



**TOWN OF HOLDEN BEACH  
BOARD OF COMMISSIONERS  
REGULAR MEETING  
TUESDAY, NOVEMBER 18, 2025 – 5:00 P.M.**

The Board of Commissioners of the Town of Holden Beach, North Carolina met for a Regular Meeting on Tuesday, November 18, 2025 at 5:00 p.m. in the Town Hall Public Assembly. Present were Mayor J. Alan Holden; Mayor Pro Tem Tom Myers; Commissioners Rick Smith, Tracey Thomas, Page Dyer and Rick Paarfus; Town Manager Bryan Chadwick; Town Clerk Heather Finnell; Police Chief Jeremy Dixon; Inspections Director Tim Evans; Finance Director Daniel McRainey; Public Works Director Chris Benton; and Town Attorney Sydnee Moore. Assistant Town Manager Christy Ferguson participated by conference call.

Mayor Holden asked for a moment of silence and then called the meeting to order.

**PLEDGE OF ALLEGIANCE**

**AGENDA APPROVAL**

*Motion by Mayor Pro Tem Myers to approve the agenda; second by Commissioner Thomas; approved by unanimous vote.*

**CONFLICT-OF-INTEREST CHECK**

No conflicts were disclosed.

**APPROVAL OF MINUTES**

*Motion by Mayor Pro Tem Myers to approve the minutes of October 21, 2025; second by Commissioner Thomas; approved by unanimous vote.*

**PUBLIC COMMENTS ON AGENDA ITEMS**

Will Carter provided feedback on the HB Property Owners Association's involvement with the Town.

Jim Bauer spoke on items 15 and 17. He thinks it would be a good idea to get rid of the pier as soon as possible. He thinks if the Board has a good reason to move the funds in the proposed budget, it should be moved.

Peter Freer supported item 17, moving funds to the Beach and Inlet Capital Reserve Fund. He provided background on the fund.

Richard Weigand said he supported the transfer of funds and detailed the reasons for his support.

Sylvia Pate supported transferring funds for nourishment but is concerned with the timing of the transfer. She suggested not taking action until the Board gets the recommendations back from the Audit Committee's tasker from the Board.

Becky Greene talked about transparency. She fears if the funds are not moved, the new Board will use the money for the pier against the wish of the homeowners.

Keith Smith detailed his concerns with moving the funds at this time. He is also concerned with setting a precedent with transferring the proposed amount.

John Woods said he is in favor of moving funds to the Beach and Inlet Capital Reserve Fund and provided his reasons.

Chad Hock agreed a transfer needs to be done; he questioned the timing of the transfer.

## **PRESENTATION OF FISCAL YEAR 2024 – 2025 AUDIT RESULTS**

Finance Director McRainey introduced Elsa Swenson from Martin Starnes and Associates. Ms. Swenson explained this is a draft copy of the financial statements due to the fact that the federal government has not yet issued the compliance supplement that is required for single audits. Today the Local Government Commission (LGC) extended the deadline to February 12<sup>th</sup>. The report has not been submitted because they are waiting on the document from the federal government. She is presenting the final numbers as they stand at this time. Ms. Swenson reviewed her slides. The Town received an unmodified opinion, this is a clean audit opinion. It has been a pleasure working with the Town. Information is provided timely and is accurate. There were no internal control or compliance findings noted.

Ms. Swenson reviewed the definition of fund balance. The total fund balance for the General Fund in 2025 was \$3.6 million, with stabilization by state statute of \$272,000, which gives an available fund balance in the General Fund of \$3.4 million. This is a decrease of \$1.9 million. This is due to overall decreases in fund balance due to the \$2.9 million transfer to the Capital Reserve Fund. The available fund balance as a percent of expenditures for the General Fund was 82.1%. This is well above the minimums of the Town and LGC.

For the General Fund, revenues were \$4.8 million and expenditures were \$4.1 million. The top revenues were property taxes at 69%, permits and fees at 9%, other taxes and revenues at 9% and other revenues at 13%. Property taxes were \$3.3 million, a change of less than 1%, overall comparable to the prior year. Permits and fees were \$415,000, a decrease of about 18% due to fewer building permits and applications compared to the prior year. Other taxes and licenses were \$460,000, an overall increase of about 5% comparable to the prior year. The top expenditures were general government at 36%, public safety at 40%, transportation at 12% and other expenditures were 12%. Public safety expenditures were \$1.6 million. The increase is primarily due to capital outlay for vehicles. General government was \$1.5 million. The increase was due to the payout of the former town manager and a new subscription-based IT arrangement. Transportation was \$493,000, a decrease due to vacancies in positions in the current year.

For the Water Sewer Fund, the quick ratio was calculated at 6.5. The performance indicator is 23.69%. The minimum required by the LGC is 16%. The Town had an operating loss of \$512,000; adding back depreciation of \$640,000 and backing out debt service payments of \$662,000, it gives the Town an operating loss of \$535,000. The LGC is concerned since it is a negative number. The Town must provide a letter to the LGC concerning the operating loss.

Commissioner Thomas asked if there is an explanation on why property taxes collected has gone down since last year. Finance Director McRainey explained it is primarily due to a slightly less collection rate. It can be equivalent to one person not paying their taxes. There is a process to collect unpaid taxes with a penalty added. Commissioner Thomas inquired why the presentation does not include the BPART Fund. Ms. Swenson responded that they could add that in the future if they are contracted with the Town.

## **ANNUAL MONITORING REPORT RESULTS**

Fran Way from Applied Technology and Management went over the summary of annual monitoring. They look at volume and shoreline change. The monitoring has occurred annually since 2001. It is for nourishment planning and FEMA eligibility. Mr. Way went over the 2024 hurricane season storms.

In 2017, the Town did a large nourishment of 1.3 million cubic yards of sand. In 2022, the Town did another large project that was about 1.5 million. It was a FEMA project related to the engineered beach status that FEMA has. There was talk of trying to get rid of engineered beaches, but the Town and coastal communities banded together to fend that off. It is still an issue we will keep dealing with. There is a cumulative benefit from the 2017 nourishment and the 2022 nourishment. The beach looks really good three and half years later. Mr. Way explained how they calculate volume analysis and volume change. He showed slides that detail the data. He explained the slides with the mean high-water shoreline change and dune vegetation widths.

They also monitor the inlet shorelines. The Lockwood Folly Inlet shore has been healthy. He provided details on Corps' projects. On the west end, there is a little bit of an erosional arch, but the sand is going to move there and fill it in. It will just take a little time. Mr. Way provided information on the Ocean Isle terminal groin monitoring and explained they will continue to monitor it.

Mr. Way said from 2000 to 2025, the beach is much healthier now. He provided information regarding the area around the 1200 block.

The offshore borrow area for the next project is in the works. It is for a little over a million cubic yards, in the same general area as the last one. Thanks to the data collection from the Corps of Engineers during the 50-Year Study, we have a good idea of the next borrow area. Mr. Way reviewed additional ongoing Holden Beach management activities which include FEMA coordination, Lockwood Folly Inlet Crossing and bend widener, Lockwood Folly Outer Channel dredging/navigation and the permit application for the offshore borrow area.

Mayor Pro Tem Myers asked if there is some way to take data from the past 20 years and play it forward. He would like to know the Town's exposure and what we need for the future. Mr. Way responded that they could work on that with the Town. There are several variables that would need to be factored in. Assistant Town Manager Ferguson added that would be a different proposal from their current scope.

#### **POLICE REPORT – CHIEF DIXON**

- We are ready for Thanksgiving and turkey.
- Had the festival the last weekend of October – it was a good turnout.
- You will see the car break-ins on the report that he mentioned last month. Provided information on the suspect. Call the Police Department if you see anything suspicious.
- In the process of doing the interviews internally for the detective position.

#### **INSPECTIONS DEPARTMENT REPORT – INSPECTIONS DIRECTOR EVANS**

- Went over numbers on the report.

#### **FINANCE DEPARTMENT REPORT – FINANCE DIRECTOR MCRAINEY**

- Provided details on the numbers in the report.
- Wanted to clarify that the LGC indicator on the audit that we were dinged for is the same one as last year. It is just due to the way our sewer fee is collected. We had special legislation that allows us to do the capital charge. That is what pays for our debt service, which is an operating expense, but the revenue is not considered an operating revenue. Also, it was a little higher this year because of the sale of 796. The payoff for the debt

service was included in the expense, but the revenue from the sale was not included since it was not an operating revenue.

## **PUBLIC WORKS DEPARTMENT REPORT – PUBLIC WORKS DIRECTOR BENTON**

- Slowed down since last month. Went over some of the current items they are working on.

## **TOWN MANAGER'S REPORT – TOWN MANAGER CHADWICK**

- Greensboro Street Lift Station – close to certificate of occupancy. Doors were finally delivered. Coordinating with both federal and state agencies on the reimbursement.
- Block Q Restrooms – looks like the middle of December on the new updated timeline. Have talked to the state for an extension.
- Ocean Boulevard Stormwater – staff has facilitated the data flowing from the engineer to the Corps. Planning a meeting with them within the next two weeks.
- Resilient Coastal Communities Program – engineer has contacted Inspections Director Evans with the next steps which includes forming a working group. Inspections Director Evans provided details from the meeting. Development Services Officer Pigott will be the Project Manager. He would like the Board to allow staff to pick the team members.
- Lockwood Folly/Bend Widener Project – funds have been sent to the Corps from the Town. The state has sent a check to them as well and they are awaiting confirmation of receipt.
- Employee Updates – Assistant Town Manager Ferguson is now a liaison with local engagement of the ASBPA Coastal Advocacy Network. Korey Bishop is our new officer. Development Services Officer Pigott received her Level I Plumbing certification.
- Kudos to Assistant Town Manager Ferguson, Town Clerk Finnell and staff for successful volunteer and veterans' luncheons. Kudos to Inspections Director Evans, Inspector Redwine and the Inspections Department for the Contractor Seminar. Public Works took it upon themselves to collect old metal that normally would be thrown away. They scraped over \$10,000 and will purchase new tools and equipment. The Police Department assisted a boater on Veterans Day.
- Upcoming Events – Turkey Trot, Tree Lighting, Snowman Creation Contest, Reindeer Dash and Santa Saunter and Sandy Paws Dog Parade.

## **BLOCK Q, JORDAN BOULEVARD AND BRIDGE AREA UPDATE**

Town Manager Chadwick said since the Board reached a stalemate at the last meeting regarding the Request for Qualifications (RFQ), staff offered to bring back a revised RFQ and a path for moving forward with a stage. After much discussion, the staff decided that it is more prudent to wait until the new Board is seated to bring something forward so the Board does not inherit a project and can discuss their thoughts.

## **DISCUSSION AND POSSIBLE APPROVAL OF RESOLUTION 25-08, RESOLUTION APPROVING TRUIST SIGNATURE CARD**

Town Clerk Finnell explained the proposed resolution would be adding Town Manager Chadwick to the bank card.

*Motion by Commissioner Thomas to approve Resolution 25-08; second by Commissioner Paarfus; approved by unanimous vote.*

## **DISCUSSION AND POSSIBLE ACTION ON MOVING FUNDS FROM THE BPART FUND TO THE BEACH AND INLET FUND**

Commissioner Thomas said the Beach and Inlet Capital Reserve Fund is significantly underfunded relative to the \$10 million in 10 years goal when it was established in 2018. The fund balance currently stands at just over \$5 million. She stated transferring \$4 million from the BPART Fund will put the sand fund back on track to achieve its savings goal while still leaving a sufficient balance in the BPART Fund. She said the Town collects an occupancy tax of six percent on the gross receipts from rentals. 1% goes directly to the county. Three percent must be used for tourism development and other related programs. Two percent must be used for beach nourishment and protection. She said in the past this has gone towards paying the debt on the central reach instead of future projects. Up to half of the occupancy tax can be used for nourishment. Commissioner Thomas said if the 2% had been escrowed in the reserve fund as originally planned, the balance would be over \$7 million. If half of the gross receipts had been escrowed, the balance would be over \$10 million. She stated this is a shortfall in the Town's savings plan. In addition, we have a Capital Improvement Plan that says the Town needs \$25 million in 15 years so we are working towards both of those goals. Currently, the BPART Fund has a balance of around \$8 million. She said the reason for adding it to the agenda today was they were waiting on the audit results. Last year around this time, the Board moved \$2.7 million per policy from the General Fund to the reserve fund.

*Motion by Commissioner Thomas to approve the \$3.3 million budget amendment and execute a transfer of \$4 million from BPART into the Beach and Inlet Capital Reserve Fund immediately; second by Commissioner Paarfus.*

Mayor Pro Tem Myers explained this is important to him. They bought their house in 1988. For almost 20 years there were many days when there was no dry sand at high tide. Their house is next to a public walkway so they watched people get to the top of the stairs with all their equipment and turn away to walk back home after realizing there was nowhere to set up. He stated that needs to be avoided. He personally thinks \$4 million is kind of light. The projects are extremely expensive. He thinks it is fiscally responsible to make sure we don't get caught with no sand and no money to finance sand. Commissioner Dyer said the Board has \$700,000 budgeted to go into that fund. She said we are three/four months into a new budget and thinks before we move that amount of money and tie it where it is restricted, we should

have discussion. She doesn't know why the Board is rushing three months into the budget. Commissioner Dyer doesn't disagree that some needs to be put in, but to tie up that amount of money, especially with the federal government's recent shutdown. We have projects going on, the bathrooms, Block Q. We have ADA compliance going on. She said we have until July, there should be discussion, especially with the election. There are two new Board members coming in and she thinks they should be involved in that discussion. Commissioner Dyer stated the Board tasked the Audit Committee with this and haven't received anything back from them. Mayor Pro Tem Myers said the Audit Committee met yesterday; they were not tasked to come up with an amount to transfer it was to look at a policy for the BPART Fund. They are making good progress and should report back in January. It won't address this issue. Commissioner Dyer doesn't understand the rush. There needs to be discussion and staff input before you move money to a restricted fund.

Commissioner Smith called for a vote.

*The motion passed by a 3-2 vote with Mayor Pro Tem Myers and Commissioners Thomas and Paarfus voting for the motion and Commissioners Smith and Dyer voting in the negative.*

## **PUBLIC COMMENTS ON GENERAL ITEMS**

Marlene Barz said Canal Drive needs to be graded.

Maria Surprise went over the results from the HBPOA straw poll concerning the pier bond referendum. She provided details on the next HBPOA meeting.

Will Carter talked about moving the fire station to the corner of Greensboro and Ocean Boulevard.

Richard Weigand thanked those involved in rebuilding the ramp at the end of Jordan Boulevard. He said the upper beach at the end of Jordan Boulevard has gotten narrow. He said at the Lockwood Folly Inlet there is significant erosion.

Martie Arrowood provided information on the Turkey Trot.

Chad Hock is concerned about the study on the inlet hazard area. He detailed his nourishment concerns on the west end. He said the screws are exposed in a lot of areas on the ADA tactical warning surfaces. He provided information on helping Brunswick Family Assistance for Christmas.

John Woods encouraged people to fertilize their dunes if they live on the ocean.

Kim Kirkpatrick would like to have a pier but doesn't want taxes to go up.

Keith Smith encouraged people to work with Brunswick Family Assistance to help children in our community.

#### **ADJOURNMENT**

*Motion to adjourn at 6:39 p.m. by Commissioner Thomas; second by Mayor Pro Tem Myers; approved by unanimous vote.*

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J. Alan Holden, Mayor

ATTEST:

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Heather Finnell, Town Clerk