



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 5, 2023 at 6:00 p.m.

The Town of Mars Hill Mayor and Board of Aldermen met in regular session on Monday, June 5, 2023, 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; Jamie Stokes, Town Attorney; Police Cpt. Chad Wilson

OTHERS PRESENT: Johnny Casey, Madison News-Record & Sentinel; Ryan Bell, David Bohager, Brad Guth, Bill Sewell, and other members of the 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 that the agenda be approved as presented.** Alderman Stuart Jolley seconded the motion. Upon a call for a vote on the motion by the Mayor, the agenda was approved unanimously. (Attachment A)

Approval of Minutes

Mayor Chandler then asked the Board to review the minutes of the regular meeting held on May 8, 2023. There being no modifications to the minutes, **Alderman Jolley made a motion that the minutes for May 8, 2023, be approved 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 approved unanimously.

Old Business

Mayor Chandler then moved to address old business. There was no old business.

New Business

Mayor Chandler then moved to address new business.

Request for Voluntary Annexation – 889 Forest Street – Town of Mars Hill

PIN: 9748-41-7524

Mayor Chandler recognized Town Manager Nathan Bennett to review the petition request for voluntary annexation received by the Board (Attachment B). Mr. Bennett advised that the petition dated June 1, 2023, is from the Town of Mars Hill petitioning itself for voluntary annexation of 889 Forest Street, also known as the town-owned Bailey Mountain Park and Preserve property, formerly the Smith Farm. This property is located at 889 Forest Street and is identified by Madison County Parcel Identification Number 9748-41-7524. Mr. Bennett advised that the petition application includes a copy of the subject property deed, plat, and a map. Mr. Bennett advised that portions of the property are already inside the town corporate limits, but not all, and that to avoid any jurisdictional confusion such as planning and zoning issues, or law enforcement jurisdiction on this town-owned property, that annexation of the remainder of the property would be prudent. Mr. Bennett further advised he recommends the Board take the request under favorable consideration and to adopt resolutions directing the required clerk investigation and set a date for the required public hearing. Upon completion of discussion of the petition and proposed resolutions, Mayor Chandler called for a motion. **Alderman Zink made a motion to approve the resolution titled “RESOLUTION – Directing Clerk Investigate a Petition for Annexation” for 889 Forest Street as presented.** Alderman Larry Davis seconded the motion. Upon a call for a vote by the Mayor, the Motion was approved unanimously (Attachment C). **Alderman Jolley made a motion to approve the resolution titled “RESOLUTION – Fixing Date of Public Hearing on Questions of Annexation,” setting the required public hearing for the Board’s next regular meeting on August 7, 2023, at 6:00 p.m.** Alderman Davis seconded the motion. Upon a call for a vote by the Mayor, the motion was approved unanimously (Attachment D).

Fiscal Year 2023-2024 Budget

BUDGET MESSAGE – Mayor Chandler then recognized Town Manager Nathan Bennett for a presentation of the proposed FY 2023-2024 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, 2023, through June 30, 2024. Mr. Bennett advised that the proposed general fund budget is set at \$2,991,247. This proposed budget does reflect an overall increase from the current year of approximately \$269,750, primarily due to programming federal coronavirus relief-related funds such as the American Rescue Plan Act and increased sales tax revenue. The property tax rate is recommended to be maintained at the current rate of \$0.47 (forty-seven) cents per \$100 (one-hundred dollars) of valuation. This rate is based on the FY 2023 valuation of the property tax base of \$161,041,905 as provided by the Madison County Tax Department as the County has not yet provided the final valuation for FY 2024. With a collection rate of 96%, it is expected this rate will provide the general fund with an estimated total property tax revenue of \$726,621. Ultimately, property tax, combined with 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 be received for general fund operations.

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 \$1,215,000 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 \$2,500.00 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 very competitive job market. Funding is recommended to provide one (1) additional full-time police officer and associated benefit costs. Management also recommends funding for the replacement of a patrol vehicle, additional training, and equipment in the police department. Mr. Bennett provided additional information regarding capital projects for improvements to the Woodhaven community wastewater pump station and PARTF grant funded improvements at the Bailey Mountain Park and Preserve and other town initiatives. 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 2023-2024 Budget Message is incorporated by reference to these minutes as Attachment E. (Attachment E)

PUBLIC HEARING – Mayor Chandler 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 2023-2024. There were no comments from the 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 2023-2024. Upon completion of discussion, Mayor Chandler called for a motion. **Alderman Davis made a motion to adopt “Town of Mars Hill Budget Ordinance for Fiscal Year 2023-2024,” as presented.** Alderman Jolley seconded the motion. Upon a call for a vote by the Mayor, the motion was approved unanimously. (Attachment F)

FY 2022-2023 Budget Amendments

Mayor Chandler then moved to consider proposed budget amendments to the current year budget. Mr. Bennett presented a summary of the proposed FY 2022-2023 Budget Ordinance Amendments – FY 2023-04. Mr. Bennett explained that this amendment adds an additional \$1,500 appropriation to the Tax Collection Department to ensure adequate funds to cover miscellaneous expenditures. Upon completion of discussion, Mayor Chandler called for a motion. **Alderman Jolley made a motion to approve the “FY 2022-2023 Budget Ordinance Amendments – FY 2023-04” as presented.** Alderman Honeycutt seconded the motion. Upon a call for a vote by the Mayor, the motion was approved unanimously. (Attachment G)

Town Manager Report – Nathan Bennett, Town Manager

Mayor Chandler then recognized Mr. Bennett to provide the Town Manager Report. Mr. Bennett advised the Board that the regular meeting date for July is Monday, July 3rd, prior to the Independence Day holiday. Mr. Bennett advised that upon completion of the business on this agenda, he does not expect a pressing need for a July meeting. Upon completion of discussion, Mayor Chandler called for a motion. **Alderman Honeycutt made a motion to cancel the July 3, 2023, regular meeting and resume the regular meeting schedule with the August 7, 2023, meeting and if a meeting is needed the Mayor can call a special meeting.** Alderman Davis seconded the motion. Upon a call for a vote by the Mayor, the motion was approved unanimously.

Mr. Bennett provided an update on the Bailey Mountain Park and Preserve improvements project, together with the timeline for the project bidding and award to a contractor. The advertisement for bids will be released on June 19, and bid opening on July 19, 2023, with the intent to bring the recommended contractor for Board approval at

the August meeting. Mr. Bennett also gave updates on the DOT plans to resurface Main Street, to include modifications to the crosswalk landings at several key intersections. He also updated the Board on the NCDOT planning process for the landscape improvements to the Carl Eller Road corridor from Main Street to I-26/Exit 11. Mr. Bennett provided information on the Town-sponsored fireworks and Independence Day Festival to be held on Athletic Street this year. The festivities will begin at 4:00 p.m. on July 4th with carnival games, bounce houses, food trucks and musical entertainment, to culminate with the fireworks display at 9:30 p.m. by the Mars Hill Fire Department. He also provided a general update of Town operations and other items of interest to the Board.

Public Comment

Mayor Chandler then moved to public comment. Mayor Chandler recognized Bill Sewell who thanked the Board for their support of pickleball for the Mars Hill community. Specifically, he thanked the Board for sponsorship of the pickleball tournament benefiting the Neighbors in Need non-profit and the use of the town courts for Madison County Senior Games activities. Mr. Sewell stated that both events were very successful, and plans are being made for another fundraiser event this fall. Mr. Sewell stated he wanted to express his appreciation to the town. Eve Kinley with Neighbors in Need grateful to the town for making this possible to raise funds to help our Madison County neighbors and thanks the Board for their support.

The Mayor then recognized David Bohager who provided an update on the issue he is experiencing with the N.C. ABC Commission concerning malt beverage sales from his business, Camden’s Coffeehouse, on N. Main Street. He states he has the proper permits, and he can sale on and off premises wine, which allows customers to consume wine on premises. Additionally, he is able sale beer (malt beverage) on premises but cannot consume beer (malt beverage) on premises. The Town Attorney shared that the N.C. ABC Commission has been contacted to determine the issues at hand in this matter and advise the Board of the findings and that has not been completed yet, but it appears to be more complicated than expected.

The Mayor then recognized Ryan Bell who reminded the Board of the Bailey Mountain Art Show underway at the Weizenblatt Gallery on the MHU campus through mid-August. This is a fundraiser to raise money to assist in the development of Bailey Mountain Park and Preserve. He thanked the Board and town staff for their assistance in spreading the word to support the preservation and stewardship efforts of the Bailey.


There being no additional public comments, Mayor Chandler closed public comment.

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.

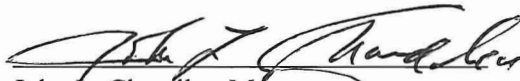
Approved and authenticated this the 7th day of August, 2023.

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 5, 2023 at 6:00 p.m.

1. Call to Order – *Mayor John L. Chandler*
2. Approval of Agenda
3. Approval of Minutes: May 8, 2023 Regular Meeting
4. Old Business
5. New Business
 - a. Voluntary Annexation – 889 Forest Street – Bailey Mountain/Smith Farm Park
6. Fiscal Year 2023-2024 Budget – Nathan Bennett, Town Manager
 - a. **BUDGET MESSAGE**
 - b. **PUBLIC HEARING**
 - c. **ORDINANCE** – Consideration and Adoption of FY 2023-2024 Budget Ordinance
7. FY 2022-2023 Budget Amendments
8. Town Manager Report – Nathan Bennett, Town Manager
 - a. July Meeting Date
 - b. General Update
9. 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.]
10. Closed Session (*Pursuant to N.C.G.S. 143-318.11 – if needed*)
11. 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




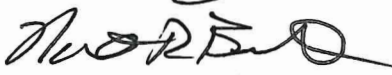
Town of Mars Hill

PETITION REQUESTING A CONTIGUOUS ANNEXATION

DATE: 6/1/2023

TO: Board of Aldermen, Town of Mars Hill

1. We, the undersigned owners of real property, respectfully request that the area described in Paragraph 2 below be annexed to the Town of Mars Hill.
2. The area to be annexed is contiguous to the Town of Mars Hill and the boundaries of such territory are as follows:
(Insert Legal Metes and Bounds Description of Boundaries or attach Deed)
See Attached Exhibit 1 for description. Property is Bailey Mountain Preserve and Park located at 889 Forest Street, Mars Hill. PIN # 9748-41-7524
3. A map, and/or survey plat is attached showing the area proposed for annexation in relation to the primary corporate limits of the Town.

	<u>PRINTED NAME</u>	<u>SIGNATURE</u>	<u>ADDRESS</u>
1.	John L. Chandler, Mayor		PO Box 368, 280 N. Main St., Mars Hill, NC
2.	Nathan R. Bennett, Town Manager		PO Box 368, 280 N. Main St., Mars Hill, NC
3.			
4.			
5.			



This certifies that there are no delinquent ad valorem taxes, or other taxes which the Madison County Tax Collector is charged with collecting, that are a lien on:

Parcel Identification Number 9748-41-1757

This is not a certification that this Madison County Parcel Identification Number matches this deed description.

James M. Ledford
Tax Collection Staff Signature

12-28-18

Filed: Madison County, NC
12/28/2018 11:12:34 AM
Susan Rector, Register of Deeds
Excise Tax: \$1,350.00

NORTH CAROLINA GENERAL WARRANTY DEED

EXCISE TAX: \$1350.00

Mail after recording to: Diane C. Van Helden, 360 Meadow Ridge Lane, Marshall, NC 28753

This instrument was prepared by: Janese M. Baliles, Attorney

Brief Description for the Index: Plat Book 8, Page 859

THIS DEED made this 27th day of December, 2018, by and between:

GRANTOR:

Belva W. Smith, unmarried

Charles Edward Smith and wife, Kathleen N. Smith

Gustave H. Becker, unmarried

Address: 173 Browning Shoals Road, Social Circle, GA 30025

GRANTEE:

Town of Mars Hill

Address: P. O. Box 368, Mars Hill, NC 28754

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

The property herein conveyed does not include the personal residence of any of the Grantors.

This instrument prepared by Janese M. Baliles, a licensed North Carolina Attorney. Delinquent taxes, if any, to be paid by closing attorney to the county tax collector upon disbursement of closing proceeds.

WITNESSETH, that the Grantors for a valuable consideration paid by the Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto the Grantee in fee simple, all that certain lot or parcel of land situated in Madison County, North Carolina and more particularly described as follows:

See attached Exhibit A.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to the Grantee in fee simple.

And the Grantors covenant with the Grantee, that the Grantors are seized of the premises in fee simple, have the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and that the Grantors will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions hereinafter stated.

Grantors' covenants and warranties are subject to the following exceptions:

1) Easements, restrictions and rights of way of record, and 2) any utilities currently located underground, or any utilities located above ground as shown on Plat 8, page 859 and 3) ad valorem taxes for this year and subsequent years.

IN WITNESS WHEREOF, the Grantors have duly executed the foregoing, or if corporate, have caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, as of the day and year first above written.

Gustave H. Becker (SEAL)
Gustave H. Becker, single

Charles E. Smith (SEAL)
Charles Edward Smith

Kathleen N. Smith (SEAL)
Kathleen N. Smith

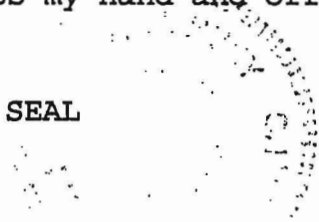
Belva W. Smith (SEAL)
Belva W. Smith, single

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

I, Melody M Huey, do hereby certify that Gustave H. Becker, single, personally appeared before me this day, being personally known to me, and acknowledged the due execution of the forgoing instrument.

WITNESS my hand and official seal, this 27th day of December, 2018.

SEAL



Melody M. Huey
Notary Public

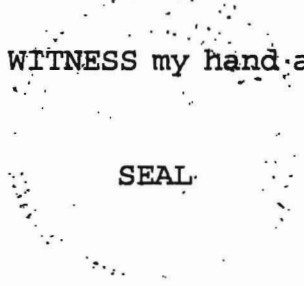
My Commission Expires: 9/27/2021

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

I, Melody M. Huey, do hereby certify that Charles Edward Smith and wife, Kathleen N. Smith, personally appeared before me this day, being personally known to me, and acknowledged the due execution of the forgoing instrument.

WITNESS my hand and official seal, this 27th day of December, 2018.

SEAL



Melody M. Huey
Notary Public

My Commission Expires: 9/27/2021

STATE OF NORTH CAROLINA
COUNTY OF BUNCOMBE

I, Melody M. Huey, do hereby certify that Belva W. Smith, single personally appeared before me this day, being personally known to me, and acknowledged the due execution of the forgoing instrument.

WITNESSED by hand and official seal, this 28th day of December, 2018.



Melody M. Huey
Notary Public

My Commission Expires: 9/27/2021

EXHIBIT A
Legal Description of Property
Property of Town of Mars Hill
Number 3 Township
Madison County, NC

All the Tract of Land referenced as Parcel 1 containing a total of 86.71 acres, more or less, as shown on the plat of survey entitled "Survey for Town of Mars Hill" prepared by McMahan & Associates, P.A., Bobby J. McMahan, L-2475, recorded on 12/14/14, in Plat Book 8, Page 859, Madison County Registry, reference to which plat is made for a more particular description of said Property.

The following applies to, and only to, that 8.00 acre tract that is designated as "AREA OUTSIDE THE CONSERVATION EASEMENT" on the aforementioned survey:

The Grantee in accepting this conveyance agrees that it is obligated under the terms of some of the funding that it received to complete the purchase of this property to the following restrictions and therefore accepts the conveyance of such property as subject to the following restrictions:

The property referenced above was acquired with Land and Water Conservation assistance and therefore it shall be dedicated in perpetuity as a recreation site for the use and benefit of the public. The herein described property shall not be converted to any other use than public recreation use. The Grantee herein agrees to maintain and manage Land and Water Conservation assisted development/renovation projects for public recreation in perpetuity after project completion.

The Grantee also acknowledges that the Grantors in making this conveyance are doing so in reliance upon the fact that the conveyance of this property is made in part due to the consideration that the property being conveyed is subject to the restrictions herein recited and that such restrictions will run with the land.



Town of Mars Hill
Mayor and Board of Aldermen

**RESOLUTION DIRECTING THE CLERK TO INVESTIGATE
A PETITION RECEIVED UNDER G.S. 160A-58.1**

WHEREAS, a petition requesting annexation of an area described in said petition (Attached hereto as Exhibit 1) has been received on June 1, 2023 by the Town of Mars Hill Board of Aldermen; and


WHEREAS, G.S. 160A-58.2 provides that the sufficiency of the petition shall be investigated by the Town Clerk before further annexation proceedings may take place; and

WHEREAS, the Board of Aldermen of the Town of Mars Hill deems it advisable to proceed in response to this request for annexation.

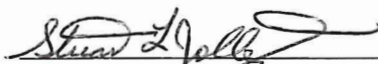
NOW, THEREFORE, BE IT RESOLVED by the Board of Aldermen of the Town of Mars Hill that the Town Clerk is hereby directed to investigate the sufficiency of the above described petition and to certify as soon as possible to the Board of Aldermen the result of the investigation.

ADOPTED this 5th day of June, 2023, by the Mayor and Board of Aldermen for the Town of Mars Hill, North Carolina.




John L. Chandler, Mayor

Attest:


Stuart L. Jolley, Clerk



Town of Mars Hill
Mayor and Board of Aldermen

RESOLUTION FIXING DATE OF PUBLIC HEARING ON QUESTIONS OF ANNEXATION
PURSUANT TO N.C.G.S. 160A-58.2 AS AMENDED

WHEREAS, a petition requesting annexation of the contiguous area described herein has been received
on June 1, 2023 by the Town of Mars Hill Board of Aldermen; and

WHEREAS, the Board of Aldermen has by Resolution directed the Town Clerk to investigate the
sufficiency of said petition; and

WHEREAS, the certification by the Town Clerk as to the sufficiency of said petition has been made.

NOW, THEREFORE, BE IT RESOLVED by the Board of Aldermen of the Town of Mars Hill, North
Carolina:

- Section 1. That a Public Hearing on the question of annexation of the contiguous area
described herein will be held at the Mars Hill Town Hall, 6:00 o'clock
P.M. on the 7th day of August, 2023.
Section 2. The area proposed for annexation is described as follows:
(Insert metes and bounds description) - See Attached "Exhibit 1"
Sections 3. Notice of said Public Hearing shall be published in The News Record-
Sentinel, a newspaper having general circulation in the Town of Mars Hill,
at least ten (10) days prior to the date of said Public Hearing.

ADOPTED this 5th day of June 2023, by the Mayor and Board of Aldermen for the Town of Mars Hill,
North Carolina.

Attest:

Stuart L. Jolley, Clerk



John L. Chandler, Mayor

TOWN OF MARS HILL

FY 2023 – 2024

BUDGET MESSAGE



June 5, 2023

Nathan R. Bennett
Town Manager

TOWN OF MARS HILL BUDGET MESSAGE

FISCAL YEAR 2023-2024

*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 2023-2024 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 \$2,991,247, an 8.9% increase over the prior year. The Water and Sewer Fund is balanced with revenues and expenditures each totaling \$1,215,000, a 3.9% increase over the prior year.

INTRODUCTION

This budget message will introduce the Town of Mars Hill Fiscal Year 2023-2024 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.

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. With the official end of the COVID-19 state of emergency, all town operations, revenues, and consumer water consumption levels have all stabilized at or above pre-COVID levels. The high inflationary growth from last year also appears to have peaked and stabilized as the April consumer price index was 4.9% growth year over year, with projected growth for 2023 at 2.3%.

Regarding property taxes for Fiscal Year 2023-2024, management recommends no change to the current property tax rate. The property tax rate is recommended to be maintained at the current rate of \$0.47 (forty-seven) cents per \$100 (one-hundred dollars) of valuation. This rate is based on the FY 2023 valuation of the property tax base of \$161,041,905 as provided by the Madison County Tax Department as the County has not yet provided the final valuation for FY 2024. With a collection rate of 96%, it is expected this rate will provide the general fund an estimated total property tax revenue of \$726,621. Ultimately, property tax combined with 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 \$2,991,247.

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 to 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 \$1,215,000.

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 12 departments and affiliated agencies. The intention of this section is to highlight some of the larger appropriations for departments and key initiatives included 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 has a small full and part-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, for the three (3) new full-time firefighters/EMTs employees added in the FY 2023 budget, along with the other five (5) full-time employees. There is also funding recommended for capital equipment, including replacement of air canisters and response gear, as needs warrant. The total fire department budget is recommended for an appropriation of \$877,826 utilizing the 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. Mars Hill is fortunate to have a very low crime rate, but this positive statistic is due in large part to the great community policing activities provided by our police officers. This budget proposes to add an additional full-time officer position, bringing the full-time force to seven sworn officers. This will provide needed coverage for expanded response area, increased service calls, and officer safety, coming from continued community growth. As always, funding is included for increased personnel costs for health insurance, retirement contributions, and supplemental retirement expenses. Additional funds are included for the acquisition of a replacement patrol vehicle for other needed equipment and training. The total police department budget is recommended for an appropriation of \$752,203.
3. **Water and Sewer System:** The Town continues planning for improvements to the water and sewer system as identified in the prior year. The Town expects to begin construction this fiscal year on the two important wastewater projects that have been delayed due to engineering availability. 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 is in the final permitting stages to go to construction mid to late FY 2024. In a second project, the Town will replace an aging sewer pump station and rehabilitate an associated second station serving the Woodhaven/South Main Street service area in that same timeframe.
4. **Bailey Mountain Preserve and Park:** In the Fall of 2021, the Town received a N.C. Parks and Recreation Trust Fund grant award for \$268,536. This grant, together with additional local funds and other grant funds,

will be used to provide a number of recreational amenities at the Bailey Mountain Preserve and Park located on Forest Street, which serves as the public gateway entrance to the iconic Bailey Mountain. This project has also been delayed due to planning and design limitations by the consultant engineering firm. However, the first phase of construction to provide restroom facilities, parking enhancements, accessible walking trails, picnic shelters, a nature/discovery center, amphitheater, and other improvements is expected to proceed to construction in August 2023. This budget includes funds to begin the project and move forward with planning, permitting, and construction.

5. **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 an additional 0.80% (to 12.90%) for all general employees and 1.0% (to 14.04%) 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, 2024, however, 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 the 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 5th day of June 2023.



NATHAN R. BENNETT,
Town Manager

ORDINANCE #: 278**TOWN OF MARS HILL****BUDGET ORDINANCE
FISCAL YEAR 2023-2024**

WHEREAS this Budget Ordinance for Fiscal Year 2023-2024 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 5, 2023, that this Budget Ordinance for Fiscal Year 2023-2024 be adopted as follows:

SECTION 1. GENERAL FUND AND POWELL BILL FUND

A. REVENUE – Revenue totaling **\$2,991,247.00** is hereby anticipated from the following sources:

Description	Amount
Property Tax (Current Year \$0.47 per \$100)	\$ 726,621 .00
Property Tax (1 st Prior Year & All Other Prior Years)	\$ 5,500.00
Payment in Lieu of Taxes	\$ 8,000.00
Tax Penalties & Interest	\$ 2,000.00
Ad Valorem Vehicle Tax	\$ 60,000.00
Municipal Parking Fees	\$ 6,000.00
Interest Earned, Investments	\$ 10,000.00
Rents & Concessions	\$ 0.00
Utilities Revenue	\$ 1,500.00
Miscellaneous Revenue	\$ 5,000.00
Utility Franchise Tax	\$ 125,000.00
Excise Tax – Beer & Wine	\$ 8,000.00
Powell Bill Street Allocation	\$ 65,000.00
Local Option Sales Tax	\$ 630,000.00
Court Costs, Fees, Etc.	\$ 100.00
Parking Violation Penalties	\$ 3,000.00
Zoning Permits	\$ 500.00
Police Department Donations	\$ 100.00
Recreation Department Revenue	\$ 20,000.00
Fire Department Revenue	\$ 2,000.00
Fire Department Relief Fund	\$ 0.00
Tax Refunds	\$ 10,000.00
Special Fire District Tax	\$ 770,000.00
Appropriated Fund Balance – General Fund	\$ 397,926.00
Appropriated Fund Balance – Powell Bill	\$ 135,000.00
TOTAL REVENUES ANTICIPATED	\$ 2,991,247.00

B. EXPENDITURES – A total of **\$2,991,247.00** is hereby authorized to be expended from the departmental accounts of the General Fund and Powell Bill Fund as follows:

Description	Amount
Governing Body	\$ 111,000.00
Administration	\$ 297,502.00
Elections	\$ 10,000.00
Tax Collections	\$ 5,300.00
Public Buildings	\$ 38,500.00
Police Department	\$ 752,203.00
Fire Department	\$ 877,826.00
Street Department	\$ 369,266.00
Powell Bill Expenditures	\$ 200,000.00
Sanitation Department	\$ 200,150.00
Recreation Department	\$ 106,500.00
Library	\$ 23,000.00
Debt Service	\$ 0.00
TOTAL EXPENDITURES AUTHORIZED	\$ 2,991,247.00

SECTION 2. WATER AND SEWER FUND

A. REVENUE – Revenue totaling **\$1,215,000.00** is hereby anticipated from the following sources:

Description	Amount
Interest Earned – Investments	\$ 10,000.00
Interest Earned – Enterprise Fund	\$ 10,000.00
Miscellaneous	\$ 10,000.00
Water & Sewer Charges	\$ 1,095,000.00
Sewer Taps	\$ 25,000.00
Water Taps	\$ 25,000.00
Appropriated Fund Balance/Water & Sewer	\$ 40,000.00
TOTAL REVENUES	\$ 1,215,000.00

B. EXPENDITURES – A total of **\$1,215,000.00** is hereby authorized to be expended from the departmental accounts of the Water and Sewer Fund as follows:

Description	Amount
Debt Service	\$ 113,100.00
Administration, Engineering and Billing	\$ 294,074.00
Operations	\$ 807,826.00
TOTAL EXPENDITURES AUTHORIZED	\$ 1,215,000.00

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, 2023 and ending on June 30, 2024.

SECTION 4. AD VALOREM TAXES

An *ad valorem* tax rate of forty-seven cents (\$0.47) 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, 2023 and ending June 30, 2024. This rate is based upon the total FY 2023 property valuation of \$161,041,905.00 as the Madison County Tax Office has not provided new property valuation estimate. The FY 2024 property valuation is estimated with a collection rate of 96.0%.

SECTION 5. FEE SCHEDULE

There is hereby established for Fiscal Year 2023-2024 a schedule of fees, penalties, and fines and is included as an attachment to this ordinance as Appendix A. In addition, there shall be implemented a 2.5% increase in water and sewer usage base rates consistent with established water operation policy.

SECTION 6. 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 7. UTILIZATION OF BUDGET ORDINANCE

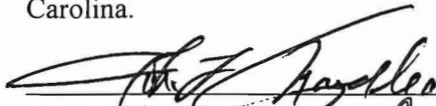
The Budget Ordinance shall be the basis for the financial plan for the Town of Mars Hill during the fiscal year. The Budget Officer shall administer the budget and maintain such records consistent with this ordinance and the appropriate statutes of the State of North Carolina. The Budget Officer/Town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

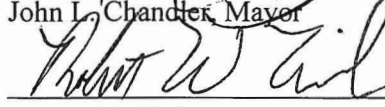
SECTION 8. DISTRIBUTION AND DOCUMENTATION

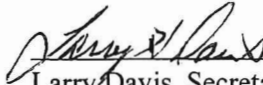
Copies of this Budget Ordinance shall be provided to the Budget Officer, Town Manager, Town Clerk, and the Finance Officer to be kept on file by them for direction in the collection of revenues and disbursement of Town funds.

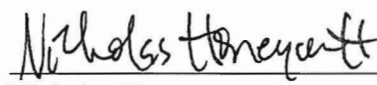
ADOPTED this 5th Day of June 2023.

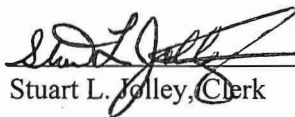
A motion was made by Alderman Larry Davis that the Budget Ordinance for Fiscal Year 2023-2024 be ADOPTED as presented. A second was made by Alderman Stuart Jolley, Upon a vote the motion was approved by the Mayor and Board of Aldermen for the Town of Mars Hill, North Carolina.


John L. Chandler, Mayor


Robert W. Zink, Treasurer


Larry Davis, Secretary


Nicholas Honeycutt, Vice-Mayor


Stuart L. Jolley, Clerk



TOWN OF MARS HILL

BUDGET ORDINANCE

FISCAL YEAR 2023-2024

FEE SCHEDULE

ADMINISTRATION	
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 rd party vendor
Parking Permit – Main Street area - annual	\$170.00
Parking Permit – Library/Fire Annex lots – annual	\$150.00
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
ZONING FEES	
Zoning Permit	\$25.00
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
POLICE DEPARTMENT	
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
FIRE DEPARTMENT	
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
SANITATION	

Trash Can (1 st at no cost, each additional, or damaged or lost container)	\$150.00
RECREATION	
Pool Admission – 6 and over (<i>5 and under free</i>)	\$5.00
Seasonal Pool Pass – Individual	\$50.00
Seasonal Pool Pass – Family	\$150.00
Swimming Lessons – each child	\$60.00
Pool Reservation – Private Event – up to 50 people	\$200.00 / \$75.00 Deposit
Pool Reservation – Private Event – 50 to 75 people	\$250.00 / \$100.00 Deposit
Pool Reservation – Private Event – 75 to 90 people	\$300.00 / \$125.00 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
WATER AND SEWER DEPARTMENT	
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%

TOWN OF MARS HILL

2022 – 2023 Fiscal Year


BUDGET ORDINANCE AMENDMENT FY 2023-04

ORDINANCE #: 279

The purpose of this budget amendment is to update the FY 2022-23 **GENERAL FUND** budget as follows:

Budget Code	Description	Revenues	Expenditures
10-3994-0000	Appropriated Fund Balance	\$ 1,500.00	
10-4600-5700	Tax Collections / Miscellaneous	\$	1,500.00
	TOTAL ADDITIONAL REVENUES ANTICIPATED	\$ 1,500.00	
	TOTAL ADDITIONAL EXPENSES AUTHORIZED		\$ 1,500.00

This budget amendment is hereby **ADOPTED** and incorporated into the FY 2022-23 Budget Ordinance by the Mars Hill Mayor and Board of Aldermen meeting in regular session on this the 5th day of June, 2023.


John L. Chandler, Mayor



ATTEST:

Stuart L. Jolley, Clerk