



# Town of Mars Hill

## MAYOR AND BOARD OF ALDERMEN

John L. Chandler  
*Mayor*  
Nicholas A. Honeycutt  
*Vice-Mayor*  
Robert W. Zink  
*Treasurer*  
Stuart L. Jolley  
*Clerk*  
Larry H. Davis  
*Secretary*

### MINUTES REGULAR MEETING Mars Hill Town Hall – Conference Room June 2, 2025 at 6:00 p.m.

The Town of Mars Hill Mayor and Board of Aldermen met in regular session on Monday, June 2, 2025, at 6:00 p.m. in the Mars Hill Town Hall.

**MEMBERS PRESENT:** Mayor John Chandler; Aldermen Larry Davis, Nicholas Honeycutt, Stuart Jolley, and Robert W. (Bob) Zink

**STAFF PRESENT:** Nathan R. Bennett, Town Manager; Larry Leake, Town Attorney; and Chad Wilson, Police Chief

**OTHERS PRESENT:** Johnny Casey, New-Record & Sentinel; Theresa Gang (Madison County Conservancy), Doug Hattaway (Trust for Public Land), Monica Buckner, Bill Downey, Brad Guth, Bill Sewell, Devi Sharp, Hunter Sharp, Sandy Stevenson, and other members of the general public

#### Call to Order

The meeting was called to order by Mayor John Chandler. Mayor Chandler welcomed those in attendance.

#### Approval of the Agenda

Mayor Chandler asked the Board to review the proposed agenda for approval. Upon review of the agenda, Mayor Chandler called for a motion. **Alderman Bob Zink made a motion to approve the agenda as presented.** Alderman Larry Davis seconded the motion. Upon a call for a vote on the motion by the Mayor, the agenda was unanimously approved. (Attachment A)

#### Approval of Minutes

Mayor Chandler asked the Board to review the minutes of the regular meeting held on May 5, 2025, and the special meeting held May 29, 2025. There being no modifications to the minutes, **Alderman Davis made a motion to approve the minutes of the May 5, 2025, regular meeting and May 29, 2025, special meeting as presented by management.** Alderman Nicholas Honeycutt seconded the motion. Upon a call for a vote on the motion by the Mayor, the minutes were unanimously approved.

#### Fiscal Year 2025-2026 Budget

**BUDGET MESSAGE** – Mayor Chandler then recognized Town Manager Nathan Bennett for a presentation of the proposed FY 2025-2026 Fiscal Year Budget and delivery of the Budget Message. Mr. Bennett provided a summary of the components of the budget to guide operations and initiatives of the Town of Mars Hill for the fiscal year beginning July 1, 2025, through June 30, 2026. Mr. Bennett advised that the proposed general fund budget is set at \$3,425,450. The property tax rate is recommended to be maintained at the current rate of \$0.34

(thirty-four) cents per \$100 (one-hundred dollars) of valuation. This rate is based on the property valuation tax base of \$289,214,695, as provided by the Madison County Tax Department. At a collection rate of 96%, it is expected this rate will provide the general fund with an estimated total property tax revenue of \$950,250. Ultimately, property tax, combined with other general fund sources from sales tax, investment interest income, miscellaneous fees, including specific function revenue sources such as the Madison County fire tax levy for the Mars Hill Fire District and state Powell Bill funds for street maintenance, are anticipated to be \$3,425,450 for general fund operations.

Mr. Bennett then addressed the proposed water and sewer fund budget. The water and sewer fund is an enterprise function which is required by the State of North Carolina to be supported only by the revenue generated from the service provided. In keeping with established Town policy, management recommends a 2.5% increase in water and sewer usage fees. This increase is necessary to keep the water and sewer fund solvent while providing safe drinking water, processing wastewater, and making necessary capital improvements to the water and sewer system. The water and sewer fund anticipates total revenue from customer charges, fees, and miscellaneous sources totaling \$1,436,437 and the proposed budget is set at that amount.

Expenditures are proposed to be set at or near current year levels in most areas of operation. Management recommends a cost of living pay increase of a flat \$2,500 per year for all permanent full-time employees and \$1,500 per year for all permanent part-time employees. This commitment to the Town workforce is to show appreciation for their hard work, as well as to allow the Town to retain and recruit necessary employees in a competitive job market. Mr. Bennett provided a summary of allocations for all town departments, to include capital improvement projects, replacement vehicles and equipment, and other operational, administrative, and personnel costs. Mr. Bennett advised that copies of the full budget message and budget ordinance will be available in the administration office in Town Hall and on the Town website.

The FY 2025-2026 Budget Message is incorporated by reference to these minutes as Attachment B. (Attachment B)

**PUBLIC HEARING** – Mayor Chandler, Alderman Honeycutt, and other Board members thanked Mr. Bennett for his work on the budget and for the presentation. Mayor Chandler then opened the floor to members of the public present for the public hearing on the proposed budget for FY 2025-2026. There were no comments from members of the public. Mayor Chandler closed the public hearing.

**BUDGET ORDINANCE** – Mayor Chandler then moved to consider adoption of the Town of Mars Hill Budget Ordinance for Fiscal Year 2025-2026. Mr. Bennett recommended adoption of the budget ordinance if it is the pleasure of the Board. Upon completion of discussion, Mayor Chandler called for a motion. **Alderman Stuart Jolley made a motion to approve the “Town of Mars Hill Budget Ordinance for Fiscal Year 2025-2026, Ordinance # 298,” as presented by management.** Alderman Davis seconded the motion. Upon a call for a vote by the Mayor, the motion was approved unanimously. (Attachment C)

Alderman Davis was excused from the meeting at 6:18 p.m. to attend an employment obligation.

### **Old Business**

Mayor Chandler then moved to address old business.

### **Tropical Storm Helene - Update**

Mayor Chandler recognized Town Manager Nathan Bennett to provide an update on the Town response to Tropical Storm Helene. Mr. Bennett advised the Board that payment of the FEMA Public Assistance grant of \$84,861.72 for Town response activities related to Tropical Storm Helene has been received from FEMA/NC Division of Emergency Management. The remaining financial obligation is the reimbursement of administrative costs associated with the public assistance process. The final invoice from Land of Sky for administrative services is pending and once that is received the reimbursement request for the allowable \$4,243 will be submitted. Mr. Bennett provided the Board with additional information regarding the timeline for repair of the watershed security fence from Helen-related tree damage and other hazardous tree removal near a Wolf Laurel home on the boundary with the watershed. Mayor Chandler thanked Mr. Bennett for this information.

### **Trust for Public Land – Bailey Mountain/Bone Camp Road Acquisition**

Mayor Chandler then moved to recognize Theresa Gang, Madison County Conservancy, and Doug Hattaway, Trust for Public Land (TPL), to provide an update on their efforts to acquire the Bailey Mountain/Bone Camp Road property. Ms. Gang provided an update and PowerPoint presentation regarding the property attributes, potential uses, maintenance, and the goal to preserve the property from residential development along those pristine ridgelines and Mars Hill viewshed. Ms. Gang then introduced Doug Hattaway to provide additional information on the project and the specific fundraising efforts to purchase the property by the Trust for Public Land. Mr. Hattaway provided a thorough review of their efforts to date describing the stated goals of the Trust for Public Land. Mr. Hattaway stated that his organization has placed the property under contract with the goal of raising funds to purchase the property and, if agreeable, transfer the property to the Town of Mars Hill at a future date. He described his efforts to submit multiple grant applications to fund the acquisition of the property, including an application to the NC Land and Water Fund. TPL is working to complement, not compete, with Town efforts to secure the West Farm property on Forest Street. He states that these two projects are complementary with the same goal to preserve this property for public use and enjoyment forever. He also discussed a federal funding source Land and Water Conservation Fund State Side, which are National Park Service funds administered by the NC Department of Cultural and Natural Resources. This grant requires the applicant to be a local government and TPL is asking the Town to consider being the named applicant for this grant. Mr. Hattaway states that TPL will do all the grant-writing work and will not require any town staff time, other than to sign and submit the completed application. Mr. Hattaway asked if the town had a position on being the applicant. Mayor Chandler advised that the Board still has questions about the Town role in this project. Alderman Honeycutt stated he is all for the conservation of this property but echoed the concerns and unanswered questions the Board has and, specifically, how to address the long-term maintenance and other commitments the Town would assume by agreeing to anything at this point. Alderman Zink stated he had concerns with the West property funding as securing that land is the top priority of the Town and does not want to put the town in a difficult financial position by layering potential funding conflicts with the Bone Camp property, as well as liability issues that may be an issue. Alderman Jolley asked for clarity regarding the backup plan should their federal grant funding sources become negated by the current federal administration. Mr. Hattaway stated they would scramble to find additional sources, including private sources available to TPL as a nonprofit organization. There was considerable conversation between Board members and Mr. Hattaway regarding project funding sources, timeline for grant awards, and a discussion of the support of the community and other funding partners. The consensus of the Board was to research the matter further and provide a final decision on Town participation by the Board's next regular meeting in August. Mayor Chandler thanked Mr. Hattaway and Ms. Gang, as well as the supporting audience members, for their efforts.

### **New Business**

Mayor Chandler then moved to address new business.

### **Fire Department – First Responder Vehicle Purchase Authorization**

Mayor Chandler recognized Town Manager Nathan Bennett to provide information regarding the proposed purchase of a replacement first responder vehicle for the Fire Department. Mr. Bennett advised the Board that the current vehicle is a Ford F-150 that has many years of use and has experienced a lot of maintenance issues. Mr. Bennett advised that Fire Chief Nathan Waldrup requests authorization to replace this unit with a new 2024 Chevrolet Tahoe located at Emergency Vehicle Resources at a cost of \$58,382. Mr. Bennett stated that current fire department revenue is more than sufficient to fund purchase of this vehicle from the current FY 2025 budget. Upon completion of discussion of the matter, Mayor Chandler called for a motion. **Alderman Jolley made a motion to approve and authorize the Town Manager, and other appropriate town officials, to purchase the fire department first responder vehicle, as presented.** Alderman Honeycutt seconded the motion. Upon a call for a vote by the Mayor, the motion was unanimously approved.

### **FY 2025 Budget Work Session Date – Final Budget Amendments**

Mayor Chandler then recognized Mr. Bennett to provide information regarding a proposed end-of-year work session to address potential budget amendments. Mr. Bennett advised the Board that as the current fiscal year comes to an end, the Town's contract CPA has been reviewing the budget to actual expenditures and suggests there may be a need for budget amendments to administratively modify any departmental budgets for budgetary compliance. Mr. Bennett proposed a special meeting date of June 24, 2025, for the Board to consider any budget amendments or other appropriate issues. Upon completion of discussion, Mayor Chandler called for a motion. **Alderman Honeycutt made a motion to set a final FY 2025 Budget Work Session date for June 24, 2025, at 5:00 p.m.** Alderman Jolley seconded the motion. Upon a call for a vote by the Mayor, the motion was unanimously approved.

### **Independence Day Celebration**

Mayor Chandler then recognized Mr. Bennett to provide information regarding the Town-sponsored Independence Day Celebration. Mr. Bennett stated the Independence Day Festival and Fireworks will be on July 4, 2025, beginning at 5:00 p.m. on Athletic Street and MHU Football Stadium. Fireworks will tentatively be at 9:30 p.m.

### **July Meeting Date**

Mayor Chandler then moved to discussion of the July 2025 meeting date. **Alderman Honeycutt made a motion that the Board cancel the July regular meeting and return to the regular meeting schedule on August 4, 2025.** Alderman Jolley seconded the motion. Upon a call for a vote by the Mayor, the motion was unanimously approved.

### **Town Manager Report – Nathan Bennett, Town Manager**

#### **General Update**

Mayor Chandler then recognized Mr. Bennett to provide the Town Manager Report. Mr. Bennett provided an update on the NC 213 waterline project, with current progress made from Petersburg to Bone Camp Road. Mr. Bennett advised the Board that Athletic Street will need to be closed for up to two weeks during the construction of the waterline from Park Drive to the system connection point at Bailey Street and Athletic Street intersection. This work will be completed in mid-July before MHU students return for the fall semester. Alderman Jolley asked if the contractors and engineers had a good idea what is in the ground at Athletic Street, or will it be a "grab bag" of surprises when it is opened. Mr. Bennett advised that while a lot is known about existing infrastructure buried in Athletic Street, everyone expects that certain discoveries will be made when the excavation begins. Mr. Bennett advised the Board that while this area is under construction he plans to install a speed table with an

elevated crosswalk at the existing crosswalk from the Wren Union to Chambers Gym sidewalk to improve safety for pedestrians in that area.

Mr. Bennett then provided an update on the NCDOT Carl Eller Road (NC 213)/Exit 11 landscaping project. Mr. Bennett advised that the installation of the plants and hardscape is complete. The Town will attend a final inspection of the project with NCDOT and the contractor later this week to discuss any remaining items and the future maintenance plan for the installation when the one-year establishment and warranty period is over. One final element remaining for the Town is the selection and installation of a "Welcome to Mars Hill" sign at the large wall and planting at the top of the westbound exit 11 ramp.

Alderman Honeycutt asked if Waffle House planned to build a new store in Mars Hill. Mr. Bennett advised him that he has not received anything formal from the company regarding that matter but understands that there is great interest in returning to Mars Hill.

#### **Public Comment**

Mayor Chandler then moved to public comment. There were no public comments.

#### **Closed Session (Pursuant to N.C.G.S. 143-318.11(a)(3) & (4))**

Mr. Bennett advised the Board that there is an item concerning a confidential economic development project that requires a closed session. **Alderman Zink made a motion to enter closed session for the purpose of discussion of a confidential economic development project and consultation with legal counsel pursuant to N.C.G.S. 143-318.11(a)(3) & (4).** Alderman Jolley seconded the motion. Upon a call for a vote on the motion by the Mayor, the motion was unanimously approved.

#### **CLOSED SESSION**

Upon completion of discussion of the matter subject to the closed session, Mayor Chandler called for a motion to return to open session. **Alderman Jolley made a motion that the Board end the closed session and return to open session.** Alderman Zink seconded the motion. Upon a call for a vote on the motion by the Mayor, the motion was unanimously approved.

#### **Open Session**


Upon return to open session, Mayor Chandler announced there was no further discussion or any action pursuant to the closed session.

#### **Adjourn**

There being no further business before the Board, Mayor Chandler called for a motion to adjourn. **Alderman Zink made a motion to adjourn.** Alderman Jolley seconded the motion. Upon a call for a vote on the motion by the Mayor, the motion to adjourn was unanimously approved.

Approved and authenticated this the 4<sup>th</sup> day of August, 2025.

ATTEST:



Nathan R. Bennett, Town Manager

\_\_\_\_\_  
John L. Chandler, Mayor



ATTACHMENT A

# Town of Mars Hill

MAYOR AND BOARD OF ALDERMEN

**John L. Chandler**  
*Mayor*  
**Nicholas A. Honeycutt**  
*Vice-Mayor*  
**Robert W. Zink**  
*Treasurer*  
**Stuart L. Jolley**  
*Clerk*  
**Larry H. Davis**  
*Secretary*

## AGENDA

### REGULAR MEETING

Mars Hill Town Hall Conference Room

June 2, 2025 at 6:00 p.m.

1. Call to Order – Mayor John L. Chandler
2. Approval of Agenda
3. Approval of Minutes: May 5, 2025, Regular Meeting; May 29, 2025, Special Meeting
4. Fiscal Year 2025-2026 Budget – Nathan Bennett, Town Manager
  - a. **BUDGET MESSAGE**
  - b. **PUBLIC HEARING**
  - c. **ORDINANCE** – Consideration and Adoption of FY 2025-2026 Budget Ordinance
5. Old Business
  - a. **TROPICAL STORM HELENE – UPDATE**
  - b. Trust for Public Land – Bailey Mountain/Bone Camp Road Acquisition – Doug Hattaway
6. New Business
  - a. Fire Department – First Responder Vehicle Purchase Authorization
  - b. FY 25 Budget Work Session Date – Final Budget Amendments – *Propose June 24, 2025*
  - c. Independence Day Celebration – July 4<sup>th</sup> – Athletic Street
  - d. July Meeting Date
7. Town Manager Report – Nathan Bennett, Town Manager
  - a. General Update
8. Public Comment

[Policy: Each speaker shall be limited to a maximum of three (3) minutes. The public comment period is not intended to require the Board of Aldermen or staff to answer any impromptu questions. The Board will not take action on an item presented during the public comment period. The Board may refer inquiries made during the public comment period to the Town Manager to address as appropriate. If necessary, the item may be placed on the agenda of a future meeting.]
9. Closed Session (*Pursuant to N.C.G.S. 143-318.11(a)(3)*)
10. Adjourn

### Mars Hill Town Hall

280 North Main Street • P.O. Box 368

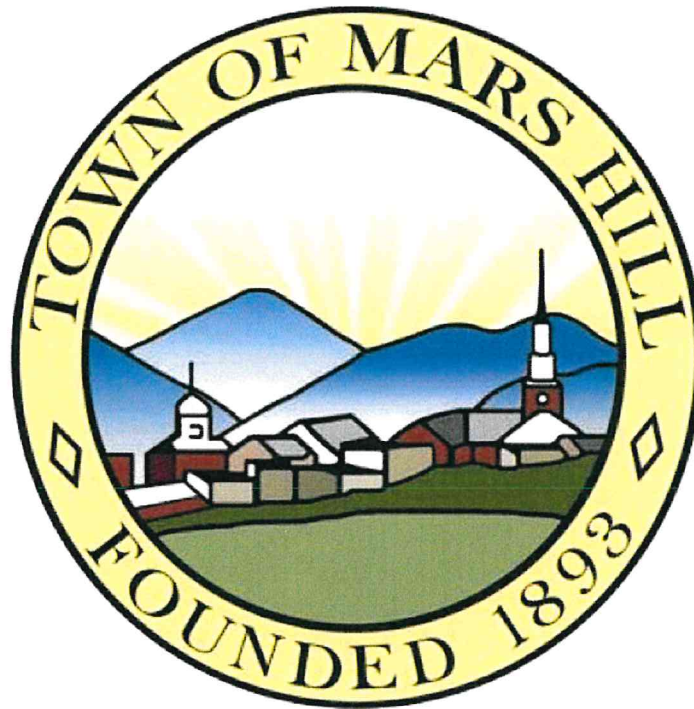
Mars Hill, North Carolina 28754

Phone: (828) 689-2301 • Fax: (828) 689-3333

# **TOWN OF MARS HILL**

**FY 2025 – 2026**

## **BUDGET MESSAGE**



**June 2, 2025**

**Nathan R. Bennett**  
**Town Manager**

# **TOWN OF MARS HILL BUDGET MESSAGE**

FISCAL YEAR 2025-2026

*To the Town of Mars Hill Mayor and Board of Aldermen  
and Citizens of the Town of Mars Hill:*

In accordance with North Carolina General Statute 159-11, the Town of Mars Hill Fiscal Year 2025-2026 proposed budget is respectfully submitted for your review and consideration. The proposed budget sets forth a plan of operations for all Town departments, programs, and initiatives for the coming year. This proposed budget is balanced in accordance with the Local Government Budget and Fiscal Control Act with General Fund revenues and expenditures each totaling **\$3,425,450**, an 8.6% increase over the prior year. The Water and Sewer Fund is balanced with revenues and expenditures each totaling **\$1,436,437**, an 8% increase over the prior year.

## **INTRODUCTION**

This budget message will introduce the Town of Mars Hill Fiscal Year 2025-2026 proposed budget. The budgeting process begins in early spring with management requesting proposed appropriation use plans from departments, agencies, and other Town-supported entities. Management takes those requests and develops a balanced budget in line with expected revenue from numerous sources. This document will provide a summary of how the Town plans to utilize its fiscal resources and will highlight significant impacts to the Town's budget. I am pleased to present this budget that provides the tools and resources necessary for an effective and efficient government for the Citizens of the Town of Mars Hill.

## **HURRICANE HELENE IMPACTS**

No discussion of local government budget considerations this year can be had without a review of the impacts from Hurricane Helene in September 2024. The very word, "Helene," now immediately brings to the mind of every resident of Western North Carolina the devastation and desolation of our community from the worst natural disaster to strike our region. The word also recalls the resolve and dedication of the region to rise up to meet those very challenges thrust upon us. While the greater Town of Mars Hill community was spared from the most severe physical impacts from the storm faced by many of our neighboring towns, the Town did conduct many rescue operations and public safety and security functions while coping with unique challenges presented by several days without electricity, phone and internet communications.

The Town of Mars Hill Water and Sewer System was not damaged by Helene placing Mars Hill in the unique position to provide potable water to many neighboring towns whose water systems were severely impacted by Helene flood waters. For the first time since its construction, the water system interconnection between the Town of Mars Hill and Town of Weaverville was activated to allow the transfer of approximately 500,000 gallons of potable water from the Mars Hill system to the Weaverville system as the Weaverville municipal water plant on the Ivy River incurred significant damage from flood water and deposited debris. This transfer of water allowed Weaverville to repair their water plant and restore their own water treatment capacity in a manner of days instead of weeks. In addition, the Town of Mars Hill provided an additional 300,000 gallons of water by tanker truck delivery to many other neighboring communities including Burnsville, Spruce Pine, Asheville, Swannanoa, and others. These tankers

were from the NC National Guard, World Central Kitchen, NCDOT, personal vehicles, and other entities working to provide vital water resources to areas with severe long-term water system damage.

In addition to water distribution, the Town of Mars Hill deployed employees of the public works department to the Town of Marshall and Town of Hot Springs. These employees assisted our Madison County sister towns with repairs to water distribution systems and wastewater collection systems ravaged by flood waters. Mars Hill staff also coordinated the acquisition of necessary equipment, piping, and other materials from vendors and delivered these materials to Marshall and Hot Springs. Mars Hill public works employees dedicated over 160 hours to emergency response activities in Marshall and Hot Springs. The Town also opened the doors of Town Hall to the administration of neighboring towns, especially Marshall, whose Town Hall located on the French Broad River was destroyed by flood waters. Marshall administrative staff members have used Mars Hill town offices and equipment on an as-needed basis to complete important business functions of payroll, accounts payable, and utility billing since the storm. Mars Hill has been honored to provide these resources to our neighbors, and we cherish the friendships that have been forged through this situation.

These Helene activities were done to help our neighbors in their time of need, with no desire or expectation of any type of recognition for simply doing what was right. However, Mars Hill has been honored to receive attention from several partner organizations, such as the N.C. League of Municipalities, N.C. Rural Water Association, and the UNC Environmental Finance Center. Articles have appeared in statewide publications of these entities recognizing these good neighbor actions and practices. The Town is humbled to receive this attention but is certainly proud to receive this recognition.

Budget impacts from Helene were relatively minor. The Town has completed the public assistance process with the Federal Emergency Management Agency (FEMA) and N.C. Division of Emergency Management regarding reimbursement costs related to the Town's emergency preparedness and protective measures taken before, during and immediately after the storm. The Town expects to be reimbursed \$84,861 from FEMA for these storm-related activities.

## **REVENUES**

It is the priority of elected officials and management to operate Town government in a professional, efficient, business-like manner. This budget provides a priority spending plan that attempts to minimize the tax burden on the Town taxpayer. The Town's primary general fund sources of revenue are property, sales, and utility franchise taxes. The high inflationary growth from prior years appears to have stabilized as the April consumer price index was down to 2.3% growth year over year.

Regarding the general fund, management recommends no change to the current property tax rate for Fiscal Year 2025-2026. The property tax rate is recommended to be maintained at the current rate of \$0.34 (thirty-four) cents per \$100 (one-hundred dollars) of valuation. This rate is based upon the total property valuation of approximately \$289,214,695 pursuant to information provided by the Madison County Tax Office. The FY 2026 amount of property tax expected for appropriation in the budget with a collection rate of 96% is \$950,250. Ultimately, property tax combined with other revenues from sales tax, investment interest income, miscellaneous fees, and other general fund sources, including specific function revenue sources such as the Madison County fire tax levy for the Mars Hill Fire District and state Powell Bill funds for street maintenance, are anticipated to total \$3,425,450.

The water and sewer fund is an enterprise function which is required by the State of North Carolina to be supported only by the revenue generated from the service provided. In keeping with established Town policy, management recommends a 2.5% increase in water and sewer usage fees. This increase is necessary to keep the water and sewer fund solvent while providing safe drinking water, processing wastewater, and making necessary capital improvements to the water and sewer system. The system is financially strong, and consistent stewardship is necessary to maintain that status. The Water and Sewer Fund anticipates total revenue from customer charges, fees, and miscellaneous sources totaling \$1,436,437.

## **EXPENDITURES AND INITIATIVES**

The Town of Mars Hill is dedicated to sound fiscal management, capital planning and responsible day-to-day operations. Accurate budget projections and a disciplined approach to budget administration have allowed the Town to successfully maintain essential public services, enhance public safety, make strategic investments to support community and economic development while maintaining financial stability. This budget is a comprehensive document that addresses the fiscal needs of some twelve (12) departments and affiliated agencies. The intention of this section is to highlight some of the larger appropriations for departments and key initiatives included in the budget.

1. **Fire Department:** The Mars Hill Fire Department is a Town department that also serves county residents in the surrounding Mars Hill Fire District. The Department employs eight (8) full-time paid staff with 30 volunteers. It is vital that the Department has the equipment and resources needed to respond to any emergency whether it be a manmade or natural disaster. There is funding in this budget to fully fund increased personnel costs, including health insurance and retirement contributions mandated by the N.C. State Health Plan and Local Government Retirement System, respectively. There is also funding recommended for capital equipment, including replacement of equipment, response gear, and new apparatus. The total fire department budget is recommended for an appropriation of \$1,042,783, utilizing revenue from the fire tax district and additional town funds.
2. **Police Department:** The Town is committed to providing our citizens and visitors with a professional police force to ensure the safety and security of our community. The Department employs seven (7) full-time paid officers. Mars Hill continues to experience community growth with an expanded response area and increased service calls. The Department focuses on community policing activities and ensuring officer safety. As always, funding is included for increased personnel costs for health insurance, retirement contributions, and supplemental retirement expenses. This budget also proposes funding the acquisition of a replacement patrol vehicle for other needed equipment and training. The total police department budget is recommended for an appropriation of \$876,150.
3. **Water and Sewer System:** The Town continually makes capital improvements to the water and sewer system. The Town was recently awarded two Asset Inventory and Assessment grants from the N.C. Department of Environmental Quality for \$150,000 each for the water and wastewater systems. These grants will provide for thorough assessments of these vital systems, develop capital improvement plans, and identify needed improvements. The budget anticipates providing the matching funds for these grants in the amount of \$60,000, but these projects likely will not begin until the second half of the fiscal year with completion of those projects not expected until well into FY 2027. In addition, this document for several budget cycles has noted that the Town expects to begin construction on the \$700,000 grant-funded project to install 1,200 LF of new sewer line and 2,200 LF of new water line from the new sewer pump station at I-26 Exit 11 southward along Calvin Edney Road. This project has been delayed several years due to unexpected delays, first due to COVID-19, and then, delays in processing the project at the N.C. Department of Commerce. The Town believes all of those obstacles have been addressed and is hopeful this project will begin at long last this fiscal

year. An additional capital construction project is the NC 213 waterline and 300,000-gallon water storage tank project. This \$4.4 million project is funded by a direct appropriation from the N.C. General Assembly to Madison County. The County is the contracting entity, however, upon completion of the project the assets will be transferred to Town of Mars Hill ownership as part of the Town water system, and as such, the Town will gain important assets to manage and operate. Separately, this proposed budget provides an increase to capital outlay to improve lines and system appurtenances, including purchase of a high-pressure sewer line jetter, electronic message board, and security fencing and water tank preventative maintenance projects. Other capital projects are planned with appropriations in this budget.

4. **Employee Compensation:** Town employees work hard to provide a safe, secure, healthy, and prosperous community. To keep good employees in all sectors of Town employment, particularly in the current highly competitive job market, compensation commensurate with the knowledge and skills in consideration of the current labor market and economic circumstances is necessary. This budget recommends an across-the-board cost-of-living pay increase of \$2,500 per year for all permanent full-time employees and \$1,500 per year for permanent part-time employees. In addition to compensation, the N.C. Local Government Retirement System has increased the employer (Town) contribution rate by an additional 0.74% (to 14.38%) for all general employees and 1.11% (to 15.04%) for law enforcement officers who are members of the system requiring a significant additional contribution from the Town. The N.C. State Health Plan has not released rates for the next enrollment period effective January 1, 2026. However, the Trustees of the Plan recently authorized the State Treasure to consider a number of premium and plan structure changes, thus an anticipated increase of 2% in those rates has been included in this budget.

#### **BUDGET SUMMARY**

The leadership of the Mayor and Board of Aldermen together with the diligent work of Town employees, has resulted in a financially stable, effective, and efficient Town government. This has allowed the Town of Mars Hill to undertake a number of capital projects for the long-term improvement of our community while at the same time providing excellent day-to-day services our citizens deserve. The goal of this proposed budget is to provide financial resources to continue the excellent work that all departments, agencies, and community partners do to move the Town of Mars Hill forward.

Respectfully submitted this 2<sup>nd</sup> day of June, 2025.



NATHAN R. BENNETT,  
Town Manager

ORDINANCE #: 298**TOWN OF MARS HILL****BUDGET ORDINANCE  
FISCAL YEAR 2025-2026**

**WHEREAS** this Budget Ordinance for Fiscal Year 2025-2026 for the Town of Mars Hill, North Carolina, has been prepared pursuant to the provisions of Chapter 159 of the North Carolina General Statutes.

**NOW, THEREFORE, BE IT ORDAINED** by the Mayor and Board of Aldermen for the Town of Mars Hill, North Carolina, meeting in open session on June 2, 2025, that this Budget Ordinance for Fiscal Year 2025-2026 be adopted as follows:

**SECTION 1. GENERAL FUND AND POWELL BILL FUND**

**A. REVENUE** – Revenue totaling **\$3,425,450** is hereby anticipated from the following sources:

<b>Description</b>	<b>Amount</b>
Property Tax (Current Year \$0.34 per \$100)	\$ 950,250
Property Tax (1 <sup>st</sup> Prior Year & All Other Prior Years)	\$ 5,500
Payment in Lieu of Taxes	\$ 8,000
Tax Penalties & Interest	\$ 2,000
Ad Valorem Vehicle Tax	\$ 65,000
Municipal Parking Fees	\$ 6,000
Interest Earned, Investments	\$ 140,000
Rents & Concessions	\$ 0
Utilities Revenue	\$ 1,500
Miscellaneous Revenue	\$ 5,000
Utility Franchise Tax	\$ 125,000
Excise Tax – Beer & Wine	\$ 8,000
Powell Bill Street Allocation	\$ 70,000
Local Option Sales Tax	\$ 740,000
Court Costs, Fees, Etc.	\$ 100
Parking Violation Penalties	\$ 3,000
Zoning Permits	\$ 500
Police Department Donations	\$ 100
Recreation Department Revenue	\$ 25,000
Fire Department Revenue	\$ 2,000
Fire Department Relief Fund	\$ 0
Tax Refunds	\$ 8,500
Special Fire District Tax	\$ 1,000,000
Appropriated Fund Balance – General Fund	\$ 130,000
Appropriated Fund Balance – Powell Bill	\$ 130,000
<b>TOTAL REVENUES ANTICIPATED</b>	<b>\$ 3,425,450</b>

- B. EXPENDITURES** – A total of **\$3,152,895** is hereby authorized to be expended from the departmental accounts of the General Fund and Powell Bill Fund as follows:

Description	Amount
Governing Body	\$ 128,500
Administration	\$ 325,100
Elections	\$ 10,000
Tax Collections	\$ 5,800
Public Buildings	\$ 50,500
Police Department	\$ 876,150
Fire Department	\$ 1,042,783
Street Department	\$ 416,687
Powell Bill Expenditures	\$ 200,000
Sanitation Department	\$ 237,130
Recreation Department	\$ 109,300
Library	\$ 23,500
Debt Service	\$ 0
<b>TOTAL EXPENDITURES AUTHORIZED</b>	<b>\$ 3,425,450</b>

## SECTION 2. WATER AND SEWER FUND

- A. REVENUE** – Revenue totaling **\$1,436,437** is hereby anticipated from the following sources:

Description	Amount
Interest Earned – Investments	\$ 40,000
Interest Earned – Enterprise Fund	\$ 20,000
Miscellaneous	\$ 10,000
Water & Sewer Charges	\$ 1,286,437
Sewer Taps	\$ 10,000
Water Taps	\$ 20,000
Appropriated Fund Balance/Water & Sewer	\$ 50,000
<b>TOTAL REVENUES</b>	<b>\$ 1,436,437</b>

- B. EXPENDITURES** – A total of **\$1,436,437** is hereby authorized to be expended from the departmental accounts of the Water and Sewer Fund as follows:

Description	Amount
Debt Service	\$ 113,100
Administration, Engineering and Billing	\$ 346,159
Operations	\$ 977,178
<b>TOTAL EXPENDITURES AUTHORIZED</b>	<b>\$ 1,436,437</b>

## SECTION 3. PURPOSE

The appropriations made herein are for the maximum amounts necessary to provide the services and accomplish the purpose described. Each department head shall affect savings to the extent possible.

### **SECTION 3. FISCAL YEAR EFFECTIVE DATE**

Appropriations made herein are effective for the Fiscal Year beginning July 1, 2025, and ending on June 30, 2026.

### **SECTION 4. AD VALOREM TAXES**

An *ad valorem* tax rate of forty-seven cents (\$0.34) per one hundred dollars (\$100.00) of assessed valuation of taxable property is hereby levied as the official tax rate for the Town of Mars Hill for the fiscal year beginning July 1, 2025, and ending June 30, 2026. This rate is based upon the total property valuation of approximately \$289,214,695 pursuant to information provided by the Madison County Tax Office. The FY 2026 property tax is estimated with a collection rate of 96.0%.

### **SECTION 5. WATER AND SEWER USAGE RATES**

There shall be implemented a 2.5% increase in water and sewer usage base rates consistent with established water operation policy.

### **SECTION 6. FEE SCHEDULE**

There is hereby established for Fiscal Year 2025-2026 a schedule of fees, penalties, and fines and is included as an attachment to this ordinance as Appendix A.

### **SECTION 7. BUDGET OFFICER**

Pursuant to N.C. General Statute 159-8, the Town is required to appoint a Budget Officer and the Town of Mars Hill Board of Aldermen has and hereby appoints the Town Manager to serve as Budget Officer.

### **SECTION 8. UTILIZATION OF BUDGET ORDINANCE**

The Budget Ordinance shall be the basis for the financial plan for the Town of Mars Hill during the fiscal year. The Budget Officer shall administer the budget and maintain such records consistent with this ordinance and the appropriate statutes of the State of North Carolina. The Budget Officer/Town Manager is authorized to execute contracts or other documents for which this ordinance makes an appropriation.

The Budget Officer/Town Manager is authorized to transfer amounts between objects of expenditure within a department without limitation. The Budget Officer/Town Manager is further authorized to transfer from one appropriation to another appropriation within the same fund as contained herein provided any such transfers shall be reported to the Board at their next regularly scheduled meeting and such action be recorded in the meeting minutes.


### **SECTION 9. DISTRIBUTION AND DOCUMENTATION**

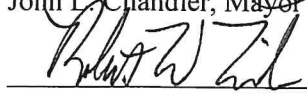
Copies of this Budget Ordinance shall be provided to the Budget Officer, Town Manager, Town Clerk, and the Treasurer/Finance Officer to be kept on file by them for direction in the collection of revenues and disbursement of Town funds.

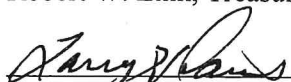
## SECTION 10. ADOPTION

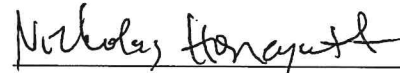
A motion was made by Alderman Stuart Jolley that the Budget Ordinance for Fiscal Year 2025-2026 be ADOPTED as presented. A second was made by Alderman Larry Davis. Upon a vote on the motion, the Budget Ordinance for Fiscal Year 2025-2026 for the Town of Mars Hill was approved by the Mayor and Board of Aldermen for the Town of Mars Hill, North Carolina.

ADOPTED this 2<sup>nd</sup> day of June 2025.

  
\_\_\_\_\_  
John L. Chandler, Mayor

  
\_\_\_\_\_  
Robert W. Zink, Treasurer

  
\_\_\_\_\_  
Larry Davis, Secretary

  
\_\_\_\_\_  
Nicholas Honeycutt, Vice-Mayor

  
\_\_\_\_\_  
Stuart L. Jolley, Clerk



**APPENDIX A**

**TOWN OF MARS HILL**

**BUDGET ORDINANCE**

**FISCAL YEAR 2025-2026**

**FEE SCHEDULE**

<b>ADMINISTRATION</b>	
Copies – Black and White, per page	\$0.10
Copies – Color, per page	\$0.25
Return Check Fee	\$35.00
Online / Credit Card Payment Fees	As set by 3 <sup>rd</sup> party vendor
Parking Permit – Main Street area – annual	\$200.00
Parking Permit – Library/Fire Annex lots – annual	\$175.00
Special Event Permit	\$25.00
Special Event Permit – Tent or Street Closure	\$25.00 plus \$50 per specialty use
Special Event Permit – Public Assembly	\$50.00
<b>ZONING FEES</b>	
Zoning Permit	\$50.00
ABC Verification Letter	\$25.00
Sign Permit – Permanent	\$50.00
Sign Permit – Temporary/Banner	\$50.00
Special Use Permit	\$300.00
Variance Application	\$300.00
Administrative Appeal	\$300.00
Zoning Map or Text Amendment	\$400.00
Voluntary Annexation Petition Requests	\$300.00
Conditional Zoning District	\$500.00
Re-advertising fee (due to action by applicant)	\$25.00 plus Cost of Advertisement
Site Plan Review	\$250.00
Recombination Plat (zoning review only)	\$25.00
Communication Tower Permit – Initial	\$2,500.00
Communication Tower – Annual Renewal	\$250.00
<b>POLICE DEPARTMENT</b>	
Police Reports (per report)	\$4.00
Parking Violation	\$25.00 - \$100.00 (per ordinance 88)
Noise Violation	\$200.00
Alcohol Violation	\$50.00
Leash Law Violation	\$50.00
Operating Gaming Terminal	\$500.00
<b>FIRE DEPARTMENT</b>	
Annual Permit Fee	\$50.00
Plan Review Fee	\$50.00
Construction and Repair Fee	\$100.00
Life Safety Violation	\$100.00
All Other Code Violation	\$25.00
Rapid Entry Key Box Violation	\$500.00

<b>SANITATION</b>	
Trash Can (1 <sup>st</sup> at no cost, each additional, or damaged or lost container)	\$200.00
<b>RECREATION</b>	
Pool Admission – 6 and over ( <i>5 and under free</i> )	\$5.00
Seasonal Pool Pass – Individual	\$75.00
Seasonal Pool Pass – Family	\$200.00
Swimming Lessons – each child	\$ TBD
Pool Reservation – Private Event – up to 50 people	\$200.00 / \$100.00 Deposit
Pool Reservation – Private Event – 50 to 75 people	\$250.00 / \$100.00 Deposit
Pool Reservation – Private Event – 75 to 90 people	\$300.00 / \$100.00 Deposit
Small Shelter at Playground	\$10.00 per hour
Large Shelter	\$20.00 per hour
Ball Field / Tennis Court – without lights	\$10.00 per hour
Ball Field / Tennis Court – with lights	\$40.00 per hour
Picnic Area & Ball Field	\$20.00 per hour
<b>WATER AND SEWER DEPARTMENT</b>	
Administration Fee	\$100.00
Water Turn Off / Turn On	\$25.00
Water Reconnection Fee	\$50.00
Water Meter Evaluation Fee	\$25.00 (if no issue found)
Meter Charge	\$3.50
Meter Tampering Fee	\$200.00
Late Charge	\$5.00 OR 5% whichever is greater
Water Connection Fee* – ¾ inch	\$3,000.00
1 inch	\$5,000.00
1 ½ inch	\$7,000.00
2 inch	\$9,000.00
3 inch	\$13,000.00
4 inch	\$30,000.00
6 inch	\$35,000.00
Sewer Connection Fee* – ¾ inch	\$3,000.00
1 inch	\$5,000.00
1 ½ inch	\$7,000.00
2 inch	\$9,000.00
3 inch	\$13,000.00
4 inch	\$15,000.00
6 inch	\$35,000.00
*Connection fees are a minimum fee only. Final fee is actual cost plus 20%. Water connection fee for a connection greater than ¾ inch does not include cost of the meter. Meter cost at owner expense.	
Water Deposit – Residential – Owner	\$100.00
Water Deposit – Residential – Tenant/Renter	\$200.00
Water Deposit – Commercial	\$250.00
Road Boring Fee	Cost plus 20%

**AFFIDAVIT OF PUBLICATION**

Nathan R. Bennett  
Attn Nathan Bennett  
Town Of Mars Hill  
Po Box 368  
Mars Hill NC 28754-0368

STATE OF WISCONSIN, COUNTY OF BROWN

Before the undersigned, a Notary Public, duly commissioned, qualified and authorized by law to administer oaths, personally appeared said legal clerk, who, being first duly sworn, deposes and says: that he/she is the legal clerk of The Asheville Citizen-Times, engaged in publication of a newspaper known as The News-Record & Sentinel, published and issued in the Town of Marshall and entered as periodical mail in the town of Mars Hill, in Madison County, North Carolina; that he/she is authorized to make this affidavit and sworn statement; that the notice or other legal advertisement, a true copy of which is attached here to, was published in said newspaper in the issues dated:

05/21/2025, 05/28/2025

That said newspaper in which said notice, paper, document or legal advertisement was published was, at the time of each and every publication, a newspaper meeting all the requirements and qualifications of Section 1-597 of the General Statutes of North Carolina.

Sworn to and subscribed before on 05/28/2025

Legal Clerk

Notary, State of WI, County of Brown

My commission expires

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VICKY FELTY  
Notary Public  
State of Wisconsin

**PUBLIC HEARING  
NOTICE**

Pursuant to N.C.G.S. 159-12(a)(b), notice is hereby given that the Budget Officer has submitted the proposed budget for Fiscal Year 2025-26 to the Town of Mars Hill Mayor & Board of Aldermen. A copy of the proposed budget has been filed in the Office of the Clerk and is available for public inspection during normal business hours in the administration offices at the Mars Hill Town Hall located at 280 North Main Street, Mars Hill, NC. The Mayor and Board of Aldermen will hold a Public Hearing on the proposed budget Monday, June 2, 2025, at 6:00 p.m., in the Mars Hill Town Hall.

All interested persons are encouraged to attend.

Nathan R. Bennett,  
Town Manager & Budget  
Officer  
Town of Mars Hill

May 21 & 28, 2025  
11304838