

City of Mount Holly
Mount Holly City Council Work Session Meeting
Monday, April 24, 2023
Council Chambers
6:30 pm

CALL TO ORDER

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

Mayor Bryan Hough	Miles Braswell, City Manager
Mayor Pro Tem Phyllis Harris	Brian DuPont, Assistant City Manager
Councilman Ivory Craig	Brian Reagan, Police Chief
Councilman Jeff Meadows	Ryan Baker, Fire Chief
Councilman David Moore	Greg Beal, Planning Director
Councilwoman Christina Pawlish	Tony Walker, Streets and Solid Waste Director
Councilwoman Lauren Shoemaker-absent	Jonathan Wilson, Director of Utilities
Marie M. Anders, City Attorney	Mark Jusko, Recreation Supervisor
	Michelle Wood, Finance Director

INVOCATION

Councilman Moore led the Council, staff and attendees in prayer.

SET THE AGENDA

With no changes to the agenda, Councilwoman Pawlish made the motion to approve the agenda as presented. Councilman Craig seconded the motion. All Council Members voted in favor. (Motion carried)

Mayor Hough advised that Councilwoman Shoemaker was called out of town on business and is joining via phone. The City Council does not have an electronic participation policy therefore Councilwoman Shoemaker will not be allowed to vote.

CONSENT AGENDA

1. Approval of Budget Amendment
 - Underground boring for decorative lighting
2. Approval of minutes from the April 10, 2023 Council Meeting
3. Approval of the minutes from the April 18, 2023 Special Meeting

Mayor Pro Tem Harris made a motion to approve the consent agenda. Councilman Meadows seconded the motion. All Council Members present voted in favor. (Motion Carried)

AGENDA

1. 2023/2024 Financial Discussion and Staff Direction

Ms. Wood explained the typical budget process versus the process implemented for the upcoming budget year. She explained that staff submitted separate requests this year during the budget process, essential operations and nonessential operations expenditures. She

advised that staff would like direction tonight in regard to the anticipated tax rate for the upcoming fiscal year. She advised that the projected 23-24 budget is \$20,276,988 at 40.5 cents and 95% collection rate. She further advised that essential operations only rate is 24.62 cents. This would be the bare minimum it would take to operate the city with no capital expenditures. Ms. Wood reviewed the items that would be cut Council went with the lower nonessential operations tax rate.

Ms. Wood commented that with the Gaston County Re-evaluation tax values in Mount Holly and all over the County increased significantly. Included in the Council information was the revenue neutral spread sheet form from the LGC. Ms. Wood explained the form and how revenue neutral is determined. She advised that 35.01 cents would maintain a revenue neutral rate. She provided the proposed tax rate from Gaston County and other municipalities in the County. Ms. Wood commented that Gaston County is proposing to drop their tax rate down to 61 cents and by looking at other municipalities proposed rates Mount Holly is in line with other jurisdictions.

Ms. Wood advised that there is over \$2 million in unappropriated fund balance that can be used to fund capital. She further advised that it is estimated that over \$400,000 will be transferred to fund balance after the current fiscal year.

At this time Mr. DuPont presented the estimates on different scenarios as it relates to our citizens personal tax bill. He put into perspective the monthly increase for each household at the different proposed rates.

Council shared concerns for the citizens whose values increased significantly. Ms. Woods advised that Gaston County is on a four-year revaluation rotation. There was discussion regarding the commercial infrastructure that will be coming online in the next 18-24 months. With the completion dates of the commercial infrastructure being unknown it is hard to estimate a timeline as to when the city will see the financial benefits from these projects.

Going around the table, Council commented on the proposed tax rate. Councilman Craig commented he would like to see lower, maybe around 39.5 cents, Councilwoman Shoemaker commented she would like to see 32-35 cents and Mayor Pro Tem Harris agreed. Councilman Meadows commented that he is uneasy about the 40.5 cent proposed rate and would like to see lower. Councilman Moore commented that he wants to go with staff's recommendation at 40.5 cents. He advised that the city is in a good place right now and if we want to continue to move forward instead of taking steps backward, we need to go with staff's recommendation. There was further discussion in regard to capital and the need for fire trucks. The final result of the discussion was to build the proposed budget around 39 cent tax rate and move money from the fund balance to cover the cost of a new fire truck and possibly 2 new fire trucks if there is a discount available for the purchase of an additional truck.

ADJOURN

With no additional items for discussion, Mayor Hough entertained a motion to adjourn. Councilman Moore made the motion to adjourn the April 24, 2023 Council Work Session Meeting. Councilwoman Pawlish seconded the motion. All Council Members present voted in favor. (Motion Carried)

The meeting adjourned at 7:39pm.