



TOWN OF CORNELIUS

Electronic Meeting via Zoom

BOARD OF COMMISSIONERS

May 18, 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. Arts & Science Council Update**
- 8. CONSIDERATION OF APPROVAL**
 - A. NCMPA1 Waiver Agreement**
- 9. CONSENT AGENDA**
 - A. Approve Minutes - Regular Meeting**
- 10. OLD BUSINESS**
 - A. FY21 Budget Discussion-cont'd.**
- 11. COMMISSIONER CONCERNS**
- 12. ADJOURNMENT**

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: May 18, 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: May 18, 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: May 18, 2020

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager


Action Requested:

Jeep Bryant with ASC will give an update for the Arts & Science Council.

Manager's Recommendation:

Hear presentation.

ATTACHMENTS:

Name:	Description:	Type:
 ASC_Cornelius_Town_Presentation.pdf	ASC Update	Presentation



Who is ASC?

ASC is the leader in making the Mecklenburg County region an active, vibrant arts and cultural community by providing advocacy, funding and connecting people to cultural resources



We Invest In:

- Arts, Science & History Organizations
- Creative Individuals
- Neighborhood Programs
- Pre-K-12 Cultural Education
- Workshops & Trainings

FY20 Investment Examples in North Mecklenburg

- **Carolina Raptor Center**
 - Operating Support: \$100,363
 - Professional Development: \$1,500
 - Tech Assistance Grant: \$5,000
- **Charlotte Dragon Boat Association**
 - Cultural Vision Grant: \$5,000
- **North Mecklenburg Community Chorus**
 - Cultural Vision Grant: \$7,500
- **Meredith Connelly**
 - Cornelius Resident
 - Emerging Creative Fellowship: \$5,000
- **Irisol Gonzalez**
 - Davidson Resident
 - Emerging Creative Fellowship: \$5,000



FY2020-2021 Strategic Framework

Our Commitment: we champion policies and practices that empower an inclusive and equitable community, and work to ensure a demonstrable commitment to cultural equity in all our investments, governance and administrative policies and practices



Make investments that impact and nourish a sustainable and equitable ecosystem for arts, science and history



Provide services and support for the cultural sector



Engage the entire community in setting priorities for the work of ASC and our cultural partners



Culture For All.

THANK YOU.

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: May 18, 2020

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager

Action Requested:

Regarding Cornelius' electric utility, the Town has been receiving its monthly wholesale power bill by email and US mail. Moving forward, NCMPA1 (North Carolina Municipal Power Agency, Number 1) desires to only send the monthly wholesale power bill electronically through email. To do this, NCMPA1 is requesting a Waiver Agreement from each Participant that waives the US mail requirement outlined in the Project and Supplemental Power Sales Agreements.





The following documents must be approved to take this action:

- Waiver Agreement;
- Ordinance for Waiver Agreement; and
- Clerk's Certificate for Waiver Agreement.

Manager's Recommendation:

Approve and adopt the Waiver Agreement, Ordinance for Waiver Agreement, and Clerk's Certificate for Waiver Agreement and allow the Town Manager and Town Attorney to finalize and execute the agreements and certificates.

ATTACHMENTS:

Name:	Description:	Type:
 1) Waiver Agreement NCMPA1 Project and Supplemental Power Sales Agreement 2020.docx	Waiver Agreement	Backup Material
 2) Ordinance Waiver Agreement NCMPA1 PPSA Agreements 2020.docx	Ordinance Waiver	Ordinance
 3) Clerk's Certificate - Waiver Agreement NCMPA1 PPSA Agreements 2020.docx	Clerk Certificate	Backup Material
 2020_04_24_NCMPA1_Waiver_Agreement_Resolution_BDR-6-20.pdf	NCMPA1 Resolution	Resolution Letter

WAIVER AGREEMENT

This WAIVER AGREEMENT is dated as of May 4, 2020, by and between North Carolina Municipal Power Agency Number 1, a joint agency of the State of North Carolina (“Power Agency”), and the municipality of the State of North Carolina that has executed this Waiver Agreement (the “Participant”).

WHEREAS, Power Agency and the Participant, by agreement dated as of the first day of May, 1978, entered into a Project Power Sales Agreement (as amended in 1984 and as may be further amended or supplemented, the “PPSA”) pursuant to which Power Agency, among other things, agreed to sell, and the Participant, among other things, agreed to purchase and pay for, its Participant’s Share of Project Output; and

WHEREAS, Power Agency and the Participant, by agreement also dated as of the first day of May, 1978, entered into a Supplemental Power Sales Agreement (as amended in 1984 and as may be further amended or supplemented, the “SPSA” and, together with the PPSA, the “Agreements”) pursuant to which Power Agency, among other things, agreed to provide or cause to be provided and to sell, and the Participant, among other things, agreed to purchase, the Participant’s All Requirements Bulk Power Supply requirements, consisting of Project Output and Supplemental Bulk Power Supply; and

WHEREAS, Section 5(a) of each of the Agreements provides that Power Agency shall mail to the Participant prior to each Contract Year certain budget information and, when appropriate, certain amended budget information (collectively, “Annual Budget Information”); and

WHEREAS, Section 5(b) of each of the Agreements provides that Power Agency shall mail to the Participant during each month of each Contract Year a Monthly Bill (the “Monthly Bill”) and

WHEREAS, since the date of the Agreements, (i) Power Agency’s and the Participant’s accounting systems have significantly changed due to improvements to and enhancements in computer technology and their respective accounting and computer systems, and (ii) the advent of and improvements to electronic means of communication have been developed, in each case making it easier, faster and more efficient for Power Agency and the Participant to communicate and exchange information, including Annual Budget Information and Monthly Bills; and

WHEREAS, as a result of the foregoing, Power Agency and the Participant have determined that it is more efficient and preferable for Power Agency to transmit Annual Budget Information and Monthly Bills to the Participant by electronic means as opposed to United States mail, as is required by the Agreements; and

WHEREAS, on April 24, 2020, the Board of Directors of Power Agency adopted a resolution approving waiving the provisions of Section 5(a) and 5(b) of each of the Agreements requiring the mailing of Annual Budget Information and Monthly Bills, respectively, to the Participant and permitting Power Agency to provide Annual Budget Information and Monthly Bills to the Participant by electronic means (collectively, the “Waiver”), and directed that a waiver agreement be submitted to each of the Participants for approval and execution; and

WHEREAS, the Participant has determined that the Waiver is in the best interest of the Participant and has authorized and directed that this Waiver Agreement be executed for and on behalf of the Participant.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are acknowledged hereby, the parties hereto mutually agree as follows:

Section 1. Unless the context clearly indicates to the contrary, all capitalized terms used in this Waiver Agreement shall have the meanings given them in the Agreements.

Section 2. For and during the remainder of the term of each of the Agreements, and any extensions thereto, the Participant hereby waives and forever relieves Power Agency of the obligation to mail Annual Budget Information and Monthly Bills to the Participant, as required by Section 5(a) and 5(b) of each of the Agreements, respectively, so long as Power Agency provides Annual Budget Information and Monthly Bills to the Participant by electronic means to such address as the Participant shall specify in writing to Power Agency (as such address may be changed similarly from time to time).

Section 3. This Waiver Agreement shall become effective upon the execution and delivery of similar waiver agreements by Power Agency and each Participant, and shall otherwise become effective upon execution and delivery hereof.

IN WITNESS WHEREOF, the parties hereto have executed this Waiver Agreement all by the authority of their respective governing bodies duly given.

Executed the 18th day of May, 2020.

Town of Cornelius

By: _____
Woody Washam, Jr., Mayor

ATTEST:

City (Town) Clerk

(SEAL)

Executed this ____ day of _____, 2020.

NORTH CAROLINA MUNICIPAL POWER
AGENCY NUMBER 1

By: _____

ATTEST:

(Ass't) Secretary-Treasurer

(SEAL)

**AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF CORNELIUS,
NORTH CAROLINA, DETERMINING THAT IT IS IN THE BEST INTEREST OF THE
TOWN OF CORNELIUS TO APPROVE A WAIVER AGREEMENT WITH NORTH
CAROLINA MUNICIPAL POWER AGENCY NUMBER 1 AND AUTHORIZING THE
EXECUTION AND DELIVERY OF THE WAIVER AGREEMENT**

WHEREAS, the Town of Cornelius, North Carolina (the “Municipality”) and North Carolina Municipal Power Agency Number 1 (“Power Agency”) entered into a Project Power Sales Agreement dated as of the first day of May, 1978, (as amended in 1984 and as may be further amended or supplemented, the “Project Power Sales Agreement”), pursuant to which Power Agency sells, and the Municipality purchases and pays for, the Municipality’s Participant’s Share (as defined in the Project Power Sales Agreement) of Project Output (as defined in the Project Power Sales Agreement); and

WHEREAS, the Municipality and Power Agency entered into a Supplemental Power Sales Agreement also dated as of the first day of May, 1978 (as amended in 1984 and as may be further amended or supplemented, the “Supplemental Power Sales Agreement” and, together with the Project Power Sales Agreement, the “Agreements”), pursuant to which Power Agency sells, and the Municipality purchases and pays for, All Requirements Bulk Power Supply (as defined in the Supplemental Power Sales Agreement), which consists of Project Output (as defined in the Supplemental Power Sales Agreement) and Supplemental Bulk Power Supply (as defined in the Supplemental Power Sales Agreement); and

WHEREAS, Section 5(a) of each of the Agreements provides that Power Agency shall mail to the Participant prior to each Contract Year certain budget information and, when appropriate, certain amended budget information (collectively, “Annual Budget Information”); and

WHEREAS, Section 5(b) of each of the Agreements provides that Power Agency shall mail to the Participant during each month of each Contract Year a Monthly Bill (the “Monthly Bill”); and

WHEREAS, as a result of changes to Power Agency’s and the Participant’s accounting systems due to improvements to and enhancements in computer technology and their respective accounting and computer systems, and (ii) the advent of and improvements to electronic means of communication since the date of the Agreements, in each case making it easier, faster and more efficient for Power Agency and the Participant to communicate and exchange information, including Annual Budget Information and Monthly Bills, Power Agency and the Participant have determined that it is more efficient and preferable for Power Agency to transmit Annual Budget Information and Monthly Bills to the Participant by electronic means as opposed to United States mail, as is required by the Agreements; and

WHEREAS, on April 24, 2020, the Board of Directors of Power Agency adopted a resolution approving waiving the provisions of Section 5(a) and 5(b) of each of the Agreements requiring the mailing of Annual Budget Information and Monthly Bills, respectively, to the Participant and permitting Power Agency to provide Annual Budget Information and Monthly Bills to the

Participant by electronic means (collectively, the “Waiver “), and directed that a waiver agreement (the “Waiver Agreement”) be submitted to each of the Participants for approval and execution; and

WHEREAS, Power Agency has caused to be furnished to this governing body a copy of the Waiver Agreement.

NOW, THEREFORE, BE IT ORDAINED by the Town Board of Commissioners of the Town of Cornelius, North Carolina:

1. After due consideration to the contents of each of the preambles set forth above and of the Waiver Agreement, it is hereby found and determined that it is in the best interest of the Municipality to approve and authorize the execution and delivery of the Waiver Agreement.
2. The Municipality hereby approves the form, terms and provisions of the Waiver Agreement in the form presented to the meeting at which this Ordinance is adopted, with such changes therein as shall be approved by the officials of the Municipality executing the same, their execution thereof to constitute conclusive evidence of their approval of any and all such changes. The Mayor and the Clerk of the Municipality are hereby authorized and directed to execute, acknowledge and deliver the Waiver Agreement in the name of and on behalf of the Municipality and thereupon to cause the aforesaid Waiver Agreement to be delivered to Power Agency.
3. The officers and officials of the Municipality are hereby authorized and directed to execute such further documents and to take any and all further action as, upon the advice of the Attorney of the Municipality, shall be deemed necessary or desirable in order to effectuate the execution and delivery of the Waiver Agreement.
4. The Clerk of the Municipality is hereby directed to file with the minutes of the meeting at which this Ordinance is adopted the copy of the Waiver Agreement.
5. This Ordinance shall become effective from and after its adoption.

ADOPTED this 18th day of May, 2020.

Woody Washam, Jr., Mayor

ATTEST:

Lori A. Harrell, Town Clerk

CLERK'S CERTIFICATE

I, Lori A. Harrell, Town Clerk of the Town of Cornelius, North Carolina, (the "Municipality"), DO HEREBY CERTIFY as follows:

1. As of the date of this Certificate and the date of the introduction and adoption of the Ordinance hereinafter described, the Town Board of Commissioners of the Municipality ("the Governing Body") consisted of six (6) members, all of whom have been duly elected and qualified.

2. Woody Washam, Jr. was the duly elected and qualified Mayor of the Municipality at the time of the introduction and adoption of the Ordinance hereinafter described and at the time of the execution by the Municipality of the document hereinafter described. Julie Niswonger was the finance officer of the Municipality duly appointed by the Town Manager and confirmed by the Governing Body, and acting in that capacity at the time of the introduction and adoption of the Ordinance hereinafter described and at the time of the execution by the Municipality of the documents hereinafter described.

3. The undersigned has been duly appointed by the Town Manager and such appointment was confirmed by the Governing Body as Clerk of the Municipality, to hold office at the pleasure of the Town Manager, and the election as Clerk predated the introduction and adoption of the Ordinance hereinafter described and remains in full force and effect as of the date of this Certificate.

4. The seal, an impression of which appears below, is the corporate seal duly adopted by the Municipality.

5. The undersigned, as Clerk, is charged with the duty of keeping custody of the minutes and official records of the proceedings of the Governing Body.

6. At a regular meeting of the Governing Body conducted on the 18th day of May, 2020, the ordinance entitled "AN ORDINANCE OF THE TOWN BOARD OF COMMISSIONERS OF THE TOWN OF CORNELIUS, NORTH CAROLINA, DETERMINING THAT IT IS IN THE BEST INTEREST OF THE TOWN OF CORNELIUS TO APPROVE A WAIVER AGREEMENT WITH NORTH CAROLINA MUNICIPAL POWER AGENCY NUMBER 1 AND APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF THE WAIVER AGREEMENT, a copy of which is attached hereto and made a part of this Certificate (the "Ordinance"), was introduced.

7. After consideration by the Governing Body, the Ordinance was duly adopted by the Governing Body at a regular meeting of the Governing Body conducted on the 18th day of May, 2020, by a

vote of 5 yeas and 0 nays. The Ordinance was thereafter duly recorded in the ordinance book of the Municipality and the municipal journal, if any. A copy of an excerpt of the pertinent minutes of said meeting is attached hereto.

8. The meeting referred to in this Certificate was a duly called and held regular meeting of the Governing Body, open to the public, and a quorum of the Governing Body was present and acting throughout; the excerpt of the minutes attached hereto has been compared by the undersigned with the original thereof that is on file and of record in the office of the undersigned and it is a full, true and complete copy of said original; the copy of the Ordinance attached hereto has been compared by the undersigned with the original thereof that is on file in the ordinance book (and municipal journal, if any) and it is a full, true and complete copy of said original. The Ordinance has not been amended, modified, superseded or repealed and is in full force and effect as of the date hereof.

9. A copy of the Waiver Agreement has been filed in the Clerk's office with the minutes of the proceedings at which the Ordinance was adopted.

10. The copy of the Waiver Agreement furnished to North Carolina Municipal Power Agency Number 1 by the undersigned, together with this Certificate, has been duly executed by the Mayor of the Municipality and duly attested by the undersigned as Clerk of the Municipality, and the corporate seal of the Municipality has been impressed thereon or affixed thereto, all pursuant to authority granted by the Ordinance. In addition, the execution copy of the Waiver Agreement has been endorsed by the appropriate representative of the Municipality to the extent such endorsement is required to be affixed thereto.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of the Town of Cornelius this the 18th day of May, 2020.

Lori A. Harrell, Town Clerk

Attachments:

Ordinance
Minutes

**NORTH CAROLINA MUNICIPAL POWER AGENCY NUMBER 1
BOARD OF DIRECTORS
RESOLUTION NO. BDR-6-20**

**A RESOLUTION APPROVING AND AUTORIZING THE
EXECUTION OF A WAIVER AGREEMENT BETWEEN
NORTH CAROLINA MUNICIPAL POWER AGENCY
NUMBER 1 AND EACH OF ITS PARTICIPANTS**

WHEREAS, North Carolina Municipal Power Agency Number 1 (“Power Agency”) and each of its Participants, by agreement dated as of the first day of May, 1978, entered into a Project Power Sales Agreement (as amended in 1984 and as may be further amended or supplemented, the “PPSA”) pursuant to which Power Agency, among other things, agreed to sell, and the Participant, among other things, agreed to purchase and pay for, its Participant’s Share of Project Output; and

WHEREAS, Power Agency and each of its Participants, by agreement also dated as of the first day of May, 1978, entered into a Supplemental Power Sales Agreement (as amended in 1984 and as may be further amended or supplemented, the “SPSA” and, together with the PPSA, the “Agreements”) pursuant to which Power Agency, among other things, agreed to provide or cause to be provided and to sell, and the Participant, among other things, agreed to purchase, the Participant’s All Requirements Bulk Power Supply requirements, consisting of Project Output and Supplemental Bulk Power Supply; and

WHEREAS, Section 5(a) of each of the Agreements provides that Power Agency shall mail to the Participant prior to each Contract Year certain budget information and, when appropriate, certain amended budget information (collectively, “Annual Budget Information”); and

WHEREAS, Section 5(b) of each of the Agreements provides that Power Agency shall mail to the Participant during each month of each Contract Year a Monthly Bill (the “Monthly Bill”); and

WHEREAS, since the date of the Agreements, (i) Power Agency’s and the Participants’ accounting systems have significantly changed due to improvements to and enhancements in computer technology and their respective accounting and computer systems, and (ii) the advent of and improvements to electronic means of communication have been developed, in each case making it easier, faster and more efficient for Power Agency and the Participant to communicate and exchange information, including Annual Budget Information and Monthly Bills; and

WHEREAS, as a result of the foregoing, Power Agency and the Participant have determined that it is more efficient and preferable for Power Agency to transmit Annual Budget Information and Monthly Bills to the Participant by electronic means as opposed to United States mail, as is required by the Agreements, and have agreed to execute a waiver agreement giving effect thereto.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS
OF NORTH CAROLIA MUNICIPLA POWER AGENCY NUMBER 1:**

Section 1: Waiver Agreement. The Board of Directors of Power Agency hereby determines that it is in the best interest of Power Agency to execute an agreement waiving the provisions of Section 5(a) and 5(b) of each of the Agreements requiring the mailing of Annual Budget Information and Monthly Bills, respectively, to the Participant and permitting Power Agency to provide Annual Budget Information and Monthly Bills to the Participant by electronic means (collectively, the “Waiver”), approves and authorizes the execution of a waiver agreement (the “Waiver Agreement”) giving effect to the Waiver and directs that a copy of the Waiver Agreement be delivered to each of the Participants for the Participant’s approval and execution.

Section 2. Effective Date. This resolution shall take effect immediately upon adoption.

Adopted this 24th day of April, 2020.

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: May 18, 2020

To: Mayor and Board of Commissioners

From: Lori Harrell, Town Clerk

Action Requested:

Review the minutes from May 4th - Regular Meeting.

Manager's Recommendation:

Approve minutes.

ATTACHMENTS:

Name:	Description:	Type:
 05-04-20_Regular_Meeting.pdf	Regular Minutes	Backup Material



BOARD OF COMMISSIONERS

May 4, 2020
MINUTES

REGULAR MEETING – 7:00PM

1. CALL TO ORDER

Mayor Washam called the remote meeting to order at 7:00PM.

2. DETERMINATION OF QUORUM

All commissioners verbally acknowledged their presence via roll call by Mayor Washam and participated electronically using Zoom (simultaneous communication).

3. APPROVAL OF AGENDA

Commissioner Sisson made a motion to approve the agenda as presented. Commissioner Miltich seconded the motion and it passed unanimously, 5-0 (roll call vote was obtained).

4. MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE

Commissioner Duke led the pledge after a moment of silence was observed.

5. MAYOR/COMMISSIONERS/MANAGER REPORTS

Commissioner Duke reported on the following:

- Participated in several conference calls and video meetings regarding the ElectriCities budget and a lot of hard work has gone into what will be presented. On May 12th he will participate in a Zoom meeting with the NCMPA1 representative from Raleigh.
- PARC Commission will meet via Zoom on May 7th.

Commissioner Ross reported on the following:

- Visit Lake Norman – 2019 Making Waves Hospitality Award Winners include: Outshines from the Front Lines, James Pryor with Hampton Inn Lake Norman; Stellar Seller, Erin Hewitt with Country Inn & Suites; Lead to Succeed, Alicia Fisher with the Hampton Inn Lake Norman; Event of the Year is the Junior Volleyball Association Challenge; Restaurant of the Year is Port City Club; and the John Kurti Unsung Hospitality Hero is Greg Llewellyn with the Carolina Raptor Center. This week is National Travel and Tourism Week.

Commissioner Bilodeau reported on the following:

- Thanked the COVID frontline workers and first responders.

Commissioner Miltich reported on the following:

- Participated along with Commissioner Sisson and Mayor Washam in a conference call with Dr. Washington and Chief Graham of the County's Emergency Management team to discuss where we are currently and the next steps. The utilization of the hospitals is currently flat which has allowed them to catch up on

their supplies. The challenge will be on how to reopen safely and not risk another peak.

- Participated in the coffee chat held at 8:30AM.
- CRTPO meetings will start back up in May using virtual meeting software.

Commissioner Sisson reported on the following:

- Lake Norman Chamber – there are two new resources available at www.lakenormanchamber.org. Carolinas Association of Chamber of Commerce Executives is a guide to responsible re-entry and includes important information and guidance on re-opening businesses within the three re-opening phases. Shopping Safe created by the Retail Industry Leaders Association and the National Retail Federation details the recommended protocols for retail employees and customers during each of the three phases of re-opening.
- Lake Norman Chamber events via Zoom – Landlord/Tenant Relationships & Best Practices presentation will be held on May 5th (12:00PM); Leading and Managing Through Crisis seminar hosted by Karen Bentley will be held on May 6th (2:00PM); Business Mixer will be held on May 7th (4:30PM); Business Works featuring “Selling in the New Norm” will be held on May 14th (12:00PM); Focus Friday will be held on May 15th (8:30AM); and Celebrating National Small Business Week with a three night webinar will be held May 11th – 13th (7:00PM-9:00PM) guest speakers include Chuck Gallagher, Kathy McAfee and Steve Gilliland.
- Mother’s Day is May 10th – don’t forget to shop our local businesses that are scheduled to reopen on May 8th and get curbside dinner from any of our restaurants that are offering curbside service.

Manager Grant reported on the following:

- COVID-19 updates & reminders – confirmed cases in Mecklenburg County are at 1,731 and 52 related deaths; the County is now under the State’s Stay at Home Order; the State has announced a three-phased plan to reopen North Carolina; County officials still encourage the 6’ social distancing and to wear cloth masks when you cannot, work remotely, and only go out when necessary; questions regarding the Stay at Home Order can be obtained by calling 704-353-1926 (Mon.-Fri. 8AM-8PM or dialing 211).
- Cornelius Jazz Festival (virtual) – the PARC Facebook page will live stream music on May 16th (6PM-8PM); curbside food pickup will be provided by A Pinch of Soul at D9 Brewery beginning at 5PM. Visit www.cornelius.org/PARC for additional details.
- IT Manager – Chris Lee joined Cornelius as the new IT Manager on Apr. 17th; he has nearly 20 years of IT experience with more than 14 year in state government.
- Welcome Baby Beardsley – Asst. Manager Tyler Beardsley and his wife Lindsey welcomed Charles “Charlie” Reed Beardsley into the world on Apr. 19th.

Mayor Washam reported on the following:

- Thanked the police and fire departments that participated in the Parade of Lights that was done on Apr. 15th for our frontline workers.
- Continue to support our local restaurants that are offering curbside service.

- Social Media updates to the community continue weekly.
- Virtual Coffee Chat – Connecting Cornelius was held at 8:30AM and featured County Manager Dena Diorio, Emergency Management team member Chief Graham, County Public Health Director Gibbie Harris, and Lake Norman Chamber President Bill Russell
- Honoring our 2020 Grads – a banner will be displayed on our Town Square to congratulate the Cornelius 2020 graduates.

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 there were no comments to be read at this time.

7. MAYORAL PROCLAMATION

A. National Bike Month

PARC Director Troy Fitzsimmons read the Proclamation for National Bike Month. Mayor Washam then proclaimed the month of May as National Bike Month.

8. CONSIDERATION OF APPROVAL

A. Noise Wall Municipal Agreement for I-77 (I-5405)

Deputy Manager Wayne Herron explained that as part of the I-77 Express Lanes project, noise walls were required to be constructed in four locations. The Town requested betterments beyond the standard NCDOT noise walls that included red brick color that will be rolled onto the brick, leaving the spaces between the bricks unpainted. Both sides of these walls will also have roughly 12% of the bricks painted, so as to produce a random flashing pattern. Roughly half of the flashing bricks will be painted with two vertical stripes that are asymmetrical, non-uniform, and not in the same location on each brick using the flashing brick color. NCDOT will maintain noise walls and the Town will maintain the painted effect of the walls. The cost of the project is \$294,700 and is fully funded through the Corridor Landscaping and Aesthetics Allowance within the P3 contract for the I-5405 project.

Commissioner Miltich questioned the section of the wall located by Westmoreland Road not having the flashing brick color. Mr. Herron stated that he would look into it but most likely that section is located in the ETJ and would be the County's responsibility.

Commissioner Sisson asked if there was a cost estimate for the maintenance portion on an annual basis. Manager Grant stated that a cost estimate was obtained several years ago, and the Board was comfortable with paying for future maintenance. The cost will likely increase when it needs to be repainted/re-stained. The current stain/paint is estimated to last for 20 years.

Commissioner Miltich made a motion to approve the NCDOT Municipal Agreement for noise wall construction on project I-5405 and authorized the Town Manager and

Town Attorney to finalize and execute the agreement. Commissioner Ross seconded the motion and it passed unanimously, 5-0 (roll call vote was obtained).

B. FY20 Operating Budget Amendment

Finance Director Julie Niswonger gave an overview of the budget amendment that included: increases to the Police and Public Works budgets for insurance proceeds related to vehicle accidents (PD \$4,796, PW \$18,560); donations to the Cornelius Police Department for motorcycle helmets (\$5,709); Cellebrite grant funds from the State of North Carolina Department of Public Safety for cellphone investigative software (\$12,439); and grant funds from the NC Department of Environmental Quality for Upper McDowell Creek Stream restoration (\$50,000).

Commissioner Sisson made a motion to approve Ordinance #2020-00734 to amend the FY20 operating budget as presented. Commissioner Miltich seconded the motion and it passed unanimously, 5-0 (roll call vote was obtained).

Ordinance #2020-00734 is hereby made part of the minutes by reference.

9. OLD BUSINESS

A. FY21 Budget Discussion-cont'd

Manager Grant stated that the FY21 budget topics for the evening would include the ElectriCities budget, the FY21 general fund budget, and the potential residency incentive plan.

Don Mitchell with ElectriCities presented the basic charge comparisons for residential, small and medium commercial, and medium industrial using the Board's preferred Scenario 4 during the April 20th meeting. He explained that there would be no rate increases for FY21 and starting in FY22 through FY26 the annual rate increases will be 4.9% for residential, 4% for small commercial and 4.5% for medium commercial.

Commissioner Sisson asked Mr. Mitchell for examples of small commercial vs. medium commercial. Mr. Mitchell stated that small commercial would be businesses such as a single office, small convenience store, small retail store and medium commercial will be a larger convenience store, hotels, banks, Town Hall. Commissioner Sisson questioned why there was such disparity between the rates listed for Huntersville, Energy United and Duke Energy. Mr. Mitchell explained that the basic charge comparison is only one component of the rate. When the energy and demand rates are factored in it levels out. He wanted to show that the Cornelius basic rate is extremely low compared to Huntersville and Energy United. Over the course of the five years, the Cornelius rates will become more compatible. The Duke Energy's rates are structured entirely different and put very little emphasis on the basic charge.

Commissioner Bilodeau asked if Mr. Mitchell knew what Duke Energy's outlook will be. Mr. Mitchell stated that he believes that they are asking for a 6% rate increase, but he is unsure what the Utilities Commission will decide.

Commissioner Duke thanked Mr. Mitchell and the study group for looking into why Cornelius was not collecting enough in the basic charge. Now reasonable rates across the board will be established. Mr. Mitchell has done a great job.

Manager Grant stated that what Mr. Mitchell has laid out in terms of the new rate/charge schedule is the recommended direction of staff. He asked if the Board was comfortable with this direction. The consensus of the Board approved with this approach.

Commissioner Bilodeau asked how much of the reserves are projected to be used for the capital projects in FY21. Manager Grant stated that the current balance is \$3.8M and explained how the Cost of Services Study identified that the recommended fund balance should be \$2.7M. The new rate increases within the five years will bring it back to the recommended \$2.7M, after upcoming capital projects utilize fund balance.

Manager Grant presented the FY21 Revenue and Expenditure changes due to the COVID-19 pandemic. He gave an overview of the FY20 regional merit/COLA/market percentages and the proposed FY21 percentages; budget changes for the FY20 estimated year end and projected FY21 budget year for personnel, operating and capital; Bond transportation projects and capital projects; and the general fund long term financial plan showing the tax rate of .2220 per \$100 assessed tax valuation for FY21.

Commissioner Miltich stated that he appreciated Manager Grant's conservative estimates and said it's a good starting spot. Commissioner Sisson agreed with Commissioner Miltich's comments. Commissioner Bilodeau stated this is a good effort for what is currently known. Mayor Washam stated that it is important to go with what is known and be open to more adjustments. Manager Grant stated that he anticipates at least one mid-year budget amendment because third-party modeling and projections are all over the place.

Commissioner Sisson asked if the remaining \$600K of the budget shortfall will come from fund balance. Manager Grant stated that a contribution to fund balance will still occur; however, it will be less than originally anticipated.

Commissioner Bilodeau questioned where the non-profit requests have fallen into the new budget. Manager Grant stated that he is recommending that they be funded 100% (Victims Advocate, Sailing Center, Ada Jenkins).

Commissioner Duke stated that he believes the reductions are fair and hopefully it won't be as bad as first thought. He asked for copies of the documents that have been presented.

Commissioner Ross stated that he is good with the conservative approach and glad to hear that the non-profits are included in the budget.

Mayor Washam reminded the Board to reach out to Manager Grant with any budget feedback they might have.

Manager Grant gave a presentation on a potential Residency Incentive Program for police and fire. He explained that the Personnel Committee met via Zoom to discuss the benefits of having law enforcement and emergency responders living in Cornelius, as well as performing a new salary and benefits study to keep salaries at market. Manager Grant gave an overview of the residency incentives offered in Davidson and Huntersville, the police take home vehicle policy, the implementation of one vehicle per officer policy, resident firefighters and how they earn their income, pay scale and frequency, and average working hours and on call hours. He outlined his recommendations for both police and fire but recommended holding off on the residency incentive until FY22 due to COVID-19 budget impacts.

Mayor Washam agreed with Manager Grant's recommendations and stated that it's not a matter of if but when, in considering the program.

Commissioner Bilodeau stated that the residency bonus is a favorite topic of his along with affordable housing and he sees the two being tied together. He expressed his concerns that work to be done by the upcoming affordable housing committee and task force without budget funding will most likely not accomplish much for the next year or two. Given the current circumstance that surround COVID, the timing is right to give these topics serious consideration. He stated that he appreciates that the County Manager has put money in their budget for affordable housing and is hopeful that some of the money finds its way to North Mecklenburg but he would also like to see Cornelius commit to at least the residency bonus as a way to say that we do acknowledge there is an affordable housing issue for our first responders in police and fire and would love to have them living in Cornelius for all of the reasons outlined.

Commissioner Sisson stated that starting with the one vehicle per officer policy does provide an incentive and it was also supported by the Personnel Committee, especially in prioritizing Cornelius residents and does add a lot of value. She agrees with Manager Grant's recommendation of pushing the residency incentive plan out to FY22 and consider implementing the plan when the budget stabilizes. To consider implementation now would mean that something else in the budget will need to be cut.

10. CONSENT AGENDA

- A. Approve Minutes – Regular Meeting Apr. 20th (Approved 5-0)
- B. Tax Refunds = \$4,259.66 (Approved 5-0)

Commissioner Miltich made a motion to approve the Consent Agenda as presented. Commissioner Ross seconded the motion and it passed unanimously, 5-0 (roll call vote was obtained).

11. COMMISSIONER CONCERNS

- A. County Stay at Home Order

Commissioner Miltich stated that he appreciates the County amending their Stay at Home order to match that of the State's. This will allow for certain non-essential

businesses to reopen with an improved business plan and for parks and boat launches to reopen.

B. Town Hall Reopening

Commissioner Duke asked when Town Hall could expect to be reopened so that the Board can hold their meetings live again. Manager Grant explained the difficulties of reopening Town Hall and recommends following the guidelines coming from the Governor.

12. ADJOURNMENT

There being no further business to conduct, Commissioner Miltich made a motion to adjourn at 9:34PM. Commissioner Sisson seconded the motion and it passed unanimously, 5-0 (roll call vote was obtained).

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: May 18, 2020

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager









Action Requested:

Continue to review and discuss the FY21 operating budget.

Manager's Recommendation:

Continue discussion.

ATTACHMENTS:

Name:	Description:	Type:
 Electric_PL_May_18_BOC.pdf	Electric P&L	Backup Material
 Electric_10_Year_Capital_Plan.pdf	Electric 10yr Capital Plan	Backup Material
 FY_2021-Rev_Exp.pdf	Revenue vs. Expenses	Backup Material
 80-20_FY21.pdf	80/20 Sheet	Backup Material
 FY21_CIP.pdf	CIP	Backup Material
 Forecast.pdf	Financial Forecast	Backup Material
 Items_Budgeted_but_Delayed.pdf	Delayed Items	Backup Material
 Merit.pdf	Merit	Backup Material

Town of Cornelius Electric Fund

Change in Wholesale Rate

Change in Wholesale Rate	0.0%								
	Growth Factor	2019	2020	2020	2021	2022	2023	2024	2025
		Actual	Budget	EYE	Budget	Projection	Projection	Projection	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	1,105,428	1,127,537	1,150,087	1,173,089	1,196,551
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	7,591,818	8,544,441	8,593,004	7,750,785	7,916,472
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	114,000	117,420	120,943	124,571	128,308
Nonoperating revenue		-	742,000	742,000	1,107,000	-	-	-	-
Total revenue		6,332,449	7,444,359	7,444,359	7,612,380	7,193,461	7,680,286	8,198,218	8,740,239
Revenues vs expenditures		502	715,572	829,980	20,562	(1,350,980)	(912,718)	447,433	823,767

Town of Cornelius - ElectriCities
Summary of Capital Improvements

	20-21	21-22	22-23	23-24	24-25
Vehicles	265,000	83,000	100,000	45,000	45,000
Baileys Glen	50,000	-	-	-	
Cornelius Woods	102,500				
Mulberry St Townhomes	20,000				
Cain Art Center	50,000				
Bailey Road Townhomes	-	50,000			
New substation	108,000	1,362,000	1,194,000		
Lines New Substation		66,000	234,000		
Mecklenburg Regional Rec	102,000	-	-		
Zion Substation Improvements	-		-	420,000	312,000
Utility line burial	144,000				
Town Center	-	90,000	-	-	
Automated Metering	-	-	-	-	
Miscellaneous	50,000	150,000	150,000	150,000	175,000
Asset/Pole Replacement	150,000	150,000	150,000	150,000	175,000
Grand Total	1,041,500	1,951,000	1,828,000	765,000	707,000
10 Year Plan Capital	676,500	1,718,000	1,578,000	570,000	487,000

Growth
Maintain system
Both

25-26	26-27	27-28	28-29	29-30	Total
240,000	-	45,000	55,000	-	878,000
					50,000
					102,500
					20,000
					50,000
					50,000
					2,664,000
			180,000		480,000
					102,000
					732,000
	210,000	210,000			564,000
					90,000
350,000	350,000	250,000			950,000
175,000	175,000	200,000	200,000	200,000	1,625,000
175,000	175,000	200,000	200,000	200,000	1,725,000
					-
940,000	910,000	905,000	635,000	400,000	10,082,500
525,000	735,000	660,000	380,000	-	

Town of Cornelius - ElectriCities
Summary of Capital Improvements

	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	Total
Vehicles	265,000	83,000	100,000	45,000	45,000	240,000	-	45,000	55,000	-	878,000
Baileys Glen	50,000	-	-	-							50,000
Cornelius Woods	102,500										102,500
Mulberry St Townhomes	20,000										20,000
Cain Art Center	50,000										50,000
Bailey Road Townhomes	-	50,000									50,000
New substation	108,000	1,362,000	1,194,000								2,664,000
Lines New Substation		66,000	234,000						180,000		480,000
Mecklenburg Regional Rec	102,000	-	-								102,000
Zion Substation Improvements	-		-	420,000	312,000						732,000
Utility line burial	144,000						210,000	210,000			564,000
Town Center	-	90,000	-	-							90,000
Automated Metering	-	-	-	-		350,000	350,000	250,000			950,000
Miscellaneous	50,000	150,000	150,000	150,000	175,000	175,000	175,000	200,000	200,000	200,000	1,625,000
Asset/Pole Replacement	150,000	150,000	150,000	150,000	175,000	175,000	175,000	200,000	200,000	200,000	1,725,000
											-
Grand Total	1,041,500	1,951,000	1,828,000	765,000	707,000	940,000	910,000	905,000	635,000	400,000	10,082,500
10 Year Plan Capital	676,500	1,718,000	1,578,000	570,000	487,000	525,000	735,000	660,000	380,000	-	

Growth
Maintain system
Both

FY 21 Revenue Items to Reassess Due to COVID 19				As of March 31st	FY 21 Projection	Net Revenue
Ad Valorem Taxes: 97.25% collection rate (typically budget for 99% collection rate; 0.5% drop in FY 09; bankruptcies will not be known until late FY 21 and mortgage/escrow payment deferrals are unknown at this time)				\$ 16,550,599	\$ 16,258,038	\$ (292,561)
Prior Year Ad Valorem Taxes: Reduced 50%				\$ 50,000	\$ 25,000	\$ (25,000)
Local Sales Tax: 35% decrease for 1st Qtr., slow improvement to 13% decrease for 4th Qtr. (more conservative than County and NCLM)				\$ 3,841,700	\$ 3,168,019	\$ (673,681)
Utility Franchise Tax: 5% decrease due to weather and energy prices plus decrease for stay at home orders				\$ 1,914,250	\$ 1,694,776	\$ (219,474)
Powell Bill Allocation: Annual allocation from General Assembly (not gas tax)- General Assembly considering 25% reduction to make up shortfalls in state budget				\$ 786,035	\$ 583,252	\$ (202,783)
Vehicle Rental: Reduced as per Moody's projection for vehicle rentals				\$ 275,030	\$ 188,239	\$ (86,791)
Prepared Food and Beverage: Reduced FY 20 actuals by 20% (similar to Charlotte, more conservative than Moody's)				\$ 595,600	\$ 476,480	\$ (119,120)
Occupancy Tax: Reduced as per Moody's projection for Occupancy Tax for Metropolitan areas				\$ 243,200	\$ 140,087	\$ (103,113)
Interest Earnings: Utilized 0.30% (NCCMT Feb. rate was 2.08% and as of April 20, rate is 0.5% and Wells rate is 0.45%; County is estimating 0.35%)				\$ 100,000	\$ 75,600	\$ (24,400)
Planning/Zoning Fees: Assuming conservative number of rezonings, variances, sign/zoning permits				\$ 25,000	\$ 10,000	\$ (15,000)
PARC Program Fees: Assuming 100% summer/fall/winter/spring programs; PMT half year (hire in January if revenue is adequate for net zero cost); CAC transition budget to be evaluated based upon summer/fall/winter enrollment; budget amendments may be necessary. Will monitor all if social distancing requirements are not relaxed, enrollment is low, and if there is a 2nd wave of COVID-19				\$ 805,200	\$ 788,100	\$ (17,100)
Town Hall Fental Fees: Typical rentals generates \$9,000 of revenue				\$ 10,000	\$ 4,500	\$ (5,500)
Total Revenue Reduction						\$ (1,784,523)

FY 21 Expense Reductions to Offset Revenue Shortfall		FY 21 Expense Reductions
Merit reduction from 4% to 3%		\$ 70,990
Property, Liability, and Workers Comp Insurance		\$ 35,539
Staffing analysis for Parks, Public Works, and Finance (reassess if revenues are better than anticipated)		\$ 16,500
Salary and benefits market study (conduct in-house)		\$ 8,500
Bid audit services		\$ 10,000
Town Hall/Public Safety/Public Works Building Maint. Reserve Fund (reduced to \$10,000)		\$ 20,000
Fuel		\$ 10,000
Police Vehicles		\$ 117,000
Camera System (defer on ALPR server replacement, portion of camera replacements) (reassess if revenues are better than anticipated)		\$ 7,000
PD misc. (building maint., Citizens Academy, equipment replacement) (reassess if revenues are better than anticipated)		\$ 18,700
Maintain parks assets-new funding (reassess if revenues are better than anticipated)		\$ 41,500
Defer Beverly Greenway paving to early FY 22		\$ 75,000
PARC - revised landscaping schedules (mulching, mowing, etc.) (reassess if revenues are better than anticipated)		\$ 20,000
Bailey Road Park Tennis & Pickleball Complex/Smithville JV Washam Elementary Linear Park Land Banking (defer to FY 22, half year debt service)		\$ 80,000
PARC PMT 1/2 year funding (if net zero or substantially close)		\$ 17,100
DDI Landscaping (defer to FY 22)		\$ 200,000
Road Resurfacing (reduced to \$0, Powell Bill) (reassess if revenues are better than anticipated)		\$ 400,000
CLFR - small tools and equipment		\$ 10,000
Cain Center for the Arts Operational increase		\$ 10,400
Arts district plan (reassess if revenues are better than anticipated)		\$ 18,000
Total Expenditure Savings		\$ 1,186,229
Net		(598,294)

Town of Cornelius
Budget Changes Prior Year / Estimated Year End / Next Budget Year
2-Apr-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)
Vacation payout		9,000	0.12%		17,000	0.19%	Total Cost PT Animal Control Officer (net = \$11,200)
OT Comm. Center/Animal Control		11,362	0.15%		5,400	0.06%	Communications intern (net = \$0)
Town portion Grant officers		19,485	0.25%		18,000	0.21%	5% Probationary increase
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%				
PD Records Clerk					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
					-	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%		(281,340)	-3.11%	
Recurring:							
Dept. Bdg 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	(201,650)	-2.23%	8,842,087
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 (PILO)	-	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*

DEPT	DESCRIPTION	Funds Source	2021	2022	2023	2024	2025	Future	Total
PARC	Bailey Road Park Tennis & Pickleball Complex	Debt	-	1,000,000	-	-	-	-	1,000,000
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
Fire	Fireboat Repair	Fund Bal	95,000	-	-	-	-	-	-
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	Street Resurfacing (Powell Bill Funds)	FB Powell	-	-	800,000	-	800,000	-	1,600,000
PW	Stream Restoration- Willow Pond + Upstream & Downstream	Fund Bal	300,000	200,000	-	-	-	-	500,000
PW	DDI Landscaping	Fund Bal	-	200,000	-	-	-	-	200,000
PD	Police air handling units *	Fund Bal	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 Staion #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
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
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
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
Admin	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
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

DEPT	DESCRIPTION	Funds Source	2021	2022	2023	2024	2025	Future	Total
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	105,875,344

TOWN OF CORNELIUS, NORTH CAROLINA
GENERAL FUND LONG-TERM FINANCIAL PLAN
AS OF JUNE, 2020

	<u>FY 2017 ACTUAL</u>	<u>FY 2018 ACTUAL</u>	<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	18,073,909	17,181,392	19,273,176	19,542,188	21,699,109	25,456,517	25,760,977	26,011,794	25,148,347	23,790,117
Revenues:			3,744,677	17,389						
Property tax	13,416,474	13,745,899	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	3,237,518	3,736,084	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	1,790,002	1,840,317	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	751,187	761,210	771,445	777,231	778,252	583,252	583,252	583,252	583,252	583,252
All others	3,434,651	3,887,689	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	22,629,832	23,971,199	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	7,193,011	7,710,073	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	8,500,850	8,710,804	8,341,575	8,851,612	9,018,001	8,816,927	9,169,604	9,536,388	9,917,844	10,314,558
TH/PS/PW/Bldg Maint. Rsv Fund		-	-	-	-	30,000	-	-	-	-
Cain Center (land, operating)	-	245,000	365,000	323,000	323,000	300,000	309,000	318,270	327,818	337,653
Existing Debt service	4,773,616	2,233,243	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	-	197,450	766,235	871,500	281,000	1,050,000	400,000	800,000	200,000	800,000
Other Capital	3,039,441	1,757,329	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	6,735	1,060,000	1,229,722	-	-	-	-	-	-	-
Use of Cap Reserve	8,696	(34,484)	(71,613)	(30,000)	(30,000)	(30,000)	-	-	-	-
Total Expenditures	23,522,349	21,879,415	21,099,685	24,047,833	22,663,668	24,306,056	25,360,079	26,917,251	27,606,697	30,237,525
Net	(892,517)	2,091,784	2,425,933	1,555,679	3,757,408	304,460	250,817	(863,447)	(1,358,231)	(3,532,320)
Ending Fund Bal	17,181,392	19,273,176	21,699,109	21,097,867	25,456,517	25,760,977	26,011,794	25,148,347	23,790,117	20,257,797
Capital Reserve	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	17,181,392	19,273,176	21,699,109	21,097,867	25,456,517	25,760,977	26,011,794	25,148,347	23,790,117	20,257,797
Available Fund Balance		17,481,748	19,808,064	19,097,867	22,762,693	23,067,153	23,317,970	22,454,523	21,096,293	17,563,973
End Bal as % of Exps Total	73%	88%	103%	88%	112%	106%	103%	93%	86%	67%
End Bal as % of Exps Available		80%	94%	79%	100%	95%	92%	83%	76%	58%

TOWN OF CORNELIUS, NORTH CAROLINA
GENERAL FUND LONG-TERM FINANCIAL PLAN
AS OF JUNE, 2020

	<u>FY 2017 ACTUAL</u>	<u>FY 2018 ACTUAL</u>	<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	5,241,399,464	5,431,908,611	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	3.635%	1.250%	0.951%	0.00%	2.74%	2.41%	1.5%	1.5%	0.0%	1.5%
% Change reval	0%	0%	0%	28.9%	28.9%	0%	0%	0%	12%	0%
New Value	5,431,908,611	5,499,814,530	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	97.8%	97.8%	99.0%	99.0%	99.0%	97.25%	99.0%	99.0%	99.0%	99.0%
Rate	0.255	0.255	0.255	0.2220	0.2220	0.2220	0.2220	0.2220	0.1982	0.1982
Tax produced	13,546,637	13,715,987	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	16,370,722	12,436,983	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	(4,345,739)	(1,908,658)	(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	412,000	911,179	1,807,332	23,308,292	-	1,470,000	16,450,782	3,150,000	4,150,000	3,170,000
Ending Debt Outstanding	12,436,983	11,439,504	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,

FY 21 Items Budgeted but Delayed until Actual Revenues Stabilize**FY 21 Expense
Delays**

Firefighters half year (6 FTEs) DELAY HIRING UNTIL FEBRUARY 1, 2021	\$	186,930
Hiring freeze for two Police Officer vacancies DELAY HIRING UNTIL FEBRUARY 1, 2021	\$	104,250
12 PD body cameras plus cloud storage DELAY PURCHASE UNTIL FEBRUARY 1, 2021	\$	17,000
Residency incentive for Sworn Police Officers DELAY UNTIL FEBRUARY 1, 2021	\$	12,355
Computer Replacement program DELAY PURCHASE UNTIL FEBRUARY 1, 2021	\$	45,000
Camera maintenance program DELAY PURCHASE UNTIL FEBRUARY 1, 2021	\$	18,000
Fire Engine DELAY CONTRACTING UNTIL FEBRUARY 1, 2021	\$	73,750
Legion Park storm water improvements DELAY DESIGN UNTIL FEBRUARY 1, 2021	\$	50,000
Bailey Road Park lighting system DELAY PROJECT UNTIL DECEMBER 1, 2020	\$	70,800
Total	\$	578,085

FY 2020

Local Unit	Merit/COLA/Market
Davidson	4.00%
Cornelius	3.25%
Huntersville	3.50%
Matthews	4.00%
Mint Hill	4.50%
Pineville	4.00%
Mecklenburg County	5.50%
Charlotte	3%-6%

Charlotte Region Local Unit Survey

Local Unit	Merit/COLA/Market
Huntersville	4%
Charlotte	4.5% (step 2.5-5% 1st responders)
Concord	4%-6%
Cornelius	3%
Davidson	3%, sometime in FY 21
Kannapolis	4.5%-6%
Matthews	3%
Mint Hill	5.5%-6%
Mooresville	6% over 18 months
Pineville	5%
Mecklenburg County	3%
All NC Munis. 25,000 + population	4.33%