



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 SPECIAL MEETING Mars Hill Town Hall Conference Room May 28, 2024 at 4:00 p.m.

The Town of Mars Hill Mayor and Board of Aldermen met in special session on Tuesday, May 28, 2024, at 4:00 p.m. in the Mars Hill Town Hall. The meeting was held in accordance with public notice given pursuant to N.C.G.S. 160A-71 and 143-318.12(b)(2). (Attachment A)

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

STAFF PRESENT: Nathan R. Bennett, Town Manager

OTHERS PRESENT: None

Call to Order

The meeting was called to order by Mayor John Chandler.

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 that the agenda be approved as presented.** Alderman Larry Davis seconded the motion. Upon a call for a vote on the motion by the Mayor, the agenda was approved unanimously. (Attachment B)

Budget Work Session – Fiscal Year 2024-2025

Mayor Chandler then moved to the budget work session for FY 2024-2025, asking Town Manager Nathan Bennett to provide information regarding the budget process. Mr. Bennett advised the Board that the draft budget is complete with the only outstanding item being property tax values resulting from the Madison County mass real property reappraisal that is to be effective this fiscal year. He advised that Madison County Tax Administrator Diana Norton has provided a preliminary value of \$201,126,253 for properties inside the Town of Mars Hill. Mr. Bennett further noted that Ms. Norton was very clear that this preliminary valuation will change due to appeals and exemptions that have yet to be worked by the county into this appraisal number at this time. Mr. Bennett further stated that Ms. Norton recommended the Town use only 90% of that valuation for budgeting purposes due to those outstanding appeals and exemptions. The valuation at 90% would be \$181,013,628, which is only a 4.54% increase from the current year valuation of \$173,146,936. Given the information from the county, Mr. Bennett stated that he would recommend the current tax rate remain at \$0.47 per \$100 of valuation. He stated that the amount of property tax expected for appropriation in the budget with a collection rate of 95% would be \$808,225, which is a small increase of \$49,404 over current year collections. Board members discussed the status

of the county property tax reappraisal and frustration with the county's uncertain valuation for town properties. Mr. Bennett reviewed other revenue sources and explained that confidence is high in their accuracy for budgeting purposes. He advised the water & sewer fund budget does include a 2.5% rate increase as set by long-standing board policy. Mr. Bennett then reviewed each department budget and identified necessary capital expenditures and expected increases in personnel costs (including COLA, retirement, and health insurance), and general property and liability insurance. Mr. Bennett stated that national economic indicators show a positive trend. The Consumer Price Index for April is down to 3.4 % from April 2023 and appears to be following a downward trend, as inflation also appears to be falling as the April rate is 3.36% compared to 4.93% a year ago. Mr. Bennett advised the Board that the draft budget will be ready for the required public hearing at the regular June 3, 2024 board meeting and the Board can decide whether to adopt or wait until later in June to make the final decision on adoption to give as much time as possible to get more clarity on the county property tax valuation as it applies to the Town and the tax rate to be set. General discussion continued by Board members regarding various points of interest pertaining to revenue sources and proposed investment and improvement to buildings, grounds, vehicles, equipment and service delivery.

Budget Amendments – Fiscal Year 2023-2024

Mayor Chandler then moved to consider proposed budget amendments to the current year budget. Mr. Bennett presented a summary of proposed FY 2023-2024 Budget Ordinance Amendments – FY 2024-02 AND FY 2024-03. Mr. Bennett explained that the first amendment transfers previously approved funding for the Woodhaven Wastewater Lift Station Project from the general fund balance to the capital project fund and the second amendment addresses a necessary capital waterline replacement project, and other miscellaneous equipment and supply purchases in the water and sewer fund. The amendment recognizes additional revenues received from interest on investment accounts. Upon completion of discussion, Mayor Chandler called for a motion. **Alderman Zink made a motion to approve “FY 2023-2024 Budget Ordinance Amendment – FY 2024-02” and “FY 2023-2024 Budget Ordinance Amendment – FY 2024-03” as presented.** Alderman Stuart Jolley seconded the motion. Upon a call for a vote by the Mayor, the motion was approved unanimously. (Attachments C & D)

Other Budget-Related Discussion

Mr. Bennett presented to the Board the proposal from Appalachian Site Work for the waterline replacement project through the Mars Hill University campus. The proposal involves the replacement of 645 LF of the main waterline and installation of associated appurtenances and testing for the section of bolt-joint waterline from College Street through the upper quad to the intersection of Bailey Street and Athletic Street. This compliments the waterline section replacement that MHU is required to complete as part of their MHU Blackwell Hall renovation project. These two components will result in needed line replacement through the campus. The total project cost is \$94,934.12. Mr. Bennett advised the Board that the proposed scope and cost has been reviewed by Town engineers and they have advised the scope fully meets the Town's needs and is well within expected cost expectations and recommend the Town proceed. Mayor Chandler called for a motion on the matter. **Alderman Jolley made a motion to approve the proposal from Appalachian Sitework, Inc., for the MHU waterline replacement project as presented.** Alderman Davis seconded the motion. Upon a call for a vote on the motion by the Mayor, the motion was unanimously approved. There was brief discussion regarding the new mural on the building at 10 N. Main Street. Alderman Honeycutt and Alderman Zink stated that they have had many positive comments regarding the mural and are satisfied with the result. Mayor and other Board members concurred. Consensus of the Board to authorize payment as approved by previous action.


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 3rd day of June, 2024.


John L. Chandler, Mayor

ATTEST:


Nathan R. Bennett,
Town Manager





Notice of Special Meeting of the
Town of Mars Hill
Mayor and Board of Aldermen
Scheduled for 28 May 2024

PLEASE TAKE NOTICE that the Mars Hill Mayor and Board of Aldermen shall, pursuant to NC Gen. Stat. 160A-71 and NC Gen. Stat. 143-318.12(b)(2), hold a special meeting at the following designated place and time:

Date of Meeting: Tuesday, 28 May 2024

Time of Meeting: 4:00 p.m.

Place of Meeting: Mars Hill Town Hall
Large Conference Room
280 North Main Street
Mars Hill, North Carolina

Purpose of Meeting: Conduct a budget work session for the preparation of the Town of Mars Hill Fiscal Year 2024-2025 budget; discussion and consideration of current FY 2023-2024 budget and amendments; and conduct other items of related business as appropriate.

This the 13th day of May 2024.

/s/
John L. Chandler, Mayor

Posted as required by NC Gen. Stat. 160A-71 and NC Gen. Stat. 143-318.12(b)(2) on this 13th day of May, 2024 at 9:00 o'clock a.m.



Nathan R. Bennett, Town Manager



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

SPECIAL MEETING

BUDGET WORK SESSION

Mars Hill Town Hall Conference Room

May 28, 2024 at 4:00 p.m.

1. Call to Order – Mayor John L. Chandler
2. Approval of Agenda
3. Budget Work Session – Fiscal Year 2024-2025
4. Budget Amendments - Fiscal Year 2023-2024
5. Other Budget-Related Discussion
6. 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

2023 – 2024 Fiscal Year

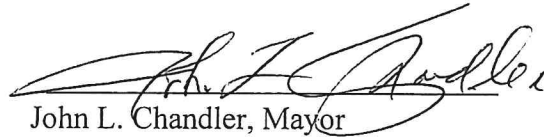
BUDGET ORDINANCE AMENDMENT
FY 2024-02

ORDINANCE #: 289


The purpose of this budget amendment is to update the FY 2023-24 **GENERAL FUND** budget as follows:

| Budget Code | Description | Revenues | Expenditures |
|--------------|---|------------|--------------|
| 10-3994-0000 | Appropriated Fund Balance <i>(Woodhaven Lift Station Project)</i> | \$ 636,000 | |
| 10-9020-9900 | Transfer to Fund 56 <i>(Woodhaven Lift Station Project)</i> | \$ | 636,000 |
| | TOTAL ADDITIONAL REVENUES ANTICIPATED | \$ 636,000 | |
| | TOTAL ADDITIONAL EXPENSES AUTHORIZED | | \$ 636,000 |

This budget amendment is hereby **ADOPTED** and incorporated into the FY 2023-24 Budget Ordinance by the Mars Hill Mayor and Board of Aldermen meeting in regular session on this the 28th day of May, 2024.


John L. Chandler, Mayor

ATTEST:


Stuart C. Jolley, Clerk



TOWN OF MARS HILL

2023 – 2024 Fiscal Year


**BUDGET ORDINANCE AMENDMENT
FY 2024-03**

ORDINANCE #: 290

The purpose of this budget amendment is to update the FY 2023-24 **WATER & SEWER FUND** budget as follows:

| Budget Code | Description | Revenues | Expenditures |
|--------------------|--|-----------------|---------------------|
| 30-3290-0000 | Int. Earned – Investments | \$ 95,000 | |
| 30-291-0000 | Int-Int-Inv.Enterprise | \$ 37,500 | |
| 30-7200-0400 | Professional Services | \$ | 5,000 |
| 30-7200-1700 | Maintenance – Autos | \$ | 5,000 |
| 30-7200-1800 | Training | \$ | 2,000 |
| 30-7200-3100 | Automotive Supplies | \$ | 3,000 |
| 30-7200-5200 | Permit Fees/Water & Sewer | \$ | 1,000 |
| 30-7200-5400 | Insurance and Bonds | \$ | 3,500 |
| 30-7200-7800 | Non-Capital Outlay/Equipment | \$ | 3,500 |
| 30-8100-1500 | Maintenance-Bldgs & Grds. | \$ | 3,000 |
| 30-8100-3300 | System Supplies & Mat. | \$ | 10,000 |
| 30-8100-3600 | Uniforms | \$ | 1,500 |
| 30-8100-7300 | Capital Outlay-Lines,Systems | \$ | 95,000 |
| | TOTAL ADDITIONAL REVENUES ANTICIPATED | \$ 132,500 | |
| | TOTAL ADDITIONAL EXPENSES AUTHORIZED | | \$ 132,500 |

This budget amendment is hereby **ADOPTED** and incorporated into the FY 2023-24 Budget Ordinance by the Mars Hill Mayor and Board of Aldermen meeting in regular session on this the 28th day of May, 2024.


John L. Chandler, Mayor

ATTEST:


Stuart L. Jolley, Clerk

