



# Town of Cornelius



***Original Budget***

***Fiscal Year Ending June 30, 2014***

***Adopted June 17, 2013***

***Town of Cornelius***  
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**For the Budget Year Ending June 30, 2014**

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# Manager's Message

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

**From:        Anthony Roberts, Town Manager**

**Re:           Transmittal of FY 2013 – 2014 (FY 2014) Annual Budget**

**Date:        May 6, 2013**

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I am pleased to present the Town of Cornelius Manager's Recommended Budget for Fiscal Year 2014. This budget has presented unique challenges related to unprecedented volatility in tax base which provides the funding for the Town priorities set forth in the *Navigate Cornelius* Comprehensive Master Plan. This budget represents the second fiscal year's efforts to place in practice the vision that numerous citizens and stakeholders created in *Navigate Cornelius*.

In accordance with General Statutes, Staff proposes the attached balanced budget. The related schedules and detailed line items describe specific revenues and expenditures for each annually budgeted fund. This financial plan implements a multi-year view of our efforts to minimize citizens' tax burden while controlling expenses and investing in long lived capital assets. The Manager's Recommended General Fund budget totals \$17,574,867 (net of reconciling items, such as debt to be issued), which represents a decrease of \$1,643,122 from FY 2013 estimated year end expenditures. The majority of this decrease in expenditures can be attributed to a sizeable decrease in capital investments of road improvements, vehicles, park and greenway systems, and wayfinding signage. Debt expenditures also decreased as a result of Town Hall debt service term expiring.

The FY 2014 budget provided particular challenges to achieve impactful results toward implementation of the strategies and guiding principles noted in the Comprehensive Master Plan (CMP) with declining resources. Maintaining the Town's reputation for unparalleled customer service termed "the Cornelius Way" remains a priority in our budget efforts. Finally, budget considerations also attempt to minimize the tax burden placed on Town property owners.

The Manager's Recommended FY 2014 budget represents the second consecutive year with a recommended tax rate of twenty-four cents per \$100 of assessed valuation. This tax rate is recommended in spite of the declining assessed value estimates provided by Mecklenburg County's Assessor's Office. This decrease in value is attributable to continued corrections to the FY 2012 revaluation. Because additional data needs to be compiled in a concrete format and additional state legislation could impact fund balance in the form of prior year tax refunds, the

# Manager's Message

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FY 2014 budget reflects unprecedented volatility. The County Assessor's Office estimates indicate that Cornelius' decline in value is expected to be near 7%. Our efforts to minimize the tax burden resulted in proposed expenditure prioritization, with many new initiatives unfunded.

At a tax rate of twenty-four cents (\$.24) per \$100 of assessed valuation, the Town of Cornelius tax rate continues its tradition of having the lowest tax rate in Mecklenburg County and the lowest in the state with a population greater than 20,000 who provides comparable services. This proposed rate is expected to generate approximately \$10,935,000 in tax revenue, which is approximately \$455,000 per penny in tax. This reduction in assessed value will have implications for the FY 2015 and future years' sales tax distributions as will the tax rates set by other Mecklenburg County local governments. In spite of this assessed value reduction, this proposed budget generates a total fund balance of \$23,853.

Much of the decline in expenditures necessary because of the reduced tax value occurred in capital and debt service categories. The Town decreased debt service payments in spite of issuances of \$1.7 million in new debt on various capital items because the Town Hall debt service payments were fulfilled.

## Goals for FY 2014

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The FY 2014 budget indicates direct impacts from implementation of the citizen driven goals and strategies identified in the CMP. Goals for guiding future growth identified through the CMP process include:

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

Citizen stakeholders identified these goals as objectives that should shape the Town with their influence on future budgets and land use implementation. These objectives would fulfill the Town's new vision of:

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

Specific initiatives funded in the FY 2014 Manager's Recommended Budget that relate to these goals and vision include:

- ✓ Funding of the Economic Development Coordinator and participation in regional projects such as Lake Norman Economic Development Corporation, Visit Lake Norman, Commerce Station, and advancing business development.
- ✓ Mobility and Transportation infrastructure improvements with \$315,000 in new sidewalk connections along NC Highway 73, NC Highway 21, Nantz Road, and Magnolia Estates, intersection improvements at Westmoreland/West Catawba Avenue, and Northcross Drive Extension.

# Manager's Message

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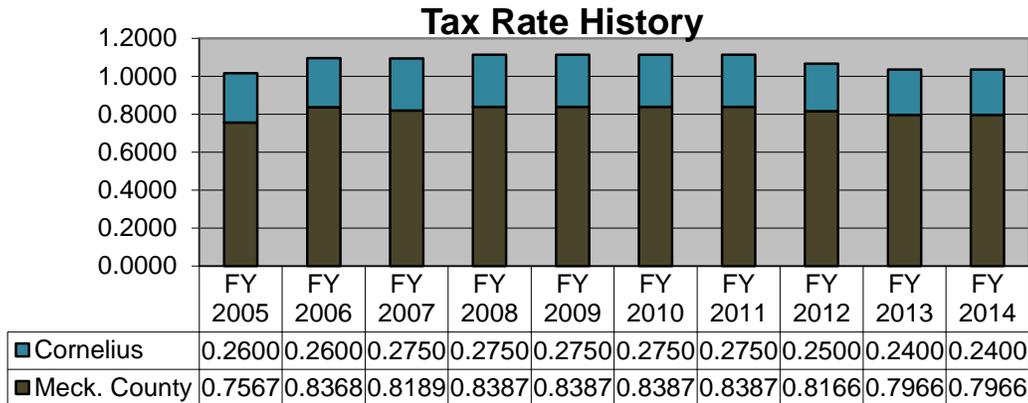
- ✓ Identification and development of Cornelius as the Lake Norman destination with diverging diamond interchange improvements.
- ✓ Development of expanded recreational opportunities through funding of a new phase at Robbins Park and synthetic turf soccer fields at Bailey Road Park.
- ✓ Continued commitment to outstanding customer service in police, fire communications, animal control, and other Town services.

## General Fund Revenue Highlights

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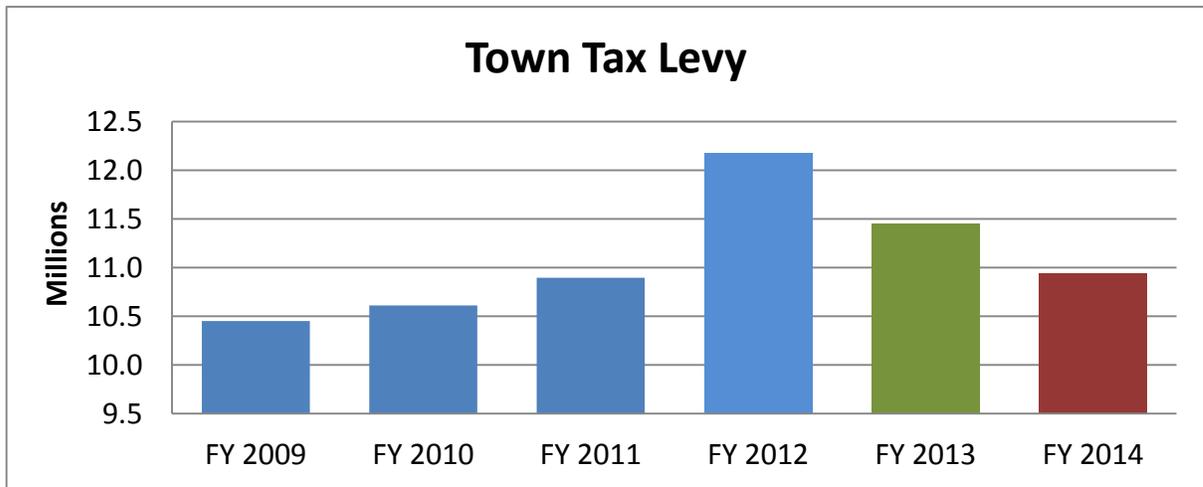
The FY 2014 Manager's Recommended Budget proposes a tax rate of \$0.24 per \$100 of assessed valuation for a second consecutive year. The proposed tax rate continues the efforts to minimize the effects of the FY 2012 revaluation and absorb significant swings in total Town tax base.

Cornelius taxpayers pay local property taxes to Mecklenburg County in addition to the municipal tax. The graph below illustrates the 10 year tax rate history of both local governments, including rates proposed by each government for FY 2014. While the FY 2014 rates are not official until adopted by the respective governing body, this chart indicates Cornelius' proposed rate and the FY 13 rate for Mecklenburg County, as the proposed tax rate for the upcoming fiscal year is not yet available.



Setting the annual property tax rate is a significant function of the governing board, as it impacts every taxpayer. The annual property tax rate is established in the original budget ordinance. Taxpayers are levied an annual bill based upon tax rate and the value of their property; tax rate is the single factor among these two that the Town Board controls. Also, property taxes account for more than 60% of the funding of our annual operations. Finally, setting the annual tax rate directly affects the Town tax levy, which has a lasting impact on future years' financial condition based upon Mecklenburg County's sales tax distribution method. For these reasons, establishing the tax rate has a significant influence on the Town's overall financial condition. The following chart depicts a six year window of Cornelius' tax levy FY 2009-14 and illustrates the significant volatility associated with the revaluation and tax rate history.

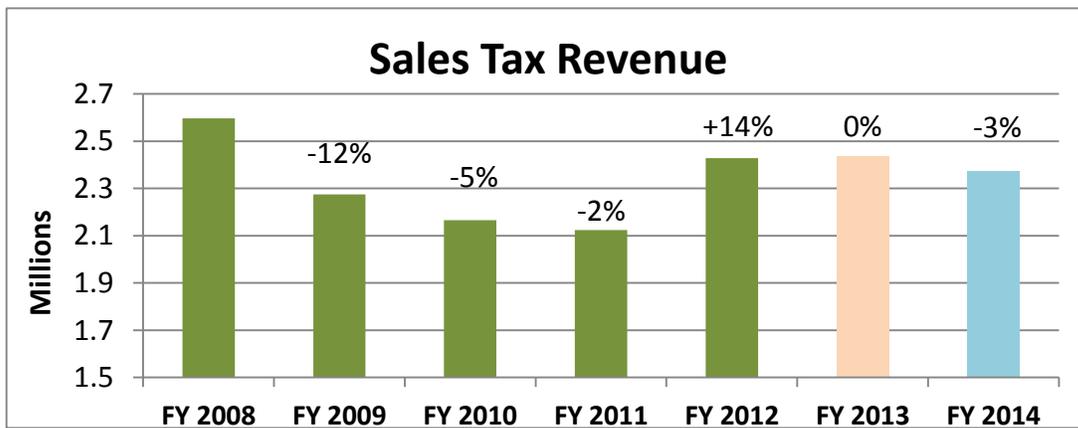
# Manager's Message



This budget document reflects reduced assessed value in FY 2014 related to revaluation corrections for the current year, which are still estimated. The budget as proposed does not calculate an estimate or provide budget for any potential refunds that might occur as a result of the State legislation that would reimburse citizens for changes in property values in prior years.

Sales tax distributions represent the Town's second largest revenue source, totaling at least 12% of the Town's incoming annual revenue in FY 2014. Cornelius' sales tax distribution revenue represents a share of all retail sales within the County, not site specific to merely Cornelius. Mecklenburg County, the City of Charlotte, and the remaining municipalities all share a portion of the sales tax generated within the County based upon their proportionate share of tax levies. Therefore, a change in tax base or change in tax rate of neighboring municipalities or the County itself can have unintended consequences to Cornelius.

Consumer spending also has a dramatic effect on sales tax revenue as the recent economic recession demonstrated. As a result of the FY 2013 tax rate decrease and the fluctuating Town assessed value, FY 2014 sales tax distributions are expected to decline 3%. The following chart demonstrates the peak in sales tax distributions in FY 2008, the dip from the economic recession, and finally the beginning of a positive trend in sales tax revenue.



# Manager's Message

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Cornelius revenues can be heavily influenced by other governments and outside parties. As a result of the NCMPA#1 whole power increases, Cornelius electric rate payers will also see a rate increase. The federal budget sequestration will have an impact on interest rate subsidy revenue. State sources have withheld such revenue as beer and wine tax, utility franchise tax, and 911 fee distributions from the Town, and legislative activity this session could impact future Powell Bill revenue. And since Town taxes appear on the same bill as County tax, taxpayer confusion regarding which government provides which services is a frequent source of confusion.

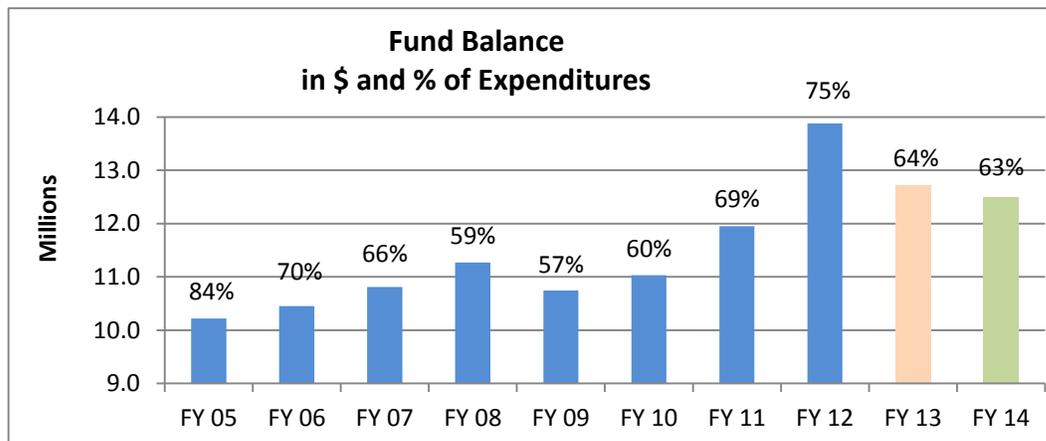
In summary, Cornelius revenue sources are estimated to decline approximately \$635,000. Much of this decline in revenue is attributable to reduction in property assessed valuation. Additional details regarding the Town's revenue budget can be found in pages 32-36 in the Revenue Assumptions section of the Budget.

## Economic Outlook

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The local Cornelius economy is showing gradual signs of improvement. New projects are beginning to work through the Town's planning approval process. And the County Assessor's Office indicates growth in the tax base prior to considering the revaluation corrections. While Cornelius revenue growth has not returned to pre-recession levels, buildout of existing approved plans and infill in commercial shopping centers has shown positive growth as indicated in improved prepared food and beverage tax receipts and occupancy tax revenue.

This document demonstrates alignment of budget initiatives with the CMP Plan Implementation Matrix. Budget discussions have included evaluation of what areas should be a focus of financial resources. CMP objectives are funded in this budget with minimal impact on total fund balance based upon the budget balanced with a \$23,853 contribution to fund balance. Use of fund balance is the planned funding vehicle for additional property tax refunds as necessitated by property valuation corrections.



This chart depicts the Town's total fund balance and capital reserve and notes the percentage of fund balance that could support total expenditures. As the graph indicates, total expenditures and total fund balance do not always move in the same direction, and the County revaluation had unintended consequences. Our current level of fund balance, however, has positioned the Town to weather unplanned circumstances, such as the economic crisis in 2008 and property refunds.

# Manager's Message

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Cornelius continues to compare favorably in fund balance to other NC municipalities similar in population size and service levels.

## General Fund Expenditure Highlights

**Personnel** Personnel expenditures are expected to increase 1.5% to fund an average 2.5% merit pool for full-time employees and state mandated increases in retirement contributions. This budget also reduces full-time headcount 2 positions associated with elimination of leaf vacuuming.

**Governing Board** The Governing Board department funds the Mayor and Commissioners stipend and expenses. Commensurate with implementation of the CMP, the Governing Board is tasked with providing the necessary oversight and funding the guiding principles outlined by stakeholders in the CMP and holding Staff accountable for the results in the CMP annual report card.

**Administration** The Administrative function funds the General Government services of Town Manager, Clerk, Attorney, Finance, and Information Technology help desk. This department is tasked with managing the work plan of the Board and CMP. Administrative in nature, this department shows a 1.7% increase in funding from the prior year.

**General Services** General Services funds several contractual functions for the Town, such as external auditors, Historic Preservation Commission, Victims Advocate, Ada Jenkins Center, and any transfers to other funds. The department's budget has declined less than 1%.

### Police



The Police department represents the Town's largest financial and staff investment. This department provides for exceptional customer service through security of Town residents and their Town assets. The Police department

budget decreases by approximately 1% due to reduced capital investment.

### Communications and 911

The purpose of the Communications Center department is to provide emergency telecommunications services to callers (from land lines and cellular phones). The Center dispatches 911 calls for Cornelius and Davidson College and provide off hour telephone support for Cornelius and Huntersville electric customers. Expenses, mostly technological and/or capital deemed eligible, are charged to state provided 911 funds. This department continues to use prior year fund balances to justify to the State of North Carolina necessary future revenues.

# Manager's Message

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## **Fire Protection**

The Fire Protection department funds the direct support the Town provides via contractual relationship to the Cornelius-Lemley Volunteer Fire Department, Inc (VFD), and for the other operating expenses incurred directly by the Town. New air packs and a new operations vehicle represent the increase in the Fire department budget in FY 2014.

## **Animal Control**

This department is responsible for humane treatment of Cornelius animals. Minimal increases (2.5%) are planned in this department for FY 2014.

## **Public Works**



The Public Works department manages construction and maintenance of public grounds, streets, and sidewalks including right-of-way and streetlights. Capital project funding differences cause fluctuations in this department's annual budget, including a decline in capital expenditures of 31%. The FY 2014 budget also proposes the elimination of leaf vacuuming and with it, the elimination of 2 full-time employee positions.

## **Stormwater Management**

Cornelius' stormwater management program is funded through stormwater fees remitted by property owners to the Charlotte Mecklenburg Utility Department as a flow through agency to the Town of Cornelius. The department has a planned increase in expenditures of \$7,500.

## **Street Improvements**

Proceeds from NC state gas tax are received in the form of Powell Bill revenue which serves as the funding source for the Street Improvement department to construct, resurface, and maintain Town streets and sidewalks. FY 2014 capital initiatives include four sidewalk improvements along NC Highways 73, 21, Nantz Road and within Magnolia Estates. Routine road and sidewalk maintenance are also funded within this department.

## **Lake Norman Transportation**

The Lake Norman Transportation Commission (LNTC) department funds a cooperative regional effort to promote various mobility infrastructure projects in Cornelius, Huntersville, Davidson, and Mooresville. This department is funded at \$90,000, the same level as the prior 2 fiscal years.

## **Planning and Land Development**

The Planning department maintains the Town's ordinances, permitting and compliance related to land development. The major initiative in the FY 2014 Planning department budget is to overhaul the Town's land use plan, which comprises \$52,000 of the department's new spending.

## **Tourism**

The Tourism function distributes funding from tourism related taxes to various agencies, such as Visit Lake Norman, Lake Norman Economic Development Corporation, and contribution to Commerce Station, a regional business park located in Huntersville. The Town's Economic Development Coordinator position is funded within this department, as well as special events and the Cornelius Arts Center. The Tourism budget declined by

# Manager's Message

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more than 11 percent due primarily to the decline in capital expenditures associated with wayfinding signage.



## Art Center

Through primarily U Drive It Tax proceeds, the Town funds the operations of a local art center to promote artistic endeavors to all age groups through such outlets as drawing, photography, painting, pottery, sewing, sculpting and art exhibits. This year's budget funds increased building lease

expense and a new operational structure resulting in a department increase of \$30,000.

## PARC

The Parks, Arts, Recreation, and Culture department mission is to provide great parks, natural areas, and recreational experiences. While several prior year capital projects continue (such as the Caldwell Creek Station Greenway and Robbins Park), this budget also funds new synthetic turf soccer fields at Bailey Road and a parks maintenance truck.

## CIP Appropriations

A detailed list of the Town's proposed Capital Improvement Program (CIP) under consideration in future years can be found on page 82 of this document. Projects displayed in the FY 2014 column are funded in this budget document. The capital funding method is displayed as either funded through debt service or through use of fund balance. The list of projects funded in whole or in part in FY 2014 include: Robbins Park, Diverging Diamond interchange aesthetics, synthetic turf soccer fields, Northcross Drive extension, numerous vehicles, sidewalk connections, Westmoreland intersection improvements, and fire breathing equipment.

The list of projects that are being considered the five years following FY 2014 exceeds \$50 million. As Staff continues to work on the CMP initiatives, other priorities are likely to emerge, such as funding for shovel ready economic development property, lake front gathering facilities, revitalization of new areas of Town Center, and state road improvements.

Consideration of these projects requires that the Town's CIP remain a transitional document. Maintenance of fund balance and the Town's low tax rate, as well as the Town's AAA bond rating will require that only economically worthwhile projects be funded. And competing projects must be carefully timed, so as to prevent unplanned spikes in the Town's cash position.

As endorsed in the CMP process, the Town takes a long-term view of budgeting by preparing a five year financial forecast and five year capital

# Manager's Message

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improvement program. Summaries of these documents occur on pages 82-85 of this budget document. The spreadsheet is used during budget discussions to illustrate the impact of tax rate changes in various fiscal years, and the impact of many other variables, such as sales tax revenue, assessed valuation changes, expenditure rate changes and many other assumptions. Such document assists in planning for future year's economic environment, in each fund (General and Electric) and their unique revenue and expenditure needs.

## Debt Service

The Town Board and staff is very proud and protective of our AAA bond rating, and works to preserve the factors that influence that rating. Because there is no rating higher than AAA, agencies with this rating issue debt at the lowest rates, minimizing borrowing costs.

In today's historic low interest rate environment, the Town Board and staff is considering the list of potential capital projects to determine whether a bond referendum is warranted in the Town's future. If voters approve debt, the Town would not be required to issue the bonds imminently (we could take up to 10 years). Having such a funding alternative at our disposal would put an additional tool in the toolbox for future year's capital consideration.

Currently, staff is performing preliminary research on bond referendum proposals, timing, coordination, which projects might be desirable and other factors. Additional information on this topic will be available during the summer of 2013, and ultimately, on future ballots.

## Electric Fund



The Town owns its own electric distribution system and contracts with Electricities of NC to manage the daily operations of that system. Our electric provider has indicated that the Town will face a wholesale rate increase of four percent in FY 2014, a cost the Town will pass along to its rate payers. The future outlook of the Electric Fund suggests for the next 3 years, 4-6% increases are to be expected. Because of these anticipated rate increases, Cornelius electric customers can expect the Town Board to vote in June 2013 to update the Town schedule of fees with

the FY 2014 four percent rate increase. The Town residential rate payers, even after such an increase will continue to enjoy rates lower than comparable utility customers in the service area.

# Manager's Message

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## Issues in FY 2014 and beyond

The Town of Cornelius operates in a global economy with a constantly evolving environment. The Town's revenue sources continue to be pressured by assessed value unknowns, demand for resources, shifting political forces with potential to impact Powell Bill distributions and other competing resources. Potential future expenditures, such as sidewalks on state maintained roads, transportation/mobility alternatives, park facility maintenance and development, and maintaining a well-trained, customer service oriented workforce demands exploration of different funding alternatives. For the Town to compete for new economic development and maintain existing businesses, new economic development initiatives will need to be placed in service.

As new transportation/mobility construction projects take place in Cornelius, such as the diverging diamond interchange and managed lanes on I-77, Cornelius will be in a state of transition. Staff recognizes the need to have a seat at the table when decisions that impact Cornelius residents and taxpayers are impacted.

Finally, as Cornelius navigates the post-2012 revaluation years, Staff is mindful of how impacted the Town's financial condition can be altered by outside forces. Maintaining our reputation for sound fiscal management in a low tax rate environment, but also exception customer service demands our constant focus and attention.

## Conclusion

Each year's budget document presents its own unique challenges, and with the current assessed value estimate changes, FY 2014 is no exception. While much work from the Town Board, department managers and Town administration has resulted in the preparation of this document, much work lies ahead as we implement this work plan and continue to provide "the Cornelius way" customer service to our citizens. We appreciate the hard work that has brought this document to resolution, and look forward to implementation of this vision.

Respectfully submitted,

Anthony Roberts  
Town Manager

Jackie Huffman  
Finance Director

# Town Information

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## Town of Cornelius Incorporated 1905



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

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

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

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

# Town Information

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

The Town of Cornelius is a highly diverse community with ten public parks, two recreation centers and an art center, a wide diversity of housing opportunities, vibrant retail and office centers.

The corporate limits of Cornelius currently encompass approximately 11.84 square miles with a total planning jurisdiction of 15.07 square miles. The Town government is operated under the Council-Manager form of government. The Town Manager oversees the daily operations of the Town under the policy direction of a Mayor and 5 Commissioners who are elected to serve two year terms.

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

# Budget Guide

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## A Citizen's Budget Guide

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

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

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

### **MUNICIPAL BUDGETS IN NORTH CAROLINA**

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

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

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

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

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

This document contains a wealth of information regarding the Town and its fiscal priorities for the year. The Manager's Budget Message outlines in narrative form the

# Budget Guide

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Town's mission for the year and how necessary funding levels have changed from the previous year. The remaining sections outline in detail the amounts of revenues and expenditures anticipated for the following year.

Town staff also maintains a five-year capital plan and a five year financial forecast. These documents express a long-term vision of the Town's priorities and funding requirements necessitated by those needs as outlined in the Comprehensive Master Plan.

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

**Anthony Roberts, Town Manager, Lori Pearson, Town Clerk or  
Jackie Huffman, Finance Director at (704) 892-6031**

## BUDGET FORMAT

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The Town of Cornelius financial system is organized utilizing governmental fund accounting where accounts are maintained separately. Government resources are allocated in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. This segregation of revenues and costs allows close monitoring of specific accounts to provide insurability that certain funds are self-supporting and that revenues which are required by law for specific purposes are identifiable. The Town of Cornelius' Operating Budget consists of three primary annually budgeted funds: General Fund, Electric Fund and 911 Special Revenue Fund. Subcategories have been created within the General Fund to track funds required to be spent only for specific purposes. They include the following three subcategories of the General Fund: Stormwater Fund, Powell Bill Fund and the Tourism Fund.

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

# Budget Guide

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## REVENUES

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

The major revenues by source are as follows:

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

# Budget Guide

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culture and recreation events. Included in this section is the fee charged to the Town of Huntersville Electric Operations and Davidson College for usage of the North Mecklenburg Communication Center. Other such permits and fees include planning and zoning fees, transit fees and map sales.

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

## EXPENDITURES

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

The major expenditures by function are shown as follows:

# Budget Guide

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- Governing Board
- General Government (Administration)
- General Services
- Police
- Communications
- Fire Protection
- Animal Control
- Property Management
- Lake Norman Transportation Commission
- Powell Bill
- Solid Waste / Recycling
- Stormwater Management
- Planning / Land Development
- Tourism
- Art Center
- Parks & Recreation
- Debt Service
  
- The Town's Enterprise operation of the Electric Distribution Fund is maintained in its own fund and department.
  
- The Town also uses a separate annually budgeted special revenue fund to account for state distributions of 911 wired and wireless fees.

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

These categories are summarized below:

- **Personnel Services** Expenses which can be directly attributed to the individual employee. These expenses include salaries, stipends, insurance benefits, retirement, 401k, and FICA. The costs of such expenditures have been budgeted within each operating department to give a more accurate cost of departmental operations.
- **Operating Expenses** Costs other than personnel and capital outlay that are required for the operations of the Town. Operational line item expenditures are directly affected by inflationary trends, increased service demands and enforcement of government regulations. Examples of operating expenses include departmental supplies, motor fuels, utilities, and equipment or vehicle maintenance. Operating expenses also include contracts with outside agencies.
- **Transfers** The general fund budget may require that money be set aside to be used at a future date or used in conjunction with additional capital sources. The Town currently has numerous capital projects ongoing and provides for transfers into capital project funds to provide for future capital needs.

# Budget Guide

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- **Debt Service** North Carolina General Statutes also require that provisions be made to meet annual payments on debt issued in prior years and commitments of the current year's budget. The Town is contractually obligated and encouraged by other governmental units to provide the annual funding to meet these obligations.
- **Capital Outlay** Capital outlay includes expenditures for the purchase and/or construction of land, buildings, vehicles, equipment, fixtures and other infrastructure (including roads, sidewalks, greenway and public easements) which are too permanent in nature to be considered expendable at the time of purchase. The items defined as capital have a value of \$5,000 or more for equipment or \$25,000 or more for infrastructure items. Capital by definition must also have an expendable life of more than one year. Budgeting of capital equipment and capital improvements over \$50,000 will be addressed separately in accordance with the Town's Capital Improvement Program and contingent on availability of funds. Frequently, grant funded items are also budgeted within capital accounts.

## THE BUDGET PROCESS

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

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

The State also requires that local governments experience at a minimum once every eight years a property revaluation ensuring that property within the unit is valued at market rates. Additional conditions could result in the requirement that revaluations occur more frequently. Such requirements ensure that property owners contribute fairly to the cost of operating the government for the year. Mecklenburg County's most recent revaluation occurred at new values for FY 12. The appeals process associated with that valuation continues to impact FY 2014, as Mecklenburg County accepts recommendations from the Pearson Group on different values for some properties.

Government-wide financial statements are produced at year-end using the economic resources measurement focus and reported using the accrual basis of accounting. However, the annual

# Budget Guide

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budget is adopted on a departmental basis and is prepared using the modified accrual method of accounting for all funds. This accounting approach recognizes revenues when they become measurable and expenditures at the time the liability is incurred. All monies received and expended must be included in the budget ordinance. Departmental appropriations that have not been expended by the end of the fiscal year lapse.

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

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

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

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

- **Formulate Historical Data** During the first phase of the budget process the accumulation of past financial information is prepared by staff. The data concerning expenditures is used by department heads and management for performance evaluation and projection of resources required to meet departmental objectives. Significant departmental historical and interim financial information is presented at the Board's annual budget workshop.
- **Preparation of Departmental Request** Estimating departmental expenditures is the primary responsibility of the department head. When budgeting expenditures, the basic requirements are to request sufficient funding to adequately operate the department and to request funding at the lowest reasonable level in order to achieve the departmental goals and objectives at current service levels. Town Staff is also directed to request funding of new initiatives to be considered by Town Management and the Town Board for inclusion in the upcoming budget cycle if such initiatives are consistent with the vision, guiding principles and goals of the Town's Comprehensive Master Plan.

# Budget Guide

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- **Consolidate Preliminary Budget** The departmental requests are submitted to the Finance Director in order to consolidate the individual departmental requests and the revenue projections into an overall budget. At this point the focus of attention shifts from the departmental basis to the fund basis. Departmental requests are analyzed and the formal budget review begins.
- **Evaluate Service Priorities and Objectives** The evaluation of service priorities and objectives is an important step in developing a fiscal plan which will achieve the Town's program of service for the ensuing year. The budget document aligns the service priorities of the Citizens of Cornelius through the Board of Commissioners and guiding principles identified by citizens. The service needs of the community are determined through public hearings and feedback through the Board of Commissioners, Staff and Comprehensive Master Plan initiative. A comprehensive review of service needs compared to departmental goals and objectives is analyzed by the Town Manager and departmental staff annually in the budget preparation process.
- **Balanced Proposed Budget** After the Town's program of service priorities have been established, a funding plan must be formulated which ultimately must balance revenue sources and expenditure objectives. Through careful assessment of funding requirements and financing elements, a proposed budget document is organized into final format and submitted to the Board of Commissioners in the form of the Manager's Recommended Budget for the year. In compliance with North Carolina General Statutes, such presentation occurs prior to June 1.
- **Legislative Review** The Board of Commissioners reviews the budget thoroughly with the Town Manager and staff during budget work sessions. Departmental requests and proposed revenue sources are reviewed by the Board of Commissioners at this time to ensure their adherence to the Board and Citizens' goals and objectives and for consistency with the Comprehensive Master Plan. A copy of the proposed budget with recommended legislative changes is filed with the Town Clerk and electronically via internet for public inspection and a public hearing is scheduled prior to the formal adoption of the budget.
- **Budget Adoption** The adoption of the annual operating budget is the culmination of exhaustive reviews of budget proposals by Department Heads, Administration, and the Board of Commissioners. Adoption of the budget by the Board of Commissioners establishes the legal authority to incur expenditures in the ensuing fiscal year. The budget adoption process typically spans a seven to eight month process, and must be adopted by June 30 unless interim provisions are made.

# Financial Policies

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

## Operating Budget Policies

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

The Board will also be provided historical trend data and comparative information with population peer groups at their annual budget workshop. Finance staff will provide annual financial dashboard comparisons and additional financial ratio comparisons with other municipalities to ensure that the Town pursues best practices within our industry. The Town will pursue performance measurement statistics noting specific workload areas as appropriate. Routine examination will occur of internal control structures to ensure financial data is reliable, accurate, fair and cost effective. Finally, at Board request, staff will continue the practice of having citizens participate in performance audits of specific departments on a rotating basis to address efficiency and effective operating standards and service levels.

The Town will retain an independent accounting firm to perform an annual financial and compliance audit in accordance with general accepted accounting principles (GAAP) as outlined by the Governmental Accounting, Auditing, and Financial Reporting (GAAFR). In conjunction with the independent audit, periodic internal audits are conducted to determine if the Town is managing and utilizing its resources in an economical and efficient manner. The internal audit review and monitoring will also assure compliance with internal control standards and their influence on the Town's financial accounting systems and operations.

Significant effort will be devoted to bidding processes to ensure lowest responsible costs are achieved in the procurement of goods and services when informal bidding applies; formal bid procedures as outlined in NC General Statutes will also be applied. Bid processes are sensitive to lowest total owning costs including future maintenance, upkeep and resale considerations. The Town's annual budget process will also advance in the direction of multi-year focused budgeting in an effort to address the Town's ability to provide ongoing service levels and new initiatives outlined in the Comprehensive Master Plan.

# Financial Policies

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## **Revenue Policy**

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

The Electric Fund will adhere to the full utility concept which allows each user to contribute revenues proportional to the level of service received. The Electric Enterprise fund will also operate with a philosophy of covering the rising costs associated with providing electric services. This concept requires that income be sufficient to maintain a self-supporting status within the Electric Fund and comply with increasing environment of federal and state energy program reporting. The concept of cost recovery will be calculated and allocated to each fund generating service charges.

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

## **Investment Policy**

The Town will monitor cash flow of all funds on a regular basis to ensure investment of idle cash while adhering to safety, liquidity and yield in that specific order. Staff will monitor central depository accounts to assure safety of Town assets at minimal fee levels. Staff will explore enhanced yield options while achieving optimal liquidity in compliance with the Board adopted investment policy. The criteria for selecting an investment will include safety, liquidity, and yield within the confines of anticipated capital funding needs. The Town will invest only in quality issues which comply with the North Carolina Budget and Fiscal Control Act, the Board adopted Investment Policy and any other applicable special legislation.

## **Fund Balance Policy**

The Town will maintain adequate, but not excessive operating reserves categorized as fund balance. The fund balance is established to provide for any unforeseen revenue losses and to take advantage of unanticipated opportunities. The fund balance is infrequently appropriated as part of the annual budget except to fund capital improvements or meet grant matching requirements. To shield against times of economic distress, the Town will preserve cash reserves. The Town will utilize both pay-as-you go capital financing and use fund balance as a saving mechanism to provide for capital projects.

The Town will adhere to the Board adopted Fund Balance Policy. The Town shall ensure that the General Fund –fund balance is maintained at

# Financial Policies

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

## **Debt Policy**

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

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

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

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

Staff is also instructed to annually review debt positions and make formal recommendations to the Board regarding the advisability of prepayment of any existing long-term debt in small increments or total payoff of existing debt. In volatile interest rate environments, staff is also instructed to recommend opportunities to take advantage of historically low rates for capital financing should such be deemed appropriate. Likewise, as rate environments rise, staff may recommend changes to budget such that items previously considered to be financed may be purchased with fund balance rather than through use of debt instruments.

# Financial Policies

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

The manager's recommended FY 2014 budget includes several instances of new borrowing, specifically rolling stock of police vehicles, parks maintenance truck, fire operations vehicle, a new phase of Robbins Park, fire breathing apparatus and synthetic turf soccer fields.

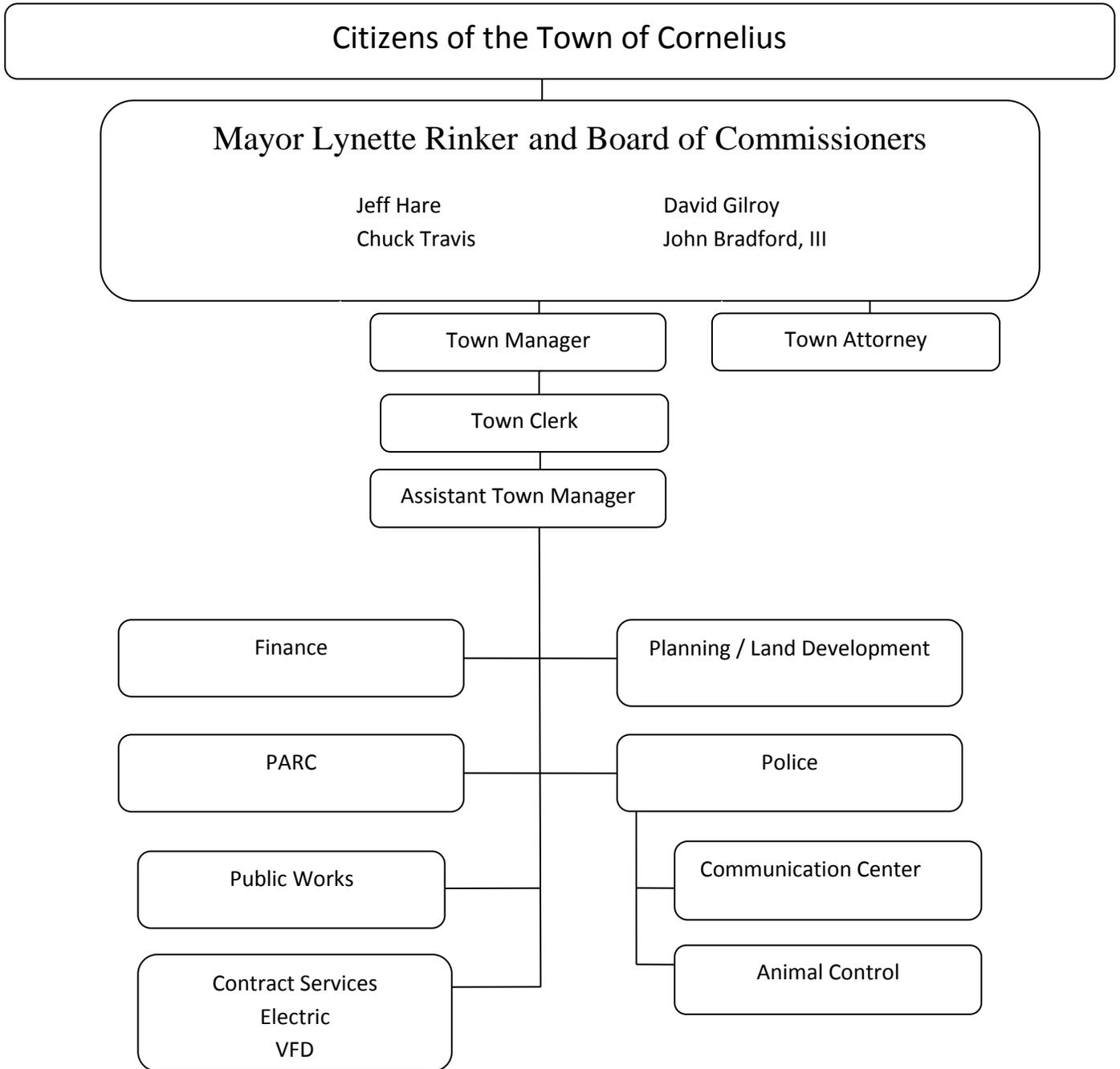
## **Capital Improvement Policy**

The Town will continue to accumulate a list of committed projects and staff recommended capital improvements to be presented to the Board which will be reviewed and updated at least annually with the budget process. Since capital improvements involve large sums of capital and long-term commitments, each capital project will be carefully analyzed before it becomes a funded component of the program. The Town takes a systematic approach to capital improvement programming to ensure that any personnel services or operating costs affected by capital spending decisions are included in the appropriate operating budget. The Town will protect and maintain its capital investments in order to minimize replacement cost. A summary of CIP future requests is presented on page 82 of this document.

The Town Board has established a capital project fund to accumulate funding for future road infrastructure, particularly along the West Catawba Avenue/Exit 28/Catawba Avenue Corridor.

Finally, as recommended by the Town's Comprehensive Master Plan, this budget document includes a five year financial forecast which documents how funding the CIP could be accomplished. While items are specifically funded only in the upcoming budget year, this spreadsheet provides a forward looking view over the next 5 years.

# Town of Cornelius, North Carolina Organizational Chart





***Town of Cornelius  
Budget Calendar  
For Fiscal Year 2013-2014***

<b>Date</b>	<b>Description</b>
November 1, 2012	Finance distributes CIP update materials
December 4, 2012	Department heads submit CIP requests
<b>December 17, 2012</b>	<b>Town Board adopts Budget calendar</b>
<b>January 22, 2013</b>	<b>Staff and Board hold pre-mtg budget workshop to discuss FY 2013 operational goals and capital projects update</b>
January 28, 2013	Staff submits proposed FY 2014 Goals to Finance Director
January 31, 2013	Manager finalizes Recommended CIP
February 4, 2013	Incorporate CMP into operating budget and CIP
February 8, 2013	Departments submit line item budget requests to Finance Director
February 28, 2013	Finance Director submits revenue estimates including revenue neutral tax rate
<b>March 20 - March 21, 2013</b>	<b>Board, Manager, and Staff workshop to discuss FY 2014 Budget and CIP</b>
<b>April 8 and April 22</b>	<b>Hold workshops with Board on FY 2014 Budget</b>
<b>May 6, 2013</b>	<b>Manager submits recommended FY 2014 Budget to Board and Citizens</b>
<b>May 20, 2013</b>	<b>Town Board holds public hearing and adopts budget</b>

**Bold = Board Action**

**Town of Cornelius**  
**FY 2014 Budget**  
**Total General Fund Revenue**

Revenue Type	FY 2011 Actual	2012 Actual	2013 Orig Budget	2013 Est Yr End	2014 Orig Budget	FY 13 EYE vs 14 Budget	Percent Difference
Ad valorem taxes	10,895,057	12,479,964	11,781,205	11,812,527	11,326,874	(485,653)	-4.1%
Other taxes	370,606	372,038	374,200	398,788	388,687	(10,101)	-2.5%
Interest earnings	72,628	34,949	72,500	24,916	24,200	(716)	-2.9%
Miscellaneous revenues	426,900	543,719	132,676	194,349	119,913	(74,437)	-38.3%
Shared restricted revenues	870,813	708,968	679,587	736,373	693,875	(42,498)	-5.8%
Shared unrestricted revenues	4,263,340	4,639,236	4,815,725	4,709,559	4,652,392	(57,167)	-1.2%
Charges for svcs and fees	873,938	999,080	575,800	628,375	638,153	9,779	1.6%
Debt Issued	110,000	650,000	220,000	180,000	1,718,000	1,538,000	854.4%
Transfers from other funds	11,131	-	-	-	-	-	0.0%
Net use of fund balance	-	-	864,497	-	(23,853)	(23,853)	0.0%
<b>Total Revenues</b>	<b>17,894,413</b>	<b>20,427,954</b>	<b>19,516,190</b>	<b>18,684,887</b>	<b>19,538,242</b>	<b>853,355</b>	<b>4.6%</b>

***Town of Cornelius***  
**FY 2014 Original Budget**  
**Total General Fund Expenditures**

<b>Department</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Budget</b>	<b>2013 Est Yr End vs 14 Budget</b>	<b>Percent Difference</b>
<b>Governing Board</b>	67,666	67,826	69,332	69,332	69,332	0	0.0%
<b>General Government</b>	1,560,951	1,648,543	1,584,086	1,569,743	1,619,717	49,974	3.2%
<b>General Services</b>	229,283	32,600	1,102,000	60,150	59,750	(400)	-0.7%
<b>Police</b>	4,238,376	4,465,007	4,780,192	4,830,515	4,785,481	(45,035)	-0.9%
<b>Communications</b>	904,415	667,350	608,983	598,115	610,466	12,350	2.1%
<b>Fire Protection</b>	1,117,308	1,724,878	1,218,000	1,472,367	1,715,859	243,492	16.5%
<b>Animal Control</b>	174,088	156,886	165,320	157,736	161,635	3,899	2.5%
<b>Public Works</b>	1,280,259	1,183,101	1,572,617	1,489,601	1,230,953	(258,648)	-17.4%
<b>LNTC</b>	87,361	89,094	90,000	90,000	90,000	-	0.0%
<b>Powell Bill</b>	495,756	354,760	910,649	974,557	435,000	(539,557)	-55.4%
<b>Solid Waste</b>	1,697,817	1,785,473	1,896,833	1,902,860	1,998,003	95,143	5.0%
<b>Stormwater</b>	161,593	166,164	204,998	204,998	212,500	7,502	3.7%
<b>Planning &amp; Land Dev.</b>	621,392	560,610	501,199	504,208	530,514	26,306	5.2%
<b>Tourism</b>	456,135	442,963	584,814	632,303	561,230	(71,073)	-11.2%
<b>Art Center</b>	109,699	111,115	110,096	111,998	142,116	30,119	26.9%
<b>PARC</b>	1,386,568	1,346,329	1,302,804	1,343,042	2,521,471	1,178,429	87.7%
<b>Transfers</b>	2,000,000	591,299	-	1,035,000	200,000	(835,000)	-80.7%
<b>Debt Service</b>	2,689,922	3,118,512	2,814,267	2,811,494	2,594,215	(217,279)	-7.7%
<b>Totals</b>	<b>19,278,589</b>	<b>18,512,510</b>	<b>19,516,190</b>	<b>19,858,019</b>	<b>19,538,241</b>	<b>(319,778)</b>	<b>-1.6%</b>

## GENERAL FUND EXPENDITURE SUMMARY

Governing Body							
	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Original Budget	2013 Est Yr End 2014 Budget Difference	Percent Difference
Personnel	52,894	53,201	53,941	52,677	55,332	2,655	5.0%
Operating	14,772	14,625	15,391	16,655	14,000	(2,655)	-15.9%
<b>Total</b>	<b>67,666</b>	<b>67,826</b>	<b>69,332</b>	<b>69,332</b>	<b>69,332</b>	<b>0</b>	<b>0.0%</b>

General Government							
	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Original Budget	2013 Est Yr End 2014 Budget Difference	Percent Difference
Personnel	1,019,763	1,028,851	1,159,826	1,106,127	1,129,400	23,273	2.1%
Operating	399,645	423,216	424,260	463,616	490,317	26,701	5.8%
Capital	141,543	196,476	-	-	-	-	0.0%
<b>Total</b>	<b>1,560,951</b>	<b>1,648,543</b>	<b>1,584,086</b>	<b>1,569,743</b>	<b>1,619,717</b>	<b>49,974</b>	<b>3.2%</b>

General Services							
	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Original Budget	2013 Est Yr End 2014 Budget Difference	Percent Difference
Operating	229,283	32,600	67,000	60,150	59,750	(400)	-0.7%
<b>Total</b>	<b>229,283</b>	<b>32,600</b>	<b>67,000</b>	<b>60,150</b>	<b>59,750</b>	<b>(400)</b>	<b>-0.7%</b>

Police							
	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Original Budget	2013 Est Yr End 2014 Budget Difference	Percent Difference
Personnel	3,314,765	3,448,993	3,661,033	3,674,093	3,777,050	102,956	2.8%
Operating	739,245	817,647	799,158	836,422	828,431	(7,991)	-1.0%
Capital	184,366	198,367	320,000	320,000	180,000	(140,000)	-43.8%
<b>Total</b>	<b>4,238,376</b>	<b>4,465,007</b>	<b>4,780,192</b>	<b>4,830,515</b>	<b>4,785,481</b>	<b>(45,035)</b>	<b>-0.9%</b>

Communications							
	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Original Budget	2013 Est Yr End 2014 Budget Difference	Percent Difference
Personnel	663,802	638,250	556,603	557,344	569,623	12,279	2.2%
Operating	65,964	29,100	52,380	40,772	40,843	71	0.2%
Capital	174,649	-	-	-	-	-	0.0%
<b>Total</b>	<b>904,415</b>	<b>667,350</b>	<b>608,983</b>	<b>598,115</b>	<b>610,466</b>	<b>12,350</b>	<b>2.1%</b>

Fire Protection							
	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Original Budget	2013 Est Yr End 2014 Budget Difference	Percent Difference
Operating	1,077,488	1,199,597	1,218,000	1,472,367	1,285,859	(186,508)	-12.7%
Capital	39,820	525,281	-	-	430,000	430,000	0.0%
<b>Total</b>	<b>1,117,308</b>	<b>1,724,878</b>	<b>1,218,000</b>	<b>1,472,367</b>	<b>1,715,859</b>	<b>243,492</b>	<b>16.5%</b>

## GENERAL FUND EXPENDITURE SUMMARY

Animal Control							
	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Original Budget	2013 Est Yr End 2014 Budget Difference	Percent Difference
Personnel	99,599	97,598	104,889	101,589	104,286	2,697	2.7%
Operating	63,989	59,288	60,431	56,146	57,349	1,202	2.1%
Capital	10,500	-	-	-	-	-	0.0%
<b>Total</b>	<b>174,088</b>	<b>156,886</b>	<b>165,320</b>	<b>157,736</b>	<b>161,635</b>	<b>3,899</b>	<b>2.5%</b>
Public Works							
	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Original Budget	2013 Est Yr End 2014 Budget Difference	Percent Difference
Personnel	445,815	441,741	463,920	470,222	379,696	(90,527)	-19.3%
Operating	622,216	514,905	658,697	561,784	536,257	(25,527)	-4.5%
Capital	212,228	226,455	450,000	457,595	315,000	(142,595)	-31.2%
<b>Total</b>	<b>1,280,259</b>	<b>1,183,101</b>	<b>1,572,617</b>	<b>1,489,601</b>	<b>1,230,953</b>	<b>(258,648)</b>	<b>-17.4%</b>
Lake Norman Transportation Commission							
	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Original Budget	2013 Est Yr End 2014 Budget Difference	Percent Difference
Operating	87,361	89,094	90,000	90,000	90,000	-	0.0%
<b>Total</b>	<b>87,361</b>	<b>89,094</b>	<b>90,000</b>	<b>90,000</b>	<b>90,000</b>	<b>-</b>	<b>0.0%</b>
Powell Bill							
	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Original Budget	2013 Est Yr End 2014 Budget Difference	Percent Difference
Operating	112,388	104,098	60,649	107,760	120,000	12,240	11.4%
Capital	383,368	250,662	850,000	866,797	315,000	(551,797)	-63.7%
<b>Total</b>	<b>495,756</b>	<b>354,760</b>	<b>910,649</b>	<b>974,557</b>	<b>435,000</b>	<b>(539,557)</b>	<b>-55.4%</b>
Solid Waste							
	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Original Budget	2013 Est Yr End 2014 Budget Difference	Percent Difference
Operating	1,697,817	1,785,473	1,896,833	1,902,860	1,998,003	95,143	5.0%
<b>Total</b>	<b>1,697,817</b>	<b>1,785,473</b>	<b>1,896,833</b>	<b>1,902,860</b>	<b>1,998,003</b>	<b>95,143</b>	<b>5.0%</b>
Stormwater							
	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Original Budget	2013 Est Yr End 2014 Budget Difference	Percent Difference
Operating	141,031	142,918	159,746	204,998	212,500	7,502	3.7%
Capital	20,562	23,246	45,252	-	-	-	0.0%
<b>Total</b>	<b>161,593</b>	<b>166,164</b>	<b>204,998</b>	<b>204,998</b>	<b>212,500</b>	<b>7,502</b>	<b>3.7%</b>
Planning & Land Development							
	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Original Budget	2013 Est Yr End 2014 Budget Difference	Percent Difference
Personnel	446,981	398,021	412,306	385,812	405,249	19,437	5.0%
Operating	174,411	162,589	88,893	118,396	125,265	6,869	5.8%
<b>Total</b>	<b>621,392</b>	<b>560,610</b>	<b>501,199</b>	<b>504,208</b>	<b>530,514</b>	<b>26,306</b>	<b>5.2%</b>

## GENERAL FUND EXPENDITURE SUMMARY

<b>Tourism</b>							
	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Original Budget</b>	<b>2013 Est Yr End 2014 Budget Difference</b>	<b>Percent Difference</b>
Operating	126,691	119,158	131,203	115,053	193,603	78,550	68.3%
Contributions	329,444	323,805	353,611	347,240	367,627	20,387	5.9%
Capital	-	-	100,000	170,010	-	(170,010)	-100.0%
<b>Total</b>	<b>456,135</b>	<b>442,963</b>	<b>584,814</b>	<b>632,303</b>	<b>561,230</b>	<b>(71,073)</b>	<b>-11.2%</b>

<b>Art Center</b>							
	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Original Budget</b>	<b>2013 Est Yr End 2014 Budget Difference</b>	<b>Percent Difference</b>
Personnel	-	17,410	16,148	21,807	24,221	2,414	11.1%
Operating	109,699	93,705	93,949	90,190	117,895	27,705	30.7%
Capital	-	1	-	-	-	-	0.0%
<b>Total</b>	<b>109,699</b>	<b>111,115</b>	<b>110,096</b>	<b>111,998</b>	<b>142,116</b>	<b>30,119</b>	<b>26.9%</b>

<b>Parks, Arts, Recreation and Culture</b>							
	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Original Budget</b>	<b>2013 Est Yr End 2014 Budget Difference</b>	<b>Percent Difference</b>
Personnel	761,393	660,573	702,844	703,709	718,943	15,235	2.2%
Operating	625,175	660,110	599,960	639,334	614,528	(24,806)	-3.9%
Capital	-	25,646	-	-	1,188,000	1,188,000	100.0%
<b>Total</b>	<b>1,386,568</b>	<b>1,346,329</b>	<b>1,302,804</b>	<b>1,343,042</b>	<b>2,521,471</b>	<b>1,178,429</b>	<b>87.7%</b>

<b>Debt Service</b>							
	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Original Budget</b>	<b>2013 Est Yr End 2014 Budget Difference</b>	<b>Percent Difference</b>
Debt Service	2,689,922	3,118,512	2,814,267	2,811,494	2,594,215	(217,279)	-7.7%
<b>Total</b>	<b>2,689,922</b>	<b>3,118,512</b>	<b>2,814,267</b>	<b>2,811,494</b>	<b>2,594,215</b>	<b>(217,279)</b>	<b>-7.7%</b>

<b>TOWNWIDE TOTALS</b>							
	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Original Budget</b>	<b>2013 Est Yr End 2014 Budget Difference</b>	<b>Percent Difference</b>
Personnel	6,805,012	6,784,638	7,131,510	7,073,381	7,163,800	90,419	1.3%
Operating	6,287,175	6,248,123	6,416,551	6,776,503	6,784,599	8,096	0.1%
Contributions	329,444	323,805	353,611	347,240	367,627	20,387	5.9%
Transfer/Reserve	2,000,000	591,299	1,035,000	1,035,000	200,000	(835,000)	-80.7%
Capital	1,167,036	1,446,133	1,765,252	1,814,402	2,428,000	613,598	33.8%
Debt	2,689,922	3,118,512	2,814,267	2,811,494	2,594,215	(217,279)	-7.7%
<b>Total</b>	<b>19,278,589</b>	<b>18,512,510</b>	<b>19,516,190</b>	<b>19,858,019</b>	<b>19,538,241</b>	<b>(319,778)</b>	<b>-1.6%</b>

# Revenue Assumptions

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

The following are some assumptions concerning revenues which are forecasted in the Town of Cornelius FY 2014 Budget.

## REVENUE TYPE

## FORECAST RATIONALE

### **PROPERTY TAXES**

Mecklenburg County performs all calculations of assessed property valuations. The total property tax is calculated based upon a compilation of projected assessed value from the Mecklenburg County Tax Assessor's Office and current year levy from the County Collector's office. The total property tax is impacted by prior years' collections. The property tax rate is set at twenty-four cents (\$.24) per one hundred dollars (\$100) of assessed valuation of \$4,709,363,219. A collection rate of 97.6% is estimated based upon the Finance department estimate of FY 2013 collections. Mecklenburg County estimates that growth in the property tax base of approximately 1% has occurred. However, related to corrections to the FY 2012 revaluation, numerous properties are being reduced in value. The Mecklenburg County assessor's office projects an overall decrease in value of approximately 4%. Pending legislation before the General Assembly could result in prior year taxes being refunded. The impact of prior refunds is not calculated or accounted for in this budget. The total assessed value referenced above includes real, personal, vehicle, and public service company values.

### Automobile Tax

The Automobile Tax is actually comprised of two revenue accounts, both the ad valorem tax on vehicles and the \$10 auto fee. Automobile tax is calculated based on an average local fair market value as set by Mecklenburg County at the Board adopted property tax rate which is proposed at twenty four cents (\$.24) per one hundred dollars (\$100) of assessed valuation. Vehicle assessed valuations have begun to increase since the 2008 economic downturn. The Mecklenburg County Tax Assessor's Office estimates growth in the automobile tax of approximately 25%, some of which is attributable to the transition of automobile tax collection to the NC Department of Motor Vehicles, rather than Mecklenburg County, and the one time change in number of months collected in FY 2014.

### Penalties & Interest

The revenue generated by penalties and interest is estimated with the use of trend analysis. This revenue source has experienced significant volatility since the revaluation and Cornelius' obligation to refund with interest tax associated with property value corrections. Penalties are assessed on current year tax payments made after January 5. For the period from January 6 to February 1, interest accrues at the rate of 2%. Thereafter,

# Revenue Assumptions

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interest accrues at the rate of 3/4% per month until outstanding balances are paid in full.

## **OTHER TAXES AND LICENSES**

Tourism Related Revenues      The Town levies Occupancy tax, Gross Receipts on Rental Vehicles, and U Drive It tax as discussed in the Tourism Related Revenues section on page 35. These revenues are generally restricted to be spent in support of tourism activities. These revenues are particularly subject to fluctuations in consumer spending and did decline during the economic recession. Occupancy tax has increased approximately 12% in FY 13 to \$204,102 and is expected to level out at \$194,000 in FY 14.

## **UNRESTRICTED INTERGOVERNMENTAL REVENUES**

Utility Franchise Tax      The State of NC operates as a collection agent on utility franchise taxes levied on the actual annual receipts from electric, local telephone (including cellular), cable, and natural gas service within the Town limits. This revenue is highly sensitive to weather; cool summers and mild winters can dramatically affect these receipts. FY 14 is predicted to grow by only 1.2% over FY 13 levels.

Beer and Wine Tax      Cities share tax on sales of beer and wine based upon municipal population levels. The State of NC typically distributes this revenue source late in May. FY 2013 estimated year end is expected at \$108,450 and the FY 2014 budget anticipates a 1.5% increase.

Local Sales Tax      The State collects and distributes the proceeds from locally levied tax on retail sales. The receipts of sales tax have begun to recover from the 2008 recession. This revenue source can vary widely due to difficulty in forecasting factors such as the reduction of new construction activity, consumer spending, and the State's delayed sales tax reimbursements to non-profit agencies.

This revenue source is subject to further significant swings related to what percentage of tax levy the Town of Cornelius is compared with other Mecklenburg County local governments. Any significant change (increase or decrease) in other governments assessed value or tax rates can result in significant swings to the Town's share of local sales tax distributions. Changes to the Town's own assessed value or tax rate also have an impact. Sales tax distributions have not returned to their all-time high for Cornelius of FY 2008's \$2.6 million level, but as a result of the increased valuations associated with the FY 12 revaluation, Cornelius' FY 13 estimated year end distributions are \$2,395,004. The FY 13 tax reduction of one cent per \$100 of

# Revenue Assumptions

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assessed valuation is expected to decrease the FY 2014 distributions to \$2,372,946.

## ABC Revenues

The Town of Cornelius participates in revenue sharing in the profits from Mecklenburg County's alcoholic beverage control Board. Distributions peaked in FY 2009 at \$70,000 annually and have trended between \$55,000 - \$60,000 since.

## RESTRICTED INTERGOVERNMENTAL REVENUES

### Powell Bill

The Town of Cornelius receives an annual distribution from the North Carolina Department of Transportation of prior year gas tax receipts. Municipal Powell Bill distributions are based upon population and number of municipal street miles maintained. State collections of gas tax receipts, the basis for the distribution have not recovered from the economic downturn. Additionally, this revenue source is subject to consumer reaction to spikes in fuel prices. The Town estimates limited growth in Powell Bill revenue of 2.4%.

### Grants

Routinely, the Town receives grant awards from the federal and state government to support specific initiatives, such as arts and science council, PARTF, Governor's Highway Safety Programs and police body armor. The FY 2014 budget estimates grant revenue of less than \$5,000.

## PERMITS AND FEES

### Dispatch Center Fee

These fees are based upon a shared cost estimate of the FY 13 expenditures for the Communications Center with Davidson College. Minimal revenue is also budgeted for dispatch of ElectriCities employees for electrical outages in Huntersville and Cornelius service areas.

### Stormwater Fee

The Town receives monthly distributions of stormwater collection fees from Mecklenburg County collected by Charlotte-Mecklenburg Utility Department based upon impervious area. These funds are required to be used to maintain drainage systems within the Town. The Mecklenburg County LUESA office estimates minimal increases in this revenue source. Stormwater revenue is expected to remain flat in FY 2014.

### 911 Fees

Telephone users are assessed a monthly fee by the State of North Carolina for wireless or wired landline phones) to support 911 services to telephone line users. These funds are required to be spent in support of delivery of 911 communication services to users of cellular communication devices. Such distributions now occur directly from the State of North Carolina. During FY 2012, the state began distributions based on five years average expenditures, which resulted in a significant decrease in revenue

# Revenue Assumptions

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to Cornelius. The FY 2014 budget represents a \$50,000 increase over FY 14 based upon increased average expenditures.

## **TOURISM RELATED REVENUES**

**Occupancy Tax** The Town of Cornelius receives monthly distributions of hotel/motel tax receipts from Mecklenburg County based on receipts collected from Cornelius hoteliers. This revenue source varies year to year within a range of \$180,000 to \$205,000. By Statute, 28% of this revenue source must be paid to Visit Lake Norman.

**Prepared Food Tax** The Town of Cornelius has received distributions from the City of Charlotte since FY 2002 based upon prepared food and beverage taxes collected from Cornelius prepared food retail outlets. An interlocal agreement between Mecklenburg County and its municipalities has resulted in a percentage of the prepared food and beverage tax generated within the municipality to be returned to the Town for its Tourism promoting use. This revenue source varies within a range from \$300,000 to \$340,000.

**U Drive It Tax** The Town began receiving tax levied on the gross receipts of rental vehicles as a replacement for the property tax on rental vehicles in FY 2007. These proceeds have been used to support local arts initiatives. This revenue source is expected to generate \$144,062 in FY 2014.

## **DEPT FEES**

Various departments, such as Police, Planning, and PARC charge various fees, such as building permit fees, sponsorship fees, and program participation fees. The Town has pet adoption related fees and reimbursements from CMS for resource officers. A fee schedule is updated as necessary and will be with the FY 2014 budget as a result of changes to the Electric Fund charges for services. Other fees changes, such as false alarm billing, will be proposed in the schedule. Additional fee revenue is represented by the reimbursements Cornelius receive from the Towns of Mooresville, Davidson and Huntersville for those Towns' share of the Lake Norman Transportation Commission.

## **OTHER EARNINGS**

**Investment Earnings** Interest earnings on idle funds continue to suffer in rate environments paying under 1%. Therefore, this revenue source is not expected to generate more than \$40,000 in FY 2014.

**Miscellaneous** The Town has historically received minimal amounts of miscellaneous revenue budgeted at \$10,000 annually. Examples of miscellaneous revenues include donations, town hall rental fees, and sale of used equipment.

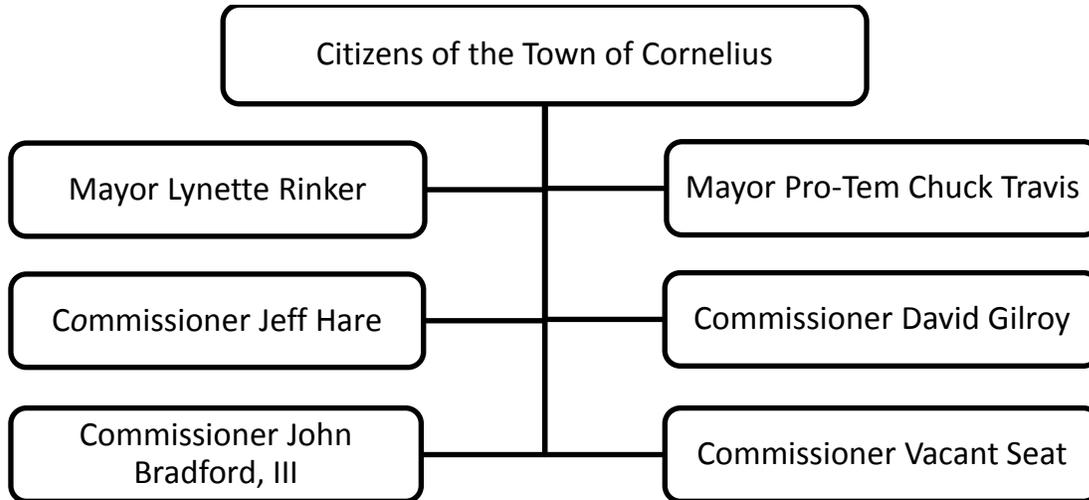
**Town of Cornelius**  
**FY 2014 Budget**  
**General Fund Revenue Line Item Detail**

Org	Obj	Description	2011 Actual	2012 Actual	2013 Orig Budget	2013 Est Yr End	2014 Orig Budget	FY 13 EYE vs 14 Budget	Percent Difference
10003100-7	3110	Prior Year Taxes	107,106	95,490	205,000	83,392	92,000	8,608	10.3%
10003108	3110	Current year taxes	9,808,614	11,388,214	10,624,414	10,766,383	10,161,369	(605,014)	-5.6%
10003110	3120	Motor Vehicle Tax	712,929	727,018	642,879	685,000	773,408	88,408	12.9%
10003280	3280	Vehicle Fee	198,964	206,190	208,912	204,633	225,096	20,463	10.0%
10003170	3180	Interest & Penalties	67,444	63,052	100,000	73,119	75,000	1,881	2.6%
10003231-4	3220	Local Sales Tax	2,124,137	2,427,774	2,395,004	2,435,290	2,372,946	(62,343)	-2.6%
10003324	3220	Utility Franchise Tax	1,335,391	1,358,993	1,549,721	1,388,392	1,405,000	16,608	1.2%
10213316	3300	Powell Bill Allocation	623,477	643,495	664,087	676,636	692,875	16,239	2.4%
10003272	3120	Vehicle Rental Gross Recpts	46,209	48,138	51,200	50,624	50,625	1	0.0%
10003272	3121	U Drive It Tax	131,510	142,053	142,000	144,062	144,062	-	0.0%
10003265	3220	Prepared Food & Bev Tax	262,331	299,764	300,000	338,318	328,168	(10,150)	-3.0%
10003270	3220	Occupancy Tax	192,887	181,847	181,000	204,102	194,000	(10,102)	-4.9%
10003322	3220	Beer & Wine Tax	109,510	108,249	114,000	108,450	110,077	1,627	1.5%
10003837	3220	ABC Revenues	55,260	58,024	60,000	60,924	59,401	(1,523)	-2.5%
10213831	3300	Int Earnings Streets	284	286	300	310	100	(210)	-67.8%
10303473	3301	Stormwater Fees	360,157	369,353	380,000	361,612	360,000	(1,612)	-0.4%
10303471	3410	Solid waste disposal tax	16,554	17,079	17,000	16,573	16,800	227	1.4%
10803330	3330	Arts & Science Grant	5,000	5,000	5,000	4,074	4,000	(74)	-1.8%
10803315	3315	NC DOT McDowell Grant	-	3,900	-	-	-	-	0.0%
10003318	3315	Electricities Grants	19,226	4,000	-	-	-	-	0.0%
10103300	3315	Public Safety grants	163,480	57,573	13,500	37,737	-	(37,737)	-100.0%
10403315	3315	Planning Forestry Grant	13,825		-	21,000	-	(21,000)	-100.0%
10103431	3315	Police Revenue	110,048	107,630	100,000	100,000	100,000	-	0.0%
10103841	3410	Civil Penalties	1,312	2,153	100	1,435	1,000	(435)	-30.3%
10403343	3410	Planning / Zoning Fees	34,582	42,736	25,800	39,314	40,100	786	2.0%
10403330	3330	MUMPO Grant	12,850		3,000	26,600	-	(26,600)	-100.0%
10803612	3411	PARC Program Fees	352,317	354,401	373,000	374,054	376,554	2,500	0.7%
10803619	3410	Art Center Revenues	43,881	40,647	43,000	45,204	47,300	2,096	4.6%
10003831	3491	Int Earnings (General)	66,657	34,254	72,000	24,406	24,000	(406)	-1.7%
10403831	3492	Int Earnings (Tourism)	1,961	409	200	200	100	(100)	-50.0%
10003834	3860	Town Hall Rental Fees	5,411	4,149	4,000	4,490	4,200	(290)	-6.5%
10003412	3890	Electricities Admin Fees	10,000	32,161	10,000	35,000	45,000	10,000	28.6%
10103211	3150	Animal Tag Fees	68,939	45,632	-	9,985	5,000	(4,985)	-49.9%
10003836	3810	Sale of Property	12,631	11,712	-	6,962	-	(6,962)	-100.0%
10003839	3894	Insurance Proceeds	-	301,692	-	1,450	-	(1,450)	-100.0%
10003839	3890	Miscellaneous Revenues	4,874	752	1,201	2,050	1,000	(1,050)	-51.2%
10103439	3890	Dispatch Center Fees	293,480	411,893	55,000	55,000	55,000	-	0.0%
12103317	3890	Controlled Substance Tax	50,805		2,000	1,000	1,000	-	0.0%
10003935	3910	IRS BABS Fed Int Rate	3,726	6,335	3,375	5,217	3,913	(1,304)	-25.0%
		Transfer from other funds	11,131		-	-	-	-	0.0%
3833	3840	Donations	269,054	108,445	20,000	46,561	10,000	(36,561)	-78.5%
10203439	3890	Transportation Fee Towns Share	65,328	67,461	65,000	65,328	65,000	(328)	-0.5%
10103920	3910	Debt Issued	110,000	650,000	220,000	180,000	1,718,000	1,538,000	854.4%
		Transfers from other funds	11,131		-	-	-	-	0.0%
		Net use of Fund Balance	-		864,497	-	(23,853)	(23,853)	0.0%
		<b>Totals</b>	<b>17,894,413</b>	<b>20,427,954</b>	<b>19,516,190</b>	<b>18,684,887</b>	<b>19,538,242</b>	<b>853,355</b>	<b>4.6%</b>

# General Fund

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## Governing Board



### Description

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

### Governing Board Members

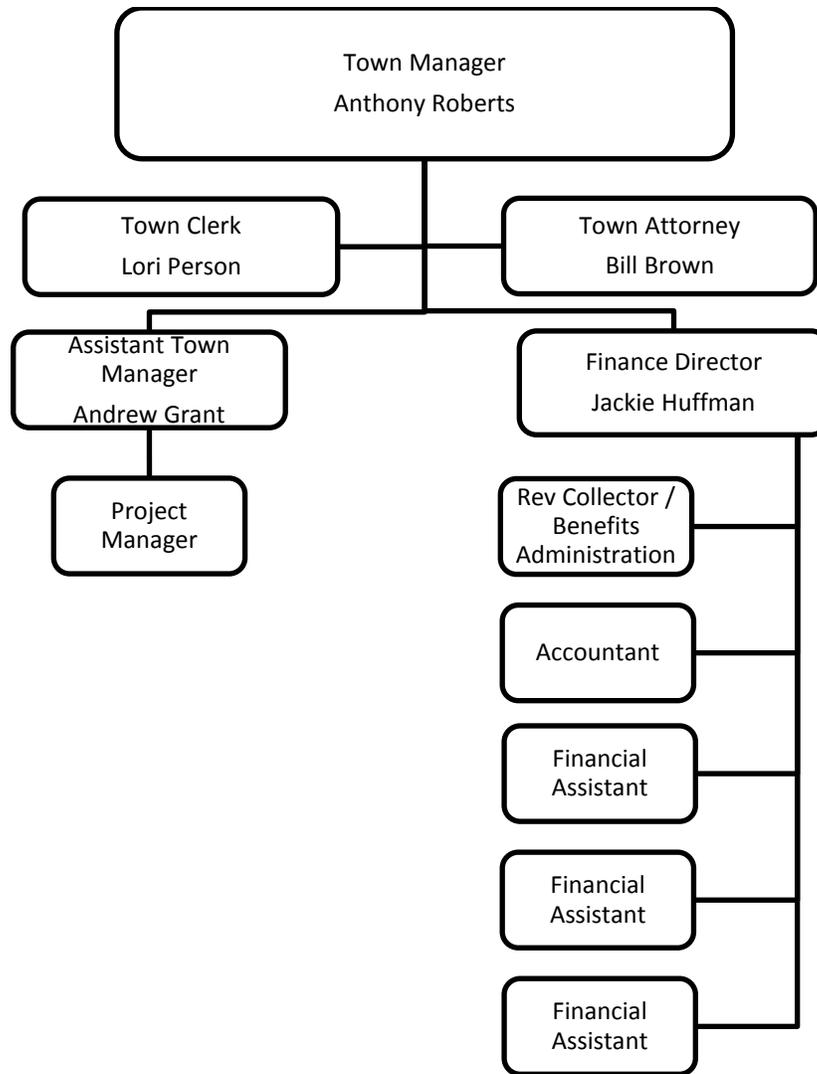
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Position	FY 10	FY 11	FY 12	FY 13	FY 14
Mayor	1	1	1	1	1
Commissioner	5	5	5	5	5
<b>Total Authorized Positions</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>

**Governing Board  
1004110**

<b>Acct</b>	<b>Description</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Budget</b>	<b>2013 Est Yr End vs 14 Budget</b>	<b>Percent Difference</b>
4125	Elected Officials Fees	49,135	49,420	50,108	48,933	51,400	2,467	5.0%
4181	FICA	3,759	3,781	3,833	3,743	3,932	189	5.0%
4311	Travel & Training	2,857	1,281	180	1,500	1,500	-	0.0%
4454	Insurance & Bond	2,445	299	4,200	1,500	1,000	(500)	-33.3%
4499	Misc. Expenses	9,470	13,045	11,011	13,655	11,500	(2,155)	-15.8%
	<b>Totals</b>	<b>67,666</b>	<b>67,826</b>	<b>69,332</b>	<b>69,332</b>	<b>69,332</b>	<b>0</b>	<b>0.0%</b>

# General Government



## Description

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

# General Fund

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## Authorized Positions (in Full Time Equivalents-FTE)

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<b>Position</b>	<b>FY 10</b>	<b>FY 11</b>	<b>FY 12</b>	<b>FY 13</b>	<b>FY 14</b>
Town Manager	1	1	1	1	1
Assistant Town Manager	1	1	1	1	1
Project Manager	1	1	1	1	1
Finance Director	1	1	1	1	1
Finance Assistant	2	3	3	3	3
Budget Analysis	1	0	0	0	0
Town Clerk	1	1	1	1	1
Revenue Collector/ Benefits Administration	1	1	1	1	1
Town Attorney	1	1	1	1	1
IT Director/Support	1	1	1	1	0
Accountant	1	1	1	1	1
<b>Total Authorized Positions</b>	<b>12</b>	<b>12</b>	<b>12</b>	<b>13</b>	<b>12</b>

## FY 2014 Goals and Objectives

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- ✓ Integrate Town account classifications in Electric fund and reduce aged accounts receivable (\$0)

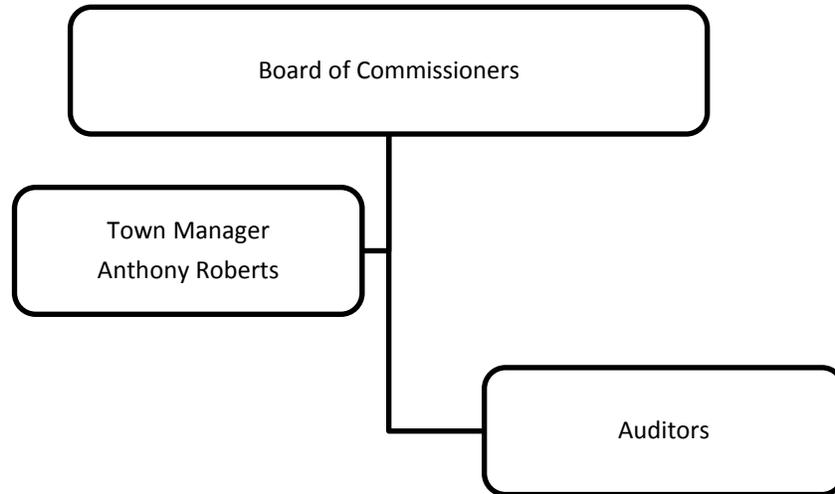
**General Government  
1004130**

Acct	Description	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Budget	2013 Est Yr End vs 14 Budget	Percent Difference
4121	Salaries	790,844	799,411	889,970	853,682	869,273	15,591	1.8%
4126	Salaries Part-Time	3,515	-	-	2,400	2,496	96	4.0%
4134	Retirement 401K	38,516	38,154	44,499	42,684	43,464	780	1.8%
4181	FICA	55,109	55,875	68,083	65,490	66,690	1,200	1.8%
4182	Retirement	50,793	53,544	61,230	57,538	61,458	3,919	6.8%
4183	Insurance Benefits	80,986	81,867	96,044	84,333	86,020	1,687	2.0%
4189	Employee Recognition	6,408	7,416	18,000	8,000	8,200	200	2.5%
4190	Prof Serv: Payroll	13,103	16,696	13,650	12,800	13,248	448	3.5%
4199	Prof Serv: Misc.	77,575	146,336	81,500	93,940	76,272	(17,668)	-18.8%
4251	Motor Fuels	5,125	5,161	7,200	6,209	6,458	248	4.0%
4290	Departmental Supplies	14,569	18,000	11,600	14,106	14,106	-	0.0%
4311	Travel and Training	20,590	11,070	23,064	22,413	22,413	-	0.0%
4321	Telecommunication	44,179	33,776	43,800	34,514	34,514	-	0.0%
4325	Postage/Shipping	1,605	2,704	4,050	2,790	2,790	-	0.0%
4331	Utilities	31,904	35,017	37,000	38,372	39,907	1,535	4.0%
4341	Printing	2,264	-	1,600	1,799	1,850	51	2.8%
4351	Building Maintenance	52,247	29,231	50,000	41,250	65,061	23,811	57.7%
4353	Vehicle Maintenance	2,159	1,470	2,400	1,553	1,553	-	0.0%
4391	Advertising	4,994	4,322	4,800	2,391	2,400	9	0.4%
4431	Copier Lease	6,561	6,406	6,800	5,608	4,500	(1,108)	-19.8%
4432	Postage Lease	2,865	2,580	3,000	2,397	2,397	-	0.0%
4440	Contract Serv		-	2,500	-	-	-	0.0%
4441	Software Maintenance	28,895	23,614	31,200	41,733	41,733	-	0.0%
4442	Network Maintenance	16,492	12,422	14,600	55,995	77,400	21,405	38.2%
4443	Copier Maintenance	1,029	-	-	-	-	-	0.0%
4444	Contract Serv/ Landscpg-TH	5,579	7,858	2,799	5,184	5,184	-	0.0%
4451	Insurance and Bonds	10,079	13,341	16,200	25,094	25,094	-	0.0%
4491	Dues and Subscriptions	33,524	33,544	35,247	33,347	33,347	-	0.0%
4498	Bank Account Expense	2,550	3,965	3,300	2,834	2,834	-	0.0%
4499	Miscellaneous Expense	15,349	8,287	9,950	11,288	9,058	(2,230)	-19.8%
4540	Motor Vehicles		18,060		-	-	-	0.0%
4580	Capital Outlay	141,543	178,416	-	-	-	-	0.0%
	<b>Totals</b>	<b>1,560,951</b>	<b>1,648,543</b>	<b>1,584,086</b>	<b>1,569,743</b>	<b>1,619,717</b>	<b>49,974</b>	<b>3.2%</b>

# General Fund

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## General Services



### Description

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

### FY 2014 Work Plan

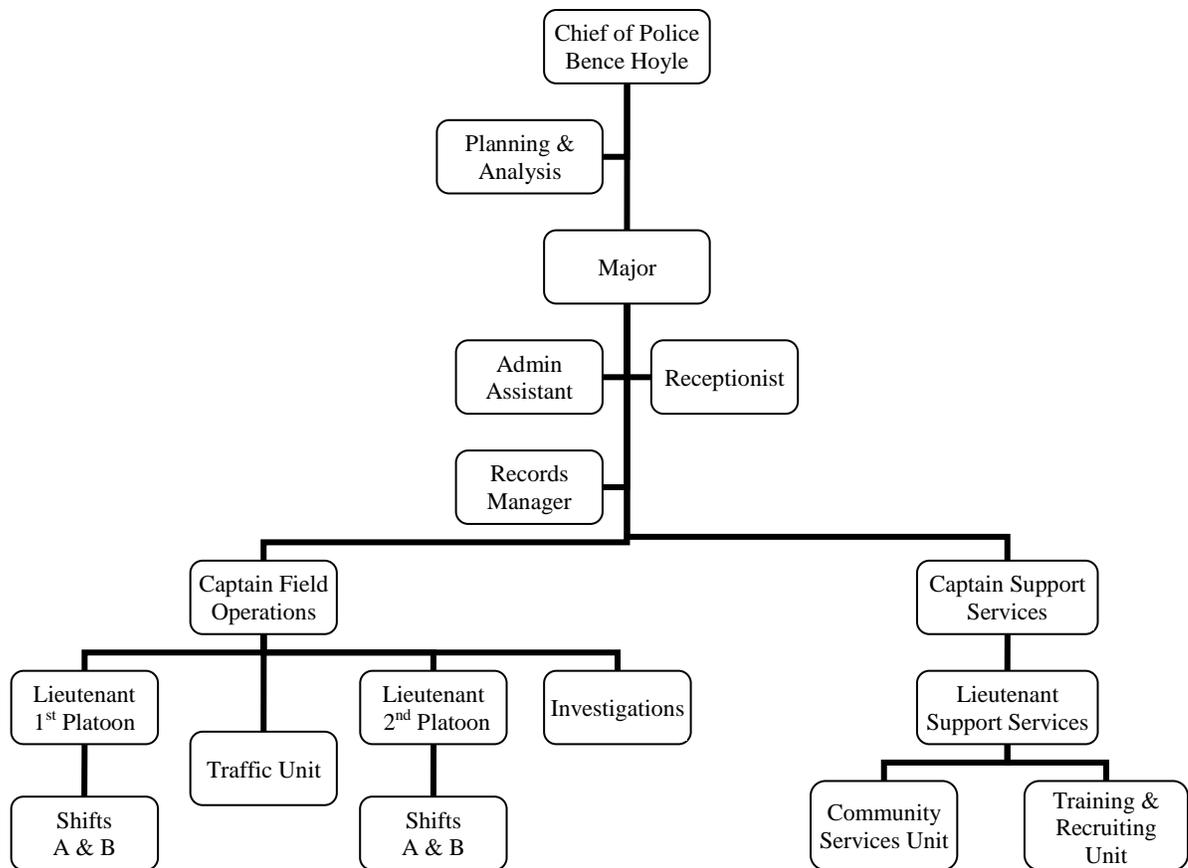
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- ✓ Seek fourth year of GFOA award for excellence in financial reporting

**General Services  
1004190**

<b>Acct</b>	<b>Description</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Budget</b>	<b>2013 Est Yr End vs 14 Budget</b>	<b>Percent Difference</b>
4191	Professional Svcs: Audit	27,250	27,400	28,000	27,150	26,750	(400)	-1.5%
4192	Professional Svcs: Legal	11,053	2,500	10,000	5,000	5,000	-	0.0%
4689	Contrib to Library	175,000	-	-	-	-	-	0.0%
4695	Contrib to Historical Comm	980	2,700	4,000	3,000	3,000	-	0.0%
	Contrib to Ada Jenkins	-	-	10,000	10,000	10,000	-	0.0%
4697	Contrib to Crime Stoppers / Vic Advocate	15,000	-	15,000	15,000	15,000	-	0.0%
4994	Transfer to Robbins	-	-	100,000	100,000	-	(100,000)	-100.0%
4995	Transfers to various Capital Proj Funds	-	591,299	935,000	935,000	200,000	(735,000)	-78.6%
4993	Reserved for future capital/ CRF	2,000,000	-	-	-	-	-	0.0%
	<b>Totals</b>	<b>2,229,283</b>	<b>623,899</b>	<b>1,102,000</b>	<b>1,095,150</b>	<b>259,750</b>	<b>(835,400)</b>	<b>-76.3%</b>

# Police Department



## Mission Statement

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

## Core Values:

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

# General Fund

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## Authorized Positions (in Full Time Equivalents-FTE)

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<b>Position</b>	<b>FY 10</b>	<b>FY 11</b>	<b>FY 12</b>	<b>FY 13</b>	<b>FY 14</b>
Chief of Police	1	1	1	1	1
Major	1	1	1	1	1
Captain	2	2	2	2	2
Lieutenant	4	4	4	4	4
Sergeant	8	8	8	8	8
Investigator	5	5	5	6	6
Digital Specialist	0	0	0	1	1
Patrol Officer	29	30	30	29	29
Code Enforcement Officer	1	1	0	0	0
Clerk/Receptionist	1	1	1	1	1
Administrative Assistant	2	2	2	2	2
School Resource Officer	2*	3*	3*	2*	2*
Accreditation Manager/Planner	1	1	1	1	1
Records Manager	1	1	1	1	1
<b>Total Authorized Positions</b>	<b>58</b>	<b>60</b>	<b>59</b>	<b>59</b>	<b>59</b>

\* Partially funded by Mecklenburg County

## FY 14 Goals

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- ✓ Replace mobile laptops and patrol desktops (\$10k)

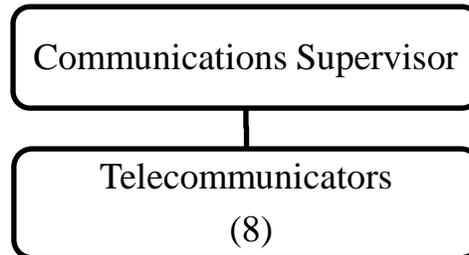
**Police Department  
1014310**

Acct	Description	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Budget	2013 Est Yr End vs 14 Budget	Percent Difference
1212	Controlled Substance Exps	41,537	33,002	2,000	38,700	5,000	(33,700)	-87.1%
4121	Salaries	2,457,133	2,527,743	2,651,831	2,667,356	2,734,790	67,434	2.5%
4126	Salaries Part-Time	17,551	24,788	25,584	25,631	25,631	-	0.0%
4131	LEO SSA	18,485	17,777	35,271	17,766	23,120	5,355	30.1%
4133	Retirement 401K	119,423	116,481	132,592	124,168	127,240	3,072	2.5%
4134	401K Non-Sworn		9,041	-	9,200	9,500	300	3.3%
4181	FICA	182,744	188,234	204,822	206,014	211,172	5,159	2.5%
4182	Retirement	159,328	179,203	188,280	180,580	193,350	12,770	7.1%
4183	Insurance Benefits	360,101	385,726	422,653	443,379	452,246	8,868	2.0%
4199	Professional Services	57,058	82,592	75,400	72,640	82,640	10,000	13.8%
4212	Uniforms	16,104	19,657	22,000	20,256	19,243	(1,013)	-5.0%
4251	Motor Fuels	128,278	153,766	168,647	168,323	178,422	10,099	6.0%
4260	Office Supplies	10,240	3,202	9,500	4,304	4,304	-	0.0%
4290	Departmental Supplies	37,557	73,356	33,750	33,873	33,873	0	0.0%
4311	Travel and Training	25,140	28,425	42,400	40,800	40,800	-	0.0%
4321	Telecommunications	62,599	35,730	35,000	36,086	36,266	180	0.5%
4325	Postage/Shipping	1,867	1,514	1,850	1,422	1,600	178	12.5%
4331	Electricity	31,501	32,748	31,000	33,734	35,758	2,024	6.0%
4334	Water	1,633	1,273	2,450	2,157	2,264	108	5.0%
4335	Sewer	1,266	1,010	1,500	886	939	53	6.0%
4336	Stormwater	543	603	746	698	740	42	6.0%
4351	Building Maintenance	32,116	72,461	48,600	45,800	45,800	-	0.0%
4352	Equipment Maintenance	4,010	2,516	4,100	6,235	6,235	-	0.0%
4353	Vehicle Maintenance	37,286	28,747	38,600	36,014	36,014	-	0.0%
4354	Radio Trunking Fees	61,994	55,344	59,316	84,000	84,000	-	0.0%
4375	Crime Prevention	4,890	5,425	7,500	4,326	4,326	-	0.0%
4378	DARE	4,935	3,768	2,500	2,423	2,423	-	0.0%
4431	Copier Lease	16,179	14,821	16,150	18,195	21,840	3,645	20.0%
4440	Contract Services	9,773	3,718	-	-	-	-	0.0%
4443	Copier Maintenance	500		-	-	-	-	0.0%
4444	Landscaping	5,992		6,150	6,021	6,021	-	0.0%
4451	Insurance and Bonds	138,049	147,345	163,000	154,487	154,487	-	0.0%
4491	Dues and Subscriptions	1,012	4,824	10,200	11,045	11,045	-	0.0%
4499	Miscellaneous Expense	7,186	11,800	16,800	14,000	14,392	392	2.8%
4540	Capital Outlay	184,366	198,367	220,000	220,000	180,000	(40,000)	-18.2%
4550	Other Equipment		-	100,000	100,000	-	(100,000)	-100.0%
	<b>Totals</b>	<b>4,238,376</b>	<b>4,465,007</b>	<b>4,780,192</b>	<b>4,830,515</b>	<b>4,785,481</b>	<b>(45,035)</b>	<b>-0.9%</b>

# General Fund

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## Communications Department



### Description

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

### Authorized Positions (in Full Time Equivalents-FTE)

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Position	FY 10	FY 11	FY 12	FY 13	FY 14
Supervisor	1	1	1	1	1
Telecommunicator	9	9	9	8	8
Communication Center Director	1	1	1	0	0
Information Technology Administrator	0	1	1	1	1
<b>Total Authorized Positions</b>	<b>11</b>	<b>12</b>	<b>12</b>	<b>10</b>	<b>10</b>

### FY 14 Goals

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- ✓ Integrate CAD and Milestone X-Project software (\$0)

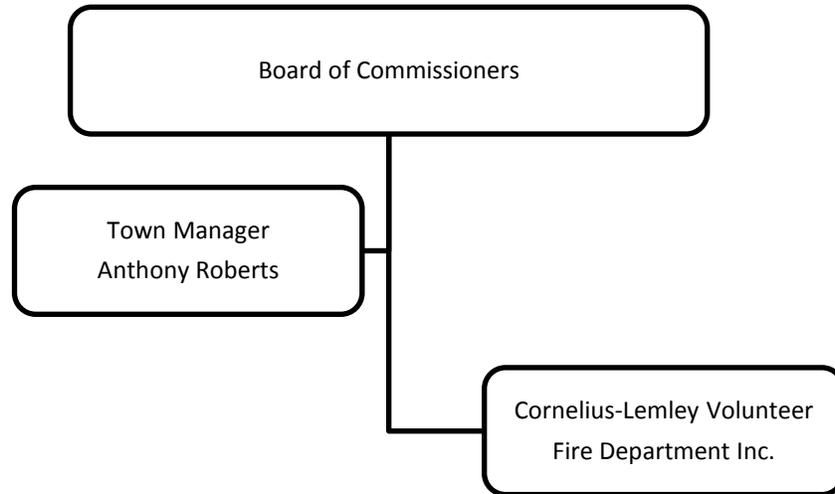
**Communications Department  
1014325**

<b>Acct</b>	<b>Description</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Budget</b>	<b>2013 Est Yr End vs 14 Budget</b>	<b>Percent Difference</b>
4121	Salaries	474,410	450,255	387,042	387,493	397,180	9,687	2.5%
4126	Salaries Part-Time	29,964	22,060	26,000	28,740	27,000	(1,740)	-6.1%
4134	Retirement 401K	23,116	23,146	19,352	19,375	19,859	484	2.5%
4181	FICA	37,285	35,474	31,598	31,842	32,450	608	1.9%
4182	Retirement	30,478	32,237	26,629	26,117	28,081	1,964	7.5%
4183	Insurance Benefits	68,549	75,078	65,983	63,777	65,053	1,276	2.0%
4199	Professional Services	33,973	-	20,000	18,131	18,131	-	0.0%
4212	Uniforms	450	-	300	500	500	-	0.0%
4251	Motor Fuels	502	274	-	-	-	-	0.0%
4260	Office Supplies	5,543	5,560	5,400	5,329	5,400	71	1.3%
4290	Department Supplies	500	78	480	480	480	-	0.0%
4311	Travel and Training	1,356	-	1,000	1,000	1,000	-	0.0%
4321	Telephone	14,792	7,354	11,300	9,320	9,320	-	0.0%
4352	Equipment Maintenance	536	-	1,000	1,000	1,000	-	0.0%
4451	Insurance and Bonds	7,817	10,905	12,500	4,712	4,712	-	0.0%
4499	Miscellaneous	495	25	400	300	300	-	0.0%
4520	Capital Outlay	174,649	4,904	-			-	0.0%
	<b>Totals</b>	<b>904,415</b>	<b>667,350</b>	<b>608,983</b>	<b>598,115</b>	<b>610,466</b>	<b>12,350</b>	<b>2.1%</b>

# General Fund

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## Fire Protection



### Description

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

### FY 2014 Goals

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- ✓ Replace older than 15 year Firefighter gear, purchase training equipment, and uniforms (\$10k)

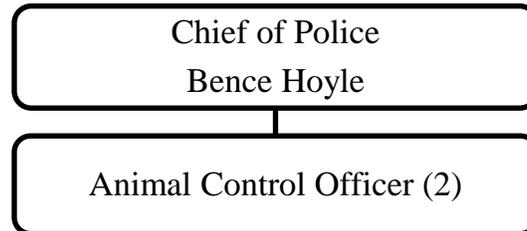
**Fire**  
**1014340**

<b>Acct</b>	<b>Description</b>	<b>Actual 2011</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Budget</b>	<b>2013 Est Yr End vs 14 Budget</b>	<b>Percent Difference</b>
4321	Telecommunications		8,265	-	4,176	5,000	824	19.7%
4251	Motor Fuels	-	-	-	36,861	40,000	3,139	8.5%
4336	Fire Utilities	373	28,885	32,000	29,264	30,500	1,236	4.2%
4351	Building Maintenance	9,315	21,288	18,000	25,238	25,000	(238)	-0.9%
4353	Vehicle Maintenance		108,411	-	201,505	-	(201,505)	-100.0%
4444	Fire Stations landscaping	4,800	4,748	5,000	5,184	5,220	36	0.7%
4540	Fire Motor Vehicle Capital	39,820	525,281	-	-	430,000	430,000	0.0%
4699	Contribution to Fire Dept	1,063,000	1,028,000	1,163,000	1,170,139	1,180,139	10,000	0.9%
	<b>Total</b>	<b>1,117,308</b>	<b>1,724,878</b>	<b>1,218,000</b>	<b>1,472,367</b>	<b>1,715,859</b>	<b>243,492</b>	<b>16.5%</b>

# General Fund

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## Animal Control



### Description

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

### Authorized Positions (in Full Time Equivalents-FTE)

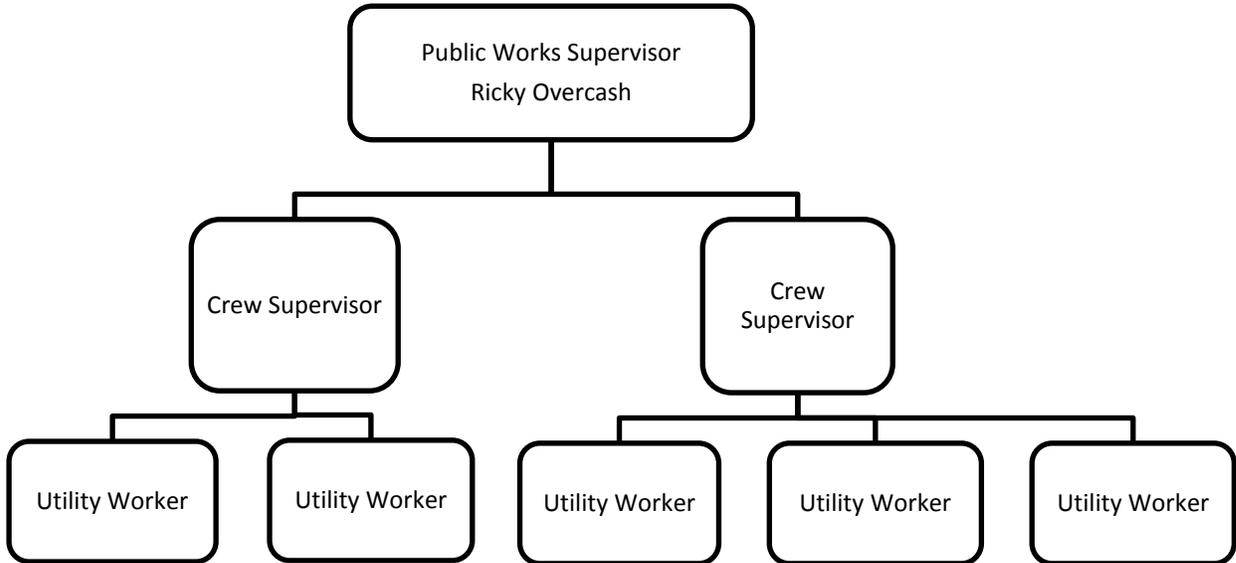
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<b>Position</b>	<b>FY 10</b>	<b>FY 11</b>	<b>FY 12</b>	<b>FY 13</b>	<b>FY 14</b>
Animal Control Officer	2	2	2	2	2
Part-time Animal Control Officer	0	0	0	0	0
<b>Total Authorized Positions</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>

**Animal Control  
1014380**

<b>Acct</b>	<b>Description</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Budget</b>	<b>2013 Est Yr End vs 14 Budget</b>	<b>Percent Difference</b>
4121	Salaries	71,155	72,412	74,270	71,136	72,914	1,778	2.5%
4134	Retirement (401K)	3,490	3,580	3,713	3,557	3,646	89	2.5%
4181	FICA	5,099	5,096	5,682	5,442	5,578	136	2.5%
4182	Retirement	4,638	4,988	5,110	4,795	5,155	360	7.5%
4183	Insurance Benefits	15,217	11,522	16,114	16,660	16,993	333	2.0%
4199	Prof Svcs	22,653	19,272	19,329	17,594	17,594	-	0.0%
4251	Motor Fuels	4,980	4,933	5,600	5,037	5,200	163	3.2%
4290	Department Supplies	15,271	6,517	9,200	7,549	7,800	251	3.3%
4321	Telecommunications	2,315	834	1,500	1,442	1,450	8	0.6%
4331	Electricity	7,889	6,515	8,500	8,340	8,340	-	0.0%
4334	Water	143	422	500	511	550	39	7.7%
4335	Sewer	349	780	850	933	980	47	5.1%
4336	Stormwater	-	201	400	192	235	43	22.4%
4351	Building Maintenance	6,848	10,724	9,600	10,328	10,328	-	0.0%
4353	Vehicle Maintenance	207	51	300	200	200	-	0.0%
4440	Contract svcs	1,521	6,999	2,302	1,350	2,000	650	48.1%
4451	Insurance and Bonds	1,813	2,040	2,350	2,672	2,672	-	0.0%
4540	Capital outlay	10,500		-			-	0.0%
	<b>Totals</b>	<b>174,088</b>	<b>156,886</b>	<b>165,320</b>	<b>157,736</b>	<b>161,635</b>	<b>3,899</b>	<b>2.5%</b>

# Public Works



## Description

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

# General Fund

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## Authorized Positions (in Full Time Equivalents-FTE)

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<b>Position</b>	<b>FY 10</b>	<b>FY 11</b>	<b>FY 12</b>	<b>FY 13</b>	<b>FY 14</b>
Public Works Supervisor	1	1	1	1	1
Crew Supervisor	2	2	2	2	2
Administrative Assistant	1	1	1	1	0
Utility Worker	6	6	6	6	5
<b>Total Authorized Positions</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>10</b>	<b>8</b>

## FY 2014 Goals and Objectives

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- ✓ Manage street, sidewalk and Stormwater annual improvements (See CIP)
- ✓ Conduct ITRE street study (\$0)

**Public Works  
1024510**

Acct	Description	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Budget	2013 Est Yr End vs 14 Budget	Percent Difference
4121	Salaries	323,932	323,916	337,890	337,488	270,242	(67,246)	-19.9%
4126	Salaries - PT	6,644	-	-	-	-	-	0.0%
4134	Retirement 401K	15,730	15,980	16,895	16,874	13,512	(3,362)	-19.9%
4181	FICA	25,045	23,541	25,849	25,818	20,674	(5,144)	-19.9%
4182	Retirement	20,745	22,311	23,247	22,747	19,106	(3,641)	-16.0%
4183	Insurance Benefits	53,719	55,993	60,040	67,296	56,162	(11,134)	-16.5%
4199	Professional services	9,424	-	-	-	-	-	100.0%
4194	Design fees	44,545	18,313	96,800	18,313	18,313	-	0.0%
4212	Uniforms	6,369	5,823	6,500	6,578	6,578	(0)	0.0%
4241	Small Tools/ Equipment	1,397	5,321	2,600	2,588	2,588	-	0.0%
4251	Motor Fuels	18,766	20,328	26,000	25,919	18,920	(6,999)	-27.0%
4290	Departmental Supplies	24,585	17,632	21,800	15,714	15,800	86	0.5%
4311	Travel and Training	486	402	1,200	800	800	-	0.0%
4321	Telecommunications	8,327	5,022	8,500	4,985	4,985	-	0.0%
4325	Postage	29	8	42	41	50	9	21.5%
4331	Utilities	7,689	6,281	7,700	7,810	8,000	190	2.4%
4337	Street Lights	240,762	281,426	282,000	282,799	288,455	5,656	2.0%
4351	Building Maintenance	2,395	2,733	3,000	3,030	3,000	(30)	-1.0%
4352	Equipment Maintenance	13,660	9,526	12,000	10,853	8,000	(2,853)	-26.3%
4353	Vehicle Maintenance	9,308	8,927	12,600	16,585	15,000	(1,585)	-9.6%
4440	Contract Services	96,729	26,074	37,000	29,419	29,419	-	0.0%
4442	Network Maintenance	1,470	1,310	2,250	1,350	1,350	-	0.0%
4443	Copier Maintenance	423	-	-	-	-	-	0.0%
4444	Contract Serv/ Landscaping	104,966	80,334	108,400	108,700	88,700	(20,000)	-18.4%
4449	Landfill Fees	238	698	1,000	1,000	1,000	-	0.0%
4451	Insurance and Bonds	30,144	24,231	28,400	24,500	24,500	-	0.0%
4491	Dues and Subscriptions	504	516	905	800	800	-	0.0%
4540	Motor Vehicles	5,750		100,000	81,775	-	(81,775)	-100.0%
4590	Oth cap improv	206,478	107,375	300,000	375,820	130,000	(245,820)	-65.4%
4591	Capital Roads	-	119,080	50,000	-	185,000	185,000	0.0%
	<b>Totals</b>	<b>1,280,259</b>	<b>1,183,101</b>	<b>1,572,617</b>	<b>1,489,601</b>	<b>1,230,953</b>	<b>(258,648)</b>	<b>-17.4%</b>

# General Fund

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## Lake Norman Transportation Commission

### Description

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The Lake Norman Transportation Commission was formed to facilitate an ongoing process to involve the Towns of Cornelius, Davidson, Huntersville, and Mooresville (including Boards and staff) in collaborative transportation enhancements and related initiatives. Such efforts are to include planning and policy, connectivity and land use, road, interstate, transit and commuter rail improvements. The specific mission to be accomplished is to improve economic development and quality of life in the Lake Norman region. The Town of Cornelius is to provide direct funding to the Commission with shared funding provided by the remaining three Towns.

### FY 2014 Work Program

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- ✓ With the advice and counsel of the four Towns, develop a set of transportation priorities to be accomplished over the next 3-5 years, including periodic reassessment of progress and changing conditions.
- ✓ Work with local, state, and federal officials to acquire the necessary approvals and funding sources to complete projects as quickly and cost effectively as possible.
- ✓ Provide a coordination and communications role on transportation matters in the Lake Norman area to elected officials, Chambers of Commerce, economic and tourist organizations, interested citizens, and other stakeholders.

**Lake Norman Transportation Commission  
1024512**

<b>Acct</b>	<b>Description</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Budget</b>	<b>2013 Est Yr End vs 14 Budget</b>	<b>Percent Difference</b>
4199	Professional svcs	80,000	80,011	80,000	80,000	80,000	-	0.0%
4290	Departmental supplies	1,190	2,551	4,000	3,000	3,000	-	0.0%
4311	Travel	3,776	3,072	3,000	3,600	3,600	-	0.0%
4321	Telecommunications	900	900	1,000	1,400	1,400	-	0.0%
4440	Contract Services	1,495	2,560	2,000	2,000	2,000	-	0.0%
	<b>Totals</b>	<b>87,361</b>	<b>89,094</b>	<b>90,000</b>	<b>90,000</b>	<b>90,000</b>	-	0.0%

# Powell Bill Fund

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## Street Improvements

### Description

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Street improvements for the Town of Cornelius are funded primarily through a state-shared gasoline tax known as “Powell Bill” funds. The Town utilizes these funds to maintain our (~85 miles) of streets, including minimal resurfacing program, construct new streets, repair existing sidewalks, and improve existing streets with bike paths and sidewalks (\$315,000).

### FY 2014 Work Program

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

**Powell Bill  
1024515**

<b>Acct</b>	<b>Description</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Budget</b>	<b>2013 Est Yr End vs 14 Budget</b>	<b>Percent Difference</b>
4199	Professional Services	18,665	10,334	14,649	16,543	19,000	2,457	14.9%
4290	Departmental supplies	8,537	201	1,000	958	1,000	42	4.4%
4440	Contract services	85,186	93,563	45,000	90,259	100,000	9,741	10.8%
4590	Capital - Sidewalks	24,790	238,004	400,000	393,427	315,000	(78,427)	-19.9%
4591	Capital - Street Improv	358,578	12,658	450,000	473,370	-	(473,370)	-100.0%
	<b>Totals</b>	<b>495,756</b>	<b>354,760</b>	<b>910,649</b>	<b>974,557</b>	<b>435,000</b>	<b>(539,557)</b>	<b>-55.4%</b>

# General Fund

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## Solid Waste/Recycling

### Description

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The Solid Waste/Recycling division of the Public Works Department is a contract service with Republic Services of Charlotte, Inc. The current contracts for collection of household sanitation, small business sanitation, recycling and yard debris are in effect until July 1, 2015. Dumpster accounts for individual condominium complexes are contracted separately.

The Town provides curbside collection of residential and small business solid waste, recycling, and yard debris at approximately 9400 collection points.

### FY 2014 Work Program

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- ✓ Maintain current residential service levels for the increasing population, including once a week curbside garbage pickup and biweekly curbside recycling pickup.
- ✓ The manager recommended budget includes a proposal to eliminate in house leaf vacuum pickup.

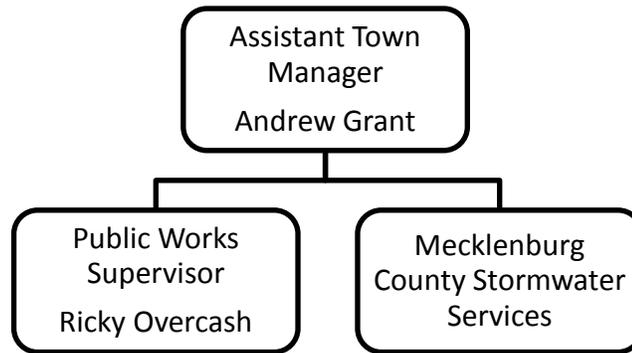
**Solid Waste / Recycling**  
**1034710**

<b>Acct</b>	<b>Description</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Budget</b>	<b>2013 Est Yr End vs 14 Budget</b>	<b>Percent Difference</b>
4439	Dumpsters	105,714	110,729	105,427	127,160	133,517	6,358	5.0%
4445	Hauling (Residential)	804,225	832,405	1,023,311	930,269	976,782	46,513	5.0%
4446	Yard Debris	447,040	486,291	427,370	466,962	490,310	23,348	5.0%
4448	Recycling	340,838	356,048	340,726	378,470	397,393	18,923	5.0%
	<b>Totals</b>	<b>1,697,817</b>	<b>1,785,473</b>	<b>1,896,833</b>	<b>1,902,860</b>	<b>1,998,003</b>	<b>95,143</b>	<b>5.0%</b>

# Stormwater Fund

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## Stormwater Management



### Description

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

### FY 2014 Work Program

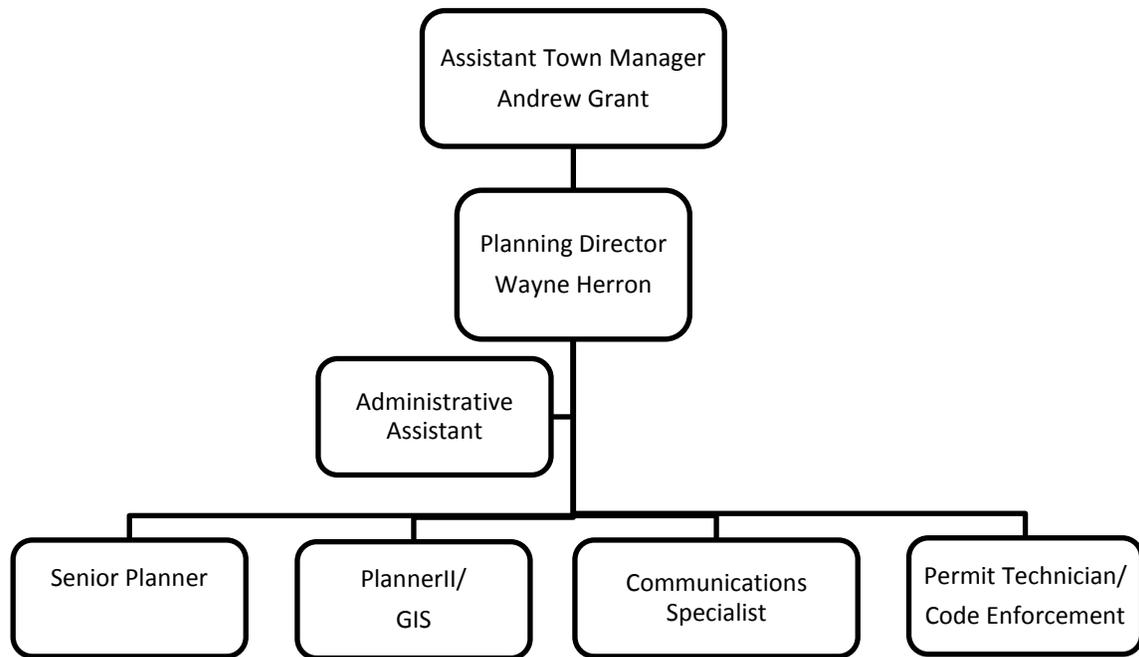
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- ✓ Continue Stormwater System maintenance and capital projects as on file with the Town Public Works Supervisor.

**Stormwater  
1034730**

<b>Acct</b>	<b>Description</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Budget</b>	<b>2013 Est Yr End vs 14 Budget</b>	<b>Percent Difference</b>
4199	Professional Services	13,014	43,268	14,746	8,000	6,000	(2,000)	-25.0%
4290	Departmental Supplies	907	-	-	-	2,000	2,000	100.0%
4430	Equipment Rental		-	-	442	500	58	13.0%
4440	Contract Services	127,110	99,650	145,000	196,556	204,000	7,444	3.8%
4580	Capital - Other Improvs	20,562	23,246	45,252	-	-	-	0.0%
	<b>Totals</b>	<b>161,593</b>	<b>166,164</b>	<b>204,998</b>	<b>204,998</b>	<b>212,500</b>	<b>7,502</b>	<b>3.7%</b>

# Planning and Land Development Department



## Mission Statement

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

# General Fund

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## Authorized Positions (in Full Time Equivalents-FTE)

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<b>Position</b>	<b>FY 10</b>	<b>FY 11</b>	<b>FY 12</b>	<b>FY 13</b>	<b>FY 14</b>
Planning Director	1	1	1	1	1
Senior Planner	1	1	1	1	1
Planner II/ GIS	1	1	1	1	1
Communications Specialist	1	1	1	1	1
Permit Technician / Code Enforcement Officer	0	0	1	1	1
Administrative Assistant	1	1	1	1	1
Transportation Planner	1	1	0	0	0
<b>Total Authorized Positions</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>

## Planning and Land Development Services

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

Planning Board Support Staff  
 Special Planning Projects

## FY 2014 Goals and Objectives

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- ✓ Update the 1999 Land Use Plan (\$52k)
- ✓ Update the Land Development Code (\$0)
- ✓ Complete the phase 2 tree inventory assessment (\$0)
- ✓ Apply for UPWP funding to evaluate Torrence Chapel/W Catawba intersection (\$0)

**Planning / Land Development  
1044910**

<b>Acct</b>	<b>Description</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Budget</b>	<b>2013 Est Yr End vs 14 Budget</b>	<b>Percent Difference</b>
4121	Salaries	332,748	286,250	293,042	271,804	287,656	15,851	5.8%
4126	Salaries Part-Time	4,898	7,055	8,485	11,648	10,335	(1,313)	-11.3%
4134	Retirement 401K	16,114	14,160	14,652	13,590	14,383	793	5.8%
4181	FICA	24,765	20,475	23,067	21,684	22,796	1,112	5.1%
4182	Retirement	21,380	19,722	20,161	18,320	20,337	2,018	11.0%
4183	Insurance Benefits	47,076	50,359	52,898	48,767	49,742	975	2.0%
4194	Prof Serv: Design fees	102,538	115,405	40,000	70,236	72,000	1,764	2.5%
4195	Prof Serv: GIS / Mapping	1,407	1,300	500	-	-	-	0.0%
4199	Prof Serv: Misc	14,768	340	-	-	-	-	0.0%
4251	Motor Fuels	983	832	1,200	870	900	30	3.4%
4290	Departmental Supplies	11,959	14,621	8,500	9,187	9,350	163	1.8%
4311	Travel and Training	5,809	1,681	5,424	1,982	2,042	60	3.0%
4321	Telecommunications	8,717	1,771	1,800	1,815	1,815	-	0.0%
4325	Postage	5,093	1,641	2,000	3,086	3,200	114	3.7%
4341	Printing	478	0	2,000	1,000	1,000	-	0.0%
4353	Vehicle Maintenance	1,426	392	1,550	1,208	1,208	-	0.0%
4391	Legal Advertising	1,999	3,032	4,500	4,693	4,800	107	2.3%
4431	Copier Lease	4,893	4,804	4,744	3,800	8,400	4,600	121.1%
4440	Contract Services	7,905	10,639	10,000	13,800	13,800	-	0.0%
4451	Insurance and Bonds	3,836	3,510	3,250	3,122	3,150	28	0.9%
4491	Dues and Subscriptions	1,870	1,414	2,100	1,980	1,980	-	0.0%
4498	Bank Charges	444	527	325	816	820	4	0.5%
4499	Miscellaneous Expense	286	680	1,000	800	800	-	0.0%
	<b>Totals</b>	<b>621,392</b>	<b>560,610</b>	<b>501,199</b>	<b>504,208</b>	<b>530,514</b>	<b>26,306</b>	<b>5.2%</b>

# Tourism Fund

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## Tourism and Community Promotion

### Description

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

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

### FY 2014 Work Program

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

**Tourism  
1044920**

<b>Acct</b>	<b>Description</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Budget</b>	<b>2013 Est Yr End vs 14 Budget</b>	<b>Percent Difference</b>
4199	Prof svcs	-	-	-	-	68,000	68,000	100.0%
4290	Departmental Supplies	4,209	9,000	12,000	2,650	15,000	12,350	466.0%
4376	Promotions	111,532	110,158	107,203	104,403	102,603	(1,800)	-1.7%
4440	Contract Service	2,200	-	12,000	8,000	8,000	-	0.0%
4444	Contract Service/Land	8,750	-	-	-	-	-	0.0%
4550	Capital Outlay	-	-	100,000	170,010	-	(170,010)	-100.0%
4690	Brookwood pmt to H'ville	120,665	123,372	149,792	149,793	151,446	1,653	1.1%
4691	VLN	56,975	54,322	53,028	51,335	60,571	9,236	18.0%
4692	VLN	75,954	70,261	74,941	70,262	79,760	9,498	13.5%
4694	Economic Development	75,850	75,850	75,850	75,850	75,850	-	0.0%
	<b>Totals</b>	<b>456,135</b>	<b>442,963</b>	<b>584,814</b>	<b>632,303</b>	<b>561,230</b>	<b>(71,073)</b>	<b>-11.2%</b>

# General Fund

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## Cornelius Arts Center

### Description

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The Cornelius Arts Center division of the Parks, Art, Recreation and Culture Department is a newly created division that facilitates the Town's ongoing endeavor in the arts. FY 14 represents a new lease for space and professional services contract. The Cornelius Arts Center is funded through the use of U Drive It tax that is restricted to be spent in support of local arts or other restricted purposes.

### FY 14 Goals

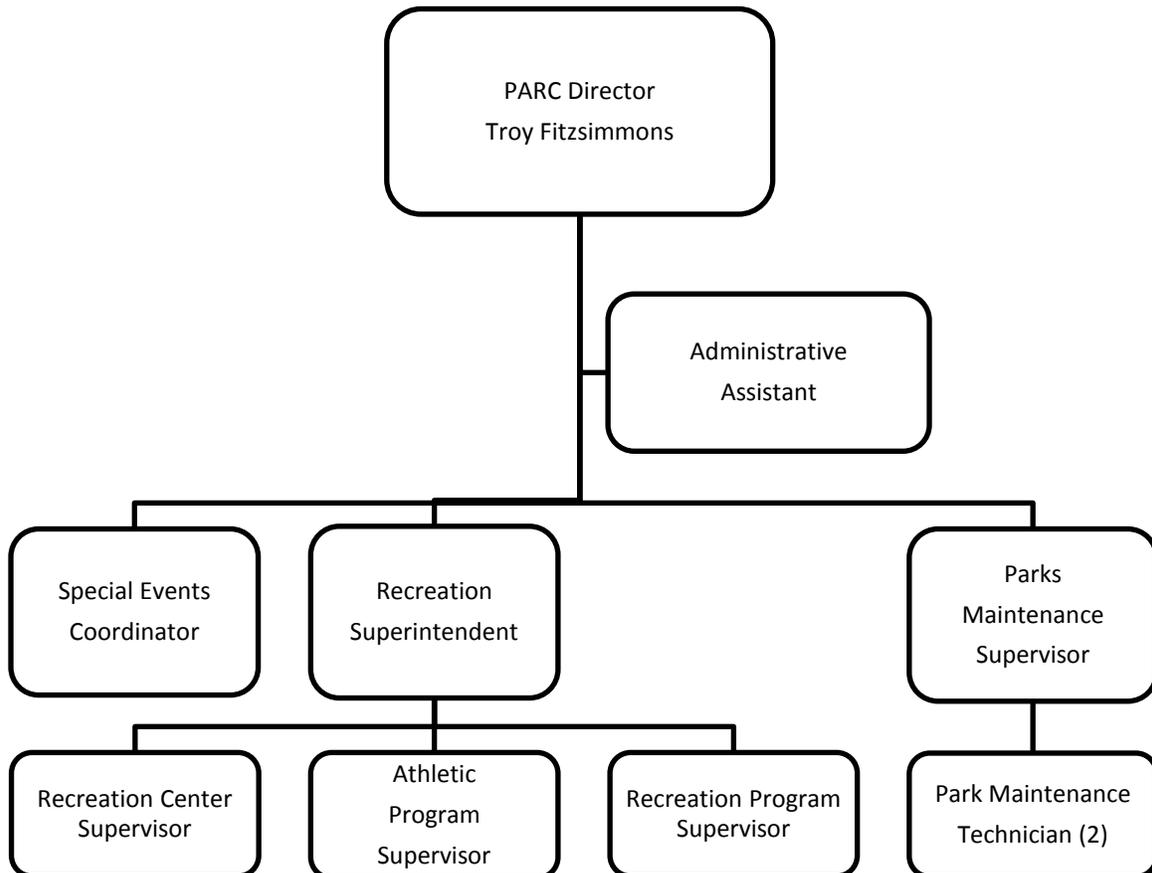
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- ✓ Implement intermediate phase of Arts Task Force recommendation with lease renewal and new art instruction (\$31k)

**Art Center  
10406123**

<b>Acct</b>	<b>Description</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Budget</b>	<b>2013 Est Yr End vs 14 Budget</b>	<b>Percent Difference</b>
4126	Salaries Part-Time	-	16,306	15,000	20,258	22,500	2,243	11.1%
4181	FICA	-	1,104	1,148	1,550	1,721	172	11.1%
4199	Professional Services	-	26,149	18,103	12,953	30,000	17,047	131.6%
4231	Program Supplies	-	-	-	1,512	6,501	4,989	330.0%
4321	Telephones	2,706	3,358	3,800	4,460	960	(3,500)	-78.5%
4331	Utilities	-	5,460	4,608	7,131	7,200	69	1.0%
4351	Building Maintenance	369	6,707	9,200	8,091	8,100	9	0.1%
4374	Art Center 85%	17,946		-	-	-	-	0.0%
4375	Promotions/ Publicity	-	17,775	19,695	18,873	18,734	(139)	-0.7%
4376	Internal Promotions	88,678		-	-		-	0.0%
4433	Building Rent	-	32,565	36,543	37,170	46,400	9,230	24.8%
4440	Contract Services	-	1,691	2,000	-	-	-	0.0%
	<b>Totals</b>	<b>109,699</b>	<b>111,115</b>	<b>110,096</b>	<b>111,998</b>	<b>142,116</b>	<b>30,119</b>	<b>26.9%</b>

# Parks, Arts, Recreation and Culture Department



## Description

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

# General Fund

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## Authorized Positions (in Full Time Equivalents-FTE)

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<b>Position</b>	<b>FY 10</b>	<b>FY 11</b>	<b>FY 12</b>	<b>FY 13</b>	<b>FY 14</b>
PARC Director	1	1	1	1	1
Superintendent	1	1	1	1	1
Recreation Programs Supervisor	1	1	1	1	1
Administrative Assistant	1	1	1	1	1
Special Events/ Marketing Coordinator	1	1	1	1	1
Athletic Programs Supervisor	1	1	1	1	1
Parks Maintenance Technician	2	2	2	2	2
Parks Maintenance Supervisor	1	1	1	1	1
Recreation Center Coordinator	1	1	1	1	1
Recreation Center Supervisor	1	1	0	0	0
<b>Total Authorized Positions</b>	<b>11</b>	<b>11</b>	<b>10</b>	<b>10</b>	<b>10</b>

## FY 2014 Goals and Objectives

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- ✓ Expand youth recreation programs (\$0)
- ✓ Develop regional adult basketball and flag football programs (\$0)

**Parks, Arts, Recreation and Culture**  
**1086121**

<b>Acct</b>	<b>Description</b>	<b>2011 Actual</b>	<b>2012 Actual</b>	<b>2013 Original Budget</b>	<b>2013 Est Yr End</b>	<b>2014 Budget</b>	<b>2013 Est Yr End vs 14 Budget</b>	<b>Percent Difference</b>
4121	Salaries	453,409	392,126	420,158	419,690	430,183	10,492	2.5%
4126	Salaries Part-Time	146,221	126,142	127,593	128,302	128,301	(1)	0.0%
4134	Retirement 401K	21,943	19,411	21,008	20,985	21,509	525	2.5%
4181	FICA	44,977	39,293	41,903	41,921	42,724	803	1.9%
4182	Retirement	29,611	27,835	28,907	28,287	30,414	2,127	7.5%
4183	Insurance Benefits	65,232	55,766	63,274	64,523	65,812	1,289	2.0%
4199	Professional Services	12,922	1,271	-	1,860	1,860	-	0.0%
4212	Uniforms	528	2,064	650	957	960	3	0.4%
4231	Program Supplies	77,623	99,022	74,500	86,500	86,500	-	0.0%
4240	Building Supplies		7,938	-	7,983	4,772	(3,211)	-40.2%
4251	Motor Fuels	4,701	5,862	4,950	6,050	6,232	182	3.0%
4290	Departmental Supplies	18,041	5,463	4,000	5,047	5,200	153	3.0%
4311	Travel and Training	6,488	6,298	8,200	6,289	6,289	-	0.0%
4321	Telecommunications	14,532	6,832	15,600	6,698	6,698	-	0.0%
4325	Postage	574	446	600	477	500	23	4.7%
4331	Utilities	73,177	95,627	85,000	92,599	98,373	5,774	6.2%
4351	Building Maintenance	5,651	20,645	17,000	20,432	-	(20,432)	-100.0%
4352	Equipment Maintenance	1,552	1,098	1,460	1,140	1,140	-	0.0%
4353	Vehicle Maintenance	1,948	2,184	1,460	2,254	1,854	(400)	-17.7%
4375	Promotions / Publicity	641	2,882	520	1,400	1,400	-	0.0%
4379	Teen Council	1,453	1,268	1,000	4,911	4,850	(61)	-1.3%
4431	Copier Lease	4,893	4,804	4,800	4,200	2,100	(2,100)	-50.0%
4440	Contract Services	244,354	243,458	228,500	238,790	238,790	-	0.0%
4444	Landscaping	121,025	122,669	118,000	121,765	116,765	(5,000)	-4.1%
4451	Insurance and Bonds	29,960	26,941	31,000	27,000	27,000	-	0.0%
4491	Dues and Subscriptions	1,302	947	1,600	943	961	19	2.0%
4498	Bank Charges	1,954	741	320	705	750	45	6.4%
4499	Miscellaneous Expense	1,856	1,650	800	1,334	1,534	200	15.0%
4570	Capital Outlay	-	25,646	-	-	1,188,000	1,188,000	0.0%
	<b>Totals</b>	<b>1,386,568</b>	<b>1,346,329</b>	<b>1,302,804</b>	<b>1,343,042</b>	<b>2,521,471</b>	<b>1,178,429</b>	<b>87.7%</b>

# General Fund

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## Debt Service

### Description

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

### Long-Term Debt Payment Summary

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- ✓ Principal payment 3 of 8 for general obligation parks bonds refunded in June, 2010 from original issue September, 2000 \$2,075,000 (annual payments beginning at \$100,000 ) plus interest at 2.32% fixed
- ✓ Payments 10 & 11 of 20 for Police Facility Installment Financing (\$1,750,000, 2.87% fixed, 10 yr, semi-annual payments)
- ✓ Payments 19 & 20 of 30 for road infrastructure improvements (\$4,700,000, 2.91% fixed, 15 yr, semi-annual payments)
- ✓ Payments 14 & 15 of 30 for parks improvements (\$829,500, 3.95% fixed, 15 yr, semi-annual payments)
- ✓ Payments 11 & 12 of 30 for fire station #1 improvements (\$3,000,000, 3.7% fixed, 15 yr, semi-annual payments)
- ✓ Payments 7 & 8 of 30 for Robbins Park Phase #1 improvements (\$1,300,000, 2.79% fixed, 15 yr, semi-annual payments)
- ✓ Payments 4 & 5 of 10 for Robbins Park Phase #2 improvements and Police Vehicles (\$910,000, 1.51% fixed, 5 yr, semi-annual payments)
- ✓ Additional issues are outstanding for various rolling stock and leases on Police, Fire, and Administrative vehicles
- ✓ Payments 3 & 4 of 20 for Westmoreland Athletic Complex (\$1,650,000, 2.625% fixed, 10 yr, semi-annual payments)
- ✓ Payments 2 & 3 of 10 for Police vehicles and Street Sweeper (\$180,000, 1.67% fixed, 5 yr, semi-annual payments)
- ✓ The following items are proposed to be financed during FY 2014:

	<u>Principal</u>	<u>Debt Service</u>
<b>Robbins Park (only item full year)</b>	<b>\$700,000</b>	<b>\$121,000</b>
<b>Fire air packs</b>	<b>\$400,000</b>	<b>\$72,667</b>
<b>Police vehicles</b>	<b>\$100,000</b>	<b>\$18,167</b>
<b>Parks truck</b>	<b>\$28,000</b>	<b>\$5,086</b>
<b>Fire ops truck</b>	<b>\$30,000</b>	<b>\$5,450</b>
<b>Synthetic turf soccer fields</b>	<b>\$1,160,000</b>	<b>\$75,400</b>

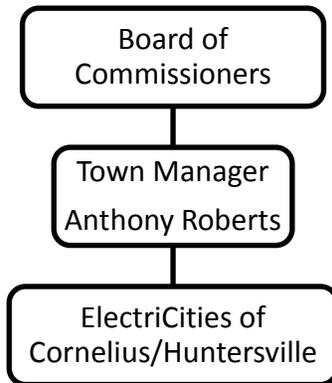
## Debt Service

Org	Object	Description	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Yr End	2014 Budget	2013 Est Yr End vs 14 Budget	Percent Difference
10009101	4700	Town Hall	666,667	666,667	666,669	666,667	-	(666,667)	-100.0%
10009101	4701	Interest on Town Hall	57,596	36,662	16,433	16,383	-	(16,383)	-100.0%
10009109	4700	Car lease	9,588	7,525	7,300	6,512	5,112	(1,400)	-21.5%
10109106	4700	Lease Police Cars	186,009	176,285	118,106	119,451	62,989	(56,462)	-47.3%
10109106	4701	Interest on Police Patrol Cars	10,217	7,133	6,317	9,736	5,367	(4,369)	-44.9%
10109107	4700	Police Facility	175,000	174,500	178,000	178,000	175,000	(3,000)	-1.7%
10109107	4701	Interest on Police Facility	38,924	34,402	29,677	29,560	25,385	(4,175)	-14.1%
10109114	4700	Fire Equipment	130,510	331,388	111,574	109,419	105,698	(3,721)	-3.4%
10109114	4701	Interest on Fire Equipment	13,976	9,287	9,191	9,979	6,499	(3,480)	-34.9%
10109115	4700	Fire Station #1	200,000	200,000	200,002	200,002	200,002	-	0.0%
10109115	4701	Interest on Fire Station #1	86,950	79,550	73,350	77,062	66,350	(10,712)	-13.9%
10209108	4700	Street Improvements	527,620	527,620	530,817	535,820	529,190	(6,630)	-1.2%
10209108	4701	Interest on Street Improvmnts	139,050	119,542	99,040	93,640	75,587	(18,053)	-19.3%
10209103	4700	St Sweeper	-	-	-	10,504	16,402	5,898	56.2%
10209103	4701	Interest on St Sweeper	-	-	-	1,868	1,992	124	6.6%
10809104	4710	Park Bonds	100,000	100,000	100,000	100,000	405,000	305,000	305.0%
10809104	4720	Interest on Park Bonds	55,467	64,150	62,350	61,950	59,150	(2,800)	-4.5%
10809105	4700	Parks Truck	-	2,020	6,813	5,192	4,313	(879)	-16.9%
10809105	4701	Interest on Parks Truck	-	181	481	391	300	(91)	-23.3%
10809112	4700	All Park Projects	55,300	55,300	56,300	59,300	57,300	(2,000)	-3.4%
10809112	4701	Interest on Park Projects	20,633	18,670	20,380	18,380	15,195	(3,185)	-17.3%
10809116	4700	WAC Robbins Park	166,667	411,667	416,667	419,867	411,867	(8,000)	-1.9%
10809116	4701	Interest on WAC Robbins Park	49,748	95,963	78,400	81,811	67,747	(14,064)	-17.2%
		CIP	-	-	26,400	-	297,770	297,770	0.0%
		<b>Totals</b>	<b>2,689,922</b>	<b>3,118,512</b>	<b>2,814,267</b>	<b>2,811,494</b>	<b>2,594,215</b>	<b>(217,279)</b>	<b>-7.7%</b>

# Electric Fund

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## Electric Fund



### Description

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

The NC Municipal Power Agency #1 suggests the Town will receive a 4% increase in purchased power cost in FY 2014. This budget will pass along this increased cost to customers by class (residential and commercial).

### FY 2014 Goals and Objectives

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- ✓ Zero vehicle accident and personal injuries (\$0)
- ✓ Achieve continuity of service for all but 63 minutes per year (\$0)
- ✓ Proposal of a rate increase at an average of 4 percent

## Electric Fund

Revenues	2011 Actual	2012 Actual	2013 Orig Budget	2013 Est Yr End	2014 Orig Budget	Diff 2012 Est Yr End 2013 Budget	Percent Difference
Charges for Electric	4,466,450	4,510,640	4,950,000	4,886,454	5,080,000	390,000	8.6%
Renewable Energy Charge	27,246	24,194	30,000	28,465	28,000	4,000	15.4%
Street Lights	173,157	193,794	180,000	182,621	184,000	-	0.0%
Reconnect Fees	30,740	23,480	32,000	29,932	32,000	1,800	6.0%
Fees for New Services	23,450	25,525	27,000	27,539	28,000	-	0.0%
Late Payment Charges	52,559	44,710	56,000	50,921	52,000	3,000	5.7%
Interest Earned	2,316	620	2,000	-	-	500	33.3%
Miscellaneous	13,302	22,714	6,000	11,820	10,000	(3,000)	-33.3%
Insurance Proceeds		220,215		-	-		
Fund Balance Appropriated	-	-	-	-	-	-	0.0%
<b>Totals</b>	<b>4,789,220</b>	<b>5,065,892</b>	<b>5,283,000</b>	<b>5,217,752</b>	<b>5,414,000</b>	<b>396,300</b>	<b>8.1%</b>

Expenses	2011 Actual	2012 Actual	2013 Orig Budget	2013 Est Yr End	2014 Orig Budget	Diff 2012 Est Yr End 2013 Budget	Percent Difference
Admin Fee	10,000	32,161	10,000	35,000	22,000	-	0.0%
Other Expenses	733,935	872,795	936,000	896,037	932,700	68,200	7.9%
Purchase for Resale	3,335,977	3,515,546	3,857,000	3,759,019	4,083,000	357,000	10.2%
Capital Outlay	298,408	-	110,500	52,100	45,000	50,500	84.2%
Capital Expansion	-	525,265	145,000	142,399	224,000	(348,000)	-70.6%
Building Payment	17,953	52,946	27,500	53,320	54,300	2,500	10.0%
Debt Service	13,000	9,000	197,000	5,000	53,000	88,000	80.7%
<b>Totals</b>	<b>4,409,273</b>	<b>5,007,713</b>	<b>5,283,000</b>	<b>4,942,875</b>	<b>5,414,000</b>	<b>218,200</b>	<b>4.3%</b>

# 911 Fund

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## Communication Center

### Description

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

### FY 2014 Work Program

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- ✓ Manage communications of 911 calls and public safety radio traffic

## 911 Fund

Revenues	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Year End	2014 Original Budget	2013 Est Yr End vs 14 Budget	Percent Difference
911 Revenues	288,711	105,312	154,366	154,368	175,000	49,054	46.6%
Interest Earned	4,676	1,748	1,200	1,000	750	(310)	-20.5%
Transfer from General	-	301,299	-	-	-	-	0.0%
<b>Totals</b>	<b>293,387</b>	<b>408,359</b>	<b>155,566</b>	<b>155,368</b>	<b>175,750</b>	<b>48,744</b>	<b>45.6%</b>

Expenses	2011 Actual	2012 Actual	2013 Original Budget	2013 Est Year End	2014 Original Budget	2013 Est Yr End vs 14 Budget	Percent Difference
Salaries	-	32,163	-	34,000	35,000	-	
Misc Services	16,082	63,179	84,000	59,443	84,000	20,513	32.3%
Dept Supplies	11,092	18,741	25,000	9,400	25,000	8,000	47.1%
Communications	34,111	4,301	55,000	4,827	55,000	32,244	141.7%
Capital	193,863	500,855	10,000	52,283	10,000	(102,720)	-91.1%
<b>Totals</b>	<b>255,148</b>	<b>619,239</b>	<b>174,000</b>	<b>159,953</b>	<b>209,000</b>	<b>(41,963)</b>	<b>-19.4%</b>

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

	2011 Actual	2012 Actual	2013 Budget	2013 EYE	2014 Budget
Expenditures					
Personnel					
Electric reimbursements				68,325	80,375
PD DNC reimbursements				25,201	
CMS reimb for DARE & grant officers				100,000	100,000
Operating					
LN Trans Reimbursements	65,328	67,462	65,000	65,000	65,000
Augustalee consultants					
Franchise tax consultant					
transfer to habitat					
ULI costs					
Other financing uses					
Refinance Police facility & bonds					
Capital					
Police Cars	110,000	103,350	120,000	103,625	100,000
Fire trucks & equip		525,650	-		430,000
Fire truck repairs		108,411		201,505	
sale of wayfinding sign ads					
Veteran's monument, donated porti	9,897	-	-		-
Public Works / PARC Truck		21,000	100,000	76,375	28,000
Synthetic turf fields					1,160,000
Donated An Shelter Capital					
<b>Total Expenditure Adjustments</b>	<b>185,225</b>	<b>825,873</b>	<b>285,000</b>	<b>640,031</b>	<b>1,963,375</b>
Revenues					
Other Financing Sources					
Debt Issued	110,000	650,000	220,000	180,000	1,718,000
transfer to habitat					
Other Revenues:					
Animal Control Donations					
Vet Monument donations		-			
Reimbursements from Electric				68,325	80,375
Grant PD cars/ officers				100,000	100,000
CMS DARE officer					
DNC reimbursements				25,201	
Insurance reimburse fire truck		301,691		8,224	
Fire boat contribution					
sale of wayfinding sign ads					
Augustalee consultants					
Franchise tax consultant					
ULI reimbursements					
LN Trans Reimbursements	65,328	67,462	65,000	65,000	65,000
<b>Total Revenue Adjustments</b>	<b>175,328</b>	<b>1,019,153</b>	<b>285,000</b>	<b>446,750</b>	<b>1,963,375</b>
<b>Net Adjustments</b>	<b>(9,897)</b>	<b>193,280</b>	<b>-</b>	<b>(193,281)</b>	<b>-</b>

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

	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2013</b>	<b>2014</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Budget</b>	<b>Est Year End</b>	<b>Budget</b>
Expenditures						
Personnel	6,233,147	6,805,012	6,784,638	7,131,510	6,879,855	6,983,425
Operating	6,187,545	6,221,847	6,072,250	6,351,551	6,509,998	6,719,599
Contributions Tourism	315,327	329,444	323,805	353,611	347,240	367,627
Reserve for W Catawba	400,000	-	-	-	-	-
Other transfers	280,000	1,990,103	591,299	1,035,000	1,035,000	200,000
Capital	1,891,403	1,057,036	796,133	1,545,252	1,634,402	710,000
Debt	2,502,369	2,689,922	3,118,512	2,814,267	2,811,494	2,594,215
<b>Total expenditures</b>	<b>17,809,791</b>	<b>19,093,364</b>	<b>17,686,637</b>	<b>19,231,190</b>	<b>19,217,988</b>	<b>17,574,866</b>
Debt % of total expenditures	14.05%	14.09%	17.63%	14.63%	14.63%	14.76%
Revenues						
Ad valorem taxes	10,823,853	10,895,057	12,273,774	11,781,205	11,607,894	11,282,380
Other revenue	7,269,632	6,801,766	7,138,379	6,585,488	6,630,243	6,316,340
<b>Total revenue</b>	<b>18,093,485</b>	<b>17,696,823</b>	<b>19,412,153</b>	<b>18,366,693</b>	<b>18,238,137</b>	<b>17,598,720</b>
Reconciling items	-	-	193,280	-	(193,281)	-
Contrib/(Use) of fund balance *	283,694	(1,396,541)	1,918,796	(864,497)	(1,173,132)	23,854
General Fund balance	11,026,300	9,629,759	11,548,555		10,375,422	
Capital Reserve	-	2,318,105	2,328,294		2,337,294	2,345,294
<b>Total available funds</b>	<b>11,026,300</b>	<b>11,947,864</b>	<b>13,876,849</b>		<b>12,712,716</b>	

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

Town of Cornelius  
2014-2018 Capital Improvement Plan Summary  
As of April 5, 2013

CMP #	DEPT	DESCRIPTION	Fund Source	2014	Fund Balance	Debt Svc	2015	2016	2017	2018	Future	Total
23	Parks	Robbins Park (net of PARTF \$300k) **	Debt	700,000		121,000	-	-	-	-	4,400,000	5,100,000
17.1	Pub Works	Diverging diamond	F bal	200,000	200,000		1,600,000	-	-	-	-	1,800,000
23	Parks	Synthetic turf soccer fields	Debt	1,160,000		75,400			-	-	-	1,160,000
12	Pub Works	Northcross Dr Ext, town match (excludes ROW)	F bal	130,000	130,000		585,000	585,000	-	-	-	1,300,000
23	Police	Vehicle replace program	Split	180,000	80,000	18,166	180,000	220,000	220,000	220,000	220,000	1,240,000
23	Fire	Vehicle replace program	Debt	30,000		5,450	-	-	-	40,000	40,000	110,000
23	Parks	Truck replacement	Debt	28,000		5,087	-	-	-	-	-	28,000
15	Pub Works	Westmoreland intersection	F bal	185,000	185,000		-	-	-	-	-	185,000
15	Pub Works	Hwy 73 to Blythe Landing sidewalk	F bal	100,000	100,000		85,000	-	-	-	-	185,000
15	Pub Works	Hwy 21 to A Chase sidewalk (Westmoreland)	F bal	75,000	75,000		-	-	-	-	-	75,000
15	Pub Works	Nantz Rd (Ramsey Creek Park to Pompano Rd)	F bal	90,000	90,000		-	-	-	-	-	90,000
15	Pub Works	Magnolia Estates Sidewalk	F bal	50,000	50,000		-	-	-	-	-	50,000
23	Fire	SCBA replacement	Debt	400,000		72,667	-	-	-	-	-	400,000
19	IT	Assembly Room Renovation	F bal	-	-		-	-	150,000	-	-	150,000
23	Police	Video surveillance (\$35k)	F bal	-	-		-	-	50,000	-	-	50,000
10.1	Parks	Art Center	Debt	-			3,000,000	-	-	-	-	3,000,000
10.1	Parks	Community Center	Debt	-			-	-	-	2,000,000	-	2,000,000
23	Fire	Ladder replacement Station #1	Debt	-			750,000	-	-	-	-	750,000
14	Pub Works	Hwy 21/Catawba Ave. Intersection Improvement	F bal	-			225,000	200,000	-	-	-	425,000
15	Pub Works	Hwy 115 Sidewalk (Caldwell Station to Bailey Rd.)	F bal	-			75,000	-	-	-	-	75,000
23	Parks	Facility Renovation and Expansion	Debt	-			-	-	200,000	300,000	1,450,000	1,950,000
23	Parks	Synthetic turf football fields	Debt	-			-	-	742,000	-	-	742,000
15/16	Parks	South Bailey Road Greenway	F bal	-			-	-	-	750,000	-	750,000
12	Pub Works	West Catawba Phase 2 A *	Debt	-			-	-	-	-	8,400,000	8,400,000
23	Parks	Synthetic turf multi-purpose field	Debt	-			-	-	-	-	810,000	810,000
16.2	Parks	Antiquity Greenway	Debt	-			-	600,000	-	-	-	600,000
23	Parks	Spray Park	Debt	-			-	-	500,000	-	-	500,000
23	Fire	Engine #3 replacement	F bal	-			-	-	625,000	-	-	625,000
23	Parks	Neighborhood park development	Debt	-			-	-	-	-	6,500,000	6,500,000
15/16	Parks	JV Washam/Smithfield Greenway	F bal	-			-	-	-	-	1,350,000	1,350,000
18	Planning	Transit infrastructure		-			-	-	-	-	4,000,000	4,000,000
23.6	Police	Town-wide WiFi		-			-	-	-	-	695,000	695,000
23	Parks	Lake Norman Waterfront Park		-			-	-	-	-	3,700,000	3,700,000
23	Pub Works	Facility (building)		-			-	-	-	-	1,000,000	1,000,000
15/16	Parks	McDowell Creek Greenway Phase II		-			-	-	-	-	1,350,000	1,350,000
23	Fire	Training tower & facility		-			-	-	-	-	850,000	850,000
12	Pub Works	Knox Road - final phase		-			-	-	-	-	815,000	815,000
23	Fire	Land for training facility		-			-	-	-	-	500,000	500,000
23	Police	Substation (lease / purchase)		-			-	-	-	-	200,000	200,000
12	Pub Works	Stream restoration town match (Willow Pond)		-			-	-	-	-	170,000	170,000
12	Pub Works	Stream restoration town match (McDowell)		-			-	-	-	-	132,000	132,000
				3,328,000	910,000	297,770	6,500,000	1,605,000	2,487,000	3,310,000	36,582,000	53,812,000

\* Because of policy implications, CIP funds only debt on Public Utility Easements

\*\* Based on anticipated issue date, full year debt svc payment assumed in FY 2014; remaining items expressed at half year debt service.

This document represents staff's compilation of potential capital projects under consideration for financial forecasting purposes.  
This document is not Board adopted and is subject to change at anytime.

Committed  
 Recommend  
 Bond Referendum

**TOWN OF CORNELIUS, NORTH CAROLINA**  
**GENERAL FUND LONG-TERM FINANCIAL PLAN**  
**AS OF APRIL 8, 2013**

	<b>Actual FY 2011</b>	<b>Actual FY 2012</b>	<b>Estimate FY 2013</b>	<b>Budget FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>	<b>FY 2017</b>	<b>FY 2018</b>
Beginning Fund Balance	11,026,300	11,947,864	13,876,950	12,712,716	12,736,569	9,284,256	7,459,564	7,182,853
Revenues:								
Property tax	10,895,057	12,273,875	11,779,919	11,282,380	11,503,728	11,729,502	13,134,272	13,392,657
Sales tax	2,124,134	2,427,774	2,435,290	2,372,946	2,396,675	2,444,609	2,493,501	2,543,371
Franchise tax	1,335,391	1,358,993	1,388,392	1,405,000	1,419,050	1,440,336	1,459,060	1,485,323
Powell Bill allocation	623,477	643,495	676,636	692,875	706,733	720,867	735,284	749,990
All others	2,718,764	2,911,586	1,773,519	1,845,519	1,873,202	1,910,666	1,945,058	1,974,234
Total Revenues	17,696,823	19,615,723	18,053,756	17,598,720	17,899,388	18,245,980	19,767,175	20,145,575
Expenditures:								
Personnel	6,805,012	6,784,638	6,879,855	6,983,426	7,262,763	7,516,960	7,817,638	8,149,888
Operating	6,551,291	6,396,055	6,857,239	7,087,226	7,370,715	7,591,836	7,971,428	8,290,285
Debt service	2,689,922	3,118,512	2,811,494	2,594,215	2,740,040	2,574,248	2,254,649	1,442,393
Capital (prev & Pub W)	1,057,036	796,133	916,797	315,000	321,300	327,726	334,281	340,966
Capital fund balance	-	-	1,752,605	595,000	2,490,000	885,000	925,000	100,000
<b>REFUNDS</b>	-	-	-	-	779,049	669,436	-	-
New debt svc	-	-	-	-	387,833	505,467	740,890	1,082,260
Other	1,990,103	591,299	-	-	-	-	-	-
Total Expenditures	19,093,364	17,686,637	19,217,990	17,574,867	21,351,701	20,070,673	20,043,886	19,405,793
Net	(1,396,541)	1,929,086	(1,164,234)	23,853	(3,452,313)	(1,824,693)	(276,711)	739,783
Ending Fund Bal	9,629,759	13,876,950	12,712,716	12,736,569	9,284,256	7,459,564	7,182,853	7,922,636
Capital Reserve	2,318,105	-	-	-	-	-	-	-
Total Balances	11,947,864	13,876,950	12,712,716	12,736,569	9,284,256	7,459,564	7,182,853	7,922,636
End Bal as % of Exps	63%	78%	66%	72%	43%	37%	36%	41%

8

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

**TOWN OF CORNELIUS, NORTH CAROLINA**  
**GENERAL FUND LONG-TERM FINANCIAL PLAN**  
**AS OF APRIL 8, 2013**

	<u>Actual</u> <u>FY 2011</u>	<u>Actual</u> <u>FY 2012</u>	<u>Estimate</u> <u>FY 2013</u>	<u>Budget</u> <u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Tax Assumptions:								
Value	3,849,420,938	4,921,074,400	4,921,074,400	4,709,363,219	4,709,363,219	4,803,550,483	4,899,621,493	5,497,375,315
% increase growth	0.8%				2.00%	2.0%	2.0%	2.0%
<b>% Change reval</b>	0%		0%		0%	0%	10%	0%
Collection rate		97.9%	97.9%	97.9%	97.9%	97.9%	97.9%	97.9%
Rate	0.275	0.25	0.24	0.24	0.24	0.24	0.24	0.24
Tax produced	10,667,971	12,046,790	11,564,919	11,067,380	11,288,728	11,514,502	12,919,272	13,177,657
Revenue assumptions:								
Sales tax				-2.20%	1.0%	2.0%	2.0%	2.0%
Franchise tax				0.0%	1.0%	1.5%	1.3%	1.8%
Powell Bill				2.4%	2.0%	2.0%	2.0%	2.0%
Other				1.0%	1.5%	2.0%	1.8%	1.5%
Expense assumptions:								
Personnel				3.5%	4.0%	3.5%	4.0%	4.25%
Operating				5.50%	4.00%	3.00%	5.00%	4.00%
PW Capital				3%	2%	2%	2%	2%
Debt issuance variable:								
Beginning Debt O/S	14,507,401	14,804,275	12,824,723	11,363,921	11,021,385	12,549,688	10,941,113	10,245,008
Principal retired	(2,438,012)	(2,629,552)	(2,340,802)	(2,060,536)	(2,063,364)	(1,970,241)	(1,715,572)	(1,349,893)
Principal issued	2,560,000	650,000	880,000	1,718,000	3,850,000	720,000	1,562,000	3,210,000
Princ on new debt	-	-	-	-	(258,333)	(358,333)	(542,533)	(767,533)
Ending Debt O/S	14,629,389	12,824,723	11,363,921	11,021,385	12,549,688	10,941,113	10,245,008	11,337,582
Total capital funded				910,000	6,500,000	1,605,000	2,487,000	3,310,000

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