

**MINUTES OF SPECIAL BUDGET WORK SESSION HELD MAY 29, 2025
CONTINUED ON MONDAY, JUNE 2, 2025**

SPECIAL MEETING The Granite Falls Town Council held a Special Budget Work Session Thursday, May 29, 2025, at 5:30 p.m. in the Council Chambers of the Administrative Building. The Special Work Session was continued until Monday, June 2, 2025, at 4:00 p.m. in the Council Chambers of the Administrative Building.

PRESENT The following members of the governing body were present: Mayor Dr. Caryl B. Burns and Council Members Ritch Bolick, Larry Knight, Jim Mackie, Mike Mackie, Martin Townsend, and Tracy Townsend.

ABSENT The following member of the governing body was absent: None

STAFF PRESENT The following staff members attended the meeting: Town Manager Daniel Cobb, Assistant Town Manager/Finance Director Ashley Presnell, Town Clerk Paula Kirby, Human Resources Director Crystal Bollinger, Parks and Recreation Director Chad Raby, Police Chief Brine Branham, Fire Chief Brian Bennett, Electric Services Director Rick Sisk, Water Resources Director/Public Works Director Randy Smith, Police Lieutenant Kalem Kirby, and Assistant Fire Chief Kevin Kerley.

VISITORS None

NEWS MEDIA Miya Banks, representing the News-Topic, attended the meeting.

MEETING RECONVENED Budget Committee Chairman Tracy Townsend reconvened the meeting and welcomed everyone present.

UPDATE Town Manager Daniel Cobb updated the Council on the recommended changes:

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- No tax increase – remain flat at \$.4485
- Postpone fire truck acquisition
- Lower COLA from recommended 4% to 3.5%
- No 401k contribution
- Approve new employee requests
- Updated Capital Improvement Plan
 - Pistol Replacements – \$13,500
 - Postpone ADA restroom at Neighborhood Park until FY 2026-2027 – \$177,900
 - Reduce cost for cemetery masterplan – \$15,000

- Transfer vehicle from Electric Department to Street Department and purchase new vehicle in Electric Department – \$46,000 (\$60,000 Electric)
- Fund Balance Appropriation reduced by \$164,700
- Adjustment in ABC Revenue/Expenses increase of \$1,000

Mike Mackie stated that he thought the tax rate was going to be revenue neutral, not remain flat. He thinks the flat rate is too high for the revaluation increases.

Martin Townsend asked Town Manager Cobb if the Article 42 Sales Tax Reduction will affect the Town. A proposed state law change would require 85% of the operating costs of the State's VIPER system to be paid by Article 42 sales tax. The North Carolina Association of County Commissioners estimates this cost to be \$10.16M in year one of the State's proposed budget, and \$13.54M in year two. If approved the overall distribution of Article 42 across the state would be reduced, which would reduce the Town's portion of this sales tax, although it is not likely to be substantial.

The Council was in consensus to approve the revised proposed 2025-2026 budget and call for a Public Hearing to be held Monday, June 16, 2025, at 5:30 p.m. in the Council Chambers of the Administrative Building.

MEETING ADJOURNED Larry Knight made a motion the Council adjourn the meeting. Mike Mackie seconded the motion, which was followed by a unanimous affirmative vote.