



**Town of Mt. Pleasant
Board of Commissioners
Budget Workshop Meeting
Town Hall- Conference Room
Saturday, March 16, 2024 at 8:00 A.M.**

Attendance: Mayor Tony Lapish
Mayor Pro-Tem/Commissioner Lori Furr
Commissioner Chris Carter
Commissioner Steven Dixon
Commissioner William Meadows
Commissioner Justin Simpson
Town Manager Randy Holloway
Town Clerk Amy Schueneman

Also Present: Crystal Smith, Erin Burris, Darrell Layton, Dustin Sneed, Jim Sells, Del Eudy, Kim Baker, Ally Schueneman and Brandon Holland (Assistant Town Manager candidate).

Mayor Lapish called the meeting to order and welcomed those attending.

Mayor Lapish then turned the meeting over to Town Staff: Randy Holloway, Crystal Smith, Amy Schueneman, and Erin Burris to present the Power Point presentation for the FY2024/2025 Budget Workshop.

****Attached to the Minutes of the Budget Workshop in the Minute Book are a copy of the Power Point presentation, Comprehensive Plan Summary of Achievements, Garver Engineering DBP Evaluation Project, Water Sewer Capital Improvements List, and General Fund Capital Improvements List.****

Each slide was presented with any additional comments/discussion listed by page below.

Page 4- Staff do not have solid figures to give firm numbers until after the appeals on the new tax revaluation. Numbers are based on the current information the Town has. Revenue neutral is estimated at \$.36/\$100. One cent currently generates \$27,146.

Page 5- There is a healthy Fund Balance in General Fund \$1,831,120. Water Sewer Fund Balance is at \$902,908 with loans outstanding to USDA (\$260,000) and State Funded W/S projects (\$319,000). Those loans will go back into the Fund Balance within the next 18 months.

The USDA Payment Reserve account has \$251,891 balance which is required by the USDA Loan Agreement. The Town must have one year's payment (estimated \$227,000) in reserve in case of emergencies to make the payment.

Page 11- The \$.03 cents above Revenue Neutral will be used as follows:

- \$.01 cent for Cabarrus County Sheriff's Department \$21,459 increase

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- \$.01 cent for Duke Power 23.8% and Waste Pro 5.2% increases
- \$.01 cent for all other increases including insurance, audit services, cleaning of Concession Stand 2 times per week

Water Treatment Plant needs miscellaneous equipment urgently. \$28,600 will come from Water/Sewer Fund Balance to take care of those needs. This does not include repairs to the WTP.

Page 12- The question was asked why the Town does not implement pay raises on July 1st instead of October 1st. The Town waits until the property tax revenue starts coming in from the county to increase the amount of money available without dipping into the Fund Balance.

The 4th position in the Fire Department is essential for firefighter safety. During a working fire 2 firefighters are allowed to enter a building while 2 remain outside. This is an OSHA standard. To be able to pay for the 4th firefighter, the rural tax rate needs to be \$.03/\$100 above revenue neutral.

Page 14- In 2010 the Town paid for a pay study; however, although a COLA increase was given, the Pay Study was never implemented. This time Staff recommends going ahead and implementing the full adjustments this year and using fund balances to bridge the gap in revenue.

Page 26- Predictions are in 2047 all water supplies will be allocated within the County except for Mount Pleasant. This is not saying there will be no water supply, just no additional for future growth. Therefore, the Town needs to keep our water supply and find ways to make necessary repairs/replacements for the future. Staff will talk to Concord to see if they would like to partner with the Town in upgrading the water system and sharing the excess water above the Town's needs with Concord. This is something to discuss soon.

Page 28- The Adams Creek Subdivision would bring the sewer line up to the Town owned property on Walker Road for the future Fire Station 2. This would save the Town funds in having to run the sewer line from Hwy 49.

Page 29- Erin Burris outlined the required steps needed to have projects "shovel ready" to apply for grants. This will provide more opportunities for funding Capital Improvements.

Page 34- Randy Holloway said a group would be going up to Walnut Cove and looking at a different wastewater treatment process that will be presented to the WSACC Board. Currently, the future WSACC expansion will cost \$40 million to treat an additional one million gallons of sewer and they can't keep up with the increased amount of sewer. Walnut Cove has a system that uses wetlands to treat sewage which costs \$10-\$12 million to treat one million gallons of sewage. The Town would like to put one of these systems at the Dutch Buffalo Creek Preserve on Adams Creek since the Town's wastewater is already running down to pumps at Adams Creek. If this would happen, it would be a WSACC ran facility that could treat up to one million gallons a day for Mount Pleasant, freeing up allocation for the rest of Cabarrus County. Town Engineer, Richard McMillian, thinks this would be a good thing for the future of the Town. Where this type of sewer treatment is used, tours are being given because a lot of plants (including flowering plants) are being used that love nitrogen and wildlife comes into the area also. The area will become a part of the Dutch Buffalo Creek Preserve walking trails. The current system only allows a 1.43% share of the total increase of any additional wastewater treatment in the future, which is very little for any potential growth to the Town.

Page 35- Commissioners had concerns with recycling being mixed with trash when picked up and not being recycled. In some towns a waste removal fee is added to bills instead of "recycling" if the Board would like to make a change. The Town could also stop recycling.

Sewer rate increases are necessary because of the \$61,037 increase by WSACC to the Town rates. This averages out to \$5.35 per customer. There are several ways to pass along the increase: all on base rate or a combination of base rate increase with tiered rates. The Board was asked how they wanted the Town Staff to proceed. The Board wanted to see examples of \$2 with tiered and \$3 with tiered at the April meeting. The base rate is used to pay debt service for the outstanding loans. Of the 1,200 water/sewer customers, there are approximately 1/3 of the customers that use the minimum of 2,000 gallons or less per month and they only pay the base rates.

Page 38-39- Randy Holloway stated General Fund Balance is in better shape than the Water/Sewer Fund Balance and would like to move the entire \$40,000 cost of the Cutterhead completely over to the General Fund Balance.

Page 41- Randy Holloway explained that a Fire Department Capital /Personnel Reserve would be putting money back to place one full-time person on each shift so that he has a leader on each shift to handle any issues that may arise. Each paid position is an additional \$23,000 for insurance, retirement, FICA, etc. By putting some money aside, hopefully, it will help to implement a full-time person into the department in FY25/26. The target amount will be \$50,000 but may be more or less depending on revenue.

Board consensus was to move all Cutterhead expenses to the General Fund instead of splitting between General and Water/Sewer.

Page 42- Crystal Smith expressed how the Town's events have increased in popularity over the last few years. The Merchant's Association has asked if the Town would consider funding a Spring Festival similar to the Fall Festival. The Fall Festival cost \$13,955 last year with most of it going to overtime for Staff. Staff and family members of Staff are relied on heavily to make it possible. There are volunteers also. If the Board decides to add the Spring Festival, it equates to a ½ cent on the tax rate.

Randy Holloway stated that Staff supports all current events but with all the current projects that Staff asked for, there is a lot on everyone's plate. A Town our size would usually only have one project at a time. It is not in the upcoming budget and would have to come out of General Fund Balance.

The Board felt the Town could support the event with just deputy services and maybe shut down Main Street. The Merchant's Association would have to plan, organize, and staff the event. Darrell Layton stated that if streets are shut down, staff would have to be involved, so the Board said the Parking Lot could be closed instead of Main Street. If they want to have it, they will find a way to make it work.

Final consensus of the Board is that they are supportive of the Spring Festival happening if the Merchant's Association wants to coordinate it. The Town is willing to consider paying for the deputies and assisting in closing the Town Parking Lot.

Page 43- Randy Holloway asked the Board if it would be agreeable to adding an extra hour to the April Town Board meeting, to bring back adjusted numbers for the budget. By then the Staff should have better revenue numbers from Cabarrus County.

Randy Holloway thanked Brandon Holland for coming to the Budget Workshop.

A motion to go into Closed Session was made by Commissioner Meadows with a second by Commissioner Simpson. All were in favor. (5-0)

Closed Session 143-318.11.(a)(#6) Assistant Town Manager Position

To consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee or prospective public officer or employee; or to hear or investigate a complaint, charge, or grievance by or against an individual public officer or employee. General personnel policy issues may not be considered in a closed session.

A motion to come out of Closed Session 143-318.11.(a)(#6) was made by Commissioner Meadows with a second by Commissioner Simpson. All were in favor. (5-0)

ADJOURNMENT

After finishing the Budget Workshop and Closed Session, Mayor Lapish asked for a motion to adjourn the meeting.

A motion to adjourn was made by Commissioner Furr with a second by Commissioner Simpson. All were in favor. (5-0)

By our signatures, the following minutes were approved as submitted and amended on Monday, April 8, 2024 in the Regular Meeting.

Town Clerk Amy Schueneman

Mayor Tony Lapish

SEAL