

To Whom it May Concern,

The intent of this council...as explained to me...to contract for a fire study and to ultimately explore options for fire service in Weddington, was the financial sustainability of the Town's budget to maintain the operating costs and General Fund balance.

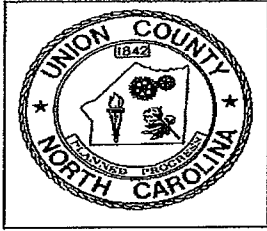
Weddington is the third highest income per capita municipality in the state and second in the county...we have kept taxes lower than projections have shown we need for sustainability. We have not kept up with increased costs for fire. We currently operate with a 5.2 cent tax with a FY 2016 projection for providing enhanced police (\$250K), fire service with three departments (\$823K) and Town/Zoning (\$875K). With a conservative projection of \$1,946,880 of revenue based on a \$2B value of property....police is 13% of total revenue, fire 42% and zoning 45%. If you include the \$100K CIP we set aside for fire apparatus...the total for fire is 47%. Also to consider, we collect approx \$116K per year in sales tax revenues that we would lose if we lowered our tax rate because we were not funding fire. Our General Fund is slightly more than \$2M. Without any tax increase our General Fund is projected to be \$1.5M by 2020...due in large by purchasing an engine at \$500K in year 2017.

It's obvious that the 'sky is not falling' financially for the Town and the biggest concern of the citizens is that our level of service remain the same. Attached please find the fire study analysis showing a \$20/\$50 per year tax increase would satisfy any concerns for maintaining a healthy budget to cover the increasing costs of the town. Citizens have stated adamantly that such a small increase to sustain the level of service PVFD provides is acceptable.

Also attached find the Union County 2014/2015 tax rates. This shows that Weddington has one of the lowest combined municipal/fire tax in the county...and lower still if comparisons were made on a state level.

I hope this provides some insight into the financial status of the town. Should additional information, questions or clarifications be helpful, please do not hesitate to contact me.

Respectfully,
Pamela Hadley
Weddington Town Council



UNION COUNTY TAX RATES

2014-2015

| <u>TAX DISTRICT</u> | <u>TAX RATE PER \$100</u> | <u>TAX DISTRICT CODE</u> |
|--------------------------|---------------------------|------------------------------|
| UNION COUNTY | 0.3064 | 001 |
| SPECIAL SCHOOL | 0.4550 | 100 & 999 |
| VILLAGE OF MARVIN | 0.0500 | 100 |
| CITY OF MONROE | 0.5550 | 200 |
| DOWNTOWN SPEC. DISTRICT | 0.2000 | 222 |
| TOWN OF WINGATE | 0.3900 | 300 |
| TOWN OF MARSHVILLE | 0.4800 | 400 |
| TOWN OF WAXHAW | 0.3400 | 500 |
| TOWN OF INDIAN TRAIL | 0.1850 | 600 |
| TOWN OF STALLINGS | 0.2150 | 700 |
| TOWN OF WEDDINGTON | 0.0520 | 800 |
| VILLAGE OF LAKE PARK | 0.2300 | 900 |
| TOWN OF FAIRVIEW | 0.0200 | 930 |
| TOWN OF HEMBY BRIDGE | 0.0000 | 950 |
| VILLAGE OF WESLEY CHAPEL | 0.0165 | 970 |
| TOWN OF UNIONVILLE | 0.0200 | 980 |
| TOWN OF MINERAL SPRINGS | 0.0250 | 990 |
| TOWN OF MINT HILL | 0.0000 | 193 |
| STALLINGS FIRE DISTRICT | 0.0428 | 20 |
| HEMBY BRIDGE FIRE DIST. | 0.0526 | 23 |
| WESLEY CHAPEL FIRE DIST. | 0.0281 | 26 |
| WAXHAW FIRE TAX | 0.0386 | 28 |
| SPRINGS FIRE TAX | 0.0483 | 15 |

UNION COUNTY, NORTH CAROLINA 2014 - 2015 FIRE FEE RATES PER DISTRICT

| | 1024 | 1019 | 1008 | 1003 | 1013 | 1025 | 1011 | 1004 |
|---|--------------------|--------------------|--------------------|------------------|----------------------|----------------|--------------------|------------------|
| FIRE FEES 2014-2015 | Allens | Bakers | Beaver Lane | Fairview | Griffith Road | Jackson | Lanes Creek | New Salem |
| Percentage per request or maximum | 100.00% | 89.57% | 100.00% | 100.00% | 100.00% | 65.02% | 100.00% | 100.00% |
| Single Family Dwelling (SFD) (max fee of \$100) | 100.00 | 89.57 | 100.00 | 100.00 | 100.00 | 65.02 | 100.00 | 100.00 |
| Unimproved Land-per acre | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 |
| -minimum | 10.00 | 8.96 | 10.00 | 10.00 | 10.00 | 6.50 | 10.00 | 10.00 |
| Animal/Horticulture (20% of fee) | 20.00 | 17.91 | 20.00 | 20.00 | 20.00 | 13.00 | 20.00 | 20.00 |
| Commercial < or = 5000 sq ft (100% of fee) | 100.00 | 89.57 | 100.00 | 100.00 | 100.00 | 65.02 | 100.00 | 100.00 |
| Commercial > 5000 sq ft (200% of fee) | 200.00 | 179.14 | 200.00 | 200.00 | 200.00 | 130.04 | 200.00 | 200.00 |
| Mobile Home (same as SFD) | 100.00 | 89.57 | 100.00 | 100.00 | 100.00 | 65.02 | 100.00 | 100.00 |
| Duplex (same as SFD) | 100.00 | 89.57 | 100.00 | 100.00 | 100.00 | 65.02 | 100.00 | 100.00 |
| Triplex (150% of fee) | 150.00 | 107.94 | 150.00 | 150.00 | 150.00 | 97.53 | 150.00 | 150.00 |
| Other Family Dwellings (200% of fee) | 200.00 | 179.14 | 200.00 | 200.00 | 200.00 | 130.04 | 200.00 | 200.00 |
| Cultural Facilities (same as SFD) | 100.00 | 89.57 | 100.00 | 100.00 | 100.00 | 65.02 | 100.00 | 100.00 |
| Educational Facilities (same as SFD) | 100.00 | 89.57 | 100.00 | 100.00 | 100.00 | 65.02 | 100.00 | 100.00 |
| Governmental Facilities (same as SFD) | 100.00 | 89.57 | 100.00 | 100.00 | 100.00 | 65.02 | 100.00 | 100.00 |
| Religious Facilities (same as SFD) | 100.00 | 89.57 | 100.00 | 100.00 | 100.00 | 65.02 | 100.00 | 100.00 |
| Fire Protection Facilities (same as SFD) | 100.00 | 89.57 | 100.00 | 100.00 | 100.00 | 65.02 | 100.00 | 100.00 |
| % of Legislated maximum of \$100.00 | 100.00% | 89.57% | 100.00% | 100.00% | 100.00% | 65.02% | 100.00% | 100.00% |
| | 1032 | 1012 | 1014 | 1120 | 1021 | 1009 | | |
| FIRE FEES 2014-2015 | Provi-dence | Sandy Ridge | Stacks Road | Stallings | Unionville | Wingate | | |
| Percentage per request or maximum | 100.00% | 100.00% | 100.00% | 0.00% | 100.00% | 100.00% | | |
| Single Family Dwelling (SFD) (max fee \$100) | 100.00 | 100.00 | 100.00 | - | 100.00 | 100.00 | | |
| Unimproved Land-per acre | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | 0.020 | | |
| -minimum | 10.00 | 10.00 | 10.00 | - | 10.00 | 10.00 | | |
| Animal/Horticulture (20% of fee) | 20.00 | 20.00 | 20.00 | - | 20.00 | 20.00 | | |
| Commercial < or = 5000 sq ft (100% of fee) | 100.00 | 100.00 | 100.00 | - | 100.00 | 100.00 | | |
| Commercial > 5000 sq ft (200% of fee) | 200.00 | 200.00 | 200.00 | - | 200.00 | 200.00 | | |
| Mobile Home (same as SFD) | 100.00 | 100.00 | 100.00 | - | 100.00 | 100.00 | | |
| Duplex (same as SFD) | 100.00 | 100.00 | 100.00 | - | 100.00 | 100.00 | | |
| Triplex (150% of fee) | 150.00 | 150.00 | 150.00 | - | 150.00 | 150.00 | | |
| Other Family Dwellings (200% of fee) | 200.00 | 200.00 | 200.00 | - | 200.00 | 200.00 | | |
| Cultural Facilities (same as SFD) | 100.00 | 100.00 | 100.00 | - | 100.00 | 100.00 | | |
| Educational Facilities (same as SFD) | 100.00 | 100.00 | 100.00 | - | 100.00 | 100.00 | | |
| Governmental Facilities (same as SFD) | 100.00 | 100.00 | 100.00 | - | 100.00 | 100.00 | | |
| Religious Facilities (same as SFD) | 100.00 | 100.00 | 100.00 | - | 100.00 | 100.00 | | |
| Fire Protection Facilities (same as SFD) | 100.00 | 100.00 | 100.00 | - | 100.00 | 100.00 | | |
| % of Legislated maximum of \$100.00 | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | 100.00% | | |

MCGRATH FIRE STUDY ANALYSIS

| OPTION #1 SCENARIOS (Status Quo-raise taxes) | | | | | | |
|--|----------------------------|-------------------|------------------|------------------|------------------|--------------------|
| Ad Valorem* Tax Base | Territory | Current Budget | BUDGET SCENARIOS | | | |
| | | | #1 | #2 | #3 | #4 |
| \$1,320,305,000 | Providence VFD | \$579,825 | \$0 | \$0 | \$50,000 | \$50,000 |
| \$587,085,040 | Wesley Chaple VFD | \$135,985 | \$28,986 | \$28,986 | \$28,986 | \$28,986 |
| \$104,873,230 | Stallings VFD | \$36,815 | \$8,071 | \$8,071 | \$8,071 | \$8,071 |
| \$2,012,263,270 | TOTAL VFD's | \$752,625 | \$789,682 | \$789,682 | \$839,682 | \$839,682 |
| | Recover buffer | \$0 | \$67,000 | \$67,000 | \$37,000 | \$67,000 |
| | Fire apparatus | \$0 | \$0 | <u>\$100,000</u> | \$100,000 | \$100,000 |
| | GRAND TOTAL | \$752,625 | \$856,682 | \$956,682 | \$976,682 | \$1,006,682 |
| | Ad valorem tax rate * | \$0.0374 | \$0.0426 | \$0.0475 | \$0.0485 | \$0.0500 |
| | Tax @ \$400k home | \$149.61 | \$170.29 | \$190.17 | \$194.15 | \$200.11 |
| | Tax increase @ \$400k home | | <u>\$20.68</u> | \$40.56 | \$44.54 | <u>\$50.50</u> |

* AGAIN - AD VAL THAT DOESN'T
INCREASE TOTAL REVENUE

MCGRATH FIRE STUDY ANALYSIS

CURRENT 2014-15 BUDGET

| Ad Valorem Tax Base | Territory | 2014-15 Budget | Ad Val Tax |
|------------------------|-------------------|------------------|---------------|
| \$1,320,305,000 | Providence VFD* | \$579,825 | 0.0439 |
| \$587,085,040 | Wesley Chaple VFD | \$135,985 | 0.0232 |
| \$104,873,230 | Stallings VFD | \$36,815 | 0.0351 |
| \$2,012,263,270 | TOTAL | \$752,625 | 0.0374 |

Town
816,713 .0406

*excludes \$100,000/yr. fund balance transfers.

* All numbers based on AD VAL NOT TOTAL REVENUE AND MOST RESTRICTIVE OTHER REVS. NOT CONSIDERED IN ANALYSIS.

OPTION #1 (Status Quo-raise taxes)

| Ad Valorem Tax Base | Territory | 2014-15 Budget | Ad Val Tax |
|------------------------|--------------------|------------------|---------------|
| \$1,320,305,000 | Providence VFD* | \$579,825 | 0.0439 |
| \$587,085,040 | Wesley Chaple VFD | \$164,971 | 0.0281 |
| \$104,873,230 | Stallings VFD | \$44,886 | 0.0428 |
| \$2,012,263,270 | TOTAL | \$789,682 | 0.0392 |
| | Recover buffer | \$67,000 | 0.0033 |
| | GRAND TOTAL | \$856,682 | 0.0426 |

PVFD stays flat at current of .0439
 WCVFD increase from .0232 to .0281
 SVFD increase from .0352 to .0423
TOTAL
 Recover buffer

GRAND TOTAL TAX INCREASE REQUIRED
 0.0426-0.0374 X \$2,012,122,300 = \$104,057 increase

TAX INCREASE ASSUMPTIONS FROM CURRENT BUDGET TO OPTION #1

OPTION #3 (Facilitate a consolidation)

| Ad Valorem Tax Base | Territory | 2014-15 Budget | Ad Val Tax |
|------------------------|-------------------|------------------|---------------|
| \$1,320,305,000 | Providence VFD* | \$0 | 0.0000 |
| \$587,085,040 | Wesley Chaple VFD | \$535,977 | 0.0281 |
| \$104,873,230 | Stallings VFD | \$44,886 | 0.0428 |
| \$2,012,263,270 | TOTAL | \$580,863 | 0.0289 |

PVFD territory decreases from .0439 to .0281
 WCVFD territory increases from .0232 to .0281
 SVFD territory increases from .0369 to .0444

TOTAL SAVINGS OPPORTUNITY
 .0374-.0289 X \$2,012,122,300 = \$171,762 savings

SAVINGS ASSUMPTIONS FROM CURRENT BUDGET TO OPTION #3

| | Option #3 | Current |
|--|-----------|----------------|
| | 10231 | \$579,8 |
| | | \$135,9 |
| | | \$36,8 |
| | | \$752,6 |

- 100,000
 271,762