

Town of Mint Hill



Fiscal Year 2025-2026
Budget Document

PROPOSED BUDGET MESSAGE

DATE: 5/8/2025
TO: THE HONORABLE MAYOR SIMMONS,
MEMBERS OF THE BOARD OF COMMISSIONERS
FROM: BRIAN L. WELCH, TOWN MANAGER/BUDGET OFFICER
RE: FY 2025 - 2026 ANNUAL BUDGET

Pursuant to Section § 159-11 of the North Carolina General Statutes, I respectfully present the recommended FY 2025-2026 Budget for your review and consideration. The following message summarizes and highlights the significant elements of the adopted budget, particularly in those areas where there are notable changes from the FY 2024-2025 budget.

The recommended General Fund budget totals \$29,422,304. This budget is presented with an **adopted tax rate of \$0.225 per \$100** of assessed valuation, representing no change in the current tax rate as adopted for FY 2024-2025.

The Town's revenue forecasting philosophy has always been conservative and will continue for this fiscal year due to the ongoing uncertainty of current local, state, and national economic trends. Economic forecasting is not an exact science and at times relies upon the best professional judgment of the forecaster. To reduce the risks of miscalculating revenues or expenditures, the Town identifies as many factors as possible that may contribute to changes in revenue and expenditures, such as population growth, property values, development, and the overall health of the national and regional economies.

Our citizens and Board have much to be proud of with a tax rate of 22.5 cents. At 22.5 cents, our tax rate is one of the lowest in the state for a municipality of our size.

GENERAL FUND/POWELL BILL REVENUE HIGHLIGHTS

Ad Valorem Taxes: The Town of Mint Hill relies on property taxes for 47% of the General Fund Budget Revenues. The assessment of all property located in the Town of Mint Hill is provided to us by Mecklenburg and Union Counties. The assessed property value is projected at \$6,179,468,594.

The adopted General Fund tax rate will be set at 22.5¢ per \$100 valuation of property with an estimated collection rate of 98%. Ad Valorem tax revenues (including prior year taxes to be collected) for the coming Fiscal Year are budgeted at \$13,720,000.

Local Sales and Use Tax: The State of North Carolina grants local governments the authority to levy a local sales tax of up to 2.5%, with the state sales tax. Mecklenburg County levies this tax with Mint Hill receiving sales tax revenues based on an Ad Valorem basis. The FY 2025-2026 sales tax projection is \$3,800,000.

Franchise Tax: The state levies a franchise tax on the total gross receipts of various utilities. Each Town's share of the utility franchise tax is based on the actual receipts from the electric and telephone service within their municipal boundaries during the fiscal year. The amount of revenue generated by this tax is highly dependent on weather conditions throughout the year. Also, any annexations of industrial or other facilities that are heavy users of electric or telephone services, effective during the fiscal year could impact this revenue. The Town has not annexed any industrial areas that will significantly impact this revenue. This revenue source is expected to be \$1,300,000 for FY 2025-2026.

Powell Bill Tax: The calculating formula for this revenue is derived from the NC Certified population estimate of Mint Hill (75%) and total mileage of road maintained by Mint Hill (25%). The total estimated Powell Bill Tax Revenues for the FY 2025-2026 adopted budget is \$954,000.

GENERAL FUND / POWELL BILL EXPENDITURE HIGHLIGHTS

Personnel: The FY 2025-2026 budget includes funding for five additional positions in the Police Department. Three sworn officers if awarded the Governor's Highway Safety Program grant, one additional detective, and one wiring technician. Two additional positions in the Public Works Department including a mechanic to bring most fleet repairs in-house, and three additional positions in the Fire Department. Additionally, the budget includes a new Assistant Town Manager position to be filled with an internal promotion. Also, the adopted budget includes a 4% market rate adjustment for Town Employees in addition to a 2.5% merit pool. The market adjustment will become effective with the second payroll after January 1, 2026.

Administration: The Administration Department will add an Assistant Town Manager position in the FY 2025-2026 budget. This will not result in additional personnel but rather will be a promotion from within.

General Services (Non-Departmental): This account is derived from ongoing professional and contractual expenses the Town expends on an annual basis. These services include items that are associated with multiple departments or contributions to outside organizations. These items include but are not limited to the auditing/legal services, insurance and bonds, telephone, and utilities. Various outside organizations will receive funding from the Town of Mint Hill during FY 2025-2026.

Police Department: The Police Department budget includes matching grant funding for three (3) additional sworn positions along with the hiring of another detective and a wiring technician. Further, technological funding is included for the purchase of new computers, data storage solutions, and other technological needs. The purchase of five (5) vehicles has also been included.

Fire Department: Funding is appropriated in this budget for the addition of three (3) Fire Fighter positions. The Town will also have additional costs related to the opening of the new fire station on Lebanon Road.

Animal Control: Animal Control Services will continue to be provided by Charlotte-Mecklenburg Animal Control through an annual contract. The contract provides for receiving all animal control complaints, dispatching service, complaint investigation and resolution, transportation of animals and housing of the animals. The FY 2025-2026 budget estimates the cost of this service at \$100,000.

Street Maintenance: The Town maintains over 120 miles of streets within the corporate limits. These streets are assessed on an annual basis and are assigned priority for repair by the Public Works Supervisor and Town Engineer. The adopted FY 2025-2026 budget has identified \$1,000,000 for street resurfacing.

Solid Waste / Recycling: The adopted budget provides funding for once weekly curbside collection of one ninety-six (96) gallon can, bi-weekly recycling and weekly debris pickup. The cost of this service for FY 2025-2026 is \$2,504,040 or \$18.97 per household per month. Landfill service and tipping fees will continue to be provided by Mecklenburg County Landfill service at a cost of \$535,000.

Parks and Recreation: Funds have been added to this year's budget to purchase landscaping equipment.

STORMWATER FUND

Mecklenburg County and all seven municipalities assess a stormwater fee to every tax parcel except undeveloped ones including tax-exempt agencies such as Governments, Schools, and Churches. The assessments are spent only on stormwater related expenditures to repair or maintain the major and minor stormwater system. The Town will continue to contract with Mecklenburg County Stormwater Services for inspection and repair services, supplemented by the Town's Public Works Department, as well as the continued implementation of the federally mandated Stormwater Phase II Permit Requirements. All priority rankings and subsequent work on stormwater complaints are in accordance with the Mecklenburg County Stormwater Services priority rating system. Stormwater rates will remain the same with the exception of a four dollar per acre of impervious area increase for commercial properties.

TOURISM REVENUE FUND

Mecklenburg County collects hotel and motel tax from properties within the County. Revenues collected within the Town limits are shared with the County, which uses its portion of the tax to fund the Charlotte Convention Center as well as other regional tourism draws. The remaining portion of the tax is remitted to the Town of Mint Hill to be spent on the promotion of local tourism. This fund also accounts for revenues collected from the Prepared Food and Beverage Tax for use for the same purpose. Per an interlocal agreement between all municipalities within Mecklenburg County, the Town's portion of the tax equates to 75% of that amount collected in each municipality.

INFRASTRUCTURE FUND

This Fund contains proceeds for future infrastructure work that has been contributed by developers in lieu of immediately installing the infrastructure required as part of their development. Currently the Fund contains monies related to the installation of sidewalk, curb and guttering and other improvements along Wilgrove-Mint Hill Road.

CAPITAL PROJECT FUND

This fund contains costs related to the renovation of the old Bain ELA into a community center for use by Town residents.

SUMMARY

Mint Hill will continue all efforts to provide its residents with the highest possible level of service while striving to be good stewards of the Town's tax dollars. We will manage the continued growth of our area to provide a well-balanced community with a high standard of living that is sustainable in all economic conditions. The Town will continue to work with other agencies to resolve issues related to water/sewer, transportation, growth, and recreational opportunities. Identifying what are the best long-term interests for the Town, goal setting for the future and working towards these goals will continue to be our primary focus.

In closing, I would like to extend my sincerest appreciation to the elected officials and the entire Town Staff for their dedication, hard work and genuine interest in our community. Their selfless efforts and commitment to excellence is a big reason Mint Hill is one of the best communities in North Carolina.

Respectfully submitted,

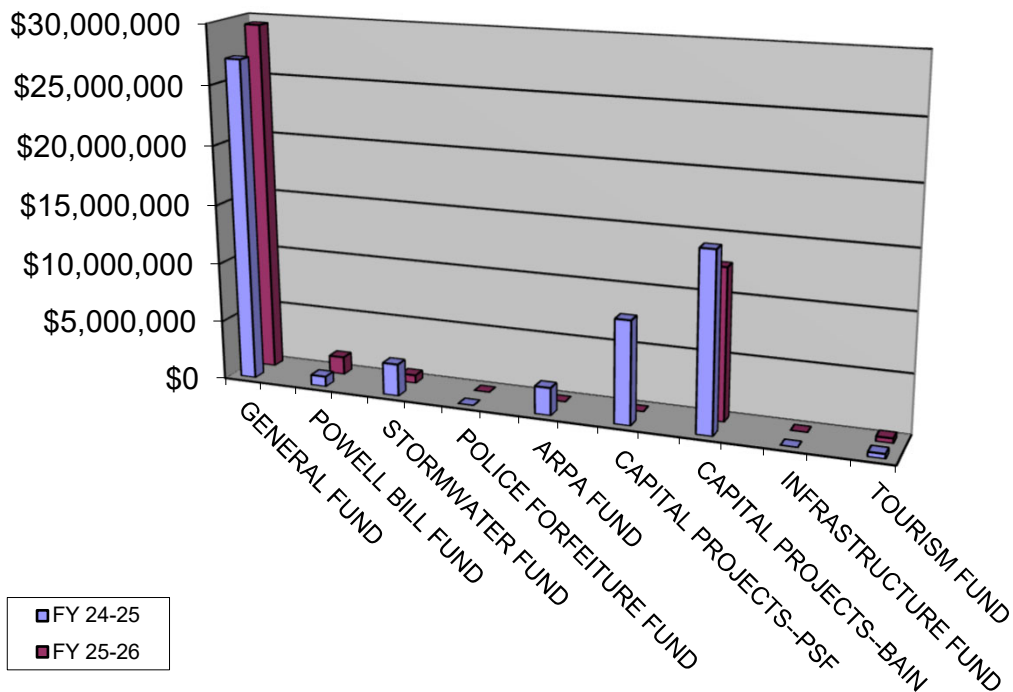
A handwritten signature in black ink, appearing to read "B. L. Welch", with a long horizontal flourish extending to the right.

Brian L. Welch
Town Manager/Budget Officer

SUMMARY OF ANNUAL BUDGET BY FUND

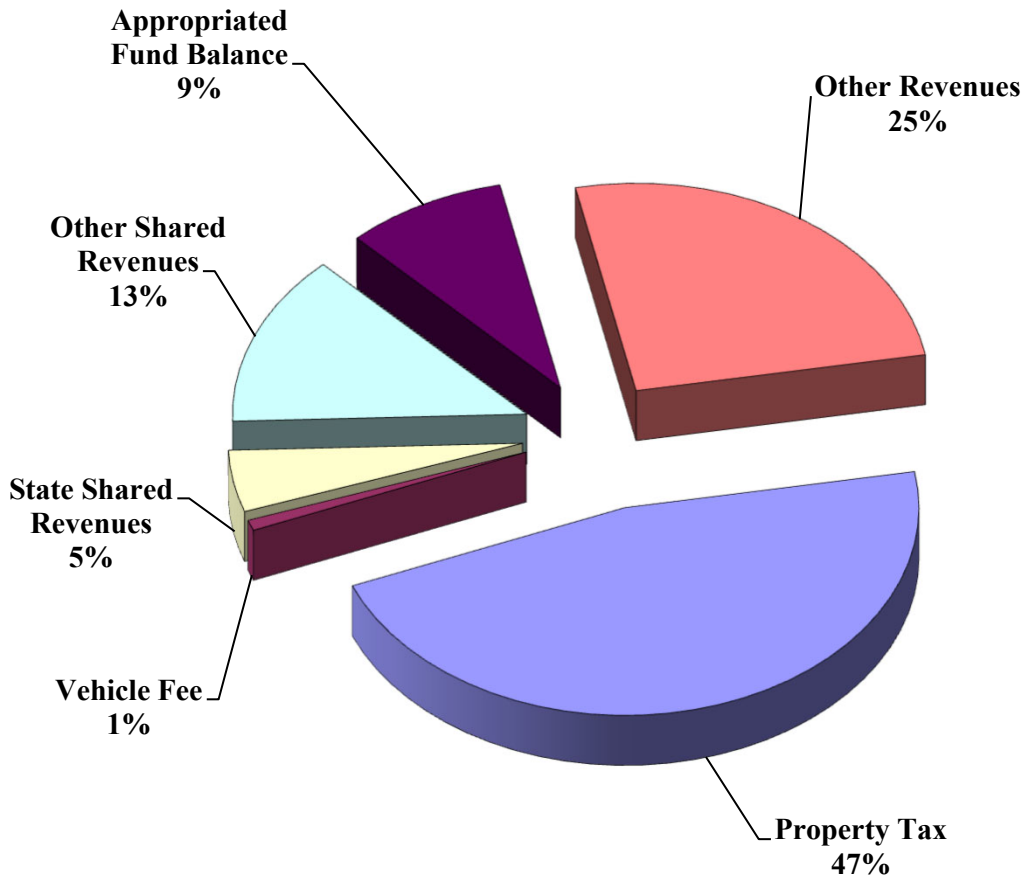
TYPE OF FUND	FY 24-25	FY 25-26
GENERAL FUND	\$27,092,588	\$29,422,304
POWELL BILL FUND	869,000	1,498,800
STORMWATER FUND	2,716,896	683,219
POLICE FORFEITURE FUND	50	50
ARPA FUND	2,325,000	0
CAPITAL PROJECTS--PSF	8,675,000	0
CAPITAL PROJECTS--BAIN	15,000,000	12,702,900
INFRASTRUCTURE FUND	50	50
TOURISM FUND	396,200	405,500

TOTAL \$57,074,784 \$44,712,823



FY 2025-2026 GENERAL FUND REVENUE SUMMARY

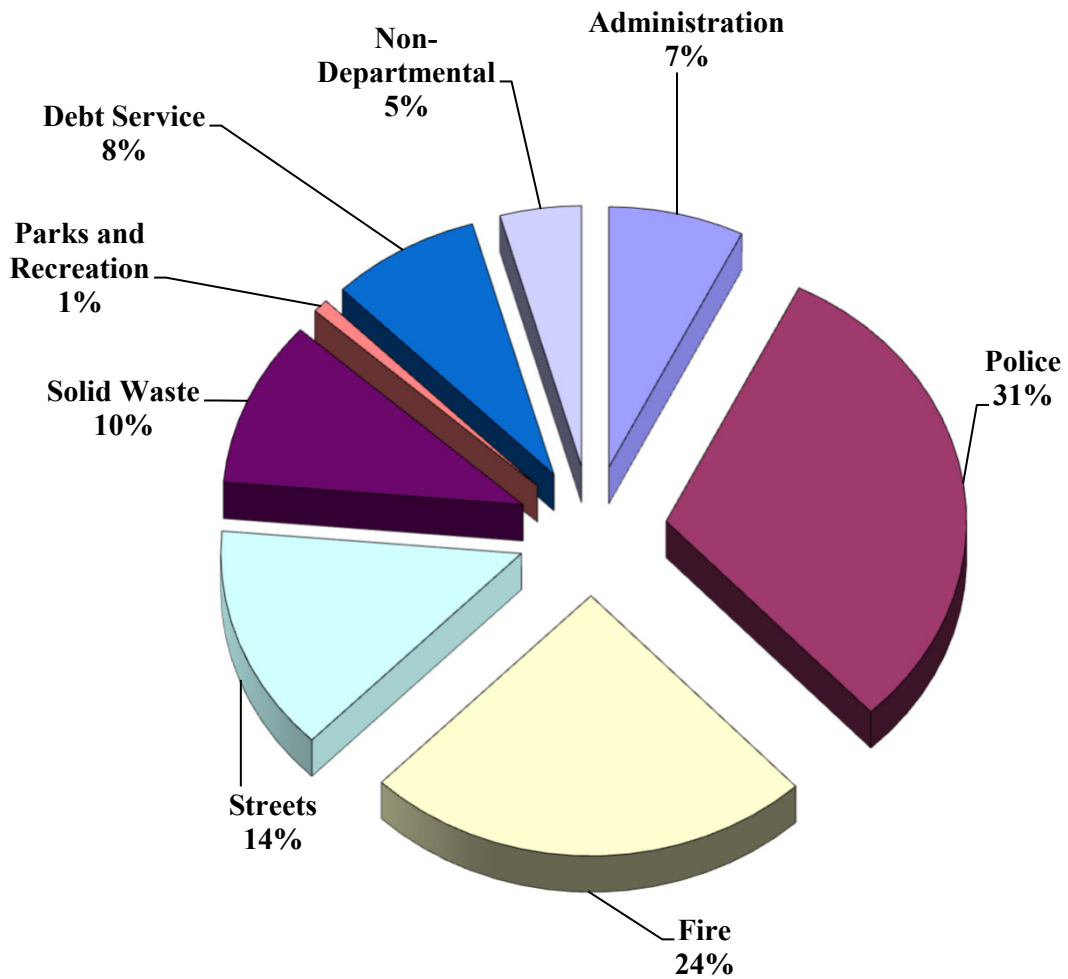
REVENUES	
Property Tax	\$13,720,000
Vehicle Fee	240,000
State Shared Revenues	1,410,000
Other Shared Revenues	3,932,000
Appropriated Fund Balance	2,608,159
Other Revenues	7,512,145
<i>Total Revenues</i>	\$29,422,304



FY 2025-2026 GENERAL FUND EXPENDITURE SUMMARY

EXPENDITURES

Governing Body	\$64,943
Administration	2,141,608
Police	9,036,688
Fire	7,103,559
Streets	4,138,822
Solid Waste	3,039,040
Parks and Recreation	246,868
Debt Service	2,365,776
Non-Departmental	1,285,000
<i>Total Expenditures</i>	\$29,422,304



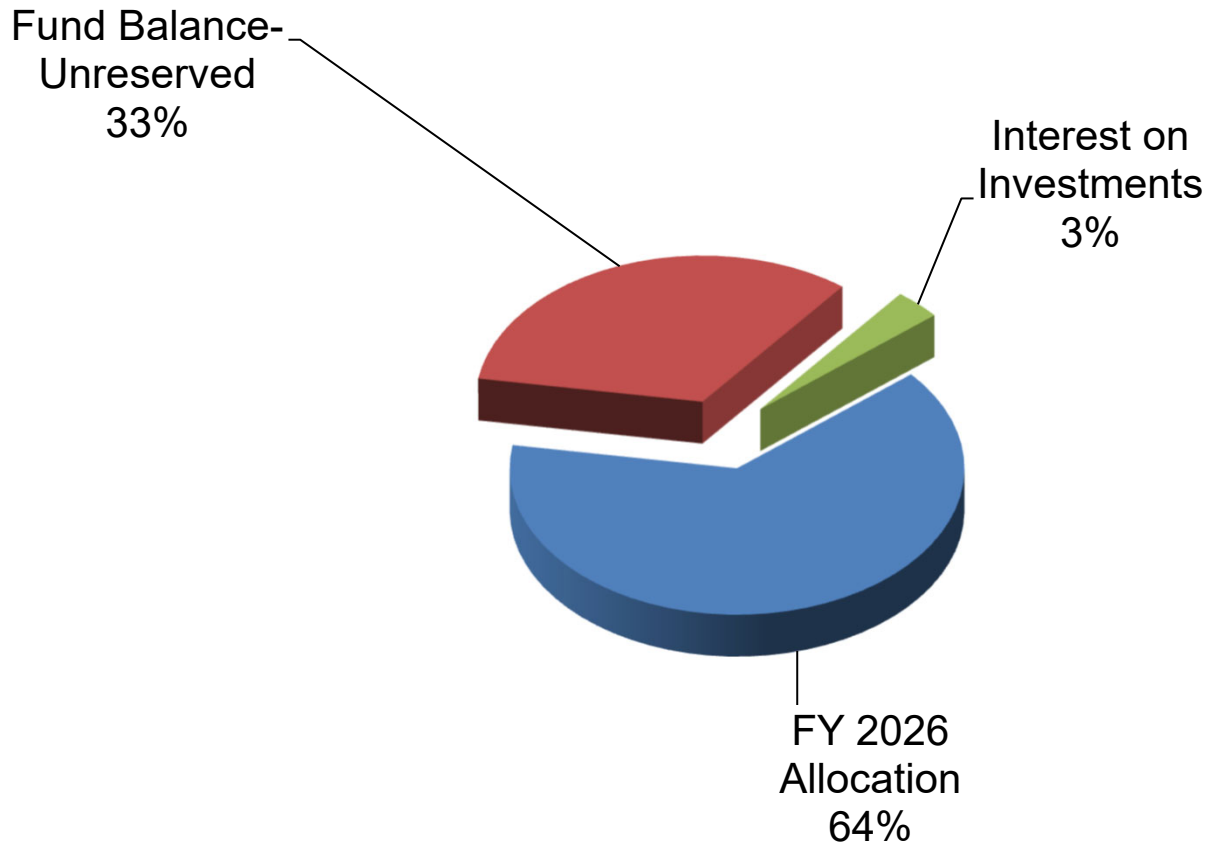
FY 2025-2026 POWELL BILL

REVENUE SUMMARY

REVENUES

FY 2026 Allocation	\$954,000
Fund Balance-Unreserved	494,800
Interest on Investments	50,000

Total Revenues **\$1,498,800**

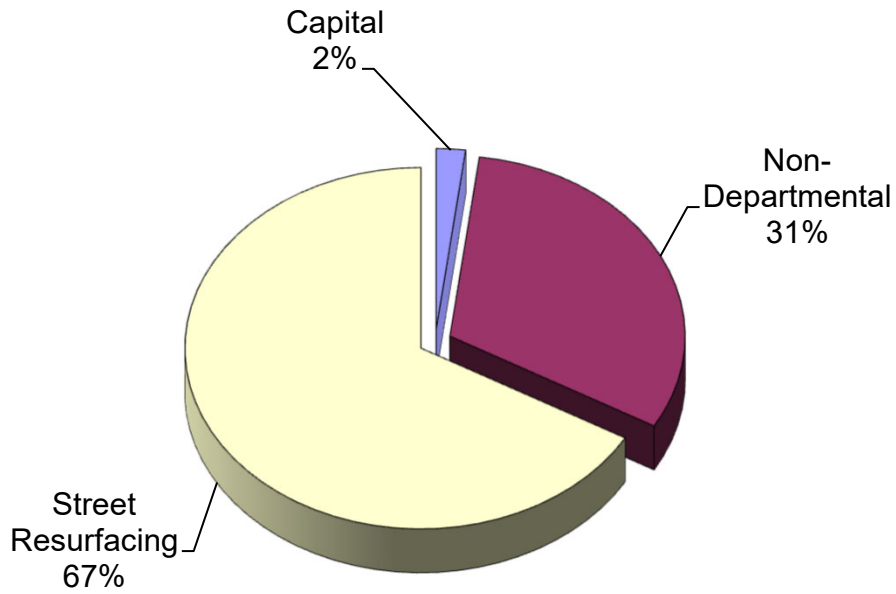


FY 2025-2026 POWELL BILL

EXPENDITURE SUMMARY

EXPENDITURES

Capital	\$30,000
Non-Departmental	468,800
Street Resurfacing	1,000,000
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Total Expenditures	\$1,498,800



2025-2026 PROPOSED BUDGET ORDINANCE

BE IT ORDAINED by the Board of Commissioners of the Town of Mint Hill, NC meeting in regular session on June 12, 2025, that the following Fund Revenues and Department Expenditures together with certain restrictions and authorizations are adopted:

SUMMARY

General Fund	\$29,422,304
Powell Bill Fund	1,498,800
Stormwater Fund	683,219
Police Forfeiture Fund	50
Infrastructure Fund	50
Capital Projects Fund--Bain	12,702,900
Tourism Revenue Fund	405,500

TOTAL FUND SUMMARY **\$44,712,823**

Section I GENERAL FUND

Revenues Anticipated

<u>SOURCE</u>	<u>AMOUNT</u>
Ad Valorem Taxes - Levy	\$12,640,000
Ad Valorem Taxes-Prior Years	20,000
Auto Fee	240,000
Ad Valorem Taxes-Interest	10,000
Motor Vehicle Tax	1,050,000
Vehicle Rental Tax	5,000
Other Taxes - ABC	110,000
Solid Waste Disposal	17,000
Beer & Wine Tax	110,000
Utility Franchise Tax	1,300,000
Sales and Use Tax Refund	3,800,000
Other Financing Sources	4,488,945
Earnings on Investments	260,000
Other Miscellaneous Revenues	2,733,200
Zoning Application Fees	30,000
Fund Balance-Unreserved	2,608,159
Total General Fund Revenue	\$29,422,304

Expenditures Authorized

<u>Department</u>	<u>Amount</u>
Governing Body	\$64,943
Administration	2,141,608
Police	9,036,688
Fire	7,103,559
Streets	4,138,822
Solid Waste	3,039,040
Parks and Recreation	246,868
Debt Service	2,365,776
Non-Departmental	1,285,000
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Total General Fund Expenditures	\$29,422,304

Section II
POWELL BILL FUND

Revenues Anticipated

<u>Source</u>	<u>Amount</u>
Powell Bill Revenue	\$954,000
Fund Balance-Unreserved	494,800
Interest on Investments	50,000
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Total Powell Bill Revenues	\$1,498,800

Expenditures Authorized

<u>Department</u>	<u>Amount</u>
Street Resurfacing	\$1,000,000
Non Departmental	468,800
Capital	30,000
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Total Powell Bill Expenditures	\$1,498,800

Section III
STORMWATER FUND

Revenues Anticipated

<u>Source</u>	<u>Amount</u>
Stormwater Fees	\$610,000
Other Financing Sources	0
Grants	0
Transfer from Other Funds	0
Interest on Investments	5,000
Fund Balance-Unreserved	68,219
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Total Stormwater Revenues	\$683,219

Expenditures Authorized

<u>Source</u>	<u>Amount</u>
Administration	\$583,219
Non-Departmental	100,000
Capital	0
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Total Stormwater Expenditures	\$683,219

Section IV
POLICE FORFEITURE FUND

Revenues Anticipated

<u>Source</u>	<u>Amount</u>
Interest on Investments	<u>\$50</u>
Total Forfeiture Revenues	\$50

Expenditures Authorized

<u>Source</u>	<u>Amount</u>
Contingency	<u>\$50</u>
Total Forfeiture Expenditures	\$50

Section V
CAPITAL PROJECTS FUND--BAIN

Revenues Anticipated

<u>Source</u>	<u>Amount</u>
Grant Proceeds	\$0
Appropriated Fund Balance	12,702,900
Interest on Investments	0
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Total Capital Projects--BAIN Revenues	\$12,702,900

Expenditures Authorized

<u>Source</u>	<u>Amount</u>
Construction	11,221,000
Contingency	370,000
Special Inspections	382,900
Furnishings	620,000
Design	109,000
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Total Capital Projects--BAIN Expenditures	\$12,702,900

**Section VI
INFRASTRUCTURE FUND**

Revenues Anticipated

<u>Source</u>	<u>Amount</u>
Interest on Investments	<hr/> \$50
Total Infrastructure Revenues	\$50

Expenditures Authorized

<u>Source</u>	<u>Amount</u>
Contingency	<hr/> \$50
Total Infrastructure Expenditures	\$50

**Section VII
TOURISM FUND**

Revenues Anticipated

<u>Source</u>	<u>Amount</u>
Prepared Food/Occupancy Tax	\$400,000
Fund Balance-Unreserved	0
Interest on Investments	5,500
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Total Tourism Revenues	\$405,500

Expenditures Authorized

<u>Source</u>	<u>Amount</u>
Non-Departmental	\$405,500
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Total Tourism Expenditures	\$405,500

**SECTION VIII
TAX RATE ESTABLISHED**

An Ad Valorem Tax Rate of \$0.225 per \$100 at full valuation is hereby established as the official tax rate for the Town of Mint Hill for the fiscal year 2025-2026. This rate is based on a total true valuation of \$6,179,468,594 and an estimated rate of collection of approximately 98%. A vehicle fee of \$10 is also hereby established and is levied on all vehicles registered within the corporate limits.

**Section IX
SPECIAL AUTHORIZATION, BUDGET OFFICER**

- A The Budget Officer shall be authorized to reallocate departmental appropriations among the various objects of expenditures as he believes necessary.

**Section X
RESTRICTIONS, BUDGET OFFICER**

- A Utilization of appropriations established in any Capital Reserve Account may be accomplished only with the express approval of the Board.
- B Upon authorization by the Board at some future time, the Budget Officer may activate the Capital Projects Fund and thereafter treat it as any other operating

**Section XI
UTILIZATION OF BUDGET AND BUDGET ORDINANCE**

This Ordinance and the Budget Document shall be the basis of the financial plan for the Mint Hill Municipal Government during the 2025-2026 Fiscal Year. The Budget Officer shall administer the Budget and he shall insure that operating officials are provided guidance and sufficient details to implement their appropriate portion of the Budget. The accounting section shall establish records that are in consonance with the Budget and this Ordinance and the appropriate statutes of the State of North Carolina.

PROPOSED THIS THE 8TH DAY OF MAY, 2025