

**TOWN OF HUNTERSVILLE
SPECIAL TOWN BOARD MEETING
MINUTES**

**May 23, 2023
4:00 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 4:00 p.m. on May 23, 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, Amber Kovacs, Lance Munger, Derek Partee, and Stacy Phillips. Commissioner Rob Kidwell entered at 4:27 p.m.

Anthony Roberts, Town Manager, explained the driver of the budget will be what the Board sets as a tax rate. The Manager's Recommended Budget includes a tax rate of 19 cents. Revenue neutral rate would be 17.6 cents. *Refer to Property Tax slide attached hereto as Exhibit No. 1.*

Mr. Roberts pointed out if the tax rate is set at revenue neutral, staff will be telling the board during the next budget that taxes have to be raised. He also pointed out that the budget does not include bringing on full-time firefighters as employees of the Town. That will likely be a budget amendment after the beginning of the year.

The Board discussed the options for the tax rate.

Mayor Bales took a straw poll to see where the Board was on the tax rate.

Commissioner Kovacs supported Manager's recommendation of 19 cents.

Commissioners Boone, Kidwell and Partee supported revenue neutral of 17.6 cents.

Commissioner Phillips noted she can't commit to a rate without knowing if there are going to be any cuts to the budget. Suggested solid waste fee increase another \$10 to a total of \$154.

Mr. Roberts reviewed items that would change if the Board decides to go with a revenue neutral tax rate:

- Town Hall debt service payment of \$1.5 million would shift to FY25.
- Two percent would be cut from the merit/COLA for a savings of \$420,000.
- Savings in the dispatch agreement of approximately \$500,000.

Commissioner Munger suggested 20 cents for the tax rate.

Commissioner Partee agreed with 20 cents.

Mayor Bales called for a 10-minute recess.

The Board reconvened.

Pattie McGinnis, Finance Director, displayed spreadsheets showing the effects of the different tax rates.
Spreadsheets attached hereto as Exhibit No. 2.

Following further debate on the tax rate, the Board reached a general consensus of setting the tax rate at 18 cents (Commissioners Phillips, Kidwell, Boone and Kovacs supported; Commissioners Partee and Munger did not support).

The Board debated percentage of COLA/merit.

Mr. Roberts pointed out 8 percent COLA is the CPI.

Ms. Huffman noted there are 22 hourly employees that make below \$20. At 8 percent COLA, that number would be reduced to 10 hourly employees making below \$20. At 6 percent COLA, it would be reduced to 15 hourly employees making below \$20.

A consensus was not reached on the COLA/merit.

The Board suggested having a pre-meeting on June 5 to continue budget discussions.

Mr. Roberts noted he will bring a budget to the June 5 meeting for consideration that includes a tax rate of 18 cents and COLA of 8 percent.

There being no further business, the special meeting was adjourned.

Approved this the 5th day of June 2023.