TOWN OF HUNTERSVILLE
SPECIAL TOWN BOARD MEETING
MINUTES

April 24, 2023
4:30 P.M. – Huntersville Town Hall
101 Huntersville-Concord Road

The Huntersville Board of Commissioners held a Special Meeting at Huntersville Town Hall, 101 Huntersville-Concord Road, Huntersville, NC, at 4:30 p.m. on April 24, 2023, to discuss the proposed budget for FY24.

Mayor Bales called the Special Meeting to order.

GOVERNING BODY MEMBERS PRESENT: Mayor Melinda Bales; Commissioners Dan Boone, Rob Kidwell, Amber Kovacs, Lance Munger, Derek Partee, and Stacy Phillips.

Anthony Roberts, Town Manager, presented staff's recommendation on potential GO bond referendum (Transportation Bonds - $60,000,000; Parks & Recreation Bonds - $10,000,000). *Refer to PowerPoint attached hereto as Exhibit No. 1.*

The Board could not come to a consensus on numbers for the potential GO bond referendum. Mr. Roberts reminded the Board if they want to move forward with the bond referendum, a resolution indicating the questions and amounts would have to be adopted at the May 15, 2023, Town Board Meeting.

Mr. Roberts reviewed other budget items as noted in the attached PowerPoint *(Exhibit No. 1)*.

Following discussion of proposed budget items, Mayor Bales suggested the Board have a pre-meeting on May 1 to continue discussion on potential bond referendum.

There being no further business, the Special Meeting was adjourned.

Approved this the 15th day of May 2023.

Janet Pierson

Janet Pierson, Town Clerk

2023 Potential Bond Referendum

April 24, 2023

Exhibit No. 1

2012 Bonds – 3 Questions

Street Bonds - $17,850,000

“SHALL the order authorizing $17,850,000 of bonds secured by the pledge of the full faith and credit of the Town of Huntersville, North Carolina to provide funds to pay the capital costs of constructing, reconstructing, enlarging, extending and improving streets and non-motorized paths, including streets and roads constituting a part of the State highway system or otherwise the responsibility of the State and including the cost of related studies, streetscape and pedestrian improvements, relocation of utilities, plans and design; acquiring, constructing, reconstructing, widening, extending, paving, resurfacing, grading or improving streets, roads and intersections; acquiring, constructing, reconstructing or improving sidewalks, curbs, gutters, drains, bridges, overpasses, underpasses and grade crossings and providing related landscaping, lighting and tra c controls, signals and markers; and acquiring land, rights-of way and easements required for any of the foregoing, and a tax to be levied for the payment thereof be approved?“

~~**Public Improvement Bonds - $7,150,000**~~

~~“SHALL the order authorizing $7,150,000 of bonds secured by the pledge of the full faith and credit of the Town of Huntersville, North Carolina to provide funds to pay the capital costs of public improvements in the Town, including the construction of firefighting facilities, improvements to existing administration and public safety facilities and the construction of streetscape and pedestrian improvements, sidewalks, curbs, gutters, drains, bridges, overpasses, underpasses and grade crossings, lighting and traffic controls, signals and markers; and acquiring land, rights-of-way and easements required for any of the foregoing, and a tax to be levied for the payment thereof be approved?”~~

Parks and Recreation Bonds - $5,000,000

“SHALL the order authorizing $5,000,000 of bonds secured by the pledge of the full faith and credit of the Town of Huntersville, North Carolina to provide funds to pay the capital costs of acquiring and constructing parks and recreation facilities and athletic elds, including the construction of a Town recreation center; renovating existing parks and recreation facilities and athletic fields, including improvements to the Huntersville Market and the Huntersville Family Fitness & Aquatics facility; developing parkland, greenways and trails; and acquiring land, rights of-way and easements for park and recreation uses, if necessary, and a tax to be levied for the payment thereof be approved?”

Staff Recommendation

Transportation Bonds - $60,000,000

"SHALL the order authorizing $60,000,000 of bonds secured by the pledge of the full faith and credit of the Town of Huntersville, North Carolina to provide funds to pay the capital costs of constructing, reconstructing, enlarging, extending and improving streets and non-motorized paths, including streets and roads constituting a part of the State highway system or otherwise the responsibility of the State and including the cost of related studies, streetscape and pedestrian improvements, relocation of utilities, plans and design; acquiring, constructing, reconstructing, widening, extending, paving, resurfacing, grading or improving streets, roads and intersections; acquiring, constructing, reconstructing or improving sidewalks, curbs, gutters, drains, bridges, overpasses, underpasses and grade crossings and providing related landscaping, lighting and traffic controls, signals and markers; and acquiring land, rights-of way and easements required for any of the foregoing, and a tax to be levied for the payment thereof be approved?"

Parks and Recreation Bonds - $10,000,000

"SHALL the order authorizing $10,000,000 of bonds secured by the pledge of the full faith and credit of the Town of Huntersville, North Carolina to provide funds to pay the capital costs of acquiring and constructing parks and recreation facilities and athletic fields, including the construction of expansion of the Town recreation center; renovating and expansion of existing parks and recreation facilities and athletic fields, including improvements to ~~the Huntersville Market and~~ the Huntersville Family Fitness & Aquatics facility; developing parkland, greenways and trails; and acquiring land, rights of-way and easements for park and recreation uses, if necessary, and a tax to be levied for the payment thereof be approved?"

Issue Town Hall debt as $30,000,000 installment financing, not bond

November 2023 GO Bonds (Calendar)

5/15/23 Board of Commissioners adopts (1) Resolution directing publication of notice of intent to apply to the Local Government Commission (the *"LGC"*); (2) Resolution authorizing the Finance Officer to apply to the LGC and making certain findings of fact by 5/19/23 Publish Notice of Intent in *Newspaper of General Circulation*

5/30/23 File Application with LGC and prepare Sworn Statement of Debt

6/20/23 Board of Commissioners (1) Introduces the Bond Order(s); (2) adopts the Resolution setting a public hearing on the Bond Order(s)

by 7/11/23 (1) Send Statement of Disclosure to LGC, post Statement on the Town's Website and file with the Town Clerk's Office (day before the notice of Public Hearing is published); (2) Publish Notice(s) of Public Hearing on the Bond Order(s) in *Newspaper of General Circulation* [at least 6 days before public hearing]; and (3) File Sworn Statement of Debt with the Town Clerk and LGC

7/17/23 Board of Commissioners (1) holds public hearing(s) on Bond Order(s); (2) adopts the Bond Order(s) at the conclusion of the public hearing; and (3) adopts the Resolution setting a Special Bond Referendum

November 2023 GO Bonds (Calendar - continued)

7/18/23 Clerk delivers certified copy of the Resolution setting a Special Bond Referendum to the County Board of Elections

7/21/23 Publish Bond Order(s) as adopted in Newspaper of General Circulation by 7/[21]/23 File Notice with Joint Legislative Commission [not needed for certain types of projects]

9/[5]/23 LGC approval of Bond Order(s) [or LGC might do this in October] by 9/29/23 Publish first Notice of Special Bond Referendum in Newspaper of General Circulation by 10/6/23 Publish second Notice of Special Bond Referendum in Newspaper of General Circulation

11/7/23 Referendum

11/17/23 Adoption of Certificate of Canvass by the County Board of Elections

12/4/23 Board of Commissioners adopts Resolution Certifying and Declaring Results of Special Bond Referendum

Debt Capacity and Debt Affordability Analysis

- March 2023 Financial Advisor analysis with *new* revaluation numbers:
  - $100,000,000 debt would result in approximate 2.8 cent tax increase incrementally as bonds are issued
    - Assumes issue appx $30 million in FY 2024 (Town Hall) installment financing
    - Plus issue $35 Million GO Bonds in FY 2024
    - Then issue $35 million GO Bonds in FY 2028

  - $150,000,000 in debt would result in approx. 4.2 cent tax increase, also incrementally

2024 Budget Revenues for Other Funds

Will hear from Directors in May with separate Board action

- **Electric** rates (industrial 2%)
  - Cost to serve study complete
  - No change to residential rates
  - Increase Industrial rates 2% to break even

- **Land Development Fees**
  - Increase some fees, create additional categories to more closely align with staff time required to administer the project by size
  - Expected to generate additional $200,000 revenue
  - All fees will remain equal to or lower than current County LUESA fees

2024 Budget

- Expenditures:
  - External Agencies
    - Address separate of budget adoption June/July
  - New positions
    - Fleet Management (2), Risk Manager, Sr Park Repair Technician
    - Land Dev Erosion Control Inspector
  - Similar ARPA supplant from prior year ($12 million)
  - Operating factors: solid waste and dispatch renewal
  - Firefighters, study & part-time increase of $2 per hour
  - Employee raise (8% COLA, 2% merit)

2024 Budget – Tax Rate

- Revenue neutral 17.6 cents
- Manager Recommended 19 cents
- One penny generates appx $1,500,000

- Example: Assume old value $250,000 and new value $355,000 – increase of 42%
  - Homeowner would pay an additional $74.50 annually to the Town at 19 cents
  - This excludes impact of county rate and assumes “average” value increase
  - Vehicle/personal property invoice at lower rate