

### 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 October 8, 2020 at 5:00 p.m.

The Town of Mars Hill Mayor and Board of Aldermen met in regular session on Thursday, October 8, 2020 at 5:00 p.m. in the Mars Hill Town Hall.

**MEMBERS PRESENT:** Mayor John Chandler; Aldermen Nicholas Honeycutt, Stuart Jolley, and

Robert W. (Bob) Zink. Alderman Larry Davis was unable to attend.

STAFF PRESENT: Nathan R. Bennett, Town Manager, Jamie Stokes, Town Attorney, and

Stephanie Payne, Tax Collector

#### 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 Nicholas Honeycutt made a motion the agenda be approved as presented. Alderman Robert (Bob) Zink seconded the motion. Upon a call for a vote on the motion by the Mayor, the agenda was approved unanimously. (Attachment A)

#### FY 2020-21 Budget Review and Discussion

Mayor Chandler then address the sole item on the agenda for discussion, that being the FY 2020-21 Budget Review. Town Manager Nathan Bennett provided the Board with a summary of the final property tax values for the Town of Mars Hill as established by Madison County pursuant to the completion of the state-required mass reappraisal process effective January 1, 2020. Mr. Bennett advised that these final values were received by the Town last week which is highly unusual. Assessed property values are to be provided by the county prior to the adoption of the budget in June but that did not happen this year. He further explained that at the time the budget was required to be adopted those values were unknown and estimates were used in determining the necessary ad valorem tax rate, with the understanding that the rate would be reviewed by the Board upon receipt of final values which is the purpose of this discussion today. Those "final" values are approximately 10% higher than the projected estimates used for the budget. The Board then heard from Town Attorney Jamie Stokes regarding legal issues concerning the changes to the tax rate after the budget has been approved.

Attorney Stokes advised that state law permits the Board to amend the budget ordinance if the government receives revenues that are "substantially" more or less than the amount anticipated. In this case she advised against lower the rate at this juncture since it is unclear how substantially more revenue may increase since the current county values are not entirely reliable due to the number of outstanding value of outstanding appeals with Madison County and other issues. If the Town relies on numbers that are subject to further changes by the county to modify the town tax rate, then the Town could end up in budget trouble if those values are reduced further, not to mention administrative complications for those who have already made tax payments based on the current rate. Upon completion of discussion by the Board, the Mayor asked if there was a motion. Alderman Zink made a motion that based on the information provided that the ad valorem tax rate remain at \$0.47 per \$100 property valuation as previously established by the FY 2020-21 Budget Ordinance. Alderman Stuart Jolley seconded the motion. Upon a call for a vote on the motion by the Mayor, the motion was approved unanimously.

#### Closed Session (Pursuant to N.C.G.S. 143-318.11

There was no closed session.

#### Adjourn

There being no further business before the Board, Mayor Chandler called for a motion to adjourn. Alderman Jolley made a motion to adjourn, Alderman Zink 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 \_\_\_2<sup>nd</sup>\_\_ day of \_November\_\_, 2020.

John L. Chandler, Mayor

ATTEST:

Nathan R. Bennett, Town Manager

#### ATTACHMENT A



## Town of Mars Hill

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AGENDA
SPECIAL MEETING
Mars Hill Town Hall Conference Room
October 8, 2020 at 5:00 p.m.

- 1. Call to Order Mayor John L. Chandler
- 2. Approval of Agenda
- 3. FY 2020-21 Budget Review and Discussion
- 4. Closed Session (Pursuant to N.C.G.S. 143-318.11 if needed)
- 5. Adjourn



#### Notice of Special Meeting of the Town of Mars Hill Mayor and Board of Aldermen Scheduled for 8 October 2020

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:	Thursday, 8 October 2020
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:	Discussion and consideration of FY 2020-21 Budget, to include review of tax rate and amendments
This the 6th day of October 2020.	
	John L. Chandler, Mayor

Nathan R. Bennett, Town Manager

Posted as required by NC Gen. Stat. 153A-40(b) and NC Gen. Stat. 143-318.12(b)(2) on this 6th day of

October, 2020 at <u>4:00</u> o'clock <u>p.m.</u>