



November 26, 2018

Stallings Town Hall
 315 Stallings Road
 Stallings, NC 28104
 704-821-8557

www.stallingsnc.org

| | Time | Item | Presenter | Action Requested/Next Step |
|----|-----------|---|----------------------|--|
| | 6:00 p.m. | Invocation Pledge of Allegiance Call the Meeting to Order | Wyatt Dunn, Mayor | NA |
| | 6:05 p.m. | Public Comment | Wyatt Dunn, Mayor | NA |
| 1. | 6:15 p.m. | Consent Agenda A. Statement of Consistency and Reasonableness (1) TX18.10.01 – TIA Text Amendment (2) CZ18.08.01 – Epcon Communities B. Council Christmas gift to Staff | Wyatt Dunn, Mayor | Approve Consent Agenda <i>(All items on the Consent Agenda are considered routine, to be enacted by one motion. If a member of the governing body requests discussion on of an item, the item will be removed from the Consent Agenda and considered separately.)</i> Motion: I make the motion to: 1) Approve the Consent Agenda as presented; or 2) Approve the Consent Agenda with the following changes: _____. |
| 2. | 6:17 p.m. | Reports A. Report from Mayor B. Report from Council Members/Town Committees C. Report from Town Manager/Town Departments | Council and Staff | NA |
| 3. | 6:40 p.m. | Agenda Approval | Wyatt Dunn, Mayor | Approve agenda as written. <i>(ADD, IF APPLICABLE: with changes as described by Mayor Dunn)</i> Motion: I make the motion to: 1) Approve the Agenda as presented; or 2) Approve the Agenda with the following changes: _____. |

| | | | | |
|-----|-----------|---|--|--|
| 4. | 6:45 p.m. | Chestnut Small Area Plan | Demitri Batches, Metrocology | Information and Possible Action |
| 5. | 7:00 p.m. | Union County Fire Funding Presentation | Mike James, Assistant to the County Manager | Information |
| 6. | 7:30 p.m. | Stallings Park Road Realignment | Lynne Hair, Town Planner | Approve realignment conceptual drawing <i>Motion: I make the motion to approve the conceptual drawing of the Stallings Park Road Realignment.</i> |
| 7. | 7:45 p.m. | New Town Hall Bid Tabulation A. Bid Tabulation B. Financing Options | Alex Sewell, Town Manager Marsha Gross, Finance Officer | Approve lowest responsible bidder <i>Motion: I make the motion to contract with Hoss Contracting, Inc. for the construction of the New Town Hall and Public Works Building with Alternates (insert alternates here) for a total of \$(insert amount here) contingent upon financing and Local Government Commission approval and final Council approval.</i> |
| 8. | 8:10 p.m. | Street Signage Design – Final Approval | Brian Price, Public Works Director | Approve final design <i>Motion: I make the motion to approve the final street sign design.</i> |
| 9. | 8:15 p.m. | Performance Evaluation Policies | Alex Sewell, Town Manager | Approve policies <i>Motion: I make the motion to approve the performance evaluation policies.</i> |
| 10. | 8:30 p.m. | Adjournment | | |



MEMO:

TO: Town Council
FROM: Lynne Hair, Development Administrator
SUBJECT: Chestnut Small Area Plan Update and Presentation
DATE: November 15, 2018

Staff and Town consultants have been working on creation of the Chestnut Small Area Plan which includes properties located at the intersection of Matthews-Weddington Road and Chestnut Lane. To keep the project on track with an anticipated completion date of January 2019, Staff would like to present the draft to Council for feedback and approval of its direction.

A part of the plan's adoption will include a rezoning of properties in the area to MU-2. Staff plans on presenting the rezoning proposal with the small area plan adoption in January.

SMALL AREA PLAN
CHESTNUT ROAD
STALLINGS, NC

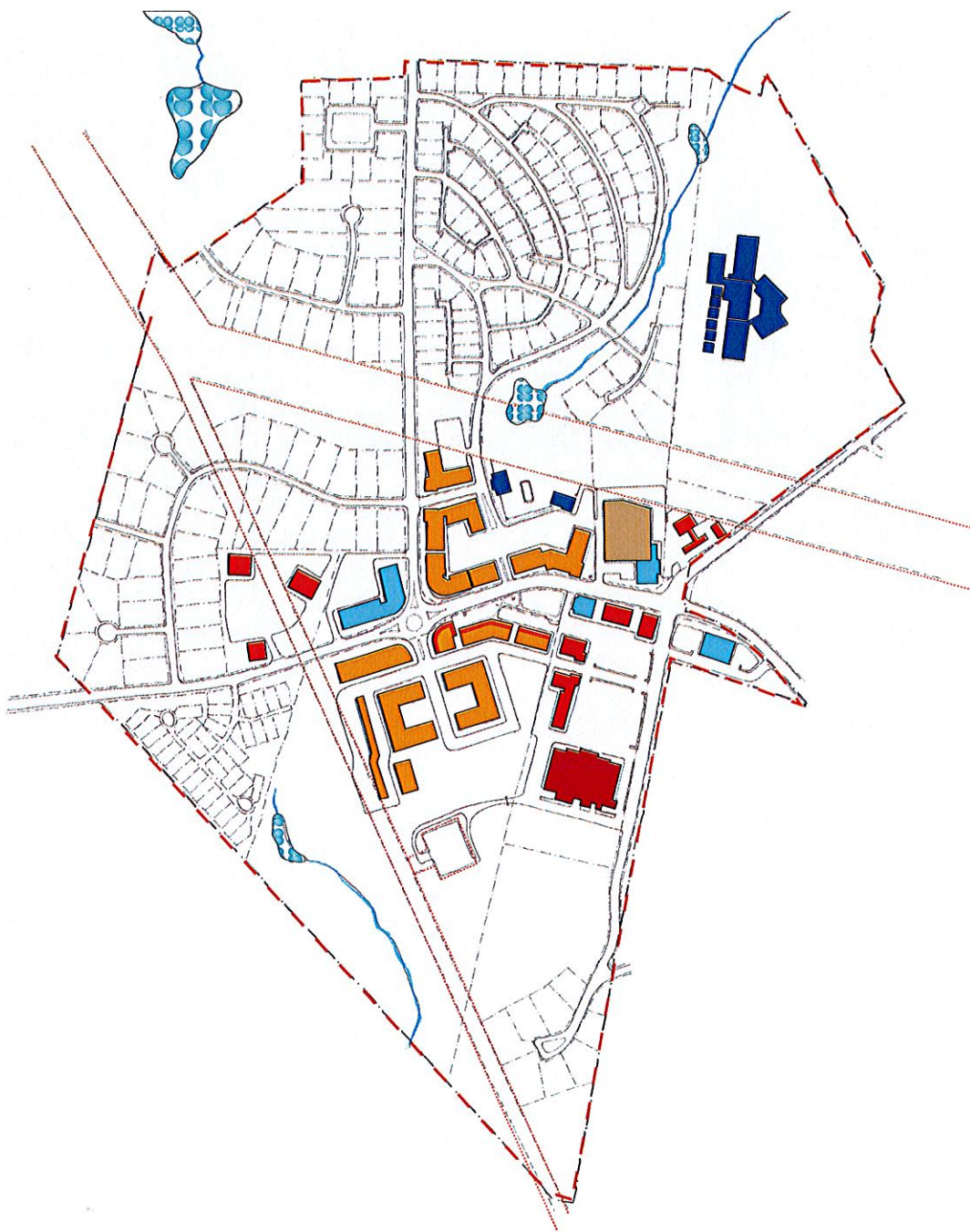
GREEN &
PEDESTRIAN
NETWORK



DRAFT 11.13.18

SMALL AREA PLAN
CHESTNUT ROAD
STALLINGS, NC

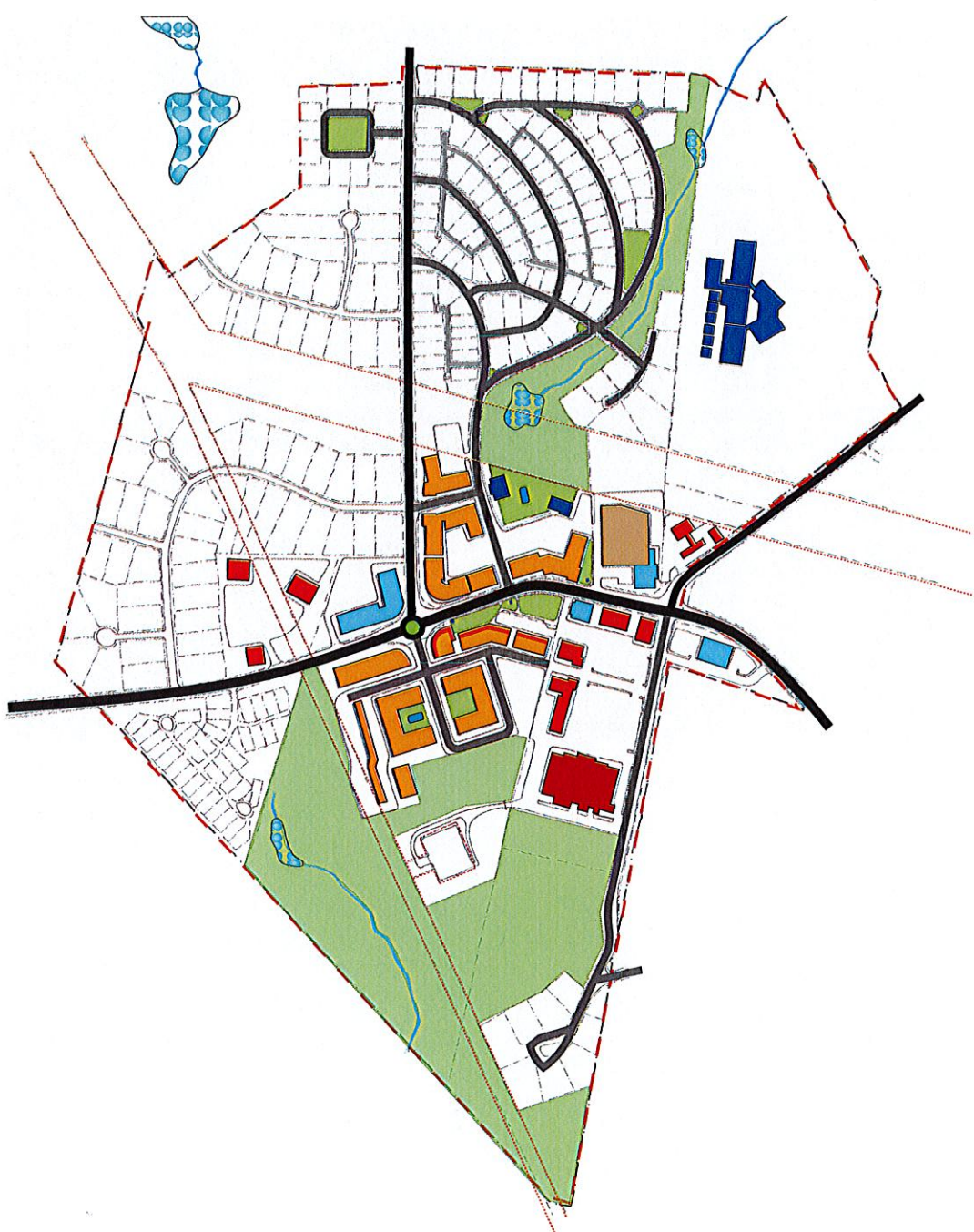
USE PLAN



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SMALL AREA PLAN
CHESTNUT ROAD
STALLINGS, NC

CONCEPT
OPEN SPACE PLAN



DRAFT 11.13.18

FIRE SERVICE DISTRICT FUNDING STUDY

Union County



PURPOSE

- ❖ **Objective of the 2018 Fire Funding Study**
- ❖ **Current Methodology Used to Fund Fire Protection Services in Union County**
- ❖ **Alternative Funding Strategies Currently before the Board of Commissioners**
- ❖ **Identify a Funding Strategy(s) the Governing Body Supports – Letter of Support**

FIRE FUNDING STUDY OBJECTIVE

Scope of Services

Consultant was asked to conduct a comprehensive evaluation of our current funding methodology and propose alternative and cost effective funding strategies allowable in the State of North Carolina. The overall goal of the study is to provide maximum equity in cost burden and provide a sustainable long-term funding strategy for Union County Fire Services.

Stakeholder Meetings

Staff & Consultant have held 2 meetings with the County Commission and 2 meetings with the Fire Chiefs Association, to gain input and direction for the work of the study.

Early Direction Received

- ✓ Reevaluate the Fire Fee Model for sustainability / Options for replacement
- ✓ Ensure Fire Fee or Taxes collected on all County properties subject to the assessment
- ✓ Funding Methodology must meet future demands (fewer volunteers, Cost of Fire Services, changes in density...etc.)

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HOW ARE FIRE SERVICE DISTRICTS FUNDED?

❖ **17 Fire Service Districts** provide Fire Protection Service *via* Contract with Union County

- **5 Fire Service Districts** are funded through a local tax as established by the County Commission
- **12 Fire Service Districts** are funded through a local fee as provided by the North Carolina General Assembly (*\$100 Cap*)
- **16%** of Fire Protection sq. mileage served by the County are within Municipal Boundaries

❖ City of Monroe and the Town of Weddington Provide for their own Fire Protection Services

- Other municipalities provide financial support to their VFD to various levels

❖ FY 2019 Operating Appropriations **\$13,778,655** – *Increase of 50% from 2009*

- **\$11,087,509** Revenue Available through Fire Fee, Fire Tax, Sales Tax, VFD Revenue and Fund Balance
- **\$2,691,146** From Countywide Rate is Needed to Fully Fund Fire Services in Fee Districts (20% of overall County Fire Budget)

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Volunteer Fire Departments

- Allens Crossroads
- Bakers
- Beaver Lane
- Fairview
- Griffith Road
- Hemby Bridge (tax)
- Jackson
- Lanes Creek
- New Salem
- Sandy Ridge
- Springs (tax)
- Stack Road
- Stallings (tax)
- Unionville
- Waxhaw (tax)
- Wesley Chapel (tax)
- Wingate

HOW ARE FIRE SERVICE DISTRICTS FUNDED?

| Fire Department Funding for FY 2019 | | | | | | | | |
|-------------------------------------|---------------------|--------------------|-------------------------|------------------|-----------------------------|--------------------------------|--------------------|------------------|
| Fire Department | Countywide Fire Tax | Local Fire Tax/Fee | Operating Appropriation | FD Rev | Countywide Fire Tax Revenue | Localized Fire Tax/Fee Revenue | Sales Tax | Fund Balance |
| Allens Crossroads | 0.0103 | 100.00 | \$ 237,590 | - | (131,722) | (105,868) | - | - |
| Bakers | 0.0103 | 100.00 | 801,111 | - | (167,776) | (633,335) | - | - |
| Beaver Lane | 0.0103 | 100.00 | 685,437 | (77,600) | (359,772) | (248,065) | - | - |
| Fairview | 0.0103 | 100.00 | 358,564 | (8,000) | (173,431) | (177,133) | - | - |
| Griffith Road | 0.0103 | 100.00 | 138,495 | (32,940) | (34,582) | (70,973) | - | - |
| Hemby Bridge | 0.0103 | 0.0488 | 1,663,186 | - | - | (1,348,128) | (272,027) | (43,031) |
| Jackson | 0.0103 | 100.00 | 209,420 | (1,000) | (65,764) | (142,656) | - | - |
| Lanes Creek | 0.0103 | 100.00 | 299,120 | - | (183,082) | (116,038) | - | - |
| New Salem | 0.0103 | 100.00 | 517,068 | (25,770) | (234,264) | (257,034) | - | - |
| Providence | 0.0103 | 100.00 | 39,275 | - | (29,375) | (9,900) | - | - |
| Sandy Ridge | 0.0103 | 100.00 | 310,875 | (300) | (154,057) | (156,518) | - | - |
| Springs | 0.0103 | 0.0552 | 831,361 | (22,500) | - | (688,117) | (120,744) | - |
| Stack Road | 0.0103 | 100.00 | 319,050 | (7,300) | (181,919) | (129,831) | - | - |
| Stallings | 0.0103 | 0.0502 | 1,577,431 | - | - | (1,298,990) | (214,026) | (64,415) |
| Unionville | 0.0103 | 100.00 | 635,170 | (115) | (270,928) | (364,127) | - | - |
| Waxhaw | 0.0103 | 0.0545 | 1,529,493 | - | - | (1,339,878) | (180,818) | (8,797) |
| Wesley Chapel | 0.0103 | 0.0354 | 2,334,615 | (36,200) | - | (1,946,602) | (316,977) | (34,836) |
| Wingate | 0.0103 | 100.00 | 628,743 | - | (445,165) | (183,578) | - | - |
| Countywide Costs | 0.0103 | - | 662,651 | (371,603) | (259,309) | - | - | (31,739) |
| Total | | | \$ 13,778,655 | (983,328) | (2,691,146) | (9,216,771) | (1,104,592) | (182,818) |

REVENUE SOURCES

**Countywide Fire Tax Revenue 20% of overall Operating Appropriation

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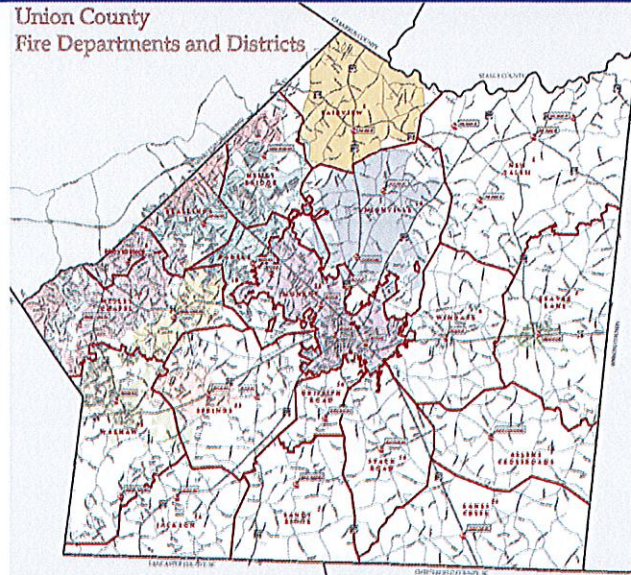
UNION COUNTY FEE STRUCTURE

| 2018-2019 Union County Fee Structure | |
|--------------------------------------|-----------------------------|
| Property Class | Shall Not Exceed Fee Amount |
| Single Family / Mobile Home / Duplex | \$100 |
| Triplex | \$150 |
| Unimproved Land | \$10 |
| Animal Production/Horticulture. | \$20 |
| Commercial Facility (<5k sf.) | \$100 |
| Commercial Facility (>5k sf.) | \$200 |
| Government Facility | \$100 |
| Educational Facility | \$100 |
| Religious Facility | \$100 |

What We Know About Union County Fire Services

VFD Call Natures

- ❖ 80% of calls for service are **non-fire related** and provide general life-safety services to residents and visitors
- ❖ Majority of dispatched calls are in response to roadway accidents, falls and other medical issues

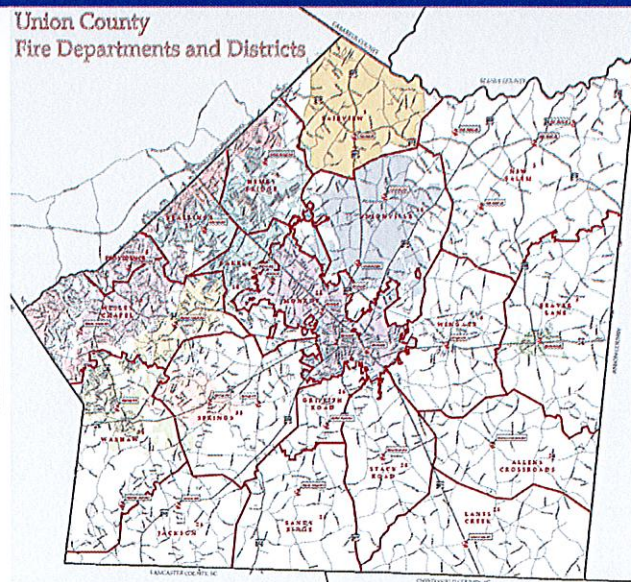


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What We Know About Union County Fire Services

Taxable Values & Funding

- ❖ Fire District total taxable values range from \$126 Million to \$5 billion
- ❖ \$ 2 Million+ is currently required to subsidize Fire Fee Districts ranging from \$34,000 to \$445,000

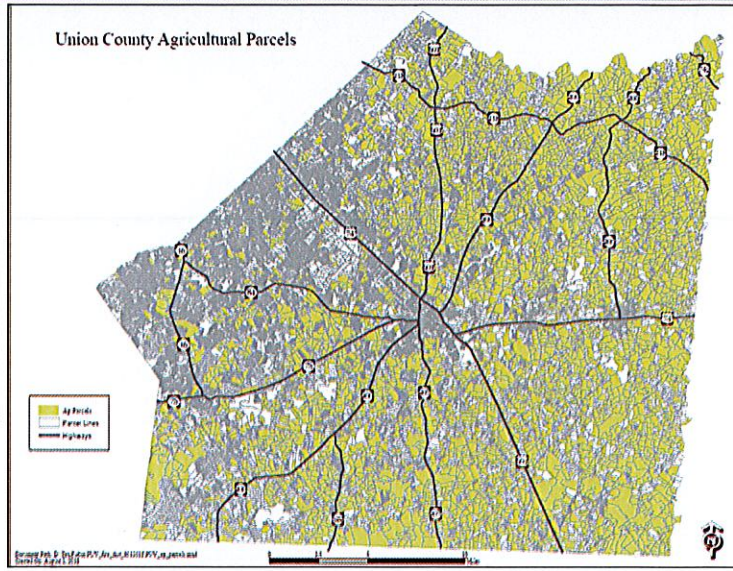


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What We Know About Union County Fire Services

Agricultural Land

- ❖ Agricultural Land “Farm Parcels” currently account for approximately **10%** of all Fire Fee & Fire Tax revenue received.
- ❖ **72%** of Farm Parcel Value falls under the Deferment Programs
(Taxable Value=Approx. 10% of Parcel (s) Total Value)



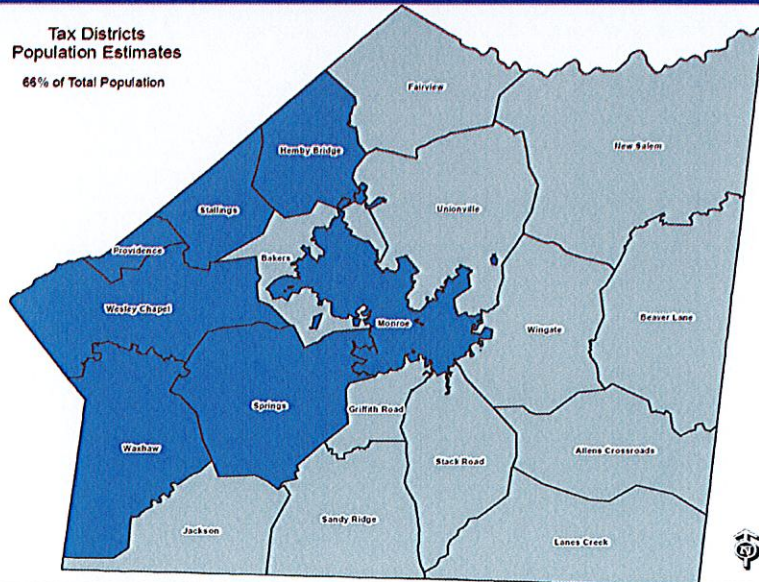
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UNION COUNTY

Population: 231,366
 Median Home Value: \$206,000
 Agricultural Land: 201,655 acres

- ❖ 17 Fire Districts
- ❖ FY 19 Fire Services Budget: \$13,068,329
- ❖ Approx. 66% of Union County Population in Fire Tax Districts & the City of Monroe
- ❖ 69% of land area within Fire Fee Districts

Tax Districts
 Population Estimates
 66% of Total Population



SALES TAX ALLOCATIONS

Fire Service District Tax Methodology

| VFD | Total Taxable Value (Est) | FY 19 VFD Revenue Requirement "Levy" | Self-Funding District Sales Tax Allocation | 80% / 20% Sales Tax Allocation | 70% / 30% Sales Tax Allocation | 60% / 40% Sales Tax Allocation | 50% / 50% Sales Tax Allocation |
|---------------------|---------------------------|--------------------------------------|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Allen Crossroads | \$ 177,354,175 | \$ 238,292 | \$ 53,554 | \$ 52,633 | \$ 52,180 | \$ 51,736 | \$ 51,306 |
| Bakers | \$ 1,489,936,622 | \$ 794,235 | \$ 148,680 | \$ 146,122 | \$ 144,867 | \$ 143,633 | \$ 142,437 |
| Wingate | \$ 420,232,489 | \$ 728,646 | \$ 167,806 | \$ 164,920 | \$ 163,503 | \$ 162,110 | \$ 160,761 |
| Wesley Chapel | \$ 5,436,467,245 | \$ 2,278,209 | \$ 387,906 | \$ 381,233 | \$ 377,958 | \$ 374,738 | \$ 371,620 |
| Beaver Lane | \$ 458,971,982 | \$ 615,689 | \$ 138,246 | \$ 135,966 | \$ 134,798 | \$ 133,650 | \$ 132,538 |
| Fairview | \$ 469,413,254 | \$ 347,274 | \$ 71,049 | \$ 69,826 | \$ 69,226 | \$ 68,637 | \$ 68,066 |
| Griffith Road | \$ 126,873,647 | \$ 105,039 | \$ 21,991 | \$ 21,613 | \$ 21,427 | \$ 21,245 | \$ 21,068 |
| Hemby Bridge | \$ 2,637,759,239 | \$ 1,646,247 | \$ 323,120 | \$ 317,561 | \$ 314,833 | \$ 312,151 | \$ 309,554 |
| Jackson | \$ 289,461,389 | \$ 206,420 | \$ 41,885 | \$ 41,164 | \$ 40,811 | \$ 40,463 | \$ 40,126 |
| Lanes Creek | \$ 195,447,485 | \$ 300,602 | \$ 68,496 | \$ 67,317 | \$ 66,739 | \$ 66,171 | \$ 65,620 |
| New Salem | \$ 533,352,152 | \$ 488,239 | \$ 104,089 | \$ 102,298 | \$ 101,419 | \$ 100,555 | \$ 99,719 |
| Sandy Ridge | \$ 271,446,862 | \$ 310,726 | \$ 68,500 | \$ 67,321 | \$ 66,743 | \$ 66,175 | \$ 65,624 |
| Springs | \$ 1,182,585,317 | \$ 805,731 | \$ 161,743 | \$ 158,961 | \$ 157,595 | \$ 156,253 | \$ 154,953 |
| Stack Road | \$ 236,002,516 | \$ 313,136 | \$ 70,277 | \$ 69,068 | \$ 68,474 | \$ 67,891 | \$ 67,326 |
| Stallings | \$ 2,373,286,884 | \$ 1,570,309 | \$ 312,952 | \$ 307,569 | \$ 304,926 | \$ 302,329 | \$ 299,813 |
| Unionville | \$ 770,274,556 | \$ 631,481 | \$ 131,958 | \$ 129,688 | \$ 128,574 | \$ 127,479 | \$ 126,418 |
| Waxhaw | \$ 2,288,839,731 | \$ 1,520,005 | \$ 303,206 | \$ 297,991 | \$ 295,430 | \$ 292,914 | \$ 290,476 |
| Union County | \$ 26,301,643,874 | | \$ 46,673,416 | \$ 47,318,977 | \$ 47,340,723 | \$ 47,362,100 | \$ 47,382,804 |

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FIRE FUNDING STUDY

Takeaways

- ❖ Two very different funding methodologies - (Tax & Fee)
- ❖ Fire Fee Methodology is under the control of the NC General Assembly
- ❖ Countywide Fire Tax subsidizes Fire Fee Districts
- ❖ Majority of Fee Districts are rural and have a lesser number of parcels available for Fee OR Taxation

FIRE FUNDING OPTIONS

- ❖ **Self-Funding Tax District**
- ❖ **6th District (REMOVED)**
- ❖ **Countywide Tax**
- ❖ **Self-Funding + County % Subsidy**
- ❖ **Local Legislation Fire Fee Methodology**

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What is Built into the Proposed Tax Methodology Options?

- ❖ City of Monroe would be reimbursed 100% of Fire Service Tax paid into a Countywide rate
- ❖ Town of Weddington would be reimbursed 100% of Fire Service Tax paid into a Countywide rate
- ❖ All Fire Fee Districts would become Fire Service Tax Districts
- ❖ Town of Wingate would allow Fire Tax Collection within their Corporate limits
- ❖ All Fire District Revenue sources include Real Property, Personal Property, Motor Vehicle Tax & Sales Tax
- ❖ Sales Tax would be shared among all Taxing districts, as directed by State Law
- ❖ All VFD revenue requirements include their radio costs (*This is currently funded through the Countywide Rate*)

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SELF-FUNDING TAX DISTRICT

Methodology Attributes

- ❖ Removes any redistribution of revenue between Fire Service Districts
- ❖ Dependent on & reflective of the density, development and tax value of each district
- ❖ Districts with lower density and lower property values will experience much higher rates of taxation.
- ❖ No Countywide Fire Service Tax Revenue needed
- ❖ Requires Municipal Approval (*Bakers, Unionville, Fairview, Wingate, Beaver Lane*)

| | Revenue Requirement | Taxable Value | Self-Funding Districts |
|------------------|---------------------|---------------------|------------------------|
| Allen Crossroads | \$ 238,292 | \$ 177,354,174.66 | \$ 0.1042 |
| Bakers | \$ 794,235 | \$ 1,489,936,622.40 | \$ 0.0433 |
| Wingate | \$ 728,646 | \$ 420,232,489.05 | \$ 0.1335 |
| Wesley Chapel | \$ 2,278,209 | \$ 5,436,467,245.35 | \$ 0.0348 |
| Beaver Lane | \$ 615,689 | \$ 458,971,981.54 | \$ 0.1040 |
| Fairview | \$ 347,274 | \$ 469,413,254.44 | \$ 0.0588 |
| Griffith Road | \$ 105,039 | \$ 126,873,646.87 | \$ 0.0655 |
| Hemby Bridge | \$ 1,646,247 | \$ 2,637,759,239.00 | \$ 0.0502 |
| Jackson | \$ 206,420 | \$ 289,461,388.57 | \$ 0.0568 |
| Lanes Creek | \$ 300,602 | \$ 195,447,485.25 | \$ 0.1188 |
| New Salem | \$ 488,239 | \$ 533,352,152.46 | \$ 0.0720 |
| Sandy Ridge | \$ 310,726 | \$ 271,446,861.85 | \$ 0.0892 |
| Springs | \$ 805,731 | \$ 1,182,585,317.00 | \$ 0.0545 |
| Stack Road | \$ 313,136 | \$ 236,002,516.35 | \$ 0.1029 |
| Stallings | \$ 1,570,309 | \$ 2,373,286,884.00 | \$ 0.0530 |
| Unionville | \$ 631,481 | \$ 770,274,556.21 | \$ 0.0649 |
| Waxhaw | \$ 1,520,005 | \$ 2,288,839,731.00 | \$ 0.0532 |
| Monroe | n/a | n/a | |
| Weddington | n/a | n/a | |

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SELF-FUNDING TAX DISTRICT

Fire Fee Districts

| Home Value | \$75,000 | \$100,000 | \$125,000 | \$150,000 | \$175,000 | \$200,000 | Self-Funding Tax Rate |
|------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------------------|
| Allen Crossroads | \$ 78.15 | \$ 104.20 | \$ 130.25 | \$ 156.30 | \$ 182.35 | \$ 208.40 | 0.1042 |
| Bakers | \$ 32.48 | \$ 43.30 | \$ 54.13 | \$ 64.95 | \$ 75.78 | \$ 86.60 | 0.0433 |
| Wingate | \$ 100.13 | \$ 133.50 | \$ 166.88 | \$ 200.25 | \$ 233.63 | \$ 267.00 | 0.1335 |
| Beaver Lane | \$ 78.00 | \$ 104.00 | \$ 130.00 | \$ 156.00 | \$ 182.00 | \$ 208.00 | 0.1040 |
| Fairview | \$ 44.10 | \$ 58.80 | \$ 73.50 | \$ 88.20 | \$ 102.90 | \$ 117.60 | 0.0588 |
| Griffith Road | \$ 49.13 | \$ 65.50 | \$ 81.88 | \$ 98.25 | \$ 114.63 | \$ 131.00 | 0.0655 |
| Jackson | \$ 42.60 | \$ 56.80 | \$ 71.00 | \$ 85.20 | \$ 99.40 | \$ 113.60 | 0.0568 |
| Lanes Creek | \$ 89.10 | \$ 118.80 | \$ 148.50 | \$ 178.20 | \$ 207.90 | \$ 237.60 | 0.1188 |
| New Salem | \$ 54.00 | \$ 72.00 | \$ 90.00 | \$ 108.00 | \$ 126.00 | \$ 144.00 | 0.0720 |
| Sandy Ridge | \$ 66.90 | \$ 89.20 | \$ 111.50 | \$ 133.80 | \$ 156.10 | \$ 178.40 | 0.0892 |
| Stack Road | \$ 77.18 | \$ 102.90 | \$ 128.63 | \$ 154.35 | \$ 180.08 | \$ 205.80 | 0.1029 |
| Unionville | \$ 48.68 | \$ 64.90 | \$ 81.13 | \$ 97.35 | \$ 113.58 | \$ 129.80 | 0.0649 |

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SELF-FUNDING + 20% COUNTY SUBSIDY

Methodology Attribute

- ❖ Fire Service Districts who would historically not require County subsidy would receive a proportion of County Tax
- ❖ Commission can balance revenue redistribution across Districts AND maintain reasonable taxation rates.
- ❖ County subsidy would provide an equal percentage to every VFD, in direct relation to their total budget

| | Revenue Requirement | Taxable Value | 80% District Tax | 20% Countywide Tax | Total |
|------------------|---------------------|---------------------|------------------|--------------------|--------|
| Allen Crossroads | \$ 238,292 | \$ 177,354,174.66 | 0.0837 | 0.0133 | 0.097 |
| Bakers | \$ 794,235 | \$ 1,489,936,622.40 | 0.0348 | 0.0133 | 0.0481 |
| Wingate | \$ 728,646 | \$ 420,232,489.05 | 0.1073 | 0.0133 | 0.1206 |
| Wesley Chapel | \$ 2,278,209 | \$ 5,436,467,245.35 | 0.0279 | 0.0133 | 0.0412 |
| Beaver Lane | \$ 615,689 | \$ 458,971,981.54 | 0.0836 | 0.0133 | 0.0969 |
| Fairview | \$ 347,274 | \$ 469,413,254.44 | 0.0473 | 0.0133 | 0.0606 |
| Griffith Road | \$ 105,039 | \$ 126,873,646.87 | 0.0526 | 0.0133 | 0.0659 |
| Hemby Bridge | \$ 1,646,247 | \$ 2,637,759,239.00 | 0.0403 | 0.0133 | 0.0536 |
| Jackson | \$ 206,420 | \$ 289,461,388.57 | 0.0457 | 0.0133 | 0.059 |
| Lanes Creek | \$ 300,602 | \$ 195,447,485.25 | 0.0955 | 0.0133 | 0.1088 |
| New Salem | \$ 488,239 | \$ 533,352,152.46 | 0.0579 | 0.0133 | 0.0712 |
| Sandy Ridge | \$ 310,726 | \$ 271,446,861.85 | 0.0717 | 0.0133 | 0.085 |
| Springs | \$ 805,731 | \$ 1,182,585,317.00 | 0.0438 | 0.0133 | 0.0571 |
| Stack Road | \$ 313,136 | \$ 236,002,516.35 | 0.0827 | 0.0133 | 0.096 |
| Stallings | \$ 1,570,309 | \$ 2,373,286,884.00 | 0.0426 | 0.0133 | 0.0559 |
| Unionville | \$ 631,481 | \$ 770,274,556.21 | 0.0521 | 0.0133 | 0.0654 |
| Waxhaw | \$ 1,520,005 | \$ 2,288,839,731.00 | 0.0427 | 0.0133 | 0.056 |
| Monroe | n/a | n/a | | 0.0133 | |
| Weddington | n/a | n/a | | 0.0133 | |

COUNTYWIDE FIRE SERVICE TAX

Methodology Attributes

- ❖ Fire tax revenue provided to Fire Districts according to their requested revenue requirement.
- ❖ A Fire District's individual need for increased levels of service would not be directly reflected in their tax rate.
- ❖ Removes local Fire District Tax Rates
- ❖ No formal authorization from Municipalities required
- ❖ Fire Tax collected within Monroe & Weddington
(reimbursed 100%)

| | Revenue Requirement | Taxable Value | Countywide Fire Tax |
|------------------|---------------------|---------------------|---------------------|
| Allen Crossroads | \$ 238,292 | \$ 177,354,174.66 | \$ 0.0666 |
| Bakers | \$ 794,235 | \$ 1,489,936,622.40 | \$ 0.0666 |
| Wingate | \$ 728,646 | \$ 420,232,489.05 | \$ 0.0666 |
| Wesley Chapel | \$ 2,278,209 | \$ 5,436,467,245.35 | \$ 0.0666 |
| Beaver Lane | \$ 615,689 | \$ 458,971,981.54 | \$ 0.0666 |
| Fairview | \$ 347,274 | \$ 469,413,254.44 | \$ 0.0666 |
| Griffith Road | \$ 105,039 | \$ 126,873,646.87 | \$ 0.0666 |
| Hemby Bridge | \$ 1,646,247 | \$ 2,637,759,239.00 | \$ 0.0666 |
| Jackson | \$ 206,420 | \$ 289,461,388.57 | \$ 0.0666 |
| Lanes Creek | \$ 300,602 | \$ 195,447,485.25 | \$ 0.0666 |
| New Salem | \$ 488,239 | \$ 533,352,152.46 | \$ 0.0666 |
| Sandy Ridge | \$ 310,726 | \$ 271,446,861.85 | \$ 0.0666 |
| Springs | \$ 805,731 | \$ 1,182,585,317.00 | \$ 0.0666 |
| Stack Road | \$ 313,136 | \$ 236,002,516.35 | \$ 0.0666 |
| Stallings | \$ 1,570,309 | \$ 2,373,286,884.00 | \$ 0.0666 |
| Unionville | \$ 631,481 | \$ 770,274,556.21 | \$ 0.0666 |
| Waxhaw | \$ 1,520,005 | \$ 2,288,839,731.00 | \$ 0.0666 |
| Monroe | n/a | n/a | \$ 0.0666 |
| Weddington | n/a | n/a | \$ 0.0666 |

BRUNSWICK MODEL ANALYSIS HOUSE BILL 445

Fee Schedules

- ❖ Fees may not exceed the cost of providing fire protection services within the district
- ❖ Applies to all owners of real property that benefit from the availability of fire protection
- ❖ Properties located beyond six road miles from their district VFD subject to a 25% reduction in fees
- ❖ Animal production or Horticulture operations – Fee may not exceed \$20 per site per year (Hog, Chicken/Turkey Houses & Nursery Business)
- ❖ All Agricultural, Cattle, Forestry Land falls under the Unimproved Land category

| Single Family Dwelling / Manufactured or Mobile Home / Appurtenant Structure / Up to five(5) acres | | Commercial Facility | | Unimproved Land | |
|--|-----------------------------|-------------------------|-----------------------------|---------------------|-----------------------------|
| Square Footage | Shall Not Exceed Fee Amount | Square Footage | Shall Not Exceed Fee Amount | Acreage | Shall Not Exceed Fee Amount |
| ≤ 1,000 sf. | \$100 | ≤ 5,000 sf. | \$400 | ≤ 5 ac. | \$20 |
| 1,001 sf. - 1,999 sf. | \$200 | 5,000 sf. - 9,999 sf. | \$800 | 5 ac. - 24.9 ac. | \$40 |
| 2,000 sf. - 3,000 sf. | \$400 | 10,000 sf. - 19,999 sf. | \$1,600 | 25 ac. - 49.9 ac. | \$100 |
| 3,001 sf. - 4,000 sf. | \$600 | 20,000 sf. - 29,999 sf. | \$2,000 | 50 ac. - 99.9 ac. | \$200 |
| 4,001 sf. - 5,000 sf. | \$800 | 30,000 sf. - 39,999 sf. | \$3,000 | 100 ac. - 199.9 ac. | \$300 |
| 5,001 sf. - 6,000 sf. | \$1000 | 40,000 sf. - 49,999 sf. | \$4,000 | 200 ac. - 299.9 ac. | \$400 |
| 6,001 sf. - 7,000 sf. | \$1,200 | 50,000 sf. - 59,999 sf. | \$6,000 | 300 ac. - 399.9 ac. | \$600 |
| 7,001 sf. - 8,000 sf. | \$1,400 | 60,000 sf. - 69,999 sf. | \$8,000 | 400 ac. - 499.9 ac. | \$800 |
| 8,000+ sf. | \$1,600 | 70,000 sf. - 79,999 sf. | \$10,000 | 500 ac. + | \$1,000 |
| | | 80,000 sf. - 89,999 sf. | \$12,000 | | |
| | | 90,000 sf. - 99,999 sf. | \$14,000 | | |
| | | 100,000 sf. + | \$16,000 | | |

BRUNSWICK MODEL ANALYSIS HOUSE BILL 445

| Fire Service District | Brunswick Model Maximum Rate Revenue | FY 2019 Volunteer Fire Department Budget | Percent of Brunswick Model to Meet Revenue Requirements |
|-----------------------|--------------------------------------|--|---|
| Bakers | \$2,039,440 | \$801,111 | 39% |
| Jackson | \$450,040 | \$209,420 | 47% |
| Griffith Road | \$257,320 | \$138,495 | 54% |
| Unionville | \$1,152,240 | \$635,170 | 55% |
| Fairview | \$611,960 | \$358,564 | 59% |
| New Salem | \$765,940 | \$517,068 | 68% |
| Wingate | \$858,480 | \$628,743 | 73% |
| Sandy Ridge | \$416,560 | \$310,875 | 75% |
| Allens Crossroads | \$289,080 | \$237,590 | 82% |
| Beaver Lane | \$807,940 | \$685,437 | 85% |
| Stack Road | \$369,180 | \$319,050 | 86% |
| Lanes Creek | \$325,780 | \$299,120 | 92% |

BRUNSWICK MODEL ANALYSIS

Residential Fire Fees

| Fire District | A1 (Res) | A2 (Res) | A3 (Res) | A4 (Res) | A5 (Res) | A6 (Res) | A7 (Res) | A8 (Res) | A9 (Res) |
|-------------------|----------|----------|----------|----------|----------|----------|------------|------------|------------|
| Bakers | \$39.00 | \$78.00 | \$156.00 | \$234.00 | \$312.00 | \$390.00 | \$468.00 | \$546.00 | \$624.00 |
| Jackson | \$47.00 | \$94.00 | \$188.00 | \$282.00 | \$376.00 | \$470.00 | \$564.00 | \$658.00 | \$752.00 |
| Griffith Road | \$54.00 | \$108.00 | \$216.00 | \$324.00 | \$432.00 | \$540.00 | \$648.00 | \$756.00 | \$864.00 |
| Unionville | \$55.00 | \$110.00 | \$220.00 | \$330.00 | \$440.00 | \$550.00 | \$660.00 | \$770.00 | \$880.00 |
| Fairview | \$59.00 | \$118.00 | \$236.00 | \$354.00 | \$472.00 | \$590.00 | \$708.00 | \$826.00 | \$944.00 |
| New Salem | \$68.00 | \$136.00 | \$272.00 | \$408.00 | \$544.00 | \$680.00 | \$816.00 | \$952.00 | \$1,088.00 |
| Wingate | \$73.00 | \$146.00 | \$292.00 | \$438.00 | \$584.00 | \$730.00 | \$876.00 | \$1,022.00 | \$1,168.00 |
| Sandy Ridge | \$75.00 | \$150.00 | \$300.00 | \$450.00 | \$600.00 | \$750.00 | \$900.00 | \$1,050.00 | \$1,200.00 |
| Allens Crossroads | \$82.00 | \$164.00 | \$328.00 | \$492.00 | \$656.00 | \$820.00 | \$984.00 | \$1,148.00 | \$1,312.00 |
| Beaver Lane | \$85.00 | \$170.00 | \$340.00 | \$510.00 | \$680.00 | \$850.00 | \$1,020.00 | \$1,190.00 | \$1,360.00 |
| Stack Road | \$86.00 | \$172.00 | \$344.00 | \$516.00 | \$688.00 | \$860.00 | \$1,032.00 | \$1,204.00 | \$1,376.00 |
| Lanes Creek | \$92.00 | \$184.00 | \$368.00 | \$552.00 | \$736.00 | \$920.00 | \$1,104.00 | \$1,288.00 | \$1,472.00 |

| Residential (heated square feet) | |
|---------------------------------------|-----------------------------|
| A1 Mobile Home or 1000 Sq. Ft or Less | A2 1001 to 1999 Square Feet |
| A3 2000 to 3000 Square Feet | A4 3001 to 4000 Square Feet |
| A5 4001 to 5000 Square Feet | A6 5001 to 6000 Square Feet |
| A7 6001 to 7000 Square Feet | A8 7001 to 8000 Square Feet |
| A9 Greater than 8000 Square Feet | |

BRUNSWICK MODEL ANALYSIS

Commercial Fire Fee

| Fire District | D1 (Com.) | D2 (Com.) | D3 (Com.) | D4 (Com.) | D5 (Com.) | D6 (Com.) | D7 (Com.) | D8 (Com.) | D9 (Com.) | D10 (Com.) | D11 (Com.) | D12 (Com.) |
|-------------------|-----------|-----------|------------|------------|------------|------------|------------|------------|------------|-------------|-------------|-------------|
| Bakers | \$156.00 | \$312.00 | \$624.00 | \$780.00 | \$1,170.00 | \$1,560.00 | \$2,340.00 | \$3,120.00 | \$3,900.00 | \$4,680.00 | \$5,460.00 | \$6,240.00 |
| Jackson | \$188.00 | \$376.00 | \$752.00 | \$940.00 | \$1,410.00 | \$1,880.00 | \$2,820.00 | \$3,760.00 | \$4,700.00 | \$5,640.00 | \$6,580.00 | \$7,520.00 |
| Griffith Road | \$216.00 | \$432.00 | \$864.00 | \$1,080.00 | \$1,620.00 | \$2,160.00 | \$3,240.00 | \$4,320.00 | \$5,400.00 | \$6,480.00 | \$7,560.00 | \$8,640.00 |
| Unionville | \$220.00 | \$440.00 | \$880.00 | \$1,100.00 | \$1,650.00 | \$2,200.00 | \$3,300.00 | \$4,400.00 | \$5,500.00 | \$6,600.00 | \$7,700.00 | \$8,800.00 |
| Fairview | \$236.00 | \$472.00 | \$944.00 | \$1,180.00 | \$1,770.00 | \$2,360.00 | \$3,540.00 | \$4,720.00 | \$5,900.00 | \$7,080.00 | \$8,260.00 | \$9,440.00 |
| New Salem | \$272.00 | \$544.00 | \$1,088.00 | \$1,360.00 | \$2,040.00 | \$2,720.00 | \$4,080.00 | \$5,440.00 | \$6,800.00 | \$8,160.00 | \$9,520.00 | \$10,880.00 |
| Wingate | \$292.00 | \$584.00 | \$1,168.00 | \$1,460.00 | \$2,190.00 | \$2,920.00 | \$4,380.00 | \$5,840.00 | \$7,300.00 | \$8,760.00 | \$10,220.00 | \$11,680.00 |
| Sandy Ridge | \$300.00 | \$600.00 | \$1,200.00 | \$1,500.00 | \$2,250.00 | \$3,000.00 | \$4,500.00 | \$6,000.00 | \$7,500.00 | \$9,000.00 | \$10,500.00 | \$12,000.00 |
| Allens Crossroads | \$328.00 | \$656.00 | \$1,312.00 | \$1,640.00 | \$2,460.00 | \$3,280.00 | \$4,920.00 | \$6,560.00 | \$8,200.00 | \$9,840.00 | \$11,480.00 | \$13,120.00 |
| Beaver Lane | \$340.00 | \$680.00 | \$1,360.00 | \$1,700.00 | \$2,550.00 | \$3,400.00 | \$5,100.00 | \$6,800.00 | \$8,500.00 | \$10,200.00 | \$11,900.00 | \$13,600.00 |
| Stack Road | \$344.00 | \$688.00 | \$1,376.00 | \$1,720.00 | \$2,580.00 | \$3,440.00 | \$5,160.00 | \$6,880.00 | \$8,600.00 | \$10,320.00 | \$12,040.00 | \$13,760.00 |
| Lanes Creek | \$368.00 | \$736.00 | \$1,472.00 | \$1,840.00 | \$2,760.00 | \$3,680.00 | \$5,520.00 | \$7,360.00 | \$9,200.00 | \$11,040.00 | \$12,880.00 | \$14,720.00 |

| Commercial | |
|----------------------------|--------------------------------|
| D1 Less than 5000 sq. feet | D7 50,000-59,999 sq. feet |
| D2 5001-9999 sq. feet | D8 60,000-69,999 sq. feet |
| D4 10,000-19,999 sq. feet | D9 70,000-79,999 sq. feet |
| D4 20,000-29,999 sq. feet | D10 80,000-89,999 sq. feet |
| D5 30,000-39,999 sq. feet | D11 90,000-99,999 sq. feet |
| D6 40,000-49,999 sq. feet | D12 100,000 sq. feet and above |

BRUNSWICK MODEL ANALYSIS

Unimproved Acreage

| Fire District | B1 (Acr) | B2 (Acr) | B3 (Acr) | B4 (Acr) | B5 (Acr) | B6 (Acr) | B7 (Acr) | B8 (Acr) | B9 (Acr) |
|-------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| Bakers | \$7.80 | \$15.60 | \$39.00 | \$78.00 | \$117.00 | \$156.00 | \$234.00 | \$312.00 | \$390.00 |
| Jackson | \$9.40 | \$18.80 | \$47.00 | \$94.00 | \$141.00 | \$188.00 | \$282.00 | \$376.00 | \$470.00 |
| Griffith Road | \$10.80 | \$21.60 | \$54.00 | \$108.00 | \$162.00 | \$216.00 | \$324.00 | \$432.00 | \$540.00 |
| Unionville | \$11.00 | \$22.00 | \$55.00 | \$110.00 | \$165.00 | \$220.00 | \$330.00 | \$440.00 | \$550.00 |
| Fairview | \$11.80 | \$23.60 | \$59.00 | \$118.00 | \$177.00 | \$236.00 | \$354.00 | \$472.00 | \$590.00 |
| New Salem | \$13.60 | \$27.20 | \$68.00 | \$136.00 | \$204.00 | \$272.00 | \$408.00 | \$544.00 | \$680.00 |
| Wingate | \$14.60 | \$29.20 | \$73.00 | \$146.00 | \$219.00 | \$292.00 | \$438.00 | \$584.00 | \$730.00 |
| Sandy Ridge | \$15.00 | \$30.00 | \$75.00 | \$150.00 | \$225.00 | \$300.00 | \$450.00 | \$600.00 | \$750.00 |
| Allens Crossroads | \$16.46 | \$32.80 | \$82.00 | \$164.00 | \$246.00 | \$328.00 | \$492.00 | \$656.00 | \$820.00 |
| Beaver Lane | \$17.00 | \$34.00 | \$85.00 | \$170.00 | \$255.00 | \$340.00 | \$510.00 | \$680.00 | \$850.00 |
| Stack Road | \$17.20 | \$34.40 | \$86.00 | \$172.00 | \$258.00 | \$344.00 | \$516.00 | \$688.00 | \$860.00 |
| Lanes Creek | \$18.40 | \$36.80 | \$92.00 | \$184.00 | \$276.00 | \$368.00 | \$552.00 | \$736.00 | \$920.00 |

| Acreage | | | |
|---------|-------------------|----|---------------|
| B1 | Less than 5 Acres | B2 | 5-24 Acres |
| B3 | 25-49 Acres | B4 | 50-99 Acres |
| B5 | 100-199 Acres | B6 | 200-299 Acres |
| B7 | 300-399 Acres | B8 | 400-499 Acres |
| B9 | 500 or more Acres | | |

FIRE CHIEF SURVEY FEEDBACK

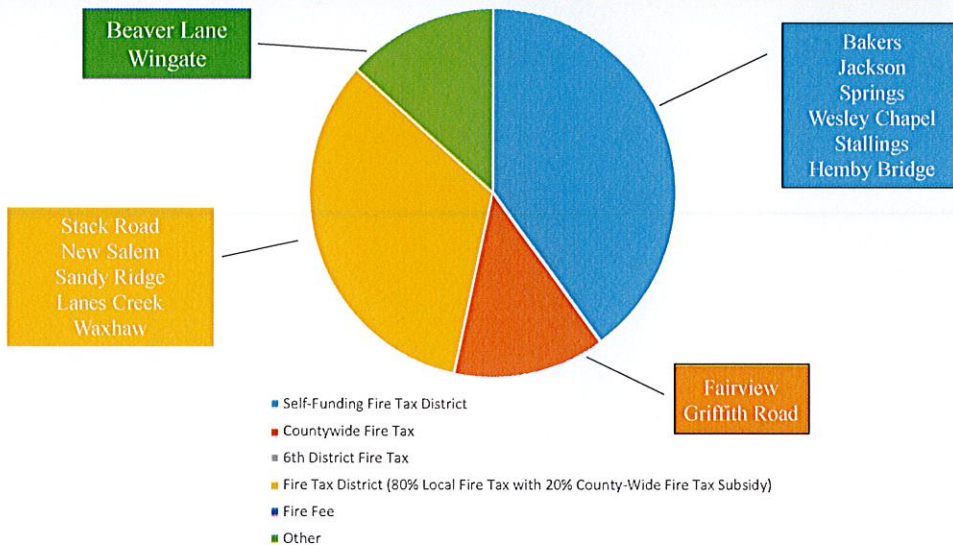
On August 28th the Fire Chiefs were provided a Survey asking the Following Questions

- ❖ Which of the 5 Fire Funding Methodologies best meet the needs of your VFD?
- ❖ Please Explain why the Option you chose is best suited for your Fire Service District?

VFD Responses

- Hemby Bridge
- Bakers
- Fairview
- Jackson
- Lanes Creek
- New Salem
- Sandy Ridge
- Springs
- Stack Road
- Stallings
- Waxhaw
- Wingate
- Griffith Road
- Wesley Chapel

FIRE CHIEF SURVEY: PREFERRED FUNDING MODEL?



FIRE CHIEF SURVEY FEEDBACK

- ❖ 13 of the 15 VFD Chiefs preferred some version of a Fire Tax Model
- ❖ Zero Respondents Supported the Following Methodologies:
 - ❖ Fire Fee Districts
 - ❖ 6th Fire Tax District
- ❖ The majority of Chiefs support a Taxing model and recognize that a percentage or dollar amount provided to each VFD for a basic level of service may be best suited to balance the needs of Urban and Rural Districts

VFD Responses

- Hemby Bridge
- Bakers
- Fairview
- Jackson
- Lanes Creek
- New Salem
- Sandy Ridge
- Springs
- Stack Road
- Stallings
- Waxhaw
- Wingate
- Wesley Chapel

LONG-TERM GOALS

- ❖ If Municipalities opt out of County Fire Service System, that would require significant lead time
 - ❖ Include contract revisions to reflect changes in VFD responsibilities
- ❖ A **partnership** between the County, Municipalities and Volunteer Fire Departments
 - ❖ Long range planning of Fire Protection Services in Union County
 - ❖ Prepare for increased municipal participation in Fire Protection Services
- ❖ County's overall goal is to provide a Sustainable and Flexible fire funding model
 - ❖ Address demographic changes
 - ❖ Respond quickly to funding challenges
 - ❖ Provide local control over revenue streams

2
7

MUNICIPAL FEEDBACK?

- ❖ **Self-Funding Tax District**
- ❖ **Countywide Tax**
- ❖ **Self-Funding + County % Subsidy**
- ❖ **Local Legislation Fire Fee Methodology**

2
8

Alex Sewell

From: Michael James <michael.james@unioncountync.gov>
Sent: Wednesday, November 21, 2018 8:54 AM
To: Alex Sewell
Subject: Stallings Countywide Tax Question

Good Morning Alex,

Our Tax Assessors Office did the analysis you had requested and the revenue breakdown is below, the Town of Stallings proper represents about \$167,669 of the countywide fire tax revenue received. These calculations do not include motor vehicle tax revenue, but that is nominal when looking at the whole picture.

Countywide Fire Tax .0103

Stallings Fire District: \$223,701.01

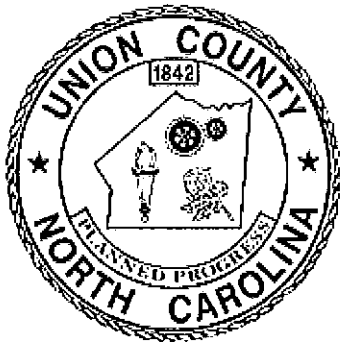
Hemby Bridge Fire District: \$243,079.32

I hope you and your family have a great Thanksgiving.

Mike

Michael S. James

Assistant to the County Manager



Union County Government
Central Administration
500 N. Main Street
Suite #921
Monroe, North Carolina 28112

T 704.283.3630
M 276.733.3456
michael.james@unioncountync.gov
www.unioncountync.gov

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MEMO:

TO: Town Council
FROM: Lynne Hair, Development Administrator
SUBJECT: Old Monroe Small Area Plan/Stallings Park Parking Options
DATE: November 15, 2018

In August, the draft Old Monroe Small Area Plan was presented and approved by Town Council. A component of the plan was the proposed parking drive through Stallings Park created to provide additional parking, remove existing parking lot, and create greenspace along Stallings Road. Council requested that this option be shown in the small area plan and included in town hall streetscape plans.

Staff received and reviewed the draft and noted several concerns:

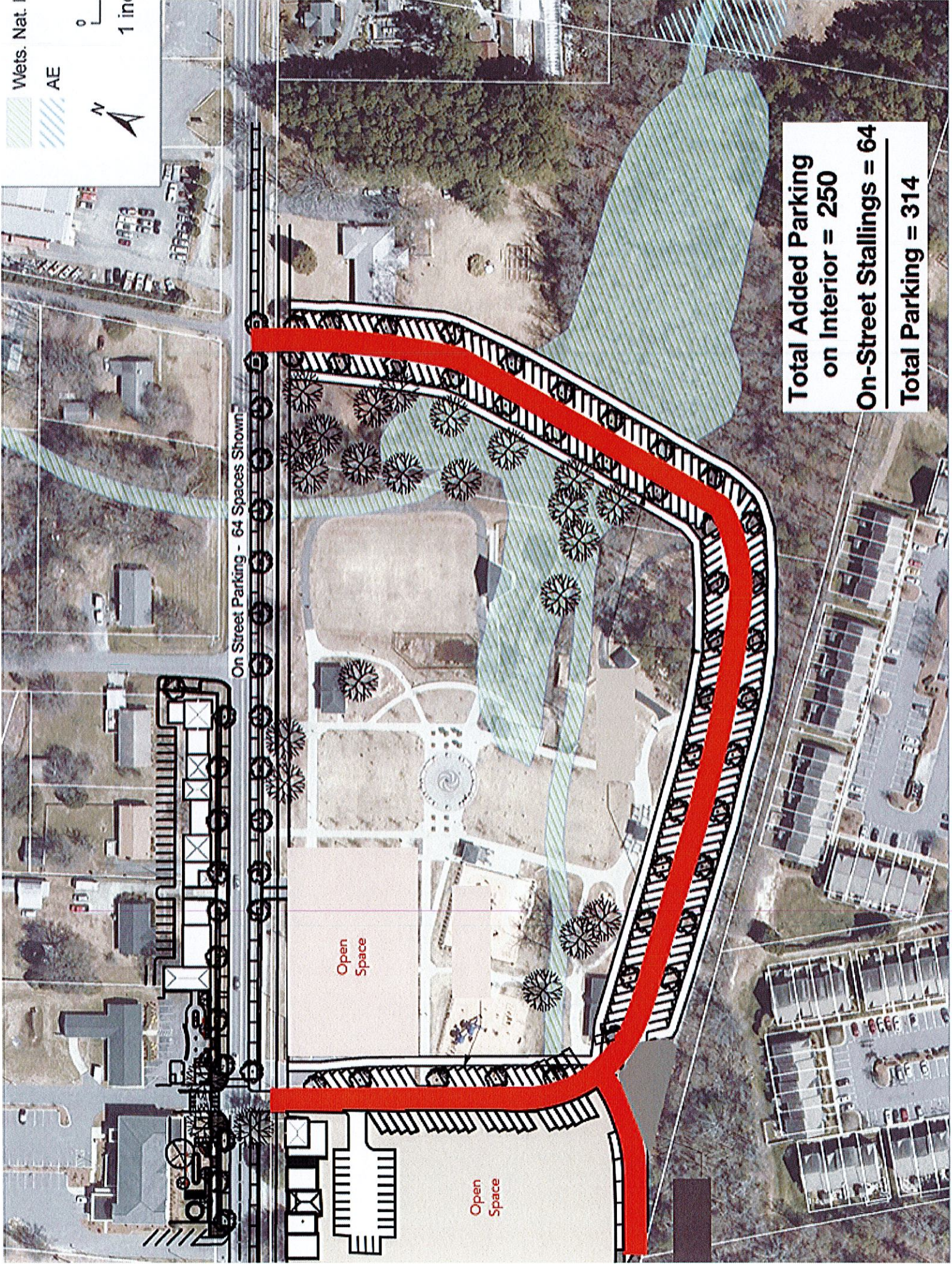
1. Construction of the drive will remove shelter D, the tennis courts, a playground, and open space used for Stallings Park amusement rides.
2. Purchase of adjacent parcel #07129320 would be necessary for right of way of the proposed parking drive.
3. Removal of the house on parcel #07129320 would be required.
4. An area of wetlands would have to be crossed/mitigated for this road to be built.
5. Expense of executing this plan and the impact it will have on the park.

Staff requested a second option be provided that would accomplish the original goals of the parking aisle while maintaining as many of the existing park amenities as possible. Cost reduction and connectivity were also stated as priorities.

Staff is seeking direction from Council on which option they prefer be included in the final small area plan and streetscape documents.

Wets. Nat. I
 AE

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 1 in

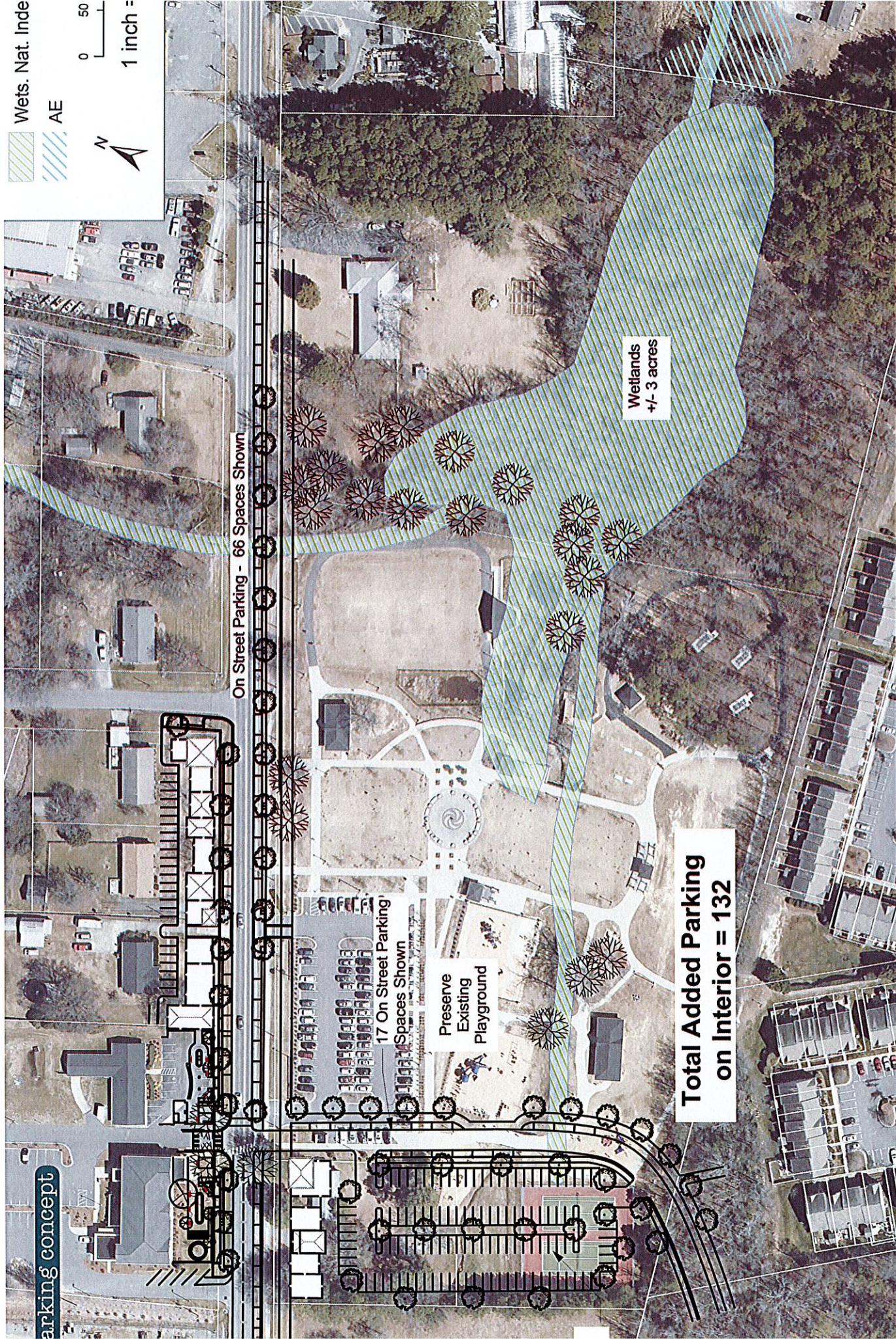


**Total Added Parking
 on Interior = 250**

On-Street Stallings = 64

Total Parking = 314

Wets. Nat. Inde
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 1 inch =



arking concept

stallings municipal park



TO: Mayor Dunn; Town Council
FR: Alex Sewell
DATE: 11/20/18
RE: Bids – New Town Hall & Public Works Facility

Purpose: This memorandum's purpose is to provide the certified bids tabulations for the above project, provide analysis, and seek direction from Town Council.

Background: The Town has designed New Town Hall and Public Works Facilities and sought bids from interested contractors.

Update: Attached is the architect's certified bid tabulations and recommendation letter. The architect has identified Hoss Contracting, Inc. as the lowest responsive bidder.

Construction Sum & Alternates: If Alternates #3 - #7 are selected, then the total contract sum is \$3,175,000 including \$163,300 in contingency funds. Alternates #1 and #2 are not necessities and are excluded due to fiscal concerns. Similarly, Alternate #7 is included as it reduces cost by eliminating the decorative wainscot on the Public Works building. Given the location of the Public Works building off-street, staff would offer that this decorative wainscot should be eliminated to reduce costs. Alternates #3 and #4 are necessary to build the facilities according to specifications.¹ Alternate #5 does not add any further cost.

Alternate #6 is resurfacing the existing parking lot at the current Town Hall; this existing lot is approaching the end of its useful life and resurfacing will likely be needed around the end of construction regardless. The advantage here is that you gain a more uniform appearance in the parking lot between the current and New Town Hall. The Town can wait until towards the end of construction to decide on this alternate (when subsurface conditions are understood and it's determined if contingency funds are available). Alternatively, the Town could wait and contract out this service directly which may save costs due to contractor markups for profit and overhead but appearance may not be as uniform. Notably, this cost could easily stay the same or go up based on asphalt prices.

Additional Costs: The construction contract sum does not include costs for construction testing and furniture/equipment. Construction testing is estimated at \$30,000. In the previous probable cost estimate, furniture/equipment was projected at \$122,666. However, staff believe this cost might be brought down to about \$75,000 if the Town is frugal in its furniture/equipment

¹ Alternate #3 was bid out as an alternate for stormwater fund budgeting purposes.

purchases. The sum of the construction contract, construction testing costs, and furniture equipment costs is **\$3,280,000**.

The recommended option is for the Town to pay for construction testing (\$30,000) and furniture/equipment costs (\$75,000) out of fund balance and also pay for underground detention (\$208,000) out of stormwater fund balance. Under this scenario, **the Town would be paying \$313,000 out of fund balance and borrow the remaining \$2,967,000**. The pros of this approach would be that the Town would save on interest costs and decrease annual debt service payments. The cons would be there would be less cash available with fund balance levels decreasing proportionally.

Alternatively, the Town could borrow the entire amount. The pros would be it would not decrease the cash reserves proportionally as the first option. The cons are increased interest costs and annual debt service payments.

A third alternative is for the Town to borrow less and pay for more of the cost out of fund balance. The pros would be decreased interest costs and annual debt service payments. The cons would be there would be less cash available with fund balance levels decreasingly proportionally. This could be problematic given the Town's current financial commitments including the Potter and Pleasant Plains intersection and regular operations.

Financial Analysis: The Finance Officer's financial analysis presentation is enclosed.

Next Steps: As you know, the Town is on a tight schedule in timing the construction bid process, financing process, and State oversight approval process. To keep things on track, the Town Council will need determine how to proceed at either the 11/26/18 meeting or 12/3/18 meeting on the following items:

- Approve continuing on with the project; and
- Approve staff recommended alternates or direct otherwise.



BID TABULATION SHEET FOR SINGLE PRIME GENERAL CONTRACT

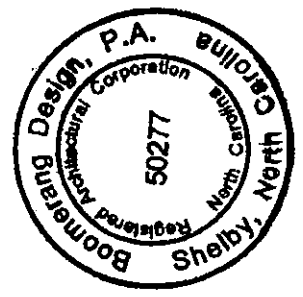
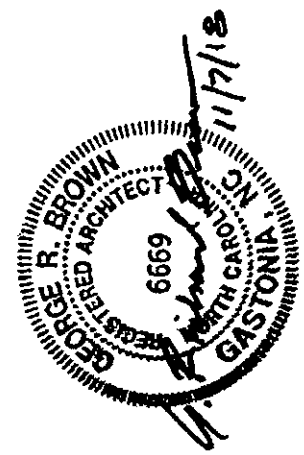
New Town Hall & Public Works Building for Stallings

Comm. No.: 1744
 File: B8.1
 Bid Date: Nov. 6, 2018
 Bid Opening Time: 2:00 PM
 Bid Location: Stallings Town Hall
 315 Stallings Road
 Stallings, NC

| | Encompass Building Group | Garanco, Inc | Hoss Contracting, Inc | Miles-McClellan Construction, Inc. | |
|-----------------------------------|--------------------------|--------------|-----------------------|------------------------------------|--|
| License Number | 72954 | 34928 | 77611 | 69358 | |
| Addenda Received (1 thru 4) | 1-4 | 1-4 | 1-4 | 1-4 | |
| Base Bid | 3,150,000.00 | 3,332,800.00 | 2,808,000.00 | 3,403,350.00 | |
| Alternates (Sec. 01 23 00) | | | | | |
| #1: Firm Alarm System | 0.00 | TBD | 18,000.00 | 5,000.00 | |
| #2: Energy Management | 35,000.00 | 62,900.00 | 62,000.00 | 70,500.00 | |
| #3: Underground detention | 350,000.00 | (110,000.00) | 208,000.00 | 350,000.00 | |
| #4: AV System | 131,564.00 | (125,000.00) | 147,000.00 | 165,000.00 | |
| #5: AV System (specified) | No Bid | TBD | 0.00 | No Bid | |
| #6: Existing Lot remediation | 45,000.00 | 51,000.00 | 49,000.00 | 49,000.00 | |
| #7: PW Alternate wall system | 1,500.00 | (27,000.00) | (37,000.00) | (20,000.00) | |

These bid numbers have been checked against the forms of proposal received from the contractors bidding the job and have been found to be accurate.

G. Richard Brown
 by G. Richard Brown, AIA





November 20, 2018

Mr. M. Alexander Sewell, Esq.
Town Manager, Town of Stallings
315 Stallings Road
Stallings, NC 28104

RE: New Town Hall and Public Works Building for the Town of Stallings
SUBJECT: Bid Results
COMM. NO.: 1744 FILE NO.: B 8.1

Dear Alex:

The above referenced project was advertised for bid on October 7, 2018 pursuant to NC General Statutes Chapter 143, Article 8. We received eleven requests for bidding documents. Four contractors submitted bids and those bids were publicly opened and read on November 6, 2018 at 2:00 pm. A certified bid tab is attached.

The work was bid as single prime (all trades) with seven alternates generally described as follows:

- **Base Bid:** General construction, site work, plumbing, mechanical, electrical, and fire protection.
- **Alternate #1 Fire Control System:**
This alternate sought a price to provide the Owner's preferred system that is the same brand as in the existing town hall (Alarm South). A basic system is included in the base bid.
- **Alternate #2 Energy Management System:**
This alternate sought a price to include an energy management system in the building which would allow a higher level and remote control of the HVAC systems. It is not a requirement for the building to function but would allow web-based connectivity to your current and future buildings. The current town hall has a BMI Energy Management system.
- **Alternate #3: Underground Detention System:**
This alternate is required to construct the project. The administration advised that funding for this system could come from different sources; therefore, an alternate price was sought so as to have this number identified.
- **Alternate #4 Audio-Visual System:**
An AV system is needed for the building to function as intended. The administration advised that the preference was to have the general contractor coordinate this work so that there would be a turn-key solution; therefore, a price was sought to provide this work.
- **Alternate #5 Audio-Visual System (preferred provider):**
The administration/architect worked with an audio-visual system engineer to specify the system components and preferred equipment. Selecting this alternate will ensure that specified brands and vendor are used.

Boomerang DESIGN

Page 2 of 2

Letter to: Mr. Alex Sewell

November 20, 2018

- **Alternate #6 Parking Lot Remediation:**

This alternate sought a price to repave and re-stripe the existing parking lot behind the current town hall. The new lot and re-worked entrance drive construction cost is contained in the contractor's base bid and not a part of this alternate.

- **Alternate #7 Alternate wall system:**

This alternate applies to the Public Works Building only. Selecting this alternate provides the building with a brick veneer exterior wall system in lieu of the decorative block/brick veneer/cornice system detailed in the base bid.

The lowest responsible bidder is Hoss Contracting (formally Godfrey Construction Company and is based in Wingate, NC.) with a base bid number of \$2,808,000.00. Hoss Contracting included the following as major sub-contractors on the project:

- GS Plumbing
- Union Mechanical
- Hinson Electric

The town administration advised that the following alternates were to be considered with the base bid.

- Alternate #3: Underground detention system
- Alternate #4: AV System
- Alternate #5: AV System preferred provider
- Alternate #6: Parking Lot Remediation (To be deferred for later consideration.)
- Alternate #7: Alternate wall system

Therefore; the total contract price is identified as \$3,126,000.00 including Alternate #3, 4, 5, 7 with Hoss Contracting as the lowest responsible bidder.

We will await further direction from Town Council and Administration concerning award. Please let us know if there are any questions.

Regards,

Boomerang Design



G. Richard Brown, AIA

Enclosure: Bid Tab

Installment Financing Update



11/26/2018

Installment Financing Update



- RFP with a not-to-exceed amount of \$3.5M advertised and emailed to over 12 financial institutions with proposal due date of November 29, 2018
- Since RFP release – met with 3 banks and discussions with 3 others with questions and requests for information
- Expectations based on discussions are that interest rates will be somewhere between 3.0% and 4.0% with 7 or 10 year term
- Letter of Intent has been submitted to the Joint Legislative Committee on Local Government that describes the Town's intention to apply for a construction loan for the New Town Hall and Public Works buildings and requesting consideration for approval at their January meeting
- Construction bids have been reviewed and memos from Boomerang and Town Manager have been written with recommendations for bid selection and overall project cost

Loan Amount and Payout



Town has not received any proposals to date but based on Construction Bids and recommendations from Town Manager, made the following assumptions to analyze possible options:

| | |
|---------------------------|---|
| Financed amount | \$2,967,000 |
| Interest Rate | 3.0% to 4.0% |
| Payback Period | 7 years and 10 years |
| Interest Payments | Monthly based on outstanding principal |
| Principal Payments | Annual equal payments |

Payment Analysis – 10 Year



| | Interest Rate 3.0% | | Interest Rate 4.0% | | | Interest Rate 3.0% | | Interest Rate 4.0% | |
|-----------------------------------|--------------------|------------|--------------------|------------|-----------------------------------|--------------------|--------------|--------------------|--------------|
| | Monthly | Annually | Monthly | Annually | | Monthly | Annually | Monthly | Annually |
| Year 1 | | | | | Year 6 | | | | |
| Interest - 12 monthly payments of | \$ 7,418 | \$ 89,010 | \$ 9,890 | \$ 118,680 | Interest - 12 monthly payments of | \$ 3,709 | \$ 44,505 | \$ 4,945 | \$ 59,340 |
| Principal Payments | \$ 296,700 | \$ 296,700 | \$ 296,700 | \$ 296,700 | Principal Payments | \$ 296,700 | \$ 296,700 | \$ 296,700 | \$ 296,700 |
| Total Payments - Year 1 | \$ 385,710 | \$ 385,710 | \$ 415,380 | \$ 415,380 | Total Payments - Year 6 | \$ 341,205 | \$ 341,205 | \$ 356,040 | \$ 356,040 |
| Year 2 | | | | | Year 7 | | | | |
| Interest - 12 monthly payments of | \$ 6,676 | \$ 80,109 | \$ 8,901 | \$ 106,812 | Interest - 12 monthly payments of | \$ 2,967 | \$ 35,604 | \$ 3,956 | \$ 47,472 |
| Principal Payments | \$ 296,700 | \$ 296,700 | \$ 296,700 | \$ 296,700 | Principal Payments | \$ 296,700 | \$ 296,700 | \$ 296,700 | \$ 296,700 |
| Total Payments - Year 2 | \$ 376,809 | \$ 376,809 | \$ 403,512 | \$ 403,512 | Total Payments - Year 7 | \$ 332,304 | \$ 332,304 | \$ 344,172 | \$ 344,172 |
| Year 3 | | | | | Year 8 | | | | |
| Interest - 12 monthly payments of | \$ 5,934 | \$ 71,208 | \$ 7,912 | \$ 94,944 | Interest - 12 monthly payments of | \$ 2,225 | \$ 26,703 | \$ 2,967 | \$ 35,604 |
| Principal Payments | \$ 296,700 | \$ 296,700 | \$ 296,700 | \$ 296,700 | Principal Payments | \$ 296,700 | \$ 296,700 | \$ 296,700 | \$ 296,700 |
| Total Payments - Year 3 | \$ 367,908 | \$ 367,908 | \$ 391,644 | \$ 391,644 | Total Payments - Year 8 | \$ 323,403 | \$ 323,403 | \$ 332,304 | \$ 332,304 |
| Year 4 | | | | | Year 9 | | | | |
| Interest - 12 monthly payments of | \$ 5,192 | \$ 62,307 | \$ 6,923 | \$ 83,076 | Interest - 12 monthly payments of | \$ 1,484 | \$ 17,802 | \$ 1,978 | \$ 23,736 |
| Principal Payments | \$ 296,700 | \$ 296,700 | \$ 296,700 | \$ 296,700 | Principal Payments | \$ 296,700 | \$ 296,700 | \$ 296,700 | \$ 296,700 |
| Total Payments - Year 4 | \$ 359,007 | \$ 359,007 | \$ 379,776 | \$ 379,776 | Total Payments - Year 9 | \$ 314,502 | \$ 314,502 | \$ 320,436 | \$ 320,436 |
| Year 5 | | | | | Year 10 | | | | |
| Interest - 12 monthly payments of | \$ 4,451 | \$ 53,406 | \$ 5,934 | \$ 71,208 | Interest - 12 monthly payments of | \$ 742 | \$ 8,901 | \$ 989 | \$ 11,868 |
| Principal Payments | \$ 296,700 | \$ 296,700 | \$ 296,700 | \$ 296,700 | Principal Payments | \$ 296,700 | \$ 296,700 | \$ 296,700 | \$ 296,700 |
| Total Payments - Year 5 | \$ 350,106 | \$ 350,106 | \$ 367,908 | \$ 367,908 | Total Payments - Year 10 | \$ 305,601 | \$ 305,601 | \$ 308,568 | \$ 308,568 |
| | | | | | TOTAL INTEREST | \$ 489,555 | \$ 489,555 | \$ 652,740 | \$ 652,740 |
| | | | | | TOTAL PRINCIPAL | \$ 2,967,000 | \$ 2,967,000 | \$ 2,967,000 | \$ 2,967,000 |
| | | | | | TOTAL PAYMENTS | \$ 3,456,555 | \$ 3,456,555 | \$ 3,619,740 | \$ 3,619,740 |

Payment Analysis – 7 Year



| | Interest Rate 3.0% | | Interest Rate 4.0% | | | Interest Rate 3.0% | | Interest Rate 4.0% | |
|-----------------------------------|--------------------|-----------|--------------------|------------|-----------------------------------|--------------------|--------------|--------------------|--------------|
| | Monthly | Annually | Monthly | Annually | | Monthly | Annually | Monthly | Annually |
| Year 1 | | | | | Year 5 | | | | |
| Interest - 12 monthly payments of | \$ 7,418 | \$ 89,010 | \$ 9,890 | \$ 118,680 | Interest - 12 monthly payments of | \$ 3,179 | \$ 38,147 | \$ 4,239 | \$ 50,863 |
| Principal Payments | \$ 423,857 | | \$ 423,857 | | Principal Payments | \$ 423,857 | | \$ 423,857 | |
| Total Payments - Year 1 | \$ 512,867 | | \$ 542,537 | | Total Payments - Year 5 | \$ 462,004 | | \$ 474,720 | |
| Year 2 | | | | | Year 6 | | | | |
| Interest - 12 monthly payments of | \$ 6,358 | \$ 76,294 | \$ 8,477 | \$ 101,726 | Interest - 12 monthly payments of | \$ 2,119 | \$ 25,431 | \$ 2,826 | \$ 33,909 |
| Principal Payments | \$ 423,857 | | \$ 423,857 | | Principal Payments | \$ 423,857 | | \$ 423,857 | |
| Total Payments - Year 2 | \$ 500,151 | | \$ 525,583 | | Total Payments - Year 6 | \$ 449,289 | | \$ 457,766 | |
| Year 3 | | | | | Year 7 | | | | |
| Interest - 12 monthly payments of | \$ 5,298 | \$ 63,579 | \$ 7,064 | \$ 84,771 | Interest - 12 monthly payments of | \$ 1,060 | \$ 12,716 | \$ 1,413 | \$ 16,954 |
| Principal Payments | \$ 423,857 | | \$ 423,857 | | Principal Payments | \$ 423,857 | | \$ 423,857 | |
| Total Payments - Year 3 | \$ 487,436 | | \$ 508,629 | | Total Payments - Year 7 | \$ 436,573 | | \$ 440,811 | |
| Year 4 | | | | | TOTAL INTEREST | | \$ 356,040 | | \$ 474,720 |
| Interest - 12 monthly payments of | \$ 4,239 | \$ 50,863 | \$ 5,651 | \$ 67,817 | TOTAL PRINCIPAL | | \$ 2,967,000 | | \$ 2,967,000 |
| Principal Payments | \$ 423,857 | | \$ 423,857 | | TOTAL PAYMENTS | | \$ 3,323,040 | | \$ 3,441,720 |
| Total Payments - Year 4 | \$ 474,720 | | \$ 491,674 | | | | | | |

Payback Strategy



Sources for repayment

- **Current Year Revenue** – Town has trend of adding to fund balance which can be utilized to repay debt
- **Fund Balance** – both Restricted (Storm Water) and Unrestricted
- **Limit One-Time Costs and Expenditure** increases year over year **WITHOUT** changing level of service to our citizens
- **Potter Road Pleasant Plains reimbursement** from NCDOT and Federal/State Government
- **Looking at the 10 Year Payback chart** – Town's annual payments in the first years are approximately \$400,000

Payback Strategy YOY Add to Fund Balance



| | <u>FY2017</u> | <u>FY2018</u> | <u>FY2019</u> | Projected <u>FY2020*</u> |
|--|-------------------|-------------------|-------------------|-----------------------------|
| Revenue | \$ 6,768,315 | \$ 6,679,702 | \$ 6,859,599 | \$ 7,044,341 |
| YOY Growth | -4.57% | -1.31% | 2.69% | 2.69% |
| General Fund Expenditures | \$ 5,914,302 | \$ 6,523,308 | \$ 6,653,000 | \$ 6,919,120 |
| YOY Growth | -4.4% | 10.3% | 2.0% | 4.0% |
| Revenue over Expenditures (Add to Fund Balance) | <u>\$ 854,013</u> | <u>\$ 156,394</u> | <u>\$ 206,599</u> | <u>\$ 125,221</u> |

* - Assumes same revenue growth as experienced in FY2019 and twice the expense growth in FY2019 for FY2020

Payback Strategy FY2018 & FY2019 - One-time Expenses



| | <u>FY2018</u> | <u>FY2019</u> |
|--|-------------------|-------------------|
| General Government | | |
| Building Design | \$ 196,000 | |
| Police Department | | |
| Transportation | | |
| Stallings Road Sidewalks | \$ 111,004 | |
| Vehicle Purchase (Shared w/Planning) | \$ 11,400 | |
| Transportation Commitments | | \$ 167,500 |
| Planning and Zoning | | |
| Small Area Plans / Greenway | \$ 276,150 | \$ 93,000 |
| Vehicle Purchase (Shared w/Transportation) | \$ 11,400 | |
| Public Works | | |
| Vehicle Purchase | \$ 23,216 | |
| HVAC Town Hall | | \$ 77,910 |
| Park and Recreation | | |
| Park Master Plan & Greenway Engineering | | \$ 118,000 |
| Park Shades | | \$ 94,000 |
| Debt - Interest Payments | | \$ 82,500 |
| Total | <u>\$ 629,170</u> | <u>\$ 632,910</u> |

FY2018-2019 Fund Balance



| | <i>7/1/2018 Balance</i> |
|---|-----------------------------|
| Unassigned Fund Balance | \$ 3,355,658 |
| Stabilization by State Statute | 601,599 |
| Powell Bill | 153,094 |
| Drug Forfeiture | 126,493 |
| Capital Project Commitment - Chestnut Lane Roundabout | 350,000 |
| Fees in Lieu of Park Land | 330,043 |
| Capital Expenditures - Subsequent year expenditures | 1,550,000 |
| 30 Percent Reserve | 2,478,150 |
| Total Fund Balance - General Fund | \$ 8,945,037 |
| Fund Balance - Storm Water | \$ 1,256,533 |

FY2018-2019 Potter Road/Pleasant Plains



Potter Road / Pleasant Plains Intersection

Right of Way Acquisition is very close to completion. Estimated total cost of the project \$3.9M

Town's investment:

| | |
|------------------------|--------------|
| Engineering | \$ 368,750 |
| Real Estate Consultant | \$ 161,914 |
| ROW Acquisition | \$ 1,500,000 |

(includes contingency
& escalation)

| | |
|--------------------|---------------------|
| Construction Cost | \$ 1,900,000 |
| Total Costs | \$ 3,930,664 |

Note: Town will be reimbursed for the following:

| | |
|--------------------|--------------|
| HSIP (Fed) | \$ 825,000 |
| STP-DA (Fed/State) | \$ 1,600,000 |
| Union County | \$ 324,000 |

| | |
|-----------------------|---------------------|
| Projected FY2020 | \$ 2,749,000 |
| Net Investment | \$ 1,181,664 |

- Plan is to request reimbursement from NCDOT once we receive the approval to move forward with construction
- Once we begin construction – will submit for progress payments

Summary and Next Steps



Financing rates remain low and the Town is in great financial position to be able to repay the financial obligation and move forward with the project

- **Town will need to restrict spending until we begin to receive Potter Road Pleasant Plains reimbursements**
- **Need decision on Construction Bid and borrowed amount**
- **Review and analyze RFP's from financial institutions and make recommendation**
- **Complete application and submit package to LGC for review and approval at the January 2019 meeting**
- **Close on loan following week**



Installment Financing Update



11/26/2018

Installment Financing Update



- RFP with a not-to-exceed amount of \$3.5M advertised and emailed to over 12 financial institutions with proposal due date of November 29, 2018
- Since RFP release – met with 3 banks and discussions with 3 others with questions and requests for information
- Expectations based on discussions are that interest rates will be somewhere between 3.0% and 4.0% with 7 or 10 year term
- Letter of Intent has been submitted to the Joint Legislative Committee on Local Government that describes the Town’s intention to apply for a construction loan for the New Town Hall and Public Works buildings and requesting consideration for approval at their January meeting
- Construction bids have been reviewed and memos from Boomerang and Town Manager have been written with recommendations for bid selection and overall project cost

Loan Amount and Payout



Town has not received any proposals to date but based on Construction Bids and recommendations from Town Manager, made the following assumptions to analyze possible options:

| | |
|---------------------------|---|
| Financed amount | \$2,967,000 |
| Interest Rate | 3.0% to 4.0% |
| Payback Period | 7 years and 10 years |
| Interest Payments | Monthly based on outstanding principal |
| Principal Payments | Annual equal payments |

Payment Analysis – 10 Year



| | Interest Rate Monthly | 3.0% Annually | Interest Rate Monthly | 4.0% Annually | | Interest Rate Monthly | 3.0% Annually | Interest Rate Monthly | 4.0% Annually |
|--|-----------------------|---------------|-----------------------|---------------|--|-----------------------|---------------|-----------------------|---------------|
| Year 1 | | | | | Year 6 | | | | |
| Interest - 12 monthly payments of Principal Payments | \$ 7,418 | \$ 89,010 | \$ 9,890 | \$ 118,680 | Interest - 12 monthly payments of Principal Payments | \$ 4,945 | \$ 44,505 | \$ 4,945 | \$ 59,340 |
| Total Payments - Year 1 | \$ 385,710 | \$ 296,700 | \$ 415,380 | \$ 296,700 | Total Payments - Year 6 | \$ 3,709 | \$ 296,700 | \$ 4,945 | \$ 296,700 |
| | | | | | | | | | |
| Year 2 | | | | | Year 7 | | | | |
| Interest - 12 monthly payments of Principal Payments | \$ 6,676 | \$ 80,109 | \$ 8,901 | \$ 106,812 | Interest - 12 monthly payments of Principal Payments | \$ 2,967 | \$ 35,604 | \$ 3,956 | \$ 47,472 |
| Total Payments - Year 2 | \$ 376,809 | \$ 296,700 | \$ 403,512 | \$ 296,700 | Total Payments - Year 7 | \$ 2,225 | \$ 296,700 | \$ 3,956 | \$ 296,700 |
| | | | | | | | | | |
| Year 3 | | | | | Year 8 | | | | |
| Interest - 12 monthly payments of Principal Payments | \$ 5,934 | \$ 71,208 | \$ 7,912 | \$ 94,944 | Interest - 12 monthly payments of Principal Payments | \$ 2,967 | \$ 26,703 | \$ 2,967 | \$ 35,604 |
| Total Payments - Year 3 | \$ 367,908 | \$ 296,700 | \$ 391,644 | \$ 296,700 | Total Payments - Year 8 | \$ 1,484 | \$ 296,700 | \$ 2,967 | \$ 296,700 |
| | | | | | | | | | |
| Year 4 | | | | | Year 9 | | | | |
| Interest - 12 monthly payments of Principal Payments | \$ 5,192 | \$ 62,307 | \$ 6,923 | \$ 83,076 | Interest - 12 monthly payments of Principal Payments | \$ 1,484 | \$ 17,802 | \$ 1,978 | \$ 23,736 |
| Total Payments - Year 4 | \$ 359,007 | \$ 296,700 | \$ 379,776 | \$ 296,700 | Total Payments - Year 9 | \$ 742 | \$ 296,700 | \$ 1,978 | \$ 296,700 |
| | | | | | | | | | |
| Year 5 | | | | | Year 10 | | | | |
| Interest - 12 monthly payments of Principal Payments | \$ 4,451 | \$ 53,406 | \$ 5,934 | \$ 71,208 | Interest - 12 monthly payments of Principal Payments | \$ 989 | \$ 8,901 | \$ 989 | \$ 11,868 |
| Total Payments - Year 5 | \$ 350,106 | \$ 296,700 | \$ 367,908 | \$ 296,700 | Total Payments - Year 10 | \$ 305,601 | \$ 305,601 | \$ 308,568 | \$ 308,568 |
| | | | | | | | | | |
| TOTAL INTEREST | | | | | TOTAL INTEREST | | | | |
| TOTAL PRINCIPAL | | | | | TOTAL PRINCIPAL | | | | |
| TOTAL PAYMENTS | | | | | TOTAL PAYMENTS | | | | |

Payment Analysis – 7 Year



| | Interest Rate 3.0% | | Interest Rate 4.0% | |
|-----------------------------------|--------------------|--------------|--------------------|--------------|
| | Monthly | Annually | Monthly | Annually |
| <u>Year 1</u> | | | | |
| Interest - 12 monthly payments of | \$ 7,418 | \$ 89,010 | \$ 9,890 | \$ 118,680 |
| Principal Payments | \$ 423,857 | \$ 423,857 | \$ 423,857 | \$ 423,857 |
| Total Payments - Year 1 | \$ 512,867 | \$ 512,867 | \$ 542,537 | \$ 542,537 |
| <u>Year 2</u> | | | | |
| Interest - 12 monthly payments of | \$ 6,358 | \$ 76,294 | \$ 8,477 | \$ 101,726 |
| Principal Payments | \$ 423,857 | \$ 423,857 | \$ 423,857 | \$ 423,857 |
| Total Payments - Year 2 | \$ 500,151 | \$ 500,151 | \$ 525,583 | \$ 525,583 |
| <u>Year 3</u> | | | | |
| Interest - 12 monthly payments of | \$ 5,298 | \$ 63,579 | \$ 7,064 | \$ 84,771 |
| Principal Payments | \$ 423,857 | \$ 423,857 | \$ 423,857 | \$ 423,857 |
| Total Payments - Year 3 | \$ 487,436 | \$ 487,436 | \$ 508,629 | \$ 508,629 |
| <u>Year 4</u> | | | | |
| Interest - 12 monthly payments of | \$ 4,239 | \$ 50,863 | \$ 5,651 | \$ 67,817 |
| Principal Payments | \$ 423,857 | \$ 423,857 | \$ 423,857 | \$ 423,857 |
| Total Payments - Year 4 | \$ 474,720 | \$ 474,720 | \$ 491,674 | \$ 491,674 |
| <u>Year 5</u> | | | | |
| Interest - 12 monthly payments of | \$ 3,179 | \$ 38,147 | \$ 4,239 | \$ 50,863 |
| Principal Payments | \$ 423,857 | \$ 423,857 | \$ 423,857 | \$ 423,857 |
| Total Payments - Year 5 | \$ 462,004 | \$ 462,004 | \$ 474,720 | \$ 474,720 |
| <u>Year 6</u> | | | | |
| Interest - 12 monthly payments of | \$ 2,119 | \$ 25,431 | \$ 2,826 | \$ 33,909 |
| Principal Payments | \$ 423,857 | \$ 423,857 | \$ 423,857 | \$ 423,857 |
| Total Payments - Year 6 | \$ 449,289 | \$ 449,289 | \$ 457,766 | \$ 457,766 |
| <u>Year 7</u> | | | | |
| Interest - 12 monthly payments of | \$ 1,060 | \$ 12,716 | \$ 1,413 | \$ 16,954 |
| Principal Payments | \$ 423,857 | \$ 423,857 | \$ 423,857 | \$ 423,857 |
| Total Payments - Year 7 | \$ 436,573 | \$ 436,573 | \$ 440,811 | \$ 440,811 |
| TOTAL INTEREST | | \$ 356,040 | | \$ 474,720 |
| TOTAL PRINCIPAL | | \$ 2,967,000 | | \$ 2,967,000 |
| TOTAL PAYMENTS | | \$ 3,323,040 | | \$ 3,441,720 |

Payback Strategy



Sources for repayment

- Current Year Revenue – Town has trend of adding to fund balance which can be utilized to repay debt
- Fund Balance – both Restricted (Storm Water) and Unrestricted
- Limit One-Time Costs and Expenditure increases year over year **WITHOUT** changing level of service to our citizens
- Potter Road Pleasant Plains reimbursement from NCDOT and Federal/State Government
- Looking at the 10 Year Payback chart – Town’s annual payments in the first years are approximately \$400,000

Payback Strategy

YOY Add to Fund Balance



| | <u>FY2017</u> | <u>FY2018</u> | <u>FY2019</u> | Projected <u>FY2020*</u> |
|--|-------------------|-------------------|-------------------|-----------------------------|
| Revenue | \$ 6,768,315 | \$ 6,679,702 | \$ 6,859,599 | \$ 7,044,341 |
| YOY Growth | -4.57% | -1.31% | 2.69% | 2.69% |
| General Fund Expenditures | \$ 5,914,302 | \$ 6,523,308 | \$ 6,653,000 | \$ 6,919,120 |
| YOY Growth | -4.4% | 10.3% | 2.0% | 4.0% |
| Revenue over Expenditures (Add to Fund Balance) | \$ <u>854,013</u> | \$ <u>156,394</u> | \$ <u>206,599</u> | \$ <u>125,221</u> |

* - Assumes same revenue growth as experienced in FY2019 and twice the expense growth in FY2019 for FY2020

Payback Strategy

FY2018 & FY2019 - One-time Expenses



| | <u>FY2018</u> | <u>FY2019</u> |
|--|-------------------|-------------------|
| General Government | | |
| Building Design | \$ 196,000 | |
| Police Department | | |
| Transportation | | |
| Stallings Road Sidewalks | \$ 111,004 | |
| Vehicle Purchase (Shared w/Planning) | \$ 11,400 | |
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| Vehicle Purchase | \$ 23,216 | |
| HVAC Town Hall | | \$ 77,910 |
| Park and Recreation | | |
| Park Master Plan & Greenway Engineering | \$ 118,000 | |
| Park Shades | \$ 94,000 | |
| Debt - Interest Payments | | \$ 82,500 |
| Total | \$ 629,170 | \$ 632,910 |

FY2018-2019 Fund Balance



| | 7/1/2018 Balance |
|---|---------------------|
| Unassigned Fund Balance | \$ 3,355,658 |
| Stabilization by State Statute | 601,599 |
| Powell Bill | 153,094 |
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FY2018-2019 Potter Road/Pleasant Plains



Potter Road / Pleasant Plains Intersection

Right of Way Acquisition is very close to completion. Estimated total cost of the project \$3.9M

Town's investment:

| | | |
|------------------------|----|-----------|
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| Real Estate Consultant | \$ | 161,914 |
| ROW Acquisition | \$ | 1,500,000 |
| Construction Cost | \$ | 1,900,000 |
| Total Costs | \$ | 3,930,664 |

(includes contingency
& escalation)

Note: Town will be reimbursed for the following:

| | | |
|--------------------|----|-----------|
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| Union County | \$ | 324,000 |
| Projected FY2020 | \$ | 2,749,000 |
| Net Investment | \$ | 1,181,664 |

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- Once we begin construction – will submit for progress payments

Summary and Next Steps



Financing rates remain low and the Town is in great financial position to be able to repay the financial obligation and move forward with the project

- **Town will need to restrict spending until we begin to receive Potter Road Pleasant Plains reimbursements**
- **Need decision on Construction Bid and borrowed amount**
- **Review and analyze RFP's from financial institutions and make recommendation**
- **Complete application and submit package to LGC for review and approval at the January 2019 meeting**
- **Close on loan following week**



TO: Mayor Dunn; Town Council
FR: Alex Sewell
DATE: 11/19/18
RE: Performance Evaluation System

Purpose: This memorandum's purpose is to provide draft Performance Evaluation policies approved by the Council Performance Evaluation Committee for the Council's consideration.

Background: On 2/20/18, the Town Council set its expectations for the Town Manager. One of those expectations was to have a written performance evaluation system in place by the end of calendar year 2018. An initial steering committee was created, a defined workplace culture ("The Stallings Way") was identified, and an action plan developed.

On 8/10/18, the Town Council was presented with several draft policies related to Performance Evaluation. To thoroughly review these policies, the Council created a Performance Evaluation Committee (Mayor Dunn, Ms. Paxton, & Ms. Steele) to evaluate these policies with staff. As a result, the Town Council approved pushing the goal date back to allow for this process.

Update: The Performance Evaluation Committee and staff met three times and collaboratively finalized policies for the Council to consider.

Notable changes include:

- Altering the Performance Pay Policy to ensure that staff can still consistently move through salary ranges while simultaneously rewarding performance through the performance pay bonus that is already identified in the personnel policy. The performance pay bonus funding will be determined by Council during the budget process.
- The Training & Certification Policy adds a clause that could allow the Town to recoup training costs from an employee that leaves employment with the Town prior to the end of a certain period.

- Change the personnel policy to reflect these changes.
- Change the implementation timeline per the attached schedule.

Recommendation: Staff are grateful for the Council Performance Evaluation Committee's hard work on improving these policies. Based on these meetings, staff recommend the following:

- Approve by resolution adding the Performance Review and Employee Development Program Policy to the Town's Personnel Policy.
- Approve by resolution adding the Performance Pay Program Policy to the Town's Personnel Policy.
- Approve by resolution adding the Certification and Training Policy to the Town's Personnel Policy.
- Authorize and direct the Town Manager to implement the above policies per the attached schedule and have them formatted to ensure uniformity with the existing portions of the Town's Personnel Policy. The Town Manager is authorized to alter the schedule as needed.
- Approve by resolution changing Sec. VII.5 of the Town's Personnel Policy per the enclosed.

Performance Review and Employee Development Program Town of Stallings

I. Purpose

To establish and maintain a performance review and employee development program that contributes to organizational excellence, increases accountability, and focuses on continuous employee development and recognition of the performance levels of all employees. This will be accomplished through the following objectives:

II. Objectives

1. **Continuous Performance Improvement:** To regularly discuss the performance of all Town employees based on job-related criteria; to provide performance coaching, encouragement, and exploration of optional approaches where needed; to identify during discussions both accomplishments and areas for employee performance development; to discuss specific plans to bring about continuous improvement for each employee and the organization as a whole that translates into increasing service excellence for our customers and citizens.
2. **Communications:** To create and nurture an atmosphere for open and direct two-way communications between supervisors and employees concerning job performance and requirements. To ensure that performance is discussed on a regular, on-going basis between supervisors and employees so that there are no surprises in the annual performance review. To build a partnership based on mutual respect and increase the trust in the relationship between employees and supervisors. To provide a format for supervisors, when they choose, to request and receive feedback from employees. To ensure that employees know how their jobs and their goals fit into overall organizational and departmental mission and goals.
3. **Recognition:** To establish a program of on-going feedback whereby employees receive recognition and appreciation for their good performance, accomplishments and achievements and feel affirmed for the contributions they make to the organization.
4. **Retention:** To encourage employee development and engagement with their work and with the organization and discuss employee needs in a way that results in enhanced employee retention.
5. **Employee Training /Career Development:** To develop information which can be used jointly by supervisors and employees to determine appropriate training needs and resources including on-the-job training. To discuss and identify how employees can prepare for potential advancement opportunities where appropriate.
6. **Goal-setting:** To enable employees to establish clear, challenging and achievable goals in collaboration with their supervisors. To ensure that employees know how their jobs and their goals fit into the overall organizational and departmental mission, processes, and goals.
7. **Service Excellence:** To communicate, promote, and provide accountability for the Town's commitment to service excellence.
8. **Reinforce "The Stallings Way":** To reinforce and promote the Town's unique culture known as "The Stallings Way" including teamwork, respect, commitment, integrity, & collaboration.
9. **Personnel Actions:** To provide background information and objective and accurate documentation for consideration as a basis for any personnel actions or decision that may arise, including performance pay, disciplinary actions, and promotions.

Performance Review and Employee Development Program Town of Stallings

III. Instruments

1. **Performance Review and Employee Development Program Instruments.** Instruments will be developed for use with employees of the Town based on the occupational groups as identified in the Addendum. The instruments contain performance criteria that are behaviorally anchored for each of the five levels of performance identified in Section V of this policy. The Town Manager is authorized to change the occupational groups as he/she deems necessary.
2. **Performance criteria.** Performance criteria refer to the behaviorally anchored language mentioned in number one above and are developed based on input by employees and supervisors. Performance criteria are written using the following criteria:
 - a. Clearly job-related
 - b. Stated in terms of behavior that can be observed
 - c. Specific and descriptive of the behavior
 - d. Focused on results/outputs, not inputs, effort, etc.
 - e. Measurable when possible and feasible
3. **Weights.** Weights should be established in a meeting jointly with the employee(s) and supervisor(s) at the beginning of the performance review period as part of communicating and understanding job requirements. All weights should add up to 100%. Weights should be established individually where jobs are unique and in a team approach where multiple employees have the same job duties. Weights should be reviewed annually by those who originally established them to determine if they are still accurate.

IV. Responsibilities

Each person or group identified below has a very important role to play in the Performance Review and Employee Development Program to ensure the overall program's success. Because this program has a significant interdependence component, the effectiveness of each person in performing each aspect of his/her role may substantially affect the overall effectiveness of the program for the Town.

1. Town Council. The Council's responsibilities include:
 - providing a clear mission and vision to guide the organization;
 - supporting the program;
 - adopting policies to govern the program; and
 - reinforcing the Council-Manager form of government by valuing and supporting the Town Manager's role as program administrator.
2. Town Manager. The Town Manager's responsibilities include:
 - educating, promoting, and keeping the Board informed of program status;
 - ensuring a policy is developed and maintained to guide the program;
 - monitoring the program for -
 - consistency from department to department,
 - adherence to policies and procedures,

Performance Review and Employee Development Program Town of Stallings

- training needs,
 - consistency with other personnel actions,
 - legality, and
 - overall effectiveness;
- jointly developing management performance criteria with department heads, communicating job requirements and giving feedback to department heads on their individual performance throughout the year, coaching them in the effective use of the program, fairly and objectively conducting performance review meetings with department heads;
 - fairly and objectively conducting employee appeals of performance ratings; and
 - designate the month performance evaluations will occur.
3. Department Heads. The responsibilities of department heads include:
- helping develop and communicate organizational and departmental goals and objectives to their employees;
 - educating, promoting, and involving employees in program development, implementation, use, monitoring, and insuring that new employees are oriented to the program;
 - providing on-going feedback to their direct reports, including identifying specific ways employees can improve performance;
 - identifying employee development and advancement needs and interests and recommending appropriate training opportunities;
 - supporting the training activities of the program;
 - ensuring that Performance Review and Employee Development meetings are conducted and documented in a timely fashion;
 - ensuring that interim performance reviews are completed when supervision changes occur;
 - keeping management informed on the effectiveness of the program and monitoring the performance ratings in their departments for logical documentation and consistency among divisions and different supervisors to ensure departmental fairness;
 - ensuring that the program is being conducted within departments in accordance with Town policies and procedures and legal requirements;
 - fairly and objectively conducting Performance Review and Employee Development meetings with employees answering directly to the department head; and
 - fairly and objectively conducting any employee appeals and making decisions based on valid performance ratings.

Department heads are accountable for the quality and effectiveness of the program in their departments.

4. Supervisors. The responsibilities of supervisors are:
- communicating department goals and performance requirements regularly, as well as the benefits of the performance review program;
 - clarifying specific performance criteria, communicating them to employees, and

Performance Review and Employee Development Program Town of Stallings

providing on-going performance feedback including identifying specific ways employees can improve their performance;

- conducting thorough Performance Review and Employee Development meetings and documenting them in a timely fashion, including making performance rating recommendations;
- keeping department heads informed on the effectiveness of the program including the contents of the performance review forms and following the chain of command to recommend changes necessary to maintain an accurate and fair program;
- following policies and procedures established for the program and applying them fairly and consistently;
- identifying employee development and advancement needs and interests and recommending appropriate training opportunities;
- fairly and objectively considering all performance rating appeals; and
- training new employees in the Performance Review and Employee Development program purpose, objectives, procedures, and performance requirements of employees as well as reviewing forms and performance criteria and relating them specifically to the job while setting weights as appropriate.

Supervisors are accountable for the Performance Review and Employee Development forms they complete and recommendations regarding employee performance they make.

5. Employees. Each employee is responsible for:

- working with his/her supervisor on a mutual understanding of job requirements;
- providing input and feedback into the Performance Review and Employee Development meeting including identifying accomplishments and areas for improvement;
- following the policies and procedures established for the program;
- following the chain of command to express concerns and make appeals;
- providing candid open feedback to supervisors concerning their satisfaction with the performance review program; and
- making suggestions regarding any needed changes in the performance criteria related to their jobs.

6. Human Resources Director. Human Resources Director or designee is responsible for:

- providing internal consultation on the use of the program to employees, supervisors, and management;
- working with department heads to make recommendations for any needed improvements to the program;
- monitoring the program for consistency, adherence to policies and procedures, training needs, consistency with other personnel actions, legality, and overall effectiveness;
- processing personnel transactions and insuring appropriate documentation;
- keeping materials and resources up to date and communicating all changes;
- providing feedback where needed to departments regarding timeliness,

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thoroughness, legal issues, fairness, consistency, and program statistical data;

- ensuring there is regular training on performance review and scheduling new supervisors and department heads for ESMP at the UNC School of Government as funding allows;
- orienting new employees to the program; and
- maintaining all records for the performance review & employee development program.

V. Performance Categories

The overall performance of all employees will be rated in one of the following four levels:

Important Note: The purpose of the Performance Review and Employee Development form is not to dictate a performance rating to the supervisor, but rather to help the supervisor 1) focus on job-related criteria; 2) review the whole period (three months, six months, or a year), not just most recent months; 3) give feedback on relevant aspects of the employee's performance; 4) help document performance, and 5) think through a logical decision on the overall performance rating. The performance criteria are not necessarily the only indication of performance; some categories or performance criteria are more important than others; other important aspects for consideration, such as disciplinary actions, may only be found in the summary comments. The supervisor is expected to use reasoned logic and good judgment in determining the overall rating of performance. Documentation is available to support the rating level. Employees should be rated against job requirements, not against each other.

Outstanding: Fully meets all job requirements identified for the position. In addition, performance consistently and significantly exceeds job requirements in important aspects of work. Work is performed at a sustained high level of proficiency. The employee also expands the scope of tasks and responsibilities or the amount of work performed resulting in increased productivity for the work unit. The employee accomplishes the most difficult and complex assignments with minimum supervision and maximum quality. Specific examples of such performance are readily available.

Exceeds Job Expectations. Fully meets all major job expectations identified for the position. In addition, performance frequently exceeds job expectations in several areas. Supervision is required only for special or unusual assignments or problems.

Achieves Job Expectations. Meets all major job expectations in a competent manner. The employee may occasionally exceed some job expectations. Accomplishes duties in a reasonable and consistent manner demonstrating full proficiency in the job. If there are occasional lapses in performance, they do not create any substantial problems for the organization, nor have any major impact on service delivery. Normal supervision is required.

Needs Improvement. Performance meets job expectations in important categories at least marginally. However, performance is inconsistent or unreliable in one or more performance categories. The employee needs to improve proficiency to more fully meet the needs for which the position was established. Remedial attention and close supervision are required.

Fails To Meet Job Expectations. Performance is inconsistent and one or more major job expectations are not met. Work tasks are not performed or must be repeated due to low

Performance Review and Employee Development Program Town of Stallings

quality. Remedial attention and close supervision are required. Failure to correct performance deficiencies in an appropriate amount of time may result in suspension, demotion, or dismissal. A rating at this level should be coordinated with the progressive disciplinary process.

VI. Procedures

1. **Performance Review and Employee Development Meeting Dates.** Performance Review and Employee Development dates will typically be the same month for all employees as designated by the Town Manager.¹
2. **Performance Coaching.** (The "No Surprises Approach" to performance review) An integral part of the Performance Review and Employee Development Program is on-going performance feedback and coaching. Whenever a supervisor observes good performance or performance needing improvement, the supervisor should provide specific, timely feedback to the employee. Performance improvement feedback should be designed to help the employee become more successful. Other coaching activities include helping employees identify optional approaches and develop problem-solving skills, planning projects, providing encouragement for difficult tasks, identifying training and resource possibilities, and general problem-solving discussions designed to help employees learn, develop their capacities, and develop their careers. The "No Surprises Approach" also includes keeping documentation on both positive and improvement feedback provided to employees throughout the year to ensure accurate details at performance review time.
3. **Performance Review and Employee Development Meetings.** Performance Review meetings with all Town employees will be conducted and documented within the month designated by the Town for Performance Evaluations. Prior to Performance Review meetings, employees will submit a self-evaluation using the applicable instrument to their Supervisor. Performance Review and Employee Development meetings will be conducted by the employee's supervisor who may also be accompanied by the next level of supervision. The meeting will encompass one year.

Supervisor will conduct an initial performance review meeting with the employee to discuss the self-evaluation prior to completing the final performance review form. Informal interim Performance Review and Employee Development meetings may be conducted when needed or according to departmental policies. Prior to communicating a rating of "Outstanding" or "Fails to Meet Job Expectations" to an employee, Department Heads will receive approval from the Town Manager.

4. **Additional Performance Review and Employee Development Meetings.**

Six Month for New & Promoted Employees: Performance Review meetings with new or promoted employees will be conducted and documented within a 30-day window before the end of the six-month period following the date of initial employment/promotion.

Additional Meetings: Additional meetings for any employee may be held at the employee's or supervisor's request. A probationary employee must receive a rating of no less than "Achieves Job Expectations" to move from probationary to regular status. A probationary

¹ During the initial implementation of the program, the Town Manager may alter scheduling & process.

Performance Review and Employee Development Program Town of Stallings

employee whose performance needs improvement but shows clear promise of successful performance may have the probationary period extended for three months and up to a maximum of an additional six months. This provision in no way restricts the Town from dismissing an employee whose performance or conduct is considered unsatisfactory at any point in the probationary period.

5. **Performance Review and Employee Development Instrument.** The purpose of the instrument is to document the performance review meeting. The instruments may be revised and updated as needed based on input from employees, supervisors and department heads and approved by the Town Manager.
6. **Coordination with Discipline.** Overall performance ratings of "Fails To Meet Job Expectations" are considered "unsatisfactory job performance" in the Town's progressive disciplinary policies and procedures. Such a rating requires a performance improvement plan and may be followed by a written warning if one has not been issued. When such a rating is earned, additional counseling sessions and performance review sessions will be conducted in six to 12 weeks and careful performance monitoring and coaching will occur. In no case should an employee's performance remain in the "Fails To Meet Job Expectations" level for more than six months. The time frames above are guidelines and this provision in no way restricts the Town from dismissing an employee prior to the end of the suggested timelines and/or following the above procedures if in the best interest of the Town.

Overall performance ratings of "Needs Improvement" may be considered by the supervisor as "unsatisfactory job performance" in the Town's progressive disciplinary policies and procedures based on the circumstances.

7. **Changes in Supervision.** When a change in supervision is imminent due to promotion, transfer or other action involving the employee or supervisor, the current supervisor should conduct an interim Performance Review and Employee Development meeting including meeting with the employee and completing all necessary forms. The review should be conducted within 30 days. The interim Performance Review and Employee Development information should be considered by the new supervisor, along with performance observed and documented by the new supervisor in determining the employee's overall rating for the performance period.

In addition, when there is a change in supervision, the new supervisor and employee should jointly review the employee's performance criteria, discuss performance criteria, and set weights within 30 days.

8. **Documentation.** All Performance Review and Employee Development forms will be signed by the employee, supervisor, intermediate levels of supervision, and department head and forwarded to the Human Resources Director and Town Manager's Office. The supervisor will offer to print a copy of the performance evaluation instrument for the employee to keep after all signatures and comments have been completed. Intermediate levels of supervision and/or department heads should not make changes to the forms unilaterally. Instead changes should only be made after discussing the reasons for the changes with the employee and his/her immediate supervisor, following the chain of command up and down in these discussion as appropriate. All relevant sections of Performance Review and Employee Development forms, including comments sections and all signatures, will be completed by the appropriate person prior to processing the forms in the Human Resources Office. A

**Performance Review and Employee Development Program
Town of Stallings**

personnel action form may accompany all forms.

9. **Appeals.** Any employee who believes that the application of this policy or his or her performance rating is unfair or inaccurate may make a formal appeal by writing the specific disagreement(s) and filing it following the Town's Grievance Procedure. A copy of the Grievance Procedure is available from the Town Manager or Town Clerk. A copy of all appeals and grievances will be provided to the Human Resources Director.

10. **Training.** Department heads are responsible for identifying training needs of supervisors and insuring that these are met so that Performance Review and Employee Development meetings are conducted effectively. New supervisors will participate in some form of training in the Town's policies and procedures as well as effective techniques for conducting Performance Review and Employee Development meetings prior to performing them. The HR Director will coordinate this training.

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**Performance Review and Employee Development Program
Town of Stallings**

Occupational Groups

Department Heads

Deputy Town Manager/Town Clerk
Director of Administration/HR
Finance Officer
Town Planner
Town Engineer
Public Works Supervisor
Parks & Recreation Director
Police Chief

Public Works

Public Works Maintenance

Administrative and Fiscal

Administrative Accounting Clerk
Planning Technician
Communication Specialist/Deputy Town Clerk
Police Records
Parks & Recreation Office Assistant

Engineering

Associate Engineer

Parks & Recreation

Special Events Coordinator

Police

Patrol Officer
Crime Scene Investigator
Code Enforcement Officer

Police Supervision

Police Corporal
Police Sergeant
Police Captain

Performance Pay Program Town of Stallings

I. Purposes

The purposes of the Performance Pay Program are:

1. To provide a systematic program to reward employees based on job performance, accomplishments, and contributions to the organization within budgetary allocations;
2. To provide recognition and demonstrate appreciation for job performance;
3. To provide a method of moving employees within the salary range that results in a competitive actual salary and employee retention; and
4. To provide incentive for continuous performance improvement and productivity and to maintain a high level of employee performance and morale.

II. Definitions

Calendar Month – the period from a particular date in one month to the same date in the next month. For example, from April 4th to May 4th.

The pay table will be designed with the following rates for each grade:

Minimum - the entry level rate for the pay grade. Employees meeting the requirements on their respective class specification should be hired at the Minimum Rate. Employees who significantly exceed the education and experience requirements on their respective class specification may be considered for hiring above the minimum.

Maximum - a rate that is 50% greater than the Minimum Rate.

III. Responsibilities

1. Town Manager. The Town Manager will recommend to the Board sufficient funding to insure an effective Performance Pay program. The Town Manager will make decisions regarding when to award Performance Pay to department heads. The Town Manager will monitor the Performance Pay program in the organization for consistency, fairness, accurate and complete information, and sufficient documentation. The Town Manager may overturn the decision of department heads to award performance pay increases due to inconsistencies, failure to follow established policies and procedures, funding availability, lack of sufficient documentation, or other circumstances dictate. The Town Manager will designate the month for employees to conduct the annual performance evaluations.
2. Department Heads. Department heads will make performance pay decisions in the department, subject to the review and approval of the Town Manager based on completing and/or reviewing the Performance Review and Employee Development forms completed by immediate supervisors and upon any other information that is needed. Department Heads will make performance pay decisions regarding increases for their subordinates.

Prior to communicating a rating of "Outstanding", "Exceeds Job Expectations", or "Fails to Meet Job Expectations" to an employee, Department Heads will receive approval from the Town Manager. For all other ratings, Department Heads will communicate their recommendations to employees, explaining that the recommendation is subject to the review and approval of the Town Manager. Department Heads will monitor the Performance Pay program in their respective department to ensure consistency, fairness, accuracy, complete information, and sufficient documentation. Department Heads are responsible for ensuring that performance pay increases stay within budgetary allocations.

3. HR Director. The HR Director will monitor the Performance Pay program in the organization for consistency, fairness, accurate and complete information, and sufficient documentation. The HR Director will provide internal consultation on the policy and use of the program to employees, supervisors, and management. The HR Director will also provide recommendations for any needed improvement to the program and provide administrative support to management.

IV. Performance Pay Amounts

Performance pay amounts (pay step increase and performance bonus) will be awarded based on the overall performance rating the employee receives for the full year on the final performance review form.

Performance pay amounts may vary from year to year depending on budget availability and market adjustment amount. Unless the Town Council decides otherwise, the following schedule will apply:

| Performance Categories | Instrument Rating | Pay Step Increase | Performance Bonus |
|--------------------------------|-------------------|-------------------|-------------------|
| Outstanding | 3.76 - 4.00 | 2.0% | 2.0% |
| | 3.51 - 3.75 | 2.0% | 2.0% |
| Exceeds Job Expectations | 3.26 - 3.50 | 2.0% | 1.0% |
| | 2.75 - 3.25 | 2.0% | 1.0% |
| Achieves Job Expectations | 2.26 - 2.75 | 2.0% | 0.5% |
| | 1.75 - 2.25 | 2.0% | 0.5% |
| Needs improvement | 1.26 - 1.75 | 0.0% | 0.0% |
| | 0.71 - 1.25 | | |
| Fails to Meet Job Expectations | 0.36 - 0.70 | 0.0% | 0.0% |
| | 0.00 - 0.35 | | |

This funding is not a guarantee, and the Town Manager in his/her sole discretion may overturn the decision of department heads to award performance pay increases and/or performance pay bonuses due to inconsistencies, failure to follow established policies and procedures, funding availability, lack of sufficient documentation, or other circumstances dictate.

An employee whose performance fails to meet expectations will have the performance review scheduled again in no more than three months. If the employee's performance is

rated "Needs Improvement" or "Fails To Meet Expectations" the disciplinary process will continue.

An employee hired or promoted less than three full calendar months prior to the start of the month designated by the Town Manager for employees to conduct performance evaluations is not eligible for any Performance Pay increases. However, an employee hired or promoted three or more full calendar months but less than twelve full calendar months before the start of the month designated for employees to conduct performance evaluations is eligible to receive a pro-rata portion of the appropriate performance pay amounts. For example, if the month designated for employees to conduct performance evaluation starts October 1st and an employee was hired or promoted on September 15th, the employee would not be eligible for a performance pay increase. Similarly, an employee hired or promoted on July 16th would not be eligible for a performance pay increase. In contrast, an employee who was hired or promoted on April 1st (i.e. 6 full calendar months prior to October 1st) would be eligible for 50% of the performance pay amount as determined by this policy. Using the example where the employee was hired or promoted on April 1st and this employee was scored for a 2% increase, then the employee would receive 1% (6 out of 12 full calendar months = 50% multiplied by 2%).

V. Maximum Rate Performance Pay Bonus & Part-Time Employees

1. **Maximum Rate Performance Pay Bonus.** Employees who are at the Maximum Rate of the salary range for their position classification are eligible to be considered for a Maximum Rate Performance Pay Bonus. These bonuses shall be awarded based upon the performance of the employee as described in the Performance Review and Employee Development forms.

An employee's base salary may not move above the maximum of his or her assigned salary range. Therefore, if an employee's current salary is below the maximum of the salary range but awarding the full performance pay amount places an employee above the maximum, then 1) the employee will receive the amount in base pay that places him or her at the maximum of the range, and 2) the employee will receive the amount that would place him or her above the maximum in a lump sum amount.

A "Maximum Rate Performance Pay Bonus" is different from a "Performance Bonus".

2. **Part-Time Employees.** Part-time employees are not eligible for the performance pay increases except as follows. Permanent part-time employees, who have worked an average of 12 hours or more per week for a full-year prior to the evaluation, are eligible for a pay step increase but not a performance pay bonus.

VI. Procedure

1. **Performance Pay Eligibility Dates.** Employees will be considered for a performance pay increase following the designated month for employees to conduct performance

Performance Pay Program

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evaluations. Performance pay begins on the first day of the payroll period immediately following the review date or as otherwise determined by the Town Manager.

2. Documentation. All Performance Review and Employee Development forms will be signed by the employee, supervisor and department head and forwarded to Human Resources and the Town Manager with any accompanying memoranda and/or other documentation for review and filing. The employee shall be given access to a copy of the forms and other documents to keep as requested.
3. Appeals. Any employee who believes that his or her performance pay decision is unfair or inaccurate may make a formal appeal by following the grievance procedure in the Personnel Policy.

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Town of Stallings Training and Certification Policy

Purpose of the Certification and Training Policy

The purpose of this program is to encourage and reward employees to complete training, development, and certification programs that provide them with knowledge, skills, and abilities that will enable the Town of Stallings to become more flexible and adaptable, improve client services, ensure that work is performed in a safe manner, and develop capacity to provide continuous services at a high level into the future.

Training and Certification Programs Covered

The program covers training and certification beyond the minimum training and certification requirements listed in job descriptions and classification specifications and/or otherwise deemed necessary/beneficial/non-routine to the job by the Town, and any others that are required and specified upon hire or promotion. Employees may request training or certification from a list of training and certifications approved by the Department Head, Human Resources Director, and Town Manager or other training or certification that is related to their jobs and the purpose of the Training and Certification Program.

Program Description and Operation

The program operates on a fiscal year basis. Participation in the Training and Certification Program is voluntary on the part of employees. Employees who elect to participate must submit a Request for Training and/or Certification form for each certification or training program they request. The Request for Training and/or Certification form shall include the following information:

- Training or certification program requested;
- The cost of the training or certification, the location of any training, and its duration;
- A brief description of how completion of the certification or training program will benefit job performance, client services, safety, and/or ability of the Town to provide services in a continuous manner into the future; and
- A statement documenting that any pre-requisites have been met.

Upon receipt of a form, the Department Head, Human Resources, and Town Manager (final decision-maker) will either approve or reject requests considering the following factors:

- The extent to which the training or certification enables the employee to perform higher level duties required by the Town, improves client services, ensures that work is performed in a safe manner, and/or develops capacity to provide continuous services at a high level into the future;
- Employee workload;
- Employee performance;
- Departmental needs; and
- Funds available.

Upon approval of a Request for Training and/or Certification, management will indicate to the employee the compensation that they will receive if the training and/or certification is successfully completed and any conditions that must be met such as:

- Continuing education if that is required to continue certification into the future;
- Demonstration of new knowledge, skills, and abilities on the job after training/certification is complete; and
- Timing issues regarding compensation.

Any compensation changes may be delayed for up to six months after completion of a training and/or certification program for management to determine if the training and/or certification was successful. All compensation changes are contingent on funding availability, which may be delayed indefinitely until funding becomes available.

Upon completion of training or certification, employees shall be responsible for providing proof of successful completion to management. Management shall enter information regarding the training or certification into the Employee Training and Certification Record.

Compensation

Compensation may be in the form of a one-time bonus or a continuing salary increase according to the following criteria:

| Compensation | Criteria |
|---------------------------|---|
| One-time bonus | Certification or training results in improved employee performance or is related to the ability of the Department to provide continuous services into the future |
| Permanent salary increase | Certification or training results in the employee performing additional duties that are at a significantly higher level or which result in a considerable increase in the variety of work performed |

The increase amount shall be the amount on the list of training and certifications approved by the Department Head, Human Resources Director, and Town Manager (final decision-maker). For training and certifications not included on the list, the Department Head, HR Director, and Town Manager (final decision-maker) shall determine the compensation amount, if any, considering the difficulty of completing the training or certification, higher level duties that result, improvement to client services or on-the-job safety, and improved capacity to provide continuous services at a high level into the future. In no case shall employees be eligible for more than a 2.5% increase per fiscal year, except employees earning either their Professional Engineer License (P.E.) or Certified Public Accountant License (C.P.A.) may be eligible for up to a 5% increase if approved per this policy. Any P.E. or C.P.A. increases are not automatic and are subject to the Program's approval process.

If an employee loses a certification that resulted in a bonus or continuing salary increase, the employee may be required to reimburse the bonus amount or be subject to a reduction in pay. If an employee voluntarily leaves employment within a pre-determined time-period of receiving a compensation increase under the policy, the Town may require the employee to pay back all training and certificate costs/expenses by the Town towards underlying training/certification that resulted in the relevant

compensation increase. (As indicated in the appropriate request/approval form, this time period is determined by the Town Manager in his/her discretion based on the circumstances but shall not exceed 2 years). The amount to repaid is not a penalty; rather it is a reimbursement for the expenses incurred by the Town. The Town may deduct these training costs/expenses from the employee's final paychecks to the extent that the deduction does not bring the employee's regular rate of pay below minimum wage.

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Performance Evaluation Timeline – Development & Implementation

5/30/18 – Steering Committee Brainstorming Meeting

7/5/18 – Department Head Brainstorming

7/11/18 – Steering Committee Meeting – Finalize Draft Policy

7/18/18 – Policy Overview/Feedback w/ Department Heads

7/18/18 – 7/24/18 – Department Heads Share Draft Policy

7/25/18 – Department Heads Share Staff Feedback on Draft Policy

8/1/18 – Department Heads Share Staff Feedback on Draft Policy Pt. 2

8/29/18 – Finalize Policies

9/5/18 - Send out Memo/Policies with Council Agenda Packet

9/10/18 – Present to Council

9/10/18 - Council Created Committee – Subsequent Timeframe is Delayed Until Completion/Potential Approval

UPDATED SCHEDULE

9/24/18 – Council Committee Meeting

10/8/18 – Council Committee Meeting

10/22/18 – Committee Finalizes Policies, Recommends to Council

11/26/18 – Council Considers Approving Policies

4/30/19 – Job Classifications Potentially Approved by Council

5/1/19 – 8/31/19 – Instrument Creation Process Using Approved Job Classifications

9/1/19 – 9/30/19 - Performance evaluation process begins! - supervisors/directs set weights

10/1/20 – 10/31/20 – Evaluations performed for first time

11/1/20 – New Performance Pay policies applied

NOTE: Existing pay policies/practices will continue until first round of performance evaluation process is fully completed and new policy mechanisms can be applied.

SECTION VII: THE PAY PLAN

VII.5. **Pay Step Increases**

- a) All employees will be considered for an annual **pay step** increase.
- b) **Pay step** increases are not automatic, but instead are determined **in accordance with the Town's Performance Pay Program** by the employee's supervisor and Town Manager based on job performance during the previous fiscal year.
- c) Individual **merit pay step** increases can range from zero (0) to five (5) percent, with two (2) percent being the normal **merit pay step** increase for an employee meeting job performance standards **or as otherwise determined by the Town's Performance Pay Program**. No individual annual **merit pay step** increase will exceed five (5) percent.
- d) Under normal conditions, the Town will budget payroll for an aggregate annual two (2) percent **merit pay step** increase. The sum total **merit pay step** increase to all employees will not exceed two (2) percent unless approved by Town Council.
- e) Individual **merit pay step** increases are annual and take effect **at the beginning of each fiscal year as determined by the Town Manager**.

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