



**TOWN OF GRANITE QUARRY  
PUBLIC HEARING  
Review of the FY 2019-2020 Budget Ordinance  
June 7, 2019 6:00 P.M.  
AGENDA**

1. **CALL TO ORDER** Mayor Feather
  
2. **APPROVAL OF THE AGENDA**
  
3. **REVIEW OF THE PROPOSED FY 2019-2020 BUDGET** Larry Smith
  
4. **OPEN THE FLOOR FOR PUBLIC COMMENTS:** Mayor Feather
  - **THOSE IN FAVOR**
  
  - **THOSE OPPOSED**
  
  - **CLOSE THE FLOOR FOR COMMENTS**
  
5. **CLOSE HEARING** Mayor Feather  
***(Next Budget Workshop – Tuesday, June 18<sup>th</sup> @ 4:30 P.M.)***
  
6. **Rufty-Holmes Senior Center Lunch Club (Legion Building)**

Rufty-Holmes Senior Center is seeking a temporary location to host their senior lunches. They have asked about the Legion Building. The group would need to be in the building from 9:30 a.m. to 1:30 p.m. Monday through Friday beginning in

July. This would not interfere with the building reservations or the regular meetings of the Civitans and Auxiliary.

The luncheon clubs are usually held at Christiana Lutheran Church, but need to relocate during construction from July 2019- January 2020. They are unable to pay the rental cost for the building, but they would offer a \$1200 utility subsidy for the 6 month period. I can relay any feedback or additional questions to Terrelle Banner, Rufty-Holmes' Nutrition Manager, on the Town's behalf.

## **7. ADJOURNMENT**

# **TOWN OF GRANITE QUARRY NORTH CAROLINA**



## **PROPOSED BUDGET FOR FISCAL YEAR 2019-2020**

PREPARED BY:  
LARRY SMITH  
INTERIM TOWN MANAGER

**May 31, 2019**



**Town Manager’s Budget Message  
FY 2019-2020**

May 31, 2019

Mayor William D. Feather  
Board of Aldermen  
Town of Granite Quarry 143 N Salisbury Avenue  
Granite Quarry, NC 28072

The Honorable Mayor Feather, Town Board Members and Citizens of Granite Quarry:

This budget was prepared to carry out the administrative needs of Town government operations, and goals established by the Board of Aldermen. It remains as responsive to the community as possible within the Town’s available funds and resources.

**If approved**, the current tax rate will remain at **\$0.4175** per \$100 valuation.

The environmental fee will remain at **\$12**/pickup/site/month.

2019 is a revaluation year for Rowan County. Following reassessment, the total assessed valuation for the Town of Granite Quarry increased 11.8% to \$241,700,000. In years of revaluation, managers are required to calculate a “revenue neutral” rate to illustrate what tax rate would *“produce revenue for the next fiscal year equal to the revenue that would have been produced for the next fiscal year by the current tax rate if no reappraisal had occurred”*.

Our revenue neutral rate is \$0.3784

Simply for illustrative purposes, to compare applying revenue neutral with the current tax rate for the upcoming fiscal year:

Home Value	Tax Rate	Tax Bill	Difference
\$ 150,000	\$ 0.3784	\$ 567.60	
	\$ 0.4175	\$ 626.25	\$ 58.65

The Town of Granite Quarry is growing. Major residential development brings increased demand on / calls for town services, usually much more so than commercial and industrial development. The Town has taken very proactive measures to balance residential levels of service that promote high quality of life, alongside industrial and commercial efforts that help offset the cost of those services while also providing quality of life benefits as well.

The Town Board and professional staff have maintained operational expenses at very lean margins through the years to keep the tax rate at a minimum. Consequently, some high-cost project needs have had to be postponed over multiple fiscal years, such as Town Hall renovation needs, major street resurfacing projects, and major park item needs.

The Town continues to successfully pursue and secure grant and partnership resources to creatively tackle such major needs whenever possible. The accumulation of high-cost projects where that simply *has not* been possible, however, continues to be a mounting challenge for the Board to weigh during budget cycles.

While we don't have the funds or the manpower to achieve all of our desired goals, this budget prioritizes funding into the areas established by this administration and the Board of Aldermen.

This budget includes:

- Funding for existing debt service on the Village at Granite waterline extension
- Upfront funding for the Chamandy Drive Industrial Park sewer extension grant
- Upfront funding for FEMA-related storm damage repairs at Granite Lake Park
- A 2.22% merit pool increase for employees based on performance reviews
- A 2.22% cost of living adjustment increase for governing board members
- Necessary equipment purchases for all departments
- Operation expenses to continue services to citizens at the current levels
- Adjustments to cover any inflation and contractual variations along all line items
- Specific items per department further detailed below.

**Budget Overview**

After careful consideration the following budget recommendations represent Board goals, departmental input, and community needs within the existing tax rate of **\$0.4175** per \$100 valuation. The total recommended budget is **\$3,112,880**.

General Fund:		\$ 2,397,287
Governing Body	\$ 16,787	
Administration	\$ 555,268	
Police	\$ 726,268	
Fire	\$ 499,831	
Maintenance	\$ 292,456	
Parks and Recreation	\$ 39,000	
Environmental	\$ 185,120	
Powell Bill Fund	\$ 82,557	

Industrial Development and FEMA Grant Funds:                     \$ 715,593

**Total All Funds:**   **\$ 3,112,880**

**FY 2019-2020 Departmental Highlights**

**Governing Body:** The proposed budget for Governing Body is \$16,787. It includes the cost of municipal elections, which occurs in odd-numbered calendar years.

**Administration:** The proposed budget for Administration is \$555,268. This includes a staffing position to assist with the increasing administrative, committee & events support, and code enforcement prioritizations, along with an additional \$2,000 for events. This also includes the cost of recodification of the Town Ordinances, and \$6,523 for visionary funds.

**Police:** The proposed budget for the Police Department is \$726,268. It includes funding for 2 additional full-time officers and 1 vehicle replacement. Under the Joint Police Authority, Granite Quarry is reimbursed a population percentage by the Town of Faith. The FY19-20 percentage is 21.1%, which equates to an amount of \$153,243.

6/4/19 update:

*The Joint Police Authority met 6/4/19. The Town of Faith at this time is only able to commit to \$146,000 in its FY19-20 proposed budget. Under the adopted population percentage formula, \$146,000 would be the equivalent of a \$691,944 overall departmental budget: a difference of \$34,324 from the proposed budgetary needs. Therefore, since the vehicle replacement is projected to be more than that (\$41,000), the Authority will delay purchase of the proposed vehicle at least until the end of the first quarter of FY19-20. At that time, the JPA will reconvene and reassess Faith's financial position, and again at the end of the second quarter if needed.*

**Fire:** The proposed budget for the Fire Department is \$499,831. This includes \$50,000 in refurbishment funds for Engines 572 and 573, which are both 25 years old.

**Maintenance:** The proposed budget for the Maintenance Department is \$292,456. This includes \$30,000 for the purchase of a 1-ton replacement truck.

**Parks and Recreation:** The proposed budget for the Parks and Recreation Department remains at \$39,000 to continue current funding.

**Environmental:** The proposed budget for Environmental costs is \$185,120. This includes Utilities (Street Lights), as well as Recycling and Garbage service contracts.

**Projects:** The proposed budget for capital projects is \$852,317. This includes:

- \$82,557 in Powell Bill fund toward capital streets projects
- \$54,167 for debt service on the Village at Granite water line extension
- \$277,800 upfront payment for an Industrial Development Grant for sanitary sewer extensions in the Industrial Park at Chamandy Drive (\$69,450 local match)
- \$437,793 upfront payment for a FEMA reimbursement grant to effect storm damage repairs at Granite Lake Park (\$109,448 local match).

The proposed General Fund budget is balanced with a tax rate of \$0.4175 per \$100 of valuation. Projected revenues are \$2,397,287 and projected expenditures are \$2,397,287.

Projected total of Other Financing Sources and Uses is \$715,593 and total projected grant-related project expenditures are \$715,593.

Respectfully Submitted,

*Larry Smith*

Larry Smith

Interim Town Manager



**TOWN OF GRANITE QUARRY, NORTH CAROLINA**  
**Budget Ordinance No. 2019-03**  
**FISCAL YEAR 2019-2020**

**AN ORDINANCE CONCERNING APPROPRIATIONS AND THE RAISING OF  
REVENUE FOR THE FISCAL YEAR BEGINNING JULY 1, 2019**

**BE IT ORDAINED** by the Board of Aldermen of the Town of Granite Quarry, North Carolina, that the following anticipated fund revenues and departmental expenditures, certain fee and charge schedules, and with certain restrictions and authorizations, are hereby appropriated and approved for the operation of the Town Government and its activities for the Fiscal Year beginning July 1, 2019 and ending June 30, 2019.

**Section 1: Summary**

General Fund	\$2,397,287
Other Financing Sources and Uses	<u>715,593</u>
<b>Total Expenditures / Transfers</b>	<b><u>\$3,112,880</u></b>

**Section 2: General Fund**

<b>Anticipated Revenues</b>	
Current Year Ad Valorem Taxes	\$994,268
Unrestricted Intergovernmental	929,094
Restricted Intergovernmental	288,000
Permits and Fees	4,250
Sales and Services	144,000
Other General Revenues	<u>37,675</u>
Subtotal	2,397,287
Other Financing Sources and Uses	715,593
<b>Total Anticipated Revenues</b>	<b><u>\$3,112,880</u></b>



**Authorized Expenditures / Transfers Out  
By Department**

Governing Body	\$ 16,787
Administration	555,268
Police	726,268
Fire	499,831
Maintenance	292,456
Parks and Recreation	39,000
Environmental	185,120
Powell Bill	82,557
Projects and Debt	715,593
<b>Total Authorized Expenditures / Transfers</b>	<b><u>\$3,112,880</u></b>

**Section 3: Levy of Taxes**

There is hereby levied, for Fiscal Year 2019-2020, an Ad Valorem Tax Rate of **\$0.4175** per One Hundred Dollars (\$100.00) valuation of taxable property as listed for taxes as of January 1, 2019, for the purpose of maintaining the revenue from current taxes as set forth in the foregoing estimates of revenues, and in order to finance the foregoing applicable appropriations. This rate of tax is based on an estimated assessed valuation of **\$241,700,000** and an estimated collection rate of **97.143%**, yielding **\$980,268** in current year ad valorem tax revenues.

**Section 4: Fees Schedule**

There is hereby established, for the Fiscal Year 2019-2020, various fees and charges as contained in Attachment A.

**Section 5: Special Authorization - Budget Officer**

- A. The Town Manager is hereby authorized to make any budget transfers as may be required within each department if the total appropriation for each fund does not change and contingency funds are not utilized to do so.
- B. The Budget Officer is authorized to recommend allocation of funds remaining in each department after all bills are paid and prior to closing of the books.

**Section 6: Restrictions - Budget Officer**

- A. Interdepartmental transfer of monies and Governing Body funds, except as noted in Section 9, shall be accomplished by Board of Aldermen authorizations only.
- B. Utilization of appropriations contained in Contingencies and Appropriations from Fund Balance may be accomplished only with specific approval of the Board of Aldermen.

**Section 7: Utilization of Budget Ordinance**

This ordinance shall be the basis of the financial plan for the Town of Granite Quarry Municipal Government during the 2019-2020 Fiscal Year. The Town Manager shall administer the budget and shall ensure that operating officials are provided guidance and sufficient details to implement their appropriate portion of the Budget.

The Administration Department (Financial Officer) shall establish and maintain all records, which are in consonance with this Budget Ordinance, and the appropriate Statutes of the State of North Carolina.

**Section 8: Salary Adjustments**

- A. Salary adjustment funds resulting from performance evaluations, wage level adjustments or merit increases shall be available beginning with the first payroll in the month of the new Fiscal Year.
- B. For the Fiscal Year 2019-2020, a 2.22% merit increase for full time employees shall be as set forth in the 2019-2020 guidelines for salary increases. The Town Manager shall be authorized to approve all merit increases based upon the recommendation of the department heads and the results of performance evaluations held throughout the year.

**Section 9: Re-appropriation of Funds Encumbered in FY2019-2020**

Appropriations hereinabove authorized and made shall have the amounts of the unearned portion of contracts at June 30, 2019 added to each appropriation as it applied in order to properly account for payment against the fiscal year in which it is paid.

Copies of this ordinance and the attached budgets shall be maintained in the office of the Town Clerk of the Town of Granite Quarry and shall be made available for public inspection.

Adopted this \_\_\_\_ Day of June, Two Thousand and Nineteen

\_\_\_\_\_  
Tanya Word  
Town Clerk

\_\_\_\_\_  
William D. Feather  
Mayor

## Revenue Assumptions for FY2019-2020 Budget

### *Ad Valorem Taxes*

**Property Taxes** - 2019 is a revaluation year for Rowan County. Following re-assessment, the total assessed valuation in the Town of Granite Quarry increased 11.8%, to \$241,700,000. Once expenditures and all other General Fund revenues were projected, the amount necessary to balance the budget was calculated. Using that figure as the target, a property tax rate applied to the assessed valuation was calculated that would result in that amount of revenue being generated. An uncollectable rate of 2.86% was factored into the calculations.

**Prior Year Taxes** - Based on historical trends, economic forecasts, anticipated continuation of collection percentages, and adjusted by the size of the 2018 property tax receivable balance projected as of June 30, 2019.

### *Unrestricted Intergovernmental*

**Local Option Sales Tax** - Based on estimates provided by the North Carolina League of Municipalities (NCLM), historical trends, State legislative changes, local conditions and economic forecasts. Article 39 and 40 revenues have significantly increased growth the past two fiscal years. However, refunds (filed by tax-exempt entities) are also up this year compared to last year (37% so at time of state projections). Article 42 and 44 revenues have remained steady growth. A June 2018 Supreme Court ruling gave the state authority to require online retailers without a physical presence in NC to collect and remit sales taxes. Overall, we project finishing FY18/19 at approximately 6% above FY17/18 distributions, with continued growth of 4.5% across the local sales tax articles for the FY19/20. Sales Tax proceeds are distributed to Rowan County municipalities on a per capita basis.

**Solid Waste Disposal** - Based on forecast projections. The State levies a \$2/ton "tipping fee" on municipal solid waste and construction / demolition materials deposited in all NC landfills (and/or passing through transfer stations for any out of state disposal). It applies proceeds to different programs and then distributes 18.75% of the proceeds back to municipalities and counties on a per capita basis. FY19-20 distribution is projected to increase by approximately 0.4%.

**Beer & Wine Tax** - Based on national market research forecast projections of beer and wine sales, against state distribution formulas. These sales taxes are distributed from the NC Department of Revenue to municipalities based on population. We expect distribution to grow by approximately 1% in FY19-20.

**Utility Franchises** - Based on estimates provided by the NCLM and historical trends. This category includes Electricity, Piped Natural Gas, Telecommunications, and Video Programming Franchise Taxes & Fees.

*Restricted Intergovernmental Revenues*

**Powell Bill revenues** - Based on estimates provided by the NCLM and the Office of State Budget and Management. The population-based portion of the distribution formula (75% of the distribution) was calculated at \$19.33 per capita at our most recent certified census population of 3,093. The mileage-based portion (25% of the distribution) was calculated at \$1,591.15 per mile over our 14.31 miles of streets.

**Joint Police Authority revenues** - Based on the prescribed population formula adopted by the Joint Police Authority. Total population of the Towns of Granite Quarry and Faith is 3,920. Granite Quarry's population is 3,093 (78.9%), and Faith's population is 827 (21.1%).

*Permits and Fees*

**Local revenues** - Based on historical trends and economic forecasts.

*Sales and Services*

**Solid Waste/Recycling Collection** - Based on current environmental fee of \$12 per month per household.

*Other General Revenues*

**Local revenues** - Based on current fee schedule and current trends.

**Investments Interest** - Based on estimated cash balances & interest rate projections.

**Police Surplus** - One police vehicle surplus anticipated.

**Surplus Items** - FD F350 surplus planned after switchover of Engine 573 to Rescue.

**ATTACHMENT A**

**FISCAL YEAR 2019-2020  
TOWN OF GRANITE QUARRY**

**FEES AND CHARGES**

<b>BUILDING AND RELATED ACTIVITIES</b>			
<b>Building Type</b>	<b>Rental Times and Description</b>	<b>Rental Fee</b>	
		<b>Residents</b>	<b>Non-Residents</b>
Shelter or Gazebo	Up to 4 hours	\$35	\$50
	Up to 8 hours	\$50	\$75
	8 hour or more	\$75	\$100
	Electricity Fee	\$25 per 4 hours of use	
Civic Park	Kitchen Rental	\$15	\$50
	Kitchen key deposit	\$10	
Legion Building	Up to 6 hours	\$100	\$250
	6 hours or more	\$150	\$350
Civic Groups or churches	Up to 6 hours	\$50	\$150
	6 hours or more	\$75	\$200
	Rental Deposit (no discount)	\$150	
Environmental Fee	Resident and Non-Dumpster Commercial	\$12 monthly	
No fees are charged for Nationally Chartered Granite Quarry Youth or School Organizations.			
<b>PLANNING, ZONING AND SUBDIVISION FEES</b>			
<b>Item</b>	<b>Description</b>	<b>Fees</b>	
Subdivision Plats	Exception Plat Review	No Charge	
	Minor Subdivision Plat Review	\$75	
	Major Subdivision, Preliminary Plat Review	Engineer Costs, plus: <ul style="list-style-type: none"> <li>• Up to 25 lots: \$250</li> <li>• 26-50 lots: \$500 + \$5/lot (over 25)</li> <li>• &gt; 50 lots: \$750 + \$5/lot (over 25)</li> </ul>	
	Major Subdivision, Final Plat Review*	\$150 per Map + Engineer Costs	
	Letter of Credit Review	\$100 + Engineer Costs	
	Letter of Credit, Partial Release	\$100 + Engineer Costs	
*If a third review is required, an addition review fee will be charged.			
Zoning Review/Approval	Home Occupation Permit	\$25	
	Zoning Permit	\$50	
	Conditional Use Permit	\$500 + \$5 per acre	
	Variance	\$400	
	Engineering Drawing Review	Engineer Costs	
	Site Plan Review	(Minor) \$200 (Major) \$400	
	Technical Review Committee Review	\$100 + Engineer Costs	
	Sign Permit (Each sign shall pay a separate fee)	\$10 for Temporary \$50 for Permanent	
	Zoning Administrator's Decision Appeal	\$250 + Advertising and Notification Costs	
	Zoning Map Amendment	\$600 + Advertising and Notification Costs	
	Zoning Text Amendment	\$400 + Advertising and Notification Costs	
	Site Inspection Costs	\$100 + Engineer Costs	
Vested Rights Process	\$250		

<b>Item Description</b>	<b>Fees</b>
Plotted Maps, Ordinance Copies, Etc.	Production Cost
Nuisance abatement – Warning Issued First	\$50 first offense \$100 second offense \$200 third & subsequent offense
<b>ADMINISTRATIVE AND OTHER FEES</b>	
<b>Item Description</b>	<b>Fees</b>
All Copies	\$.10 per page
Copy of Current Town Budget	\$.10 per page
Fax Service	\$.25 per page
Copy of Municipal Code of Ordinances	\$50.00
Golf Cart Registration	\$10 per cart
Golf Cart violation	\$150 per violation
Annual Business Registration ( <i>Section 7 Business from the Code of Ordinances</i> )	\$10
<b>FIRE DEPARTMENT FEES</b> <i>(Article 4 Section 10-47 from the Town of Granite Quarry's Code of Ordinances)</i>	
Re-inspections (third and subsequent)	\$30
Fireworks (stand-by)	\$100
Fire watches	\$100
Assembly Stand-by	\$25
Plans Review	\$25
Hydrant Testing	\$30 per hydrant
Fire Flow report	\$200
Fire Department services fees	Market rate set by insurance company
Report Copies	\$5
<b>FIRE DEPARTMENT PERMITS</b> <i>(Article 4 Section 10-47 from the Town of Granite Quarry's Code of Ordinances)</i>	
Fireworks	\$130
Burning	\$35
Annual Haz-Mat Storage	\$120
Tent	\$40
Tank Removal/Installation	\$50
<b>POLICE DEPARTMENT FEES</b>	
Police Off-Duty Services ( <i>Entity pays the officer directly</i> )	\$25 per hour
Police Reports	\$5 per report
<b>MAINTENANCE DEPARTMENT FEES</b>	
Heavy Equipment/Tractors	\$100 per hour with operator
Light Equipment	\$65 per hour with operator
Brush pickup, second load for citizens or brush commercial cut	\$50 per load

## ATTACHMENT B

### SALARY SCHEDULE (06/2019)

Position	Position Code	Actual	Minimum	Maximum
Mayor	10010	\$3,414	\$2,050	\$6,050
Mayor Pro-Tem	10020	2,347	1,650	3,650
Alderman	10030	2,133	1,500	3,500
Town Manager	10040		61,000	71,000
Town Clerk	10080	50,500	43,000	53,000
Deputy Clerk	20600	35,006	33,000	43,000
Finance Officer	20050	36,483	45,000	55,000
Planner (PT)	20465	24.00/hr		
Police Chief	10170	63,003	57,000	67,000
Police Investigator	30210	44,574	38,000	48,000
Police Sergeant	30270	40,164	35,000	45,000
Police Officer	30260	35,751	31,000	39,000
Police Officer (PT)	30260	13.57/hr (avg)	12/hr	15/hr
Maintenance Supervisor	10210	49,005	39,000	49,000
Maint Tech Crew Leader	20430	28,600	27,000	37,000
Maintenance Tech	20420	23,920	20,000	28,000
Maintenance Tech (PT)	20420	9.00/hr (avg)	8.50/hr	13.50/hr
Fire Chief (PT)	10130	23.56/hr	20/hr	24/hr
Deputy Fire Chief (PT)	30030	13.00/hr	12/hr	15/hr
Asst Fire Chief	30030	38,060	22,880	31,200
Asst Fire Chief (PT)	30030	12.91/hr (avg)	11/hr	15/hr
Fire Captain (PT)	30080	11.66/hr (avg)	10.50/hr	12/hr
Firefighter	30090	29,820	28,000	38,000
Firefighter, Public Ed	30150	32,107	28,000	38,000
Firefighter (PT)	30090	11.56/hr (avg)	10/hr	12/hr
EMT Paramedic (PT)	30060	8.00/hr (avg)	8/hr	10/hr
Volunteer Fire Fighters paid on incident reimbursement are reimbursed as follows:				
Junior Fire Fighter	N/A	5.50/call		
EMS Responder/1403 FF (exterior fire only)	N/A	8/call	8/call	10/call
Fire Fighter, Regular	N/A	11/call	11/call	12/call
Fire Fighter, Officer	N/A	11.50/call	11.50/call	12.50/call

