

John Anderson's questions: responses in red

Incorporation Questions ---

The following are a number of Questions and Comments from the Frequently Asked Questions Document. I came up with these before the public meeting and many of them were not answered or made clear. Some may be considered naive but I consider them common sense questions. Also, during the meeting there was a Budget put up on the screen but it was not shared as a handout or shared as part of the pro-incorporation e mails.

1— What services will the incorporated town provide?

Proposed services: Planning and zoning – building inspections – street maintenance—street construction/right of way acquisition, sidewalks, and trails, and Street Lighting.

Supplemental (to the county's facilities) Parks and Recreation is also a proposed service. Its just not one of the eight that a new municipality is required to choose from. Trails fall under parks and Recreation and are not mentioned explicitly in the petition. Sidewalks only to connect developments, not internal to developments since those are already provided. We intend to add sidewalks only when there is a DoT road project to match them with.

Fund the acquisition of additional parks and recreation facilities? Are you talking (Eminent Domain)? No, purchase. Eminent Domain can only be justified when the property desired is blocking some essential activity – think of a house blocking a road widening.

The only things on this list that the County or State does not provide are Street Lighting and Sidewalks. – “Provide? The issue is whether they're being provided adequately. The last time DoT constructed a road in Lincoln County was in 2008 when New 16 was finished to the county line.” Lincoln County is forbidden from using property tax revenue for roads.

2--- With the county loosing tax revenue will they raise my taxes as well?

- The Town of Denver will be taking over 65% of the County's Planning Department, and thus we expect to transfer 65% of the County's Planning Dept. positions from the County payroll to the Town's payroll.

Questions---

- What specifically are you proposing? How many people is 65%. Of the Planning Department?

Four

- Is the Town going to relocate these people to Denver?

No, it's not a requirement. fewer than half of the current Planning staff live in Lincoln County.

- What will be the cost of salaries and benefits?

We used 65% of the County's planning budget, all those costs are included in that line.

- Where will their offices be located?

Within the Town

- What will be the cost of office space, equipment, supplies etc?

In the budget, each employee needs 250 sq ft of office budgeted at \$23.50/sq ft per year, a new computer, etc. The remaining detail is included in the Planning Dept's current budget, and rather than try to count paperclips, we just took 65% of that Dept's budget.

- Has the County agreed to this?

We've had detailed discussions with the County Manager. He said if we take over zoning he'd

have to reduce staff 50%, and we were welcome to offer jobs to the those people. The Town does NOT need permission to take over zoning, it can do it by resolution.

County tax Dept. would get 3% of the Town tax revenue. Approx. \$125,000 for collection services.

- Has the County agreed to this?

Essentially yes. The County performs the same service for Lincolnton and the charge is 3% of the collected tax. The County can't refuse to do it on the same terms.

Towns will purchase IT and telephone services from the County.

- At what cost? Has the County Agreed to this?

\$230,000 per year based on input from the County Manager. Again, the County provides these services to Lincolnton on much the same terms.

The proposed legislation has a three year phase in for sales taxes, to even any bumps.

- What will the new sales tax rate be?

There is no change in the sales tax rate. The current sales taxes are divided by population, and adding Denver merely changes the split. So today Denver gets zero, despite at least half of the sales being generated here. Today the county gets 88% of those sales taxes that are shareable (not all are) and Lincolnton 12%. The new split would be County -- 71.5%, Denver 19.35% and Lincolnton 9.15%. This gets adjusted every few years based on population, so Denver's share should keep increasing.

- The Town will give a portion to Lincolnton and the County?

Over the first 3 years, 50%, 33% and then 16.7% will go into a pool to keep Lincolnton's sales tax revenue flat, and the rest to the County to attempt to do the same.

- Has Lincolnton and the County agreed to this?

And just why would the city and county not want to get the money? Once Denver is incorporated, by statute, the other entities don't have a veto on the sales tax allocation, it could be fully allocated on Day 1.

3---The Town will phase in Road Maintenance and Road Construction.

- Also Street lights, Traffic lights

Questions--

- Will the Town have Trucks and other road equipment?

The plan is to have one dump truck and two mowers.

- Will there be a Maintenance Garage with lifts and tools etc.?

Maintenance of the equipment will be contracted out, just as the county does. The county has a storage yard at Optimist Club and Airlie Parkway that is currently available (for rent) to store the equipment.

- Office staff and equipment?

None in Public Works

- How many People?

One supervisor and two crew the first 2 years, growing to four crew in year 3.

- What is the estimated salary and benefit costs ?

\$330,000 annually in year 3

Note- Martin stated there would be a crew of 4 and a couple of trucks. Major road work would be contracted out to private companies. A few snowplows would be bought and given to private contractors for snow removal. I question how particle that would be.

I've lived in towns up north where that procedure worked well. Buy snowplow ATTACHMENTS for dump trucks, sign up the private owners (who would otherwise be idle during a snowstorm), give them the attachments and contract with them for snow clearing. Get several in case one or more can't perform.

As to road work, that's how DoT does everything.

4 --- Parks and Rec

- Who will maintain the Parks and recreation facilities?

The same crew mentioned above. Additional crew if necessary for contracted lawn services

- Where will the Parks and Rec Department be located?

As the county does, in an office in one of the facilities.

- Number of staff and other personnel?

Two in year 3. Note that the county only has three in total serving East Lincoln

- Salary and benefit costs?

\$195,000 annually for the entire dept in Year 3, excludes capital.

5--- What about a Town Office Bldg with staff and equipment. –

Manager, Town Attorney – Clerk -- Finance and staff

Where will the Town Hall be located? Will it be built or bought?

There is a pro forma Year 4 budget on the web site. [denvernc.org/SummaryBudget](http://denvernc.org/SummaryBudget).

The plan is to rent 5,000 sq ft for the first 4-5 years, wherever the best location is. Council meeting will be held at the ELCC or other suitable site.

6--Why are Articles IV—V—VII—and VIII missing from the Charter sent out?

Typo. The sections are all there and are in consecutive order. The Charter has been corrected.

7--Is there a proposed Budget for our review and study?

see earlier comment

Has the Town of Lincolnnton and the County agreed to this proposal?

The City of Lincolnnton has no say in the matter. The County can't also veto incorporation. The County Manager believes that the county can (and would prefer to) provide the various services discussed above, because otherwise the county would be over-staffed and have to cut back.

Officially, the County can't enter into a contract with a non-existent entity. In the event that the County decides it doesn't want to provide those services, nearby towns and cities would be happy to get the extra revenue.