Freedom Park Road.

Joe Boyd, representing Blue Treasure LLC, addressed Commissioner Hagle's questions and explained how the stormwater treatment process functioned.

Commissioner Cooper confirmed when the runoff reached the ditches, it had already been treated.

Mr. Boyd explained the retaining walls were placed throughout the development to meet Town code, provide safety for the residents and preserve wetlands.

Commissioner Hagle made a motion to approve the Preliminary Plat for Beau Coast Phase 3, as presented.

The motion carried unanimously.

4. Resolution of Intent- Mayoral Term

Arey Grady, Town Attorney, explained at a previous meeting, the Mayor and Board of Commissioners expressed a desire to change the Mayoral Term from 2-years to 4-years; the first step in this process requires the Board adopt a Resolution of Intent to Amend the Charter of the Town of Beaufort. He noted if the Board adopted the resolution of intent, a public hearing date on the question of amending the charter would need to be set.

Commissioner Terwilliger made a motion to adopt the Resolution of Intent to amend the Charter of the Town of Beaufort and set the Public Hearing for January 9, 2023.

The motion carried unanimously.

*A copy of the resolution is listed below as part of the minutes.*

**RESOLUTION OF INTENT OF THE TOWN OF BEAUFORT BOARD OF COMMISSIONERS TO AMEND THE CHARTER OF THE TOWN OF BEAUFORT, ANY AMENDMENTS THERETO, AND THE TOWN CODE OF ORDINANCES**

WHEREAS, the Town of Beaufort (hereinafter "Town") has determined that Town has historically suffered a loss of continuity in leadership based on the mayoral term being set for 2 years and the term for Commissioners being set for 4 years; and,

WHEREAS, the extension of the mayoral term from 2 to 4 years will benefit Town and its citizens by providing continuity in leadership; and,

WHEREAS, N.C. Gen. Stat. § 160A-102 provides in part:

**By following the procedure set out in this section, the council may amend the city charter by ordinance to implement any of the optional forms set out in G.S. 160A-101. The council shall first adopt a resolution of intent to consider an ordinance amending the charter. The resolution of intent shall describe the proposed charter amendments briefly but completely and with reference to the pertinent provisions of G.S. 160A-101, but it need not contain the precise text of the charter amendments necessary to implement the proposed changes.**

WHEREAS, N.C. Gen. Stat. § 160A-101 provides in part:

**Any city may change its name or alter its form of government by adopting any one or combination of the options prescribed by this section:**

...

**(8) Selection of mayor:**

- a. The mayor shall be elected by all the qualified voters of the city for a term of not less than two years nor more than four years.**

WHEREAS, the Board of Commissioners of the Town does further desire that this RESOLUTION OF INTENT serve as a memorial of the actions taken by the Board of Commissioners on this matter.

Now, therefore, be it resolved as follows:

Section 1. The Board of Commissioners of the Town of Beaufort hereby adopts this RESOLUTION OF INTENT to signify its intent to amend the Charter of the Town of Beaufort, any subsequent amendments thereto, and the Town Code of Ordinances to change the term of the Mayor from 2 to 4 years, pursuant to N.C. Gen. Stat. §§ 160A-101 and 102, to be effective beginning with the 2023 mayoral election.

Section 2. The Mayor, Clerk to the Board, Manager, and such other officers and agents of Town are hereby authorized to take such action as may be necessary to effectuate the proposed amendments contemplated herein.

Section 3. This RESOLUTION OF INTENT be entered in the official minutes of the Board of Commissioners of Town and that the Clerk to the Board certify copies of this RESOLUTION OF INTENT as may be necessary in the opinion of counsel to the Town.

This the \_\_\_\_\_ day of December, 2022.

**TOWN OF BEAUFORT**

BY: \_\_\_\_\_  
SHARON E. HARKER, MAYOR

ATTEST:

\_\_\_\_\_  
ELIZABETH LEWIS, TOWN CLERK

5. FY 2023 Budget Amendment 5

Mr. Clark explained the budget amendment as follows:

This amendment requests the appropriation of fund balance, \$39,740, for maintenance work at Oceanview Cemetery.

- JV Painting for cemetery wall \$15,500
- Robert George block work & sign replacement \$ 8,240
- Town of Beaufort Public Works small gravel for roadways within cemetery \$16,000

Additionally, appropriations of miscellaneous revenue are requested for a \$25.00 contribution received towards Oceanview Cemetery maintenance and for the Police Department \$232.00 received as a donation for future needs.

Commissioner Hagle made a motion to approve FY 2023 Budget Amendment 5.

The motion carried unanimously.

**Public Hearing**

1. Voluntary Annexation (Blue Treasure, LLC)

Commissioner Hollinshed made a motion to open the Public Hearing.

The motion carried unanimously.

Ms. Lewis shared on November 14, 2022, the Town Clerk presented a Certificate of Sufficiency regarding (5) petitions for voluntary annexation submitted by Blue Treasure, LLC. The associated addresses are as follows: 185 Freedom Park Road, 187 Freedom Park Road, 189 Freedom Park Road, 243 Leonda Drive, and 249 Leonda Drive. Notice of the December 12th Public Hearing was published in the Carteret County News-Times on November 30, 2022 and December 7, 2022. She explained staff was requesting a Public Hearing be conducted on the question of voluntary annexation; if approved, the draft ordinances, attached in your meeting packet, will need to be adopted.

Mayor Harker asked if there was anyone in the audience who wished to comment on the case.

There was none.

Commissioner Hollinshed made a motion to close the Public Hearing.

The motion carried unanimously.

Commissioner Hagle made a motion to approve the voluntary annexation request and associated ordinances.

The motion carried unanimously.

### **Manager Report**

Mr. Clark shared his Manager's report with the Board, highlighting several ongoing items and upcoming events. Please note, a full detailed Manager's Report can be accessed at: <https://www.beaufortnc.org/boardofcommissioners/page/managers-report>

Mr. Clark made a proposal to cancel the December 19, 2022 Work Session Meeting, due to lack of business and a break for staff and Board members.

Commissioner Hagle made a motion to cancel the December 19, 2022 Work Session.

The motion carried unanimously.

### **Mayor/Commissioner Comments**

Commissioner Terwilliger had no comments.

Commissioner Oliver commended the Finance department on their hard work preparing the audit.

Commissioner Hollinshed noted it had been a busy year with many accomplishments. She thanked the Public Works department for the wonderful Christmas decorations throughout Town.

Commissioner Hagle spoke about the recent Christmas Parade in Town, sharing it was very successful. He thanked the citizens for their input and involvement throughout the year. He also thanked the Fire Department for conducting the Breakfast with Santa event. He ended by offering a safety message regarding driving during the busy holiday season.

Commissioner Cooper thanked Barbara Cooper for her efforts in shaping in the Human Resources department over the last few months. He wished everyone a Merry Christmas.

Mayor Harker recapped a successful year of the Board and Town staff, thanking them all for their service. She wished the citizens, staff and Board members a Merry Christmas and Happy New Year.

### **Closed Session**

1. Pursuant to NCGS 143-318.11 (a) (3)

Commissioner Hollinshed made a motion to go into Closed Session, Pursuant to NCGS 143-318.11 (a) (3).

The motion carried unanimously.

After returning to open session, Commissioner Hagle made a motion to terminate the current contract with Stewart, specifically the portion regarding a rewrite of the Town's UDO.

The motion carried unanimously.

Commissioner Terwilliger made a motion to authorize Grady Quattlebaum, PLLC to move forward with the 160D modifications and enhancements to the Town's current ordinances.

The motion carried unanimously.

## **Adjourn**

Commissioner Oliver made a motion to adjourn the meeting at 8:45 p.m

The motion carried unanimously.

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Sharon Harker, Mayor

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Elizabeth Lewis, Town Clerk



# Town of Beaufort

2022 Audited Financial Statements

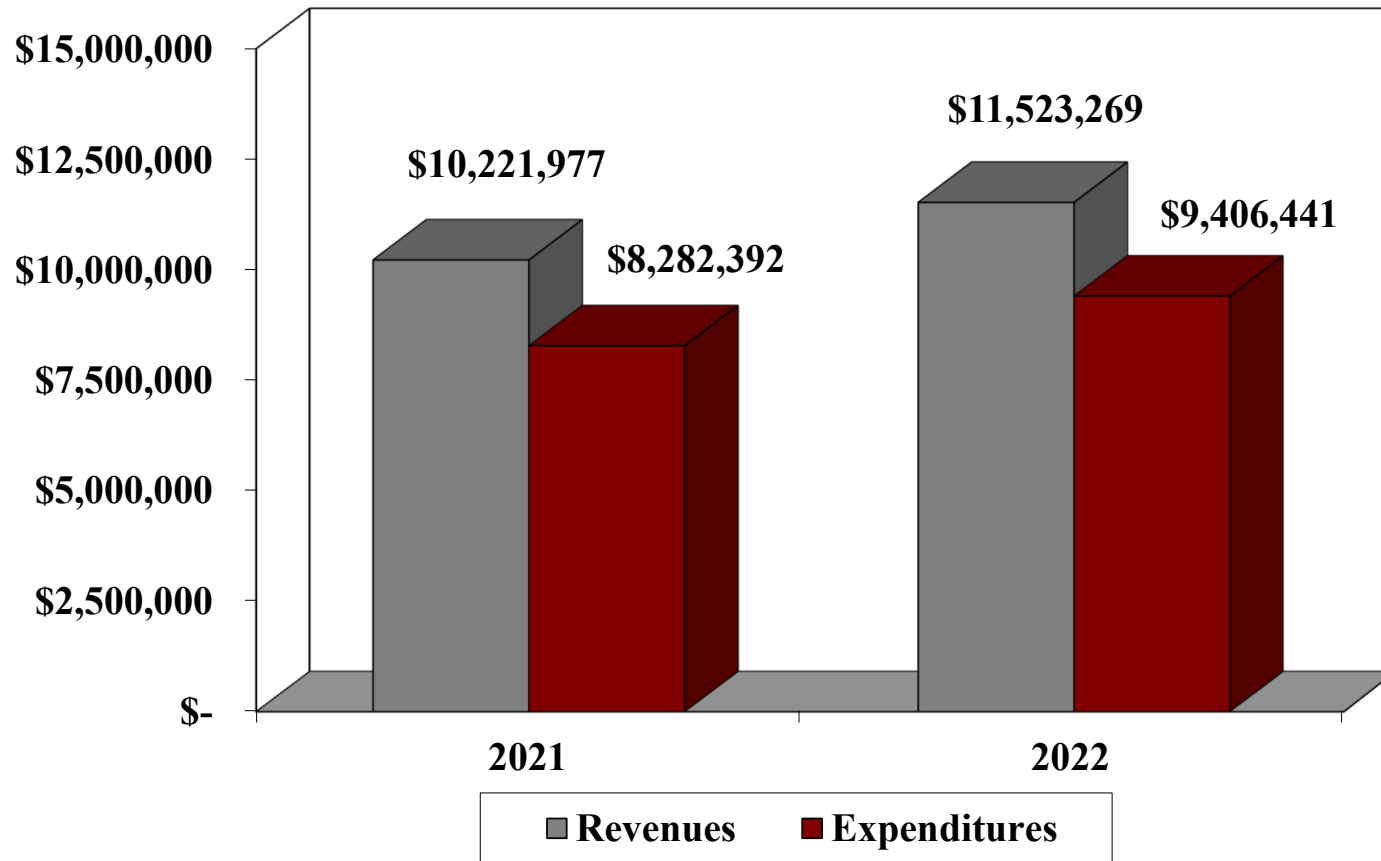


MARTIN ♦ STARNES  
& ASSOCIATES, CPAs, P.A.

# Audit Highlights

- ❑ UNMODIFIED OPINION ON FINANCIAL STATEMENTS
- ❑ COOPERATIVE STAFF

# GENERAL FUND SUMMARY

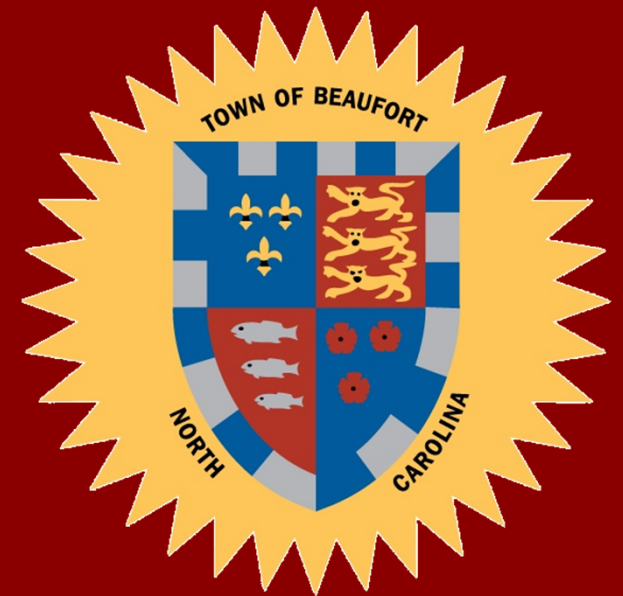


# FUND BALANCE

- ❖ Serves as a measure of the Town's financial resources available.
  - ❑  $(\text{Assets} + \text{Deferred Outflows}) - (\text{Liabilities} + \text{Deferred Inflows}) = \text{Fund Balance/Net Position}$

## 5 Classifications:

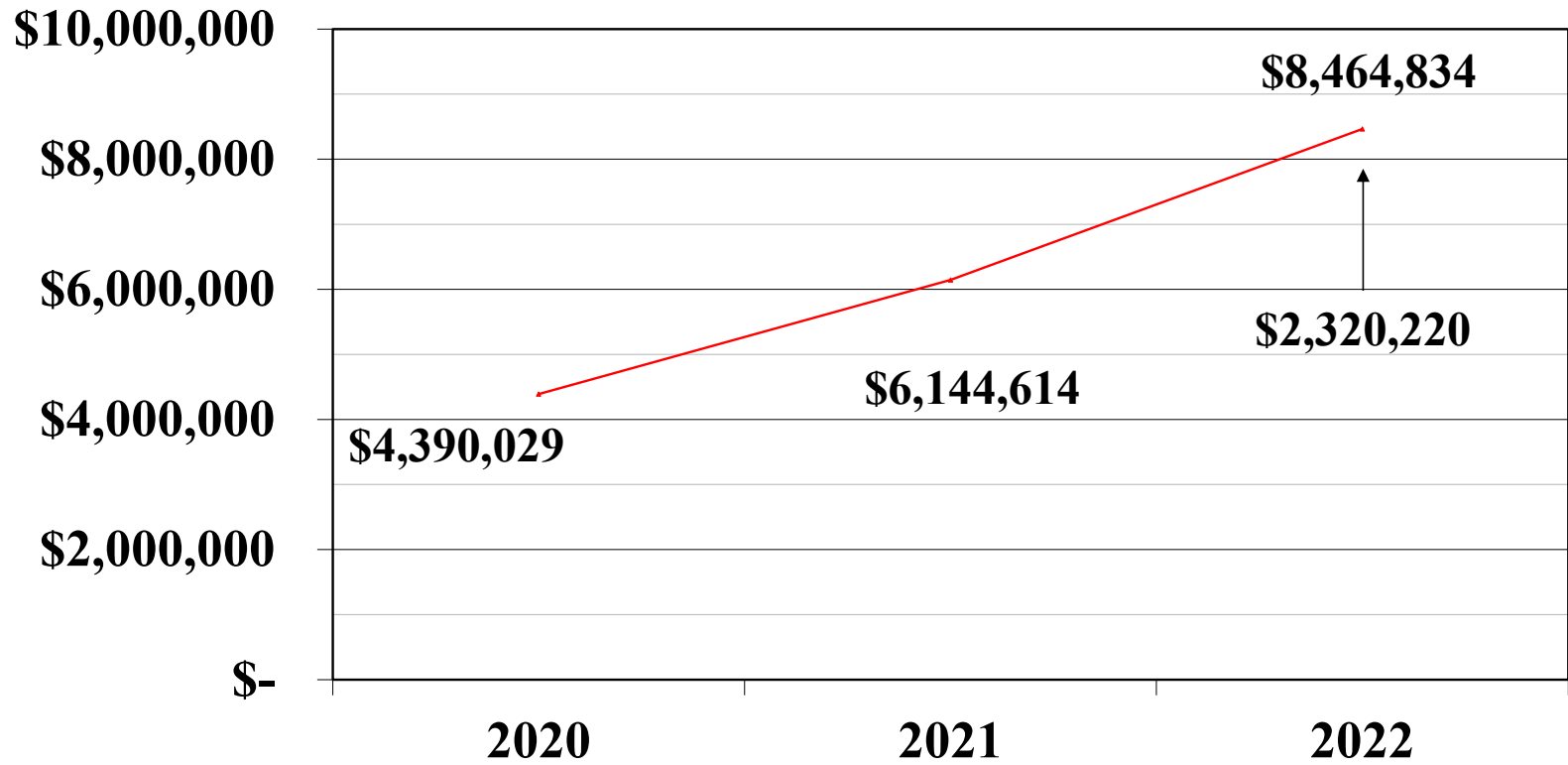
- **Non-spendable** - not in cash form
- **Restricted** - external restrictions (laws, grantors)
- **Committed** - internal constraints at the highest (Board) level - do not expire, require Board action to undo
- **Assigned** - internal constraints, lower level than committed
- **Unassigned** - no external or internal constraints



## FUND BALANCE POSITION – GENERAL FUND

	<u>2021</u>	<u>2022</u>
Non-Spendable	\$ 7,871	\$ 8,106
Restricted by State Statute	1,007,651	1,053,174
Other Restricted	30,362	35,810
Assigned	-	60,000
Unassigned	5,098,730	7,307,744
	<u>\$ 6,144,614</u>	<u>\$ 8,464,834</u>

# TOTAL FUND BALANCE – GENERAL FUND



# FUND BALANCE

Available fund balance as defined by the Local Government Commission (LGC) is calculated as follows:

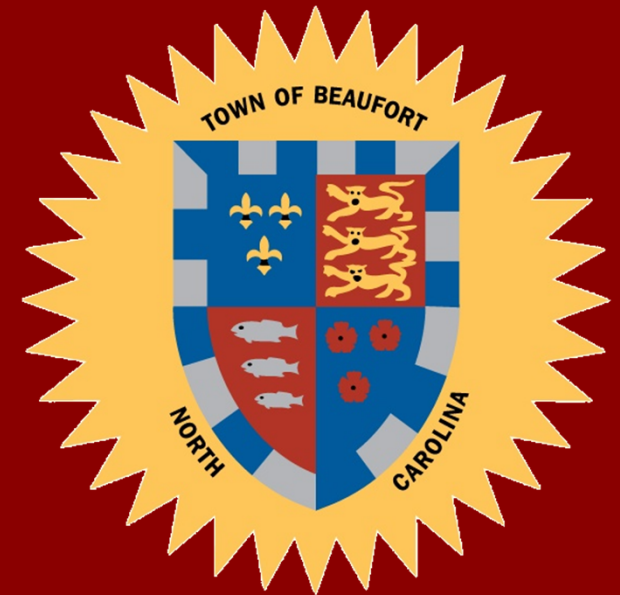
Total Fund Balance

Less: Non spendable (not in cash form, not available)

Less: Stabilization by State Statute (by state law, not available)

Available Fund Balance

This is the calculation utilized as the basis for comparing you to other units and calculating your fund balance percentages.

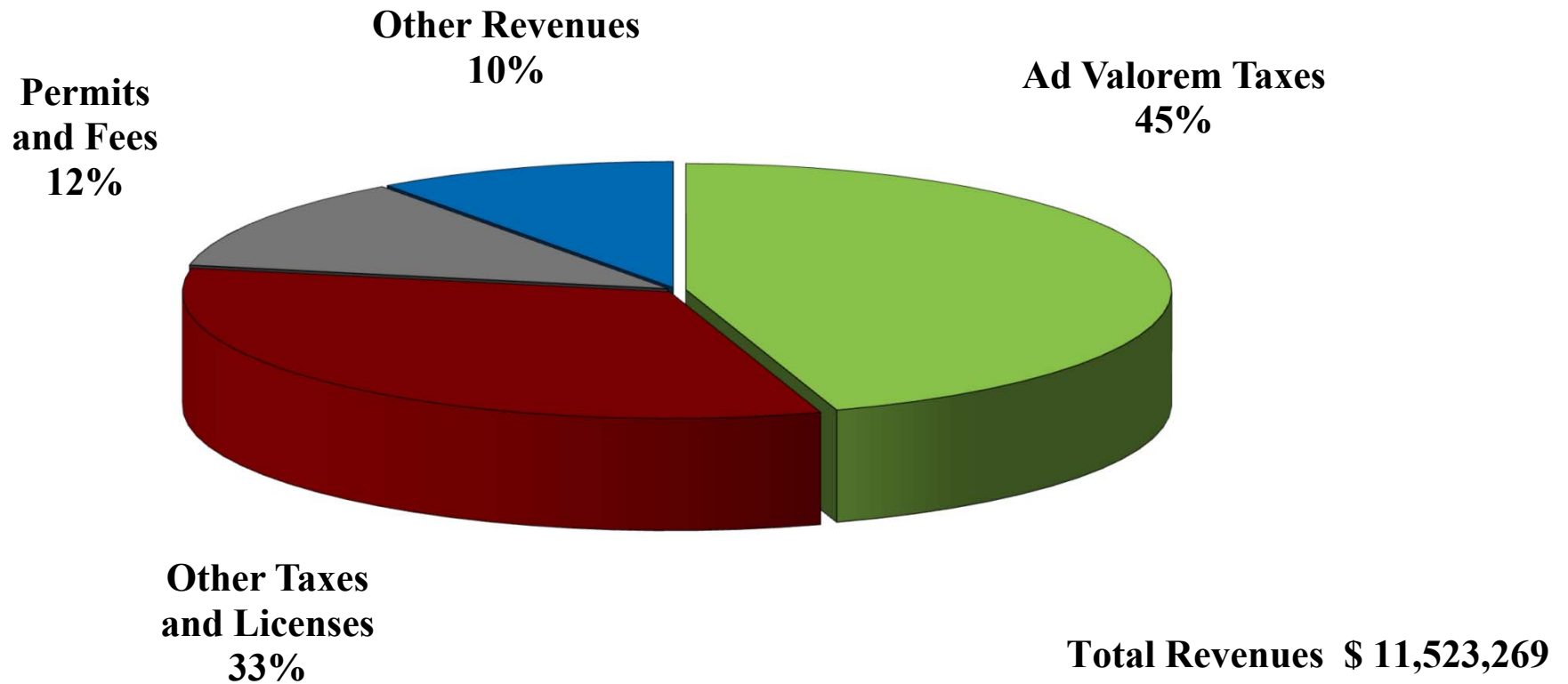


## FUND BALANCE POSITION – GENERAL FUND

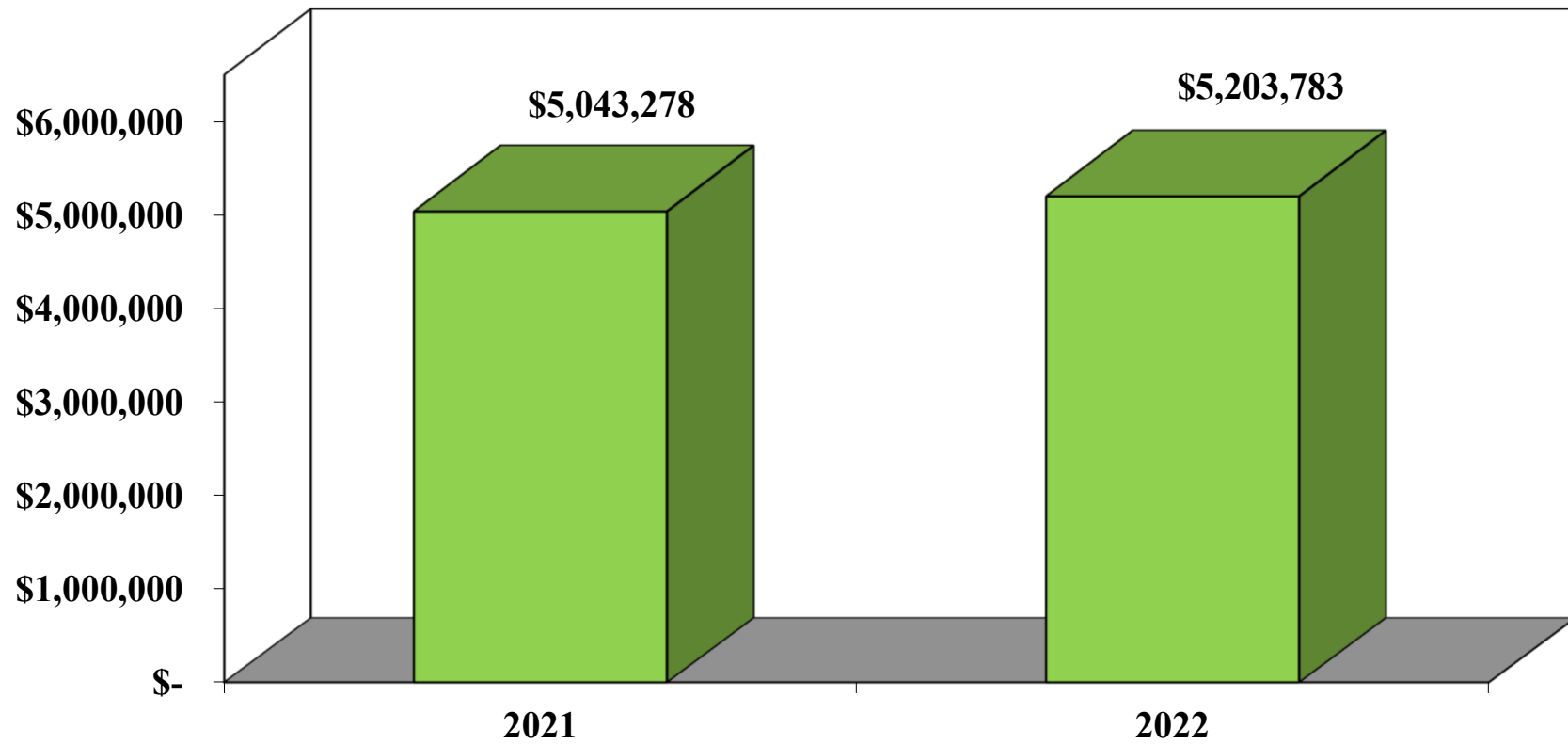
Total Fund Balance	\$ 8,464,834
Non-Spendable: Prepaids	(8,106)
Stabilization by State Statute	<u>(1,053,174)</u>
Available Fund Balance	<u>\$ 7,403,554</u>
Available Fund Balance 2021	\$ 5,129,092
Increase in Available FB	2,274,462



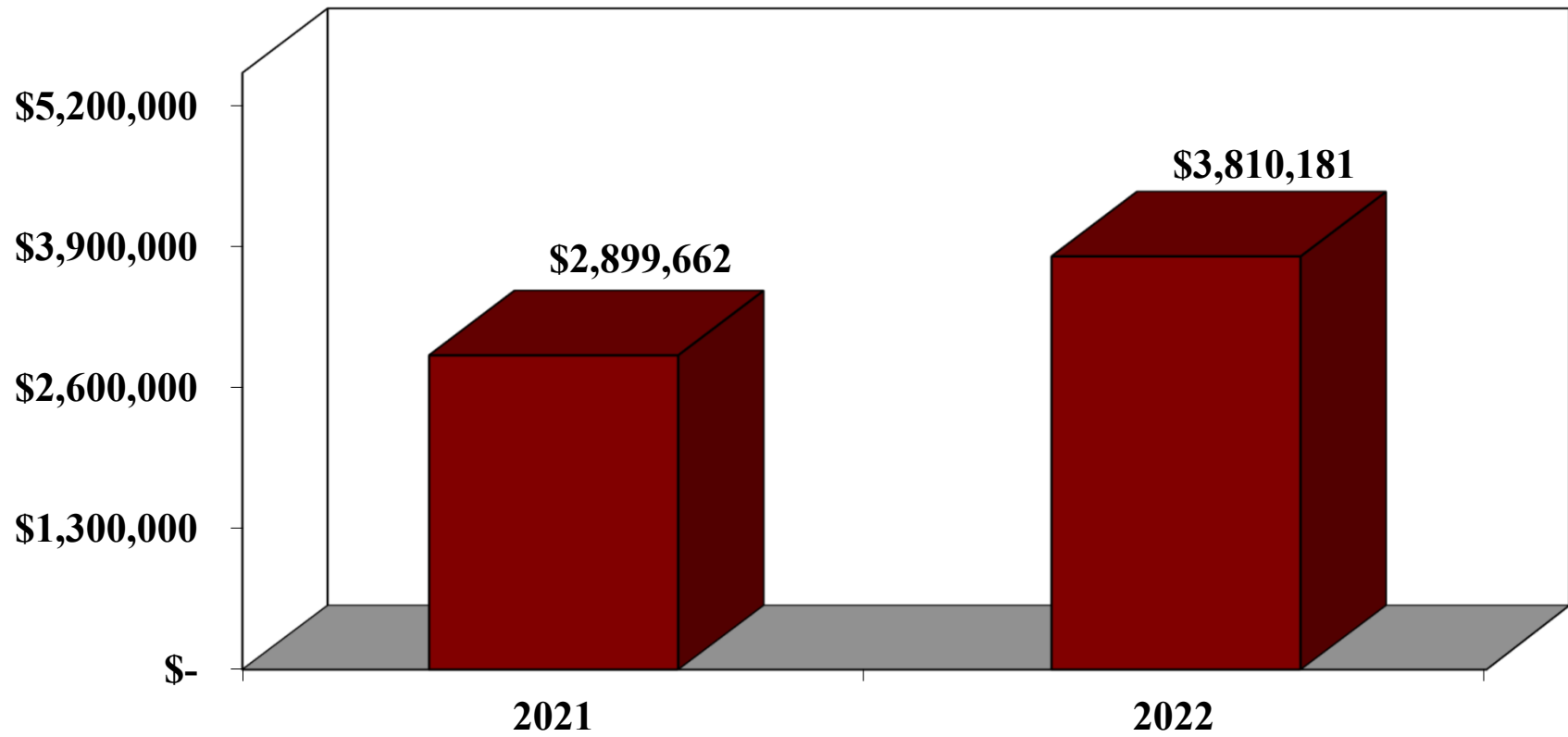
# TOP 3 REVENUES: GENERAL FUND



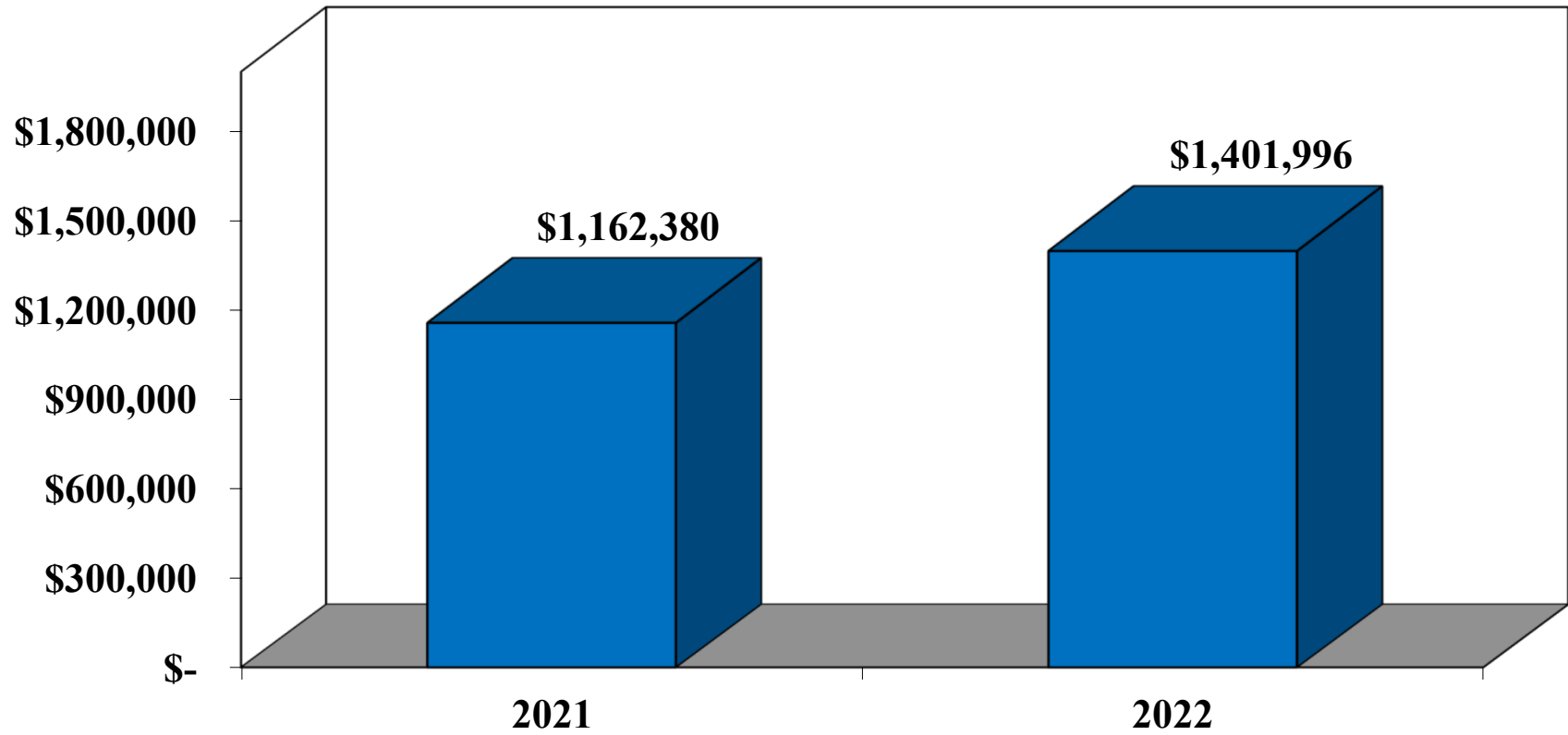
# PROPERTY TAXES



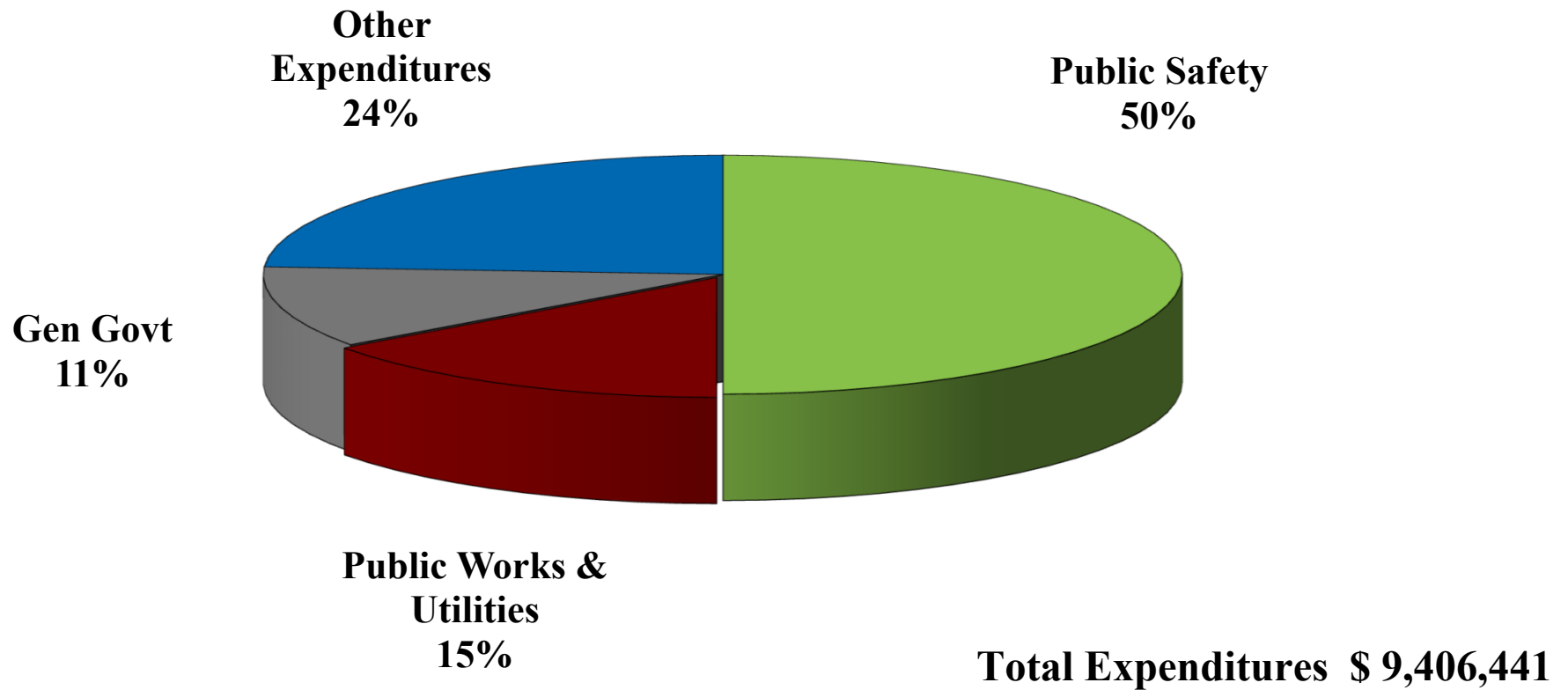
# OTHER TAXES & LICENSES



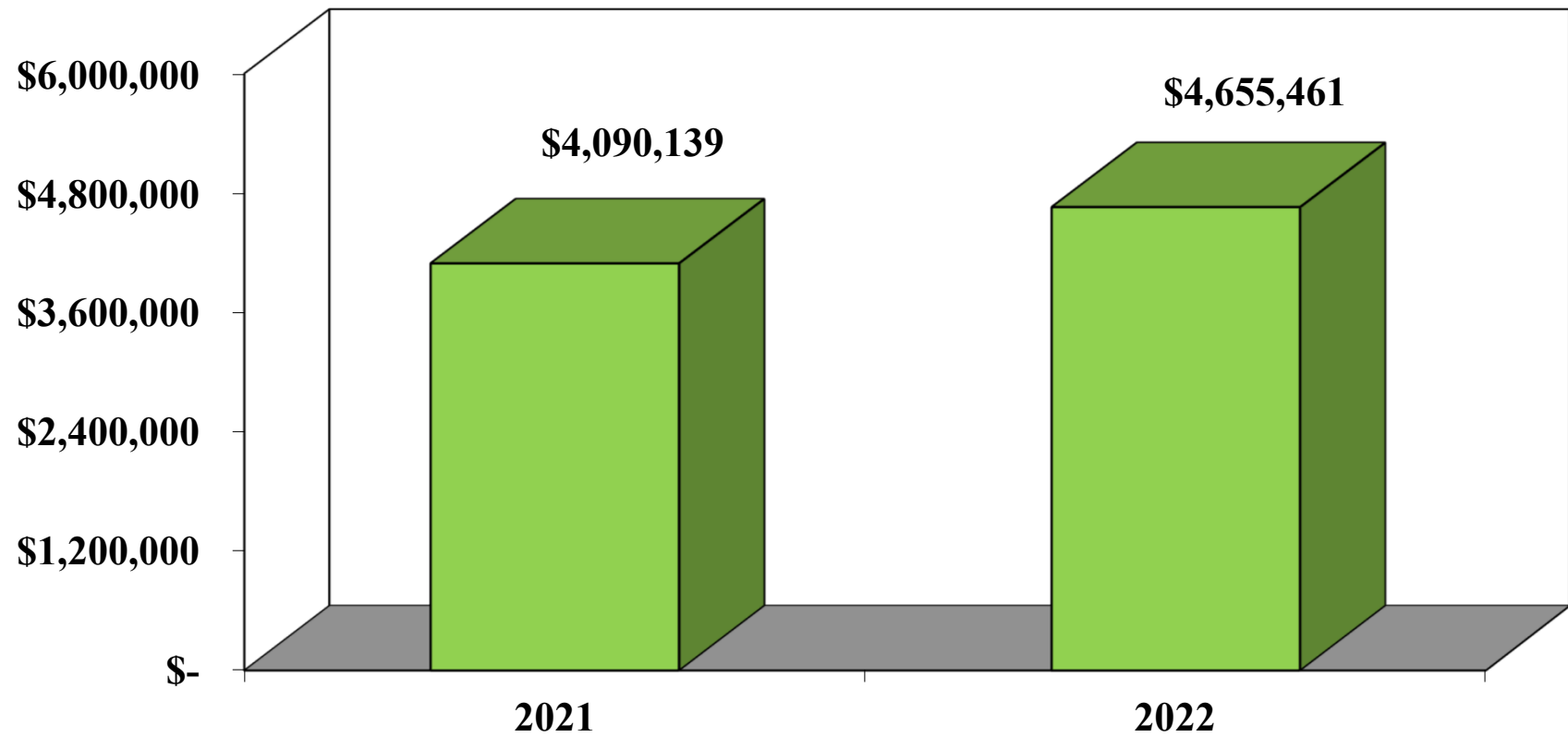
# PERMITS & FEES



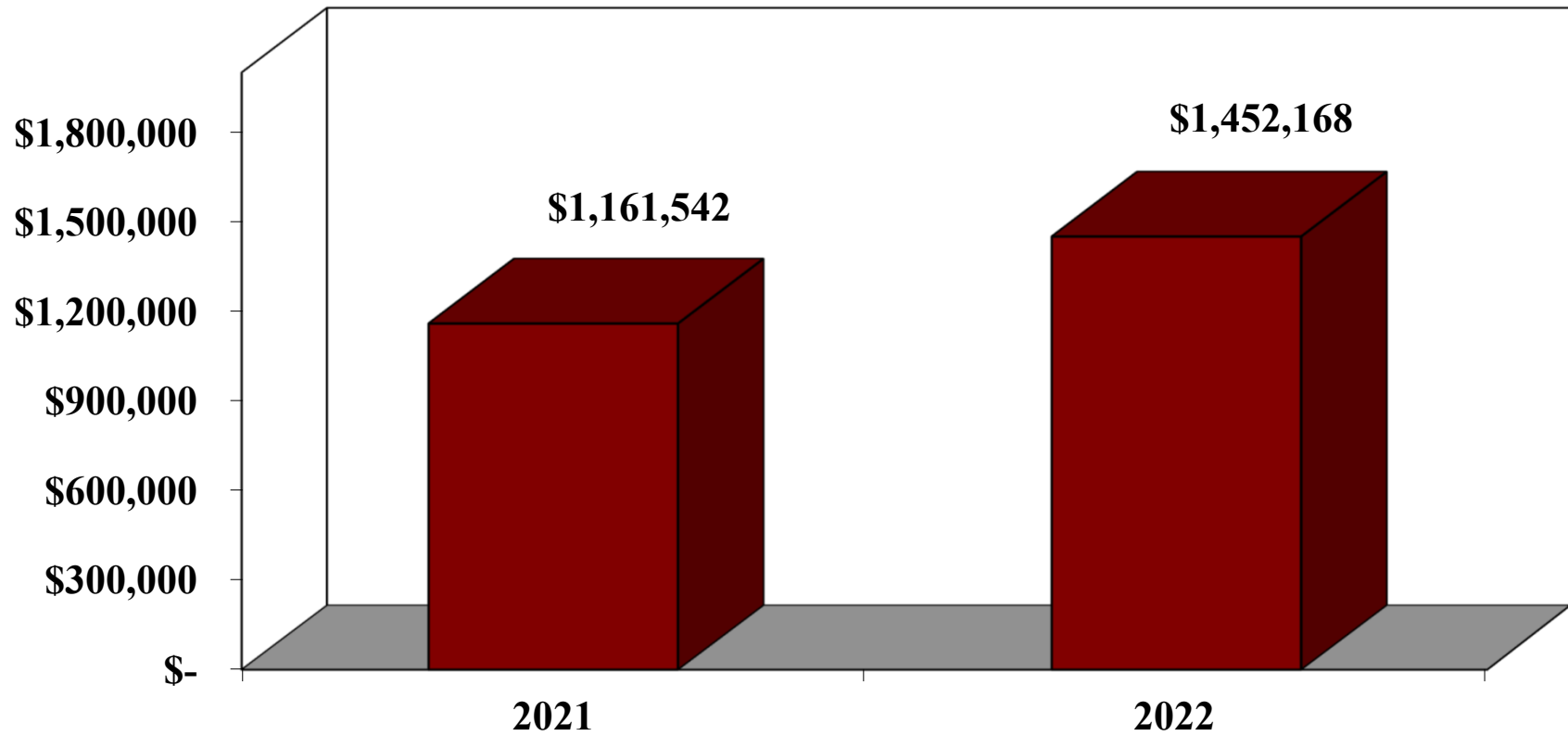
# TOP 3 EXPENDITURES: GENERAL FUND



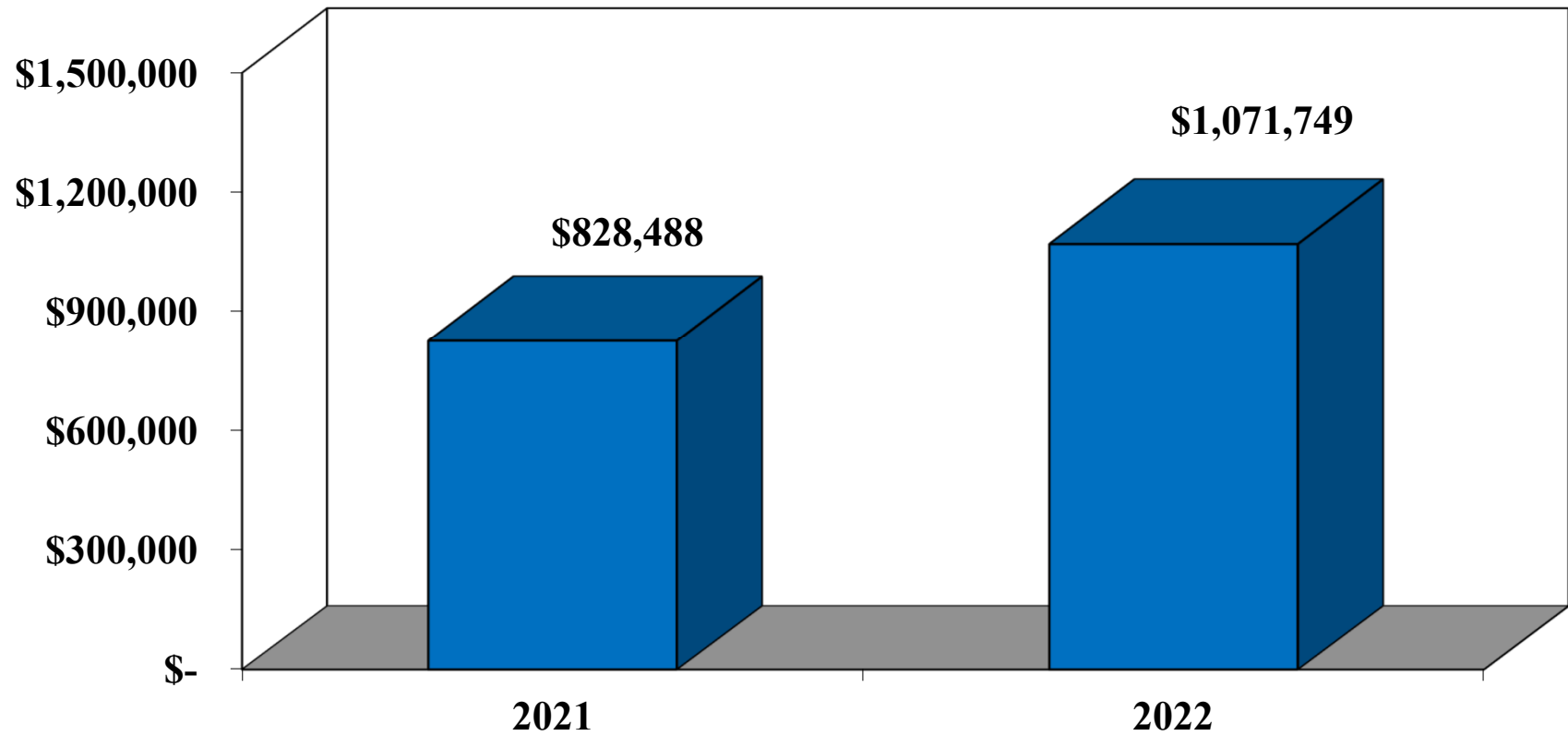
# PUBLIC SAFETY



# PUBLIC WORKS & UTILITIES



# GENERAL GOVERNMENT



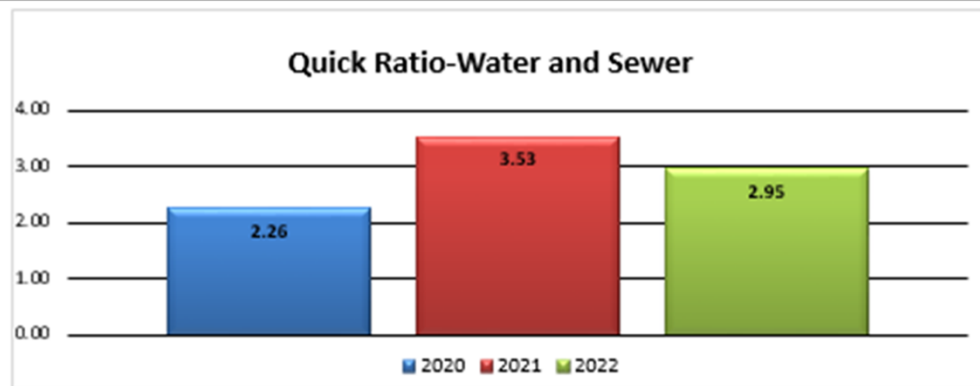
## UTILITY FUND

	<u>2021</u>	<u>2022</u>
Unrestricted Net Position	\$ 4,042,338	\$ 3,420,023
Cash Flow From Operations	1,999,438	2,040,636
Net Income (Loss) (GAAP)	3,926,663	793,996
Total Net Position	24,993,076	25,787,072

# 3-YEAR COMPARISON - UTILITY FUND

	<u>2019</u>	<u>2020</u>	<u>2021</u>
Current Assets	\$ 2,796,815	\$ 4,397,051	\$ 3,773,783
Current Liabilities	1,238,519	1,245,022	1,278,918
Quick Ratio	2.26	3.53	2.95

## WATER SEWER FUND:





# Questions?

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& ASSOCIATES, CPAs, P.A.