

**CITY OF MOUNT HOLLY**  
**CITY COUNCIL MEETING MINUTES**  
**MONDAY, MAY 18, 2026**  
**COUNCIL CHAMBERS**  
**6:30 PM**

CALL TO ORDER

Mayor Moore called the meeting to order at 6:30 pm. The following were present:

Mayor David Moore	Jonathan Blanton, City Manager
Mayor Pro Tem Phyllis Harris	Brian DuPont, Assistant City Manager
Councilman Ivory Craig	Alexis Hines, Human Resources Director
Councilman Jeff Meadows	Brian Reagan, Police Chief
Councilman William Brooks	Greg Beal, Planning Director
Councilwoman Lauren Shoemaker	Ryan Baker, Fire Chief
Councilman Kenneth Reeves	Robert Stewart, Deputy Utilities Director
Marie M. Anders, City Attorney-*ABSENT	Eric Smallwood, Parks and Recreation Director
	Ashley Whetstine, Finance Director
Tara Douglas, City Clerk	Matt Black, Economic Development Director
	Jason Green, Public Works Director

INVOCATION

Fire Chief Ryan Baker led the Council, Staff, and attendees in prayer.

PLEDGE OF ALLEGIANCE

Mayor Pro Tem Harris led the Council, Staff, and attendees in the Pledge of Allegiance.

SET THE AGENDA

Mayor Moore entertained a motion to approve the agenda as presented.

**Motion:** Councilman Reeves made a motion to approve the agenda as presented. Councilman Meadows seconded the motion.

*All Council members present and voting, voted in favor 6-0. (Motion Carried)*

CONSENT AGENDA

1. Consideration and approval of Contract for GarlandBurks for FY 2026-2027
2. Approval of City Council Meeting Minutes – May 11, 2026

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Mayor Moore entertained a motion to approve the Consent Agenda as presented.

**Motion:** Mayor Pro Tem Harris made a motion to approve the Consent Agenda as presented. Councilman Meadows seconded the motion.

*All Council members present and voting, voted in favor 6-0. (Motion Carried)*

Councilman Meadows recognized the GarlandBurks team for their exceptional work for the City of Mount Holly.

**PRESENTATIONS**

1. Review and Consider Approval of the Tuck Park Mural Project

***Paul Lowe***

Mr. Lowe stated that this project is a 240 square foot mural planned for Tuckaseege Park and noted that the artist is the same artist that worked on the mural at Pinewood Elementary School. Mr. Lowe stated that if approved, the mural could be completed by the end of June. Mr. Lowe stated that the Public Arts Advisory Committee (PAAC) recommended approval.

**Motion:** Councilman Craig made a motion to approve the Tuckaseege Park Mural Project. Mayor Pro Tem Harris seconded the motion.

*All Council members present and voting, voted in favor 6-0. (Motion Carried)*

2. Discussion of the Proposed 2026/2027 Budget and Fee Schedule

***Jonathan Blanton, Ashley Whetstone***

City Manager Blanton presented the recommended budget for Fiscal Year 2026-2027. Mr. Blanton stated that in a fiscally disciplined effort, the recommended budget was prepared over several months with significant participation from City staff, department directors, our Finance Department and guidance provided by our City Council. Mr. Blanton thanked the Council for the direction given at the February 27, 2026 retreat which kicked off our budget process. Mr. Blanton stated that the recommended budget is balanced and is prepared in accordance with North Carolina General Statute 159-11 and totals \$47,704,017.00. Mr. Blanton stated that the recommended budget consists of the following funds: the General Fund, which is balanced at \$27,531,226.00, the Water and Sewer Fund (Enterprise Fund) is balanced at \$18,533,961.00, the 911 Wireless and Wireline Fund is balanced at \$211,830.00, the Tourism Development Fund is balanced at \$270,000.00, the Powell Bill Fund is balanced at \$1,132,000.00, and a Capital Reserve in the General Fund totaling \$25,000.00. Mr. Blanton explained that the recommended

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budget is also supplemented by multiple ongoing capital project ordinances supporting major infrastructure, utility, and recreation improvements throughout the City of Mount Holly. Mr. Blanton stated that this recommended budget reflects the City's continued commitment to responsible financial stewardship, strategic capital investment, workforce stability, and long-term fiscal sustainability.

Mr. Blanton stated that the General Fund is projecting \$27,531,226.00 in revenue for Fiscal Year 2027 and that these funds are derived from property taxes, sales and use tax, investment earnings, and utility franchise taxes. Mr. Blanton stated that the proposed tax for Fiscal Year 2027 remains the same at 0.405 cents. Mr. Blanton stated that the General Fund provides funding to departments such as Council, Administration, Police, Fire, Planning, Streets and Solid Waste and Parks and Recreation. Mr. Blanton stated that expenditures are increasing by 9.2% this year and total capital funding across all departments is approximately \$1.5 million. Mr. Blanton stated that a focus of the recommended budget is the continued investment in capital infrastructure and equipment necessary to maintain high quality municipal services and support Mount Holly's continued growth. Mr. Blanton highlighted that the City has restructured its capital budgeting practices by allocating capital expenditures directly within departmental budgets rather than maintaining a standalone capital account.

Mr. Blanton stated that the capital projects that are provided for in the General Fund include investing in professional bike trails, Disc Golf improvements at Mountain Island Park, kayak access at Sandy River Road, ADA improvements at Tuckaseege Park, new radios for the Police Department, air packs for the Fire Department, cameras to the Mount Holly Museum, and continuing to invest in our public arts program.

Mr. Blanton reviewed the Water and Sewer Fund citing that its revenue is projected at \$18,533,961 for Fiscal Year 2027. Mr. Blanton stated that these funds are derived from water and sewer sales, stormwater revenue, and utility fees. Mr. Blanton stated that the recommended budget provides for a 12% increase in water rates and a 9.5% increase in sewer rates as per the recently approved Raftelis rate study that was approved by the Council several years ago as a five-year plan. Mr. Blanton stated that the Water and Sewer Fund expenditures are increasing by 16.5% with \$5,456,020.00 allocated to capital projects in the Water and Sewer Fund. Mr. Blanton stated that the projects that will be invested in are improvement to our North Water Tank, sewer improvements, drainage improvements and additional infrastructure on Legion Road for our space needs.

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Mr. Blanton reviewed the 911-Wireless and Wireline Fund stating that it consists of funding from surcharges on wireless and wireline telephones in the 911 service area. Mr. Blanton stated that these funds are collected by the State of North Carolina and distributed to the City with a projection of \$211,830.00.

Mr. Blanton reviewed the Tourism and Development Authority Fund (TDA) stating that the funding comes from occupancy taxes paid by travelers who stay overnight. Mr. Blanton explained that these funds are overseen and expended by the Tourism Development Board. Mr. Blanton stated that the City is projecting \$270,000.00 in revenues and expenditures.

Mr. Blanton reviewed the Powell Bill Fund stating that it consists of funds for the maintenance of public streets. Mr. Blanton stated that these funds are collected by the State of North Carolina and distributed to the City. Mr. Blanton stated that the City is projecting a \$1,132,000.00 in the Powel Bill Fund. Mr. Blanton stated that the City is planning to purchase a street sweeper out of this fund.

Mr. Blanton stated that the recommended budget also reflects continued efforts to manage debt responsibly. Mr. Blanton stated that General Fund debt services totals approximately \$1,583,378.00, which is a decrease from the previous fiscal year due largely to the retirement of the City's 2017 general obligation debts. Mr. Blanton stated that the Enterprise Fund's debt service totals approximately \$2,480,742.00, which is a decrease from the previous fiscal year as loans continue to mature.

Mr. Blanton emphasized that the recommended budget strategically focuses on three goals; prioritizing maintaining existing infrastructure, improving operational reliability, and strategically planning for future capital needs in order to continue to sustain the successful operational stability that the City and residents enjoy. Mr. Blanton stated that the recommended budget also continues the City's commitment to supporting and retaining a talented workforce that delivers exceptional public services to our residents and to our community. Mr. Blanton stated that the budget includes a 3% Cost of Living Adjustment for employees in recognition of continued inflationary pressures and the importance of maintaining competitive compensation within the regional labor market, particularly with the close proximity of the City of Charlotte and the number of municipalities in Gaston County. Mr. Blanton stated that personnel cost increases reflected through the budget primarily relate to employee retention efforts, rising benefit costs, and operation staffing support. Mr. Blanton explained that the recommended budget does not include significant departmental expansions or any new positions in Fiscal Year 2027. Mr. Blanton stated that the recommended budget reflects the discipline and measured

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financial strategy that balances operational needs with long-term fiscal responsibility. Mr. Blanton stated that while Fund Balance appropriations remain necessary to fund large-scale capital projects in Fiscal Year 2027, the recommended budget intentionally seeks to minimize reliance on the Fund Balance where feasible and positions the City to replenish reserves in future fiscal years. Mr. Blanton stated that investing earnings are projected to decrease by approximately 28% due to reductions in available Fund Balance and changing market conditions. Mr. Blanton stated that as a result, the recommended budget emphasizes conservative revenue forecasting and disciplined expenditure management. Mr. Blanton stated that the recommended budget intentionally projects revenue in a conservative manner and thus the Fund Balance is shown as being necessary to balance the budget to meet our statutory obligation to present a balanced budget. Mr. Blanton stated that it is our hope that this will be minimal and our staff is committed to continuing the prosperous path that we have been on over that past few years.

Mr. Blanton reviewed the Fund Balances and explained that these are the savings accounts for the City. Mr. Blanton stated that General Fund Balance is \$16,995,481.00 and the Water and Sewer Fund Balance is \$40,712,004.00.

Mr. Blanton stated that as the City of Mount Holly's budget officer, his highest priority is to exercise fiscal discipline and manage all funds responsibly and that he is proud that the recommended budget reflects that commitment. Mr. Blanton concluded by stating that the recommended budget is balanced and it is in accordance with North Carolina General Statute 159-11 and reflects the City's continued commitment to sound financial management and responsible growth. Mr. Blanton stated that financial forecasting for the upcoming year provides for a 1.9% increase in property taxes, a 7.3% increase in sales and use tax, a 7.1% decrease in utility franchise tax, and a 28.5% decrease in investment earnings. Mr. Blanton stated that as the City Manager, he believes this recommended budget represents the best possible proposal under the City's financial circumstances and within the policy direction provided by this Council.

Mr. Blanton stated that the Public Hearing on this budget is scheduled to be held at the regular City Council meeting at 7:00 pm June 8, 2026 in the Council Chambers. Mr. Blanton stated that any person wishing to make comments may do so at the public hearing prior to the adoption of the budget ordinance which will be presented to the City Council at that time. Mr. Blanton stated that the recommended budget will be available for public review on the City's website and at the Mount Holly Municipal Complex during normal business hours. Mr. Blanton highlighted the professionalism across the organization and stated that he is very proud of the staff that we have in place. Mr. Blanton stated that he would like to extend his sincerest appreciation to our new

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Finance Director Ashley Whetstine, Deputy Finance Director Becky Conder, the Finance Team and all of our Executive Staff. Mr. Blanton respectfully submitted this recommended budget with the upmost gratitude and appreciation to the City Council for their consideration.

Councilman Meadows inquired about the use of the Unassigned Fund Balance and if it is absolutely necessary. Mr. Blanton stated that we have made a very conservative estimate of revenues, and we are hoping that those will come in stronger than projected and minimize the amount of Fund Balance needed. Mr. Blanton stated that for the budget to be statutorily balanced, the use of a portion of the Fund Balance for the General Fund is required to be statutorily compliant in the drafting of the budget ordinance. Mr. Blanton ensured the Council that every effort will be made to minimize the use of the Fund Balance for operational costs.

Mayor Moore thanked Mr. Blanton, Finance Director Ashley Whetstine, and the entire Executive Staff for their hard work and dedication.

OLD BUSINESS

1. Consideration of a petition for annexation, submitted by Alissa Grice and SJS of NC LLC, for a 33.2105-acre tract of land, located at Parcel #'s 177847, 177844, 177594, 177846, and 218371.

*Marie Anders*

With City Attorney Anders absent from the meeting, City Manager Blanton presented the item before the Council. Mr. Blanton stated that last week at the May 11, 2026 City Council meeting, the Council approved the rezoning of the Holly Heights property but postponed the annexation vote until tonight in order to get the final signed, reviewed, and legally vetted version. Mr. Blanton stated that the developer and current land owners have signed the agreement. Mr. Blanton stated that the proposed annexation ordinance and agreement have been provided to the Council. Mr. Blanton stated that the terms of the agreement were previously discussed at several meetings including the May 11, 2026 meeting and since the required public hearing was held on April 13, 2026, the Council may move to approve both the annexation agreement and the annexation ordinance tonight. Mr. Blanton recommends approval of both of these documents and stated that he is happy to answer any questions.

Councilman Craig asked Mr. Blanton to give an explanation of the difference between rezoning and annexation.

Mr. Blanton stated that in order to expand municipal boundaries, the City has a tool referred to as voluntary annexation. Mr. Blanton stated the process is that a property owner would make a request to the City to annex property outside the city limits into the City. Mr. Blanton stated that

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the Council would review the request by directing the City Clerk to examine the sufficiency of the annexation petition and if the petition is determined to be sufficient, a public hearing is called for in order to move forward with an annexation ordinance. Mr. Blanton explained that if the annexation ordinance passes, the City Council is then tasked with assigning zoning to that property. Mr. Blanton stated that the annexation cannot be contingent on the rezoning, but the rezoning can be contingent on the annexation, which is what happened last week. Mr. Blanton explained that the City Council voted to assign zoning to this particular property contingent on the annexation ordinance and the annexation development being approved by the Council.

Councilman Craig confirmed that this neighborhood would be required to pay city taxes for city sewer and city water. Mr. Blanton stated that if this Council votes to move forward with this annexation ordinance and annexation agreement, this property will be within the City limits of Mount Holly and subject to taxation by the City of Mount Holly and subject to all services by the City of Mount Holly.

Councilwoman Shoemaker inquired about an update for informing citizens about how we are evaluating the upcoming developments. Mr. Blanton stated that staff will be reviewing the Land Use Plan over the summer to evaluate options to recommend to the City Council in August of this year.

**Motion:** Councilman Meadows made a motion to approve the petition for annexation, submitted by Alissa Grice and SJS of NC LLC, for a 33.2105-acre tract of land, located at Parcel #'s 177847, 177844, 177594, 177846, and 218371. Councilman Brooks seconded the motion.

*All Council members present and voting, voted in favor 6-0. (Motion Carried)*

**NEW BUSINESS**

1. City Manager Report

***Jonathan Blanton***

Mr. Blanton stated that the City Administrative Offices will be closed Monday, May 25, 2026 in honor of the Memorial Day Holiday. Mr. Blanton thanked everyone that came out last weekend for the wildly successful festival. Mr. Blanton stated that the next Mount Holly Nights will be held on June 5, 2026.

Council thanked the Park and Recreation, Special Events Team, for the changes to the recent P.A.C.E festival.

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ADJORN

**Motion:** Mayor Pro Tem Harris made a motion to adjourn the May 18, 2026 City Council Meeting at 6:59 pm. Councilwoman Shoemaker seconded the motion.

*All Council members present and voting, voted in favor 6-0. (Motion Carried)*

The meeting adjourned at 6:59 pm.