



Town of Cornelius
FY 27
(July 1, 2026 – June 30, 2027)

Manager's Recommended Budget

May 4, 2026

Vision Statement

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

Organizational Mission:

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

Summary

Manager's Recommended Budget

➤ Service Levels

- Addresses degraded Police Dept. service levels with goal to **fill historically high Police Officer vacancies & retain Officers** so that service levels can return to baseline and prevent further lowering of service levels
- Addresses service levels for Fire Dept. and 911 Telecommunications by focusing on **recruitment and retention of Firefighters and Telecommunicators**
- Addresses **Parks priorities** identified by the 2024 Parks Master Plan and supported by citizens in the 2024 Parks Bond Referendum
- Manager's Recommended Budget generally maintains current service levels across all other departments and allows the Town to focus on and address.....
 - Citizen Priorities identified in the citizen budget survey
 - Critical Needs in order to continue to provide quality services to our community

Summary

Manager's Recommended Budget

- Recommended Property Tax Rate is 19.31 cents
 - 2 penny (11.6%) increase
 - 0.7 pennies for Park Bonds
 - 1.3 pennies for Public Safety (Police, Fire, 911 Telecommunications)
 - Other revenues projected to have little to no growth, placing more pressure on the property tax rate
 - Typical (historical) trend of natural revenue growth not projected for next year
 - Decline in sales tax in current fiscal year.
- PAVE Act Sales Tax
 - Utilizing new (restricted) road sales tax revenue to fund debt service on Road Bonds
- Recommended budget does not include originally proposed FY27 expenditures (\$1.1M+)
 - Due to the valid nature of these expenditures, most will need to be funded in future years

**Manager's Recommended
Budget Funds Citizen
Priorities....**

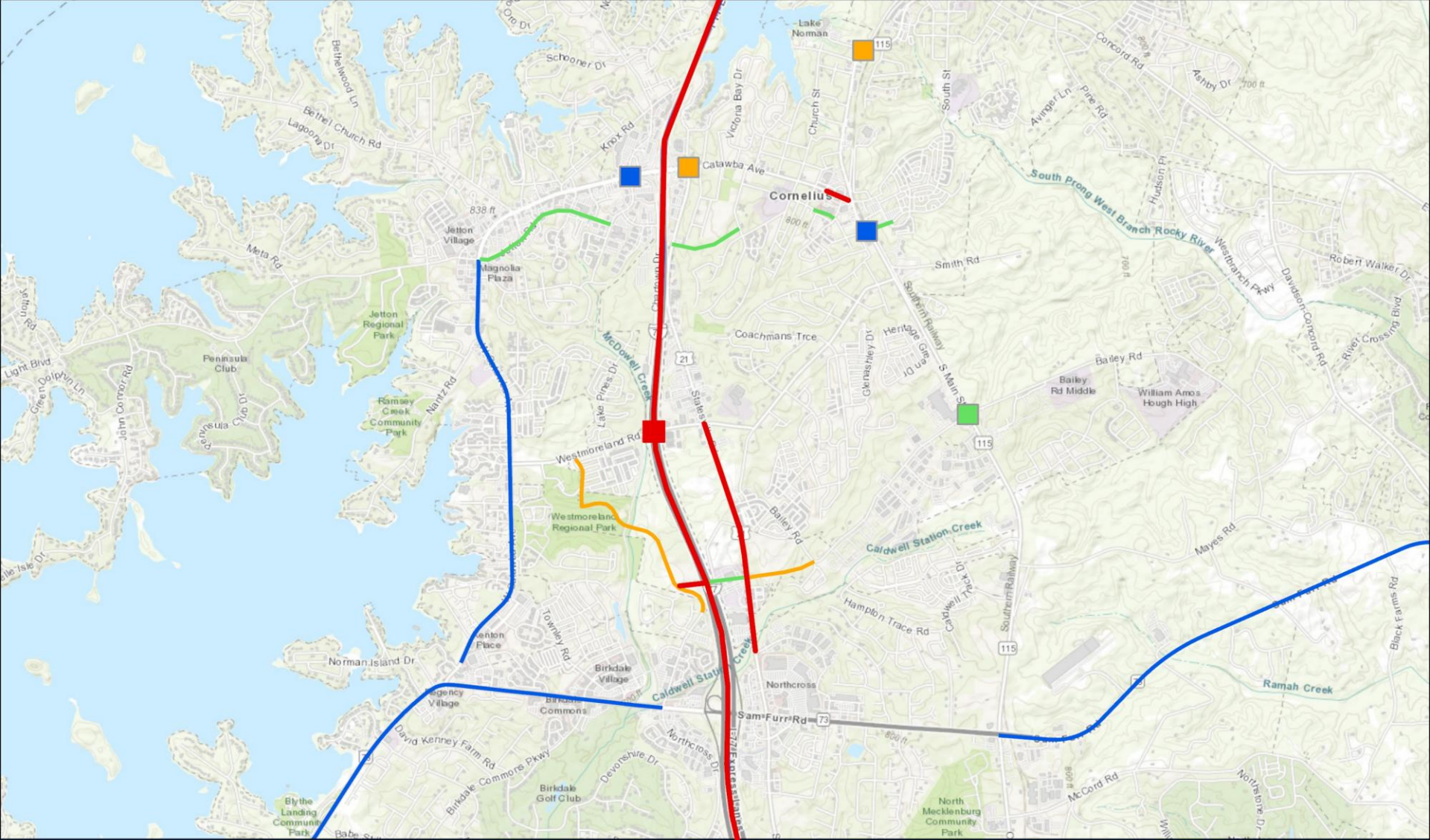
Citizen Priority #1....Transportation

- Town Match Payments for NCDOT Road Projects
 - Issue \$10M of Road Bonds to fund match
 - Catawba/21 Roundabouts (\$1.5M)
 - North Main/Potts St./Davidson St. Roundabout (\$500K)
 - Torrence Chapel/West Catawba Improvement (\$8M)
- Utilizing PAVE Act Sales Tax revenue to fund Road Bonds debt service (\$900K)
- Street Resurfacing of Town-maintained streets (\$1.15M)
- New Transportation Planner - ½ year (\$70K)
- NC 115/Bailey Rd. Intersection Study; \$64K CRTPO grant (\$16K)

Citizen Priority #1...Transportation

Town's Substantial Investment in Roads

- Currently servicing \$14.8M of Road Bonds
- Total past, present, and future Town commitment to major road projects = \$55.6M
 - Through FY26 = \$23.5M paid (NCDOT partnership projects + Town projects)
 - FY27 and beyond = \$32.1M (Active NCDOT partnership projects)

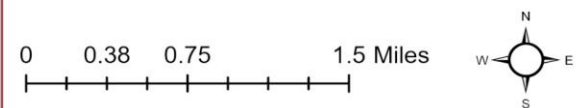


All Roadway Projects



The following map is intended to assist in the review of the development request. All boundaries, features, and data are approximate. Official property boundaries and zoning designations should be confirmed with the Town of Cornelius Planning Department and Mecklenburg County.

- — High-Priority Future Project
- — Active Project (Design, ROW acquisition or utility relocation)
- — Project Under Construction
- — Project Completed



Last Updated: 4/27/2026
 GIS/Special Project Maps/Long Term Transportation Studies and Projects/Transportation/Roadway and Intersection Projects/All Roadway Projects

Citizen Priority #2....Public Safety

Majority (68%) of total recurring budget expenditure increases are for Public Safety

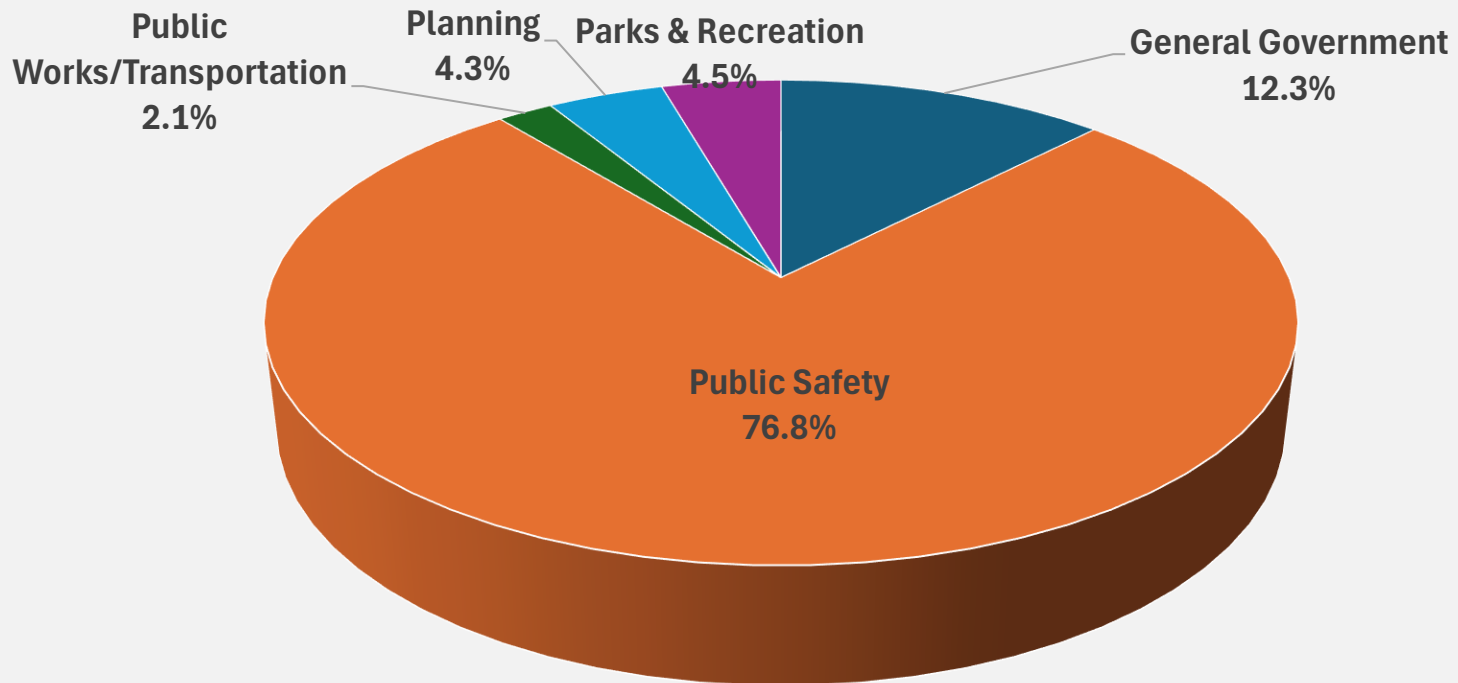
➤ 77% of personnel increase

Majority of General Fund capital is for Public Safety

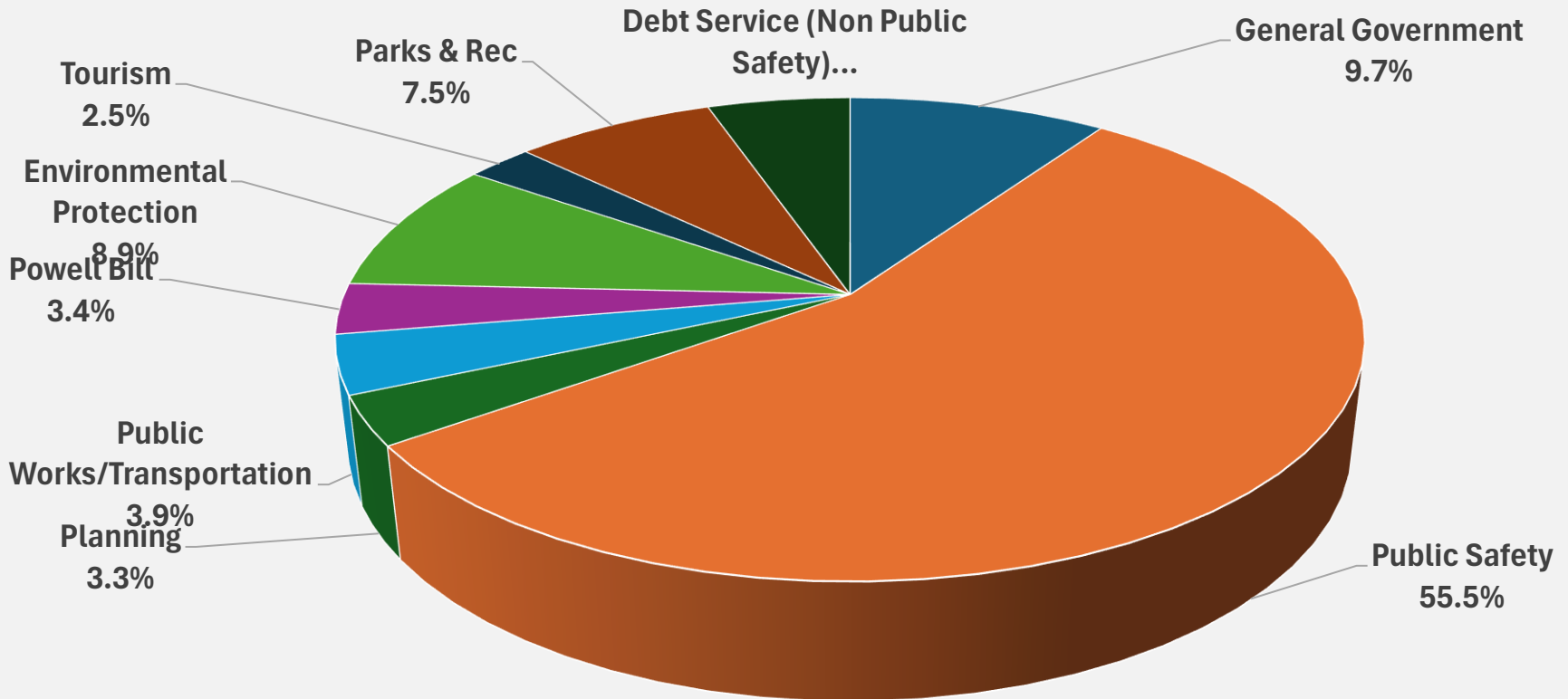
➤ 59% of capital items

Majority (55.5%) of FY27 Recommended Budget is allocated for Public Safety

Proposed FY27 Budget Personnel Increases



Proposed FY27 Budget Total Expenditures



Citizen Priority #2...Public Safety

Recruitment and Retention of Public Safety Staff

Market Salary Study and Compression Recommendations – Police Officers, Firefighters, and Telecommunicators (\$1,088,357)

- Funds salary increases for Police Officers to achieve **market competitiveness in a fierce market**
 - Current vacancy rate of 17% (11 Police Officer vacancies out of 66 positions; does not account for two Cadets in BLET)
 - Less staff has led to degradation in service levels to the community
 - Less capacity to be proactive
 - Fewer traffic stops which lead to fewer arrests for drug violations and driving while impaired
 - Fewer zone checks of residences, businesses, schools
 - Less relationship-building with neighborhoods
 - Must pull officers away from other units in order to staff patrol
 - If CPD were fully-staffed
 - Appropriate staffing for the following units: Traffic Safety, Lake Patrol, Criminal Investigations, Crime Reduction, and School Resource Officers
 - Patrol unit could perform more traffic enforcement and community involvement
 - CID would work cases faster; CRU would be more proactive in preventing crime
 - Lake Patrol would focus more on safety programs that save lives

Citizen Priority #2...Public Safety

Recruitment and Retention of Public Safety Staff

Funds salary increases for Police Officers to achieve **market competitiveness in a fierce market**

- Police Officers - current minimum starting salary is \$53,802
 - Lower than the market average
 - Lower than Davidson (\$56,814)
 - Lower than Huntersville (\$61,000)
 - \$8,619 lower than the market leading agency (\$62,421)
 - Disparity in salaries makes it very difficult to recruit new officers
- Raising salaries for existing Police Officers will help retain quality staff already serving the community

Citizen Priority #2....Public Safety

Recruitment and Retention of Public Safety Staff

Market Salary Study and Compression Recommendations – Police Officers, Firefighters, and Telecommunicators (\$1,088,357)

- Funds salary increases for Firefighters to achieve **market competitiveness**
 - Competition with nearby departments, including Charlotte Fire Dept.
 - Crucial to be competitive while continuing to build our career department over the next several years
 - Current minimum starting salary is \$48,800
 - Lower than Huntersville (\$50,264)
 - Lower than Concord (\$54,739)
 - \$7,910 lower than the market leading agency (\$56,710)
 - Raising salaries for existing Firefighters will help retain quality staff already serving the community

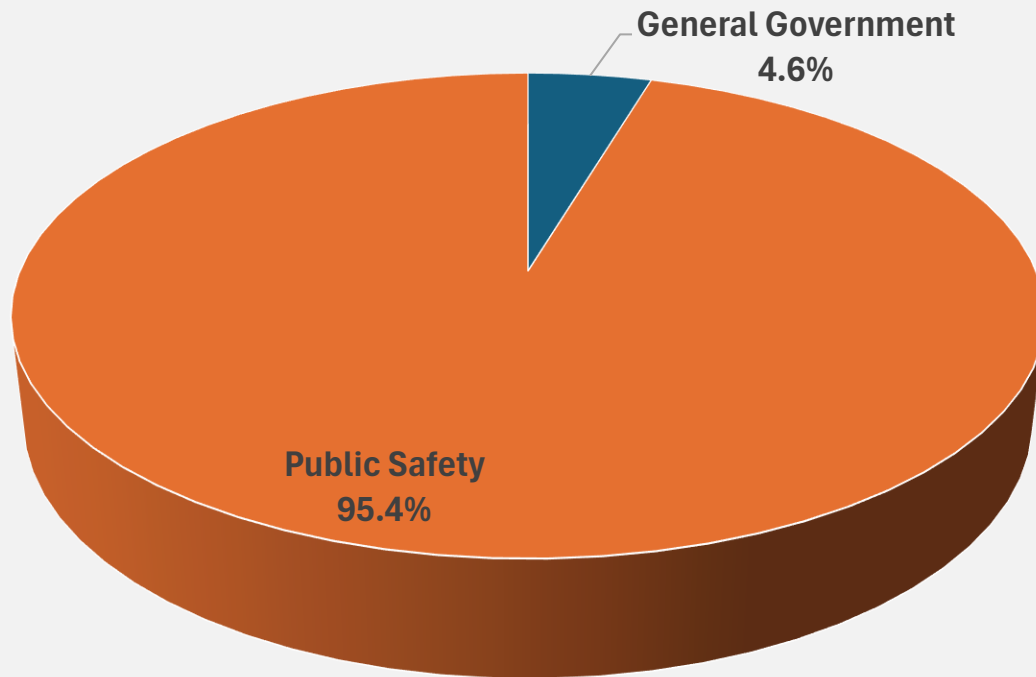
Citizen Priority #2....Public Safety

Recruitment and Retention of Public Safety Staff

Market Salary Study and Compression Recommendations – Police Officers, Firefighters, and Telecommunicators (\$1,088,357)

- Funds salary increases for Telecommunicators to achieve **market competitiveness**
 - Chronic Telecommunicator turnover for several years
 - Low salaries amplify turnover issues
 - Current minimum starting salary is \$42,155
 - Lower than the market average
 - Lower than Mooresville (\$45,700)
 - Lower than Concord (\$46,930)
 - \$7,785 lower than the market leading agency (\$49,940)
 - Disparity in salaries makes it difficult to recruit
 - Raising salaries for existing Telecommunicators will help retain quality staff already serving the community

Proposed FY27 Budget Market Salary Study Recommendations



Citizen Priority #2....Public Safety

➤ Police

- Associate Communications Supervisor – ½ year (\$21,500 net)
- Mental Health Clinician (\$77K net of grant)
- Off-duty Officer for Hough afternoon pickup (\$11K)
- Replacement cycle of portion of body-worn and in-car camera systems (\$63,500)
- Replacement cycle of portion of tasers (\$14K)
- Police Vehicles – rolling stock replacement (\$650K)
- (2) Console Radios Replacement for 911 Center – Year 1 of 2 (net \$0 after grant)
- FY27 Debt Service on \$1.7M of vehicles (~\$551K/year)

Citizen Priority #2...Public Safety

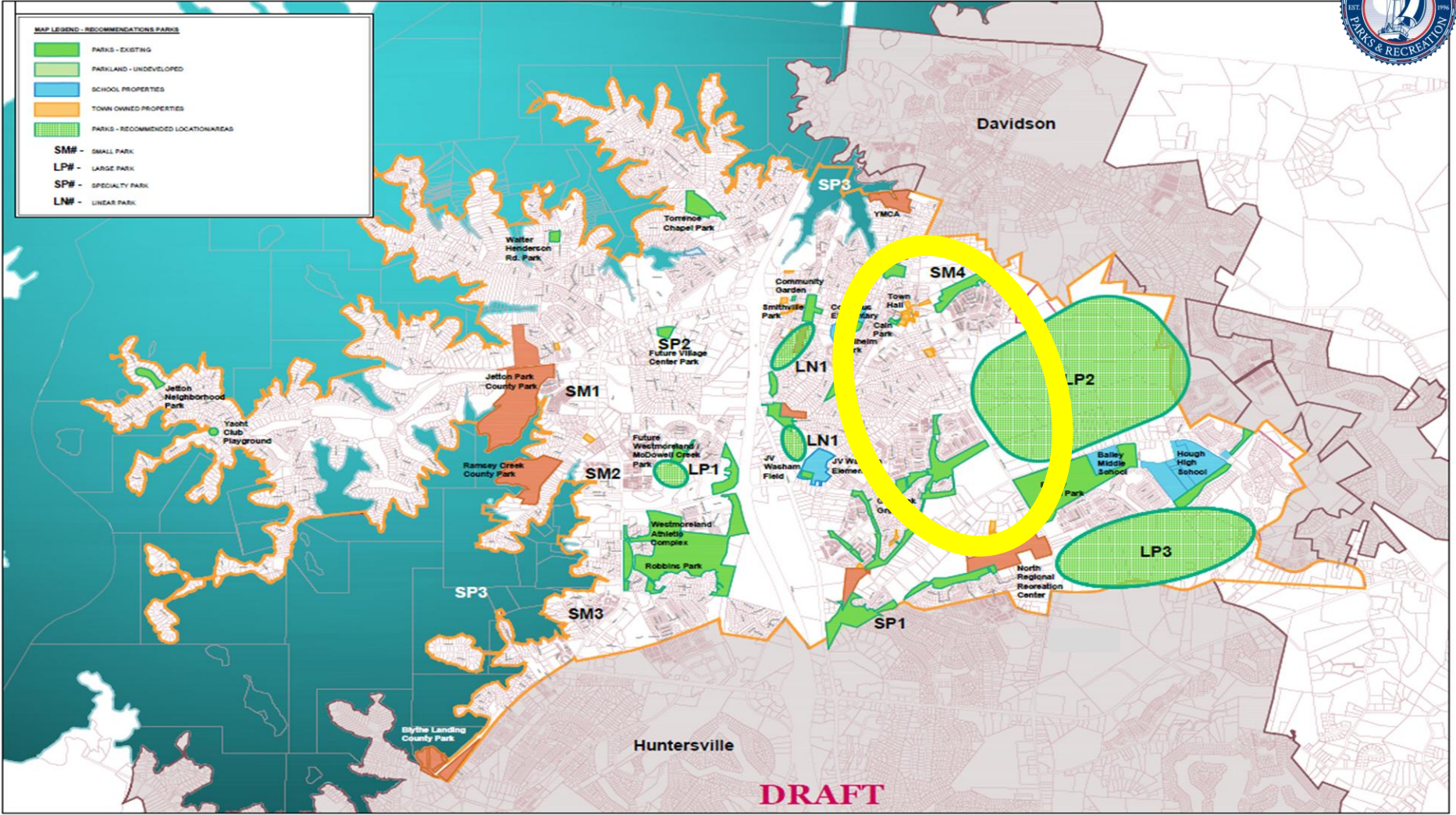
➤ Fire

- Fire Dept. Transition Plan (Total \$406K)
 - Fund 3 New Firefighter Positions – ½ year (\$144K)
 - Part-Time Firefighters – 3.5% Merit, 2.0% COLA (\$169K)
 - Cornelius-Lemley 501(c)4 Operational Cost Increases (insurance, vehicle maint., etc.)((\$64K)
- Engine 2 Replacement (\$1.5M)
- Traffic Pre-emption Phase I - South Main St. (\$83K)
- Fire Station 2 HVAC replacement (\$59K)
- FY27 Debt Service on \$1.7M of Apparatuses/Trucks (~\$303K/year)

Citizen Priority #3...Parks and Recreation

- Raises Parks service levels by funding initiatives envisioned by the Parks Master Plan and supported by citizens in the 2024 Parks Bond Referendum
 - Issue \$9.94M in Park Bonds
 - Land acquisition/open space preservation to provide future parkland before available land disappears (\$7M)
 - Expansion of existing parks
 - JV Washam Elementary synthetic turf, lighting, and restroom facility (\$1.9M)
 - Bailey Road Park Court Complex shade structures and restroom facility (\$950K)
 - Stratford Forest Greenway design (\$90K)

PARK LAND ACQUISITION / OPEN SPACE PRESERVATION



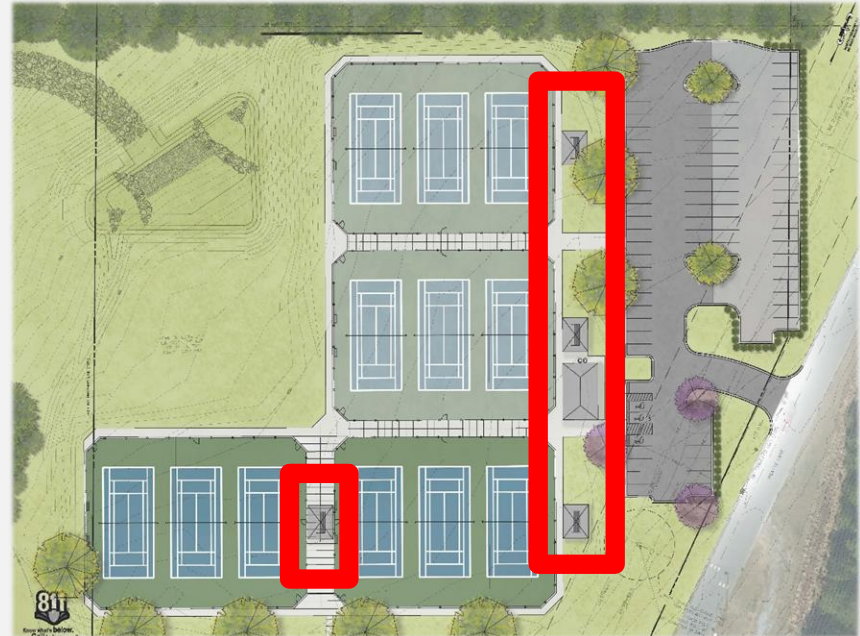
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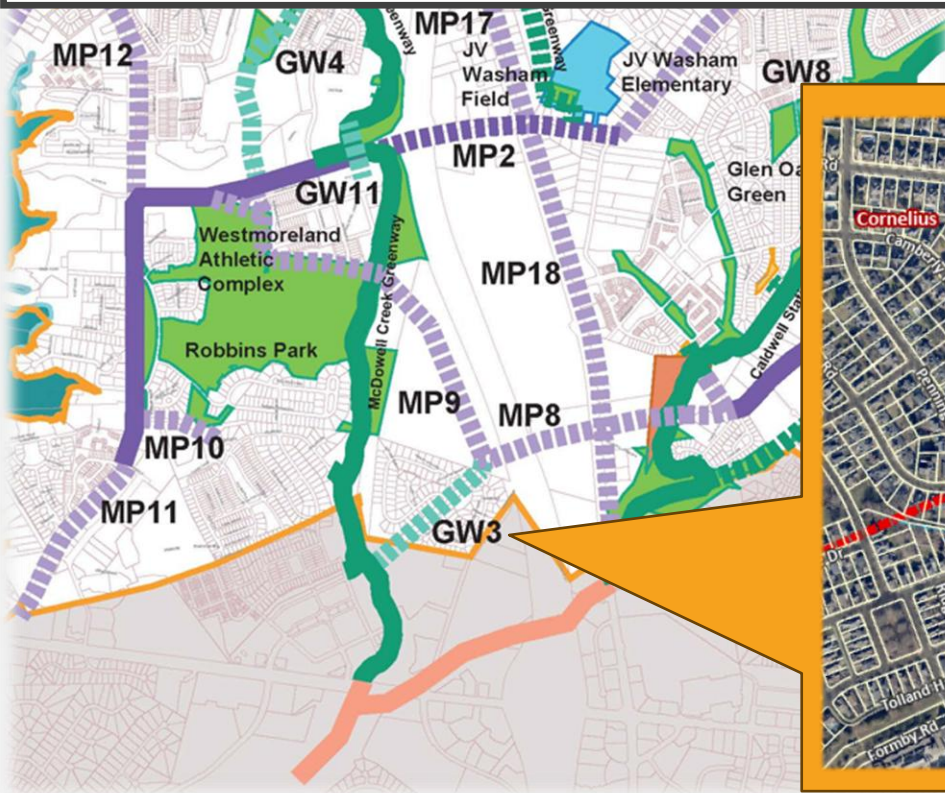
JV WASHAM ES PARK IMPROVEMENTS



BAILEY ROAD PARK COURT COMPLEX



STRATFORD FOREST GREENWAY



Citizen Priority #3...Parks and Recreation

- Establishing annual MLK program (net zero)
- Customer Service and Staff Efficiency Improvements – court & field and lighting scheduling platforms (net zero)
- FY27 Debt Service on \$5.3M of Parks Bonds utilized for Wilhelm Park, McDowell Creek Phase II Greenway, Antiquity Greenway, and Plum Creek Greenway (~\$363K/year)
- FY27 Debt Service on Other Park capital projects (Bailey Road Park Lighting \$726K) debt service (~\$161K/year)

**Manager's Recommended
Budget Funds Critical
Needs.....**

IT/Cyber Security

- Microsoft Licensing Updates to enhance cyber security and functionality (\$25K)

Community Development

- Town Support Grants for community non-profits (\$511K)
 - Cain Center (\$411K)
 - Lake Norman CDC (\$50K)
 - Bags of Hope (\$20K)
 - Smithville Community Coalition (\$20K)
 - Senior Community Connections (\$5K)
 - Warehouse Performing Arts Center (\$5K)

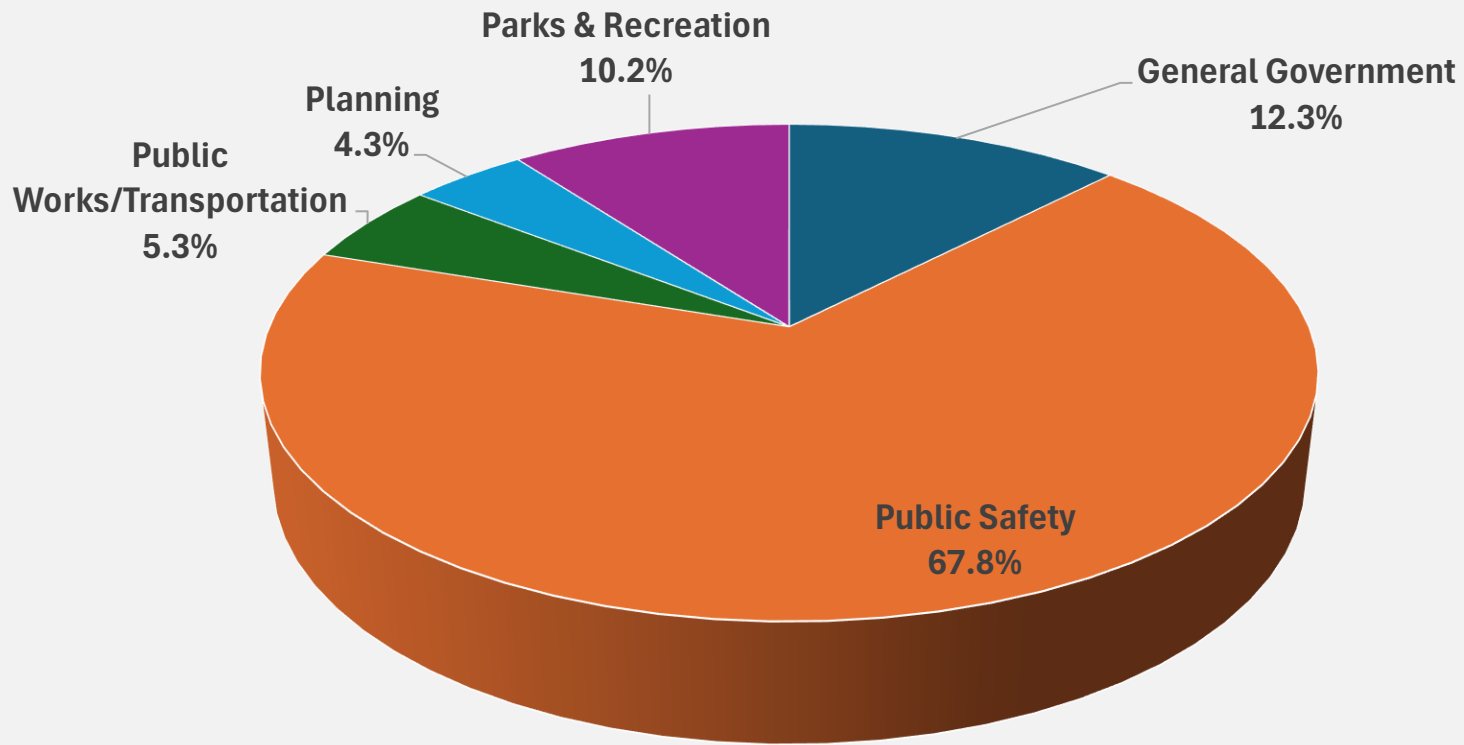
Retention and Recruitment

- Employees are our #1 Resource
- Labor market remains competitive, and we are competing against the public and private sectors for transferrable skills
- Cornelius investment in staff is necessary to remain competitive, maintain quality service, and to avoid cost of lost productivity/hiring/training (6-12 months of salary)

Retention and Recruitment

- Recommended budget includes items that will help Cornelius keep pace with the market
 - Merit/COLA (\$682,724)
 - 3.5% Average Merit
 - 2.0% COLA (Average 2025 C-CPI-U @ 2.5%)
- 68% of Total Merit/COLA is for Public Safety

Proposed FY27 Budget Merit / COLA



FY 27 General Fund Budget - Summary

- Recommended Property Tax Rate: 19.31 cents
- Total General Fund Budget Revenues = \$38,680,754
- Total General Fund Budget Expenditures = \$40,762,452
- Use of Fund Balance = (\$2,081,698)*

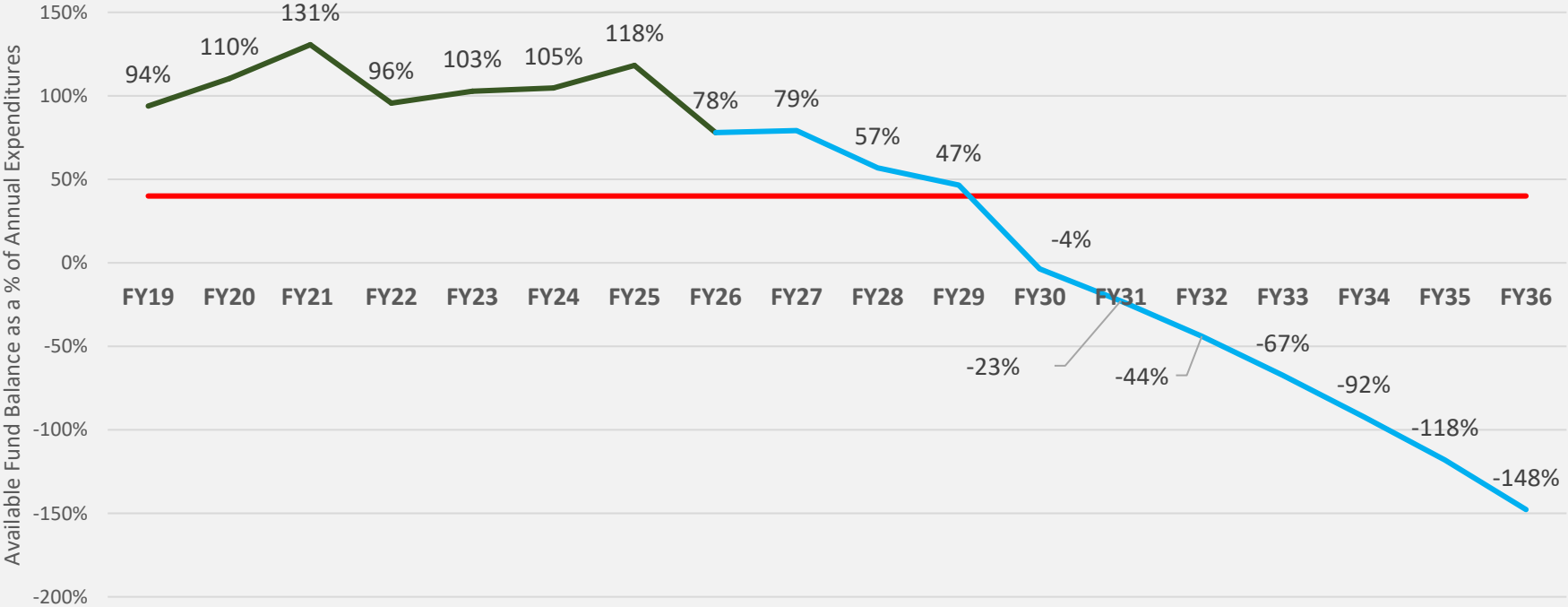
*Includes \$2,084,000 of one-time expenditures funded by restricted & dedicated funding sources (such as, Stormwater funds, Powell Bill funds, Building Maintenance Reserve funds, and Health Insurance Reserve funds) and General Fund Fund Balance.

*Net Contribution to Fund Balance after reconciliation = \$2,302

Long-Term View

- As forecasted for the past several years.....
- Projected annual operating revenue will not keep pace with capital projects (bonds, installment financing debt), personnel retention/recruitment, general operations, and Fire Dept. Transition Plan
- Results in a significant use of Fund Balance, which results in a future violation of the Town's Fund Balance Policy (projected in FY30)

Available Fund Balance



— 40% Minimum per Fund Balance Policy — 2 penny over Rev Neutral

FY 27 Electric Fund Budget - Summary

- Recommended Budget accommodates
 - 3% purchased power rate increase (consistent with NCMPA1 projections)
 - Operational transition to take billing & collections in-house
 - Economic development expenditures
 - Line Truck
 - Design for Zion Ave. Substation Renovation

- Recommending a 5% retail rate increase
 - Consistent with staff projections
 - Necessary to fund purchased power rate increase, capital expenditures, economic development-related expenditures
 - Rate will remain competitive with the market

FY 27 Electric Fund Budget - Summary

➤ Total Electric Fund Budget Revenues	=	\$9,001,889
➤ <u>Total Electric Fund Budget Expenditures</u>	=	<u>\$8,999,070</u>
➤ Contribution to Fund Balance	=	\$2,820

Next Steps

- Town Board discussion tonight
- Open Public Hearing tonight and recommend continuing to May 18th meeting
- Adopt Budget at a future meeting: May 18th, June 1st, or June 15th

**Questions
and
Town Board Discussion**