

## **Budget Workshop – June 3, 2025**

The Fairmont Board of Commissioners held a budget workshop meeting on Tuesday, June 3, 2025, at 6:00 p.m. in the Fairmont-South Robeson Heritage Center with Mayor Charles Kemp presiding. Commissioners present were J.J. McCree, Terry Evans, and Clarence McNeill, Jr. Commissioners Jan Tedder-Rogers, Heather Seibles and Melvin Ellison were absent. Staff present included Town Manager Jerome Chestnut, Town Clerk Jenny Larson, Public Works Director Ronnie Seals, Deputy Clerk Rodney Cain, and Police Chief Jonathan Edwards.

### **Call to Order and Invocation**

Mayor Charles Kemp called the meeting to order at 6:02 p.m. and gave the invocation.

### **CDBG-NR Reconstruction Bid Contract Award – Manthia Thompson, 201 Jenkins Street**

Town Manager Jerome Chestnut explained that it was discovered during the rehabilitation of Ms. Manthia Thompson's house on 201 Jenkins Street that it would be more cost effective to build her a new home instead. The Adams Company received bids for the reconstruction and recommend the contract be award to the lowest responsible bidder, Oral's Construction Company, for \$217,000. Commissioner Evans made a motion to award the reconstruction contract for Ms. Manthia Thompson's home on 201 Jenkins Street to Ora's Construction Company for \$217,000 contingent upon state approval. Commissioner McNeill seconded the motion, and it passed unanimously.

### **Fiscal Year 2025-2026 Budget update**

Finance Director Jenny Larson informed the board the water fund will be operating with a deficit if rates are not increased. The proposed budget is balanced using fund balance in both the general fund and water fund and is not sustainable due to increasing expenses. She suggested looking at the budget again in October to revisit a rate increase starting January 2026. She reiterated that increasing the base minimum from 1,000 gallons to 1,500 gallons would only increase the deficit. She proposed a tiered block rate increase as follows:

0 - 1,000 Base Rate	Water	\$	27.60		
	Sewer	\$	36.14		
		\$	63.74		
Step rate 1: 1,100 - 3,000	Water	\$	3.50	Per 1,000	0.35 Per hundred
	Sewer	\$	4.25		0.425
		\$	7.75		0.775
Step rate 2: 3,100 - 5,000	Water	\$	3.75	Per 1,000	0.375 Per hundred
	Sewer	\$	4.50		0.45
		\$	8.25		0.825
Step rate 3: 5,100 - 7,000	Water	\$	4.00	Per 1,000	0.4 Per hundred
	Sewer	\$	4.75		0.475
		\$	8.75		0.875

Step rate 4: 7,100 - 10,000	Water	\$	4.25	Per 1,000	0.425	Per hundred
	Sewer	\$	5.00		0.5	
		\$	9.25		0.925	
Step rate 5: 10,000 & up	Water	\$	4.50	Per 1,000	0.45	Per hundred
	Sewer	\$	5.25		0.525	
		\$	9.75		0.975	

Mrs. Larson said the majority of water users use 2,000 gallons or less. Commissioner McNeill asked about commercial customers and charging them a different rate. Mrs. Larson replied that most businesses also use less than 2,000 gallons of water. The biggest commercial water users are the dialysis center and the nursing home. She asked the board to consider increasing the late fee from \$10 to \$15 to encourage citizens to pay on time or go on draft. Commissioner Evans suggested \$12.50.

### **Adjournment**

Mayor Kemp announced that the budget public hearing will be held on Tuesday, June 17, 2025, at 6:00 p.m. in the Heritage Center.

Commissioner Evans made a motion to adjourn the meeting at 6:54 p.m. Commissioner McNeill seconded the motion and it passed unanimously.

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Jennifer H. Larson  
Town Clerk