



TOWN OF CORNELIUS

Electronic Meeting via Zoom

BOARD OF COMMISSIONERS

June 1, 2020

Agenda

TOWN BOARD - 7:00 PM

- 1. CALL TO ORDER**
 - A. Zoom Link for Meeting**
- 2. DETERMINATION OF QUORUM**
- 3. APPROVAL OF AGENDA**
- 4. MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE**
- 5. MAYOR/COMMISSIONERS/MANAGER REPORTS**
- 6. CITIZEN CONCERNS/COMMENTS**
 - A. Public Comment Guidelines**
- 7. PRESENTATIONS**
 - A. Waste Pro**
 - B. Manager's Recommended FY2021 Budget**
- 8. PUBLIC HEARING**
 - A. FY2021 Operating Budget and Tax Rate**
- 9. CONSIDERATION OF APPROVAL**
 - A. Schedule of Fees Changes**
- 10. CONSENT AGENDA**
 - A. Approve Minutes - Regular Meeting**
- 11. COMMISSIONER CONCERNS**
- 12. ADJOURNMENT**

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 1, 2020

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager

Action Requested:

Tonight's meeting can be accessed at this link [Zoom Meeting](#)

Manager's Recommendation:

ATTACHMENTS:

Name:	Description:	Type:
No Attachments Available		

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 1, 2020

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager

Action Requested:

The Board will hear public comment at this time **by email only**. Please email your comments to TownofCornelius@cornelius.org. Please include your name and address. Your comments will be read into the record upon receipt.

- Comments submitted anonymously will not be read into the record.
- Comments are limited to three minutes per comment.
- Comments are to be directed to the entire board as a whole and not individuals.
- Comments are expected to be civil and within reasonable standards of courtesy.
- Comments that include vulgarity, slander, name calling, personal attacks or threats will not be read into the record.
- Any information displayed by request must be submitted to the [Town Clerk](#) at least 48 hours prior to the meeting.
- All comments will be maintained as a public record and included in the minutes of the meeting.

Manager's Recommendation:

ATTACHMENTS:

Name:	Description:	Type:
No Attachments Available		

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 1, 2020

To: Mayor and Board of Commissioners
From: Tyler Beardsley, Asst. Town Manager

Action Requested:

The Town's new solid waste contractor Waste Pro will give a presentation on their services.

Manager's Recommendation:

Hear presentation.

ATTACHMENTS:

Name:	Description:	Type:
 Wastepro.pdf	Waste Pro	Presentation



Town of Cornelius, NC

Chip Gingles – Divisional Vice President
Jennifer Herring – Director of Government Relations



The Southeast's Fastest Growing Solid Waste and Recycling Company

- **Privately Owned**
- **Projected \$800 Million Annual Revenues in 2020**
- **EBITDA has grown in excess of 35% Annually**
- **(76) Operating Locations**
- **(270) Municipal Contracts**
- **(2,700) Collection Vehicles**
- **Serving over 2,000,000 Residential Customers**
- **Serving over 40,000 Businesses**
- **(3,700) Employees**



WASTE PRO

Caring For Our Communities

WASTE PRO

Caring For Our Communities

OF NORTH CAROLINA INC.



1. Belmont
2. Bessemer City
3. Black Mountain
4. Brevard
5. Buncombe County
7. Concord
6. Charlotte
9. Denton

8. Davidson
10. Harrisburg
11. Landis
13. Marshville
12. Laurel Park
14. Lake Park
15. Monroe
16. Mount Holly

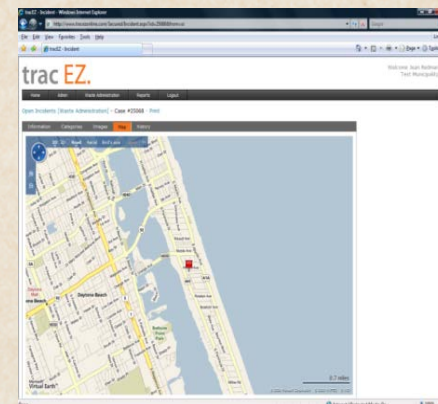
17. Mount Pleasant
18. Pineville



Waste Pro Premier Customer Service Program **Trac-EZ**

Live Online Customer Service System **TracEZ**

- ✓ Web Based
- ✓ Real Time Communications
- ✓ Reports Available
- ✓ No Special Equipment Required
- ✓ Track Inquiries by Geo-Mapping



Live Local People Answer Phones

- ✓ No Automation, No Call Centers
- ✓ Same Day Service Response Time
- ✓ Diversity English, Spanish



Team Members

Town of Cornelius Transitioning Service

- **Over 100 years experience.**
 - **Chip Gingles – Divisional Vice President**
 - **Jennifer Herring – Director of Government Relations**
 - **Vince Crisp – Assistant Division Manager**
 - **Rodney Murray – Operations Manager**
 - **Eric Johnson – Route Supervisor**
 - **Savannah Storm – Senior Dispatcher**
 - **Leia Mullins – Safety/3rd Eye Specialist**



Transition Timeline

- ✓ **Rear Load Trucks – On site in Concord**
- ✓ **Social Media release starts 6/11**
- ✓ **New Hire Training – Completed 6/13**
- ✓ **Route Training – Begins 6/15**
- ✓ **ASL Trucks – Arrive 6/15**
- ✓ **Staff Training – TracEz/Web Portal – 6/22**





In Conclusion

*Thank you for the opportunity to
partner with the Town of
Cornelius.*

*Waste Pro is
"The Distinguishable Difference"*



REQUEST FOR BOARD ACTION

 **Print**

Date of Meeting: June 1, 2020

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager

Action Requested:




The Town Manager will formally present the budget to the Town Board. The Presentation will describe the highlights of the FY 2021 Manager's Recommended Budget. The detailed Manager's Recommended Budget document will be available on the Town's website Tuesday, June 2nd. A printed copy will be available in the Town Clerk's office and Finance Department.

The FY2021 Budget Public Hearing will follow this presentation.

Manager's Recommendation:

Hear presentation.

ATTACHMENTS:

Name:	Description:	Type:
 80_20_Sheet.pdf	80/20 Sheet	Backup Material
 Budget_presentation_FY_2021-June_1_2020.pdf	FY21 Recommended Budget	Presentation
 FY21_Manager_Recommended_Budget.pdf	FY21 Manager's Recommended Budget	Backup Material

Town of Cornelius
Budget Changes Prior Year / Estimated Year End / Next Budget Year
1-Jun-20

	2019 Actual	2020 Est Yr End Changes	%	2020 Est Yr End	2021 Budget Changes	%	2021 Proposed Budget
Personnel							
Merit		259,265	3.34%		212,970	2.44%	each % costs 70,990
Salary Study		419,000	5.40%				
HR Director half year		53,500	0.69%		186,930	2.14%	FD Town employees half year
Officer vacancy salary		69,230	0.89%		53,500	0.61%	HR Director half year
					12,355	0.14%	Sworn PD Residency Incentive (year 1 of 4)
					17,000	0.19%	Total Cost PT Animal Control Officer (net = \$11,200)
Vacation payout		9,000	0.12%				
					5,400	0.06%	Communications intern (net = \$0)
OT Comm. Center/Animal Control		11,362	0.15%				
					18,000	0.21%	5% Probationary increase
Town portion Grant officers		19,485	0.25%				
State raised retirement %		122,459	1.58%		139,814	1.60%	State raised retirement %
					16,000	0.18%	Recruitment/Retention/Compression Fund
		20,750	0.27%				
					3,200	0.04%	Intermediate Law Enforcement Certificate
Subtotal of recurring items		984,051	12.69%		665,169	7.61%	
Total Personnel	7,753,882	984,051	12.69%	\$ 8,737,933	665,169	7.61%	\$ 9,403,102
Operating							
One Time Items:							
Asset Forfeiture		297,400	3.55%				
Public safety analysis study		(31,000)	-0.37%		(64,000)	-0.71%	Public safety analysis study
Powell Bill engineering		20,000	0.24%		(20,000)	-0.22%	
IAR		300,000	3.58%		(115,800)	-1.28%	IAR
CCA PT program coordinator		33,400	0.40%		(33,400)	-0.37%	
IT Licensing/Server Upgrades		39,000	0.46%		(39,000)	-0.43%	
Bond sale costs		10,000	0.12%		(10,000)	-0.11%	
PD Crash Data Retrieval Tool		7,140	0.09%		(7,140)	-0.08%	
CACC Con./Robbins Plan/Cyber prevention		(112,500)	-1.34%				
					2,000	0.02%	PARC Maint. Tech. one time start up cost
						0.00%	Arts district plan
					6,000	0.07%	North Corridor TOD Match
					5,000	0.06%	ASC Funding
					-	0.00%	Staffing study for Parks, Public Works, and Finance
					-	0.00%	Salary and benefits market study
					-	0.00%	Police Station maint. and exterior lighting repairs *
Subtotal of one-time items		563,440	6.72%		(276,340)	-3.06%	
Recurring:							
Dept. Bdgt Cuts to offset personnel increases (HR Dir.)		(130,000)	-1.55%		-	0.00%	Bid audit services
Cuts to Personnel Legal and HR Consultant Fees		(9,500)	-0.11%				
PPOA Landscaping		(21,345)	-0.25%				
					10,000	0.11%	Town Hall/Public Safety/Public Works Building Maint. Reserve Fund (Half Funding FY 21)
					45,000	0.50%	Removed from capital legacy computer replacement program
					43,000	0.48%	Removed from capital legacy camera program
IT VX Rail maint. and Microsoft Licensing		30,400	0.36%				
VFD/Annexations and small equipment		49,000	0.58%				
					(10,000)	-0.11%	PD misc. (Citizens Academy, equipment replacement)
					7,500	0.08%	Interplat and Spillman maint.
Cloud Storage for PD body cameras		14,000	0.17%		17,000	0.19%	12 new PD body cameras plus cloud storage
					(5,500)	-0.06%	Animal control vet tech services
					(5,400)	-0.06%	Move from operations to personnel/Communications intern
					8,160	0.09%	Fiber line connection to radio tower
Garbage collection costs/Tipping fees/CPI/house count		62,273	0.74%		-	0.00%	
					(10,000)	-0.11%	Fuel
Fluctuating gas prices		-	0.00%		10,650	0.12%	Electric/water for ball fields increase
Maintain new parks assets		25,000	0.30%		-	0.00%	Maintain parks assets (year 1 of 3)
Parks landscaping/herbicides and pesticides		5,769	0.07%				
					(75,000)	-0.83%	Defer Beverly Greenway Paving to FY 22
					(20,000)	-0.22%	PARC - revised landscaping schedules (mulching, mowing, etc.) (reassess if revenues are better than anticipated)
County Stormwater increase		16,992	0.20%		4,000	0.04%	County Stormwater increase
					-	0.00%	VFD small tools and equipment
					10,000	0.11%	VFD OT
					23,608	0.26%	VFD staffing gaps/12 hour shift
					9,000	0.10%	New firefighters workers comp cost
					-	0.00%	Property, Liability, and Workers Comp Insurance
Street light increases		8,125	0.10%		4,096	0.05%	Street light increases
CACC		24,600	0.29%		-	0.00%	CCA Operational increase (accounting, insurance, software)
Existing Art Center/Mill Rent increase		-	0.00%		2,000	0.02%	Existing Art Center/Mill Rent increase
VLN/Prepared Food & Beverage revenue increase		15,986	0.19%		11,576	0.13%	VLN/Prepared Food & Beverage revenue increase
Subtotal of recurring items		91,300	1.89%		79,690	0.88%	
Total Operating	8,388,997	654,740	8.61%	9,043,737	(196,650)	-2.17%	8,847,088
Capital							
Police cars equipment		190,000			633,000		Police vehicles (FY 21 plus carry forward for FY 20)
Police cameras / fiber		50,000			-		Removed from capital Police cameras / fiber
Police air handling units		-			90,000	*	Police air handling units
St resurfacing / stormwater		-			800,000		Powell Bill - Old Canal \$800K
Recurring sidewalks		200,000			-		
Public Works leaf machine		-			60,000		Public Works leaf machine
Northcross Drive/Westmoreland Land		100,000			-		
Computer replacement program		45,000			-		Removed from capital computer replacement program
Fire Engine Equip/Boat Refurbishment		-			95,000		Fire Boat repair
Fire Station #2 window replacement *		-			40,000	*	Fire Station #2 window replacement *
Stream Restoration-Willow Pond		100,000			300,000		Stream Restoration-Willow Pond
DDI Landscaping		-			-		DDI Landscaping
Crosswalk safety improvements		30,000			-		
IT VX Rail		202,000			-		
					50,000		Legion Park design for drainage project
Capital Roads Reserve		1,072,627			1,099,967		Capital Roads Reserve
Total Capital	1,078,413	1,989,627			3,167,967		
Transfers							
911 Fund	142	-			-		
Caldwell Station Creek Greenway	6,180	-			-		
South Bailey Greenway Design (PILQ)	-	83,634			-		
Cain Center for the Arts	1,967,000	218,997			-		
Total Transfers	1,973,322	302,631			-		

Town Hall/Public Safety/Public Works Building Maint. Reserve Fund*



Town of Cornelius
FY 21
(July 1, 2020 – June 30, 2021)

Manager's Recommended Budget

June 1, 2020

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.

Organizational Mission:

The Cornelius Way: Going above and beyond to serve our community with excellence.

General Fund

- ❖ Property Tax is the largest component of Town revenue (~\$16.2M; 62% of revenues)
- ❖ Cornelius assessed value projected for FY 21 is \$7.53 billion which is an increase of 2.41%
- ❖ Sales tax is the 2nd largest revenue component (~\$3.1M; 13% of revenues)
- ❖ No property tax increase proposed for FY21.
- ❖ Projecting \$1.78M drop in revenues due to COVID-19. Most revenues will be impacted. (Property tax, Sales tax, Tourism, Powell Bill, etc.)
- ❖ Projecting \$299K contribution to Fund Balance.

Expenditures

❖ Personnel

- ❖ Reduced personnel expenditures to offset COVID-19 revenue loss (\$88K)
- ❖ No increase for Health Insurance (18 months) (\$0)
- ❖ Merit pool at average 3% (\$213K) to remain competitive with our market.
- ❖ Full-Time Town Firefighters ½ year (2 positions, 6 FTEs) as per CPSM & Town Manager recommendation. (\$187K)
- ❖ HR Director ½ yr. (\$53K)
- ❖ PARC PMT ½ year (~net zero cost)
- ❖ Part-Time Animal Control Officer (\$17K) as per CPSM & Town Manager recommendation.
- ❖ State Retirement System mandated increase (\$139K)
- ❖ Police Officers Residency Incentive (year 1 of 4) (\$12K)
- ❖ Delaying implementation of some personnel items until revenues are evaluated. (\$303K)

Expenditures

❖ Operating

- ❖ Reduced operating expenditures to offset COVID-19 revenue loss (\$301K)
- ❖ Some of these expenditures will be re-evaluated if revenues come in better than projected.
- ❖ No increase for garbage services after bidding the contract (\$0)
- ❖ No increase for Property & Liability and Workers Comp. insurance after bidding (\$0)

Expenditures

❖ Operating

- ❖ PD 12 body cameras and cloud storage (\$17K)
- ❖ PD crash software, CAD maintenance, and fiber line connection to radio tower (\$15,660)
- ❖ CLFR overtime and staffing gaps (\$33,600)
- ❖ Utility increases/water PARC ball fields (\$10,650)
- ❖ Town Hall/Public Safety/Public Works Building Maint. Reserve Fund (\$10K 1/6 funding)
- ❖ Camera/computer legacy programs moved from capital to operating (\$88K)
- ❖ Streetlights (\$4K)
- ❖ North Corridor TOD match (\$6K) (one time)
- ❖ Delaying implementation and purchase of some operational expenditures until revenues are evaluated. (\$80K)

Capital Funded in FY 21

Capital (Fund Balance)

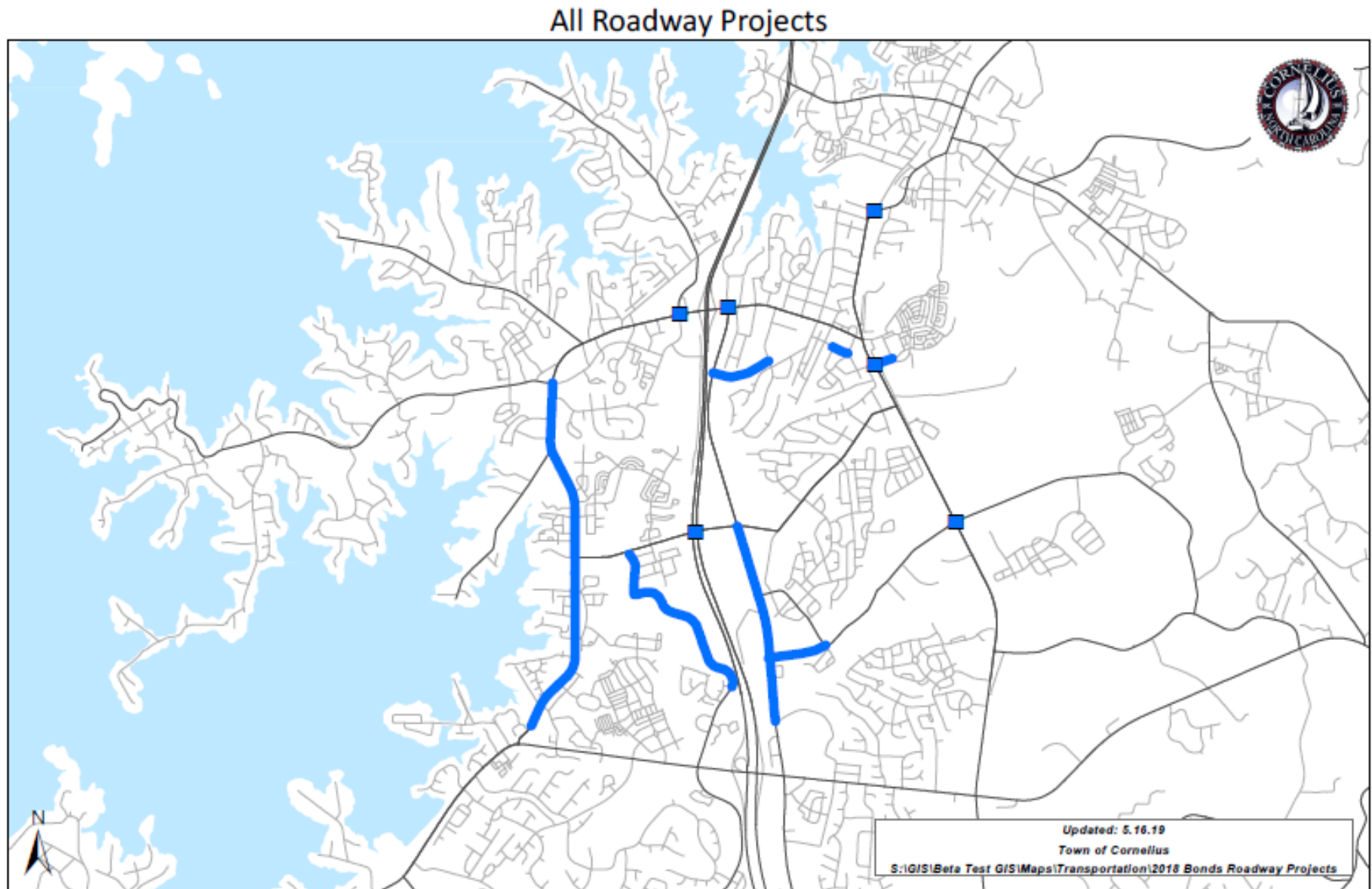
- ❖ Reduced capital expenditures to offset COVID-19 revenue loss (\$797K)
- ❖ Police Vehicles (\$633K FY 21 plus carry forward for FY 20)
- ❖ Fire Boat Repair (\$95K carry forward for FY20)
- ❖ Old Canal (\$800K, Powell Bill Fund)
- ❖ Willow Pond Stream Restoration (\$300K)
- ❖ Public Works Leaf Machine (\$60K)
- ❖ Legion Park Design for Drainage Project (\$50K)
- ❖ Fire Station #2 Window Replacement (\$40K TH/PS/PW Building Maint. Reserve Fund)
- ❖ Police Air Handling Units (\$90K TH/PS/PW Building Maint. Reserve Fund)
- ❖ Transportation Capital Reserve Fund (\$1.1M)
- ❖ Delaying implementation and purchase of some capital items until revenues are evaluated. (\$50K)

Capital Funded in FY 21

Capital (Debt)

- ❖ \$750,000 Fire Engine
- ❖ \$720,000 Bailey Road Park Ballfield Lighting
- ❖ Delaying implementation of these items until revenues can be evaluated. (\$145K)

All Roadway Projects



CIP NCDOT Road Projects

DESCRIPTION	Funds Source	2022	2023	2026	2027	Total
2013 Road Bond Project Estimated Cost Increases	Bonds	5,500,000	-	-	-	5,500,000
Westmoreland Interchange- Town Contribution	Bonds	2,000,000	-	-	-	2,000,000
Hwy 115- Hickory St. Intersection Improvements	Bonds	1,040,782	-	-	-	1,040,782
West Catawba Phase II- STI- Local Funding Contribution	Bonds	-	1,200,000	-	-	1,200,000
West Catawba Phase II- Bike-Ped Accommodations, Street Lights and Mast Arms	Bonds	-	-	-	5,833,800	5,833,800
Hwy 21 Widening (A)	Bonds	-	-	1,700,000	-	1,700,000
Hwy 21 Dual Roundabouts- Local Match and Betterments (BA)	Bonds	-	-	-	-	-
Hwy 115-Potts St.-Davidson St. Intersection Improvement Project and Betterments (BA)	Bonds	-	-	-	-	-
Northcross Dr. Extension-Local Match and Roundabout and Betterments (BA)	Bonds	-	-	-	-	-
Torrence Chapel Rd. West Cat. Ave. Intersection Impv- Local Match and Betterments (BA)	Bonds	-	-	-	-	-
		8,540,782	1,200,000	1,700,000	5,833,800	17,274,582

Remaining CIP

DEPT	DESCRIPTION	Funds Source	2021	2022	2023	2024	2025	Future	Total
PW	Old Canal Stabilization and South St. Bridge Erosion Control (Powell Bill Funds)	FB Powell	800,000	-	-	-	-	-	800,000
Fire	Replace Engine 3, 4, and 5	Debt	750,000	-	750,000	-	-	-	1,500,000
PARC	Bailey Road Park Athletic Facility Lighting Replacement	Debt	720,000	810,000	-	-	90,000	-	1,620,000
PD	Police Vehicles	Fund Bal	633,000	550,000	500,000	505,000	510,000	-	2,698,000
PW	Stream Restoration- Willow Pond + Upstream & Downstream	Fund Bal	300,000	200,000	-	-	-	-	500,000
Fire	Fireboat Repair	Fund Bal	95,000	-	-	-	-	-	95,000
PD	Police air handling units *	Fund Bal*	90,000	-	-	-	-	-	90,000
PW	Public Works Equipment	Fund Bal	60,000	65,000	-	-	-	-	125,000
PARC	Leqion Park Major Renovations	Fund Bal	50,000	475,000	-	200,000	-	-	725,000
Fire	Fire Staion #2 Window Replacement*	Fund Bal*	40,000	-	-	-	-	-	40,000
PARC	Community Art Center	Bonds	-	4,000,000	-	-	-	-	4,000,000
PW	Jetton Extension	Debt	-	2,100,000	-	-	-	-	2,100,000
PARC	Smithville JV Washam Elementary Linear Park	Debt	-	1,000,000	1,000,000	500,000	-	3,200,000	5,700,000
PARC	Bailey Road Park Tennis & Pickleball Complex	Debt	-	1,000,000	-	-	-	-	1,000,000
PW	Gem Street Extension Surface Parking Cost	Fund Bal	-	400,000	-	-	-	-	400,000
PARC	Torrence Chapel Park Major Renovations	Fund Bal	-	350,000	-	-	-	550,000	900,000
PARC	Bailey Road Park Major Renovations	Fund Bal	-	250,000	-	250,000	710,000	900,000	2,110,000
PW	Sidewalk (Powell Bill Funds)	FB Powell	-	200,000	-	200,000	-	-	400,000
PW	DDI Landscaping	Fund Bal	-	200,000	-	-	-	-	200,000
PARC	Field Maintenance Equipment	Fund Bal	-	159,700	-	-	-	-	159,700
PW	Street Resurfacing (Powell Bill Funds)	FB Powell	-	-	800,000	-	800,000	-	1,600,000
Fire	Training Center Land	Fund Bal	-	-	500,000	-	-	-	500,000
PARC	Robbins Park Development	Debt	-	-	200,000	-	2,450,000	2,300,000	4,950,000
PW	Town Hall cooling tower replacement*	Fund Bal*	-	-	150,000	-	-	-	150,000
PD	Police Roof*	Fund Bal*	-	-	125,000	-	-	-	125,000
PW	Festival Street- Catawba Avenue	Debt	-	-	-	2,750,000	-	-	2,750,000
PARC	Smithville Multi-Purpose Synthetic Turf Field	Debt	-	-	-	900,000	-	-	900,000
PARC	Smithville Park Major Renovations	Fund Bal	-	-	-	190,000	-	-	190,000
PARC	Jetton Park Major Renovations	Fund Bal	-	-	-	-	650,000	-	650,000
PARC	Caldwell Station Creek South Greenway Phase II	Debt	-	-	-	-	315,000	1,900,000	2,215,000
PARC	Mini Park	Debt	-	-	-	-	315,000	1,305,000	1,620,000
Fire	Fire Staion #2 Roof*	Fund Bal*	-	-	-	-	195,000	-	195,000
PARC	Plum Creek- South Bailey Rady Greenway Construction Phase II	Fund Bal	-	-	-	-	140,000	-	140,000
PARC	Southeast Cornelius Neighborhood Park	Debt	-	-	-	-	-	5,050,000	5,050,000
PARC	Bailey Road North Neighborhood Park	Debt	-	-	-	-	-	4,475,000	4,475,000
Fire	Fire Station #3	Debt	-	-	-	-	-	4,000,000	4,000,000
PARC	Village Center Neighborhood Park	Debt	-	-	-	-	-	3,200,000	3,200,000
PARC	Westmoreland McDowell Creek Park	Debt	-	-	-	-	-	3,200,000	3,200,000
PW	Hwy 115- North Corridor (Washam Potts to Potts St) Bike-Ped Accommodations, Aesthetics	Debt	-	-	-	-	-	3,150,000	3,150,000
PARC	North Bailey Road Greenway	Debt	-	-	-	-	-	2,730,000	2,730,000
PARC	Plum Creek- South Bailey Rady Greenway Construction Phase III	Debt	-	-	-	-	-	2,700,000	2,700,000
PARC	Waterfront Park	Debt	-	-	-	-	-	2,620,000	2,620,000
PARC	Victoria Bay Greenway	Debt	-	-	-	-	-	2,520,000	2,520,000
PARC	Downtown Cornelius to Statesville Road Greenway	Debt	-	-	-	-	-	2,270,000	2,270,000
PARC	Washam-Eco Park	Debt	-	-	-	-	-	1,500,000	1,500,000
PARC	Westmoreland Park Greenway	Debt	-	-	-	-	-	1,350,000	1,350,000
PARC	North Bailey Road to Bailey Road Greenway	Debt	-	-	-	-	-	1,100,000	1,100,000
PW	Hwy 73 West- Bike-Ped Accommodations	Fund Bal	-	-	-	-	-	1,100,000	1,100,000
PW	I-77 Service Road to Westmoreland	Debt	-	-	-	-	-	3,150,062	1,088,062
PW	Caldwell Station to Bailey Extension	Debt	-	-	-	-	-	1,000,000	1,000,000
Fire	Replace Ladder Truck 4	Debt	-	-	-	-	-	1,000,000	1,000,000
PARC	Stratford Forest Greenway	Fund Bal	-	-	-	-	-	760,000	760,000
PARC	Glen Oak Green Park Greenway	Fund Bal	-	-	-	-	-	600,000	600,000
PARC	Nantz Rd Connector Greenway	Fund Bal	-	-	-	-	-	575,000	575,000
PARC	Spray Park	Fund Bal	-	-	-	-	-	525,000	525,000
PW	Westmoreland Road Widening	Fund Bal	-	-	-	-	-	525,000	525,000
PW	Stream Restoration- Upper McDowell Creek	Fund Bal	-	-	-	-	-	300,000	300,000
PD	Police Substation	Fund Bal	-	-	-	-	-	300,000	300,000
			3,538,000	11,759,700	4,025,000	5,495,000	6,175,000	57,793,062	88,785,762

Debt

- ❖ Town has sold \$16.4M of \$20.4M 2013 Transportation/Parks/Town Center Redevelopment Bonds (approximately \$1.4M annual bonded debt service)
- ❖ In FY 22, Town plans to sell \$10.6M of \$24M 2018 Transportation Bonds (approximate annual bonded debt service roughly \$1M)
- ❖ In FY 22, Town plans to sell \$4M Town Center Redevelopment Bonds (approximate annual bonded debt service of \$333K)
- ❖ Town's average annual non-bonded debt financed is \$1.4M
- ❖ In FY 23, the Debt Service to Annual Expenditure Ratio could reach 16% due to the issuance of \$32M in Bonds plus non-bonded principal.
- ❖ NCDOT Road project delays and additional funding achieved by Town Staff have improved our short-term financial condition.
- ❖ However, oncoming debt still is the dominant factor of Town's finances.
- ❖ Additional Revenue will be needed before FY24 to maintain AAA-rating and before FY29 to prevent a violation of our Fund Balance Policy.

	FY 2019 Actual	FY 2020	FY 2020 EYE	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Beginning Fund Balance	19,273,176	19,542,188	21,699,109	25,456,517	25,755,976	26,001,592	25,132,736	23,768,880
Revenues:	3,744,677	17,389						
Property tax	14,093,129	15,732,608	16,164,000	16,258,038	17,072,328	17,324,311	17,323,082	17,578,826
Sales tax	3,983,699	3,841,700	3,841,700	3,168,019	3,263,060	3,360,951	3,461,780	3,565,633
Franchise tax	1,887,891	1,905,280	1,900,000	1,694,776	1,742,230	1,791,012	1,841,161	1,892,713
Powell Bill allocation	771,445	777,231	778,252	583,252	583,252	583,252	583,252	583,252
All others	2,789,454	3,346,693	3,737,124	2,906,431	2,950,027	2,994,278	3,039,192	3,084,780
Total Revenues	23,525,618	25,603,512	26,421,076	24,610,516	25,610,897	26,053,804	26,248,466	26,705,204
Expenditures:								
Personnel	7,753,882	9,086,784	8,737,933	9,403,102	10,120,273	10,676,888	11,210,732	11,771,269
Operating	8,341,575	8,851,612	9,018,001	8,821,928	9,174,805	9,541,797	9,923,469	10,320,408
TH/PS/PW/Bldg Maint. Rsv Fund	-	-	-	30,000	-	-	-	-
Cain Center (land, operating)	365,000	323,000	323,000	300,000	309,000	318,270	327,818	337,653
Existing Debt service	2,402,706	3,052,063	2,625,107	2,473,510	2,317,543	2,206,409	2,113,581	1,764,691
Powell Bill/Stormwater Capital	766,235	871,500	281,000	1,050,000	400,000	800,000	200,000	800,000
Other Capital	312,178	1,892,874	1,708,627	2,117,967	2,249,700	1,275,000	1,145,000	2,205,000
New debt svc	-	-	-	144,550	793,960	2,104,296	2,691,722	3,044,355
Transfers	1,229,722	-	-	-	-	-	-	-
Use of Cap Reserve	(71,613)	(30,000)	(30,000)	(30,000)	-	-	-	-
Total Expenditures	21,099,685	24,047,833	22,663,668	24,311,057	25,365,280	26,922,660	27,612,322	30,243,375
Net	2,425,933	1,555,679	3,757,408	299,459	245,616	(868,856)	(1,363,856)	(3,538,171)
Ending Fund Bal	21,699,109	21,097,867	25,456,517	25,755,976	26,001,592	25,132,736	23,768,880	20,230,710
Capital Reserve	-	-	-	-	-	-	-	-
Total Fund Balance	21,699,109	21,097,867	25,456,517	25,755,976	26,001,592	25,132,736	23,768,880	20,230,710
Available Fund Balance	19,808,064	19,097,867	22,762,693	23,062,152	23,307,768	22,438,912	21,075,056	17,536,886
End Bal as % of Exps Total	103%	88%	112%	106%	103%	93%	86%	67%
End Bal as % of Exps Available	94%	79%	100%	95%	92%	83%	76%	58%
Tax Assumptions:								
Value	5,499,814,530	5,552,131,900	5,552,131,900	7,353,051,835	7,530,530,059	7,643,488,010	7,758,140,330	8,689,117,170
% increase growth	0.951%	0.00%	2.74%	2.41%	1.5%	1.5%	0.0%	1.5%
% Change reval	0%	28.9%	28.9%	0%	0%	0%	12%	0%
New Value	5,552,131,900	7,156,768,213	7,353,051,835	7,530,530,059	7,643,488,010	7,758,140,330	8,689,117,170	8,819,453,927
Collection rate	99.0%	99.0%	99.0%	97.25%	99.0%	99.0%	99.0%	99.0%
Rate	0.255	0.2220	0.2220	0.2220	0.2220	0.2220	0.1982	0.1982
Tax produced	14,016,357	15,732,608	16,164,000	16,258,038	16,798,858	17,050,841	17,049,612	17,305,356
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					5.50%	5.50%	5.00%	5.00%
Operating					4.00%	4.00%	4.00%	4.00%
Debt issuance variable:								
Beginning Debt Outstanding	11,439,504	11,360,602	11,302,036	9,137,202	8,541,848	23,137,008	24,493,894	26,887,660
Principal retired	(1,944,800)	(2,112,280)	(2,164,834)	(2,065,354)	(1,855,622)	(1,793,114)	(1,756,234)	(1,455,361)
Principal issued	1,807,332	23,308,292	-	1,470,000	16,450,782	3,150,000	4,150,000	3,170,000
Ending Debt Outstanding	11,302,036	32,556,614	9,137,202	8,541,848	23,137,008	24,493,894	26,887,660	28,602,299

FY 21 Budget - Summary

- ❖ Recommended Tax Rate: 22.20 cents
 - ❖ No change in tax rate from FY 20
- ❖ Total General Fund Budget: \$24,341,057 (net of reconciling items such as debt to be issued)
- ❖ Fund Balance Contribution \$299,459

Budget Reductions

- ❖ \$1.2M reductions to help offset COVID revenue impacts.
- ❖ Including, but not limited to:
 - ❖ Merit (reduced from 4 to 3%)
 - ❖ Police vehicles (purchasing/equipping fewer vehicles)
 - ❖ Non-critical Park maintenance and landscaping
 - ❖ Beverly Greenway paving
 - ❖ BRP Tennis Complex/ Land Banking
 - ❖ DDI Landscaping
 - ❖ Town-maintained roads resurfacing
- ❖ Will reassess some reductions if revenues are better than anticipated.

Budget Delays

- ❖ \$595K in budgeted, but delayed items.
- ❖ Including, but not limited to:
 - ❖ BRP Lighting System (December 1)
 - ❖ 6 Firefighters (February 1)
 - ❖ 2 Police Officer vacancies- Hiring Freeze (February 1)
 - ❖ Computer Replacement (February 1)
 - ❖ Fire Engine (February 1)
 - ❖ Legion Park stormwater repair design (February 1)

Planning for COVID

- ❖ Planned appropriately
 - ❖ Conservative Revenue projections (\$1.78M impact to revenues)
 - ❖ Budget Reductions (\$1.2M)
 - ❖ Contribution to Fund Balance (\$299K)
 - ❖ Delayed Expenditures (\$595K)
- ❖ Budget Reductions will have relatively minor impacts to service in the short term, but some will be more costly in the future if not put back into budget.
- ❖ Significant impacts to services if the delayed expenditures are not implemented.

Electric Fund

- ❖ 2019 System Study identified major capital and maintenance needs to provide reliable service to current and future customers.
 - ❖ Infrastructure maintenance- pole replacements, substation maint., system evaluation and repairs
 - ❖ Construct new substation- redundancy, reliability, growth
- ❖ 2020 Cost of Service Study recommended appropriate rate and charges structure
 - ❖ Beginning in FY22 (July 1, 2021), phase in approx. 4.4% rate increase each year for 5 years.
- ❖ FY21
 - ❖ Land purchase for new substation
 - ❖ Maintenance items
- ❖ Cornelius electric customers will not have a rate increase in FY21 (NC Statute will require a residential 5 cent per month increase to the REPS rider for renewable energy)
- ❖ Cornelius Electric Fund will receive an ElectriCites statewide system working capital refund of \$1,107,000 to increase the Electric General Fund to \$3.8M

Electric Fund

Town of Cornelius Electric Fund

Change in Wholesale Rate

		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	Growth Factor	2019 Actual	2020 Budget	2020 EYE	2021 Budget	2022 Projection	2023 Projection	2024 Projection	2025 Projection
Expenditures									
Personnel	5.0%	509,906	600,267	600,267	777,900	816,795	857,635	900,516	945,542
Operating	2.0%	888,909	1,052,058	1,052,058	1,079,400	1,100,988	1,123,007	1,145,468	1,168,377
Electrical Power Purchases	3.0%	4,524,182	4,635,626	4,635,626	4,625,962	4,669,109	4,727,282	4,882,180	5,037,379
Capital		383,221	414,408	300,000	1,041,500	1,901,000	1,828,000	765,000	707,000
Annual debt svc pmt		25,727	26,428	26,428	41,028	30,000	30,000	30,000	30,000
Total expenditures		6,331,946	6,728,787	6,614,379	7,565,790	8,517,892	8,565,925	7,723,164	7,888,299
Recommended rate increase		0.0%	0.0%	0.0%	0.0%	4.42%	4.44%	4.45%	4.47%
Revenues									
Electricity sales	3.0%	6,126,725	6,640,359	6,353,571	6,391,380	7,076,041	7,559,343	8,073,648	8,611,931
Other operating revenue		205,723	62,000	348,788	299,000	307,970	317,209	326,725	336,527
Nonoperating revenue		-	742,000	742,000	1,107,000	-	-	-	-
Total revenue		6,332,449	7,444,359	7,444,359	7,797,380	7,384,011	7,876,553	8,400,373	8,948,459
Revenues vs expenditures		502	715,572	829,980	231,590	(1,133,881)	(689,372)	677,209	1,060,160

Calendar

- ❖ Budget Document – Available on Town Website on June 2nd: www.cornelius.org
- ❖ Public Hearing – June 1, 2020 and June 15, 2020
- ❖ Adopt Budget & Set Tax Rate – Special Meeting Date - TBD

PUBLIC HEARING



Town of Cornelius

Manager's Recommended Budget

Fiscal Year Ending June 30, 2021

Presented June 1, 2020

Town of Cornelius

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Manager's Message



To: The Honorable Mayor Washam
Members of the Board of Commissioners
Citizens of Cornelius

From: Andrew Grant, Town Manager

Re: Transmittal of FY 21 (July 1, 2020 – June 30, 2021)
Annual Budget

Date: June 1, 2020

I am honored to present the Town of Cornelius Manager's Recommended Budget for Fiscal Year 2021. This budget proposal provides for the ongoing challenges facing the Town due to the COVID-19 global pandemic. Expense reductions of approximately \$1.2M and delaying the implementation/purchase of some expenditures to the amount of approximately \$595K, in addition to a contribution to fund balance of \$299K will help the Town mitigate COVID-related revenue loss. This document has been prepared in accordance with North Carolina General Statutes, and, as such, is balanced. The cooperative efforts of the Town Board, Town staff, and citizens continue to work toward the common goal of effective, efficient, and responsive local government customer service.

As required by NC General Statutes, staff proposes a balanced budget. The related schedules and detailed line items specify revenues and expenditures for the General, Electric, and Emergency Telephone System Funds. This annual financial plan outlines the spending plan for the year and revenue sources to meet those obligations while accomplishing identified goals and objectives for each Town department. The General Fund Budget totals \$24,341,057 (net of reconciling items, such as debt to be issued), which represents an increase of \$1,647,389 (or 7%) from FY 2020 estimated year-end expenditures. This increase is due partially to unfinished capital projects in FY 20 that now plan to be completed in FY 21, as well as, ½ year funding of 6 full time fire fighters, and additional capital improvements.

The Town continues to strive to maintain its reputation for unparalleled customer service, called "the Cornelius Way" which remains a priority in our budget efforts. Some of the items funded in FY 2021 include: Old Canal St. stabilization, replacement of a fire engine, Bailey Rd. Park facility lighting, police vehicles and Willow Pond stream restoration, which continues to illustrate our commitment to a high quality of life for Cornelius citizens.

Manager's Message

The Manager's recommended tax rate for FY 2021 at twenty-two and two tenths cents (\$.222) per \$100 of assessed valuation remains unchanged from FY 2020 and continues to remain the lowest tax rate in Mecklenburg County and is among the lowest in the state with a population greater than 30,000. A twenty-two and two tenths cent tax rate is budgeted to generate approximately \$16.2 million in tax revenue, which is approximately \$753,053 of tax revenue per penny. The estimated \$16.2 million in property tax is a result of growth in the Town's assessed value of real property (estimated at \$6.8 billion), registered motor vehicles (valued at \$445 million) and other public service company and personal property (combined at \$225 million), for a combined assessed value of \$7.52 billion.

Personnel expenditures are expected to increase by 7.61% in total, however, the increase is due to items such as, the addition of 6 full time firefighters budgeted at a half year, the remaining half year portion to fully fund an HR Director, State Retirement employer funding increases, the hiring of a part-time Animal Control Officer, and a merit pool that is budgeted for staff. Merit is awarded proportional to an employee's performance. A COLA (Cost of Living Adjustment) for employees has not been budgeted. Recurring operations are expected to increase by 0.88% related to items such as, reclassifying certain recurring capital legacy items to operations (computer replacement program, and camera system). Capital spending will increase by \$1.1M (net of reconciling items) due to Old Canal St. stabilization project, stream restoration, various rolling stock items, and other items. Debt service will decrease slightly due to decreased debt issuance in FY 20.

Goals for FY 2021

Town spending priorities continue to follow the 2012 Comprehensive Master Plan (CMP) and its implementation of the citizen-driven goals and strategies. Goals for guiding future growth identified through the *CMP Navigate Cornelius* include:

- 1) Promotion of Economic Development and Business Recruitment
- 2) Development of Key Shopping and Activity Centers and Development Nodes
- 3) Improvement to Mobility and Increase of Transportation Options
- 4) Strengthened Citizen Engagement

Citizen stakeholders identified these goals as objectives that could be used as a measure of success in shaping the Town's future budgets and land use implementation. These objectives would fulfill the Town's vision:

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

Specific initiatives funded in the FY 2021 Budget related to these goals and vision include:

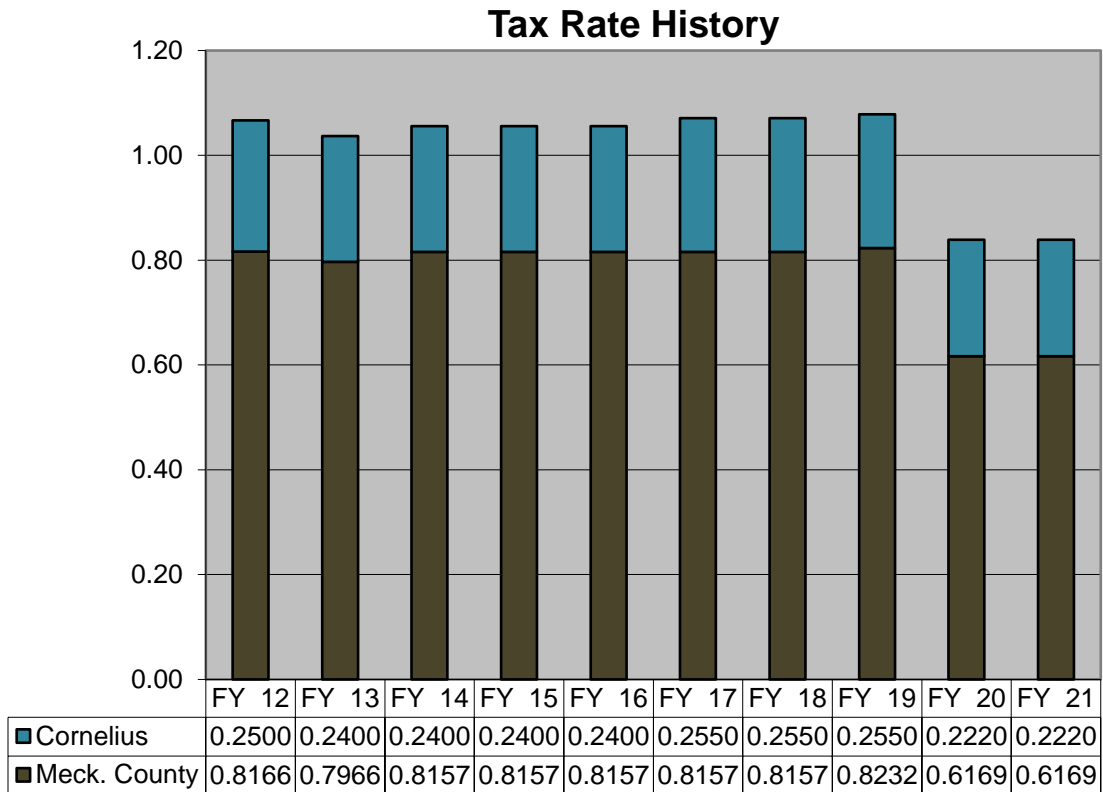
- ✓ Debt Issuance of \$1,470,000 for fire engine replacement and Bailey Road Park lighting system replacement.
- ✓ Additional transportation and mobility initiatives funded in the upcoming fiscal year include \$800,000 for Old Canal road stabilization improvements and South Street Bridge erosion control. In addition, stream restoration is also budgeted to continue in FY 21.

Manager's Message

- ✓ Continued commitment to superior customer service in public safety with the addition of 6 full time fire fighters, continuation of lake patrol, fire boat repair, part time animal control officer, and facility maintenance upgrades.

General Fund Revenue Highlights

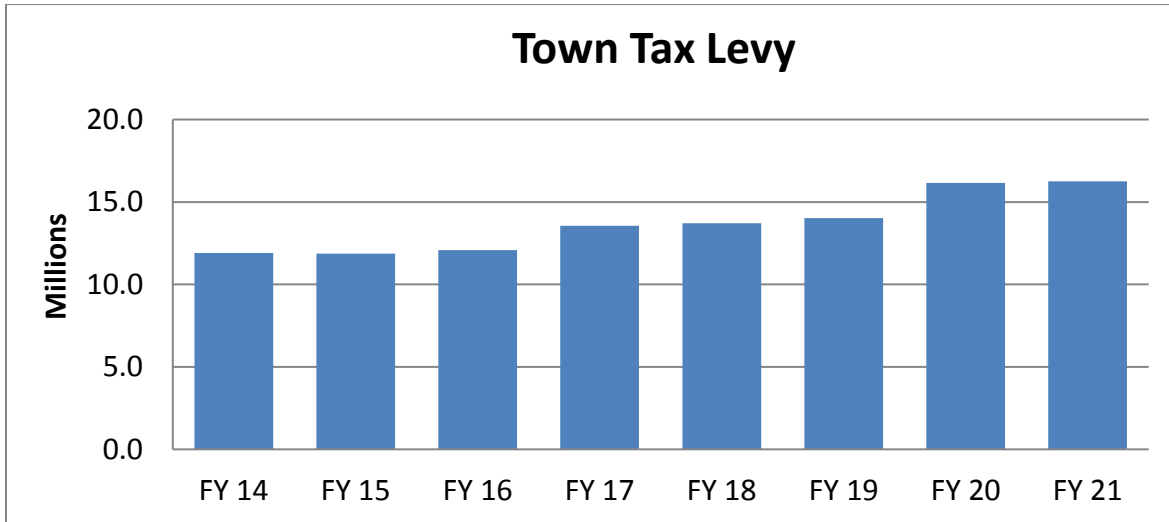
The FY 2021 Budget proposes a tax rate of \$0.222 per \$100 of assessed valuation. Cornelius taxpayers also pay Mecklenburg County tax in addition to the Town property tax. The graph below illustrates the 10-year tax rate history of both local governments, including the Town rate proposed for FY 2021. The FY 2021 rates are not official until adopted by the respective governing body, so this chart illustrates Cornelius' proposed rate and Mecklenburg County Manager's recommended tax rate for FY 2021.



The annual Town Board vote that sets the property tax rate is a critical function of the budget ordinance, as it affects every taxpayer. Taxpayers receive an annual bill, which is a function of the tax rate based on the assessed value of their property; the annual tax rate is the single factor among these two that the Town Board controls, as Mecklenburg County assesses value. In addition, property taxes provide more than 60% of the Town's General Fund annual revenues. Finally, setting the annual tax rate directly affects the Town tax levy, which is the current basis Mecklenburg County uses to calculate the Town's pro rata share of future sales tax distributions. For these reasons, establishing the tax rate has a substantive impact on the Town's overall fiscal health.

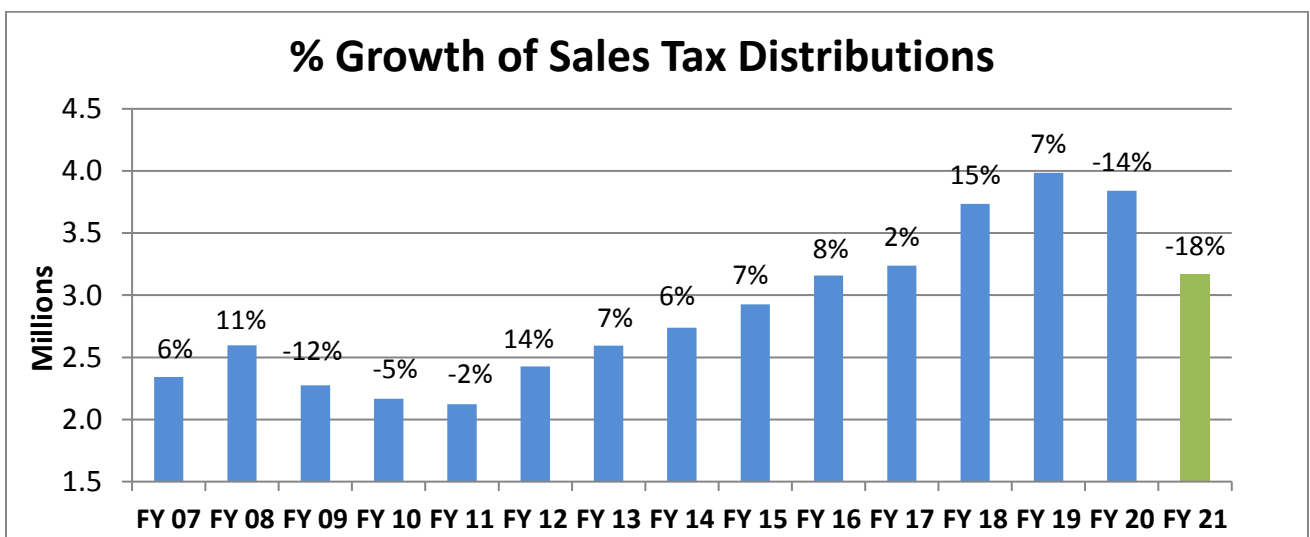
The following chart depicts an eight-year window of Cornelius' tax levy FY 2014-21.

Manager's Message



The Town's second highest revenue source is sales tax distribution, representing approximately 12% of the FY 2021 revenue budget. Sales tax distributions in North Carolina are county specific, meaning each local government within the county receives a proportionate share of sales tax generated within the county based on a distribution method. For more than a decade, Mecklenburg County has authorized sales tax distributions based upon percentage of tax levy within the County. Therefore, a change in assessed values or change in tax rates of any of the six other municipalities or the County can result in changes to Cornelius' sales tax revenue. Historically, there have been proposed state legislation that would have had an impact (some negative, some positive) on future years' sales tax receipts. Staying attune to activity from other local governments and the state will pay dividends in the form of future Cornelius sales tax dollars.

Consumer spending also has a dramatic effect on sales tax revenue and the most recent economic forecasts from the NC League of Municipalities and Moody's indicates substantial decreases in the first half of FY 21, with a gradual improvement in the latter half of the year due to the global pandemic. Sales tax receipts since the last recession in 2008 have steadily increased, however, they are now expected to decrease in FY 2021 due to the economic impact of COVID 19. The following chart illustrates growth and reductions in sales tax receipts to Cornelius since FY 2007.



Manager's Message

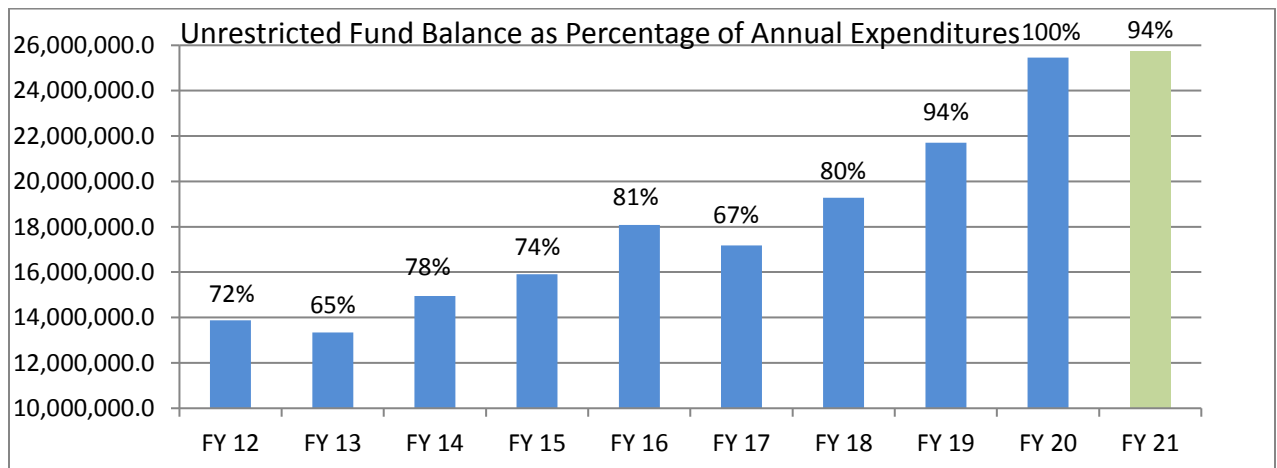
Other consumer spending-dependent revenue sources include U-Drive-It tax (projected to decrease over 30%), Occupancy tax (projected to decrease 45%), and prepared food and beverage tax (projected to decrease 20%). Additional Town revenue sources worthy of note include franchise tax (projected to decrease roughly 11%), 911 distributions from the State 911 Board (estimated to increase 10.7% over FY 20 levels), and Powell Bill distributions (expected to decrease by approximately 25%). This reduction in Powell Bill funding is due to anticipated shortfalls in the NCDOT budget from COVID-19 as well as NCDOT cash flow issues resulting from the MAPS Act and natural disasters on the coast. Property tax is also projected to decrease by 1.75%.

In summary, some Cornelius revenue sources are estimated to decrease substantially over FY 20 levels (including property tax, sales tax, utility franchise tax, tourism supported taxes, Powell Bill, interest earnings, PARC programming fees, and planning fees) largely as a result of the impact of COVID-19. Town staff has estimated a decrease of \$1.78M in revenues compared to revenue projections prior to the pandemic. Additional details regarding the Town's revenue budget can be found in the Revenue Assumptions section of the Budget (beginning on page 32) and in the line item details (page 36).

Economic Outlook

For FY 2021, physical evidence of new construction can be found with the continued buildout of several new developments including Bailey's Glenn, Washam Potts Reserve, Bailey Springs Plantation, Watermark Condos, and new commercial construction along Catawba Avenue including the QT gas station, Catawba at Knox shopping and restaurant amenities, and the new Chase Bank. These new developments help to bring consumers to our region and help fuel the local economy.

The November 2013 voter-approved bond package also continues to serve the Town. With \$9.9 million bonds issued in June 2015, significant construction is still underway on roads and greenways. Early in FY 2019, the Town issued the majority of the remaining phase of the 2013 voter approved transportation and park bonds in the amount of \$6,715,000. This phase does not include the \$4,000,000 in Town Center redevelopment bonds, as these bonds may be issued in FY 22. In addition to bond capital, the Town also plans to contribute to road stabilization, rolling stock, stream restoration, and park lighting. These capital improvements are funded through use of grants, debt instruments, and fund balance. As endorsed by the Town's Fund Balance Policy, these capital uses of fund balance are depicted in the following chart showing the impact of planned capital on 10 years of the Town's Unrestricted Fund Balance.



Manager's Message

The preceding chart illustrates the Town's unrestricted fund balance plus capital reserve as a percentage of total annual expenditures. This graph illustrates an increase to Unrestricted Fund Balance and revenue generated by a designated 1.5 cents of the tax rate beginning in FY17 toward a Transportation Capital Reserve Fund. While Fund Balance levels are currently at high levels, the sale and subsequent servicing of the transportation bond debt (bonds will likely carry a 20-year term) will begin to deplete the Town's fund balance rapidly, as it is projected that annually substantial amounts of fund balance cash will be needed to service the Town's total bonded debt. It is projected that in FY 23, the Debt Service to Annual Expenditures Ratio will be 16%.

General Fund Expenditure Highlights

Personnel

Personnel expenditures are planned to increase by a net of 7.61% to fund ½ year of 6 full time firefighters, ½ year remaining funding of the HR Director, as well as, fund an average 3% merit pool for employees. Full-time headcount will increase by 6 positions with the addition of the Town's first full-time firefighters.

Governing Board

The Governing Board budget will fund the elected officials' stipend and expenses. Such expenses include bimonthly Town Board meetings and technological expenditures. There are also expenses associated with ethics training, travel and training, and participation in the Metro Mayor's Coalition.

Administration

The Administration Department consists of General Government services such as the Town Manager's Office, Town Clerk, Finance Dept., and Information Technology services. This department is tasked with implementing Town Board policy, managing the Town's daily operations and financial services. The General Government department expenditure changes in FY 2021 are expected to decrease by 11.3% largely due to the completion of an IT capital project in FY 20.

General Services

General Services funds several contractual functions for the Town, such as external auditors, use of outside legal counsel, Historic Preservation Commission, Victim's Advocate, and Ada Jenkins Center. The department's budget will decrease by approximately \$416,000 due to a transfer for the new art center's design that occurred in FY 2020 and delays in timing of the interchange access report.

Police

The Police Department's mission is to provide honest, fair, and efficient law enforcement to all people within its jurisdiction. Since the Police Department represents the Town's largest financial and human capital investment, changes in the department's staffing have a significant impact including the continued responsibility for lake and ETJ (Extra Territorial Jurisdiction) services. The department also plans to continue its recurring motor vehicle replacement and camera system initiatives.



Manager's Message

Communications and Emergency Telephone System

The Cornelius 911 Center facilitates the exchange of information between the public and Police staff with speed, accuracy, and professionalism. The Center dispatches 911 calls for the Town of Cornelius and Davidson College. Expenses, mostly technological and/or capital that is eligible per the NC 911 Board, are charged to state-provided funds in the Emergency Telephone System Fund. Expenses that are not eligible are paid by the General Fund.

Fire Protection

The Town provides fire protection and prevention as well as emergency first response within the Town limits via a contract with Cornelius-Lemley Fire Rescue, Inc. A study conducted by the Center for Public Safety Management recommended transitioning the department to a full career staff. FY 21 marks the first year of phasing in full-time firefighters (6) as Town employees and continue to contract with the CLFR to provide fire protection and related services.

Animal Control

This department is responsible for enforcing animal control regulations and humane treatment of Cornelius animals and operations of the Cornelius Animal Shelter. FY 21 allocates budget for a new part time animal control officer, as recommended by a study conducted by the Center for Public Safety Management.

Public Works



The Public Works Department manages capital construction and maintenance of public grounds, streets, and sidewalks including right-of-way and streetlights. Year-to-year variations in capital funding have a significant impact on the annual Public Works budgets. Public Works spending is planned to decrease 6.1% in FY 2021. Projects in the FY 21 budget include \$60,000 for a replacement leaf machine, and continued management of infrastructure projects, in particular road projects.

Stormwater Management

Cornelius' stormwater management program is funded through stormwater fees remitted by property owners to Charlotte Water that collects and remits stormwater receipts monthly to the Town. The department spending is budgeted to increase roughly \$200,000 due to the Willow Pond stream restoration project.

Street and Sidewalk Improvements

The Town's Powell Bill fund is funded by the North Carolina General Assembly, which is restricted to be spent on construction, resurfacing, and maintaining Town streets and sidewalks. The Town's practice has been to fund road resurfacing every other year. FY 2021 Powell Bill Funds will be used for Old Canal Street stabilization and South Street erosion control in the amount of \$800,000.

Planning and Land Development

The Planning department handles land use, zoning, GIS, and mapping coordination. The department will continue to manage many land use and transportation studies.

Manager's Message

Tourism

The Town's Tourism function distributes funding from tourism-related taxes to various agencies, such as Visit Lake Norman and Lake Norman Economic Development Corporation. Tourism funding is also used to support Cornelius special events, such as the annual Symphony in the Park.

Art Center

The Town funds the operations of the existing Cornelius Art Center and art-related events such as 'Tawba Walk. The Center seeks to promote artistic endeavors to all age groups through such outlets as drawing, photography, painting, pottery, sewing, sculpting, and art exhibits. The Art Center budget is planned to decrease slightly due to the completion of one-time operational goals.



PARC

The Parks, Arts, Recreation, and Culture Department's mission is to provide great parks, natural areas, and recreational experiences. The department budget adds Bailey Road Park lighting improvements and Legion Park design for stormwater improvements.

CIP Appropriations

A detailed list of the Town's Capital Improvement Plan (CIP), including FY 2021 funded capital and FY 2022 - FY 2025 capital under consideration can be found on page 80 of this document. Projects displayed in the FY 2021 column are funded in the Manager's Recommended Budget.

Additional capital needs on the horizon include cost share with NCDOT for widening West Catawba Ave. and US21, and issuance of several phases of bonds for transportation purposes, and Town Center Redevelopment bonds. NCDOT's financial condition and priorities over the coming five years will certainly result in projects shifting from one year to another; however, this document, with the related five-year financial forecast illustrates a path the Town may take to fund future capital needs.

The list of projects currently under consideration for the CIP exceeds \$106 million. Also, some projects not currently on the list are likely to become important to the Town through implementation of the Town's Comprehensive Master Plan and staff's efforts to respond to the evolving needs of the community.

Manager's Message

To maintain the Town's stable financial condition, we utilize a long-term view of budgeting by preparing a five-year financial forecast and related capital improvement program, and a longer-term (20+ years) financial forecast. Summaries occur on pages 80-82 of this budget. The forecasts are used during budget discussions to perform scenario analyses that illustrate the impact of tax rate changes in various fiscal years and the impact of other variables, such as assessed valuation and revaluation changes, personnel & operating expenditure changes, and many other assumptions. Maintaining the Town's current AAA bond rating (Standard & Poor's) requires a multi-year outlook rather than taking a single-year view of the Town's budget. These documents assist in planning for future years' economic environment in each fund (General and Electric) along with their unique revenue and expenditure demands.

Debt Service

Being good stewards of the Town's financial condition requires maintaining positive metrics that are important to bondholders and institutions who bid on the Town's debt instruments. Maintaining sound fund balance levels, providing for annual debt service requirements, and continuing rapid amortization (of non-bonded debt) are key activities associated with preserving the Town's AAA bond rating. Because there is no rating higher than AAA, entities with this rating will issue debt at the lowest rates, minimizing borrowing costs.

The rapid amortization of non-bonded debt we issue is also instrumental in making the Town's debt proposals attractive in the debt market. The Town also utilizes debt instruments that allows the Town to take advantage of historically low interest rates.

Maintaining a AAA bond rating will be challenging in future years with a substantial amount of bonded debt coming on the books in future years. The Town will have to make astute financial decisions to comply with its fund balance policy, while maintaining community service levels.

Electric Fund

The Town owns and operates an electric distribution system, provides electric services to a portion of Cornelius, and contracts with ElectriCities of NC to manage its daily operations. Participation in the North Carolina Municipal Power Agency #1 (NCMPA#1) for decades has provided a consistent power source for our customers. For the FY 21 budget, there is no rate increase to our customers. FY 21 is the initial year of a new multi-year capital plan to allocate resources for much needed system upgrades and deferred maintenance that will enhance reliability and allow for growth, including pole repair and replacements, substation upgrades and land purchase for a new substation. ElectriCities also plans to increase operational and personnel costs in order to provide critically needed system maintenance, reliability, and growth.

While Cornelius electric customers will face no Town initiated rate increase in FY 2021, there is an NC statute REPS (Renewable Energy and Energy Efficiency Portfolio Standard) rider rate change that is anticipated to result in a five-cent rate increase per month for our residential customers that will become effective July 1, 2020. This rate change will result in a minimal cost impact to the Town's 3,000+ residential customers and a small increase in REPS rider charges to commercial and industrial rate payers.

Considerations in FY 2021 and beyond

Cornelius is a growing community that continues to attract new residents and businesses. With these added stakeholders comes pressure for expanded facilities and demands for exceptional customer service within existing financial resources. As an organization, the Town's number one

Manager's Message

resource is its employees, and the Town should continue to invest resources and efforts to recruit and retain excellent staff. New transportation projects, bond funded and otherwise, will have an impact on how the public moves within our corporate limits and beyond. We continue to strive to make a positive impact on the mobility opportunities within the Lake Norman area that enhances the daily lives of our citizens. Maintaining public safety resources and expanding park and greenway facilities are additional consumers of the Town's financial resources. Economic development and expanding cultural opportunities also require balancing many competing resources.

The Town is creating walkable communities to parks and places of interest with varied amenities. As directed by the Town's Comprehensive Master Plan, we proactively seek state and federal resources to assist with funding improvements at key intersections, along roadways and for connectivity, while working with developers to create a desirable community atmosphere. These efforts continue to help us achieve lasting positive additions to Town assets that start out as an idea and become a reality through implementation of our five-year capital improvement plan.



Finally, the Town's future bonded debt (for transportation, parks, greenways, and Town Center Redevelopment) must be considered in all future budget preparations.. The benefits that these bond-funded projects will bring are incredible; however, the debt will create challenges for the Town's financial future, and the Town's finances will require disciplined management.

Conclusion

Cornelius enjoys the reputation of responsive customer service to its citizens at a low tax rate. Staff continues to seek efficiencies associated with better implementation of technology while controlling operating costs. We will also seek partnership opportunities with outside entities and agencies to enhance the quality of life for our constituents. Finally, we are thankful for the volume of hours that citizens, commissioners, many volunteer boards, and staff devote to working with the challenges associated with each new fiscal year to produce an annual budget document.

Respectfully submitted,

Andrew Grant
Town Manager

Julie Niswonger
Finance Director

Town of Cornelius

Incorporated 1905



The Town of Cornelius, the second youngest of Mecklenburg County's six incorporated towns, was founded in 1893 but not incorporated until March 4, 1905. The Town's origin has been traced by many historians to a dispute over cotton weighing.

In the late 1800s, two thriving cotton farms located in Davidson disagreed on whether an official town cotton weigher should be appointed. After a heated election was held and legislation enacted, a town cotton weigher was hired and the firm which opposed the appointment decided to relocate much of its operations just south of the Davidson town limits.

Frequently after heavy rains, the road connecting Davidson and Cornelius would become impassable. The hill leading into Davidson would become so muddy that many cotton farmers found it safer and more convenient to conduct their business just south of Davidson in a small frame building. The success of the cotton purchasing business later inspired the owners to construct a cotton mill where raw cotton could be converted into cloth. The owners of the cotton firm lacked the needed money to make the idea of a cotton mill a reality but knew who could provide the financial backing. Joseph Benjamin Cornelius (1833-1914) supplied the needed investment and the mill was opened. Although the town was originally incorporated as "Liverpool", the Town's name was soon changed to Cornelius to honor J.B. Cornelius who was the principal stockholder in the cotton mill.

Perhaps even more influential as the cotton industry was to the Town's development and growth early in the century, was the damming of the Catawba River to create Lake Norman. In 1963, Duke Power created the largest man-made lake in North Carolina and provided the area with both hydroelectric power and recreational opportunities. The formation of the lake also provided Cornelius with over 70 miles of developable shoreline within the Town's planning jurisdiction.

Town Information

Today, Cornelius has approximately 70 miles of shoreline on Lake Norman and approximately 3.5 miles on Lake Cornelius.

The Town of Cornelius is a community that offers a wide variety of activities which includes 14 public parks, two recreation centers, and an art center, greenways, retail and office space, and a wide diversity of housing opportunities.

The corporate limits of Cornelius currently encompass approximately 13.07 square miles with a total planning jurisdiction of 15.07 square miles. The Town government is operated under the Council-Manager form of government. The Town Manager oversees the daily operations of the Town under the policy direction of a Mayor and 5 Commissioners who are elected to serve two year terms.

Appointed citizen Boards, Commissions, and Committees, such as the Planning Board, Architectural Review Board, Parks, Arts, Recreation and Culture Commission, Historical Preservation Commission, Transportation Advisory Board, and Land Development Code Advisory Board, assist the Board of Commissioners in formulating policies for the future governance of our Town.

Budget Guide

A Citizen's Budget Guide

State law defines an annual budget as “a proposed *plan* for raising and spending money for specified programs, functions, activities or objectives during a fiscal year.”

While this definition may seem simple, budgets usually contain a considerable amount of detailed information. The fact remains, however, that a budget exists as the single most comprehensive annually updated financial guide for the services provided to the citizens of the Town.

Understanding how a budget is created and adopted and recognizing the key components of the budget document itself is paramount to a citizen's understanding of the local government's vision, guiding principles and goals as outlined in the *Town of Cornelius Comprehensive Master Plan*. The purpose of this guide is to provide you, the citizen, with that information.

MUNICIPAL BUDGETS IN NORTH CAROLINA

The Town of Cornelius, like all local governments throughout North Carolina, prepares, adopts, and administers its budget in accordance with the Local Government Budget and Fiscal Control Act (LGBFCA).

This Act establishes responsibilities in the adoption of the budget and most importantly, requires that the budget be *balanced*. In other words, the estimated revenues and financing sources must equal the proposed spending.

North Carolina local governments operate under a July 1 - June 30 fiscal year. A budget must be adopted by June 30th of each year, or interim provisions must occur.

The spending for the coming year is authorized through the Board of Commissioner's adoption of a *budget ordinance*. This action authorizes the spending, assures that the budget is balanced, and levies the property tax for that budget year. On an as needed basis, related resolutions or ordinances formally authorize changes to the Town's Board adopted fee schedule. Amendments to the budget ordinance may occur throughout the year with Town Board approval that could impact planned spending levels. Under North Carolina law, local property taxes may not be changed at any point in the year once adopted without input from the State government or extraordinary circumstances.

By law, each year, a public hearing is held by the Board of Commissioners to receive comments from citizens and taxpayers on the recommended budget. That hearing is held after the Town Manager formally presents his recommended budget to the governing body. Throughout the budget review period, copies of the recommended budget are kept on file for public review in the Town Finance Director's office, with the Town Clerk, and available on the Town's website.

This document contains a wealth of information regarding the Town and its fiscal priorities for the year. The Manager's Budget Message outlines in narrative form the Town's major new initiatives for the year and how necessary funding levels have

Budget Guide

changed from the previous year. The remaining sections outline in detail the amounts of revenues and expenditures anticipated for the following year.

Town staff also maintains a five-year capital plan, a five-year financial forecast; as well as an extended financial forecast beyond five years. These documents express a long-term vision of the Town's priorities and funding requirements as outlined in the Comprehensive Master Plan, *Navigate Cornelius*.

**We urge you to take the time to review this budget.
If you have questions, please call:**

**Andrew Grant, Town Manager, Lori Harrell, Town Clerk, or
Julie Niswonger, Finance Director at (704) 892-6031**

BUDGET FORMAT

The Town of Cornelius financial system is organized utilizing governmental fund accounting where accounts are maintained separately. Government resources are allocated in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. This segregation of revenues and costs allows close monitoring of specific accounts to provide insurability that certain funds are self-supporting and that revenues which are required by law for specific purposes are identifiable. The Town of Cornelius' Operating Budget consists of three primary annually budgeted funds: General Fund, Electric Fund, and Emergency Telephone System Fund. Subcategories have been created within the General Fund to track funds required to be spent only for specific purposes. They include the following three subcategories of the General Fund: Stormwater Fund, Powell Bill Fund, and the Tourism Fund.

- **General Fund** Governing Body, General Government, General Services, Police, Communications, Animal Control, Public Works, Powell Bill, Solid Waste/Recycling, Stormwater Management, Planning and Land Development, Tourism, Art Center, Parks, Arts, Recreation and Culture, Transfers, and Debt Service, are all funded through the General Fund.
- **Electric Fund** All electric distribution system operations, maintenance, and capital improvements are funded through this fund which is also known as an "Enterprise Fund." The Fund has been managed since FY 1998 under a contract with ElectriCities including updated amendments to the original contract and in cooperation with the Town of Huntersville.
- **Emergency Telephone System Fund** By NC Statute, the Town also uses a separate annually budgeted special revenue fund to account for state distributions of 911 fees and any expenses deemed eligible by the 911 Board to be paid from such revenues.

Budget Guide

REVENUES

Revenues are shown by sources within funds. Revenue projections can be made more accurately when revenues are segregated by source and controlled accordingly.

The major revenues by source are as follows:

- **Ad Valorem Taxes** Also known as property taxes, these include the collection of current year as well as prior year levies and potential interest and penalties on delinquent taxes. Property subject to ad valorem taxes include real property, vehicles, business personal property (equipment, lease upgrades, and fixtures), and certain personal property such as watercraft (boat and jet skis). Property owners are required to list property annually with the Mecklenburg County Tax Assessor's Office. Some nonprofit organizations, such as religious groups, charter schools, and local government owned property may not be subject to such property taxes; additional information regarding exemptions may be obtained from the Mecklenburg County Tax Assessor's Office. The Town also assesses a \$10 fee on each motor vehicle registered in the Town limits of Cornelius which appears with the annual vehicle property tax bill and annual vehicle registration.
- **Other Taxes and Licenses** This includes all other taxes and licenses (if applicable) issued and collected by the Town or the Town's agent including the unrestricted portion of related Gross Receipts on Rental Vehicles and occupancy tax.
- **Unrestricted Intergovernmental** NC General Statutes allow the Town to receive revenue from additional federal, state, and local agencies which may be used for any general fund expenditure including the Utility Franchise Tax or Sales Tax levied on utility bills, Beer and Wine Tax, Prepared Food and Beverage Tax, Stormwater Fees, and Local Option Sales Tax. The distribution basis for these revenues can be found in the Revenue Assumptions section of this budget document. The Town relies upon the state for these distributions which occur monthly (most Sales Taxes), quarterly (Franchise Tax), or annually (Beer and Wine Tax).
- **Restricted Intergovernmental** This revenue type consists of both taxes and fees which are collected by other federal, state, and local governmental units and passed along to Cornelius. These revenues are restricted to be spent exclusively for specific purposes. Examples of restricted intergovernmental revenues include specific federal public safety grants, specific PARTF state parks and recreation grants, Powell Bill, U Drive It Tax, asset forfeiture tax, solid waste tax, and 911 fees.
- **Permits and Fees** Permit and fee revenue is derived from charges in return for specific services rendered such as fingerprinting, subdivision consideration, false alarm billing, or participation in Parks, Arts, Recreation, and Culture events. Included in this section is the fee charged to Davidson

Budget Guide

College for usage of the North Mecklenburg Communication Center and police false alarm fees. Other such permits and fees include planning and zoning fees, transit fees, and map sales.

- **Sales** Revenue received from the sale of property or other merchandise comprises this category of revenue. This revenue stream is non-cyclical and infrequent in nature. Examples include sale of surplus equipment.
- **Investment Earnings** Revenue derived from the investment of idle cash results in investment earnings. For clarity purposes, the Town segregates interest received on unrestricted revenue from certain restricted revenue sources. Additionally, Board approved loans among different funds that accrue interest will appear separately within interest earned.
- **Miscellaneous** Miscellaneous revenues include nonrecurring and minor revenue sources such as refunds affecting prior year expenses, property insurance claim proceeds, nonsufficient funds fees, prior year electric capital credits, and copier use charges.
- **Debt Issued** While separate capital project ordinances are used to account for debt issued to construct capital assets for construction periods exceeding one year, the annually budgeted general fund might also issue debt. Frequent debt issued in the general fund includes rolling stock installment financing of fire and maintenance trucks as well as police cars. Other substantial debt issues include parks and road construction.
- **Appropriated Fund Balance** Fund balance is the amount available to appropriate from the previous year-end revenues exceeding budgeted expenditures or prior year expenditures unspent. As with investment earnings, certain restricted revenues are indicated separately from the overall general fund appropriated fund balance.

EXPENDITURES

Expenditures are shown in the budget classified by funds from which they are paid, by departments spending the money, by the functions for which the expenditures are made and by the object of expenditures which provides greater detail for controlling expenditures. Funds are appropriated at adequate levels in order to maintain or improve the quality and the level of service to be provided in the coming year.

The major expenditures by function are shown as follows:

- Governing Board
- General Government (Administration)
- General Services

Budget Guide

- Police
 - Communications
 - Fire Protection
 - Animal Control
 - Public Works
 - Powell Bill
 - Solid Waste / Recycling
 - Stormwater Management
 - Planning / Land Development
 - Tourism
 - Art Center
 - Parks & Recreation
 - Debt Service
-
- The Town's Enterprise operation of the Electric Distribution Fund is maintained in its own fund and department.
 - The Town also uses a separate annually budgeted special revenue fund to account for state distributions of 911 fees.

Expenditures by object are divided into five major categories - personnel services, operating expenditures, transfers to other funds, debt service, and capital outlays.

These categories are summarized below:

- **Personnel Services** Expenses which can be directly attributed to employees. These expenses include salaries, stipends, insurance benefits, retirement, 401k, and FICA. The costs of such expenditures have been budgeted within each operating department to give a more accurate cost of departmental operations.
- **Operating Expenses** Costs other than personnel and capital outlay that are required for the operations of the Town. Operational line item expenditures are directly affected by inflationary trends, increased service demands, and enforcement of government regulations. Examples of operating expenses include departmental supplies, motor fuels, utilities, and equipment or vehicle maintenance. Operating expenses also include contracts with outside agencies.
- **Transfers** The general fund budget may require that money be set aside to be used at a future date or used in conjunction with additional capital sources. The Town currently has numerous capital projects ongoing and provides for transfers into capital project funds to provide for future capital needs, such as the Transportation Capital Reserve Fund.
- **Debt Service** North Carolina General Statutes also require that provisions be made to meet annual payments on debt issued in prior years and commitments of the current year's budget. The Town is contractually

Budget Guide

obligated to provide the annual funding to meet these obligations for future debt issuance and bond rating purposes.

- **Capital Outlay**

Capital outlay includes expenditures for the purchase and/or construction of land, buildings, vehicles, equipment, fixtures, and other infrastructure (including roads, sidewalks, greenways, and public easements) which are too permanent in nature to be considered expendable at the time of purchase. The items defined as capital have a value of \$5,000 or more for equipment or \$25,000 or more for infrastructure items. Capital by definition must also have an expendable life of more than one year. Budgeting of capital equipment and capital improvements over \$50,000 will be addressed separately in accordance with the Town's Capital Improvement Program and contingent on availability of funds. Frequently, grant funded items are also budgeted within capital accounts.

THE BUDGET PROCESS

The budget is the single most important annual document presented to the Board of Commissioners. The annual budget ordinance sets the tax rate to be levied upon property for the year and describes how such taxes and other revenues will be spent. The budget is primarily intended to establish policy direction but it also serves the citizens by providing an understanding of the Town's operating fiscal programs. It reflects the Town's commitment to maintain necessary services, improving quality of service, and keeping the impact of taxes to the citizens at a reasonable level.

The Town operates with the guidance of an annual budget ordinance adopted in accordance with the provisions of the Local Government Budget and Fiscal Control Act (LGBFCA). The budget ordinance is the legal basis of the budgetary accounting system and the standard by which proposed expenditures are measured. The balanced budget ordinance is adopted annually prior to the beginning of the fiscal year. The ordinance is subjected to public inspection and a public hearing prior to adoption. The budget is considered balanced when estimated net revenues equal appropriations. Changes to the budget ordinance (increases or decreases) occur only by formal Board action and cannot affect the tax rate once adopted except in very rare instances.

The State also requires that local governments experience at a minimum once every eight years a property revaluation ensuring that property within the unit is valued at market rates. Additional conditions (value changes – increases or decreases—of more than fifteen percent) could result in the requirement that revaluations occur more frequently. Such requirements ensure that property owners contribute fairly to the cost of operating the government for the year. Mecklenburg County's most recent revaluation occurred in FY 2020 (Budget year impact) and the next required revaluation is planned to impact the FY2024 Budget.

Government-wide financial statements are produced at year-end using the economic resources measurement focus and reported using the accrual basis of accounting. However, the annual budget is adopted on a departmental basis and is prepared using the modified accrual method of accounting for all funds. This accounting approach recognizes revenues when they become measurable and expenditures at the time the liability is incurred. All monies received and expended must be included in the budget ordinance. Departmental appropriations that have not been expended by the end of the fiscal year lapse.

Budget Guide

The Town adheres to generally accepted accounting principles (GAAP) including all applicable Governmental Accounting Standard Board adopted guidelines. Under GAAP, the Town's annual financial statements present three components: government-wide financial statements, fund financial statements, and notes to the financial statements.

A thorough understanding of the financial condition of the Town requires consideration of not only the annual budget, but also the annual financial statements, which describe the actual results of the year, including budget versus actual data within those financial statements and substantial financial trend information. The Town Finance Department prepares a Comprehensive Annual Financial Report (CAFR) that represents a more detailed look at the Town's financial results of operations for the year and provides extensive trend analysis. Such document is available after being audited for the June 30 fiscal year end.

The Town Manager is authorized to transfer budgeted amounts within the departments. However, General Statutes require Board notification and record in minutes to transfer from one department to another. Also, any revisions that alter total expenditures must be approved by the Board of Commissioners through legislative action. All budget amendments must be reported in a public meeting of the Board of Commissioners and made a matter of record in the minutes as required by North Carolina General Statutes.

The preparation of the budget not only requires structured guidelines but also the participation and cooperation of many staff and Board members, and a carefully scheduled series of events. The following summarized budget cycle is followed by the Town in the formulation of the budget.

- **Formulate Historical Data** During the first phase of the budget process, the accumulation of past financial information is prepared by staff. The data concerning expenditures is used by department heads and management for performance evaluation and projection of resources required to meet departmental objectives. Significant departmental historical and interim financial information is presented at the Board's annual budget workshop.
- **Preparation of Departmental Request** Estimating departmental expenditures is the primary responsibility of the department head. When budgeting expenditures, the basic requirements are to request sufficient funding to adequately operate the department and to request funding at the lowest reasonable level in order to achieve the departmental goals and objectives at desired service levels. Town Staff is also directed to request funding of new initiatives to be considered by Town Management and the Town Board for inclusion in the upcoming budget cycle if such initiatives are consistent with the vision, guiding principles, and goals of the Town's Comprehensive Master Plan.
- **Consolidate Preliminary Budget** The departmental requests are submitted to the Finance Director in order to consolidate the individual departmental requests and the revenue projections into an overall budget. At this point, the focus of attention shifts from the departmental basis to the fund basis. Departmental requests are analyzed, and the formal budget review begins.
- **Evaluate Service** The evaluation of service priorities and objectives is an important step in developing a fiscal plan which will achieve the Town's program of service

Budget Guide

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|---|---|
| Priorities and Objectives | for the ensuing year. The budget document aligns the service priorities of the citizens of Cornelius through the Board of Commissioners and guiding principles identified by citizens. The service needs of the community are determined through public hearings and feedback through the Board of Commissioners, staff, and Comprehensive Master Plan. A comprehensive review of service needs compared to departmental goals and objectives is analyzed by the Town Manager and departmental staff annually in the budget preparation process. |
| <ul style="list-style-type: none">• Balanced Proposed Budget | After the Town's program of service priorities have been established, a funding plan must be formulated which ultimately must balance revenue sources and expenditure objectives. Through careful assessment of funding requirements and financing elements, a proposed budget document is organized into final format and submitted to the Board of Commissioners in the form of the Manager's Recommended Budget for the year. In compliance with North Carolina General Statutes, such presentation occurs prior to June 1. |
| <ul style="list-style-type: none">• Legislative Review | The Board of Commissioners reviews the budget thoroughly with the Town Manager and staff during budget work sessions. Departmental requests and proposed revenue sources are reviewed by the Board of Commissioners at this time to ensure their adherence to the Board and citizens' goals and objectives and for consistency with the Comprehensive Master Plan. A copy of the proposed budget with recommended legislative changes is filed with the Town Clerk and electronically via internet for public inspection, and a public hearing is scheduled prior to the formal adoption of the budget. |
| <ul style="list-style-type: none">• Budget Adoption | The adoption of the annual operating budget is the culmination of exhaustive reviews of budget proposals by Department Heads, Administration, and the Board of Commissioners. Adoption of the budget by the Board of Commissioners establishes the legal authority to incur expenditures in the ensuing fiscal year. The budget adoption process typically spans a seven to eight month process, and must be adopted by June 30 unless interim provisions are made. |

Financial Policies

The Town of Cornelius' budgetary and financial policies set forth basic guidance for the fiscal management of the Town. Most of the policies represent long standing principles and practices, many formally adopted by the Town Board and with legal framework outlined in both the General Statutes of N.C. and the Town Code of Ordinances. These policies, though general in statement, are the controlling element in the Town's consistent financial stability and accountability. Summarized below are the Town's major financial policy strategies.

Operating Budget Policies

Pursuant to Section § 159-11 of the North Carolina General Statutes, the Town will adopt a balanced budget which provides guiding principles, goals, work programs, and an operational plan for the upcoming year. The Town will maintain a program of budgetary controls to ensure adherence to the budget. Financial statements are available for department heads on demand and quarterly statements will be forwarded to the Board of Commissioners to assist in the monitoring of actual revenues, expenditures, and comparisons with budgeted amounts. Additionally, weekly financial position reports are reviewed by management throughout the year. Comprehensive financial data will be compiled to include user rate studies, capital improvement programs for future years, multi-year financial forecast modeling scenarios, and salary band comparison studies. These reports are imperative for long-term financial planning and maintaining the Town's fiscal health and efficient use of resources.

The Board will also be provided historical trend data and comparative information with population peer groups at their annual budget workshop. Finance staff will provide annual financial dashboard comparisons and additional financial ratio comparisons with other municipalities to ensure that the Town pursues best practices of financial governance. The Town will pursue performance measurement statistics noting specific workload areas as appropriate. Routine examination will occur of internal control structures to ensure financial data is reliable, accurate, fair, and cost effective.

The Town will retain an independent accounting firm to perform an annual financial and compliance audit in accordance with general accepted accounting principles (GAAP) as outlined by the Governmental Accounting Standards Board (GASB). The Town's Comprehensive Annual Financial Report (CAFR) will also be submitted annually to the Government Finance Officers Association (GFOA) for consideration of the annual Certificate of Excellence in Financial Reporting program for disclosure completeness. In conjunction with the independent audit, periodic internal audits are conducted to determine if the Town is managing and utilizing its resources in an economical and efficient manner. The internal audit review and monitoring will also assure compliance with internal control standards and their influence on the Town's financial accounting systems and operations.

Significant effort will be devoted to bidding processes to ensure lowest responsible costs are achieved in the procurement of goods and services when informal bidding applies; formal bid procedures as outlined in NC General Statutes will also be applied. Bid processes are sensitive to lowest total owning costs including future maintenance, upkeep and resale considerations. The Town's annual budget process will also advance in the direction of multi-year focused budgeting in an effort to address the Town's ability to provide desired service levels and new initiatives outlined in the public budget process and the Town's Comprehensive Master Plan without spikes in the Town tax rate.

Financial Policies

Revenue Policy

The Town will maintain a reasonably diversified and stable revenue program to protect from short-term fluctuations of any one revenue source. As part of the normal budget process, the Town will review and estimate revenues in a conservative, objective, attainable, and realistic manner. Attempts will be made to secure additional revenue sources to minimize the impact of changes in federal, state, or local funding, including pursuit of outside grant revenues. The Town will re-evaluate periodically user charges to establish that user fees cover the cost of providing the desired level of services.

The Electric Fund will adhere to the full utility concept which allows each user to contribute revenues proportional to the level of service received. The Electric Enterprise fund will also operate with a philosophy of covering the costs associated with electric service delivery. This concept requires that income be sufficient to maintain a self-supporting status within the Electric Fund and comply with increasing environment of federal and state energy program reporting. The electric fund will also provide capital necessary to maintain continuity of service to its growing customer base.

The PARC department user fees will distinguish in Town and non-resident users with a graduated user fee scale. The Town will closely monitor economic conditions, and when warranted, adjust budgets mid-year to meet revenue estimates and minimize unplanned uses of fund balance. The Town will also monitor the impact of federal and state budget decisions on the Town's financial outlook.

Investment Policy

The Town will monitor cash flow of all funds on a regular basis to ensure investment of idle cash while adhering to safety, liquidity, and yield in that specific order. Staff will monitor central depository accounts to assure safety of Town assets at minimal fee levels. Staff will explore enhanced yield options while achieving optimal liquidity in compliance with the Board adopted investment policy.

The criteria for selecting an investment will include safety, liquidity, and yield as outlined in NC General Statute § 159-30 within the confines of anticipated capital funding needs. The Town will invest only in quality issues which comply with the North Carolina Budget and Fiscal Control Act, the Board adopted Investment Policy, and any other applicable special legislation. Finally, staff will explore short-term investment opportunities at prevailing market rates on investments with in-town financial institutions such as money market accounts and certificates of deposit.

Fund Balance Policy

The Town will maintain adequate, but not excessive, operating reserves categorized as fund balance. The fund balance is established to provide for any unforeseen revenue losses and to take advantage of unanticipated opportunities. The fund balance is infrequently appropriated as part of the annual budget except to fund capital improvements or meet grant matching

Financial Policies

requirements. To shield against times of economic distress, the Town will preserve cash reserves. The Town will utilize both pay-as-you-go capital financing and use fund balance as a saving mechanism to provide for capital projects.

The Town will adhere to the Board adopted Fund Balance Policy. The Town shall ensure that the General Fund fund balance is maintained at adequate levels as a percentage of the General Fund budgeted expenditures and that we compare favorably to other municipalities within our state population group both in total fund balance and available fund balance. The Town will seek to preserve, when possible, General Fund balance. Finally, the Town will effectively and purposefully manage all types of fund balance to maximize flexibility with remaining fund balance.

Debt Policy

The Town takes a purposeful approach to the management of its long-term outstanding debt and makes an effort toward funding from internally generated sources, when appropriate. The Town will consider the use of long-term debt financing only when it meets the following criteria:

- ✓ The financing period exceeds one year, but is no longer than the estimated life of the improvement.
- ✓ A stable revenue sources will be identified to pay the debt.
- ✓ The improvement will benefit both current and future citizens.
- ✓ Debt terms, such as length of time outstanding and interest rate, are cost effective.
- ✓ Anticipated interest costs and costs of issuance are reasonable based upon economic environment.

As required by General Statutes, the Town will limit the total of all general fund debt issued to no more than eight percent (8%) of the total assessed valuation (current levels are less than one tenth of one percent). Town Staff will monitor current debt expenditures as a percentage of total expenditures to less than 20%. The Town will follow a policy of full disclosure on every financial report and bond prospectus.

The Town may utilize the authority granted within the General Statutes to examine a variety of financial alternatives including long-term debt, pay-as-you-go, joint financing, reserve funds, installment-purchase, authorities and special districts, special assessments, state and federal aid, certificates of participation, bonded debt, borrowing from other funds, and any temporary borrowing instruments as authorized by federal and state authorities.

Staff is also instructed to annually review debt positions and make formal recommendations to the Board regarding the advisability of prepayment of any existing long-term debt should current economic conditions warrant. In volatile interest rate environments, staff is also instructed to recommend opportunities to take advantage of historically low rates for capital financing

Financial Policies

should such be deemed appropriate. Likewise, as rate environments rise, staff may recommend changes to budget such that items previously considered to be financed may be purchased with fund balance rather than through use of debt instruments.

The Town of Cornelius will seek to maintain its current bond rating of AAA with Standard & Poors so its borrowing costs are minimized and its access to credit is preserved. Staff is also charged with recommending debt instruments as favorable market conditions arise given capital needs listed in the Town's Capital Improvement Program.

Capital Improvement Policy

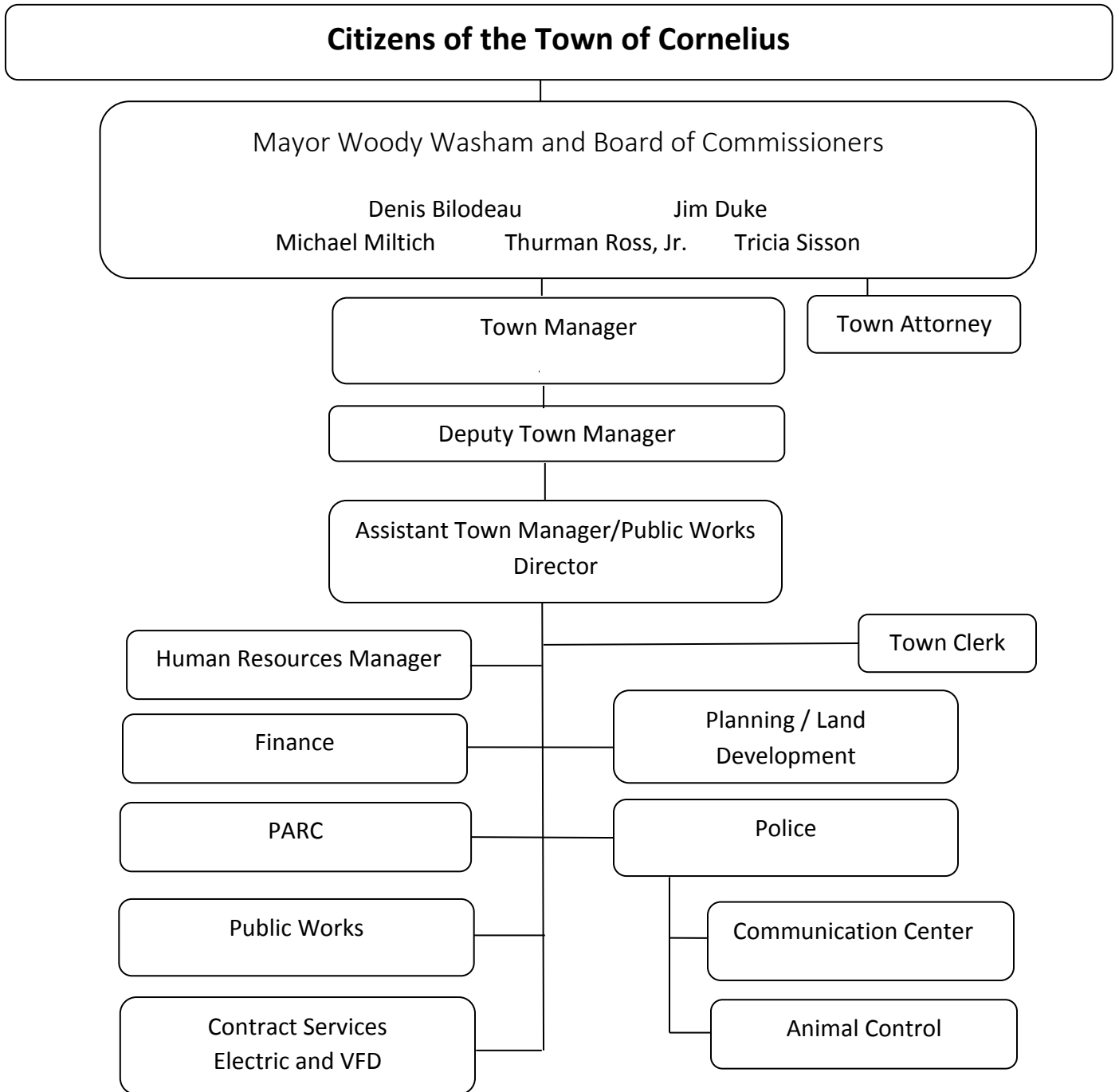
The Town will continue to accumulate a list of committed projects and staff recommended capital improvements to be presented to the Board which will be reviewed and updated at least annually with the budget process. Since capital improvements involve large sums of capital and long-term commitments, each capital project will be carefully analyzed before it becomes a funded component of the program. The Town takes a systematic approach to capital improvement programming to ensure that any personnel services or operating costs affected by capital spending decisions are included in the appropriate operating budget. The Town will protect and maintain its capital investments in order to minimize replacement cost. A summary of CIP future requests is presented on page 80 of this document.

The Town Board has established a Transportation Capital Reserve Fund to accumulate funding for future road infrastructure, particularly along the West Catawba Avenue/Exit 28/Catawba Avenue Corridor.

Finally, as recommended by the Town's Comprehensive Master Plan, this budget document includes a five-year financial forecast which documents how funding the CIP could be accomplished. While items are specifically funded only in the upcoming budget year, this spreadsheet provides a forward looking view over the next five years. There will usually be differences between the forecasted and actual results because events and circumstances rarely occur as expected over a five-year horizon, and such differences could be material.

Town of Cornelius, North Carolina

Organizational Chart





***Town of Cornelius
Budget Calendar
For Fiscal Year 2020-2021***

Date	Description
November 8, 2019	Finance distributes CIP update materials
December 16, 2019	Town Board adopts Budget calendar
December 27, 2019	Department heads submit CIP requests
January 4, 2020	Department heads submit proposed FY 2021 goals and line item budget requests to Finance Director
January 7, 2020	Staff submits progress on FY 2020 Goals and CIP to Finance Director (present update to BOC on Feb. 3rd)
January 31, 2020	Manager finalizes Recommended CIP
February 3, 2020	Present update to BOC on FY 2020 Goals and CIP
February 6, 2020	Planning session
February 21, 2020	Finance Director submits revenue estimates to Town Manager (based upon available data at that time)
March 25th - 26th, 2020	Board, Manager, and Staff workshop to discuss FY 2021 Budget and CIP
April 6 and April 20, 2020	Hold workshops with Board on FY 2021 Budget (If Needed)
May 4, 2020	Manager submits recommended FY 2021 Budget to Board and Citizens
May 18, 2020	Town Board holds FY 2021 Budget public hearing
June 1 or June 15, 2020	Town Board continues public hearing and adopts budget prior to June 30th

Bold = Board Action or Activity

Town of Cornelius
FY 2020 Budget
Total General Fund Revenue

Revenue Type	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	FY 20 Est Yr End vs 21 Budget	Percent Difference
Ad valorem taxes	14,129,432	14,426,413	16,090,128	16,504,750	16,596,119	91,369	0.6%
Other taxes	538,564	574,464	554,332	529,000	328,326	(200,674)	-37.9%
Interest earnings	181,043	375,765	250,500	250,500	93,600	(156,900)	-62.6%
Miscellaneous revenues	717,068	985,091	737,300	1,131,500	753,000	(378,500)	-33.5%
Shared restricted revenues	1,185,349	1,305,692	780,733	844,391	585,252	(259,139)	-30.7%
Shared unrestricted revenues	6,784,025	7,162,368	7,036,959	7,048,835	6,037,270	(1,011,565)	-14.4%
Charges for svcs and fees	1,042,960	1,065,593	1,023,560	982,100	938,700	(43,400)	-4.4%
Debt Issued	911,179	1,150,332	1,000,000	-	1,470,000	1,470,000	0.0%
Transfers from other funds	-	-	-	-	-	-	0.0%
Net use of fund balance	-	-	(1,381,129)	-	(269,459)	-	0.0%
Total Revenues	25,489,620	27,045,718	26,092,383	27,291,076	26,532,808	(488,809)	-1.8%

Town of Cornelius
FY 2021 Budget
Total General Fund Expenditures

Department	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Governing Board	72,346	70,553	77,931	78,528	82,128	3,600	5%
General Government	1,418,167	1,505,785	1,804,186	2,034,834	1,804,114	(230,720)	-11%
General Services	339,504	320,989	650,506	470,506	330,506	(140,000)	-30%
Police	6,271,887	6,548,141	7,119,937	6,875,866	7,487,615	611,749	9%
Communications	594,396	589,781	693,463	721,407	749,254	27,847	4%
Fire Protection	2,232,985	2,048,969	1,719,541	1,624,707	2,782,095	1,157,388	71%
Animal Control	175,920	167,586	194,627	201,392	216,180	14,788	7%
Public Works	2,014,963	1,393,570	1,358,085	1,284,120	1,206,269	(77,851)	-6%
LNTC	-	-	-	-	-	-	0%
Powell Bill	374,927	793,711	970,500	413,174	1,018,000	604,826	146%
Solid Waste	1,877,461	1,884,153	2,099,390	2,099,390	2,099,390	-	0%
Stormwater	166,010	333,558	336,000	336,000	540,000	204,000	61%
Planning & Land Dev.	703,469	554,051	627,660	623,888	630,185	6,297	1%
Tourism	480,371	458,338	444,064	444,064	460,640	16,576	4%
Art Center	691,756	772,626	620,505	621,799	592,998	(28,802)	-5%
PARC	2,724,915	3,617,159	3,066,800	2,036,011	2,815,406	779,395	38%
Transfers	1,836,475	2,757,562	1,072,874	1,375,505	1,099,967	(275,538)	-20%
Debt Service	2,233,243	2,402,706	3,196,613	2,625,107	2,618,060	(7,047)	0%
Totals	24,208,795	26,219,238	26,052,683	23,866,299	26,532,808	2,666,509	11%

GENERAL FUND EXPENDITURE SUMMARY

Governing Body							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Personnel	55,024	56,023	63,289	63,290	65,188	1,899	3.0%
Operating	17,322	14,530	14,642	15,238	16,939	1,701	11.2%
Total	72,346	70,553	77,931	78,528	82,128	3,600	4.6%

General Government							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Personnel	881,831	885,154	1,178,963	1,137,220	1,168,226	31,006	2.7%
Operating	536,336	574,155	580,224	651,189	635,888	(15,301)	-2.3%
Capital	-	46,476	45,000	246,425	-	(246,425)	-100.0%
Total	1,418,167	1,505,785	1,804,186	2,034,834	1,804,114	(230,720)	-11.3%

General Services							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Operating	339,504	320,989	650,506	470,506	330,506	(140,000)	-29.8%
Transfer/Reserve	1,836,475	2,757,562	1,072,874	1,375,505	1,099,967	(275,538)	-20.0%
Capital	-	-	-	-	-	-	0.0%
Total	2,175,979	3,078,551	1,723,380	1,846,011	1,430,473	(415,538)	-22.5%

Police							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Personnel	4,693,634	4,869,012	5,588,667	5,286,317	5,621,342	335,025	6.3%
Operating	1,291,470	1,052,993	1,081,270	1,349,549	1,143,273	(206,276)	-15.3%
Capital	286,783	626,136	450,000	240,000	723,000	483,000	201.3%
Total	6,271,887	6,548,141	7,119,937	6,875,866	7,487,615	611,749	8.9%

Communications							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Personnel	554,229	558,118	641,084	669,922	690,609	20,687	3.1%
Operating	40,167	31,663	52,379	51,485	58,645	7,160	13.9%
Capital	-	-	-	-	-	-	0.0%
Total	594,396	589,781	693,463	721,407	749,254	27,847	3.9%

Fire Protection							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Personnel	-	-	-	-	186,930	-	0.0%
Operating	1,554,168	1,610,322	1,664,241	1,624,707	1,710,165	85,458	5.3%
Capital	678,817	438,647	95,000	-	885,000	885,000	#DIV/0!
Total	2,232,985	2,048,969	1,759,241	1,624,707	2,782,095	970,458	59.7%

GENERAL FUND EXPENDITURE SUMMARY

Animal Control							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Personnel	132,165	130,203	142,332	149,397	168,640	19,243	12.9%
Operating	43,755	37,383	52,295	51,995	47,540	(4,455)	-8.6%
Capital	-	-	-	-	-	-	0.0%
Total	175,920	167,586	194,627	201,392	216,180	14,788	7.3%
Public Works							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Personnel	446,118	455,051	489,960	492,333	510,590	18,257	3.7%
Operating	651,738	530,906	638,125	642,459	635,679	(6,780)	-1.1%
Capital	917,107	407,613	230,000	149,328	60,000	(89,328)	-59.8%
Total	2,014,963	1,393,570	1,358,085	1,284,120	1,206,269	(77,851)	-6.1%
Powell Bill							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Operating	177,477	154,396	199,000	232,174	218,000	(14,174)	-6.1%
Capital	197,450	639,315	771,500	181,000	800,000	619,000	342.0%
Total	374,927	793,711	970,500	413,174	1,018,000	604,826	146.4%
Solid Waste							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Personnel	-	-	-	-	-	-	0.0%
Operating	1,877,461	1,884,153	2,099,390	2,099,390	2,099,390	-	0.0%
Capital	-	-	-	-	-	-	0.0%
Total	1,877,461	1,884,153	2,099,390	2,099,390	2,099,390	-	0.0%
Stormwater							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Operating	166,010	206,638	236,000	236,000	240,000	4,000	1.7%
Capital	-	126,920	100,000	100,000	300,000	200,000	200.0%
Total	166,010	333,558	336,000	336,000	540,000	204,000	60.7%

GENERAL FUND EXPENDITURE SUMMARY

Planning & Land Development							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Personnel	447,042	384,368	489,460	473,188	485,468	12,280	2.6%
Operating	226,269	169,683	138,200	150,700	144,717	(5,983)	-4.0%
Capital	30,158	-	-	-	-	-	0.0%
Total	703,469	554,051	627,660	623,888	630,185	6,297	1.0%

Tourism							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Personnel	-	-	-	-	-	-	0.0%
Operating	127,332	140,760	146,800	146,800	155,800	9,000	6.1%
Contributions	353,039	317,578	297,264	297,264	304,840	7,576	2.5%
Capital	-	-	-	-	-	-	0.0%
Total	480,371	458,338	444,064	444,064	460,640	16,576	3.7%

Art Center							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Personnel	95,694	100,008	100,695	101,989	104,588	2,598	2.5%
Operating	584,169	672,618	519,810	519,810	488,410	(31,400)	-6.0%
Capital	11,893	-	-	-	-	-	0.0%
Total	691,756	772,626	620,505	621,799	592,998	(28,802)	-4.6%

Parks, Arts, Recreation and Culture							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Personnel	876,336	960,945	1,022,334	994,276	1,088,271	93,995	9.5%
Operating	1,004,829	1,020,308	1,044,466	1,041,735	957,135	(84,600)	-8.1%
Capital	843,750	1,635,906	1,000,000	-	770,000	770,000	0.0%
Total	2,724,915	3,617,159	3,066,800	2,036,011	2,815,406	779,395	38.3%

Debt Service							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Debt Service	2,233,243	2,402,706	3,196,613	2,625,107	2,618,060	(7,047)	-0.3%
Total	2,233,243	2,402,706	3,196,613	2,625,107	2,618,060	(7,047)	-0.3%

TOWNWIDE TOTALS							
	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Personnel	8,182,073	8,398,882	9,716,784	9,367,933	10,089,853	721,920	7.7%
Operating	8,638,007	8,421,497	9,117,348	9,283,737	8,882,087	(401,650)	-4.3%
Contributions	353,039	317,578	297,264	297,264	304,840	7,576	2.5%
Transfer/Reserve	1,836,475	2,757,562	1,072,874	1,375,505	1,099,967	(275,538)	-20.0%
Capital	2,965,958	3,921,013	2,691,500	916,753	3,538,000	2,621,247	285.9%
Debt	2,233,243	2,402,706	3,196,613	2,625,107	2,618,060	(7,047)	-0.3%
Total	24,208,795	26,219,238	26,092,383	23,866,299	26,532,808	2,666,509	11.2%

Revenue Assumptions

Certain methods, techniques, and approaches have been used to aid the Town in estimating future revenues. By analyzing current trends and the forces that underlie them, the Town can make realistic projections of revenue.

The following are some assumptions concerning revenues which are forecasted in the Town of Cornelius FY 2021 Budget.

REVENUE TYPE

FORECAST RATIONALE

PROPERTY TAXES

Mecklenburg County performs all calculations of assessed property valuations. The total property tax is calculated based upon a compilation of projected assessed value from the Mecklenburg County Tax Assessor's Office and current year levy from the County Collector's office. The total property tax is impacted by prior years' collections. The property tax rate is set at twenty-two and two tenths cents (\$.222) per one hundred dollars (\$100) of assessed valuation of \$7,530,530,059. The total assessed value referenced above includes real, personal, vehicle, and public service company values. A collection rate of 97.25% is estimated based upon the Finance department estimate of FY 2021 collections, which is 1.75% less due to the global pandemic COVID-19. Mecklenburg County estimates that growth in the property tax base of approximately 1.5% will occur.

Automobile Tax and Fee

The Automobile Tax is actually comprised of two revenue accounts, both the ad valorem tax on vehicles and the \$10 auto fee. Automobile tax is calculated based on an average local fair market value as set by Mecklenburg County at the Board adopted property tax rate which is proposed at twenty-two and two tenths cents (\$.222) per one hundred dollars (\$100) of assessed valuation. Vehicle assessed valuations are estimated to be \$445,028,479.

Penalties & Interest

The revenue generated by penalties and interest is estimated with the use of trend analysis. This revenue source has experienced significant volatility since the revaluation and Cornelius' obligation to refund with interest tax associated with property value corrections. Penalties are assessed on current year tax payments made after January 5. For the period from January 6 to February 1, interest accrues at the rate of 2%. Thereafter, interest accrues at the rate of 3/4% per month until outstanding balances are paid in full. Interest and penalty revenue are estimated at \$51,131 for FY 2021.

OTHER TAXES AND LICENSES

Tourism Related Revenues

The Town levies Occupancy tax, Prepared Food and Beverage Tax, and U Drive It tax as discussed in the Tourism Related Revenues section on page 35. These revenues are generally restricted to be spent in support of tourism activities. These

Revenue Assumptions

revenues are particularly subject to fluctuations in consumer spending. The trend in these tourism driven revenues are expected to decrease dramatically based on the COVID-19 pandemic by an average of 27% with the most significant reductions occurring in the 1st quarter of FY21 followed by less of a decline in the 2nd and 3rd quarters and ending the year with 0% increase in the last quarter of the FY21.

UNRESTRICTED INTERGOVERNMENTAL REVENUES

Utility Franchise Tax	The State of NC operates as a collection agent on utility franchise taxes levied on the actual annual receipts from electric, local telephone (including cellular), and natural gas service within the Town limits. This revenue is highly sensitive to weather; cool summers and mild winters can dramatically affect these receipts. Franchise tax is expected to decrease by 10% due to weather and energy prices plus decrease for stay at home orders in FY 2021.
Beer and Wine Tax	Cities share tax on sales of beer and wine based upon municipal population levels. The State of NC typically distributes this revenue source late in May. FY 2021 budgeted revenue is anticipated to remain flat over FY 2020 levels.
Local Sales Tax	<p>The State collects and distributes the proceeds from locally levied tax on retail sales. This revenue source can vary widely due to difficulty in forecasting factors such as the reduction of new construction activity, consumer spending, and the State's delayed sales tax refunds to non-profit agencies.</p> <p>This revenue source is subject to further significant swings related to changes in the tax levy of other Mecklenburg County local governments. Any significant change (increase or decrease) in other governments assessed value or tax rates can result in significant swings to the Town's share of local sales tax distributions. Changes to the Town's own assessed value or tax rate also has an impact. Proposed legislation at the state level could also impact sales tax revenue in future fiscal years. Perhaps the most significant decrease in recent memory will be attributable to the COVID-19 global pandemic. Cornelius anticipates a 35% decrease for the 1st quarter of FY21 with a slow improvement to a 13% decrease for the 4th quarter of FY21. These estimates are more conservative than the NCLM revenue projections.</p>
ABC Revenues	The Town of Cornelius participates in revenue sharing in the profits from Mecklenburg County's Alcoholic Beverage Control Board. Distributions are expected in the \$110,000 - \$120,000 range, which is a decrease over the previous fiscal year.

Revenue Assumptions

RESTRICTED INTERGOVERNMENTAL REVENUES

Powell Bill The Town of Cornelius receives an annual distribution from the North Carolina Department of Transportation of prior year gas tax receipts. Municipal Powell Bill distributions are based upon population and number of municipal street miles maintained. State collections of gas tax receipts are down based on consumer fuel conservation measures following volatile fuel prices. This revenue source is subject to consumer reaction to spikes in fuel prices. The Town estimates this revenue source to stay flat in FY 2021 Powell Bill distributions.

Grants Routinely, the Town receives grant awards from the federal and state government to support specific initiatives, such as Arts and Science Council, PARTF, and Governor’s Highway Safety Programs. Budget amendments typically account for this revenue source during the fiscal year when grant notifications are received.

PERMITS AND FEES

Dispatch Center Fee These fees are based upon a shared cost estimate of the FY 21 expenditures for the Communications Center with Davidson College. Minimal revenue is also budgeted for dispatch of ElectriCities employees for electrical outages in Huntersville and Cornelius service areas.

Stormwater Fee The Town receives monthly distributions of stormwater collection fees from Mecklenburg County collected by Charlotte Water based upon impervious area. These funds are required to be used to maintain drainage systems within the Town. The Mecklenburg County LUESA office estimates Stormwater fees will remain flat for FY 2021.

911 Fees Telephone users are assessed a monthly fee by the State of North Carolina for wireless or wired landline phones to support 911 services to telephone line users. These funds are required to be spent in support of delivery of 911 communication services to users of cellular communication devices. Such distributions now occur directly from the State of North Carolina. The State 911 Board determines distribution methods of 911 fees based upon current 911 fund balance levels and prior years’ expenditures. Each December/January, the Town receives an estimate from the 911 Board of the next fiscal year’s revenue; Cornelius has been notified to expect a significant decrease in this distribution in FY 2021 related to fewer capital expenditures.

Revenue Assumptions

TOURISM RELATED REVENUES

Occupancy Tax The Town of Cornelius receives monthly distributions of hotel/motel tax receipts from Mecklenburg County based on receipts collected from Cornelius hoteliers. This revenue source is volatile, based upon consumer travel trends, and varies year to year and is expected to decline sharply based on the COVID-19 pandemic. By Statute, 28% of this revenue source must be paid to Visit Lake Norman.

Prepared Food Tax The Town of Cornelius has received distributions from the City of Charlotte since FY 2002 based upon prepared food and beverage taxes collected from Cornelius prepared food retail outlets. An interlocal agreement between Mecklenburg County and its municipalities has resulted in a percentage of the prepared food and beverage tax generated within the municipality to be returned to the Town for its Tourism promoting use. This revenue source is expected to decrease by 20% due to COVID-19.

U Drive It Tax The Town began receiving tax levied on the gross receipts of rental vehicles as a replacement for the property tax on rental vehicles in FY 2007. These proceeds have been used to support local arts initiatives. This revenue source is expected to decline to approximately \$140,000 also due to COVID-19.

DEPT FEES Various departments, such as Police, Planning, and PARC charge various fees, such as building permit fees, sponsorship fees, and program participation fees. The Town has pet adoption related fees, false alarm fees, and reimbursements from CMS for resource officers. A fee schedule is updated annually near the timing of budget adoption for items such as changing electric charges for services.

OTHER EARNINGS

Investment Earnings Interest earnings on idle funds is also expected to decrease drastically due to the economic downturn over the last few years largely due to COVID-19.

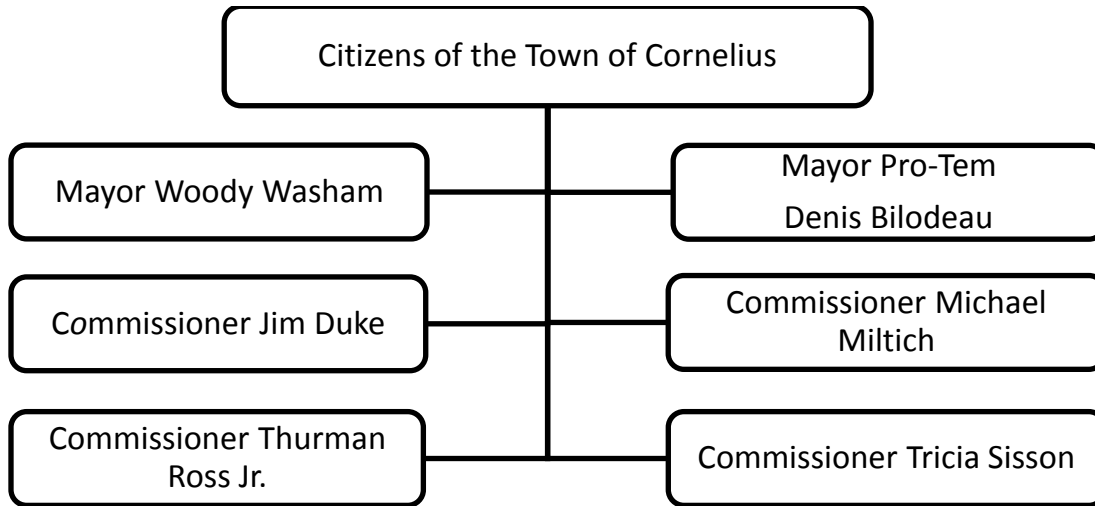
Miscellaneous The Town has historically received minimal amounts of miscellaneous revenue budgeted at \$18,000. Examples of miscellaneous revenues include donations, town hall rental fees, insurance proceeds, and sale of used equipment.

Town of Cornelius
FY 2021 Budget
General Fund Revenue Line Item Detail

Org	Obj	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	FY 20 Est Yr End vs 21 Budget	Percent Difference
10003100-7	3110	Prior Year Taxes	77,481	27,088	50,000	30,000	25,000	(5,000)	-16.7%
10003108	3110	Current year taxes	12,724,226	13,015,247	14,463,168	15,164,000	15,358,038	194,038	1.28%
10003110	3120	Motor Vehicle Tax	1,021,673	1,077,882	1,269,439	1,000,000	900,000	(100,000)	-10.00%
10003280	3280	Vehicle Fee	251,667	255,986	256,771	260,000	261,950	1,950	0.75%
10003170	3180	Interest & Penalties	54,385	50,210	50,750	50,750	51,131	381	0.75%
10003231-4	3220	Local Sales Tax	3,736,084	3,983,699	3,841,700	3,841,700	3,168,019	(673,681)	-17.5%
10003324	3220	Utility Franchise Tax	1,840,317	1,887,891	1,905,280	1,900,000	1,694,776	(205,224)	-10.80%
10213316	3300	Powell Bill Allocation	762,256	771,445	777,233	778,252	583,252	(195,000)	-25.1%
10003272	3120	Vehicle Rental Gross Recpts	64,876	71,025	69,532	70,000	48,302	(21,698)	-31.0%
10003272	3121	U Drive It Tax	199,337	210,550	202,000	203,000	139,937	(63,063)	-31.1%
10003265	3220	Prepared Food & Bev Tax	512,913	582,155	590,886	595,600	476,480	(119,120)	-20.0%
10003270	3220	Occupancy Tax	274,351	292,889	282,800	256,000	140,087	(115,913)	-45.3%
10003322	3220	Beer & Wine Tax	130,835	134,628	133,903	133,903	133,903	-	0.0%
10003837	3220	ABC Revenues	121,158	126,268	127,341	131,632	113,632	(18,000)	-13.7%
10213831	3300	Int Earnings Streets	7,185	14,403	10,500	10,500	8,000	(2,500)	-23.8%
10303473	3301	Stormwater Fees	422,220	426,050	417,240	424,000	428,240	4,240	1.0%
10303471	3410	Solid waste disposal tax	20,498	21,677	20,608	22,000	22,220	220	1.0%
10803330	3330	Arts & Science Grant	5,000	-	-	-	-	-	0.0%
10003318	3315	Electricities Grants	-	-	1,500	1,500	-	(1,500)	-100.0%
10103300	3315	Public Safety grants	87,107	224,959	-	62,439	-	(62,439)	-100.0%
10103300	3330	Local Grant/Asset Forfeiture	208,195	167,042	-	-	-	-	#DIV/0!
10403300	3722	Habitat/CDBG/State	115,000	140,000	-	-	-	-	#DIV/0!
10103431	3315	Police Revenue	503,399	754,510	698,000	698,000	713,000	15,000	2.1%
10103220	3151	False Alarm Registrations	40,826	54,835	46,460	50,000	50,000	-	0.0%
10103841	3410	Civil Penalties	164	178	1,800	2,000	2,000	-	0.0%
10403343	3410	Planning / Zoning Fees	118,302	86,723	80,000	40,000	10,000	(30,000)	-75.0%
10403330	3330	MUMPO Grant	-	-	-	-	-	-	0.0%
10803612	3411	PARC Program Fees	596,248	637,820	638,100	638,100	655,200	17,100	2.7%
10803619	3410	Art Center Revenues	158,509	161,227	150,000	150,000	150,000	-	0.0%
10003831	3491	Int Earnings (General)	160,263	333,217	220,000	220,000	75,600	(144,400)	-65.6%
10403831	3492	Int Earnings (Tourism)	13,595	28,145	20,000	20,000	10,000	(10,000)	-50.0%
10003834	3860	Town Hall Rental Fees	61,020	57,348	40,000	35,000	4,500	(30,500)	-87.1%
10003412	3890	Electricities Admin Fees	-	-	-	-	-	-	0.0%
10103216	3150	Animal Tag Fees	8,055	7,640	9,000	9,000	9,000	-	0.0%
10003836	3810	Sale of Property	18,392	-	-	273,000	-	(273,000)	0.0%
10003839	3894	Insurance Proceeds	51,410	19,343	-	-	-	-	0.0%
10003839	3890	Miscellaneous Revenues	32,166	159,085	17,500	137,000	18,000	(119,000)	-86.9%
10103439	3890	Dispatch Center Fees	60,000	60,000	60,000	60,000	60,000	-	0.0%
12103317	3890	Controlled Substance Tax	12,791	2,246	2,000	2,200	2,000	(200)	-9.1%
10003935	3910	IRS BABS Fed Int Rate	-	-	-	-	-	-	0.0%
		Transfer from other funds	-	-	-	-	-	-	0.0%
3833	3840	Donations	106,537	51,975	20,000	21,500	20,000	(1,500)	-7.0%
10203439	3890	Transportation Fee Towns Share	-	-	-	-	-	-	0.0%
10103920	3910	Debt Issued	911,179	1,150,332	1,000,000	-	1,470,000	1,470,000	0.0%
		Net use of Fund Balance	-	-	(1,381,129)	-	(269,459)	-	0.0%
		Totals	25,489,620	27,045,718	26,092,383	27,291,076	26,532,808	(488,809)	-1.8%

General Fund

Governing Board



Description

The Board of Commissioners serves as the board of directors for the Town of Cornelius and adopts ordinances, rules, and regulations as may be necessary or appropriate to protect the health, life, or property, or to preserve or promote the comfort, convenience, security, better government, or general welfare of the Town and its residents and merchants.

Governing Board Members

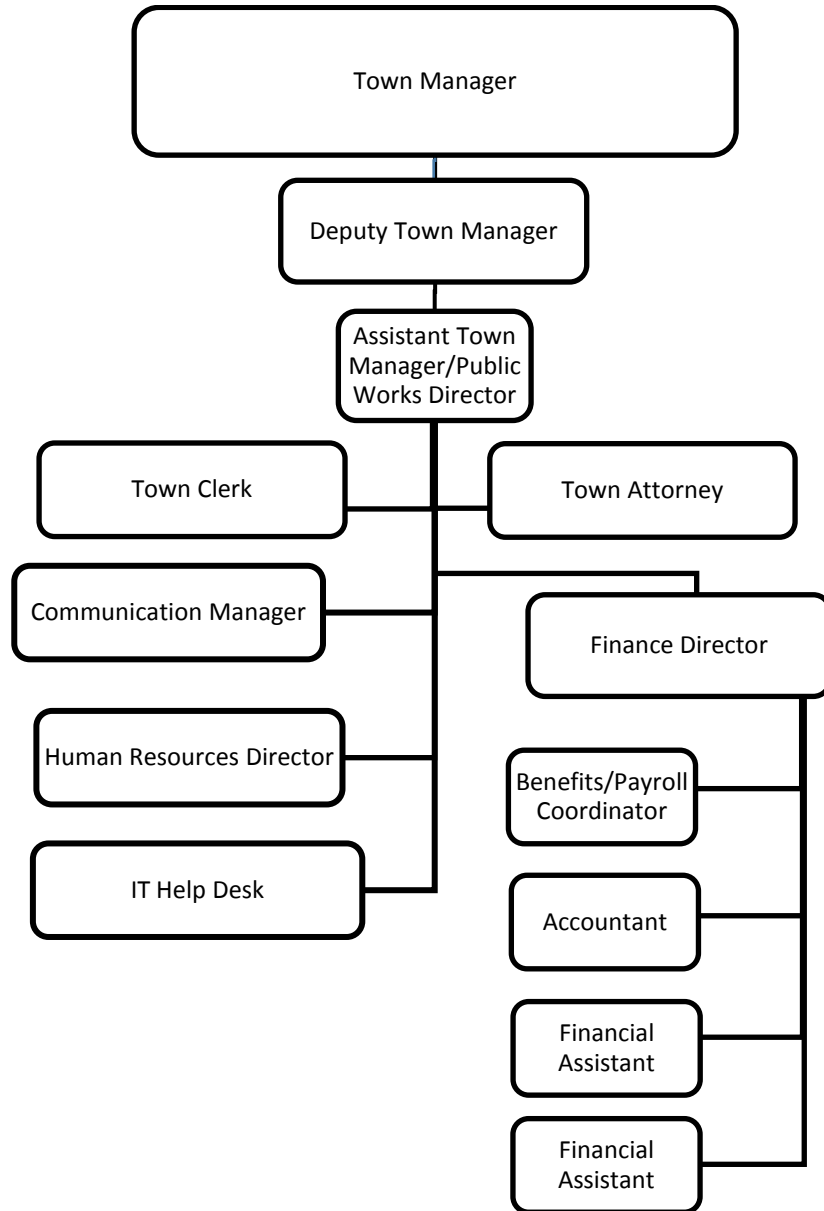
Position	FY 17	FY 18	FY 19	FY 20	FY 21
Mayor	1	1	1	1	1
Commissioner	5	5	5	5	5
Total Authorized Positions	6	6	6	6	6

**Governing Board
1004110**

Acct	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
4125	Elected Officials Fees	50,974	51,922	58,792	58,792	60,556	1,764	3.00%
4181	FICA	4,050	4,101	4,498	4,498	4,633	135	3.1%
4311	Travel & Training	2,606	2,363	7,000	6,000	7,000	1,000	13.2%
4454	Insurance & Bond	2,075	2,049	2,142	2,238	2,439	201	9.6%
4499	Misc. Expenses	12,641	10,118	5,500	7,000	7,500	500	6.7%
	Totals	72,346	70,553	77,931	78,528	82,128	3,600	4.6%

General Fund

General Government



General Fund

Description

The administrative operations of the Town of Cornelius are handled by the Town Manager who serves as the Chief Administrative Officer for the Town. The Town Manager directs the implementation of policy directives by the Board of Commissioners and oversees all other departments and functions. Administration functions include budgeting and finance, contract administration, project management, legal services, human resources, and customer service. The Town seeks to guarantee long-term financial stability while maintaining an organizational environment that fosters professionalism, efficiency, and a strong commitment to customer service.

Authorized Positions (in Full Time Equivalents-FTE)

Position	FY 17	FY 18	FY 19	FY 20	FY 21
Town Manager	1	1	1	1	1
Deputy Town Manager	1	1	1	1	1
Assistant Town Manager/Public Works Director	0	1	1	1	1
Project Manager	1	0	0	0	0
Finance Director	1	1	1	1	1
Finance Assistant	3	2	2	2	2
Town Clerk	1	1	1	1	1
Benefits/Payroll Coordinator	1	1	1	1	1
Town Attorney	1	0	0	0	0
Human Resources Director	0	0	0	1	1
IT In-house Help Desk Support	0	0	1	1	1
Accountant	1	1	1	1	1
Total Authorized Positions	11	9	10	11	11

FY 2021 Goals and Objectives

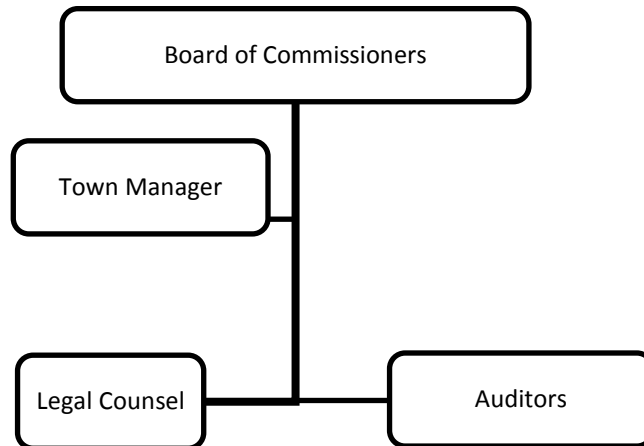
- ✓ HR Director (1/2 year \$53,500)
- ✓ 5% Probationary Increase (\$18,000)
- ✓ Fully Fund Recruitment/Retention/Compression Pool (\$16,000)
- ✓ Computer Replacement Program (removed from capital) (\$45,000)
- ✓ Servers/Office 365 Configuration/Workstation Upgrades (one-time \$20,000)
- ✓ Cyber Security: Detection and Monitoring Tool (one-time \$35,000)
- ✓ Cyber Security: Network Monitoring, Intrusion Detection and Employee Training (recurring \$15,000)

General Government
1004130

Acct	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
4121	Salaries	655,974	624,199	879,849	833,923	882,050	48,127	5.8%
4122	Overtime	-	-	500	500	500	-	0.0%
4126	Salaries Part-Time	19,742	42,590	23,520	24,000	24,000	-	0.0%
4134	Retirement 401K	33,033	33,249	44,017	41,721	39,628	(2,094)	-5.0%
4181	FICA	48,864	52,803	69,146	69,146	62,466	(6,680)	-9.7%
4182	Retirement	50,276	54,246	78,791	78,791	70,444	(8,347)	-10.6%
4183	Insurance Benefits	73,756	77,977	83,049	89,049	89,049	-	0.0%
4185	State Unemployment	186	90	90	90	90	-	0.0%
4189	Employee Recognition	11,636	12,330	12,000	12,000	12,000	-	0.0%
4190	Prof Serv: Payroll	14,579	17,815	20,500	20,500	21,100	600	2.9%
4197	Tax Collection Fees	65,208	69,718	70,158	70,158	72,263	2,105	3.0%
4199	Prof Serv: Misc.	23,501	104,113	94,000	94,000	30,000	(64,000)	-68.1%
4251	Motor Fuels	3,712	3,760	4,200	4,100	4,200	100	2.4%
4290	Departmental Supplies	15,351	54,511	12,000	12,000	57,000	45,000	375.0%
4311	Travel and Training	16,914	17,031	19,000	18,500	19,000	500	2.7%
4321	Telecommunication	17,057	15,594	23,000	23,000	23,000	-	0.0%
4325	Postage/Shipping	2,148	2,459	2,700	3,000	3,000	-	0.0%
4331	Utilities	32,756	31,707	35,000	35,000	35,500	500	1.4%
4334	Water	2,942	2,191	4,000	4,200	4,000	(200)	-4.8%
4335	Sewer	2,730	3,530	6,000	6,000	6,000	-	0.0%
4336	Stormwater	383	382	675	675	675	-	0.0%
4341	Printing	345	1,229	1,000	1,000	1,000	-	0.0%
4351	Building Maintenance	90,682	67,065	74,731	74,731	74,800	69	0.1%
4353	Vehicle Maintenance	1,282	2,216	2,000	2,000	2,000	-	0.0%
4391	Advertising	776	542	1,300	1,350	1,350	-	0.0%
4431	Copier Lease	5,285	5,470	6,500	6,500	6,500	-	0.0%
4432	Postage Lease	-	-	-	-	-	-	0.0%
4440	Contract Serv	-	250	-	-	-	-	0.0%
4441	Software Maintenance	58,183	55,637	65,000	65,000	65,000	-	0.0%
4442	Network Maintenance	76,300	13,302	28,500	98,475	98,500	25	0.0%
4444	Contract Serv/ Landscpg-TH	5,521	7,128	7,000	7,000	7,000	-	0.0%
4451	Insurance and Bonds	22,900	22,471	23,460	23,000	23,000	-	0.0%
4491	Dues and Subscriptions	56,612	51,831	57,000	58,000	58,000	-	0.0%
4498	Bank Account Expense	1,240	32	2,000	2,000	2,000	-	0.0%
4499	Miscellaneous Expense	8,293	11,841	8,500	9,000	9,000	-	0.0%
4540	Motor Vehicles	-	-	-	-	-	-	0.0%
4550	Other Equipment	-	46,476	45,000	246,425	-	(246,425)	0.0%
4580	Capital Outlay	-	-	-	-	-	-	0.0%
	Totals	1,418,167	1,505,785	1,804,186	2,034,834	1,804,114	(230,720)	-11.3%

General Fund

General Services



Description

The General Services operations of the Town of Cornelius include many of the Town's professional services provided by outside contractors (such as auditors) and related auxiliary services funded in whole or in part by the Town (Historic Preservation, Affordable Housing, miscellaneous legal fees and others). The Town auditor is appointed by the Town Board.

FY 2021 Goals and Objectives

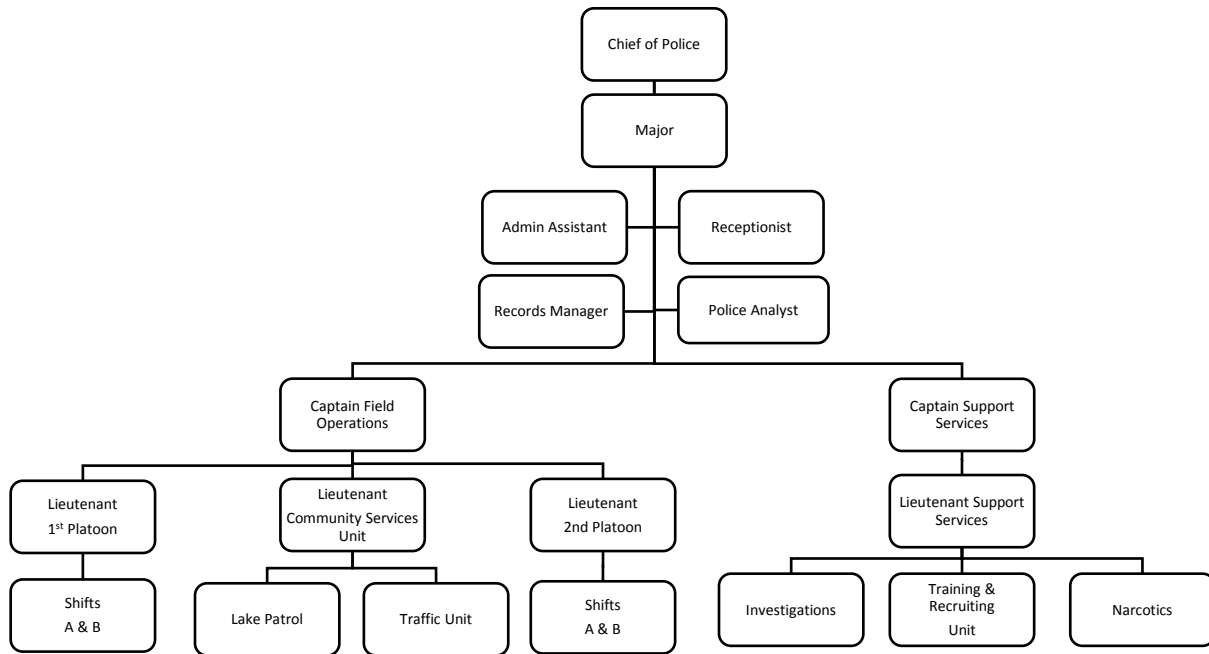
- ✓ Seek 11th year of GFOA award for excellence in financial reporting – CAFR
- ✓ Seek 4th year of GFOA award for excellence in financial reporting – PAFR

General Services
1004190

Acct	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
4191	Professional Svcs: Audit	23,681	23,100	28,226	28,226	28,226	-	0.0%
4192	Professional Svcs: Legal	155,610	123,987	160,780	160,780	160,780	-	0.0%
4199	Professional Svcs: Misc	114,214	128,195	430,000	250,000	110,000	(140,000)	-56.0%
4695	Contrib to Historical Comm	999	707	1,500	1,500	1,500	-	0.0%
4696	Contrib to Affordable Housing	15,000	15,000	-	-	-	-	0.0%
4696	Contrib to Ada Jenkins	15,000	15,000	15,000	15,000	15,000	-	0.0%
4697	Contrib to Crime Stoppers / Vic Advocate	15,000	15,000	15,000	15,000	15,000	-	0.0%
4698	Contr Gilead Fire/Ad	-	-	-	-	-	-	0.0%
4990	Transfer to Greenway CPO	-	-	-	-	-	-	0.0%
4992	Transfer to 911 Fund	-	142	-	-	-	-	0.0%
4993	Transfers to various Capital Proj Funds	1,836,475	2,751,240	1,072,874	1,375,505	1,099,967	(275,538)	-20.0%
4994	Transfer to Robbins	-	6,180	-	-	-	-	0.0%
4998	Transfer to DDI CPO	-	-	-	-	-	-	0.0%
	Totals	2,175,979	3,078,551	1,723,380	1,846,011	1,430,473	(415,538)	-22.5%

General Fund

Police Department



Mission Statement

The mission of the Cornelius Police department shall be to provide a safe environment in which residents and non-residents can live and work. This mission shall be accomplished by the prompt but fair enforcement of local and state laws. It is, therefore, the policy of the Cornelius Police Department to provide honest, fair and, efficient law enforcement to all people within its jurisdiction.

Core Values:

- ✓ Present a professional public image.
- ✓ Unbiased fair and honest behavior.
- ✓ Quality decisions that improve conditions.
- ✓ Ethical conduct beyond reproach.
- ✓ Customer service that is exemplary.
- ✓ Listen.

General Fund

Authorized Positions (in Full Time Equivalents-FTE)

Position	FY 17	FY 18	FY 19	FY 20	FY 21
Chief of Police	1	1	1	1	1
Major	1	1	1	1	1
Captain	2	2	2	2	2
Lieutenant	4	4	4	4	4
Sergeant	8	8	8	8	8
Investigator	6	6	6	6	6
Surveillance Technician	1	1	1	1	1
Patrol Officer	29	31	31	30	30
Lake Patrol	8*	8*	8*	8*	8*
Clerk/Receptionist	1	1	1	1	1
Administrative Assistant	2	2	2	2	2
School Resource Officer	2*	2*	2*	2*	2*
Police Analyst	1	1	1	1	1
Records Manager	1	1	1	2	2
Extraterritorial Jurisdiction Officers	0	0	0	2*	2*
Total Authorized Positions	67	69	69	71	71

* Partially funded by Mecklenburg County

FY 2021 Goals and Objectives

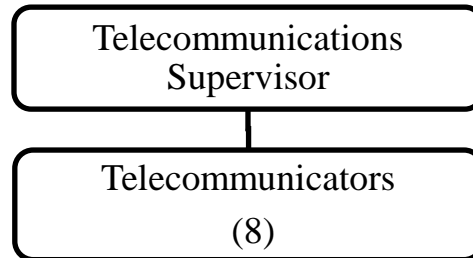
- ✓ Fully Fund Intermediate Law Enforcement Certificate (\$3,200)
- ✓ Residency Incentive (\$12,355)
- ✓ Body Cameras (12) and one year of cloud storage (\$17,000; \$9,620 one-time and \$7,380 recurring)
- ✓ Annual Maintenance Interplat for crashes and Spillman (\$7,500)
- ✓ Fiber line connection to radio tower (\$8,160 recurring)
- ✓ Camera System Maintenance and Improvements (removed from capital) (\$50,000 recurring)

**Police Department
1014310**

Acct	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
1212	Controlled Substance Exps	285,097	-	2,000	272,400	2,000	(270,400)	-99.3%
4121	Salaries	3,256,093	3,389,682	3,892,334	3,657,000	3,928,178	271,178	7.4%
4122	Overtime	39,927	56,805	41,000	44,600	47,000	2,400	5.4%
4126	Salaries Part-Time	76,165	47,735	62,180	62,180	54,680	(7,500)	-12.1%
4131	LEO SSA	83,532	83,098	83,532	83,532	68,532	(15,000)	-18.0%
4133	Retirement 401K	158,074	157,201	196,667	165,557	186,759	21,202	12.8%
4134	401K Non-Sworn	4,339	11,746	-	-	-	-	0.0%
4181	FICA	250,102	256,421	305,657	287,929	304,459	16,530	5.7%
4182	Retirement	270,926	289,558	381,533	359,055	417,056	58,001	16.2%
4183	Insurance Benefits	553,193	576,148	625,764	625,764	613,978	(11,786)	-1.9%
4185	State Unemployment	1,283	618	-	700	700	-	0.0%
4199	Professional Services	128,584	152,022	139,000	139,000	163,500	24,500	17.6%
4212	Uniforms	42,878	40,439	36,000	36,000	36,000	-	0.0%
4251	Motor Fuels	150,107	147,740	175,000	175,000	168,400	(6,600)	-3.8%
4260	Office Supplies	4,509	2,924	7,000	7,000	7,000	-	0.0%
4290	Departmental Supplies	82,624	111,713	96,840	96,840	96,840	-	0.0%
4311	Travel and Training	34,686	27,534	38,000	38,000	38,000	-	0.0%
4321	Telecommunications	52,840	52,918	55,000	55,000	56,824	1,824	3.3%
4325	Postage/Shipping	790	886	1,200	1,200	1,200	-	0.0%
4331	Electricity	45,322	41,745	42,000	42,000	44,100	2,100	5.0%
4334	Water	1,144	1,169	3,500	3,500	3,500	-	0.0%
4335	Sewer	1,371	1,351	1,350	1,450	1,450	-	0.0%
4336	Stormwater	151	608	750	750	750	-	0.0%
4351	Building Maintenance	34,654	57,676	37,500	37,500	31,300	(6,200)	-16.5%
4352	Equipment Maintenance	3,502	2,178	5,000	5,500	5,000	(500)	-9.1%
4353	Vehicle Maintenance	74,597	80,741	72,000	73,500	72,000	(1,500)	-2.0%
4354	Radio Trunking Fees	62,880	60,868	70,000	68,500	70,000	1,500	2.2%
4375	Crime Prevention	8,957	12,026	14,500	14,500	15,500	1,000	6.9%
4431	Copier Lease	21,970	23,424	27,000	27,000	27,000	-	0.0%
4440	Contract Services	29,915	36,946	28,000	28,000	38,000	10,000	35.7%
4442	Network Maint (Camera)	-	-	-	-	43,000	43,000	0.0%
4444	Landscaping	6,838	3,600	5,150	5,200	5,200	-	0.0%
4451	Insurance and Bonds	198,011	170,564	193,980	191,109	191,109	-	0.0%
4491	Dues and Subscriptions	8,820	9,556	10,000	10,000	10,000	-	0.0%
4498	Bank Charges	5,327	5,057	6,000	6,100	6,100	-	0.0%
4499	Miscellaneous Expense	5,896	9,308	14,500	14,500	9,500	(5,000)	-34.5%
4540	Capital Outlay	238,959	579,477	400,000	190,000	633,000	443,000	233.2%
4550	Other Equipment	47,824	46,659	50,000	50,000	90,000	40,000	80.0%
	Totals	6,271,887	6,548,141	7,119,937	6,875,866	7,487,615	611,749	8.9%

General Fund

Communications Department



Description

The mission of the Communications Center shall be to provide efficient, equitable, and professional emergency communications services to the residents and visitors of Cornelius and Davidson College. These services include public safety requests, animal control calls, and emergency calls for ElectriCities. This mission shall be accomplished by staffing the Center with well-trained, professional, customer service oriented employees.

Authorized Positions (in Full Time Equivalents-FTE)

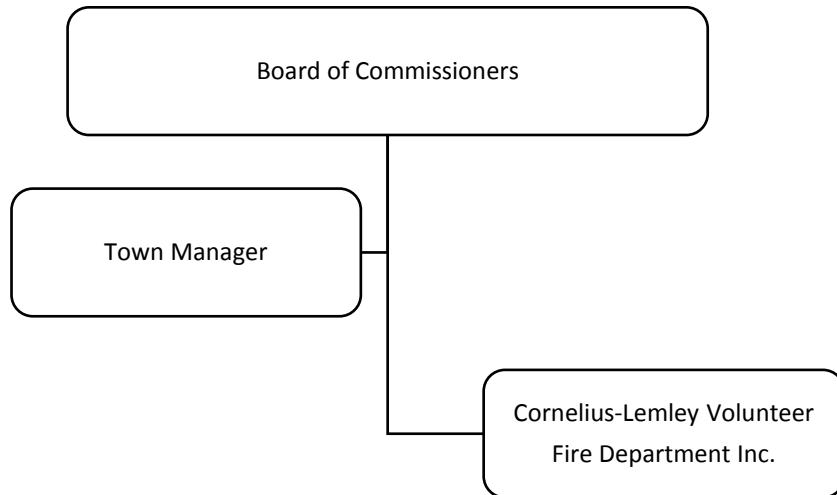
Position	FY 17	FY 18	FY 19	FY 20	FY 21
Telecommunications Supervisor	1	1	1	1	1
Telecommunicator	8	8	8	8	8
Information Technology Manager	1	1	1	1	1
Total Authorized Positions	10	10	10	10	10

**Communications Department
1014325**

Acct	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
4121	Salaries	297,230	302,063	368,400	403,479	420,333	16,854	4.2%
4122	Overtime	25,159	41,016	35,000	44,200	44,200	-	0.0%
4126	Salaries Part-Time	74,991	62,582	68,240	45,000	40,000	(5,000)	-11.1%
4134	Retirement 401K	19,662	18,968	20,170	22,384	23,227	843	3.8%
4181	FICA	34,475	32,413	36,080	37,690	38,597	907	2.4%
4182	Retirement	29,891	29,735	36,104	40,067	47,150	7,083	17.7%
4183	Insurance Benefits	72,635	71,251	77,000	77,000	77,000	-	0.0%
4185	State Unemployment	186	90	90	102	102	-	0.0%
4199	Professional Services	7,003	3,782	16,479	16,500	24,660	8,160	49.5%
4212	Uniforms	1,375	756	1,200	1,200	1,200	-	0.0%
4260	Office Supplies	2,073	1,549	3,500	3,500	2,500	(1,000)	-28.6%
4290	Department Supplies	3,577	3,779	3,500	3,500	3,500	-	0.0%
4311	Travel and Training	1,849	1,756	3,000	3,000	3,000	-	0.0%
4321	Telephone	10,276	9,438	10,500	10,500	10,500	-	0.0%
4332	Generator Fuel Oil	466	171	500	500	500	-	0.0%
4352	Equipment Maintenance	-	-	-	-	-	-	0.0%
4451	Insurance and Bonds	13,548	10,402	13,550	12,635	12,635	-	0.0%
4499	Miscellaneous	-	30	150	150	150	-	0.0%
4520	Capital Outlay	-	-	-	-	-	-	0.0%
	Totals	594,396	589,781	693,463	721,407	749,254	27,847	3.9%

General Fund

Fire Protection



Description

The Fire Protection operations of the Town of Cornelius accounts for the service contract the Town maintains with Cornelius-Lemley Volunteer Fire Department Inc (VFD). The Town supports the VFD with annual financial contributions in exchange for which the VFD provides fire protection, first responder, and fire prevention educational services.

FY 2021 Goals and Objectives

- ✓ Full-time Firefighters 2 positions = 6 FTEs (1/2 year \$186,930)
- ✓ Overtime to Maintain minimum of 8 Firefighters on duty daily (\$10,000)
- ✓ Create 12-hour shift to cover staffing gaps due to ten-hour shifts (\$23,600)

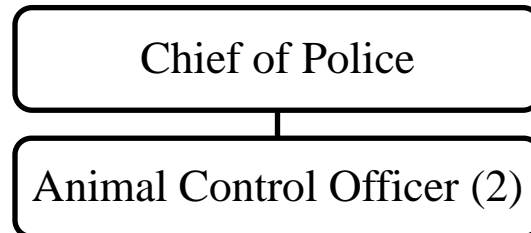
Position	FY 17	FY 18	FY 19	FY 20	FY 21
Full-Time Firefighters	0	0	0	0	6
Total Authorized Positions	0	0	0	0	6

Fire
1014340

Acct	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
4121	Salaries	-	-	-	-	131,865	-	0%
4134	401K Non-Sworn	-	-	-	-	6,593	-	0%
4181	FICA	-	-	-	-	10,088	-	0%
4182	Retirement	-	-	-	-	13,384	-	0%
4183	Insurance Benefits	-	-	-	-	25,000	-	0%
4199	Professional Services	-	20	-	-	-	-	0%
4251	Motor Fuels	23,766	27,488	30,000	30,000	30,000	-	0%
4290	Departmental Supplies	22,485	7,387	9,700	9,700	9,700	-	0%
4321	Telecommunications	2,587	1,925	3,000	3,000	3,000	-	0%
4336	Fire Utilities	31,926	32,418	32,400	32,400	33,550	1,150	4%
4351	Building Maintenance	47,541	47,954	48,000	48,000	50,000	2,000	4%
4353	Vehicle Maintenance		-	-	-	-	-	0%
4444	Fire Stations landscaping	5,495	9,100	7,300	7,300	7,300	-	0%
4451	Insurance and Bonds	5,482	5,091	6,000	6,166	15,166	9,000	146%
4540	Fire Motor Vehicle Capital	678,817	438,647	95,000	-	845,000	845,000	0%
4590	Other Capital Improvements	-	-	-	-	40,000	40,000	0%
4699	Contribution to Fire Dept	1,414,886	1,478,939	1,527,841	1,527,841	1,561,449	33,608	2%
	Total	2,232,985	2,048,969	1,719,541	1,624,707	2,782,095	930,758	57%

General Fund

Animal Control



Description

The mission of the Cornelius Police Department Animal Control is to provide the highest quality of animal control services to all people in the Town of Cornelius. Officers will be compassionate toward the needs of all animals and provide fair and efficient enforcement of animal control laws within our jurisdiction.

Authorized Positions (in Full Time Equivalents-FTE)

Position	FY 17	FY 18	FY 19	FY 20	FY 21
Animal Control Officer	2	2	2	2	2
Total Authorized Positions	2	2	2	2	2

FY 2021 Goals and Objectives

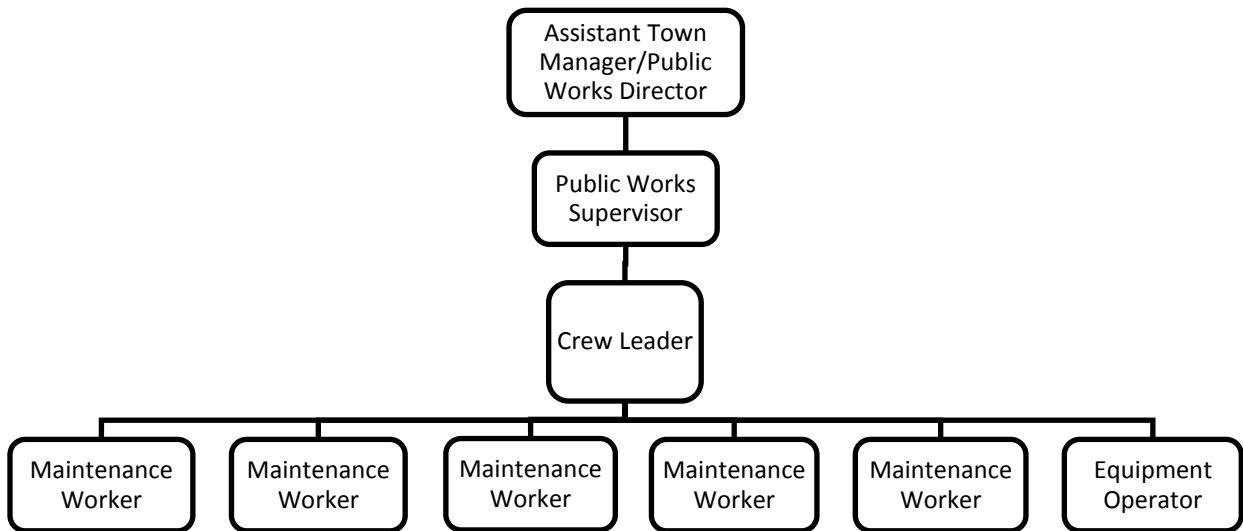
- ✓ Part-time Animal Shelter position (\$17,000, net cost \$11,200)

**Animal Control
1014380**

Acct	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
4121	Salaries	82,026	80,251	89,191	93,000	95,790	2,790	3%
4126	Part-Time Salaries	-	-	-	-	17,000	17,000	0%
4122	Overtime	12,547	10,726	11,000	13,000	11,000	(2,000)	-15%
4134	Retirement (401K)	4,668	4,486	5,010	5,300	5,340	40	1%
4181	FICA	6,580	7,080	7,665	8,109	8,170	61	1%
4182	Retirement	7,102	7,051	8,967	9,487	10,840	1,353	14%
4183	Insurance Benefits	19,205	20,591	20,481	20,481	20,481	-	0%
4185	State Unemployment	37	18	18	20	20	-	0%
4199	Prof Svcs	15,078	8,859	18,300	18,000	12,500	(5,500)	-31%
4212	Uniforms	-	-	200	200	1,000	800	400%
4251	Motor Fuels	3,359	2,562	3,200	3,200	3,200	-	0%
4290	Department Supplies	1,845	3,540	3,500	3,500	3,500	-	0%
4311	Travel and Training	-	-	200	200	200	-	0%
4321	Telecommunications	1,443	1,124	1,505	1,505	1,750	245	16%
4331	Electricity	6,661	7,399	7,800	7,800	7,800	-	0%
4334	Water	553	527	650	650	650	-	0%
4335	Sewer	1,105	1,082	1,100	1,100	1,100	-	0%
4336	Stormwater	195	193	240	240	240	-	0%
4351	Building Maintenance	7,431	7,357	8,500	8,500	8,500	-	0%
4353	Vehicle Maintenance	-	18	1,300	1,300	1,300	-	0%
4440	Contract svcs	657	125	800	800	800	-	0%
4451	Insurance and Bonds	5,428	4,597	5,000	5,000	5,000	-	0%
4540	Capital outlay	-	-	-	-	-	-	0%
	Totals	175,920	167,586	194,627	201,392	216,180	14,788	7%

General Fund

Public Works



Description

The mission of the Cornelius Public Works Department is to maintain the public property of the Town, including street rights-of-way, public easements, and other public property in a manner that is aesthetically pleasing and functional for all of our citizens.

General Fund

Authorized Positions (in Full Time Equivalents-FTE)

Position	FY 17	FY 18	FY 19	FY 20	FY 21
Public Works Supervisor	1	1	1	1	1
Crew Leader	2	2	2	1	1
Equipment Operator	0	0	0	1	1
Maintenance Worker	5	5	5	5	5
Total Authorized Positions	8	8	8	8	8

FY 2021 Goals and Objectives

- ✓ Continue to Work on Bond Projects
- ✓ Implement New Solid Waste Contract
- ✓ Town Hall/ Public Safety/ Public Works Building Maintenance Reserve Fund (1/2 year \$10,000)

Public Works
1024510

Acct	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
4121	Salaries	296,433	305,599	322,042	325,505	335,270	9,765	3.0%
4122	Overtime	16,559	17,413	19,570	18,000	19,570	1,570	8.7%
4126	Salaries - PT	8,634	1,313	10,000	9,800	10,000	200	2.0%
4134	Retirement 401K	15,546	16,136	17,081	17,175	17,742	567	3.3%
4181	FICA	22,721	23,837	26,898	27,028	27,910	882	3.3%
4182	Retirement	23,631	25,295	30,574	30,744	36,016	5,273	17.2%
4183	Insurance Benefits	62,445	65,386	63,723	64,000	64,000	-	0.0%
4185	State Unemployment	149	72	72	81	81	-	0.0%
4194	Design fees	16,089	-	25,000	25,000	25,000	-	0.0%
4199	Professional services	58,504	13,660	20,200	22,000	20,200	(1,800)	-8.2%
4212	Uniforms	10,816	10,311	7,200	7,200	7,200	-	0.0%
4241	Small Tools/ Equipment	4,495	2,532	2,400	2,400	2,400	-	0.0%
4251	Motor Fuels	16,980	17,344	20,000	21,400	18,000	(3,400)	-15.9%
4290	Departmental Supplies	21,308	22,440	16,500	16,500	16,500	-	0.0%
4311	Travel and Training	11	1,630	1,000	1,000	1,000	-	0.0%
4321	Telecommunications	4,060	2,039	4,000	4,500	4,000	(500)	-11.1%
4331	Utilities	8,240	15,134	14,600	14,600	14,000	(600)	-4.1%
4337	Street Lights	311,188	295,142	330,000	330,000	330,000	-	0.0%
4351	Building Maintenance	5,692	7,160	7,000	7,000	7,000	-	0.0%
4352	Equipment Maintenance	22,182	22,184	27,000	27,000	27,000	-	0.0%
4353	Vehicle Maintenance	9,160	3,451	16,000	16,500	16,000	(500)	-3.0%
4440	Contract Services	29,253	24,925	35,000	35,000	35,000	-	0.0%
4444	Contract Serv/ Landscaping	88,891	69,081	85,000	85,000	85,000	-	0.0%
4449	Landfill Fees	561	984	500	500	500	-	0.0%
4451	Insurance and Bonds	21,695	21,174	25,000	25,139	25,139	-	0.0%
4491	Dues and Subscriptions	680	700	725	720	740	20	2.8%
4499	Miscellaneous	21,933	1,015	1,000	1,000	1,000	-	0.0%
4540	Motor Vehicles	72,873	20,000	-	19,328	60,000	40,672	210.4%
4590	Oth cap improv	(10,609)	387,613	-	100,000	-	(100,000)	0.0%
4591	Capital Roads	854,843	-	230,000	30,000	-	(30,000)	-100.0%
	Totals	2,014,963	1,393,570	1,358,085	1,284,120	1,206,269	(77,851)	-6.1%

Powell Bill Fund

Street Improvements

Description

Street improvements for the Town of Cornelius are funded primarily through a state-shared gasoline tax known as “Powell Bill” funds. The Town utilizes these funds to maintain our ~100 miles of streets, repair ~131 miles of existing sidewalks, and improve existing streets with bike paths and sidewalks (\$200,000).

FY 2021 Goals and Objectives

- ✓ Continue street/sidewalk repair and maintenance program as on file with the Town Public Works Supervisor and Assistant Town Manager/Public Works Director.

**Powell Bill
1024515**

Acct	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
4199	Professional Services	6,265	5,400	10,000	24,174	10,000	(14,174)	-58.6%
4290	Departmental supplies	5,457	5,918	8,000	8,000	8,000	-	0.0%
4440	Contract services	165,755	143,078	181,000	200,000	200,000	-	0.0%
4590	Capital - Sidewalks	197,450	11,081	200,000	181,000	-	(181,000)	-100.0%
4591	Capital - Street Improv	-	628,234	571,500	-	800,000	800,000	0.0%
	Totals	374,927	793,711	970,500	413,174	1,018,000	604,826	146.4%

General Fund

Solid Waste/Recycling

Description

Garbage, yard waste, and recycling collection for Cornelius residents are administered via contract with outside waste collectors. The Town has contracted with Waste Pro for collection beginning FY21. Dumpster accounts for individual condominium complexes are contracted separately.

The Town provides curbside collection of residential and small business solid waste, recycling, and yard debris at approximately 10,000 collection points.

FY 2021 Goals and Objectives

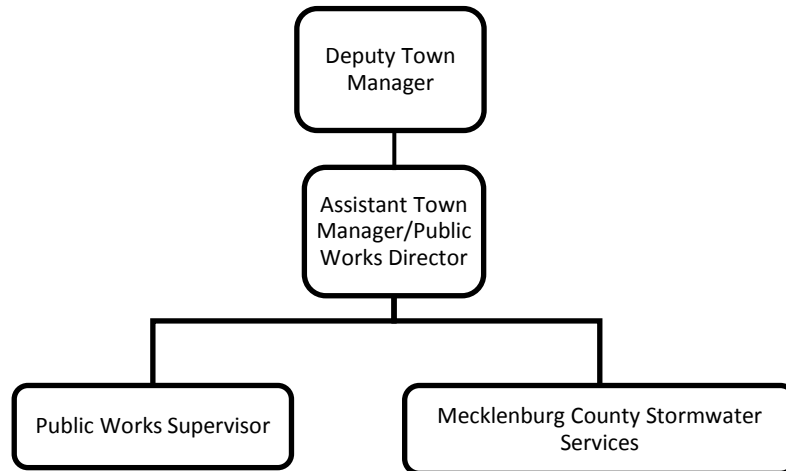
- ✓ Maintain current residential service levels for the community, including once a week curbside garbage pickup and biweekly curbside recycling pickup.

Solid Waste / Recycling
1034710

Acct	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
4439	Dumpsters	99,692	96,411	118,918	118,918	118,918	-	0.0%
4445	Hauling (Residential)	878,364	903,492	955,776	955,776	955,776	-	0.0%
4446	Yard Debris	511,507	516,146	580,989	580,989	580,989	-	0.0%
4448	Recycling	387,898	368,104	443,707	443,707	443,707	-	0.0%
	Totals	1,877,461	1,884,153	2,099,390	2,099,390	2,099,390	-	0.0%

Stormwater Fund

Stormwater Management



Description

The mission of the Stormwater Management Fund of the Cornelius Public Works Department is to maintain the stormwater drainage system for the Town to prevent flooding, property damage, or other safety hazards in a knowledgeable and professional manner as expediently as practical.

FY 2021 Goals and Objectives

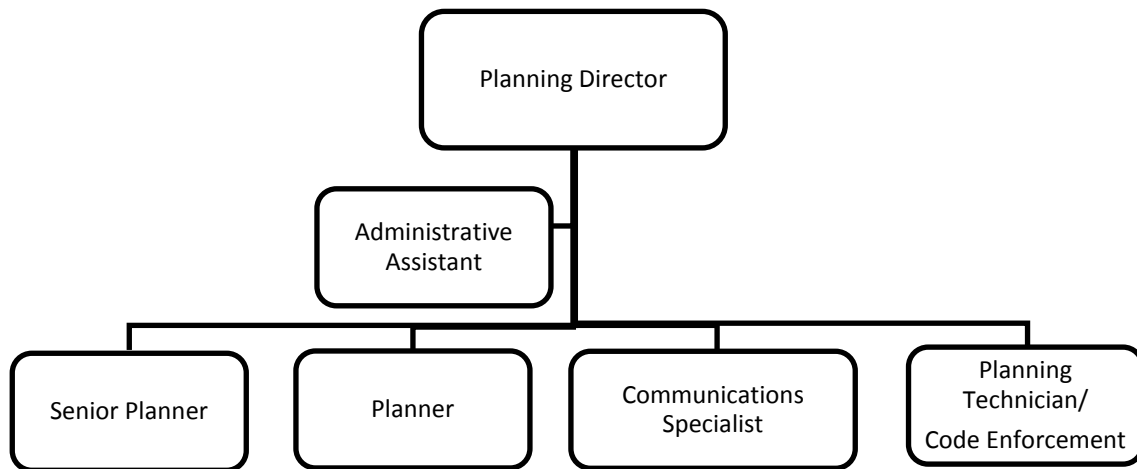
- ✓ Continue Stormwater System maintenance and capital projects as on file with the Town Assistant Town Manager/Public Works Director.

**Stormwater
1034730**

Acct	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
4199	Professional Services	1,690	15,290	10,000	10,000	10,000	-	0%
4290	Departmental Supplies	180	-	5,000	5,000	5,000	-	0%
4430	Equipment Rental	-	-	-	-	-	-	0%
4440	Contract Services	164,140	191,348	221,000	221,000	225,000	4,000	2%
4580	Capital - Other Improvs	-	126,920	100,000	100,000	300,000	200,000	200%
	Totals	166,010	333,558	336,000	336,000	540,000	204,000	61%

General Fund

Planning and Land Development Department



Mission Statement

Utilize state of the art planning techniques for effectively communicating with peers, citizens, developers, and the general public thereby making Cornelius a great place to live, work, and play.

General Fund

Authorized Positions (in Full Time Equivalents-FTE)

Position	FY 17	FY 18	FY 19	FY 20	FY 21
Planning Director	1	1	1	1	1
Senior Planner	1	1	1	1	1
Planner	1	1	1	1	1
Communications Specialist	1	1	1	1	1
Planning Technician/Code Enforcement	1	1	1	1	1
Administrative Assistant	1	1	1	1	1
Total Authorized Positions	6	6	6	6	6

Planning and Land Development Services

Development Plan Review and Processing
Geographic Information Systems
Land Development Code Maintenance

Planning Board Support Staff
Special Planning Projects

FY 2021 Goals and Objectives

- ✓ North Corridor Transit Oriented Development Grant – Town Match (\$6,000, one-time)
- ✓ Land Use: Evaluate Targeted Land Use Plan Updates

Planning / Land Development
1044910

Acct	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
4121	Salaries	328,719	278,588	346,521	333,134	343,128	9,994	3.0%
4122	Overtime	-	-	500	500	500	-	0.0%
4126	Salaries Part-Time	2,820	2,400	10,000	10,000	10,000	-	0.0%
4134	Retirement 401K	16,351	13,894	17,351	16,682	17,181	500	3.0%
4181	FICA	24,297	21,073	27,312	26,288	27,053	765	2.9%
4182	Retirement	24,833	21,368	31,058	29,860	34,878	5,018	16.8%
4183	Insurance Benefits	49,910	46,991	56,663	56,663	52,663	(4,000)	-7.1%
4185	State Unemployment	112	54	54	61	65	4	6.6%
4194	Prof Serv: Design fees	31,511	12,292	15,000	15,000	15,000	-	0.0%
4195	Prof Serv: GIS / Mapping	1,300	1,300	1,700	1,700	1,700	-	0.0%
4199	Prof Serv: Misc	137,969	99,931	61,500	75,000	67,500	(7,500)	-10.0%
4251	Motor Fuels	562	1,054	1,200	1,200	1,200	-	0.0%
4290	Departmental Supplies	11,080	8,427	13,500	13,500	13,500	-	0.0%
4311	Travel and Training	8,451	7,486	6,700	6,700	6,700	-	0.0%
4321	Telecommunications	1,316	1,196	1,800	1,800	1,800	-	0.0%
4325	Postage	5,347	3,136	6,000	6,000	6,500	500	8.3%
4341	Printing		-	-	-	-	-	0.0%
4353	Vehicle Maintenance	282	-	1,000	1,000	1,000	-	0.0%
4391	Legal Advertising	841	2,332	2,500	2,500	2,500	-	0.0%
4431	Copier Lease	10,947	11,930	11,300	11,300	12,317	1,017	9.0%
4440	Contract Services	5,000	11,448	3,000	3,000	3,000	-	0.0%
4451	Insurance and Bonds	7,944	6,476	8,000	7,000	7,000	-	0.0%
4491	Dues and Subscriptions	2,551	2,060	2,500	2,500	2,500	-	0.0%
4498	Bank Charges	1,030	571	1,000	1,000	1,000	-	0.0%
4499	Miscellaneous Expense	138	44	1,500	1,500	1,500	-	0.0%
4550	Capital Outlay	30,158	-	-	-	-	-	0.0%
	Totals	703,469	554,051	627,660	623,888	630,185	6,297	1.0%

Tourism Fund

Tourism and Community Promotion

Description

Tourism and Community Promotion are funded exclusively from proceeds generated by the Mecklenburg County Hotel/Motel Occupancy Tax, the Prepared Food and Beverage Tax, and special event revenues are funded from these revenue sources. Occupancy Tax funds have been accounted for in this fund since inception in 1992; Prepared Food and Beverage Tax has been accounted for in this fund since receipt by the town in FY 2003.

Significant portions of annual proceeds from this fund are distributed to the North Mecklenburg Visitor's Center and Lake Norman Convention and Visitor's Bureau. Additional initiatives funded from these tourism funds include the funding to the Economic Development Commission, the North Mecklenburg Regional Industrial Park (Commerce Station), and sailing center contribution. The remaining proceeds fund various community enhancement and promotion projects including annual festivals and special events such as the annual symphony and holiday celebrations.

FY 2021 Goals and Objectives

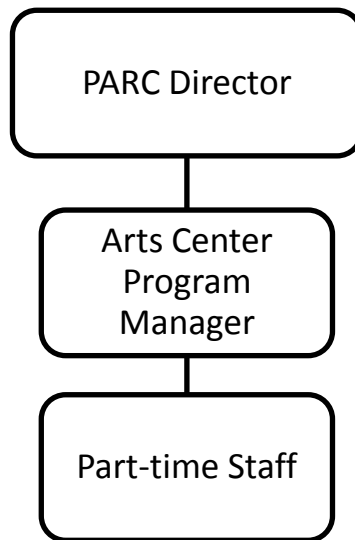
- ✓ Continue existing affiliated organizations funding and agreements, adhering to interlocal funding agreements and/or new directives as approved by the Town of Cornelius Board of Commissioners.

Tourism
1044920

Acct	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
4199	Prof svcs	-	-	-	-	-	-	0.0%
4290	Departmental Supplies		-	10,000	10,000	10,000	-	0%
4311	Travel/Training	-	-	-	-	-	-	0%
4376	Promotions	119,332	132,760	128,800	128,800	132,800	4,000	3%
4440	Contract Service	8,000	8,000	8,000	8,000	13,000	5,000	63%
4550	Capital Outlay	-	-	-	-	-	-	0%
4690	Commerce Station pmt to H'ville	83,000	36,300	-	-	-	-	0%
4691	VLN	79,990	75,905	80,430	80,430	77,664	(2,766)	-3%
4692	VLN	110,099	125,423	136,884	136,884	147,227	10,343	8%
4694	Economic Development	79,950	79,950	79,950	79,950	79,950	-	0%
	Totals	480,371	458,338	444,064	444,064	460,640	16,576	4%

General Fund

Cornelius Arts Center



Description

The Cornelius Arts Center division of the Parks, Art, Recreation and Culture Department is a newly created division that facilitates the Town's ongoing endeavor in the arts. The Cornelius Arts Center lease was extended through April, 2020. The Cornelius Arts Center is funded through the use of U Drive It tax that is restricted to be spent in support of local arts or other restricted purposes.

FY 2021 Goals and Objectives

- ✓ Improve program offerings

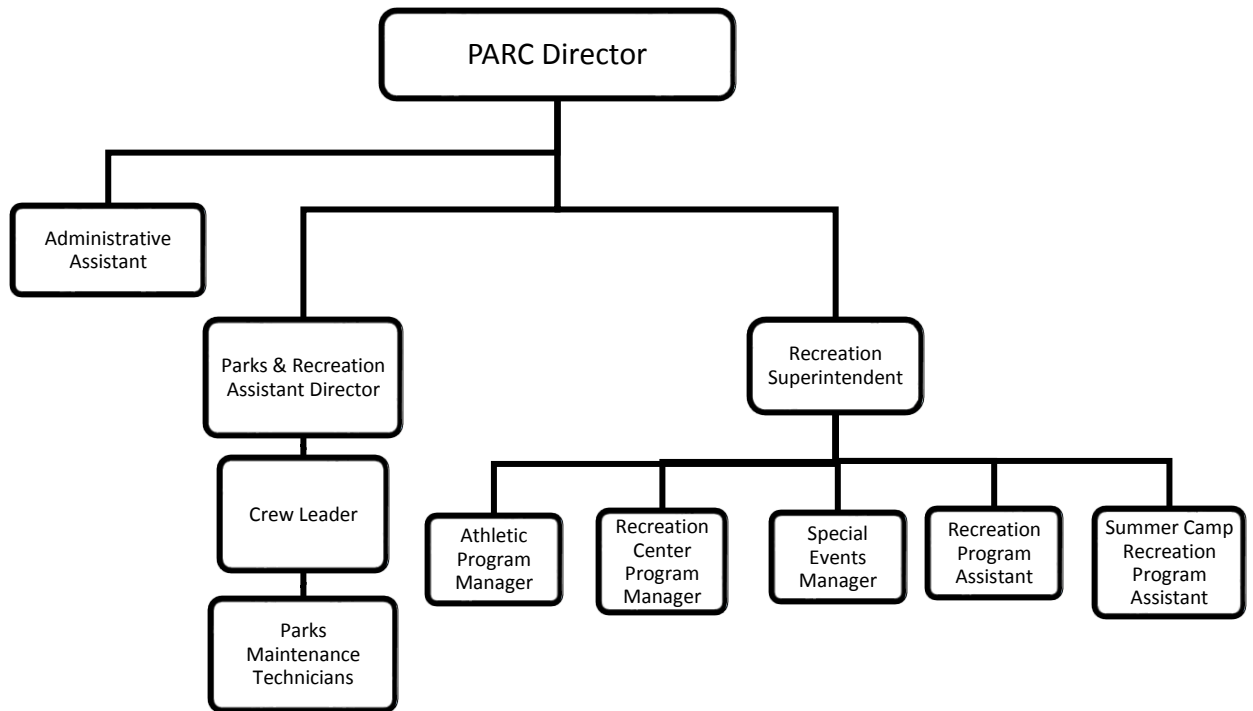
Position	FY 17	FY 18	FY 19	FY 20	FY 21
Arts Center Program Manager	1	1	1	1	1
Total Authorized Positions	1	1	1	1	1

**Art Center
10406123**

Acct	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
4121	Salaries Full-time	49,686	51,490	52,336	53,163	54,758	1,595	3.0%
4126	Salaries Part-Time	27,859	29,176	28,500	28,500	28,500	-	0.0%
4134	Retirement 401k	2,447	2,534	2,617	2,658	2,738	80	3.0%
4181	FICA	5,690	6,159	6,184	6,247	6,369	122	2.0%
4182	Retirement	3,731	3,987	4,684	4,758	5,558	800	16.8%
4183	Insurance Benefits	6,262	6,653	6,365	6,653	6,653	-	0.0%
4185	State Unemployment	19	9	9	10	12	2	20%
4199	Professional Services	166,000	124,999	-	-	-	-	0%
4231	Program Supplies	18,370	21,160	19,500	19,500	19,500	-	0%
4321	Telephones	1,105	1,128	1,200	1,200	1,200	-	0%
4331	Utilities	9,690	10,020	11,000	11,000	11,000	-	0%
4351	Building Maintenance	6,596	8,742	8,000	8,000	8,000	-	0%
4375	Promotions/ Publicity	1,587	2,207	7,000	7,000	7,000	-	0%
4376	CACC	245,000	365,000	323,000	323,000	289,600	(33,400)	-10%
4433	Building Rent	55,320	63,478	65,110	65,110	67,110	2,000	3%
4440	Contract Services	80,501	75,884	85,000	85,000	85,000	-	0%
4580	Capital other improv	11,893	-	-	-	-	-	0%
	Totals	691,756	772,626	620,505	621,799	592,998	(28,802)	-5%

General Fund

Parks, Arts, Recreation and Culture Department



Description

The Parks and Recreation department mission is to provide great parks, natural areas, and recreational experiences.

General Fund

Authorized Positions (in Full Time Equivalents-FTE)

Position	FY 17	FY 18	FY 19	FY 20	FY 21
PARC Director	1	1	1	1	1
Parks & Recreation Assistant Director	1	1	1	1	1
Superintendent	0	0	0	0	0
Administrative Assistant	1	1	1	1	1
Special Event Manager	1	1	1	1	1
Athletic Programs Manager	1	1	1	1	1
Parks Maintenance Technician	2	3	3	3	3
Crew Leader	1	1	1	1	1
Recreation Center Program Manager	1	1	1	1	1
Recreation Superintendent	1	1	1	1	1
Recreation Program Assistant	0	0	1	1	1
Summer Camp Recreation Program Assistant	0	0	1	1	1
Total Authorized Positions	10	11	13	13	13

FY 2021 Goals and Objectives

- ✓ PARC Maintenance Technician (\$2,000 one-time start up, \$17,200 ½ year recurring)
- ✓ Electric and Water utility increases based on anticipated rate and more water consumption to maintain park fields (\$7,400)

Parks, Arts, Recreation and Culture
1086121

Acct	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
4121	Salaries	563,993	611,285	653,916	629,413	694,073	64,660	10%
4126	Salaries Part-Time	95,998	111,284	110,400	112,000	112,400	400	0%
4134	Retirement 401K	27,959	30,309	32,696	31,471	34,704	3,233	10%
4181	FICA	50,043	54,237	58,470	56,718	61,695	4,977	9%
4182	Retirement	43,687	48,692	58,526	56,332	70,448	14,116	25%
4183	Insurance Benefits	94,451	105,013	108,200	108,200	114,800	6,600	6%
4185	State Unemployment	205	125	126	142	150	8	6%
4199	Professional Services	4,031	3,695	3,500	3,500	3,500	-	0%
4212	Uniforms	2,092	3,217	5,000	5,000	7,000	2,000	40%
4231	Program Supplies	124,741	143,157	128,000	128,000	128,000	-	0%
4240	Building Supplies	13,247	7,868	6,600	6,600	6,600	-	0%
4251	Motor Fuels	7,441	7,475	6,825	6,825	6,825	-	0%
4290	Departmental Supplies	25,926	4,957	5,977	5,977	5,977	-	0%
4311	Travel and Training	3,298	3,692	4,000	4,000	5,000	1,000	25%
4321	Telecommunications	8,967	7,291	7,400	7,400	7,400	-	0%
4325	Postage	159	517	250	250	250	-	0%
4331	Utilities	126,268	118,794	132,000	132,000	139,400	7,400	6%
4351	Building Maintenance	137,960	150,744	175,000	175,000	100,000	(75,000)	-43%
4352	Equipment Maintenance	1,495	2,056	3,000	3,000	3,000	-	0%
4353	Vehicle Maintenance	3,919	1,653	3,000	3,000	3,000	-	0%
4375	Promotions / Publicity	1,000	559	700	700	700	-	0%
4379	Teen Council	1,783	2,259	2,800	2,800	2,800	-	0%
4431	Copier Lease	2,888	3,169	3,500	3,500	3,500	-	0%
4440	Contract Services	325,899	335,418	286,000	286,000	286,000	-	0%
4444	Landscaping	161,166	155,892	202,614	202,614	182,614	(20,000)	-10%
4451	Insurance and Bonds	46,325	62,780	64,000	61,269	61,269	-	0%
4491	Dues and Subscriptions	1,283	1,146	1,500	1,500	1,500	-	0%
4498	Bank Charges	2,086	2,029	800	800	800	-	0%
4499	Miscellaneous Expense	2,855	1,940	2,000	2,000	2,000	-	0%
4570	Capital Outlay	843,750	1,635,906	1,000,000	-	770,000	770,000	0%
	Totals	2,724,915	3,617,159	3,066,800	2,036,011	2,815,406	779,395	38%

General Fund

Debt Service

Description

Debt Service expenditures serve to make payments on the principal and interest on various financing instruments the Town utilizes to purchase capital assets including land and equipment, and construct capital improvements such as new buildings or facilities.

Long-Term Debt Payment Summary

- ✓ Payments 13 & 14 of 14 for Synthetic turf fields (\$1,000,000, 2.02% fixed, 7 year, semi-annual payments)
- ✓ Payments 24 & 25 of 30 for Robbins Park Phase #1 improvements (\$1,300,000, 2.79% fixed, 15 year semi-annual payments)
- ✓ Payments 13 & 14 of 20 for Robbins Park (\$700,000, 2.6% fixed, 10 year semi-annual payments)
- ✓ Payments 6 & 7 of 14 for Public Works Building (\$2,000,000, 2.03% fixed, 7 year semi-annual payments)
- ✓ Payments 4 & 5 of 14 for BMS Synthetic turf fields (\$950,000, 3.23% fixed, 7 year, semi-annual payments)
- ✓ Payments 3 & 4 of 14 for Park Lark (\$657,000, 2.97% fixed, 7 year semi-annual payments)
- ✓ Additional issues are outstanding for various rolling stock and leases on Police, Fire, Public Works, Parks and Administrative vehicles
- ✓ Principal payment 6 of 17 for Series 2015 general obligation bonds \$9,685,000 (annual payments beginning at \$495,000) plus interest between 2- 3%
- ✓ Principal payment 2 of 20 for Series 2018 general obligations bonds \$6,715,000 (annual payments beginning at \$350,000) plus all in true interest cost of 2.9%
- ✓ New Debt Service:

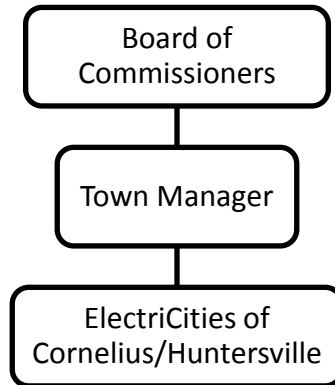
	<u>Principal</u>	<u>Interest</u>
Fire Engine (half year)	\$ 62,500	\$ 11,250
Bailey Road Park Lighting (half year)	\$ 60,000	\$ 10,800

Debt Service

Org	Object	Description	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Yr End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
10009109	4700	Car lease	4,411	5,928	5,000	5,000	5,000	-	0%
10109106	4700	Lease Police Cars	186,045	178,322	151,101	151,000	80,868	(70,132)	-46%
10109106	4701	Interest on Police Patrol Cars	5,891	4,191	6,150	6,120	3,300	(2,820)	-46%
10109107	4700	Police Facility	-	-	-	-	-	-	0%
10109107	4701	Interest on Police Facility	-	-	-	-	-	-	0%
10209113	4710	Street bonds principal	285,000	333,450	284,949	339,759	314,881	(24,878)	-7%
10209113	4720	Street bonds interest	128,175	119,625	630,950	630,950	630,950	-	0%
10109114	4700	Fire Equipment	211,222	299,656	229,579	188,672	191,000	2,328	1%
10109114	4701	Interest on Fire Equipment	23,450	26,257	22,190	22,000	18,500	(3,500)	-16%
10109115	4700	Fire Station #1	-	-	-	-	-	-	0%
10109115	4701	Interest on Fire Station #1	-	-	-	-	-	-	0%
10209108	4700	Street Improvements	313,334	156,657	-	-	-	-	0%
10209108	4701	Interest on Street Improvmnts	11,397	2,279	-	-	-	-	0%
10209103	4700	St Sweeper/Truck	43,088	46,953	35,673	35,673	12,050	(23,623)	-66%
10209103	4701	Interest on St Sweeper/Truck	1,522	1,396	614	614	105	(509)	-83%
10209119	4700	Public Works Building	142,857	285,714	285,715	285,715	285,715	-	0%
10209119	4701	Interest on Public Works Bldg	20,300	36,250	30,450	30,450	24,650	(5,800)	-19%
10409120	4700	Planning Truck	4,777	9,680	9,900	9,850	5,000	(4,850)	-49%
10409120	4701	Interest on Planning Truck	255	385	220	220	45	(175)	-80%
10809104	4710	Park Bonds	390,000	251,550	304,050	304,050	304,050	-	0%
10809104	4720	Interest on Park Bonds	103,694	214,466	81,962	123,310	113,500	(9,810)	-8%
10809105	4700	Parks Truck	20,137	20,456	15,350	10,350	-	(10,350)	-100%
10809105	4701	Interest on Parks Truck	726	406	300	82	-	(82)	-100%
10809112	4700	All Park Projects	141,798	209,442	273,614	272,625	280,000	7,375	3%
10809112	4701	Interest on Park Projects	11,099	19,816	33,283	33,000	26,000	(7,000)	-21%
10809116	4700	WAC Robbins Park	156,667	156,667	156,667	156,667	156,667	-	0%
10809116	4701	Interest on WAC Robbins Park	27,398	23,160	19,000	19,000	14,800	(4,200)	-22%
		CIP	-	-	619,895	-	150,979	150,979	0%
		Totals	2,233,243	2,402,706	3,196,613	2,625,107	2,618,060	(7,047)	0%

Electric Fund

Electric Fund



Description

Beginning in July 1997, the management and operations of the Cornelius and Huntersville Electric Systems has been under contract to ElectriCities. This landmark effort by the two towns created a true regional power utility which will be better able to compete in the marketplace in the coming years.

There are no retail rate increases proposed in the FY 2021 budget. By NC Statute, there are minimal (less than one dollar per year) REPS rider residential rate changes that will apply and be adopted in the Town's fee schedule.

FY 2021 Goals and Objectives

- ✓ Maintenance Program- Additional Personnel and Benefit Costs, market study increases, apprenticeship program (\$184,533)
- ✓ Substation Maintenance- Voltage Regulators (\$46,700)
- ✓ ElectriCities Overhead Allocation (HR/Safety Training) (\$37,000)

Electric Fund

Revenues	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Year End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Charges for Electric	6,178,508	6,309,106	6,367,359	6,367,359	6,337,380	(29,979)	0%
Renewable Energy Charge	45,809	50,740	40,000	40,000	54,000	14,000	35%
Street Lights	246,710	254,883	185,000	185,000	185,000	-	0%
Reconnect Fees	28,860	27,300	20,000	20,000	24,000	4,000	20%
Fees for New Services	48,125	38,750	28,000	28,000	28,000	-	0%
Late Payment Charges	62,142	66,286	52,000	52,000	52,000	-	0%
Interest Earned	7,967	14,626	-	9,083	-	(9,083)	-100%
Rents	-	-	-	-	-	-	0%
Sales - capital reimb & fix assets	1,605	337	-	-	-	-	0%
Miscellaneous	26,921	76,326	10,000	10,000	10,000	-	0%
ElectriCities Working Capital Refund				742,000	1,107,000	365,000	49%
Insurance Proceeds	8,074	5,990	-	-	-	-	0%
Fund Balance Appropriated	-	-	-	-	(231,590)	(231,590)	0%
Totals	6,654,721	6,844,344	6,702,359	7,453,442	7,565,790	112,348	2%

Expenses	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Year End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Admin Fee	74,250	98,331	71,400	71,400	71,400	-	0%
Other Expenses	1,204,721	1,237,998	1,532,780	1,506,352	1,763,783	257,431	17%
Purchase for Resale	4,624,630	4,524,182	4,635,626	4,635,626	4,625,962	(9,664)	0%
Capital Outlay	39,000	84,241	-	-	-	-	0%
Capital Expansion	335,408	384,902	414,408	300,000	1,041,500	741,500	247%
Building Payment	-	-	21,717	21,717	21,717	-	0%
Debt Service	27,230	26,829	26,428	26,428	41,428	15,000	57%
Reserve for future exps	-	-	-	-	-	-	0%
Totals	6,305,239	6,356,483	6,702,359	6,561,523	7,565,790	1,004,267	15%

Emergency Telephone System

Communication Center

Description

This fund is used to account for 911 fees distributed by the State of North Carolina for wired and wireless telecommunications. The expenditures budgeted in this fund must adhere to a specific list of eligible expenditures as controlled by the State 911 Board. These funds are used to provide the necessary equipment for the receipt and handling of 911 calls for service in Cornelius and the campus of Davidson College.

FY 2021 Goals and Objectives

- ✓ Manage communications of 911 calls and public safety radio traffic as well as monitor the camera networking system.

Emergency Telephone System Fund

Revenues	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Year End	2021 Original Budget	2020 Est Yr End vs 21 Budget	Percent Difference
Restricted Intergovernmental- Revs	196,479	184,876	115,182	115,182	135,042	19,860	17.2%
Investment Earnings	5,641	11,457	1,650	9,750	1,790	(7,960)	-81.6%
Transfer from General	-	142	-	-	-	-	0.0%
Appropriated Fund Balance	-	-	-	-	-	-	0.0%
Totals	202,120	196,475	116,832	124,932	136,832	11,900	9.5%

Expenses	2018 Actual	2019 Actual	2020 Original Budget	2020 Est Year End	2021 Original Budget	2019 Est Yr End vs 20 Budget	Percent Difference
Implemental Functions	32,048	33,020	34,093	34,093	34,093	-	0.00%
Software and Service Repairs	18,735	37,822	32,739	32,739	32,739	-	0.00%
Furniture and Hardware	36,316	21,766	25,000	500	20,000	19,500	3900%
Communications- Phone	13,618	13,783	25,000	50,000	50,000	-	0.00%
Capital outlay	-	-	-	-	-	-	0.00%
Reserve for future exps	-	-	-	-	-	-	0.00%
Totals	100,717	106,391	116,832	117,332	136,832	19,500	16.62%

**Town of Cornelius
Reconciling Items
For Various Fiscal Years**

	2018 Actual	2019 Actual	2020 Orig Bud	2020 EYE	2021 Orig Bud
Expenditures					
Personnel					
Electric reimbursements					
Art Center / PARC revenue offset		40,000	65,000	65,000	110,000
PD DNC/lake patrol	367,000	500,000	460,000	460,000	460,000
CMS reimb for DARE & grant officers	105,000	105,000	105,000	105,000	120,000
Operating					
LN Trans Reimbursements	-	-	-	-	-
Augustalee consultants			206,000	206,000	-
Drug expenditures					
False alarm fees	35,242	32,500	34,000	34,000	35,000
Franchise tax consultant					
transfer to habitat					
Capital					
Police Cars	144,000	333,000	-	-	-
Fire trucks & equip	667,369	34,000	-	-	750,000
Fire truck repairs					
Turf & Park Land		1,607,000	1,000,000	-	1,720,000
Public Works / PARC Truck/Plann	99,810	-	-	-	-
CDBG sidewalks					
Donation for capital	100,000	868,600	-	-	-
Total Expenditure Adjustments	1,518,421	3,520,100	1,870,000	870,000	3,195,000
Revenues					
Other Financing Sources					
Debt Issued	911,179	1,974,000	1,000,000	-	2,470,000
Other Revenues:					
Animal Control Donations					
Vet Monument donations					
Co lake patrol	367,000	500,000	460,000	460,000	460,000
Reimbursements from Electric					
Parc/art center revenue offset	100,000	908,600	65,000	65,000	110,000
Donated capital					
CDBG sidewalks					
Grant PD cars/ officers					
False alarm revenue	35,242	32,500	34,000	34,000	35,000
Drug grant revenue					
CMS DARE officer	105,000	105,000	105,000	105,000	120,000
DNC reimbursements					
Insurance reimburse fire truck					
Fire boat contribution					
sale of wayfinding sign ads					
Augustalee consultants			206,000	206,000	
Franchise tax consultant					
ULI reimbursements					
LN Trans Reimbursements					
Total Revenue Adjustments	1,518,421	3,520,100	1,870,000	870,000	3,195,000
Net Adjustments	-	-	-	-	-

Town of Cornelius
Net Actual, Budget and Projected Expenditures and Revenues
For Various Fiscal Years

		2018	2019	2020	2020	2021
		Actual	Actual	Budget	Est Yr End	Budget
Expenditures						
Personnel		7,710,073	7,753,882	9,086,784	8,737,933	9,403,102
Operating		8,602,765	8,388,997	8,877,348	9,043,737	8,847,088
Contributions Tourism		353,039	317,578	297,264	297,264	304,840
Other transfers		1,060,000	1,229,722	-	-	-
Capital		1,954,779	1,078,413	2,764,374	1,989,627	3,167,967
Debt		2,233,243	2,402,706	3,196,613	2,625,107	2,618,060
Total expenditures		21,913,899	21,171,298	24,222,383	22,693,668	24,341,057
Debt % of total expenditures		10.19%	11.35%	13.20%	11.57%	10.76%
Revenues						
Ad valorem taxes		13,745,899	14,093,129	15,732,607	16,164,000	16,258,038
Other revenue		10,225,300	9,432,489	9,870,904	10,257,076	8,352,478
Total revenue		23,971,199	23,525,618	25,603,511	26,421,076	24,610,516
Reconciling items		-	-	-	-	-
Contrib/(Use) of fund balance *		2,057,300	2,354,320	1,381,128	3,727,408	269,459
General Fund balance		17,048,657	19,402,977	18,668,797	23,130,385	23,399,844
Capital Reserve		2,224,519	2,296,132	2,284,519	2,326,132	2,356,132
Total available funds		19,273,176	21,699,109	20,953,316	25,456,517	25,755,976

General Fund	993,341
Tourism	(297,134)
Powell Bill	(426,748)

Town of Cornelius
2021-2025 Capital Improvement Plan Summary
March 22, 2020

DEPT	DESCRIPTION	Funds Source	2021	2022	2023	2024	2025	Future	Total
PW	Old Canal Stabilization and South St. Bridge Erosion Control (Powell Bill Funds)	FB Powell	800,000	-	-	-	-	-	800,000
Fire	Replace Engine 3, 4, and 5	Debt	750,000	-	750,000	-	-	-	1,500,000
PARC	Bailey Road Park Athletic Facility Lighting Replacement	Debt	720,000	810,000	-	-	-	-	1,620,000
PD	Police Vehicles	Fund Bal	633,000	550,000	500,000	505,000	510,000	-	2,698,000
PW	Stream Restoration- Willow Pond + Upstream & Downstream	Fund Bal	300,000	200,000	-	-	-	-	500,000
Fire	Fireboat Repair	Fund Bal	95,000	-	-	-	-	-	95,000
PD	Police air handling units *	Fund Bal*	90,000	-	-	-	-	-	90,000
PW	Public Works Equipment	Fund Bal	60,000	65,000	-	-	-	-	125,000
PARC	Legion Park Major Renovations	Fund Bal	50,000	475,000	-	200,000	-	-	725,000
Fire	Fire Station #2 Window Replacement*	Fund Bal*	40,000	-	-	-	-	-	40,000
PW	2013 Road Bond Project Estimated Cost Increases	Bonds	-	5,500,000	-	-	-	-	5,500,000
PARC	Community Art Center	Bonds	-	4,000,000	-	-	-	-	4,000,000
PW	Jetton Extension	Debt	-	2,100,000	-	-	-	-	2,100,000
PW	Westmoreland Interchange- Town Contribution	Bonds	-	2,000,000	-	-	-	-	2,000,000
PW	Hwy 115- Hickory St. Intersection Improvements	Bonds	-	1,040,782	-	-	-	-	1,040,782
PARC	Smithville JV Washam Elementary Linear Park	Debt	-	1,000,000	1,000,000	500,000	-	3,200,000	5,700,000
PARC	Bailey Road Park Tennis & Pickleball Complex	Debt	-	1,000,000	-	-	-	-	1,000,000
PW	Gem Street Extension Surface Parking Cost	Fund Bal	-	400,000	-	-	-	-	400,000
PARC	Torrence Chapel Park Major Renovations	Fund Bal	-	350,000	-	-	-	550,000	900,000
PARC	Bailey Road Park Major Renovations	Fund Bal	-	250,000	-	250,000	710,000	900,000	2,110,000
PW	Sidewalk (Powell Bill Funds)	FB Powell	-	200,000	-	200,000	-	-	400,000
PW	DDI Landscaping	Fund Bal	-	200,000	-	-	-	-	200,000
PARC	Field Maintenance Equipment	Fund Bal	-	159,700	-	-	-	-	159,700
PW	West Catawba Phase II- STI- Local Funding Contribution	Bonds	-	-	1,200,000	-	-	-	1,200,000
PW	Street Resurfacing (Powell Bill Funds)	FB Powell	-	-	800,000	-	800,000	-	1,600,000
Fire	Training Center Land	Fund Bal	-	-	500,000	-	-	-	500,000
PARC	Robbins Park Development	Debt	-	-	200,000	-	2,450,000	2,300,000	4,950,000
PW	Town Hall cooling tower replacement*	Fund Bal*	-	-	150,000	-	-	-	150,000
PD	Police Roof*	Fund Bal*	-	-	125,000	-	-	-	125,000
PW	Festival Street- Catawba Avenue	Debt	-	-	-	2,750,000	-	-	2,750,000
PARC	Smithville Multi-Purpose Synthetic Turf Field	Debt	-	-	-	900,000	-	-	900,000
PARC	Smithville Park Major Renovations	Fund Bal	-	-	-	190,000	-	-	190,000
PARC	Jetton Park Major Renovations	Fund Bal	-	-	-	-	650,000	-	650,000
PARC	Caldwell Station Creek South Greenway Phase II	Debt	-	-	-	-	315,000	1,900,000	2,215,000
PARC	Mini Park	Debt	-	-	-	-	315,000	1,305,000	1,620,000
Fire	Fire Station #2 Roof*	Fund Bal*	-	-	-	-	195,000	-	195,000
PARC	Plum Creek- South Bailey Rady Greenway Construction Phase II	Fund Bal	-	-	-	-	140,000	-	140,000
PW	West Catawba Phase II- Bike-Ped Accommodations, Street Lights and Mast Arms	Bonds	-	-	-	-	-	5,833,800	5,833,800
PARC	Southeast Cornelius Neighborhood Park	Debt	-	-	-	-	-	5,050,000	5,050,000
PARC	Bailey Road North Neighborhood Park	Debt	-	-	-	-	-	4,475,000	4,475,000
Fire	Fire Station #3	Debt	-	-	-	-	-	4,000,000	4,000,000
PARC	Village Center Neighborhood Park	Debt	-	-	-	-	-	3,200,000	3,200,000
PARC	Westmoreland McDowell Creek Park	Debt	-	-	-	-	-	3,200,000	3,200,000
PW	Hwy 115- North Corridor (Washam Potts to Potts St) Bike-Ped Accommodations, Aesthetics	Debt	-	-	-	-	-	3,150,000	3,150,000
PARC	North Bailey Road Greenway	Debt	-	-	-	-	-	2,730,000	2,730,000
PARC	Plum Creek- South Bailey Rady Greenway Construction Phase III	Debt	-	-	-	-	-	2,700,000	2,700,000
PARC	Waterfront Park	Debt	-	-	-	-	-	2,620,000	2,620,000
PARC	Victoria Bay Greenway	Debt	-	-	-	-	-	2,520,000	2,520,000
PARC	Downtown Cornelius to Statesville Road Greenway	Debt	-	-	-	-	-	2,270,000	2,270,000
PW	Hwy 21 Widening (A)	Bonds	-	-	-	-	-	1,700,000	1,700,000
PARC	Washam-Eco Park	Debt	-	-	-	-	-	1,500,000	1,500,000
PARC	Westmoreland Park Greenway	Debt	-	-	-	-	-	1,350,000	1,350,000
PARC	North Bailey Road to Bailey Road Greenway	Debt	-	-	-	-	-	1,100,000	1,100,000
PW	Hwy 73 West- Bike-Ped Accommodations	Fund Bal	-	-	-	-	-	1,100,000	1,100,000
PW	I-77 Service Road to Westmoreland	Debt	-	-	-	-	-	1,088,062	1,088,062
PW	Caldwell Station to Bailey Extension	Debt	-	-	-	-	-	1,000,000	1,000,000
Fire	Replace Ladder Truck 4	Debt	-	-	-	-	-	1,000,000	1,000,000
PARC	Stratford Forest Greenway	Fund Bal	-	-	-	-	-	760,000	760,000
PARC	Glen Oak Green Park Greenway	Fund Bal	-	-	-	-	-	600,000	600,000
PARC	Nantz Rd Connector Greenway	Fund Bal	-	-	-	-	-	575,000	575,000
PARC	Spray Park	Fund Bal	-	-	-	-	-	525,000	525,000
PW	Westmoreland Road Widening	Fund Bal	-	-	-	-	-	525,000	525,000
PW	Stream Restoration- Upper McDowell Creek	Fund Bal	-	-	-	-	-	300,000	300,000
PD	Police Substation	Fund Bal	-	-	-	-	-	300,000	300,000
PW	Hwy 21 Dual Roundabouts- Local Match and Betterments (BA)	Bonds	-	-	-	-	-	-	-
PW	Hwy 115-Potts St.-Davidson St. Intersection Improvement Project and Betterments (BA)	Bonds	-	-	-	-	-	-	-
PW	Northcross Dr. Extension-Local Match and Roundabout and Betterments (BA)	Bonds	-	-	-	-	-	-	-
PW	Torrence Chapel Rd. West Cat. Ave. Intersection Impv- Local Match and Betterments (BA)	Bonds	-	-	-	-	-	-	-
			3,538,000	20,300,482	5,225,000	5,495,000	6,175,000	65,326,862	106,060,344

Town Center Redevelopment Bonds

Transportation Bonds

*Town Hall/Public Safety/Public Works/Building Maint. Reserve Fund

TOWN OF CORNELIUS, NORTH CAROLINA
GENERAL FUND LONG-TERM FINANCIAL PLAN
AS OF JUNE, 2021

	<u>FY 2019 Actual</u>	<u>FY 2020</u>	<u>FY 2020 EYE</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
Beginning Fund Balance	19,273,176	19,542,188	21,699,109	25,456,517	25,755,976	26,001,592	25,132,736	23,768,880
Revenues:	3,744,677	17,389						
Property tax	14,093,129	15,732,608	16,164,000	16,258,038	17,072,328	17,324,311	17,323,082	17,578,826
Sales tax	3,983,699	3,841,700	3,841,700	3,168,019	3,263,060	3,360,951	3,461,780	3,565,633
Franchise tax	1,887,891	1,905,280	1,900,000	1,694,776	1,742,230	1,791,012	1,841,161	1,892,713
Powell Bill allocation	771,445	777,231	778,252	583,252	583,252	583,252	583,252	583,252
All others	2,789,454	3,346,693	3,737,124	2,906,431	2,950,027	2,994,278	3,039,192	3,084,780
Total Revenues	23,525,618	25,603,512	26,421,076	24,610,516	25,610,897	26,053,804	26,248,466	26,705,204
Expenditures:								
Personnel	7,753,882	9,086,784	8,737,933	9,403,102	10,120,273	10,676,888	11,210,732	11,771,269
Operating	8,341,575	8,851,612	9,018,001	8,821,928	9,174,805	9,541,797	9,923,469	10,320,408
TH/PS/PW/Bldg Maint. Rsv Fund	-	-	-	30,000	-	-	-	-
Cain Center (land, operating)	365,000	323,000	323,000	300,000	309,000	318,270	327,818	337,653
Existing Debt service	2,402,706	3,052,063	2,625,107	2,473,510	2,317,543	2,206,409	2,113,581	1,764,691
Powell Bill/Stormwater Capital	766,235	871,500	281,000	1,050,000	400,000	800,000	200,000	800,000
Other Capital	312,178	1,892,874	1,708,627	2,117,967	2,249,700	1,275,000	1,145,000	2,205,000
New debt svc	-	-	-	144,550	793,960	2,104,296	2,691,722	3,044,355
Transfers	1,229,722	-	-	-	-	-	-	-
Use of Cap Reserve	(71,613)	(30,000)	(30,000)	(30,000)	-	-	-	-
Total Expenditures	21,099,685	24,047,833	22,663,668	24,311,057	25,365,280	26,922,660	27,612,322	30,243,375
Net	2,425,933	1,555,679	3,757,408	299,459	245,616	(868,856)	(1,363,856)	(3,538,171)
Ending Fund Bal	21,699,109	21,097,867	25,456,517	25,755,976	26,001,592	25,132,736	23,768,880	20,230,710
Capital Reserve	-	-	-	-	-	-	-	-
Total Fund Balance	21,699,109	21,097,867	25,456,517	25,755,976	26,001,592	25,132,736	23,768,880	20,230,710
Available Fund Balance	19,808,064	19,097,867	22,762,693	23,062,152	23,307,768	22,438,912	21,075,056	17,536,886
End Bal as % of Exps Total	103%	88%	112%	106%	103%	93%	86%	67%
End Bal as % of Exps Available	94%	79%	100%	95%	92%	83%	76%	58%

TOWN OF CORNELIUS, NORTH CAROLINA
GENERAL FUND LONG-TERM FINANCIAL PLAN
AS OF JUNE, 2021

	<u>FY 2019 Actual</u>	<u>FY 2020</u>	<u>FY 2020 EYE</u>	<u>FY 2021</u>	<u>FY 2022</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>FY 2025</u>
Tax Assumptions:								
Value	5,499,814,530	5,552,131,900	5,552,131,900	7,353,051,835	7,530,530,059	7,643,488,010	7,758,140,330	8,689,117,170
% increase growth	0.951%	0.00%	2.74%	2.41%	1.5%	1.5%	0.0%	1.5%
% Change reval	0%	28.9%	28.9%	0%	0%	0%	12%	0%
New Value	5,552,131,900	7,156,768,213	7,353,051,835	7,530,530,059	7,643,488,010	7,758,140,330	8,689,117,170	8,819,453,927
Collection rate	99.0%	99.0%	99.0%	97.25%	99.0%	99.0%	99.0%	99.0%
Rate	0.255	0.2220	0.2220	0.2220	0.2220	0.2220	0.1982	0.1982
Tax produced	14,016,357	15,732,608	16,164,000	16,258,038	16,798,858	17,050,841	17,049,612	17,305,356
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					5.50%	5.50%	5.00%	5.00%
Operating					4.00%	4.00%	4.00%	4.00%
Debt issuance variable:								
Beginning Debt Outstanding	11,439,504	11,360,602	11,302,036	9,137,202	8,541,848	23,137,008	24,493,894	26,887,660
Principal retired	(1,944,800)	(2,112,280)	(2,164,834)	(2,065,354)	(1,855,622)	(1,793,114)	(1,756,234)	(1,455,361)
Principal issued	1,807,332	23,308,292	-	1,470,000	16,450,782	3,150,000	4,150,000	3,170,000
Ending Debt Outstanding	11,302,036	32,556,614	9,137,202	8,541,848	23,137,008	24,493,894	26,887,660	28,602,299

There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected,

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 1, 2020

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager

Action Requested:

Hold a public hearing and receive public comments on the recommended FY2021 operating budget and tax rate.

The Board will hear public comment **by email only**. Please email your comments to TownofCornelius@cornelius.org. Please include your name and address. Your comments will be read into the record upon receipt.

- Comments submitted anonymously will not be read into the record.
- Comments are limited to three minutes per comment.
- Comments are to be directed to the entire board as a whole and not individuals.
- Comments are expected to be civil and within reasonable standards of courtesy.
- Comments that include vulgarity, slander, name calling, personal attacks or threats will not be read into the record.
- Any information displayed by request must be submitted to the [Town Clerk](#) at least 48 hours prior to the meeting.
- All comments will be maintained as a public record and included in the minutes of the meeting.

Manager's Recommendation:

Open the public hearing and receive public comments.

ATTACHMENTS:

Name:	Description:	Type:
No Attachments Available		

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 1, 2020

To: Mayor and Board of Commissioners

From: Julie Niswonger, Finance Director

Action Requested:

The Town amends its fee schedule independent of its budget document so that mid-year budget amendments do not require the 5-page schedule of fees to be approved.

The attached schedule shows two columns on the right: "Amount Current" and "Proposed Change." The "Proposed Change" column notes any new or revised fee in red with this Board's action.

There are no electric fee changes related to basic facility charge and energy charges. The state legislature has changed REPS Rider (for renewable energy) fees for Residential, Commercial, and Industrial electric fees. The Residential fee is increasing from 0.72 to 0.77; the Commercial fee is increasing from 3.93 to 4.19; the Industrial fee is increasing from 40.51 to 43.15. The RECR-1 Rider Wind and Biomass credit for on-peak and off-peak energy is increasing minimally.

Manager's Recommendation:

Approve the amended Schedule of Fees as presented.

ATTACHMENTS:

Name:	Description:	Type:
 Town Fees FY21.pdf	Schedule of Fees	Cover Memo

**Town of Cornelius
Schedule of Fees**

		AMOUNT CURRENT	PROPOSED CHANGE
FINANCE			
	Returned check fees	25.00	
	Copies	0.15	
	Town Hall: (Community Room, per hour)		
	Security Deposit	250.00	
	Cancellation Fee	50.00	
	Kitchen Use Fee	30.00	
	A/V Equipment Fee	20.00	
	Resident		
	Non-Profit Users	50.00	
	For Profit Users	65.00	
	Non-Resident		
	Non-Profit Users	60.00	
	For Profit Users	75.00	
PLANNING AND LAND DEVELOPMENT			
SUBDIVISION APPLICATIONS			
	Construction Documents	250.00	
	Major / minor subdivision plat		
	Major subdivision final plat	100.00	
	Minor subdivision final plat	50.00	
	All other plats	50.00	
SITE PLAN			
	Applications:		
	Mixed use or commercial:		
	Under 10,000 square feet	250.00	
	10,000 - 29,999 square feet	500.00	
	30,000 - 49,999 square feet	750.00	
	50,000 + square feet	1,000.00	
REZONING PETITIONS			
	Conditional Zoning	1,250.00	
	Conditional Zoning Amendment	625.00	
	General Rezoning	1,000.00	
PERMITS AND VARIANCES			
	Special Use Permit (SUP)	500.00	
	Special Use Permit Amendment	250.00	
	Variance Request	350.00	
	Watershed Variance	500.00	
	Architectural Variations:		
	Major	250.00	
	Minor	100.00	
	House move on/off (\$1000 Bond required)	150.00	
	Temporary Use Permit	25.00	
	Building Permits		
	Residential		
	New home construction	50.00	
	Home addition/expansion	25.00	
	Pier	10.00	
	Demolition	10.00	
	Accessory Structures	25.00	
	Upfit renovations	10.00	
	Non-Residential		
	Upfit renovations	75.00	
	Sign Permits		
	Single Business	25.00	
	Multi-tenant Building	50.00	
	Banner Permit	50.00	
	Home Occupation Permit	35.00	
	Transient Occupancy	100.00	
OTHER			

**Town of Cornelius
Schedule of Fees**

		AMOUNT CURRENT	PROPOSED CHANGE
Appeal of Zoning Decision		250.00	
Text Amendment		400.00	
Zoning Compliance Letter			
	1 Single Family Residence	50.00	
	Commercial	100.00	
TRAFFIC IMPACT ANALYSIS			
			TBD Pursuant to Town Ordinance 2015-00607
PUBLICATIONS			
Base Map			
	Color maps or plans		
	1:1100 scale (34" x 44")	15.00	
	1:1600 scale (22" x 34")	10.00	
	<i>Land Development Code</i> Book	25.00	
Miscellaneous:			
	24" x 36" copy, per page	1.00	
POLICE			
Police reports		2.00	
Finger print fees (Cornelius residents)		No charge	
Finger print fees (Cornelius non-residents)		10.00	
ANIMAL SHELTER			
Reclaim		25.00	
Boarding (after first 24 hours)		10.00 per day	
Rabies Vaccination		15.00	
Transportation		10.00	
Dog Adoption		95.00	
Cat Adoption		85.00	
Microchip (Impound only)		10.00	
Surrender Fee		40.00	
ALARM FEES			
Alarm registration fee		10.00	
Alarm annual renewal fee		10.00 annually	
Additional charges will be assessed as follows:			
a. False Alarms 1, 2		No charge (registered)	
b. False Alarms 3, 4, 5		\$50.00 per response	
c. False Alarms 6, 7		\$100.00 per response	
d. False Alarms 8, 9		\$250.00 per response	
e. False Alarms 10+		\$500.00 per response	
f. Audible Alarm over 15 minutes		\$100 per response	
Failure to register an alarm		\$100.00	
PARKS & RECREATION			
Baseball/Softball Practice/Game Fees (fees based on one hour of facility use)			
Resident	Field, Natural	20.00	
	Field Lights	15.50	
	Field Prep (Basic) per Practice/Game	21.00	
	Field Prep (Full) per Practice/Game	35.00	
	Admission Remittance, All Facilities	100.00/day	
Non-Resident	Field, Natural	40.00	
	Field Lights	31.00	
	Field Prep (Basic) per Practice/Game	31.00	
	Field Prep (Full) per Practice/Game	57.00	
	Admission Remittance, All Facilities	100.00/day	
Multi-Purpose Practice/Game Fees (fees based on one hour of facility use)			
Resident	Field, Natural	20.00	
	Field Lights	15.50	
	Admission Remittance, All Facilities	100.00/day	

**Town of Cornelius
Schedule of Fees**

		AMOUNT CURRENT	PROPOSED CHANGE
Non-Resident	Field, Natural	40.00	
	Field Lights	31.00	
	Admission Remittance, All Facilities	100.00/day	
Synthetic Turf Practice/Game Fees (fees based on one hour of facility use)			
Resident	Field	46.00	
	Field Lights	15.50	
Non-Resident	Field	93.00	
	Field Lights	31.00	
Baseball/Softball Tournament Fees (rates based on use of field per day [8am-8pm])			
	Baseball/Softball Field	175.00	
	Tournament Deposit	350.00	
	Field Lights Tournament	41.00	
	Concession Use	Contract	
	Admission Remittance, All Facilities	225.00/day	
	Field Prep (Basic)	35.00	
	Field Prep (Full)	57.00	
	Temporary Fence Fee (per field/per day)	65.00	
Multi-purpose fees/Tournament			
	Tournament Deposit	350.00	
	Field Lights Tournament- Resident	41.00	
	Field Lights Tournament- Non-Resident	82.00	
	Field Rental	52.00	
	Concessions	20% gross	
	Admission Remittance	100.00/day	
Gym Fees/Tournament (rates based on use of gym per day [8am-8pm])			
	Tournament Deposit	350.00	
	Team Fee	80.00/hour	
	Admission Remittance, All Facilities	100.00/day	
Tennis Court Rental (fees based on one hour of facility use)			
Resident	Court Rental	5.00	
Non-Resident	Court Rental	10.00	
Gym Rental (fees based on one hour of facility use)			
Resident	Gym Rental	50.00	
Non-Resident	Gym Rental	100.00	
	Admission Remittance, All Facilities	100.00/day	
Shelter Rental (fees based on one hour of facility use)[3-hour minimum rental]			
Resident	Picnic Shelter		
	Torrence Chapel, Bailey Road #1 & #2	10.00	
	Bailey Road #3, Robbins	15.00	
	Picnic Shelter (30-50 people)		
	Legion	15.00	
	Smithville (Off-season Mid-September to Mid-May)	15.00	
	Smithville (Peak season Mid-May to Mid-September)	25.00	
Non-Resident	Picnic Shelter		
	Torrence Chapel, Bailey Road #1 & #2	20.00	
	Bailey Road #3, Robbins	30.00	
	Picnic Shelter (30-50 people)		
	Legion	30.00	
	Smithville (Off-season Mid-September to Mid-May)	30.00	
	Smithville (Peak season Mid-May to Mid-September)	50.00	
Other (fees based on one hour of facility use)			
Resident	Outdoor Courts (Pickleball, Gaga, Volleyball, Basketball)	5.00	
	Bailey Road Track	17.50	
	Rec Center Rooms	26.00	
	Cafeteria (JV Washam or Bailey Middle)	41.00	
	Bailey Road Track	35.00	
	Rec Center Rooms	52.00	

Town of Cornelius
Schedule of Fees

		AMOUNT CURRENT	PROPOSED CHANGE
	Cafeteria (JV Washam or Bailey Middle)	82.00	
	Admission Remittance, All Facilities	100.00/day	
ELECTRIC SERVICE (applicable sales tax rates additional)			
Residential (some non-electric appliances):			
	Basic facilities charge	11.54	
	Energy charge		
	June - September (per kilowatt hour)	0.10327	
	October - May (per kilowatt hour)	0.08950	
Small Commercial			
	Basic facilities charge	14.71	
	3-Phase basic facilities charge	19.85	
	Demand charge:		
	First 30 kW of billing demand per month	No charge	
	All over 30 kW of billing demand per mo	4.97	
	Energy charge:		
	June - September		
	First 3,000 kWh	0.11540	
	Over 3,000 kWh	0.07700	
	October - May		
	First 3,000 kWh	0.11540	
	Over 3,000 kWh	0.07600	
Medium Commercial			
	3-Phase basic facilities charge	37.62	
	Demand charge for all billing demand per month	5.85	
	Energy charge:		
	June - September		
	First 100 kWh per kW	0.08560	
	Over 100 kWh per kW	0.06312	
	October - May		
	First 100 kWh per kW	0.08560	
	Over 100 kWh per kW	0.04768	
Medium Industrial			
	3-Phase basic facilities charge	357.54	
	Demand charge:		
	Monthly billing demand		
	Summer (June-Sept.) per kW	17.88	
	Winter (Oct.-May) per kW	3.57	
	Excess Demand (all months) per kW	2.52	
	Energy charge:		
	Summer (June-Sept.)		
	On-Peak per kWh	0.06258	
	Off-Peak per kWh	0.04573	
	Winter (Oct.-May)		
	On-Peak per kWh	0.05583	
	Off-Peak per kWh	0.04177	
REPS Rider			
	Residential	0.72	0.77
	Commercial	3.93	4.19
	Industrial	40.51	43.15
RECR-1 Rider			
	Wind and Biomass Energy Credit (\$ Per kWh):		
	On-peak energy:		
	Variable	0.028	0.0287
	Off-peak energy:		
	Variable	0.0103	0.0105

**Town of Cornelius
Schedule of Fees**

	AMOUNT CURRENT	PROPOSED CHANGE
Solar Photovoltaic Energy Credit (\$ Per kWh):		
All Energy:		
Variable	0.0304	
Return Check Fee:	25.00	
Late payment charge		
2% or \$7.50, whichever is greater		
Reconnect fee		
prior to 5pm	30.00	
after 5pm	120.00	
Meter Tamper Fee	200.00	
Electric Connection/New Service Fee	25.00	
New Electric Services	50.00	
Underground Service Fee	150.00	
ECONOMIC DEVELOPMENT RIDER- Electric Rate Rider EDR1		
Months:	Discount	
1-12	30%	
13-24	20%	
25-36	10%	
37-48	5%	

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 1, 2020

To: Mayor and Board of Commissioners

From: Lori Harrell, Town Clerk

Action Requested:

Review the minutes from May 18th - Regular Meeting.

Manager's Recommendation:

Approve minutes.

ATTACHMENTS:

Name:	Description:	Type:
 05-18-20_Regular_Meeting.pdf	Regular Minutes	Cover Memo



BOARD OF COMMISSIONERS

May 18, 2020
MINUTES

REGULAR MEETING – 7:00PM

1. CALL TO ORDER

Mayor Washam called the remote meeting to order at 7:03PM.

2. DETERMINATION OF QUORUM

All commissioners verbally acknowledged their presence via roll call and participated electronically using Zoom (simultaneous communication), with the exception of Commissioner Miltich who joined the meeting at 7:06PM.

3. APPROVAL OF AGENDA

Commissioner Sisson made a motion to approve the agenda as presented. Commissioner Ross seconded the motion and it passed unanimously, 4-0 (roll call vote was obtained). Commissioner Miltich was not present for roll call.

4. MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE

Mayor Washam led the pledge after a moment of silence was observed. Commissioner Miltich joined the remote meeting during the pledge.

5. MAYOR/COMMISSIONERS/MANAGER REPORTS

Commissioner Duke reported on the following:

- ElectriCities – met with staff, Mayor Washam, Don Mitchell and Matt Schull via Zoom last week to discuss power distribution and rates.
- Provided Manager Grant with some feedback for the FY21 budget regarding fund balance and program cuts.

Commissioner Bilodeau reported on the following:

- Thanked Jody Clark and PARC staff for their hard work in putting together the virtual Jazz Festival on Saturday, May 16th. Special thanks to D9 Brewery for stepping up to help the community.
- Thanked all of the frontline workers and first responders for everything they are doing.

Commissioner Miltich reported on the following:

- Attended the TCC (Technical Coordinating Committee) virtual meeting on May 7th.
- Attended the Project Oversight Committee virtual meeting on May 14th.
- Thanked the community for doing what they can to support the small businesses.
- Thanked the public safety officers for all they are doing.

Commissioner Sisson reported on the following:

- Chamber link updates available on www.lakenormanchamber.org – #ReStartLKN is a comprehensive guide to re-opening businesses responsibly and re-entry suggestions for both employees and patrons; a list of cleaning and cleaning supply businesses in the Lake Norman area has been created to ensure businesses comply with cleaning protocols for reopening; and a link to the recent Focus Friday topic “Handling the stress of COVID-19 and its impact on business owners, employees and families”.
- Chamber events – Last week a 3-night zoom webinar took place featuring speakers Chuck Gallagher, Kathy McAfee and Steve Gilliland to celebrate Small Business Week offering inspiration and motivation for small business owners relevant to the current situation (1,900+ in the LKN are viewed the event); “In the Huddle with Coach David Dowdy” virtual presentation will be held on May 22nd and May 29th (11:00AM – 12:30PM), the link to pre-register is on the Chamber’s website; CoCo Couture Chamber networking drop-in event on May 27th (5:00PM – 7:30PM) is celebrating Chamber members and their customers, there will be a limit on the number of guests in the store at a time; and a Business Mixer will be held at James Funeral Home in Huntersville on June 4th (5:00PM – 7:30PM). Please visit the chamber website and Facebook page for updates and safe networking instructions.

Manager Grant reported on the following:

- COVID-19 updates & reminders – Mecklenburg County is reporting 2,589 confirmed cases and 64 related deaths as of May 17th; Gov. Cooper’s “Stay at Home” order, Phase II is scheduled to begin on Friday, May 22nd; a phased reopening of Town Hall is being developed that balances with the State guidelines; Town facilities will begin to open to the public with social and physical distancing as part of Phase III.
- FY21 Budget update – the Manager’s recommended FY21 budget will be presented on June 1st (virtual meeting) and the public hearing will immediately follow the presentation. Public comments may be submitted via email to TownofCornelius@cornelius.org; the public hearing will continue on June 15th (virtual or in-person TBD). If a live meeting occurs public comments will be received via email and in the Assembly Room of Town Hall (one speaker at a time, more details TBD). If a virtual meeting is held, a special meeting will be scheduled to adopt the FY21 operating budget and tax rate.
- Connecting Cornelius – the June 1st coffee chat will be held via Zoom featuring an update on the Cain Center for the Arts and a COVID-19 update by the County’s Public Health Director Gibbie Harris.
- 2020 Census – the census deadline has been extended to Oct. 31st; as of May 9th, Mecklenburg County census completion was 57.8% and Cornelius was 66%. The Census helps towns and counties receive federal funding for education, transportation and healthcare for the next 10 years. Visit www.MeckCounts2020.com for more information.

Mayor Washam reported on the following:

- Expressed his concerns regarding the 67 COVID-19 cases and 18 deaths at Autumn Care and clarified that the county and state are the regulatory agencies for Autumn Care and the Town Board is being kept up to date by the county.
- Cain Center for the Arts design has been completed and the reveal will be made to the general public soon. For more details visit www.CainArts.org.
- Weekly social media updates continue with the community.
- Continue to support/promote our local businesses and restaurants.
- Thanked PARC staff and D9 for a fantastic virtual Jazz Fest event (3,000 signed in to watch on social media).
- A pre-recorded Memorial Day celebration will be aired on Facebook (Town of Cornelius Department of Parks, Arts, Recreation & Culture) – Monday, May 25th (10AM).
- EDC – Career Fair (virtual) will be held on June 4th & 5th. More information to come.
- Congratulations to the Cornelius 2020 graduates banner is on display at Hwy. 115/Catawba Avenue (next to Town Hall).
- On May 24, 2020, Brigit Velletta will turn 106. Happy Birthday Brigit!!!!

6. CITIZEN CONCERNS/COMMENTS

Mayor Washam stated that the Board would hear public comment by email to TownofCornelius@cornelius.org. Please include your name and address and your comment will be read into the record upon receipt.

Town Clerk Lori Harrell reported that on May 4th at 8:11PM an email was received but the meeting was adjourned before it was read into the record. She proceeded to read the email from Scott Higgins (*Attachment 1*).

7. PRESENTATIONS

A. Arts & Science Council (ASC) Update

ASC President Jeep Bryant gave an update on how ASC has been supporting organizations and individuals in north Mecklenburg during the pandemic, as well as the investments made in the area over the past year. Mr. Bryant thanked the Board for their past contributions and requested \$15K for FY21.

Commissioner Bilodeau stated that ASC is also contributing to the future North Mecklenburg Regional Recreation Center. He thanked Mr. Bryant for his hard work since taking over for Robert Bush. He supports consideration of the FY21 request for \$15K.

Commissioner Miltich asked what level of support was traditionally provided by Cornelius. Manager Grant stated that through the years there have been various levels of commitment to ASC (\$15K grants). In the most recent past the Town has only provided support for Culture Bites (\$5,000) and the current FY20 budget does not include a \$15K contribution to ASC. Manager Grant stated that he has not received a FY21 budgetary request from ASC and asked Mr. Bryant to submit

something for consideration. Mr. Bryant apologized for the oversight and stated that he would send the request to Manager Grant.

8. CONSIDERATION OF APPROVAL

A. NCMPA1 Waiver Agreement

Manager Grant gave an overview of the Waiver Agreement with NCMPA1 to receive wholesale billing electronically only and stated that he was comfortable with the billing format.

Commissioner Miltich made a motion to approve Ordinance #2020-00735 to approve a waiver agreement with North Carolina Municipal Power Agency 1 and authorize the Town Manager and Town Attorney to execute the waiver agreement.

Commissioner Sisson seconded the motion and it passed unanimously, 5-0 (roll call vote was obtained).

Ordinance #2020-00735 is hereby made part of the minutes by reference.

9. CONSENT AGENDA

A. Approve Minutes – Regular Meeting May 4th (Approved 5-0)

Commissioner Miltich made a motion to approve the Consent Agenda as presented.

Commissioner Sisson seconded the motion and it passed unanimously, 5-0 (roll call vote was obtained).

10. OLD BUSINESS

A. FY21 Budget Discussion-cont'd

Manager Grant stated that tonight's discussion will begin with the FY21 ElectriCities budget and followed by the Town's general fund.

Don Mitchell with ElectriCities gave an overview of the FY21 P&L budgetary items and proposed budget.

Commissioner Duke stated that he was really proud of the work Mr. Mitchell has put into this budget and supports it 100%.

Commissioner Bilodeau stated that he appreciates the work Commissioner Duke has done with Mr. Mitchell and that there is no rate increase in FY21. The future plan was thoughtfully put together in an effort to begin recouping the revenue needed to make the necessary repairs/upgrades to keep the system serviceable.

Mayor Washam thanked Mr. Mitchell for the great job in outlining the priorities needed to maintain the system going forward.

Manager Grant highlighted the General Fund items that have changed since the last Board meeting due to new information and feedback received for: the FY21 Revenue and Expenditures to reassess; the 80/20 sheet (personnel, operating, recurring, capital); the CIP; the financial forecast; items budgeted but delayed; and merit proposals.

Commissioner Bilodeau stated that he was glad to see that the market study would be done in-house. He asked if the Antiquity road repairs would be impacted by the elimination of road resurfacing in FY21. Manager Grant explained that the Powell Bill road resurfacing and Old Canal Street/Antiquity project funding are two different projects and the Antiquity road project is currently budgeted at \$800K. Commissioner Sisson questioned if pothole repairs would be impacted by the reduction. Manager Grant stated that potholes and road issues will be taken care of; the reduction is strictly for road resurfacing in FY21.

Commissioner Miltich stated that he appreciates all the work Manager Grant has done to date and how difficult it has been with so many unknowns of how the COVID pandemic is going to affect everything. He said that he has heard from multiple business owners that they are facing the same type of situations. They are cutting their budgets to the bone and have trimmed back any raises this coming year, until they get a better feel for what the economy is doing. He recently learned that the Town of Davidson is taking that approach of a 0% raise but planning on revisiting it in 6 months and some of the Town of Huntersville commissioners have mentioned that they would like to go below the 3% raise their manager is proposing. Commissioner Miltich stated that if the 3% remains in the budget, he suggests adding it to the delayed list and implement it on Feb. 1, 2021. He added that this does not include the probation increases that were approved last year, it would be for any discretionary merit raises. Town staff should be rewarded, as they are doing a great job, but he is listening to what citizens and businesses are saying.

Mayor Washam asked when the probationary increases occur. Manager Grant stated that it occurs at 12 months assuming they've been a good employee and will continue to be employed with the town. Mayor Washam stated that he doesn't believe you can give a raise to some and not others. Commissioner Miltich stated that the probationary increase has already been approved so it is separate. Mayor Washam strongly advised against penalizing the rest of the police force and town employees. There are plenty of contingencies already put in place and employee salaries should not be messed with. Commissioner Miltich asked for clarification on the probationary increases offered and merit increases. Manager Grant stated that the approved probationary increase is for all new employees and merit increases are over and above that increase annually. He expressed his concerns with how this will impact all other employees that will receive nothing and the handful of employees that will receive a 5% increase. Mayor Washam stated that the Town of Davidson is the only town considering this action and it's not because of the market, it's because of the overall financial forecast of their entire budget. The 3% is right in line with just about every other town. Manager Grant stated that he has confirmed that Davidson is proposing 0% and Huntersville might be proposing 3% with no delay in merit. He expressed concern with the ability to maintain good staff with low turn-over and said that each year Cornelius is usually on the low end of raises compared to our competitors, and it keeps us further and further behind the market in which we compete for employees. We need to stay as competitive as possible.

Commissioner Ross stated that he agrees with Manager Grant's recommendations proposed thus far.

Commissioner Bilodeau stated that there has been a lot of thoughtful work put into the budget and he is confident it is a good plan. Manager Grant needs to take credit for holding the benefit rates and solid waste management contract rates flat. He is not comfortable with messing with the Town's greatest assets (staff) and taking a step backwards over short term uncertainty, especially while making a contribution to fund balance.

Commissioner Duke stated that this is one of the most thorough budgets he's seen since being an elected official. The assumptions are conservative and solid arguments have been provided for each decision, so he supports what has been proposed.

Commissioner Sisson echoed comments that the work done has been remarkable in thinking through what the revenues are going to be, altering them on a real-time basis and also having a contingency plan. She stated that it might be more responsible to delay the merit increase until the unknown is clearer and then make it a top priority item for adjustment.

Mayor Washam stated that it would be incorrect to say that our staff is paid at market and stressed the importance for an updated market study. Taking care of good employees creates good morale and it is important to keep it that way. Manager Grant stated that the last market study conducted was in 2018; however, by the time adjustments were made the data was almost a year old. He stressed the importance of conducting a salary study every two years so that we do not fall so far behind the market rate.

Commissioner Bilodeau stated for the record that he believes this is a responsible budget especially with the work that was done with the salary study. If you look at the Huntersville budget, their town manager states that it would be irresponsible to allow the salaries to plunge and then play catch up in another year.

Commissioner Miltich stated that he does value the employees, but he is just listening to the citizens, watching the COVID data and the potential for a second wave. It is a good budget it just needs one additional item to be considered for delay (merits).

11. COMMISSIONER CONCERNS

A. CRTPO Virtual Meeting

Commissioner Miltich stated that CRTPO will hold their meeting on Wednesday, May 20th virtually featuring a report from NCDOT on budget shortfalls, as well as an update on the I-77 toll project.

12. ADJOURNMENT

Mayor Washam asked the town clerk if there were any public comments that needed to be heard. Mrs. Harrell stated that there were no public comments.

There being no further business to discuss, Commissioner Sisson made a motion to adjourn the meeting at 9:02PM. Commissioner Miltich seconded the motion and it passed unanimously, 5-0 (roll call vote was obtained).

From: [Scott Higgins, Ed.D](#)
To: [Town of Cornelius](#)
Subject: Public Comment: Bike Month Proclamation
Date: Monday, May 4, 2020 8:10:51 PM

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

My sincere thanks to the PARC Department and Mayor Washam for recognizing Bike Month in the Proclamation read tonight at the Town Commission Meeting.

As Mr. Fitzsimmons stated, bicycle traffic has increased (tripled according to bike shop owners and riders) during the pandemic highlighting the need for increased awareness, education, signage, and enforcement in Cornelius to keep motorists and cyclist in Cornelius and surrounding communities safe in our roadways.

Scott Higgins, Ed.D