



Town of Cornelius

Original Budget

Fiscal Year Ending June 30, 2015

Adopted June 16, 2014

Town of Cornelius

Table of Contents

	Page
Manager's Message	1
Town Information	11
Citizen's Budget Guide	13
Financial Policies	21
Organizational Chart	25
Budget Calendar	26
Budget Summary:	
Revenue	27
Expenditures	28
by Department	29
General Fund Revenues:	
Assumptions	32
Line item detail	36
General Fund Expenditures (by Department)	
Governing Board	37
General Government (Administration)	39
General Services	42
Police	44
Communications	47
Fire Protection	49
Animal Control	51
Public Works	53
Lake Norman Transportation Commission	56
Powell Bill	58
Solid Waste / Recycling	60
Stormwater Management	62
Planning / Land Development	64
Tourism	67
Art Center	69
Parks & Recreation	71
Debt Service	74
Electric Fund	76
911 Communications Fund	78
Reconciling Items	80
Net Actual, Budget and Projected Expenditures and Revenues	81
Capital Improvement Program Summary of Requests	82
General Fund Long-Term Financial Plan	83

Manager's Message



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

From: Anthony Roberts, Town Manager

Re: Transmittal of FY 2014 – 2015 (FY 2015) Annual Budget

Date: May 5, 2014

After months of discussion and much work from many stakeholders, I am pleased to present the Town of Cornelius Manager's Recommended Budget for Fiscal Year 2015. This budget represents the first annual budget following voter approval of a \$20 million bond campaign for capital improvements in line with Town priorities set forth in the *Navigate Cornelius* Comprehensive Master Plan.

In compliance with NC General Statutes, staff proposes the attached budget, which is balanced. The related schedules and detailed line items specify revenues and expenditures for each annually budgeted fund. This annual financial plan details the spending plan for the year and sources of revenue to meet those obligations with specifically identified goals and objectives for each department. The General Fund Budget totals \$18,866,818 (net of reconciling items, such as debt to be issued), which represents an increase of \$1,033,806 from FY 2014 estimated year end expenditures. The majority of this expenditure increase is attributable to increased capital investments of road improvements, vehicles, and police equipment. Debt expenditures also increase as a result of recent park capital improvements.

Maintaining the Town's reputation for unparalleled customer service termed "the Cornelius Way" remains a priority in our budget efforts. Examples of specific customer service efforts in this budget include enhanced leaf collection efforts, transportation and mobility improvements in the form of roads and sidewalks funded, and efficiency enhancements associated with Police computer, camera, and fiber optic systems.

The FY 2015 budget represents the third consecutive year with a recommended tax rate of twenty-four cents per \$100 of assessed valuation. Mecklenburg County's most recent revaluation was dated in FY 2012. Since that time, many refunds have occurred as many taxpayers disputed their values. Ultimately, the NC State Legislature required that the County revalue properties. This correction to the revaluation resulted in numerous refunds, and is likely to continue into FY 2015. However, the majority of the refunds are expected to be complete by the time of the adoption of this budget. The Town's total assessed value is estimated within 1% of FY 2014 year end values.

Manager's Message

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 among the lowest in the state with a population greater than 20,000. A twenty-four cent tax rate is expected to generate approximately \$11,712,000 in tax revenue, which is approximately \$488,000 per penny in tax. This combination of assessed value at the twenty-four cent tax rate and the spending plan is estimated to generate general fund balance in FY 2015 of \$40,818.

The FY 2015 spending plan does increase over the prior year. Personnel expenditures increase 3% as a result of merit budgeted for full-time staff. Operating expenditures also increase 3% related to funding departmental goals and contractual commitments. Capital spending increases can largely be attributed to specific restricted revenue sources such as Powell Bill. Park initiatives late in FY 2014 result in increased debt expenditures.

Goals for FY 2015

Town spending priorities continue to be driven by the 2012 Comprehensive Master Plan (CMP) and its implementation of the citizen driven goals and strategies. Goals for guiding future growth identified through the CMP 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 2015 Budget related to these goals and vision include:

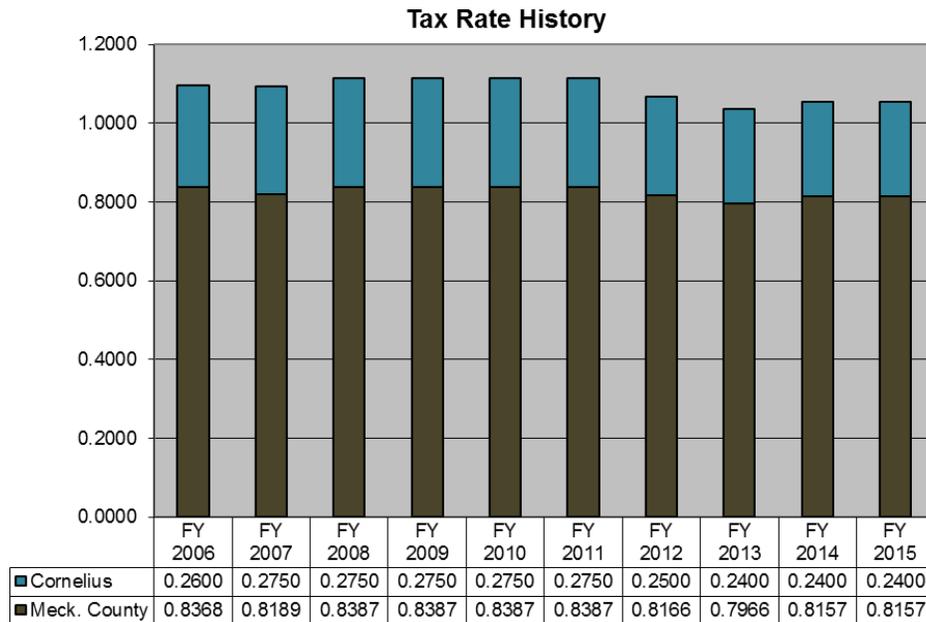
- ✓ Participation in regional projects such as Lake Norman Economic Development Corporation, Visit Lake Norman, Commerce Station, advancing business development and using art as an economic development engine.
- ✓ Mobility and Transportation infrastructure improvements with \$500,000 in new sidewalk connections, \$600,000 in road resurfacing, intersection improvements at NC Hwy 21/Catawba Avenue (\$86,000), Northcross Drive Extension (\$118,000) and \$1.8 million toward the diverging diamond interchange.
- ✓ Development of improved leaf collection services and improved GIS mapping capabilities.
- ✓ Completion of park capital projects, such as the McDowell Creek greenway, synthetic turf soccer fields at Bailey Road Park, and pond, trail, and additional park amenities at Robbins Park.
- ✓ Continued commitment to outstanding customer service in public safety and other Town services through capital vehicle replacement and technology enhancements from fiber and video surveillance improvements.

Manager's Message

General Fund Revenue Highlights

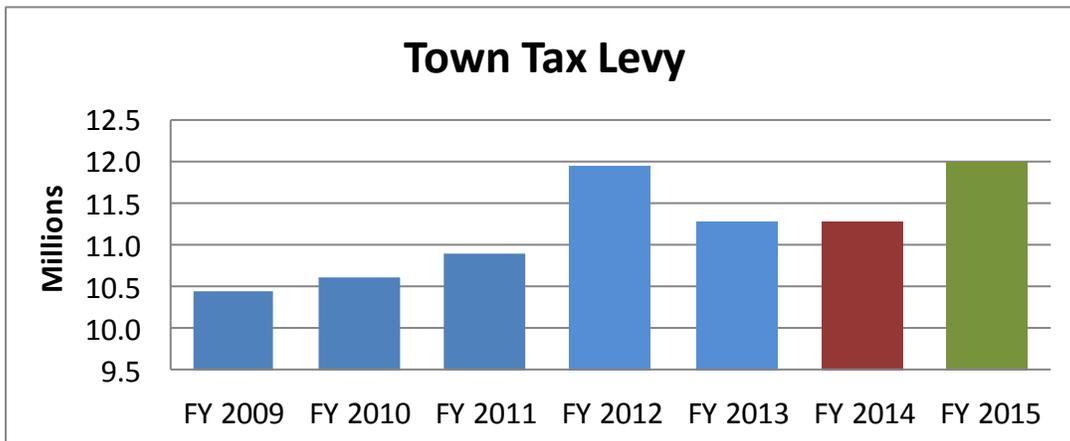
The FY 2015 Budget proposes a tax rate of \$0.24 per \$100 of assessed valuation. This continues the efforts to minimize the effects of the FY 2012 revaluation and absorb significant swings in total Town tax base.

Cornelius taxpayers are subject to Mecklenburg County tax in addition to the municipal property tax rate. The graph below illustrates the 10 year tax rate history of both local governments, including the Town rate proposed for FY 2015. The FY 2015 rates are not official until adopted by the respective governing body, so this chart illustrates Cornelius' proposed rate and the FY 14 rate for the County.



The Board action of setting the annual property tax rate is a critical function of the budget ordinance, as it impacts every taxpayer. Taxpayers are levied their annual bill which is a function of the tax rate at the value of their property; tax rate is the single factor among these two that the Town Board controls. Also, property taxes provide more than 60% of the Town's general fund annual revenues. Finally, setting the annual tax rate directly impacts the Town tax levy, which is used by Mecklenburg County to calculate the Town's pro rata share of future sales tax distributions. For these reasons, establishing the tax rate has a substantial influence on the Town's overall fiscal health. The following chart depicts a seven year window of Cornelius' tax levy FY 2009-15 and illustrates the significant volatility associated with the revaluation and tax rate history.

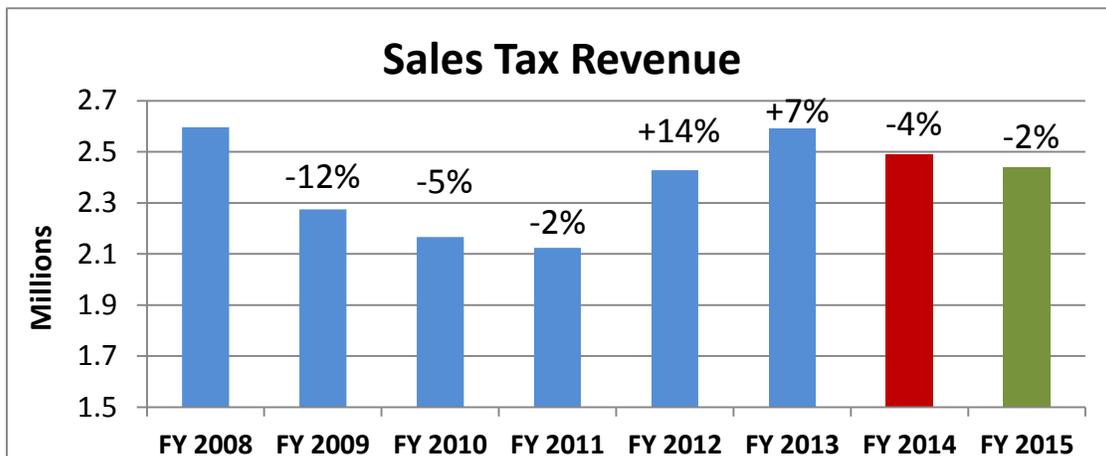
Manager's Message



FY 2015 represents the first year since the FY 2012 revaluation where refunds associated with reductions in value have a much lower impact to revenue estimates. This more stable assessed value environment, coupled with the increased motor vehicle collection rate associated with the new collection method and the continued recovery in the residential construction market are predicted to have a 6% positive impact on the Town's tax levy.

Sales tax distributions represent the Town's second largest revenue source, bringing in at least 13% of the general fund annual revenue in FY 2015. Cornelius' sales tax revenue does not reflect the Town's own economic sales tax engine. Rather, Mecklenburg County, the City of Charlotte, and the remaining six towns 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 values or change in tax rates of any of the six other municipalities or the County can have unintended consequences to Cornelius.

Consumer spending also has a dramatic effect on sales tax revenue as the recent economic recession and eventual recovery depicted. As a result of the conservative budgeting and cautious reliance on consumer spending, FY 2015 sales tax distributions are expected to remain near FY 2014 levels with a decline of 2% (approximately \$50,000). 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

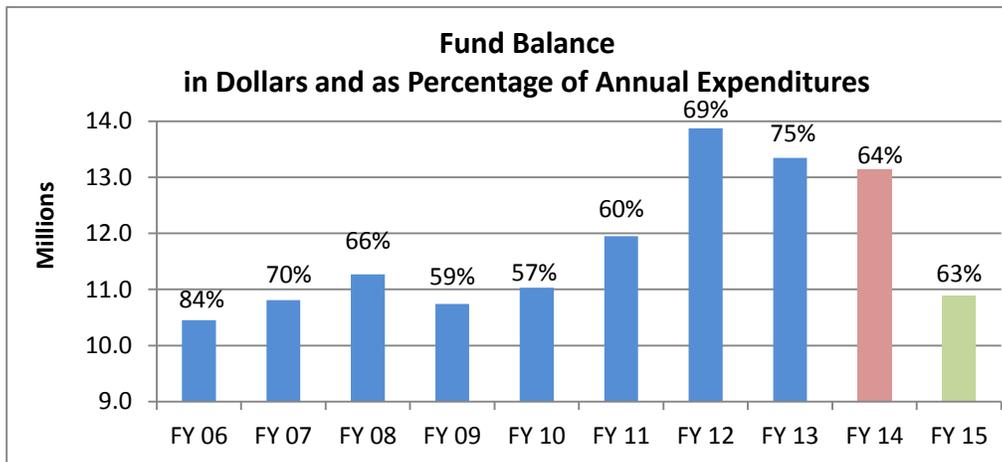
Cornelius revenues can be heavily influenced by external forces. As a result of the NCPMA#1 wholesale power increases, Cornelius electric rate payers will also see a rate increase and new sales tax treatment. Police operations will rely on federal grants, some of which pass through the federal government. The Town must also count on the State government for beer and wine tax and 911 fee distributions. The impact of additional State influences on Town revenues will be felt in the form of converting utility franchise tax revenue to a direct sales tax on utilities distribution. Finally, state legislation could impact future Powell Bill revenue and the Town's obligations regarding State owned streets within the Town limits.

In summary, Cornelius revenue sources are estimated to increase approximately \$735,000. Much of this increase in revenue is attributable to reduction in property tax refunds. Additional details regarding the Town's revenue budget can be found in the Revenue Assumptions section of the Budget (beginning on page 32) and in the line item details (page 36).

Economic Outlook

The Lake Norman economy, and Cornelius in particular, are showing signs of progress. Previously vacant storefronts are beginning to reopen, and developers are bringing new proposals through the planning process. The County Assessor's Office also indicates expansion of the tax base as a result of building permits issued in Cornelius. Other specific revenue line items that illustrate the rebound of the Cornelius economy include occupancy tax receipts, prepared food and beverage tax distributions, and vehicle rental receipts.

This budget spending plan uses specific categories of fund balance, but actually generates additional general fund balance receipts. While significant capital expenditures are planned related to the diverging diamond interchange, this \$1.8 million expenditure will have no impact on the general fund through the use of the transportation capital reserve. This budget also relies on previously accumulated Powell Bill fund balance of approximately \$460,000, which is restricted to be spent on streets and sidewalks. Preservation of general fund balance provides insulation from downturns in the economy and opportunity to fund new projects that arise between budget cycles. The following chart illustrates the growth and purposeful use of fund balance over a ten year cycle.



This chart calculates the Town's total fund balance plus capital reserve and notes the fund balance as a percentage of total annual expenditures. This graph illustrates the significant

Manager's Message

financial impact that contributions to the diverging diamond project will have on reserves that the Board views as vital since the interstate serves as a major gateway artery to the Town. Our current and projected level of fund balance, while declining, continues to provide some pay as you go capital funding and ongoing operations that support the level of customer service Cornelius residents have come to expect. Cornelius has historically maintained a higher level of fund balance than other NC municipalities with similar population size and service levels.

General Fund Expenditure Highlights

- Personnel** Personnel expenditures are expected to increase 3% to fund an average 3% merit pool for full-time employees and state mandated increases in retirement contributions. This budget shows no change to full-time headcount, but does add temporary part-time assistance in the Planning department for improvements to GIS technology.
- Governing Board** The Governing Board department funds the elected officials stipend and expenses. Such expenses include bimonthly Town Board meetings and technological expenditures. There are also expenses associated with ethics and other travel and training.
- Administration** The Administrative function accounts for the General Government services of the Town Manager's Office, Clerk, Attorney, Finance, and Information Technology services. This department is tasked with managing the Town's daily operations and financial services. The General Government department expenditures are flat compared to FY 2014 estimated year end, dropping by less than 1%.
- General Services** General Services funds several contractual functions for the Town, such as external auditors, use of any outside legal counsel, Historic Preservation Commission, Victims Advocate, and Ada Jenkins Center. The department's budget declines 4% in FY 2015.
- Police** The Police department represents the Town's largest financial and human capital investment. The mission of this department is to provide a safe environment in which residents and non-residents can live and work. The Police department budget increases by approximately 2.3%, primarily as a result of several capital initiatives, including building renovations (\$60,000), fiber (\$50,000) and video surveillance (\$50,000) advancements, and continuation of the vehicle replacement program.
- Communications and 911** Cornelius' Communications Center facilitates the exchange of information between the public and Police staff with speed, accuracy and professionalism. The Center dispatches 911 calls for Cornelius and Davidson College and provides 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. Expenses not deemed eligible to be paid from state 911 fees are paid by the general fund. This department's total budget increases by 2.4%.

Manager's Message

- Fire Protection** The Town utilizes a contract with Cornelius-Lemley Volunteer Fire Department, Inc. to provide fire protection and prevention as well as emergency first response with the Town limits. The Town's annual operations support of the VFD increases by 4.7% or \$61,859. In addition, the Town will fund a replacement ladder truck through the use of installment financing.
- Animal Control** This department is responsible for humane treatment of Cornelius animals and operations of the Cornelius Animal Shelter. As a result of reduced capital spending associated with donations, the Animal Control department spending is down 6.8%.
- Public Works** The Public Works department manages capital construction and maintenance of public grounds, streets, and sidewalks including right-of-way and streetlights. This department's expenditures can vary widely due to different levels of annual capital funding. Operations in this department are up approximately 3%, but reduced capital spending results in an overall decline in Public Works spending of 8.2%.
- Stormwater Management** Cornelius' stormwater management program is funded through stormwater fees remitted by property owners to the Charlotte Mecklenburg Utility Department as a pass through agency to the Town of Cornelius. The department spending is down \$15,364.
- Street Improvements** The Town's Powell Bill department represents receipts of gas tax from NC Department of Transportation which are restricted to be spent to construct, resurface, and maintain Town streets and sidewalks. While the department's operation spending changes are minimal (increase of 2.3%), capital funding in this department varies widely from one year to the next. As a result of budgeted street resurfacing of \$600,000 and sidewalk construction of \$500,000, the Powell Bill department's overall spending is budgeted to increase \$781,125 or 180%.
- Lake Norman Transportation** The Lake Norman Transportation Commission (LNTC) department represents 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 3 fiscal years.
- Planning and Land Development** The Planning department maintains the Town's ordinances, permitting and compliance related to land use, zoning, and development and coordinates economic development efforts with outside agencies. While the department's goals change each year, their overall budget has increased by \$4 from FY 2014 estimated year end spending levels to \$528,624.
- Tourism** The Town's Tourism function distributes funding from tourism related taxes to various agencies, such as Visit Lake Norman, Lake Norman Economic

Manager's Message

Development Corporation, and contribution to Commerce Station, a regional business park located in Huntersville. Tourism funding is also used to support Cornelius special events, such as the annual Symphony at Bailey Road Park. Tourism expenditures are estimated to decline 5% as a result of reduced Economic Development Coordinator spending.

Art Center

Through primarily U Drive It Tax proceeds, the Town funds the operations of the Cornelius Art Center and art related events such as Tawba Walk and Indie movie series. The Center seeks to promote artistic endeavors to all age groups through such outlets as drawing, photography, painting, pottery, sewing, sculpting and art exhibits. This year's Art Center budget increases due to capital funding planned for public outdoor art and the transfer of a full-time position from the PARC department.

PARC

The Parks, Arts, Recreation, and Culture department mission is to provide great parks, natural areas, and recreational experiences. Oversight of numerous capital projects, which were funded outside the annual operating budget, will be a significant focus of the department in FY 2015. The PARC department's annual operating budget is planned to increase by 23% to fund additional parks maintenance initiatives and the opening of a new phase of Robbins Park.

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. Also, significant discussion is planned for the Summer of 2014 regarding how much bond funding of which specific projects will occur. While funding of bond projects will not directly impact FY 2015, numerous capital project ordinances are expected related to bond funds. The Town will be preparing to initiate debt services payments on these bonds with the adoption of the FY 2016 budget. As the detailed CIP listing suggests, bond payments over a term of 20 years will leave a lasting impact on the Town of funding projects at this level.

Projects displayed in the FY 2015 column are funded in the current budget year. The capital funding method is displayed as either funded through debt service (installment financing or bond issue) or through use of fund balance. Initiatives in FY 2015 include: Diverging Diamond interchange aesthetics, Northcross Drive extension, numerous Public Safety vehicles, road resurfacing, sidewalk connections, Highway 21 / Catawba Avenue intersection improvements, public art exhibits, Police building renovations, video surveillance and fiber optic expansion.

The list of projects currently under consideration for the next five years exceeds \$50 million. Over the course of the next five years, projects will likely shift, some projects from one year to another while other projects may move off the list entirely as the Town's priorities evolve. Finally, some projects not currently on the list are likely to become important to the Town through implementation of the Town's Comprehensive Master Plan and Staff's efforts to respond to the evolving demands of the citizens.

Manager's Message

To maintain the Town's stable financial condition, we implement a long-term view of budgeting by preparing a five year financial forecast and related capital improvement program. Summaries of these documents occur on pages 82-84 of this budget. The spreadsheet is used during budget discussions to perform what-if analysis and illustrate the impact of tax rate changes in various fiscal years, and the impact of other variables, such as assessed valuation and revaluation changes, personnel and operating expenditure 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 demands.

Debt Service

No discussion of the Town's budget and future capital needs is complete without addressing the Town's AAA bond rating and efforts to preserve it. Because there is no rating higher than AAA, agencies with this rating issue debt at the lowest rates, minimizing borrowing costs.

To take advantage of still historic low interest rates, the Town Board and staff is contracting for traffic modeling and preliminary design on street, park and redevelopment projects in anticipation of using the recently voter approved bonds. Once a portion of this \$20 million bond authority is used, which is expected during FY 2015, capital expenditures of this level will have a transformative nature on the mobility and recreational opportunities in Cornelius.

Electric Fund

The Town owns its own electric distribution system and contracts with Electricities of NC to manage its daily operations. As a result of the Town's increased costs in FY 2015, Cornelius electric customers will experience an average 4% rate increase in addition to the impact of the new state law changes to sales tax on electricity. Our electricity provider indicates comparable increases will occur over the next 3 years. Because of these anticipated rate increases, Cornelius electric customers can expect the Town Board to vote in June 2014 to update the Town schedule of fees with the average four percent rate increase implemented by specific rate class. The Town residential rate payers, even after such an increase will continue to enjoy rates lower than comparable utility customers in the service area.

Issues in FY 2015 and beyond

Cornelius faces numerous financial challenges. There is constant pressure to operate as efficiently as possible, utilizing grant resources and seeking donations of property and time. Minimizing citizen tax burdens while providing necessary services requires a daily focus on the needs of stakeholders. Maintaining quality of life and economic diversity focusing on expanding artistic avenues within the community continues to require juggling many competing resources.

The upcoming budget years will require a laser focus on details to provide citizens the services they demand while maintaining the lowest possible tax rate with the gradual implementation of the recently voter approved bonds. Prioritizing the various transportation, public safety and recreational needs and maximizing value for bond projects will continue to challenge the Town's financial resources. Finally, maintaining the Town's current asset base will also require implementation of new technology to minimize future costs.

Manager's Message

Conclusion

Cornelius citizens have come to expect superior customer service while maintaining a low tax rate. Staff continues to seek efficiencies associated with better implementation of technology while controlling operating costs. With the anticipated bond issue during FY 2015, we look forward to continuing the excellent service delivered to citizens while managing the implementation of new capital initiatives. Finally, we appreciate the diligent hours of work from citizens, the Town Board and Staff that have brought us this far in the FY 2015 budget process, and eagerly seek the challenges the new fiscal year brings.

Respectfully submitted,

Anthony Roberts
Town Manager

Jackie Huffman
Finance Director

Town Information

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

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

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

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, Parks, Arts, Recreation and Culture Commission, Historical Preservation Commission, Land Development Code Advisory Board, and the Lake Norman Transportation Commission assist the Board of Commissioners in formulating policies for the future governance of our Town.

Budget Guide

A Citizen's Budget Guide

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

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

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

MUNICIPAL BUDGETS IN NORTH CAROLINA

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

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

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

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

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

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 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 Harrell, Town Clerk or
Jackie Huffman, Finance Director at (704) 892-6031**

BUDGET FORMAT

The Town of Cornelius financial system is organized utilizing governmental fund accounting where accounts are maintained separately. Government resources are allocated in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. This segregation of revenues and costs allows close monitoring of specific accounts to provide insurability that certain funds are self-supporting and that revenues which are required by law for specific purposes are identifiable. The Town of Cornelius' Operating Budget consists of three primary annually budgeted funds: General Fund, Electric Fund and 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, Public Works, Lake Norman Regional Transportation Commission, Powell Bill, Solid Waste/Recycling, Stormwater Management, Planning and Land Development, Tourism, Art Center, Parks, Arts, Recreation and Culture, Transfers, and Debt Service, are all funded through the General Fund.
- **Electric Fund** All electric distribution system operations, maintenance, and capital improvements are funded through this fund which is also known as an "Enterprise Fund." The Fund has been managed since FY 1998 under a contract with ElectriCities 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 fees and any expenses deemed eligible by the 911 Board to be paid from such revenues.

Budget Guide

REVENUES

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

The major revenues by source are as follows:

- **Ad Valorem Taxes** Also known as property taxes, these include the collection of current year as well as prior year levies and potential interest and penalties on delinquent taxes. Property subject to ad valorem taxes include real property, vehicles, business personal property (equipment, lease upgrades, and fixtures), and certain personal property such as watercraft (boat and jet skis). Property owners are required to list property annually with the Mecklenburg County Tax Assessor's Office. Some nonprofit organizations, such as religious groups, charter schools and local government owned property may not be subject to such property taxes; additional information regarding exemptions may be obtained from the Mecklenburg County Tax Assessor's Office. The Town also assesses a \$10 fee on each motor vehicle registered in the Town limits of Cornelius which appears with the annual vehicle property tax bill.
- **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 or Sales Tax levied on utility bills, 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 (most Sales Taxes), quarterly (Franchise Tax), or annually (Beer and Wine Tax).
- **Restricted Intergovernmental** This revenue type consists of both taxes and fees which are collected by other federal, state, and local governmental units and passed along to Cornelius. These revenues are restricted to be spent exclusively for specific purposes. Examples of restricted intergovernmental revenues include specific federal public safety grants, specific PARTF state parks and recreation grants, Powell Bill, Occupancy Tax, Prepared Food and Beverage Tax, U Drive It Tax, Stormwater Fees, asset forfeiture tax, and 911 fees.
- **Permits and Fees** Permit and fee revenue is derived from charges in return for specific services rendered such as fingerprinting, subdivision consideration, false alarm billing, or participation in parks, arts,

Budget Guide

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

- **Sales** Revenue received from the sale of property or other merchandise comprises this category of revenue. This revenue stream is non-cyclical and infrequent in nature. Examples include sale of surplus equipment.
- **Investment Earnings** Revenue derived from the investment of idle cash results in investment earnings. For clarity purposes, the Town segregates interest received on unrestricted revenue from certain restricted revenue sources. Additionally, Board approved loans among different funds that accrue interest will appear separately within interest earned.
- **Miscellaneous** Miscellaneous revenues include nonrecurring and minor revenue sources such as refunds affecting prior year expenses, property insurance claim proceeds, nonsufficient funds fees, 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

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

The major expenditures by function are shown as follows:

Budget Guide

- Governing Board
 - General Government (Administration)
 - General Services
 - Police
 - Communications
 - Fire Protection
 - Animal Control
 - Public Works
 - 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 fees.

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

These categories are summarized below:

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

Budget Guide

- **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

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 for FY 12. The appeals process and related corrections to the FY 2012 revaluation continue to impact FY 2015. Many refunds have occurred in previous fiscal years, and are likely to continue in FY 2015.

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

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 guidelines. Under GAAP, the Town's annual financial statements present three components: government-wide financial statements, fund financial statements and notes to the financial statements.

A thorough understanding of the financial condition of the Town requires consideration of not only the annual budget, but also the annual financial statements, which describe the actual results of the year, including budget 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 and provides extensive trend analysis. 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 desired service levels. Town Staff is also directed to request funding of new initiatives to be considered by Town Management and the Town Board for inclusion in the upcoming budget cycle if such initiatives are consistent with the vision, guiding principles and goals of the Town's Comprehensive Master Plan.

Budget Guide

- **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. 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

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

Operating Budget Policies

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

The Board will also be provided historical trend data and comparative information with population peer groups at their annual budget workshop. Finance staff will provide annual financial dashboard comparisons and additional financial ratio comparisons with other municipalities to ensure that the Town pursues best practices 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 participate in citizen driven 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 desired service levels and new initiatives outlined in the public budget process and the Town's Comprehensive Master Plan.

Financial Policies

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

The Electric Fund will adhere to the full utility concept which allows each user to contribute revenues proportional to the level of service received. The Electric Enterprise fund will also operate with a philosophy of covering the costs associated with electric service delivery. This concept requires that income be sufficient to maintain a self-supporting status within the Electric Fund and comply with increasing environment of federal and state energy program reporting. The electric fund will also provide capital necessary to maintain continuity of service to its growing customer base. The 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 as outlined in NC General Statute 159-30 within the confines of anticipated capital funding needs. The Town will invest only in quality issues which comply with the North Carolina Budget and Fiscal Control Act, the Board adopted Investment Policy and any other applicable special legislation.

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

Financial Policies

financing and use fund balance as a saving mechanism to provide for capital projects.

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

Debt Policy

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

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

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

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

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

Financial Policies

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.

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

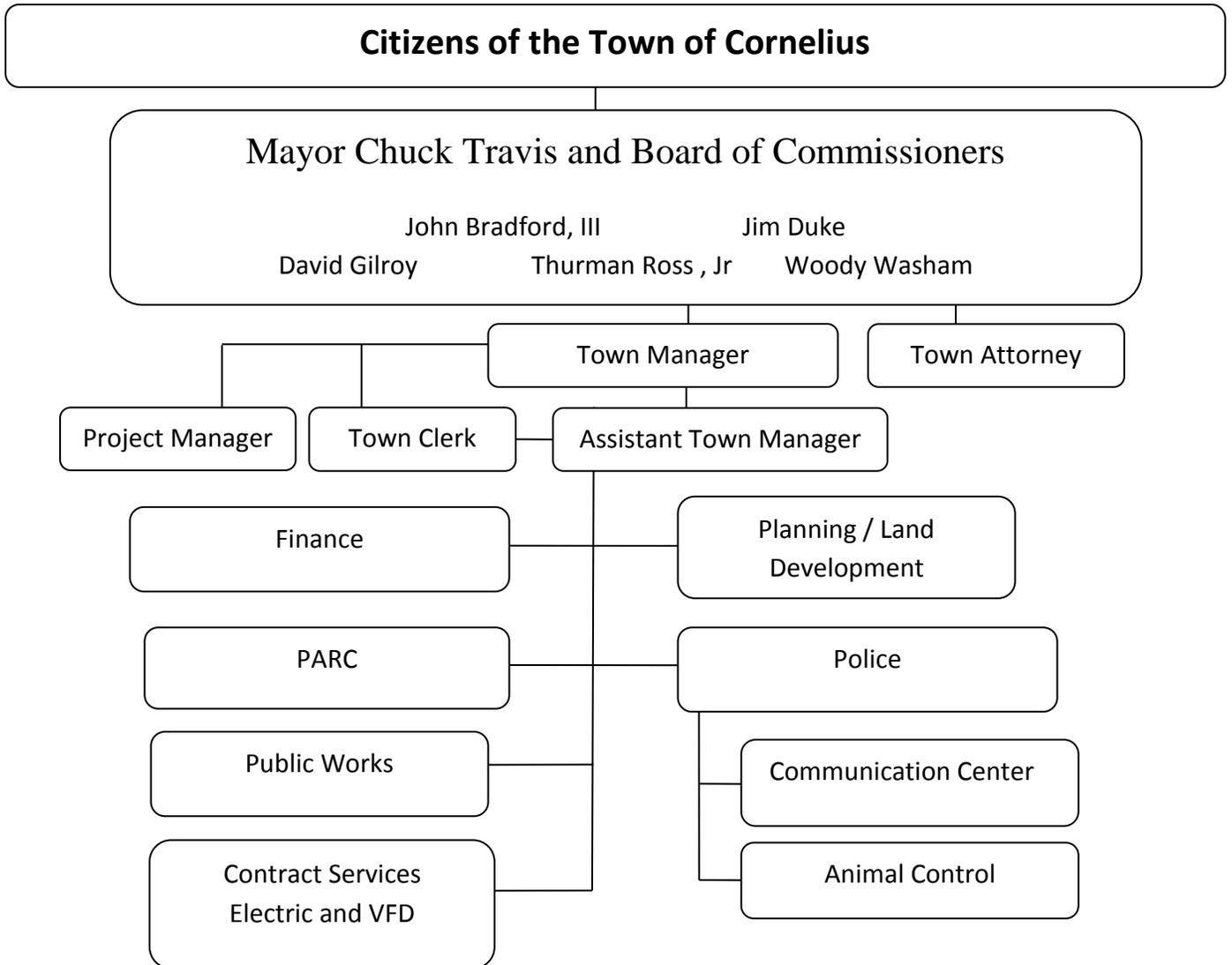
Capital Improvement Policy

The Town will continue to accumulate a list of committed projects and staff recommended capital improvements to be presented to the Board which will be reviewed and updated at least annually with the budget process. Since capital improvements involve large sums of capital and long-term commitments, each capital project will be carefully analyzed before it becomes a funded component of the program. The Town takes a systematic approach to capital improvement programming to ensure that any personnel services or operating costs affected by capital spending decisions are included in the appropriate operating budget. The Town will protect and maintain its capital investments in order to minimize replacement cost. A summary of CIP future requests is presented on page 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 some funding of which is planned to be used in the FY 2015 budget.

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. There will usually be differences between the forecasted and actual results because events and circumstances rarely occur as expected over a five year horizon, and such differences could be material.

Town of Cornelius, North Carolina Organizational Chart





***Town of Cornelius
Budget Calendar
For Fiscal Year 2014-2015***

Date	Description
November 15, 2013	Finance distributes CIP update materials
December 16, 2013	Department heads submit CIP requests
December 16, 2013	Town Board adopts Budget calendar
Saturday, January 18, 2014	Staff and Board hold workshop to discuss bond process
February 3, 2014	Staff submits proposed FY 2015 Goals to Finance Director
February 18, 2014	Manager finalizes Recommended CIP
February 21, 2014	Departments submit line item budget requests to Finance Director
February 28, 2014	Finance Director submits revenue estimates and anticipated tax rate
March 13- March 14, 2014	Board, Manager, and Staff workshop to discuss FY 2015 Budget and CIP
April 7 and April 21	Hold workshops with Board on FY 2015 Budget
May 5, 2014	Manager submits recommended FY 2015 Budget to Board and Citizens
May 19, 2014	Town Board holds public hearing and adopts budget

Bold = Board Action

Town of Cornelius
FY 2015 Budget
Total General Fund Revenue

Revenue Type	2012 Actual	2013 Actual	2014 Original Budget	2014 Estimated Year End	2015 Original Budget	FY 14 EYE vs 15 Budget	Percent Difference
Ad valorem taxes	12,479,964	11,944,763	11,326,874	11,279,533	11,997,551	718,019	6.4%
Other taxes	372,038	413,014	388,687	407,484	412,773	5,289	1.3%
Interest earnings	34,949	26,491	24,200	27,655	26,400	(1,255)	-4.5%
Miscellaneous revenues	543,719	253,129	119,913	201,714	135,700	(66,014)	-32.7%
Shared restricted revenues	708,968	763,972	693,875	923,306	707,337	(215,969)	-23.4%
Shared unrestricted revenues	4,639,236	4,827,140	4,652,392	4,647,279	4,640,572	(6,707)	-0.1%
Charges for svcs and fees	999,080	706,925	638,153	747,394	752,500	5,107	0.7%
Debt Issued	650,000	180,000	1,718,000	1,635,000	950,000	(685,000)	-41.9%
Transfers from other funds	-	-	-	5,528	-	(5,528)	-100.0%
Net use of fund balance	-	-	(23,853)	-	509,119	509,119	100.0%
Total Revenues	20,427,954	19,115,434	19,538,242	19,874,893	20,131,952	257,059	1.3%

Town of Cornelius
FY 2015 Budget
Total General Fund Expenditures

Department	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
Governing Board	67,826	65,463	69,332	69,332	69,332	-	0.0%
General Government	1,648,543	1,552,467	1,619,717	1,618,097	1,602,834	(15,264)	-0.9%
General Services	32,600	77,503	59,750	58,850	56,450	(2,400)	-4.1%
Police	4,465,007	4,771,585	4,785,481	5,001,244	5,115,646	114,402	2.3%
Communications	667,350	572,442	610,466	594,296	608,822	14,526	2.4%
Fire Protection	1,724,878	1,470,626	1,715,859	1,739,446	2,223,371	483,925	27.8%
Animal Control	156,886	157,871	161,635	182,072	169,682	(12,391)	-6.8%
Public Works	1,183,101	1,668,105	1,230,953	1,315,871	1,207,531	(108,340)	-8.2%
LNTC	89,094	88,461	90,000	90,000	90,000	-	0.0%
Powell Bill	354,760	870,195	435,000	433,875	1,215,000	781,125	180.0%
Solid Waste	1,785,473	1,889,356	1,998,003	1,964,374	2,039,374	75,000	3.8%
Stormwater	166,164	189,944	212,500	221,664	206,300	(15,364)	-6.9%
Planning & Land Dev.	560,610	498,291	530,514	528,620	528,624	4	0.0%
Tourism	442,963	623,834	561,230	553,874	526,127	(27,747)	-5.0%
Art Center	111,115	106,002	142,116	141,244	217,819	76,575	54.2%
PARC	1,346,329	1,278,723	2,521,471	2,493,515	1,409,902	(1,083,613)	-43.5%
Transfers	591,299	1,035,000	200,000	516,900	-	(516,900)	-100.0%
Debt Service	3,118,512	2,738,507	2,594,215	2,564,769	2,845,139	280,370	10.9%
Totals	18,512,510	19,654,375	19,538,241	20,088,043	20,131,952	43,908	0.2%

GENERAL FUND EXPENDITURE SUMMARY

Governing Body							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Personnel	53,201	51,483	55,332	55,332	55,332	-	0.0%
Operating	14,625	13,980	14,000	14,000	14,000	-	0.0%
Total	67,826	65,463	69,332	69,332	69,332	-	0.0%

General Government							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Personnel	1,028,851	997,558	1,129,400	1,085,983	1,116,917	30,934	2.8%
Operating	423,216	474,594	490,317	532,114	485,917	(46,197)	-8.7%
Capital	196,476	80,315	-	-	-	-	0.0%
Total	1,648,543	1,552,467	1,619,717	1,618,097	1,602,834	(15,264)	-0.9%

General Services							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Operating	32,600	77,503	59,750	58,850	56,450	(2,400)	-4.1%
Total	32,600	77,503	59,750	58,850	56,450	(2,400)	-4.1%

Police							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Personnel	3,448,993	3,614,852	3,777,050	3,725,572	3,844,639	119,067	3.2%
Operating	817,647	818,245	828,431	1,088,198	931,007	(157,191)	-14.4%
Capital	198,367	338,488	180,000	187,474	340,000	152,526	81.4%
Total	4,465,007	4,771,585	4,785,481	5,001,244	5,115,646	114,402	2.3%

Communications							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Personnel	638,250	538,738	569,623	560,035	575,084	15,049	2.7%
Operating	29,100	33,704	40,843	34,262	33,738	(524)	-1.5%
Total	667,350	572,442	610,466	594,296	608,822	14,526	2.4%

Fire Protection							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Operating	1,199,597	1,470,626	1,285,859	1,311,512	1,373,371	61,859	4.7%
Capital	525,281	-	430,000	427,934	850,000	422,066	98.6%
Total	1,724,878	1,470,626	1,715,859	1,739,446	2,223,371	483,925	27.8%

GENERAL FUND EXPENDITURE SUMMARY

Animal Control							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Personnel	97,598	104,505	104,286	109,217	112,318	3,100	2.8%
Operating	59,288	53,366	57,349	54,855	57,364	2,509	4.6%
Capital	-	-	-	18,000	-	(18,000)	-100.0%
Total	156,886	157,871	161,635	182,072	169,682	(12,391)	-6.8%
Public Works							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Personnel	441,741	516,808	379,696	375,264	386,417	11,153	3.0%
Operating	514,905	681,533	536,257	597,607	617,114	19,508	3.3%
Capital	226,455	469,764	315,000	343,000	204,000	(139,000)	-40.5%
Total	1,183,101	1,668,105	1,230,953	1,315,871	1,207,531	(108,340)	-8.2%
Lake Norman Transportation Commission							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Operating	89,094	88,461	90,000	90,000	90,000	-	0.0%
Total	89,094	88,461	90,000	90,000	90,000	-	0.0%
Powell Bill							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Operating	104,098	138,510	120,000	112,375	115,000	2,625	2.3%
Capital	250,662	731,685	315,000	321,500	1,100,000	778,500	242.1%
Total	354,760	870,195	435,000	433,875	1,215,000	781,125	180.0%
Solid Waste							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Operating	1,785,473	1,889,356	1,998,003	1,964,374	2,039,374	75,000	3.8%
Total	1,785,473	1,889,356	1,998,003	1,964,374	2,039,374	75,000	3.8%
Stormwater							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Operating	142,918	189,944	212,500	181,664	206,300	24,636	13.6%
Capital	23,246	-	-	40,000	-	(40,000)	0.0%
Total	166,164	189,944	212,500	221,664	206,300	(15,364)	-6.9%
Planning & Land Development							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Personnel	398,021	364,750	405,249	387,562	418,500	30,938	8.0%
Operating	162,589	133,541	125,265	141,058	110,124	(30,934)	-21.9%
Total	560,610	498,291	530,514	528,620	528,624	4	0.0%

GENERAL FUND EXPENDITURE SUMMARY

Tourism							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Operating	119,158	104,858	193,603	187,254	131,900	(55,354)	-29.6%
Contributions	323,805	349,473	367,627	366,620	394,227	27,607	7.5%
Capital	-	169,503	-	-	-	-	0.0%
Total	442,963	623,834	561,230	553,874	526,127	(27,747)	-5.0%

Art Center							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Personnel	17,410	15,254	24,221	23,962	82,209	58,247	243.1%
Operating	93,705	90,748	117,895	117,282	115,610	(1,672)	-1.4%
Capital	1	-	-	-	20,000	20,000	100.0%
Total	111,115	106,002	142,116	141,244	217,819	76,575	54.2%

Parks, Arts, Recreation and Culture							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Personnel	660,573	608,498	718,943	683,484	642,712	(40,771)	-6.0%
Operating	660,110	670,225	614,528	622,531	767,189	144,658	23.2%
Capital	25,646	-	1,188,000	1,187,500	-	(1,187,500)	-100.0%
Total	1,346,329	1,278,723	2,521,471	2,493,515	1,409,902	(1,083,613)	-43.5%

Debt Service							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Debt Service	3,118,512	2,738,507	2,594,215	2,564,769	2,845,139	280,370	10.9%
Total	3,118,512	2,738,507	2,594,215	2,564,769	2,845,139	280,370	10.9%

TOWNWIDE TOTALS							
	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End 2015 Budget Difference	Percent Difference
Personnel	6,784,638	6,812,446	7,163,800	7,006,411	7,234,129	227,718	3.3%
Operating	6,248,123	6,929,194	6,784,599	7,107,935	7,144,457	36,521	0.5%
Contributions	323,805	349,473	367,627	366,620	394,227	27,607	7.5%
Transfer/Reserve	591,299	1,035,000	200,000	516,900	-	(516,900)	-100.0%
Capital	1,446,133	1,789,755	2,428,000	2,525,408	2,514,000	(11,408)	-0.5%
Debt	3,118,512	2,738,507	2,594,215	2,564,769	2,845,139	280,370	10.9%
Total	18,512,510	19,654,375	19,538,241	20,088,043	20,131,952	43,908	0.2%

Revenue Assumptions

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

The following are some assumptions concerning revenues which are forecasted in the Town of Cornelius FY 2015 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 \$4,649,178,376. A collection rate of 97.8% is estimated based upon the Finance department estimate of FY 2014 collections, which are slightly higher based on improved vehicle collections associated with bills occurring on tag renewal notices. Mecklenburg County estimates that growth in the property tax base of approximately .8% will occur. This near 1% growth rate is net of tax refunds that have significantly impacted each year since the FY 2012 revaluation. The total assessed value referenced above includes real, personal, vehicle, and public service company values.

Automobile Tax and Fee

The Automobile Tax is actually comprised of two revenue accounts, both the ad valorem tax on vehicles and the \$10 auto fee. Automobile tax is calculated based on an average local fair market value as set by Mecklenburg County at the Board adopted property tax rate which is proposed at twenty four cents (\$.24) per one hundred dollars (\$100) of assessed valuation. Vehicle assessed valuations are comparable to prior year values, however collections have increased due to the NC DMV new collection method. These automobile related revenues are anticipated to decline due to FY 2014 having more than 12 months' worth of revenues related to the collection method changeover.

Penalties & Interest

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

Revenue Assumptions

OTHER TAXES AND LICENSES

Tourism Related Revenues The Town levies Occupancy tax, Prepared Food and Beverage Tax, and U Drive It tax as discussed in the Tourism Related Revenues section on page 35. These revenues are generally restricted to be spent in support of tourism activities. These revenues are particularly subject to fluctuations in consumer spending. These three revenue line items are estimated in aggregate within \$2,500 of prior year levels.

UNRESTRICTED INTERGOVERNMENTAL REVENUES

Utility Franchise Tax The State of NC operates as a collection agent on utility franchise taxes levied on the actual annual receipts from electric, local telephone (including cellular), and natural gas service within the Town limits. This revenue is highly sensitive to weather; cool summers and mild winters can dramatically affect these receipts. FY 15 represents utility franchise tax evolving into a sales tax levy based on utility billing. The state has instituted hold harmless provisions to prevent future revenues from falling below FY 2014 levels. FY 15 revenue is predicted to grow by 3%.

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 2014 estimated year end and FY 2015 budgeted revenue are \$105,000 each.

Local Sales Tax The State collects and distributes the proceeds from locally levied tax on retail sales. The receipts of sales tax peaked in 2008 at \$2.6 million. 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 has an impact. Sales tax distributions are expected at \$2.5 million for FY 2014 and are budgeted at \$2.44 million in FY 2015.

ABC Revenues The Town of Cornelius participates in revenue sharing in the profits from Mecklenburg County's alcoholic beverage control Board. Distributions are expected in the \$60,000 - \$70,000 range, as received in the prior 3 fiscal years.

Revenue Assumptions

RESTRICTED INTERGOVERNMENTAL REVENUES

Powell Bill	The Town of Cornelius receives an annual distribution from the North Carolina Department of Transportation of prior year gas tax receipts. Municipal Powell Bill distributions are based upon population and number of municipal street miles maintained. State collections of gas tax receipts, are down based on consumer fuel conservation measures following volatile fuel prices. This revenue source is subject to consumer reaction to spikes in fuel prices. The Town estimates flat Powell Bill distributions at exactly FY 2014 levels.
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. Budget amendments typically account for this revenue source during the fiscal year when grant notifications are received.

PERMITS AND FEES

Dispatch Center Fee	These fees are based upon a shared cost estimate of the FY 15 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 increase 5% in FY 2015.
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 to Cornelius. The FY 2015 budget represents a \$40,000 decrease over FY 15.

TOURISM RELATED REVENUES

Occupancy Tax	The Town of Cornelius receives monthly distributions of hotel/motel tax receipts from Mecklenburg County based on
---------------	---

Revenue Assumptions

receipts collected from Cornelius hoteliers. This revenue source varies year to year within a range of \$180,000 to \$225,000. 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 \$350,000.

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 \$148,000 in FY 2015.

DEPT FEES

Various departments, such as Police, Planning, and PARC charge various fees, such as building permit fees, sponsorship fees, and program participation fees. The Town has pet adoption related fees, false alarm fees, and reimbursements from CMS for resource officers. A fee schedule is updated annually near the timing of budget adoption for items such as changing electric charges for services. Additional fee revenue is represented by the reimbursements Cornelius receives 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 half of 1%. Therefore, this revenue source is not expected to generate more than \$30,000 in FY 2015.

Miscellaneous

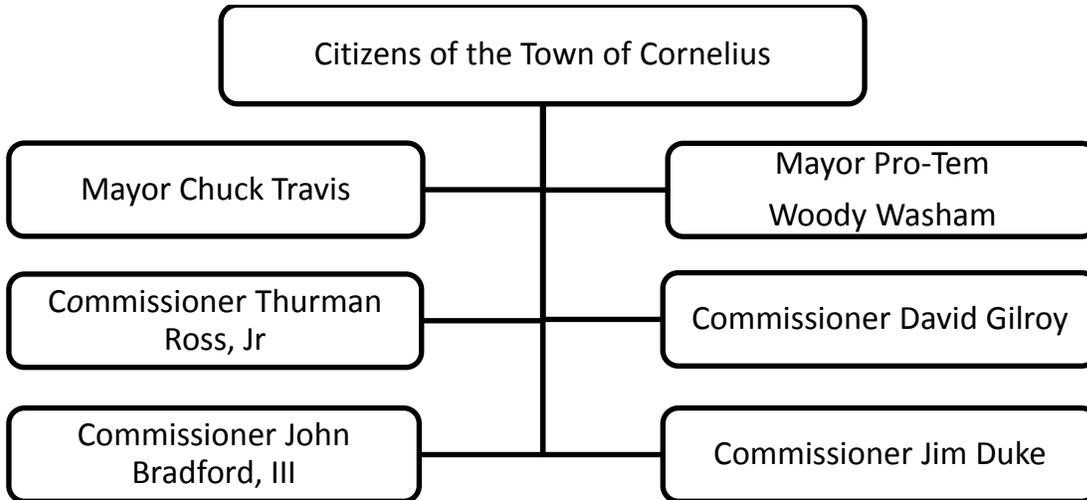
The Town has historically received minimal amounts of miscellaneous revenue budgeted at \$10,000 annually. Examples of miscellaneous revenues include donations, town hall rental fees, insurance proceeds and sale of used equipment.

Town of Cornelius
FY 2015 Budget
General Fund Revenue Line Item Detail

Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Estimated Year End	2015 Original Budget	FY 14 EYE vs 15 Budget	Percent Difference
Prior Year Taxes	95,490	10,050	92,000	(413,930)	25,000	438,930	106.0%
Current year taxes	11,388,214	10,947,958	10,161,369	10,511,791	10,912,551	400,760	3.8%
Motor Vehicle Tax	727,018	690,495	773,408	897,813	800,000	(97,813)	-10.9%
Vehicle Fee	206,190	248,855	225,096	227,298	210,000	(17,298)	-7.6%
Interest & Penalties	63,052	47,405	75,000	56,561	50,000	(6,561)	-11.6%
Local Sales Tax	2,427,774	2,594,177	2,372,946	2,489,983	2,440,184	(49,800)	-2.0%
Utility Franchise Tax	1,358,993	1,348,529	1,405,000	1,271,953	1,310,112	38,159	3.0%
Powell Bill Allocation	643,495	676,637	692,875	705,337	705,337	-	0.0%
Vehicle Rental Gross Recpts	48,138	50,171	50,625	51,393	51,400	7	0.0%
U Drive It Tax	142,053	140,600	144,062	146,902	148,000	1,098	0.7%
Prepared Food & Bev Tax	299,764	338,317	328,168	349,722	342,000	(7,722)	-2.2%
Occupancy Tax	181,847	222,243	194,000	209,189	213,373	4,184	2.0%
Beer & Wine Tax	108,249	103,646	110,077	105,000	105,000	-	0.0%
ABC Revenues	58,024	60,924	59,401	70,064	65,000	(5,064)	-7.2%
Int Earnings Streets	286		100	449	300	(149)	-33.2%
Stormwater Fees	369,353	365,510	360,000	345,995	363,276	17,281	5.0%
Solid waste disposal tax	17,079	16,037	16,800	14,561	15,000	439	3.0%
Arts & Science Grant	5,000	5,746	4,000	5,000	5,000	-	0.0%
NC DOT McDowell Grant	3,900	-	-	-	-	-	0.0%
Electricities Grants	4,000	-	-	5,500	-	(5,500)	-100.0%
Public Safety grants	57,573	13,036	-	10,461	-	(10,461)	-100.0%
Local Grant	-	25,201	-	-	-	-	0.0%
Planning Forestry Grant	-	21,000	-	-	-	-	0.0%
Police Revenue	107,630	104,410	100,000	105,134	105,000	(134)	-0.1%
False Alarm Registrations	-	6,390	-	58,748	50,000	(8,748)	-14.9%
Civil Penalties	2,153	2,704	1,000	1,000	500	(500)	-50.0%
Planning / Zoning Fees	42,736	53,825	40,100	46,356	42,000	(4,356)	-9.4%
MUMPO Grant	-	26,600	-	23,920	20,000	(3,920)	-16.4%
PARC Program Fees	354,401	385,189	376,554	384,377	406,000	21,624	5.6%
Art Center Revenues	40,647	53,764	47,300	43,726	44,000	275	0.6%
Int Earnings (General)	34,254	25,999	24,000	26,206	25,000	(1,206)	-4.6%
Int Earnings (Tourism)	409	492	100	1,000	1,100	100	10.0%
Town Hall Rental Fees	4,149	3,395	4,200	8,388	5,000	(3,388)	-40.4%
Electricities Admin Fees	32,161	68,324	45,000	68,000	68,000	-	0.0%
Animal Tag Fees	45,632	13,935	5,000	7,300	5,000	(2,300)	-31.5%
Sale of Property	11,712	26,872	-	-	-	-	0.0%
Insurance Proceeds	301,692	15,307	-	-	-	-	0.0%
Miscellaneous Revenues	752	11,288	1,000	5,000	1,000	(4,000)	-80.0%
Dispatch Center Fees	411,893	55,000	55,000	67,500	67,500	-	0.0%
Controlled Substance Tax	-	-	1,000	202,008	2,000	(200,008)	-99.0%
IRS BABS Fed Int Rate	6,335	4,650	3,913	4,400	4,200	(200)	-4.5%
Transfer from other funds	-	-	-	5,528	-	(5,528)	-100.0%
Donations	108,445	55,552	10,000	57,260	-	(57,260)	-100.0%
Transportation Fee Towns Share	67,461	67,103	65,000	63,000	65,000	2,000	3.2%
Debt Issued	650,000	180,000	1,718,000	1,635,000	950,000	(685,000)	-41.9%
Net use of Fund Balance	-	-	(23,853)	-	509,119	509,119	0.0%
Totals	20,427,954	19,115,434	19,538,242	19,874,893	20,131,952	257,059	1.3%

General Fund

Governing Board



Description

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

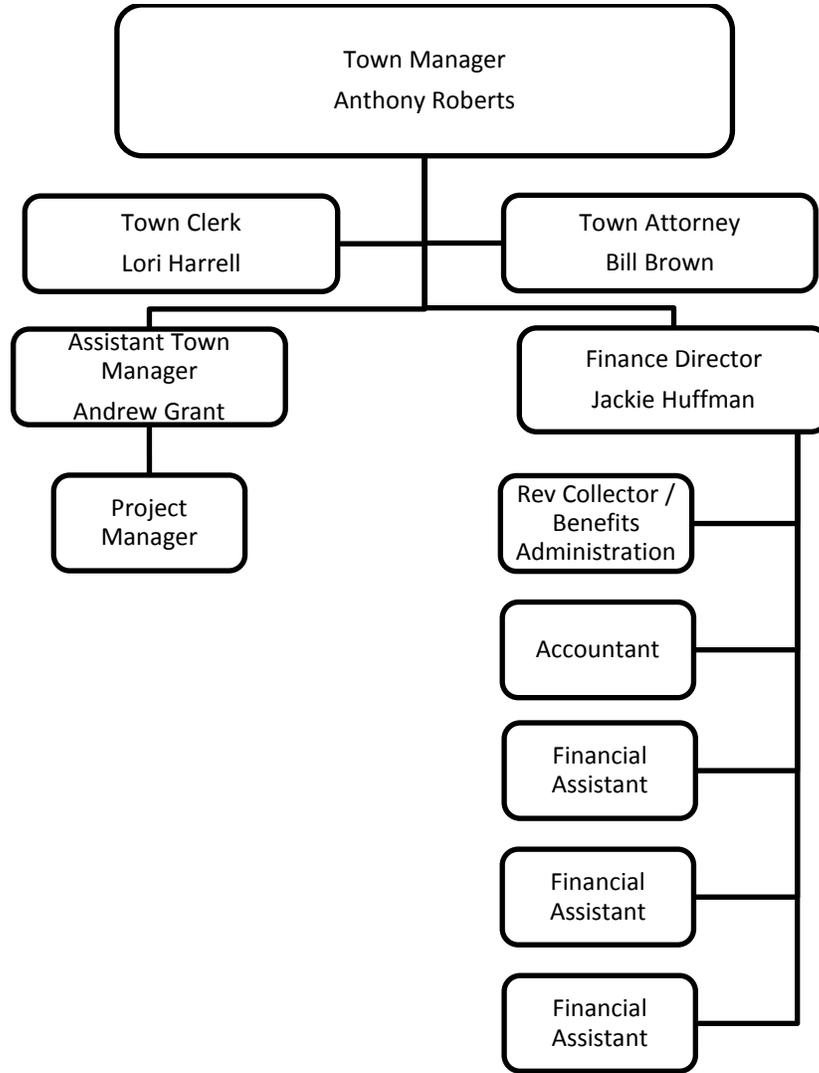
Governing Board Members

Position	FY 11	FY 12	FY 13	FY 14	FY 15
Mayor	1	1	1	1	1
Commissioner	5	5	5	5	5
Total Authorized Positions	6	6	6	6	6

**Governing Board
1004110**

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
4125	Elected Officials Fees	49,420	47,824	51,400	51,400	51,400	-	0.0%
4181	FICA	3,781	3,659	3,932	3,932	3,932	-	0.0%
4311	Travel & Training	1,281	3,021	1,500	2,022	1,800	(222)	-11.0%
4454	Insurance & Bond	299	226	1,000	226	500	274	121.2%
4499	Misc. Expenses	13,045	10,733	11,500	11,752	11,700	(52)	-0.4%
	Totals	67,826	65,463	69,332	69,332	69,332	-	0.0%

General Government



Description

The administrative operations of the Town of Cornelius are handled by the Town Manager who serves as the Chief Administrative Officer for the Town. The Town Manager directs the implementation of policy directives by the Board of Commissioners and oversees all other departments and functions. Administration functions include budgeting and finance, 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

Authorized Positions (in Full Time Equivalents-FTE)

Position	FY 11	FY 12	FY 13	FY 14	FY 15
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	3	3	3	3	3
Budget Analysis	0	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	0	0
Accountant	1	1	1	1	1
Total Authorized Positions	12	12	13	12	12

FY 2015 Goals and Objectives

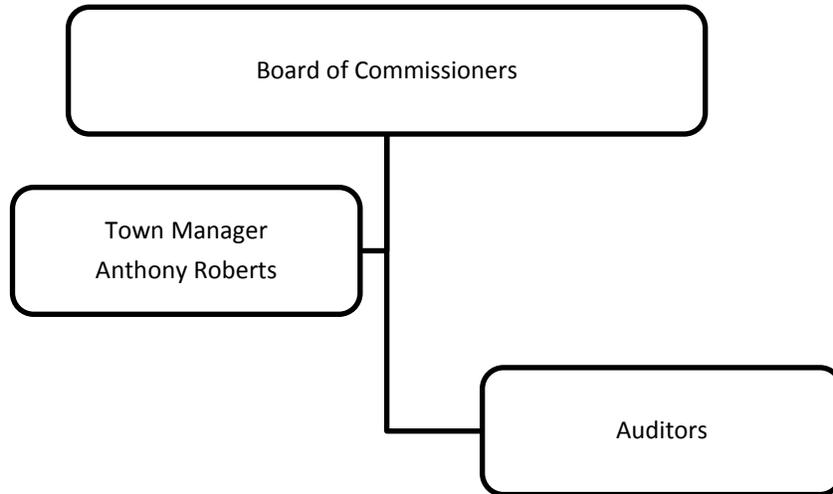
- ✓ Evaluate HR issues such as salary bands (\$0)
- ✓ Coordinate ratings and administration of new bond issue (\$0)
- ✓ Explore timekeeping alternatives (\$0)

**General Government
1004130**

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
4121	Salaries	799,411	768,958	869,273	833,296	856,955	23,659	2.8%
4126	Salaries Part-Time	-	1,033	2,496	525	600	75	14.3%
4134	Retirement 401K	38,154	39,160	43,464	41,665	42,848	1,183	2.8%
4181	FICA	55,875	56,226	66,690	63,787	65,603	1,816	2.8%
4182	Retirement	53,544	52,015	61,458	59,581	62,129	2,549	4.3%
4183	Insurance Benefits	81,867	80,166	86,020	82,625	84,277	1,652	2.0%
4185	State Unemployment	-	-	-	4,505	4,505	-	0.0%
4189	Employee Recognition	7,416	9,294	8,200	9,294	9,200	(94)	-1.0%
4190	Prof Serv: Payroll	16,696	12,304	13,248	12,000	13,000	1,000	8.3%
4199	Prof Serv: Misc.	146,336	116,518	76,272	101,649	96,000	(5,649)	-5.6%
4251	Motor Fuels	5,161	5,352	6,458	4,212	4,300	88	2.1%
4290	Departmental Supplies	18,000	17,517	14,106	14,676	14,000	(676)	-4.6%
4311	Travel and Training	11,070	15,701	22,413	20,500	20,800	300	1.5%
4321	Telecommunication	33,776	26,888	34,514	29,263	28,800	(463)	-1.6%
4325	Postage/Shipping	2,704	3,184	2,790	1,706	1,850	144	8.5%
4331	Utilities	35,017	32,169	39,907	34,037	36,000	1,963	5.8%
4341	Printing	-	1,285	1,850	6,465	2,500	(3,965)	-61.3%
4351	Building Maintenance	29,231	47,784	65,061	108,234	62,400	(45,834)	-42.3%
4353	Vehicle Maintenance	1,470	896	1,553	792	812	20	2.5%
4391	Advertising	4,322	1,581	2,400	3,927	2,500	(1,427)	-36.3%
4431	Copier Lease	6,406	5,488	4,500	5,208	5,500	292	5.6%
4432	Postage Lease	2,580	1,353	2,397	1,050	1,050	-	0.0%
4441	Software Maintenance	23,614	46,156	41,733	57,645	66,650	9,005	15.6%
4442	Network Maintenance	12,422	49,803	77,400	47,057	47,000	(57)	-0.1%
4444	Contract Serv/ Landscpg-TH	7,858	4,387	5,184	4,862	4,400	(462)	-9.5%
4451	Insurance and Bonds	13,341	26,233	25,094	18,644	19,017	373	2.0%
4491	Dues and Subscriptions	33,544	35,640	33,347	36,100	36,100	-	0.0%
4498	Bank Account Expense	3,965	3,168	2,834	3,038	3,038	-	0.0%
4499	Miscellaneous Expense	8,287	11,893	9,058	11,756	11,000	(756)	-6.4%
4540	Motor Vehicles	18,060	-	-	-	-	-	0.0%
4550	Other Equipment	-	80,315	-	-	-	-	0.0%
4580	Capital Outlay	178,416	-	-	-	-	-	0.0%
	Totals	1,648,543	1,552,467	1,619,717	1,618,097	1,602,834	(15,264)	-0.9%

General Fund

General Services



Description

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

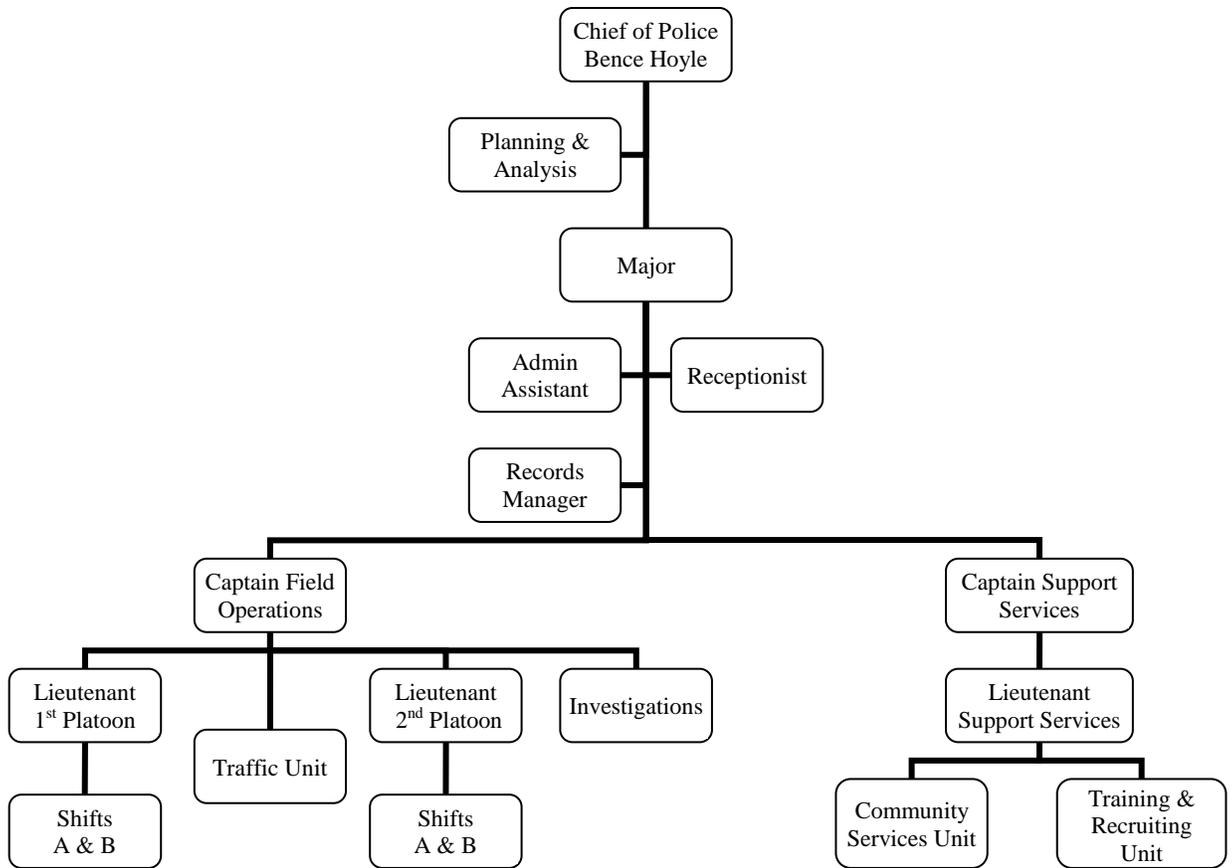
FY 2015 Work Plan

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

**General Services
1004190**

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
4191	Professional Svcs: Audit	27,400	23,838	26,750	23,850	24,950	1,100	4.6%
4192	Professional Svcs: Legal	2,500	-	5,000	8,500	5,000	(3,500)	-41.2%
4695	Contrib to Historical Comm	2,700	567	3,000	1,500	1,500	-	0.0%
4696	Contrib to Ada Jenkins	-	28,098	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%
4698	Contr Gilead Fire/Ad		10,000	-	-	-	-	0.0%
4990	Transfer to Greenway C		735,000	-	-	-	-	0.0%
4994	Transfer to Robbins		100,000	-	-	-	-	0.0%
4995	Transfers to various Capital Proj Funds	591,299	-	200,000	16,900	-	(16,900)	-100.0%
4998	Transfer to DDI CPO		200,000		500,000	-	(500,000)	-100.0%
4993	Reserved for future capital/ CRF		-	-	-	-	-	0.0%
	Totals	623,899	1,112,503	259,750	575,750	56,450	(519,300)	-90.2%

Police Department



Mission Statement

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

Core Values:

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

General Fund

Authorized Positions (in Full Time Equivalents-FTE)

Position	FY 11	FY 12	FY 13	FY 14	FY 15
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	6	6	6
Digital Specialist	0	0	1	1	1
Patrol Officer	30	30	29	29	29
Code Enforcement Officer	1	0	0	0	0
Clerk/Receptionist	1	1	1	1	1
Administrative Assistant	2	2	2	2	2
School Resource Officer	3*	3*	2*	2*	2*
Accreditation Manager/Planner	1	1	1	1	1
Records Manager	1	1	1	1	1
Total Authorized Positions	60	59	59	59	59

* Partially funded by Mecklenburg County

FY 15 Goals

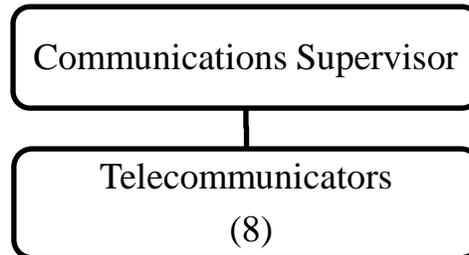
- ✓ Replace 8 desktop computers (\$8,600)
- ✓ Replace 10 mobile computers (\$19,000)
- ✓ Develop and implement Citizens on Patrol Program (\$0)

**Police Department
1014310**

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
1212	Controlled Substance Exps	33,002	39,482	5,000	199,778	2,000	(197,778)	-99.0%
4121	Salaries	2,527,743	2,632,577	2,734,790	2,683,414	2,771,937	88,522	3.3%
4126	Salaries Part-Time	24,788	23,327	25,631	21,297	21,297	-	0.0%
4131	LEO SSA	17,777	17,833	23,120	23,650	23,650	-	0.0%
4133	Retirement 401K	116,481	120,706	127,240	134,171	138,597	4,426	3.3%
4134	401K Non-Sworn	9,041	9,590	9,500	-	-	-	0.0%
4181	FICA	188,234	209,268	211,172	208,720	215,492	6,772	3.2%
4182	Retirement	179,203	176,230	193,350	201,524	212,053	10,529	5.2%
4183	Insurance Benefits	385,726	425,321	452,246	438,044	446,861	8,818	2.0%
4185	State Unemployment	-	-	-	14,753	14,753	-	0.0%
4199	Professional Services	82,592	76,673	82,640	85,639	85,639	-	0.0%
4212	Uniforms	19,657	22,647	19,243	22,968	22,968	-	0.0%
4251	Motor Fuels	153,766	153,478	178,422	163,478	167,278	3,800	2.3%
4260	Office Supplies	3,202	6,366	4,304	6,209	6,209	-	0.0%
4290	Departmental Supplies	73,356	58,170	33,873	55,112	82,712	27,600	50.1%
4311	Travel and Training	28,425	26,922	40,800	31,012	31,012	-	0.0%
4321	Telecommunications	35,730	36,955	36,266	37,054	37,054	-	0.0%
4325	Postage/Shipping	1,514	1,031	1,600	1,447	1,447	-	0.0%
4331	Electricity	32,748	35,698	35,758	35,897	37,333	1,436	4.0%
4334	Water	1,273	1,606	2,264	2,531	2,531	-	0.0%
4335	Sewer	1,010	906	939	934	934	-	0.0%
4336	Stormwater	603	552	740	711	711	-	0.0%
4351	Building Maintenance	72,461	38,817	45,800	38,988	38,988	-	0.0%
4352	Equipment Maintenance	2,516	3,646	6,235	5,063	5,063	-	0.0%
4353	Vehicle Maintenance	28,747	46,888	36,014	56,096	56,096	-	0.0%
4354	Radio Trunking Fees	55,344	59,316	84,000	68,822	73,295	4,473	6.5%
4375	Crime Prevention	5,425	3,208	4,326	3,406	3,406	-	0.0%
4378	DARE	3,768	-	2,423	-	-	-	0.0%
4431	Copier Lease	14,821	17,785	21,840	24,132	24,132	-	0.0%
4440	Contract Services	3,718	5,404	-	43,617	43,617	-	0.0%
4443	Copier Maintenance	-	-	-	-	-	-	0.0%
4444	Landscaping	-	-	6,021	6,074	6,074	-	0.0%
4451	Insurance and Bonds	147,345	147,943	154,487	163,896	167,174	3,278	2.0%
4491	Dues and Subscriptions	4,824	11,840	11,045	11,220	11,220	-	0.0%
4498	Bank Charges	-	1,147	-	5,350	5,350	(0)	0.0%
4499	Miscellaneous Expense	11,800	21,765	14,392	18,765	18,765	-	0.0%
4540	Capital Outlay	198,367	212,225	180,000	187,474	340,000	152,526	81.4%
4550	Other Equipment	-	126,263	-	-	-	-	0.0%
	Totals	4,465,007	4,771,585	4,785,481	5,001,244	5,115,646	114,402	2.3%

General Fund

Communications Department



Description

The mission of the Communications Center shall be to provide efficient, equitable, and professional emergency communications services to the residents and visitors of Cornelius and Davidson College. These services include public safety requests, animal control 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)

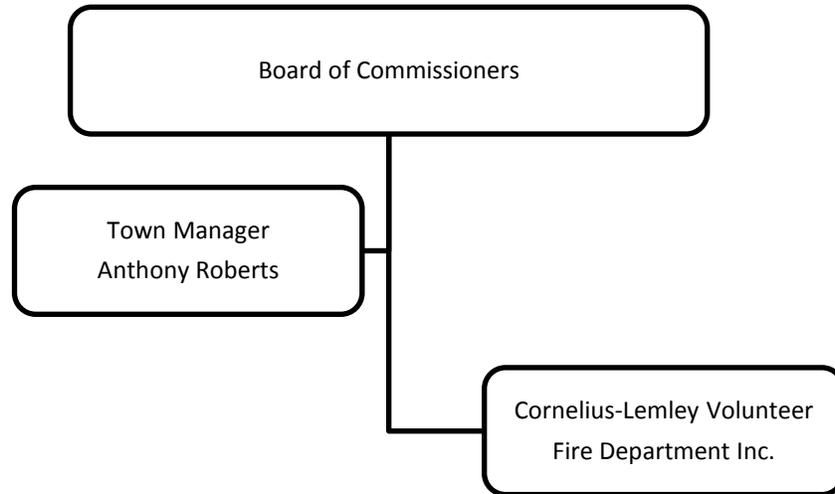
Position	FY 11	FY 12	FY 13	FY 14	FY 15
Supervisor	1	1	1	1	1
Telecommunicator	9	9	8	8	8
Communication Center Director	1	1	0	0	0
Information Technology Administrator	1	1	1	1	1
Total Authorized Positions	12	12	10	10	10

**Communications Department
1014325**

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
4121	Salaries	450,255	360,706	397,180	371,042	382,173	11,131	3.0%
4126	Salaries Part-Time	22,060	37,736	27,000	43,368	43,368	-	0.0%
4134	Retirement 401K	23,146	19,224	19,859	18,552	19,109	557	3.0%
4181	FICA	35,474	31,089	32,450	31,702	32,554	852	2.7%
4182	Retirement	32,237	26,867	28,081	26,529	27,708	1,178	4.4%
4183	Insurance Benefits	75,078	63,116	65,053	66,603	67,935	1,332	2.0%
4185	State Unemployment	-	-	-	2,238	2,238	-	0.0%
4199	Professional Services	-	12,828	18,131	13,836	13,400	(436)	-3.2%
4212	Uniforms	-	300	500	576	425	(151)	-26.2%
4251	Motor Fuels	274	-	-	-	-	-	0.0%
4260	Office Supplies	5,560	4,344	5,400	3,952	3,952	-	0.0%
4290	Department Supplies	78	2,994	480	3,000	3,000	-	0.0%
4311	Travel and Training	-	1,768	1,000	1,408	1,408	-	0.0%
4321	Telephone	7,354	7,773	9,320	7,586	7,586	-	0.0%
4332	Generator Fuel Oil	-	480	-	480	480	-	0.0%
4352	Equipment Maintenance	-	-	1,000	-	-	-	0.0%
4451	Insurance and Bonds	10,905	3,217	4,712	3,158	3,221	63	2.0%
4499	Miscellaneous	25	-	300	266	266	-	0.0%
4520	Capital Outlay	4,904	-	-	-	-	-	0.0%
	Totals	667,350	572,442	610,466	594,296	608,822	14,526	2.4%

General Fund

Fire Protection



Description

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

FY 2015 Goals

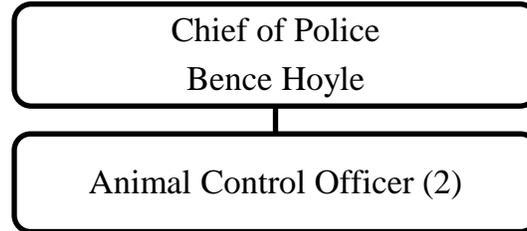
- ✓ Two additional personnel at station #1 to operate QRV per ICMA study (\$0)
- ✓ Uniform Expense Adjustment for 26 members (\$0)
- ✓ Replace gear older than 15 years and maintain a 10 year replacement schedule (\$20,000)
- ✓ From ICMA study, Community Risk and Vulnerability Study (\$0)
- ✓ Provide for increased worker's comp quote for FY 2014 (\$30,000)
- ✓ Radio user fees (\$28,000)

**Fire
1014340**

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
4321	Telecommunications	8,265	3,257	5,000	3,856	4,500	644	16.7%
4251	Motor Fuels	-	37,274	40,000	39,811	40,000	189	0.5%
4336	Fire Utilities	28,885	26,632	30,500	28,082	28,200	118	0.4%
4351	Building Maintenance	21,288	28,553	25,000	29,152	32,000	2,849	9.8%
4353	Vehicle Maintenance	108,411	199,255	-	-	-	-	0.0%
4444	Fire Stations landscaping	4,748	5,180	5,220	5,184	5,232	48	0.9%
4451	Insurance and Bonds	-	-	-	5,100	5,300	200	3.9%
4540	Fire Motor Vehicle Capital	525,281	-	430,000	427,934	850,000	422,066	98.6%
4699	Contribution to Fire Dept	1,028,000	1,170,475	1,180,139	1,200,328	1,258,139	57,811	4.8%
	Total	1,724,878	1,470,626	1,715,859	1,739,446	2,223,371	483,925	27.8%

General Fund

Animal Control



Description

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

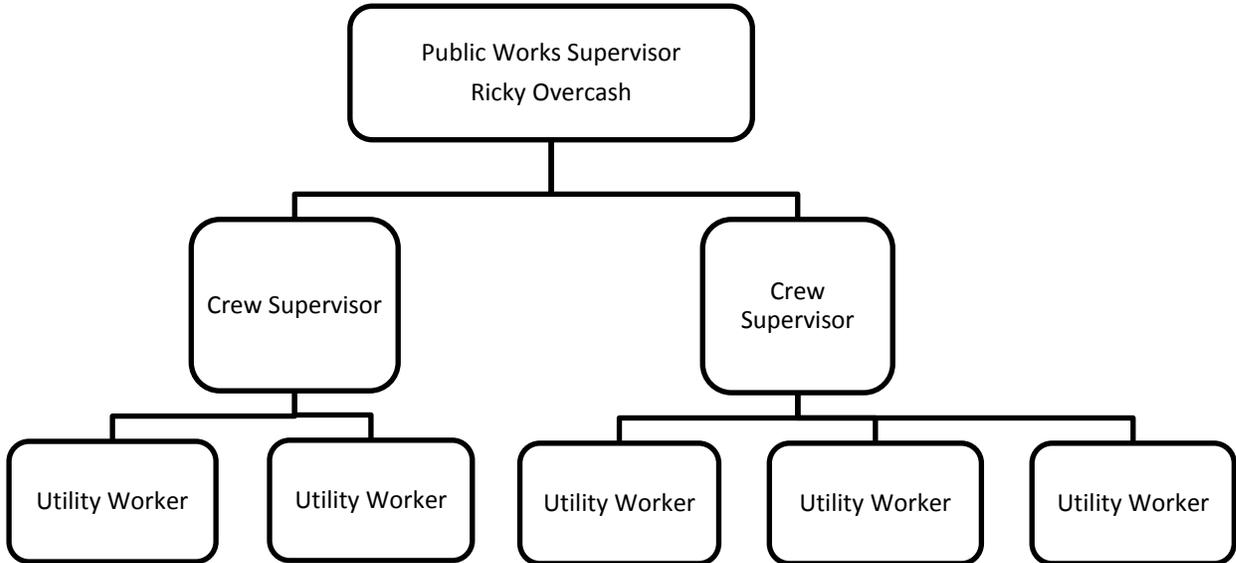
Authorized Positions (in Full Time Equivalents-FTE)

Position	FY 11	FY 12	FY 13	FY 14	FY 15
Animal Control Officer	2	2	2	2	2
Part-time Animal Control Officer	0	0	0	0	0
Total Authorized Positions	2	2	2	2	2

**Animal Control
1014380**

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
4121	Salaries	72,412	74,490	72,914	77,127	79,441	2,314	3.0%
4134	Retirement (401K)	3,580	3,683	3,646	3,856	3,972	116	3.0%
4181	FICA	5,096	5,260	5,578	5,900	6,077	177	3.0%
4182	Retirement	4,988	5,023	5,155	5,553	5,720	167	3.0%
4183	Insurance Benefits	11,522	16,049	16,993	16,364	16,691	327	2.0%
4185	State Unemployment	-	-	-	417	417	-	0.0%
4199	Prof Svcs	19,272	18,001	17,594	17,391	17,652	261	1.5%
4251	Motor Fuels	4,933	4,876	5,200	4,394	4,394	-	0.0%
4290	Department Supplies	6,517	4,415	7,800	11,103	11,103	-	0.0%
4321	Telecommunications	834	929	1,450	960	960	-	0.0%
4331	Electricity	6,515	6,706	8,340	7,200	7,200	-	0.0%
4334	Water	422	539	550	568	580	12	2.1%
4335	Sewer	780	984	980	1,016	1,050	34	3.3%
4336	Stormwater	201	210	235	192	192	-	0.0%
4351	Building Maintenance	10,724	12,369	10,328	7,832	9,842	2,010	25.7%
4353	Vehicle Maintenance	51	-	200	200	200	-	0.0%
4440	Contract svcs	6,999	1,665	2,000	1,548	1,540	(8)	-0.5%
4451	Insurance and Bonds	2,040	2,672	2,672	2,450	2,650	200	8.2%
4540	Capital outlay	-	-	-	18,000	-	(18,000)	-100.0%
	Totals	156,886	157,871	161,635	182,072	169,682	(12,391)	-6.8%

Public Works



Description

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

General Fund

Authorized Positions (in Full Time Equivalents-FTE)

Position	FY 11	FY 12	FY 13	FY 14	FY 15
Public Works Supervisor	1	1	1	1	1
Crew Supervisor	2	2	2	2	2
Administrative Assistant	1	1	1	0	0
Utility Worker	6	6	6	5	5
Total Authorized Positions	10	10	10	8	8

FY 2015 Goals and Objectives

- ✓ Manage sidewalk and paving construction projects (\$0)
- ✓ Bid and/or renegotiate solid waste contract and prepare for implementation (\$0)
- ✓ Improve leaf collection (\$15,000)

**Public Works
1024510**

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
4121	Salaries	323,916	387,821	270,242	258,345	266,095	7,750	3.0%
4126	Salaries - PT	-	-	-	6,945	7,500	555	8.0%
4134	Retirement 401K	15,980	16,447	13,512	12,917	13,305	388	3.0%
4181	FICA	23,541	24,670	20,674	20,295	20,930	635	3.1%
4182	Retirement	22,311	22,298	19,106	18,472	19,159	687	3.7%
4183	Insurance Benefits	55,993	65,572	56,162	56,858	57,995	1,137	2.0%
4185	State Unemployment	-	-	-	1,433	1,433	-	0.0%
4199	Professional services	-	78,500	-	23,898	25,148	1,250	5.2%
4194	Design fees	18,313	32,171	18,313	4,369	5,000	631	14.4%
4212	Uniforms	5,823	5,579	6,578	5,051	5,000	(51)	-1.0%
4241	Small Tools/ Equipment	5,321	1,414	2,588	2,244	2,144	(100)	-4.5%
4251	Motor Fuels	20,328	20,531	18,920	21,257	20,300	(957)	-4.5%
4290	Departmental Supplies	17,632	17,973	15,800	14,720	14,000	(720)	-4.9%
4311	Travel and Training	402	1,261	800	1,260	1,260	-	0.0%
4321	Telecommunications	5,022	4,784	4,985	5,238	4,700	(538)	-10.3%
4325	Postage	8	26	50	-	-	-	0.0%
4331	Utilities	6,281	7,032	8,000	7,000	7,000	-	0.0%
4337	Street Lights	281,426	306,723	288,455	298,000	305,000	7,000	2.3%
4351	Building Maintenance	2,733	2,878	3,000	2,946	2,946	-	0.0%
4352	Equipment Maintenance	9,526	13,153	8,000	13,771	11,000	(2,771)	-20.1%
4353	Vehicle Maintenance	8,927	14,212	15,000	17,018	16,500	(518)	-3.0%
4440	Contract Services	26,074	40,264	29,419	42,085	57,085	15,000	35.6%
4442	Network Maintenance	1,310	1,340	1,350	-	-	-	0.0%
4444	Contract Serv/ Landscaping	80,334	107,338	88,700	110,257	111,257	1,000	0.9%
4449	Landfill Fees	698	370	1,000	600	600	-	0.0%
4451	Insurance and Bonds	24,231	25,392	24,500	26,936	27,475	539	2.0%
4491	Dues and Subscriptions	516	592	800	747	600	(147)	-19.7%
4499	Miscellaneous		50	-	210	100	(110)	-52.4%
4540	Motor Vehicles		124,963	-	-	-	-	0.0%
4590	Oth cap improv	107,375	344,751	130,000	110,000	-	(110,000)	0.0%
4591	Capital Roads	119,080	-	185,000	233,000	204,000	(29,000)	-12.4%
	Totals	1,183,101	1,668,105	1,230,953	1,315,871	1,207,531	(108,340)	-8.2%

General Fund

Lake Norman Transportation Commission

Description

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 2015 Work Program

- ✓ 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**

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
4199	Professional svcs	80,011	82,968	80,000	80,000	80,000	-	0.0%
4290	Departmental supplies	2,551	504	3,000	3,400	3,200	(200)	-5.9%
4311	Travel	3,072	3,642	3,600	3,564	3,800	236	6.6%
4321	Telecommunications	900	816	1,400	836	824	(12)	-1.4%
4440	Contract Services	2,560	531	2,000	2,200	2,176	(24)	-1.1%
	Totals	89,094	88,461	90,000	90,000	90,000	-	0.0%

Powell Bill Fund

Street Improvements

Description

Street improvements for the Town of Cornelius are funded primarily through a state-shared gasoline tax known as “Powell Bill” funds. The Town utilizes these funds to maintain our (~95 miles) of streets, including resurfacing streets (\$600,000), repair existing sidewalks, and improve existing streets with bike paths and sidewalks (\$500,000).

FY 2015 Work Program

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

**Powell Bill
1024515**

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
4199	Professional Services	10,334	13,648	19,000	29,966	30,000	34	0.1%
4290	Departmental supplies	201	1,247	1,000	23,767	25,000	1,233	5.2%
4440	Contract services	93,563	123,615	100,000	58,643	60,000	1,357	2.3%
4590	Capital - Sidewalks	238,004	367,828	315,000	286,500	500,000	213,500	74.5%
4591	Capital - Street Improv	12,658	363,857	-	35,000	600,000	565,000	100.0%
	Totals	354,760	870,195	435,000	433,875	1,215,000	781,125	180.0%

General Fund

Solid Waste/Recycling

Description

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 9600 collection points.

FY 2015 Work Program

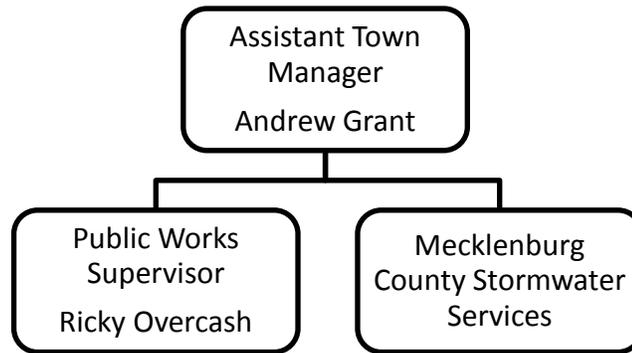
- ✓ Maintain current residential service levels for the increasing population, including once a week curbside garbage pickup and biweekly curbside recycling pickup.
- ✓ Town Staff will explore alternatives for solid waste collection services for FY 2016.

Solid Waste / Recycling
1034710

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
4439	Dumpsters	110,729	111,447	133,517	116,442	121,099	4,658	4.0%
4445	Hauling (Residential)	832,405	895,210	976,782	926,346	959,825	33,479	3.6%
4446	Yard Debris	486,291	499,937	490,310	529,439	550,617	21,178	4.0%
4448	Recycling	356,048	382,762	397,393	392,147	407,833	15,686	4.0%
	Totals	1,785,473	1,889,356	1,998,003	1,964,374	2,039,374	75,000	3.8%

Stormwater Fund

Stormwater Management



Description

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

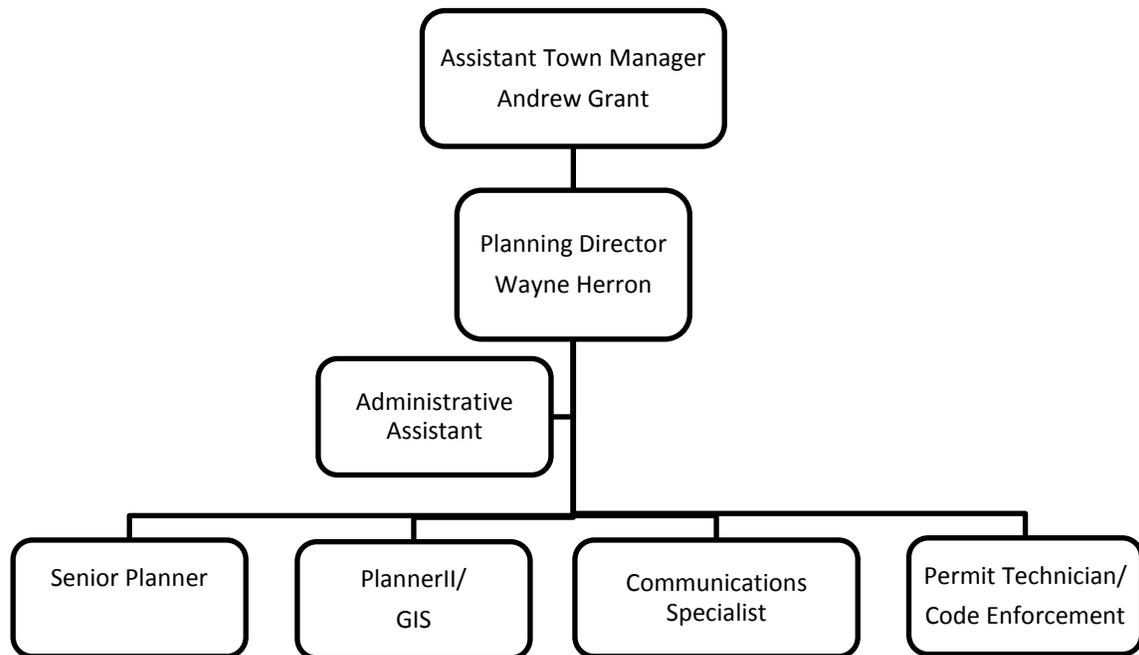
FY 2015 Work Program

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

**Stormwater
1034730**

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
4199	Professional Services	43,268	1,175	6,000	5,078	4,000	(1,078)	-21.2%
4290	Departmental Supplies	-	-	2,000	3,594	3,600	6	0.2%
4430	Equipment Rental	-	258	500	500	500	-	0.0%
4440	Contract Services	99,650	188,511	204,000	172,492	198,200	25,708	14.9%
4580	Capital - Other Improvs	23,246	-	-	40,000	-	(40,000)	0.0%
	Totals	166,164	189,944	212,500	221,664	206,300	(15,364)	-6.9%

Planning and Land Development Department



Mission Statement

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

General Fund

Authorized Positions (in Full Time Equivalents-FTE)

Position	FY 11	FY 12	FY 13	FY 14	FY 15
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	1	1	1	1
Administrative Assistant	1	1	1	1	1
Transportation Planner	1	0	0	0	0
Total Authorized Positions	6	6	6	6	6

Planning and Land Development Services

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

Planning Board Support Staff
Special Planning Projects

FY 2015 Goals and Objectives

- ✓ Update Land development Code (\$0)
- ✓ Implement UPWP Grant for Torrence Chapel/W. Catawba (\$18,000)
- ✓ Evaluate and Maintain our GIS System (\$21,000)

**Planning / Land Development
1044910**

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
4121	Salaries	286,250	255,238	287,656	283,092	291,585	8,493	3.0%
4126	Salaries Part-Time	7,055	12,480	10,335	1,200	21,000	19,800	1650.0%
4134	Retirement 401K	14,160	12,728	14,383	14,155	14,579	425	3.0%
4181	FICA	20,475	28,058	22,796	21,748	22,306	558	2.6%
4182	Retirement	19,722	12,982	20,337	20,241	20,994	753	3.7%
4183	Insurance Benefits	50,359	43,264	49,742	45,507	46,417	910	2.0%
4185	State Unemployment	-	-	-	1,619	1,619	-	0.0%
4194	Prof Serv: Design fees	115,405	76,614	72,000	80,800	50,000	(30,800)	-38.1%
4195	Prof Serv: GIS / Mapping	1,300	-	-	-	-	-	0.0%
4199	Prof Serv: Misc	340	-	-	25	100	75	300.0%
4251	Motor Fuels	832	734	900	765	765	-	0.0%
4290	Departmental Supplies	14,621	11,572	9,350	10,806	10,500	(306)	-2.8%
4311	Travel and Training	1,681	2,170	2,042	3,200	6,500	3,300	103.1%
4321	Telecommunications	1,771	2,001	1,815	1,750	1,750	-	0.0%
4325	Postage	1,641	5,329	3,200	5,246	5,246	-	0.0%
4341	Printing	0	0	1,000	0	0	-	0.0%
4353	Vehicle Maintenance	392	272	1,208	1,171	500	(671)	-57.3%
4391	Legal Advertising	3,032	5,901	4,800	5,419	5,673	254	4.7%
4431	Copier Lease	4,804	5,911	8,400	10,632	10,532	(100)	-0.9%
4440	Contract Services	10,639	16,410	13,800	14,686	12,000	(2,686)	-18.3%
4451	Insurance and Bonds	3,510	3,122	3,150	2,972	3,017	45	1.5%
4491	Dues and Subscriptions	1,414	2,041	1,980	2,080	2,080	-	0.0%
4498	Bank Charges	527	724	820	736	736	-	0.0%
4499	Miscellaneous Expense	680	740	800	770	725	(45)	-5.8%
	Totals	560,610	498,291	530,514	528,620	528,624	4	0.0%

Tourism Fund

Tourism and Community Promotion

Description

Tourism and Community Promotion are funded exclusively from proceeds generated by the Mecklenburg County Hotel/Motel Occupancy Tax, the Prepared Food and Beverage Tax, and special event revenues 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 2015 Work Program

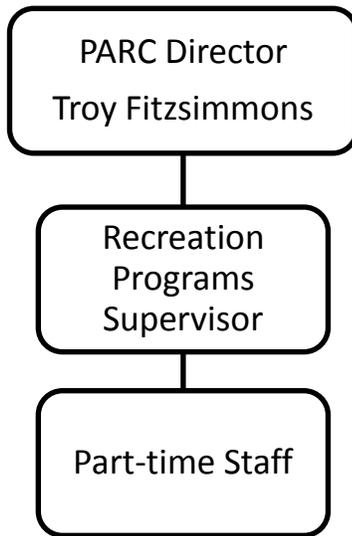
- ✓ Continue existing affiliated organizations funding and agreements, adhering to interlocal funding agreements and/or new directives as approved by the Town of Cornelius Board of Commissioners.

**Tourism
1044920**

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
4199	Prof svcs	-		68,000	60,000	-	(60,000)	-100.0%
4290	Departmental Supplies	9,000	2,650	15,000	14,000	14,000	-	0.0%
4311	Travel/Training	-	-	-	2,500	-	(2,500)	-100.0%
4376	Promotions	110,158	93,408	102,603	102,754	102,800	46	0.0%
4440	Contract Service	-	8,800	8,000	8,000	15,100	7,100	88.8%
4550	Capital Outlay	-	169,503	-	-	-	-	0.0%
4690	Brookwood pmt to H'ville	123,372	152,026	151,446	150,439	148,993	(1,446)	-1.0%
4691	VLN	54,322	51,335	60,571	60,571	73,339	12,768	21.1%
4692	VLN	70,261	70,262	79,760	79,760	96,045	16,285	20.4%
4694	Economic Development	75,850	75,850	75,850	75,850	75,850	-	0.0%
	Totals	442,963	623,834	561,230	553,874	526,127	(27,747)	-5.0%

General Fund

Cornelius Arts Center



Description

The Cornelius Arts Center division of the Parks, Art, Recreation and Culture Department is a newly created division that facilitates the Town's ongoing endeavor in the arts. 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 15 Goals

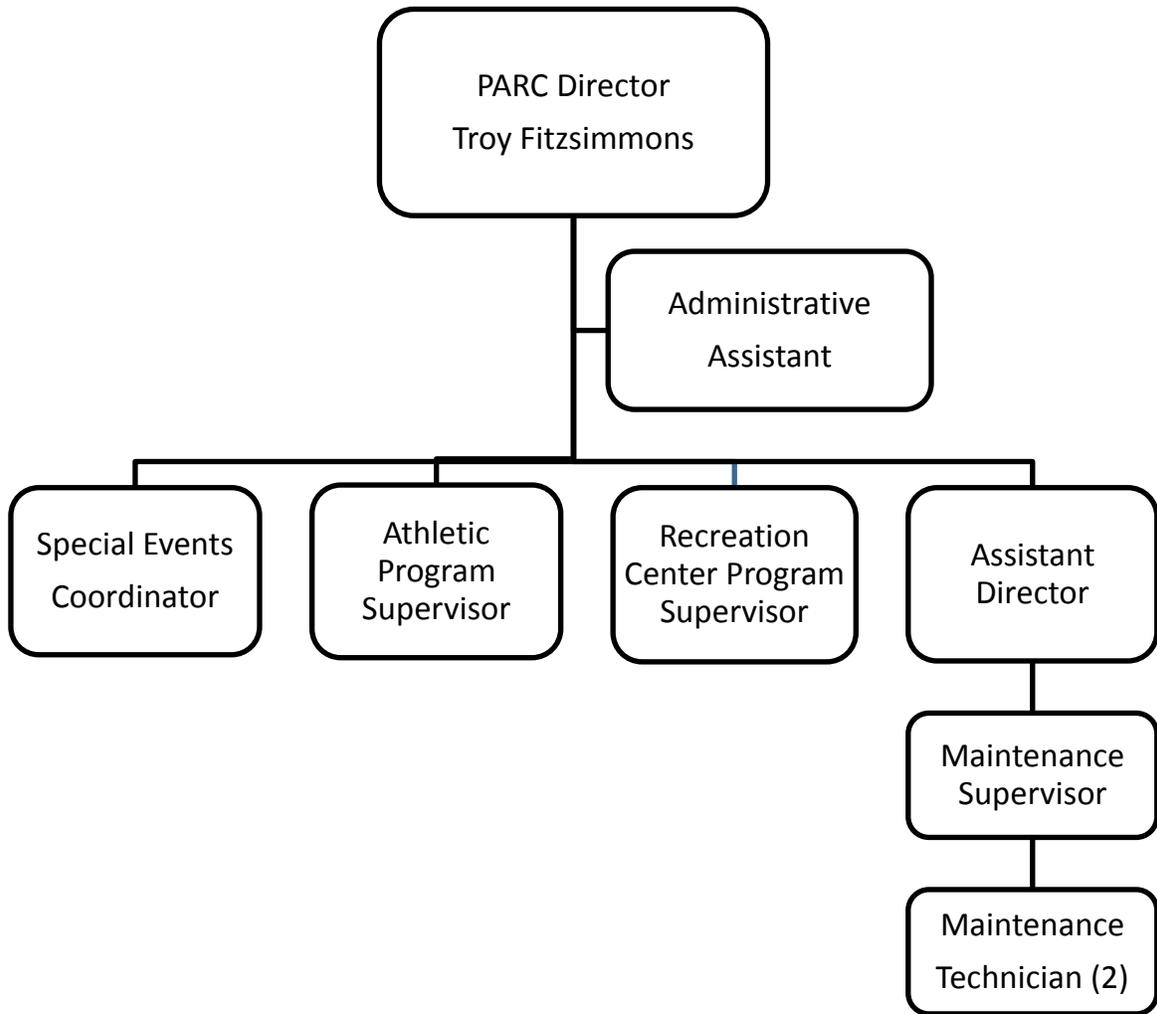
- ✓ Assume operations and management of ceramics studio (\$0)
- ✓ Pursue annual public art exhibition(s) (\$20,000)

Position	FY 11	FY 12	FY 13	FY 14	FY 15
Recreation Programs Supervisor	0	0	0	0	1
Total Authorized Positions	0	0	0	0	1

**Art Center
10406123**

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
4121	Salaries Full-time	-	-	-	-	42,848	42,848	100.0%
4126	Salaries Part-Time	16,306	14,156	22,500	22,143	23,000	857	3.9%
4134	Retirement 401k	-	-	-	-	2,142	2,142	100.0%
4181	FICA	1,104	1,098	1,721	1,694	5,037	3,343	197.4%
4182	Retirement	-	-	-	-	3,106	3,106	100.0%
4183	Insurance Benefits	-	-	-	-	5,950	5,950	100.0%
4185	State Unemployment	-	-	-	125	125	-	0.0%
4199	Professional Services	26,149	16,452	30,000	26,936	30,000	3,064	11.4%
4231	Program Supplies	-	882	6,501	13,246	7,200	(6,046)	-45.6%
4321	Telephones	3,358	5,020	960	1,646	1,750	104	6.3%
4331	Utilities	5,460	7,600	7,200	7,564	7,450	(114)	-1.5%
4351	Building Maintenance	6,707	9,141	8,100	5,802	6,000	198	3.4%
4375	Promotions/ Publicity	17,775	14,502	18,734	14,868	15,000	132	0.9%
4433	Building Rent	32,565	37,151	46,400	46,300	47,250	950	2.1%
4440	Contract Services	1,691	-	-	920	960	40	4.3%
4580	Capital other improv	-	-	-	-	20,000	20,000	100.0%
	Totals	111,115	106,002	142,116	141,244	217,819	76,575	54.2%

Parks, Arts, Recreation and Culture Department



Description

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

General Fund

Authorized Positions (in Full Time Equivalents-FTE)

Position	FY 11	FY 12	FY 13	FY 14	FY 15
PARC Director	1	1	1	1	1
Superintendent	1	1	1	1	1
Recreation Programs Supervisor	1	1	1	1	0
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	0	0	0	0
Total Authorized Positions	11	10	10	10	9

FY 2015 Goals and Objectives

- ✓ Complete a revision to the comprehensive parks and greenway master plan (\$30,000)
- ✓ Initiate park management of Robbins Park Phase II (\$25,600)
- ✓ Eliminate WAC tournaments to increase space available for CLNYAA (\$0)
- ✓ Hire Recreation Superintendent (\$0)

Parks, Arts, Recreation and Culture
1086121

Acct	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
4121	Salaries	392,126	350,851	430,183	416,413	386,057	(30,356)	-7.3%
4126	Salaries Part-Time	126,142	114,912	128,301	115,000	115,000	-	0.0%
4134	Retirement 401K	19,411	20,097	21,509	20,821	19,303	(1,518)	-7.3%
4181	FICA	39,293	41,405	42,724	40,653	38,331	(2,322)	-5.7%
4182	Retirement	27,835	26,705	30,414	29,773	27,989	(1,784)	-6.0%
4183	Insurance Benefits	55,766	54,528	65,812	57,942	53,151	(4,791)	-8.3%
4185	State Unemployment	-	-	-	2,882	2,882	-	0.0%
4199	Professional Services	1,271	2,061	1,860	954	30,954	30,000	3145.6%
4212	Uniforms	2,064	1,143	960	806	806	-	0.0%
4231	Program Supplies	99,022	94,346	86,500	87,196	86,000	(1,196)	-1.4%
4240	Building Supplies	7,938	8,742	4,772	6,688	6,688	-	0.0%
4251	Motor Fuels	5,862	6,069	6,232	4,930	4,930	-	0.0%
4290	Departmental Supplies	5,463	5,222	5,200	4,950	4,950	-	0.0%
4311	Travel and Training	6,298	2,339	6,289	3,330	3,330	-	0.0%
4321	Telecommunications	6,832	6,686	6,698	6,374	6,380	6	0.1%
4325	Postage	446	549	500	446	492	46	10.3%
4331	Utilities	95,627	99,305	98,373	95,450	99,495	4,045	4.2%
4351	Building Maintenance	20,645	23,018	-	-	100,000	100,000	100.0%
4352	Equipment Maintenance	1,098	1,900	1,140	2,244	2,244	-	0.0%
4353	Vehicle Maintenance	2,184	2,053	1,854	1,717	1,200	(517)	-30.1%
4375	Promotions / Publicity	2,882	974	1,400	800	800	-	0.0%
4379	Teen Council	1,268	3,409	4,850	1,500	1,500	-	0.0%
4431	Copier Lease	4,804	3,607	2,100	2,275	2,400	125	5.5%
4440	Contract Services	243,458	242,559	238,790	239,895	249,995	10,100	4.2%
4444	Landscaping	122,669	133,360	116,765	131,964	131,964	-	0.0%
4451	Insurance and Bonds	26,941	29,560	27,000	27,477	29,527	2,050	7.5%
4491	Dues and Subscriptions	947	1,118	961	1,176	1,176	-	0.0%
4498	Bank Charges	741	619	750	692	692	-	0.0%
4499	Miscellaneous Expense	1,650	1,586	1,534	1,666	1,666	-	0.0%
4570	Capital Outlay	25,646		1,188,000	1,187,500	-	(1,187,500)	-100.0%
	Totals	1,346,329	1,278,723	2,521,471	2,493,515	1,409,902	(1,083,613)	-43.5%

General Fund

Debt Service

Description

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

Long-Term Debt Payment Summary

- ✓ Principal payment 4 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 12 & 13 of 20 for Police Facility Installment Financing (\$1,750,000, 2.87% fixed, 10 yr, semi-annual payments)
- ✓ Payments 21 & 22 of 30 for road infrastructure improvements (\$4,700,000, 2.91% fixed, 15 yr, semi-annual payments)
- ✓ Payments 16 & 17 of 30 for parks improvements (\$829,500, 3.95% fixed, 15 yr, semi-annual payments)
- ✓ Payments 13 & 14 of 30 for fire station #1 improvements (\$3,000,000, 3.7% fixed, 15 yr, semi-annual payments)
- ✓ Payments 9 & 10 of 30 for Robbins Park Phase #1 improvements (\$1,300,000, 2.79% fixed, 15 yr, semi-annual payments)
- ✓ Payments 6 & 7 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 5 & 6 of 20 for Westmoreland Athletic Complex (\$1,650,000, 2.625% fixed, 10 yr, semi-annual payments)
- ✓ Payments 4 & 5 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 2015:

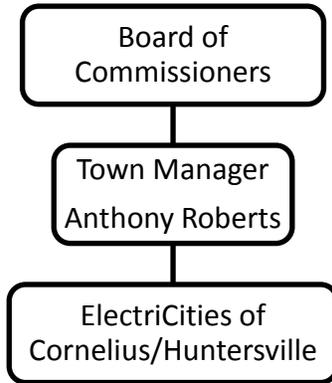
	<u>Principal</u>	<u>Debt Service</u>
Robbins Park (full year)	\$700,000	\$124,500
Fire air packs (full year)	\$400,000	\$94,000
Synthetic turf fields (full year)	\$1,000,000	\$195,643
Police vehicles (half year)	\$100,000	\$18,417
Fire ladder truck (half year)	\$850,000	\$57,375

Debt Service

Org	Object	Description	2012 Actual	2013 Actual	2014 Original Budget	2014 Est Yr End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
10009101	4700	Town Hall	666,667	666,667	-	-	-	-	0.0%
10009101	4701	Interest on Town Hall	36,662	15,729	-	-	-	-	0.0%
10009109	4700	Car lease	7,525	3,280	5,112	4,875	4,875	-	0.0%
10109106	4700	Lease Police Cars	176,285	107,550	62,989	66,783	92,325	25,542	38.2%
10109106	4701	Interest on Police Patrol Cars	7,133	4,740	5,367	4,966	5,441	475	9.6%
10109107	4700	Police Facility	174,500	174,500	175,000	415,625	220,950	(194,675)	-46.8%
10109107	4701	Interest on Police Facility	34,402	29,379	25,385	25,287	21,892	(3,395)	-13.4%
10109114	4700	Fire Equipment	331,388	102,418	105,698	105,797	117,208	11,411	10.8%
10109114	4701	Interest on Fire Equipment	9,287	7,778	6,499	7,599	6,288	(1,311)	-17.3%
10109115	4700	Fire Station #1	200,000	200,000	200,002	201,500	201,200	(300)	-0.1%
10109115	4701	Interest on Fire Station #1	79,550	72,171	66,350	71,735	59,550	(12,185)	-17.0%
10209108	4700	Street Improvements	527,620	527,620	529,190	529,020	528,920	(100)	0.0%
10209108	4701	Interest on Street Improvmnts	119,542	92,378	75,587	86,892	65,966	(20,926)	-24.1%
10209103	4700	St Sweeper	-	7,704	16,402	17,401	17,263	(138)	-0.8%
10209103	4701	Interest on St Sweeper	-	668	1,992	1,942	1,781	(161)	-8.3%
10809104	4710	Park Bonds	100,000	100,000	405,000	405,000	405,000	-	0.0%
10809104	4720	Interest on Park Bonds	64,150	60,150	59,150	63,750	46,550	(17,200)	-27.0%
10809105	4700	Parks Truck	2,020	4,092	4,313	4,563	14,685	10,122	221.8%
10809105	4701	Interest on Parks Truck	181	311	300	540	1,442	902	167.0%
10809112	4700	All Park Projects	55,300	55,300	57,300	56,500	56,400	(100)	-0.2%
10809112	4701	Interest on Park Projects	18,670	16,607	15,195	16,095	13,310	(2,785)	-17.3%
10809116	4700	WAC Robbins Park	411,667	411,667	411,867	411,666	413,867	2,201	0.5%
10809116	4701	Interest on WAC Robbins Park	95,963	77,798	67,747	67,233	60,291	(6,942)	-10.3%
		CIP	-	-	297,770	-	489,935	489,935	100.0%
		Totals	3,118,512	2,738,507	2,594,215	2,564,769	2,845,139	280,370	10.9%

Electric Fund

Electric Fund



Description

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

The NC Municipal Power Agency #1 suggests the Town's electric rates will increase, and therefore customers will face an average 4% increase in power cost during FY 2015. This budget will pass along this increased cost to customers by class (residential and commercial). Residential rates are expected to increase by 5.2%. Customers will also feel the impact of changes required by NC General Statutes to sales tax rates on electricity.

FY 2015 Goals and Objectives

- ✓ Zero vehicle accidents and personal injuries (\$0)
- ✓ Achieve continuity of electric service at least 99.988% (\$0)

Electric Fund

Revenues	2012 Actual	2013 Actual	2014 Original Budget	2014 Estimated Year End	2015 Original Budget	Diff 2014 Est Yr End 2015 Budget	Percent Difference
Charges for Electric	4,510,640	4,812,175	5,080,000	5,080,000	5,628,724	548,724	10.8%
Renewable Energy Charge	24,194	28,235	28,000	36,605	30,578	(6,027)	-16.5%
Street Lights	193,794	184,887	184,000	262,315	184,000	(78,315)	-29.9%
Reconnect Fees	23,480	29,409	32,000	40,317	32,000	(8,317)	-20.6%
Fees for New Services	25,525	30,250	28,000	35,789	28,000	(7,789)	-21.8%
Late Payment Charges	44,710	53,337	52,000	66,847	52,000	(14,847)	-22.2%
Interest Earned	620	1	-	-	-	-	0.0%
Rents	-	300	-	-	-	-	0.0%
Miscellaneous	22,714	17,756	10,000	15,392	10,000	(5,392)	-35.0%
Insurance Proceeds	220,215	7,302	-	-	-	-	0.0%
Totals	5,065,892	5,163,652	5,414,000	5,537,265	5,965,302	428,037	7.7%

Expenses	2012 Actual	2013 Actual	2014 Original Budget	2014 Estimated Year End	2015 Original Budget	Diff 2014 Est Yr End 2015 Budget	Percent Difference
Admin Fee	32,161	68,324	22,000	28,000	68,000	40,000	142.9%
Other Expenses	872,795	878,793	932,700	902,124	1,375,067	472,943	52.4%
Purchase for Resale	3,515,546	3,772,459	4,083,000	4,083,000	4,283,559	200,559	4.9%
Capital Outlay	-	52,099	45,000	36,459	-	(36,459)	-100.0%
Capital Expansion	525,265	143,117	224,000	248,789	184,000	(64,789)	-26.0%
Building Payment	52,946	51,166	54,300	29,018	42,420	13,402	46.2%
Debt Service	-	5,000	53,000	3,000	-	(3,000)	-100.0%
Reserve for future exps	-	-	-	-	12,256	12,256	100.0%
Totals	4,998,713	4,970,958	5,414,000	5,330,390	5,965,302	634,912	11.9%

911 Fund

Communication Center

Description

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

FY 2015 Work Program

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

911 Fund

Revenues	2012 Actual	2013 Actual	2014 Original Budget	2014 Estimated Year End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
911 Revenues	105,312	154,366	175,000	202,620	161,747	(40,873)	-20.2%
Interest Earned	1,748	2,078	750	1,220	1,000	(220)	-18.0%
Transfer from General	301,299	-	-	16,900	-	(16,900)	-100.0%
Totals	408,359	156,444	175,750	220,740	162,747	(57,993)	-26.3%

Expenses	2012 Actual	2013 Actual	2014 Original Budget	2014 Estimated Year End	2015 Original Budget	2014 Est Yr End vs 15 Budget	Percent Difference
Salaries	32,163	28,228	35,000	29,400	30,000	600	2.0%
Misc Services	63,179	40,461	84,000	59,167	65,000	5,833	9.9%
Dept Supplies	18,741	14,367	25,000	23,141	20,000	(3,141)	-13.6%
Communications	4,301	4,011	55,000	4,601	8,500	3,899	84.7%
Capital	500,855	22,283	10,000	4,440	20,000	15,560	350.5%
Reserve for future exps	-	-	-	-	19,247	19,247	0.0%
Totals	619,239	109,350	209,000	120,749	162,747	41,998	34.8%

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

	2012 Actual	2013 Actual	2014 Orig Budget	2014 EYE	2015 Orig Budget
Expenditures					
Personnel					
Electric reimbursements		68,324	80,375	80,375	80,375
Art Center / PARC revenue offset				23,837	24,760
PD DNC reimbursements				-	
CMS reimb for DARE & grant officers		104,410	100,000	105,134	105,000
Operating					
LN Trans Reimbursements	67,462	67,103	65,000	65,000	65,000
Drug expenditures				199,778	
False alarm fees				40,000	40,000
Capital					
Police Cars	103,350	103,625	100,000	100,000	100,000
Police grant				7,474	
Fire trucks & equip	525,650		430,000	427,934	850,000
Fire truck repairs	108,411	199,255		-	
sale of wayfinding sign ads					
Veteran's monument, donated porti	-		-		-
Public Works / PARC Truck	21,000	76,375	28,000	27,500	-
Synthetic turf fields			1,160,000	1,160,000	-
Donated An Shelter Capital				18,000	
Total Expenditure Adjustments	825,873	619,092	1,963,375	2,255,032	1,265,134
Revenues					
Other Financing Sources					
Debt Issued	650,000	180,000	1,718,000	1,715,434	950,000
Other Revenues:					
Animal Control Donations				18,000	
Reimbursements from Electric		68,324	80,375	80,375	80,375
Parc/art center revenue offset				23,837	24,760
Grant PD cars/ officers			100,000	7,474	-
False alarm revenue				40,000	40,000
Drug grant revenue				199,778	
CMS DARE officer		104,410	-	105,134	105,000
DNC reimbursements				-	
Insurance reimburse fire truck	301,691			-	
LN Trans Reimbursements	67,462	67,103	65,000	65,000	65,000
Total Revenue Adjustments	1,019,153	419,837	1,963,375	2,255,032	1,265,134
Net Adjustments	193,280	(199,255)	-	-	-

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

	2011	2012	2013	2014	2014	2015
	Actual	Actual	Actual	Orig Budget	Est Yr End	Orig Budget
Expenditures						
Personnel	6,805,012	6,784,638	6,639,712	6,983,425	6,797,065	7,023,994
Operating	6,221,847	6,072,250	6,662,836	6,719,599	6,803,157	7,039,457
Contributions Tourism	329,444	323,805	349,473	367,627	366,620	394,227
Reserve for W Catawba	-	-	-	-	-	-
Other transfers	1,990,103	591,299	1,035,000	200,000	516,900	-
Capital	1,057,036	796,133	1,609,755	710,000	784,500	1,564,000
Debt	2,689,922	3,118,512	2,738,507	2,594,215	2,564,769	2,845,139
Total expenditures	19,093,364	17,686,637	19,035,283	17,574,866	17,833,011	18,866,817
Debt % of total expenditures	14.09%	17.63%	14.39%	14.76%	14.38%	15.08%
Revenues						
Ad valorem taxes	10,895,057	12,273,774	11,944,763	11,282,380	11,279,533	11,997,551
Other revenue	6,801,766	7,138,379	6,750,834	6,316,340	6,340,328	6,360,148
Total revenue	17,696,823	19,412,153	18,695,597	17,598,720	17,619,861	18,357,699
Reconciling items	-	193,280	(199,255)	-	-	-
Contrib/(Use) of fund balance *	(1,396,541)	1,918,796	(538,941)	23,854	(213,150)	(509,119)
General Fund balance	9,629,759	11,548,555	11,009,614		10,796,464	10,287,345
Capital Reserve	2,318,105	2,328,294	2,338,101		2,347,101	554,101
Total available funds	11,947,864	13,876,849	13,347,715		13,143,565	10,841,446

General fund	40,818
Tourism	(40,574)
Powell Bill	(509,363)

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
2015-2019 Capital Improvement Plan Summary
March 3, 2014

CMP Strat #	CMP GP #	DEPT	DESCRIPTION	Funds Source	2015	Bonds/Debt	Fund Balance	2016	2017	2018	2019	Future	Total
23	4	Parks	Robbins Park (net of PARTF \$300k) **	Debt	700,000	124,500		-	-	-	2,200,000	2,200,000	5,100,000
23	4	Parks	Synthetic turf fields	Debt	1,100,000	195,643							1,100,000
		Pub Works	Street bonds	Bonds	5,030,000	-	-	-	-	-	-	-	5,030,000
12	4	Pub Works	Northcross Dr Ext, town match (excludes ROW)	Bonds	2,518,000		118,000	-	-	-	-	-	2,518,000
16	2	Parks	McDowell Creek Greenway Phase II (3)	Bonds	1,320,000			-	-	-	-	-	1,320,000
16	2	Parks	South Bailey Road Greenway (2)	Bonds	650,000			-	-	-	-	-	650,000
16	2	Parks	Antiquity Greenway (1)	Bonds	600,000			-	-	-	-	-	600,000
17	1	Pub Works	Diverging diamond	Fund Bal	1,793,000	-	1,793,000	545,000	-	-	-	-	2,338,000
23	4	Pub Works	Road resurfacing	Fund Bal	600,000	-	600,000	-	600,000	-	600,000	-	1,800,000
15	1	Pub Works	Sidewalk	Fund Bal	500,000	-	500,000	400,000	300,000	100,000	100,000	100,000	1,500,000
23	4	Fire	Ladder (Tiller) replacement Station #1	debt	850,000	114,750		-	-	-	-	-	850,000
23	4	Police	Vehicle replace program	Debt/FB	180,000	36,833	80,000	220,000	220,000	220,000	220,000	220,000	1,280,000
14	2	Pub Works	Hwy 21/Catawba Ave. Intersection Improvement	Fund Bal	86,000	-	86,000	300,000	208,000	-	-	-	594,000
23	4	Police	Second floor revitalization	Fund Bal	60,000	-	60,000	-	-	-	-	-	60,000
23	4	Police	Video surveillance	Fund Bal	50,000	-	50,000	50,000	50,000	50,000	50,000	50,000	300,000
23	4	Police	Fiber Optic Expansion	Fund Bal	50,000	-	50,000	50,000	50,000	50,000	50,000	250,000	500,000
10	2	Parks	Art exhibits	Fund Bal	20,000	-	20,000	-	-	-	-	-	20,000
23	4	Pub Works	Stream restoration town match (Willow Pond)		-	-	-	28,000	160,000	236,000	-	-	424,000
23	4	Parks	Spray Park	Fund Bal	-	-	-	-	500,000	-	-	-	500,000
17	1	Pub Works	I-77 Noise Wall Aesthetics	Fund Bal	-	-	-	-	220,000	-	-	-	220,000
10	1,2	Parks	Community/Art Center	Debt	-	-	-	-	-	980,000	2,262,000	-	3,242,000
23	4	Parks	Synthetic turf football fields	Debt	-	-	-	-	-	750,000	-	-	750,000
16	2	Parks	Coachmans Wood/Smithville Greenway (4)	Bonds	-	-	-	-	-	290,000	780,000	-	1,070,000
16	2	Parks	JV Washam ES/Coachman's Woods Greenway (5)	Bonds	-	-	-	-	-	165,000	500,000	-	665,000
24	7	Pub Works	West Catawba Phase 2 (local commitment)	Fund Bal	-	-	-	-	-	-	1,200,000	-	1,200,000
23	4	Parks	Synthetic turf multi-purpose field	Debt	-	-	-	-	-	-	850,000	-	850,000
23	4	Fire	Engine #3 replacement	Debt	-	-	-	-	-	-	625,000	-	625,000
24	7	Pub Works	West Catawba Phase 2 B *		-	-	-	-	-	-	700,000	700,000	1,400,000
24	7	Pub Works	West Catawba Phase 2 A *		-	-	-	-	-	-	615,000	615,000	1,230,000
18	1	Planning	Transit infrastructure	Future	-	-	-	-	-	-	-	4,000,000	4,000,000
23,6	4	Parks	Lake Norman Waterfront Park	Future	-	-	-	-	-	-	-	2,500,000	2,500,000
23	4	Fire	Station #3	Future	-	-	-	-	-	-	-	2,000,000	2,000,000
23	4	Fire	Training center/Land	Future	-	-	-	-	-	-	-	1,350,000	1,350,000
23	4	Parks	Neighborhood park development	Debt	-	-	-	-	-	-	-	1,350,000	1,350,000
23	4	Pub Works	Facility (building)	Future	-	-	-	-	-	-	-	1,000,000	1,000,000
12	4	Pub Works	Knox Road - final phase	Future	-	-	-	-	-	-	-	815,000	815,000
23	4	Parks	Skate Park	Future	-	-	-	-	-	-	-	500,000	500,000
23	4	Police	Substation (lease / purchase)	Future	-	-	-	-	-	-	-	300,000	300,000
23	4	Pub Works	Leaf Truck	Future	-	-	-	-	-	-	-	150,000	150,000
23	4	Pub Works	Stream restoration town match (Coachman Wood)		-	-	-	-	-	-	-	142,000	142,000
					16,107,000	471,726	3,357,000	1,593,000	2,308,000	2,841,000	10,752,000	18,242,000	51,843,000

82

= propose in initial bond issue
 Committed projects

TOWN OF CORNELIUS, NORTH CAROLINA
GENERAL FUND LONG-TERM FINANCIAL PLAN
AS OF MAY 2, 2014

	<u>FY 2013 Actual</u>	<u>FY 2014 EYE</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Beginning Fund Balance	13,876,850	13,347,716	13,143,566	10,841,446	9,483,297	7,807,721	7,938,547
Revenues:							
Property tax	11,944,763	11,279,533	11,997,551	12,233,202	12,533,657	14,036,533	14,900,379
Sales tax	2,594,177	2,489,983	2,440,183	2,476,786	2,513,938	2,564,217	2,615,501
Franchise tax	1,358,993	1,271,953	1,310,112	1,336,314	1,376,403	1,403,931	1,446,049
Powell Bill allocation	676,636	705,337	705,337	719,444	733,833	748,509	763,479
All others	1,931,580	1,922,055	1,904,516	1,942,607	1,977,573	2,007,237	2,037,346
Total Revenues	18,506,149	17,668,861	18,357,699	18,708,352	19,135,404	20,760,427	21,762,754
Expenditures:							
Personnel	6,639,712	6,797,065	7,023,996	7,269,836	7,524,280	7,674,766	7,847,448
Operating	7,012,309	7,209,777	7,433,684	7,731,031	8,040,273	8,201,078	8,447,110
Prelim Add Est op Art C	-	-	-	-	-	-	-
Debt service	2,738,507	2,564,769	2,845,139	2,505,992	1,952,757	1,553,636	1,089,233
Capital (prev & Pub W)	731,685	361,500	1,100,000	400,000	900,000	100,000	700,000
Capital fund balance	1,913,070	939,900	2,257,000	1,073,000	1,288,000	1,871,000	1,400,000
REFUNDS	-	-	-	-	-	-	-
New debt svc	-	-	-	1,086,642	1,105,670	1,229,122	2,369,617
Other	-	-	-	-	-	-	-
Total Expenditures	19,035,283	17,873,011	20,659,819	20,066,501	20,810,980	20,629,601	21,853,408
Net	(529,134)	(204,150)	(2,302,120)	(1,358,149)	(1,675,576)	130,826	(90,655)
Ending Fund Bal	13,347,716	13,143,566	10,841,446	9,483,297	7,807,721	7,938,547	7,847,892
Capital Reserve	-	-	-	-	-	-	-
Total Balances	13,347,716	13,143,566	10,841,446	9,483,297	7,807,721	7,938,547	7,847,892
End Bal as % of Exps	70%	74%	52%	47%	38%	38%	36%

TOWN OF CORNELIUS, NORTH CAROLINA
GENERAL FUND LONG-TERM FINANCIAL PLAN
AS OF MAY 2, 2014

	<u>FY 2013 Actual</u>	<u>FY 2014 EYE</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>	<u>FY 2019</u>
Tax Assumptions:							
Value	4,921,074,400	4,709,363,219	4,951,026,974	5,019,832,386	5,120,229,034	5,248,234,760	5,888,519,400
% increase growth			1.39%	2.0%	2.5%	2.0%	2.0%
% Change reval	0%		0%	0%	0%	10%	0%
Collection rate	97.9%	97.9%	97.8%	97.8%	97.8%	97.8%	97.8%
Rate	0.24	0.24	0.24	0.24	0.24	0.24	0.25
Tax produced	11,564,919	11,067,380	11,782,551	12,018,202	12,318,657	13,821,533	14,685,379
Revenue assumptions:							
Sales tax			-2.0%	1.5%	1.5%	2.0%	2.0%
Franchise tax			3.0%	2.0%	3.0%	2.0%	3.0%
Powell Bill			0.0%	2.0%	2.0%	2.0%	2.0%
Other			-0.9%	2.0%	1.8%	1.5%	1.5%
Expense assumptions:							
Personnel			3.4%	3.5%	3.50%	2.00%	2.25%
Operating			2.00%	4.00%	4.00%	2.00%	3.00%
PW Capital				0%	0%	0%	0%
Debt issuance variable:							
Beginning Debt O/S	12,824,723	11,363,921	11,021,385	19,496,991	16,697,226	14,351,075	12,909,396
Principal retired	(2,340,802)	(2,060,536)	(2,356,061)	(2,261,431)	(1,767,818)	(1,499,536)	(1,053,433)
Principal issued	880,000	1,718,000	10,950,000	120,000	120,000	870,000	11,145,000
Princ on new debt	-	-	(118,333)	(658,333)	(698,333)	(812,143)	(1,457,143)
Ending Debt O/S	11,363,921	11,021,385	19,496,991	16,697,226	14,351,075	12,909,396	21,543,820

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.