



**Town of Cornelius**  
**FY 2019**  
**Manager's Recommended Budget**

***May 7, 2018***

# **CMP Vision Statement**

Cornelius is a vibrant and inclusive small community on Lake Norman, dedicated to promoting the highest quality of life for all residents.

# Revenues

- ❖ Property Tax is the largest component of Town revenue
- ❖ The Cornelius assessed value projected for FY 2019 is 5.5 billion which is an increase of 2%
- ❖ Sales tax is expected to increase by 2%
- ❖ Cornelius electric customers will have no rate increase (NC Statute will require a residential 6 cent per month increase to the REPS rider)

# Expenditures

## ❖ Personnel

- ❖ Merit Pool at average 3% (\$199k)
- ❖ Health Insurance 5% (\$72k)
- ❖ Convert IT Helpdesk in-house ½ yr. (\$24k)
- ❖ PD Records Clerk ½ yr. (\$21k)

## ❖ Operating

- ❖ Cornelius Arts and Community Center-501 c3 fundraising development (\$143k)
- ❖ Garbage collection costs (\$97k)
- ❖ VFD \$1 per hour increase (\$63k)
- ❖ Additional sidewalk maintenance/stream restoration/street lights (\$62k)
- ❖ Maintenance for new park facilities (\$25k)
- ❖ Cloud Storage/PD body cameras (\$15k)

# Capital Funded in FY 2019

## Capital (Fund Balance)

- ❖ DDI Aesthetics (\$1,390,000)
- ❖ Street Resurfacing (\$800k)
- ❖ Willow Pond Stream Restoration Project (\$100k)
- ❖ VFD Equipment for new fire truck (\$90k)
- ❖ Police car equipment (\$125k)
- ❖ Police camera system (\$50k)
- ❖ Computer replacement (\$45k)

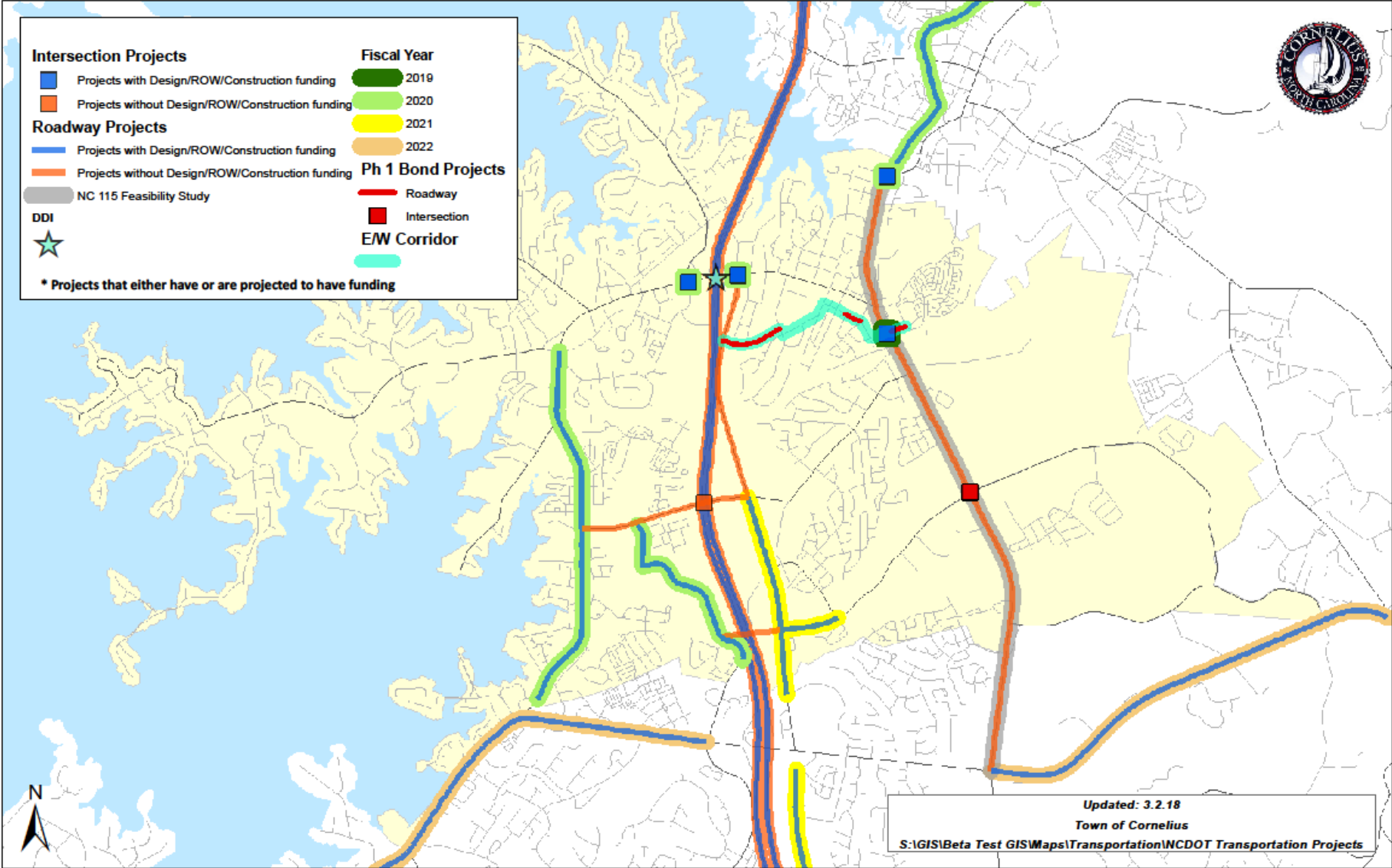
# Capital Funded in FY 2019

## Capital (Debt)

- ❖ \$6,715,000 Street and Park Bonds
- ❖ \$1,300,000 Bailey Rd. Park Track synthetic turf field
- ❖ \$1,000,000 Park land
- ❖ \$235,000 Police patrol vehicles
- ❖ \$35,000 VFD vehicle

# Active Roadway Projects

Active Intersection and Roadway Projects \*



# CIP Bond Projects

DESCRIPTION	Source	2019	2020	2021	2022	2023	Future	Total
Bailey Road Extension	Bonds Ph-2	3,664,943	-	-	-	-	-	3,664,943
Funding for Phase I, II, and III Road Bond Projects	Bonds Ph-2	2,000,057	-	-	-	-	-	2,000,057
Smithville Park to JV Washam ES Greenway and Westmoreland Road MUP Community/Art Center	Bonds Ph-2	1,050,000	-	-	-	-	-	1,050,000
	Bonds Ph-2	-	4,000,000	-	-	-	-	4,000,000
Northcross Drive Extension-Local Match	F Bond	-	5,411,577	-	-	-	-	5,411,577
Torrence Chapel Rd/West Catawba Ave Intersection-Local Match	F Bond	-	3,115,589	-	-	-	-	3,115,589
West Catawba Ave, Phase II-Local Match	F Bond	-	1,200,000	-	-	-	-	1,200,000
Hwy 21 Quadrant- Bike/Ped Accommodations, Landscaping/Utility Burial	F Bond	-	1,100,000	-	-	-	-	1,100,000
Hwy 115/Potts St/Davidson St Intersection Improvement	F Bond	-	1,000,000	-	-	-	-	1,000,000
Northcross Dr. Extension- Bike/Ped Accommodations	F Bond	-	750,000	-	-	-	-	750,000
Hwy 115/Potts St/Davidson St Intersection Improvement-Landscaping, Bike/Ped	F Bond	-	525,000	-	-	-	-	525,000
Hwy 21 Quadrant-Local Match	F Bond	-	452,000	-	-	-	-	452,000
Hwy 115/Hickory St. Intersection Improvements	F Bond	-	429,985	-	-	-	-	429,985
West Catawba Ave, Phase II- Bike/Ped, Landscaping	F Bond	-	-	-	4,630,000	-	-	4,630,000
Hwy 21 Widening (A)- Bike/Ped Accommodations, Landscaping	F Bond	-	-	-	3,000,000	-	-	3,000,000
Torrence Chapel Rd/West Catawba Ave Intersection-Bike Ped, Landscaping	F Bond	-	-	-	2,400,000	-	-	2,400,000
<b>TOTAL BOND PROJECTS</b>		<b>6,715,000</b>	<b>17,984,151</b>	<b>-</b>	<b>10,030,000</b>	<b>-</b>	<b>-</b>	<b>34,729,151</b>



# Remaining CIP

DESCRIPTION	Source	2019	2020	2021	2022	2023	Future	Total
DDI Aesthetics	Fund Bal	1,390,000	-	-	-	-	-	1,390,000
Bailey Road Park Track Renovation & Synthetic Turf Field	Debt	1,300,000	-	-	-	-	-	1,300,000
Park Land Expansion	Debt	1,000,000	-	-	-	-	-	1,000,000
Street Resurfacing	FB Powell	800,000	-	800,000	-	800,000	-	2,400,000
Vehicle Replacement Program	Both	360,000	365,000	370,000	375,000	380,000	-	1,850,000
Stream Restoration Project- Willow Pond	Fund Bal	100,000	100,000	300,000	-	-	-	500,000
Equip New Engine	Fund Bal	90,000	-	-	-	-	-	90,000
Video Surveillance Program	Fund Bal	50,000	50,000	50,000	50,000	50,000	-	250,000
Computer Replacement Program	Fund Bal	45,000	45,000	45,000	45,000	45,000	-	225,000
Fire Chief's Vehicle Replacement	Both	40,000	-	-	-	-	-	40,000
Jetton Road Extension/Sefton Parkway	Debt	-	2,000,057	-	-	-	-	2,000,057
Bailey Road North Neighborhood Park	Debt	-	1,500,000	-	-	-	2,500,000	4,000,000
Smithville Park to JV Washam ES Greenway and Westmoreland Road MUP (Match)	Fund Bal	-	1,350,000	-	-	-	-	1,350,000
Village Center Neighborhood Park	Debt	-	1,000,000	-	-	-	3,000,000	4,000,000
South Bailey Road Greenway Phase II	Debt	-	300,000	-	-	-	-	300,000
Sidewalks	FB Powell	-	200,000	-	200,000	-	-	400,000
Field Grooming Equipment & Utility Vehicle	Fund Bal	-	150,000	-	-	-	-	150,000
Facility Renovation & Expansion	Fund Bal	-	145,000	290,000	145,000	145,000	210,000	935,000
Public Works Equipment	Debt	-	75,000	65,000	-	-	-	140,000
Hose Replacement	Fund Bal	-	60,000	-	-	-	-	60,000
Festival Street - Catawba Avenue	Debt	-	-	2,600,000	-	-	-	2,600,000
Southeast Cornelius Neighborhood Park (BMS land will take care of land cost)	Debt	-	-	2,000,000	-	-	-	2,000,000
Replace Engine 4	Debt	-	-	800,000	-	-	-	800,000
Torrence Chapel Park Major Renovations	Debt	-	-	650,000	-	-	-	650,000
Robbins Park	Debt	-	-	-	1,000,000	-	3,800,000	4,800,000
Replace Truck 4	Debt	-	-	-	1,000,000	-	-	1,000,000
Glen Oak Green Park Connector	Fund Bal	-	-	-	500,000	-	-	500,000
Bailey Road Park Major Renovations	Fund Bal	-	-	-	320,000	200,000	1,500,000	2,020,000
Hwy 73 West- Bike/Ped Accommodations	Fund Bal	-	-	-	275,000	275,000	550,000	1,100,000
Legion Park Major Renovations	Fund Bal	-	-	-	200,000	-	500,000	700,000
Stratford Forest Greenway	Fund Bal	-	-	-	160,000	540,000	-	700,000
Police Department Roof	Fund Bal	-	-	-	60,000	-	-	60,000
Hwy 73 East- Bike/Ped Accommodations	Fund Bal	-	-	-	45,000	45,000	90,000	180,000
Smithville Park Major Renovations	Fund Bal	-	-	-	-	180,000	-	180,000
Westmoreland Interchange-ROW	Fund Bal	-	-	-	-	-	7,000,000	7,000,000
Smithville to JV Washam Linear Park	Debt	-	-	-	-	-	6,000,000	6,000,000
Westmoreland/McDowell Creek Neighborhood Park	Debt	-	-	-	-	-	4,000,000	4,000,000
Fire Station #3	Debt	-	-	-	-	-	4,000,000	4,000,000
West Catawba Ave, Phase II- Aesthetic Utility Poles	Fund Bal	-	-	-	-	-	4,000,000	4,000,000
Training Center/Land & Tower	Debt	-	-	-	-	-	3,000,000	3,000,000
Hwy 115- North Corridor- Bike/Ped Accommodations, Aesthetics	Debt	-	-	-	-	-	3,000,000	3,000,000
North Bailey Road Greenway	Debt	-	-	-	-	-	2,600,000	2,600,000
South Bailey Road Greenway Phase III	Debt	-	-	-	-	-	2,500,000	2,500,000
Waterfront Park	Debt	-	-	-	-	-	2,500,000	2,500,000
Victoria Bay Greenway	Debt	-	-	-	-	-	2,400,000	2,400,000
Old Cornelius to Statesville Road Greenway	Debt	-	-	-	-	-	2,100,000	2,100,000
Mini Park Land Acquisitions & Development	Debt	-	-	-	-	-	2,000,000	2,000,000
Caldwell Station Creek Greenway (South) Phase II	Debt	-	-	-	-	-	1,800,000	1,800,000
Washam Neighborhood Park	Debt	-	-	-	-	-	1,400,000	1,400,000
Westmoreland Park Greenway	Debt	-	-	-	-	-	1,210,000	1,210,000
I-77 Service Road to Westmoreland	Debt	-	-	-	-	-	1,036,250	1,036,250
North Bailey Road to Bailey Road Greenway	Debt	-	-	-	-	-	1,000,000	1,000,000
Caldwell Station to Bailey Extension	Debt	-	-	-	-	-	1,000,000	1,000,000
Synthetic Turf Multi-Purpose Field- Smithville Park	Debt	-	-	-	-	-	850,000	850,000
Bailey Road Park Tennis/Pickleball Complex	Debt	-	-	-	-	-	555,000	555,000
Nantz Road Connector Greenway	Fund Bal	-	-	-	-	-	500,000	500,000
Spray Park	Debt	-	-	-	-	-	500,000	500,000
Jetton Neighborhood Park Major Renovations	Fund Bal	-	-	-	-	-	450,000	450,000
Police Substation	Fund Bal	-	-	-	-	-	300,000	300,000
Stream Restoration Project- Upper McDowell Creek	Debt	-	-	-	-	-	284,750	284,750
<b>TOTAL NON BOND PROJECTS</b>		<b>5,175,000</b>	<b>7,340,057</b>	<b>7,970,000</b>	<b>4,375,000</b>	<b>2,660,000</b>	<b>68,136,000</b>	<b>95,656,057</b>

	FY 2017 ACTUAL	FY 2018 EYE	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Beginning Fund Balance	18,073,909	17,181,392	17,994,149	17,894,135	17,488,367	16,554,426	14,676,951
Revenues:							
Property tax	13,416,474	13,573,958	13,772,622	15,506,239	15,810,895	16,121,643	16,438,606
Sales tax	3,237,518	3,620,468	3,692,877	3,803,663	3,917,773	4,035,306	4,156,366
Franchise tax	1,790,002	1,736,306	1,736,302	1,784,918	1,834,896	1,886,273	1,939,089
Powell Bill allocation	751,187	762,256	769,879	769,879	769,879	769,879	769,879
All others	3,434,651	3,399,584	3,224,733	2,717,504	2,628,667	2,668,097	2,708,118
Total Revenues	22,629,832	23,092,572	23,196,413	24,582,204	24,962,109	25,481,198	26,012,058
Expenditures:							
Personnel	7,193,011	7,728,727	8,088,316	8,411,849	8,748,323	9,098,255	9,462,186
Operating	8,500,850	8,676,376	8,569,690	8,912,478	9,268,977	9,639,736	10,025,325
Art Center (land, operating)	-	245,000	388,000	299,640	308,629	317,888	327,425
Debt service	4,773,616	2,239,607	2,132,324	1,270,803	1,205,456	1,003,125	979,717
Capital (prev & Pub W)	-	-	900,000	300,000	1,100,000	200,000	800,000
Capital fund balance	3,039,441	3,015,455	2,525,240	1,925,000	535,000	1,945,000	1,460,000
New debt svc	-	-	722,857	3,868,202	4,729,667	5,154,669	5,723,445
Transfers	6,735	400,000	-	-	-	-	-
Use of Cap Reserve	8,696	(25,350)	(30,000)	-	-	-	-
Total Expenditures	23,522,349	22,279,815	23,296,427	24,987,971	25,896,051	27,358,674	28,778,098
Net	(892,517)	812,757	(100,014)	(405,767)	(933,942)	(1,877,475)	(2,766,040)
Ending Fund Bal	17,181,392	17,994,149	17,894,135	17,488,367	16,554,426	14,676,951	11,910,911
Capital Reserve	-	-	-	-	-	-	-
Total Balances	17,181,392	17,994,149	17,894,135	17,488,367	16,554,426	14,676,951	11,910,911
End Bal as % of Exps	73%	81%	77%	70%	64%	54%	41%
Tax Assumptions:							
Value	5,235,561,500	5,370,063,074	5,477,464,336	5,587,013,623	6,838,504,674	6,975,274,768	7,114,780,263
% increase growth	2.569%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
<b>% Change reval</b>	0%	0%	0%	20%	0%	0%	0%
New Value	5,370,063,074	5,477,464,336	5,587,013,623	6,838,504,674	6,975,274,768	7,114,780,263	7,257,075,868
Collection rate	97.8%	97.8%	99.0%	99.0%	99.0%	99.0%	99.0%
Rate	0.255	0.255	0.255	0.225	0.225	0.225	0.225
Tax produced	13,392,400	13,660,248	14,104,416	15,232,769	15,537,425	15,848,173	16,165,136
Revenue assumptions:							
Sales tax				3.0%	3.0%	3.0%	3.0%
Franchise tax				2.8%	2.8%	2.8%	2.8%
Powell Bill				0.0%	0.0%	0.0%	0.0%
Other				1.5%	1.5%	1.5%	1.5%
Expense assumptions:							
Personnel				4.00%	4.00%	4.00%	4.00%
Operating				4.00%	4.00%	4.00%	4.00%
Debt issuance variable:							
Beginning Debt O/S	16,370,722	12,436,983	14,123,658	21,709,684	41,419,964	43,755,047	51,993,136
Principal retired	(4,345,739)	(997,240)	(1,266,645)	(1,042,403)	(1,004,105)	(827,767)	(979,717)
Principal issued	412,000	2,911,179	9,284,000	23,099,208	6,335,000	12,260,000	400,000
Princ on new debt	-	(227,264)	(431,329)	(2,346,526)	(2,995,811)	(3,194,145)	(3,672,311)
Ending Debt O/S	12,436,983	14,123,658	21,709,684	41,419,964	43,755,047	51,993,136	47,741,108

# FY 2019 Budget – Summary

- ❖ Recommended Tax Rate: 25.5 cents
  - ❖ Keeps 1.5 cents dedicated to transportation capital reserve (~\$784,240 in FY 19)
  - ❖ As of FY 19 total collected will be \$2,325,715
  
- ❖ Total General Fund Budget: \$23,354,557
  
- ❖ Fund Balance (\$130,014)
  - ❖ \$326,476 General Fund
  - ❖ (\$214,369) Tourism
  - ❖ (\$242,121) Powell Bill (Bi-annual resurfacing program)
  - ❖ (\$130,014) Use of Fund Balance

# Calendar

- ❖ Public Hearing– May 21, 2018
- ❖ Adopt Budget & Set Tax Rate–June 4<sup>th</sup> or June 18th