Town of Swansboro
Board of Commissioners
March 22, 2021 Regular Meeting

In attendance: Mayor John Davis, Mayor Pro Tem Frank Tursi, Commissioner Pat Turner, Commissioner Harry PJ Pugliese, Commissioner Larry Philpott, and Commissioner Laurent Meilleur. It was noted that the Board had returned to remote meetings through the ZOOM platform as allowed by NCGS 166A-19. Governor Cooper had declared a state of emergency due to the COVID-19 Pandemic in March 2020 and it remained in effect.

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Call to Order/Opening Prayer
The meeting was called to order at 5:30 pm. Mayor Davis gave the invocation.

Public Comment
Citizens were offered an opportunity to address the Board regarding items listed on the agenda. No comments were given.

Adoption of Agenda
Mayor Davis asked to add discussion on: Downtown Events May – October, potential funding opportunity from the 2021 Historic Preservation Fund Pass-Through Grant for Historic Preservation Projects in Certified Local Government Jurisdictions, and future the meeting format moving forward.

On a motion by Commissioner Philpott, seconded by Commissioner Turner, the amended Agenda, as noted above, and Consent Item below were unanimously approved.

Meeting Minutes – 2/22/21 Regular Meeting

Presentations
FY 19/20 Audit – Gregory Redman, CPA presented specific details from the FY 19/20 Audit. "The financial statements … in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Swansboro, North Carolina as of June 30, 2020, and the respective changes in financial position and cash flows, where appropriate, thereof 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 – "Unmodified Opinion*."

• Governmental Activities Net Position (Unrestricted) for 2020 $1,532,760 compared to 2019 at $1,231,453

• Total Net Position - $8,047,704 and increase over 2019 of $426,083
• Unassigned General Fund Balance for 2020 - $2,229,423 or 56% of General Fund Expenditures
• Stormwater had a $34,271 Unrestricted Balance and Solid Waste had a negative balance of $20,218 due to the Grapple Truck purchase. As equipment depreciated over the years, that number would move to a positive figure. On a question from Mayor Davis, Mr. Redman indicated that the Enterprise Fund should always "break even" or show a positive amount. Funds could be used to purchase equipment in lieu of financing.
• Capital Projects debt was ending. The main project with remaining expenditures was Waterfront Plan Implementation.
The long-term liabilities did not reflect very much debt - $1.6 million.
• Pension Liability: LEO-Police officers $75,611, LGERS Pension Liability $563,498
• OPEB (Other Potential Employee Benefits) Liability of $450,151 were funds that were not necessarily set aside but rather shown as a possible future liability for the Town.
• Current levy collection percentages town-wide was 99.10%
(property taxes 99.02%, and registered motor vehicles 100.00%)

"As part of obtaining reasonable assurance about whether the Town of Swansboro, North Carolina's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*."

Mr. Redman announced that the Town received the GFOA Award for Reporting Excellence for another year and should be proud of its Finance Director and Department for their hard work.

Commissioner Meilleur inquired further about the Pension Liability, specifically whether the Town needed to set aside funding in that area. In short, it reflected the retirement potential of the Town. Mayor Pro Tem Tursi understood that although the funds were noted, the total dollar amount was for all employees, assuming all would retire from the Town.

Mr. Redman further explained that the Pension Liability was basically the retirement of the town. Each month the employees contribute 6% of their salary and the town contributes another to cover 7%. That money was then sent to the state for each employee. The number at the end of the year - $75,611 for (LEO) and $563,498 for regular employees (LGERS), was money that the town would not have to pay, it was set aside under the Town for the employees. Once the employee retired, they would start receiving the funds from the state. The OPEB Liability ($450,151) was the health insurance policy coverage the Town had for retired employees prior to the employee being eligible to draw Medicare.

(Clerk's Note: *It should be noted that the abovementioned policy was adopted in 2015 and was rescinded in 2018 with coverage remaining in place for those employees initially covered between adoption date and date rescinded. In addition, the benefit is only paid out upon satisfaction of certain criteria met).*

Eligibility Criteria. To be eligible for a Retiree Health Insurance Stipend, an Employee/Retiree must satisfy two lengths of service criteria as outlined blow, prior to retiring from employment with the Town of Swansboro and must be eligible for and begin receiving a retirement pension from the NCLGERS.

The percentage paid as a stipend will be based on the following years of service, which may be accumulated concurrently:

Percent of Premium Paid as a Stipend	TOS Years of Service*	Local Government Years of Service*
25%	10	25
50%	15	25
75%	20	25

On the question of whether the town should set the funds aside, Mr. Redman shared that very few municipalities did. Mayor Pro Tem Tursi understood that the actuary presumed that every current employee would work for the Town long enough to retire and accrue the benefit. Mr. Redman shared that once the funds were allocated, they were placed in a trust and could not be removed. He was aware of another municipality that had a $6 million OPEB Liability so he was not concerned with the $450,151 liability for Swansboro based on it budget and how it *might* have to be paid out. Commissioner Meilleur thought the actuary did not assume everyone, but rather normalized and based on projection the best they could with the assumption they had so the number was closer to what the real number would be. Mr. Redman stated that the number was an assessment of what it would cost the Town if those employees retired and used the benefit. He could not speak to the exact formulation used though.

Board members thanked Finance Director Johnson for another certifiable report. The report would be uploaded to the Town website.

ADA Transition Plan Draft - In early August 2018, the Town of Swansboro, along with another 196 towns and municipalities throughout North Carolina, were notified of the requirement to do an ADA Transition Plan pursuant to the Code of Federal Regulation. After a delay due to Hurricane Florence, more direction was given in December 2018 and the Town acted in January 2019 selecting an ADA Coordinator, adopted an ADA Policy Statement and Grievance Complaint Procedures. The Town then hired Stewart to begin development of the ADA Transition Plan.

Harrison Wenchell of Stewart introduced the draft plan through a power point presentation (*attached herein*). Mr. Wenchell stressed that the ADA Plan was meant to be a living document and to be updated every five years with progress accomplished, items still pending, and any future items that need to be corrected.

An opportunity was given for public and Board input. No public comments were offered. Assistant Manager Webb indicated that she had spoken with former resident Kathy Fulcher who had indicated she would provide written comments, but none had been received to date. The comment period was scheduled to end April 5, 2021 and then the plan would be finalized for formal adoption.

Mayor Pro Tem Tursi inquired what opportunities were offered to the public for comment and if there were any legal responsibilities or federal monitoring to assure that the Town made the recommended improvements within the plan. The draft was available from the Town website, at Town Hall and notice of those locations had been sent out over social media outlets. Mr. Wenchell believed it pertinent for the Town to make the improvements, an audit would be done at some point. Doug Taylor of Stewart added that any grievance procedures would require the Town to respond which could lead to potential lawsuits if the Town did not make the improvements. Any federal funding request might also reference the plan as a requirement for that funding. Mayor Pro Tem Tursi encouraged staff to assure the implementation of the plan was carried out. Staff should also update the Board annually on accomplished improvements made. The plan itself should be updated every five years.

Business Non-Consent

Budget Ordinance Amendment #2021-6 – Multiple departments required amending for FY 20/21. The source for amendments 1-3 below would be appropriated from Fund Balance. Item 4 would be appropriated from the Stormwater Enterprise Fund Balance.

1. 401K Adjustment - On February 22, 2021, the Board approved a 2% match for current and potential general employees for the remainder of FY 20/21. A $7,715.42 appropriation was needed. Mayor Davis hoped the employees were taking advantage

of the additional percentage contribution to the 401K. Manager Seaberg shared that 5-7 employees had taken advantage of the additional percent.

2. Admin Services - Carteret County Shore Protection Office requested funding that would enable the U.S. Army Corps of Engineers (Corps) to conduct a dredging event along the waterway from Bogue Inlet proper and the connecting channel that tied the inlet to the Atlantic Intracoastal Waterway. Other local governments were also asked to provide funding as shown below. A $2,500 appropriation was requested. Mayor Pro Tem Tursi supported the allocation, but asked Manager Seaberg to obtain a better understanding of how the percentage breakdown was obtained.

Participant	2021 (proposed) $	%
NCDWR	$200,000	66.7%
Carteret County	$35,000	11.7%
Emerald Isle	$10,000	3.3%
Cedar Point	$2,500	0.8%
Cape Carteret	$2,500	0.8%
Onslow County	$47,500	15.8%
Swansboro	$2,500	0.8%
	$300,000	100.0%

3. Non-Departmental/IT Services - With the transition to remote access for employees, the need to increase security to a more robust coverage was needed. An appropriation of $19,000 was requested to cover the additional costs. Commissioner Meilleur inquired on the details of the more robust IT security needs. By example, Manager Seaberg referenced the ransom ware hit ONWASA took a couple of years ago. An assessment by Computer Warriors indicated that the Town may be at risk for such an attack. The upgrade put a "Piece of Mind Protection" in place and better protected those town employees working remotely when needed. Commissioner Philpott asked if the $19K was reimbursable through the recent stimulus funding. Manager Seaberg believed it may be.

4. Stormwater Enterprise Fund - Additional repairs were needed to the Sterling Dump Truck. Body rust was to the extent it was unsafe to drive on roads due to debris falling out of the bed of the truck. A $7,487.28 appropriation was needed.

On a motion by Mayor Pro Tem Tursi, seconded by Commissioner Turner, Budget Ordinance Amendment 2021-6 was unanimously approved as indicated.

Financial Report – February 2021 – Finance Director Johnson reviewed details from the monthly financial report, *attached herein*.

Three departments had higher expenditures but did not pose any red flags.

- Public Works/Streets was a result of the NCDOT sidewalk contribution; and
- Emergency Management was due to dock repairs from Hurricane Florence; and computer upgrades for telework capabilities
- Non-Departmental included town wide cost for insurance premiums, workman's comp, IT services, computer leases, postage, and transfers to other funds

A brief recess was taken from 6:55pm to 7:00pm. All Board members had returned to the remote meeting on a roll call.

Downtown Event Discussion (May – October) – Governor Cooper was slowly loosening COVID19 restrictions. Mayor Davis believed the Town should re-consider allowing some of the events that had been cancelled through July 4th.
- Pirate Fest (May) – currently planned was a campout at Municipal Park to allow appropriate spacing
- Arts By The Sea (June) – currently planned virtually with an online marketplace
- July 4th Fireworks – The vendor was only available July 3rd. An alternate plan was to provide a 2-day laser show at the high school. The event could be held even if it rained, and spectators would remain in their vehicles. The Parks Board voted 4:2 for the Laser Show over Fireworks downtown.
- Seaside Arts Council Concert Series (to begin in May) downtown at the Pavilion.

Commissioner Turner asked if the Parks Board supported any of the alternate events. Director Stanley indicated that they supported the events as described above. Commissioner Meilleur asked if Onslow County had been contacted. Regarding the Laser Show, Director Stanley indicated that she had preliminary discussion with SHS Principal, Dr. Gross who was supportive. If the Board supported, she would have more in-depth conversation with Dr. Gross and the County.

Unfortunately, Director Stanley did not feel Arts By The Sea could be held downtown – she was concerned with how a crowd of 6000 might socially distance. A lot of town's were either moving their events to the Fall, cancelling them, and some were just simply ignoring the guidelines.

Board members showed support for the events as described by Director Stanley until restrictions were further lifted to include the Laser Show in lieu of Fireworks. The idea of featuring local artists for ABTS was noted. Mayor Davis asked for details on the Fireworks. Manager Seaberg explained that the island had been secured, but a federal permit had to be obtained, the island would have to be assessed and possibly cleaned up due to storms last summer. If we contracted for fireworks and then cancelled the funds would not be refunded.

The Seaside Arts Council Concert Series was already scheduled to begin on May 30, but SAC was amenable to pushing those dates that might need to be cancelled to the end of the series.

2021 Historic Preservation Fund Pass-Through Grant for Historic Preservation Projects in Certified Local Government Jurisdictions – Manager Seaberg shared an opportunity to apply for federal funding to re-catalog the historic district boundaries and its structures. The district was last cataloged in 1991 – 30 years ago. The application was due April 16, 2021 and was a 40/60 split (Town 40% = $25,000). Under the grant, the Town might potentially expand the district boundaries and add structures to the National Registry. On inquiries from the Board, Manager Seaberg indicated that it appeared the grant funds were awarded annually. The Historic Preservation Commission had recommended making application.

On a motion by Mayor Pro Tem Tursi, seconded by Commissioner Turner, $25,000 was allocated if the grant was awarded to the Town. The vote was unanimous. The Board asked that written details be provided at the April 12, 2021 meeting.

Meetings Moving Forward – Mayor Davis and Commissioner Pugliese favored the hybrid meeting. Mayor Pro Tem Tursi, Commissioners Turner, Philpott, and Meilleur supported the ZOOM platform until further restrictions were lifted. Perhaps considering hybrid or in-person meetings in May or June. The consensus was to keep the meetings remote and add discussion again to the April 26, 2021 meeting.

Future Agenda Items – A memo detailing proposed upcoming agenda items was reviewed and an opportunity for the Board to introduce any new items was given. In lieu was scheduling a special budget workshop, staff was proposing to do the workshop at its regular meeting April 12, 2021.

Public Comments

Citizens were offered an opportunity to address the Board regarding items not listed on the agenda. No comments were offered.

Manager's Comments

Manager Seaberg entertained questions from the Manager's Brief provided in the agenda packet.

The Town did receive notification of award of the *Resiliency Grant* but was partnered with Dewberry, not Carolina Wetlands Association. Mayor Pro Tem Tursi congratulated Manager Seaberg on the award noting that it was really a big deal to be chosen over all the other coastal communities.

Dockwalk Update – The contract with the Division of Coastal Management should be received soon, construction would be done in the off season.

Walnut Street End Improvements should be complete by the end of the fiscal year.

Ward Shore was almost complete adding eight designated parking spaces.

Mayor Pro Tem Tursi inquired whether Manager Seaberg had reached out to NCDWQ on the stormwater requirements for the *sidewalk project*? No definitive answer still; what Manager Seaberg understood was that NCDOT still owned the right-of-way, but the Town would maintain it. Mayor Pro Tem Tursi warned if NCDWQ was left out of the project details, it might not turn out well for the Town. He feared that as the project moved further, the Town would get hit with the requirement that the stormwater would have to be mitigated in some form or fashion and could not fall under the DOT federal permit which was administered by the state. He strongly Manager Seaberg to get a definitive answer from someone at NCDWQ on whether the plan was viable and would meet their current interpretation of state stormwater requirements. Manager Seaberg would discuss with Attorney Parson to see whether he might have a better understanding.

Emergency Operations Center Update – The structural engineer was reviewing to see if the foundation could be certified, and the future space/staffing needs were being finalized. Commissioner Meilleur inquired what the staffing projections were for the public safety departments and how were they determined with the current growth limitations the Town had. Manager Seaberg did not have the numbers yet.

Board Comments

Board members thanked Finance Director Sonia Johnson and the rest of the staff for their work on the CAFR and reporting excellence.

Commissioner Pugliese had been serving as the ECC representative which had only met once during COVID restrictions. Meetings were being scheduled again and he indicated it was difficult for him to get to New Bern on a weeknight. Commissioner Philpott volunteered to serve out the remaining term.

On a motion by Mayor Pro Tem Tursi, seconded by Commissioner Pugliese, Commissioner Philpott would serve the remaining term. The vote was unanimous.

Regarding the Emergency Supplemental Historic Preservation Fund (ESHPF) Hurricane Disaster Relief Grant Award, Commissioner Philpott suggested that a letter of appreciation be sent to the Swansboro Historic Association for their assistance in the Town's receipt of the $424,000 funding for improvement at the Old Town Hall.

For the record, Mayor Davis wanted it noted that he disagreed with Board to continue delaying the downtown events. He believed the Board needed to do something to open the downtown. He did not want to be irresponsible but felt some relaxation was due.

Adjournment

On a motion by Commissioner Turner, seconded by Commissioner Philpott, the meeting adjourned at 8:20pm.

Regular Meeting
March 22, 2021

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1. Please turn cell phones to “off” or “vibrate”.

2. The Board offers the public three opportunities to speak during the meeting:

   A comment period is offered at the beginning and end of the meeting. Please note that a separate opportunity is provided for those items requiring a public hearing.

   Public Hearing(s) – There are no public hearings scheduled for this meeting.

3. Under the ZOOM Meeting Platform, individuals wishing to make comments should “raise their hand” ✋ from their computer. At the appropriate time, Major Davis will acknowledge those with comments.

2

PUBLIC COMMENT

Citizen opportunity to address the Board for items listed on the agenda.

3

AGENDA AND CONSENT ITEMS

***<u>Action Needed</u>**: Motion to Adopt the Agenda as prepared (or amended) and approval of the Consent Items*

4

PRESENTATION

FY 19/20 Audit Presentation

Presenters: Greg Redman, CPA

5

Town of Swansboro Audit Report Presentation

6

Independent Auditor’s Report

Opinion

In my opinion, based on my audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the Town of Swansboro, North Carolina as of June 30, 2020, and the respective changes in financial position and cash flows, where appropriate, thereof 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**.

“Unmodified Opinion”

Government-Wide Financial Analysis

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and other assets	$ 3,891,926	$ 3,700,382	$ 104,981	$ 89,650	$ 3,996,907	$ 3,790,032
Capital and other noncurrent assets	7,182,468	7,147,972	239,822	100,147	7,422,290	7,248,119
Total assets	$11,074,394	$10,848,354	$ 344,803	$ 189,797	$11,419,197	$11,038,151
Deferred outflows of resources	$ 377,898	$ 407,606	$ 18,412	$ 20,434	$ 396,310	$ 428,040
Long-term liabilities	$ 2,527,941	$ 2,688,403	$ 56,843	$ 60,636	$ 2,584,784	$ 2,749,039
Other liabilities	829,019	891,670	37,448	36,260	866,467	927,930
Total liabilities	$ 3,356,960	$ 3,580,073	$ 94,291	$ 96,896	$ 3,451,251	$ 3,676,969
Deferred inflows of resources	$ 301,503	$ 166,637	$ 15,049	$ 964	$ 316,552	$ 167,601
Net position:						
Net investment in capital assets	$ 5,569,892	$ 5,542,096	$ 239,822	$ 100,147	$ 5,809,714	$ 5,642,243
Restricted	691,177	735,701	-	-	691,177	735,701
Unrestricted	1,532,760	1,231,453	14,053	12,224	1,546,813	1,243,677
Total net position	$ 7,793,829	$ 7,509,250	$ 253,875	$ 112,371	$ 8,047,704	$ 7,621,621

Changes in Net Position

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program revenues:						
Charges for services	$ 410,080	$ 456,595	$ 436,631	$ 431,150	$ 846,711	$ 887,745
Operating grants and contributions	417,820	942,063	-	-	417,820	942,063
Capital grants and contributions	50,508	99,716	-	-	50,508	99,716
General revenues:						
Property taxes	1,745,281	1,696,102	-	-	1,745,281	1,696,102
Other taxes	71,088	98,783	-	-	71,088	98,783
Grants and contributions not restricted to specific programs	1,268,190	1,212,651	-	-	1,268,190	1,212,651
Other	407,162	1,160,687	-	5,874	407,162	1,166,561
Total revenues	$4,370,129	$5,666,597	$ 436,631	$ 437,024	$ 4,806,760	$ 6,103,621
Expenses:						
General government	$ 939,050	$2,554,830	$ -	$ -	$ 939,050	$ 2,554,830
Public safety	1,989,854	1,622,146	-	-	1,989,854	1,622,146
Transportation	276,500	308,068	-	-	276,500	308,068
Economic development	145,233	310,249	-	-	145,233	310,249
Cultural and recreation	342,413	321,218	-	-	342,413	321,218
Other	187,429	-	-	-	187,429	-
Interest on long-term debt	41,269	42,939	-	-	41,269	42,939
Stormwater	-	-	123,764	71,688	123,764	71,688
Solid Waste	-	-	335,165	302,905	335,165	302,905
Total expenses	$3,921,748	$5,159,450	$ 458,929	$ 374,593	$ 4,380,677	$ 5,534,043
Increase in net position before transfers and special items	$ 448,381	$ 507,147	$ (22,298)	$ 62,431	$ 426,083	$ 569,578
Transfers and special items	(163,802)	1,500	163,802	8,500	-	10,000
Increase in net position	$ 284,579	$ 508,647	$ 141,504	$ 70,931	$ 426,083	$ 579,578
Net position, July 1	7,509,250	7,000,603	112,371	41,440	7,621,621	7,042,043
Net position-beginning, restated	-	-	-	-	-	-
Net position, June 30	$7,793,829	$7,509,250	$ 253,875	$ 112,371	$ 8,047,704	$ 7,621,621

Balance Sheet
Governmental Funds

Town of Swansboro, North Carolina
Balance Sheet
Governmental Funds
June 30, 2020

	2020 General	2019 General
Assets		
Cash and cash equivalents	$ 3,135,321	$ 2,879,912
Restricted cash	39,384	43,724
Receivables, net:		
Taxes	35,653	27,683
Accounts	333,636	384,702
Grants	-	-
Due from other funds	-	-
Total Assets	$ 3,543,994	$ 3,336,021
Liabilities		
Due to other funds	$ -	$ -
Accounts payable and accrued liabilities	542,336	612,063
Other liabilities	-	-
Total Liabilities	$ 542,336	$ 612,063
Deferred Inflows of Resources		
Property taxes receivable	$ 35,653	$ 27,683
Prepaid taxes	-	-
Total Deferred Inflows of Resources	$ 35,653	$ 27,683
Fund Balances		
Restricted:		
Stabilization by State Statute	$ 333,636	$ 384,702
Streets	24,474	31,901
Capital improvements	-	-
Festivals and events	-	11,274
Assigned:		
Subsequent year's expenditures	378,472	123,471
Unassigned	2,229,423	2,144,927
Total Fund Balances	$ 2,966,005	$ 2,696,275
Total Liabilities, Deferred Inflows of Resources, And Fund Balances	$ 3,543,994	$ 3,336,021

Unassigned Fund Balance as a Percentage of Total General Fund Expenditures

	2020	2019
Unassigned fund balance	$ 2,229,423	$ 2,144,927
Total General Fund expenditures	4,003,323	5,050,881
Unassigned fund balance as a Percentage of Total General Fund expenditures	56%	42%
GFOA recommended minimum	16.67%	16.67%
LGC recommended amount	32%	32%

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Statement of Net Positions Proprietary Funds

Town of Swansboro, North Carolina
Statement of Net Position
Proprietary Funds
June 30, 2020

	Major Enterprise Funds		
	Stormwater	Solid Waste	Totals
Assets			
Current assets:			
Cash and cash equivalents	$ 44,630	$ 34,861	$ 79,491
Accounts receivable (net)	25,490	-	25,490
Due from other funds	-	-	-
Total Current Assets	$ 70,120	$ 34,861	$ 104,981
Noncurrent assets:			
Capital assets:			
Land and other non-depreciable assets	-	-	-
Other capital assets, net of depreciation	59,983	179,839	239,822
Capital assets (net)	$ 59,983	$ 179,839	$ 239,822
Total Assets	$ 130,103	$ 214,700	$ 344,803
Deferred Outflows of Resources			
Pension deferrals	$ 9,206	$ 9,206	$ 18,412
Liabilities			
Current liabilities:			
Accounts payable - trade	$ 8,800	$ 28,032	$ 36,832
Due to other funds	-	-	-
Customer deposits	-	-	-
Compensated absences - current	308	308	616
Total Current Liabilities	$ 9,108	$ 28,340	$ 37,448
Noncurrent liabilities:			
Compensated absences	$ 1,747	$ 1,746	$ 3,493
Net pension liability	14,829	14,829	29,658
Total OPEB liability	11,846	11,846	23,692
Total non-current liabilities	$ 28,422	$ 28,421	$ 56,843
Total Liabilities	$ 37,530	$ 56,761	$ 94,291
Deferred Inflows of Resources			
Pension deferrals	$ 7,525	$ 7,524	$ 15,049
Net Position			
Net investment in capital assets	$ 59,983	$ 179,839	$ 239,822
Restricted net position	-	-	-
Unrestricted net position	34,271	(20,218)	14,053
Total Net Position	$ 94,254	$ 159,621	$ 253,875

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Statement of Revenues, Expenses, And Changes in Fund Net Position Proprietary Funds

Town of Swansboro, North Carolina
Statement of Revenues, Expenses, And Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2020

	Major Enterprise Funds		
	Stormwater	**Solid Waste**	**Totals**
Operating Revenues			
Charges for services	$ 102,549	$ 328,044	$ 430,593
Other operating revenues	6,038	-	6,038
Total Operating Revenues	$ 108,587	$ 328,044	$ 436,631
Operating Expenses			
Administration	$ -	$ -	$ -
Stormwater operations	112,747	-	112,747
Solid waste operations	-	331,132	331,132
Depreciation	11,017	4,033	15,050
Total Operating Expenses	$ 123,764	$ 335,165	$ 458,929
Operating income (loss)	$ (15,177)	$ (7,121)	$ (22,298)
Non-operating Revenues (Expenses)			
Investment earnings	$ -	$ -	$ -
Miscellaneous revenue	-	-	-
Total Non-operating Revenues (expenses)	$ -	$ -	$ -
Income (loss) before contributions and transfers	$ (15,177)	$ (7,121)	$ (22,298)
Capital contributions	-	-	-
Transfers from other funds	9,337	154,465	163,802
Transfers to other funds	-	-	-
Change in net position	$ (5,840)	$ 147,344	$ 141,504
Net position, beginning	100,094	12,277	112,371
Net position, ending	$ 94,254	$ 159,621	$ 253,875

Changes in Long-term Liabilities

Governmental Activities:	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion of Balance
Notes from direct placements	$ 1,605,876	$ 227,700	$ 221,000	$ 1,612,576	$ 268,549
Total pension liability (LEO)	63,708	11,903	-	75,611	-
Net pension liability (LGERS)	491,087	72,411	-	563,498	-
Total OPEB liability	661,030	-	210,879	450,151	-
Compensated absences	103,179	78,256	70,077	111,358	16,704
Total	$ 2,924,880	$ 390,270	$ 501,956	$ 2,813,194	$ 285,253

Business-type Activities:	Beginning Balance	Increases	Decreases	Ending Balance	Current Portion of Balance
Net pension liability (LGERS)	$ 25,846	$ 3,812	$ -	$ 29,658	$ -
Total OPEB liability	34,790	-	11,098	23,692	-
Compensated absences	-	7,627	3,518	4,109	616
Total	$ 60,636	$ 11,439	$ 14,616	$ 57,459	$ 616

Combining Statement of Revenue, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds

Town of Swansboro, North Carolina
Nonmajor Governmental Funds
Combining Statement of Revenue, Expenditures, and Charges in Fund Balances
For the Year Ended June 30, 2020

	Capital Projects					
	Capital Reserve	Park & Recreation Reserve	Waterfront Plan Implementation	Municipal Park Improvements	Information Technology	Total Combining
Revenues						
Total Revenues	$ -	$ 28,233	$ 22,275	$ -	$ -	$ 50,508
Expenditures						
Total Expenditures	$ -	$ -	$ 104,509	$ 23,224	$ -	$ 127,733
Revenues Over Expenditures	$ -	$ 28,233	$ (82,234)	$ (23,224)	$ -	$ (77,225)
Other Financing Sources (Uses)						
Transfers in:						
General Fund	$ 52,468	$ -	$ -	$ -	$ -	$ 52,468
Capital Reserve Fund	-	-	-	50,000	-	50,000
Transfers out:						
General Fund	-	-	-	-	-	-
Other funds	-	-	-	-	-	-
Total Other Financing Sources (Uses)	$ 52,468	$ -	$ -	$ 50,000	$ -	$ 102,468
Net Change in Fund Balance	$ 52,468	$ 28,233	$ (82,234)	$ 26,776	$ -	$ 25,243
Fund Balance, beginning	173,898	16,161	87,601	24,686	5,478	307,824
Fund Balance, ending	$ 226,366	$ 44,394	$ 5,367	$ 51,462	$ 5,478	$ 333,067

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Analysis of Current Tax Levy

Town of Swansboro, North Carolina
Analysis of Current Tax Levy
Town-wide Levy
For the Fiscal Year Ended June 30, 2020

	Town-wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	$ 464,352,000	0.35	$ 1,625,232	$ 1,625,232	$ -
Registered motor vehicles taxed at current rate	38,065,714	0.35	133,230	-	133,230
Total property valuation	$ 502,417,714				
Net levy			$ 1,758,462	$ 1,625,232	$ 133,230
Unpaid (by taxpayer) at June 30, 2020			(15,905)	(15,905)	-
Current year's taxes collected			$ 1,742,557	$ 1,609,327	$ 133,230
Current levy collection percentage			99.10%	99.02%	100.00%

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Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with "Government Auditing Standards"

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town of Swansboro, North Carolina's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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PRESENTATION

ADA Transition Plan Draft

Overview: In early August 2018, the Town of Swansboro, along with another 196 towns and municipalities throughout North Carolina, were notified of the requirement to do an ADA Transition Plan pursuant to the Code of Federal Regulation. In lieu of Hurricane Florence, the State of North Carolina delayed communication with communities over implementation status. Hearing concerns from communities' abilities to quickly develop said plan and subsequent compliance, a workshop was held in Kinston on December 12, 2018. Based on direction from the workshop, Swansboro acted, adopting the following three items on January 8, 2019.

1) Select and name an ADA Coordinator;
2) ADA Policy Statement; and
3) Grievance Complaint Information.

Stewart, Harrison Wenchell will introduce the draft plan and take questions and comments from the public and Board.

Action Needed: Following introduction, allow for public and board comment.

Presenters: Harrison Wenchell – Stewart/Chris Seaberg – Town Manager

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STEWART

STRONGER BY DESIGN

Swansboro ADA Transition Plan

Public Meeting - Project Overview / Findings

MARCH 22, 2021

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Project Background

- Historical context of ADA
- Roles and responsibilities

20

Data Collection Summarized

- Evaluation of programs, policies, and procedures pertaining to:
  - Administrative requirements
  - Effective communication
  - General nondiscrimination
  - Website accessibility
  - Program accessibility
- Public right-of-way data collection:
  - 214 curb ramps
  - 190 hazards (trip hazards, maintenance, debris, driveways, erosion)
  - 6 traffic control signals (push buttons, pedestrian signal heads)
  - 7.5 miles of sidewalk
- 6 survey responses as of March 22, 2021
- Public Meeting Presentation held March 22, 2021

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Parks and Recreation Facilities Evaluated

- Old Town Hall
- Public Safety Building
- Recreation Center
- Town Hall
- Visitors Center
- Bicentennial Park
- Church St. Dock & Gazebo
- Main St. Dock
- Moore St. Dock
- Pineland Park
- Pirates Den Park
- Pug Pavilion
- Riverview Park
- Ward Shore Park

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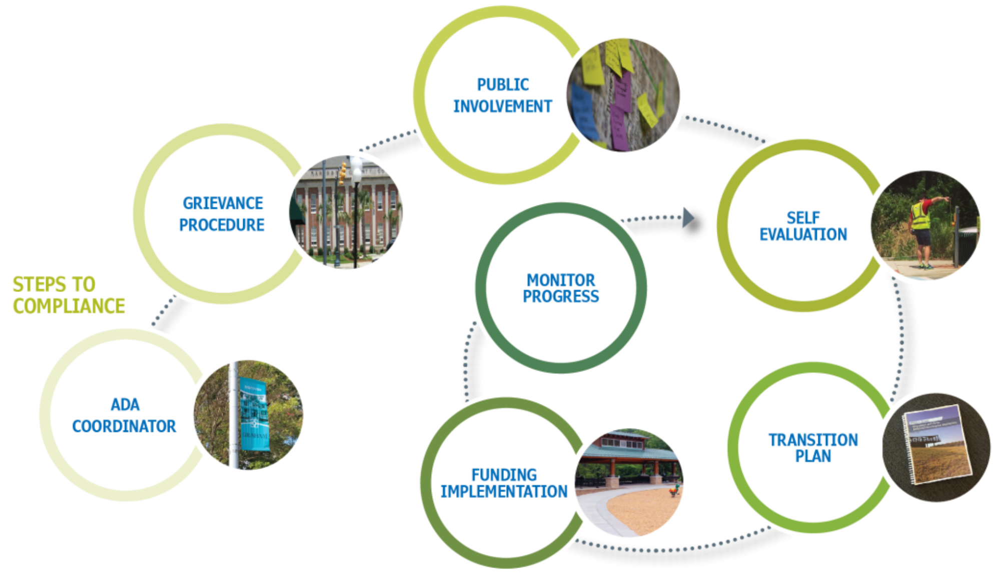
ADA Planning Stages

STRONGER BY DESIGN

STEWART



23

Public Participation

- Concerted outreach to disability groups and citizens
- Public survey
- Public meeting

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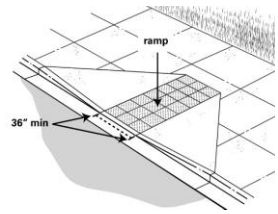
The Americans with Disabilities Act (ADA)

STRONGER BY DESIGN

STEWART

- Per Title II of the act, municipalities must have a plan in place to accommodate those who may use public facilities.
- Federal transportation funding may be withheld unless there is an ADA Transition plan in place or in the works for the municipality.

- FHWA requirements apply to areas in the public right-of-way
  - Compliant pedestrian ramps
  - Sidewalks with truncated domes for those visually impaired
  - Traffic signals with an audio component



Implementation Priorities

STRONGER BY DESIGN

STEWART

- Short-Term Priorities:
  - Project completion less than 1 year
  - Soft costs, typically general maintenance
  - Examples: striping accessible parking spaces, replacing door hardware, tree trimming encroaching into pedestrian access routes.
- Mid-Term Priorities:
  - Project completion 1-3 years
  - Costs allocated/reallocated within annual budgeting
  - Examples: replacement / adjustment of water fountains, grab bars within bathrooms, handrails within ramps.
- Long-Term Priorities:
  - Project completion 3-5+ years
  - Costs funded through Capital Improvement Program (CIP) or other sources
  - Examples: structural changes to buildings, redesigning bathrooms to accommodate adequate movement, creating accessible routes to facilities.

Monitoring Progress

STRONGER BY DESIGN STEWART

- ADA Transition Plan is a living document to be consistently updated
- Transition Plan adopted; then updated / presented to Town Council every 5 years
- Town reviews document at least once per year to identify need for updates or additional information
  - Substantial updates to the main body of the document will require a public comment period to satisfy Town public outreach efforts
- Annual reviews of on-going monitoring / inspection of public facilities will correlate with development of Capital Improvement Plan

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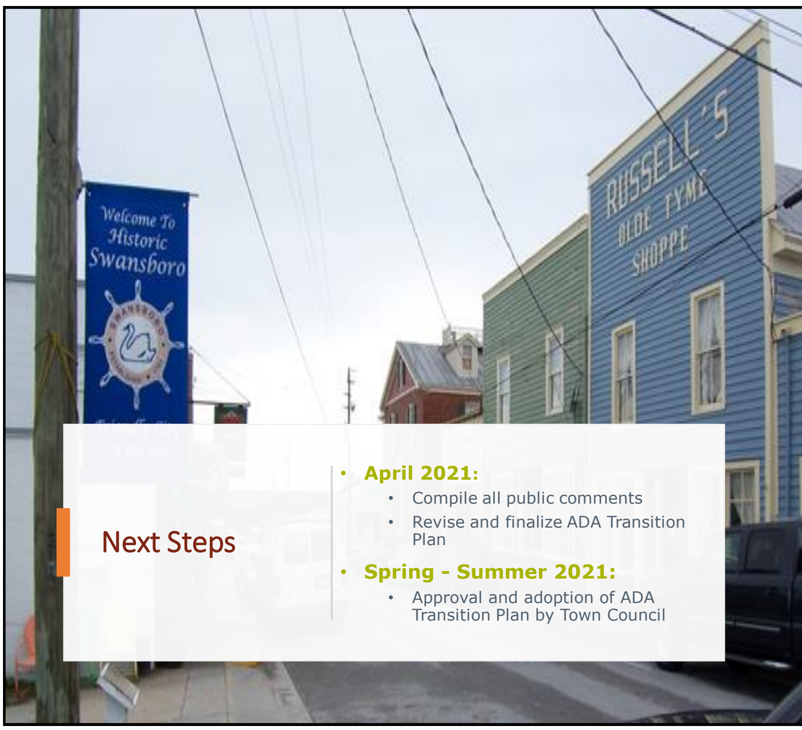

Next Steps

- **April 2021:**
  - Compile all public comments
  - Revise and finalize ADA Transition Plan
- **Spring - Summer 2021:**
  - Approval and adoption of ADA Transition Plan by Town Council

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ADA Transition Plan Draft

Public Comment Period

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NEW BUSINESS/NON-CONSENT

Budget Amendment 2021-6

Amendments are needed in multiple departments.

Action Needed: Motion to approve Budget Amendment 2021-6

Presenter: Sonia Johnson – Finance Director

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NEW BUSINESS/NON-CONSENT

Financial Report

Presenter: Sonia Johnson – Finance Director

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TOWN OF SWANSBORO
FINANCIAL REPORT
(AS OF FEBRUARY 28, 2021)

REVENUES

EXPENDITURES

LOAN PAYMENTS

INVESTMENTS

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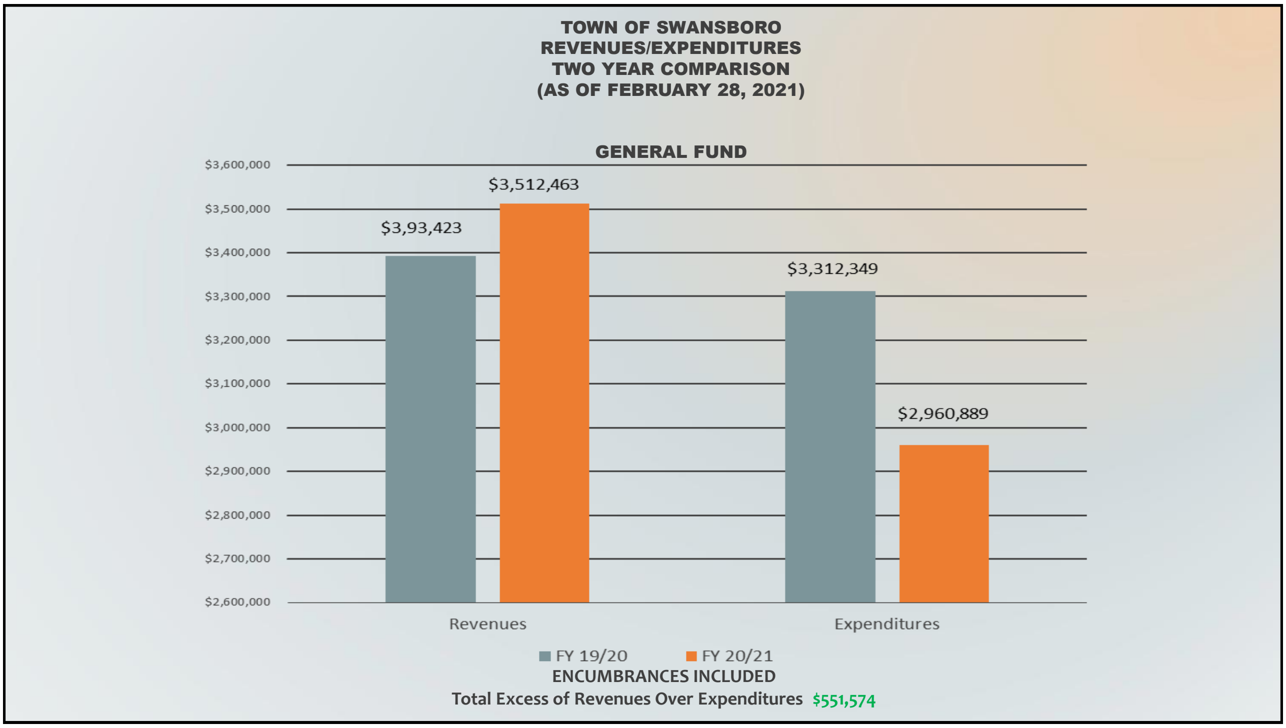
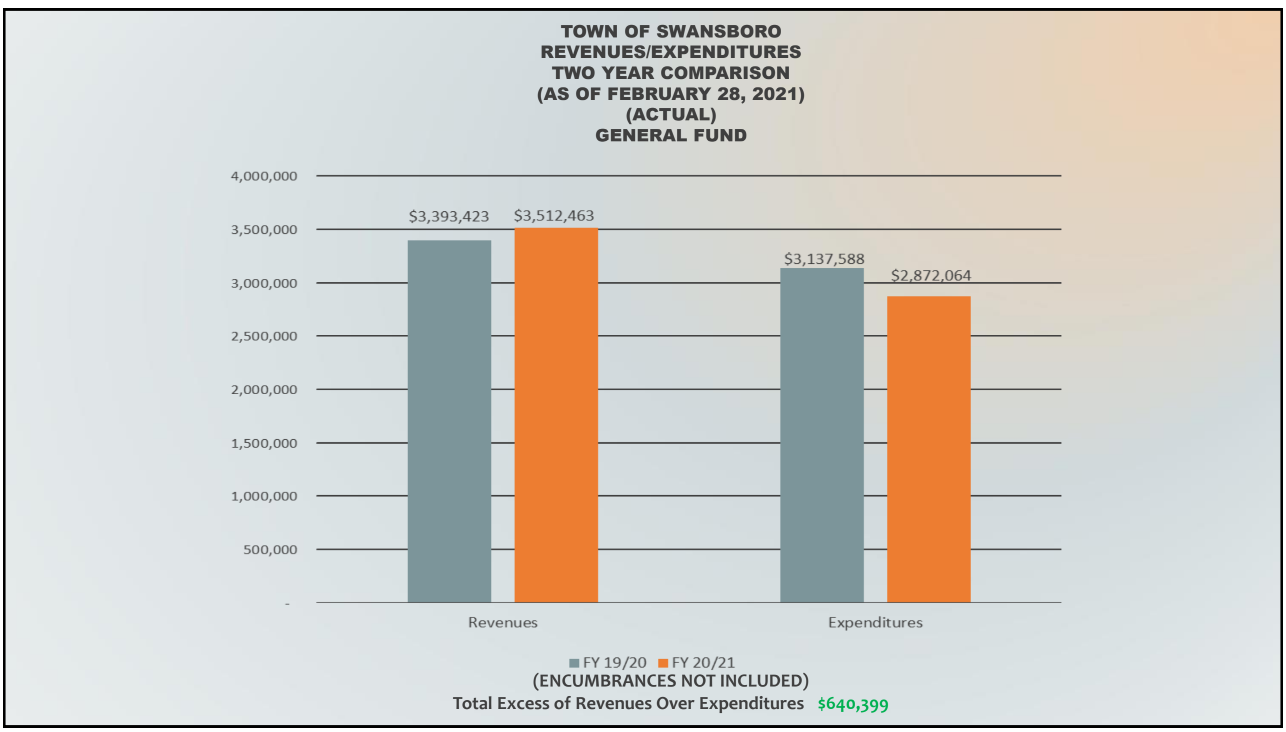

TOWN OF SWANSBORO
REVENUES/EXPENDITURES
TWO YEAR COMPARISON
(AS OF FEBRUARY 28, 2021)
GENERAL FUND
$3,600,000
$3,500,000
$3,400,000
$3,300,000
$3,200,000
$3,100,000
$3,000,000
$2,900,000
$2,800,000
$2,700,000
$2,600,000
$3,93,423
$3,512,463
$3,312,349
$2,960,889
Revenues
Expenditures
FY 19/20
FY 20/21
ENCUMBRANCES INCLUDED
Total Excess of Revenues Over Expenditures $551,574

33


TOWN OF SWANSBORO
REVENUES/EXPENDITURES
TWO YEAR COMPARISON
(AS OF FEBRUARY 28, 2021)
(ACTUAL)
GENERAL FUND
4,000,000
3,500,000
3,000,000
2,500,000
2,000,000
1,500,000
1,000,000
500,000
-
$3,393,423
$3,512,463
$3,137,588
$2,872,064
Revenues
Expenditures
FY 19/20
FY 20/21
(ENCUMBRANCES NOT INCLUDED)
Total Excess of Revenues Over Expenditures $640,399

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DEPT.	BUDGET	(PAID YEAR TO DATE) ACTUAL	(PURCHASE ORDERS) ENCUMBERED BALANCE	SPENT % FEBRUARY 28, 2021
GOVERNING BODY	14,098	8,471	419	63.1%
ADMIN SERVICES	424,705	263,038	10,879	64.5%
FINANCE	299,761	166,565	-	55.6%
LEGAL	42,000	20,333	-	48.4%
PUBLIC BUILDINGS	353,752	177,410	8,629	52.6%
FIRE	908,243	494,904	45,778	59.5%
PERMITTING	222,887	135,102	-	60.6%
POLICE	1,050,587	614,181	6,515	59.1%
PUBLIC WORKS-STREETS	296,493	223,300	3,766	76.6%
POWELL BILL-STREETS	90,318	13,539	5,657	21.3%
PARKS & RECREATION	290,318	142,077	6,568	51.2%
CHURCH STREET DOCK	8,230	3,515	-	42.7%
EMERGENCY MANAGEMENT	169,212	140,595	(173)	83.0%
FESTIVALS & EVENTS	95,451	2,204	769	3.1%
NON DEPARTMENTAL	490,517	466,831	17	95.2%
TOTAL	4,756,572	2,872,064	88,825	62.2%

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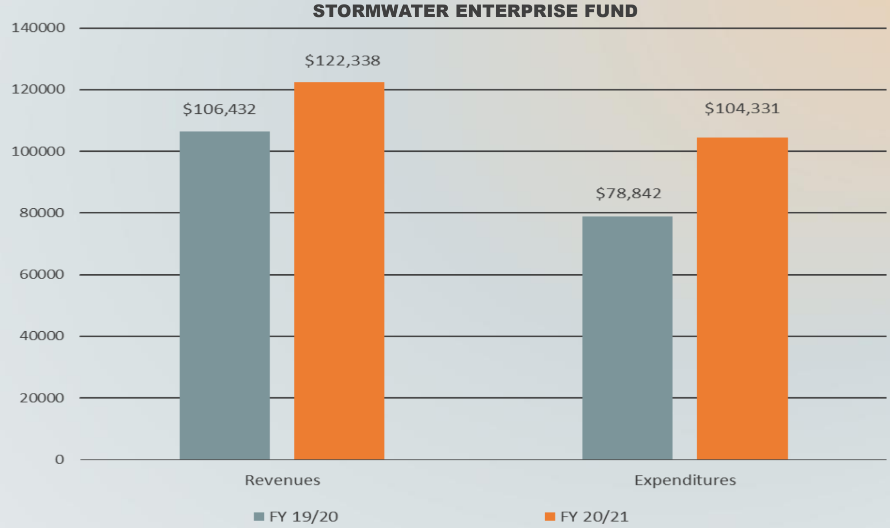
TOWN OF SWANSBORO
REVENUES/EXPENDITURES
TWO YEAR COMPARISON
(AS OF FEBRUARY 28, 2021)

STORMWATER ENTERPRISE FUND



ENCUMBRANCES INCLUDED
Total Excess of Revenues Over Expenditures $18,007

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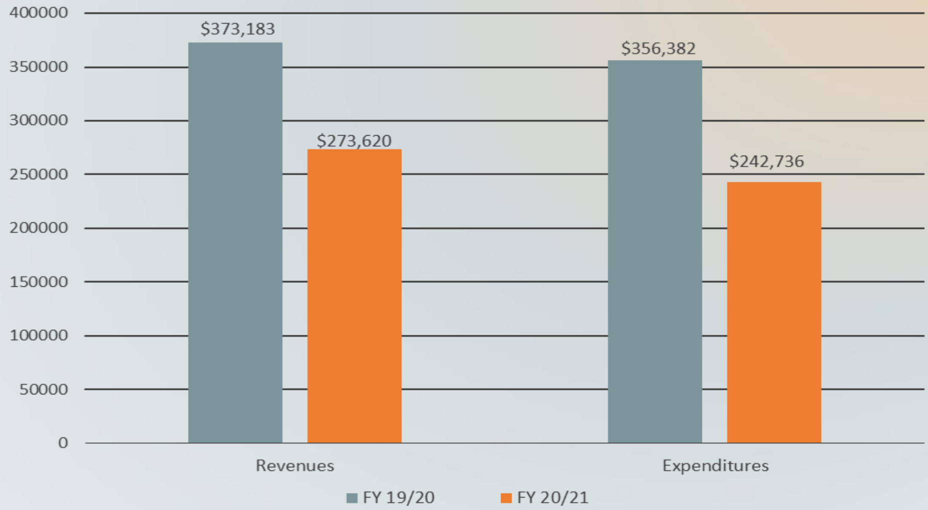
TOWN OF SWANSBORO
REVENUES/EXPENDITURES
TWO YEAR COMPARISON
(AS OF FEBRUARY 28, 2021)

SOLID WASTE ENTERPRISE FUND



ENCUMBRANCES INCLUDED
Total Excess of Revenues Over Expenditures $30,884

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TOWN OF SWANSBORO
LOAN REPORT
(AS OF FEBRUARY 28, 2021)

Item	Principal Balance	Interest Rate	End Date	Annual Debt Service
Town Hall/Tanker	$602,591	2.69	03/21/2028	$84,724
Public Safety Facility	$160,000	2.58	12/22/2024	$45,160
Fire Truck	$265,418	2.08	11/01/2026	$47,512
Equipment/Vehicles	$50,832	1.87	11/01/2021	$51,783
Sleeping Quarters	$150,000	2.43	12/14/2026	$29,253
Grapple Truck/Town Hall Generator	$227,700	1.72	6/25/2025	$47,917
Total Debt	$1,456,541			$306,349

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TOWN OF SWANSBORO
CASH & INVESTMENTS REPORT
(AS OF FEBRUARY 28, 2021)

CASH & INVESTMENTS

BANK	BALANCE	INTEREST RATE
First Citizens Bank	$948,434	.03%
NC CMT-General	$3,413,185	.01%

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Any Questions

?

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NEW BUSINESS/NON-CONSENT

Future Agenda Items

The purpose of this memo is to provide the Board with matters that staff anticipates/proposes for upcoming meetings. It should be noted that these items are tentatively scheduled for the specified monthly agenda but are subject to change due to preparation of materials, public notice requirements, etc. In providing this memo each month, we hope it will also provide opportunity for the Board to introduce items of interest and subsequent direction for placement on future agendas, which will allow staff the opportunity to plan accordingly.

Action Needed: *Discussion and guidance to staff on future agenda items.*

Presenter: Paula Webb – Assistant Manager/Clerk

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PUBLIC COMMENT

Citizen opportunity to address the Board.

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MANAGER'S COMMENTS

Chris Seaberg, Town Manager

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BOARD COMMENTS

Mayor John Davis
Mayor Pro Tem Frank Tursi
Commissioner Pat Turner
Commissioner Harry "PJ" Pugliese
Commissioner Larry Philpott
Commissioner Laurent Meilleur

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ADJOURN

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