



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 November 25, 2024 at 5:00 p.m.

The Town of Mars Hill Mayor and Board of Aldermen met in special session on Monday, November 25, 2024, at 5:00 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. Mayor Chandler welcomed those in attendance.

Approval of the Agenda

Mayor Chandler then asked the Board to review the proposed agenda for approval. Upon review of the agenda, Mayor Chandler called for a motion. **Alderman Stuart Jolley 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 unanimously approved. (Attachment B)

Fiscal Year 2024-2025 Budget Ordinance Amendment – FY 2025-01

Mayor Chandler then moved to consider a proposed budget amendment to the current year budget. Town Manager Nathan Bennett presented a summary of the proposed FY 2024-2025 Budget Ordinance Amendment – FY 2025-01. Mr. Bennett explained that the proposed amendment addresses the ad valorem tax rate now that the Madison County Tax Office has provided the Town a complete assessment of the real property valuation pursuant to the mandatory county-wide mass property reappraisal effective January 1, 2024. Mr. Bennett advised the Board that the Madison County Tax Office provided complete real property valuation for the Town of Mars Hill on November 4, 2024, however, some 1,400 taxpayer appeals countywide are pending a decision by the county. Mr. Bennett stated that he expects those outstanding appeals to result in a lower valuation when they are finalized in the coming months. Mr. Bennett advised the tax office provided a Town of Mars Hill property valuation totaling \$290,146,782, which is significantly more than the estimate of \$209,671,029, provided in June 2024. Mr. Bennett stated he recommends the ad valorem property tax rate be amended to \$0.34 (thirty-four) cents per \$100 (one-hundred dollars) of valuation. The proposed rate and valuation is then calculated at the proposed collection rate of 94% (the actual FY 2024 rate), providing an estimated total property tax revenue of \$927,318 for the general fund. Mr. Bennett noted that changing the tax rate after the original adoption of the budget is unusual, however, the North Carolina General Assembly has granted authority to local governments through N.C. General

Statute 159-15 that should the local government receive revenue that are substantially more or less than the amount anticipated, the governing body may, before January 1 following adoption of the budget, amend the budget ordinance to reduce or increase the property tax levy to account for the unanticipated increase or reduction in revenues. The existing situation results in a situation where the Town would receive substantially more than anticipated in property tax revenue.

Mr. Bennett recommended adoption of the proposed budget ordinance amendment reducing the property tax rate to \$0.34 cents per \$100 valuation and making the necessary adjustments to the expected revenue section of the ordinance. There is no change to the expenditure section of the budget, and the approved general fund appropriation remains at the original adopted amount of \$3,152,895. The Board reviewed the tax rate analysis, including the revenue neutral rate, and other information provided by the Town Manager. Upon completion of discussion, Mayor Chandler called for a motion. **Alderman Jolley made a motion to approve “Budget Ordinance Amendment for Fiscal Year 2024-2025 – FY 2025-01, Ordinance #: 293,” as presented.** Alderman Bob Zink seconded the motion. Upon a call for a vote by the Mayor, the motion was approved unanimously (Attachment C). The Mayor and Board members thanked Mr. Bennett for his efforts in this matter and offered appreciation for the good work and information provided.

Other Budget-Related Discussion

The Board discussed options to potentially provide additional time to pay the required property tax bills given the later than normal issuance of the bills due to the county delay. Mr. Bennett advised that the North Carolina General Statutes specifically set the date bills are due and the method for application of late penalties and interest. Mr. Bennett advised that bills will be mailed tomorrow, and taxpayers will have them in-hand more than 30 days prior to the due date. He recommended that the Board review taxpayer payment progress at the January meeting and consult the town attorney for what options may be available to the Board at that time should there be any concerns. The Board was in consensus with the recommendation.

Property Acquisition Discussion – 8100 NC Highway 213

Mayor Chandler then recognized Mr. Bennett to provide information concerning a potential gift of real property to the Town of Mars Hill located at 8100 NC Highway 213, Mars Hill. Mr. Bennett advised the Board that the owners of the Beth-Hanan, LLC approached the Town two weeks ago proposing a gift of two parcels of land to the Town. The parcels are the portion of the Beth-Hanan subdivision that are frontage of NC Highway 213 between Gabriels Creek Road and Brook Street, encompassing the Gabriels Creek and adjacent greenspace. The parcels are identified by Madison County property records by property identification number 9747-43-1897, containing approximately 3.11 acres, and property identification number 9747-44-6170, containing approximately 3.85 acres. Mr. Bennett provided information concerning potential Town uses, including extension of the Dr. Duck Greenway, or sidewalk, into this area of town, or other recreational purposes. Town ownership would also allow the Town to control this portion of the “gateway” entrance to Town. Mr. Bennett advised that should the Board agree to accept this gift of real property, certain conditions should be enumerated in order to protect the Town’s ability to manage and maintain the properties as the Town may determine and without restriction, to absolve the Town of any tax or other financial liability associated with the transfer, and make clear the existing road crossing the parcels to access the subdivision, any associated bridge, culverts or appurtenances, and any signage shall not be the responsibility of the Town. Upon completion of discussion, Mayor Chandler called for a motion. **Alderman Jolley made a motion to authorize the acquisition by gift of certain real property located at 8100 NC Highway 213, Mars Hill, N.C., to wit properties are two tracts identified by Madison County Property Identification Numbers 9747-43-1897 and 9747-44-6170, from said owners Beth-Hanan, LLC, subject to the provisions established by the Mayor and Board of Aldermen as follows:**

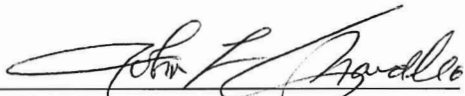
1. No condition shall be placed on the Town requiring or restricting the Town's unconditional use, management, or maintenance of said property.
2. The Town shall not be responsible for the management, maintenance or care of any road, bridge, culvert, signage, or other appurtenances on said property.
3. No condition shall be placed on the town restricting the Town's ability to transfer or convey ownership of the property in the future.
4. No existing property tax or other financial liability now existing shall be transferred to the Town.
5. The Town shall bear no financial expense for the property transfer, including recordation of the deed instrument, legal fees, or the like.
6. The Town shall review the proposed deed prior to recordation of the instrument to ensure these items are met.

Furthermore, that the Mayor, Town Manager, Town Attorney, and any other town officer, shall be authorized to take such action as may be necessary to accomplish the property transaction. Alderman Davis seconded the motion. Upon a call for a vote by the Mayor, the motion was approved unanimously.

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 2nd day of December, 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 25 November 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: Monday, 25 November 2024

Time of Meeting: 5:00 p.m.


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

Purpose of Meeting: Consideration and take action regarding the current Town of Mars Hill Fiscal Year 2024-2025 Budget Ordinance, to wit budget amendments, specifically including modifications to Sections 1 and 4 of said ordinance, as appropriate; consideration and action regarding potential real property acquisition; and conduct other items of related business as appropriate.

This the 21st day of November 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 21st day of November, 2024 at 10:30 o'clock a.m.



Nathan R. Bennett, Town Manager



ATTACHMENT B

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

Mars Hill Town Hall Conference Room

November 25, 2024 at 5:00 p.m.

1. Call to Order – Mayor John L. Chandler
2. Approval of Agenda
3. Fiscal Year 2024-2025 Budget Ordinance – Nathan Bennett, Town Manager
 - a. **ORDINANCE AMENDMENT** – Budget Amendment – FY 2024-2025
4. Other Budget – Related Discussion
5. Property Acquisition Discussion – 8100 NC 213 – Nathan Bennett, Town Manager
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

ORDINANCE #: 293**TOWN OF MARS HILL****BUDGET ORDINANCE AMENDMENT
FISCAL YEAR 2024-2025****FY 2025-01**

WHEREAS the Budget Ordinance for Fiscal Year 2024-2025 for the Town of Mars Hill, North Carolina, was approved and enacted by the Town of Mars Hill Mayor and Board of Aldermen meeting in open session on June 27, 2024, pursuant to the provisions of Chapter 159 of the North Carolina General Statutes; and

WHEREAS on the date of adoption of said ordinance on June 27, 2024, a complete and accurate assessment of the valuation of taxable property within the Town of Mars Hill was not available from the County of Madison Tax Office due to delays with the county mass real property appraisal resulting in the Town maintaining the then existing tax rate; and

WHEREAS on November 4, 2025, said County provided an assessment of taxable property valuation for the Town of Mars Hill; and

WHEREAS the North Carolina General Assembly has granted authority to local governments through and be Chapter 159, Article 3, Section 15 (N.C.G.S. 159-15) of the North Carolina General Statutes, that should the local government receives revenues that are substantially more or less than the amount anticipated, the governing body may, before January 1 following adoption of the budget, amend the budget ordinance to reduce or increase the property tax levy to account for the unanticipated increase or reduction in revenues; and

WHEREAS pursuant to N.C.G.S. 159-15, the Town of Mars Hill Mayor and Board of Aldermen find that said tax valuation does substantially increase the amount of anticipated revenue and herein amend the “Town of Mars Hill Budget Ordinance Fiscal Year 2024-2025, SECTION 4. AD VALOREM TAXES,” to levy the official *ad valorem* tax rate in consideration of the complete assessment valuation of taxable property for the Town of Mars Hill.

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 November 25, 2024, that this Budget Ordinance for Fiscal Year 2024-2025 shall be amended as follows:

SECTION 1.

The entire text of the “Town of Mars Hill Budget Ordinance Fiscal Year 2024-2025, SECTION 4. AD VALOREM TAXES,” is hereby repealed and replaced with the following text:

SECTION 4. AD VALOREM TAXES

An ad valorem tax rate of thirty-four 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, 2024, and ending June 30, 2025. This rate is based upon the

total property valuation of \$290,146,782 as provided by the Madison County Tax Office subject to the county mass real property revaluation effective January 1, 2024. The FY 2025 property tax is estimated with a collection rate of 94.0%.

SECTION 2.

The entire text of the “Town of Mars Hill Budget Ordinance Fiscal Year 2024-2025, SECTION 1. GENERAL FUND AND POWELL BILL FUND, SUBSECTION A – REVENUE,” is hereby repealed and replaced with the following text:

SECTION 1. GENERAL FUND AND POWELL BILL FUND

A. **REVENUE** – Revenue totaling \$3,152,895 is hereby anticipated from the following sources:

<u>Description</u>	<u>Amount</u>
<u>Property Tax (Current Year \$0.34 per \$100)</u>	\$ 927,318
<u>Property Tax (1st Prior Year & All Other Prior Years)</u>	\$ 5,500
<u>Payment in Lieu of Taxes</u>	\$ 8,000
<u>Tax Penalties & Interest</u>	\$ 2,000
<u>Ad Valorem Vehicle Tax</u>	\$ 65,000
<u>Municipal Parking Fees</u>	\$ 6,000
<u>Interest Earned, Investments</u>	\$ 100,000
<u>Rents & Concessions</u>	\$ 0
<u>Utilities Revenue</u>	\$ 1,500
<u>Miscellaneous Revenue</u>	\$ 5,000
<u>Utility Franchise Tax</u>	\$ 125,000
<u>Excise Tax – Beer & Wine</u>	\$ 8,000
<u>Powell Bill Street Allocation</u>	\$ 70,000
<u>Local Option Sales Tax</u>	\$ 700,000
<u>Court Costs, Fees, Etc.</u>	\$ 100
<u>Parking Violation Penalties</u>	\$ 3,000
<u>Zoning Permits</u>	\$ 500
<u>Police Department Donations</u>	\$ 100
<u>Recreation Department Revenue</u>	\$ 25,000
<u>Fire Department Revenue</u>	\$ 2,000
<u>Fire Department Relief Fund</u>	\$ 0
<u>Tax Refunds</u>	\$ 8,500
<u>Special Fire District Tax</u>	\$ 905,377
<u>Appropriated Fund Balance – General Fund</u>	\$ 55,000
<u>Appropriated Fund Balance – Powell Bill</u>	\$ 130,000
<u>TOTAL REVENUES ANTICIPATED</u>	\$ 3,152,895

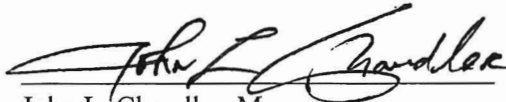
SECTION 3. SEVERABILITY

Except as amended herein and may be amended hereafter, this ordinance shall remain in full force and effect. All ordinances and clauses of ordinances in conflict with this ordinance are hereby repealed.


SECTION 4. ADOPTION

A motion was made by Alderman Stuart Jolley that this amendment to the Budget Ordinance for Fiscal Year 2024-2025 be ADOPTED as presented herein. A second to the motion was made by Alderman Robert W. Zink. Upon a vote on the motion, this amendment to the Town of Mars Hill Budget Ordinance for Fiscal Year 2024-2025 was approved by the Mayor and Board of Aldermen for the Town of Mars Hill, North Carolina.

ADOPTED this 25th Day of November 2024.



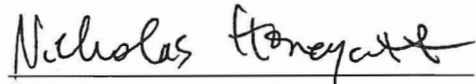
John L. Chandler, Mayor



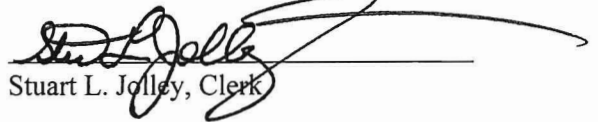
Robert W. Zink, Treasurer



Larry Davis, Secretary



Nicholas Honeycutt, Vice-Mayor



Stuart L. Jolley, Clerk

