



TOWN OF CORNELIUS
Cornelius Town Hall - Assembly Room

**BOARD OF
COMMISSIONERS**

June 6, 2022

Agenda

PRE-MEETING - 4:30 PM

- Closed Session pursuant to NCGS 143-318.11(a)(3)
- Bailey's Glen Condos Agreement for Park Amenities
- FY23 Budget Update
- NCDOT Projects Status Discussion
- Agenda Review

TOWN BOARD - 6:00 PM

1. CALL TO ORDER
2. DETERMINATION OF QUORUM
3. APPROVAL OF AGENDA
4. MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE
5. RULES FOR PUBLIC HEARINGS AND PUBLIC COMMENTS
 - A. Adopted Rules
6. CITIZEN CONCERNS/COMMENTS
7. PRESENTATIONS
 - A. Employee Recognition
 - B. Top Deck - UTV
8. PUBLIC HEARING AND CONSIDERATION OF APPROVAL
 - A. FY2023 Operating Budget and Tax Rate
9. CONSIDERATION OF APPROVAL
 - A. FY2023 Operating Budget Amendment
 - B. ARP/CSLFRF Grant Project Ordinance Amendment
 - C. Offer to Purchase Contract-Town Property
 - D. Street Acceptance - Bailey Springs
 - E. Award Installment Financing
10. NEW BUSINESS
 - A. Temporary Sign Regulation and Policy
11. CONSENT AGENDA
 - A. Approve Minutes - Special Meeting

B. Approve Minutes - Closed Session

C. Approve Minutes - Regular Meeting

12. MAYOR/COMMISSIONERS/MANAGER REPORTS

13. COMMISSIONER CONCERNS

14. ADJOURNMENT

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager

Action Requested:

Hold a Closed Session pursuant to NCGS 143-318.11(a)(3).

Manager's Recommendation:

Conduct a Closed Session.

ATTACHMENTS:

Name:	Description:	Type:
No Attachments Available		

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners
From: Wayne Herron, Deputy Town Manager

Action Requested:

In 2014, the Town approved REZ 06-14 for the Bailey's Glen Condos. The rezoning included conditions that required the developer to enter into agreements with the Town for the provision of park amenities at Bailey Road Park and/or provide the Town a payment in lieu. These agreements were required to be finalized prior to the issuance of any construction permits for the condos. The applicant has recently applied to Mecklenburg County for construction permits for the condos. Staff has informed the developer that the park amenity agreements need to be finalized.

Staff has recently met with the developer and researched all available files and will be able to present options to the Town Board for consideration.

Manager's Recommendation:

Hear presentation and provide feedback and direction.

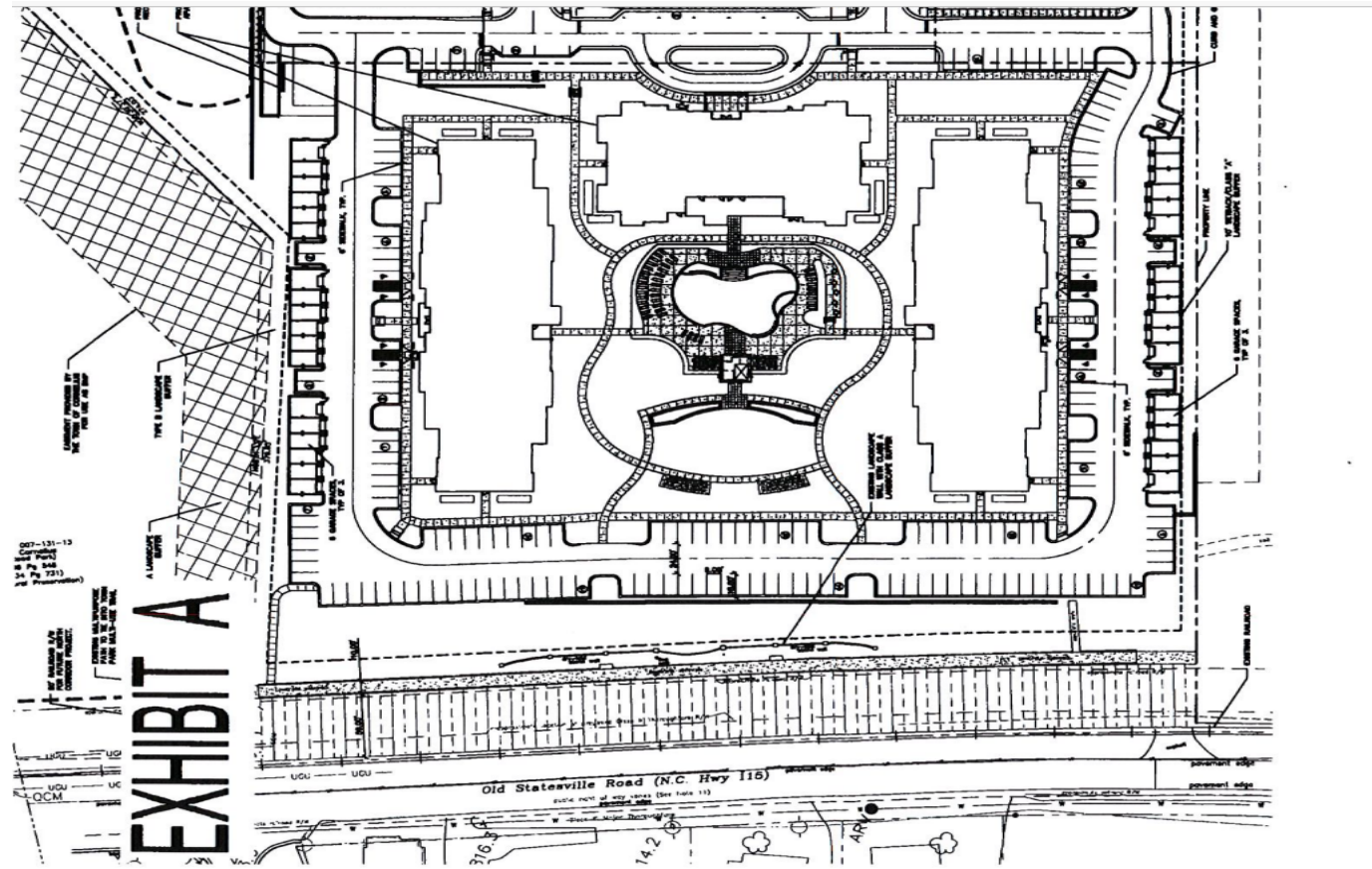
ATTACHMENTS:

Name:	Description:	Type:
 TB_6.6.22_Bailey's_Glen_Condo_Agreements.pdf	Staff Presentation	Presentation

Bailey's Glen Condo Agreements

REZ 06-14

- Town approved rezoning for Bailey's Glen Condos



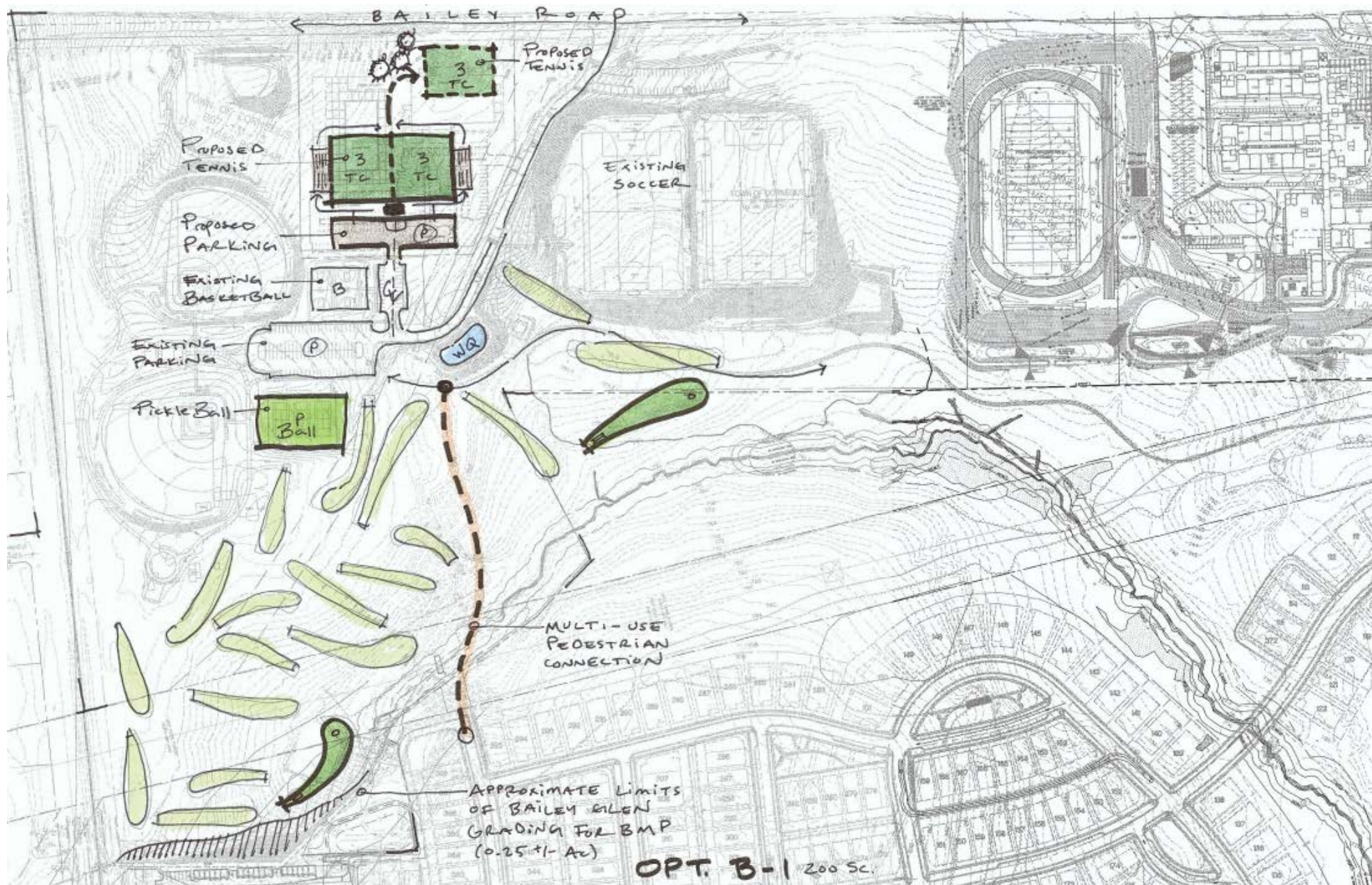
REZ 06-14 (December 15, 2014)

- 132 condominium units
- 42 one bedroom units
- 90 two bedroom units
- 220 parking spaces
- Central pool and other amenities

5. Applicant(s) shall enter into a Memorandum of Agreement with the Town of Cornelius which shall address the following points:

a) Applicant shall work with the PARC Department on the proposed conceptual plan for the future amenities at Bailey Road Park. The plan shall include relocation of some disk golf course holes, additional tennis courts, pickle ball courts, and additional parking in the general locations shown on the plan. Final plan implementation shall be coordinated between the applicant and the Town, shown on the construction documents, and shall be constructed, bonded, or payment in lieu provided prior to issuance of any construction document approval

d) Applicant will remove the public street connection between the development and the park that was part of the previous zoning approval, but shall retain a multi- use pedestrian connection, which shall be 10- 12 feet in width and shall be built to Town and County greenway standards and be able to accommodate emergency vehicles. Final location of the trail shall be coordinated between the applicant and the Town, shown on the construction documents, and constructed, bonded, or payment in lieu provided prior to issuance of any construction document approval. Applicant shall also continue to show appropriate right-of-way to the property line, should their ever be a need in the future to revisit the through street in the future. The appropriate right-of-way shall be shown on the Construction Documents and the recorded final plat.

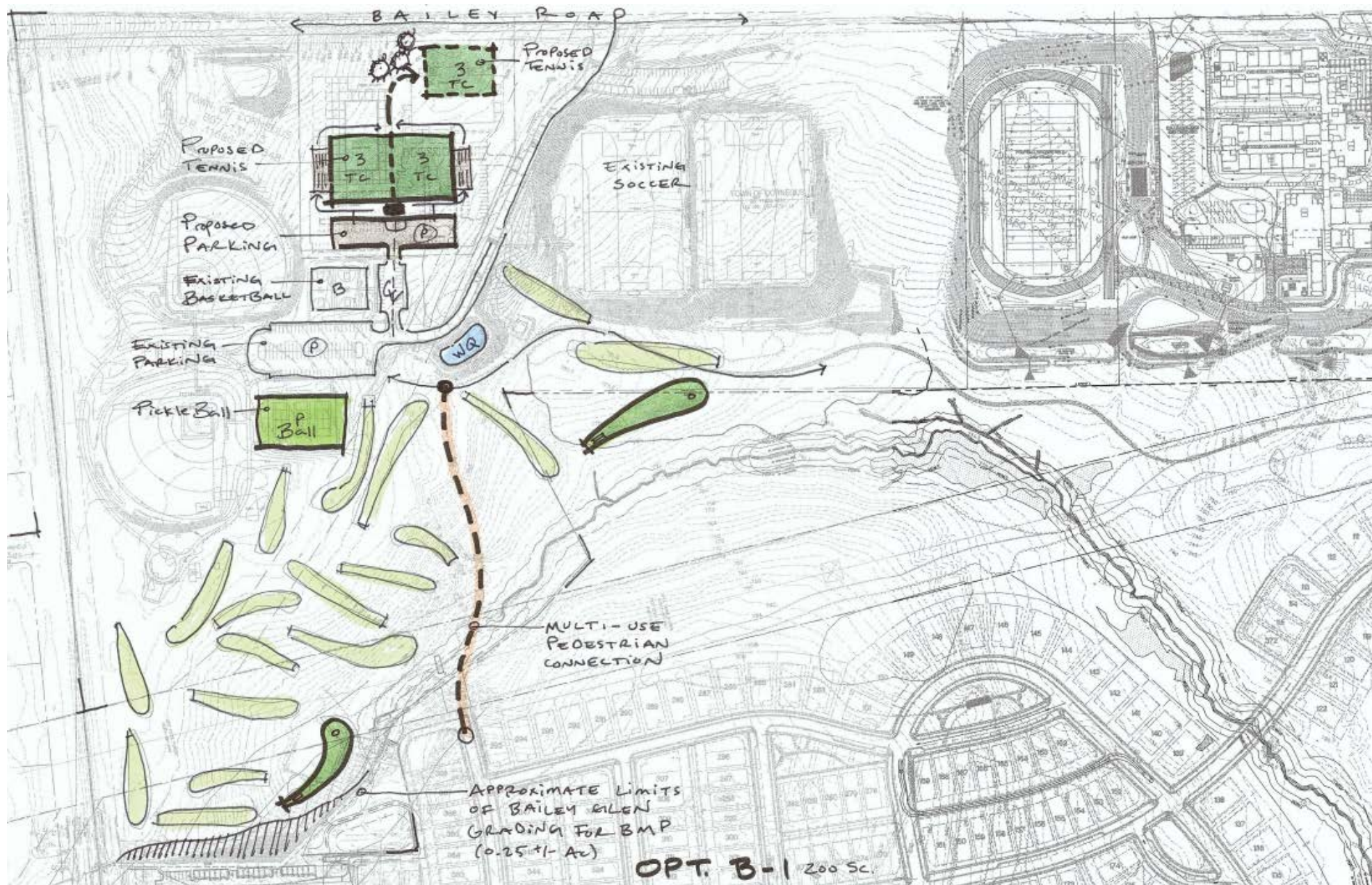


Condition 5a

- Staff is unsure where it originated, but there was a discussion that the applicant could provide a payment in lieu equal to \$250,000 minus any engineering expenses. Current Staff is aware of the discussions regarding the \$250,000, but again, not sure how it originated since the actual costs of park improvements may be in the \$1 million to \$3 million range.
- Staff has requested a detail of all costs incurred by the applicant with regard to engineering services, but has not received those costs at this time.

Condition 5d

- The applicant has agreed to construct the multi-purpose trail, in accordance with the required condition. The only exception is that it would not be constructed to handle emergency traffic and staff is in agreement with this amendment. To construct the trail to accommodate emergency vehicles would require the trail to be built to more a street/road standard which would require more clearing, environmental impacts and be significantly more costly.



SUMMARY

- Staff would like direction from the Board as to the following:
 - Is \$250,000 minus engineering costs an acceptable term to negotiate for condition 5a?
 - Is it agreeable to allow the applicant to construct the multi-use path to connect Bailey Road Park with Bailey's Glen and for that path to not be constructed to accommodate emergency vehicles?

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager

Action Requested:

Manager Grant will give an update on the proposed FY23 operating budget.

Manager's Recommendation:

Hear update.

ATTACHMENTS:

Name:	Description:	Type:
No Attachments Available		

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners
From: Wayne Herron, Deputy Town Manager


Action Requested:

Town Staff has received updated budget numbers from NCDOT on a majority of our projects. Staff is currently evaluating the updated budget figures and will provide an overview of expected financial impacts for the Town moving forward.

Manager's Recommendation:

Hear staff presentation and provide comment and direction.

ATTACHMENTS:

Name:	Description:	Type:
 TB_6.6.22_NCDOT_Project_Budgets.pdf	Staff Presentation	Presentation

NCDOT Project Budgets

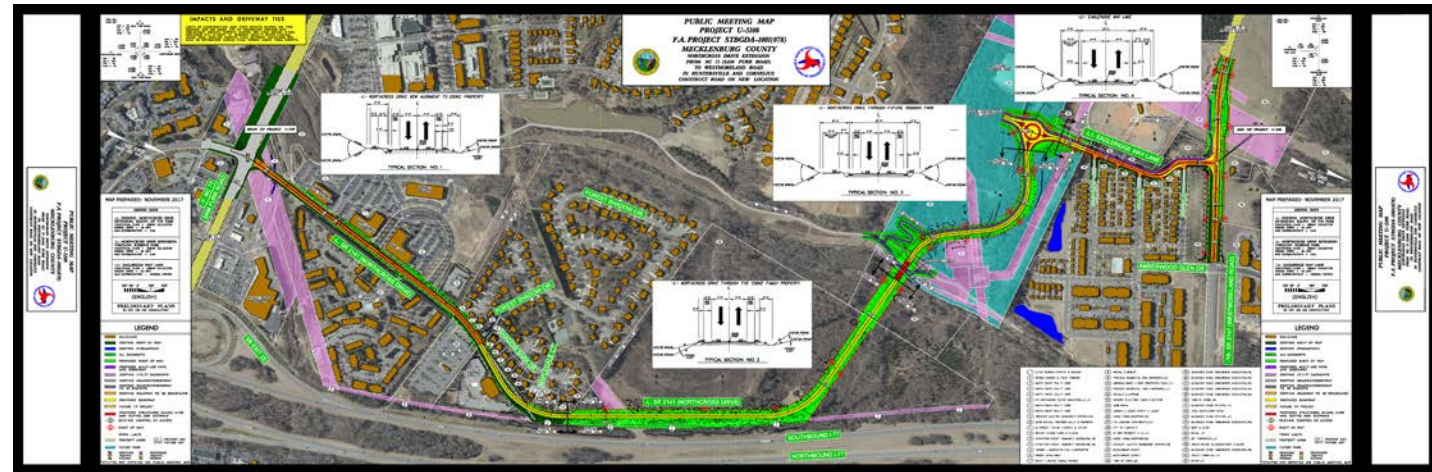
C-5621 Catawba/US 21 Dual Roundabouts



C-5621 Catawba/US 21 Dual Roundabouts

- Current NCDOT STIP Budget: \$17,441,500
- Updated Cost Estimate: \$19,774,816
- According to Memorandum of Agreement, the Town is responsible for all costs exceeding the STIP Budget. Town would be responsible for: \$2,333,316.
- Town needs to notify NCDOT if we are in agreement with projected overages in order to keep project on schedule.
- Utility relocations ready to begin with Town notification to NCDOT.
- Project bidding to occur this fall.
- Project construction to begin spring 2023.
- The Town has applied a contingency in addition to NCDOT's recent cost estimate.
- Staff recommends moving forward with utilities and construction. (Town to evaluate construction costs further after construction bids are received by NCDOT) (Staff also recommends applying to CRTPO for additional discretionary funds)

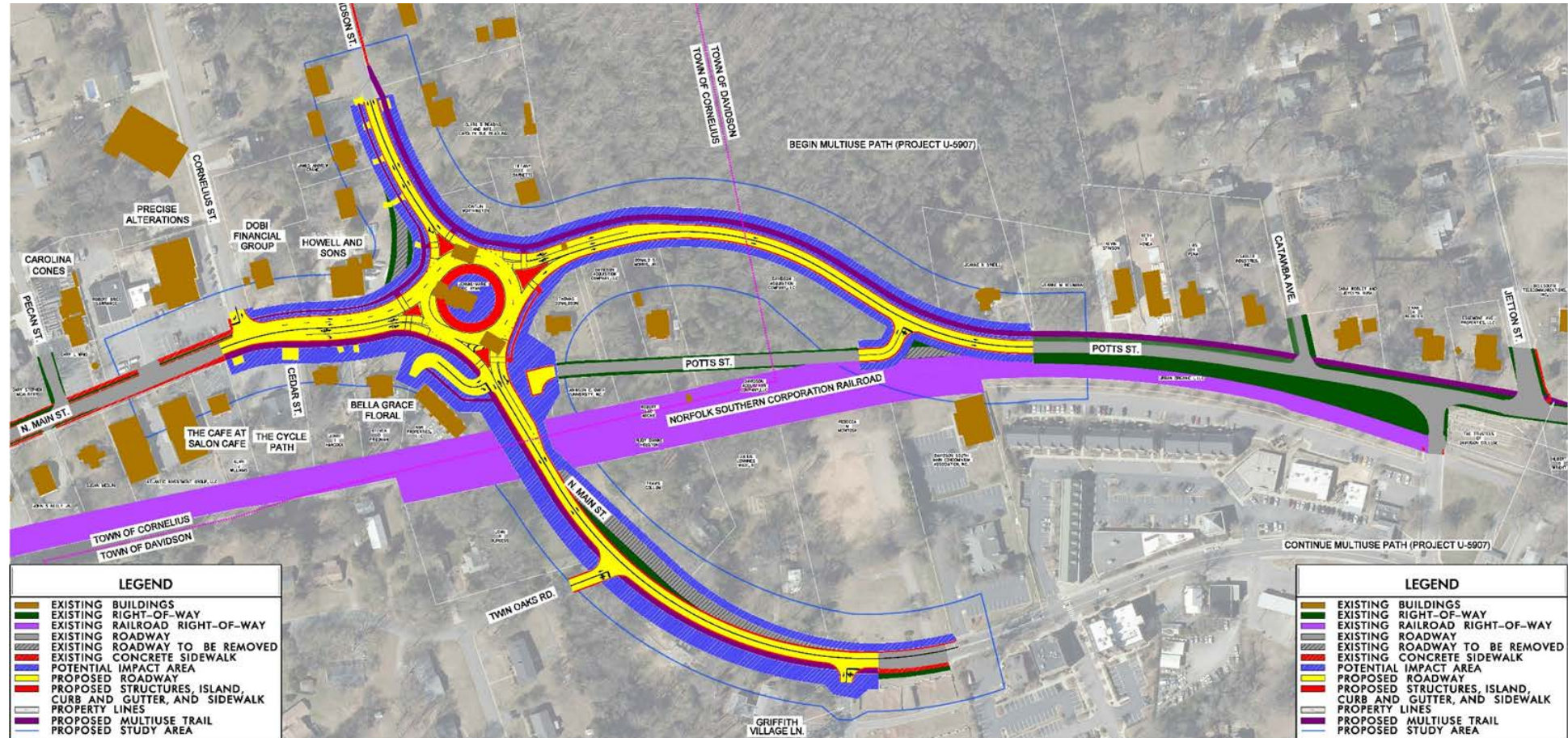
U-5108 Northcross Drive Extension



U-5108 Northcross Drive Extension

- Current NCDOT STIP Budget: \$19,155,000
- Updated Cost Estimate: \$24,838,242
- According to Memorandum of Agreement, the Town is responsible for \$2,261,750 in right-of-way and construction costs and 50% of all costs exceeding the STIP Budget. Town would be responsible for: \$5,683,242.
- Town needs to notify NCDOT if we are in agreement with projected overages in order to keep project on schedule.
- Utility relocations ready to begin at the end of May with Town notification to NCDOT.
- Project bidding to occur this fall.
- Project construction to begin spring 2023.
- The Town has applied a contingency in addition to NCDOT's recent cost estimate.
- Staff recommends moving forward with utilities and construction. (Town to evaluate construction costs further after construction bids are received by NCDOT) (Staff also recommends applying to CRTPO for additional discretionary funds)

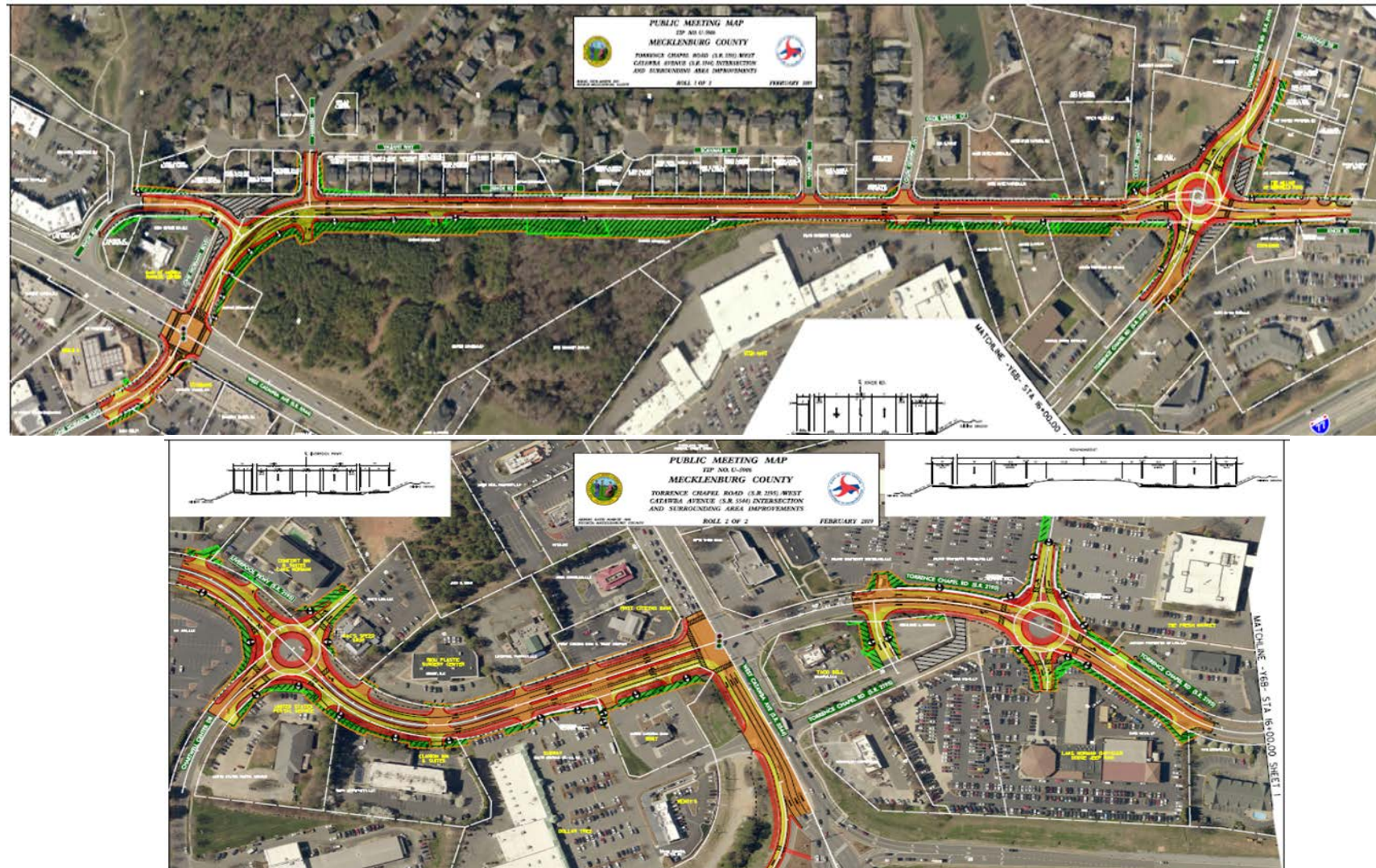
U-5873 NC 115/Potts Roundabout



U-5873 NC 115/Potts Roundabout

- Current NCDOT STIP Budget: \$7,116,000
- Updated Cost Estimate: \$13,138,382
- According to Memorandum of Agreement, the Town is responsible for all costs exceeding the STIP Budget. Town would be responsible for: \$6,022,382.
- Town needs to notify NCDOT if we are in agreement with projected overages in order to keep project on schedule.
- Utility relocations ready to begin at the end of August with Town notification to NCDOT.
- Project bidding to occur this fall.
- Project construction to begin spring 2023.
- The Town has applied a contingency in addition to NCDOT's recent cost estimate.
- Staff recommends moving forward with utilities and construction. (Town to evaluate construction costs further after construction bids are received by NCDOT) (Staff also recommends applying to CRTPO for additional discretionary funds)

U-5906 Torrence Chapel Triple Roundabouts



U-5906 Torrence Chapel Triple Roundabouts

- Current NCDOT STIP Budget: \$16,844,250
- Updated Cost Estimate: \$28,376,096
- According to Memorandum of Agreement, the Town is responsible for all costs exceeding the STIP Budget. Town would be responsible for: \$11,531,846.
- Town needs to notify NCDOT if we are in agreement with projected overages in order to keep project on schedule.
- Utility relocations ready to begin at the end of July with Town notification to NCDOT.
- Project bidding to occur this fall.
- Project construction to begin spring 2023.
- The Town has applied a contingency in addition to NCDOT's recent cost estimate.
- Staff recommends NOT moving forward with utilities and construction and terminating our agreement with NCDOT for this project. (Staff has consulted with NCDOT and CRTPO and projects could be rescored in P8.0(potentially 2026), but would not be able to be included P7.0 due to the current project backlog)

- In a meeting with Senator Sawyer, she has advised that the IJA will likely not be able to provide gap funding for a project like 5906 (since a significant amount of IJA funds are re-authorized existing funds) and she did not feel confident the State could apply additional funding, since so many other projects are in a similar situation statewide.

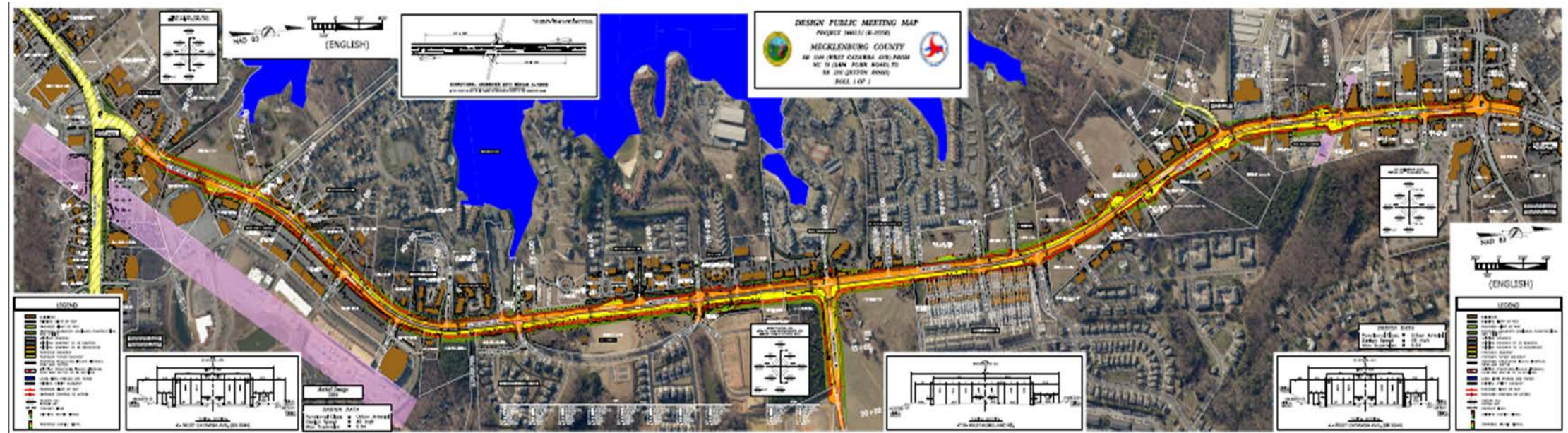
C-5613J Hickory Street Signal



C-5613J Hickory Street Signal

- Current NCDOT STIP Budget: \$1,497,151
- Updated Cost Estimate: \$4,903,886
- According to Memorandum of Agreement, the Town is responsible for 33% of the original costs, which was a CMAQ grant, which totals \$494,151 in addition to all costs exceeding the STIP Budget. Town would be responsible for: \$3,406,735.
- Town needs to notify NCDOT if we are in agreement with projected overages in order to keep project on schedule.
- Right-of-way acquisition ready to begin at the end of May with Town notification to NCDOT.
- Project bidding to occur 2023.
- Project construction to begin spring 2024.
- The Town has applied a contingency in addition to NCDOT's recent cost estimate.
- Staff recommends moving forward with right-of-way, utilities and construction. (Town to evaluate construction costs further after construction bids are received by NCDOT) (Staff also recommends applying to CRTPO for additional discretionary funds)

R-2555b West Catawba Widening



R-2555b West Catawba Widening

- Current NCDOT STIP Budget: \$28,750,000
- Updated Cost Estimate: \$51,000,000 (still in process of being verified)
- According to Memorandum of Agreement, the Town is responsible for \$1,200,000 as an original contribution and all costs exceeding the STIP Budget. A revised MOA detailing the new STIP amount at \$51,000,000 is expected. Town would be responsible for: \$3,700,000.
- Town does not need to notify NCDOT on this project at this time.
- Right-of-way acquisition currently underway.
- Project bidding to occur 2024.
- Project construction to begin fall 2024.
- The Town has applied a contingency in addition to NCDOT's recent cost estimate.

Town CIP Summary

- Current CIP costs for all six projects: \$22,006,424
- Current estimate for all six projects: \$32,677,521
- Current estimate for five projects: \$21,145,675
(removing Torrence Chapel Triple Roundabouts)

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager

Action Requested:

Please sign up to speak before the meeting on the sign-up sheet located near the entrance to the board room.

Please be aware that all meetings of the Board of Commissioners are recorded and streamed live on the internet.

The Board will allocate up to 1 hour during each meeting to hear general Public Comments.

The Board will allocate up to 1 hour for each public hearing on the Agenda.

1. Provide your name and address before you begin your comments.
2. Comments are limited to 4 minutes.
3. Comments are to be directed to the entire board and not to individuals.
4. You may yield your comments to another speaker present at the meeting so that one speaker may address the board for up to 8 minutes.
5. A designated spokesperson for a group of three or more may be allocated 10 minutes to speak. At least three members of the group must be present and names and addresses of those members present must be submitted to the Town Clerk before the meeting begins.
6. Presentations by applicants seeking to rezone property are limited to 10 minutes. (Staff presentations and applicant time spent responding to questions from the Board is not subject to the 10-minute limit).
7. You must be civil in your language and presentation and act within reasonable standards of courtesy.
8. Use of slander, name-calling, personal attacks or threatening speech or behavior is prohibited.
9. The audience must maintain order and decorum in their conduct. Please refrain from applause, comments or disruptive speaking during the meeting.
10. The Mayor or a majority of the Board may suspend these rules at their discretion.
11. Failure to abide by these rules after receiving notice by the Mayor may result in 1) termination of your comment period and/or 2) your removal from the meeting.

Manager's Recommendation:

ATTACHMENTS:

Name:	Description:	Type:
No Attachments Available		

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners

From: Kevin Black, Police Chief

Action Requested:

Manager's Recommendation:

<u>ATTACHMENTS:</u>		
Name:	Description:	Type:
No Attachments Available		

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners

From: Kevin Black, Police Chief

Action Requested:

Top Deck Foundation members will present their UTV donation made to CPD.

Manager's Recommendation:

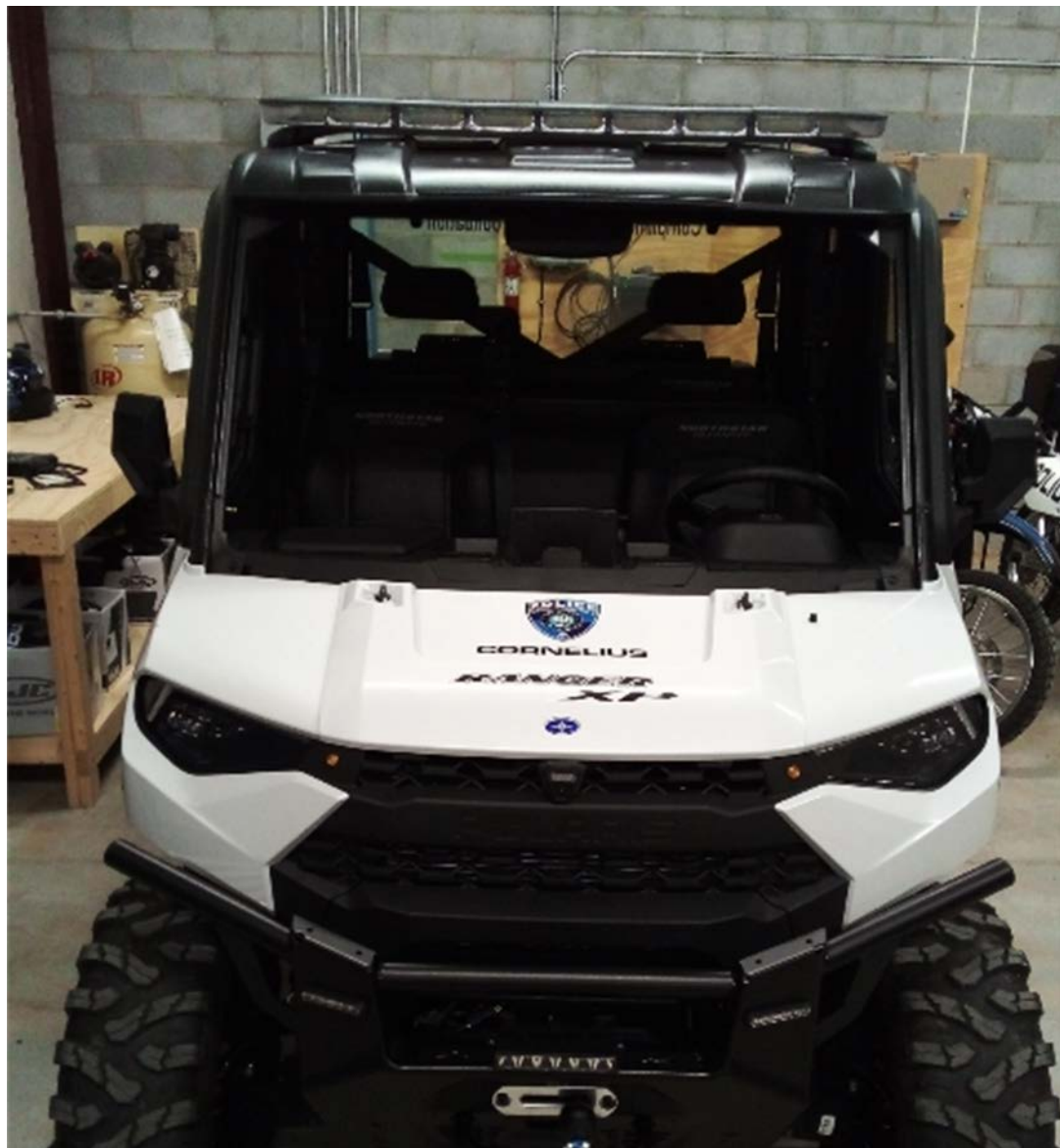
Hear presentation and accept the UTV donation.

ATTACHMENTS:

Name:	Description:	Type:
 Top_Deck.pdf	Top Deck Donation	Presentation

Top Deck Foundation





REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners

From: Andrew Grant, Town Manager

Action Requested:




Continue the public hearing from May 16th and receive public comments on the Manager's Recommended FY2023 Operating Budget and tax rate.

Town Board may choose to vote on the Manager's Recommended FY23 Budget and tax rate. Staff has attached necessary documents to adopt the recommended budget.

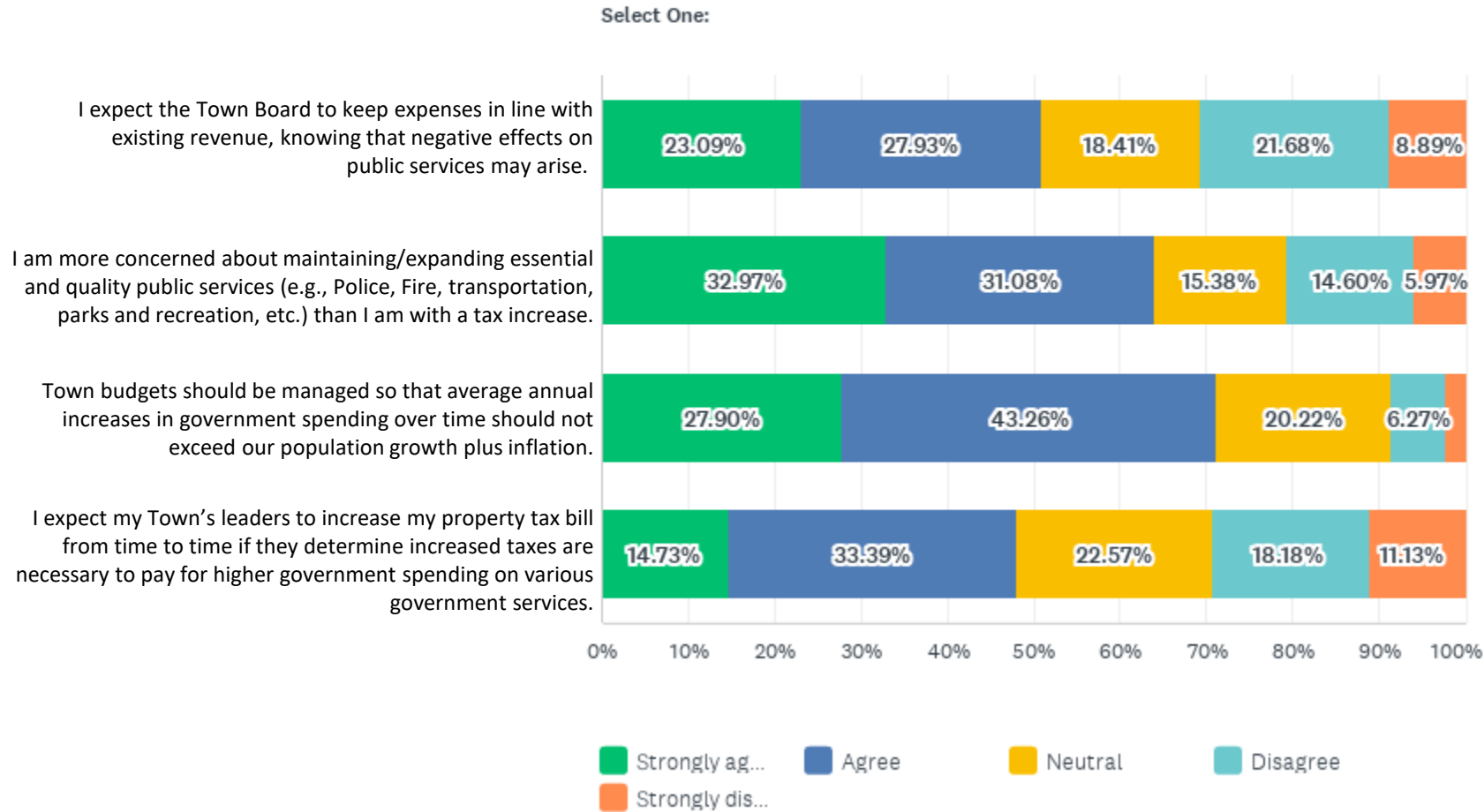
Manager's Recommendation:

Continue the public hearing and receive public comments. Consider voting on Manager's Recommended FY23 Operating Budget and tax rate.

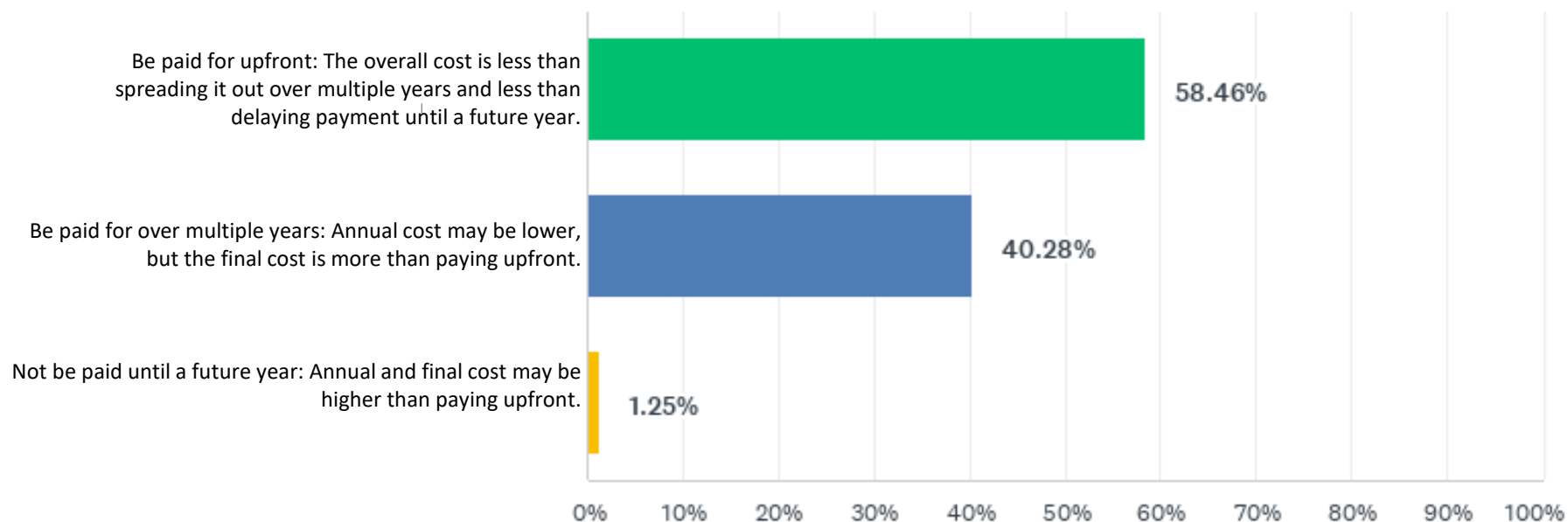
ATTACHMENTS:

Name:	Description:	Type:
 ARPA Qs 3 and 4.pdf	ARPA Survey and Budget Results	Presentation
 Manager's Recommended Budget - FY23 - 6-6-22.pdf	FY23 Operating Budget	Presentation
 Original Ordinance FY23.pdf	FY23 Operating Budget Ordinance	Cover Memo

Q3 Please consider the preceding budget information and indicate how strongly you agree or disagree with the following statements by selecting one option from the dropdown menu.



Q4 If an additional Town expenditure, like those that benefit public services, is deemed necessary, I think the cost should:





Town of Cornelius
FY 23
(July 1, 2022 – June 30, 2023)

Manager's Recommended Budget

June 6, 2022

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: Consistently striving to reach above and beyond the “high bar”, we will uphold the qualities we see and hope to inspire in our citizens, to serve Cornelius with loyalty, integrity, innovation, resilience, and courage.

Revenues

- Property Tax is the largest component of Town revenue (~\$17.4M; 57% of revenues)
- Sales tax is the 2nd largest revenue component (~\$4.5M; 15% of revenues)
- Cornelius electric utility (Electricities) will implement a system rate increase of 2.0% (not the 4.5% increase projected in FY21). NC Statute will also require a residential 4 cent per month increase to the REPS rider, for renewable energy)

FY23 Budget Deliverables

- Manager's Recommended Budget focuses on and addresses.....
 - Citizen Priorities identified in the January/February 2022 citizen budget survey
 - Critical Needs in order to continue to provide quality services to our community
 - Utilizes ARP funds to supplant \$4.8M of public safety salaries in order to free up General Fund funds
 - Time-sensitive projects are being addressed with supplanted funds

Citizen Priorities.....

Citizen Priority #1....

Public Safety

➤ Fire

- Fire Dept. Transition Plan: 6 Full-Time Firefighters (salaries, benefits, OT, operating) - (\$523K)
- Mental Health Program for Full-Time FFs (\$2,628)
- CLFR Market Wages for Part-Time FFs: Drivers, Captains, Deputy Chiefs, Chief – Year 2 of 2 (\$25K)
- CLFR Part-Time Overtime Shifts (\$20K)
- CLFR Residency Incentive for qualifying Part-Time FFs – Year 1 of 2 (\$40K)
- Fire Engine – Replace Engine 5 (\$797K)
- 2nd Set of Turnout Gear – Year 1 of 3 (\$62K)

Citizen Priority #1....

Public Safety

➤ Police

- Market Salary Study Recommendations for Police Officers and Telecommunicators (\$404K)
- Part-Time Pay Increases for Police Officers (\$35,348)
- Mental Health Program Police Officers and Telecommunicators (\$14K)
- Fully-fund Property & Evidence Clerk (\$25K)
- Intermediate Law Enforcement Certificates (\$8,200)
- 911 Center CAD Mapping updates (\$18,600)
- Police Vehicles – rolling stock replacement (\$500K)
- Wideband System for Security Cameras (\$54K Capital, \$10,500 Operating)
- Police Station Roof Recoating (\$135K)

Citizen Priority #2...

Transportation

- Jetton Rd. Ext. – Design - Year 2 of 2 - (\$71K)
- Town Center Crosswalk Safety Improvements (\$95K)
- Currently servicing \$11.1M of Road Bonds
- FY22: Sold ~\$4M of the \$24M 2018 Voter-Approved Road Bonds (Debt Service begins in FY23 = \$311K/year)
- Total existing debted road projects plus future road projects on CIP = \$45M

All Roadway Projects

All Roadway Projects



Citizen Priority #3....

Parks and Recreation

- Bailey Rd. Park Field Lighting Replacement – Phase II, (2) soccer/multi-use fields, football field (\$755K)
- Legion Park Ballfield and Stormwater Repair (\$550K)
- Maintenance of Cain Park – operational cost – ½ year (\$26,170)
- Park Maintenance Technician – ½ year (\$23,730)
- Recreation Program Assistant – ½ year (\$27,300)
- Part-Time Pay Increases (\$13,700 net)
- Sponsorship of “Praise In the Park” at Smithville Park (\$4K)
- Emerald Necklace/Jetton Rd. Ext. – Design - Year 2 of 2 - (\$71K)

Citizen Priority #4....

Public Works

- ~4 miles Town Roads Resurfacing (\$900K)
- Water Quality – Stream Restoration Design – Magnolia Estates, Westmoreland, Chartwell area (\$300K)
- Solid Waste Collection and Disposal Cost Increases – CPI, Tipping Fees pass-through, House Count - (\$132K)

Citizen Priority #5....

Economic Development

- Town Center property - Environmental due diligence (\$20K)
- Sponsorship of “Tawba Walk” (\$8K)
- Cain Center
 - Sold \$4M of Redevelopment Bonds in FY22
 - Debt Service = \$402K/yr.
 - Annual Operating Budget Support Grant (\$411K)

Critical Needs.....

Community Development

- Smithville Revitalization Plan/Infrastructure (\$3M)
- Housing Committee Recommendations
 - Employee Residency Incentive – Year 1 of 2 (\$89K)
 - CDC (Community Development Corporation) – Start-up operational costs (\$70K)
- Comprehensive Redevelopment Plan for Affordable/Workforce Housing – Year 2 of 2 (\$45K)
- Annual Support Grants
 - Ada Jenkins (\$25K)
 - Senior Community Connections (\$7,600)
 - ASC (\$4K)

Communications & IT/Cyber Security

➤ Communications

➤ Overhaul website (\$10K)

➤ IT/Cyber Security

➤ Multi-factor Authentication (\$18,500)

➤ Replace unsupported wireless system at all Town buildings (\$40K)

➤ Network intrusion monitoring and detection software support (\$5K)

Retention and Recruitment

- Labor market is extraordinarily competitive, especially in law enforcement
- Difficult to fill/retain ALL positions, full & part-time, in ALL departments
- In 2021, CPD lost 11 Police Officers with a combined 85 years of experience. Over 3 years, 195 years of experience left CPD.
- Cornelius investment in staff is necessary to remain competitive, maintain quality service, avoid lost productivity/hiring/training (6-12 months of salary)
- Recommended budget addresses Public Safety plus all other personnel
 - Over half of Town staff are Police Officers and Firefighters
 - 75% of Personnel budget increases are for Public Safety
- Residency Incentive for employees–Housing Committee Recommendation - Year 1 of 2 (\$89K)
- 3.5% Average Merit (\$283,920)
 - Market's range is 2% - 7%; Market's average is 3.85%
- 2.5% COLA (\$202,800)
 - CPI at 7.8% as of April 30th
 - Market's range is 1% - 7%; Market's average is 3.23%
- 6.0% Combined
 - Market's Combined average is 6.25%

ARP Funds

- Utilizes ARP funds to supplant \$4.8M of public safety salaries in order to free up General Fund funds
- Time-sensitive projects are being addressed with supplanted funds
- Smithville Revitalization Plan/Infrastructure (\$3M)
- Legion Park Ballfield and stormwater repairs (\$550K)
- Jetton Rd. Ext. Design (\$71K)
- Stream Restoration Design – Magnolia Estates, Westmoreland, Chartwell Commercial (\$300K)
- Town will have the opportunity to add projects even after budget is adopted

Property Tax Rate Increase

- Recommended Budget includes a 1.0 cent property tax rate increase
- ~\$8M of Bonds sold in January FY22 (\$4M Transportation, \$4M Redevelopment)
- Annual debt service payment = \$713K
- 1.0 cent increase = \$750K in revenue
- Additional 1.0 cent will support the debt service payment
- A home assessed at \$450,000, will pay an additional \$45/year in Cornelius property taxes

EXPLANATION OF USES OF FUND BALANCE

Fire Engine (carry forward from FY 22)	720,000
Legion Park Ball Field (carry forward FY 22)	175,000
Wideband Camera (CBRS)-Asset Forfeiture Funds	54,000
Street Resurfacing (Powell Bill Funds)	348,000
Police Roof (Building Maint. Reserve Fund)	135,000
Crosswalk Improvements (MI-Connection Settlement Funds)	95,000
CDC (MI-Connection Settlement Funds)	70,000
Stream Restoration Design-Magnolia Estates, Westmoreland, and Chartwell Commercial Properties (ARP)	300,000
Smithville/Infrastructure (Transfer to Capital Project Fund)	3,000,000
Legion Park Ball Field Stormwater repair (ARP)	550,000
Jetton Extension DESIGN (ARP)	71,000
Health Insurance Reserve	175,000
	5,693,000

EXPLANATION OF USES OF FUND BALANCE

Carrry Forward Capital from FY 22	895,000
Restricted and Designated (Powell Bill/Asset Forfeiture/Building Maintenance Funds)	537,000
MI Connection Settlement Funds	165,000
Funds supplanted with ARP Funds	3,921,000
Health Insurance Reserve Fund	175,000

EXPLANATION OF USES OF FUND BALANCE

• Contribution to/(Use of) Fund Balance with ARP Funds	(800,356)
• Back out ARP Funds	<u>(4,821,414)</u>
• Real use of Fund Balance	(5,621,770)
• Use of Fund Balance per categories	<u>5,693,000</u>
• Net Contribution to Fund Balance	71,230

FY 22 Budget - Summary

- Recommended Property Tax Rate: 23.20 cents
- Total General Fund Budget Expenditures = \$33,180,068*
- Total General Fund Budget Revenues = \$32,379,712**

*Includes use of \$5,693,000 of fund balance, including ~\$4M for one-time expenditures utilizing ARP-supplanted funds for one-time projects, such as \$3M for Smithville Revitalization Plan, ~\$900K of carry-forward capital projects (such as, a Fire Engine), and restricted fund balance expenditures (such as Powell Bill funds for street resurfacing, Asset Forfeiture funds for CBRS system).

**Includes \$4,821,414 ARP funds and use of fund balance sources with restricted and dedicated uses. See use of Fund Balance slides 19 – 21.

Future Considerations.....

CIP NCDOT Road Projects

Town of Cornelius
2023-2032 Capital Improvement Plan Summary
March 23, 2022

DESCRIPTION	Funds Source	2024	2025	2028	Future	Total
Torrence Chapel Rd. West Cat. Ave. Intersection Impv	Bonds	6,608,722	-	-	-	6,608,722
115/Potts/Davidson Street Roundabout	Bonds	4,960,750	-	-	-	4,960,750
Hwy 115- Hickory St. Intersection Improvements	Bonds	1,474,961	-	-	-	1,474,961
West Catawba Phase II- STI- Local Funding Contribution	Bonds	1,200,000	-	-	-	1,200,000
21/Catawba Roundabouts	Bonds	1,000,000	-	-	-	1,000,000
Northcross Dr. Extension	Bonds	-	5,261,991	-	-	5,261,991
West Catawba Phase II- Bike-Ped Accommodations, Mast Arms	Bonds	-	-	1,500,000	-	1,500,000
Westmoreland Interchange	Bonds	-	-	-	2,000,000	2,000,000
		15,244,433	5,261,991	1,500,000	2,000,000	24,006,424

Remaining CIP

DESCRIPTION	Funds Source	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	Future	Total
Street Resurfacing (Powell Bill Funds)	FB Powell	900,000	-	800,000	-	800,000	-	800,000	-	800,000	-	-	4,100,000
Replace Engine 4 and 5	Debt	830,000	-	-	-	-	-	-	-	-	-	-	830,000
Bailey Road Park Athletic Facility Lighting Replacement	Debt	755,000	-	-	-	-	-	-	132,000	-	-	-	887,000
Legion Park Major Renovations	Fund Bal	550,000	-	-	263,000	-	-	-	-	263,000	-	-	1,076,000
Police Vehicles	Fund Bal	500,000	500,000	510,000	510,000	520,000	520,000	530,000	530,000	540,000	540,000	-	5,200,000
Stream Restoration-Magnolia Estates, Westmoreland, and Chartwell Commercial Properties	Fund Bal	300,000	200,000	3,000,000	-	-	-	-	-	-	-	-	3,500,000
Police Roof*	Fund Bal*	135,000	-	-	-	-	-	-	-	-	-	-	135,000
Crosswalk Improvements	Fund Bal	95,000	150,000	65,000	65,000	65,000	-	-	-	-	-	-	440,000
Jetton Extension DESIGN	Fund Bal	71,000	-	-	-	-	-	-	-	-	-	-	71,000
2nd Set of Personal Protective Equipment (turn out gear)	Fund Bal	62,000	62,000	62,000	-	-	-	-	-	-	-	-	186,000
Wideband Camera Surveillance Project	Fund Bal	54,000	-	-	-	-	-	-	-	-	-	-	54,000
Jetton Extension CONSTRUCTION	Debt	-	2,500,000	-	-	-	-	-	-	-	-	-	2,500,000
Self-Contained Breathing Apparatus (SCBA) Replacement	Fund Bal	-	510,000	-	-	-	-	-	-	-	-	-	510,000
Fire Staion #2 Roof*	Fund Bal*	-	250,000	-	-	-	-	-	-	-	-	-	250,000
Sidewalk (Powell Bill Funds)	FB Powell	-	200,000	-	200,000	-	200,000	-	200,000	-	200,000	-	1,000,000
Staff Vehicles	Debt	-	160,000	80,000	-	-	-	-	-	-	-	-	240,000
Marine Quick Response Vessel	Fund Bal	-	160,000	-	-	-	-	-	-	-	-	-	160,000
Badge & Door Security System Replacement	Fund Bal	-	90,000	-	-	-	-	-	-	-	-	-	90,000
Public Works Equipment	Fund Bal	-	75,000	-	100,000	-	-	-	-	-	-	-	175,000
Equipment and Vehicles	Fund Bal	-	61,000	111,000	55,000	55,000	55,000	48,000	69,000	63,000	60,000	-	577,000
Phones & Phone System Replacement	Fund Bal	-	38,000	60,000	-	-	-	-	-	-	-	-	98,000
Festival Street- Catawba Avenue	Debt	-	-	3,000,000	-	-	-	-	-	-	-	-	3,000,000
Torrence Chapel Park Major Renovations	Fund Bal	-	-	315,000	-	-	-	-	-	-	-	1,260,000	1,575,000
Fire Station Upgrades- Kitchen Station 1	Fund Bal*	-	-	25,000	-	-	-	-	-	-	-	-	25,000
Smithville Park to JV Washam ES Greenway & MUP CONSTRUCTION	Debt	-	-	-	3,413,000	3,413,000	-	-	-	-	-	-	6,826,000
Replace Truck 4 (Ladder Truck)	Debt	-	-	-	500,000	-	-	-	-	-	-	-	500,000
Training Center Land	Fund Bal	-	-	-	500,000	-	-	-	-	-	-	-	500,000
Portable Radio Replacement	Fund Bal	-	-	-	-	360,000	-	-	-	-	-	-	360,000
VX-Rail Server Replacement	Fund Bal	-	-	-	-	275,000	-	-	-	-	-	-	275,000
Training Center	Debt	-	-	-	-	250,000	-	-	-	-	-	-	250,000
Marine Vessel Refurbishment	Fund Bal	-	-	-	-	72,000	-	-	72,000	-	-	-	144,000
Bailey Road Park Major Renovations	Fund Bal	-	-	-	-	-	250,000	1,103,000	-	-	557,000	1,880,000	3,790,000
Smithville to JV Washam Linear Park	Debt	-	-	-	-	-	-	-	1,381,000	1,381,000	-	3,528,000	6,290,000
Smithville Park Major Renovations	Fund Bal	-	-	-	-	-	-	-	210,000	-	-	-	210,000
Bailey Road Park Tennis & Pickleball Complex	Debt	-	-	-	-	-	-	-	-	-	2,835,000	-	2,835,000
Bailey Road Flyover	Future Bonds	-	-	-	-	-	-	-	-	-	1,000,000	-	1,000,000
		4,252,000	4,956,000	8,028,000	5,606,000	5,810,000	1,025,000	2,481,000	2,594,000	3,047,000	5,192,000	6,668,000	49,659,000

Remaining CIP

DESCRIPTION	Funds Source	Future	Total
Robbins Park	Debt	8,503,000	8,503,000
Southeast Cornelius Neighborhood Park	Debt	5,628,000	5,628,000
Westmoreland McDowell Creek Neighborhood Park	Debt	5,292,000	5,292,000
Northeast Cornelius Neighborhood Park	Debt	5,040,000	5,040,000
Fire Station #3	Debt	4,000,000	4,000,000
Waterfront Park	Debt	3,508,000	3,508,000
North Bailey Road Greenway	Debt	3,014,000	3,014,000
Hwy 115- North Corridor (Washam Potts to Potts St) Bike-Ped Accommodations, Aesthetics	Future Bonds	3,000,000	3,000,000
Plum Creek- South Bailey Rady Greenway Construction Phase III	Debt	2,972,000	2,972,000
Victoria Bay Greenway	Debt	2,783,000	2,783,000
Village Center Neighborhood Park	Debt	2,700,000	2,700,000
Downtown Cornelius to Statesville Road Greenway	Debt	2,499,000	2,499,000
Caldwell Station Creek South Greenway Phase II	Debt	2,215,000	2,215,000
Hwy 21 Widening (A)	Future Bonds	1,870,000	1,870,000
Mini Park Land Acquisition and Development	Debt	1,786,000	1,786,000
Washam Neighborhood Park	Debt	1,649,000	1,649,000
McDowell Creek Greenway Phase III	Fund Bal	1,575,000	1,575,000
Westmoreland Park Greenway	Debt	1,418,000	1,418,000
North Bailey Road to Bailey Road Greenway	Debt	1,208,000	1,208,000
I-77 Service Road to Westmoreland	Debt	1,088,062	1,088,062
Caldwell Station Connection to Bailey Extension	Debt	1,000,000	1,000,000
Smithville Park Multi-Purpose Synthetic Turf Field	Debt	998,000	998,000
Stratford Forest Greenway	Fund Bal	840,000	840,000
Jetton Neighborhood Park Major Renovations	Fund Bal	714,000	714,000
Glen Oak Green Park Greenway	Fund Bal	662,000	662,000
Nantz Rd Connector Greenway	Fund Bal	634,000	634,000
Westmoreland Road Widening	Fund Bal	525,000	525,000
Police Substation	Fund Bal	330,000	330,000
Stream Restoration- Upper McDowell Creek	Fund Bal	300,000	300,000
Robbins Park Playground Renovations	Fund Bal	263,000	263,000
		68,014,062	68,014,062

Debt Service

- Town has sold all of \$20.4M 2013 Voter-Approved Transportation, Parks, Town Center Redevelopment Bonds
- Town has sold \$4M of \$24M 2018 Voter-Approved Transportation Bonds
- \$29.5M of Road Projects still remain in future years of the CIP
- Other debted capital remains, such as Parks capital, Public Safety vehicles
- FY18 Total Debt Service (Bonds + Installment Financing) = \$2.2M
- FY19 = \$2.4M
- FY20 = \$2.7M
- FY21 = \$3.2M
- FY22 = \$3.5M
- FY23 = \$3.5M
- FY24 = \$4.3M
- FY25 = \$5.3M
- FY26 = \$5.5M
- FY27 = \$5.3M

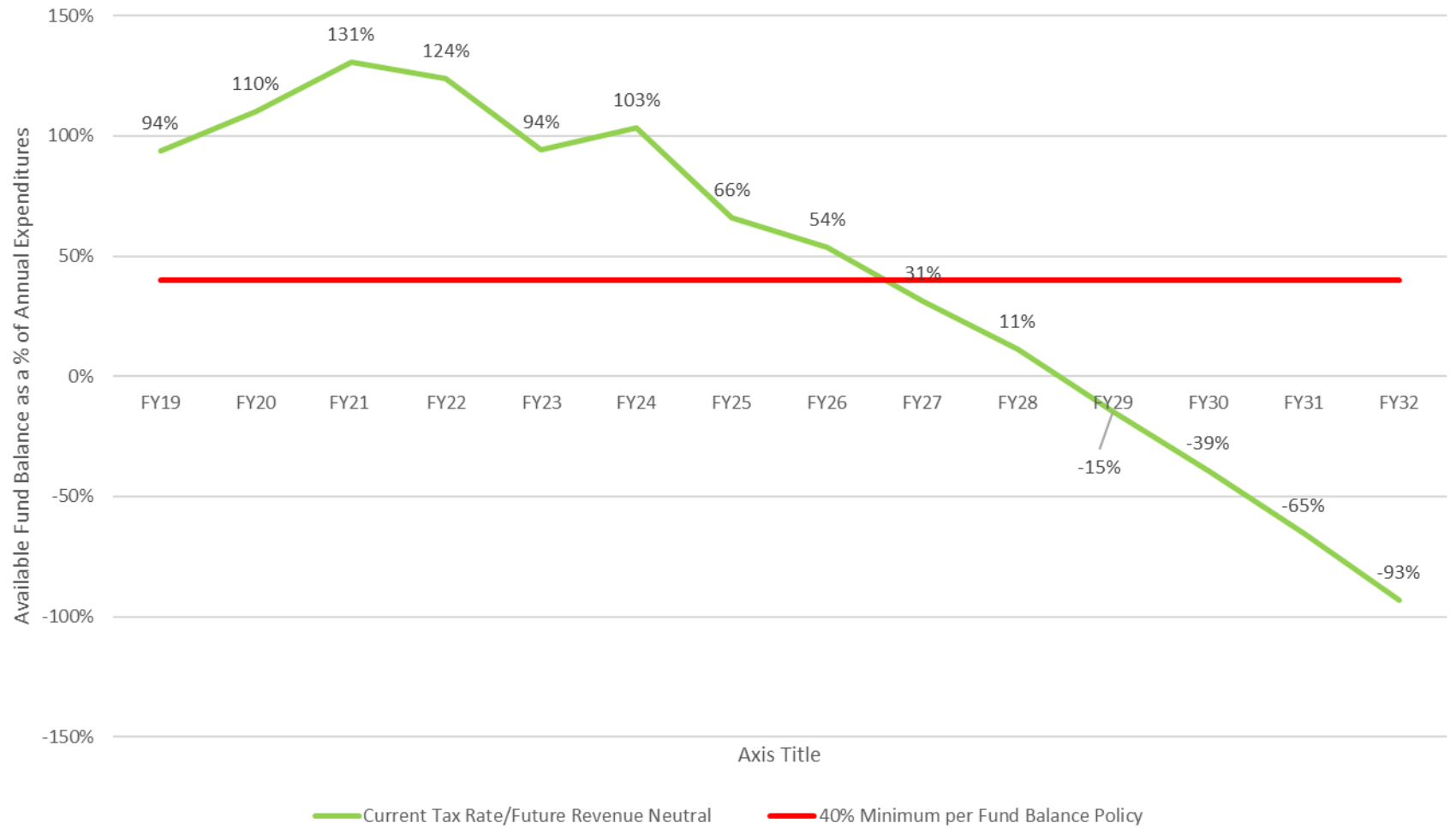
Operations

- Other drivers for cost increases in future years.....
 - Recruitment and Retention of Personnel has been an increasing priority over the past few years. Labor market has made operations more costly.
 - Fire Dept. Transition Plan
 - Slowly adding Full-time Firefighters to create a new department
 - Average \$330K/year additional (personnel & operating) for the next ~14 years
 - Equivalent of 0.45 cents of Property Tax Rate each year

	FY 2018 ACTUAL	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022	FY 2022 EYE	FY 2023	FY 2024
Beginning Fund Balance	17,181,392	19,273,176	21,699,109	26,648,064	29,846,464	32,894,970	34,718,771	33,885,415
Revenues:								
Property tax	13,745,899	14,093,129	16,182,772	16,509,219	16,364,075	16,575,000	17,413,063	17,689,107
Sales tax	3,736,084	3,983,699	4,026,827	4,778,062	3,850,000	5,077,095	4,503,216	4,638,312
Franchise tax	1,840,317	1,887,891	1,824,201	1,787,496	1,694,776	1,782,090	1,782,090	1,831,989
Powell Bill allocation	761,210	771,445	778,253	750,982	685,000	870,761	800,000	800,000
All others (grants, Tourism-related taxes, Parks revenue, etc.)	3,887,689	2,789,454	4,222,285	4,379,514	2,699,530	3,480,067	3,059,929	3,105,828
Total Revenues	23,971,199	23,525,618	27,034,338	28,205,273	25,293,381	27,785,013	27,558,298	28,065,236
Expenditures:								
Personnel (supplanted \$4.8M of Public Safety salaries with ARP funds in FY 23 and \$4.8M in FY 24)	7,710,073	7,753,882	8,436,384	8,798,520	10,357,874	9,980,928	7,356,321	8,161,263
Operating	8,710,804	8,341,575	8,504,513	8,364,268	9,374,336	9,496,715	10,127,990	10,573,110
Supplanting-Funded Exp. not in CIP or Operating/Personnel Forecast								750,000
TH/PS/PW/Bldg Maint. Rsv Fund	-	-	-	10,000	10,000	10,000	10,000	-
Cain Center (operating support)	245,000	365,000	323,000	289,600	351,743	351,743	411,000	411,000
Existing Debt service (includes debt issued in FY 23)	2,233,243	2,402,706	2,736,874	3,216,860	2,890,102	2,628,360	3,453,758	3,285,284
Powell Bill/Stormwater Capital	197,450	766,235	734,472	1,100,000	750,000	650,000	1,200,000	400,000
Other Capital (fund balance cash)	1,757,329	312,178	788,072	193,815	2,448,466	2,373,466	2,843,821	1,896,000
New debt svc	-	-	-	-	-	-	-	955,636
Transfers	1,060,000	1,229,722	627,077	-	-	500,000	-	-
Smithville/Infrastructure (Transfer to Capital Project Fund)							3,000,000	-
Use of Cap Reserve	(34,484)	(71,613)	(65,009)	(14,696)	(30,000)	(30,000)	(11,236)	-
Total Expenditures	21,879,415	21,099,685	22,085,383	21,958,367	26,152,521	25,961,212	28,391,654	26,432,293
Net	2,091,784	2,425,933	4,948,955	6,246,906	(859,140)	1,823,801	(833,356)	1,632,943
Ending Fund Bal	19,273,176	21,699,109	26,648,064	32,894,970	28,987,324	34,718,771	33,885,415	35,518,358
Capital Reserve	-	-	-	-	-	-	-	-
Total Fund Balance	19,273,176	21,699,109	26,648,064	32,894,970	28,987,324	34,718,771	33,885,415	35,518,358
Available Fund Balance	17,481,748	19,808,064	24,357,161	28,675,506	26,387,324	32,118,771	31,285,415	32,918,358
End Bal as % of Exps Total	88%	103%	121%	150%	111%	134%	119%	134%
End Bal as % of Exps Available	80%	94%	110%	131%	101%	124%	110%	125%
Tax Assumptions:								
Value	5,431,908,611	5,499,814,530	5,552,131,900	7,353,051,835	7,464,168,311	7,464,168,311	7,610,372,920	7,658,806,855
% increase growth	1.250%	0.951%	2.74%	1.51%	1.03%	1.96%	0.64%	0.0%
% Change reval	0%	0%	28.9%	0%	0%	0%	0%	12%
New Value	5,499,814,530	5,552,131,900	7,353,051,835	7,464,168,311	7,540,874,579	7,610,372,920	7,658,806,855	8,577,863,678
Collection rate	99.0%	99.0%	99.0%	99.17%	97.75%	99.15%	98.00%	98.75%
Rate	0.255	0.255	0.2220	0.2220	0.2220	0.2200	0.2320	0.2056
Tax produced	13,884,282	14,016,357	16,164,000	16,432,919	16,364,075	16,600,506	17,413,063	17,415,637
Revenue assumptions:								
Sales tax							3.0%	3.0%
Franchise tax							2.8%	2.8%
Powell Bill							0.0%	0.0%
Other							1.5%	1.5%
Expense assumptions:								
Personnel							7.00%	7.00%
Operating							4.00%	4.00%
Debt issuance variable:								
Beginning Debt Outstanding	12,436,983	11,439,504	11,302,036	9,162,920	7,289,672	7,826,402	15,078,879	14,452,765
Principal retired	(1,908,658)	(1,944,800)	(2,139,116)	(2,674,518)	(2,312,505)	(2,190,523)	(2,711,114)	(2,674,763)
Principal issued	911,179	1,807,332	-	1,338,000	10,143,000	9,443,000	2,085,000	17,984,433
Ending Debt Outstanding	11,439,504	11,302,036	9,162,920	7,826,402	15,120,167	15,078,879	14,452,765	29,762,435

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Beginning Fund Balance	35,518,358	27,248,222	21,519,688	14,344,135	7,040,194	(3,071,903)	(13,251,807)	(25,598,120)
Revenues:								
Property tax	17,951,443	18,172,418	18,396,155	18,398,976	18,625,544	18,854,945	19,087,214	19,086,660
Sales tax	4,777,462	4,920,786	5,068,409	5,220,462	5,377,075	5,538,388	5,704,539	5,875,675
Franchise tax	1,883,284	1,936,016	1,990,225	2,045,951	2,103,238	2,162,128	2,222,668	2,284,902
Powell Bill allocation	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
All others (grants, Tourism-related taxes, Parks revenue, etc.)	3,152,415	3,199,702	3,247,697	3,296,413	3,345,859	3,396,047	3,446,987	3,498,692
Total Revenues	28,564,605	29,028,922	29,502,486	29,761,801	30,251,716	30,751,508	31,261,408	31,545,931
Expenditures:								
Personnel (supplanted \$4.8M of Public Safety salaries with ARP funds in FY 23 and \$4.8M in FY 24)	14,460,675	15,618,315	16,845,414	18,146,139	19,524,907	20,986,402	22,535,586	24,177,721
Operating	11,036,034	11,517,475	12,018,174	12,538,901	13,080,457	13,643,676	14,229,423	14,838,600
Supplanting-Funded Exp. not in CIP or Operating/Personnel Forecast	750,000							
TH/PS/PW/Bldg Maint. Rsv Fund	-	-	-	-	-	-	-	-
Cain Center (operating support)	411,000	411,000	411,000	390,450	370,928	352,381	334,762	318,024
Existing Debt service (includes debt issued in FY 23)	2,845,488	2,448,935	1,875,364	1,669,439	1,620,234	1,547,694	1,501,819	1,451,963
Powell Bill/Stormwater Capital	3,800,000	200,000	800,000	200,000	800,000	200,000	800,000	200,000
Other Capital (fund balance cash)	1,148,000	1,493,000	1,347,000	825,000	1,681,000	881,000	866,000	1,157,000
New debt svc	2,383,544	3,068,729	3,381,087	3,295,812	3,286,286	3,320,259	3,340,132	3,595,733
Transfers	-	-	-	-	-	-	-	-
Smithville/Infrastructure (Transfer to Capital Project Fund)	-	-	-	-	-	-	-	-
Use of Cap Reserve	-	-	-	-	-	-	-	-
Total Expenditures	36,834,741	34,757,455	36,678,040	37,065,742	40,363,813	40,931,412	43,607,721	45,739,041
Net	(8,270,136)	(5,728,533)	(7,175,554)	(7,303,941)	(10,112,096)	(10,179,904)	(12,346,313)	(14,193,110)
Ending Fund Bal	27,248,222	21,519,688	14,344,135	7,040,194	(3,071,903)	(13,251,807)	(25,598,120)	(39,791,230)
Capital Reserve	-	-	-	-	-	-	-	-
Total Fund Balance	27,248,222	21,519,688	14,344,135	7,040,194	(3,071,903)	(13,251,807)	(25,598,120)	(39,791,230)
Available Fund Balance	24,554,398	18,919,688	11,744,135	4,440,194	(5,671,903)	(15,851,807)	(28,198,120)	(42,391,230)
End Bal as % of Exps Total	74%	62%	39%	19%	-8%	-32%	-59%	-87%
End Bal as % of Exps Available	67%	54%	32%	12%	-14%	-39%	-65%	-93%
Tax Assumptions:								
Value	8,577,863,678	8,685,086,974	8,793,650,561	8,903,571,193	9,971,999,736	10,096,649,733	10,222,857,855	10,350,643,578
% increase growth	1.25%	1.25%	1.25%	0.0%	1.25%	1.25%	1.25%	1.25%
% Change reval	0%	0%	0%	12%	0%	0%	0%	12%
New Value	8,685,086,974	8,793,650,561	8,903,571,193	9,971,999,736	10,096,649,733	10,222,857,855	10,350,643,578	11,737,629,817
Collection rate	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%
Rate	0.2056	0.2056	0.2056	0.1836	0.1836	0.1836	0.1836	0.1619
Tax produced	17,677,973	17,898,948	18,122,685	18,125,506	18,352,074	18,581,475	18,813,744	18,813,190
Revenue assumptions:								
Sales tax	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Franchise tax	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%
Powell Bill	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Expense assumptions:								
Personnel	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Operating	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Debt issuance variable:								
Beginning Debt Outstanding	29,762,435	35,469,371	37,412,111	39,620,270	39,820,270	38,520,270	38,692,270	38,732,270
Principal retired	(2,305,055)	(1,970,260)	(1,454,841)	(1,300,000)	(1,300,000)	(1,275,000)	(1,275,000)	(1,270,000)
Principal issued	8,011,991	3,913,000	3,663,000	1,500,000	-	1,447,000	1,315,000	3,835,000
Ending Debt Outstanding	35,469,371	37,412,111	39,620,270	39,820,270	38,520,270	38,692,270	38,732,270	41,297,270

Available Fund Balance



Long-Term View

- FY23 may be last year for decades that there is a net contribution to Fund Balance (at a 23.2 cent property tax rate) due to cost increases
- As forecasted for the past four years.....
 - Annual operating funds will not keep pace with Bonds, installment financing debt, personnel retention/recruitment, and Fire Dept. Transition Plan
 - A rapid use of Fund Balance will begin in FY24
 - Unsustainable situation at either a 22.2 or 23.2 cent tax rate

Long-Term View

- Violate Fund Balance Policy in FY27 (Less than 40% of Expenditures)
 - FY27 Available fund Balance = \$ 11.5M
 - FY28 Available fund Balance = \$ 4.2M
 - FY29 Available fund Balance = (\$5.9M)
 - FY30 Available fund Balance = (\$16.1M)
- Will need a correction prior to FY27, with either subsequent Property Tax Increase(s) or Major cut to Expenses (i.e., Cut Services or Capital Projects)
- Earlier action will lead to less impactful Property Tax Increase

Next Steps

- Public Hearing tonight
- Adopt Budget – tonight or June 20
(Documentation necessary to adopt budget is prepared.)

Public Hearing Comments

TOWN OF CORNELIUS

**AN ORDINANCE ESTABLISHING
THE OPERATING BUDGET FOR
FISCAL YEAR 2022-2023**

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF
COMMISSIONERS OF THE TOWN OF CORNELIUS:**

SECTION 1. The following amounts are hereby authorized for all appropriations, expenditures and inter-fund transfers necessary for the administration and operation of the Town of Cornelius for the fiscal year beginning July 1, 2022 and ending June 30, 2023 in accordance with the following schedule of accounts heretofore established for this Town:

**Original
Budget**

SCHEDULE A: GENERAL FUND

General Fund Revenues

Ad Valorem Taxes	\$ 17,773,063
Local Option Sales Tax	4,503,216
Utility Franchise Tax	1,782,090
Powell Bill Allocation	800,000
Other Taxes and Licenses	454,584
Unrestricted Intergovernmental	1,542,603
Restricted Intergovernmental	742,242
Permits and Fees	664,400
Sales and Services	120,000
Investment earnings	19,000
Donations	15,000
Micellaneous	20,800
Debt Issued	2,085,000
ARP/CSLFRF Revenue	4,821,414
Appropriated Fund Balance	786,592
Total General Fund Revenues	<u>\$36,130,004</u>

General Fund Expenditures

Governing Board	\$ 87,846
General Government	2,182,835
General Services	3,333,106
Police	9,046,277
Communications	947,218
Fire Operations	4,441,576
Animal Control	248,692
Public Works	1,520,445
Powell Bill	1,148,000
Solid Waste/Recycling	2,346,188
Stormwater	629,000
Planning / Land Development	840,694
Tourism	464,492
Art Center	411,000
Parks, Arts, Recreation, and Culture	3,880,057
Transfer to Capital Project Funds/ 911 Fund	1,148,821
Debt Service	3,453,758
Total General Fund Expenditures	<u>\$36,130,004</u>

**Original
Budget**

SCHEDULE B: ELECTRIC FUND

Electric Fund Revenues

Sales and Services	\$ 7,949,013
Fund Balance	(1,981,488)
Debt Issued	4,500,000
Miscellaneous	15,000
Total Electric Fund Revenues	<u>\$ 10,482,525</u>

Electric Fund Expenditures

Electric Department	\$10,482,525
Total Electric Fund Expenditures	<u>\$ 10,482,525</u>

SCHEDULE C: 911 FUND

911 Fund Revenues:

911 Fee Revenue	\$134,876
Fund Interest Earnings	\$2,000
911 Appropriated Fund Balance	\$0
Total 911 Fund Revenues	<u>\$ 136,876</u>

911 Fund Expenditures:

911 Department	\$136,876
Total 911 Fund Expenditures	<u>\$ 136,876</u>

SECTION 2. An ad valorem tax rate of \$.232 per \$100 of assessed valuation is hereby established as the official tax rate for the Town of Cornelius for the fiscal year 2020-21. This rate is based on an estimated valuation of \$7,658,806,855 and an estimated 98.00% percent collection rate, which is at least the collection rate expected during the 2021-22 fiscal year.

SECTION 3. In accordance with G.S. §159-9 and G.S. §159-15, the Town Manager shall serve as the budget officer and is hereby authorized to reallocate appropriations among the objects of expenditure under the following conditions:

- a. The Town Manager may transfer amounts between line-item expenditures even among departments as believed to be necessary and prudent.
- b. He may not transfer any amounts between funds, except as approved by the Board of Commissioners in the Budget Ordinance as amended.

Adopted this the 6th day of June, 2022.

Woody T. Washam Jr., Mayor

SEAL

ATTEST:

APPROVED AS TO FORM:

Lori A. Harrell, Town Clerk

Karen Wolter, Town Attorney

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners

From: Julie Niswonger, Finance Director

Action Requested:

This amendment for the FY23 Budget adds the Ada Jenkins Annual Support Grant for \$25,000 to the FY23 Budget.

Manager's Recommendation:

Approve an Ordinance to amend the FY23 operating budget.

ATTACHMENTS:

Name:	Description:	Type:
 Amend_1_FY23.pdf	FY23 Operating Budget Amendment	Cover Memo

TOWN OF CORNELIUS
AN ORDINANCE AMENDING
THE OPERATING BUDGET FOR
FISCAL YEAR 2022-2023

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF
COMMISSIONERS OF THE TOWN OF CORNELIUS:**

SECTION 1. The following amounts are hereby authorized for all appropriations, expenditures and inter-fund transfers necessary for the administration and operation of the Town of Cornelius for the fiscal year beginning July 1, 2022 and ending June 30, 2023 in accordance with the following schedule of accounts heretofore established for this Town:

SCHEDULE A: GENERAL FUND

	Original Budget	This Amendment 6/6/2022	Change
General Fund Revenues			
Ad Valorem Taxes	\$ 17,773,063	17,773,063	-
Local Option Sales Tax	4,503,216	4,503,216	-
Utility Franchise Tax	1,782,090	1,782,090	-
Powell Bill Allocation	800,000	800,000	-
Other Taxes and Licenses	454,584	454,584	-
Unrestricted Intergovernmental	1,542,603	1,542,603	-
Restricted Intergovernmental	742,242	742,242	-
Permits and Fees	664,400	664,400	-
Sales and Services	120,000	120,000	-
Investment earnings	19,000	19,000	-
Donations	15,000	15,000	-
Micellaneous	20,800	20,800	-
Debt Issued	2,085,000	2,085,000	-
ARP/CSLFRF Revenue	4,821,414	4,821,414	-
Appropriated Fund Balance	786,592	811,592	25,000
Total General Fund Revenues	\$36,130,004	\$36,155,004	\$25,000
General Fund Expenditures			
Governing Board	\$ 87,846	87,846	-
General Government	2,182,835	2,182,835	-
General Services	3,333,106	3,358,106	25,000
Police	9,046,277	9,046,277	-
Communications	947,218	947,218	-
Fire Operations	4,441,576	4,441,576	-
Animal Control	248,692	248,692	-
Public Works	1,520,445	1,520,445	-
Powell Bill	1,148,000	1,148,000	-
Solid Waste/Recycling	2,346,188	2,346,188	-
Stormwater	629,000	629,000	-
Planning / Land Development	840,694	840,694	-
Tourism	464,492	464,492	-
Art Center	411,000	411,000	-
Parks, Arts, Recreation, and Culture	3,880,057	3,880,057	-
Transfer to Capital Project Funds/ 911 Fund	1,148,821	1,148,821	-
Debt Service	3,453,758	3,453,758	-
Total General Fund Expenditures	\$36,130,004	\$36,155,004	\$25,000

	Original Budget	This Amendment 6/6/2022	Change
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SCHEDULE B: ELECTRIC FUND

Electric Fund Revenues

Sales and Services	\$ 7,949,013	7,949,013	-
Fund Balance	(1,981,488)	(1,981,488)	-
Debt Issued	4,500,000	4,500,000	-
Miscellaneous	15,000	15,000	-
Total Electric Fund Revenues	\$ 10,482,525	\$ 10,467,525	\$ -

Electric Fund Expenditures

Electric Department	\$10,482,525	10,482,525	-
Total Electric Fund Expenditures	\$ 10,482,525	\$ 10,482,525	\$ -

SCHEDULE C: 911 FUND

911 Fund Revenues:

911 Fee Revenue	\$134,876	134,876	-
Fund Interest Earnings	\$2,000	2,000	-
911 Appropriated Fund Balance	\$0	-	-
Total 911 Fund Revenues	\$ 136,876	\$ 136,876	\$ -

911 Fund Expenditures:

911 Department	\$136,876	136,876	-
Total 911 Fund Expenditures	\$ 136,876	\$ 136,876	\$ -

SECTION 2. An ad valorem tax rate of \$.232 per \$100 of assessed valuation is hereby established as the official tax rate for the Town of Cornelius for the fiscal year 2020-21. This rate is based on an estimated valuation of \$7,658,806,855 and an estimated 98.00% percent collection rate, which is at least the collection rate expected during the 2021-22 fiscal year.

SECTION 3. In accordance with G.S. §159-9 and G.S. §159-15, the Town Manager shall serve as the budget officer and is hereby authorized to reallocate appropriations among the objects of expenditure under the following conditions:

- a. The Town Manager may transfer amounts between line-item expenditures even among departments as believed to be necessary and prudent.
- b. He may not transfer any amounts between funds, except as approved by the Board of Commissioners in the Budget Ordinance as amended.

Adopted this the 6th day of June, 2022.

Woody T. Washam Jr., Mayor

SEAL

ATTEST:

APPROVED AS TO FORM:

Lori A. Harrell, Town Clerk

Karen Wolter, Town Attorney

REQUEST FOR BOARD ACTION

 **Print**

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners

From: Julie Niswonger, Finance Director

Action Requested:

This Grant Project Ordinance Amendment for the ARP/CSLFRF fund transfers \$4,821,414 from this fund to the general fund for purposes of supplanting public safety salaries and some benefits in FY23.

Manager's Recommendation:

Approve Grant Project Ordinance Amendment as presented.

ATTACHMENTS:

Name:	Description:	Type:
 UPDATED Grant Ordinance for American Rescue Plan Act - April 2022 Amend 1.pdf	ARP/CSLFRF Grant Project Ordinance Amend 1	Cover Memo

**GRANT PROJECT ORDINANCE AMENDMENT
FOR
AMERICAN RECOVERY PLAN ACT FUNDS**

ORDINANCE 2022-_____

**Grant Project Ordinance Amendment for the Town of Cornelius American Rescue Plan Act of 2021:
Coronavirus State and Local Fiscal Recovery Funds**

Now, therefore be it ordained by the Board of Commissioners of the Town of Cornelius, North Carolina that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby amended:

Section 3: Transfer \$4,821,414 in ARP/CSLFRF to FY 2022-2023 Annual Budget Ordinance:

Section 4: Decrease total ARP/CSLFRF estimated revenues to \$4,821,414:

ARP/CSLFRF Funds:	\$9,642,828
General Fund Transfer:	\$4,821,414
Total:	\$4,821,414

THIS ORDINANCE AMENDED THIS THE 6th Day of June, 2022

ATTEST:

Lori Harrell
Town Clerk

Woody Washam
Mayor

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners
From: Wayne Herron, Deputy Town Manager

Action Requested:

The Town owns parcel 18936 Statesville Road (Tax ID 00517183). The Town was approached by Robinson Lewis Properties, LLC., the owner of 18820 Statesville Road (Tax ID 00514101), about purchasing +/-3500 square feet of the Town owned parcel in order to expand parking at 18820 Statesville Road. Robinson Lewis Properties, LLC. offered the Town \$8,000 for the +/- 3500 sq. ft.

The procedure for selling Town property is called the negotiated price/upset bid process.

The process is as follows:

1. Staff receives an offer that is agreeable,
 2. Board conditionally accepts offer, subject to upset bid, via approval of resolution.
 3. Town receives upset bids for 10 days,
 4. If no upset bids, sale is finalized. If the Town does receive an upset bid, Town continues to receive upset bids until no further upset bids.
- Any upset bids must be 10% higher for the 1st \$1,000 and 5% higher for the remainder of the previous offer. A new 10 day period starts with the receipt of an upset bid.

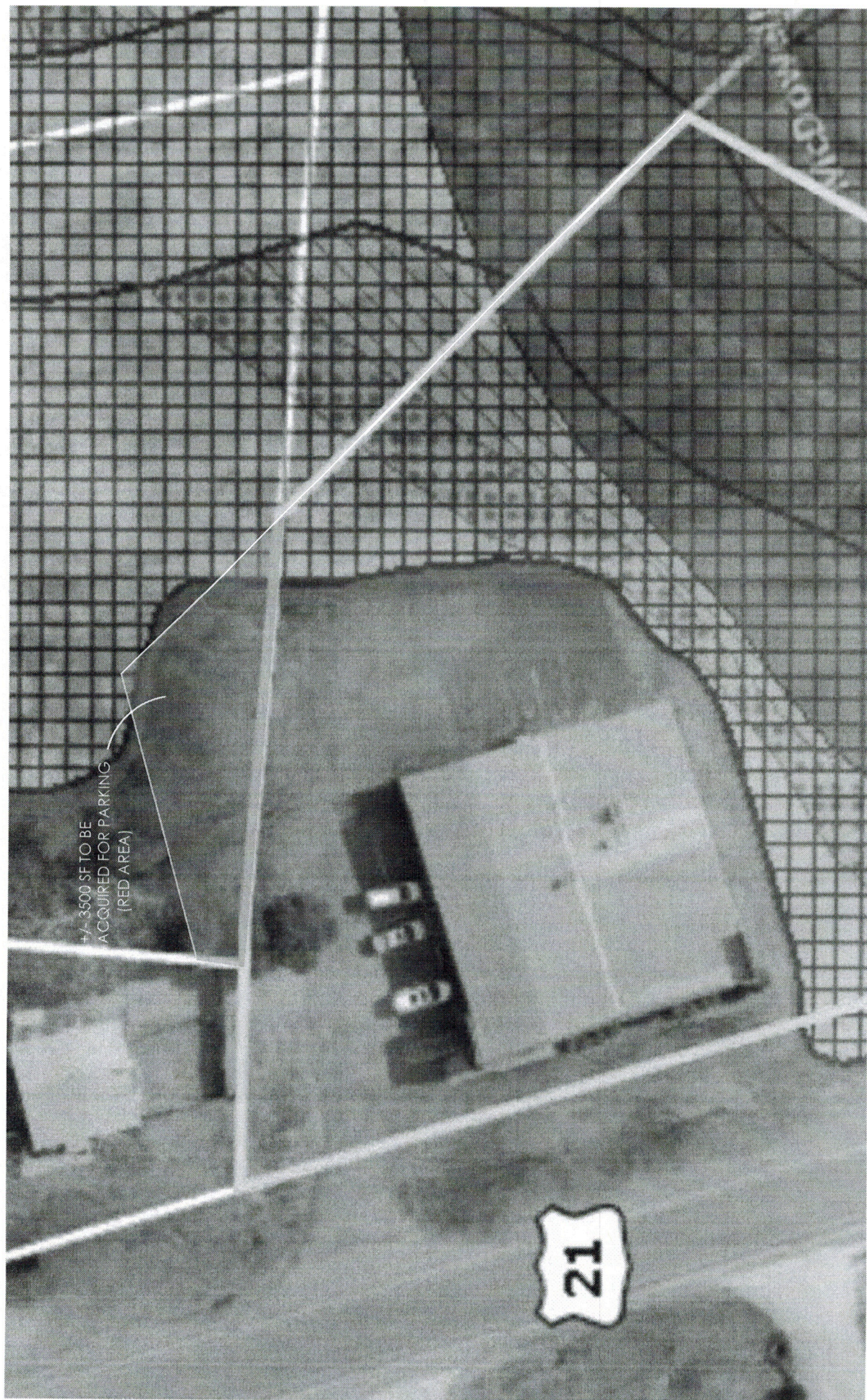
The Town has no future use for this portion of parcel 00517183, as the topo is challenging in this area of the property and is difficult to access from the northern section of the parcel.

Manager's Recommendation:

Approve Resolution accepting the offer to purchase and start the upset bid process.

ATTACHMENTS:

Name:	Description:	Type:
 OTPC-18936_Statesville_Rd.pdf	Offer to Purchase Contract	Cover Memo
 Robinson_Lewis_offer_Exhibit_A.pdf	Map of Area to be Purchased	Cover Memo
 Statesville_Road_Resolution.docx	Resolution	Backup Material



+/- 3500 SF TO BE
ACQUIRED FOR PARKING
(RED AREA)





AGREEMENT FOR PURCHASE AND SALE OF LAND

THIS AGREEMENT, including any and all addenda attached hereto ("Agreement"), is by and between

Robinson Lewis Properties, LLC or assigns

a(n) **North Carolina LLC** ("Buyer"), and
(individual or State of formation and type of entity)

Town of Cornelius

a(n) _____ ("Seller").
(individual or State of formation and type of entity)

(NOTE: If the Buyer or Seller is an entity, in order to form a binding agreement and complete a transaction, the entities listed as Buyer or Seller in this Agreement should be validly formed and in good standing with the Secretary of State in the State of formation of the entity.)

FOR AND IN CONSIDERATION OF THE MUTUAL PROMISES SET FORTH HEREIN AND OTHER GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTIES HERETO AGREE AS FOLLOWS:

Section 1. Terms and Definitions: The terms listed below shall have the respective meaning given them as set forth adjacent to each term.

(a) "**Property**": (Address) **Part of 18936 Statesville Road, Cornelius NC 28031**

Plat Reference: Lot(s) _____, Block or Section _____, as shown on Plat Book or Slide _____ at Page(s) _____, _____ County, consisting of _____ acres.

☒ If this box is checked, "Property" shall mean that property described on **Exhibit A** attached hereto and incorporated herewith by reference.

(For information purposes: (i) the tax parcel number of the Property is: **00517183**; and, (ii) some or all of the Property, consisting of approximately **.08** acres, is described in Deed Book **28403**, Page No. **417**, **Mecklenburg** County.)

together with all buildings and improvements thereon and all fixtures and appurtenances thereto.

\$ **8,000.00**

(b) "**Purchase Price**" shall mean the sum of **Eight Thousand**

Dollars,

or, if this box is checked ☐, Purchase Price shall mean the sum of \$ _____ per gross acre ("Price Per Acre") as determined by a survey obtained by Buyer prior to the expiration of the Examination Period ("Survey"). Buyer shall provide a copy of the Survey to Seller not later than the expiration of the Examination Period. The purchase price shall be determined by multiplying the Price Per Acre by the number of gross acres as determined by the Survey. Adjustments to the amounts due under Sections 1(b)(ii) - 1(b)(iii) shall be made, as applicable, to reflect any adjustment in the Purchase Price in accordance with this provision. The Purchase Price shall be payable on the following terms:

\$ **1,000.00**

(i) "**Earnest Money**" shall mean **One Thousand** Dollars or terms as follows: _____

The Earnest Money shall be deposited in escrow with

Page 1 of 9



This form jointly approved by:
North Carolina Bar Association
North Carolina Association of REALTORS®, Inc.

STANDARD FORM 580L-T
Adopted 7/2020
© 7/2021

Buyer Initials **lw** Seller Initials _____

_____ (name of person/entity with whom deposited- "Escrow Agent") within five (5) calendar days of the Contract Date, to be applied as part payment of the Purchase Price of the Property at Closing, or disbursed as agreed upon under the provisions of Section 10 herein. Should Buyer fail to deliver the Earnest Money by the date required hereunder, or should any check or other funds paid by Buyer be dishonored, for any reason, by the institution upon which the payment is drawn, Buyer shall have one (1) banking day after written notice of such dishonor to deliver cash, official bank check, wire transfer or electronic transfer to the Escrow Agent. If Buyer fails to deliver the required funds within one (1) banking day after written notice, then Seller may terminate this Agreement by written notice to Buyer at any time thereafter, provided Seller has not then received acknowledgement by Escrow Agent of its receipt of funds from Buyer. If the Escrow Agent has not delivered to the Seller the acknowledgement of Earnest Money on the last page of this Agreement by the calendar day following the date the Earnest Money is required to be delivered hereunder, it shall be presumed that the Earnest Money was not delivered by the required time (unless, upon the written request of Seller, Escrow Agent can provide proof of its receipt of the Earnest Money by the required time). Buyer and Seller consent to the disclosure by the Escrow Agent, to the parties to this Agreement, the Broker(s) and any Buyer lender, of any material facts pertaining to the Earnest Money.

☐ ANY EARNEST MONEY DEPOSITED BY BUYER IN A TRUST ACCOUNT MAY BE PLACED IN AN INTEREST BEARING TRUST ACCOUNT, AND: (check only ONE box)

☐ ANY INTEREST EARNED THEREON SHALL BE APPLIED AS PART PAYMENT OF THE PURCHASE PRICE OF THE PROPERTY AT CLOSING, OR DISBURSED AS AGREED UPON UNDER THE PROVISIONS OF SECTION 10 HEREIN. (Buyer's Taxpayer Identification Number is: _____)

☐ ANY INTEREST EARNED THEREON SHALL BELONG TO THE ACCOUNT HOLDER IN CONSIDERATION OF THE EXPENSES INCURRED BY MAINTAINING SUCH ACCOUNT AND RECORDS ASSOCIATED THEREWITH.

\$ _____ (ii) **Delivery of a promissory note** secured by a deed of trust, said promissory note in the amount of _____ Dollars being payable over a term of _____ years, with an amortization period of _____ years, payable in monthly installments of principal, together with accrued interest on the outstanding principal balance at the rate of _____ percent (_____ %) per annum in the amount of \$ _____, with the first principal payment beginning on the first day of the month next succeeding the date of Closing, or such other terms as may be set forth on **Exhibit B**. At any time, the promissory note may be prepaid in whole or in part without penalty and without further interest on the amounts prepaid from the date of such prepayment. (NOTE: In the event of Buyer's subsequent default upon a promissory note and deed of trust given hereunder, Seller's remedies may be limited to foreclosure of the Property. If the deed of trust given hereunder is subordinated to senior financing, the material terms of such financing must be set forth on Exhibit B. If such senior financing is subsequently foreclosed, the Seller may have no remedy to recover under the note.)

\$ 7,000.00 (iii) **Cash**, balance of Purchase Price, at Closing in the amount of Seven Thousand Dollars.

Buyer, at Buyer's expense, shall be entitled to pursue qualification for and approval of any loan Buyer intends to obtain in connection with the transaction contemplated by this Agreement. (Note: Buyer's obligations under this Agreement are not conditioned upon obtaining or closing any loan. Therefore, Buyer is advised to consult with Buyer's lender prior to signing this offer to assure that the Examination Period allows sufficient time for Buyer's lender to provide Buyer sufficient information to decide whether to proceed with or terminate the transaction.)

(c) **"Closing"** shall mean the date of completion of the process detailed in Section 11 of this Agreement. Closing shall occur on or before _____ or **thirty (30) days after the examination period as described herein.**

Page 2 of 9

Buyer Initials lw Seller Initials _____

STANDARD FORM 580L-T
Adopted 7/2020
© 7/2021

- May 31, 2022

(f) **"Broker(s)"** shall mean:

Acting as: ☐ Seller's Agent; ☐ Dual Agent
and **Knox Group, Inc.** ("Selling Agency").

(g) **"Seller's Notice Address"** shall be as follows:

except as same may be changed pursuant to Section 12.

- except as same may be changed pursuant to Section 12.

- Robinson Lewis

Deferred/Rollback Taxes: Buyer ☐ intends to continue ☒ does not intend to continue the existing present use valuation property tax deferral(s) relating to the Property. In the event the Buyer intends to continue the existing present use valuation property tax deferral(s) relating to the Property, Buyer shall be responsible for making all necessary applications for continuation of the existing present use valuation property tax deferral(s) relating to the Property and shall be responsible for payment of any deferred/rollback taxes applicable to the Property.

If Buyer does not intend to continue the existing present use valuation property tax deferral(s) relating to the Property, ☒ Seller ☐ Buyer shall be responsible for payment of any deferred/rollback taxes applicable to the Property

Section 4. Deliveries: Seller agrees to use best efforts to deliver to Buyer, as soon as reasonably possible after the Contract Date, copies of all material information relevant to the Property in the possession of Seller, including but not limited to: information regarding matters detailed on Form 502- Land Information Worksheet, title insurance policies (and copies of any documents referenced therein), surveys, soil test reports, environmental surveys or reports, site plans, civil drawings, building plans, maintenance records and copies of all presently effective warranties or service contracts related to the Property. Seller authorizes (1) any attorney presently or previously representing Seller to release and disclose any title insurance policy in such attorney's file to Buyer and both Buyer's and Seller's agents and attorneys; and (2) the Property's title insurer or its agent to release and disclose all materials in the Property's title insurer's (or title insurer's agent's) file to Buyer and both Buyer's and Seller's agents and attorneys. If Buyer does not consummate the Closing for any reason other than Seller default, then Buyer shall return to Seller all hard copy materials delivered by Seller to Buyer pursuant to this Section 4 (or Section 7, if applicable), if any, and shall, upon Seller's request, following release of the Earnest Money, provide to Seller copies of (subject to the ownership and copyright interests of the preparer thereof) any and all studies, reports, surveys and other information relating directly to the Property prepared by or at the request of Buyer, its employees and agents, without any warranty or representation by Buyer as to the contents, accuracy or correctness thereof. Notwithstanding the above provisions regarding delivery and return of information and documentation, should there exist a separate non-disclosure, confidentiality, or similar agreement between Buyer and Seller, the terms of which conflict with this provision insofar as delivery and return of information and documentation, then the terms of such non-disclosure, confidentiality, or similar agreement shall control as to the delivery and return of information and documentation.

Section 5. Evidence of Title: Seller agrees to convey fee simple insurable title to the Property without exception for mechanics' liens, free and clear of all liens, encumbrances and defects of title other than: (a) zoning ordinances affecting the Property, (b) Leases (as defined in Section 7, if applicable) and (c) specific instruments on the public record at the Contract Date agreed to by Buyer (not objected to by Buyer prior to the end of the Examination Period), which specific instruments shall be enumerated in the deed referenced in Section 11 (items 5(a), 5(b) and 5(c) being collectively "Permitted Exceptions"); provided that Seller shall be required to satisfy, at or prior to Closing, any encumbrances that may be satisfied by the payment of a fixed sum of money, such as deeds of trust, mortgages or statutory liens. Seller shall not enter into or record any instrument that affects the Property after the Contract Date without the prior written consent of Buyer, which consent shall not be unreasonably withheld, conditioned or delayed.

Section 6. Conditions: This Agreement and the rights and obligations of the parties under this Agreement are hereby made expressly conditioned upon fulfillment (or waiver by Buyer, whether explicit or implied) of the following conditions:

(a) **Title Examination:** After the Contract Date, Buyer shall, at Buyer's expense, cause a title examination to be made of the Property before the end of the Examination Period. In the event that such title examination shall show that Seller's title is not fee simple insurable, subject only to Permitted Exceptions, then Buyer shall promptly notify Seller in writing of all such title defects and exceptions, in no case later than the end of the Examination Period, and Seller shall have thirty (30) days to cure said noticed defects. If Seller does not cure the defects or objections within thirty (30) days of notice thereof, then Buyer may terminate this Agreement and receive a return of Earnest Money (notwithstanding that the Examination Period may have expired). If Buyer is to purchase title insurance, the insuring company must be licensed to do business in the state in which the Property is located. Title to the Property must be insurable at regular rates, subject only to standard exceptions and Permitted Exceptions.

(b) **Same Condition:** If the Property is not in substantially the same condition at Closing as of the date of the offer, reasonable wear and tear excepted, then the Buyer may (i) terminate this Agreement and receive a return of the Earnest Money or (ii) proceed to Closing whereupon Buyer shall be entitled to receive, in addition to the Property, any of the Seller's insurance proceeds payable on account of the damage or destruction applicable to the Property.

Buyer Initials WV Seller Initials _____

Page 4 of 9

STANDARD FORM 580L-T
Adopted 7/2020
© 7/2021

(c) **Inspections:** Buyer, its agents or representatives, at Buyer's expense and at reasonable times during normal business hours, shall have the right to enter upon the Property for the purpose of investigating matters such as those detailed on Form 502-Land Information Worksheet, conducting timber cruises, and examining and surveying the Property; provided, however, that Buyer shall not conduct any invasive testing of any nature without the prior express written approval of Seller as to each specific invasive test intended to be conducted by Buyer. Buyer shall conduct all such on-site inspections, examinations, testing, timber cruises and surveying of the Property in a good and workmanlike manner, at Buyer's expense, shall repair any damage to the Property caused by Buyer's entry and on-site inspections and shall conduct same in a manner that does not unreasonably interfere with Seller's or any tenant's use and enjoyment of the Property. In that respect, Buyer shall make reasonable efforts to undertake on-site inspections outside of the hours Seller's or any tenant's business is open to the public. Buyer shall provide Seller or any tenant (as applicable) reasonable advance notice of and Buyer shall cause its agents or representatives and third party service providers (e.g. inspectors, surveyors, etc.) to give reasonable advance notice of any entry onto the Property. Buyer shall be obligated to observe and comply with any terms of any tenant lease which conditions access to such tenant's space at the Property. Upon Seller's request, Buyer shall provide to Seller evidence of general liability insurance. Buyer shall also have a right to review and inspect all contracts or other agreements affecting or related directly to the Property and shall be entitled to review such books and records of Seller that relate directly to the operation and maintenance of the Property, provided, however, that Buyer shall not disclose any information regarding this Property (or any tenant therein) unless required by law, and the same shall be regarded as confidential, to any person, except to its attorneys, accountants, lenders and other professional advisors, in which case Buyer shall obtain their agreement to maintain such confidentiality. Buyer assumes all responsibility for the acts of itself and its agents or representatives in exercising its rights under this Section 6(c) and agrees to indemnify and hold Seller harmless from any damages resulting therefrom. This indemnification obligation of Buyer shall survive the Closing or earlier termination of this Agreement. Except as provided in Section 6(a) above, Buyer shall have from the Contract Date through the end of the Examination Period to perform the above inspections, examinations and testing. **IF BUYER CHOOSES NOT TO PURCHASE THE PROPERTY, FOR ANY REASON OR NO REASON, AND PROVIDES WRITTEN NOTICE TO SELLER THEREOF PRIOR TO THE EXPIRATION OF THE EXAMINATION PERIOD, THEN THIS AGREEMENT SHALL TERMINATE, AND BUYER SHALL RECEIVE A RETURN OF THE EARNEST MONEY.**

Section 7. Leases (Check one of the following, as applicable):

☒ If this box is checked, Seller affirmatively represents and warrants that there are no Leases (as hereinafter defined) affecting the Property.

☐ If this box is checked, Seller discloses that there are one or more leases affecting the Property ("Leases") and the following provisions are hereby made a part of this Agreement.

(a) A list of all Leases shall be set forth on **Exhibit B**. Seller represents and warrants that as of the Contract Date, there are no other Leases, oral or written, recorded or not, nor any subleases affecting the Property, except as set forth on **Exhibit B**;

(b) Seller shall deliver copies of any Leases to Buyer pursuant to Section 3 as if the Leases were listed therein;

(c) Seller represents and warrants that, as of the Contract Date, there are no current defaults (or any existing situation which, with the passage of time, or the giving of notice, or both, or at the election of either landlord or tenant could constitute a default) either by Seller, as landlord, or by any tenant under any Lease ("Lease Default"). In the event there is any Lease Default as of the Contract Date, Seller agrees to provide Buyer with a detailed description of the situation in accordance with Section 3. Seller agrees not to commit a Lease Default as Landlord after the Contract Date; and agrees further to notify Buyer immediately in the event a Lease Default arises or is claimed, asserted or threatened to be asserted by either Seller or a tenant under the Lease.

(d) During the Examination Period, Buyer and Seller shall cooperate in good faith to determine if any Lease shall be terminated prior to Closing or shall continue after Closing. As to any Lease determined to continue after Closing, Seller shall deliver an assignment of Seller's interest in such Lease to Buyer in form and content acceptable to Buyer (with tenant's written consent and acknowledgement, if required under the Lease). Seller agrees to deliver such assignment of Lease at or before Closing, with any security deposits held by Seller under any Leases to be transferred or credited to Buyer at or before Closing. The assignment shall provide: (i) that Seller shall defend, indemnify and hold Buyer harmless from claims, losses, damages and liabilities (including, without limitation, court costs and attorneys' fees) asserted against or incurred by Buyer which are caused by or the result of any default by Seller under any Lease prior to the date of Closing, and (ii) that Buyer shall defend, indemnify and hold Seller harmless from claims, losses, damages and liabilities (including, without limitation, court costs and attorneys' fees) asserted against or incurred by Seller which are caused by or the result of any default by Buyer under any Lease after the date of Closing.

Buyer Initials W Seller Initials _____

(e) Seller also agrees to work diligently to obtain any tenant signatures on any estoppel certificates in such form as Buyer may reasonably request and to work diligently to obtain any subordination, nondisturbance and attornment agreements in such form as Buyer may reasonably request.

Section 8. Environmental/Physical Aspects of Property: Seller represents and warrants that it has no actual knowledge of the presence or disposal, except as in accordance with applicable law, within any structures on the Property or on the Property of hazardous or toxic waste or substances, which are defined as those substances, materials, and wastes, including, but not limited to: those substances, materials and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR Part 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302.4) and amendments thereto, or such substances, materials and wastes, which are or become regulated under any applicable local, state or federal law, including, without limitation, any material, waste or substance which is (i) petroleum, (ii) asbestos, (iii) polychlorinated biphenyls, (iv) designated as a Hazardous Substance pursuant to Section 311 of the Clean Water Act of 1977 (33 U.S.C. §1321) or listed pursuant to Section 307 of the Clean Water Act of 1977 (33 U.S.C. §1317), (v) defined as a hazardous waste pursuant to Section 1004 of the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6903) or (vi) defined as a hazardous substance pursuant to Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. §9601). Seller has no actual knowledge of any contamination of the Property from such substances as may have been disposed of or stored on neighboring tracts.

Section 9. Risk of Loss/Damage/Repair: Until Closing, the risk of loss or damage to the Property, except as otherwise provided herein, shall be borne by Seller. Except as to maintaining the Property in its same condition, Seller shall have no responsibility for the repair of the Property, including any improvements, unless the parties hereto agree in writing.

Section 10. Earnest Money Disbursement: In the event that any condition hereto is not satisfied, then the Earnest Money shall be refunded to Buyer. In the event of breach of this Agreement by Seller, the Earnest Money shall be refunded to Buyer upon Buyer's request, but such return shall not affect any other remedies available to Buyer for such breach. In the event of breach of this Agreement by Buyer, the Earnest Money shall be paid to Seller as liquidated damages and as Seller's sole and exclusive remedy for such breach, but without limiting Seller's rights under Section 6(c) or Section 22 of this Agreement. It is acknowledged by the parties that payment of the Earnest Money to Seller in the event of a breach of this Agreement by Buyer is compensatory and not punitive, such amount being a reasonable estimation of the actual loss that Seller would incur as a result of such breach. The payment of the Earnest Money to Seller shall not constitute a penalty or forfeiture but actual compensation for Seller's anticipated loss, both parties acknowledging the difficulty determining Seller's actual damages for such breach.

NOTE: In the event of a dispute between Seller and Buyer over the disposition of the Earnest Money held in escrow, a licensed real estate broker is required by state law (and Escrow Agent, if not a broker, hereby agrees) to retain the Earnest Money in the Escrow Agent's trust or escrow account until Escrow Agent has obtained a written release from the parties consenting to its disposition or until disbursement is ordered by a court of competent jurisdiction. Alternatively, if a broker or an attorney licensed to practice law in North Carolina is holding the Earnest Money, the broker or attorney may deposit the disputed monies with the appropriate clerk of court in accordance with the provisions of N.C.G.S. §93A- 12.

Seller and Buyer hereby agree and acknowledge that the Escrow Agent assumes no liability in connection with the holding of the Earnest Money pursuant hereto except for negligence or willful misconduct of Escrow Agent. Escrow Agent shall not be responsible for the validity, correctness or genuineness of any document or notice referred to under this Agreement. Seller and Buyer hereby agree to indemnify, protect, save and hold harmless Escrow Agent and its successors, assigns and agents pursuant to this Agreement, from any and all liabilities, obligations, losses, damages, claims, actions, suits, costs or expenses (including attorney fees) of whatsoever kind or nature imposed on, incurred by or asserted against Escrow Agent which in any way relate to or arise out of the execution and delivery of this Agreement and any action taken hereunder; provided, however, that Seller and Buyer shall have no such obligation to indemnify, save and hold harmless Escrow Agent for any liability incurred by, imposed upon or established against it as a result of Escrow Agent's negligence or willful misconduct.

Section 11. Closing: At or before Closing, Seller shall deliver to Buyer a special warranty deed unless otherwise specified on **Exhibit B** and other documents customarily executed or delivered by a seller in similar transactions, including without limitation, an owner's affidavit, lien waiver forms (and such other lien related documentation as shall permit the Property to be conveyed free and clear of any claim for mechanics' liens) and a non-foreign status affidavit (pursuant to the Foreign Investment in Real Property Tax Act), and Buyer shall cause to be delivered the funds necessary to pay to Seller the Purchase Price. The Closing shall be conducted by Buyer's attorney or handled in such other manner as the parties hereto may mutually agree in writing. Possession shall be delivered at Closing, unless otherwise agreed herein. The Purchase Price and other funds to be disbursed pursuant to this Agreement shall not be disbursed until the Buyer's attorney's (or other designated settlement agent's) receipt of authorization to disburse all necessary funds.

Section 12. Notices: Unless otherwise provided herein, all notices and other communications which may be or are required to be given or made by any party to the other in connection herewith shall be in writing (which shall include electronic mail) and shall be deemed to have been properly given and received (i) on the date delivered in person or (ii) the date deposited in the United States mail,

registered or certified, return receipt requested, to the addresses set out in Section 1(g) as to Seller, and in Section 1(h) as to Buyer, or at such other addresses as specified by written notice delivered in accordance herewith, (iii) at such time as the sender performs the final act to send such transmission, in a form capable of being processed by the receiving party's system, to any electronic mail address or facsimile number, if any, provided in Section 1(g) as to Seller, and in Section 1(h) as to Buyer or (iv) on the date deposited with a recognized overnight delivery service, addressed to the addresses set out in Section 1(g) as to Seller, and in Section 1(h) as to Buyer, or at such other addresses as specified by written notice delivered in accordance herewith. If a notice is sent by more than one method, it will be deemed received upon the earlier of the dates of receipt pursuant to this Section.

Section 13. Counterparts; Entire Agreement: This Agreement may be executed in one or more counterparts, which taken together, shall constitute one and the same original document. Copies of original signature pages of this Agreement may be exchanged via facsimile or e-mail, and any such copies shall constitute originals. This Agreement constitutes the sole and entire agreement among the parties hereto and no modification of this Agreement shall be binding unless in writing and signed by all parties hereto. The invalidity of one or more provisions of this Agreement shall not affect the validity of any other provisions hereof and this Agreement shall be construed and enforced as if such invalid provisions were not included.

Section 14. Enforceability: This Agreement shall become a contract when signed by both Buyer and Seller and such signing is communicated to both parties; it being expressly agreed that notice given in accordance with Section 12 is not required for effective communication for the purposes of this Section 14. The parties acknowledge and agree that: (i) the initials lines at the bottom of each page of this Agreement are merely evidence of their having reviewed the terms of each page, and (ii) the complete execution of such initials lines shall not be a condition of the effectiveness of this Agreement. This Agreement shall be binding upon and inure to the benefit of the parties, their heirs, successors and assigns and their personal representatives.

Section 15. Adverse Information and Compliance with Laws:

(a) **Seller Knowledge/Assessments:** Seller has no actual knowledge of (i) condemnation(s) affecting or contemplated with respect to the Property; (ii) actions, suits or proceedings pending or threatened against the Property; (iii) changes contemplated in any applicable laws, ordinances or restrictions affecting the Property; (iv) governmental special assessments, either pending or confirmed, for sidewalk, paving, water, sewer, or other improvements on or adjoining the Property, and no pending or confirmed owners' association special assessments or (v) any caves, mineshafts, tunnels, fissures, open or abandoned wells, gravesites, pet cemeteries, animal burial pits or landfill operations (past or present) located at the Property, except as follows (Insert "None" or the identification of any matters relating to (i) through (v) above, if any):

NONE

Note: For purposes of this Agreement: (i) a "special assessment" is defined as a charge against the Property by a governmental authority in addition to ad valorem taxes and recurring governmental service fees levied with such taxes, or by an owners' association in addition to any regular assessment (dues), either of which may be a lien against the Property; a special assessment may be either pending or confirmed; (ii) a "confirmed" special assessment is defined as an assessment that has been approved by a governmental agency or an owners' association for the purpose(s) stated, whether, at the time of Closing, it is payable in a lump sum or future installments; (iii) a "pending" special assessment is defined as an assessment that is under formal consideration by a governmental agency or an owners' association but which has not been approved prior to Closing. Seller shall pay, in full at Closing, all confirmed governmental or association special assessments, provided that the amount thereof can be reasonably determined or estimated. The payment of such determined or estimated amount shall be the final payment between Buyer and Seller as to any confirmed special assessments. If the amount of any special assessment cannot be reasonably determined or estimated, the special assessment shall be deemed a pending special assessment. Buyer shall take title subject to all pending special assessments disclosed by Seller herein, if any.

(b) **Compliance:** To Seller's actual knowledge, (i) Seller has complied with all applicable laws, ordinances, regulations, statutes, rules and restrictions pertaining to or affecting the Property; (ii) performance of the Agreement will not result in the breach of, constitute any default under or result in the imposition of any lien or encumbrance upon the Property under any agreement or other instrument to which Seller is a party or by which Seller or the Property is bound; and (iii) there are no legal actions, suits or other legal or administrative proceedings pending or threatened against the Property, and Seller is not aware of any facts which might result in any such action, suit or other proceeding.

(c) **Owners' Association:** If the Property is subject to regulation by an owners' association, Seller shall deliver the following information to Buyer pursuant to Section 4 as if the same were listed therein (or Seller shall state that Seller does not have same in their possession or that such item is not applicable): (i) the name of the owners' association; (ii) the amount of regular assessments (dues); (iii) the name, address and telephone number of the president of the owners' association or of the association manager or management

Buyer Initials WV Seller Initials _____

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STANDARD FORM 580L-T
Adopted 7/2020
© 7/2021

company; (iv) the owners' association website address; (v) the Seller's statement of account; (vi) the master insurance policy showing the coverage provided and the deductible amount; (vii) copies of any Declaration and/or Restrictive Covenants; (viii) the Rules and Regulations, (ix) the Articles of Incorporation and Bylaws of the owners' association; (x) the current financial statement and budget of the owners' association; (xi) the parking restrictions and information; and (xii) the architectural guidelines. Seller authorizes and directs any owners' association, any management company of the owners' association, any insurance company and any attorney who has previously represented the Seller to release to Buyer, Buyer's agents, representative, closing attorney or lender true and accurate copies of the foregoing items affecting the Property, including any amendments thereto.

Section 16. Survival of Representations and Warranties: All representations, warranties, covenants and agreements made by the parties hereto shall survive the Closing and delivery of the deed. Seller shall, at or within six (6) months after the Closing, and without further consideration, execute, acknowledge and deliver to Buyer such other documents and instruments, and take such other action as Buyer may reasonably request or as may be necessary to more effectively transfer to Buyer the Property described herein in accordance with this Agreement.

Section 17. Applicable Law: This Agreement shall be construed under the laws of the state in which the Property is located. This form has only been approved for use in North Carolina.

Section 18. Assignment: This Agreement is freely assignable unless otherwise expressly provided on **Exhibit B**.

Section 19. Tax-Deferred Exchange: In the event Buyer or Seller desires to effect a tax-deferred exchange in connection with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange; provided, however, that the exchanging party shall be responsible for all additional costs associated with such exchange, and provided further, that a non-exchanging party shall not assume any additional liability with respect to such tax-deferred exchange. Seller and Buyer shall execute such additional documents, at no cost to the non-exchanging party, as shall be required to give effect to this provision.

Section 20. Memorandum of Contract: Upon request by either party, the parties hereto shall execute a memorandum of contract in recordable form setting forth such provisions hereof (other than the Purchase Price and other sums due) as either party may wish to incorporate. Such memorandum of contract shall contain a statement that it automatically terminates and the Property is released from any effect thereby as of a specific date to be stated in the memorandum (which specific date shall be no later than the date of Closing). The cost of recording such memorandum of contract shall be borne by the party requesting execution of same.

Section 21. Authority: Each signatory to this Agreement represents and warrants that he or she has full authority to sign this Agreement and such instruments as may be necessary to effectuate any transaction contemplated by this Agreement on behalf of the party for whom he or she signs and that his or her signature binds such party.

Section 22. Brokers: Except as expressly provided herein, Buyer and Seller agree to indemnify and hold each other harmless from any and all claims of brokers, consultants or real estate agents by, through or under the indemnifying party for fees or commissions arising out of the sale of the Property to Buyer. Buyer and Seller represent and warrant to each other that: (i) except as to the Brokers designated under Section 1(f) of this Agreement, they have not employed nor engaged any brokers, consultants or real estate agents to be involved in this transaction and (ii) that the compensation of the Brokers is established by and shall be governed by separate agreements entered into as amongst the Brokers, the Buyer and/or the Seller.

Section 23. Attorneys Fees: If legal proceedings are instituted to enforce any provision of this Agreement, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorneys fees and court costs incurred in connection with the proceeding.

THE NORTH CAROLINA ASSOCIATION OF REALTORS®, INC. AND THE NORTH CAROLINA BAR ASSOCIATION MAKE NO REPRESENTATION AS TO THE LEGAL VALIDITY OR ADEQUACY OF ANY PROVISION OF THIS FORM IN ANY SPECIFIC TRANSACTION. IF YOU DO NOT UNDERSTAND THIS FORM OR FEEL THAT IT DOES NOT PROVIDE FOR YOUR LEGAL NEEDS, YOU SHOULD CONSULT A NORTH CAROLINA REAL ESTATE ATTORNEY BEFORE YOU SIGN IT.

Buyer Initials *lw* Seller Initials

Page 8 of 9

STANDARD FORM 580L-T
Adopted 7/2020
© 7/2021

BUYER:**Individual**

Date: _____

Date: _____

Business Entity

Robinson Lewis Properties

(Name of Entity)

By: _____

Name: Mr. Andrew Lewis

Title: w/p

Date: 3/25/22

SELLER:**Individual**

Date: _____

Date: _____

Business Entity

(Name of Entity)

By: _____

Name: _____

Title: _____

Date: _____

WIRE FRAUD WARNING

To Buyers: Before sending any wire, you should call the closing agent's office to verify the instructions. If you receive wiring instructions for a different bank, branch location, account name or account number, they should be presumed fraudulent. Do not send any funds and contact the closing agent's office immediately.

To Sellers: If your proceeds will be wired, it is recommended that you provide wiring instructions at closing in writing in the presence of the closing agent. If you are unable to attend closing, you may be required to send an original notarized directive to the closing agent's office containing the wiring instructions. This directive may be sent with the deed, lien waiver and tax forms if those documents are being prepared for you by the closing agent. At a minimum, you should call the closing agent's office to provide the wire instructions. The wire instructions should be verified over the telephone via a call to you initiated by the closing agent's office to ensure that they are not from a fraudulent source.

Whether you are a buyer or a seller, you should call the closing agent's office at a number that is independently obtained. To ensure that your contact is legitimate, you should not rely on a phone number in an email from the closing agent's office, your real estate agent or anyone else.

The undersigned hereby acknowledges receipt of the Earnest Money set forth herein and agrees to hold said Earnest Money in accordance with the terms hereof.

(Name of Escrow Agent)

Date: _____

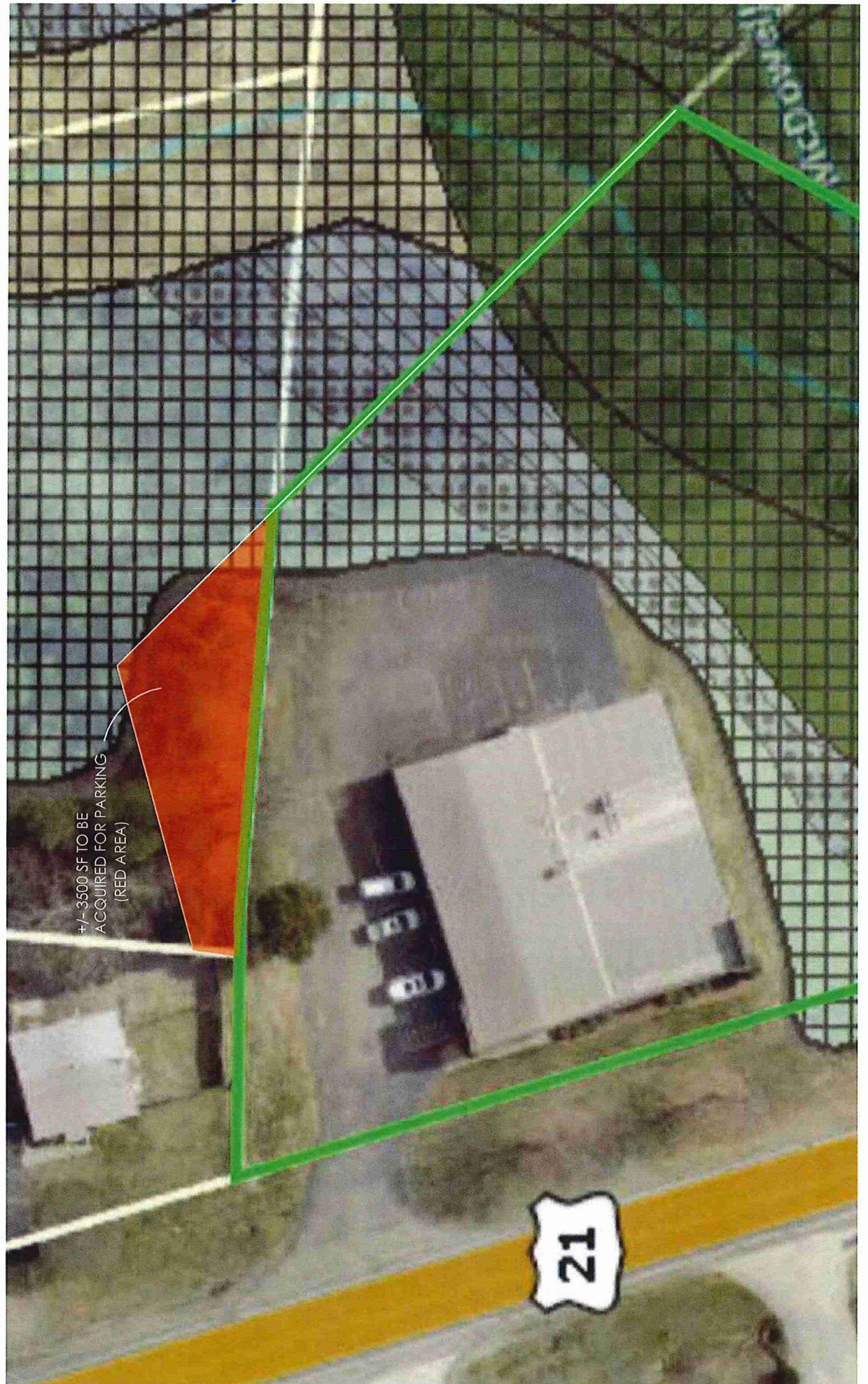
By: _____

Escrow Agent's contact/notice information is as follows:

e-mail address: _____ fax number: _____

except as same may be changed pursuant to Section 12.

EXHIBIT A



**A RESOLUTION AUTHORIZING THE SALE OF CERTAIN REAL PROPERTY
PURSUANT TO N.C. GEN. STAT. § 160A-269**

WHEREAS, the Town of Cornelius ("Town") is authorized by N.C. Gen. Stat. §160A-269 to convey real property via negotiated offer, advertisement, and upset bid;

WHEREAS, the Town has received an offer for the purchase of the property described below (the "Property") of \$8,000 (the "Offer"), which, if accepted, will be subject to terms set out in a sale contract approved by the Town Manager or designee;

WHEREAS, the Property constitutes surplus property;

WHEREAS, the Town will publish notice in accordance with N.C. Gen. Stat. §160A-269, and in the event that the initial upset bid period expires and no further upset bids are received, the Town desires to accept the Offer without further action; and

WHEREAS, in the event that any upset bids are received in accordance with law, the Town will meet to further consider any such new offers.

PROPERTY DESCRIPTION:

Mecklenburg County Tax Parcel ID# 00517183, consisting of approximately .08 acres located as part of 18936 Statesville Road, Cornelius, NC, 28031.

NOW, THEREFORE, BE IT RESOLVED:

1. If no further upset bids are received, then the Town Manager or designee is authorized to contract for and consummate the sale the Property to the current bidder for \$8,000, which represents the fair market value for the Property, subject to terms to be set out in a contract approved by the Town Manager or designee.
2. If any upset bids are received in accordance with law, then any such offers shall be considered by the Town at a subsequent meeting.

Adopted this ____ day of _____ 2022

SEAL

Woody Washam Jr., Mayor

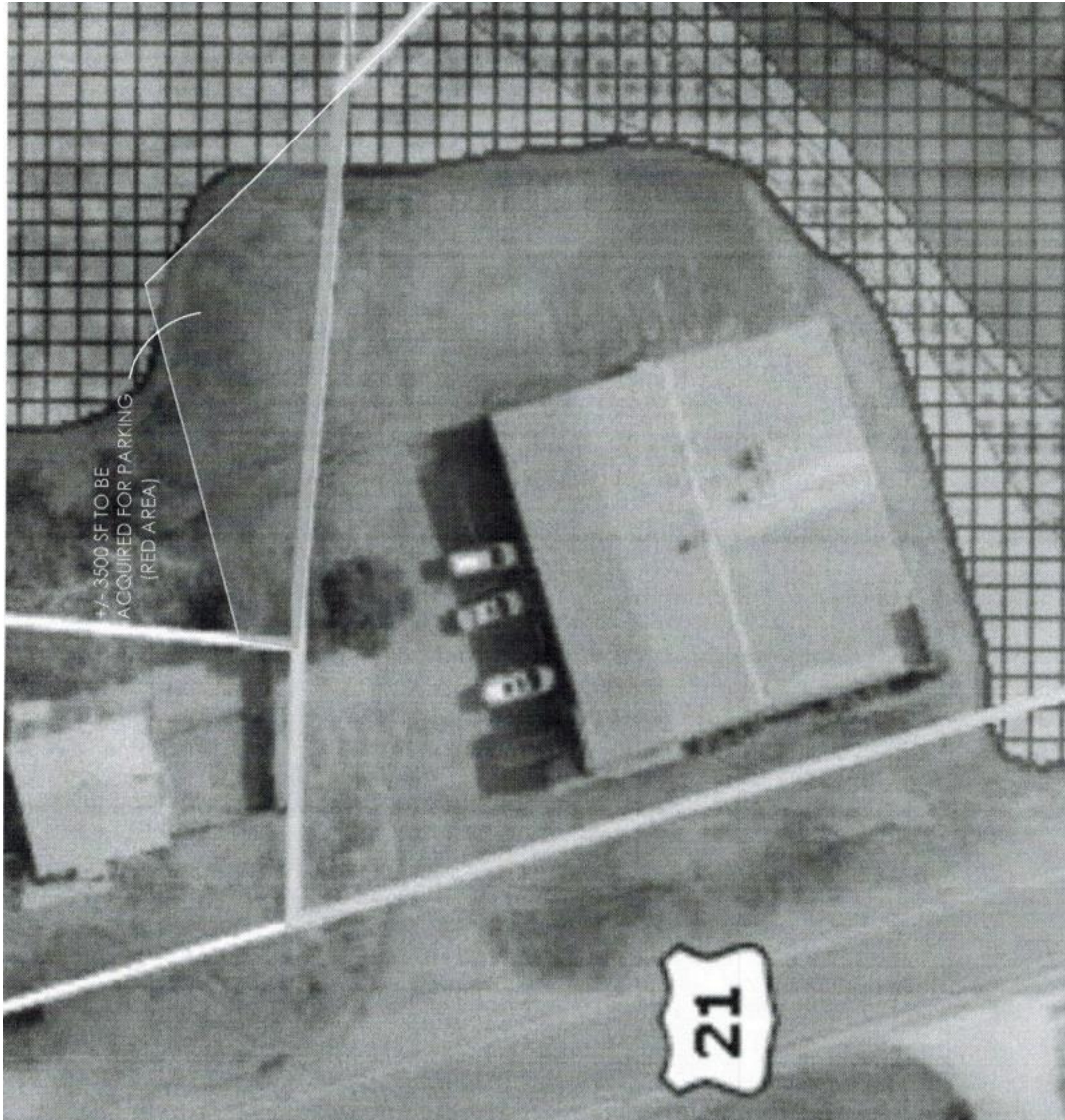
ATTEST:

APPROVED AS TO FORM:

Lori A. Harrell, Town Clerk

Town Attorney

THE PROPERTY



REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners
From: Wayne Herron, AICP
Deputy Town Manager

Action Requested:

Consideration of a Resolution accepting Potts Plantation Circle in the Bailey Springs subdivision for Town maintenance.

HISTORY

- Potts Plantation Circle is currently a privately maintained street. The HOA installed speed bumps to mitigate speeding and school traffic concerns.
- The HOA installed speed bumps that would likely not meet the Town's Traffic Calming Policy.
- The HOA did not work through the Town on evaluating speed bumps.
- Transportation Advisory Board (TAB) reviewed the the request for the Town to take over maintenance on March 1, 2022. TAB recommends the Town Board accept the street for maintenance with the speed bumps.
- Staff cannot recommend acceptance/approval due to non-compliance with the traffic calming policy.
- However, if the Board of Commissioners desires to accept, then staff has prepared the attached Resolution, and lists the following conditions:
 1. The Bailey Springs Homeowners Association (HOA) shall be responsible for painting each speed bump and placing signs at each speed bump by July 15, 2022 as directed by the Assistant Town Manager.
 2. The Town does not accept and will not repair damage to speed bumps as the installed speed bumps do not meet any Town standard. The Bailey Springs Homeowners Association (HOA) shall make such repairs to speed bumps at its expense when determined by the Town and as directed by the Town from time to time.

Manager's Recommendation:

Manager does not recommend accepting Potts Plantation Circle in the Bailey Springs subdivision, however, if the Board of Commissioners desires to accept, then approve attached Resolution with conditions as noted.

ATTACHMENTS:

Name:	Description:	Type:
 Resolution.pdf	Resolution for Street Acceptance - Bailey Springs	Resolution Letter
 62-814.pdf	Recorded Plat 62-814	Backup Material

**TOWN OF CORNELIUS
RESOLUTION TO ADOPT CERTAIN
STREETS FOR MAINTENANCE**

WHEREAS, Cornelius is a rapidly growing community and is desirous of providing the most effective and efficient governmental services to its residents; and

WHEREAS, Cornelius has been requested by Provident Development Group to accept Potts Plantation Circle that is currently maintained by said developer in the Bailey Springs subdivision; and

WHEREAS, the street is identified in the attached Exhibit #1 map and a request by the developer, Provident Development, is attached as Exhibit #2; and

WHEREAS, the Town of Cornelius is desirous of accepting Potts Plantation Circle for maintenance with the following conditions:

1. Each speed bump shall be painted by July 15, 2022 and paint maintained by the Bailey Springs Homeowners Association as directed by the Assistant Town Manager from time to time; and
2. A sign shall be placed at each speed bump location by July 15, 2022 as directed by the Assistant Town Manager; and
3. The Town will not accept and will not repair damage to speed bumps as the installed speed bumps do not meet any Town standard. The Bailey Springs Homeowners Association (HOA) shall make such repairs to speed bumps at its expense when determined by the Town and as directed by the Town from time to time.

NOW, THEREFORE, BE IT RESOLVED, BY THE BOARD OF COMMISSIONERS that the Town of Cornelius does hereby accept for maintenance Potts Plantation Circle.

Adopted this 6th day of June, 2022.

Woody Washam, Jr., Mayor

ATTEST:

APPROVED AS TO FORM:

Lori A. Harrell, Town Clerk

Town Attorney

Exhibit #1

N

Potts Plantation Cr

Bailey Rd

Bailey Springs Dr



Exhibit #2

November 19, 2019

Andrew Grant
Town Manager
Town of Cornelius
P.O. Box 399
Cornelius, NC 28031

Re: Application for Street Acceptance – Bailey Springs

Dear Mr. Grant:

I hereby certify, as the owner, that to the best of my knowledge the improvements in Bailey Springs have been constructed in accordance with the construction documents and are shown on a record map filed in the Mecklenburg County Register of Deeds Office in Map Book #62, Page #814. All work must conform to the construction standards as identified in the Charlotte-Mecklenburg Land Development Standards Manual and the Town of Cornelius Land Development Code.

I, therefore, request that the following streets in Bailey Springs be considered for maintenance acceptance by the Town of Cornelius. I understand that acceptance of said streets shall be made only by the Town of Cornelius Board of Commissioners in accordance with the Town's street acceptance policy.

Street Name	From	To	Length (in feet)
Potts Plantation Circle	Bailey Springs Dr @ Potts Plantation Circle	Potts Plantation Circle @ Bailey Springs Dr.	888

(if additional space is required, continue on back)



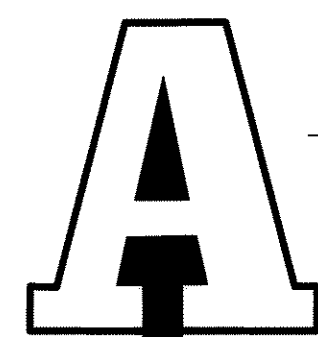
Signature of Owner

tom@providentdev.com
E-mail Address

Phone Number: 704-201-5150

6707 Fairview Road, Suite B, Charlotte, NC 28210

Mailing Address (street number, street name, city, state, zip)

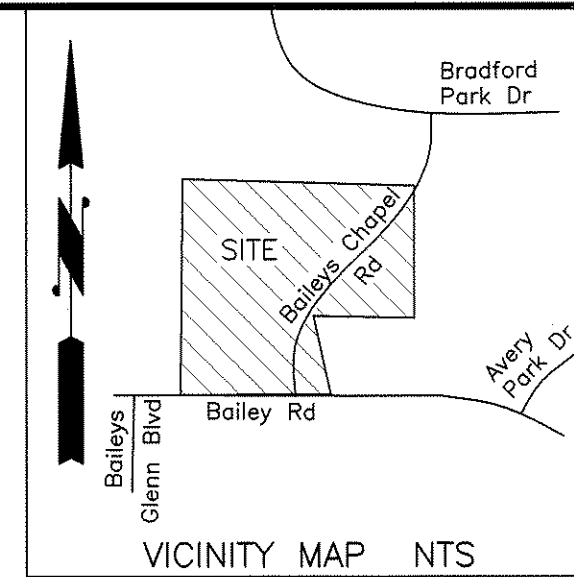


North Ref: NC Grid NAD83/2011

Lilyan S. Hunter
Miriam Smith Whisnart
PID: 00711102
DB 3620 PG 192

BOOK 62 PAGE 814
#2018037003

Curve	Radius	Length	Chord	Chord Bearing
C1	20.00'	31.32'	28.21'	N 40°14'24" E
C2	511.50'	104.48'	104.31'	N 01°07'09" E
C3	511.50'	79.48'	79.40'	N 11°25'22" E
C4	511.50'	236.64'	234.54'	N 29°07'40" E
C5	511.50'	37.07'	37.06'	N 44°27'29" E
C6	458.50'	410.26'	396.71'	S 20°54'01" W
C7	20.00'	31.47'	28.32'	S 49°48'49" E
C8	15.00'	22.51'	20.46'	S 57°56'33" W
C9	100.00'	115.30'	109.01'	N 46°02'23" W
C10	100.00'	179.53'	156.38'	N 38°25'22" E
C11	100.00'	81.47'	79.24'	S 66°48'16" E
C12	15.00'	22.46'	20.42'	S 00°33'56" E
C13	15.00'	23.56'	21.21'	N 88°28'04" W
C14	150.00'	24.96'	24.93'	N 48°13'50" W
C15	150.00'	57.21'	56.86'	N 63°55'22" W
C16	150.00'	40.04'	39.92'	N 82°29'48" W
C17	150.00'	23.56'	21.21'	S 80°50'32" W
C18	150.00'	55.31'	55.00'	S 61°15'53" W
C19	150.00'	55.31'	55.00'	S 40°08'13" W
C20	150.00'	55.09'	54.78'	S 19°03'08" W
C21	150.00'	56.40'	56.06'	S 02°14'22" E
C22	150.00'	42.16'	42.02'	S 21°03'45" E
C23	150.00'	60.31'	59.90'	S 40°37'58" E
C24	150.00'	59.92'	59.52'	S 63°35'40" E
C25	15.00'	10.55'	10.55'	S 17°03'14" E
C26	15.01'	22.90'	20.74'	S 33°20'52" E



VICINITY MAP NTS

MECKLENBURG COUNTY

Approved in accordance with the engineering requirements of the Subdivision Ordinance of the Town of Cornelius, County of Mecklenburg, North Carolina

[Signature]
Mecklenburg County
Stiff
Date 3/28/18
Planning Director, Town of Cornelius

CERTIFICATE OF APPROVAL FOR RECORDATION

I hereby certify that the subdivision plat shown herein has been found to comply with the land development code for Cornelius, North Carolina, and that this plat has been approved by the Town of Cornelius for recording in the Office of the Register of Deeds of Mecklenburg County. I further certify that the Board of Commissioners only accepts the dedication of the public parks shown herein, if such parks are located within the corporate limits of Cornelius, but assumes no responsibility to open or maintain the same until, in the opinion of the Board of Commissioners, it is in the public interest to do so.

3-29-18
Date
Planning Director, Town of Cornelius

CERTIFICATE OF OWNERSHIP AND DEDICATION

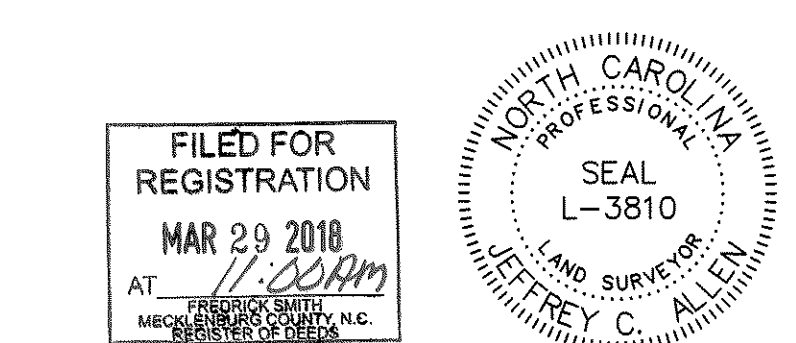
I hereby certify that I am the owner of the property shown and described herein, which is located in the subdivision jurisdiction of the Town of Cornelius and that I hereby adopt this plan of subdivision with my free consent, establish minimum building setback lines, preserve and protect all significant trees over 18 inches diameter in the tree root protection area, plant supplementary trees if required, and dedicated all streets, alleys, walks, paths, and other sites and easements to public or private use as noted. Furthermore, I hereby dedicate all sanitary sewer, storm sewer and water lines that are located in public utility easements or rights of way to the Town of Cornelius and the Charlotte Mecklenburg Utility Department.

4/29/2018
Date
Provident Development Group, Inc.

I, JEFFREY C. ALLEN, certify that this plat was drawn under my supervision from an actual survey made under my supervision (deed description recorded in Book 18637, page 659.); that the boundaries not surveyed are clearly indicated as drawn from information found in Book 18637, page 659.; that the ratio of precision as calculated is 1:10,000+; that this plat was prepared in accordance with G.S. 47-30 as amended; that regarding G.S. 47-30(a)(1)(a), this survey creates a subdivision of land within the area of a county or municipality that has an ordinance that regulates parcels of land; that the Global Positioning System (GPS) survey and the following information was used to perform the "Class A" GPS survey:
RTK Network procedure on 04/08/16;
NAD83 Datum / Epoch 2011 / GEOID09;
Checked Published NCGS Monument "HOPEWELL RESET";
Positional accuracy < 0.10'; US Survey Feet
Combined Grid Factor 0.99944864

Witness my original signature, registration number and seal this 23rd day of January, 2018.

[Signature]
PROFESSIONAL LAND SURVEYOR L-3810



Subdivision Plat for
Bailey Springs
12409 Bailey Road
Deweese Township, Mecklenburg County
NORTH CAROLINA

SCALE 1"=40'
DATE 01/23/18
JOB # 0779
DRAWN MCF

Allen
geomatics
LAND SURVEYING
Allen Geomatics, P.C. (C-3191)
PO Box 89, Advance, NC 27006
(336) 998-0218
www.AllenGeomatics.com

Course	Bearing	Distance
L1	N 43°28'15" W	2.57'
L2	S 46°31'45" W	2.76'
L3	S 83°01'42" E	2.53'
L4	N 74°07'34" W	2.66'
L5	S 14°57'16" W	1.00'
L6	S 42°19'40" W	1.00'
L7	S 47°37'06" E	2.74'

SITE INFORMATION:

Total Area: 12.287 Acres
Total Number Of Lots: 13
Total Area in Lots: 3.516 Acres

Area in COS A: 1.597 Acres (69,577 Sq. Ft.)
Area in COS B: 2.718 Acres (118,377 Sq. Ft.)
Area in COS C: 2.424 Acres (105,604 Sq. Ft.)
Area in COS TOTAL: 6.739 Acres

Area in R/W "Potts Plantation Circle":
0.971 Acres (42,274 Sq. Ft.)
Area in R/W "Bailey Springs Drive":
0.854 Acres (37,215 Sq. Ft.)
Area in R/W "Bailey Road":
0.207 Acres (9,034 Sq. Ft.)
Area in R/W TOTAL: 2.032 Acres

Impervious (BUA) Allowance:

Road - 22,800 Sq Ft (0.523 Acres)
Sidewalk - 9,000 Sq Ft (0.206 Acres)
Per Lot - 6,300 Sq Ft (0.126 Acres)
TOTAL- 113,700 Sq Ft (2.610 Acres)

LEGEND

EXISTING IRON PIPE
EXISTING IRON REBAR
EXISTING MAGNETIC NAIL
EXISTING "X" IN CONCRETE
EXISTING CONCRETE MONUMENT
POINT NOT FOUND OR SET
#9 REBAR SET
NORTH CAROLINA GEODETIC SURVEY
NAD NORTH AMERICAN DATUM
NOT TO SCALE
EDGE OF PAVEMENT
BACK OF CURB
RIGHT OF WAY
PROPERTY LINE
PARCEL IDENTIFICATION NUMBER
POST CONSTRUCTION CONTROL
SIGHT EASEMENT
STORM DRAINAGE EASEMENT
MINIMUM BUILDING LINE (SETBACK)
BUFFERS
STORM DRAINAGE EASEMENT

Jerry Lee Strack
PID: 00711116
DB 23388 PG 594

Jerry Lee Strack
PID: 00711120
DB 23388 PG 594

"George Barrett Julian and wife,
Billie W. Julian Property, Map 1"

Rosa Machin
Leonel Machin
PID: 00711123
DB 31067 PG 511

A portion of Lot 2, MB 27 PG 842
"George Barrett Julian and wife,
Billie W. Julian Property, Map 1"

Michael Diefenbach
Lori Diefenbach
PID: 00711118
DB 25501 PG 788

A portion of Lot 2, MB 27 PG 842
"George Barrett Julian and wife,
Billie W. Julian Property, Map 1"

NOTES:

- PID: 00711104, 00711121
- DB 18637 PG 659
- A portion of MB 47 PG 425
- Zoned: RP (Rural Preservation Conditional Zoning District)
- Zoning setbacks:
Front = 20'
Side = 5'
Rear = 20'
- There are a total of 13 Single Family lots created for a total of 6.739 Acres and 3 COS (Common Open Space) created for a total of 2.029 Acres
- There cannot be any encroachments into the easements.
- 1/2" iron rebar set at all property corners, unless otherwise noted.
- This property is not located in a Special Flood Hazard Area.
FEMA Map Number: 3710465300J Dated: March 2, 2009
- This property is not located in Rocky River Watershed Protection Area.
- To the best of my knowledge there are no demolition landfills on this site. Existing structures on site were demolished and the surveyor can only assume that proper grading procedures were followed.
- Common Open Space (COS) is to be privately maintained by the declarant and/or Home Owners Association.
- Each Single Family Residential lot shall comply with the Landscape Requirements as stated in Chapter 9 of the Land Development Code.
- The purpose of the Storm Drainage Easement (SDE) is to provide storm water conveyance. Buildings are not permitted in the easement area. Any other object which may impede storm water flow or system maintenance are also prohibited.
- The maintenance of all SDE's as shown on the plat are the responsibility of the property owner and or assigns.
- The purpose of this plat is to subdivide property as shown.
- The purpose of the final plat is to indicate the enforceable restrictions on property usage that run with the land to ensure that future development and redevelopment maintains the site in compliance with the Ordinance requirements. The restrictions on this recorded final plat shall be shown on any survey of any of the properties within the plat. Property owners have record notice of these restrictions and shall maintain the site in compliance with Ordinance requirements.
- The subdivided property is considered a larger common plan of development and therefore will be subject to the applicable portions of the Town of Cornelius Post-Construction Storm Water Ordinance during development and redevelopment (including expansion).
- Compliance with the Post-Construction Storm Water Ordinance is required.

Bailey Road
Public R/W varies per MB 47 PG 425

Potts Plantation Circle
50' Public R/W (this plat)
835 LF this plat

COS A
1.597 Acres
69,577 Sq Ft

COS C
2.424 Acres
105,607 Sq Ft

COS B
2.717 Acres
118,371 Sq Ft

COS C
2.424 Acres
105,607 Sq Ft

Lot 5
0.267 Acres
11,612 Sq Ft

Lot 4
0.224 Acres
9,740 Sq Ft

Lot 3
0.266 Acres
11,580 Sq Ft

Lot 2
0.273 Acres
11,880 Sq Ft

Lot 1
0.275 Acres
12,001 Sq Ft

Lot 6
0.270 Acres
11,759 Sq Ft

Lot 7
0.275 Acres
11,975 Sq Ft

Lot 8
0.275 Acres
11,977 Sq Ft

Lot 9
0.260 Acres
11,325 Sq Ft

Lot 10
0.194 Acres
8,448 Sq Ft

Lot 11
0.241 Acres
10,513 Sq Ft

Lot 12
0.305 Acres
13,292 Sq Ft

Lot 13
0.391 Acres
17,037 Sq Ft

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners

From: Julie Niswonger, Finance Director




Action Requested:

On Wednesday, May 25, the Finance Department opened bids on proposals to finance 3 parking lots. These items were approved in the FY 2022 budget. A compilation of the proposals is attached. The response from Truist is the low bid. The terms for the parking lots is 3 years with a principal amount of \$300,000 at an interest rate of 2.86%. Also, there is no prepayment penalty with this financing.

Manager's Recommendation:

Approve bid and resolution authorizing terms with Truist authorizing the Town Manager, Finance Director and Attorney to finalize terms and conditions and execute the documents.

ATTACHMENTS:

Name:	Description:	Type:
 Bid_Tab.pdf	Bid Tab	Cover Memo
 Truist_Proposal_-_Cornelius_NC_-_Town_Parking_Lots.pdf	Truist Bid	Cover Memo
 Resolution_Approving_Financing_Terms_with_Truist.pdf	Resolution Approving Financing Terms	Cover Memo

**Town of Cornelius
FY22 Parking Lots
Bid opening 5/25/2022**

[illegible]



Truist Financial Corporation

Governmental Finance

2320 Cascade Pointe Blvd. Suite 600
Charlotte, North Carolina 28208
Phone (704) 954-1700
Fax (704) 954-1799

May 25, 2022

Ms. Julie Niswonger
Town of Cornelius
21445 Catawba Ave.
Cornelius, NC 28031

Revised: May 27, 2022

Dear Ms. Niswonger:

Truist Bank (“Lender”) is pleased to offer this proposal for the financing requested by the Town of Cornelius (“Borrower”).

PROJECT:	Installment Financing of Town Parking Lots
AMOUNT:	\$300,000.00
TERM:	3 years
INTEREST RATE:	2.86%
TAX STATUS:	Tax Exempt – Bank Qualified
PAYMENTS:	<u>Interest:</u> Semi-Annual <u>Principal:</u> Semi-Annual
INTEREST RATE CALCULATION:	30/360
SECURITY:	First lien security interest on the real property purchased, financed, constructed, or renovated with financing proceeds
PREPAYMENT TERMS:	Prepayable in whole at any time without penalty
RATE EXPIRATION:	July 08, 2022
DOCUMENTATION/ LEGAL REVIEW FEE:	\$5,900
FUNDING:	Proceeds will be deposited into an account held at Lender at closing pending disbursement for project costs.
DOCUMENTATION:	Lender and its counsel shall prepare the deed of trust and all documentation for the Borrower. We shall provide a sample of all required documentation to you and

your counsel if Lender is the successful proposer. Lender will not require a survey or title insurance. Evidence of LGC approval is required when applicable. At a minimum, Lender shall require flood insurance, if applicable.

The financing documents shall include provisions that will outline appropriate changes to be implemented in the event that this transaction is determined to be taxable or non-bank qualified in accordance with state statutes or the Internal Revenue Service Code. All documentation must be deemed appropriate by Lender before closing.

REPORTING

REQUIREMENTS:

Lender will require financial statements to be delivered within 270 days after the conclusion of each fiscal year-end throughout the term of the financing.

Should we become the successful proposer, we have attached the form of a resolution that your governing board can use to award the financing to Lender. If your board adopts this resolution, then Lender shall not require any further board action prior to closing the transaction.

Lender shall have the right to cancel this offer by notifying the Borrower of its election to do so (whether this offer has previously been accepted by the Borrower) if at any time prior to the closing there is a material adverse change in the Borrower's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the Borrower or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to Lender.

Costs of counsel for the Borrower and any other costs will be the responsibility of the Borrower.

The stated interest rate assumes that the Borrower expects to borrow no more than \$10,000,000 in the current calendar year and that the financing will qualify as qualified tax-exempt financing under the Internal Revenue Code. Lender reserves the right to terminate this bid or to negotiate a mutually acceptable interest rate if the financing is not qualified tax-exempt financing.

We appreciate the opportunity to offer this financing proposal. Please call me at (803) 413-4991 with your questions and comments. We look forward to hearing from you.

Sincerely,

Truist Bank



Andrew G. Smith
Senior Vice President

Resolution Approving Financing Terms

WHEREAS, the Town of Cornelius (“Borrower”) has previously determined to finance the construction and paving of Town parking lots (the “Project”), and the Finance Director has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The Borrower hereby determines to finance the Project through Truist Bank (“Lender”) in accordance with the proposal dated May 25, 2022, or as such proposal may be supplemented or amended by Lender and the Borrower verbally or in writing. The amount financed shall not exceed \$300,000.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.86%, and the financing term shall not exceed three (3) years from the date of closing.

2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the Borrower are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution. The Financing Documents shall include a Financing Agreement and Deed of Trust and such other documents as Lender may request. Pursuant to the Financing Agreement and Deed of Trust, (a) Lender will advance moneys to the Borrower to pay the costs of the Project and the financing costs related thereto, and the Borrower will repay such advance in installments, and (b) the Borrower will grant a lien on the site of the Project, or portions thereof, together with all fixtures and improvements located thereon, to Lender as security for such advance.

3. The Finance Director is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to the Finance Director’s satisfaction. The Finance Director is authorized to approve changes to any Financing Documents previously signed by Borrower officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Director shall approve, with the Finance Director’s release of any Financing Document for delivery constituting conclusive evidence of such officer’s final approval of the Document’s final form.

4. The Borrower shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Borrower hereby designates its obligations to make principal and interest payments under the Financing Documents as “qualified tax-exempt obligations” for the purpose of Internal Revenue Code Section 265(b)(3).

5. The Borrower intends that the adoption of this resolution will be a declaration of the Borrower’s official intent to reimburse expenditures for the Project that are to be financed from the proceeds of the Lender financing described above. The Borrower intends that funds that have been advanced, or that may be advanced, from the Borrower’s general fund or any other Borrower fund related to the Project, for costs of the Project may be reimbursed from the financing proceeds.

6. All prior actions of Borrower officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this ____ day of _____, 20__

By: _____

By: _____

Title: _____

Title: _____

SEAL

Resolution Approving Financing Terms

WHEREAS, the Town of Cornelius ("Borrower") has previously determined to finance the construction and paving of Town parking lots (the "Project"), and the Finance Director has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

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6. All prior actions of Borrower officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this ____ day of _____, 20__

By: _____

By: _____

Title: _____

Title: _____

SEAL

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners

From: Wane Herron, Deputy Town Manager


Action Requested:

Staff will provide an overview of temporary sign regulation and policy.

Manager's Recommendation:

Hear presentation and provide direction and feedback.

ATTACHMENTS:

Name:	Description:	Type:
 TB 6.6.22_SIGNS.pdf	Staff Presentation	Presentation

SIGNS



Election Signs

- North Carolina Law

The General Assembly of North Carolina passed Senate Bill 315 in August of 2011 that permits campaign signs in the right-of-way. Signs are permitted during the period beginning on the 30th day before the beginning date of "one-stop" early voting and ending the 10th day after the primary or election day. No campaign sign should exceed six square feet in area or 42" in height.

It is a class 3 misdemeanor for a person to steal, deface, vandalize or unlawfully remove a political sign that is lawfully placed.

- The State law requires the NCDOT to enforce any violations with regard to election signs in the State's public right-of-way, not the Town.
- CAMPAIGN/ELECTION SIGNS Permissible Districts: ALL Districts During the period beginning on the 30th day before the beginning date of "one-stop" early voting and ending by the 10th day after the primary or election day, persons may place political signs as follows:
 - Each sign shall not exceed six (6) square feet in area.
 - The property owner upon whose land the sign is placed shall give express permission for the placement of said signs and will be held responsible for violations.

Prohibited Signs

- Temporary “Snipe” or “Bandit” signs are not permitted anywhere within the Town of Cornelius unless noted within this ordinance. Snipe/Bandit signs are signs made of corrugated cardboard, metal, wood or similar material placed on wire support poles or similar support and placed within the Town right-of-way or on private property. This signage does not include campaign/election signs that must follow regulations on page 10-19 or real estate signs that must follow regulations on page 10-17.



Prohibited Signs

- Temporary or permanent “feather” banner signs of any type, size, color, or composition.



Pandemic Policy

- In June 2021, the Town Board directed Staff to extend the policy for allowing each business up to 2 snipe signs on site that indicate help wanted or that they are open for business.
- Staff continues to allow snipes within this policy exception.
- Staff appreciates any feedback regarding the policy and if it is still warranted.





REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners

From: Lori Harrell, Town Clerk

Action Requested:

Review the minutes from March 30th & 31st - Special Meeting.

Manager's Recommendation:

Approve minutes.

ATTACHMENTS:

Name:	Description:	Type:
 03-30-22_Budget_Minutes.pdf	Special Meeting Minutes	Backup Material



**BOARD OF COMMISSIONERS
SPECIAL MEETING
March 30, 2022
MINUTES**

SPECIAL MEETING – 9:00AM

1. CALL TO ORDER

A. Opening Remarks – Mayor Washam, Manager

Mayor Washam called the meeting to order at 9:09AM and welcomed everyone. He thanked the Board for their hard work to date. The focus of this year's workshop will be on balancing slower growth with the ad valorem tax in conjunction with the growing needs and expectations of Cornelius citizens; upcoming road projects; the fire department transition plan; critical needs of workforce and affordable housing; the critical ongoing growth and development of the Town moving into the future; and the recruitment and retention of quality Town employees. Over 1,000 citizens have responded to this year's budget survey in helping to identify the budget priorities. He encouraged the Board to reach out to Manager Grant with all feedback throughout the budget process.

2. DETERMINATION OF QUORUM

All commissioners were present for the meeting.

3. APPROVAL OF AGENDA

Commissioner Gilroy made a motion to approve the agenda as presented. Commissioner Osborne seconded the motion and it passed unanimously, 5-0.

4. TOWN BOARD SPECIAL MEETING – DAY 1

A. Financial Condition

Finance Director, Julie Niswonger presented the Town's tax history rate and how it compares to other Mecklenburg County municipalities, including the County's tax rate, assessed values, and Ad Valorem percentages. She gave an overview of revenue and expenditures (budget vs. actual) for FY21 and the estimated year end for FY22; restricted and unrestricted fund balance; collateral debt obligations and their maturity dates; sales tax revenue; and revenue generated from occupancy tax and prepared food and beverage taxes. Manager Grant will present his FY23 recommended budget on May 2nd. The public hearing will be held on May 16th and the Board can consider adopting the FY23 budget and tax rate on June 6th or 20th.

Commissioner Bilodeau asked if staffing vacancies make up a good part of the FY22 estimated year end expenditures. Commissioner Gilroy added that COVID surely played a part as well. Finance Director Niswonger stated that was correct. Manager Grant stated that the carryforward of capital items has been the trend in dealing with supply chain issues.

Commissioner Gilroy recommended using fund balance to pre-pay off as much debt as possible.

B. Salary Market Study

Manager Grant explained that Citizen Personnel Committee members Charmaine Nephew, Bob Bruton and Dave Peterson are participating via Zoom in case the Board should have any questions.

HR Director Andrea Clemmer presented a market study conducted for police and telecommunicators to address increasing turnover and the focus of recruitment and retention. Exit surveys and interviews conducted in 2021-2022 have shown that pay (competition with other agencies, private sector, self-employment), better hours (remote work), and personal reasons/external pressures were the leading causes for resignations. The market study shows of the 19 municipalities surveyed, like Cornelius in size, telecommunicators are the lowest in the market and police are middle of the market but below Huntersville and Davidson. Recruitment and retention recommendations were outlined. The Citizen Personnel Committee and Manager Grant recommend a salary and benefits increase of \$404K to address the recommendations made from the market study.

Commissioner Sansbury asked if the market increase will help fill the gap. Chief Black stated that as of today and the reporting of the numbers it will because it will advance the standings in the overall market; however, if the market changes it will decrease the standings. Commissioner Sansbury suggested investing funds in recruiting efforts in addition to increasing salaries. Chief Black gave an overview of the recruitment incentives that are currently offered for new hires and BLET graduates.

Commissioner Bilodeau asked if the percentage (45%) of public safety cost in the total cost budget are in line with other municipalities. Manager Grant stated that public safety is the #1 expense for municipalities and Cornelius is in line with the surrounding towns.

Commissioner Furcht asked Chief Black if the recommended increase is good enough or are we going to continue to play catch up. Chief Black stated that based on the current market numbers it is.

Charmaine Nephew explained that Cornelius will always be competing with Huntersville in recruitment as their philosophy is to always be the top payer outside of Charlotte. Bob Bruton suggested that the Town set aside a pool of money to address the market increases that are set by other municipalities after Cornelius sets their rates to close the gaps created year after year.

Commissioner Osborne recommended that a study of benefits and compensation is done to ensure that the benefits along with the compensation are having the desired impact that the Town is looking for. Ms. Nephew explained that in years past benefits were studied along with compensation and the study did show that Cornelius was competitive in benefits, not the top but competitive, however, lacked in incentives. In having a mixed population, the younger generation's #1 priority is pay and the older generation's #1 priority is benefits. Commissioner Osborne asked if the

workforce housing incentive was included in that past study. Manager Grant stated that it was not part of the conversation during that study.

Commissioner Sansbury suggested establishing a baseline by committing to be at a determined percentage of the North Mecklenburg average each year so that new recruits know there is a retention commitment by the Town. Manager Grant stated that he can look at that and propose something to the Board for consideration. Commissioner Osborne stated that the decision should be how does Cornelius want to compete. Ms. Nephew added that compression will be created if it is not done right. Commissioner Gilroy stated that he is in favor of competitive pay, which includes benefits, but non-monetary options should be considered for recruitment and retention. Manager Grant stated that the best non-monetary benefit to offer is our culture, but the challenge is that culture only goes so far. Commissioner Gilroy stated that it is still a tool to address leap frogging.

Commissioner Bilodeau stated that he supports getting the numbers right in order to attract and retain but expressed his concerns with what is being given up when the department is down 11 police positions (traffic enforcement, community policing, etc.). The question is, is the Town where it needs to be in terms of total number officers and what services are provided. Mayor Washam stated that it has to be a demoralizing factor for the remaining officers who have to work more and harder to fill in the gap.

C. Draft Budget

Manager Grant presented the following draft budget:

- Merit/COLA 5%
- Solid waste increase - \$132, 803
- Health insurance \$0 increase
- Employee physical fitness incentive - \$16,320 annual cost
- FY23 Goals – \$2,032,769
 - Planning – \$204,000
 - Public Works – **-\$110K**
 - Admin/Finance – \$617,922
 - IT – \$79,000
 - Police – \$523,748
 - Parks & Recreation – \$90,600
 - Fire – \$627,499
- CIP – \$4,357,000
 - Replace Fire Engine 5 – \$830,000 (debt)
 - Street resurfacing – \$900,000 (Powell Bill)
 - Bailey Road Park Athletic Facility lighting replacement – \$755,000 (debt)
 - Police vehicles (8) – \$500,000 (debt/Fund Balance)
 - Stream restoration design – Magnolia Estates, Westmoreland, and Chartwell commercial properties – \$300,000 (potential ARP Projects)
 - Crosswalk improvements – \$200,000 (MI Connection Settlement Funds)
 - Legion Park major renovations – \$550,000 (potential ARP Projects)

- Police Roof – \$135,000 (Town Hall/Public Safety/Public Works/Building Maintenance Reserve Fund)
- Wideband camera surveillance project – \$54,000 (Asset Forfeiture Funds)
- Jetton Extension design – \$71,000 (potential ARP Projects)
- 2nd set of fire turn out gear – \$62,000 (Fund Balance)

Commissioner Gilroy asked what the percentage of the stormwater increase was. Asst. Manager Beardsley explained the 4 tiers of the increases (fraction of a percent) that is billed monthly on water bills.

Commissioner Gilroy asked what are the most compelling new things about the website update. Manager Grant stated that the public interaction piece will be an enhanced feature. Communications Manager MaeLynn Joyner stated that the best thing about updating the website is having the ability to control what is useful and what needs to be removed, enhanced search features and becoming a digital first community. Commissioner Sansbury added that the current website has a curated search engine that uses Google to search, whereas staff will determine the search criteria for the search engine.

Commissioner Bilodeau asked that the additional funding request of \$4K (\$8K total) for 'Tawba Walk be considered for the FY23 budget. Manager Grant stated that he has not received a request from the vendor but will consider it upon receipt.

Commissioner Osborne asked if a budget request for two-way communications (SPARQ) could be added to the FY23 budget. Manager Grant stated that it can certainly be added; however, in working with the SPARQ vendor it has not been determined what the actual cost would be, therefore, it could be a cost added later for consideration.

Commissioner Furcht asked Chief Barbee if the recommended budget goals for the fire department is enough. Chief Barbee stated that it is making it better for sure.

Commissioner Osborne asked if the new cost of vehicles and residual value are impacted is the proposed budgeted amount. Manager Grant stated that he is comfortable with the proposed budgeted amount for new vehicles. Asst. Manager Beardsley stated that he anticipates the used vehicles increasing in value due to the current market.

Former Parks & Rec Commissioner Scott Higgins asked about the crosswalk issue with NCDOT at the future roundabout near the YMCA and Hwy. 115. Commissioner Bilodeau stated that NCDOT has said that in order to have a crosswalk it would need to be moved away from the roundabout. Mr. Higgins stated that additional crosswalks on Hwy. 115 are needed. Manager Grant stated that staff will investigate where the crosswalks are within the design of the roundabout. Mayor Washam asked if there will be a crosswalk installed near the North Meck. Regional Rec. Center. Deputy Manager Herron stated that NCDOT has concerns with where the crosswalk goes to on the eastside of Hwy. 115. Commissioner Osborne suggested

moving the Town Center crosswalk safety improvements up and start the work as soon as possible.

Parks & Recreation Director Fitzsimmons gave an overview of the sink hole situation at Legion Park. Commissioner Gilroy asked what the major improvements are for Legion Park. Mr. Fitzsimmons explained that the entire stormwater pipe needs to be replaced with a dual pipe system to handle the water load, and a wet pond will be added to help store some of the water surge after a heavy rain, which will then become a recreational amenity.

D. LUNCH – 12:00PM – 12:30PM

The meeting recessed for lunch at 12:40PM. Mayor Washam reconvened the meeting at 1:38PM.

E. Draft Budget cont.d

Manager Grant displayed the roundabout design for Hwy. 115 and Potts and identified the crosswalks that are part of the project. Commissioner Sansbury expressed safety concerns with the placement of the sidewalks within the roundabout. Mayor Washam asked if NCDOT limits how many crosswalks can be installed along Hwy. 115. Deputy Manager Herron stated that he believes there are no limits to crosswalks if they can be done safely and the Town pays for them.

Manager Grant gave an overview of the allocation of Fund Balance for the FY23 draft budget, the FY23 forecast and an explanation of uses of Fund Balance.

Commissioner Bilodeau asked where the funding of the Smithville Revitalization Plan is within the forecast. Manager Grant stated that the Board can designate ARP funds toward the Plan; however, he recommended receiving additional feedback from the community before making any designations. Communications Manager Joyner will be releasing a survey regarding ARP funds. Commissioner Bilodeau agreed with getting public feedback, but there is also a need to assure the Coalition that the funding will be there to move forward.

Commissioner Sansbury asked if funds can be earmarked for infrastructure to determine what the funds would go towards (e.g., sidewalks, stormwater). Manager Grant explained that the three projects (stream restoration, Legion Park and Jetton Rd. Ext. design) are recommended for ARP funds are currently in the CIP. Projects such as Smithville do not exist on the CIP, so a placeholder would need to be created in the budget so that funds can be allocated towards the Smithville Plan. Commissioner Bilodeau stated that should be a priority of the Board. Mayor Washam agreed.

Manager Grant gave an overview of the 80/20 sheet for the FY23 budget for personnel, operating one-time and recurring, and capital.

Commissioner Furcht asked when will the discussion occur regarding the total \$9.6M of ARP funds. Manager Grant stated that he will have recommendations prepared for discussion sometime in July/August. Mayor Washam stated that there is some urgency with Smithville, so it needs to happen as soon as possible. Commissioner

Bilodeau stated what is the harm to put forth the intentions for Smithville and then see what the public has to say in the survey. Manager Grant recommended creating a placeholder in the budget as “potential ARP allocation for Smithville” with no funds attached. Commissioners Furcht and Sansbury asked what the harm was in allocating funds. Manager Grant stated because the full context on cost is not yet known. Commissioner Gilroy asked if a range of \$2M-\$3M could be established. Mayor Washam asked if the Board’s intent with the \$3M is to include the Town-owned property (\$600K-\$700K) as requested. He also stated that the County is expecting the Town to match what they do. Commissioner Bilodeau stated that he was in favor of the placeholder with a dollar amount associated with it. Commissioner Osborne stated that some of the infrastructure needs in Smithville should happen regardless of the Plan. The Board consensus is to establish a placeholder categorized as Smithville/infrastructure with an emphasis on other project priorities but are considering a range of \$2M-\$3M for Smithville.

Manager Grant gave an overview of the estimated comparison for the end of FY22 with what’s in the draft FY23 budget. Commissioner Gilroy asked Manager Grant if he is proposing a 20.3% increase in personnel. Manager Grant stated that is correct. Commissioner Furcht stated that the reason behind the increase is that past Boards didn’t build this in over the years, so we have to take the hit on this in order to do the right thing. Commissioner Sansbury stated that the 20.3% is assuming that the Town is fully staffed. Manager Grant explained that a major part of the 20% increase is Merit/COLA=4%, Six full-time firefighters=4.5%, and the Market Salary Study for sworn officers and telecommunicators=4%, that’s 12% of the 20% increase. Commissioner Bilodeau stated that he believes the spending is necessary to recruit/retain public safety employees. Commissioner Sansbury agreed with Commissioner Gilroy on the big increase in personnel but questioned what the alternative is in keeping up with services provided. Commissioner Osborne stated that the cost of not getting it right this time is huge.

Manager Grant gave an overview of the estimated comparison for the end of FY22 with what’s in the draft FY23 budget.

F. 10-year Financial Forecast

Manager Grant gave an overview of the 10-year modeling of revenue and expenditures and outlined new debt service, available fund balance, contributions to fund balance, and use of fund balance.

Commissioner Furcht asked Manager Grant where the change needs to come from to handle the future debt that is expected. Manager Grant stated that the best way is through the tax rate, or modifying expenses, eliminating services and/or transportation projects. Another way is to use a significant portion of the \$9.6M in ARP funds towards road projects so that bonds do not have to be sold. Commissioner Sansbury asked if that would be enough to close the gap. Manager Grant stated that it's combination of all three (additional revenue, identifying the capital needs to fund, ARP funds).

G. Long-Term Financial Forecast

Manager Grant gave an overview of the long-term forecast planning model of capital expenses, operations, personnel assumptions, and available fund balance.

Commissioner Osborne asked why FY23 does not have tax rate increase based on the assumptions shown. Manager Grant stated because the Town is fiscally healthy now, can utilize fund balance for a single year, and the feedback he has received from some commissioners is to not raise taxes in FY23. Mayor Washam stated that the Board will need to determine whether to incrementally increase the tax rate or remain the same until a big tax rate increase is necessary. Commissioner Gilroy asked if the 20% increase in personnel can be split over two years. Manager Grants stated that it can be revisited but two major personnel items (additional firefighters and salary study recommendation) need to be done in one year to plug the hole that's happening in law enforcement/telecommunicators. Splitting it into two years will help financially but it will not help the issue of competing with our neighbors. We are currently playing catch up on our firefighter plan so that recommendation is also necessary to plug the gap in staffing.

H. Feedback Form

Manager Grant stated that a feedback form will be emailed out Thursday afternoon/Friday morning for the Board to provide him with their feedback to prepare the recommended budget.

I. Electric Fund

Mayor Washam thanked Mr. Mitchell for his years of service with ElectriCities and wished him well on his upcoming retirement. Manager Grant dittoed Mayor Washam's comments and reminded the Board that the Electric Fund is a separate fund from the General Fund.

ElectriCities Systems Manager Don Mitchell gave an overview of the Electric Fund total expenditures and revenues, the 10-year capital plan, and the end of year capital improvements for FY22. He also presented a current electric rate and residential bill comparisons between ElectriCities, Duke Energy and Energy United.

5. RECESS MEETING – MARCH 30

Mayor Washam recessed the meeting at 4:33PM.

6. RECONVENE MEETING – MARCH 31

Mayor Washam reconvened the meeting at 9:01AM.

7. TOWN BOARD SPECIAL MEETING – DAY 2

A. Investment Policy (Guest: NC State Treasurer, Dale Folwell)

Mayor Washam introduced State Treasurer Dale Folwell. Treasurer Folwell has been the North Carolina State Treasurer since 2017, is responsible for the state's AAA bond rating reaffirmation in 2021, making North Carolina 1 of only 13 states to hold the coveted distinction, as well as overseeing \$124B in state pension funds that will provide retirement benefits for more than 900,000 public employees. Mayor Washam thanked Treasurer Folwell for attending the meeting.

Treasurer Folwell gave the State-of-State overview of the Treasurer's Office highlighting the State debt falling 70% (over an 8yr. period); the state pension system is almost 90% funded and is the safest funded plan in the world; and the importance of maintaining a AAA bond rating. He discussed the Town's investment policy and stated that his office will be glad to work with the Town on its investment intent when it determines what to invest.

Finance Director Niswonger reviewed the Town's current North Carolina AGPIP OPEB and LEOSA investment balances (original principal of \$400K total) and performance over the past four years. Discussion will continue regarding these investments, including confirmation that funds are in the correct investments. Discussion continued regarding investing more funds in AGPIP. Manager Grant recommended to not invest any more than \$500K of additional Town funds due to the Town's cash needs in the short-term (next 3-5 years) for road projects, as he expressed a concern for loss of principal. The consensus of the Board was to deposit an additional \$500K in the North Carolina AGPIP Equity Index Fund (EIF) for Cornelius' OPEB and LEOSA trust funds (\$250K each) in FY22 and to deposit an additional \$1M into the North Carolina AGPIP EIF (deposited quarterly, beginning with the 4th quarter of FY22, and \$250K each for the next three quarters). Staff will begin working toward this and bring back to the Board for action.

B. "Cornelius Way" Discussion

HR Director Andrea Clemmer explained that during the Planning Session in February she was tasked with defining what the "Cornelius Way" meant. She explained that she solicited feedback from staff and did some research to determine in her opinion that the Cornelius Way is defined as *"Consistently striving to reach above and beyond the "high bar", we will uphold the qualities we see and hope to inspire in our citizens, to serve Cornelius with loyalty, integrity, innovation, resilience and courage"*. Mayor Washam thanked Ms. Clemmer for her definition of the Cornelius Way and stated that he was glad he assigned her the task in February.

C. Follow Up on Day 1 Items

Mayor Washam asked for a recap of Day 1 that will better help Manager Grant and Finance Director Niswonger prepare for the recommended budget. Manager Grant stated that he has heard a lot of feedback with the key takeaways on the investment policy, police officers' salaries moving forward, tax rate, Smithville funding, crosswalk improvements, and early debt payoffs.

D. Town Board Feedback and Discussion

Commissioner Gilroy would like to have a conversation about adding a budget feedback component to the ARP survey. Manager Grant suggested having a separate budget survey from the ARP survey. Commissioner Furcht agreed that the two topics need to have separate surveys. Commissioner Sansbury was in favor of a budget survey if there will be context included with questions.

8. CLOSED SESSION

A. Closed Session pursuant to NCGS 143-318.11(a)(3)

Mayor Washam called for a motion to go into Closed Session pursuant to NCGS 143-318.11(a)(3).

*Commissioner Sansbury made a motion to go into Closed Session at 11:38AM.
Commissioner Osborne seconded the motion and it passed unanimously, 5-0.*

9. ADJOURNMENT

*Upon return from Closed Session, there being no further business to discuss,
Commissioner Osborne made a motion to adjourn at 12:10PM. Commissioner Furcht
seconded the motion and it passed unanimously, 5-0.*

Approved this 6th day of June 2022.

ATTEST:

Woody Washam Jr., Mayor

Lori A. Harrell, Town Clerk

Town of Cornelius

Financial Condition

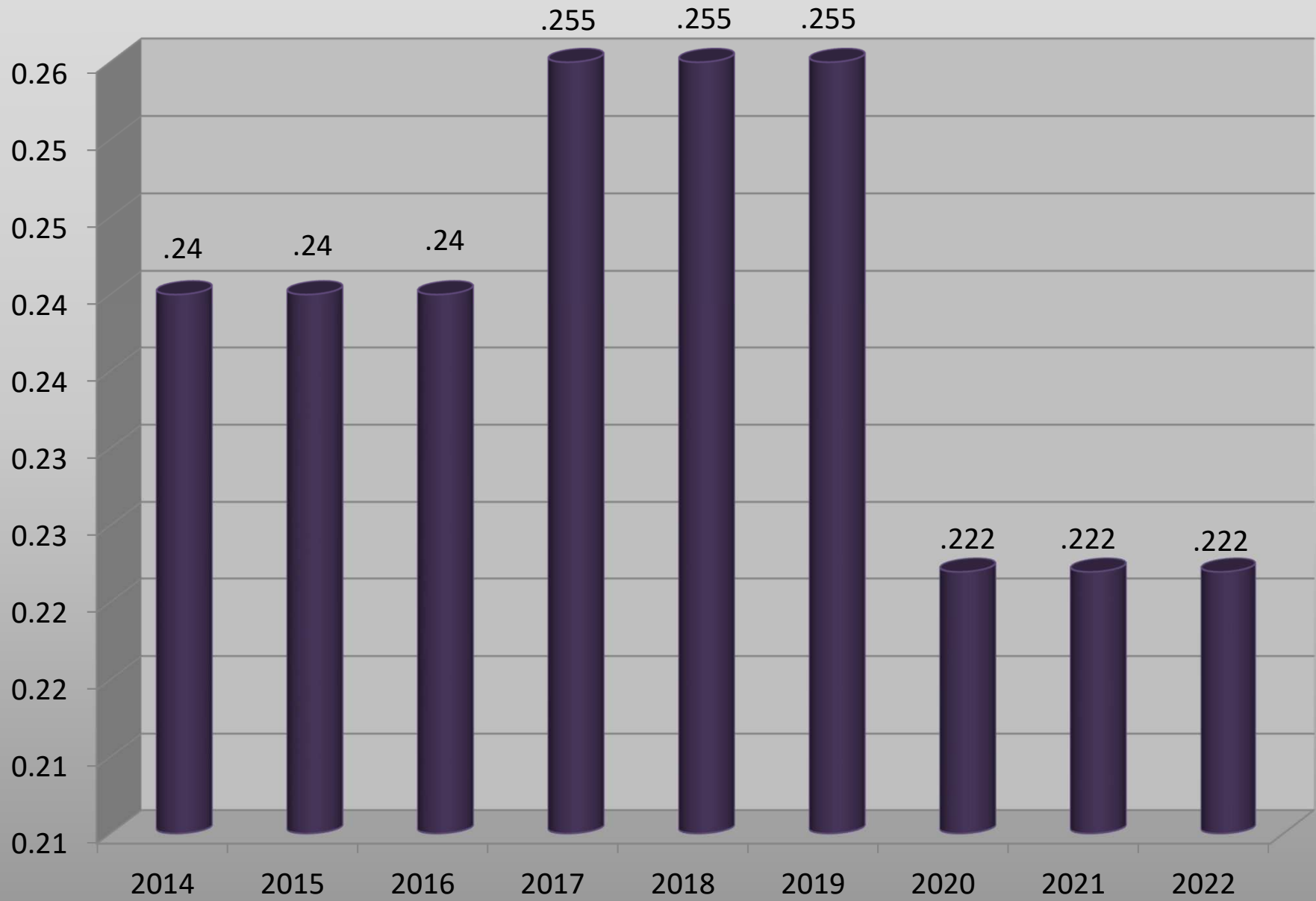
Presented by Julie Niswonger



Items to be Discussed:

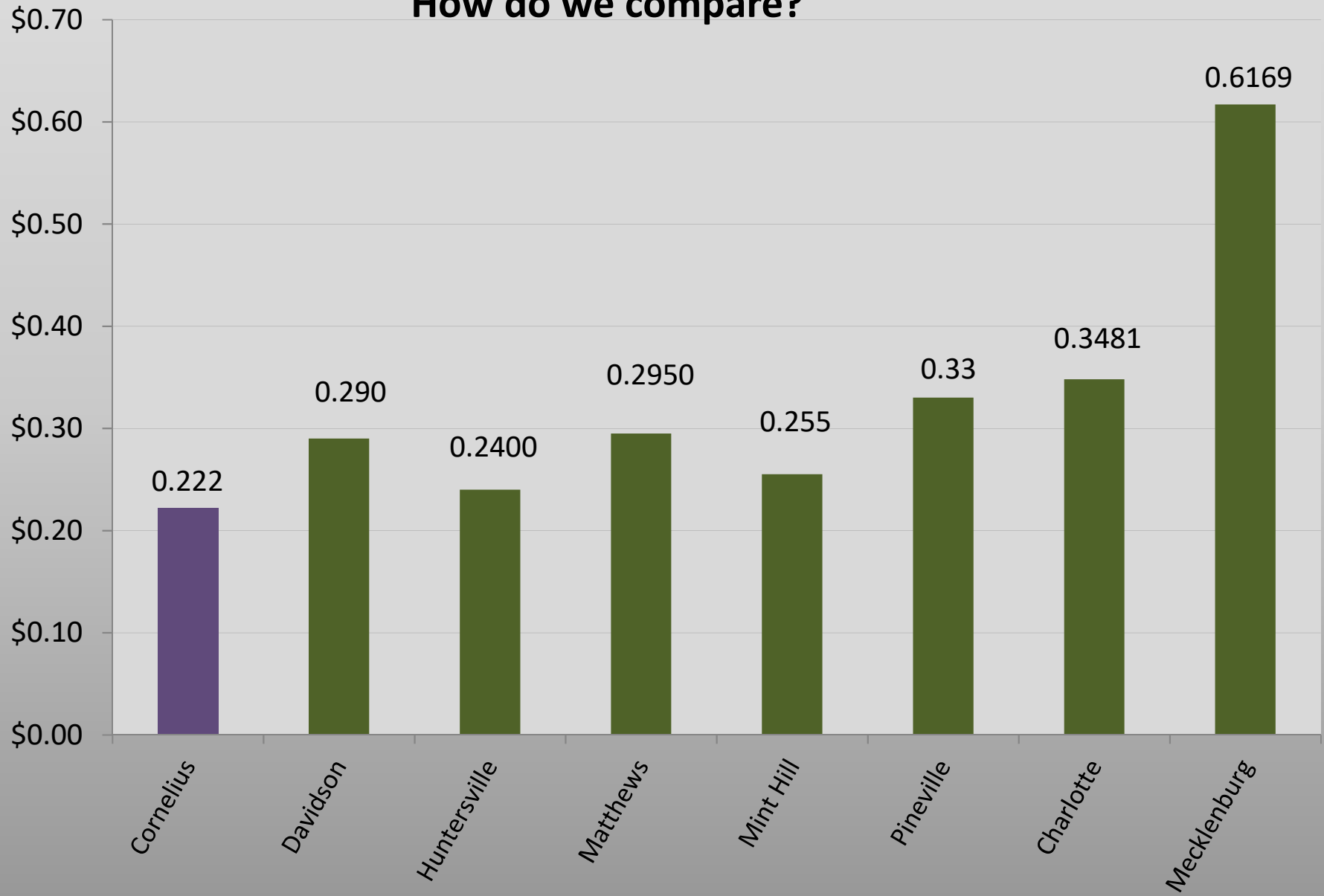
- Taxes
- Revenues and Expenditures
- Fund Balance
- Debt
- Local economy taxes
- Financial issues remaining in FY 22
- Budget Calendar remaining for FY 23 budget

Cornelius' Tax Rate History

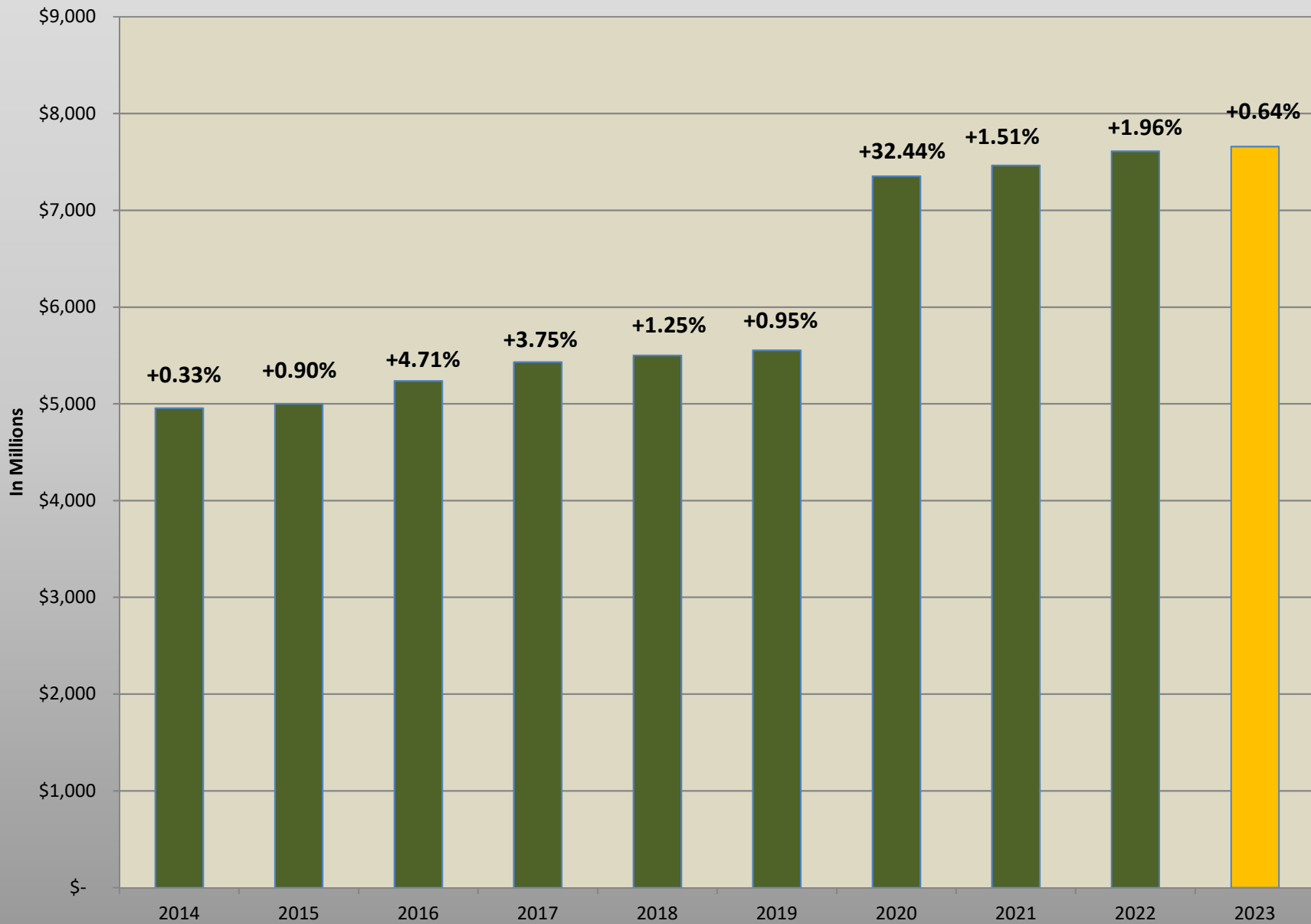


Comparative Tax Rates

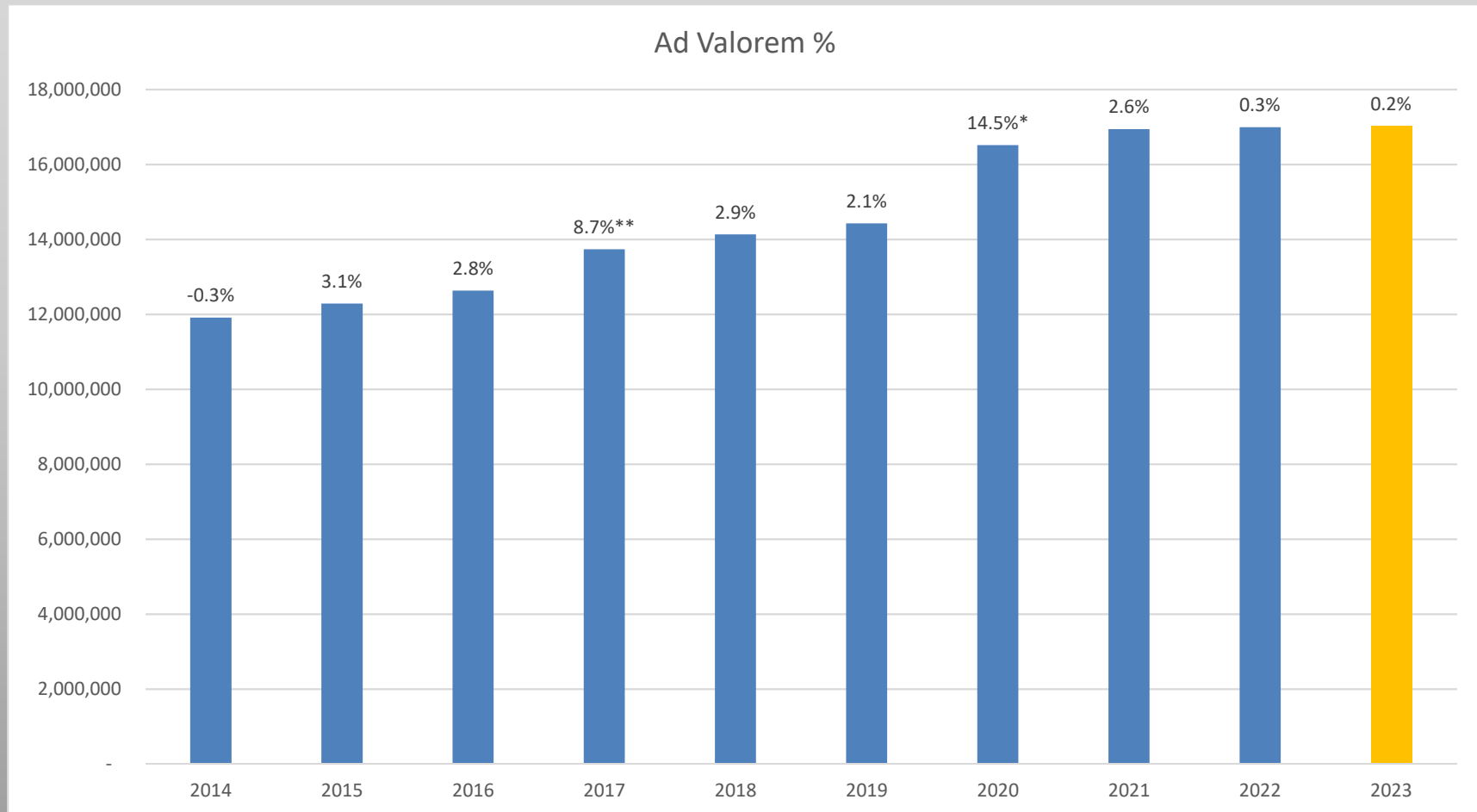
How do we compare?



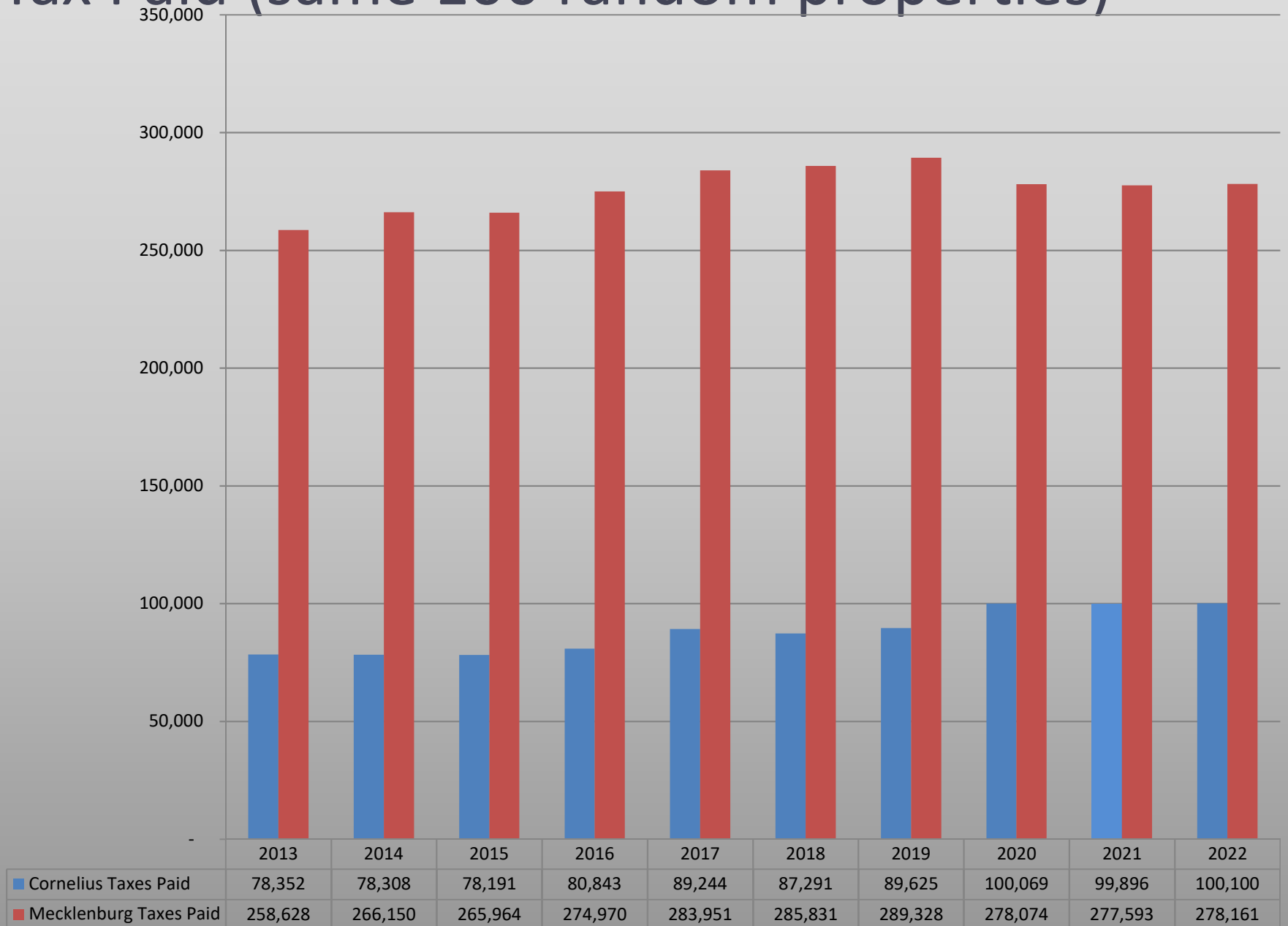
Assessed Value



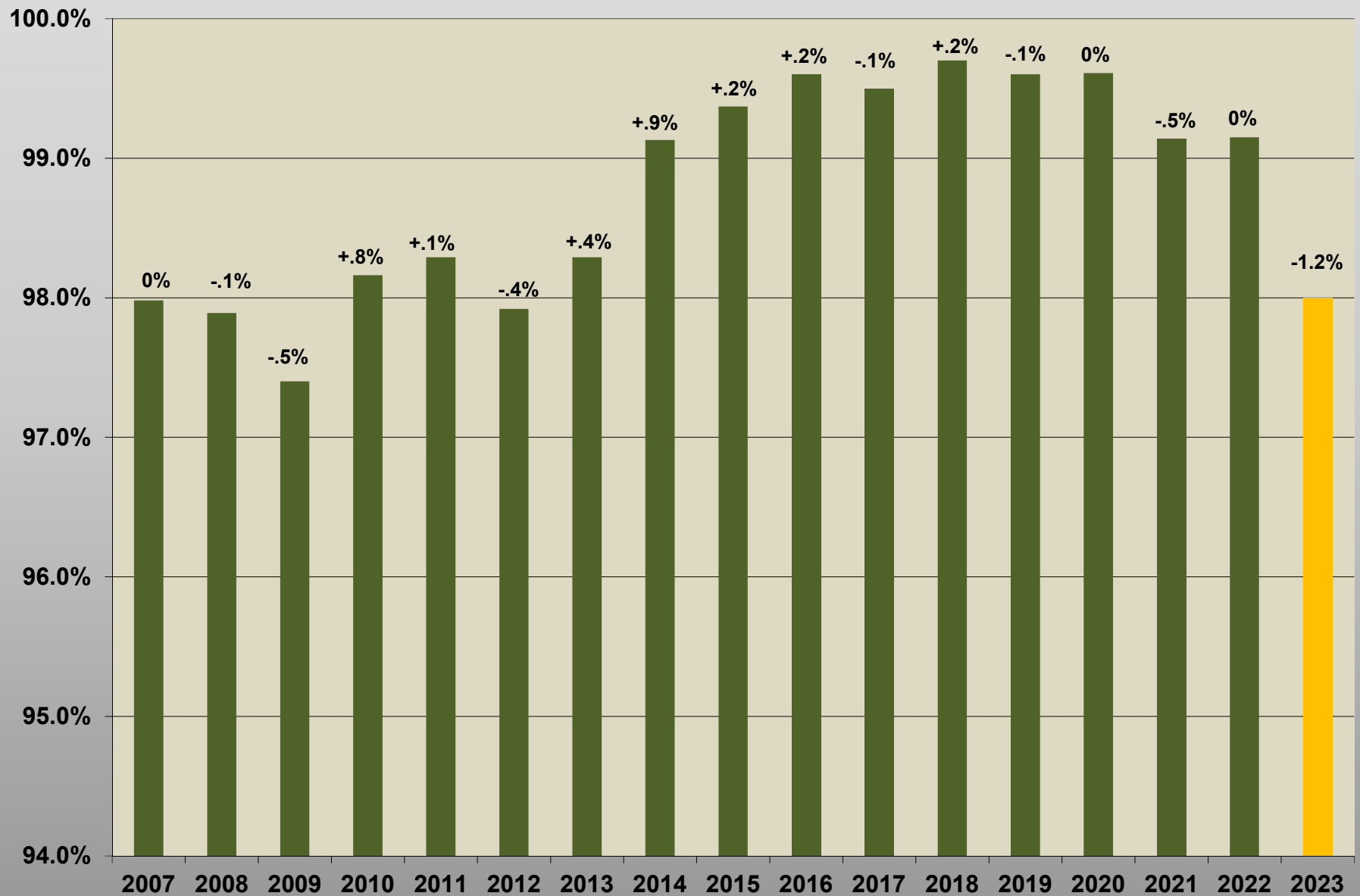
Ad Valorem %



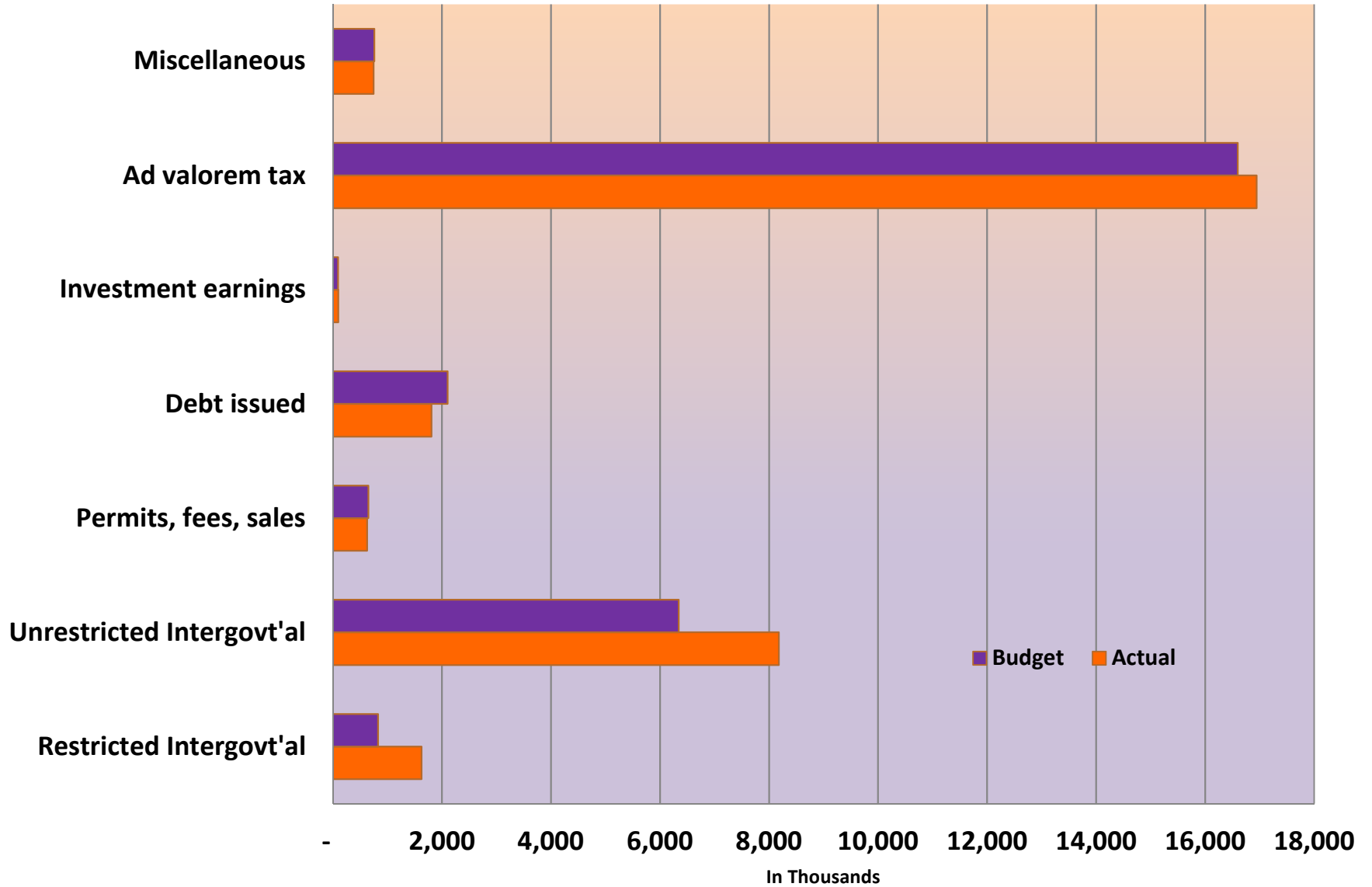
Tax Paid (same 100 random properties)



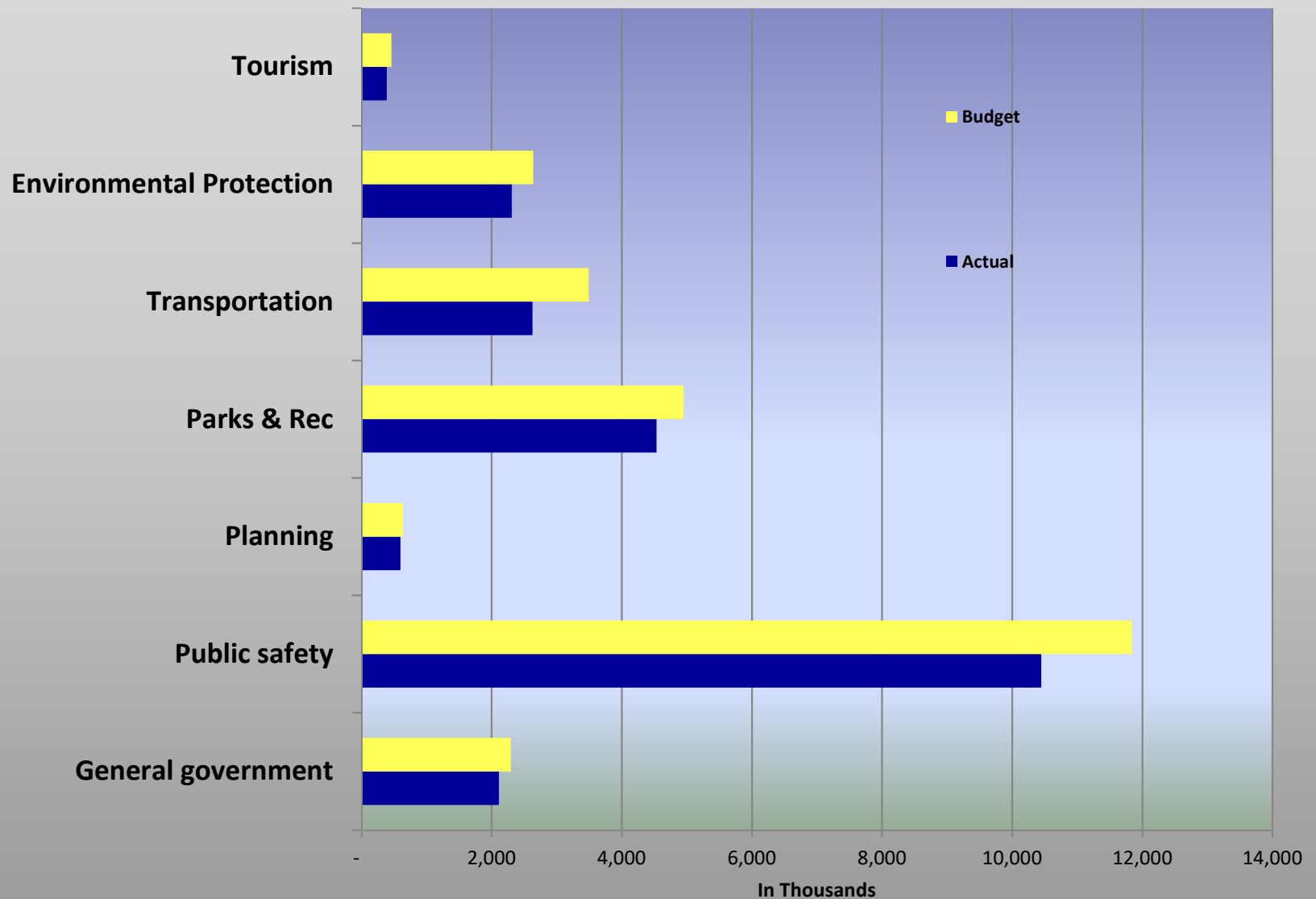
Collection Rate – Year of Levy



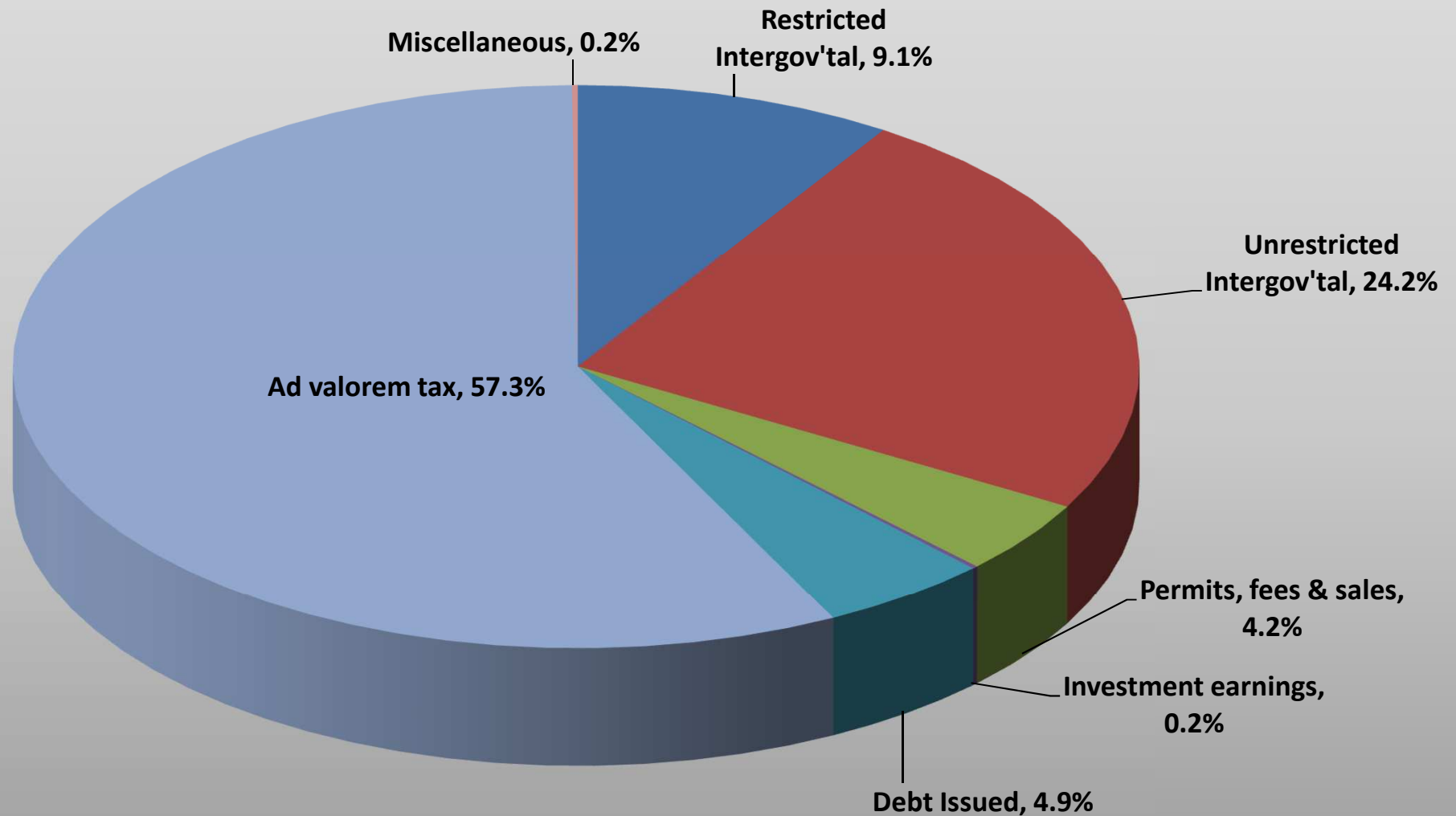
FY 2021 Revenue Bud vs Act



FY 2021 Expenditures Bud vs Act

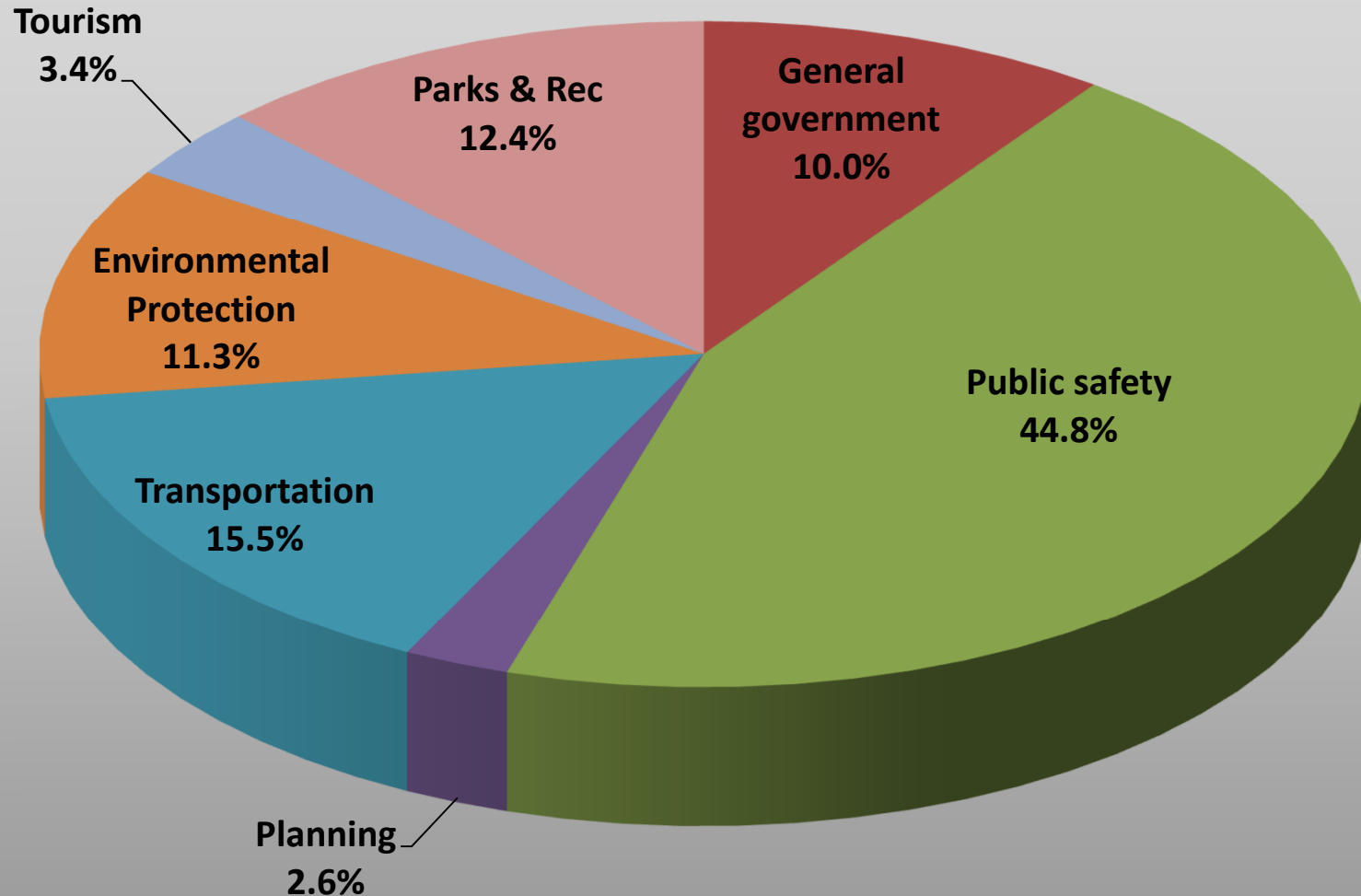


FY 2022 Revenue Estimated Year End



FY 2022 Expenditures

Estimated Year End



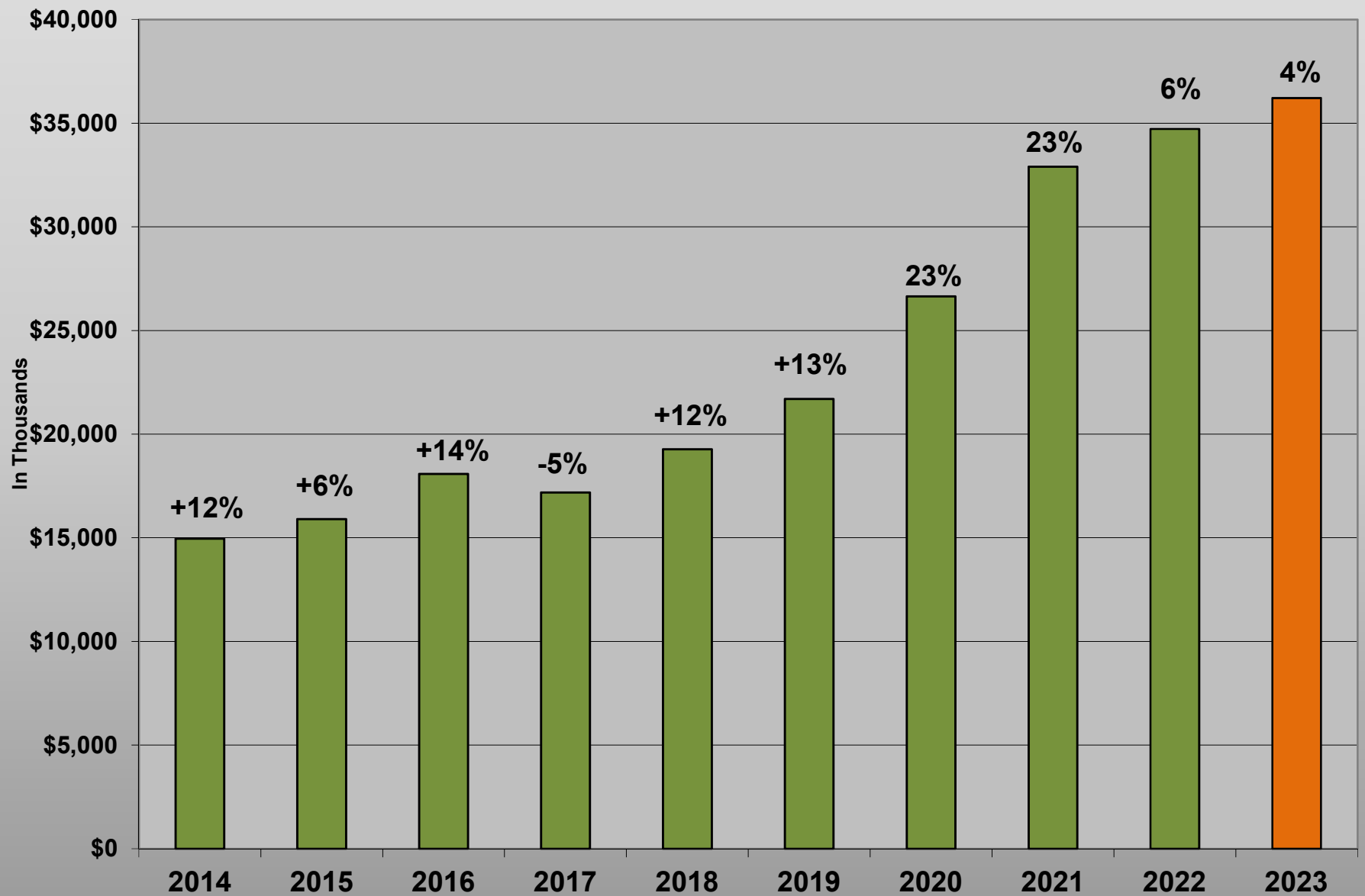
Fund Balance Illustration

Fund Balance	Budget	Actual
+ Revenues	\$1,000,000	\$1,200,000
<u>-Expenditures</u>	<u>\$1,000,000</u>	<u>\$750,000</u>
<u>= Fund Balance</u>	<u>-0-</u>	<u>\$450,000</u>

Restrictions to Fund Balance

Purpose	FY 21 Audit	FY 22 EYE
State Statute	\$4,219,464	\$4,000,000
Powell Bill	1,444,296	939,057
Tourism	0	0
Asset Forfeiture	0	20,000
Prepaid items	145,978	162,000
Subsequent year's expenditure	889,140	0
Unassigned	<u>19,229,981</u>	<u>21,570,054</u>
General Fund	<u>\$ 25,928,859</u>	<u>\$26,691,111</u>
Capital Reserve	<u>\$6,876,952</u>	<u>\$8,027,660</u>
Total All Sources	<u>\$ 32,805,811</u>	<u>\$34,718,771</u>

Total Fund Balance in Dollars



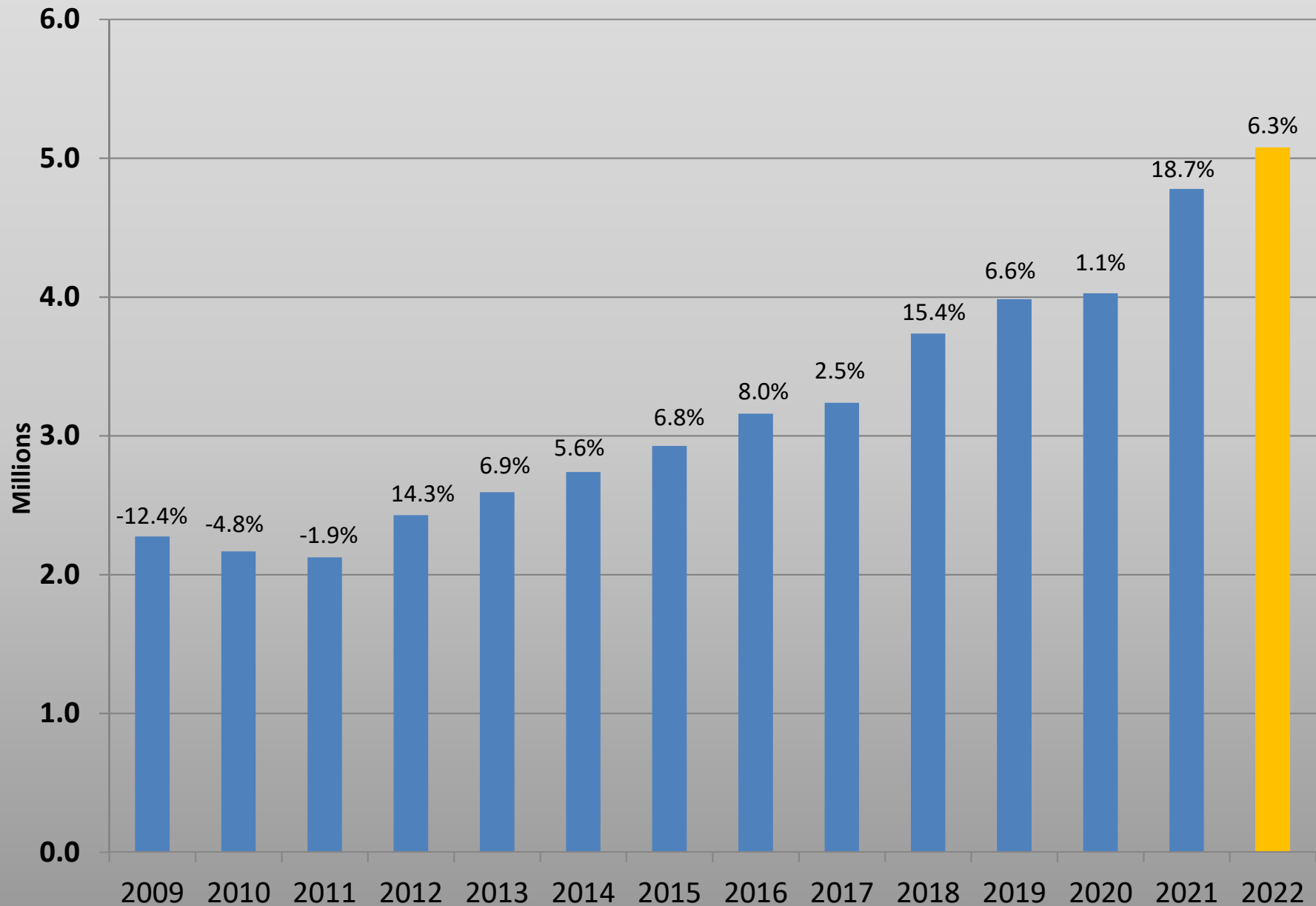
Current Obligations

Collateral	FY 2022 Pmt	Maturity	Rate	O/S Bal 6/30/22
Police, Fire, Parks, PW vehs	\$413,000	Various	0.90/1.81 2.00/3.01	\$1,645,000
Athletic Lighting	\$149,000	April 2026	0.915%	\$560,000
Robbins St Phase	\$93,000	July 2023	2.79%	\$134,000
Robbins Ponds	\$75,000	June 2024	2.6%	\$145,000
2015 Bonds	\$743,000	June 2032	2.23%	\$5,850,000
PW Building	\$305,000	Oct 2024	2.03%	\$736,000
2018 Bonds	\$586,000	Aug 2039	2.89%	\$5,665,000
2022 Bonds Town Ctr	\$0	Aug 2041	1.747%	\$4,000,000
2022 Bonds Trans.	\$0	Aug 2041	1.747%	\$3,645,000
Synthetic Turf 2019	\$139,000	April 2026	0.915%	\$523,000
Park Land 2019	\$103,000	June 2026	1.84%	\$391,000

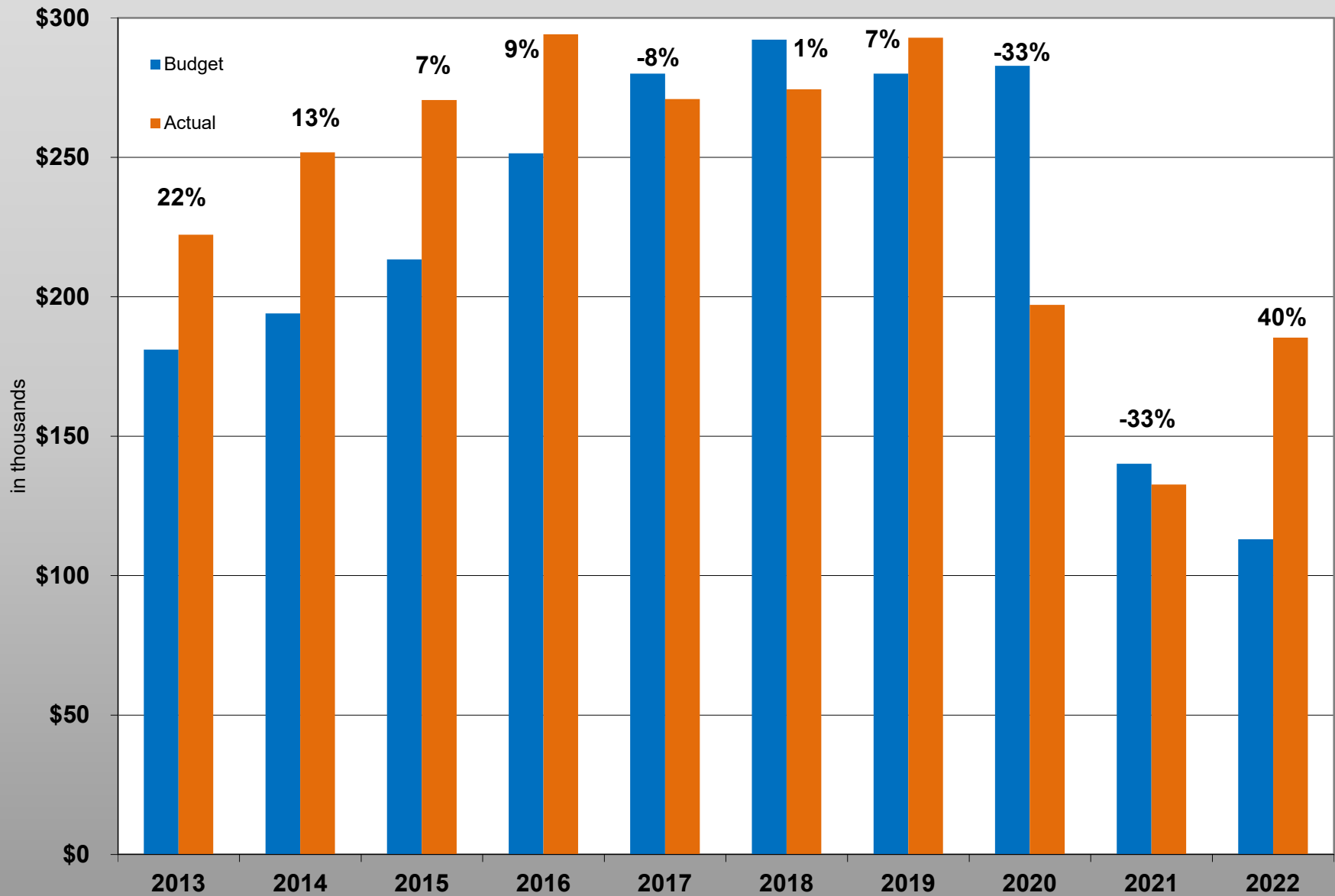
FY 22 Budget Revs

- Revenue:
 - We have collected 100% of ad valorem tax budgeted for the FY 2022 tax year.
 - Sales tax up 21% over prior year first seven months.
 - Utility franchise distributions through the first six months are up slightly by 1% over FY 21 levels.
 - Powell Bill distributions are up by almost 16% over FY 21

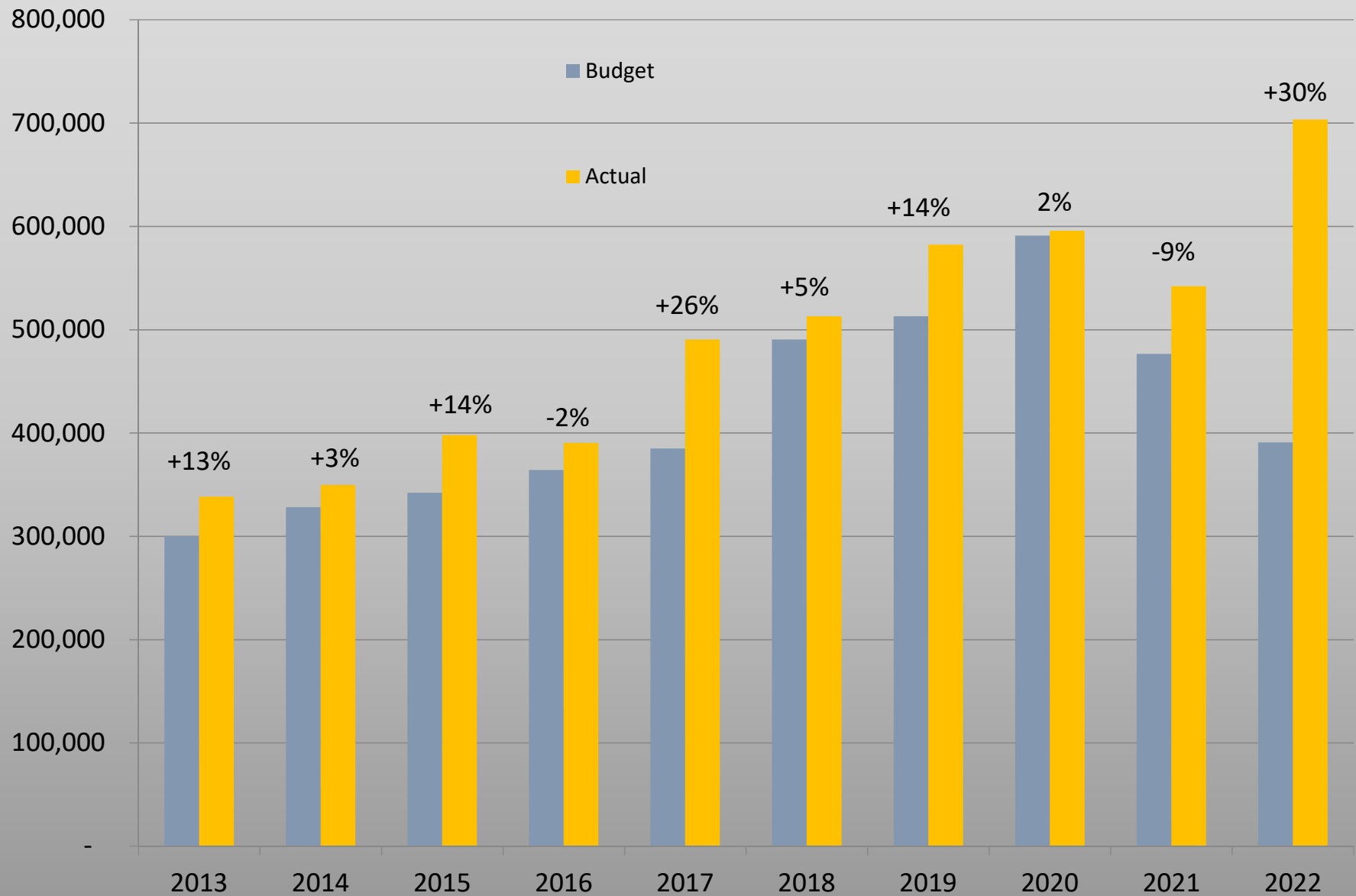
Sales Tax Revenue



Occupancy Tax



Prepared Food & Beverage Tax



FY 2023 Budget Calendar

- April and May Town Board Meetings
 - Further budget discussions as needed
- May 2
 - Manager's Recommended Budget
- May 16- Public Hearing
- June 6 or June 20
 - Adopt Budget & Set Tax Rate

Questions?

Resignations Lead to Tight Labor Market

2021 – Average of 4 million leaving jobs *each month*

Law Enforcement vilified in the public eye

- LEOs leave the profession
- Early Retirement
- Significantly decreased BLET graduates; ones graduating already hired by other agencies

In Cornelius, turnover trending up the past 3 years

- Started 2021 with 3 vacancies in Telecommunications – Closed 2021 fully staffed
- Started 2021 with 5 vacancies in Police – Closed 2021 with 11 vacancies
- Police lost 11 employees in 2021 – represents 85 years of experience
- Lieutenants 2 (34 yrs), Detectives 2 (23 yrs), Corporals 2 (14 yrs)
- Officers exiting with 1-3 years of experience

Cost of Turnover

- National data estimates cost of turnover to be between 6 and 12 months of the exiting employee's salary
 - Our Cost over the last 3 years– somewhere between \$600,000 and \$1.2 million

Resignations Lead to Tight Labor Market

Attention to Recruitment

- Community Colleges
 - BLET Programs/6 Staff Instructors
- Universities
- High Schools
- Military Bases
- Community Events
- Increased Social Media
- Marketing Image
- Cadet Program

Incentives Offered

- Sign on bonus
- Referral bonus
- Residency incentive
- Education and Degree incentives
- Tuition reimbursement
- Bilingual incentive
- Take home vehicles

Workplace Culture

- Employees enjoy working for the Town
- Good working relationships with supervisors and coworkers
- Happy with the Benefits package

Resignations Lead to Tight Labor Market

Employees identify leading causes for resignation – Exit Interviews & surveys 2021-2022

- Pay - Not just competing with other public agencies but with private sector and self-employment
 - Previous market studies have not recognized tenured employees
- Better Hours
 - Remote work options rise in popularity; not an option for Police and Telecommunicators
- Personal Reasons & External Pressures
 - Exiting Law enforcement due to national perception and concerns of personal safety

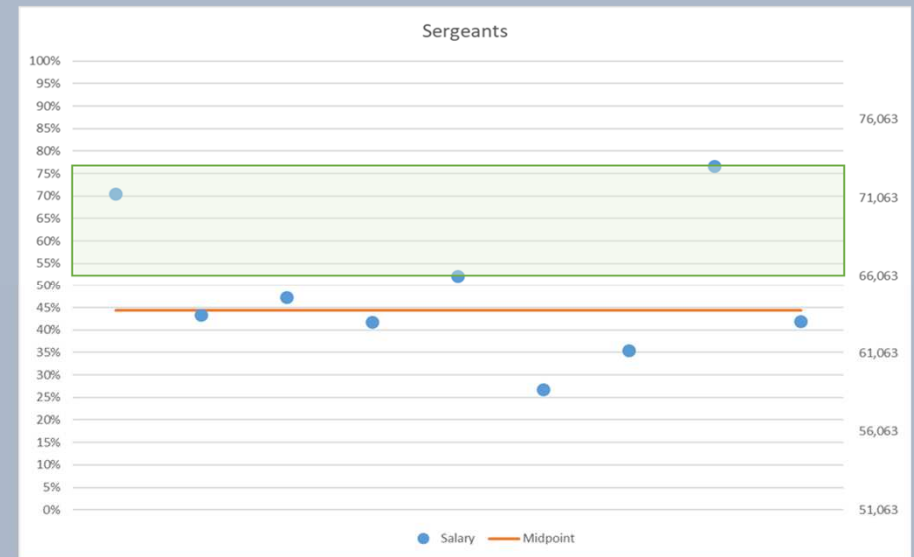
Recognized Needs:

- Need to be more competitive with hiring salaries for new recruits and lateral entry positions
- Retain existing staff by offering salaries comparable to surrounding agencies

Market Study

Market Study

- Surveyed 19 public sector organizations similar to Cornelius in size, proximity, and growth pattern
- Each organization provided average salary data for positions requested
- This data was used to determine a Market Range for each position
 - Identified positions and employees below market range



**Minimum Salaries – Police Officers/Deputy Sheriffs
Highest to Lowest by Jurisdiction
December 2021**

Mecklenburg County	\$52,530
Charlotte	\$48,766
**Huntersville	\$46,500
Belmont	\$46,097
Davidson	\$44,399
**Pineville	\$43,463
Mt. Holly	\$42,754
Mooresville	\$42,465
League of Municipalities	\$42,069
Cornelius	\$42,009
**Gastonia	\$41,816
Statesville	\$41,517
Concord	\$41,368
Cabarrus County	\$41,365
Waxhaw	\$40,904
**Matthews	\$40,564
Kannapolis	\$40,349
Monroe	\$39,957
Iredell County	\$39,924
Mint Hill	\$38,806

**Minimum Salaries – Telecommunicators
Highest to Lowest by Jurisdiction
December 2021**

Charlotte	\$39,782
Cabarrus	\$35,734
**Pineville	\$33,630
Iredell County	\$33,351
Cornelius	\$32,915
Mecklenburg County	\$39,470
Concord	\$37,254
Monroe	\$36,254
NCLM	\$36,182
Statesville	\$35,859
**Matthews	\$35,042
Mooresville	\$34,936
Kannapolis	\$34,857
Mt. Holly	\$34,709
Cornelius	\$32,915

Market Study

Market Study

- Starting salaries:
 - Telecommunicators are the lowest in the market
 - Police are middle of the market but below our immediate neighbors
- Unpredictable Market:
 - Since receiving survey data, Gastonia has increased Officer starting salary to \$50k (\$9k increase)
 - Pineville, Huntersville, Matthews have requested salary data

Goals

1. Set positions at appropriate salary grades to ensure competitive hiring rates
2. Determine the appropriate adjustment that would move the majority of employees into the Market Range

Recommendation

1. Set positions at appropriate salary grades to ensure competitive hiring rates.

Adjust Salary Grades - Recruitment

- All Telecommunication positions increase by 2 grades
 - New Telecommunicator Starting Salary: \$36,289
- Officers, Corporals, Detectives, and Sergeants increase by 2 grades
 - New Police Officer Starting Salary: \$46,315
- Lieutenants, Captain, Major, and Chief increase by 1 grade

2. Determine the appropriate adjustment that would move the majority of employees into the Market Range

Market Adjustments - Retention

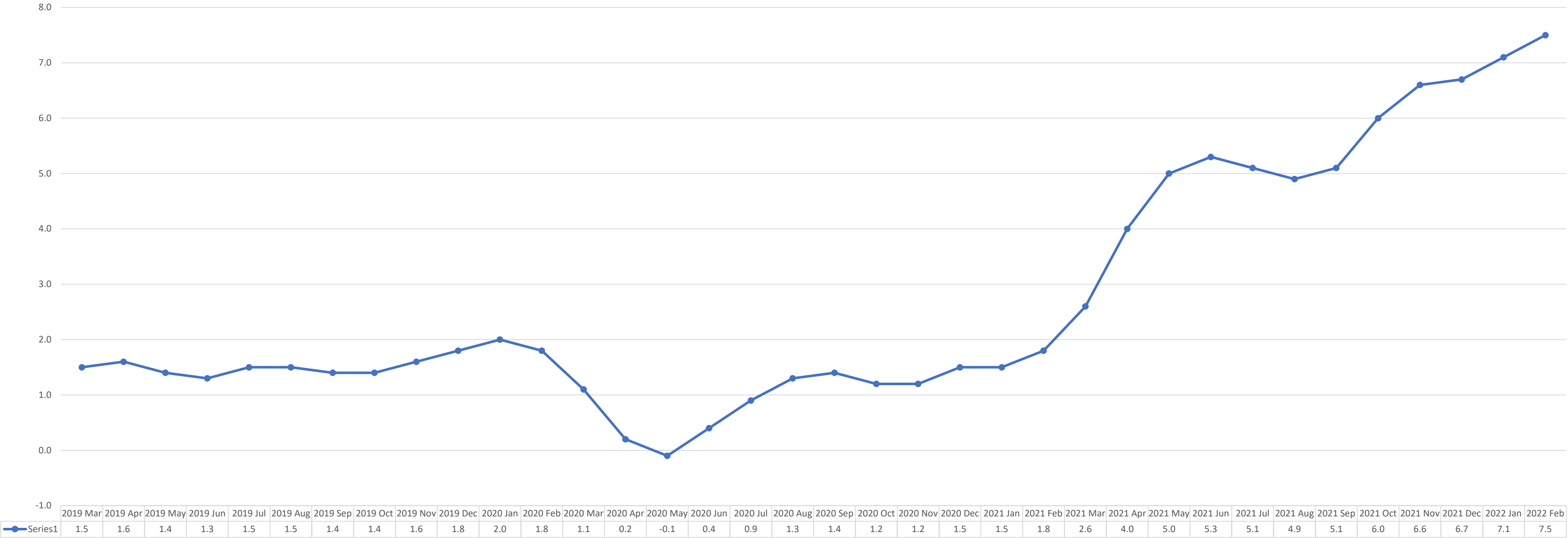
- All Police and Telecommunication employees receive a salary adjustment that recognizes tenure and improves retention
- Increase relative to current position in the salary range

Citizen Personnel Committee and Town Manager recommend the following increase:

Total Increase: Cost + Benefits = \$404,000, effective FY23

Draft Budget (multiple documents)

CPI: All items in U.S. city average, all urban consumers, chained, not seasonally adjusted (C-CPI-U)



Charlotte Region Local Unit Survey				
Proposed FY 22				
Local Unit	Merit	COLA	Market	Total
Charlotte	3.0%		Up to 3.0% Sworn	3% All Employees, Up to 6.0% Sworn
Concord	2.5%	1.5%		4.0%
Cornelius	3.25%		1% Sworn	3.25%, 4.25% Sworn
Davidson	3.0%			3.0%
Huntersville	3.5% (includes COLA*)	*Unknown amount	2.5% Sworn if below midpoint	3.5% All Employees, 6% Sworn below midpoint
Matthews	3.0%			3.0%
Mint Hill	2.5%	Up to 2.0%		Up to 4.5%
Monroe	4.5%			4.50%
Mooresville	Up to 3.0%			Up to 3%
Pineville	2.5%	2.0%		4.5%
Mecklenburg County	Up to 5.0%			Up to 5.0%
				Average Total for All Employees = 3.75%
				Average Total for Sworn and Sworn = 4.34%

Charlotte Region Local Unit Survey

FY 23			
Local Unit	Merit	COLA	Total
Concord	3.0%	Up to 1.5%	Up to 4.5%
Cornelius	3.5%	1.5%	5.0%
Davidson	Up to 4%	Up to 2%	Up to 6%
Huntersville		5.0%	5.0%
Mooresville	Up to 5%	2% in January	Up to 7%
Kannapolis	Up to 4%	At least 1%	At least 5%
Pineville	Up to 4%	Up to 2%	Up to 6%
Gastonia	7% Jan. 2022		7.0%
Statesville	?	3.0%	?
Salisbury	?	2.5%	?
			Avg. Merit = 4.4%
			Avg. COLA = 2.3%
			Avg. Total = 5.7%

Solid Waste Expenses

- Waste Pro Contract

- Pass-through on Mecklenburg County tipping fee increases for garbage and yard waste (standard) – fees pending
- House count increases (standard)
- 4% cap on CPI increases (better than standard)
- [NO fuel surcharges – not in contract]

- \$132,803 increase

Health Insurance Reserve

- FY22

- Town implemented a MERP to keep employee insurance benefits stable and Town cost low
- At least \$100,000 anticipated health insurance savings due to the MERP

- FY23*

- Proposing NO increase in health insurance premium* PLUS roll actual savings (and future fiscal year savings) into a health insurance reserve for:
 - Funding unanticipated MERP expenses during FY23
 - Buffer for mitigating future premium increases due to high claim years
 - Flexibility for future insurance plans, such as required reserves for self-funded
 - Improving benefits – recruitment/retention

*Currently evaluating renewal and bidding out insurance.

Employee Physical Fitness Incentive

- Good employee health allows for.....
 - Higher quality of life
 - Happier employees and better work productivity
 - Reduced health insurance claims that will help keep the Town's premium low
- FY19 – Town implemented an Employee Wellness Program
 - Incentives employees to obtain annual physicals and age-appropriate cancer screenings
 - Goal is to catch health concerns before becoming significant and costlier issues
 - Helps to keep claims down that will keep Town's premium low
- Physical fitness component is missing from Town's Wellness Program
 - Exercise can have positive impact on heart disease, diabetes, obesity, and mental well-being

Employee Physical Fitness Incentive

- 2/10 - Town Board expressed an interest in increasing employee access to gym facilities
- Local gyms contacted
 - Gold's Gym, YMCA – have offered discount programs for Town employees
 - North Regional Recreation Center – awaiting feedback from Meck. Co.
- Proposal to provide an employee incentive to utilize local gyms
 - Net of \$10/employee/month to lower the cost of gym memberships
 - Town cost = \$16,320/year
- Benefits
 - Health benefits
 - Low-cost recruitment/retention benefit
 - May lead to mitigating Town's premium increases – typical claims are several hundreds of thousands per year – a healthier employee base will lead to lower claims, which will help keep premiums low

Town of Cornelius
Operating Budget Goals Request
For the Fiscal Year Ending June 30, 2023

<u>Dept</u>	<u>Goal Description</u>	<u>Dept Request</u>
Planning	Comprehensive Redevelopment Plan (Phase II B) (one-time)	45,000
Planning	Housing Committee Short Term Recommendations - CDC start-up operational funds (one-time)	70,000
Planning	Housing Committee Short Term Recommendations - Employee residency incentive (year 1 of 2)	89,000
Planning Total		204,000
Pub Works	Implement Year 2 of Stormwater Fee Increases (year 2 of 3)	(130,000)
Pub Works	Town Hall/Public Safety/Public Works Building Maint. Reserve Fund (year 3 of 6)	10,000
Pub Works	Torrence Chapel/West Catawba Left Turns Removal placeholder (one-time)	10,000
Pub Works Total		(110,000)
Admin/Finance	Merit/COLA (3.5% Merit; 1.5% COLA)	405,602
Admin/Finance	5% Probationary Increase	42,000
Admin/Finance	Employee Physical Fitness Incentive	16,320
Admin/Finance	Health Insurance Reserve	100,000
Admin/Finance	Part Time Hourly Increase- Non-sworn, Non-communications (Net \$17,700)	44,000
Admin/Finance	Overhaul Website (development one time cost \$10,000; website hosting services overall savings year over year \$3,000) (one-time)	10,000
Admin/Finance Total		617,922
IT	Network intrusion monitoring and detection software support (Barracuda Email Security, SentinelOne EDR, and Network/Intrusion Monitoring and Detection)®	5,000
IT	Mult-factor authentication (compliance with cyber security insurance coverage requirements)	18,500
IT	Ubiquiti Wireless System Replacement with Meraki System (one-time)	40,000
IT	Microsoft Sql Server Licensing for 911, Spillman, CAD System, and Munis Financial Software	5,000
IT	Wideband Camera Surveillance Project (annual operating cost)	10,500
IT Total		79,000
Police	Market Salary Study (Sworn Police Officers and Communications)	404,000
Police	Property and Evidence Clerk (CPSM recommendation for separation of duties; FY 23 fund remaining half of this position)	25,000
Police	Fully Fund Intermediate Law Enforcement Certificate (7 Officers in FY 23)	8,200
Police	Mental Health Program (up to 20 counseling sessions per year per sworn officer and telecommunications)	14,000
Police	Police and Communications Part Time Hourly Increase (adjusted commensuate to market salary study)	35,348
Police	Taser Cartridges for Training	4,000
Police	Investigations Tools (Leads Online \$3,900)	3,900
Police	Communications Spillman/GIS CAD Mapping Service (one-time)	18,600
Police	AP (arrest processing) Gate Opener (one-time)	10,700
Police Total		523,748
Park & Rec	PMT for all parks and Cain Park Maintenance (1/2 year; personnel cost \$23,730, operations \$26,170) Net cost due to PT staff savings \$43,900	49,900
Park & Rec	Recreation Program Assistant and Cain Park programming (1/2 year; personnel cost \$27,300, program operations \$9,400) Net cost due to revenue increase \$33,400	36,700
Park & Rec	Sponsorship of Praise in the Park (Smithville Park)	4,000
PARC Total		90,600
Fire	Full Time Firefighters - 2 Positions = 6 FTEs	434,000
Fire	Fund (64) OT shifts for FTE's (98 open shifts over 9-month period. Currently have budget for 36 shifts)	38,400
Fire	Operational costs associated with new full-time firefighters (uniforms \$36K, NFPA and OSHA physicals \$4,800, and travel and training \$10,000)	50,800
Fire	Mental Health Program (Up to 20 counseling sessions per year per full-time firefighter)	2,628
Fire	Fund Market Rate Increase for part-time Drivers, Captains, Deputy Chiefs, and Chief (year 2 of 2)	25,000
Fire	Fund (10) Part Time OT shifts (average of 38 OT shifts/month. Currently have funding for 15/month)	20,000
Fire	Residency Incentive for qualifying part-time Firefighter Residents (Phase 1, \$2,000 per qualifying resident, Phase II (FY24) \$2,000 per qualifying resident annually; \$4K total, assumes 20 residents)	40,000
Fire	COVID PPE and Operational expenses	15,000
Fire	Mecklenburg County Fire Tax Shortfall due to annexations	1,671
Fire Total		627,499
Grand Total		2,032,769

Examples-

Tier I-11.7% of residential structures

Prior to FY 22- \$1.42 monthly

FY22- \$1.54 (\$0.12 increase per month)

FY23- \$1.89 (\$0.35 increase per month)



Antiquity Townhome

Tier II-31.9% of residential structures

Prior to FY 22- \$2.12 monthly

FY 22- \$2.23 (\$0.11 increase per month)

FY 23- \$2.75 (\$0.52 increase per month)



Victoria Bay

Examples-

Tier III-37.4% of residential structures

Prior to FY 22- \$2.12 monthly

FY22- \$3.35 (\$1.23 increase per month)

FY23- \$4.12 (\$0.77 increase per month)



Jetton Cove

Tier IV-19% of residential structures

Prior to FY 22- \$2.12 per month

FY 22- \$6.19 (\$4.09 increase per month)

FY23- \$7.61 (\$1.42 increase per month)



Peninsula

Commercial Examples-

Mama's Pizza 11,253 sq. ft.

Prior to FY 22- \$9.13 monthly

FY22- \$10.24 (\$1.11 increase per month)

FY23- 12.60 (\$2.36 increase per month)



Aquesta Bank- 32,799 sq. ft.

Prior to FY 22- \$26.61 per month

FY 22- \$29.85 (\$3.24 increase per month)

FY 23- \$36.73 (\$6.89 increase per month)



DEPT	DESCRIPTION	Funds Source	2023
PW	Torrence Chapel Rd. West Cat. Ave. Intersection Impv	Bonds	-
PW	21/Catawba Roundabouts	Bonds	-
PW	115/Potts/Davidson Street Roundabout	Bonds	-
PW	Hwy 115- Hickory St. Intersection Improvements	Bonds	-
PW	West Catawba Phase II- STI- Local Funding Contribution	Bonds	-
PW	Northcross Dr. Extension	Bonds	-
PW	West Catawba Phase II- Bike-Ped Accommodations, Mast Arms	Bonds	-
PW	Westmoreland Interchange	Bonds	-
Fire	Replace Engine 4 and 5	Debt	830,000
PW	Street Resurfacing (Powell Bill Funds)	FB Powell	900,000
Parks	Bailey Road Park Athletic Facility Lighting Replacement	Debt	755,000
PD	Police Vehicles	Debt/Fund Bal	500,000
PW	Stream Restoration Design-Magnolia Estates, Westmoreland, and Chartwell Commercial Properties	Fund Bal	300,000
PW	Crosswalk Improvements	Fund Bal	200,000
Parks	Legion Park Major Renovations	Fund Bal	550,000
PD	Police Roof*	Fund Bal*	135,000
IT	Wideband Camera Surveillance Project	Fund Bal	54,000
PW	Jetton Extension DESIGN	Fund Bal	71,000
Fire	Fire Station Upgrades- Kitchen Station 1	Fund Bal*	-
Fire	2nd Set of Personal Protective Equipment (turn out gear)	Fund Bal	62,000
IT	Phones & Phone System Replacement	Fund Bal	-
Parks	Equipment and Vehicles	Fund Bal	-
PW	Jetton Extension CONSTRUCTION	Debt	-
Fire	Self-Contained Breathing Apparatus (SCBA) Replacement	Fund Bal	-
Fire	Fire Staion #2 Roof*	Fund Bal*	-
Fire	Staff Vehicles	Debt	-
PW	Sidewalk (Powell Bill Funds)	FB Powell	-
PD	Marine Quick Response Vessel	Fund Bal	-
IT	Badge & Door Security System Replacement	Fund Bal	-

PW	Public Works Equipment	Fund Bal	-
PW	Festival Street- Catawba Avenue	Debt	-
Parks	Torrence Chapel Park Major Renovations	Fund Bal	-
Parks	Smithville Park to JV Washam ES Greenway & MUP CONSTRUCTION	Debt	-
Fire	Replace Truck 4 (Ladder Truck)	Debt	-
Fire	Training Center Land	Fund Bal	-
PD	Portable Radio Replacement	Fund Bal	-
IT	VX-Rail Server Replacement	Fund Bal	-
Fire	Training Center	Debt	-
PD	Marine Vessel Refurbishment	Fund Bal	-
Parks	Bailey Road Park Major Renovations	Fund Bal	-
Parks	Smithville to JV Washam Linear Park	Debt	-
Parks	Smithville Park Major Renovations	Fund Bal	-
Parks	Bailey Road Park Tennis & Pickleball Complex	Debt	-
PW	Bailey Road Flyover	Future Bonds	-
Parks	Robbins Park	Debt	-
Parks	Southeast Cornelius Neighborhood Park	Debt	-
Parks	Westmoreland McDowell Creek Neighborhood Park	Debt	-
Parks	Northeast Cornelius Neighborhood Park	Debt	-
Fire	Fire Station #3	Debt	-
Parks	Waterfront Park	Debt	-
Parks	North Bailey Road Greenway	Debt	-
PW	Hwy 115- North Corridor (Washam Potts to Potts St) Bike-Ped Accommodations, Aesthetics	Future Bonds	-
Parks	Plum Creek- South Bailey Rady Greenway Construction Phase III	Debt	-
Parks	Victoria Bay Greenway	Debt	-
Parks	Village Center Neighborhood Park	Debt	-
Parks	Downtown Cornelius to Statesville Road Greenway	Debt	-
Parks	Caldwell Station Creek South Greenway Phase II	Debt	-
PW	Hwy 21 Widening (A)	Future Bonds	-
Parks	Mini Park Land Acquisition and Development	Debt	-
Parks	Washam Neighborhood Park	Debt	-

Parks	McDowell Creek Greenway Phase III	Fund Bal	-
Parks	Westmoreland Park Greenway	Debt	-
Parks	North Bailey Road to Bailey Road Greenway	Debt	-
PW	I-77 Service Road to Westmoreland	Debt	-
PW	Caldwell Station Connection to Bailey Extension	Debt	-
Parks	Smithville Park Multi-Purpose Synthetic Turf Field	Debt	-
Parks	Stratford Forest Greenway	Fund Bal	-
Parks	Jetton Neighborhood Park Major Renovations	Fund Bal	-
Parks	Glen Oak Green Park Greenway	Fund Bal	-
Parks	Nantz Rd Connector Greenway	Fund Bal	-
PW	Westmoreland Road Widening	Fund Bal	-
PD	Police Substation	Fund Bal	-
PW	Stream Restoration- Upper McDowell Creek	Fund Bal	-
Parks	Robbins Park Playground Renovations	Fund Bal	-
			4,357,000

Transportation Referendum 2018 (24M)
*Town Hall/Public Safety/Public Works/Building Maint. Reserve Fund
MI Connection Settlement Funds
Potential ARP Projects
Asset Forfeiture Funds
Powell Bill Funds

Allocation of Fund Balance for Draft FY23 Budget

Source of Funds/Category (available amount as of 6/30/21, carryforward amount):

- Carryforward Capital from FY22 (\$895K)
- Restricted and designated funds
 - Powell Bill Funds (\$1.4M)
 - Asset Forfeiture Funds (\$231K)
 - Town Hall/Public Safety/Public Works Building Maintenance Fund (\$632K)
- MI-Connection Settlement Funds (\$365K)
- ARP (\$4.8M)
- Roads Capital Reserve Fund (\$6.8M)
- Un-Designated/Un-Restricted Fund Balance

TOWN OF CORNELIUS, NORTH CAROLINA
GENERAL FUND
FY 23 Draft

FY 2023

Beginning Fund Balance	34,718,771
Revenues:	
Property tax	16,662,500
Sales tax	4,503,216
Franchise tax	1,782,090
Powell Bill allocation	800,000
All others (grants, Tourism-related taxes, Parks revenue, etc.)	3,071,165
Total Revenues	<u>26,818,971</u>
Expenditures:	
Personnel (supplanted \$4.8M of Public Safety salaries with ARP funds)	7,185,512
Operating	10,118,490
TH/PS/PW/Bldg Maint. Rsv Fund	10,000
Cain Center (operating support)	411,000
Existing Debt service (includes debt issued in FY 23)	3,453,758
Powell Bill/Stormwater Capital	1,200,000
Other Capital (fund balance cash)	2,948,821
Total Expenditures	<u>25,327,581</u>
Net	<u>1,491,390</u>
Ending Fund Bal	<u>36,210,161</u>
Total Fund Balance	<u>36,210,161</u>
Available Fund Balance	<u>33,610,161</u>
End Bal as % of Exps Total	143%

End Bal as % of Exps Available	133%
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Tax Assumptions:

Assessed Value as of June 30, 2021	7,610,372,920
% increase growth	0.64%
Estimated Assessed Value as of June 30, 2022	7,658,806,855
Collection rate	98.00%
Rate	0.2220
Tax produced	16,662,500

Debt issuance variable:

Beginning Debt Outstanding (principal, including \$7.6M in Bonds sold in FY 22)	15,078,879
Principal retired in FY 23	(2,711,114)
Principal issued in FY 23	2,085,000
Ending Debt Outstanding	14,452,765

Explanation of Uses of Fund Balance

Fire Engine (carry forward from FY 22)		720,000
Legion Park Ball Field (carry forward FY 22)		175,000
Wideband Camera (CBRS)-Asset Forfeiture Funds		54,000
Street Resurfacing (Powell Bill Funds)		348,000
Police Roof (Building Maint. Reserve Fund)		135,000
Crosswalk Improvements (MI-Connection Settlement Funds)		200,000
CDC (MI-Connection Settlement Funds)		70,000
Stream Restoration Design-Magnolia Estates, Westmoreland, and Chartwell Commercial Properties (ARP)		300,000
Legion Park Ball Field Stormwater repair (ARP)		550,000
Jetton Extension DESIGN (ARP)		71,000
New Road Bonds (Roads Capital Reserve)		311,275
New Town Center Redevelopment Bonds		401,756
		3,336,031

Explanation of Uses of Fund Balance

Carrry Forward Capital from FY 22		895,000
Restricted and Designated (Powell Bill/Asset Forfeiture/Building Maintenance Funds)		537,000
MI Connection Settlement Funds		270,000
ARP		921,000
Roads Capital Reserve Fund		311,275
Non-Restricted/Non-Designated Fund Balance (FY 22 Redevelopment Bonds Debt Service)		401,756

Explanation of Uses of Fund Balance

Contribution to Fund Balance with ARP Funds	1,491,390
Back out ARP Funds	<u>(4,821,414)</u>
Real use of Fund Balance	(3,330,024)
Use of Fund Balance per categories	<u>3,336,031</u>
Net Contribution to Fund Balance	6,007

ARP Categories and Proposed ARP Expenditures in Draft FY23 Budget

Jetton Rd. Ext. Design

- Transportation – Roads, Intersections
- Alternative Modes of Transportation – Sidewalks, Multi-Use Paths, Bike Lanes, Greenways
- Parks & Recreation

Stream Restoration Design-Magnolia Estates, Westmoreland, and Chartwell Commercial Properties

- Stormwater Infrastructure: Water Quality, Stormwater, Mitigate Property Damage

Legion Park Ball Field Stormwater Repair

- Parks & Recreation
- Stormwater Infrastructure: Water Quality, Stormwater, Mitigate Property Damage

Town of Cornelius
Budget Changes Prior Year / Estimated Year End / Next Budget Year
30-Jun-23

	2021 Actual	2022 Est Yr End Changes	%	2022 Est Yr End	2023 Budget Changes	%	2023 Proposed Budget
Personnel							
1st Round ARP Received \$4,821,414							
0.00% ARP Supplement Sworn Police Officer Salaries and Retirement Benefits							
0.00% ARP Supplement Full Time Firefighter Salaries							
4.06% Merit 3.5% and COLA 1.5% (each % cost \$81,120)							
0.00%							
4.33% 6 Full Time Firefighters							
4.05% Sworn Police Officers and Telecommunicators Market Salary Study							
23,730 Park Maint. Tech. for all parks and Can Park (half year)							
27,300 Recreation Program Assistant (half year)							
89,000 Residency Incentive Employee Stipend (Housing Committee recommendation)							
79,348 Part Time Pay Increases (Police Officers, Telecommunicators, Parks and Rec., Finance; net increase \$53,048)							
38,400 Fire Dept. Full Time Over Time (\$4.40/hr)							
25,000 Police Department Property and Evidence Clerk (last half year)							
0.00%							
42,000 0.42% 5% Probationary Increase							
253,290 2.54% Salary Retirement Increase (New FTEs, Employer contribution increase)							
12,716 0.13% Recruitment/Retention/Compression Fund							
8,200 0.08% Intermediate Law Enforcement Certificate							
300,000 1.00% Health Insurance Reserve							
66,992 0.67% Law Enforcement Special Separation Allowance							
16,320 0.16% Employee Physical Fitness Incentive							
0.00%							
2,025,999 20.30%							
1,182,408 13.44%							
Subtotal of recurring items							
Total Personnel	8,798,520	1,182,408	13.44%	\$ 9,980,928	2,025,999	20.30%	\$ 7,185,512
Operating							
One Time Items:							
Asset Forfeiture	236,500	2.83%					
70,000 0.73% CDC Start up Operational Funds							
45,000 0.47% Comprehensive Redevelopment Plan (complete plan)							
20,000 0.21% Town Center Due Diligence (environmental)							
15,000 0.05%							
(28,675) -0.30%							
(47,500) -0.49%							
10,000 0.10% Torrence Chapel/West Catawba Left turns removal (place holder)							
10,000 0.10% Overhaul Town's Website							
40,000 0.42% Ubiquiti Wireless System Replacement with Meraki System (Town Facilities)							
(8,000) -0.08%							
10,700 0.11% Arrest Processing gate opener replacement							
(6,000) -0.06%							
0.00% Phase Holder for Annual Support Grants							
18,000 0.19% Communications-Spillman/GIS CAD mapping service							
(60,000) -0.62%							
(35,000) -0.36%							
5,000 0.05% Microsoft Ssl Server licensing for 911, Spillman, CAD, and Munis financial software							
18,500 0.19% Multi-factor authentication (compliance with cyber insurance coverage requirements)							
(18,500) -0.19%							
(17,000) -0.18%							
Subtotal of one-time items	511,849	6.12%			(1,375)	-0.81%	
Recurring:							
Town Hall/Public Safety/Public Works Bldg. Maint. Reserve Fund	10,000	0.12%					
10,000 0.10% Town Hall/Public Safety/Public Works Bldg. Maint. Reserve Fund (year 3 of 6)							
5,000 0.05% Network intrusion monitoring and detection software support							
5,000 0.05% Microsoft Ssl Server licensing for 911, Spillman, CAD, and Munis financial software							
18,500 0.19% Multi-factor authentication (compliance with cyber insurance coverage requirements)							
10,500 0.11% Wakeband camera surveillance project							
16,628 0.17% Public Safety (Police Department, FTE Fire, and Communications) mental health program							
4,000 0.04% Police Department laser cartridges for training							
0.00%							
0.00%							
26,170 0.27% Cain Park maintenance							
4,000 0.04% Praise in the Park (moved from one time in FY 22 to recurring in FY 23)							
9,400 0.10% Recreation Program Assistant operations cost							
40,000 0.42% County Stormwater Increase							
25,000 0.26% CLFR part time market pay rate increase (year 2 of 2)							
50,000 0.53% New full time Firefighters operational costs (uniforms, physicals, travel and training)							
20,000 0.21% CLFR (10) Part Time OT shifts							
15,000 0.16% CLFR COVID PPE and operational expenses							
40,000 0.42% CLFR Residency incentive for all qualifying part time Cornelius firefighter residents Phase I							
1,671 0.02% CLFR Mecklenburg County tax shortfall							
0.00%							
0.00%							
23,311 0.24% Street light increases							
730,464 7.30%							
644,743 6.71%							
Subtotal of recurring items	730,464	7.30%			644,743	6.71%	
Total Operating	8,362,767	1,242,313	13.32%	9,605,070	643,368	6.70%	10,248,438
Capital							
Powell Bill - Old Canal (FY 22 plus carry forward for FY 21)	1,100,000				900,000		
50,000							
62,500							
718,000							
728,000							
62,000							
300,000							
200,000							
53,000							
60,000							
100,000							
70,000							
1,132,056					1,148,821		
3,923,466					4,148,821		
Transfers							
OPBELEO	-				-		
-					-		
-					-		
-					-		
590,000							
Town Hall/Public Safety/Public Works Building Maint. Reserve Fund							

Public Safety	FY 22 Budget vs. FY 23 Budget
Merit and COLA	227,137
6 Firefighters	434,000
Market Study	404,000
Residency Incentive	35,000
Part Time Pay Increases	35,348
Fire Dept. FTE Over Time	38,400
PD Property/Evidence Clerk	25,000
5% Probationary Increase	28,472
Retirement increases	154,568
Intermediate Certificates	8,200
Health Insurance Reserve	62,000
Separation Allowance	62,492
Physical Fitness Incentive	11,740
Public Safety = 75% of the increase in Personnel FY 23	75%

Personnel Comparison to FY 22 Budget:
16% increase

Operating:	New One Time Public Safety Items	49,300
New Recurring Public Safety	283,666	
Public Safety = 39% of the increase in Operating FY 23	39%	
Operating Comparison to FY 22 Budget:	8% increase	
Capital:	Public Safety Items	979,000
Public Safety = 24% of the increase in Capital FY 23	24%	

Town of Cornelius, North Carolina

Capital Planning Model

Scenario 1

Projects Under Consideration										
1	2	3	4	5	6	7	8	9	10	11
On/Off	Description	Amount	Par Amount / Project Fund	Timing (FY)	Fund / Revenue Source	Funding Type	Structure	Term	Principal Deferral	Rate
On	Torrence Chapel Rd. West Cat. Ave. Intersection Impv	6,608,722		2024	General Fund	G.O.	Level Principal	20	0	3.50%
On	21/Catawba Roundabouts	1,000,000		2024	General Fund	G.O.	Level Principal	20	0	3.50%
On	115/Potts/Davidson Street Roundabout	4,960,750		2024	General Fund	G.O.	Level Principal	20	0	3.50%
On	Hwy 115- Hickory St. Intersection Improvements	1,474,961		2024	General Fund	G.O.	Level Principal	20	0	3.50%
On	West Catawba Phase II- STI- Local Funding Contribution	1,200,000		2024	General Fund	G.O.	Level Principal	20	0	3.50%
On	Northcross Dr. Extension	5,261,991		2025	General Fund	G.O.	Level Principal	20	0	4.00%
On	West Catawba Phase II- Bike-Ped Accommodations, Mast Arms	1,500,000		2028	General Fund	G.O.	Level Principal	20	0	5.00%
Off										
On	CIP Debt Funded Projects 2023	2,085,000		2023	General Fund	Install. Fin.	Level D/S	10	0	3.00%
On	CIP Debt Funded Projects 2024	2,660,000		2024	General Fund	Install. Fin.	Level D/S	10	0	3.25%
On	CIP Debt Funded Projects 2025	3,080,000		2025	General Fund	Install. Fin.	Level D/S	10	0	3.50%
On	CIP Debt Funded Projects 2026	3,913,000		2026	General Fund	Install. Fin.	Level D/S	10	0	3.75%
On	CIP Debt Funded Projects 2027	3,663,000		2027	General Fund	Install. Fin.	Level D/S	10	0	4.00%
On	CIP Debt Funded Projects 2028	-		2028	General Fund	Install. Fin.	Level D/S	10	0	4.25%
On	CIP Debt Funded Projects 2029	-		2029	General Fund	Install. Fin.	Level D/S	10	0	4.50%
On	CIP Debt Funded Projects 2030	1,513,000		2030	General Fund	Install. Fin.	Level D/S	10	0	4.75%
On	CIP Debt Funded Projects 2031	1,381,000		2031	General Fund	Install. Fin.	Level D/S	10	0	5.00%
On	CIP Debt Funded Projects 2032	2,835,000		2032	General Fund	Install. Fin.	Level D/S	10	0	5.00%
Off										
On	CIP Cash Funded Projects 2023	2,420,000		2023	General Fund	Cash				
On	CIP Cash Funded Projects 2024	2,318,000		2024	General Fund	Cash				
On	CIP Cash Funded Projects 2025	4,888,000		2025	General Fund	Cash				
On	CIP Cash Funded Projects 2026	1,693,000		2026	General Fund	Cash				
On	CIP Cash Funded Projects 2027	2,147,000		2027	General Fund	Cash				
On	CIP Cash Funded Projects 2028	1,025,000		2028	General Fund	Cash				
On	CIP Cash Funded Projects 2029	2,481,000		2029	General Fund	Cash				
On	CIP Cash Funded Projects 2030	1,081,000		2030	General Fund	Cash				
On	CIP Cash Funded Projects 2031	1,666,000		2031	General Fund	Cash				
On	CIP Cash Funded Projects 2032	1,357,000		2032	General Fund	Cash				
On										
On										
On										
On										
On										
On										
On										

Town of Cornelius, North Carolina

Capital Planning Model

Scenario 1

Sources of Funds for Capital Projects							General Fund / Capital Reserve Fund Ratios			
12	13	14	15	16	17	18	19	20	21	22
FY	Current Tax Rate Allocated to Debt	Add'l Increase Required	Actual Tax Increase	Tax Increase Revenues	Shortfall for Debt Service	Annual Surplus (Deficit)	Total Fund Balance	Available Fund Balance	AFB as a % of Expenditures	D/S to Op. Exp.
Total	4.33	45.10	-	-	37,818,746					
2020	4.33	-		-	-	4,948,955	26,561,464	23,373,959	105.2%	12.3%
2021	3.85	-		-	-	6,244,347	32,805,811	26,996,073	117.2%	14.0%
2022	3.85	-		-	-	3,713,912	34,718,771	32,118,771	124.0%	10.3%
2023	3.85	0.65		-	491,568	(45,999)	36,210,161	33,610,161	104.7%	10.6%
2024	3.85	0.78		-	597,217	77,544	35,936,106	33,336,106	99.2%	10.5%
2025	3.85	2.25		-	1,738,062	(10,323,667)	25,566,522	22,872,698	63.2%	13.0%
2026	3.85	2.73		-	2,128,046	(6,372,139)	19,160,924	16,650,924	43.7%	13.4%
2027	3.85	2.50		-	1,962,974	(7,840,187)	11,320,737	5,510,999	13.9%	12.6%
2028	3.85	2.70		-	2,141,213	(9,547,471)	1,773,267	(4,036,471)	-9.7%	12.5%
2029	3.85	2.71		-	2,174,255	(12,371,988)	(10,598,721)	(16,408,459)	-37.9%	12.1%
2030	3.85	2.51		-	2,029,907	(12,249,205)	(22,847,926)	(28,657,664)	-63.6%	11.4%
2031	3.85	2.57		-	2,105,482	(14,422,547)	(37,270,473)	(43,080,211)	-91.3%	11.1%
2032	3.85	2.62		-	2,162,044	(15,779,550)	(53,050,023)	(58,859,761)	-119.3%	10.8%
2033	3.85	2.19		-	1,831,206	(20,803,550)	(73,853,573)	(79,663,311)	-141.7%	9.0%
2034	3.85	2.23		-	1,881,682	(22,674,400)	(96,527,973)	(102,337,711)	-174.6%	8.7%
2035	3.85	2.18		-	1,860,440	(24,588,535)	(121,116,508)	(126,926,246)	-207.9%	8.4%
2036	3.85	2.08		-	1,786,153	(26,571,461)	(147,687,969)	(153,497,707)	-241.5%	8.0%
2037	3.85	1.85		-	1,607,026	(28,578,666)	(176,266,635)	(182,076,373)	-275.4%	7.5%
2038	3.85	1.64		-	1,442,359	(30,737,143)	(207,003,778)	(212,813,516)	-309.2%	7.0%
2039	3.85	1.95		-	1,724,176	(33,487,069)	(240,490,847)	(246,300,585)	-341.3%	7.1%
2040	3.85	1.93		-	1,725,579	(36,110,211)	(276,601,058)	(282,410,796)	-374.7%	6.9%
2041	3.85	2.03		-	1,837,947	(39,007,084)	(315,608,142)	(321,417,880)	-407.6%	6.7%
2042	3.85	2.15		-	1,964,466	(42,090,584)	(357,698,726)	(363,508,464)	-440.4%	6.6%
2043	3.85	1.68		-	1,545,939	(44,811,819)	(402,510,545)	(408,320,283)	-475.4%	5.9%
2044	3.85	1.16		-	1,081,005	(47,680,332)	(450,190,878)	(456,000,616)	-510.1%	5.2%
2045	3.85	-		-	-	(49,991,490)	(500,182,367)	(505,992,105)	-547.9%	3.8%
2046	3.85	-		-	-	(53,045,581)	(553,227,948)	(559,037,686)	-582.0%	2.9%
2047	3.85	-		-	-	(56,603,432)	(609,831,381)	(615,641,119)	-613.9%	2.4%
2048	3.85	-		-	-	(60,405,136)	(670,236,517)	(676,046,255)	-645.2%	1.9%
2049	3.85	-		-	-	(64,390,299)	(734,626,815)	(740,436,553)	-676.4%	1.4%
2050	3.85	-		-	-	(68,728,155)	(803,354,970)	(809,164,708)	-706.6%	1.0%
2051	3.85	-		-	-	(73,356,323)	(876,711,293)	(882,521,031)	-736.2%	0.6%
2052	3.85	-		-	-	(78,292,157)	(955,003,450)	(960,813,188)	-765.2%	0.3%
2053	3.85	-		-	-	(83,554,124)	(1,038,557,574)	(1,044,367,312)	-793.6%	-
2054	3.85	-		-	-	(89,550,244)	(1,128,107,818)	(1,133,917,556)	-819.5%	-
2055	3.85	-		-	-	(95,912,710)	(1,224,020,528)	(1,229,830,266)	-845.1%	-
2056	3.85	-		-	-	(102,663,497)	(1,326,684,024)	(1,332,493,762)	-870.4%	-
2057	3.85	-		-	-	(109,825,836)	(1,436,509,861)	(1,442,319,599)	-895.3%	-
2058	3.85	-		-	-	(117,424,453)	(1,553,934,313)	(1,559,744,051)	-920.0%	-

TOWN OF CORNELIUS, NORTH CAROLINA GENERAL FUND LONG-TERM FINANCIAL PLAN AS OF JUNE, 2023	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022	2022 EYE	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	FY 2018 ACTUAL	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022	FY 2022 EYE	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Beginning Fund Balance	17,181,392	19,273,176	21,699,109	26,648,064	29,846,464	32,894,970	34,718,771	36,210,161	35,851,400	25,395,833	18,903,178	10,954,244	2,872,079	(8,027,651)	(19,004,704)	(32,157,787)
Revenues:																
Property tax	13,745,899	14,093,129	16,182,772	16,509,219	16,364,075	16,575,000	16,662,500	16,935,220	17,186,200	17,397,610	17,611,661	17,609,193	17,825,890	18,045,295	18,267,443	20,678,635
Sales tax	3,736,084	3,983,699	4,026,827	4,778,062	3,850,000	5,077,095	4,503,216	4,638,312	4,777,462	4,920,786	5,068,409	5,220,462	5,377,075	5,538,388	5,704,539	5,875,675
Franchise tax	1,840,317	1,887,891	1,824,201	1,787,496	1,694,776	1,782,090	1,831,989	1,883,284	1,936,016	1,990,225	2,045,951	2,103,238	2,162,128	2,222,668	2,284,902	2,346,902
Powell Bill allocation	761,210	771,445	778,253	750,982	685,000	870,761	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000	800,000
All others (grants, Tourism-related taxes, Parks revenue, etc.)	3,887,689	2,789,454	4,222,285	4,379,514	2,699,530	3,480,067	3,059,929	3,105,828	3,152,415	3,199,702	3,247,697	3,296,413	3,345,859	3,396,047	3,446,987	3,498,692
Total Revenues	23,971,199	23,525,618	27,034,338	28,205,273	25,293,381	27,785,013	26,807,735	27,311,349	27,799,362	28,254,113	28,717,992	28,972,018	29,452,061	29,941,857	30,441,637	33,137,905
Expenditures:																
Personnel (supplanted \$4.8M of Public Safety salaries with ARP funds)	7,710,073	7,753,882	8,436,384	8,798,520	10,357,874	9,980,928	7,185,512	7,978,498	14,460,675	15,618,315	16,845,414	18,146,139	19,524,907	20,986,402	22,535,586	24,177,721
Operating	8,710,804	8,341,575	8,504,513	8,364,268	9,374,336	9,496,715	10,118,490	10,563,230	11,025,759	11,506,789	12,007,061	12,527,343	13,068,437	13,631,174	14,216,421	14,825,078
ARP Expenditures not in CIP or Operating/Personnel Forecast	-	-	-	10,000	10,000	10,000	10,000	2,180,463	2,180,463	-	-	-	-	-	-	-
TH/PS/PW/Bldg Maint. Rsv Fund	-	-	-	10,000	10,000	10,000	10,000	-	-	-	-	-	-	-	-	-
Cain Center (operating support)	245,000	365,000	323,000	289,600	351,743	351,743	411,000	411,000	411,000	411,000	411,000	390,450	370,928	352,381	334,762	318,024
Existing Debt service (includes debt issued in FY 23)	2,232,243	2,402,706	2,736,874	3,216,860	2,890,102	2,628,360	3,453,758	3,285,284	2,845,488	2,448,935	1,875,364	1,669,439	1,620,234	1,547,694	1,501,819	1,451,963
Powell Bill/Stormwater Capital	197,450	766,235	734,472	1,100,000	750,000	650,000	1,200,000	400,000	3,800,000	200,000	800,000	200,000	800,000	200,000	800,000	200,000
Other Capital (fund balance cash)	1,757,329	312,178	788,072	193,815	2,448,466	2,373,466	2,948,821	1,896,000	1,148,000	1,493,000	1,347,000	825,000	1,681,000	881,000	866,000	1,157,000
New debt svc	-	-	-	-	-	-	-	955,636	2,383,544	3,068,729	3,381,087	3,295,812	3,286,286	3,320,259	3,340,132	3,595,733
Transfers	1,060,000	1,229,722	627,077	-	-	500,000	-	-	-	-	-	-	-	-	-	-
Use of Cap Reserve	(34,484)	(71,613)	(65,009)	(14,696)	(30,000)	(30,000)	(11,236)	-	-	-	-	-	-	-	-	-
Total Expenditures	21,879,415	21,099,685	22,085,383	21,958,367	26,152,521	25,961,212	25,316,345	27,670,110	38,254,928	34,746,768	36,666,926	37,054,183	40,351,792	40,918,910	43,594,720	45,725,519
Net	2,091,784	2,425,933	4,948,955	6,246,906	(859,140)	1,823,801	1,491,390	(358,761)	(10,455,567)	(6,492,655)	(7,948,934)	(8,082,165)	(10,899,731)	(10,977,053)	(13,153,083)	(12,587,614)
Ending Fund Bal	19,273,176	21,699,109	26,648,064	32,894,970	28,987,324	34,718,771	36,210,161	35,851,400	25,395,833	18,903,178	10,954,244	2,872,079	(8,027,651)	(19,004,704)	(32,157,787)	(44,745,401)
Capital Reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Fund Balance	19,273,176	21,699,109	26,648,064	32,894,970	28,987,324	34,718,771	36,210,161	35,851,400	25,395,833	18,903,178	10,954,244	2,872,079	(8,027,651)	(19,004,704)	(32,157,787)	(44,745,401)
Available Fund Balance	17,481,748	19,808,064	24,357,161	28,675,506	26,387,324	32,118,771	33,610,161	33,251,400	22,702,009	16,303,178	8,354,244	272,079	(10,627,651)	(21,604,704)	(34,757,787)	(47,345,401)
End Bal as % of Exps Total	88%	103%	121%	150%	111%	134%	143%	130%	66%	54%	30%	8%	-20%	-46%	-74%	-98%
End Bal as % of Exps Available	80%	94%	110%	131%	101%	124%	133%	120%	59%	47%	23%	1%	-26%	-53%	-80%	-104%

TOWN OF CORNELIUS, NORTH CAROLINA
GENERAL FUND LONG-TERM FINANCIAL PLAN
AS OF JUNE, 2023

TOWN OF CORNELIUS, NORTH CAROLINA GENERAL FUND LONG-TERM FINANCIAL PLAN AS OF JUNE, 2023		2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 2022 EYE	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
		FY 2018 ACTUAL	FY 2019 Actual	FY 2020 Actual	FY 2021 Actual	FY 2022	FY 2022 EYE	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
Tax Assumptions:																	
Value		5,431,908,611	5,499,814,530	5,552,131,900	7,353,051,835	7,464,168,311	7,464,168,311	7,610,372,920	7,658,806,855	8,577,863,678	8,685,086,974	8,793,650,561	8,903,571,193	9,971,999,736	10,096,649,733	10,222,857,855	10,350,643,578
% increase growth		1.250%	0.951%	2.74%	1.51%	1.03%	1.96%	0.64%	0.0%	1.25%	1.25%	1.25%	0.0%	1.25%	1.25%	1.25%	1.25%
% Change reveal		0%	0%	28.9%	0%	0%	0%	0%	12%	0%	0%	0%	12%	0%	0%	0%	12%
New Value		5,499,814,530	5,552,131,900	7,353,051,835	7,464,168,311	7,540,874,579	7,610,372,920	7,658,806,855	8,577,863,678	8,685,086,974	8,793,650,561	8,903,571,193	9,971,999,736	10,096,649,733	10,222,857,855	10,350,643,578	11,737,629,817
Collection rate		99.0%	99.0%	99.0%	99.17%	97.75%	99.15%	98.00%	98.75%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%	99.0%
Rate		0.255	0.255	0.2220	0.2220	0.2220	0.2200	0.2220	0.1967	0.1967	0.1967	0.1967	0.1756	0.1756	0.1756	0.1756	0.1756
Tax produced		13,884,282	14,016,357	16,164,000	16,432,919	16,364,075	16,600,506	16,662,500	16,661,750	16,912,730	17,124,140	17,338,191	17,335,723	17,552,420	17,771,825	17,993,973	20,405,165
Revenue assumptions:																	
Sales tax								3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Franchise tax								2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%
Powell Bill								0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Other								1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%
Expense assumptions:																	
Personnel								7.00%	7.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%	6.00%
Operatinq								4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Debt Issuance variable:																	
Beginning Debt Outstanding		12,436,983	11,439,504	11,302,036	9,162,920	7,289,672	7,826,402	15,078,879	14,452,765	29,762,435	35,469,371	37,412,111	39,620,270	39,820,270	38,520,270	38,692,270	38,732,270
Principal retired		(1,908,658)	(1,944,800)	(2,139,116)	(2,674,518)	(2,312,505)	(2,190,523)	(2,711,114)	(2,674,763)	(2,305,055)	(1,970,260)	(1,454,841)	(1,300,000)	(1,300,000)	(1,275,000)	(1,275,000)	(1,270,000)
Principal issued		911,179	1,807,332	-	1,338,000	10,143,000	9,443,000	2,085,000	17,984,433	8,011,991	3,913,000	3,663,000	1,500,000	-	1,447,000	1,315,000	3,835,000
Ending Debt Outstanding		11,439,504	11,302,036	9,162,920	7,826,402	15,120,167	15,078,879	14,452,765	29,762,435	35,469,371	37,412,111	39,620,270	39,820,270	38,520,270	38,692,270	38,732,270	41,297,270

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

Town Manager's Comments

FY23 Draft Budget

- Able to fund new and ongoing operating and personnel along with typical capital with operating revenue
- However, \$8M Bonds sold (Redevelopment Bonds, Roads) is not supported by operating revenue, and must utilize fund balance (Roads Capital Reserve and Un-Designated/Un-Restricted Fund Balance)
- \$8M Bonds = \$713,000 Debt Service payments/year = ~1 additional cent of Property Tax Rate
- Without a Tax Rate increase or major change to expenses, must utilize Fund Balance to make debt service payments
- This use of Fund Balance is consistent with Town Manager's message for FY20, FY21, and FY22 Budgets

FY24 and FY25 - \$26M of Road Projects

- Require significant amount of cash for pay-go or debt service
- If all Debt Service, this represents an additional ~\$2.3 M of Debt Service Payments or an additional 3 cents of Property Tax Rate

Fire Dept. Transition Plan

- Average \$330K/year additional (personnel and operating) for the next ~14 years = 0.4 cent of Property Tax Rate each year.

Town Manager's Comments

FY 24 and Beyond

- Rapid use of Fund Balance
- Violate Fund Balance Policy in FY27. Less than 40% of Expenditures.
 - FY27 Available fund Balance = \$ 8.7M
 - FY28 Available fund Balance = \$ 700K
 - FY29 Available fund Balance = (\$10 M)
 - FY30 Available fund Balance = (\$21 M)

Will need a correction prior to FY27, with either a Property Tax Increase or Major cut to Expenses (i.e., Cut Services or Capital Projects)

- Earlier action will lead to less impactful Property Tax Increase
- Town Manager not proposing a Property Tax Increase in FY23, but will be necessary in either FY24, 25, or 26 AND/OR Major Cut to Expenses in those same years



Town of Cornelius Proposed FY 2023 Budget

March 30, 2022



Cornelius Current Electric Rate Comparison

Cornelius Residential Bill Comparison¹

Billed kWh	Cornelius ²	Duke Energy Carolina ²		Huntersville ²		Energy United ^{2&3}	
		Standard	DEC Difference to Cornelius	Standard	HTV Difference to Cornelius	Standard	EU Difference to Cornelius
500	\$63.00	\$60.14	-4.5%	\$70.57	12.0%	\$78.15	24.1%
750	\$87.09	\$82.74	-5.0%	\$96.75	11.1%	\$96.85	11.2%
1,000	\$111.18	\$105.34	-5.3%	\$122.93	10.6%	\$115.55	3.9%
1,500	\$159.37	\$150.53	-5.5%	\$175.29	10.0%	\$152.95	-4.0%
2,000	\$207.56	\$195.73	-5.7%	\$227.65	9.7%	\$190.35	-8.3%
2,500	\$255.74	\$240.93	-5.8%	\$280.01	9.5%	\$227.75	-10.9%
3,000	\$303.93	\$286.13	-5.9%	\$332.37	9.4%	\$265.15	-12.8%
3,500	\$352.12	\$331.33	-5.9%	\$384.73	9.3%	\$302.55	-14.1%

Notes:

1) All bill estimates do not include sales tax

2) Annualized blended estimate

3) Rates, Riders (inc Storm Recovery), and REPS publicly available as of 03/16/2022



Duke With 9/22 Fuel Adjustment

Cornelius Residential Bill Comparison¹

Billed kWh	Cornelius ²	Duke Energy Carolina ²		Huntersville ²		Energy United ^{2&3}	
		Standard	DEC Difference to Cornelius	Standard	HTV Difference to Cornelius	Standard	EU Difference to Cornelius
500	\$63.00	\$64.18	1.9%	\$70.57	12.0%	\$78.15	24.1%
750	\$87.09	\$88.80	2.0%	\$96.75	11.1%	\$96.85	11.2%
1,000	\$111.18	\$113.42	2.0%	\$122.93	10.6%	\$115.55	3.9%
1,500	\$159.37	\$162.66	2.1%	\$175.29	10.0%	\$152.95	-4.0%
2,000	\$207.56	\$211.90	2.1%	\$227.65	9.7%	\$190.35	-8.3%
2,500	\$255.74	\$261.15	2.1%	\$280.01	9.5%	\$227.75	-10.9%
3,000	\$303.93	\$310.39	2.1%	\$332.37	9.4%	\$265.15	-12.8%
3,500	\$352.12	\$359.63	2.1%	\$384.73	9.3%	\$302.55	-14.1%

Notes:

1) All bill estimates do not include sales tax

2) Annualized blended estimate

3) Rates, Riders (inc Storm Recovery), and REPS publicly available as of 03/16/2022 including DEC proposed fuel filing.

Cornelius 2% Increase & Duke Fuel Adjustment

Cornelius Residential Bill Comparison¹

Billed kWh	Cornelius ²	Duke Energy Carolina ²		Huntersville ²		Energy United ^{2&3}	
		Standard	DEC Difference to Cornelius	Standard	HTV Difference to Cornelius	Standard	EU Difference to Cornelius
500	\$64.26	\$64.18	-0.1%	\$70.57	9.8%	\$78.15	21.6%
750	\$88.83	\$88.80	0.0%	\$96.75	8.9%	\$96.85	9.0%
1,000	\$113.41	\$113.42	0.0%	\$122.93	8.4%	\$115.55	1.9%
1,500	\$162.56	\$162.66	0.1%	\$175.29	7.8%	\$152.95	-5.9%
2,000	\$211.71	\$211.90	0.1%	\$227.65	7.5%	\$190.35	-10.1%
2,500	\$260.86	\$261.15	0.1%	\$280.01	7.3%	\$227.75	-12.7%
3,000	\$310.01	\$310.39	0.1%	\$332.37	7.2%	\$265.15	-14.5%
3,500	\$359.16	\$359.63	0.1%	\$384.73	7.1%	\$302.55	-15.8%

Notes:

1) All bill estimates do not include sales tax

2) Annualized blended estimate including a 2% across the board increase

3) Rates, Riders (inc Storm Recovery), and REPS publicly available as of 03/16/2022 including DEC proposed fuel filing effective 9/1/2022

1000 kwh Cornelius 2% Increase & Duke Fuel Adj.

Cornelius Residential Bill Comparison¹

Billed kWh	Cornelius ²	Duke Energy Carolina ²		Huntersville ²		Energy United ^{2&3}	
		Standard	DEC Difference to Cornelius	Standard	HTV Difference to Cornelius	Standard	EU Difference to Cornelius
1,000	\$113.41	\$113.42	0.0%	\$122.93	8.4%	\$115.55	1.9%

Notes:

1) All bill estimates do not include sales tax

2) Annualized blended estimate including a 2% across the board increase

3) Rates, Riders (inc Storm Recovery), and REPS publicly available as of 03/16/2022 including DEC proposed fuel filing effective 9/1/2022



- **Questions?**

Town of Cornelius
Electric Fund

Change in Wholesale Rate		0.0%		0.0%		0.0%		2.0%		2.0%		2.0%		2.0%	
	Growth Factor	2021	2022	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	
		Actual	Budget	EYE	Budget	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	Projection	
Expenditures															
Personnel	4.0%	645,335	825,820	825,820	902,588	938,692	976,239	1,015,289	1,055,900	1,098,136	1,142,062	1,187,744	1,235,254	1,284,664	
Operating	2.0%	845,572	1,165,494	1,165,494	1,292,762	1,318,617	1,344,990	1,371,889	1,399,327	1,427,314	1,455,860	1,484,977	1,514,677	1,544,970	
Electrical Power Purchases	3.0%	4,675,915	4,970,000	4,970,000	4,259,470	4,387,254	4,518,872	4,654,438	4,794,071	5,036,651	5,291,506	5,559,256	5,840,554	6,136,086	
Capital		287,572	2,468,500	801,500	3,743,000	2,770,000	1,061,000	1,252,000	910,000	905,000	635,000	800,000	800,000	800,000	
Annual debt svc pmt		26,028	30,000	30,000	30,000	557,537	557,537	557,537	527,537	527,537	527,537	527,537	527,537	527,537	
Total expenditures		6,480,422	9,459,814	7,792,814	10,227,820	9,972,100	8,458,638	8,851,153	8,686,836	8,994,638	9,051,965	9,559,514	9,918,022	10,293,258	
Recommended rate increase		0.0%	4.49%	4.49%	2.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Revenues															
Electricity sales	3.0%	6,518,361	6,891,700	6,891,700	7,606,013	7,834,193	8,069,219	8,311,295	8,560,634	8,817,453	9,081,977	9,354,436	9,635,069	9,924,121	
Other operating revenue		10,163	358,000	358,000	103,295	106,394	109,586	112,873	116,259	119,747	123,340	127,040	130,851	134,777	
Nonoperating revenue		1,106,535	-	-	4,500,000	-	-	-	-	-	-	-	-	-	
Total revenue		7,635,059	7,249,700	7,249,700	12,209,308	7,940,587	8,178,804	8,424,168	8,676,894	8,937,200	9,205,316	9,481,476	9,765,920	10,058,898	
Revenues vs expenditures		1,154,637	(2,210,114)	(543,114)	1,981,488	(2,031,513)	(279,833)	(426,985)	(9,942)	(57,438)	153,352	(78,039)	(152,102)	(234,360)	
Staff Projected Fund Balance:			\$5,300,000	\$4,756,886	\$6,738,374	\$4,706,860	\$4,427,027	\$4,000,042	\$3,990,100	\$3,932,662	\$4,086,013	\$4,007,975	\$3,855,873	\$3,621,513	

Loan Calculation
Term 10 Years
Interest Rate 3.00%
Amount Borrowed 4,500,000
Debt Service 527,537.28

Town of Cornelius - Electricities
Summary of Capital Improvements

	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	Total (22/23-31/32)
Vehicles	83,000	100,000	45,000	45,000	240,000	-	45,000	55,000	-			530,000
Baileys Glen (413 meters)	50,000	75,000	73,000									148,000
Mt. Zion Senior Cener (106 meters)	102,500	72,000	72,000									144,000
Mulberry St Townhomes	-											-
Cain Art Center	50,000											-
Bailey Road Townhomes	-											-
New substation	1,562,000	2,500,000	1,600,000									4,100,000
Lines New Substation	66,000	66,000	234,000					180,000				480,000
Mecklenburg Regional Rec	-	-										-
Zion Substation Improvements	-	-		420,000	312,000					250,000		982,000
Utility line burial (electric)	144,000	175,000				210,000	210,000					595,000
Utility Line Burial (Communications)		225,000	200,000									425,000
OMB/Profitt Dixon (448 mixed use met	130,000	130,000	175,000	175,000								480,000
Nannie Potts Rd(10 meters)	25,000	30,000										30,000
Antiquity Loop Feed	35,000	70,000	71,000	71,000								212,000
Automated Metering	-	-	-	-	350,000	350,000	250,000					950,000
Miscellaneous	50,000	150,000	150,000	175,000	175,000	175,000	200,000	200,000	400,000	275,000	400,000	2,300,000
Asset/Pole Replacement	150,000	150,000	150,000	175,000	175,000	175,000	200,000	200,000	400,000	275,000	400,000	2,300,000
Warehouse Renovations	21,000	-	-	-	-	-	-	-	-			-
Grand Total	2,468,500	3,743,000	2,770,000	1,061,000	1,252,000	910,000	905,000	635,000	800,000	800,000	800,000	13,676,000

Growth

Maintain system

Both

Town of Cornelius - ElectriCities
Summary of Capital Improvements

	21-22	EYE	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	Total (22/23-31/32)
Vehicles	83,000	77,000	100,000	45,000	45,000	240,000	-	45,000	55,000	-			530,000
Baileys Glen (413 meters)	50,000	-	75,000	73,000									148,000
Mt. Zion Senior Cener (106 meters)	102,500	-	72,000	72,000									144,000
Mulberry St Townhomes	-	-											-
Cain Art Center	50,000	50,000											-
Bailey Road Townhomes	-	-											-
New substation	1,562,000	500,000	2,000,000	1,600,000									3,600,000
Lines New Substation	66,000	-	66,000	234,000					180,000				480,000
Mecklenburg Regional Rec	-	-	-										-
Zion Substation Improvements	-	-	-		420,000	312,000					250,000		982,000
Utility line burial (electric)	144,000	-	175,000				210,000	210,000					595,000
Utility Line Burial (Communications)		-	225,000	200,000									425,000
OMB/Profitt Dixon (448 mixed use mete	130,000	-	130,000	175,000	175,000								480,000
Nannie Potts Rd(10 meters)	25,000	-	30,000										30,000
Antiquity Loop Feed	35,000	33,000	70,000	71,000	71,000								212,000
Automated Metering	-	-	-	-	-	350,000	350,000	250,000					950,000
Miscellaneous	50,000	60,500	150,000	150,000	175,000	175,000	175,000	200,000	200,000	200,000	200,000	200,000	1,825,000
Asset/Pole Replacement	150,000	60,000	150,000	150,000	175,000	175,000	175,000	200,000	200,000	200,000	200,000	200,000	1,825,000
Warehouse Renovations	21,000	21,000	-	-	-	-	-	-	-	-			-
Grand Total	2,468,500	801,500	3,243,000	2,770,000	1,061,000	1,252,000	910,000	905,000	635,000	400,000	650,000	400,000	12,226,000

- Growth
- Maintain system
- Both

Town of Cornelius

Investment Plan Update

February 21, 2022

Town's Current Investment Policy

In October 2017, the Town updated the investment policy. The main reason to revise was to include the expanded investment authority language. The Town already has authority to invest in the following investments per G.S. 159-30:

- Depository Accounts (checking, money market, CDs)
- U.S. Treasury Securities (Treasury bills, notes, and bonds)
- Agencies (FFCB, FHLB, GNMA, FHA)
- State of NC bonds
- NC local government bonds
- Prime quality Commercial Paper
- LGC approved mutual funds
- State pools specifically for: Retirement system, OPEB funding, LEO SSA

What is Expanded Investment Authority?

- In 2011, per North Carolina Session Law 2011-180, House Bill 442, the Town in addition to the authority granted in 159-30, is authorized to invest and reinvest any of the Town's restricted or unrestricted capital reserves as so designated from time to time by the Board of Commissioners.
 - Everything in 159-30
 - GO bonds of other U.S. states
 - GO bonds of NC local governments
 - Corporate and convertible bonds bearing one of the 4 highest ratings of at least one nationally recognized rating agency
 - Asset-backed securities with appropriate ratings
 - Equity securities traded on a public exchange

Finance Officer's Legal Responsibility

- As part of General Statute 159-30, the finance officer shall manage investments subject to whatever restrictions and directions the governing board may impose. The finance officer shall have the power to purchase, sell, and exchange securities on behalf of the governing board. The investment program shall be so managed that investments and deposits can be converted into cash when needed.
- The Town did not receive authority to use an outside manager in the expanded investment statute.
- The finance officer is allowed to get advice from an outside manager which might be an additional cost to the Town. LGC has said that it's not ok for financial institution to make decisions without approval from the finance officer. **Town does not have the ability for a broker to have discretionary authority.**
- The finance officer is ultimately responsible for the Town's investments.

Investment Advisory Committee

- As part of the updated policy in 2017, an investment advisory committee may be formed.
- This committee is made up of (5) members:
 - The Finance Director, who shall be chairman-ex officio; two members selected from among the members of the Town Board; the Town Manager; and a hired or appointed, outside investment advisor. The outside investment advisor should have experience in areas relevant to the administration of a diversified investment program.

Town's Investment Policy Objectives

- The primary objectives, in priority order, of investment activities shall be safety, liquidity, and finally, yield.
 - Safety: Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate all risks, including credit risk, market risk, currency risk, liquidity risk and interest rate risk.
 - Liquidity: The Investment portfolio shall remain sufficiently liquid to meet all operating or capital requirements that may be reasonably anticipated.
 - Yield: The investment portfolio shall be designed with the objective of attaining a fair net rate of return after all fees and expenses relative to the risk being assumed. Return on investment is of least importance compared to the safety and liquidity objectives described above.

Town's Current Investment Types

- N.C. Capital Management Trust
 - Certified by the LGC and registered with the SEC, providing protection to local depositors or investors that many pools in other states have failed to provide. The Trust may invest only in securities authorized under G.S. 159-30.
- State Pool
 - Retirement/OPEB, LEO
- Public Funds Money Market
 - Must be labeled as “Public Funds”
 - All public funds must have appropriate FDIC collateral (any amount above 250K). **All public funds must have appropriate collateral as specified by NC Law.**

Town's Expanded Investment Authority

Fall 2017:

- Board approved the updated investment policy for the Town.
- Set aside \$400,000 to offset liabilities associated with pension and post employment benefits through the North Carolina Department of State Treasurer.

Investment Priorities

- As we have been going through the investment plan process, the Town's OPEB liability has become more of a topic of concern. The Town's combined liability is now close to \$4.5 million. This includes the Law Enforcement Officer's Special Separation Allowance (\$2,077,397) and the retiree health care plan which is now (\$2,357,375). Both of these calculations are the present value of benefits we owe today based on the employees we have today. These values were both determined from actuarial valuations.

Investment Priorities

- If we move forward with additional funding for these two liabilities through the State, we need to decide on how much more of an investment amount.
- Since the combined liability is approaching \$4.5 million, a possible recommendation may be to contribute a certain \$ amount each month to the Trust run by the State until the liability is fully funded or funded at a higher level than today.

Investment Priorities

- Per our expanded investment authority, we do have the ability to invest a portion of the Capital Reserve Fund for Roads.
 - Only the investments authorized by G.S. 159 -30 will be permitted by this policy. In addition, as authorized by North Carolina Session Law 2011-180, House Bill 442, the Town's restricted or unrestricted capital reserves may be invested from time to time as designated by the Board of Commissioners in those investments authorized by State law for the State Treasurer in G.S. 147-69.2(b)(1)- (6) and (8).
 - The Town only has one eligible fund which is the Capital Reserve Fund for Roads - \$6.8M.
 - These funds will be necessary to pay for \$41M+ of roads

Fund Balance

Total Fund Balance (including Roads Capital Reserve Fund)		\$ 32,805,811
(Restricted Fund Balance)		\$ (4,219,464)
(Town Hall/Public Safety/Public Works Bldg. Maint. Reserve Fund)		\$ (632,355)
<u>(Roads Capital Reserve Fund)*</u>		<u>\$ (6,876,952)</u>
<u>Available Fund Balance</u>		<u>\$ 21,077,040</u>
Available Fund Balance		\$ 21,077,040
<u>(Minimum 40% of General Fund Expenditures Per Fund Balance Policy)</u>		<u>\$ (10,500,000)</u>
		\$ 10,577,040
*((\$41M of Future Road Projects (\$25.5M in next 3 Fiscal Years)		

CIP Road Projects (FY 22 Budget)

DESCRIPTION	Funds Source	2022	2023	2024	2025	2028	Future	Total
Hwy 21 Dual Roundabouts- Local Match and Betterments (BA)	Bonds	5,582,425	-	-	-	-	-	5,582,425
Hwy 115-Potts St.-Davidson St. Intersection Improvement Project and Betterments (BA)	Bonds	1,272,100	-	-	-	-	-	1,272,100
Torrence Chapel Rd. West Cat. Ave. Intersection Impv- Local Match and Betterments (BA)	Bonds	-	6,084,425	-	-	-	-	6,084,425
2013 Road Bond Project Estimated Cost Increases	Bonds	-	2,500,000	-	-	-	-	2,500,000
Hwy 115- Hickory St. Intersection Improvements	Bonds	-	1,474,961	-	-	-	-	1,474,961
Northcross Dr. Extension-Local Match and Roundabout and Betterments (BA)	Bonds	-	-	4,276,300	-	-	-	4,276,300
Westmoreland Interchange- Town Contribution	Bonds	-	-	2,000,000	-	-	-	2,000,000
West Catawba Phase II- Bike-Ped Accommodations, Street Lights and Mast Arms	Future Bonds	-	-	-	-	5,840,000	-	5,840,000
West Catawba Phase II- ST1- Local Funding Contribution	Future Bonds	-	-	-	-	1,200,000	-	1,200,000
Hwy 115- North Corridor (Washam Potts to Potts St) Bike-Ped Accommodations, Aesthetics	Future Bonds	-	-	-	-	-	3,000,000	3,000,000
Hwy 21 Widening (A)	Future Bonds	-	-	-	-	-	1,870,000	1,870,000
Bailey Road Flyover	Future Bonds	-	-	-	-	-	1,000,000	1,000,000
Jetton Extension DESIGN	Fund Bal	62,500	62,500	-	-	-	-	125,000
Jetton Extension CONSTRUCTION	Debt	-	-	2,200,000	-	-	-	2,200,000
Festival Street- Catawba Avenue	Debt	-	-	-	2,750,000	-	-	2,750,000
		6,917,025	10,121,886	8,476,300	2,750,000	7,040,000	5,870,000	41,175,211
Transportation Bonds Series 2018 (24M)								
Future Bonds								
Town Roads								

Monetary Policy Implications

- Economic activity and employment have continued to strengthen.
- Real GDP grew by 5.7% in 2021.
- Consumer Price Index (CPI) rose 7.53% in January 2022 (YoY).
- Employment Cost Index up 4.9% in 2021 (Wages and Salaries).
- Fed calling for 3 rate increases in 2022.
- Markets are expecting more:
 - Morgan Stanley – 4
 - JP Morgan, Wells – 5
 - BNP, Citi – 6
 - BofA, Goldman Sachs – 7

Seven increases would be 2.00% Fed Funds rate at end of 2022.

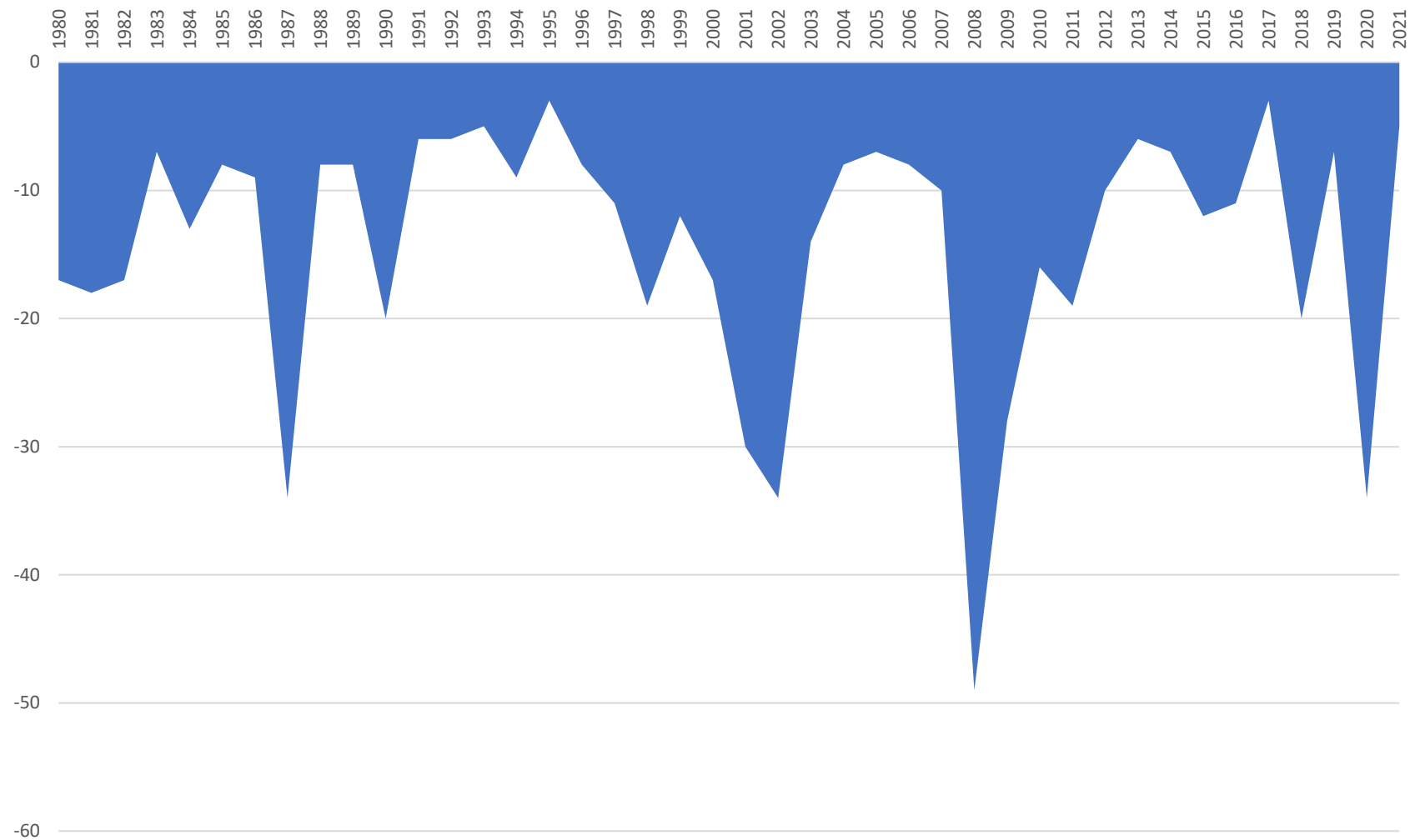
U.S. Economy

- Unemployment rate – 4.0% in January 2022 vs. 3.5% in January 2020.
- Wage growth +5.7% Jan 2022 (average hourly earnings) vs 4.8% 2020. 3.3% 2019.
- GDP growth +5.7% (2021).
- Stock prices +33% in 2021 (S&P 500).
- CPI January 2022 +7.53% from year ago.

N.C. Economy

- NC Unemployment Rate – 3.9% in December 2021 vs. 3.5% in December 2019. Peaked at 12.9% in April 2020
- Real NC GDP expected to grow at 3.1% over 2021 levels.
- NC expected to gain 124,400 jobs in 2022, an increase of 2.7%. Hospitality & Leisure +9.2%

S&P Intra-year Market Declines



Source: Standard & Poor's

The Longer the Maturity, the Greater the Price Volatility



Potential Interest Rate Increase of...		Potential Price Movement		
		2-Year Treasury	10-Year Treasury	30-Year Treasury
0.25%	=	-0.50%	-0.99%	-1.99%
0.50%	=	-2.18%	-4.36%	-8.72%
1.00%	=	-4.79%	-9.58%	-19.15%

Source: Bloomberg, U.S. Global Investors

Investment Objectives: OPEB & LEO Separation Allowance Funds

- To earn a risk-adjusted, market-based return that meets or exceeds a benchmark of like securities over market cycles. The benchmark(s) chosen should relate to the performance of a blend of equity and fixed income securities.
- To ensure sufficient liquidity to meet the required payments of the benefit programs
- To comply with all governing statutes and fiduciary obligations

North Carolina Capital Management Trust

NCCMT	Nominal Rate	Real Rate
Calendar 2021	0.01%	-6.89%

Aquesta/United Community Bank

Aquesta	Nominal Rate	Real Rate
Calendar 2021	0.52%	-6.38%

OPEB & LEOSSA Funds

OPEB/LEO	Nominal Rate	Real Rate
Calendar 2018	1.43%	-0.07%
Calendar 2019	2.04%	0.74%
Calendar 2020	1.81%	0.31%
Calendar 2021	1.75%	-5.15%

OPEB/LEOSSA Fund Return/Yield

Calendar 2018	Calendar 2019	Calendar 2020	Calendar 2021
\$5,751	\$8,358	\$7,601	\$7,351

NC AGPIP

- Low cost, 100% equity fund set up by the state of North Carolina, managed by BlackRock
- Returns
 - 18.4% 1yr
 - 20.4% 3yr
 - 14.6% 5yr
 - 12.0% 10yr
- Appears NC has negotiated a 5bp fee.

Go to 10 year financial forecast to evaluate
use of fund balance cash

Town Board Feedback

- Are our priorities still in the following order?
 - Safety
 - Liquidity
 - Yield

Is there a desire to invest more in our OPEB and LEO liabilities?

Is there a desire to invest further?

QUESTIONS?



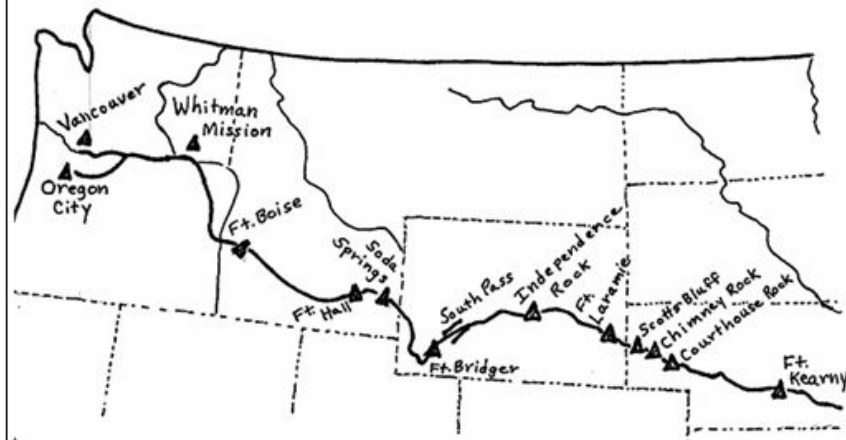
THE "CORNELIUS WAY"





You have died

The Oregon Trail





TRAILMARKERS

Loyalty

Integrity

Innovation

Resilience

Courage



Loyalty

Serving citizens with:

- Dedication
- Kindness
- Empathy
- Compassion

Courage

Above and Beyond;
Setting and surpassing the
"High Bar"

Resilience

Building a strong community
through perseverance and
character in uncertain trials and
supporting others in times of need

Integrity

Leading from the
front; Demonstrating
the qualities we hope
to inspire in others

Innovation

Seeking creative solutions
to community challenges
by tapping into the natural
talents of our employees
and our community



THE CORNELIUS WAY

Consistently striving to reach above and beyond the “high bar”, we will uphold the qualities we see and hope to inspire in our citizens, to serve Cornelius with loyalty, integrity, innovation, resilience and courage.

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners

From: Lori Harrell, Town Clerk

Action Requested:

Review the minutes from March 31st - Closed Session.

Manager's Recommendation:

Approve minutes.

ATTACHMENTS:

Name:	Description:	Type:
 03-31-22_Closed_Session.pdf	Closed Session	Backup Material

REQUEST FOR BOARD ACTION

 [Print](#)

Date of Meeting: June 6, 2022

To: Mayor and Board of Commissioners

From: Lori Harrell, Town Clerk

Action Requested:

Review the minutes from May 16th - Regular Meeting.

Manager's Recommendation:

Approve minutes.

ATTACHMENTS:

Name:	Description:	Type:
 05-16-22_Regular_Meeting.pdf	Regular Meeting Minutes	Backup Material



BOARD OF COMMISSIONERS

May 16, 2022
MINUTES

PRE-MEETING – 4:30PM

❖ CATS BRT Presentation

CATS representative Bruce Jones gave a presentation on the CATS Envision My Ride Plan to improve schedules, enhance rider experience, and increase the access to bus transit. The plan will be presented to MTC for consideration of approval in May.

Commissioner Furcht asked if the service will be available 24/7. Mr. Jones stated that the final operation schedule has not been determined but it's expected to operate like what currently exists. Manager Grant asked if there is schedule flexibility for servicing special events that may take place in the downtown area. Mr. Jones stated that it's a possibility to work with the Town for additional service times.

CATS representative Jason Lawrence gave an overview of the MetroRAPID BRT North Corridor recommendations in the short, medium, and long term.

Mayor Washam stressed the importance of planning for this now that Atrium Healthcare will be coming to Cornelius, as well as the art center opening soon.

Commissioner Furcht asked if there are any options for providing a trolley service along the corridor. Mr. Lawrence stated that CATS no longer has trolley cars in their fleet, but he would do some research and see if there are options to consider.

❖ NCDOT Projects Status Discussion

Deputy Manager Herron gave an update on new cost estimates received from NCDOT for various transportation projects that will impact the Town. He explained that the Board will need to give staff direction on how to proceed with the projects, but most importantly NCDOT would like to have an answer on the Hickory Street project as soon as possible.

After the Board discussed the new cost estimates for each of the projects, the consensus was to move forward with the Hickory Street project and wait to decide on the others until more information could be gathered on some of the projects, like Torrence Chapel/West Catawba conversations will be had with State Senator Vickie Sawyer.

Commissioner Furcht made a motion to move forward with ROW, utilities, and construction for the Hickory Street signal improvements. Commissioner Bilodeau seconded the motion and it passed unanimously, 5-0.

REGULAR MEETING – 6:00PM

1. CALL TO ORDER

Mayor Washam called the meeting to order at 6:04PM.

05/16/22 Regular Meeting

Page 1

2. DETERMINATION OF QUORUM

All commissioners were present for the meeting.

3. APPROVAL OF AGENDA

*Commissioner Osborne made a motion to approve the agenda as presented.
Commissioner Gilroy seconded the motion and it passed unanimously, 5-0.*

4. MOMENT OF SILENCE AND PLEDGE OF ALLEGIANCE

Michael Miltich led the pledge after a moment of silence was observed.

5. RULES FOR PUBLIC HEARINGS AND PUBLIC COMMENTS

A. Adopted Rules

Mayor Washam gave an overview of the adopted rules for public hearings and public comments.

6. CITIZEN CONCERNS/COMMENTS

Michael Miltich – 18021 Nantz Road, expressed his disappointment and concerns with the proposed amendment to the Alexander Farms project.

Hardy McConnell – 13118 Mayes Road, presented his resignation as the Planning Board ETJ member as he and his wife will be moving out of Cornelius. He thanked the Town and Board for their support of his service since 2009.

7. MAYORAL PROCLAMATION

A. National Police Week

Mayor Washam read a Proclamation for National Police Week and presented a copy to Chief Black and Sgt. Griffin.

8. PUBLIC HEARING

A. FY2023 Operating Budget and Tax Rate

Mayor Washam called for a motion to open the public hearing for the FY23 Operating Budget. *The public notice is attached hereto.*

Commissioner Gilroy made a motion to open the public hearing. Commissioner Sansbury seconded the motion and it passed unanimously, 5-0.

Manager Grant gave an overview of the FY2023 recommended budget and tax rate highlighting key components of the proposed budget.

Mayor Washam invited the public to speak, and the following comments were made:

Carroll Gray – 21235 Blakely Shores Drive, expressed his support for the recommended FY23 operating budget and tax rate.

Bob Bruton – 20235 Rainbow Circle, expressed his support for the recommended FY23 operating budget and tax rate.

Lin Snowa – 9133 Robbins Reserve Road, expressed his support for the recommended FY23 operating budget and tax rate.

Willie Jones – 21935 Riddle Court, expressed his concerns with the \$3M placeholder for Smithville as it does not identify what is being funded within the placeholder.

There being no further comments, Mayor Washam called for a motion to continue the public hearing until June 6th.

Commissioner Gilroy made a motion to continue the public hearing to June 6th. Commissioner Sansbury seconded the motion and it passed unanimously, 5-0.

9. PRESENTATION

A. Smithville Revitalization Plan

Deputy Manager Herron gave an overview of the Smithville Plan recommendations from the Planning Board, Parks Commission and the Mayor's Housing Committee. A public input session will be scheduled for June 7th and the final public hearing and consideration of approval will be on June 20th.

Commissioner Sansbury asked if the ARB will review the Plan. Deputy Manager Herron explained that they will be reviewing it at the request of the Smithville Coalition and provide them feedback on in housing design.

Commissioner Bilodeau acknowledged the efforts and dedication of Willie Jones through the process.

Commissioner Gilroy asked how the Board should be looking at the plan. Deputy Manager Herron stated that the plan should be looked at as a Small Area Plan.

10. PUBLIC HEARING AND CONSIDERATION OF APPROVAL

A. REZ 03-22 Alexander Farms Amendment

Mayor Washam called for a motion to open the public hearing for REZ 03-22 Alexander Farms amendment. *The public notice is attached hereto.*

Commissioner Osborne made a motion to open the public hearing. Commissioner Gilroy seconded the motion and it passed unanimously, 5-0.

Deputy Manager Herron presented a request by Alexander Farms MU, LLC to amend a previously approved rezoning plan for approximately 55 acres located at the northeast corner of West Catawba Avenue and Westmoreland Road. The proposed amendment will increase the unit count for the independent senior living units count from 130 to 143. The plan also includes the preservation of the historic tenant house building at the corner of West Catawba Avenue and Westmoreland Road. Staff and the Planning Board recommend approval with 8 conditions.

Attorney Susan Irvin and Brian Jenest with Cole, Jenest, and Stone gave an overview of the amendment for the rezoning project, amenities and the preservation of the tenant house.

Commissioner Furcht stated that the preservation of the tenant house has been discussed a lot through this process, so he asked for a verbal commitment from the applicant's side that they know how important it is to the Town to preserve the tenant house and that every effort to do so will be done. Mr. Jenest stated that the new location for the tenant house is a prime location and will be the jewel of the project.

Commissioner Sansbury asked what amenities will be taken away by adding the 13 additional units. Attorney Irvin explained that the amenities will be the same but different types will be offered (e.g., cafeteria will now be coffee shop/café).

Commissioner Bilodeau asked about the elevations of the senior living component. Attorney Irvin stated that the ARB has reviewed the elevations and Deputy Manager Herron stated that they are fabulous.

Mayor Washam invited the public to speak. There being no public comments, he called for a motion to close the public hearing.

Commissioner Bilodeau made a motion to close the public hearing. Commissioner Gilroy seconded the motion and it passed unanimously, 5-0.

Commissioner Bilodeau made a motion to approve Ordinance #2022-00790 to amend the zoning map with 8 conditions. Commissioner Furcht seconded the motion and it passed unanimously, 5-0.

Ordinance #2022-00790 is hereby made part of the minutes by reference.

Commissioner Bilodeau made a motion to approve Resolution #2022-01054 declaring that REZ 03-22 with conditions is consistent with the Town's Land Use Plan and reasonable in the public's interest. Commissioner Gilroy seconded the motion and it passed unanimously, 5-0.

Resolution #2022-01054 is hereby made part of the minutes by reference.

11. CONSIDERATION OF APPROVAL

A. Transportation Advisory Board Appointments

Deputy Manger Herron gave an overview of the TAB appointments.

Commissioner Bilodeau made a motion to approve the reappointments of Joy Dean, John Eberle, Scott Reynolds, Lou Raymond, and Dave Vieser to the TAB. Commissioner Osborne seconded the motion and it passed unanimously, 5-0.

B. Street Acceptance – Antiquity, Phase 1, Map 3

Deputy Manger Herron gave an overview of the street acceptance petition.

Commissioner Furcht made a motion to approve Resolution #2022-01055 accepting Parsons Green Row and portions of Chapel Way, Inn Keepers Way, and Talleys Way of Antiquity Phase 1, Map 3. Commissioner Gilroy seconded the motion and it passed unanimously, 5-0.

Resolution #2022-01055 is hereby made part of the minutes by reference.

C. Street Acceptance – Antiquity, Phase 1, Map 5

Deputy Manager Herron gave an overview of the street acceptance petition.

Commissioner Osborne made a motion to approve Resolution #2022-01056 accepting portions of Old Canal Street, Lamp Lighters Way, and Talleys Way of Antiquity Phase 1, Map 5. Commissioner Sansbury seconded the motion and it passed unanimously, 5-0.

Resolution #2022-01056 is hereby made part of the minutes by reference.

D. FY2023 Electric Fund Fee Schedule

Finance Director Niswonger gave an overview of the fee schedule amendment for the Electric Fund.

Commissioner Osborne made a motion to approve the Electric Fund fees schedule amendment as presented. Commissioner Sansbury seconded the motion and it passed unanimously, 5-0.

12. NEW BUSINESS

A. Cell Tower Discussion

Deputy Manager Herron gave an overview of the Town's current rules and regulations pertaining to cell towers. Mayor Washam asked where State statutes fit into the Town's authority to regulate towers. Deputy Manager Herron explained that small cell towers (50' or less) are exempt under the current State statute within the public right-of-way. Mayor Washam asked what provisions are there if a cell tower is no longer active. Deputy Manager Herron stated that the *Code* states that if a tower becomes obsolete for 180 days the tower can be removed. Commissioner Osborne asked if the *Conditional Zoning* process is used for tower amendments. Deputy Manager Herron stated that was correct. Commissioner Osborne asked if there is a plan to negotiate with various providers on small cell locations. Attorney Wolter explained that statutorily the Town is prohibited from asking providers about their coverage or locations. Commissioner Osborne cited a couple of legal cases that were decided differently. Attorney Wolter stated that she would review the cases and let him know how they compare to North Carolina state law.

13. CONSENT AGENDA

A. Approve Minutes – Regular Meeting – May 2nd (Approved 5-0)

Commissioner Gilroy made a motion to approve the Consent Agenda as presented. Commissioner Furcht seconded the motion and it passed unanimously, 5-0.

14. MAYOR/COMMISSIONER/MANAGER REPORTS

Commissioner Gilroy reported on the following:

- Congratulations to Hough High School boys' tennis team for finishing in the top 4 in the State.

- Attended the Bailey's Glen HOA meeting that focused on Bailey Road traffic concerns, the mention of the "Bus Only" entrance off Bailey's Glen Blvd, and crosswalks on Bailey Road. Chief Black stated that CPD Traffic Units monitor speed along Bailey Road consistently, as well as the crosswalks. The back entrance "Bus Only" street is CMS property (private driveway).

Commissioner Bilodeau reported on the following:

- Cornelius Jazz Fest will be held on May 21st (5PM-9PM) at Smithville Park.
- The Lake Norman Kiwanis Splash Park will open on May 21st (9AM-9PM).
- Growth Management Task Force will meet on May 19th (4:30PM).

Commissioner Osborne reported on the following:

- Participated in the ribbon cutting at HomeTrust Bank on May 5th.
- Growth Management Task Force meeting #3 was held on May 5th.
- The Neighborhood CARE Center and Senior Community Connections received Region of Excellence Awards from Centralina on May 12th. The Lake Norman EDC also received an award for Cross Community Collaboration.

Commissioner Sansbury reported on the following:

- Neighborhood Advisory Committee continues to focus on growing its leadership participation.
- CMS Board Representative Rhonda Cheek announced she will not seek re-election.
- Thanked Betsy Shores with the Town of Davidson for organizing the 4-Town Dinner that was held at North Harbor Club. There was a lot of discussion regarding 4-year terms for elected officials.
- Thanked his F3 colleagues for their efforts in the Mayors' Fitness Challenge.

Commissioner Furcht reported on the following:

- Enjoyed the 4-Town Dinner.
- VLN updates – Lake Norman Summer Lacrosse Classic will be held at Berry Park, Huntersville on May 21st & 22nd; Atlantic 10 baseball tournament will be held on May 24th-28th at the Davidson College Campus.
- Encouraged Lake Norman boaters to be safe and to get proper safety training before heading out on the lake.
- Working with the Lake Norman Marine Commission on buoy locations near Holiday Marine.

Manager Grant reported on the following:

- We're hiring in the Planning Department and Police Department. Visit Cornelius.org/Jobs.
- Primary Election Day is May 17th (6:30AM-7:30PM).
- Jazz Fest will be held at Smithville Park on May 21st (5PM-9PM).
- Memorial Day celebration will be held on May 30th (10AM) at Town Hall.

Deputy Manager Herron reported on the following transportation projects:

- Hwy. 21/Catawba Ave. dual roundabouts – utility relocations later part of 2022; construction 2023.
- Hwy. 115/Potts St. roundabout – utility relocations the later part of 2022; construction 2023.
- Torrence Chapel/W. Catawba triple roundabouts – utility relocations the later part of 2022; construction 2023-2024.
- Northcross Drive Extension – utility relocations the later part of 2022; construction 2023-2025.
- Hickory St./Hwy. 115 intersection signal – in design 2021, right-of-way and utility relocation in 2022-2023; signal installation 2024.
- Bailey Road Extension – right-of-way acquisition to begin in 2022; utility relocation the later part of 2022; construction 2023.
- I-77 shoulder hardening – construction 2023-2025; shoulder lanes will be operational at AM/PM peak hours.
- West Catawba Ave., Phase 2 – utility relocations 2021-2024; construction 2024-2026.
- NC73 improvements – construction 2027-2029.
- Hwy. 21 widening – currently out of the STIP; estimated construction 2031.
- Bailey Road flyover – currently out of the STIP; estimated construction 2032.

Asst. Manager Beardsley reported on the following:

- Gem Street Extension – construction is underway; completion is scheduled for the end of 2002.

Mayor Washam reported on the following:

- Participated in the ribbon cutting at HomeTrust Bank on May 5th.
- Friday 5 was held on May 6th.
- Visited the Dalmas Mother's Day Rose Show on May 8th.
- Mayors' Fitness Challenge was won by Cornelius on May 11th.
- Wednesdays with Woody will be held on May 18th at Waterbean Coffee (9AM-10AM).
- Boesmiller Family fundraiser will be held on May 22nd at Eleven Lakes Brewing (1PM-7PM).
- Announced participants of the new Mayor's Study Committee to develop and establish the Cornelius History Museum.

15. COMMISSIONER CONCERNS

A. Cable Installation in the Peninsula

Commissioner Bilodeau expressed his concerns with the cable installation that is being done within the right-of-way along Jetton Road, as the vendor has damaged sewer pipes and is leaving it a mess as they go. Asst. Manager Beardsley explained that Spectrum intends on installing 140 miles of cable in Cornelius and staff has been working with them as complaints are received. Manager Grant stated that Spectrum has increased their communications with HOAs as they get ready for each related area.

B. Jetton Road Extension Overgrown Trees

Commissioner Sansbury asked if the trees along Jetton Road Extension can be limbed up so that low branches and bushes do not impede pedestrians walking/running on the sidewalk.

C. DDI Intersections

Commissioner Sansbury asked if anything can be done to better educate drivers on not blocking the intersections at the DDI. Asst. Manager Beardsley stated that the Town has requested that NCDOT install “Do Not Block Intersection” signs that will allow for CPD to enforce the area. Chief Black stated that there has been an increase in vehicle volume over the past couple of months.

16. ADJOURNMENT

There being no further business to discuss, Commissioner Gilroy made a motion to adjourn at 8:27PM. Commissioner Furcht seconded the motion and it passed unanimously, 5-0.

Approved this 6th day of June 2022.

ATTEST:

Woody Washam Jr., Mayor

Lori A. Harrell, Town Clerk