



The Mebane City Council met for its regular monthly meeting at 6:00 p.m., Monday, May 6, 2024 in the Council Chambers of the Glendel Stephenson Municipal Building located at 106 E. Washington Street.

Councilmembers Present:

Mayor Ed Hooks  
Mayor Pro-Tem Tim Bradley  
Councilmember Katie Burkholder  
Councilmember Sean Ewing  
Councilmember Montrena Hadley  
Councilmember Jonathan White

Also Present:

Chris Rollins, City Manager  
Preston Mitchell, Assistant City Manager  
Lawson Brown, City Attorney  
Stephanie Shaw, City Clerk  
Ashley Ownbey, Development Director  
Franz Holt, City Engineer  
Kyle Smith, Utilities Director  
Daphna Schwartz, Finance Director  
Mitch McKinney, Police Chief

Mayor Hooks called the meeting to order. Pastor John Mark Hamilton of Grace Church of Alamance gave the invocation.

Ms. Burkholder and Ms. Schwartz recognized past and current graduates of the Mebane Citizen Academy with certificates and gift bags.

Mayor Hooks read aloud a Proclamation recognizing National Public Works Week, May 19<sup>th</sup> through May 25<sup>th</sup>.

No one spoke during the Public Comment Period.

Mayor Hooks gave an overview of the Consent Agenda as follows:

- a. Approval of Minutes- April 8, 2024- Regular Meeting
- b. Voluntary Contiguous Annexation Petition- Meritage Homes of the Carolinas, Inc.- Oakwood Subdivision
- c. Final Plat Approval- Bowman Place, Ph. S-4
- d. Final Plat Approval- Meadows, Ph. 5
- e. FY 23-24 Third Quarter Financial Report
- f. DMDC Third Quarter Report
- g. Resolution to Establish a Special Revenue Fund for Occupancy Tax

Mr. White made a motion, seconded by Mr. Ewing, to approve the Consent Agenda as presented. The motion carried unanimously.

**Item b.**

**RESOLUTION FIXING DATE OF PUBLIC HEARING ON  
QUESTION OF ANNEXATION PURSUANT TO G.S. 160A-31**

Annexation 169

WHEREAS, a petition requesting annexation of the area described herein has been received;  
and

WHEREAS, certification by the City Clerk as to the sufficiency of the petition has been made;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Mebane, North Carolina that:

Section 1. A public hearing on the question of annexation of the area described herein will be held at the Glendel Stephenson Municipal Building at 6:00 p.m. on June 3, 2024.

Section 2. The area proposed for annexation is described as follows:

LYING AND BEING SITUATED IN CHEEKS TOWNSHIP, ORANGE COUNTY, NORTH CAROLINA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT AN IRON PIPE FOUND AT THE SOUTHEAST CORNER OF MERITAGE HOMES OF THE CAROLINAS, INC. AS RECORDED IN DEED BOOK 6760, PAGE 1539, IN THE ORANGE COUNTY DEED REGISTRY, BEING ALSO IN THE NORTH LINE OF THE AKG NORTH AMERICA, INC. TRACT AS RECORDED IN DEED BOOK 5134 PAGE 528 IN SAID REGISTRY, BEING ALSO AT THE SOUTHWEST CORNER OF THE CARLTON A. AND LYNNE J. LAWS TRUSTEES TRACT AS RECORDED IN DEED BOOK 4025 PAGE 169 IN SAID REGISTRY, BEING ALSO IN THE EXISTING MEBANE CORPORATE LIMITS, HAVING THE NC GRID COORDINATES OF NORTHING 849771.84 AND EASTING 1926786.06:

THENCE, ALONG THE NORTH LINE OF SAID AKG NORTH AMERICA TRACT WITH THE EXISTING MEBANE CORPORATE LIMITS THE FOLLOWING THREE (3) COURSES; (1) S89°24'55"W, 255.27 FEET TO AN IRON PIPE FOUND; (2) S89°26'02"W, 249.99 FEET TO AN IRON PIPE FOUND; AND (3) S89°26'03"W, 384.97 FEET TO AN IRON PIPE FOUND AT THE NORTHWEST CORNER OF SAID AKG NORTH AMERICA TRACT, BEING ALSO IN THE EAST LINE OF THE MERITAGE OF THE CAROLINAS, INC. TRACT AS RECORDED IN DEED BOOK 6744 PAGE 1296 IN SAID REGISTRY; THENCE, ALONG THE SOUTH AND EAST LINES OF SAID MERITAGE TRACT WITH THE EXISTING MEBANE CORPORATE LIMITS THE FOLLOWING THREE (3) COURSES: (1) S89°26'21"W, 44.14 FEET TO AN IRON ROD FOUND; (2) N01°38'29"W, 1740.04 FEET TO A POINT; AND (3) N00°29'23"W, 645.99 FEET TO AN IRON PIPE AT THE SOUTHEAST CORNER OF THE TERESA A. ALVARADO TRACT AS RECORDED IN DEED BOOK 2939 PAGE 583 IN SAID REGISTRY; THENCE, LEAVING THE EXISTING MEBANE CORPORATE LIMITS AND PROCEEDING ALONG THE NEW MEBANE CORPORATE LIMITS ALONG THE EAST LINE OF SAID ALVARADO TRACT, N02°29'11"W, 194.40 FEET TO AN IRON PIPE FOUND AT THE SOUTHEAST CORNER OF THE KATHRYN LEE WESSELL TRACT AS RECORDED IN DEED BOOK 4559 PAGE 102 IN SAID REGISTRY; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS ALONG THE EAST LINE OF SAID WESSELL TRACT, N00°57'31"E, 236.57 FEET TO AN IRON PIPE IN THE SOUTHERN MARGIN OF A 200-FOOT WIDE RIGHT-OF-WAY CORRIDOR OF THE NORTH CAROLINA RAILROAD COMPANY TRACT AS RECORDED IN DEED BOOK 53 PAGE 517 IN SAID REGISTRY, BEING ALSO THE SOUTHERN MARGIN OF EAST WASHINGTON STREET; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS ALONG SAID SOUTHERN MARGIN, ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 5705.00 FEET, AN ARC LENGTH OF 201.48 FEET, AND A CHORD OF S73°52'26"E, 201.47 FEET TO AN IRON PIPE SET AT THE NORTHWEST CORNER OF MERITAGE HOMES OF THE CAROLINAS, INC. AS RECORDED IN DEED BOOK 6760 PAGE 1539 IN SAID REGISTRY; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS ALONG A CURVE TO THE RIGHT, HAVING A RADIUS OF 5705.00 FEET, AN ARC LENGTH OF 150.29 FEET, AND A CHORD OF S72°06'27"E, 150.29 FEET TO AN IRON PIPE FOUND AT THE NORTHWEST CORNER OF THE LAURA AND SAMUEL PEARSON TRACT AS RECORDED IN DEED BOOK 3266 PAGE 52 IN SAID REGISTRY; THENCE, LEAVING THE SOUTHERN MARGIN OF E. WASHINGTON STREET AND THE SOUTHERN MARGIN OF THE RIGHT-OF-WAY CORRIDOR OF THE NORTH CAROLINA RAILROAD COMPANY AND CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS ALONG THE WEST LINE OF SAID PEARSON TRACT, S12°55'05"W, 275.00 FEET TO AN IRON PIPE FOUND; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS S65°36'24"E, 237.62 FEET TO AN IRON PIPE FOUND IN THE WEST LINE OF THE LINDA S. DAVIS TRACT AS RECORDED IN ESTATE FILE 11-E-180 IN SAID REGISTRY; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS ALONG THE WEST AND SOUTH LINES OF SAID DAVIS TRACT THE FOLLOWING TWO (2) COURSES, (1) S20°52'19"W, 50.14 FEET TO AN IRON PIPE FOUND; AND (2) S64°35'26"E, 280.55 FEET TO AN IRON PIPE FOUND IN THE WEST LINE OF A B WALKER CONSTRUCTION INC. AS RECORDED IN DEED BOOK 6770 PAGE 421 IN SAID REGISTRY; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS ALONG THE WEST AND SOUTH LINES OF SAID TRACT THE FOLLOWING TWO (2) COURSES, (1) S07°06'21"E, 194.89 FEET TO AN IRON PIPE FOUND; AND (2) N82°48'56"E, 99.07 FEET TO AN IRON PIPE FOUND AT THE NORTHWEST CORNER OF THE JAMES RICKY FAULK TRACT AS RECORDED IN DEED BOOK 6064 PAGE 347, AND BEING ALSO THE NORTHWEST CORNER OF LOT 20 OF THE EASTERN ACRES SUBDIVISION AS RECORDED IN PLAT BOOK 5 PAGE 95 IN SAID REGISTRY; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS ALONG THE WEST LINE OF SAID FAULK TRACT AND SAID EASTERN ACRES, S07°05'06"E, 153.70 FEET TO AN IRON PIPE AT A BEND IN THE WEST LINE OF SAID EASTERN ACRES; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS S09°32'36"E, 527.76 FEET TO THE SOUTHWEST CORNER OF THE WALTER AND BARBARA HOWERTON TRACT AS RECORDED IN DEED BOOK 252 PAGE 1105 IN SAID REGISTRY, BEING ALSO THE SOUTHWEST CORNER OF LOT 46 OF SAID EASTERN ACRES, BEING ALSO THE NORTHWEST CORNER OF THE MERITAGE HOMES OF THE CAROLINAS, INC. TRACT AS RECORDED IN DEED BOOK 6760 PAGE 1539 IN SAID REGISTRY; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS ALONG THE NORTH LINE OF SAID MERITAGE TRACT, N80°24'44"E, 150.00 FEET TO AN IRON PIPE SET IN THE WESTERN MARGIN OF A 50-FOOT WIDE RIGHT-OF-WAY OF MATTRESS FACTORY ROAD; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS ALONG SAID WESTERN MARGIN, S09°30'40"E, 126.14 FEET TO AN IRON PIPE

SET IN THE WESTERN RIGHT-OF-WAY OF SAID ROAD; THENCE, LEAVING SAID RIGHT-OF-WAY, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS S80°26'46"W, 150.08 FEET TO A SOLID IRON ROD AT THE NORTHWEST CORNER OF THE KENNETH B. HENDRICKS, SR. AND MARICEL ORBE HENDRICKS TRACT AS RECORDED IN DEED BOOK 6570 PAGE 225 IN SAID REGISTRY, BEING ALSO THE NORTHWEST CORNER OF LOT 52 OF SAID EASTERN ACRES; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS S09°22'57"E, 124.04 FEET TO AN IRON PIPE FOUND AT THE NORTHWEST CORNER OF LOT 57 OF SAID EASTERN ACRES, BEING ALSO THE NORTHWEST CORNER OF MERITAGE HOMES OF THE CAROLINAS, INC. AS RECORDED IN DEED BOOK 6760 PAGE 1539 IN SAID REGISTRY; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS N80°26'47"E, 150.36 FEET TO AN IRON PIPE SET IN THE WESTERN MARGIN OF A 50-FOOT WIDE RIGHT-OF-WAY OF MATTRESS FACTORY ROAD; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS ALONG SAID WESTERN MARGIN, S09°30'40"E, 49.40 FEET TO AN IRON PIPE SET IN THE WESTERN RIGHT-OF-WAY OF SAID ROAD; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS S11°13'14"E, 50.00 FEET TO AN IRON PIPE SET IN THE WESTERN RIGHT-OF-WAY OF SAID ROAD; THENCE, LEAVING SAID RIGHT-OF-WAY, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS S78°46'46"W, 150.00 FEET TO AN AXLE FOUND AT THE NORTHWEST CORNER OF THE AGNES M. COLLINS TRACT AS RECORDED IN ESTATE FILE 08-E PAGE 457 IN SAID REGISTRY; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS ALONG THE WEST LINE OF SAID COLLINS TRACT, S11°13'41"E, 597.77 FEET TO AN IRON PIPE SET IN A BEND OF SAID EASTERN ACRES; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS S09°33'45"E, 172.73 FEET TO AN IRON PIPE SET IN THE NORTH LINE OF THE DONNIE L. APPLE TRACT AS RECORDED IN DEED BOOK 917 PAGE 192 IN SAID REGISTRY; THENCE, LEAVING WEST LINE OF SAID EASTERN ACRES, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS ALONG THE NORTH LINE OF SAID DONNIE L. APPLE TRACT, S80°32'09"W, 199.28 FEET TO AN IRON PIPE SET; THENCE, CONTINUING ALONG THE NEW MEBANE CORPORATE LIMITS ALONG THE WEST LINES OF SAID DONNIE L. APPLE AND LAWS TRUSTEES TRACTS, S09°27'10"E, 112.50 FEET TO AN IRON PIPE FOUND AT THE NORTHWEST CORNER OF CARTON A. LAWS & LYNNE J. LAWS TRUSTEE TRACTS AS RECORDED IN DEED BOOK 4025, PAGE 169 IN SAID REGISTRY; THENCE S09°24'00"E, 69.04 FEET TO THE PLACE AND POINT OF BEGINNING, CONTAINING 53.3497 ACRES(0.0834 SQUARE MILES), MORE OR LESS.

BOUNDARY AND NC GRID COORDINATE DATA USED IN THIS DESCRIPTION TAKEN FROM SIGNED AND SEALED, UNRECORDED PRELIMINARY SURVEY ENTITLED "ALTA SURVEY BAILEY DAVIS BORDERS TRACTS" PERFORMED BY RICHARD E. BULLOCK, JR PLS L-3266, USED WITH PERMISSION OF THE SURVEYOR FOR PURPOSE OF MUNICIPAL ANNEXATION.

Section 3. Notice of the public hearing shall be published once in the Alamance News and News of Orange, newspapers having general circulation in the City of Mebane, at least ten (10) days prior to the date of the public hearing.

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Ed Hooks, Mayor

ATTEST:

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Stephanie W. Shaw, City Clerk

**Item g.**

**SPECIAL REVENUE FUND FOR OCCUPANCY TAX RESOLUTION**

**WHEREAS**, the City Council of the City of Mebane (City) passed an Ordinance creating and levying a 3% municipal room and occupancy tax (Tax); and,

**WHEREAS**, the City will segregate the Tax proceeds into a special revenue fund; and,

**WHEREAS**, the cost to the City of administering and collecting the tax may be paid with the Tax proceeds; and,

**WHEREAS**, the City shall use at least two-thirds of the Tax proceeds to promote travel and tourism and the remaining one-third for tourism-related expenditures.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEBANE THAT:**

**Section 1.** The City Council hereby creates a Special Revenue Fund to segregate and expend Tax proceeds in accordance with G.S. 160A-215.

**Section 2.** This Fund shall remain operational as long as the Tax is levied.

**Section 3.** The City Council shall annually appropriate the Special Revenue Fund budget as part of the City Budget Ordinance.

**Section 4.** This Resolution shall become effective for the fiscal year 2024-2025 beginning July 1, 2024.

Adopted this 6th day of May 2024.

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Ed Hooks, Mayor

A Public Hearing was held on a request from Jenny W. Whitt of Whitt Real Estate, LLC to rezone one parcel, totaling +/- 2.16 acres and located at 1233 S. Third Street from R-20 to R-12. Ashley Ownbey presented the request. The property is located in the Mebane City Limits in Alamance County and includes frontages on S. Third Street and Skyview Drive. Adjacent properties are zoned R-12, Residential District, and R-20, Residential District. Properties across S. Third Street are zoned R-6 (CD), Residential Conditional District, and B-2, General Business District. Surrounding land uses are largely single-family residential. A multi-family development and post office are located on the other side of S. Third Street. The property is located in the Secondary Growth Area, as identified in *Mebane By Design*, the City's Comprehensive Land Development Plan. The proposed rezoning is consistent with the guidance provided in *Mebane By Design*. The proposed rezoning will continue the surrounding R-12 zoning and will be compatible with the existing residential uses.

Ms. Ownbey turned the presentation over to Mr. Holt who then gave an overview of the current conditions of the Skyview Drive Storm Drainage infrastructure. Mr. Holt stated that he has spoken with the applicant and explained that as they move forward with the subdivision of the property, all issues detailed in the engineer's technical memo would need to be rectified.

Ms. Whitt, the applicant, came forward stating she could answer questions as needed.

Ms. Burkholder questioned Ms. Whitt if she was planning to rectify all issues to develop the property.

Ms. Whitt said she has the property for sale currently and if a person purchased the property "as is" then that person would be the developer and would have to complete the process. The subdivider would be responsible for having those taps installed before the City would approve or in conjunction with approval of whatever plan was submitted to the City. She said if no one purchases the property, she will move forward with the plan to subdivide.

Ms. Hadley said that all the details, along with the required conditions to subdivide the property, be properly recorded for future reference in the approval letter and on the subdivision plat. Ms. Ownbey stated this is a general rezoning request, but the details and conditions can be recorded in the approval letter.

Barbara Mooney, 1237 Skyview Drive, expressed concerns with the proposed lots 4, 5, and 6 being landlocked.

Ms. Ownbey stated that the sketch shown on the PowerPoint slide shows the recombination plat that was completed for this property and the applicant brought this plat to City staff, so now those lots have frontage. At one time they did not but now they do.

Mr. Ewing made a motion, seconded by Mr. White, to close the public hearing. The motion carried unanimously.

Ms. Burkholder stated she liked Ms. Hadley's advice/recommendation to attach all the information provided by the city engineer and staff to this property for reference for the current property owner and any future owners of this property. Ms. Burkholder made a motion, seconded by Mr. Ewing, to approve the R-12 zoning as presented and a motion to find that the application is consistent with the objectives and goals in the City's 2017 Comprehensive Land Development Plan Mebane By Design. Specifically, the request is for a property within the City's G-4 Secondary Growth Area and is generally residential in nature (Mebane CLP, p. 66) and that all information regarding the property as provided by the City engineer be recorded in the approval letter and on the subdivision plat.

Mr. Rollins said the plat would never be recorded with the Register of Deeds until the improvements had been completed, therefore all the information would not need to be recorded on the plat.

Ms. Burkholder amended her motion, seconded by Mr. Ewing, stating based on Mr. Rollins's comments, all information that all information regarding the property as provided by the City engineer be recorded in the approval letter. The motion carried unanimously.

Mayor Hooks recognized Eagle Scout Christopher Schild as the Mebane community's newest Eagle Scout. He shared that Christopher is a student at Alamance Burlington Early College and a member of Eastern Alamance High School's wrestling team. Christopher also holds a first-degree black belt in martial arts. For his Eagle Scout project, he built a bench and established a free library for EM Yoder Elementary School's new nature trail that is currently being created. Mayor Hooks commended Christopher for his accomplishment.

A public hearing was held on a request from the Downtown Mebane Development Corporation (DMDC) for the adoption of a Downtown Mebane Social District Ordinance. Mr. Brown stated that a proposed ordinance was drafted for the Council's consideration. He explained that the Council will need to decide if they want to adopt the Social District ordinance, the hours of operation for the district, and a physical designation of the area for the district. Mr. Brown stated that the Council heard the Social District presentation from the DMDC at last month's meeting. Mr. Brown also explained that an ordinance effective date would need to be determined and a deciding factor in setting that date could be determined by when the DMDC can have the required social district labels and signage in place.

Erin Nettles, representing DMDC, introduced herself and stated she was open to questions.

Mr. White said he understood that Ms. Nettles was very involved in the development of the City of Burlington Social District. He asked her what she would see as some of the significant differences or similarities between Mebane and Burlington.

Ms. Nettles said the ultimate goal of having a social district is to get people into the businesses for shopping, to stay, and to have a reason to linger. She said another common thing would be the events in downtown Burlington or downtown Mebane, a social district that would allow all of the bars to participate in selling beverages to patrons of those events.

Mr. White asked if there were any key differences between the two municipalities that the Council should have in mind. Ms. Nettles said not that she could think of right off hand. She stated that a concern for Burlington was that their downtown area has a lot of open green space, but Mebane does not.

Mayor Hooks said Burlington social district is in place two days a week, but it is proposed for four days in Mebane, why the difference?

Ms. Nettles said they went with the days we did because that is when the majority of Burlington

events happen downtown and the Council in Burlington felt comfortable starting small and doing a couple of days that encompassed all of the events that took place to test out the program and then they look to expand it after making sure everything goes well. So, probably this summer you'll see them consider expanding it.

Ms. Burkholder asked how it is going in Burlington. Ms. Nettles said it has been wonderful. It just launched at the end of September and that is not the ideal time of year but it has been open for several months now we have not had any incidents or anything that I think people feared. We have seen foot traffic in the stores pick up for the ones that allow beverages to come in. It is a very hard thing to track the actual numbers that are changing but by word of mouth, it seems that more people are coming into the businesses.

Ms. Burkholder asked how the businesses that are not ABC permittees or businesses that opted out within the district feeling about how things are going. Ms. Nettles said they have not received any complaints.

Ms. Hadley asked what new events the social district has brought to Burlington. Ms. Nettles said she does not know of any new events but there has been an increase of interest for businesses to come in and restaurants that sell alcohol.

Mr. Ewing said anecdotally the economic impact is being seen. Ms. Nettles replied yes.

Mr. White stated that the sidewalk stickers in Burlington seem to already be peeling away after only six months, and he questioned how they plan to handle that long-term. Ms. Nettles said those stickers were only placed as temporary stickers, but they began to realize that people were responding to those better than the signs because there are already so many signs in the downtown area. She said they are now looking at installing a sidewalk sticker that would last more like a year which should be noted as an annual expense.

Mayor Hooks said that the Little Shops of Mebane desires to be included within the designated social district area, but the proposed map does not include that property. He questioned if the boundaries could be changed to include them. Mr. Brown stated that the social district boundaries would be at the Council's discretion.

Chief McKinney stated that the boundaries were discussed at a preliminary meeting with the merchants, and he believed they landed at seeing how the currently proposed boundary goes with the option to incorporate businesses in the future. He characterized it as a "soft roll-out" initially but ultimately it is the decision of the Council. He said enforcement is not an issue, but we just want to make sure that we are controlling the footprint in a business area so as not to adversely impact anyone who is living in a residential area around the borders of the district.

Mr. Mitchell stated that Chief McKinney discussed this with Administration being that is a residential zoning area to the East and the sidewalk is on the East versus the west side of the street, similar to some neighborhood concerns that developed from Seventh Street. That is why you see the map stop at the front door of Bright Penny as opposed to going to the property line there were some residential complaints on Seventh Street in conjunction with that business's operation, and going further on Third Street could redevelop a similar situation.

Kelly Congdon, resident of 503 S. Third Street Mebane and representing the Little Shops of Mebane, 301 N. Third Street, Mebane, shared that 9 businesses operate out of the Little Shops. She said originally the social district map included the Little Shops of Mebane but now does not. She requested that their business be given the same consideration as given by including White Furniture Lofts, residential, to Seventh Street to include Bright Penny Brewery. She noted that the owner of the apartment complex across the street from Little Shops also owns Little Shops.

Amy Papaneri, 232 Fair Oaks Court, Mebane, spoke in opposition to the Social District, stating that the downtown area is not suited for a social drinking district as Mebane's downtown area is near schools and community parks. She stated that research shows that alcohol consumption is a

contributing factor in mental, physiological, and physical health issues. She referenced Bible verse Proverbs 20:1, along with alcohol-related statistics from the CDC. She urged the Council to not approve a social district in downtown Mebane.

Jamer Papeneri, 232 Fair Oaks Court Mebane, spoke in opposition to the Social District. He spoke of his and his family's love for the Mebane community. He feels the downtown social district would do more harm than good, citing that more police presence would be needed downtown and potentially more drunk drivers in the area which in the end will be the taxpayer's responsibility. He also spoke about concerns about schools being nearby.

Meghan Wagner, owner of Go Girl Shoppe, 200 N. Third Street, Mebane, spoke in favor of the Social District. She said the district would increase walkability in the downtown area. She feels it will increase tourism by making downtown Mebane a destination. She feels it will provide better opportunities for the downtown businesses to host better events which will increase dollars spent. She spoke of the surrounding towns that have social districts in place and the positive economic impact for the businesses in those districts.

Wendy Daye, 5514 Fieldview Road, Mebane, and owner of Clay Street Tavern, 130 W. Clay Street, spoke in favor of the Social District as it will allow folks to socialize.

Tory Williams, with Bright Penny Brewery, 107 N. Seventh Street, Mebane, spoke in favor of the Social District. He spoke of the support from the businesses that will be ABC permittees.

Will King, owner of the Little Shops of Mebane property and the apartment complex across the street, spoke in favor of the Social District and asked for consistency in including businesses that wish to be included in the district. He feels the Social District would promote business.

Patrick Rhobe, 502 S. Eighth Street, Mebane and owner of Crafted Taco, 119 W. Clay Street, spoke in favor of the Social District. He spoke about the history of his decision to locate his restaurant in Mebane. He said Mebane is growing and the Council has done a really good job at embracing growth and aggressive ideas like this are fantastic and will bring people downtown. He read aloud testimonies from former business partners who have businesses where Social Districts have been enacted. The testimonies were supportive of social districts.

Peyton Rice, 674 Gibson Road, Mebane, and owner of Elegant Relic, 120 W. Clay Street, spoke in favor of the Social District. She said much thought and preparation has gone into the creation of the proposed Social District.

Tom Boney, Owner/Editor of Alamance News, 114 W. Elm Street, Graham, said he was under the impression that adding another block on Third Street could not be considered tonight, only what was proposed could be adopted. Mr. Brown said because this is a public hearing, the map was made available, and the Council has the discretion, in his opinion, to enlarge the district to include the additional half block on Third Street.

Mr. Ewing made a motion, seconded by Mr. White, to close the public hearing. The motion carried unanimously. Mr. Ewing asked that someone give a rough estimated timeframe as to when the signage could be ready so that the Council can decide on an effective date for the ordinance.

Ms. Nettles said supply and demand would play a role but based on her experience the City of Burlington was able to get the signage together in six weeks. She said additionally, the district boundary map would need to be finalized and a visit to all the businesses to gather information on those opting in and those opting out would need to be completed. She felt that obtaining the signage would take the longest time. She said six weeks is doable and suggested launching alongside an upcoming downtown event.

Mr. Ewing made a motion, seconded by Ms. Burkholder, to adopt the Social District Ordinance, a new Chapter 23 of the Municipal Code of Ordinances, as presented to include the mapping of the social district to include up to the Little Shops of Mebane's front door with said Ordinance to be

effective on June 28, 2024, and keeping the hours as presented, Thursday to Sunday, 11:00 am to 10:00 pm.

Mr. White said he would like to see a trial period put in place before the ordinance becomes permanent. He suggested a 12-month trial period beginning June 28, 2024.

Ms. Hadley said she would feel more comfortable with an event-by-event basis Social District.

Mr. Ewing amended his motion, seconded by Ms. Burkholder, to include a 12-month trial period. The motion passed with a 4-1 vote. Ayes- Ewing, Burkholder, White, and Bradley. Nays- Hadley.

Mayor Hooks called for a break at 7:20 pm. Mayor Hooks called the meeting back to order at 7:33 pm.

Mr. Brown announced that the public hearing that was to be held on the Preliminary Resolution in Support of Financing for Lake Michael Dam Spillway Project will be re-advertised as only one bid was received.

Mr. Brown presented a request from AB Walker Construction, Inc., owner of 207 Mattress Factory Road and 211 Mattress Factory Road, requesting annexation into the City for the foregoing property and, by City policy, has signed an annexation agreement and a petition for annexation. Mr. Brown explained that per the City's Voluntary Annexation Policy, adopted June 6, 2022, (Section F, subsection 2) property owners desiring to avail themselves of utility service may apply for annexation which the City will consider on a case-by-case basis. In order to be considered for annexation under the policy, the applicants must sign an annexation application or petition and an agreement to be annexed in the future if the City desires. Mr. Brown said the City has water in this particular area but does not have sewer service and staff believes it will be a number of years before sewer is extended for development along that corridor. At the time that the City does offer sewer to this property, the applicant has signed the agreement to be annexed at the request of the City. They will connect to the water and pay double rates.

Mr. White made a motion, seconded by Mr. Bradley, to accept the petition for annexation and the annexation agreement for the properties at 207 Mattress Factory Road and 211 Mattress Factory Road but defer annexation until the future per the City's policy and upon recordation of the signed annexation agreement. I further move that the City allow access to the City utility services per the Voluntary Annexation Policy. The motion carried unanimously.

Mr. Brown introduced Steve Straus, PhD, President, and Co-Founder of Developmental Associates, whom the Council contracted with to conduct the City Manager Executive search for a new City Manager as Mr. Rollins is retiring in July. Mr. Straus gave an overview of the executive search process and timeline and began the initial steps of the process. There was a brief discussion between Mr. Straus and the Council with each Councilmember sharing challenges that they feel the next city manager may face, along with attributes they would like to see that person have.

Mr. Boney urged the Council to consider an open public forum to allow the candidates to be questioned by the public.

Mr. Rollins stated that the FY 2024-25 managers recommended budget was included in this month's Council packet. He said after reviewing the recommended budget, the Council will be asked to set a date for a public hearing on June 3<sup>rd</sup> to adopt the budget. Mr. Rollins shared that due to his upcoming retirement, he has relied heavily on staff to prepare this year's budget, particularly Mr. Mitchell, Ms. Schwartz, and her finance department staff.

Mr. Mitchell presented the manager's recommended budget via the attached PowerPoint. After a brief discussion, Mr. Bradley made a motion, seconded by Mr. White, to forward the budget as presented and set the date of public hearing to adopt the budget for June 3, 2024, at 6:00 pm. The motion carried unanimously.



Mr. Smith explained that the City applied for an American Rescue Plan (ARP) Asset Inventory and Assessment (AIA) Grant for Sewer Condition Assessment. The City would like to use grant funding to perform closed circuit TV inspections in areas of the sewer system, to identify areas of inflow and damaged sewer lines, perform flow monitoring on areas of sewer mains that are suspected to have issues, and perform a pump station basin hydraulic analysis. He further explained that in anticipation of receiving grant funds, the City solicited statements of qualifications from engineering firms to provide engineering and surveying services for the sewer condition assessment project. The City received two statements of qualifications for this project by the March 29, 2024 due date from Dukes Root Control and Alley Williams Carmen & King, Inc. Alley William Carmen & King, Inc. was selected as the chosen consultant for this project. On April 17, 2024, the City received the official Offer & Acceptance for American Rescue Plan Funding. The City will receive \$100,000 to complete this project and will not require local funds as a match. Mr. Smith stated in order to receive the funds, the Council is required to adopt the American Rescue Plan Fund Acceptance Resolution. Additionally, staff requested that the Council award Alley Williams Carmen & King, Inc. the engineering services for Asset Inventory and Assessment in the amount of \$100,000.

Mr. Bradley made a motion, seconded by Mr. Ewing, to adopt the American Rescue Plan Fund Acceptance Resolution and award Alley Williams Carmen & King, Inc. the engineering services for Asset Inventory and Assessment in the amount of \$100,000. The motion carried unanimously.

#### **RESOLUTION BY GOVERNING BODY OF APPLICANT**

WHEREAS, the American Rescue Plan (ARP) funded from the State Fiscal Recovery Fund was established in S.L. 2021-180 to assist eligible units of government with meeting their water/wastewater infrastructure needs, and

WHEREAS, the North Carolina Department of Environmental Quality has offered American Rescue Plan (ARP) funding in the amount of \$100,000.00 to perform an Asset Inventory and Assessment study detailed in the submitted application, and

WHEREAS, The City of Mebane intends to perform said project in accordance with the agreed scope of work.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEBANE:

That the City of Mebane does hereby accept the American Rescue Plan (ARP) offer o \$100,000.00.

That the City of Mebane does hereby give assurance to the North Carolina Department of Environmental Quality that any Conditions or Assurances contained in the Award Offer will be adhered to.

That Chris Rollins, City Manager, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required by the Division of Water Infrastructure.

Adopted this the 6th day of May 2024.

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Ed Hooks, Mayor

There being no further business, the meeting was adjourned at 8:35 p.m.

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Ed Hooks, Mayor



## Manager's Recommended Budget

FISCAL YEAR 2024-2025

MAY 6, 2024



# Economic Factors

- Inflation – The 12-month percentage change from March 2023 to March 2024 is 3.8% for the South Atlantic Region.
- Interest rates have increased over the last two years & two large/important projects are scheduled for FY 24-25 Budget.
- Federal funding/small pool of specialty contractors (Example – Elevated Water Tank)
- Property Tax revenue category showing limited growth
- Sales tax revenue category showing decreased growth



# FY24-25 Budget Highlights

General Fund Expenditures	\$32,572,200
Utility Fund Expenditures	\$14,006,649
Occupancy Tax Special Revenue Fund Expenditures	\$158,550
Utility Capital Reserve Fund Transfers Out	<u>\$5,500,000</u>
Total Expenditures	\$52,237,399

General Capital Reserve Fund Revenue	\$915,864
Utility Capital Reserve Fund Revenue	\$3,512,000

\*if SDF revisions are approved

Property Tax Rate \$0.37 per \$100 valuation

\*\$.02 of the \$0.37 is transferred to the General Capital Reserve Fund



# FY24-25 Budget Highlights

## Water Rates

- *Inside City:* \$8.32 per 1,000 gallons
- *Outside City:* \$16.64 per \$1,000 gallons

## Sewer Rates

- *Inside City:* \$8.93 per 1,000 gallons
- *Outside City:* \$17.86 per 1,000 gallons

*\*Water and Sewer Rates reflect a 10% rate increase from FY 23-24*

## Garbage/Recycling \$8 per month per address

- *The rate is unchanged from FY 23-24*



# FY24-25 Budget Highlights

Cost of Living Increase 4%

- *FY23-24 COLA was 6%*

Health Insurance Increase: 3.58% for medical and 7.03% for dental

*\*The increase from FY22-23 to FY23-24 was .016% for medical.*

Retirement Rate Increase General 24.10%; Law Enforcement 25.54%

*\*This is a 0.75% and 1.0% increase over FY 23-24*

*Retirement rates are set by the N.C. State Treasurer*



# General Fund Recommended Budget

FY24-25

# General Fund Function Per Dollar



\$0.36  
Public Safety

\$0.20  
Public Works

\$0.19  
General Government  
and  
Physical Development

\$0.09  
Economic  
and  
Physical Development

\$0.09  
Recreation

\$0.08  
Debt Service





# General Fund Expenditures

General Fund Expenditures by Type					
Type	FY 2022-2023 Actual	FY 2023-2024 Amended Budget	FY 2024-2025 Recommended Budget	Percent Change	FY24-25 Variance
Personnel	\$12,666,865	\$16,025,572	\$16,694,987	4.2%	\$669,415
Operating	\$8,428,106	\$11,015,823	\$10,947,374	(0.6%)	(\$68,449)
Capital	\$2,607,308	\$7,063,669	\$1,489,471	(374.2%)	(\$5,574,198)
Transfers out	\$1,786,840	\$2,218,126	\$910,864	(143.5%)	(\$1,307,262)
Debt Service	\$1,779,396	\$2,035,812	\$2,529,504	24.3%	\$493,692
<b>Total</b>	<b>\$27,268,515</b>	<b>\$38,359,002</b>	<b>\$32,572,200</b>	<b>(17.8%)</b>	<b>(\$5,786,802)</b>



# General Fund Expenditures

General Fund Department Budgets					
Department	FY 2022-2023 Actual	FY 2023-2024 Amended Budget	FY 2024-2025 Recommended Budget	Percent Change	FY24-25 Variance
Council*	\$86,818	\$71,870	\$74,781	4.1%	\$2,911
Administration	\$1,121,603	\$1,430,254	\$990,167	(44.4%)	(\$440,087)
Human Resources**	\$0	\$0	\$445,644	100.0%	\$445,644
Finance	\$695,697	\$748,626	\$678,093	(10.4%)	(\$70,533)
IT***	\$913,853	\$1,713,081	\$1,715,953	0.2%	\$2,872
Economic Development	\$1,269,188	\$1,080,214	\$900,214	(20.0%)	(\$180,000)
Police	\$5,256,200	\$6,932,195	\$6,680,564	(3.8%)	(\$251,631)
Fire	\$4,216,855	\$7,230,682	\$4,995,471	(44.7%)	(\$2,235,211)
Planning	\$399,695	\$606,259	\$448,505	(35.2%)	(\$157,754)
Main Street Program*	\$142,098	\$0	\$0	0.0%	\$0
Inspections	\$789,871	\$1,002,275	\$985,962	(1.7%)	(\$16,313)
Engineering	\$445,500	\$445,500	\$455,000	2.1%	\$9,500
Public Works****	\$2,913,342	\$3,818,955	\$3,415,555	(11.8%)	(\$403,400)
Public Facilities	\$837,028	\$1,416,138	\$958,574	(47.7%)	(\$457,564)
Sanitation	\$1,754,074	\$2,575,978	\$2,001,909	(28.7%)	(\$574,069)
Recreation and Parks	\$2,269,584	\$3,863,498	\$2,973,274	(29.9%)	(\$890,224)
Non-Departmental	\$2,370,269	\$5,423,477	\$4,852,534	(11.8%)	(\$570,943)
<b>Total</b>	<b>\$25,481,675</b>	<b>\$38,359,002</b>	<b>\$32,572,200</b>	<b>(17.8%)</b>	<b>(\$5,786,802)</b>

\*Some or all expenditures were moved to Non-Departmental in FY 23-24.

\*\* The Human Resources Department was previously part of the Administration Department.

\*\*\* All citywide software license expenditures were moved to the IT department for FY 24-25.

\*\*\*\* Four full-time equivalents were moved from the Public Facilities Department to the Public Works Department.



# General Fund Capital Highlights

- Mebane Arts & Community Center roof renovation - \$423,000
- Replace three police vehicles - \$240,084
- Old Rec gym subfloor restoration - \$175,000
- Replace a bucket truck for Public Works - \$120,000
- Pull-behind leaf vacuum trailer (used) - \$80,000
- Asphalt hot box - \$62,000
- Dark Fiber setup - \$60,000
- Sidewalk – S. Eighth St. to Fifth St. Park via Arrowhead Villas – Construction - \$55,000



# General Fund Personnel Changes

- 15 reclassifications
  - Two Police Lieutenants to two Police Captains
  - Four Police Sergeants to four Police Lieutenants
  - Four Police Corporals to four Police Sergeants
  - Three Fire Engineers to three Fire Lieutenants
  - One Arts & Community Center Supervisor to one Recreation Program & Athletic Coordinator and one Recreation Supervisor for Athletics – this reclassification results in one new full-time equivalent; however, the cost is minimal due to the pay grade difference between the positions.



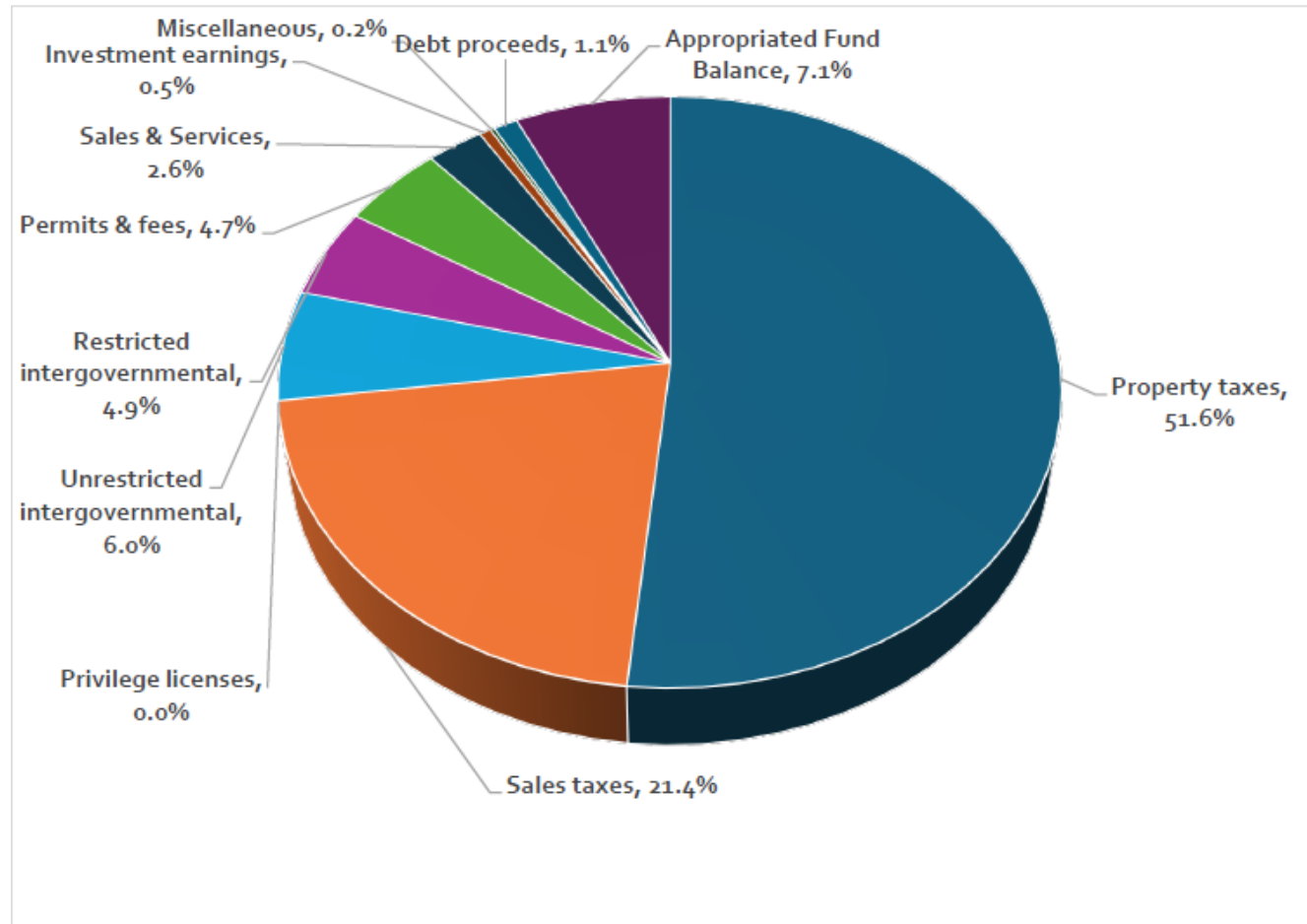
# Outside Agencies

Outside Agencies						
Agency	FY 2022-2023 Actual	FY 2023-2024 Amended Budget	FY24-25		FY24-25 Total Recommended Budget	Percent Change
			Recommended General Fund Budget	Recommended Special Revenue Fund Budget		
Mebane Historical Museum Subsidy	\$39,700	\$43,700	\$43,700	\$8,000	\$51,700	18%
Tommy Long Train Display	\$8,606	\$10,000	\$10,000	\$0	\$10,000	0%
Alamance County Arts Council	\$10,000	\$10,000	\$10,000	\$0	\$10,000	0%
ACTA Subsidy	\$6,500	\$6,500	\$6,500	\$0	\$6,500	0%
United Way 211	\$5,000	\$5,000	\$5,000	\$0	\$5,000	0%
Downtown Mebane Development Corp.	\$100,000	\$100,000	\$100,000	\$18,000	\$118,000	18%
<b>Total</b>	<b>\$169,806</b>	<b>\$175,200</b>	<b>\$175,200</b>	<b>\$26,000</b>	<b>\$201,200</b>	<b>15%</b>

The Mebane Historical Museum requested an \$8,000 increase, and the Downtown Mebane Development Corp. requested an \$18,000 increase. Due to the nature of these two organizations, the increase is funded by the newly created Special Revenue Fund for Occupancy Tax.



# General Fund Revenues and Other Financing Sources





# General Fund Revenues and Other Financing Sources

General Fund Revenues and Other Funding Sources					
	FY 2022-2023 Actual	FY 2023-2024 Amended Budget	FY 2024-2025 Recommended Budget	Percent Change	FY24-25 Variance
<b>Revenues</b>					
Property taxes	\$13,691,894	\$15,579,883	\$16,809,858	7.9%	1,229,975
Sales taxes	\$6,295,278	\$7,107,700	\$6,957,734	(2.2%)	(149,966)
Privilege licenses	\$945	\$900	\$900	0.0%	0
Unrestricted intergovernmental	\$1,939,261	\$1,817,300	\$1,959,150	7.8%	141,850
Restricted intergovernmental	\$1,508,594	\$1,627,101	\$1,587,618	(2.5%)	(39,483)
Permits & fees	\$1,878,503	\$1,919,910	\$1,523,704	(26.0%)	(396,206)
Sales & Services	\$752,683	\$816,338	\$840,136	2.9%	23,798
Investment earnings	\$222,281	\$20,000	\$172,000	760.0%	152,000
Miscellaneous	\$264,941	\$227,700	\$61,016	(273.2%)	(166,684)
<b>Total revenues</b>	<b>\$26,554,380</b>	<b>\$29,116,832</b>	<b>\$29,912,116</b>	<b>2.7%</b>	<b>795,284</b>
<b>Other financing sources</b>					
Transfers in	\$0	\$0	\$0	N/A	0
Debt proceeds	\$916,006	\$2,772,662	\$360,084	(670.0%)	(2,412,578)
IT subscriptions agreement	\$48,129	\$0	\$0	N/A	0
Appropriated Fund Balance	\$0	\$6,469,508	\$2,300,000	(181.3%)	(4,169,508)
<b>Total other financing sources</b>	<b>964,135</b>	<b>\$9,242,170</b>	<b>\$2,660,084</b>	<b>(247.4%)</b>	<b>(6,582,086)</b>
<b>Total revenues &amp; other financing sources</b>	<b>\$27,518,515</b>	<b>\$38,359,002</b>	<b>\$32,572,200</b>	<b>(17.8%)</b>	<b>(5,786,802)</b>



# General Fund Debt

## Debt Proceeds

Replace three police vehicles	\$240,084
Replace a bucket truck	<u>\$120,000</u>
Total vehicle debt	\$360,084
Lake Michael Dam Spillway Renovation engineers estimated debt	\$6,500,000

## Debt Payments

- Vehicles: estimated 5% interest over 5 years, payments will be \$83,170 annually.
- Spillway: estimated 5.75% interest over 20 years, payments will be \$555,253 annually.
- Retired Debt in FY23-24: \$101,965
- Complete Debt Schedules are in the budget document.





General Capital  
Reserve Fund  
Recommended  
Budget

FY24-25



# General Capital Reserve Fund

General Capital Reserve Fund Revenues and Other Financing Sources					
	FY 2022-2023 Actual*	FY 2023-2024 Amended Budget	FY 2024-2025 Recommended Budget	Percent Change	FY24-25 Variance
Transfer from General Fund	\$0	\$840,317	\$910,864	8.4%	\$70,547
Interest Earnings	\$0	\$0	\$5,000	100.0%	\$5,000
<b>Total revenues</b>	<b>\$0</b>	<b>\$840,317</b>	<b>\$915,864</b>	<b>9.0%</b>	<b>\$75,547</b>
<b>Other financing sources (uses)</b>					
Transfers out	\$0	\$0	\$0		\$0
<b>Total revenues &amp; other financing sources (uses)</b>	<b>\$0</b>	<b>\$840,317</b>	<b>\$915,864</b>	<b>9.0%</b>	<b>\$75,547</b>

\* This fund was established in FY 23-24.

The estimated General Capital Reserve Fund balance on June 30, 2024 (FY23-24), is \$842,751.



Special Revenue  
Fund – Occupancy  
Tax  
Recommended  
Budget  
FY24-25



# Special Revenue Fund – Occupancy Tax

Occupancy Tax Special Revenue Fund						
	FY 2022- 2023 Actual*	FY 2023-2024 Amended Budget *	FY 2024-2025 Recommended Budget	Percent Change	FY24-25 Variance	
Occupancy Tax Revenues	\$0	\$0	\$158,550	100.0%	\$158,550	
Interest Earnings	\$0	\$0	\$0	0.0%	\$0	
<b>Total revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$158,550</b>	<b>100.0%</b>	<b>\$158,550</b>	
Expenditures						
Collection fees	\$0	\$0	\$7,550	100%	\$7,550	
Travel and tourism promotion	\$0	\$0	\$100,667	100%	\$100,667	
Tourism-related expenditures	\$0	\$0	\$50,333	100%	\$50,333	
<b>Total expenditures</b>	<b>\$0</b>	<b>\$0</b>	<b>\$158,550</b>	<b>100.0%</b>	<b>\$158,550</b>	

\* FY 24-25 is the first year for this fund.



# Utility Fund Recommended Budget

FY24-25



# Utility Fund Expenditures

Utility Fund Expenditures by Type					
Type	FY 2022-2023 Actual	FY 2023-2024 Amended Budget	FY 2024-2025 Recommended Budget	Percent Change	FY24-25 Variance
Personnel	\$2,887,952	\$3,699,890	\$3,856,549	4.2%	\$156,659
Operating	\$3,789,483	\$5,533,919	\$5,602,940	1.2%	\$69,021
Capital	\$1,609,844	\$1,742,711	\$1,222,733	(42.5%)	(\$519,978)
Debt Service	\$1,490,977	\$1,491,369	\$3,324,427	122.9%	\$1,833,058
<b>Total</b>	<b>\$9,778,256</b>	<b>\$12,467,889</b>	<b>\$14,006,649</b>	<b>12.3%</b>	<b>\$1,538,760</b>



# Utility Fund Expenditures

Utility Fund Department Budgets					
Department	FY 2022-2023 Actual	FY 2023-2024 Amended Budget	FY 2024-2025 Recommended Budget	Percent Change	FY24-25 Variance
Admin, Billing & Meters	\$1,154,877	\$1,627,360	\$2,023,616	24.3%	\$396,256
Operations & Maintenance	\$4,912,775	\$6,246,616	\$5,795,618	(7.8%)	(\$450,998)
Engineering	\$295,063	\$288,971	\$293,000	1.4%	\$4,029
Water Resource Recovery	\$1,895,595	\$2,666,173	\$2,537,388	(5.1%)	(\$128,785)
Non-Departmental	\$1,519,966	\$1,638,769	\$3,357,027	104.9%	\$1,718,258
<b>Total</b>	<b>\$9,778,276</b>	<b>\$12,467,889</b>	<b>\$14,006,649</b>	<b>12.3%</b>	<b>\$1,538,760</b>

Personnel changes: One reclassification for the Water Resource Recovery Department  
(one Laboratory Supervisor to one Compliance Manager)



# Utility Fund Capital Highlights

One replacement Vac Truck	\$603,750
One replacement backhoe	\$155,000
One pick-up truck	50,098





# Utility Fund Debt

## Debt Proceeds

Replace a Vac Truck	\$603,750
Replace a backhoe	<u>\$155,000</u>
Total vehicle debt	\$758,750

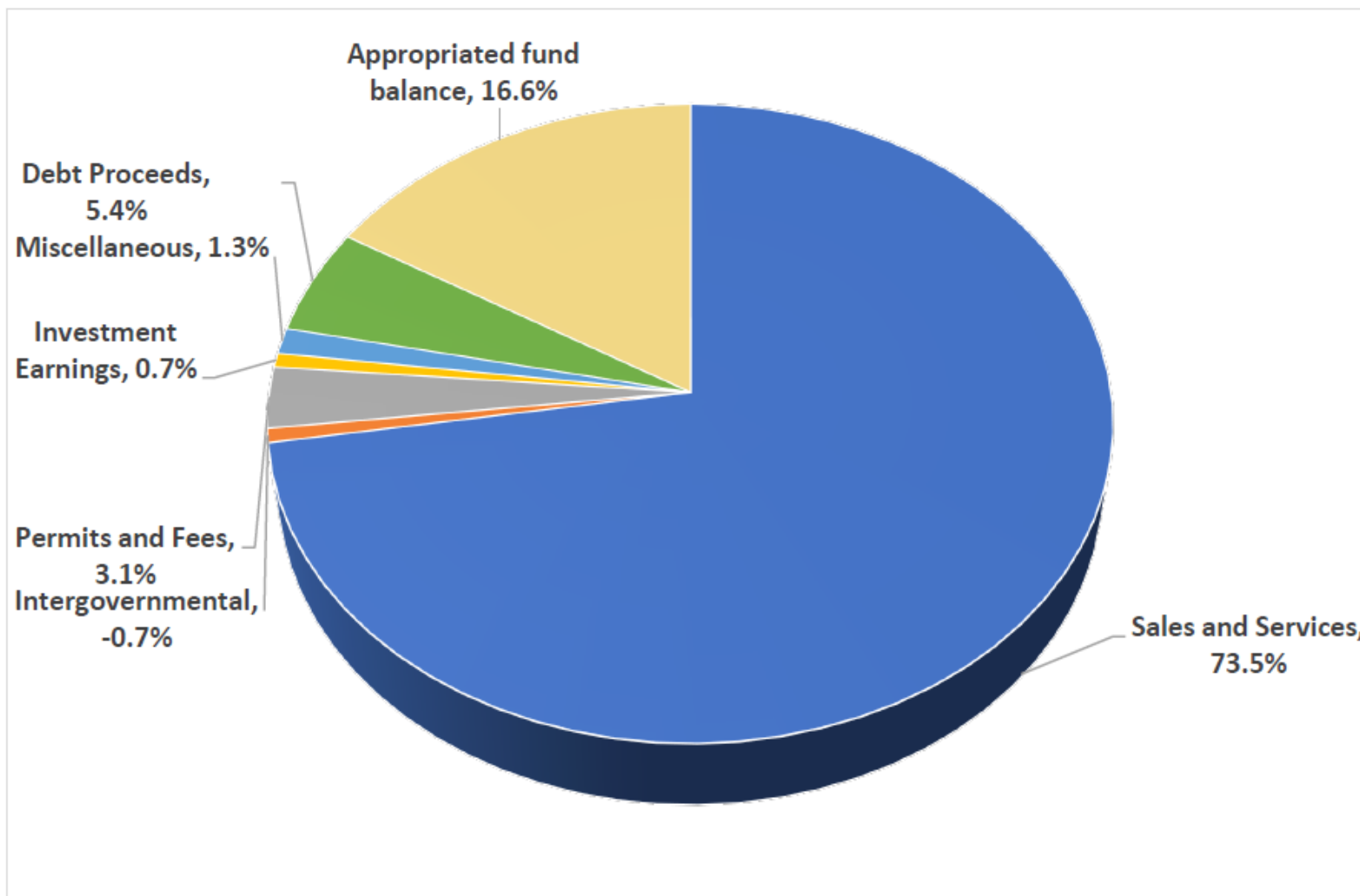
WRRF Expansion  
estimated debt range depending on the use of system  
development fees and approval of State Funding:  
\$48,792,342 to \$57,892,342

## Debt Payments

- Vehicles: estimated 5% interest over 5 years, payments will be \$175,252 annually.
- WRRF Expansion: At the \$48,792,342 estimated debt figure, the interest is estimated at 5% over 25 years, with payments averaging \$3,523,094 annually. An interest-only payment of \$1,219,809 is in the FY24-25 budget.
- No debt retired in FY23-24.
- Complete Debt Schedules are in the budget document.



# Utility Fund Revenues and Other Financing Sources



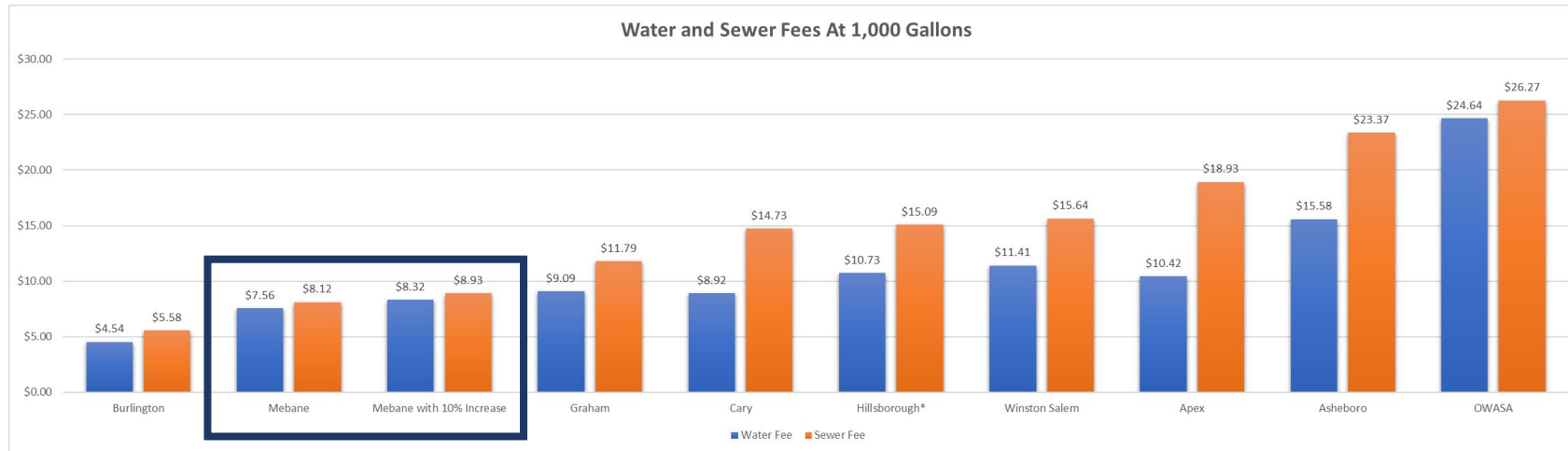


# Utility Fund Revenues and Other Financing Sources

Utility Fund Revenues and Other Funding Sources					
	FY 2022-2023 Actual	FY 2023-2024 Amended Budget	FY 2024-2025 Recommended Budget	Percent Change	FY24-25 Variance
<b>Revenues</b>					
Sales and Services	\$8,131,646	\$8,844,194	\$10,300,957	16.5%	\$1,456,763
Intergovernmental	(\$99,006)	(\$106,000)	(\$102,000)	(3.8%)	\$4,000
Permits and Fees	\$329,207	\$449,400	\$438,040	(2.6%)	(\$11,360)
Investment Earnings	\$96,147	\$20,000	\$100,000	400.0%	\$80,000
Miscellaneous	\$277,465	\$734,500	\$185,500	(296.0%)	(\$549,000)
<b>Total revenues</b>	<b>\$8,735,459</b>	<b>\$9,942,094</b>	<b>\$10,922,497</b>	<b>9.9%</b>	<b>\$980,403</b>
<b>Other financing sources</b>					\$0
Debt proceeds	\$0	\$0	\$758,750	100.0%	\$758,750
Appropriated fund balance	\$0	\$2,525,795	\$2,325,402	(8.6%)	(\$200,393)
<b>Total other financing sources</b>	<b>\$0</b>	<b>\$2,525,795</b>	<b>\$3,084,152</b>	<b>22.1%</b>	<b>\$558,357</b>
<b>Total revenues &amp; other financing sources (uses)</b>	<b>\$8,735,459</b>	<b>\$12,467,889</b>	<b>\$14,006,649</b>	<b>12.3%</b>	<b>\$1,538,760</b>



# RATE COMPARISONS





# Water & Sewer Rates 10% Increase

Water and Sewer Rates					
Fiscal Year	Inside Water	Outside Water	Inside Sewer	Outside Sewer	Increase
FY23-24	\$7.56	\$15.12	\$8.12	\$16.24	6%
FY24-25	\$8.32	\$16.64	\$8.93	\$17.86	10%

\* Rates are per 1,000 gallons.



# Capital Reserve Fund Recommended Budget

FY24-25



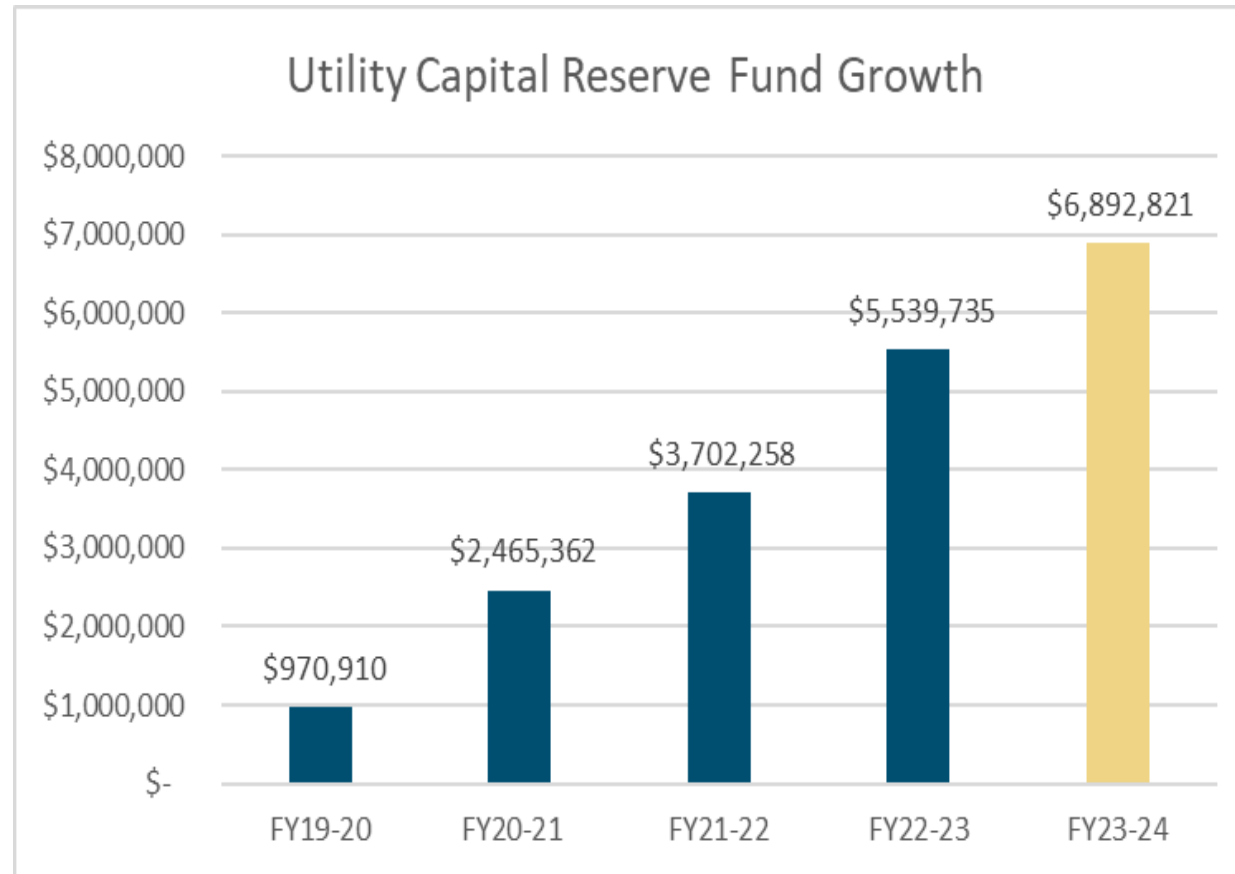
# Utility Capital Reserve Fund

Utility Capital Reserve Fund Revenues and Other Financing Sources					
	FY 2022- 2023 Actual	FY 2023- 2024 Amended Budget	FY 2024-2025 Recommended Budget with SDF revisions	Percent Change with SDF revisions	FY24-25 Variance with SDF revisions
System Development Fees	\$1,434,780	\$1,598,000	\$3,472,000	117.3%	\$1,874,000
Interest Earnings	\$1,293	\$3,000	\$40,000	1233.3%	\$37,000
Appropriated Fund Balance	\$0	\$0	\$5,500,000	100.0%	\$5,500,000
<b>Total revenues and other financing sources</b>	<b>\$1,436,073</b>	<b>\$1,601,000</b>	<b>\$9,012,000</b>	<b>462.9%</b>	<b>\$1,911,000</b>
<b>Other financing uses</b>					
Transfers out (System Development Fees)	(\$199,177)	\$0	(\$5,500,000)	100.0%	(\$5,500,000)
<b>Total other financing uses</b>	<b>(\$199,177)</b>	<b>\$0</b>	<b>(\$5,500,000)</b>	<b>0%</b>	<b>\$0</b>
<b>Total revenues &amp; other financing sources (uses)</b>	<b>\$1,236,896</b>	<b>\$1,601,000</b>	<b>\$3,512,000</b>	<b>119.4%</b>	<b>\$1,911,000</b>

The budget includes a fund balance appropriation of \$5.5 million for transfer to the WRRF Expansion Project to lower the debt financing required.



# Utility Capital Reserve Fund Growth



FY23-24 is through 5/1/24





Questions?