

**MCADENVILLE TOWN COUNCIL
SPECIAL MEETING / BUDGET WORK SESSION
MAY 23, 2024**

The McAdenville Town Council met in Special Session on May 23, 2024 at 5:00 PM in the lower level of McAdenville Town Hall, 163 Main Street. Proper notice was given.

Members Present: Mayor Jim Robinette; Mayor Pro-Tem Reid Washam, Council Members: Joe Rankin and Greg Richardson. Staff: Town Administrator/Clerk Lesley Dellinger. Council Members Carrie Bailey and Jay McCosh were absent.

Mayor Robinette called the meeting to order at 5:07 PM. He stated the purpose of the meeting was to discuss the FY2024-25 budget.

Water / Sewer Fund:

Staff presented the estimated revenues and expenses for the water/sewer fund. She stated that the expenditures are expected to exceed the revenues and reserves would be needed in the amount of \$94,600 to balance the budget. It was explained that the shortfalls correlate with the lost revenue from the closure of the Coats manufacturing plant and process improvements at Mannington. A water/sewer rate increase of 10% was recommended to cover the 7.5% increase from TRU and 2.5% town increase recommended in the NCRWA rate study. Lesley stated that the 10% increase would add approximately \$5 to residential utility bills at the 2500-gallon minimum usage amount. The pending Hailey Bently PRV Replacement Project was discussed. Staff stated that the project is still waiting for DWI approval but will hopefully be ready for bid this summer. The estimated cost is \$900K and is currently unfunded. It was noted that completion of this project is critical to being able to move forward with the Main Street Water Main extension, which is a top priority on the current CIP.

General Fund:

Revenue and expenditure estimates were reviewed for the General Fund. Staff stated that Property Tax revenues were expected to decline in FY24/25 due to the \$9 million loss in valuation from the Coats closure. Most other revenue streams are expected to remain static. The main change in expenses for the next budget will be for administration costs with the addition of a part-time & full-time position. Council discussed the tax rate and recommended no increase or decrease for the upcoming year. Staff stated that \$140K will be allocated to Capital Outlay allowing the Board flexibility with special projects such as the River Link Trail, new office space at Town Hall, and a pedestrian mobility improvement study.

Staff stated that the budget presentation and public hearing is scheduled for the regular meeting on June 11, 2024.

There being no further business to discuss, the meeting was adjourned at 6:35 PM by motion of Joe Rankin and unanimous vote.

Jim Robinette, Mayor

Lesley Dellinger, Town Clerk