

Barry Hayes
Mayor

Dr. Caryl B. Burns
Mayor Pro Tem

Jerry T. Church
Town Manager
church@granitefallsnc.com



Council Members

Larry Knight
Jim Mackie
Mike Mackie
Martin D. Townsend
Tracy Townsend

TOWN OF GRANITE FALLS
AGENDA

SPECIAL TOWN COUNCIL MEETING
MONDAY, MAY 13, 2019
4 SOUTH MAIN STREET
5:30 PM

- I. WELCOME - CALL TO ORDER MAYOR BARRY HAYES
- II. INVOCATION PASTOR JAY WORSLEY, FIRST BAPTIST CHURCH
- III. PLEDGE OF ALLEGIANCE MAYOR BARRY HAYES
- IV. RECOGNITION OF VISITORS
- V. SPECIAL PRESENTATIONS/INTRODUCTIONS NONE SCHEDULED
- VI. APPROVAL OF AGENDA
- VII. APPROVAL OF MINUTES FROM THE REGULAR TOWN COUNCIL MEETING HELD APRIL 15, 2019. APPROVAL OF MINUTES FROM THE SPECIAL BUDGET WORK SESSION HELD APRIL 29, 2019.
- VIII. TOWN ATTORNEY REPORT BRUCE CANNON
- IX. PUBLIC COMMENT PERIOD
- X. PUBLIC HEARINGS NONE SCHEDULED
- XI. NEW BUSINESS/ACTION ITEMS:

1. **ZONING TEXT AMENDMENT #4-2019**

Town Planner Greg Wilson shall review with the Council the Granite Falls Planning Board meeting held Tuesday, April 23, 2019. The Board considered Zoning Text Amendment #4-2019, submitted by Liviu Marhao. The proposed text amendment would reduce the required rear yard setback for single-family homes from twenty-five (25) feet to fifteen (15) feet in the TND, Traditional Neighborhood Design District. The TND District allows for smaller lots with smaller setbacks between homes. The only neighborhood in Granite Falls that is zoned TND is The Falls subdivision on Falls Avenue. There are approximately ten remaining vacant lots in The Falls. (See attachment #1.)

The Planning Board voted unanimously to recommend that the Town Council approve Zoning Text Amendment #4-2019.

Action Requested: Review and call for a public hearing on Zoning Text Amendment #4-2019 at the Special Town Council Meeting scheduled for Monday, June 17, 2019, at 5:30 p.m.

2. PRESENT BUDGET FISCAL YEAR 2019-2020

Town Manager and Budget Officer Jerry Church shall present the proposed budget for fiscal year 2019-2020, for \$15,261,000 including the required budget message. The budget is the “blueprint” used to provide a sound financial framework for all Town operations. The budget ensures that the Town’s limited resources are allocated toward the services and priorities identified by the Council. More specifically, the budget is a financial plan consisting of proposed expenditures and the means of financing those expenditures through revenues for a given period, usually one year (July 1-June 30). The recommended budget for fiscal year 2019-2020 is \$119,677 or .78% less than the 2018-2019 amended budget of \$15,380,677. The main increases in the 2019-2020 budget are due to an increase in capital outlay (\$106,400), an increase in Professional Consultants expense (\$75,000), an increase in Service and Maintenance Contracts (\$22,600), and the implementation of Phase V of the Pay and Classification Study and other personnel costs (\$204,700). The anticipated increases in the 2019-2020 budget will be more than offset by decreases in the budget for Powell Bill and other Street Paving & Maintenance (\$525,069). The Town Manager has had numerous meetings with department heads and the Council in preparation of the proposed budget. (See attachment #2.)

Action Requested – Review and call for a public hearing on the proposed fiscal year 2019-2020 budget at the Special Council Meeting scheduled for Monday, June 19, 2019, at 5:30 p.m.

3. ACCEPT PROPOSED ABC BUDGET FOR FISCAL YEAR 2019-2020

Under N.C.G.S. 18B-702, effective for fiscal years starting after May 1, 2011, each local ABC Board must operate under a balanced budget and the proposed budget must be presented to the local ABC Board, the appointing authority (Granite Falls Town Council) and the NC ABC Commission before June 1st of each year. The budget must be adopted by the local ABC Board at a meeting held after June 1st each year and the budget approved by the local board must be submitted to the appointing authority and to the NC ABC Commission. The Council will receive the approved budget at the June 17, 2019 Special Meeting. The Council is not required to take any action on this budget, but the presentations of the proposed and approved budgets must be reflected in the Council meeting minutes. (See attachment #3.)

4. ANNUAL REVIEW OF TOWN OF GRANITE FALLS INTERNAL CONTROL POLICY

Council shall review the Town of Granite Falls Internal Control Policy. The purpose of the Internal Control Policy is to document how Town management has fulfilled their responsibility for implementing and maintaining a sound and comprehensive internal control framework. Internal Control policies help identify and address areas of risk of fraud, waste abuse and mismanagement. The Internal Control Policy can also be used as a training tool for new and existing employees in administrative and supervisory roles with the Town. The Internal Control Policy is a “living document” that must be reviewed and updated throughout the year as changes are made to NC General Statutes, Governmental Accounting Standards and in Town Staff and their assigned duties. The Town Council reviews and approves the Internal Control Policy on an annual basis. There have been no changes made to the Internal Control Policy since the Council review in 2018. (See attachment #4.)

Action Requested: Approve the Town of Granite Falls Internal Control Policy as presented and authorize the Town Manager to update the policy as needed.

5. ANNUAL REVIEW OF TOWN OF GRANITE FALLS PURCHASING POLICY

Council shall review the Town of Granite Falls Purchasing Policy. The purpose of the Purchasing Policy is to document how Town management has fulfilled their responsibility to guarantee competitive and advantageous procurement of goods and services while maintaining compliance with Federal regulations and North Carolina General Statutes. The Purchasing Policy can also be used as a training tool for new and existing employees in administrative and supervisory roles with the Town. The Purchasing Policy is a “living document” that must be reviewed and updated throughout the year as changes are made to NC General Statutes, Governmental Accounting Standards and in Town Staff and their assigned duties. The Town Council reviews and approves the Purchasing Policy on an annual basis. There have been no changes made to the Purchasing Policy since the Council review in 2018. (See attachment #5.)

Action Requested: Approve the Town of Granite Falls Purchasing Policy as presented and authorize the Town Manager to update the policy as needed.

6. ANNUAL REVIEW OF THE TOWN OF GRANITE FALLS ETHICS POLICY FOR ELECTED OFFICIALS AND THE TOWN OF GRANITE FALLS CONFLICTS OF INTEREST POLICY FOR ELECTED OFFICIALS, APPOINTED OFFICIALS AND TOWN EMPLOYEES

The Council approved an Ethics Policy for Elected Officials on November 2, 2009 and a Conflicts of Interest Policy for elected and appointed officials and employees on July 10, 2010. While there have been no violations of either policy since their respective approvals and all elected officials have completed all required ethics training in a timely manner, it is good governance to review these policies periodically. (See attachment #6.)

Action Requested: Review Town of Granite Falls Ethics Policy for Elected Officials and the Town of Granite Falls Conflicts of Interest Policy and verify that Council members have read and understand these policies.

7. APPROVE EMPLOYEE JOB GRADES, CLASSIFICATIONS AND PAY RANGES FOR FISCAL 2019-2020

Town Manager Jerry Church has developed the attached schedule recommending employee job grades, classifications and pay ranges for fiscal year 2019-2020. Town Manager Church updated the schedule by using the MAPS Group Position and Classification Study completed in fiscal year 2016 and the annual salary data compiled by the North Carolina League of Municipalities. The recommended pay ranges on the schedule allow for the implementation of Phase 5 of the pay plan approved by the Council in fiscal 2016. The Full Time Employee Budget for fiscal 2020 remains at 60 employees. (See attachment #7.)

Action Requested: Council is requested to approve employee job grades, classifications and pay ranges for fiscal 2019-2020.

8. FINANCIAL REPORT

The financial dashboard for the ten months ended 4/30/2019 is enclosed for your review and comment. This report represents 83% of the current 2018–2019 fiscal year budget. Also enclosed for Council review is an analysis of 2018-2019 sales tax revenue and property tax revenue versus prior year and budgeted revenues. (See attachment #8.)

9. ABC EXPENDITURE STATEMENTS

The principals of the local schools have submitted their expenditure statements for the quarter ended March 31, 2019 for your review and comments. (See attachment #9.)

10. ABC FINANCIAL STATEMENTS

The Granite Falls ABC Board has submitted the financial statement for the nine-month period ended March 31, 2019 for your review and comments. (See attachment #10.)

11. APPROVE 3rd QUARTER ABC DISTRIBUTION

Town Finance Officer Marsha Harbison requests the Council authorize the distribution of ABC funds for \$4,512.12 to the local schools as follows:

Granite Falls Elementary School	36%	\$1,624.36
Granite Falls Middle School	36%	\$1,624.36
Dudley Shoals Elementary School	<u>28%</u>	<u>\$1,263.40</u>
Total Distribution	<u>100%</u>	<u>\$4,512.12</u>

These funds represent the portion of the ABC Store profit distribution to schools for the third quarter ended 03/31/2019. (See attachment #11.)

Action requested: Council is requested to approve the third quarter ABC distribution to schools as presented.

12. RECOMMENDATIONS FOR COMMITTEES APPOINTED BY THE TOWN COUNCIL

Council shall consider Staff recommendations for committees appointed by the Town Council.

A) Planning Board Chairman Annette Swanson will be moving outside of the Town limits in the near future but will continue to serve until she moves at which time the Town Council will have to approve a replacement member for the Planning Board.

B) The terms of Board of Adjustment ETJ Member Wylie Moore and Planning Board ETJ Member Patrick Barker expire 06/30/2019. Both gentlemen are willing to be reappointed but their reappointment is subject to approval by both the Council and the County Commissioners. If Council approves their reappointments, the Town Manager will send a letter to Caldwell County Commission Chairman Randy Church asking for County Commissioner approval.

C) Two History Committee members, Max McRary and Eddie Sipes, have requested that they not be reappointed.

All other individuals serving on Council Appointed Boards and Committees, whose terms expire 06/30/2019, have been contacted and have expressed a desire to continue serving if they are reappointed by the Town Council. (See attachment #12.)

Action Requested: Council is requested to appoint members to Town Council Appointed Committees as presented.

13. APPROVE AGREEMENT BETWEEN THE TOWN OF GRANITE FALLS AND THE WESTERN PIEDMONT COUNCIL OF GOVERNMENTS (WPCOG) FOR TECHNICAL ASSISTANCE – FINANCIAL STATEMENT REVIEW

The Town of Granite Falls has consistently received an Unmodified (Clean) Audit Opinion on the Town Financial Statements from the Town external audit firm Martin Starnes & Associates, CPAs, P.A. (MSA) While there have been no questions concerning the content of the Town Financial Statements, MSA has reported a deficiency about a lack of technical expertise with regards to drafting full accrual, full disclosure financial statements, and the lack of ability to reconcile the Town Financial Statements to the Town financial records. While there have not been any errors in the Town Financial Statements, errors in the financial reporting could occur due to the lack of technical expertise. As a reminder, accuracy in the financial statements is the responsibility of the Town Manager, the Finance Officer, and the Town Council.

The Western Piedmont Council of Governments (WPCOG) provides financial administration services, including the review of financial statements prepared by external auditors, and has proposed an agreement with the Town to provide review of the 2019 Town Financial Statements at a cost of \$4,468.00. The Town Manager has met jointly with MSA staff and WPCOG staff and MSA has endorsed the WPCOG staff providing this service to the Town and has stated that the technical assistance provided by the WPCOG would allow MSA to remove the deficiency finding from the audit report. The cost of the agreement between the Town and the WPCOG is included in the 2020 budget presented tonight. (See attachment #13.)

Action requested: Approve Agreement with the WPCOG as presented.

14. STREET COMMITTEE RECOMMENDATION ON US 321A SIDEWALKS

The NC DOT is in the design phase for project U-6036 covering US 321A improvements from Duke Street to Pinewood Road. As part of the project, the Town may request additional improvements including additional sidewalks. The additional sidewalks would be installed as part of the project with the DOT paying for 80% of the cost of the additional sidewalks and the Town paying for the remaining 20% of the costs and assuming the ongoing maintenance of the sidewalks.

The Street Committee met earlier today and will make recommendations for additions to the US 321A project for consideration by the Town Council. (See attachment #14.)

15. APPROVE CAPITAL PROJECT BUDGET ORDINANCE FOR THE PARK AVENUE SEWER LINE EXTENSION FOR GRANITE FALLS MIDDLE SCHOOL

At the April 15, 2019 Council Meeting, the Council approved the Water and Sewer Committee awarding a contract to the lowest responsive, responsible bidder for the installation of a sewer line for the Granite Falls Middle School (GFMS) project. The Water & Sewer Committee awarded the contract on April 23, 2019. The Town will own and maintain the sewer line and the Town will be reimbursed for all costs of the new line by Caldwell County Schools since the new line only benefits GFMS. Caldwell County Schools has issued Purchase Orders to the Town to cover the total project costs of \$141,470 which covers the costs of design, permits, construction administration, construction observation, and installation. Since this project will more than likely cross fiscal years and contains a reimbursement component, the Town must establish a Capital Project Budget Ordinance to authorize the expenditures for the sewer line extension. (See attachment #15.)

Action requested: Approve Capital Project Budget Ordinance as presented.

16. APPOINT VOTING DELEGATE AND ALTERNATE VOTING DELEGATE TO THE NORTH CAROLINA LEAGUE OF MUNICIPALITIES ANNUAL MEETING IN HICKORY, NC, MAY 14-16, 2019

Council Members Jim Mackie and Larry Knight are representing the Town at the NCLM annual meeting in Hickory, NC later this week. Mayor Barry Hayes shall appoint one Council Member as the Town voting delegate, and the other Council Member as alternate voting delegate to the NCLM annual meeting.

17. APPROVE BUDGET TRANSFER FROM THE ADMINISTRATION DEPARTMENT TO THE POLICE DEPARTMENT

Budget Ordinance #340 was adopted by the Council at a Special Meeting held June 18, 2018, and authorizes the Budget Officer, Town Manager Jerry Church, to transfer up to \$5,000 between departments of the same fund with an official report on each such transfer being made at the next meeting of the Town Council. Budget transfers over \$5,000 between departments within the same fund must have Council approval before funds can be transferred. Budget Officer Church is requesting Council approval to transfer \$20,000 dollars from the Administration Department budget to the Police Department budget. The transfer would allow the Police Department to go ahead and upgrade the obsolete interview room equipment in fiscal 2019. There are no plans or needs to spend the \$20,000 in the Administration Department this fiscal year. The proposed transfer is as follows:

Increase Police Department Capital Outlay Budget	\$20,000.00
Decrease Administration Department Capital Outlay Budget	\$20,000.00

Action requested: Approve budget transfer as presented.

XII. OTHER BUSINESS NOT LISTED

XIII. MANAGER UPDATE

Town Manager Jerry Church shall update the Council on the following:

1. Enclosed with your Agenda package is a calendar of events through the end of June 2020. Revisions since the last calendar are highlighted in yellow. Upcoming events include the North Carolina League of Municipalities Annual Conference Tuesday, May 14th through Thursday, May 16th at the Hickory Metro Center (Council Members Jim Mackie and Larry Knight are registered to attend), the Art in the Park concert on Monday, May 20th at 6:30 p.m. on the Town Square, the Memorial Day Holiday on Monday, May 27th, the WPCOG Policy Board meeting on Tuesday, May 28th at 6:00 p.m. in the First Baptist Church Family Life Center, the Special Town Council Meeting on Monday, June 17, 2019 at 5:30 p.m. and the employee appreciation luncheon on Friday, June 28, 2019 at 11:00 a.m. at the Recreation Center. The ElectriCities Annual Conference will be held August 12-14, 2019 in Williamsburg, VA. Registration is open so please see Town Clerk Paula Kirby about registering for this event.
2. The Mayor, several Council Members, The Town Manager and several Department heads attended and/or participated in the Granite Falls Middle School groundbreaking ceremony on April 29th, the National Day of Prayer breakfast on May 2nd in Lenoir, and the National Day of Prayer ceremony in downtown on May 2nd.

Note: Members of the Town Council may attend events that are, or are not, sponsored by the Town but there will be no Council business conducted at any of these events in instances where a quorum of the Council may be present.

XIV. COUNCIL COMMITTEE REPORTS

1. WPCOG Policy Board
2. Caldwell County Railroad Policy Board
3. Sales Tax Reinvestment Committee
4. Catawba River Study Committee
5. Metropolitan Planning Organization (MPO) and Technical Coordinating
6. Caldwell County Economic Development Commission (EDC)
7. Corporate Circle – sponsored by Caldwell Chamber of Commerce
8. NC Municipal Power Agency # 1 Board of Commissioners
9. Caldwell County Manager’s bi-monthly meeting
10. ElectriCities Grassroots Committee
11. Caldwell County’s Green Commission

INFORMATION ITEMS:

1. The Granite Falls Board of Adjustment will meet on Wednesday, June 12th at 5:00 p.m.
2. The Granite Falls Planning Board will meet Tuesday, May 28th at 5:00 p.m.
3. The Granite Falls Recreation Advisory Board will not meet in June.
4. The Granite Falls History Committee will meet Tuesday, May 21st at 2:00 p.m. at the Baird House.
5. The Granite Falls Merchant’s Association (GFMA) will meet Monday, May 13th at noon in the Council Room.
6. The WPCOG MPO/RPO meeting will be at 2:00 p.m. Wednesday, May 22nd at the WPCOG.
7. The Granite Falls ABC Board will meet Wednesday, May 22nd at 5:30 p.m. at the ABC store.

Reminder: The next Town Council Meeting is a Special Town Council Meeting on Monday, June 17, 2019 at 5:30 p.m. in the Council Chambers.