



**CITY COUNCIL
ACTION AGENDA**

**KANNAPOLIS CITY HALL
401 LAUREATE WAY, KANNAPOLIS, NC
MAY 12, 2025
6:00 PM**

Please Turn off Cell Phones or Place on Silent Mode.

APPROVED MINUTES - May 12, 2025

A. APPROVED MINUTES - May 12, 2025 ()

CALL TO ORDER AND WELCOME

MOMENT OF SILENT PRAYER AND PLEDGE OF ALLEGIANCE

RECOGNITIONS

A. Kannapolis Fire Department Citizens Academy Graduates (Kirk Beard, Deputy Fire Chief)

ADOPTION OF AGENDA - Motion to Adopt Agenda or make revisions

PROCLAMATIONS

- A. **PROCLAMATION** - Celebrating Wayne Brothers 40th Anniversary (Darrell Hinnant, Mayor)
- B. **PROCLAMATION** - National Police Week May 11-17, 2025 (Darrell Hinnant, Mayor)
- C. **PROCLAMATION**: National Firefighter Day May 4 (Darrell Hinnant, Mayor)

CONSENT AGENDA - Motion to Adopt Consent Agenda or make revisions

- A. **INFORMATION** - Monthly Wastewater Allocation Update **NO ACTION REQUIRED** (Alex Anderson, Director of Water Resources, Elizabeth Hassenfritz, Director of Engineering)
- B. **BUDGET AMENDMENT #25-38** - Motion to approve an Ordinance appropriating Cash Reserves for a Workers Compensation Settlement **UNANIMOUSLY APPROVED** (Brian Roberts, Finance Director, Daniel Jenkins, Assistant Human Resources Director)
- C. **BUDGET AMENDMENT #25-39** - Motion to approve an Ordinance appropriating

Cash Reserves for the first year funding set aside for a Capital Reserve Fund
UNANIMOUSLY APPROVED (Mike Legg, City Manager)

- D. **BUDGET AMENDMENT #25-40** - Motion to approve an Ordinance appropriating Cash reserves for the first year funding set aside for the Western Cabarrus Fire Protection Capital Project Fund **UNANIMOUSLY APPROVED** (Mike Legg, City Manager)
- E. **RESOLUTION** - Motion to approve a Resolution adopting the Cabarrus Stanly Union Regional Hazard Mitigation Plan **UNANIMOUSLY APPROVED** (Tracy Winecoff, Fire Chief)
- F. **BID AWARD AND CONTRACT** - Opal Street Water and Street Improvement Project **UNANIMOUSLY APPROVED** (Michael Rattler, Director of Transportation & Environmental Services)
- G. **AGREEMENT** - Motion to authorize the City Manager to negotiate and execute a Public Arts Master Plan agreement with consultant Todd W. Bressi **MOVED TO BUSINESS AGENDA AND TABLED** (Gary Mills, Parks & Recreation Director)
- H. **ORDINANCE AMENDMENTS** - Motion to revise Chapter 12 of the City Code of Ordinances related to Park Rules and Regulations **UNANIMOUSLY APPROVED** (Gary Mills, Parks & Recreation Director)
- I. **RESOLUTION** - Amending the 2025 City Council Meeting Schedule **UNANIMOUSLY APPROVED** (Pam Scaggs, City Clerk)
- J. **APPROVAL** - Motion to approve the 2025 Board of Election Filing Fees **UNANIMOUSLY APPROVED** (Pam Scaggs, City Clerk)

BUSINESS AGENDA

- A. **PRESENTATION** - City Manager's Recommended FY 2025-2026 Budget **NO ACTION REQUIRED** (Mike Legg, City Manager)
- B. **RESOLUTION** - Directing the filing with the City Clerk of the recommended budget for FY 2025-2026 and setting a public hearing. **UNANIMOUSLY APPROVED** (Mike Legg, City Manager)
- C. **PUBLIC HEARING** - Voluntary Annexation (A-2025-06) of approximately 5.039 +/- acres of property located at 2806 N. Cannon Boulevard (Rowan County Parcel Identification Number 133 05708) and consider a motion to extend the Corporate Limits of the City of Kannapolis. **WITHDRAWN BY APPLICANT** (Richard Smith, Planning Director)
- D. **PUBLIC HEARING & RESOLUTION - DEVELOPMENT AGREEMENT #2025-09** - Dale Earnhardt Blvd Partners, LLC (Dale Earnhardt Blvd. Townhomes) **APPROVED 4 TO 3** (Richard Smith, Planning Director)
- E. **AGREEMENT** - Motion to authorize the City Manager to execute a 12-month agreement with Crown Productions for professional services related to the

broadcasting of City Council meetings. **UNANIMOUSLY APPROVED** (Mike Legg, City Manager)

- F. **BUDGET AMENDMENT #25-41** - Motion to approve an Ordinance appropriating cash reserves for the first year funding for Professional Services related to the Broadcasting of City Council meetings and related professional sound technician support. **UNANIMOUSLY APPROVED** (Mike Legg, City Manager)

CITY MANAGER REPORT

CITY COUNCIL COMMENTS

SPEAKERS FROM THE FLOOR

MOTION TO ADJOURN

ADA Notice

In accordance with Title II of the Americans with Disabilities Act (ADA), any person requiring an accommodation to participate in a function or program of the City of Kannapolis should contact Daniel Jenkins, Assistant Human Resources Director & ADA Coordinator by phone at 704-920-4312, email adacoordinator@kannapolisnc.gov, or in person at Kannapolis City Hall as soon as possible, but not later than forty-eight (48) hours prior.

**CITY OF KANNAPOLIS
CITY COUNCIL
BUSINESS MEETING MINUTES
May 12, 2025**

A business meeting of City Council of the City of Kannapolis, North Carolina was held on Monday, May 12, 2025, at 6:00 P.M., at Kannapolis City Hall located at 401 Laureate Way, Kannapolis, NC.

CITY COUNCIL MEMBERS PRESENT:

Mayor: Milton D. Hinnant

Council Members: Doug Wilson
Jeanne Dixon
Dianne Berry, Mayor Pro tem
Tom Kincaid
Darrell Jackson
Ryan Dayvault

Council Members Absent: None

City Manager: Mike Legg

Deputy City Manager: Eddie Smith

Assistant City Manager: Tina Cline

Assistant City Manager: Wilmer Melton

City Attorney: Andrew Kelly

City Clerk: Pam Scaggs

Staff Present:	Tina Cline	Richard Smith
	Terry Spry	Daniel Jenkins
	Heather James	Jason Hinson
	Gerald Faulkner	Alex Anderson
	Kirk Beard	Chris Hill
	Irene Wong	Chris Fitzpatrick
	Albaro Reyes	Michael Rattler
	Gary Mills	Brett Mann
	Jonathan Wilhort	Tracy Winecoff
	Jennifer Clarke	Jamie Livengood
	Travis Furr	Nick Corn
	Chris Howard	Ramsey Nimer
	Jeremy Page	Wesley Wilson
	GlennTingen	Joe Galyan
	Donald Newton	Chase Crowe
	Gaspar Ruiz	Sam Small

	Tyler Goodell	Jonathan Lambert
	Ataurus Tennyson	Eric Albright
Visitors Present:	Joe Hatley	Zach Erwin
	Mark Spitzer	Sophia Wilkerson
	Tonda Childers	Pam Smith
	Rick Stewart	Phil Goodman
	James Moore	Pam Lambert
	Greg Lambert	Charles Vavra
	Shane Watkins	Stephanie Forman
	Barbara Messick	Mike Messick
	William Pasquale	Joyce Schmit
	Padam Karki	Manisha Rauniyar
	Jailene Lopez	Naomi Hatchell
	Isaiah Payne	Victoria Woolford

CALL TO ORDER AND WELCOME

Mayor Hinnant called the meeting to order and welcomed all in attendance. He led a moment of silent prayer, followed by the Pledge of Allegiance by Councilmember Jackson.

RECOGNITIONS

Deputy Fire Chief Kirk Beard recognized the graduates of the 2025 Fire Department Citizens Academy, highlighting their dedication to learning more about fire and emergency services. He provided a brief history of the academy, noting that it was established in 2016 and runs for 9 to 10 weeks. Chief Beard also acknowledged Mayor Pro tem Berry's participation, inviting her to join the class as he presented her and the following citizens with certificates: Charles Vavra, Shane Watkins, Stephanie Foreman, Barbara Messick (a member of the first academy class), Mike Messick, William Pasquale, Joyce Schmit, Padam Karki, Manisha Rauniyar, and Jailene Lopez.

ADOPTION OF AGENDA

Mayor Hinnant asked for a motion regarding the Agenda. Councilmember Jackson made motion to approve the agenda, second by Councilmember Dixon and the motion was unanimously approved.

PROCLAMATIONS

Mayor Hinnant presented several proclamations, celebrating Wayne Brothers, Inc.'s 40th anniversary, officially recognizing May 4, 2025, as National Firefighter Day and May 11–17, 2025, as National Police Week. Members of both the Fire Department and Police Department were presented with their respective proclamations.

CONSENT AGENDA

Mayor Hinnant called for a motion on the Consent Agenda with Councilmember Dixon moving to approve. Mayor Pro tem Berry requested that Item G (Public Arts Master Plan Agreement) be moved to the Business Agenda, a motion that was unanimously supported. Mayor Hinnant confirmed Councilmember Dixon's original motion, asking if it stood as amended, to which she agreed. Councilmember Wilson seconded, and the revised motion was unanimously approved.

1 Monthly Wastewater Allocation Update. (Alex Anderson, Director of Water Resources and Elizabeth
2 Hassenfritz, Director of Engineering) (Copy included as Exhibit A)
3

4 Budget Amendment #25-38 Appropriating Cash Reserves for a Workers Compensation Settlement
5 (Brian Robers, Finance Director and Daniel Jenkins, Assistant Human Resources Director) (Copy
6 included as Exhibit B)
7

8 Budget Amendment #25-39 Appropriating Cash Reserves for the first year funding set aside for a
9 Capital Reserve Fund). (Mike Legg, City Manager) (Copy included as Exhibit C)
10

11 Budget Amendment #25-40 Appropriating Cash Reserves for the first year funding set aside for the
12 Western Cabarrus Fire Protection Capital Project Fund). (Mike Legg, City Manager) (Copy included
13 as Exhibit D)
14

15 Resolution adopting the Cabarrus Stanly Union Regional Hazard Mitigate Plan (Tracy Winecoff, Fire
16 Chief) (Copy included as Exhibit E)
17

18 Bid Award and Contract regarding the Opal Street Water and Street Improvement Project (Michael
19 Rattler, Director of Transportation & Environmental Services) (Copy included as Exhibit F)
20

21 Authorize the City Manager to negotiate and execute a Public Arts Master Plan Agreement with
22 consultant Todd W. Bressi (Gary Mills, Parks & Recreation Director) (Copy included as Exhibit G)
23 [*Moved to Business Agenda by unanimous approval.*]
24

25 Ordinance to revise Chapter 12 of the City Code of Ordinances related to Park Rules and Regulations
26 (Gary Mills, Parks & Recreation Director) (Copy included as Exhibit H)
27

28 Resolution amending the 2025 City Council Meeting Schedule (Pam Scaggs, City Clerk) (Copy
29 included as Exhibit I)
30

31 Approval for the 2025 Board of Election filing fees (Pam Scaggs, City Clerk) (Copy included as
32 Exhibit J)
33

34 **BUSINESS AGENDA**

35 **Presentation of the City Manager's Recommended FY 2025-2026 Budget (Mike Legg, City** 36 **Manager) (Copy included as Exhibit K)**

37 City Manager Mike Legg provided a brief overview to help orient City Council using the information
38 in the budget book. He announced that the proposed budget Public Hearing is set for June 9, 2025,
39 with the final presentation and adoption scheduled for June 23, 2025. He reminded Council that the
40 budget must be approved by June 30, 2025.
41

42 Mr. Legg then presented the Fiscal Year 2025-2026 Budget, directing Council to Tab 1 for the budget
43 summary and highlighted key achievements from the previous fiscal year. These included: reopening
44 and renovating the Swanee and Gem theatres; launching downtown electric shuttles; hosting a
45 successful summer concert series; installing new pickleball courts at Bakers Creek Park; opening the
46 Green Room at Village Park; celebrating renovations at Fire Stations 1 and 2; creating 11 new city
47 positions; introducing paid caregiver leave for full-time employees; implementing a citywide

1 supervisory and leadership orientation program; securing four economic development investments;
2 obtaining \$2.1 billion in new capital outlay; hiring a new City Attorney; appointing a new City Clerk;
3 completing major capital projects; approving the largest cost-of-living (COLA) and merit increase in
4 city history (8% across the board); and making the tough decision to cancel Jiggy with the Piggy. Mr.
5 Legg stated that the proposed budget is just over \$126 million, reflecting a 2.36% increase from the
6 2025 budget.

7
8 Mr. Legg stated that the budget is structured around five key themes: 1) fiscal responsibility; 2)
9 employee retention and recruitment; 3) cash reserves; 4) implementing the strategic plan and new
10 projects/initiatives; and 5) maintaining core services.

11
12 Fiscal Responsibility: Mr. Legg emphasized the budget's strong focus on fiscal responsibility in
13 response to challenging revenue trends. While the City previously anticipated a 6% annual growth in
14 property taxes based on historical data, projections now estimate only 3.72%, creating a \$1 million
15 gap from expectations. Sales tax revenue, which has averaged 5% annual growth in past years, is
16 expected to be significantly lower at 1.46%, leading to a \$500,000 shortfall—an issue impacting
17 municipalities across the state. He also noted that while water and sewer revenues continue to grow,
18 they are increasing at a slower pace than anticipated. He added that despite these challenges, several
19 development projects are expected to move forward which could potentially generate approximately
20 \$3.5 million in connection fees, but given the current trends, the proposed budget remains
21 conservative to ensure financial stability. Mr. Legg commended the Finance Department for
22 conducting a thorough analysis of historical budget usage across multiple years rather than relying
23 solely on year-to-year comparisons. As a result, unused funds were adjusted, ensuring a more precise
24 and efficient budget.

25
26 Employee Retention and Recruitment: Mr. Legg stated that employee retention and recruitment are
27 key budget priorities, noting that while full staffing strengthens service delivery, it also limits budget
28 flexibility, necessitating full funding for personnel costs. The budget includes a \$10.6 million increase
29 in personnel expenses, primarily due to salary increases, along with benefits such as 401(k)
30 contributions, state retirement, and FICA. He noted that City Council has significantly improved
31 employee benefits more in the last five years than in any previous period.

32
33 Cash Reserves: Mr. Legg indicated that cash reserves are another key component of the budget,
34 totaling \$47 million. Of this, \$7 million exceeds the minimum reserve set by Council and is available
35 for one-time expenditures. He advised using these funds cautiously, ensuring they support non-
36 recurring expenses. Cash reserves have funded numerous city projects without incurring new debt,
37 allowing for prudent financial management.

38
39 Implementing the Strategic Plan and New Projects/Initiatives: Mr. Legg directed Council to page A-
40 8 of the budget book for a list of projects that were funded in FY25. He reminded Council that several
41 initiatives remain active for potential funding which include: a Fire Training Tower (\$1.35 million);
42 the Western Cabarrus Communication Tower (supported by a nearly \$1 million federal grant); a Fire
43 Department Logistics Building (\$105,000 needed, supplemented by existing funds and a \$345,000
44 federal grant); and funds earmarked for projects such as the Little Texas sidewalk and a parking lot
45 near the train station, in partnership with the North Carolina Department of Transportation (NCDOT).
46 Additionally, the budget includes funds for downtown development alongside a recurring allocation
47 for promotions and event planning.

1 Maintaining core services: While funding limitations restrict new capital investments, City Council
2 previously approved \$2 million in capital outlay and the addition of 11 new positions. This marks one
3 of the largest investments in equipment and personnel in recent years, addressing past gaps in vehicle
4 replacements and other needs. Despite these constraints, department heads remain confident in their
5 ability to sustain current service levels.
6

7 The general fund, the largest in the budget, which includes everything other than water and sewer,
8 stormwater, and enterprise funds, reflects a 3% increase. The recommended tax rate remains at 55.95
9 cents per \$100 valuation, with the citywide property tax base projected at \$9.2 billion, up \$339.8
10 million from the current year. This increase generates \$1.8 million in new property tax revenue from
11 private sector development. Sales tax revenue is expected to fall short by \$200,000 to \$400,000 for
12 the second consecutive year. While the North Carolina League of Municipalities recommends a 2.8%
13 increase, a more conservative estimate of slightly under 2% is being recommended. Combined,
14 property and sales taxes account for 80% of general fund revenues. The general fund also allocates
15 \$9.3 million for personnel expenditures, with more than half supporting new full-time salaries and
16 benefits.
17

18 Mr. Legg stated that a \$408,000 adjustment in the property tax revenue estimate from the Cabarrus
19 County tax office was provided to the City late in the budget process. This additional amount could
20 serve as a buffer for other uses or integration into cash reserves. Combined with the \$400,000
21 contingency fund, City Council has the potential for \$800,000 in flexible funds for discretionary
22 allocation. As an election year, and consistent with past cycles, the budget includes \$50,000 for
23 election-related expenses and also supports collaboration with Downtown Kannapolis, Inc. (DKI) and
24 business owners to include: \$15,000 for marketing and branding; \$20,000 for event supplies (large
25 events that include road closures and public resources); and a matching grant for internal DKI
26 programming or approximately \$3,200. Mr. Legg explained that the biggest expense includes the
27 creation of two part-time positions to support program initiatives. He commented that while the
28 budget allocates \$25,000 for the North Carolina Music Hall of Fame, Council should discuss whether
29 this allocation is still an appropriate level of financial support since they have relocated the annual
30 awards event to Mooresville, North Carolina.
31

32 Mr. Legg talked about decreases, or “right-sizing” in the budget which include the removal of funds
33 that were one-time or limited expenses as well as transfers between funds. He emphasized that while
34 the budget may appear to maintain the status quo, approximately \$4.7 million in annual debt payments
35 will be phased out over the next five years. This reduction will create financial flexibility, enabling
36 the City to pursue Council-recommended projects that were excluded from the current budget due to
37 financial constraints. One example of a decrease is a renewed contract with Odell Fire Department
38 that appears to be a more cost effective way for them to continue to provide service and eliminate the
39 need for the City to fund a new fire station in that area.
40

41 The proposed water and sewer fund reflects a 4.43% decrease from the previous budget due to lower-
42 than-anticipated revenue projections. Mr. Legg stated that while the FY25 revenues were significantly
43 higher than previous years, they remained below the initial estimates and prompted a more cautious
44 approach. He noted that while the fund decreased, the water and sewer rate was increasing (\$3 per
45 month) due to several factors that included a financial feasibility study; expansion of the Rocky River
46 regional wastewater treatment plant; debt service on the Kannapolis dam spillway replacement project

1 (state mandated); and replacement of a downtown sewer outfall line. Mr. Legg directed Council to
2 pages A-17 and A-18 for a more detailed overview.
3

4 Mr. Legg stated that while stormwater fees remain unchanged and no new capital projects are planned,
5 the environmental fee is proposed to increase to \$5 per month to address inflation-driven service costs
6 and growth-related expenses. He highlighted that recycling costs have tripled compared to landfill
7 disposal, making it increasingly expensive despite its environmental necessity. Additionally, he
8 suggested that Council reassess the bulk container agreement with Kannapolis City and Cabarrus
9 County Schools, which previously generated revenue but now presents a financial burden for the City.
10

11 Separation Pay is a fund that benefits employees retiring up to age 62 for all employees, whereas
12 many jurisdictions limit this benefit to only law enforcement. The transit fund, jointly managed with
13 the City of Concord, will realize a 13.5% decrease due to financial “rightsizing”, meaning that the
14 reductions stem from eliminating unused allocations and no expanded services. And in its third year,
15 the standalone insurance and risk fund consolidates medical and workers’ compensation insurance,
16 without financial support from other funds. Mr. Legg explained that while rising insurance premiums
17 and healthcare claims contribute to the financial strain, costs are not passed to employees, and the
18 City realized a \$300,000 savings by transitioning retiree health insurance (for those over 65) to a
19 separate city-managed plan. Additionally, a new agreement with Atrium Health will provide an onsite
20 employee health clinic which is expected to reduce long-term healthcare costs.
21

22 Mr. Legg highlighted that since 2018, the City has permitted 6,000 residential units, adding
23 approximately 18,000 new residents to Kannapolis. He indicated that \$1.4 billion in projected
24 residential development is linked to wastewater allocation capacity, which will shape future
25 expansion over the next decade. Rather than restricting growth, wastewater allocation ensures
26 managed development, allowing for sustainable progress. Over the next seven years, the City
27 anticipates \$2 billion in non-residential investments, spanning ten million square feet of
28 manufacturing and distribution facilities, with some retail and office spaces which include Kannapolis
29 Crossing and Overlook 85. Property tax revenue from private development has steadily increased,
30 with projections of \$1.8 million this year, averaging \$2 million annually. The cumulative impact on
31 tax rates equates to approximately 18 cents, demonstrating how new growth offsets the need for tax
32 increases. He speculated that had the City been a no-growth community, funding key initiatives would
33 have required either higher tax rates or significant service reductions. Growth has allowed the city to
34 expand infrastructure and services while maintaining financial stability.
35

36 Mr. Legg formally presented the budget to Council stating that it is a balanced budget per state statutes
37 and while it may not advance certain projects as aggressively as in previous years, it maintains
38 momentum toward long-term development goals and positions the city for continued progress. He
39 thanked staff members for their help in preparing the budget and Council for their collective vision
40 for the City.
41

42 Mayor Pro tem Berry asked if Council previously voted on the funds for the NC Hall of Fame. Mr.
43 Legg responded that they approved it approximately eight years ago and that it has been included in
44 every budget since that time and reiterated that Council should discuss if they want to continue
45 funding it. Mayor Pro tem Berry agreed and indicated that she also wanted to talk about the YMCA.
46 Councilmember Dixon asked about the impact of declining revenue on the fund balance and potential
47 reductions in federal funding. Mr. Legg clarified that the fund balance will remain unaffected, unless

1 City Council chooses to allocate funds for specific projects and that while no fund balance is currently
2 appropriated, Council retains flexibility to use it as needed. Regarding federal funding, Mr. Legg
3 noted that the budget does not allocate funds for the current federal lobbyist strategies, despite its
4 value to the city, and suggested that Council add the matter to their discussion list. Additionally, he
5 stated that they are closely monitoring the Community Development Block Grant (CDBG), a non-
6 general fund program, which is at risk of elimination by the U.S. Department of Housing and Urban
7 Development (HUD).

8
9 Councilmember Dayvault referred to the recycling collection costs associated with school systems,
10 suggesting that the expense is a fair trade-off for the use of school gym facilities to support youth
11 athletic programs. Mr. Legg generally agreed but emphasized that the issue warrants further Council
12 discussion. He also noted that the City provides recycling services to Cabarrus County schools,
13 despite not utilizing their facilities, presenting a potential negotiation opportunity to expand access to
14 county facilities.

15
16 Councilmember Jackson noted that Mr. Legg described the budget as having a stronger foundation
17 than any in past years and asked for clarification. Mr. Legg explained that the budget is more reflective
18 of actual expenditures and revenue streams, with a deeper level of analysis than in previous years,
19 providing a better understanding of the City's financial position and the nuances of past budgets.
20 Councilmember Jackson remarked that he does not recall as many decreases in prior budgets. Mr.
21 Legg responded that the reductions were a direct response to revenue trends. He added that a mid-
22 year reevaluation will be conducted to assess key areas such as employee salaries, benefits, and capital
23 outlay needs. If revenues exceed expectations, Council should revisit priorities and consider mid-year
24 adjustments.

25
26 Councilmember Wilson noted that many roads are in poor condition and asked why sidewalk repair
27 versus street paving is getting more attention. Mr. Legg confirmed that road paving is included in the
28 budget, but a portion of funds previously allocated to street paving were shifted to sidewalk repairs
29 due to increased complaints. He emphasized that City Council has full discretion over funding
30 priorities and suggested that it be added to the list for further discussion.

31
32 **Resolution directing the filing with the City Clerk of the recommended budget for FY 2025-**
33 **2026 and setting a public hearing (Mike Legg, City Manager) (Copy included as Exhibit L)**

34 There being no further questions or comments, Mayor Hinnant noted that a Public Hearing is required
35 before adoption of the budget and asked for a motion regarding a Resolution directing the filing with
36 the City Clerk and setting a public hearing date for June 9, 2025.

37
38 Councilmember Dayvault made the motion to approve, second by Councilmember Wilson and the
39 motion was unanimously approved.

40
41 **Public Hearing – Voluntary Annexation (A-2025-06) of approximately 5.039 +/- acres of**
42 **property located at 2806 N Cannon Boulevard (Rowan County parcel Identification Number**
43 **133 05708) and consider a motion to extend the Corporate Limits of the City of Kannapolis**
44 **(Richard Smith, Planning Director) (Copy included as Exhibit M)**

45 Planning Director, Richard Smith, stated that the applicant for the proposed annexation withdrew the
46 petition to annex and no further action is needed.

1 Mayor Hinnant confirmed for the audience that the applicant has withdrawn application for
2 annexation of property located at 2806 North Cannon Boulevard and that no other action is needed
3 from Council.
4

5 **Public Hearing & Resolution – Development Agreement #2025-06 – Dale Earnhardt Boulevard**
6 **Partners, LLC (Dale Earnhardt Boulevard Townhomes) (Richard Smith, Planning Director)**
7 **(Copy included as Exhibit N)**

8 Mr. Smith stated that the Development Agreement for Dale Earnhardt Boulevard Partners, LLC., was
9 previously discussed at the April 28, 2025, Council meeting and is now being resubmitted with
10 additional information. He directed Council's attention to maps and elevation renderings, explaining
11 that the applicant proposes 88 single-family attached townhomes. The project includes storm control
12 measures that will encroach on City property, and in exchange, the applicant plans to construct a
13 public dog park with fenced areas separating small and large dogs. Addressing previous questions
14 about existing homes, Mr. Smith noted that 15 homes have already been vacated, with several deemed
15 uninhabitable. Ten homes remain occupied by renters, and the property owner has given tenants until
16 July to vacate.
17

18 Councilmember Dixon asked for confirmation that none of the homes are owner-occupied. Mr. Smith
19 confirmed that all properties are owned by the applicant, and the current residents are renters who
20 have been notified to vacate by July.
21

22 There being no further questions or comments for staff, Mayor Hinnant opened the Public Hearing,
23 which was then closed without public comment. He then called for a motion on the Resolution to
24 approve the Ordinance for the Development Agreement with Dale Earnhardt Boulevard Partners,
25 LLC. Councilmember Dixon made the motion to approve, second by Councilmember Jackson. The
26 motion passed 4-3 with Mayor Pro tem Berry and Councilmembers Dayvault and Wilson dissenting.
27

28 **Agreement – Motion to authorize the City Manager to execute a 12-month agreement with**
29 **Crown Productions for professional services related to the broadcasting of City Council**
30 **meetings (Mike Legg, City Manager) (Copy included as Exhibit O)**

31 Mr. Legg provided information regarding the broadcasting of Council meetings stating that Crown
32 Productions has been selected as the proposed vendor at a cost of \$1500 per meeting. The total budget
33 equates to \$46,000 for 24 meetings and includes two test meetings. Mr. Legg stated that the
34 assumption is that the meetings would be taped live, similar to Cabarrus County's approach, and then
35 uploaded to YouTube in real time, noting that long-term storage of the tapings will need to be
36 determined. Pending Council approval, the implementation timeline would begin with a contract start
37 date of July 1, 2025, with added sound system integration. The two test broadcasts (not live) would
38 occur in late July or early August to evaluate camera setup and production quality with an expected
39 launch date of September 1, 2025. Mr. Legg noted that revised policies on public speakers, video
40 handling and public records will also be presented to Council at one of their July meetings.
41

42 Councilmember Kincaid asked if the City would need to purchase any new equipment. Mr. Legg
43 responded that all equipment and personnel will be provided by the production and sound companies.
44

45 There being no further discussion, Mayor Hinnant called for a motion to authorize the City Manager
46 to execute a 12-month agreement with Crown Productions. Councilmember Dayvault made the
47 motion to approve, second by Councilmember Wilson and the motion was unanimously approved.

1
2 **Budget Amendment #25-41 – Motion to approve an Ordinance appropriating cash reserves for**
3 **the first year funding for Professional Services related to the Broadcasting of City Council**
4 **meetings and related professional sound technician support (Mike Legg, City Manager) (Copy**
5 **included as Exhibit P)**

6 Mr. Legg stated that a budget amendment was required to appropriate the required funds from the
7 fund balance to proceed with the contract.
8

9 Mayor Pro tem Berry made the motion to approve the Ordinance for the budget amendment, second
10 by Councilmember Kincaid and the motion was unanimously approved.
11

12 **Authorize the City Manager to negotiate and execute a Public Arts Master Plan Agreement**
13 **with consultant Todd W. Bressi (Gary Mills, Parks & Recreation Director) (Copy included as**
14 **Exhibit G) [*Moved to Business Agenda by unanimous approval.*]**

15 Mayor Pro tem Berry proposed that Council pause or redirect funds toward a Cannon Family
16 scholarship sculpture or monument to honor their legacy. She suggested approaching the Cannon
17 Foundation for a potential partnership, making this project a cornerstone of the City's public arts
18 collection.
19

20 Mayor Hinnant called on Gary Mills, Parks and Recreation Director to explain the Master Plan. Mr.
21 Mills explained that as a result of the Imagine Kannapolis initiative, two resident-led focus groups,
22 one on tourism and arts and the other on historic preservation, identified the need for a Public Arts
23 Master Plan. The plan aims to expand public arts opportunities, determine locations, and establish
24 policies and procedures to guide future projects. In response, City Council allocated funds in last
25 year's budget to develop the plan and after reviewing multiple proposals, the recommendation tonight
26 is to proceed with Mr. Bressi, who previously developed Public Arts Master Plans for Raleigh and
27 Concord and is highly experienced in crafting these strategic documents.
28

29 Mayor Hinnant asked whether delaying action on the item would have any negative repercussions.
30 Mr. Mills confirmed that it would not, while Mr. Legg suggested adding the item to the discussion
31 list for further review. Mayor Hinnant agreed and called for a motion
32

33 Councilmember Wilson made the motion to table for further discussion, second by Councilmember
34 Jackson and the motion was unanimously approved.
35

36 **CITY MANAGER REPORT**

37 Nothing to report.
38

39 **CITY COUNCIL COMMENTS**

40 Councilmember Dixon emphasized the need to expand downtown shuttle service and better market
41 the parking deck, which remains underutilized, particularly during events. She suggested
42 collaborating with DKI to improve awareness and accessibility. Councilmember Dixon commented
43 that she was made aware of the lack of Habitat for Humanity projects in Rowan County and proposed
44 investigating available Rowan County properties to address affordable housing needs.
45

46 Councilmember Jackson expressed concern related to downtown parking management, particularly
47 for ballpark employees and downtown workers. Councilmember Wilson agreed but noted that
48 employee parking should be managed by DKI.

1 **SPEAKERS FROM THE FLOOR**

2 Zach Erwin commended Council for approving the broadcasting of future meetings. Mr. Erwin then
3 raised concerns about the procedural handling of moving an item from the Consent Agenda to the
4 Business Agenda. After reviewing the transcript and consulting with the City Attorney, it was
5 determined that proper procedures were followed.
6

7 Phil Goodman also commended Council for approving meeting broadcasts, emphasizing community
8 collaboration. Mr. Goodman urged written responses or calls for neighborhood concerns and
9 suggested adding Swanee Theatre events to Kannapolis Matters, noting its absence despite 60-70
10 listed events. He invited Council to a May 31st walking tour hosted by the Kannapolis and Concord
11 History Groups, celebrating 19 years of collaboration. Lastly, he praised Parks and Recreation
12 employees Raygen Ellis and Megan Keul for their responsiveness to community inquiries.
13

14 Naomi Hatchell thanked City Council for voting to broadcast meetings, and shared her advocacy
15 efforts, including door-to-door outreach, conversations at churches and gyms, and a petition urging
16 Council to record and make meetings accessible. She emphasized that recorded meetings foster trust,
17 keep residents informed, holds officials accountable and reinforces community engagement.
18

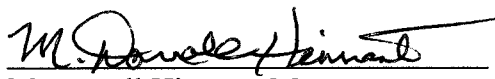
19 Victoria Wolford expressed concern about Pennant Square residents unknowingly being subject to
20 downtown Covenants, Conditions and Restrictions (CCRs) regulations and noted that while residents
21 already have one HOA, they are now governed by additional rules that were not disclosed during the
22 home-buying process. She believes this lack of disclosure left residents unexpectedly bound by new
23 regulations, potentially impacting their purchase decisions and expressed frustration over the lack of
24 clear answers and asked that someone confirm whether Pennant Square is officially part of the CCRs
25 and clarification on its implications for residents.
26

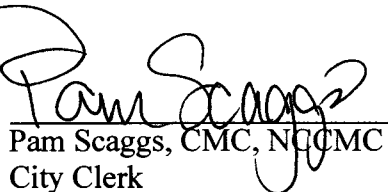
27 Isaiah Payne thanked City Council for voting to record and broadcast meetings, highlighting a strong
28 community support for the initiative. He also shared his advocacy efforts and emphasized that
29 transparency is not a burden but a foundation and is one that empowers residents, strengthens
30 dialogue, and improves government-community relations.
31

32 **MOTION TO ADJOURN**

33 There being no further business, Councilmember Kincaid made motion to adjourn, second by
34 Councilmember Dixon, and the motion was unanimously approved.
35

36 The meeting adjourned at 7:41 PM on Monday, May 12, 2025.
37
38
39
40


M. Darrell Hinnant, Mayor
City of Kannapolis


Pam Scaggs, CMC, NCCMC
City Clerk



Office of the Mayor

**KANNAPOLIS, NORTH CAROLINA
P R O C L A M A T I O N
“WAYNE BROTHERS 40TH ANNIVERSARY”**

WHEREAS, Keith Wayne co-founded Wayne Brothers, Inc. in 1985 with a bold vision to revolutionize the construction industry by providing comprehensive solutions that enhance efficiency, innovation, and greater value to clients; and

WHEREAS, Wayne Brothers, Inc. has been an integral part of our community for 40 years, demonstrating excellence and unwavering commitment, playing a vital role in the economic and professional landscape of Kannapolis; and

WHEREAS, their dedication to quality and service has fostered growth, strengthened the local economy, and contributed to the prosperity of Kannapolis and its surrounding communities; and

WHEREAS, Keith Wayne has shown outstanding leadership in economic development, actively serving organizations such as the Cabarrus Regional Chamber of Commerce, Cabarrus Economic Development Corporation, Charlotte Regional Partnership, and the Associated General Contractors as a Lifetime Director; and

WHEREAS, Wayne Brothers has created job opportunities, employing over 700 employees across three operational centers in the Southeastern United States, while also championing local initiatives, including their steadfast support of the Kannapolis Cannon Ballers; and

WHEREAS, this 40th milestone anniversary is an opportunity to celebrate Wayne Brothers, Inc.’s achievements and express gratitude for their positive impact on our community; and

NOW, THEREFORE, I, MILTON DARRELL HINNANT, Mayor of the City of Kannapolis, North Carolina by virtue of the authority vested in me as Mayor together with the Kannapolis City Council, does hereby recognize and commend Wayne Brothers, Inc. on this momentous occasion, honoring their contributions to the City and wishing them continued success in the years to come.



IN WITNESS WHEREOF I have set my hand and caused the Great Seal of the City of Kannapolis to be affixed this 12th day of May 2025.

Milton D. Hinnant



Office of the Mayor

**KANNAPOLIS, NORTH CAROLINA
P R O C L A M A T I O N
“NATIONAL POLICE WEEK MAY 11 – 17, 2025”**

WHEREAS, the City of Kannapolis is proud to recognize the dedicated men and women of law enforcement who serve with integrity, courage, and unwavering commitment to protecting our community; and

WHEREAS, the brave officers of the Kannapolis Police Department selflessly risk their lives to ensure safety, uphold justice, and foster trust with residents; and

WHEREAS, law enforcement officers across our nation stand as guardians of peace, often facing challenges that require exceptional resilience and professionalism; and

WHEREAS, May 15 is designated as **Peace Officers Memorial Day**, a solemn occasion to honor those who have made the ultimate sacrifice in service to their communities; and

WHEREAS, National Police Week provides an opportunity to express our deepest appreciation for the service and sacrifice of law enforcement professionals; and

WHEREAS, we recognize the importance of supporting officers in their mission and fostering strong relationships between law enforcement and the community.

NOW, THEREFORE, I, MILTON DARRELL HINNANT, Mayor of the City of Kannapolis, North Carolina by virtue of the authority vested in me as Mayor together with the Kannapolis City Council, do recognize and hereby proclaim **May 11 – 17, 2025 as National Police Week** and encourage all citizens to join in recognizing and appreciating the vital role law enforcement plays in protecting our city and ensuring justice for all.



IN WITNESS WHEREOF I have set my hand and caused the Great Seal of the City of Kannapolis to be affixed this 12th day of May 2025.

Milton D. Hinnant



Office of the Mayor

**KANNAPOLIS, NORTH CAROLINA
P R O C L A M A T I O N
“NATIONAL FIREFIGHTER DAY MAY 4, 2025”**

WHEREAS, the City of Kannapolis proudly recognizes the bravery, dedication, and sacrifice of firefighters who serve our community with unwavering commitment; and

WHEREAS, the men and women of the Kannapolis Fire Department stand ready at all times to protect lives, property, and the well-being of our residents, often placing themselves in harm's way to ensure our safety; and

WHEREAS, firefighters not only respond to emergencies but also educate the public, promote fire prevention, and strengthen community resilience through their service; and

WHEREAS, National Firefighter Day is a time to honor those who have made the ultimate sacrifice in the line of duty and to express gratitude for the courage and professionalism of all firefighters; and

WHEREAS, City of Kannapolis joins communities across the nation in recognizing the vital role firefighters play in safeguarding our homes, businesses, and families.

NOW, THEREFORE, I, MILTON DARRELL HINNANT, Mayor of the City of Kannapolis, North Carolina by virtue of the authority vested in me as Mayor together with the Kannapolis City Council, do recognize and hereby proclaim **May 4, 2025 as National Firefighter Day** and encourage all citizens to take a moment to thank our firefighters, support fire safety initiatives, and remember those who have given their lives in service to others.



IN WITNESS WHEREOF I have set my hand and caused the Great Seal of the City of Kannapolis to be affixed this 12th day of May 2025.

Milton D. Hinnant



Kannapolis City Council

City Council Agenda Staff Report

May 12, 2025

To: Mayor and City Council

From: Alex Anderson, Director of Water Resources, Elizabeth Hassenfritz, Director of Engineering

Subject: **INFORMATION** - Monthly Wastewater Allocation Update **NO ACTION REQUIRED**

Recommended Action Requested by City Council

None. Information only.

Required Votes to Pass Required Action

Presentation Only. No Action Required

Background

This monthly wastewater allocations update is in response to several City Council members' request regarding an update on projects and current wastewater capacity. This update also captures all known and allocated projects through our 2027 projected allocation and captures wastewater allocation for all approved development agreements.

Fiscal Implications

None

Alternate Courses of Action

None. Information only.

Attachments

1. May 2025 Wastewater Allocation Update

**City of Kannapolis
Monthly Wastewater Allocations Update
May 2025**

Summary of Available WSACC Sewer Allocation for Kannapolis: 950,514

Total Restricted and Previously Committed Reserves: 876,602

WSACC Distributions this month: None

Pending Projects Approved by Policy: None

Remaining Non-Restricted Reserves: 1,016,267

Summary Remaining for post-2027 Sewer Allocation: 63,000 (approximately)

Pending Projects under Review:

- Dale Earnhardt Blvd Partners (DA#2025-09) – (For City Council Consideration): 26,400 GPD as a Priority 2 category 2 Strategic Reserve Project within the Downtown Development Area. This project will reduce Downtown Reserves (non-restricted by 26,400 GPD) and does not reduce the remaining post-2027 sewer allocation.
 - Irvin Farms (under review at Staff Level): ~21,000 GPD as a Priority 2 category 4 Strategic Reserve Project which improves City Infrastructure. This project will reduce post-2027 sewer allocation by ~21,000 GPD leaving a new approximate proposed total of 42,000 GPD. The project is anticipated for distribution in 2027.
-

Update Summary:

1. Staff will continue to evaluate Irvin Farms for concurrence as a Priority 2 classification and future presentation should this project be approved at the staff level.
2. Staff intend to present an updated Exhibit A for City Council review and adoption in August or September 2025.
3. Staff are preparing to transfer up to 12,500 GPD from Reserves to Wyrick Property as a Priority 1 Project with prior City Commitment. This transfer was always planned but did not occur in the most recent Exhibit A in 2024 as the project timing was not yet finalized. This action will not reduce the post-2027 sewer allocation total.
4. Staff are preparing to propose a reduction in 2027 Affordable Housing and Plant 4 site reserves of a combined 42,000 GPD to restore Concrescere Business Park to 42,000 GPD. This action will not reduce the post-2027 sewer allocation total. City Council authorization will be requested to amend Exhibit A.

Exhibits and Appendices

All figures are shown in GPD

Executive Summary Calculations

Summary of Available WSACC Sewer Allocation for Kannapolis (current):	950,514
Previous WSACC Distribution #12:	43,485
Projected WSACC 2027 distribution:	962,000
Total Restricted and Previously Committed Reserves:	(876,602)
Remaining Non-Restricted Reserves:	(1,016,267)
WSACC Distributions this month: None	0
Pending Projects Approved by Policy: None Current	0
Summary Remaining for post-2027 Sewer Allocation (approximate):	~63,000

General Tracking Based on Adopted Exhibit A

Previously Approved or Otherwise Committed Projects 2024-2025 (as shown in Exhibit A):

Lowes Foods - Kellswater Commons	9,698
Summerlyn Village Subdivision (2024)	12,900
Summerlyn Village Subdivision (2024)	30,600
Summerlyn Village Subdivision (2027)	30,600
Cannon Manor Subdivision	7,650
Emerson Glen Subdivision	12,900
Pace (Medical)	5,000
Coldwater Ridge Phase II apartments	9,100
Trinity Corners	10,125
85 Exchange (Industrial)	24,500
McDonalds – Kellswater Commons	1,280
Bakers Creek Subdivision (2024)	28,125
Bakers Creek Subdivision	28,125
Kannapolis Crossing – Development Agreement	316,000
Kannapolis Gateway Business Park	~5,000
Afton – Childers Cline Building III	~5,000
Downtown Reserves	198,905
• Market at Millstone (16,655) • Millstone Village (48,500) • Crest Field (50,400) • Bainbridge Kannapolis (52,975) • Towns at Millstone (30,375)	
Loop Yard Phase 1	36,225
Residential In-Fill (2024)	11,213
Hedgecliff Towns	28,856
Evolve-Hawthorne	41,925
Greenview Apartments	14,175
Stanley Drive (existing building)	8,700
Total Restricted and Previously Committed Reserve	876,602

Non-Restricted Reserves (between 2024 and 2027 distributions) Total (as shown in Exhibit A):

Block 5 (Mixed Use/Apartments)	16,150
Block 5 (Commercial Reserves)	36,000
Block 6 (Mixed Use/Apartments)	56,250
Afton Ridge Reserves (remaining)	7,000
Lakeshore Reserves	18,000
Kannapolis Crossings Reserves	100,000
Downtown Reserves (remaining)	118,467
Additional Downtown Set-Aside Reserves	100,000
Loop Yard Phase 2 (lift station improvements)	95,000
Non-Residential In-Fill	100,000
Affordable Housing (2024)	21,600
Affordable Housing (2027)	20,000
Metro 63	18,000
85 Exchange Industrial Reserves	28,000
Kannapolis Parkway and Rogers Lake Road Reserves	28,000
Stanley Drive Industrial Reserves	10,300
Concord Lake Road and Roxie Street Reserves	12,000
Glen Afton and Kannapolis PKWY (Motely Industrial)	42,000
Plant 4 Site	94,500
Concrescere Business Park	0
Community Enhancement (schools and infrastructure)	20,000
Strategic Buffer	75,000
Total Non-Restricted and Previously Committed Reserve	1,016,267

Waitlist Projects (No current allocation available) (as shown in Exhibit A):

Blue Ridge Apartments	44,100
The Farm at Riverpointe Phases 3B, 5, 6	59,588
Riverpointe at Davidson	131,250
Bridges of Cabarrus II	31,500
Abberly (885 Kannapolis Pkwy)	52,650
Lane St Townhomes W of Royce St	42,075
Cavallaro Ridge (Windy Hill Farm) at Boy Scout Camp/Isenhour	20,250
Kannapolis Pkwy Townhomes North of Redwood Apartments	26,100
Stonehaven	2,025
Sudbury Rd Subdivision	18,900
Camp Cabarrus at Kannapolis Pkwy & Dovefield Ln	54,900
Trinity Church Rd Apartments at Northwest Cabarrus High School	21,300
Orphanage Rd Apartments north side	8,100

Exhibit Tracking Calculations:

- Stanley Drive = 19,000 – 8,700 (not to exceed 8,700)
- Afton Ridge Reserves = 12,000 – ~5,000 = 7,000
- Wyrick (Maple Ridge Calculations) = Twelve 1-bedroom, forty-six 2-bedroom, twelve 3-bedroom and up to 2,000 GPD amenity/clubhouse. Total not to exceed 12,500.
- Downtown Reserves:

Current Reserve	317,372
• Market at Millstone	(16,655)
• Millstone Village	(48,500)
• Crest Field	(50,400)
• Bainbridge Kannapolis	(52,975)
• Towns at Millstone	(30,375)
 Remaining Original Downtown Reserves	 118,467
 Downtown Reserve Projects Under Review	
• Dale Earnhardt Blvd Partners	(26,400)
 Final Remaining Balance If DEB Partners is approved	 92,067

Sewer Capacity as of December 1, 2024 Calculations:

○ Start	1,054,306
○ Approved	(123,518)
○ Restricted	(846,002)
○ Unrestricted	(941,267)
○ Strategic Buffer	(75,000)
○ Anticipated by policy	(~11,000)
○ WSACC Dist #12	43,485
○ 2027 Addition	<u>962,000</u>

Exhibit A Remaining Capacity in Post 2027: **~63,000 (within 1%)**



Kannapolis City Council

City Council Agenda Staff Report

May 12, 2025

To: Mayor and City Council

From: Brian Roberts, Finance Director, Daniel Jenkins, Assistant Human Resources Director

Subject: **BUDGET AMENDMENT #25-38** - Motion to approve an Ordinance appropriating Cash Reserves for a Workers Compensation Settlement **UNANIMOUSLY APPROVED**

Recommended Action Requested by City Council

Motion to approve an Ordinance for Budget Amendment #25-38 appropriating cash reserves for a workers' compensation settlement authority.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

At their April 14, 2025, Closed Session meeting, City Council provided staff with settlement authority for workers' compensation mediation scheduled for April 27, 2025. The mediation was settled at \$85,000 in accordance with the parameters set by City Council. Budget Amendment #25-38 transfers funds in this amount to the Insurance and Risk Fund for this settlement payment.

Fiscal Implications

Budget Amendment #25-38 appropriates fund balance from the General Fund in the amount of \$85,000 and transfers this to the Insurance and Workers Compensation Fund where the settlement payment will be accounted for.

Alternate Courses of Action

1. **Motion to approve an Ordinance for Budget Amendment #25-38 appropriating cash reserves for a workers' compensation settlement authority (Recommended).**
2. Table action to a future meeting.
3. Take no action.

Attachments

1. 2025-36 Ordinance Amending Budget #25-38 appropriating cash reserves for Workers Compensation Settlement

**ORDINANCE AMENDING BUDGET FOR THE
CITY OF KANNAPOLIS, NORTH CAROLINA
FOR THE FISCAL YEAR BEGINNING JULY 1, 2024, AND ENDING JUNE 30, 2025
Amendment # 25-38**

BE IT ORDAINED by the City Council of the City of Kannapolis, North Carolina meeting in open session this 12th day of May 2025, that the following amendment to the Budget Ordinance for the City of Kannapolis, North Carolina for the Fiscal Year beginning July 1, 2024, and ending June 30, 2025, is hereby adopted:

Description: This budget amendment appropriates funding for workers compensation settlement for \$85,000.

SECTION I – GENERAL FUND

Revenue:	Increase: Fund Balance Appropriated	\$85,000
	Revenue: 19900-39900	

Expenditure:	Increase: Transfer to Other Funds: Insurance and Risk	\$85,000
	Expenditure: 19000-57700	

SECTION II – INSURANCE AND RISK FUND

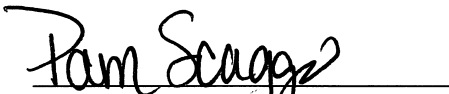
Revenue:	Increase: Transfer from General Fund	\$85,000
	Revenue: 99000-39200	

Expenditure:	Increase: Workers Comp. Insurance Claims	\$85,000
	Expenditure: 90100-51641	

This ordinance is approved and adopted on this 12th day of May 2025.


Milton D. Hinnant, Mayor
City of Kannapolis

ATTEST:


Pam Scaggs, CMC, NCCMC
City Clerk



Kannapolis City Council

City Council Agenda Staff Report

May 12, 2025

To: Mayor and City Council
From: Mike Legg, City Manager
Subject: **BUDGET AMENDMENT #25-39** - Motion to approve an Ordinance appropriating Cash Reserves for the first year funding set aside for a Capital Reserve Fund
UNANIMOUSLY APPROVED

Recommended Action Requested by City Council

Motion to approve an Ordinance for Budget Amendment #25-39 which appropriates cash reserves for the first year funding set aside for a Capital Reserve Fund.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

In the FY 2025 operating budget, Council appropriated \$1,562,708 from the General Fund to establish a Capital Reserve Fund. This fund is designed to set aside funds for future infrastructure projects, primarily, but not exclusively, focused on street, transportation, and sidewalk enhancements. City Council action will be requested in the future to determine the specific planned use of these funds for future budgets.

Fiscal Implications

This funding capacity was included in the adopted FY 2025 budget. This Budget Amendment is the next step in the budget implementation. This is largely an accounting exercise. It is not irreversible.

Alternate Courses of Action

1. **Motion to approve an Ordinance for Budget Amendment #25-39 which appropriates cash reserves for the first year funding set aside for a Capital Reserve Fund (Recommended).**
2. Table the action to a future meeting.
3. Take no action.

Attachments

1. 2025-37 Ordinance Amending Budget #25-39 appropriating cash reserves for first year funding set aside for a Capital Reserve Fund

**ORDINANCE AMENDING BUDGET FOR THE
CITY OF KANNAPOLIS, NORTH CAROLINA
FOR THE FISCAL YEAR BEGINNING JULY 1, 2024, AND ENDING JUNE 30, 2025
Amendment # 25-39**

BE IT ORDAINED by the City Council of the City of Kannapolis, North Carolina meeting in open session this 12th day of May 2025, that the following amendment to the Budget Ordinance for the City of Kannapolis, North Carolina for the Fiscal Year beginning July 1, 2024, and ending June 30, 2025, is hereby adopted:

Description: This budget amendment budgets the following for a Capital Reserve Fund:

- \$1,562,708 to set aside monies for future infrastructure projects, primarily, but not exclusively, focused on street, transportation, and sidewalk enhancements.

SECTION I – CAPITAL RESERVE FUND (Fund 243)

Revenue:	Increase: Transfer from the General Fund Revenue: 24390-39200	\$1,562,708
Expenditure:	Increase: Transfer to Capital Projects Expenditure: 24390-57200	\$1,562,708

This ordinance is approved and adopted on this 12th day of May 2025.


Milton D. Hinnant, Mayor

ATTEST:


Pam Scaggs, CMC, NCCMC
City Clerk



Kannapolis City Council

City Council Agenda Staff Report

May 12, 2025

To: Mayor and City Council

From: Mike Legg, City Manager

Subject: **BUDGET AMENDMENT #25-40** - Motion to approve an Ordinance appropriating Cash reserves for the first year funding set aside for the Western Cabarrus Fire Protection Capital Project Fund **UNANIMOUSLY APPROVED**

Recommended Action Requested by City Council

Motion to approve an Ordinance for Budget Amendment #25-40 which appropriates cash reserves for the first year funding set aside for the Western Cabarrus Fire Protection Capital Project Fund.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

In the FY 2025 operating budget, Council appropriated \$373,057 of General Fund monies to establish the Western Cabarrus Fire Protection Capital Project Fund. This fund is designed to facilitate the gradual establishment of fire protection and life safety services in the areas of Western Cabarrus County west of Lake Howell and north of NC Highway 73 where there are currently 1,751 homes inside the City limits (more than the estimated 1,462 homes in the unincorporated areas). These City residents do not receive the same level of this service as the remainder of City's residents. These funds will be set aside for one-time startup costs and potential fire station renovation costs. For subsequent budgets, these funds will become part of the operating obligations - although additional capital funding (and debt service) may be necessary. This funding amount equates to 0.42 cents on the tax rate.

NOTE: IT is questionable that this project/initiative will move forward in the immediate future as negotiations with Odell Fire District officials currently is trending towards a mutually advantageous agreement for fire protection services. As such, these funds could be reallocated in the future if necessary.

Fiscal Implications

This funding capacity was included in the adopted FY 25 Budget. This Budget Amendment is the next step in the budget implementation. This is largely an accounting exercise and the action is not irreversible.

Alternate Courses of Action

1. **Motion to approve an Ordinance for Budget Amendment #25-40 which appropriates cash reserves for the first year funding set aside for the Western Cabarrus Fire Protection Capital Project Fund (Recommended).**
2. Table the action to a future meeting.
3. Take no action.

Attachments

1. 2025-38 Ordinance Amending Budget #25-40 appropriating cash reserves for first year funding set aside for Western Cabarrus Fire Protection Capital Pro

**ORDINANCE AMENDING BUDGET FOR THE
CITY OF KANNAPOLIS, NORTH CAROLINA
FOR THE FISCAL YEAR BEGINNING JULY 1, 2024, AND ENDING JUNE 30, 2025
Amendment # 25-40**

BE IT ORDAINED by the City Council of the City of Kannapolis, North Carolina meeting in open session this 12th day of May 2025, that the following amendment to the Budget Ordinance for the City of Kannapolis, North Carolina for the Fiscal Year beginning July 1, 2024, and ending June 30, 2025, is hereby adopted:

Description: This budget amendment budgets the following for a Capital Project Fund:

- \$373,057 to facilitate the gradual establishment of fire protection and life safety services in the areas of Western Cabarrus County west of Lake Howell and north of NC Highway 73.

SECTION I – WESTERN CABARRUS FIRE PROTECTION FUND (Fund 244)

Revenue:	Increase: Transfer from the General Fund	\$373,057
	Revenue: 24490-39200	
Expenditure:	Increase: Capital – CIP	\$373,057
	Expenditure: 24400-59200	

This ordinance is approved and adopted on this 12th day of May 2025.


Milton D. Hinnant, Mayor

ATTEST:


Pam Scaggs, CMC, NCCMC
City Clerk



Kannapolis City Council

City Council Agenda Staff Report

May 12, 2025

To: Mayor and City Council
From: Tracy Winecoff, Fire Chief
Subject: **RESOLUTION** - Motion to approve a Resolution adopting the Cabarrus Stanly Union Regional Hazard Mitigation Plan **UNANIMOUSLY APPROVED**

Recommended Action Requested by City Council

Adopt Mitigation Plan

Required Votes to Pass Required Action

Majority Present at Meeting

Background

FEMA has officially approved the Cabarrus Stanly Union Regional Hazard Mitigation Plan. The plan is approved until April 14, 2030.

Being covered by this plan allows participating jurisdictions to remain eligible for the following hazard mitigation grant programs administered by the Federal Emergency Management Agency (FEMA):

- Hazard Mitigation Grant Program (HMGP)
- Flood Mitigation Assistance (FMA)

Fiscal Implications

None.

Alternate Courses of Action

1. Motion to approve a Resolution adopting the Cabarrus Stanly Union Regional Hazard Mitigation Plan (recommended).
2. Table the action to a future meeting.
3. Take no action.

Attachments

1. Cabarrus Stanly Union RHMP_APP letter 4-15-2025
2. 2025-39 Resolution adopting Cabarrus Stanly Union Regional Hazard Mitigation Plan



FEMA

April 15, 2025

Mr. Steve McGugan
State Hazard Mitigation Officer
Assistant Director / Mitigation Section Chief
Division of Emergency Management, NC Department of Public Safety
200 Park Offices Drive
Durham, NC 27713

Reference: Cabarrus Stanly Union Regional Hazard Mitigation Plan

Dear Mr. McGugan:

We are pleased to inform you the Cabarrus Stanly Union Regional Hazard Mitigation Plan update complies with the Federal hazard mitigation planning requirements resulting from the Disaster Mitigation Act of 2000, as contained in 44 CFR §201.6. FEMA approval does not include the review or approval of content that exceeds these applicable FEMA mitigation planning requirements. Effective April 15, 2025, the plan is approved for a period of five (5) years to April 14, 2030.

Enclosed is the status of all participating jurisdictions. Approved jurisdictions are eligible applicants through the State for the following mitigation grant programs administered by the Federal Emergency Management Agency (FEMA):

- Hazard Mitigation Grant Program (HMGP)
- Flood Mitigation Assistance (FMA)

Please note that all funding requests will be evaluated individually according to the program's specific eligibility requirements.

The State and all plan participants should be commended for their close coordination and communications with our office in the review and subsequent approval of the plan. If you or any plan participant need assistance, please do not hesitate to contact Kymberly Kudla, of my staff, at (202) 655-6712.

Sincerely,

A handwritten signature in blue ink that reads "Kristen M. Martinenza".

Kristen M. Martinenza, P.E.
Risk Analysis Branch Chief

Enclosure

Enclosure: Plan Participant Status List

Attached is the list of participating jurisdictions in the referenced hazard mitigation plan.

Community Name		Date Approved Jurisdiction Status by FEMA	
1)	Albemarle city	APA	
2)	Badin town	APA	
3)	Cabarrus County	APA	
4)	Concord city	APA	
5)	Fairview town	APA	
6)	Harrisburg town	APA	
7)	Hemby Bridge town	APA	
8)	Indian Trail town	Approved	4/15/25
9)	Kannapolis city	APA	
10)	Lake Park village	Approved	4/15/25
11)	Locust city	APA	
12)	Marshville town	Approved	4/15/25
13)	Marvin village	Approved	4/15/25
14)	Midland town	APA	
15)	Mineral Springs town	Approved	4/15/25
16)	Misenheimer village	APA	
17)	Monroe city	Approved	4/15/25
18)	Mount Pleasant town	Approved	4/15/25
19)	New London town	APA	
20)	Norwood town	Approved	4/15/25
21)	Oakboro town	APA	
22)	Red Cross town	Approved	4/15/25
23)	Richfield town	APA	
24)	Stallings town	APA	
25)	Stanfield town	APA	
26)	Stanly County	APA	
27)	Union County	APA	
28)	Unionville town	Approved	4/15/25

Community Name	Jurisdiction Status	Date Approved by FEMA
29) Waxhaw town	Approved	4/15/25
30) Weddington town	Approved	4/15/25
31) Wesley Chapel village	APA	
32) Wingate town	APA	

**RESOLUTION
ADOPTING THE CABARRUS STANLY UNION
REGIONAL HAZARD MITIGATION PLAN**

WHEREAS, the citizens and property within City of Kannapolis are subject to the effects of natural hazards that pose threats to lives and cause damage to property, and with the knowledge and experience that certain areas of the county are particularly vulnerable to drought, extreme heat, hailstorm, hurricane and tropical storm, lightning, thunderstorm wind/high wind, tornado, winter storm and freeze, flood, hazardous material incident, and wildfire; and

WHEREAS, the City of Kannapolis desires to seek ways to mitigate the impact of identified hazard risks; and

WHEREAS, the Legislature of the State of North Carolina has in Article 5, Section 160D-501 of Chapter 160D of the North Carolina General Statutes, delegated to local governmental units the responsibility to adopt regulations designed to promote the public health, safety, and general welfare of its citizenry; and

WHEREAS, the Legislature of the State of North Carolina has enacted General Statute Section 166A-19.41 (*State emergency assistance funds*) which provides that for a state of emergency declared pursuant to G.S. 166A-19.20(a) after the deadline established by the Federal Emergency Management Agency pursuant to the Disaster Mitigation Act of 2002, P.L. 106-390, the eligible entity shall have a hazard mitigation plan approved pursuant to the Stafford Act; and.

WHEREAS, Section 322 of the Federal Disaster Mitigation Act of 2000 states that local governments must develop an All-Hazards Mitigation Plan in order to be eligible to receive future Hazard Mitigation Grant Program Funds and other disaster-related assistance funding and that said Plan must be updated and adopted within a five-year cycle; and

WHEREAS, the City of Kannapolis has performed a comprehensive review and evaluation of each section of the previously approved Hazard Mitigation Plan and has updated the said plan as required under regulations at 44 CFR Part 201 and according to guidance issued by the Federal Emergency Management Agency and the North Carolina Division of Emergency Management.

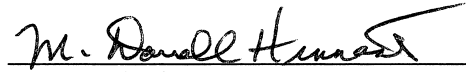
WHEREAS, it is the intent of the Kannapolis City Council to fulfill this obligation in order that the City of Kannapolis will be eligible for federal and state assistance in the event that a state of disaster is declared for a hazard event affecting Cabarrus County;

NOW, THEREFORE, be it resolved that the City Council of the City of Kannapolis

1. Adopts the Cabarrus Stanly Union Regional Hazard Mitigation Plan.

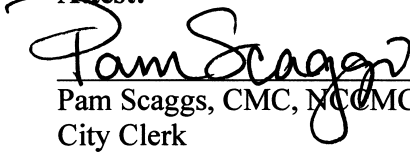
2. Vests the Kannapolis Fire Department the responsibility, authority, and the means to:
 - (a) Inform all concerned parties of this action.
 - (b) Cooperate with Federal, State and local agencies and private firms which undertake to study, survey, map and identify floodplain areas, and cooperate with neighboring communities with respect to management of adjoining floodplain areas to prevent exacerbation of existing hazard impacts.
3. Appoints Kannapolis Fire Department to assure that the Hazard Mitigation Plan is reviewed annually, and every five years as specified in the Plan to assure that the Plan follows all State and Federal regulations and that any needed revisions or amendments to the Plan are developed and presented to the City of Kannapolis Council.
4. Agrees to take such other official action as may be reasonably necessary to carry out the objectives of the Hazard Mitigation Plan.

Adopted this the 12th day of May 2025.



M. Darrel Hinnant, Mayor
City of Kannapolis

Attest:



Pam Scaggs, CMC, NCCMC
City Clerk





FEMA

April 15, 2025

Mr. Steve McGugan
State Hazard Mitigation Officer
Assistant Director / Mitigation Section Chief
Division of Emergency Management, NC Department of Public Safety
200 Park Offices Drive
Durham, NC 27713

Reference: Cabarrus Stanly Union Regional Hazard Mitigation Plan

Dear Mr. McGugan:

We are pleased to inform you the Cabarrus Stanly Union Regional Hazard Mitigation Plan update complies with the Federal hazard mitigation planning requirements resulting from the Disaster Mitigation Act of 2000, as contained in 44 CFR §201.6. FEMA approval does not include the review or approval of content that exceeds these applicable FEMA mitigation planning requirements. Effective April 15, 2025, the plan is approved for a period of five (5) years to April 14, 2030.

Enclosed is the status of all participating jurisdictions. Approved jurisdictions are eligible applicants through the State for the following mitigation grant programs administered by the Federal Emergency Management Agency (FEMA):

- Hazard Mitigation Grant Program (HMGP)
- Flood Mitigation Assistance (FMA)

Please note that all funding requests will be evaluated individually according to the program's specific eligibility requirements.

The State and all plan participants should be commended for their close coordination and communications with our office in the review and subsequent approval of the plan. If you or any plan participant need assistance, please do not hesitate to contact Kymberly Kudla, of my staff, at (202) 655-6712.

Sincerely,

A handwritten signature in blue ink that reads "Kristen M. Martinenza".

Kristen M. Martinenza, P.E.
Risk Analysis Branch Chief

Enclosure

Enclosure: Plan Participant Status List

Attached is the list of participating jurisdictions in the referenced hazard mitigation plan.

Community Name		Date Approved Jurisdiction Status by FEMA	
1)	Albemarle city	APA	
2)	Badin town	APA	
3)	Cabarrus County	APA	
4)	Concord city	APA	
5)	Fairview town	APA	
6)	Harrisburg town	APA	
7)	Hemby Bridge town	APA	
8)	Indian Trail town	Approved	4/15/25
9)	Kannapolis city	APA	
10)	Lake Park village	Approved	4/15/25
11)	Locust city	APA	
12)	Marshville town	Approved	4/15/25
13)	Marvin village	Approved	4/15/25
14)	Midland town	APA	
15)	Mineral Springs town	Approved	4/15/25
16)	Misenheimer village	APA	
17)	Monroe city	Approved	4/15/25
18)	Mount Pleasant town	Approved	4/15/25
19)	New London town	APA	
20)	Norwood town	Approved	4/15/25
21)	Oakboro town	APA	
22)	Red Cross town	Approved	4/15/25
23)	Richfield town	APA	
24)	Stallings town	APA	
25)	Stanfield town	APA	
26)	Stanly County	APA	
27)	Union County	APA	
28)	Unionville town	Approved	4/15/25

Community Name	Jurisdiction Status	Date Approved by FEMA
29) Waxhaw town	Approved	4/15/25
30) Weddington town	Approved	4/15/25
31) Wesley Chapel village	APA	
32) Wingate town	APA	



Kannapolis City Council

City Council Agenda Staff Report

May 12, 2025

To: Mayor and City Council

From: Michael Rattler, Director of Transportation & Environmental Services

Subject: **BID AWARD AND CONTRACT - Opal Street Water and Street Improvement Project UNANIMOUSLY APPROVED**

Recommended Action Requested by City Council

Motion to award the Opal Street Water and Street Improvement Project to the lowest responsible bidder, Carolina Siteworks, Inc. in the amount of \$418,177.19 and authorize the City Manager to execute the contract.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

This project will replace the existing water main on Opal Street from Bernard Ave to Concord Lake Road (approximately 1,050 LF) and installation of new water services along Opal Street to the existing houses. The existing water main has had several leaks over the past few years and is in need of replacement. This water main replacement project will also include the installation of two new fire hydrants, which will improve available fire protection for the surrounding property owners. The project also includes street repaving: ribbon pavement installation with a combination of full depth reclamation and resurfacing. The existing manholes and meter and valve boxes will be reset to the new elevation. Width of the asphalt will be 18 ft. (2 lanes).

Formal Bids for the project were obtained from 3 contractors. Bids were publicly opened on April 29, 2025 at 2 PM.

Bid results are as follows:

<u>Contractor</u>	<u>Bid Amount</u>
Carolina Siteworks, Inc.	\$418,177.19
Efficient Development, LLC	\$703,111.20
Performance Managed Construction, Inc.	\$770,943.80

The Contractor is awaiting notice to proceed on the project to begin work. The contract time for completion of the work is 120 days from the notice to proceed.

Fiscal Implications

City Council had previously appropriated Water and Sewer Fund cash reserves for the water main replacement on May 20, 2024 and General Funds for the street repaving on June 24, 2024. Staff has determined that this project can be funded from CDBG Program Income Funds. City Council approved the CDBG Program Income Budget Amendment FY2024-25 on March 24, 2025 to set the program income budget. Paying for Opal St improvements from Program Income funds would involve moving an additional \$340,257 from Transitional Housing use (75000-51956-CPR24) to Infrastructure use (75000-51935-CPR24). Council approval is not needed for the CDBG Program Income budget.

Alternate Courses of Action

- Motion to award the Opal Street Water and Street Improvement Project to the lowest responsible bidder, Carolina Siteworks, Inc. in the amount of \$418,177.19 and authorize the City Manager to execute the contract (Recommended)**
- Take no action.

3. Table to future meeting.

Attachments

1. Opal Street Water and Street Improvement Project Cert Bid Tab

Project:Opal Street Water and Street Improvements

Owner:City of Kannapolis

AWCK Project:24541/24501



BID OPENING AT AWCK OFFICE, 120 S MAIN ST KANNAPOLIS NC 28081
BID DATE: APRIL 29, 2025 AT 2 PM

alley, williams, carmen, & king, inc.
CONSULTING ENGINEERS
Firm License No. 0203
120 SOUTH MAIN STREET
P.O. BOX 1248
KANNAPOLIS, NC 28082
704/938-1515

Opal Street Water and Street Improvement Project							CAROLINA SITEWORKS, INC PO BOX 280 CHINA GROVE, NC 28023		EFFICIENT DEVELOPMENT LLC 10800 SIKES PLACE, STE 220 CHARLOTTE, NC 28277		PERFORMANCE MANAGED CONSTRUCTION, INC PO BOX 501 CONCORD, NC 28026	
					ENGINEER'S ESTIMATE							
Item No.	Sect.	Description	Qty	Unit	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension	Unit Price	Extension
1	800	MOBILIZATION	1	LS	\$ 16,500.00	\$ 16,500.00	LUMP SUM	\$ 4,057.97	LUMP SUM	\$ 35,000.00	LUMP SUM	\$ 45,000.00
2	801/SP-1	CONSTRUCTION SURVEYING, AS-BUILT FOR WATER LINE	1	LS	\$ 20,000.00	\$ 20,000.00	LUMP SUM	\$ 9,256.76	LUMP SUM	\$ 10,600.70	LUMP SUM	\$ 30,000.00
3	226/SP-2	COMPREHENSIVE GRADING	1	LS	\$ 75,000.00	\$ 75,000.00	LUMP SUM	\$ 56,652.17	LUMP SUM	\$ 125,000.00	LUMP SUM	\$ 277,000.00
4	226	UNDERCUT EXCAVATION	150	CY	\$ 75.00	\$ 11,250.00	\$ 26.09	\$ 3,913.50	\$ 28.00	\$ 4,200.00	\$ 5.00	\$ 750.00
5	265	SELECT GRANULAR MATERIAL, CLASS III	150	CY	\$ 65.00	\$ 9,750.00	\$ 36.23	\$ 5,434.50	\$ 162.00	\$ 24,300.00	\$ 20.00	\$ 3,000.00
6	270	GEOTEXTILE FOR SOIL STABILIZATION	150	SY	\$ 6.00	\$ 900.00	\$ 1.45	\$ 217.50	\$ 2.50	\$ 375.00	\$ 3.00	\$ 450.00
7	520	AGGREGATE BASE COURSE	320	TN	\$ 45.00	\$ 14,400.00	\$ 64.41	\$ 20,611.20	\$ 97.00	\$ 31,040.00	\$ 40.00	\$ 12,800.00
8	607	INCIDENTAL MILLING	110	SY	\$ 20.00	\$ 2,200.00	\$ 25.36	\$ 2,789.60	\$ 47.00	\$ 5,170.00	\$ 30.00	\$ 3,300.00
9	610	ASPHALT CONCRETE INTERMEDIATE COURSE, I19.0C	240	TN	\$ 100.00	\$ 24,000.00	\$ 102.58	\$ 24,619.20	\$ 120.00	\$ 28,800.00	\$ 160.00	\$ 38,400.00
10	610	ASPHALT CONCRETE SURFACE COURSE, S9.5B	200	TN	\$ 100.00	\$ 20,000.00	\$ 121.41	\$ 24,282.00	\$ 125.00	\$ 25,000.00	\$ 170.00	\$ 34,000.00
11	620, SP-3	ASPHALT BINDER FOR PLANT MIX	35	TN	\$ 600.00	\$ 21,000.00	\$ 819.75	\$ 28,691.25	\$ 625.00	\$ 21,875.00	\$ 565.00	\$ 19,775.00
12	654, SP-4	PATCHING EXISTING PAVEMENT	100	TN	\$ 120.00	\$ 12,000.00	\$ 249.92	\$ 24,992.00	\$ 200.00	\$ 20,000.00	\$ 150.00	\$ 15,000.00
13	SP-5	ASPHALT WEDGING	10	TN	\$ 150.00	\$ 1,500.00	\$ 121.40	\$ 1,214.00	\$ 288.00	\$ 2,880.00	\$ 300.00	\$ 3,000.00
14	846	2' VALLEY CURB AND GUTTER	150	LF	\$ 45.00	\$ 6,750.00	\$ 41.55	\$ 6,232.50	\$ 50.00	\$ 7,500.00	\$ 60.00	\$ 9,000.00
15	848	6" CONCRETE DRIVEWAYS	30.0	SY	\$ 120.00	\$ 3,600.00	\$ 88.76	\$ 2,662.80	\$ 83.00	\$ 2,490.00	\$ 160.00	\$ 4,800.00
16	1510/SP-6	6" C-900 PVC PIPE	888	LF	\$ 135.00	\$ 119,880.00	\$ 56.30	\$ 49,994.40	\$ 68.00	\$ 60,384.00	\$ 63.00	\$ 55,944.00
17	1510/SP-6	6" DUCTILE IRON PIPE	112	LF	\$ 150.00	\$ 16,800.00	\$ 86.88	\$ 9,730.56	\$ 110.00	\$ 12,320.00	\$ 82.00	\$ 9,184.00
18	1510/SP-6	6" DIP HYDRANT LEG, RESTRAINED JOINT	20	LF	\$ 170.00	\$ 3,400.00	\$ 89.05	\$ 1,781.00	\$ 120.00	\$ 2,400.00	\$ 90.00	\$ 1,800.00
19	1510/SP-6	MECHANICAL JOINT FITTINGS	610	LB	\$ 17.00	\$ 10,370.00	\$ 7.24	\$ 4,416.40	\$ 10.00	\$ 6,100.00	\$ 19.00	\$ 11,590.00
20	1510/SP-6	FIRE HYDRANT	2	EA	\$ 8,500.00	\$ 17,000.00	\$ 11,073.07	\$ 22,146.14	\$ 9,730.00	\$ 19,460.00	\$ 7,500.00	\$ 15,000.00
21	1510/SP-6	6" GATE VALVES	7	EA	\$ 3,000.00	\$ 21,000.00	\$ 3,237.68	\$ 22,663.76	\$ 2,300.00	\$ 16,100.00	\$ 2,000.00	\$ 14,000.00
22	1510/SP-6	2" GATE VALVE	1	EA	\$ 1,800.00	\$ 1,800.00	\$ 2,592.75	\$ 2,592.75	\$ 1,100.00	\$ 1,100.00	\$ 1,500.00	\$ 1,500.00
23	1510/SP-6	2" TEMPORARY BLOW OFF	1	EA	\$ 4,500.00	\$ 4,500.00	\$ 3,297.10	\$ 3,297.10	\$ 2,700.00	\$ 2,700.00	\$ 2,615.00	\$ 2,615.00
24	1515/SP-7	RECONNECT EXISTING WATER METERS	9	EA	\$ 2,100.00	\$ 18,900.00	\$ 1,286.81	\$ 11,581.29	\$ 1,500.00	\$ 13,500.00	\$ 2,100.00	\$ 18,900.00
25	858	ADJUSTMENT OF MANHOLES	4	EA	\$ 1,800.00	\$ 7,200.00	\$ 1,086.95	\$ 4,347.80	\$ 500.00	\$ 2,000.00	\$ 750.00	\$ 3,000.00
26	1530	ABANDON EXISTING WATER LINE	625	LF	\$ 15.00	\$ 9,375.00	\$ 7.24	\$ 4,525.00	\$ 12.50	\$ 7,812.50	\$ 4.00	\$ 2,500.00
27	SP-8	2" TEMPORARY BACKFLOW PREVENTION	1	EA	\$ 5,000.00	\$ 5,000.00	\$ 3,176.81	\$ 3,176.81	\$ 10,000.00	\$ 10,000.00	\$ 7,500.00	\$ 7,500.00
28	SP-9	TIE TO EXISTING WATER MAIN	4	EA	\$ 3,500.00	\$ 14,000.00	\$ 2,936.23	\$ 11,744.92	\$ 4,500.00	\$ 18,000.00	\$ 5,500.00	\$ 22,000.00
29	1607	CONSTRUCTION ENTRANCE	1	EA	\$ 2,500.00	\$ 2,500.00	\$ 724.63	\$ 724.63	\$ 4,000.00	\$ 4,000.00	\$ 2,500.00	\$ 2,500.00
30	1642/SP-10	WATTLE CHECKS	9	EA	\$ 500.00	\$ 4,500.00	\$ 217.39	\$ 1,956.51	\$ 200.00	\$ 1,800.00	\$ 100.00	\$ 900.00
31	SP-11	FABRIC INSERT INLET PROTECTION DEVICE	1	EA	\$ 500.00	\$ 500.00	\$ 434.78	\$ 434.78	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00
32	1660	SEED/MULCH	1	LS	\$ 5,000.00	\$ 5,000.00	LUMP SUM	\$ 2,898.55	LUMP SUM	\$ 7,500.00	LUMP SUM	\$ 4,000.00
33	SP-12	CONCRETE WASHOUT STRUCTURE	1	EA	\$ 2,500.00	\$ 2,500.00	\$ 724.63	\$ 724.63	\$ 1,000.00	\$ 1,000.00	\$ 1,500.00	\$ 1,500.00
34	SP-13	TEMPORARY TRAFFIC CONTROL	1	LS	\$ 5,000.00	\$ 5,000.00	LUMP SUM	\$ 5,797.10	LUMP SUM	\$ 108,634.80	LUMP SUM	\$ 30,000.00
					SUBTOTAL BID			\$ 380,161.08		\$ 639,192.00		\$ 700,858.00
					10% CONTINGENCY		*	\$ 38,016.11		\$ 63,919.20		\$ 70,085.80
					TOTAL BID			\$ 418,177.19		\$ 703,111.20		\$ 770,943.80
					VARIANCE FROM ENGINEER'S ESTIMATE			-25.18%		25.81%		37.94%
*NOTE: CORRECTED CONTINGENCY AMOUNT CAROLINA SITEWORKS BID												

*NOTE: CORRECTED CONTINGENCY AMOUNT CAROLINA SITEWORKS BID

I HEREBY CERTIFY THIS BID TABULATION TO BE A TRUE
AND ACCURATE COPY OF THE BIDS RECEIVED:





Kannapolis City Council

City Council Agenda Staff Report

May 12, 2025

To: Mayor and City Council

From: Gary Mills, Parks & Recreation Director

Subject: **AGREEMENT** - Motion to authorize the City Manager to negotiate and execute a Public Arts Master Plan agreement with consultant Todd W. Bressi **MOVED TO BUSINESS AGENDA AND TABLED**

Recommended Action Requested by City Council

Motion to authorize the City Manager to negotiate and execute a Public Arts Master Plan agreement with consultant Todd W. Bressi.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

The Imagine Kannapolis Tourism and Arts focus group identified public art as one (out of 11) of the City's priorities in this topic area. Funding for a Public Art Master Plan, one of the focus group's recommendations, was included in the City's FY25 budget.

This builds on the work the City has already been doing to build its public art collection, which includes six sculptures and five murals. Additionally, the Imagine Kannapolis Historic Preservation Focus Group identified historic themes that could help inform an overall interpretive program for the City, which can inform the themes for public art projects.

Goal

- Develop a Master Plan for public art in Kannapolis.
- Provide groundwork for a future Citizen's Advisory Group
- Substantially complete plan by end of fiscal year

Outputs

- Articulate vision for and definition of public art in Kannapolis
- Identify priority locations for future public art projects
- Outline project implementation processes - commissions, loans, donations, community-initiated proposals
- Recommend strategies for encouraging and guiding public art in private development
- Recommend approaches to conservation, maintenance, removal of artworks
- Provide associated policies and guidelines

Todd W. Bressi is a public art consultant and urban designer who has shaped creative, artist-led processes for communities across the U.S. and Canada. His work includes public art initiatives in

Concord and Raleigh. With decades of experience, he integrates placemaking, architecture, and landscape design to create spaces that reflect community vision. Todd consults with public agencies, civic/community groups, cultural organizations and private developers throughout the U.S. and Canada. He has worked on more than thirty public art projects, arts district and placemaking plans, managed complex public art commissions, teamed with artists on collaborative design and community engagement projects, and provided on-call consulting to several public art organizations.

His consulting has also inspired more than a dozen projects that have been recognized by the Public Art Network “Year in Review.” His work has also won national recognition from the American Planning Association, the American Society of Landscape Architects, the American Institute of Architects, the Environmental Design Research Association and the International Downtown Association.

The City also received a second proposal based on the proposed scope of work from the Berry Dunn firm for \$49,000. Staff recommends proceeding with the agreement with Todd W. Bressi.

Fiscal Implications

The fee for the proposal is \$25,000 and is currently appropriated in this year's budget.

Alternate Courses of Action

1. Motion to authorize the City Manager to negotiate and execute a Public Arts Master Plan agreement with consultant Todd W. Bressi **(Recommended)**
2. Take no action.

Attachments

1. Public Art Plan for Kannapolis

Public Art Plan for Kannapolis, N.C.

Submitted by Todd W. Bressi, January 2025

Background

The Imagine Kannapolis Tourism and Arts focus group identified public art as one (out of 11) of the city's priorities in this topic area. Funding for a public art master plan, one of the focus group's recommendations, was included in the city's FY25 budget. This builds on the work the city has already been doing to build its public art collection, which includes six sculptures and five mural. Additionally, the Imagine Kannapolis Historic Preservation Focus Group identified historic themes that could help inform an overall interpretive program for the city, which can inform the themes for public art projects.

Goal

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- Recommend approaches to conservation, maintenance, removal of artworks
- Provide associated policies and guidelines

Methodology

Mobilization

- Confirm process, outputs and outcomes
- Identify stakeholders, partners for plan process
- Identify resources (documents, mapping)

Research

- Review city plans and budgets
- Review Imagine Kannapolis recommendations
- Review city development patterns and development codes
- Review literature about Kannapolis history and culture

Visit to Kannapolis

- Field assessment (walking and driving visits)
- Key stakeholder engagement (interviews, roundtables, open house)

Engagement

- Key stakeholder interviews (10)

- City manager, city staff, Focus Group members; civic, history and tourism leaders,
- Roundtable (format and focus to be determined)
- Open house (during visit to Kannapolis)
- Questionnaire (for key stakeholders who cannot be interviewed)

Plan Development

- Draft recommendations
- Draft plan
- Final plan

Report would be presented as a cleanly formatted Word document, with photos and maps accompanying.

Fee

- Base professional services fee, including travel \$25,000

Schedule

- Project would occur from approximately April through June 2025, with final plan to be produced shortly after draft plan comments are received.



Kannapolis City Council

City Council Agenda Staff Report

May 12, 2025

To: Mayor and City Council
From: Gary Mills, Parks & Recreation Director
Subject: **ORDINANCE AMENDMENTS** - Motion to revise Chapter 12 of the City Code of Ordinances related to Park Rules and Regulations **UNANIMOUSLY APPROVED**

Recommended Action Requested by City Council

Motion to revise Chapter 12 of the City Code of Ordinances related to Park Rules and Regulations.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

In a review of our existing park rules and regulations and with the addition of the new Park Ranger program and new facilities, we discovered a few updates that needed to be added to the ordinance. In 12-23 we deleted a few non-existing facilities and added 4 new facilities. In 12-24 we added the authority to invoke suspension to "other city staff so designated by the city manager." In 12-27 a-#3 we added pickleball and deleted the golf area. In 12-31 we added Village Park to the list of facilities. These recommended changes will help with park operations and provide clarity and enforcement options where needed to help keep our park and recreation facilities safe for residents and visitors alike. Attached are the recommended changes to the ordinance.

Fiscal Implications

None

Alternate Courses of Action

1. **Motion to revise Chapter 12 of the City Code of Ordinances related to Park Rules and Regulations (Recommended)**
2. Take no action.
3. Table the action to a future meeting.

Attachments

1. Chapter 12 Code of Ordinances Amendments Park Rules 5-6-25

Chapter 12 PARKS AND RECREATION¹

ARTICLE I. IN GENERAL

Secs. 12-1—12-20. Reserved.

ARTICLE II. PARK REGULATIONS²

Sec. 12-21. Title.

This article shall be known and may be cited as the "City of Kannapolis Ordinance Regulating Conduct in City Parks and Public Property."

(Ord. of 2-26-2001, § 1)

Sec. 12-22. Construction of article.

- (a) Any requirement or prohibition of any act shall respectively extend to and include the causing and procuring, directly or indirectly, of such act.
- (b) No provision of this article shall make unlawful any act necessarily performed by any officer or employee of the city in the line of duty or work as such, or by any person, his agent or employees, in the proper and necessary execution of the terms of any agreement.
- (c) Any act otherwise prohibited by law or local ordinance shall be lawful if performed, under, by virtue of, and strictly within the provisions of a permit so to do, and to the extent authorized thereby.
- (d) This article contains provisions which are in addition to and supplementary to the state vehicle and traffic laws which are in force and which are incorporated in this article by reference and made a part thereof.

¹Charter reference(s)—Incorporation, corporate powers, § 1-1; governing body, § 3-1 et seq.; administration, § 5-1.

Cross reference(s)—Administration, Ch. 2; advisory commission on beautification, § 2-16 et seq.; emergency management, § 2-36 et seq.; animals Ch. 3; fire prevention and protection, scattering, etc., rocks, dirt, ashes, etc., on streets; placing, discarding, etc., solid waste on streets, highways, other public places prohibited, § 7-35(6), (8); motor vehicles and traffic, Ch. 10; permits required for bike races on park walkway, § 10-99; unreasonably loud, disturbing noise, § 11-21 et seq.; planning and development, Ch. 13; solicitors, Ch. 14; streets and sidewalks, Ch. 15; subdivisions, Ch. 16; water and sewers, Ch. 17; zoning, Ch. 18.

State law reference(s)—Recreation programs, G.S. § 160A-350 et seq.

²Editor's note(s)—Sections 1—15 of an ordinance adopted on Feb. 26, 2001 rescinded the former Art. II, §§ 12-21—21-50, and enacted a new Art. II as set out herein. The former Art. II pertained to similar subject matter and derived from an ordinance adopted on Jan. 27, 1986.

(Ord. of 2-26-2001, § 2)

Sec. 12-23. Definitions.

The following words, terms and phrases, when used in this article shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

City council means the Kannapolis City Council.

City manager means the city manager of the City of Kannapolis.

Department means the Kannapolis Parks and Recreation Department.

Footpath, trail or greenway means any path or trail maintained for pedestrians, bicycles and other means of permitted transportation.

Park, park property, public property means and includes all or any portion of any park or other public property in the City of Kannapolis including, but not limited to, Bakers Creek Park, Mountain Street Park, Village Park, Veterans Park, Walter M. Safrit Park, Kannapolis Cemetery, ~~James Street Park~~, ~~Pleasant Avenue Park~~, Dale Earnhardt Tribute Park, ~~Gem Theatre~~, ~~Swanee Theatre~~, ~~Main Street Parklets~~, ~~CMC-NE Baseball Stadium~~, Atrium Health Ball Park and Downtown Linear Park, Bakers Creek Greenway, 8th Street Greenway, Rocky River Greenway and Irish Buffalo Creek Greenway.

Pedestrian means a person afoot.

Permit means any written license issued by or under the authority of the department, permitting the performance of a specified act.

Regulation means any regulation duly adopted by the Kannapolis City Council or the city manager.

Vehicle means any conveyance, including motor vehicles, trailers of all types, campers, sleds, sleighs, pushcarts, or vehicles propelled by other than muscular power. Vehicles shall also include any horse or horse-drawn conveyance but shall exclude non-motorized bicycles or tricycles or vehicles used to propel disabled persons.

(Ord. of 2-26-2001, § 3; Ord. No. 2001-82, § 1, 4-23-01; Ord. No. 2015-11, § 1, 2-23-15; Ord. No. 2019-50, 10-14-19; Ord. No. 2020-37, 9-28-20)

Sec. 12-24. Enforcement of article.

- (a) In addition to any other enforcement action permitted by this Code of Ordinances, enforcement of this article is punishable by immediate suspension from the park for not more than 180 days. The city manager, the director of parks and recreation, ~~and other city staff so designated by the city manager, or the park managers~~, are empowered to invoke this suspension. Authorized park personnel are empowered to invoke expulsion for not more than three (3) days. In addition, city police officers and authorized park personnel shall have the duty and responsibility to enforce this article and shall be empowered to issue citations for violations as set forth in section 12-25 when, in their judgment, any provisions have been violated.
- (b) Each person receiving a citation may within fifteen (15) days of its issuance pay, as a penalty in full satisfaction of such violation, the sum set forth in this article. Failure of such person to render payment of such amount within fifteen (15) days shall render such person subject to punishment for a misdemeanor.

(Ord. of 2-26-2001, § 4; Ord. No. 2015-11, § 2, 2-23-15)

Sec. 12-25. Penalty for violation of article; fines.

Except as otherwise provided, a violation of this article shall be an infraction punishable by a two hundred dollar (\$200.00) penalty and enforced in accordance with G.S. 160A-175.

(Ord. of 2-26-2001, § 5; Ord. No. 2012-30, § 3, 9-10-12)

Sec. 12-26. Park preservation.

Upon any park property, it shall be unlawful for any person to:

- (a) *Destruction of property.* Mark, deface, disfigure, injure, tamper with or displace or remove any buildings, bridges, tables, benches, fire places, railings, pavings or paving materials, water lines or other public utilities or parts or appurtenances thereof, signs, notices or placards, whether temporary or permanent, monuments, stakes, posts, or other boundary markers, or other structures or equipment, facilities or park property or appurtenances whatsoever, either real or personal.
- (b) *Restrooms.* Fail to cooperate in maintaining restrooms and washrooms in a neat and sanitary condition.
- (c) *Excavation.* Dig or remove any soil, rock, sand, stones, trees, shrubs or plants or other wood or materials or make any excavation by tool, equipment, blasting or other means or agency. Except for authorized personnel, the use of metal detectors is prohibited.
- (d) *Damage to plants or grass.* Damage, cut, carve, mark, transplant or remove any plant, or injure the bark, or pick flowers or seed of any tree or plant, dig in or otherwise disturb grass areas, or in any other way injure the natural beauty or usefulness of any area.
- (e) *Structures.* Construct or erect any building or structure of whatever kind, whether permanent or temporary, or run or string any public service utility into, upon or across park property, except on special written permit issued pursuant to this article.
- (f) *Water.* Throw, discharge, or otherwise place or cause to be in placed in the waters of any fountain, pond, lake, stream or other body of water in or adjacent to any park or any tributary, stream, storm sewer, or drain flowing into such water, any substance, matter or thing, liquid or solid, which will or may result in the pollution of the waters.
- (g) *Waste.* Take into, carry through or put into any park, any rubbish, refuse, garbage or other material. Such refuse and rubbish shall be deposited in receptacles so provided. Where receptacles are not provided, all such rubbish or waste shall be carried away from the park by the person responsible for its presence and properly disposed of elsewhere.
- (h) *Signs/banners.* Attach or place any sign, banner, wire, rope or cable, or any other contrivance to any building, sign, utility pole, tree or other park property without prior written approval from the city parks and recreation department not more than seven (7) days in advance of the event, such apparatus, if permitted, must be removed within one (1) hour after the close of the event.
- (i) *Animals/waste and control.* Cause or permit any animal, under a person's custody or his control, to enter the park, except a dog restrained by a leash not exceeding six (6) feet in length, except when such animal is part of the park program. Further, the person having custody of the dog or animal shall be responsible for the removal of any animal solid waste.
- (j) *Livestock.* Bring, use, ride or drive a horse, pony, mule, cow or any other animal in any part of the park unless the animal is part of a park sponsored program, except as provided in subsection (i) of this section.

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- (k) *Wildlife.* Damage or alter any wildlife habitat or area within the park, except as undertaken by authorized park personnel or their agents as a bona fide wildlife management practice.
 - (l) It is prohibited to: sit, stand or lie upon, or climb upon or over, any balustrade, railing, fence, wall, roof, statue, monument, fountain, bush or tree without the consent of the parks and recreation staff.

(Ord. of 2-26-2001, § 6; Ord. No. 2015-11, § 3, 2-23-15; Ord. No. 2020-37, 9-28-20)

Sec. 12-27. Firearms; explosives; alcoholic beverages; drugs; dangerous substances.

It shall be unlawful for any person to bring into or have in his possession:

- (a) *Firearms.* No person shall carry, possess or use any firearm or other dangerous weapon upon any park property, save and except a permitted concealed handgun in accordance with G.S. 14-415.11(c). However, pursuant to G.S. 14-415.23, permitted concealed handguns are prohibited in any municipal recreation facility as defined herein. For the purposes of this section, a municipal recreation facility is defined as follows: (1) an athletic field, including any appurtenant facilities such as restrooms, during an organized athletic event if the field had been scheduled for use with the municipality office responsible for operation of the park or recreational area; (2) a swimming pool, including any appurtenant facilities used for dressing, storage of personal items, or other uses relating to the swimming pool; and (3) a facility used for athletic events, including, but not limited to, a gymnasium. For the purposes of this section, the term "recreational facilities" does not include any greenway, designated biking or walking path, an area that is customarily used as a walkway or bike path although not specifically designated for such use, open areas or fields where athletic events may occur unless the area qualifies as an "athletic field" defined above. The following recreational facilities are specifically identified by the city in compliance with G.S. 14-415.23:
 - (1) Village Park, splashpad, and an area twenty (20) feet in width around this facility.
 - (2) Reserved.
 - (3) Bakers Creek Park tennis/pickleball courts, golf area, ballfield, basketball courts, and an area twenty (20) feet in width around these facilities inclusive of seating areas.
 - (4) Walter M. Safrit Park ballfields and an area twenty (20) feet in width around these facilities inclusive of seating areas.
 - (5) Atrium Health Ball Park and the entire complex within fenced area and within twenty (20) feet thereof.
- (6) (i) Nothing in this section shall preclude the holder of a concealed handgun permit from securing a handgun in a locked vehicle, within the trunk, glove box, or other enclosed compartment or area within or on the motor vehicle at the recreation facility.
 - (ii) This section shall not apply to law enforcement or other government personnel acting within the scope of their employment.
 - (iii) The city manager shall post conspicuous notice at appropriate locations at, on, or within each recreational facility that carrying a concealed handgun is prohibited therein. Signs on buildings shall be posted visibly on the exterior of each entrance by which the general public may gain access to the recreational facility.
- (b) *Alcohol/controlled substances.* Alcohol consumption is prohibited in all parks except where sold or provided pursuant to a state ABC permit. Controlled substances are prohibited unless possessed pursuant to a valid physician's prescription. While in a park persons must conduct themselves in a proper and orderly manner without a breach of the peace.

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- (c) *Fireworks/explosives.* Any fireworks or explosives of any kind or nature except as may be otherwise permitted by law.

(Ord. of 2-26-2001, § 7; Ord. No. 2012-30, § 2, 9-10-12; Ord. No. 2013-34, § 1, 12-9-13; Ord. No. 2015-11, § 4, 2-23-15; Ord. No. 2020-37, 9-28-20)

Sec. 12-28. Hunting.

It shall be unlawful for any person in any park area to hunt, trap, shoot, kill, wound, molest, capture, chase, willfully frighten, or attempt to harm any wildlife within the park, except as undertaken by authorized park personnel in their exercise of a bona fide wildlife management practice.

(Ord. of 2-26-2001, § 8)

Sec. 12-29. Camping; fires; picnic areas.

It shall be unlawful to:

- (a) *Camping.* Camp, park a car, trailer, or camper for the purpose of camping or stay overnight anywhere except in areas so designated.
- (b) *Fire/grills.* Kindle, build, maintain or use a fire except in places provided for such purposes. Any fire shall be continuously under the care and direction of a competent person from the time it is kindled until it is extinguished. No person shall throw away or discard any lighted match, cigar, cigarette, tobacco, paper or other material within or against any building, boat or vehicle, trash container or under any tree or its underbrush. Park patrons may bring gas or charcoal grills for use at the park in conjunction with a shelter or picnic site rental. These grills must be used only in designated picnic areas and must be placed within three (3) feet of the stationary grills provided by the park. No grills of any kind are permitted within the perimeter or under any shelter. (The term "or charcoal" shall be deleted.)
- (c) *Deep fat fryers/grease pots.* Bring or use deep fat frying or grease pots into any park.

(Ord. of 2-26-2001, § 9; Ord. No. 2015-11, § 5, 2-23-15)

Sec. 12-30. Reserved.

Editor's note(s)—Ord. No. 2012-30, § 4, adopted September 10, 2012, repealed the former section 12-30 in its entirety, which pertained to smoking and derived from an ordinance adopted February 26, 2001, § 10.

For current provisions pertaining to smoking, the user's attention is directed to section 12-36.

Sec. 12-31. Aviation.

It shall be unlawful for any person within the confines of any park to voluntarily take off, land, or cause to descend or take off any airplane, flying machine, balloon, parachute, or other apparatus of aviation, except as expressly permitted by the city manager. Voluntarily shall mean any action other than a forced landing. This section shall also apply to radio-controlled airplanes, helicopters, rockets, drones and other airborne objects. Kite flying is prohibited at Safrit Park, [Village Park](#) and on the Bakers Creek Park ballfield.

(Ord. of 2-26-2001, § 11; Ord. No. 2015-11, § 6, 2-23-15)

Sec. 12-32. Hours of operation.

It shall be unlawful for any person to enter or remain in any park except during those hours of operation that it is open to the general public as established by the city manager.

(Ord. of 2-26-2001, § 12)

Sec. 12-33. Vehicles and parking.

It shall be unlawful for any person to:

- (a) Drive any vehicle or bicycle on any area except the paved park roads or parking areas, or such areas as may on occasion be specifically designated as temporary areas by the city manager or his designee.
- (b) Park a vehicle anywhere except on a designated parking area.
- (c) Leave a vehicle standing or parked in established parking areas or elsewhere in any park during hours when the park is closed.
- (d) Leave a bicycle in a place other than a bicycle rack when such is provided and there is space available.
- (e) Ride a bicycle without reasonable regard to the safety of others.
- (f) Leave a bicycle lying on the ground or pavement or set against trees or other unsafe areas.
- (g) Unless otherwise posted, operate a motor vehicle in excess of twenty (20) miles per hour within any park.
- (h) Operate a motorized trail bike or any other vehicle designed primarily for off-road use within the confines of any park.
- (i) Park a vehicle in a prohibited area, such as a handicapped-parking area, on the grass, or on the shoulder of a road. Any vehicle so parked may be towed at the owner's expense. The decision to tow a vehicle will be made by park personnel or city police.
- (j) Stop or park any truck, automobile or other vehicle or object in any area that is designated as a fire lane.
- (k) Fail to comply with all applicable provisions of the state motor vehicle traffic laws in regard to equipment and operation of vehicles together with such regulations as are contained in this and other articles.
- (l) Fail to obey all police officers or park personnel, such persons being hereby authorized and instructed to direct traffic whenever needed in any park and on the highways, streets or roads immediately adjacent thereto in accordance with the provisions of these regulations and such supplementary regulations as may be issued subsequently by the city manager.
- (m) Fail to observe carefully all traffic signs indicating speed, direction, caution, stopping, or parking, and all others posted for proper control and to safeguard life and property.

(Ord. of 2-26-2001, § 13)

Sec. 12-34. Personal conduct.

It shall be unlawful for any person to:

- (a) Engage in criminal or disorderly conduct of any kind within any park.

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- (b) Engage in any activity, which may constitute a hazard to the safety of themselves or other persons, except when conducted within reasonable safety guidelines in specific areas designated by park personnel for such activity. Such activities shall include, but are not limited to, archery, hitting of golf balls and horseback riding.
 - (c) Dispose of lighted or unlighted matches, cigars, cigarettes, cigarette butts, or any flammable material or substance in other than trash receptacles or ash cans.
 - (d) Engage in threatening language, or in excessively noisy conduct of any kind at any time within any park such that it unreasonably disturbs other park patrons or neighbors.
 - (e) Throw rocks or objects of any kind. This does not include balls or games used in athletic events when used in a reasonable manner and in such a way that they do not become hazards to other park patrons.
 - (f) Solicit, peddle or beg within any recreation facility or sell any merchandise or wares, provided that this subsection shall not apply to:
 - (1) Any concession granted by the city manager for a recreation facility;
 - (2) Any solicitation or sale of goods by nonprofit or civic groups, provided that a permit is obtained in advance from the city manager; or
 - (3) Solicitation for busking and other forms of performance or entertainment in Downtown Linear Park.
 - (g) Interfere with or in any manner hinder any employee of any park in the performance of his duties.
 - (h) Erect signs, posters, billboards or other advertising, notice or information placards on park property.
 - (i) Use of bounce houses or other rented amusement type equipment except as permitted by city.
 - (j) Use of pop-up tents in conjunction with shelter rentals except as permitted by city.
 - (k) Use of piñatas.
- (Ord. of 2-26-2001, § 14; Ord. No. 2015-11, § 7, 2-23-15; Ord. No. 2022-12, 2-28-22)

Sec. 12-35. Rules and regulations.

The city manager may establish rules and regulations relating to the operation, use and supervision of park property. It shall be unlawful for any person to fail or refuse to comply with such rules and regulations. The city manager shall exercise such other authority as is granted by this article.

(Ord. of 2-26-2001, § 15)

Sec. 12-36. Smoking prohibited in city parks.

- (a) *Authority.* This section is enacted pursuant to G.S. §§ 130A-498 and 160A-174.
- (b) *Definitions.* The following definitions are amended or otherwise applicable to this section:
 - Electronic cigarette (e-cigarette)* means any electronic oral device, such as one composed of a heating element, battery, and /or electronic circuit which provides a vapor or aerosol of nicotine or any other substance, the use or inhalation of which simulates the smoking of tobacco cigarette, pipe or cigar. The term does not include any asthma inhaler or similar devices which have been duly prescribed by a licensed physician.

Smoking means to inhale, exhale, burn, or carry a lighted cigar, cigarette, pipe or other smoking equipment containing tobacco, weed or other plant product or the use of an electronic cigarette or similar device.

Tobacco product means any product containing or derived from tobacco that is intended for human consumption, whether chewed, smoked, absorbed, dissolved, inhaled, or ingested by any other means, including but not limited to cigarettes; e-cigarettes; cigars; little cigars; snuff; and chewing tobacco. A tobacco product excludes any product that has been approved by the United States Food and Drug Administration for sale as a tobacco cessation product, as a tobacco dependence product, or for other medical purposes, and is being marketed and sold solely for such an approved purpose.

(c) *Areas in which smoking and tobacco products are prohibited.*

- (1) Smoking and the use of tobacco products are prohibited:
 - a. On city grounds of the city's parks system.
 - b. In city buildings located in the city's parks system.
- (2) Smoking and the use of tobacco products are prohibited on grounds of the city's parks system and in buildings located in the city's parks system being used for private events.

(d) *Implementation requirements.*

- (1) The city shall post signs that meet all the requirements in subsection (e) of this section.
- (2) The city shall remove all ashtrays and other smoking receptacles from the grounds of the city's parks system and buildings located in the city's parks system.
- (3) The person in charge of the grounds of the city's parks system or the buildings located in the city's parks system, or his or her designee, shall direct a person who is smoking or using a tobacco product in a prohibited area to cease and, if the person does not comply, shall contact the Kannapolis Police Department.

(e) *Signage.* The signs required by subsection (d) must:

- (1) State in English that smoking and the use of tobacco products are prohibited and include the universal "No Smoking and Use of Tobacco Products Prohibited" symbol.
- (2) Be of sufficient size to be clearly legible to a person of normal vision and be conspicuously posted.
- (3) Be posted at each entrance of the buildings located in the city's parks system and in other locations within the buildings reasonably calculated to inform employees and the public of the prohibition.
- (4) Be posted on the grounds of the city's parks system in locations and at intervals reasonably calculated to inform employees and the public of the prohibition.

(f) *Enforcement and penalties.*

- (1) *Penalty for violation.* Following oral or written notice by the person in charge of an area described in subsection (c), or his or her designee, failure to cease smoking or using tobacco products constitutes an infraction punishable by a fine of not more than fifty dollars (\$50.00). A citation may be issued by a sworn law enforcement officer. Conviction of an infraction under this section has no consequence other than payment of a penalty, and no court costs may be assessed.
- (2) *Additional sanctions for employees.* In addition to any penalty under subsection (1), employees of the city who violate this section shall be subject to disciplinary action consistent with the city's human resources policies.

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- (g) *Public education.* The city shall engage in an ongoing program to explain and clarify the purposes and requirements of this section to employees and citizens affected by it, and to guide operators and managers in their compliance with it. In doing so, the city may rely upon materials and information provided by the local health department.
- (h) *Severability; conflict of laws.* If this section or application thereof to any person or circumstance is held invalid or unconstitutional by a court of competent jurisdiction, such invalidity shall not affect other provisions or applications of the ordinance that can be given separate effect and to that end the provisions of this section are declared to be severable. Whenever the provisions of this section conflict with other ordinances of the city, this section shall govern.
- (i) *Effective date.* This section shall be effective on March 1, 2012.
- (Ord. No. 2012-01, §§ 1—9, 1-9-12; Ord. No. 2016-08, § 1, 4-11-16)

Sec. 12-37. Skateboards and similar devices prohibited.

No person shall operate, ride or use any motive device propelled or designed for propulsion by human power within any city park. The term "motive device propelled or designed for propulsion by human power" includes: skateboards, "long" boards, "cruiser" boards, and "mountain" boards, but shall not include bicycles, tricycles, coasters, scooters, roller skates, roller blades, sleds, wagons, and wheelchairs or other devices operated or used by handicapped or disabled persons.

(Ord. No. 2019-49, 10-14-19; Ord. No. 2020-37, 9-28-20)

Secs. 12-38—12-50. Reserved.

ARTICLE III. PARKS AND RECREATION ADVISORY COMMISSION³

Sec. 12-51. Purpose.

The city council of the city recognizes that adequate recreational programs and facilities are necessary to promote the morals, happiness and general welfare of the residents of the city and that making available recreational opportunities for citizens of all ages is a subject of general interest and concern.

(Ord. of 6-2-87, § 1)

Sec. 12-52. Advisory commission established; duties and responsibilities.

The city council hereby establishes a commission, to be known as the parks and recreation advisory commission, which shall evaluate the adequacy of recreational programs and facilities, both public and private, in the Kannapolis area. Such evaluation shall be made on an on-going basis, with written reports containing findings and recommendations being made to the city council annually or more often if so required by the council. The commission shall also have the following duties and responsibilities:

- (1) To conduct a recreation needs assessment; and

³Cross reference(s)—Administration, Ch. 2.

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- (2) To develop a comprehensive parks and recreation master plan; and
 - (3) To serve in an advisory and resource capacity to the city council and city program providers; and
 - (4) To coordinate parks and recreational activities, both public and private, in the community; and
 - (5) To perform such other duties relating to the purposes set forth herein as the city council may from time to time request.

(Ord. of 6-3-87, § 2)

Sec. 12-53. Composition and term of office.

The city council shall appoint nine (9) members who shall constitute the parks and recreation advisory commission. The members shall be residents of Kannapolis and be persons known to have an interest in parks, recreation and leisure-time activities. All appointed members shall be appointed to serve a three-year term unless filling an unexpired term of a vacant position.

(Ord. of 6-2-87, § 3; Ord. of 8-31-87; Ord. No. 2019-16, § 8, 4-8-19)

Sec. 12-54. Meetings; officers; quorum.

The parks and recreation advisory commission shall meet during the month of January each year for the annual meeting to conduct business consistent with the discharge of the duties set forth herein. The initial meeting of the commission shall be held within sixty (60) days following appointment of commission members by the city council. At the initial meeting and each annual meeting, the commission shall elect a chairman and a secretary from among commission members, who shall serve until their successors are elected at the next annual meeting. The chairman shall preside at all meetings. The secretary shall keep minutes of the meetings. Such minutes shall record members' attendance, commission resolutions, discussions, findings and recommendations. Such minutes shall be submitted to the city manager, who shall file them for public inspection. Other meetings may be called by the chairman or at the request of any two (2) members or at the direction of the city council. Five (5) members shall constitute a quorum for the purpose of taking any official action required by this article.

(Ord. of 6-2-87, § 4; Ord. of 8-31-87)

Secs. 12-55—12-59. Reserved.

ARTICLE IV. PARK SYSTEM

Sec. 12-60. City parks.

- (a) The real property known as Midway Ball Field is hereby removed from the City of Kannapolis park system.
- (b) The real property known as Walter M. Safrit Park is hereby incorporated into the City of Kannapolis park system and shall hereafter be subject to chapter 12 of City of Kannapolis Code of Ordinances and all other laws relating thereto.
- (c) The real property known as Dale Earnhart Tribute Plaza is hereby incorporated into the City of Kannapolis park system and shall hereafter be subject to chapter 12 of the City of Kannapolis Code of Ordinances and all other relating thereto.
- (d) The real property known as Town Park shall hereafter be named Veterans Park.

(Supp. No. 67)

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- (e) The real property comprising the City of Kannapolis professional baseball stadium, with adjoining service building, clubhouse, parking facilities and entrance right-of-way is hereby incorporated into the City of Kannapolis park system and shall hereafter be subject to chapter 12 of the City of Kannapolis Code of Ordinances.

(Ord. No. 2003-13, § 1, 4-14-03; Ord. No. 2012-30, § 1, 9-10-12)

Secs. 12-61—12-69. Reserved.

ARTICLE V. SOCIAL DISTRICTS

Sec. 12-70. Creation.

Pursuant to the provisions of G.S. § 160A-205.4 et seq. one (1) or more social districts may be created within the city.

(Ord. No. 2021-40, § 2, 9-27-21)

Sec. 12-71. Management.

City social districts shall be created, designated and managed in accordance with the requirements contained in G.S. § 160A-205.4 and ch. 18B.

(Ord. No. 2021-40, § 2, 9-27-21)

Sec. 12-72. Social districts.

The city hereby creates and designates the following amended West Avenue Social District:

- (1) West Avenue Social District is amended as designated in the area described on Exhibit A attached to Ordinance No. 2024-11, from which this section was amended. The West Avenue District, as amended, is shown on the rendering attached to Ordinance No. 2024-11 as Exhibit B.

(Ord. No. 2021-40, § 2, 9-27-21; Ord. No. 2024-11, § 1, 3-25-24)

Sec. 12-73. Licenses.

Any business establishment contiguous to a social district which holds a valid ABC permit desiring to engage as a social district participant, must apply for and obtain a social district license from the parks and recreation department of the city. The establishment shall be responsible to operate its business in accordance with all city and state ordinances, laws, rules, regulations and operations plan governing social district activities.

(Ord. No. 2021-40, § 2, 9-27-21)



Kannapolis City Council

City Council Agenda Staff Report

May 12, 2025

To: Mayor and City Council
From: Pam Scaggs, City Clerk
Subject: **RESOLUTION** - Amending the 2025 City Council Meeting Schedule **UNANIMOUSLY APPROVED**

Recommended Action Requested by City Council

Motion to approve a Resolution amending the 2025 City Council meeting schedule, rescheduling the June 9, 2025 meeting from 4:30 PM to 6:00 PM.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

In accordance with NC General Statutes, 160A-71(a), City Council is required to adopt a regular meeting schedule for the following year. Council adopted the 2025 meeting schedule at their December 9, 2025 meeting. A Public Hearing is required prior to finalizing the recommended Fiscal Year Budget. Staff recommends rescheduling the June 9, 2025 meeting from 4:30 PM to 6:00 PM to provide greater opportunity for residents to attend and participate in the Public Hearing.

Fiscal Implications

None

Alternate Courses of Action

1. **Motion to approve a Resolution amending the 2025 City Council Schedule, rescheduling the June 9, 2025 meeting from 4:30 PM to 6:00 PM (Recommended)**
2. Do not amend the 2025 City Council Meeting Schedule.

Attachments

1. 2025-40 Resolution Amending June Council Meeting Schedule

**RESOLUTION AMENDING THE REGULAR MEETING
SCHEDULE OF THE KANNAPOLIS CITY COUNCIL
FOR THE YEAR 2025**

BE IT RESOLVED by the Kannapolis City Council, pursuant to North Carolina General Statute 160A-71 (a), that the following amendments be made to the regular 2025 meeting schedule of City Council:

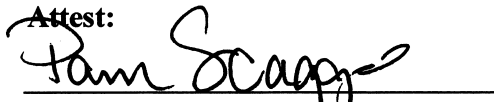
1. Amend the June 9, 2025, regular scheduled meeting from a 4:30 PM Work Session to a 6:00 PM Business meeting to allow for a public hearing regarding the recommended Fiscal Year 2026 Budget.

BE IT FURTHER RESOLVED, that the regular meeting schedule previously adopted on December 9, 2025, and amended on January 27, 2025 by City Council, is hereby rescinded in favor of the schedule set forth in this Resolution.

BE IT FURTHER RESOLVED, this regular meeting schedule shall be effective immediately and shall continue in effect unless and until it is revoked or amended by action of City Council.

Adopted this the 12th day of May 2025


Milton D. Hinnant, Mayor
City of Kannapolis

Attest:

Pam Scaggs, CMC, NCCMC
City Clerk



**KANNAPOLIS CITY COUNCIL
REVISED MEETING SCHEDULE 2025
Effective 05-12-2025**

January 13	Work Session	4:30 PM
January 27	Business Meeting	6:00 PM
February 10	Work Session	4:30 PM
February 24	Business Meeting	6:00 PM
March 10	Work Session	4:30 PM
March 24	Business Meeting	6:00 PM
April 14	Work Session	4:30 PM
April 28	Business Meeting	6:00 PM
May 12*	Business Meeting	6:00 PM
May 19*	Business Meeting	Meeting Canceled
May 26	Memorial Day –	Meeting Canceled
June 9	Work Session	6:00 PM
June 23	Business Meeting	6:00 PM
July 14	Work Session	4:30 PM
July 28	Business Meeting	6:00 PM
August 11	Work Session	4:30 PM
August 25	Business Meeting	6:00 PM
September 8	Work Session	4:30 PM
September 22	Business Meeting	6:00 PM
October 13	Work Session	4:30 PM
October 27	Business Meeting	6:00 PM
November 10	Work Session	4:30 PM
November 24	Business Meeting	6:00 PM
December 8	Business Meeting	6:00 PM

CHANGES NOTED BY BOLD (*)

All meetings will be held in the Council Chambers, Kannapolis City Hall located at 401 Laureate Way, Kannapolis.



Kannapolis City Council

City Council Agenda Staff Report
May 12, 2025

To: Mayor and City Council
From: Pam Scaggs, City Clerk
Subject: **APPROVAL** - Motion to approve the 2025 Board of Election Filing Fees **UNANIMOUSLY APPROVED**

Recommended Action Requested by City Council

Motion to approve Board of Election Filing Fees

Required Votes to Pass Required Action

Majority Present at Meeting

Background

The NC General Statutes give City Council the authority to establish election filing fees. Per the Statutes: "the fee shall not be less than \$5 nor more than one percent (1%) of the annual salary".

Filing fees help offset administrative costs associated with elections, including ballot preparation, voter education, and other logistical expenses.

It is recommended that filing fees for mayoral candidates remain at \$60 and council candidates remain at \$30.

Fiscal Implications

None

Alternate Courses of Action

1. **Motion to approve the 2025 filing fees as \$60 for the Mayor seat and \$30 for Council Member seats. (Recommended)**
2. Table Action to a future date.
3. Take no action.

Attachments

None



Kannapolis City Council

City Council Agenda Staff Report

May 12, 2025

To: Mayor and City Council
From: Mike Legg, City Manager
Subject: **PRESENTATION - City Manager's Recommended FY 2025-2026 Budget NO ACTION REQUIRED**

Recommended Action Requested by City Council

None. Presentation and discussion only.

Required Votes to Pass Required Action

Presentation Only. No Action Required

Background

A copy of the City Manager's recommended budget for the fiscal year beginning July 1, 2025 and ending June 30, 2026, will be presented to City Council at Monday night's meeting. The City Manager will lead the discussion and answer any questions. City Council may also consider setting additional budget workshop meetings at this time.

Fiscal Implications

To be included with the budget presentation.

Alternate Courses of Action

None. Presentation and discussion only.

Attachments

None



Kannapolis City Council

City Council Agenda Staff Report

May 12, 2025

To: Mayor and City Council
From: Mike Legg, City Manager
Subject: **RESOLUTION** - Directing the filing with the City Clerk of the recommended budget for FY 2025-2026 and setting a public hearing. **UNANIMOUSLY APPROVED**

Recommended Action Requested by City Council

RESOLUTION - Motion to approve a Resolution directing the filing of the recommended budget and setting a Public Hearing (Recommended)

Required Votes to Pass Required Action

Majority Present at Meeting

Background

A public hearing on the recommended budget for Fiscal Year beginning July 1, 2025 and ending June 30, 2026, has been scheduled for 6:00 PM on June 9, 2025. State law requires that ***"before adopting the Budget Ordinance, the Board shall hold a public hearing at which time any persons wishing to be heard on the budget may appear"*** (NCGS159-12) (b).

Fiscal Implications

A copy of the recommended budget was presented to City Council on May 12, 2025 and will be available for public inspection at the City of Kannapolis administration offices as well as the City of Kannapolis website www.kannapolisnc.gov. Notice of the public hearing is scheduled to be published in the Independent Tribune on May 13, 2025 and May 27, 2025.

Alternate Courses of Action

1. **Motion to approve a Resolution directing the filing of the recommended budget and setting a Public Hearing (Recommended)**
2. Take no action.
3. Table to a future meeting

Attachments

1. Notice of Public Hearing FY26
2. 2025-41 Resolution Directing Filing with Clerk for Budget FY2026 Public Hearing



**CITY OF KANNAPOLIS AVAILABILITY OF
THE RECOMMENDED BUDGET FOR THE FISCAL YEAR
BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026 AND
NOTICE OF A PUBLIC HEARING THEREON**

SECTION 1. The recommended budget of the City of Kannapolis for the fiscal year beginning July 1, 2025 was this day, May 12, 2025, submitted by the City Manager to City Council, and is filed with the City Clerk where it shall remain for public inspection for at least ten days from this date.

SECTION 2. A copy of said budget estimate shall be made available to the news media in the county.

SECTION 3. This Notice shall be published in at least one newspaper in the county and shall serve as notice that the recommended budget has been presented to City Council, that a copy of the same is on file for public inspection at the City Administration Offices located at 401 Laureate Way, Kannapolis, North Carolina as well as the City of Kannapolis website www.kannapolisnc.gov. Notice of the time and place of the public hearing as set forth below.

SECTION 4. A public hearing shall be held by City Council at the Kannapolis City Hall Council Chambers located at 401 Laureate Way, Kannapolis, North Carolina, on June 9, 2025, at 6:00 P.M., or as soon thereafter as the matter may be heard at which time any persons who wish to be heard on the budget may appear.

SECTION 5. In accordance with Title II of the Americans with Disabilities Act (AD), any person requiring an accommodation to participate in a function or program of the City of Kannapolis, should contact Daniel Jenkins, Assistant Human Resource Director & ADA Coordinator, by phone at 704-920-4312, email adacoordinator@kannapolisnc.gov, or in person at Kannapolis City Hall as soon as possible but not later than 48 hours before the scheduled event.

Pam Scaggs, CMC, NCCMC
City Clerk

.....
Publish: Tuesday, May 13, 2025 and
Tuesday, May 27, 2025

**RESOLUTION DIRECTING THE FILING WITH THE CITY CLERK
OF THE BUDGET ESTIMATE FOR THE FISCAL YEAR 2025-2026
AND CALLING A PUBLIC HEARING THEREON**

NOW THEREFORE, BE IT RESOLVED by City Council of the City of Kannapolis, North Carolina:

SECTION 1. The budget estimate of the City of Kannapolis for the fiscal year beginning July 1, 2025, which on this day May 12, 2025, was submitted to City Council, is hereby ordered filed with the City Clerk where it shall remain for public inspection for at least ten days from this date.

SECTION 2. A copy of said budget estimate shall be made available to the news media in the county.

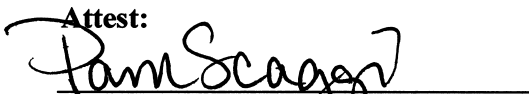
SECTION 3. This Resolution shall be published in at least one newspaper in the county and shall serve as notice that the budget estimate has been presented to City Council, that a copy of the same is on file for public inspection at the City Administration Offices located at 401 Laureate Way, Kannapolis, North Carolina as well as the City of Kannapolis website www.kannapolisnc.gov. Notice of the time and place of the public hearing as set forth below.

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Adopted this the 12th day of May 2025


Milton D. Hinnant, Mayor
City of Kannapolis

Attest:

Pam Scaggs, CMC, NCCMC
City Clerk

PROPOSED BUDGET

FY 2025 / 2026



City of Kannapolis

Preliminary Budget

Fiscal Year 2025 - 2026



Prepared by:

City of Kannapolis Staff

Special Thanks to:

City Manager's Office, Communications and Finance



City of Kannapolis

City Council

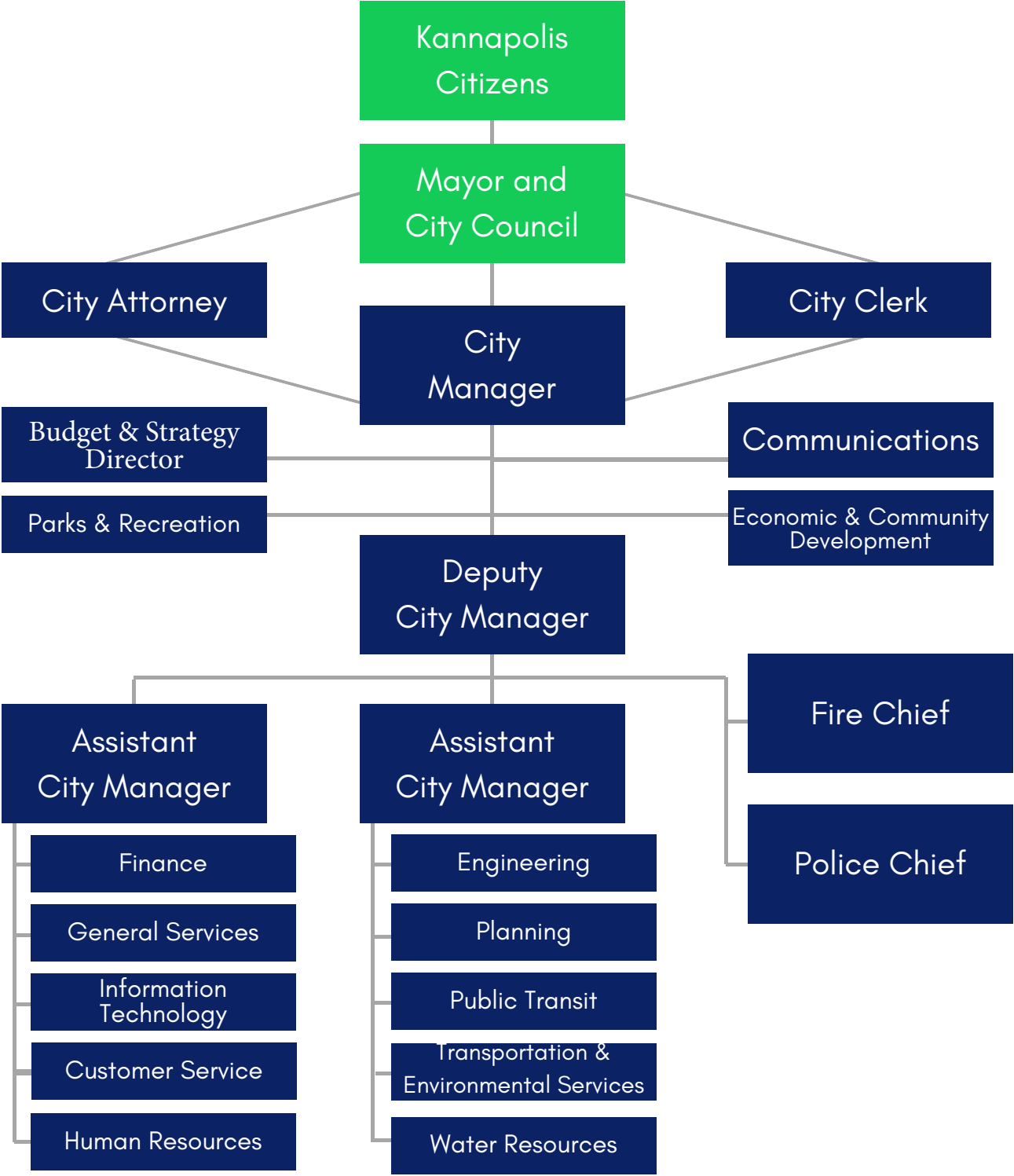


Left to right: Councilmember Ryan Dayvault, Councilmember Doug Wilson, Councilmember Jeanne Dixon, Mayor M. Darrell Hinnant, Councilmember Darrell Jackson, Councilmember Tom Kincaid, and Mayor Pro Tem Dianne Berry.





CITY ORGANIZATION



CITY OF KANNAPOLIS
Fiscal Year 2026 Proposed Budget

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May 12, 2025

Subject: Proposed FY 2025-26 Budget

Dear Mayor Hinnant and Members of the Kannapolis City Council:

I am pleased to present to you the proposed Fiscal Year 2025-26 (“FY 26”) Budget for the City of Kannapolis, North Carolina, which begins July 1, 2025, and ends June 30, 2026. This budget has been prepared in accordance with the North Carolina Local Government Budget and Fiscal Control Act and the requirements of the N.C. General Statutes. This balanced Budget identifies the revenue projections and expenditure estimates for FY 26.

The FY 26 Budget represents what is expected to be a brief pause (a “reset”) to the highly proactive and aggressive budgets of most of the past decade. This proposed budget recognizes the need to continue implementing the City’s Strategic Plan - Imagine Kannapolis, and other City Council priorities. It also continues an emphasis on employee retention and recruitment and improvements to the City’s quality of life and service delivery.

Looking Back: FY 24-25

The past fiscal year was full of numerous positive events and changes. Some of the key successes over the past 12 months include:

- The successful re-opening of the Swanee Theatre and the newly renovated Gem Theatre to sold out crowds.
- Completion of the renovations to City Hall including new accessible parking areas in front of the building.
- Establishment of the downtown electric shuttle service intended to assist downtown patrons with accessible transportation to and from remote parking areas.
- Another highly successful summer concert series – the first with expanded funding appropriations.
- Installed new pickleball courts at Baker’s Creek Park.
- The green room at Village Park was completed and put into service for the 2024 Summer Concert Series.
- Open houses were held for two newly renovated Fire Stations #1 and #4.

- Decision to cancel the Jiggy with the Piggy Festival due to significant cost escalations. The final festival was in May 2024.
- Created 11 new positions across the organization.
- Implemented Paid Caregiver Leave for all full-time employees. This allowed for six weeks of paid leave for the birth or adoption of a child and paid leave to care for immediate family members.
- Implementation of organization-wide supervisory and new hire orientation programming.
- Several economic development announcements were made including Chick-Fil-A Supply, Rebel, Amazon, and Alta Warehousing.
- \$2.1 million in new capital outlay in multiple City departments.
- Hired a new City Attorney, Andrew Kelly, filling the position to be vacated by long-tenured former City Attorney, Walter M. “Wally” Safrit.
- Hired a new City Clerk, Pam Scaggs, filling the position vacated by long-tenured former City Clerk, Bridgette Bell.
- Several Capital Project funds were created to support: (a) future street, sidewalk or stormwater projects, (b) a potential future cultural arts facility/history museum, (c) a future downtown economic development project, (d) future fire protection service in Western Cabarrus (if necessary) and, (e) the Eastside Park. Approximately \$2.85 million has been set aside in the first year of this new financial planning strategy.
- Cost of Living Adjustment (COLA) and Merit Pay for all employees at 8% which was likely the largest across the board compensation adjustment in the City organization’s history.

FY 2025-26 Budget Overview

The total proposed FY 26 Budget for the City of Kannapolis is **\$126,007,842**, a 2.36% increase (\$2,722,549 actual), from the FY 2025 budget.

This FY 26 Budget total is the sum of the seven separate funds: the General Fund, the Water and Sewer Fund, the Stormwater Fund, the Environmental Fund, the Public Transit Fund, the Separation Pay Fund, and the Insurance and Risk Fund.

Recent Budget History						
FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026 Proposed
\$77,279,526	\$80,523,452	\$85,250,848	\$94,916,039	\$104,385,876	\$123,106,329	\$126,007,842

The above budgets exclude all interfund transfers (as defined by transfers between the annually adopted funds). Interfund transfers excluded for the FY 26 Budget total \$9,462,867:

- \$721,500 to the Separation Pay Fund from the General Fund (increase of \$121,500 from FY 25)
- \$968,698 to the Transit Fund from the General Fund (*decrease* of \$219,525 from FY 25)

- \$1,832,669 to the Environmental Fund from the General Fund (*decrease* of \$359,021 from FY 25)
- \$5,940,000 to the Insurance and Risk Fund from all funds except Transit and Separation Pay (increase of \$588,000 from FY 25)

Similar to previous budget years, the FY 26 Budget has been prepared with the following process for determining budget levels and identifying operational priorities:

- Level 1 - Continuation: defined as “keeping the lights on” in that these expenditures are required to maintain essentially same service levels in FY 26 as experienced in FY 25. Unavoidable inflationary, and contractual increases are reflected at this level. For FY 26 some reductions were made as a reset of “keeping the lights on.”
- Level 2 – Expansion: defined as anything new that was not previously approved through the budget process, including enhancements to programs or services, new positions, new projects, initiatives, and capital outlay items. This includes certain projects and initiatives that have emerged from the draft Imagine Kannapolis Strategic Plan. For the reasons outlined at the beginning of this budget message, the amount of expansion in this budget is quite limited.

The proposed FY 26 Budget is built around five key themes: 1) being fiscally responsible in challenging times, 2) supporting the most valuable asset for our City - our existing employees, 3) continued use of excess cash reserves to fund key projects and initiatives, 4) advancing key City Council priorities, including implementation of the Imagine Kannapolis Strategic Plan, and 5) maintaining core services. These themes are described in more detail below.

1. **Fiscal Responsibility.** The FY 26 Budget has been a bit more challenging than originally expected. Over the past decade revenue projections for each annual budget have been extremely accurate - in most years actual revenues have exceeded projections by comfortable margins resulting in the ability to build up reserve funds. The City’s current 5-year financial plan (FY 25 through FY 29) was crafted with assumptions that had stood the test of time. As the preparation of the proposed FY 26 Budget progressed, it became clear that those assumptions would likely not hold true for this upcoming budget year.

The primary cause of these challenges is related to property taxes and sales taxes (which make up 80% of the General Fund Budget) as well as Water and Sewer revenue shortfalls. These impacts are described below.

- Property Taxes. Property taxes were projected to increase by 6% due to new investment in the community. This projection was, in part, based on the average growth rate of the past seven years (excluding the Cabarrus revaluation years) of 5.72%. ***The FY 26 Budget includes an increase of only 3.72%.***

The result is a shortfall of approximately \$1 million for the FY 26 Budget.

- Sales Taxes. Similarly, sales taxes were expected to increase 5% for the FY 26 Budget. This projection was also based on several years of prior data and information from the North Carolina League of Municipalities. **The sales tax growth rate included in the FY 26 Budget is only 1.46% based on receipts to date in the FY 25 Budget.** This is not unique to Kannapolis. The average statewide sales tax increase (year over year) from FY

21 to FY 23 was 11.8%. Admittedly, the Covid Pandemic created some unusual consumer activities during those years but by FY 23 the pandemic was in the past. In FY 24, statewide growth rate dropped to 3.5% and in FY 25 it appears that number will be about 2.2%.

The result is a shortfall of approximately \$500,000 for the FY 26 Budget.

- Water and Sewer Revenues. Like sales tax revenues, utility revenues (especially tap and connection fees) are often an indicator of growth in a community. However, for FY 26 it is hard to define what the revenues shifts really mean. The collective totals for tap and connection fees is projected to come in under budget for FY 25 which *may* mean stagnant or lower growth for FY 26. Twenty-three development projects across the City have been identified by the City's Planning Department as stopped or slow in getting to construction. These projects have wastewater allocation and most have had approvals to begin construction for a significant period of time. These projects represent 1,445 dwelling units and a potential \$512 million in estimated market value. It is likely most of these projects will eventually move forward and when they do, they will represent more than \$3.5 million in water & sewer connection fee revenues (in addition to the increased tax base).

Part of this slowdown may be attributed to caution in the local and national homebuilding and development industry due to uncertainty in the national economy and the complexities of securing financing for certain projects. The hope is that this is only temporary and during the next six to twelve months this is no longer a concern.

On the other end of the budget process are, of course, expenditures. Due, in part, to the revenue challenges and the overall sense of caution with the national economy, the City's staff budget team decided early on that FY 26 would be the appropriate year for a "budget reset" which is a healthy budget management practice. Accordingly, a significant focus of the FY 26 Budget process has been to develop the budget based on a trend line of multiple previous years of data. This budget has its foundation built on actual budget usage more than on the method of comparing the previous budget to the proposed budget.

This should explain the status quo/reduction nature of this budget. The FY 26 Budget has been "rightsized." It should be acknowledged that this will be a "take-a-deep-breath kind" of year.

As we approach this year's budget cycle, we are reminded that stewardship and responsibility remain at the heart of our commitment to this community. External economic influences are beginning to test local governments, and Kannapolis is no exception. In summary, the FY 26 Budget reflects a strategy grounded in fiscal responsibility while protecting essential services that our residents rely on and continuing to move the City ahead in a positive way.

2. **Employee Retention and Recruitment.** Being nearly fully staffed for the first time in many years may somewhat lessen the urgency on employee recruitment. However, in reality, retention and recruitment are two sides of the same coin. The things that retain employees generally serve as recruitment tools as well. For the fourth straight budget year, the FY 26 Budget continues to provide the most competitive pay and benefits as well as an excellent overall workplace. For the FY 26 Budget, personnel costs (including most benefits) will total

\$55,131,796, an increase of \$10,655,426. These costs are driven by a lot of factors, including the planned salary increases and all the related costs that are tied to salaries (401k, State retirement, FICA, etc.).

As noted elsewhere in this budget message, the FY Budget has been developed in a more conservative manner than in previous years due to a lot of factors (internal and external). It is the intention of the City's management, finance and human resources teams to monitor the revenues and expenditures through the first six months of the new fiscal year. If during the course of the year revenues exceed expenditures, additional adjustments may be made to salaries beyond the initial compensation adjustment plan.

It is important to take a look back and reflect on the dramatic improvements made to City employment compensation and benefits over the past several years. This kind of workplace transformation takes a lot of resource commitment from elected leadership, and it doesn't happen overnight. The following is a summary of these improvements since FY 21:

Employee Benefit Enhancements FY 21 - FY 26

- Remote Work Options (implemented FY21)
- Competitive Market Pay (compensation study implementation FY23)
- Longevity Pay (reimplemented in FY24 and one-time backpay in FY23)
- Employee Appreciation Program (FY24)
- Incentive Pay
 - o *Fixed shifts in police (FY23)*
 - o *Shift Differential Pay (FY23) for police and water resources*
 - *Peak shift and night shift*
- Employer Paid Health Insurance
 - o *No significant increases to health insurance premiums for employees (but there were increases for the City) over the last four fiscal years*
 - o *15% premium increase for PPO grandfathered plans in FY25*
- Employer Paid Dental Insurance
- Employer Paid Vision Insurance (new employer paid benefit implemented FY25)
- Employer Paid Short Term Disability (new employer paid benefit implemented FY25)
- Enhanced Funding for HSA and HRA Accounts
 - o *\$2,200 (FY25 increase from \$2,110)*
 - o *\$2,000 (FY25 increase from \$1,960)*
- Paid Caregivers Leave (implemented FY25)
 - o *6 weeks of paid leave for varying circumstances*
- 401(k) 2% automatic contribution (implemented FY25) and additional 3% match
- 401(k) 2% automatic contribution in addition to the State mandate for law enforcement officers for 5% = 7% total contribution with an additional 3% match
- Childcare Tuition Grant
 - o *10 children across all departments are currently participating*
 - o *Projected \$20,000 to be distributed for FY 25*
- Kannapolis Cannon Baller Tickets Suite
 - o *General Admission Tickets (enhancement in FY25)*
- Kannapolis YMCA Membership Free and discount for families of employees
 - o *Extended this program to retirees and PT employees (enhancements FY25)*

- Free personalized nutrition counseling
- Onsite Health Clinic (partnership with Cab Co. April – August 2025)
 - o *Clinic services are at no cost to the employee. IRS regulates fair market value for primary care - \$5 charge will be collected.*
 - o *Enhanced services of primary care to our employees and families*
 - o *Occupational and behavioral health*
 - o *Physical Abilities Testing (PAT)*
 - o *Provide two full-time Atrium staff members*
- Paid volunteer hours
- Paid birthday leave
- Paid sick, vacation and holiday leave
- Separation Pay

Compensation Changes FY 21 - FY 26

FY21

- Employees eligible for developmental increase (5%) or merit increase (up to 3%) based on hire date or promotional date depending on where employees fell in the pay range
- July: 2.5% COLA
- December: 1.5% COLA

FY22

- Employees eligible for developmental increase (5%) or merit increase (up to 3%) based on hire date or promotional date depending on where you employees in the pay range
- July: 1.5% COLA

FY23

- Employees eligible for developmental increase (5%) or merit increase (up to 3%) based on hire date or promotional date depending on where employees fell in the pay range
- July: 5% COLA

FY24

- Employees eligible for developmental increase (5%) or merit increase (up to 3%) based on hire date or promotional date depending on where employees fell in the pay range
- April: Market study 2% increase or pay adjustment based on study
- July: 3% COLA

FY25

- Evaluations stopped for one full year in preparation of the new evaluation system
- July: 3% COLA
- July: 5% Merit

FY26

- Performance-based system will be merit based. The percentages awarded will take into consideration the southeast region inflation rate for Q2.

3. **Cash Reserves.** As has been the case for the past several years, the FY 26 Budget has a focus of appropriating excess cash reserves to key investments in the City. Target percentages of expenditures for each fund have long been established (generally 25% of previous year's expenditures to be set aside in the City's "Savings Account"). Additionally, the City's real estate development activities in recent years, coupled with the \$9.3 million Federal ARPA funds, has resulted in an infusion of cash which has increased the available fund balance in a

substantial way. The table below depicts the current cash reserves and fund balance estimates and the cash that is available for appropriation in FY 26.

Unrestricted Cash Reserves				
Fund	Minimum Target %	Projected Total Reserves, June 30, 2025	Available for Appropriation in FY 26	Amount needed to reach Target %
General	25%	\$31,791,807	\$4,266,757	Above Target
Water and Sewer	25%	\$10,111,902	(\$1,070,660)	Below Target
Stormwater	25%	\$1,631,011	\$1,413,461	Above Target
Environmental	10%	\$2,311,940	\$1,531,629	Above Target
Transit	NA	\$971,613	\$971,613	NA
Totals		\$46,818,273	\$7,112,800	

More than \$25 million of cash reserves has already been appropriated by City Council over the past three years for a wide variety of one-time investments, many related to the early advancement of the draft Imagine Kannapolis Strategic Plan. The use of these funds has permitted the City to avoid significant new debt and related tax increases for several years.

The City still owns two valuable real estate assets that could add to available cash reserves if sold: 1) the 14.7-acre Plant 4 site, and 2) Downtown Block 6. These values are estimated at approximately \$11 million.

4. **Implementing the Imagine Kannapolis Strategic Plan and New Projects & Initiatives.**

The City's strategic planning process, Imagine Kannapolis, was concluded in late 2024. Due to a number of external factors the plan has not been officially adopted by City Council. Nevertheless, the planning process was a significant guide for the FY 25 Budget as it is for the proposed FY 26 Budget. The Strategic Plan was never intended to be a static, place-on-the-shelf, document. It is intended to be a general guide for the direction the City is heading. It will continue to evolve over the coming months.

It is anticipated that for the next several years, new debt financing, one-time cash outlay and increased recurring operating expenses will be considered to facilitate implementation of the Strategic Plan. As has been described in other parts of this budget message, FY 26 is somewhat of a "pause year" due to a number of factors. As a result, proceeding confidently into the future, but with caution, is the recommended approach to decision making regarding the Strategic Plan priorities.

Accordingly, over the course of the next year, a reset on several items seems to be in order: 1) capital outlay, 2) new personnel needs, 3) significant operational needs (both recurring and one-time), and 4) capital improvements. The previously discussed Strategic Plan projects and initiatives should be woven into these four budget planning categories.

City staff is preparing a separate document outlining these four future investment categories and where they fit over the next 5 to 10 years of budget planning. This document will not be tied directly to the FY 26 Budget. All department heads will participate in the development of

this document. Presentation to City Council is anticipated by the end of calendar year 2025 with most of the City Council discussion happening in early calendar year 2026.

Identifying funding sources will be part of this planning exercise which will include cash reserves, short- and long-term debt, and grants. Some revenue adjustments may need to be examined as well. A deeper look at water, sewer and stormwater projects will be part of this review. The future of transit may enter into the discussion as well

Looking back, the following Strategic Plan Projects and initiatives were funded in FY 25:

- City Hall Upfits (\$2,034,950). This project is completed.
- Block 10 Hotel Park (\$600,000). This amount is intended to match a developer contribution. Construction is anticipated in FY 26.
- I-85 Entrance Monuments (\$787,576). This is Kannapolis' contribution in partnership with the City of Concord. Design is completed. Construction is anticipated for FY 26.
- Oak Avenue South Parking Lot (\$295,361). This project is completed.
- Design of the Eastside Park (\$397,500). Design is underway. It is anticipated that construction will begin in FY 26. Debt service will begin in FY 27 (likely interest only) with full debt service beginning in FY 28.
- Public Works Operations Center Improvements (\$468,000 from the General Fund, with \$1.4 million from the Water & Sewer Fund being diverted to the Downtown sewer outfall capital project).

There are also several Strategic Plan projects and initiatives that are ready to move forward based on previous City Council commitments. By no means are these projects irreversible; but a number of factors point to the projects proceeding. These will all have separate City Council review in the coming months. Cash reserves will be the likely funding mechanism. These projects are listed below:

- \$1,350,000 for the Fire Training Tower. \$150,000 is already funded for design and demolition of the existing tower.
- \$1,000,000 for the Western Cabarrus Communications Tower. \$200,000 is already funded, + a \$963,000 Federal grant.
- \$105,000 for the Fire Dept Logistics Building. \$50,000 is already funded + a \$345,000 Federal Grant.
- \$124,500 for Downtown one-time capital and operational investments.
- \$324,000 in remaining funding for the Little Texas Sidewalk. \$1,226,00 is the total local match.
- \$392,119 for the Main Street Parking Lot. NCDOT is funding a portion of its planned parking lot. The City will manage the project.

Finally, there are a few Strategic Plan initiatives that are included in the proposed FY 26 Budget. These are listed below:

- \$100,000. Downtown Event and Promotional Support (annually recurring):

- \$100,000 Cultural Arts/Historic Preservation Programming (part may be annually recurring). Note: this is not actually part of the FY 26 Budget but is an encumbrance from FY 25 carrying over to FY 26. From a practical sense it will be administered in the upcoming budget year.
5. **Maintaining Core Services.** Unfortunately, the FY 26 Budget has little in the way of new capital outlay or new personnel. However, FY 25 was a “catch up year” with the funding of \$2.1 million in capital outlay and the funding of 11 new positions across the organization. This was one of the larger expenditures of funds on equipment and new personnel in many years. Perhaps more importantly, several million dollars was spent on a wide range of deferred maintenance projects in several departments (most notably in Parks and Recreation and General Services).

There is a high level of confidence in our department heads to maintain the high level of service delivery over the next year even with what amounts to status quo resources. Most of our department heads have been here before and are very experienced in managing during a challenging budget year.

General Fund Overview

The proposed FY 26 General Fund Budget is \$85,983,381 which represents a 3.27% increase over the FY 25 Budget (\$2,722,549 actual). As noted in the opening section of this budget message, for the FY 26 Budget several revenue and expenditure line items in the General Fund were analyzed and “right sized” based on multi-year historical trends and revised future projections.

General Fund Revenue Highlights:

1. The projected total **Property Tax revenue** for FY 26 is \$51,446,045 (which represents a 3.72% increase from FY 25 Budget of \$49,599,642 (\$1,846,403 actual). The projection is based on a collection rate of 99.08% (per the FY 24 audit). Property taxes represent 60% of the proposed FY 26 General Fund Budget (FY 25 was also 60% and FY 24 was 55%).

The property tax rate is recommended to remain unchanged at 55.95 cents per \$100 valuation.

Each penny on the tax rate is now equal to \$922,219 up from \$888,232 in FY 25 and more than double FY 20 (\$425,107).

2. The City-wide **property tax base** is projected to be \$9,222,187,096 an increase of \$339,861,156 from FY 25. This is similar to the estimated non-revaluation increase of \$351,555,925 in FY 25 (from FY 24). The non-revaluation increase was \$252,275,336 in FY 24 (from FY 23), \$412,597,907 in FY 22 (from FY 23) and \$210,951,347 in FY 22 (from FY 21).

Of the total assessed value City-wide, \$8,169,448,641 (89.58%) is attributed to the Cabarrus County side of the City and \$1,052,738,455 (11.42%) is attributed to the Rowan County side.

The FY 26 increase and the corresponding projection of \$1.8 million in new property tax revenues is exclusively due to new private sector investment in our City.

3. **Sales Tax Revenue** is projected to increase 1.46% to \$17,134,463 (\$247,217). This is nearly half the growth projected in the proposed FY 25 Budget in May 2024. Sales tax collections in FY 24 fell short of projections by \$202,366 and the FY 25 collections are now expected to be below the original projections by between \$200,000 and \$400,000. The North Carolina League of Municipalities analysis recommended a 2.8% increase for FY 26, but the current local trend analysis warrants a more conservative budget.

Sales taxes comprise 20% of the FY 25 General Fund revenues; this was also 20% in FY 25, 23% in FY 24, 22% in FY 23 and 20% in FY 22.

4. **Powell Bill** funding for FY 26 is projected to increase by 10.93% to \$1,991,000, which represents an actual increase of \$196,098 from the FY 25 Budget. No General Assembly changes are expected for the per capita and mileage-based allocations for FY 26. The growth is simply adding streets from new private developments to the City system. This increase is similar to FY 25.
5. **Franchise Tax** revenues are projected to increase by 11.62% to \$3,500,000 (\$364,373 actual) based on collections from the full year of FY 24. This is similar to the FY 25 increase.
6. **Ballpark-Related Revenues** includes a contribution from the Cabarrus Convention and Visitors Bureau (CCCVB) of \$100,000, an amount that will continue for the next 3 years. These revenues help pay for the annual debt service on the new ballpark. The CCCVB has contributed \$800,000 to date. Temerity Baseball will pay the City its annual lease payment of \$500,000 for the use of Atrium Health Ballpark (which includes an increase of \$50,000 in FY 26 per the lease agreement).
7. **Enterprise Fund Management Fee Reimbursement.** This reimbursement is being increased by 23.25% in FY 25 to \$2,782,598 (\$524,888 actual increase from the FY 25 payment of \$2,257,710). This is a budget action that facilitates the Water and Sewer Fund (\$2,192,230) and Stormwater Fund (\$590,368) “paying back” the General Fund for indirect staffing and other support throughout the year. This is based on a formula of employee allocation across funds.
8. **Fund Balance.** No appropriation of fund balance is included in the proposed FY 26 General Fund Budget.

General Fund Expenditure Highlights

On the following pages are key General Fund operating expenditure highlights (increases, decreases or other notable expenditures).

1. No **new positions** are included.
2. No **new Capital Outlay** is included. It should be noted that \$2.1 million was included in the FY 25 Budget, which represents a much larger amount than in most recent years.
3. \$9,331,528 increase in **personnel expenditures** (to \$44,681,028 total for FY 26). This increase is driven by multiple factors described below. Significantly impacting the FY 26 Budget is the full – or nearly full – staffing levels which has reduced most of the annual “buffer” that has been in place in previous years. While this is a positive trend from a service delivery standpoint, it does have implications to the budget process this year.

- \$5.3 million increase (up 13% from FY 25) for actual new expenditures related to:
 - (a) \$2.4 million increase in full-time salaries (generally driven by increases tied to performance evaluations).
 - (b) \$321,000 increase in permanent part-time salaries (increases tied to performance evaluations).
 - (c) \$741,000 increase in N.C. local Government Retirement System employer contribution requirements.
 - (d) \$587,000 increase in FICA obligations tied to salary increases.
 - (e) \$291,000 increase in employer contributions to employee 401k accounts.
 - (f) \$276,000 increase in overtime salaries.
 - (g) \$413,000 increase in medical insurance costs (increase in per employee cost from \$12,000 to \$13,500) to help pay for claims and offset the reserve fund.
 - (h) 170,000 increase in dental, life and unemployment insurance costs.
 - (i) 20,000 in miscellaneous benefits tied to salary such as longevity pay.
- \$1 million increase to correct accounting changes in our public safety departments salaries in FY26. Historically, base salaries for employees were the only part of compensation that was budgeted on an annual basis. Past budgets, including FY 25, didn't include the long weeks that these employees sometimes work. For example, Fire Department salary budgets have been based on 2,756 hours working per year but did not include automatic OT hours that are built into the department's personnel scheduling practices. Over the years lapsed salaries from normal position vacancies would cover these costs. In FY 25 (and presumably in FY 26) that is not the case. This is being corrected in the FY 26 Budget.
- \$1.77 million increase in personnel costs that were included in the non-departmental operating budget for FY 25 simply as a holding account until those funds were moved into individual departmental personnel accounts. This increase is offset in the FY 26 Budget by a similar reduction in special expenses.
- \$1.3 million increase due to underbudgeting in the FY 25 Budget for personnel cost adjustments throughout the year. Accounting changes in FY 26 to better cover the cost impacts for salary related adjustments (FICA, 401K, State Retirement, etc.) are included as budgeted expenses. Additionally, forecasted COLA and Merit Pay, on call pay, and overtime costs exceeded projections largely due to full staffing levels and limited flexibility in budget management. In FY 26 the full amount of personnel costs are being included.

4. **Non-Departmental Operating Expenditures.**

- \$176,300 increase in **workers compensation insurance** based on claim trends (total of \$686,000 for FY 26).
- \$1,770,254 *decrease* in **Special Expenses** (to \$575,280 for FY 26) as noted above. In FY25, this was primarily a holding account for the employee compensation increases (and related benefits) to transfer out to the various departmental budgets during the budget year. Also included were a multitude of other smaller items to transfer to departmental budgets.

For FY 26 this budget includes \$125,000 for the YMCA memberships for employees and \$42,000 for the Cabarrus County Partnership for Children daycare subsidy for employees. Excluded for FY 26 is the \$90,000 Federal lobbying contract with Strategics. While their services (and performance) has been excellent, the unknowns with the Federal Government coupled with the nature of this year's somewhat challenging budget makes it more difficult to fully justify the cost.

This account also includes \$408,280 from a late property tax increase estimate from Cabarrus County. This amount should be viewed as an additional contingency to provide some budget flexibility as the year progresses. One use of this funding might be a 3 or 6 month extension of our Strategics contract to provide more time to see how the changes in Washington might impact our need for D.C. representation. This warrants a City Council discussion prior to making this commitment.

- \$270,837 increase in **Insurance Premiums** (General Liability, Public Officials and Building & Contents, and fees/deductibles) based primarily on increased costs from our carrier, the North Carolina League of Municipalities and increased auto claims. Total insurance premiums for FY 26 are projected at \$1,644,107. Excluded are health and workers compensation costs as the City is self-insured for those coverages. This is nearly double the increase in the FY 25 Budget.
 - \$420,000 is included in the **Contingency** line item (no increase from FY 25). Use of these funds requires prior City Council authorization.
5. The FY 26 General Fund Budget excludes several expansion expenditures of note. These **Unfunded Expansion Items** include personnel, capital outlay and operating expenditures. They are all worthy of consideration but are not included in the proposed budget due to revenue limitations, management priorities, or other reasons. These requests are not presented in the proposed FY 26 Budget but are summarized in a separate document as information.
6. **General Government Operating Expenditures.** (City Council, City Manager, Economic Development, Communications, Legal).
- \$51,000 increase in **municipal election expenses** (2025 is a municipal election year).
 - \$8,019 increase in **City Council salaries and 401k contributions** (5% market adjustment).
 - \$100,000 increase in **Community Support** (\$174,250 total). The increase is exclusively to fund recurring operational support for Downtown Kannapolis through a new partnership

with Downtown Kannapolis, Inc (DKI). The following is the draft operations budget that has been discussed with the DKI Board. This will require the adoption of a formal agreement between DKI and the City in late June or early July after approval of the City's FY 26 budget by City Council.

- \$15,000 for Marketing and Branding (brand development, marketing, social media, logo saturation). The focus will be on Downtown Kannapolis as the branded place (not DKI or the City as the steering organizations).
- \$20,000 for event supplies (4 large events x \$5,000).
- \$3,200 for event entertainment (4 large events x \$800).
- \$4,800 for a matching grant to DKI for programming entertainment (12 x \$800).
- \$53,000 for two part-time positions: one in Parks & Rec. and one in Communications. Additionally, an existing full-time Parks & Rec. position will be dedicated 1/2 time to downtown - this position is already included in the Parks budget and will split time coordinating the new Cultural Arts/Historic Preservation program. These staff members will report to the Parks and Recreation and Communications directors but will serve the DKI Board in implementing its program and event plans.
- \$4,000 for part-time salaries for event day logistics (set-up, trash collection, street closures, take-down, clean-up, etc.). These will be City employees.

Other organizations this line item supports include the Cabarrus Arts Council (\$21,500) and the North Carolina Music Hall of Fame (\$25,000). As to the North Carolina Music Hall of Fame, no payment was made in FY 25 due, in part, to the organization's decision to hold its signature event in Mooresville when there are several viable venue options in Kannapolis. City Council discussion on the future of the City's support of the Music Hall of Fame is warranted.

- \$90,000 *decrease* in **consultant services** for contract grant management assistance. This was proposed as a full-time position for FY 25 but was eliminated by City Council in the final budget. This adjustment eliminates the funding as well.
- \$83,328 *decrease* in **economic development incentives**. This is mostly due to Gordon Foods' successful appeal of its taxes, which reduced the taxes owed, which also decreased the incentive due from the City. The current incentives due are \$158,000 for Gordon Foods and \$172,200 for the second of a three year grant to Chick Fil-A Logistics at Lakeshore Corporate Park.
- \$112,546 decrease in **Strategic Planning Initiatives** to \$0 for FY 25. In FY 25 these funds were intended *to* support several Imagine Kannapolis Strategic Plan initiatives:
 - \$30,546 for part-time driver salaries for the downtown shuttle program. This initiative started and the program has been absorbed in the Parks and Recreation budget for FY 26.
 - \$10,000 for reserve officer program funding. This initiative has started and has been absorbed in the Police Department budget for FY 26.

- \$2,000 for the Downtown Ambassador Program. This program was started but these funds were not used.
- \$20,000 for the promotion of motorsports. This has not yet been initiated.
- \$50,000 for a new Environmental Stewardship Program. This has not yet been initiated. It would involve creating an Environmental Stewardship Commission establishing a Keep Kannapolis/Cabarrus/Rowan Beautiful Organization and re-establishing the façade and site improvement matching grant program.

Some discussion is warranted regarding City Council support (or lack thereof) for starting these initiatives in FY 26. If there is support, a funding source will need to be identified.

7. **Human Resources Operating Expenditures.**

- \$230,500 *decrease* in Medical Expenses to \$14,500 for FY 26. This is primarily an accounting adjustment. Short-term disability and vision benefits are being moved into different budget accounts. Additionally, the City's expenditures for pre-hire physicals are being moved to the employee health clinic budget in the Insurance and Risk Fund.
- \$240,000 *decrease* in Contracted Services. The largest cause of this decrease was the one-time cost of a major document scanning project to scan all personnel files electronically and reduce paper files for record retention efforts.

8. **Information Technology Operating Expenditures.**

- \$432,000 *decrease* in **Small Equipment and Tools**. This budget provides for the replacement of technical equipment (computers, laptops, tablets, etc.). In keeping with FY 26 being a "budget reset year" the IT Department will spend the next 9 months completing a full inventory of technology assets and a long-range replacement plan. This initial plan will be considered for the FY 27 Budget. For FY 26 the smaller funding amount will be used in a more reactive way – focusing on equipment failures or imminent failures.

9. **Fire Department Operating Expenditures.**

- \$200,000 *decrease* in **contracted fire protection services** with the Odell Volunteer Fire Department for services to Kannapolis residents and businesses in the areas west of Lake Howell. The new budget figure is \$400,000 for FY 26, which is enough of a decrease to continue with the contracted service for the foreseeable future. Negotiations are underway to facilitate this contractual change. If these negotiations are not ultimately successful, additional discussion will be necessary regarding the future of these services in this area of the City.

10. **Engineering Operating Expenditures.**

- \$260,000 *decrease* in **Consultants**. These funds were used for several one-time projects in FY 25, including assistance in the transferring of as-built drawings into the City's digital filing system and design of the Oak Avenue and City Hall parking lot improvements. These projects have been completed in FY 25 and are not recurring in FY 26.

11. **Street Lighting.**

- \$150,000 increase in **electricity** costs due to trends (Duke Energy increases, expansion).

12. Transportation Operating Expenditures.

- \$328,902 *decrease* in **Resurfacing** (\$760,000 total for FY 26). For FY 26 it is recommended that a small shift be implemented to spend more resources on street and sidewalk repairs.
- \$576,000 increase in **Contracted Services** (street and sidewalk repairs) as noted above (\$976,000 total for FY 26).

13. Parks and Recreation Department Operating Expenditures.

- \$285,000 *decrease* in **Building and Grounds** (\$12,500 is included for FY 26). This decrease is the result of the completion of a number of long overdue projects throughout the Parks system. There were approximately twenty non-recurring projects. Examples include carpet replacement at the Village Park building, Village Park pond drainage repairs, flooring repair at the Village Park train station and the splash pad restrooms, and infield replacement of the ballfield at Baker's Creek.
- \$226,000 increase in **Water and Sewer Charges** (\$325,000 total for FY 26). This is an internal transfer to maintain the independent nature of the Water and Sewer Fund. This is an accounting correction, not charges for increased usage. These fees were not being properly billed to the General Fund, and this is being corrected in FY 26.
- \$290,100 *decrease* in **Grounds Maintenance** (\$627,600 included in FY 26). This reduction was in response to required budget reductions in the larger departments. This impact will primarily be focused on less frequent delivery of certain contracted services such as tree maintenance and supplemental mowing of NCDOT Streets. It also assumes the transfer of the Gateway Business Park to a property owner's association (vs. City ownership).
- \$140,000 *decrease* in **Swanee Theatre Talent and Entertainment**. \$550,000 is included in FY 26. This decrease is in response to a year of operations and the actual expenditures. It will take another year or two of operations to fully understand the optimum business model for this complicated venture.
- \$235,000 *decrease* in **Jiggy with the Piggy** expenses due to the ending of this festival.
- \$100,000 *decrease* in **Cultural & Historical Programming**. This program is still in the start-up stages and a number of planned expenses are being rolled over from FY 25 to FY 26 via a purchase order and encumbrance. As a result, the program is planned to start Fall 2025. The needs for the FY 27 Budget will be developed over the next 12 months.

14. There are no new **General Fund Debt Service** obligations added to the FY 26 Budget. The annual debt obligation (principal and interest) is \$13,926,149 for FY 26 which represents a *decrease* of 1.76% (\$249,707 actual) from FY 25. The current General Fund Obligations are shown in the table on the following page.

It is important to note approximately \$4.7 million in General Fund debt will be paid off over the next five years. That equates to about five (5) cents on the property tax rate. This will be a significant part of the multi-year financial plan.

General Fund Debt Service			
Limited Obligation Bonds	Principal	Interest	Maturity Date
Fire Stations 2 and 3	\$555,000	\$286,436	04/01/2038
City Hall/Police Headquarters	\$1,365,000	\$470,807	04/01/2034
Irish Buffalo Creek Greenway	\$92,000	\$20,424	04/01/2035
College Station/Downtown Streetscape	\$394,999	\$185,887	04/01/2038
Atrium Health Ballpark	\$2,600,000	\$1,633,580	10/01/2039
Parking Deck at VIDA	\$735,000	\$253,620	04/01/2041
Other Debt	Principal	Interest	Maturity Date
Misc. Equipment	\$42,154	\$1,068	6/10/2026
Village Park and Fire Engine	\$446,000	\$125,788	4/1/2037
Downtown Property Purchase	\$733,000	\$192,303	8/1/2030
NCRC Projects	\$2,550,000	\$94,650	3/1/2027
Motorola (Radio) Lease Payment	\$677,750	\$0	11/1/2025
Capital Outlay	\$414,000	\$56,683	6/1/2029
Total	\$10,604,903	\$3,321,246	

15. **General Fund Transfers** to the following other funds are included in the proposed FY 26 Budget:

- **Transfer to Environmental Fund:** \$1,832,669 (a *decrease* of \$359,021 from FY 25). The decrease is primarily due to the revenue increases from the proposed \$5 per month Environmental Fee increase. This is generally an unavoidable transfer unless services are cut or an additional Environmental Fee increase is considered.
- **Transfer to Separation Pay Fund:** \$721,500 (an increase of \$121,500 from FY 25) based on a projected 36 employees receiving this benefit in FY 26. This assumes a net of two additional employees receiving the benefit. This is an unavoidable transfer.
- **Transfer to Transit Fund:** \$968,698 (a *decrease* of \$219,525 from FY 25). This decrease is exclusively due to cuts in the Transit Budget for FY 26. The transfer increase from FY 24 to FY 25 was significant due to the restructuring of the way the Vehicle License Tax was appropriated. This is an unavoidable transfer unless services are cut.
- **Transfer to the Capital Reserve Fund:** \$900,000. This fund was established by City Council in FY 25 and is designed to set aside funding for future infrastructure projects, primarily, but not exclusively, focused on street, transportation, and sidewalk enhancements. City Council action will be necessary to determine the specific planned use of these funds over time. The funds can be used in one year, every couple of years, or after several years of accumulation for a larger project. This funding amount equates to approximately 1.0 cent on the tax rate.

This Fund currently has a balance of \$1,562,708, not including the proposed FY 26 appropriation. This is a completely discretionary transfer and maintaining the current or future balance of these funds is also discretionary. These funds can be redirected should City Council wish to do so.

- **Transfer to Western Cabarrus Fire Protection Capital Project Fund:** \$0. Because of the positive initial discussions with the Odell Volunteer Fire Department, it appears that the cost of service for the City will decrease, leading to a recommended pause in funding

this Capital Project Fund. This Fund, established in FY 25, was designed to facilitate the gradual establishment of City-managed fire protection and life safety services in the areas of Western Cabarrus County west of Lake Howell and north of NC Highway 73. The funding amount for FY 25 was equal to 0.42 cents on the tax rate.

There is currently \$373,057 in this Fund. Maintaining the current or future balance of these funds is discretionary. These funds can be redirected should City Council wish to do so.

- **Transfer to Cultural Arts Facility/History Museum Capital Project Fund: \$0.** Due to the current budget limitations projected for FY 26, it is recommended that this transfer be suspended for at least the next year. This is a multi-year project fund designed to facilitate the purchase of an existing structure and related renovation costs for a Cultural Arts Facility/History Museum project. Eventually should a project emerge, additional capital funding (and debt service) will be necessary. The funding amount for FY 25 was equal to 0.84 cents on the tax rate.

There is currently \$770,402 in this Fund. Maintaining the current or future balance of these funds is discretionary. These funds can be redirected should City Council wish to do so.

- **Transfer to Downtown Economic Development Project Fund: \$0.** Due to current budget limitations projected for FY 26, it is recommended that this transfer be suspended for at least the next year. This a set aside of funds to facilitate the construction of public infrastructure (likely parking) in partnership with a to-be-determined private sector developer. This funding amount for FY 25 was equal to 1.0 cent on the tax rate.

There is currently \$917,146 in this Fund. Maintaining the current or future balance of this fund is discretionary. These funds can be redirected should City Council wish to do so.

Water and Sewer Fund Overview

The proposed FY 26 Water and Sewer Fund Budget is \$28,425,016 which represents a 4.43% *decrease* from the FY 25 Budget (\$1,318,797 actual *decrease*). Through April 2025, the FY 25 revenue streams do not appear that they will meet the projections. Accordingly, the FY 26 Budget is being reduced to a more conservative number to reflect actual revenue trends. Like much of the FY 26 Budget this is a “resetting” explanation. While revenues in FY 25 were substantially higher than FY 23 and FY 24, they were short of the full projection. There is no clear explanation for this, but it is more prudent to err on the side of caution and assume a reset revenue expectation. Over the past year or so there is little evidence to suggest that the natural growth projected of 2.5% to 3% will be realized in FY 25 into FY 26. Similarly, the growth projected for tap and connection fees, while significant, is also slower than expected.

Water and Sewer Fund Revenue Highlights

Through the course of the last several months, City staff and our financial and utility consultants have been engaged in an update to our Water & Sewer Fund’s (the “Fund” or the “System”) Capital Planning and Financial Feasibility Study. This work involves: (1) a look-back at the System’s historical financial performance to confirm compliance with a number of key financial covenants that are specified in the City’s revenue bond documents, (2) a review of the System’s Capital Improvement Plan (“CIP”) and (3) development of a forward-looking financial pro-forma that

demonstrates the expected financial performance of the Fund inclusive of operating and capital/debt activities. This modeling is important as a general planning document to help inform City staff and City Council related to making capital investment decisions and as a guide for setting System rates and charges in the future. It is also required as part of any debt issuance process for the System. The Local Government Commission (the “LGC”), the bond rating agencies, revenue bond investors and bank lenders will all expect to review the System’s financial projections as part of making assessments of the System’s creditworthiness, its ability to meet its operating and capital obligations and importantly, its ability to continue to comply with its financial and operating covenants as identified in the City’s Water & Sewer System revenue bond documents.

Related to rate setting, this document will identify the expected needed rate increases by fiscal year for an approximate 5-year projection period. As a budgeting practice, the City Council is expected to set rates and charges on an annual basis. The projected rate increases included in the modeling described above are not intended to be approved at one time, but rather, they serve as a guide for future decisions and are calculated to facilitate sound financial performance and to facilitate adequate revenues to meet future capital funding and debt issuance requirements. System rate increases, along with natural system growth driven by new users, are key inputs in this modeling. As such, City staff has been advised by its consultants that any material deviation from the increases shown for the FY 26 budget could jeopardize compliance with bond covenants and the debt issuance process scheduled for the fall of 2025 (and more importantly, into the future).

With the above narrative being the foundation moving forward, the revenue highlights for the FY 26 Budget include the following:

1. The following **water and sewer rate increases** are recommended for the FY 26 Budget which are projected to generate an estimated \$1,047,847 in new revenue (\$457,598 for water and \$692,111 for sewer). These (and the small increases in FY 25) are the first rate increases proposed in the past 6 years.

Proposed Water and Sewer Rates FY 26			
	FY 25	Proposed FY 26	Change FY 25 to 26
Water – Fixed Charges (per connection)	\$6.95	\$7.20	\$0.25
Water – Variable charges (per 1000 gallons)	\$7.31	\$7.31	\$0
Sewer – Fixed Charges (per connection)	\$5.24	\$8.30	\$3.06
Sewer – Variable charges (per 1000 gallons)	\$7.45	\$7.45	\$0

It should be noted that the projected revenue increases from the fixed charges assumes every customer, regardless of size or impact on the system, pays the same fixed charge. For instance, the resident of a single-family home will pay \$7.20 a month for the fixed charge for water (also called the “base charge”). Under the current fee schedule, a large apartment complex with a master meter would also pay \$7.20 for this fixed charge when there is obviously a larger impact on the system than the single family home. The City’s Water Resources Department estimates that by tying the fixed charge to the size of the meter (customers with larger meters pay more), an additional \$150,000-\$200,000 in new revenue may be generated. This approach is fair and equitable to all the users in the system.

Unfortunately, some adjustments to our billing system are needed to ensure that such a change can be implemented properly. Accordingly, no changes related to meter factoring are going to be recommended in the Fee Schedule until this can be resolved. Once the billing issue is addressed, this will be brought back to City Council for consideration.

In addition to the system's financial stability reasons stated above, other drivers to these rate increases include: 1) the City's financial obligations to the Water and Sewer Authority of Cabarrus County (WSACC) for the fixed costs of the Rocky River Regional Wastewater Treatment Plant (RRRWTP) expansion, and 2) debt service on the Kannapolis Lake Dam Spillway Replacement Project (estimated at \$8.44 million).

2. **Water and Sewer Tap and Connection Fee** revenues are projected to decrease by \$249,537 from the FY 25 Budget. The projections for FY 26 are \$953,463 in tap fees and \$1,850,000 in connection fees. These could be overly conservative projections as they are tied to new development which can be influenced by many external factors.

Water and Sewer Fund Expenditure Highlights:

1. No new positions are included.
2. No new Capital Outlay is included.
3. \$814,802 increase in personnel expenditures which is driven primarily by four factors – (a) average 5% salary increases tied to performance evaluations (including compensation elements tied to salaries), (b) increases in state retirement system obligations, (c) expected full – or nearly full – staffing levels, and (d) and various insurance cost increases.

The personnel cost increases described in the General Fund section of this Budget Message provide a more comprehensive summary of the factors impacting all City funds.

4. \$347,048 increase to the General Management Services fee (to a total of \$2,192,230) based on updated annual review of General Fund overhead costs charged back to the enterprise funds.
5. **Customer Service.**

This operating budget is virtually unchanged from FY 25. The only changes are to better reflect actual expenditure trends and to address certain inflationary impacts.

6. **Water Distribution and Wastewater Collection.**

The operating budget is proposed to *decrease* by 9.79% from FY 25. The only changes are to better reflect actual expenditure trends and to address certain inflationary impacts. The only significant reduction is \$244,613 in contracted services (sewer outfall easement mowing, root control, etc.) to better align with actual expenditures over the past few years.

7. **Water Treatment Plant.**

This operating budget is virtually unchanged from FY 25. The only changes are to better reflect actual expenditure trends and to address certain inflationary impacts. Included is a decrease of \$108,000 in capital outlay that will not be recurring in FY 26.

8. **Wastewater Treatment (Water and Sewer Authority of Cabarrus County or “WSACC”).** Wastewater Treatment expenditures total \$6,520,775 in FY 26 which represent an increase of 11.1% (\$651,584 actual increase) from FY 25 with the following factors:

- \$472,530 increase in Wastewater Treatment Variable rate paid to WSACC. This rate increase was 1.52% with the majority of this increase due to projected new flow (growth in the system).
 - \$202,159 increase in Wastewater Treatment Fixed Rate. WSACC issued \$65.5 million in revenue bonds in May 2022 and an additional \$84.96 million in revenue bonds in February 2024 to expand the Rocky River Regional Wastewater Treatment Plant (RRRWTP) from 26.5 MGD to 30 MGD and then to 34 MGD. WSACC absorbed the debt service on the \$65.5 million revenue bonds in the prior year (with State funding assistance). However, the \$84.96 million in revenue bonds issued in February 2024 will require increases in fixed charges in FY 26 for the principal payments. The net increase of fixed charges due to the new debt service is \$704,500. Kannapolis' portion of these fixed charges is slightly under 30% with Concord, Harrisburg and Mt. Pleasant splitting the remainder. The increase for Kannapolis was \$1.3 million in FY 25.
 - \$87,840 *decrease* in the sewer interceptor fixed rate based on estimated costs from WSACC.
9. \$347,048 increase to the **General Management Services fee** (to a total of \$2,192,230) based on updated annual review of General Fund overhead costs charged back to the enterprise funds.
10. The following **Water and Sewer Capital Improvement Project** is included in the proposed FY 26 Budget for the Water and Sewer Fund. This will impact long term debt service, also beginning in FY 26.
- Kannapolis Lake Dam Spillway Replacement Project (estimated at \$8.44 million including debt issuance costs). The Kannapolis Lake Dam, which impounds the City's primary drinking water supply (Kannapolis Lake) is owned and operated by the City of Kannapolis. The original dam was constructed in 1940. The dam is categorized by the State as a Medium sized, High Hazard dam. The dam is an earthen embankment with a concrete auxiliary spillway on the right abutment and an intake tower in the reservoir that feeds the City's water treatment plant downstream of the dam and across Pump Station Road. Flows from the reservoir are conveyed through the spillway into Irish Buffalo Creek.

Kannapolis Lake Dam Spillway Replacement Project includes demolition of the existing concrete auxiliary spillway that does not have adequate spillway capacity and is structurally deteriorating. The project also includes construction of a new cast-in-place concrete auxiliary spillway with a labyrinth weir control section. Most of these repairs are being mandated by the NC Department of Environmental Quality Dam Safety Program.

Of note, in April 2025, City Council approved the Downtown Sewer Outfall project. This project involves the replacement/rehabilitation of approximately more than 5,000 linear feet of 18-inch and 24-inch gravity sewer lines. The current sewer piping is approximately 72 years old and is subject to significant inflow from rainwater. More importantly, this part of the City's wastewater system is at its hydraulic capacity. This project is required to create gravity sewer conveyance capacity for much of downtown, including future projects on Block 5, Block 6, the Plant 4 site, old Post Office site, and the residential project at Vance and W D Street, as well as other land in the downtown area.

This project was intended to be constructed through debt financing. However, to reduce the amount of new debt in the Water and Sewer Fund, City Council approved a cash funding plan with the following sources: a) Water and Sewer Fund cash reserves, b) appropriated investment earnings specifically in this capital project fund, c) re-appropriated unspent bond proceeds from existing and previous projects, and d) reduces (delays) by \$1.4 million a portion of the Public Works Operations Center improvement project. The construction contract for this project is \$3.72 million. This project does not impact the FY 26 Budget in any way.

11. **Water and Sewer Debt Service.** The proposed FY 26 Budget includes a *decrease* of \$1,957,929 in annual debt obligations. The decrease is the satisfaction of a large revenue bond issuance in FY 25 (mostly the Water Treatment Plant improvements from the early 2000s). The total annual debt service for FY 26 is \$6,073,319. The only new debt to be added is the aforementioned Kannapolis Spillway project. The project cost is estimated at \$8.44 million and is anticipated to begin this fiscal year with the 20-year debt being issued about the same time as the project start. For FY 26 there is an interest only payment estimated at \$353,606. The full payment will grow to \$950,725 in FY 27.

The current Water and Sewer Fund debt obligations are shown in the table below.

Water and Sewer Debt			
Revenue Bonds	Principal	Interest	Maturity Date
Proposed New Debt – Kannapolis Lake Spillway 2025	\$0	\$353,606	20 yrs -TBD
Kannapolis Crossing/Lane St/WTP Improvements 2021B	\$427,000	\$164,070	2/1/2042
Kannapolis Crossing/Lane St/WTP Improvements 2023	\$858,000	\$226,590	2/1/2042
Downtown Water and Sewer 2018	\$780,000	\$486,476	4/1/2038
Downtown Water and Sewer 2021	\$638,000	\$159,393	4/1/2038
Davidson Road Water 2017	\$316,000	\$143,380	4/1/2041
Other	Principal	Interest	Maturity Date
Misc. Equipment 2011	\$76,528	\$1,932	06/10/2026
Second Creek 2011A	\$15,172	\$2,634	05/01/2032
Total	\$3,110,700	\$1,538,081	

12. The FY 26 Water and Sewer Fund Budget excludes several expansion expenditures of note. These **Unfunded Expansion Items** include personnel, capital outlay and operating expenditures. They are all worthy of consideration but are not included in the proposed budget due to revenue limitations, management priorities, or other reasons. These requests are not presented in the proposed FY 26 Budget but will be subject to the new long range planning exercise highlighted in the beginning for this budget message.

Stormwater Fund Overview

Stormwater Fund Revenue Highlights:

The proposed FY 26 Stormwater Fund Budget is \$3,637,348 which represents a 3.00% *decrease* (\$112,652 actual decrease) from the FY 25 adopted budget of \$3,750,000.

Charges and fee revenue is projected to increase by \$167,348 for FY 26 reflecting new development expected to be completed over the next 14 months. An additional revenue impact is a “rightsizing” of “Other Revenues” that were projected in the current FY 25 Budget at \$350,000. Part of this revenue stream is interest earnings but not to this larger amount. For FY 26 this projected revenue stream has been decreased by \$280,000 (to a total of \$70,000).

No fee increase is proposed for FY 26.

The Stormwater Fund continues to be fully self-sustaining with no transfers from other funds to support its operations.

Stormwater Fund Expenditure Highlights:

1. No new positions are included.
2. No new Capital Outlay is included.
3. \$280,054 increase in **personnel expenditures** which is driven primarily by four factors – (a) average 5% salary increases tied to performance evaluations (including compensation elements tied to salaries), (b) increases in state retirement system obligations, (c) expected full – or nearly full – staffing levels, and (d) and various insurance cost increases.

The personnel cost increases described in the General Fund section of this Budget Message provide a more comprehensive summary of the factors impacting all City funds.

4. \$177,840 increase to the **General Management Services fee** (to a total of \$598,368) based on updated annual review of General Fund overhead costs charged back to the enterprise funds.
5. \$13,293 *decrease* in **Stormwater Debt Service** due to reduced obligations for various projects and equipment. \$532,966 in debt remains. A very small equipment debt obligation matures in FY 26 but the bulk of the debt in this Fund does not mature until 2038.

There is no new debt service included in the FY 26 Budget.

6. There are no new **Capital Improvement Projects** included in the proposed FY 26 Budget for the Stormwater Fund. It should be noted that requests from citizens for stormwater improvements continue to occur. The only realistic way to respond to most of the concerns is to develop a stormwater master plan to guide the prioritization of these projects and establish a dedicated funding source to pay for them.
7. The FY 26 Stormwater Fund Budget excludes several expansion expenditures of note. These **Unfunded Expansion Items** include personnel, capital outlay and operating expenditures. They are all worthy of consideration but are not included in the proposed budget due to revenue limitations, management priorities, or other reasons. These requests are not presented in the proposed FY 26 Budget but will be subject to the new long range planning exercise highlighted in the beginning for this budget message.

Environmental Fund Overview

Environmental Fund Revenue Highlights:

The proposed FY 26 Environmental Fund budget totals \$7,681,862 which is an increase of 14.64% (\$1,413,172 actual) over the FY 25 adopted budget of \$6,700,690.

A **\$5.00 per month Environmental Fee increase** is proposed for FY 26 (representing an increase of \$1,404,193 in new revenues). This fee increase has been planned for several years in a long-standing effort for the Environmental Fund to be self-sustaining exclusively with user fees. This fee has been delayed for a number of years due to a variety of factors. For FY 26 it is also necessary to address several projected operational increases.

The General Fund transfer (subsidy) for FY 26 is proposed to *decrease* by 16.38% (\$359,021 actual decrease). By comparison, this transfer in the FY 25 Budget was nearly double the amount in the FY 24 Budget.

This Fund is still reliant upon General Fund transfers to support its operations (see table below). The last fee increase was in FY 22 which brought the monthly per household fee from \$15.60 to its current \$18.10. Since FY 22 there have been significant pressures on this fund: increases in recycling disposal costs, increased landfill costs, the addition of supplemental funding to address service delivery lapses by the City's previous solid waste collection contractor, and significant increases in the new solid waste collection contract. These pressures have made the goal of achieving self-sustainability for the Environmental Fund more challenging. To make the Fund fully self-sustaining, a fee increase of at least \$8.00 (likely spread over 2 or more years) would be necessary.

Environmental Fund Transfers In						
Transfer From:	FY 21	FY 22	FY 23	FY 24	FY 25	FY 26
Stormwater Fund	\$400,000	\$0	\$0	\$0	\$0	\$0
General Fund	\$150,000	\$85,542	\$85,542	\$1,147,817	\$2,191,690	\$1,832,669
Water & Sewer Fund	\$495,700	\$495,700	\$495,700	\$0	\$0	\$0
Total Transfers in	\$1,045,700	\$581,242	\$581,242	\$1,147,817	\$2,191,690	\$1,832,669

Environmental Fund Expenditure Highlights:

1. No new positions are included.
2. No new capital outlay is included.
3. \$239,042 increase in **personnel expenditures** which is driven primarily by four factors – (a) average 5% salary increases tied to performance evaluations (including compensation elements tied to salaries), (b) increases in state retirement system obligations, (c) expected full – or nearly full – staffing levels, and (d) and various insurance cost increases.

The personnel cost increases described in the General Fund section of this Budget Message provide a more comprehensive summary of the factors impacting all City funds.

4. \$362,830 increase in **solid waste collection costs** through the City's contractor, Waste Collections of the Carolinas (for a total of \$4,150,000 for FY 26). This increase includes the

3% CPI increase in the contract and the per house cost increase based on a projected additional 600 new homes expected during FY26.

5. \$160,000 increase in the **cost of recycling material disposal** (for a total of \$460,000 in FY 26). In FY 24 the disposal cost at the Materials Recovery Facility (MRF) in Charlotte was \$116 per ton and the cost for FY 25 was \$124 per ton. It is assumed that FY 26 will include a similar increase although this may not be confirmed until after the budget is adopted. The City produces 3,500 tons of single stream recyclable material annually (resulting in \$434,000 disposal costs in FY 25). Additionally, in FY 25 the City's previous solid waste collection firm (Waste Management, Inc.) disposed of some materials at its transfer yard at no charge to the City. This is no longer a benefit under the new contract, so those savings are no longer possible.
6. \$650,000 increase in **landfill costs** (for a total of \$980,000 in FY 26). There are a number of factors that are causing this increase:
 - \$225,000 increase in landfill costs due to a) the natural increase in new customers and the increased tonnage being delivered. 600 new homes are expected to begin service in FY 26, and b) an increase in landfill costs disposal rate 2.9% (current rate of \$45.5 per ton increased to \$46.82 per ton).
 - The FY 25 landfill budget was decreased by \$300,000 in error. This was resolved through a fund balance appropriation earlier this year and it being corrected in the FY 26 Budget resulting in the adding back of this amount.
 - \$125,000 due to internal coding errors that have been corrected in the FY 26 Budget.
7. \$130,000 *decrease* in **contract services** due to the reduced need to supplement solid waste collection services that was required prior to the improvement of service with the new collection contractor Waste Connections.
8. \$66,000 increase in **bulk container costs** (for a total of \$200,000) due to inflationary price increases and a refreshed accounting of the service. Upon establishment of the City's new collection contract an audit of dumpsters was completed and some minor discrepancies in billing and collections were uncovered. The management of commercial dumpsters is a pass-through service for non-residential customers that choose to take advantage of potential lower costs via the City's contract for collections. This budget item is always impacted by the number of commercial customers that choose to sign up for the service. Each user pays the full amount for their service with the City as the go-between. The City bills and collects the fee from the user. Waste Connections the amount on the invoice to be paid by the City. The annual cost is expected to be \$200,000 for FY 26.

The only exception to this process is the that the City agreed several years ago to pay for this service for both the Kannapolis City School System and Cabarrus County School System for the schools located in the City limits (\$31,920 annually). When these agreements were first reached, the market for recyclable materials was fairly significant and the revenues offset much of the costs. Unfortunately, the opposite is now true, which may warrant a discussion about this in the future.

9. \$432,000 *decrease* in Capital Expenditures due to certain one-time expenditures from FY 25 not being repeated in FY 26.

10. There is no existing or new **Environmental Fund Debt Service**.
11. The FY 26 Environmental Budget excludes several expansion expenditures of note. These **Unfunded Expansion Items** include personnel, capital outlay and operating expenditures. They are all worthy of consideration but are not included in the proposed budget due to revenue limitations, management priorities, or other reasons. These requests are not presented in the proposed FY 26 Budget but will be subject to the new long range planning exercise highlighted in the beginning for this budget message.

Separation Pay Fund Overview

The proposed FY 26 Separation Pay Fund Budget is **\$721,500**, which represents a 20.25% increase (\$121,500 actual) from the FY 25 adopted budget.

The full amount of the Separation Pay Fund is projected for separation pay obligations for retired City employees. From FY 25 to FY 26, three (3) former employees are no longer eligible to receive special separation pay because they are over age 62. Five (5) new employees are projected to roll on for FY 26.

Thirty-one (31) former employees currently receive separation pay benefits.

Transit Fund Overview

The proposed FY 26 Transit Fund budget is \$1,402,698, which is a 13.51% *decrease* over the FY 25 adopted budget of \$1,621,823 (\$219,125 actual decrease). This amount is Kannapolis' local contribution to the larger Concord-Kannapolis Transit System Budget of approximately \$6.86 million for FY 26. The other large funding sources for the system include approximately \$3 million in Federal and State funding and approximately \$2 million from the City of Concord. Fare box revenue only accounts for about 4% of the total revenue stream (\$248,597 projected for FY 26).

Transit Fund Revenue Highlights:

The City's current Municipal Vehicle Tax (MVT) is \$30 per vehicle with \$10 going directly to the Transit Fund to support the public transit system. NOTE: \$5 of the MVT can only be used for transit expenditures. Another \$5 can be used for "any other general purpose" including transit support.

The remaining \$20 of the MVT is allocated to the General Fund to support transportation related improvements like street paving. Prior to FY 25, Kannapolis' transit system obligations were met using \$20 of the MVT. In FY 25 this was reversed to be more aligned with the state law governing the use of these funds. Using only \$10 of the MVT for Transit expenditures is a more appropriate way of accounting for this fee.

Accordingly, the revenue streams to support the Transit Fund in FY 26 include \$434,000 (\$10 of MVT) and \$980,292 in a transfer from the General Fund (\$1,188,223 in FY 25).

Transit Fund Expenditure Highlights:

Transit is a contracted service; as such there are no direct (City owned or managed) capital, personnel, or operating expenditures. The Transit System staff function as a department of the City of Concord as the lead agency. This year, Concord and Kannapolis management staff took a deeper look into some of the Transit operating expenditures, similarly to how both city's staff do as part of the respective city budgets. As a result of this review, several "rightsizing" adjustments were made. This led to an overall decrease in the budget. Factors contributing to the decreased operating expenditures for FY 26 include:

1. \$24,500 decrease in the travel budget (to \$18,000).
2. \$75,000 decrease by delaying customer survey funding (moved for possible discussion in FY 27 since Long Range plan has a survey component).
3. \$45,000 reduction in the marketing budget (to \$20,000).
4. \$125,000 decrease in fuel cost from (to \$525,000).
5. \$3,500 decrease in printing costs (to \$4,000).

Other than these reductions, the FY 26 Transit Budget is largely unchanged from FY 25.

Insurance and Risk Fund Overview

The proposed FY 26 Insurance and Risk Fund budget is \$7,618,904. This represents a 12.69% increase (\$857,820 actual) over the FY 25 adopted budget. FY 25 was the second year of this new internal service fund to manage the City's health related expenses for all active and retired employees on the plan as well as City workers' compensation expenses.

Insurance and Risk Fund Revenue Highlights

Revenues for this Fund come from four sources (two internal and two external):

1. \$5,953,500 from employee **Health Insurance premiums** which is accomplished through the premiums being paid directly into the fund. These premiums are budgeted by individual City departments to provide an accurate picture of the total cost of each City service/department. For FY 25 the projection is based on 441 full-time positions budgeted at \$13,500 per person (up from \$12,000 in FY 25). This represents an increase of 10.75% (\$638,700 actual) from FY 24. This increase is necessary to maintain this Fund as a stand-alone, self-sustaining fund (and not reliant on transfers from the General Fund).

These revenues do not come from employee payroll deductions as these are employer-paid insurance costs.

2. \$625,404 is from **employee dependents Health Insurance premiums** that will be credited to this Fund directly when collected through employee payroll deductions. This represents no change from FY 25. The amount also includes those former employees on COBRA plans.
3. \$200,000 from **retiree Health Insurance premiums** that will be credited to this Fund directly upon collection from retiree payments. This represents no change from FY 25.

4. \$840,000 from **Workers Compensation premiums** which is also a transfer from all funds. These premiums are budgeted similarly to Health Insurance premiums. They are based on 440 full-time positions budgeted at \$1,909 per person (up from \$1,414 in FY 25). This is an increase of 35.29% (\$219,120 actual) from FY 25.

Insurance and Risk Fund Expenditure Highlights

This Fund includes the following major expenditures:

1. \$400,000 to operate the **Employee Health Clinic** (increase of \$110,000 in FY 26). In FY 26 the City will partner with Atrium Health for the onsite Health Clinic. Atrium is the leading onsite provider in the Charlotte region with specialties in emergency personnel in both behavioral and primary healthcare. After several attempts to expand services with the City's current vendor, the business model did not support the growing need of our workforce population. Atrium Health can provide primary care to our employees and families as well as provide occupational and behavioral health services. Atrium is able to also offer physical abilities testing - this is a valuable offer that can help avoid costly workers' compensation claims. These offerings were unavailable as our previous clinic provider could only offer acute care for our workforce.

Additionally, under this new arrangement, the City will be able to provide two full-time Atrium staff members at the clinic. The City's wellness program will no longer be a contracted event - it will be administered through individual appointments which will focus on employees health opposed to generic metrics.

From a financial perspective, many of the previous contracted services will now be combined into one turn-key service at the onsite health clinic. A significant part of the increase in the Health Clinic budget is offset by small decreases in multiple accounts that were paying for fragmented service to several different vendors.

2. \$1,200,000 for **Retiree Medical Insurance** claims (*decrease* of \$300,000 in FY 26). This decrease is primarily due to the decision to move all retirees to a new Medicare Supplement insurance that created significant savings. \$300,000 of this amount is for retirees over age 65.
3. \$940,000 for **Employee HSA and HRA benefits** (*decrease* of \$25,800 in FY 26). This benefit is estimated at 440 employees at either \$2,000 or \$2,200 per year, per employee depending on the Health Insurance plan.
4. \$80,000 for **Retiree HSA and HRA benefits** (no change in FY 26).
5. \$3,265,904 for employee **Medical Insurance Claims** (an increase of \$631,500 in FY 26). This is an estimate based on trends forecasted from the City's broker.
6. \$92,000 for **Medical Administration Fees** (decrease of \$878,000 in FY 26). These are fees for Blue Cross Blue Shield NC to administer the medical plan. This decrease is due to the accounting changes that moved these fees (and stop loss insurance costs) to a new budget line. The fees for FY 26 are projected to be \$650,000, which represents a decrease of more than \$200,000.
7. \$550,000 for **Workers Compensation Claims** (increase of \$229,120 from FY 25). This estimate is based on trends forecasted from the City's administrative consultant.

Approximately \$50,000 of this increase is due to incorrect salary projections in the last fiscal year. This is being corrected in FY 26.

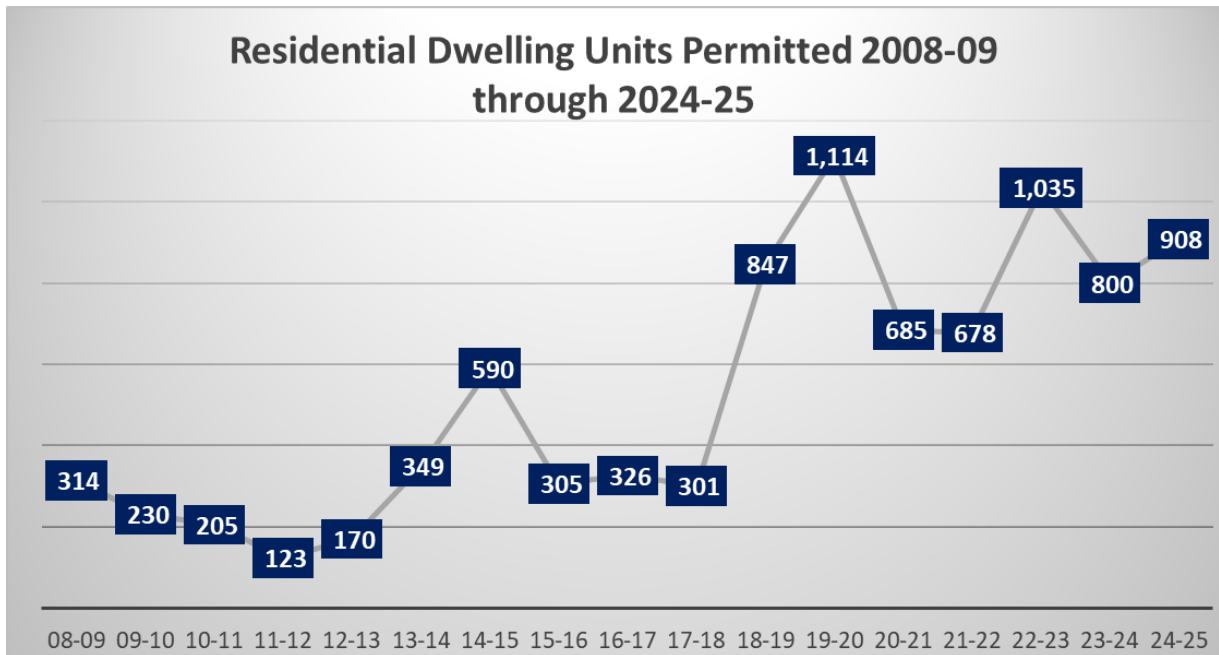
Looking Ahead – FY 2027 and beyond

As evidenced by the recommendations contained in the FY 26 Budget, this is a largely status quo budget. However, one budget should not define (or re-define) where our City is heading. The future is incredibly bright as the following information will demonstrate.

The City's rapid private sector development trends began in earnest in FY 18-19. Over the past seven years, 6,067 residential dwelling units were permitted (an average of 867 per year). This equates to nearly 18,000 new residents in our City.

As land prices escalate and household sizes decrease, higher density residential projects will become more of the norm. Of the 908 residential dwelling unit permits issued in the past 12 months, only 43% (384) were for single family homes. The economics of low-density large lot single family development are no longer realistic in most settings.

The City's residential growth trends from the past 17 years are depicted on the graph below.



This residential growth, while certainly requiring increased City service delivery, brings with it significant new tax value. The table on the following page is a summary of the residential development that has been allocated wastewater under the current policy.

Wastewater Allocation Exhibit A Residential (Dwelling Units)	Reserved Dwelling Units	Projected Value
Single-Family Homes	1,893	\$567,900,000
Condos/Townhome Units	926	\$208,350,000
Apartment Units	3,197	\$447,580,000
Residential Infill Homes	300	\$67,500,000
Affordable Homes	654	\$98,100,000
Exempt Single-Two Family Homes	150	\$33,750,000
Total Residential Dwelling Units	7,120	\$1,423,180,000

We are also in the midst of an unprecedented period of our City's history where the non-residential economic development is positioned to grow at a pace unseen in Kannapolis for nearly a century. Approximately seven million square feet of new industrial space is in various stages of planning or development.

There are several large investments in various stages of development, most notably: Kannapolis Crossing/Overlook 85 (I-85 exit 65), Mill Creek Crossing (Kannapolis Parkway@NC73), Lakeshore Corporate Park, 85 Exchange, the re-introduction of the NCRC properties into the marketplace, and the remaining downtown properties. These projects alone could total more than \$1 billion in private investment over the next five years. This is only a sampling of the projects – all of which will have a long-lasting positive revenue impact on the City.

The table below is a summary of this non-residential impact:

Wastewater Allocation - Exhibit A Non-Residential (Square Feet)	Reserved Sq. Ft.	Projected Value
Manufacturing	4,510,752	\$1,014,919,200
Distribution	3,671,392	\$458,924,000
Commercial	588,325	\$176,497,500
Office	882,000	\$264,600,000
Commercial/Office Infill	480,000	\$120,000,000
Total Non-Residential Sq. Ft.	10,132,469	\$2,034,940,700

The wastewater capacity limitations have tempered growth expectations to some degree. However, as the two previous tables show, even a strictly managed growth plan will still result in significant growth in coming years. The City's current wastewater allocation plans are projected to facilitate more than 7,000 dwelling units, more than 10 million square feet of non-residential space and more than 500 hotel rooms. These developments are projected to generate \$3.5 billion in new private investment (current City-wide total tax base is \$9.2 billion). This level of investment will generate \$20 million in new annual property tax revenues and \$12 million in new annual water and sewer use revenues over the next decade. This level of development alone will generate an estimated 15,000 new residents.

These tax base increases are similar to the past several years of increases due to new development (\$313.6 million average annual tax base growth over the past five years) as shown on the table on the following page.

Property Tax Base Increases due to new Private Sector Investment FY 20-FY 26			
Fiscal Year	Private Investment (Tax Base Increase)*	Property Tax Revenue	Cents on the Tax Rate
FY 20	\$174,680,000	\$1,100,484	2.59
FY 21	\$112,230,000	\$707,049	1.43
FY 22	\$210,951,347	\$1,328,993	2.68
FY 23	\$412,597,907	\$2,599,367	4.58
FY 24	\$252,275,333	\$1,589,334	2.57
FY 25	\$351,555,929	\$2,036,211	2.29
FY 26	\$339,861,156	\$1,846,403	2.00
Totals	\$1,854,151,672	\$11,207,841	18.14

* Excludes county revaluations

Without the above \$1.85 billion in new private investment in our City, the more than \$11.2 million of recurring revenues would never have been available. They would have to have been replaced by an 18+ cent tax increase to achieve what we have achieved in Kannapolis since 2020.

Closing Thoughts

This proposed FY 2025-26 Budget is balanced in accordance with N.C. Statutes. While this budget may not advance the City and its planned projects and initiative as rapidly as in recent years, it by no means represents any sort of diversion from the positive strides we have made over the past decade.

I am so appreciative of the many staff members that have dedicated tremendous time and effort towards completion of the FY 26 Budget. Our Budget and Strategy Director Kristin Jones, Finance Director Brian Roberts, and Deputy Finance Director Suzanne Burgess played critical roles this year. The budget process was enhanced greatly through the efforts of Assistant City Manager, Tina Cline, Communications Director, Annette Privette Keller and her team, and our City Clerk Pam Scaggs. The rest of our management team and each of our department heads and many other staff members also played very important roles in the development of this Budget.

Please accept my thanks to each of you as the elected officials for our City. Your enthusiastic communication of your collective vision for our great City represents the foundation for our prosperous future. Readily apparent is your support of our City staff as we do our very best to implement your vision and priorities.

Without reservation, I respectfully submit this proposed FY 2025-26 Budget to the City Council for your thoughtful consideration.

Sincerely,



Mike Legg
City Manager

Revenue Summary
All Funds
Fiscal Years 2024-2026

	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Difference FY 25 to FY 26
Ad Valorem Taxes	39,027,140	49,599,642	51,446,045	1,846,403
Sales Tax	16,440,102	16,887,246	17,134,463	247,217
Intergovernmental	6,373,357	7,138,972	7,966,275	827,303
Other	7,288,295	9,634,972	9,436,598	(198,374)
Transfers In/Appropriated Fund Balance	1,242,385	-	-	-
Total General General Fund	\$ 70,371,279	\$ 83,260,832	\$ 85,983,381	\$ 2,722,549
Total Water and Sewer Fund	\$ 24,286,437	\$ 29,743,813	\$ 28,425,016	\$ (1,318,797)
Total Stormwater Fund	\$ 3,530,000	\$ 3,750,000	\$ 3,637,348	\$ (112,652)
Total Environmental Fund	\$ 5,683,817	\$ 6,700,690	\$ 7,681,862	\$ 981,172
Total Separation Fund	\$ 496,912	\$ 600,000	\$ 721,500	\$ 121,500
Total Transit Fund	\$ 1,223,031	\$ 1,621,823	\$ 1,402,698	\$ (219,125)
Total Insurance and Risk Fund	\$ 6,046,480	\$ 6,761,084	\$ 7,618,904	\$ 857,820
Grand Total All Funds	\$ 111,637,956	\$ 132,438,242	\$ 135,470,709	\$ 3,032,467
Less Inter-Fund Transfers	\$ 7,252,080	\$ 9,331,913	\$ 9,462,867	\$ 309,918
Grand Total All Funds	\$ 104,385,876	\$ 123,106,329	\$ 126,007,842	\$ 2,722,549

Sources of Revenues - All Funds FY 2022 to FY 2026

	FY 2022 Actual	FY 2023 Adopted	F Y2023 Actual	FY 2024 Adopted	FY 2024 Actual	FY 2025 Adopted	FY 2026 Proposed
Revenues							
Ad Valorem Taxes	34,727,004	35,588,732	36,434,778	39,027,140	40,155,180	49,599,642	51,446,045
Sales Tax	14,084,123	13,626,161	15,646,536	16,440,102	16,107,155	16,887,246	17,134,463
Intergovernmental	6,512,774	6,333,541	7,229,188	6,373,357	8,482,373	7,138,972	7,966,275
Other	6,118,410	6,185,267	8,919,108	7,288,295	10,995,405	9,634,972	9,436,598
Fund Balance	-	753,458	-	1,242,385	-	-	-
Transfers	200,000	-	-	-	-	-	-
Total General General Fund	\$ 61,642,311	\$ 62,487,159	\$ 68,229,610	\$ 70,371,279	\$ 75,740,114	\$ 83,260,832	\$ 85,983,381
Total Water and Sewer Fund	25,550,307	23,370,000	25,171,999	24,286,437	26,633,107	29,743,813	28,425,016
Total Stormwater Fund	3,142,858	3,291,706	3,242,106	3,530,000	3,582,592	3,750,000	3,637,348
Total Environmental Fund	4,659,918	4,908,080	4,767,896	5,683,817	5,658,150	6,700,690	7,681,862
Total Separation Fund	484,210	506,407	510,940	496,912	527,538	600,000	721,500
Total Transit Fund	843,070	1,743,571	1,179,208	1,223,031	1,240,338	1,621,823	1,402,698
Total Insurance and Risk Fund	-	-	-	6,046,480	7,051,838	6,761,084	7,618,904
Grand Total All Funds	\$ 96,322,674	\$ 96,306,923	\$ 103,101,759	\$ 111,637,956	\$ 120,433,677	\$ 132,438,242	\$ 135,470,709
Less Inter-Fund Transfers	\$ (1,277,452)	\$ (1,390,884)	\$ (1,395,417)	\$ (7,252,080)	\$ (8,147,760)	\$ (9,331,913)	\$ (9,462,867)
Grand Total All Funds	\$ 95,045,222	\$ 94,916,039	\$ 101,706,342	\$ 104,385,876	\$ 112,285,917	\$ 123,106,329	\$ 126,007,842

Revenue Sources - All Funds FY 26

	FY 26 General Fund	FY 26 Water and Sewer	FY 26 Stormwater	FY 26 Environmental	FY 26 Separation Pay	FY 26 Transit Fund	FY 26 Insurance and Risk	FY 26 Total All Funds
Sources of Funds								
Ad Valorem Taxes	51,446,045	-	-	-	-	-	-	51,446,045
Sales Tax	17,134,463	-	-	-	-	-	-	17,134,463
Intergovernmental	7,966,275	-	-	-	-	-	-	7,966,275
Investment Income	1,400,000	200,000	70,000	46,000	-	-	-	1,716,000
Other	7,136,598	1,101,000	-	199,000	-	-	7,618,904	16,055,502
Charges for Services	-	24,320,553	3,567,348	5,604,193	-	-	-	33,492,094
Tap/Connection Fees	-	2,803,463	-	-	-	-	-	2,803,463
Vehicle License Tax	900,000	-	-	-	-	434,000	-	1,334,000
Fund Balance	-	-	-	-	-	-	-	-
Transfers	-	-	-	1,832,669	721,500	968,698	-	3,522,867
Total Sources	\$ 85,983,381	\$ 28,425,016	\$ 3,637,348	\$ 7,681,862	\$ 721,500	\$ 1,402,698	\$ 7,618,904	\$ 131,947,842

Detailed Revenue Summary - All Funds

	FY 23 Adopted	FY 23 Actual	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed
Revenues					
Ad Valorem Taxes - Current	35,188,732	36,121,632	38,627,140	49,199,642	51,096,045
Ad Valorem Taxes - Prior	400,000	313,146	400,000	400,000	350,000
Total Ad Valorem Taxes	\$ 35,588,732	\$ 36,434,778	\$ 39,027,140	\$ 49,599,642	\$ 51,446,045
1% Sales Tax (State)	5,458,782	6,152,861	6,480,219	6,609,245	6,734,463
1/2% Sales Tax (Local)	8,167,379	9,493,675	9,959,883	10,278,001	10,400,000
Total Sales Tax	\$ 13,626,161	\$ 15,646,536	\$ 16,440,102	\$ 16,887,246	\$ 17,134,463
Fire District Sales Tax	273,000	286,714	236,790	423,617	450,000
Franchise Tax	2,698,000	3,049,099	2,805,308	3,135,627	3,500,000
Beer and Wine Tax	210,000	246,618	210,000	240,000	281,275
Interlocal Agreement MSD	-	69,026	-	-	200,000
ABC Funds	102,296	140,625	138,000	144,900	145,000
Cabarrus Contributions	1,328,433	1,349,495	1,326,113	1,325,926	1,325,000
Powell Bill Funds	1,572,822	1,583,146	1,583,146	1,794,902	1,991,000
State Asset Forfeiture	-	68,305	-	-	-
Federal Grants	-	-	-	-	-
State Grants	-	65,384	-	-	-
Private Grants	-	-	-	-	-
Police - ICAC/JAG Grant	74,990	83,510	-	-	-
Fire - Rowan County Contributions	4,000	9,015	4,000	4,000	4,000
Federal Asset Forfeiture	-	48,908	-	-	-
CDBG Administration Revenues	70,000	229,344	70,000	70,000	70,000
Total Intergovernmental	\$ 6,333,541	\$ 7,229,188	\$ 6,373,357	\$ 7,138,972	\$ 7,966,275
Vehicle License	397,390	433,605	420,000	900,000	900,000
Vehicle Rental Tax	25,000	41,590	25,000	35,000	50,000
Building Rental	90,000	219,729	200,000	250,000	290,000
Tower Rental	84,000	97,176	95,000	115,000	130,000
Commercial Rent / Lease - College Station	401,630	832,590	475,000	475,000	400,000
Parking Deck Lease	-	138,860	-	140,000	100,000
Donations	-	199,620	-	-	-
Insurance Proceeds	-	337,769	-	-	-
Common Area Main	-	85,846	-	-	-
Parking Fees	-	35,037	-	35,037	40,000
Special Event Fees	-	3,167	-	-	-
Sale of Capital Assets	-	393,231	-	-	-
Sale of Surplus Property	-	22,996	-	-	-
Enterprise Management Fee	2,349,702	2,349,702	2,287,295	2,257,710	2,782,598
Miscellaneous Revenue	310,000	(24,353)	310,000	500,000	25,000
Investment Income	210,000	1,958,102	1,000,000	1,400,000	1,400,000
Interest Income - Leases	-	45,271	-	-	-
Lease and Subscription Liabilities Issued	-	-	-	-	-
Settlement Fees	-	-	-	-	-
Police - Charges and Fees	169,000	234,864	323,000	235,000	200,000
Officer Court Reimbursement	20,000	11,658	20,000	20,000	14,000
Police - Donations	-	91,938	-	-	75,000
False Alarm Fees	8,000	14,259	8,000	15,000	15,000
Fire - Technical Services Charges and Fees	25,000	34,939	35,000	35,000	20,000
Street Lighting Fees and Charges	-	-	-	-	-
Engineering - Charges and Fees	-	-	-	30,000	-
Planning - Charges and Fees	120,000	158,886	200,000	200,000	100,000
City Code Violation s	65,000	41,583	65,000	71,625	55,000
P card Rebates	-	60,317	-	70,000	80,000
Parks - Charges and Fees	1,185,545	747,660	1,100,000	2,050,600	1,920,000
Recreation Programs - Charges and Fees	125,000	226,674	125,000	200,000	200,000
Recreation Programs - Donations	50,000	26,391	50,000	50,000	40,000
CVB Contribution	100,000	100,000	100,000	100,000	100,000
Team Lease	450,000	-	450,000	450,000	500,000
Total Other	\$ 6,185,267	\$ 8,919,108	\$ 7,288,295	\$ 9,634,972	\$ 9,436,598
Transfers In from Other Funds	-	-	-	-	-
Appropriated Fund Balance	753,458	-	1,242,385	-	-
Total Transfers In / Appropriated Fund Balance	\$ 753,458	\$ -	\$ 1,242,385	\$ -	\$ -
Total General Fund	\$ 62,487,159	\$ 68,229,610	\$ 70,371,279	\$ 83,260,832	\$ 85,983,381

Detailed Revenue Summary - All Funds *(continued)*

	FY 23 Adopted	FY 23 Actual	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed
Revenues					
Charges and Fees	20,000,000	20,331,182	21,001,437	25,485,813	24,320,553
Wholesale Water Sales	360,000	428,916	400,000	425,000	436,000
Tap Fees	1,175,000	879,395	800,000	1,168,000	953,463
Connection Fees	1,250,000	1,688,483	1,500,000	1,885,000	1,850,000
Reconnection Fees	140,000	130,350	140,000	140,000	140,000
Penalties	400,000	513,107	400,000	525,000	525,000
Miscellaneous Revenues	15,000	42,641	15,000	15,000	-
Investment Income	30,000	157,927	30,000	100,000	200,000
Rowan County Contribution	-	500,000			
Developer Contribution	-	500,000	-	-	-
Transfers In / Out	-	-	-	-	-
Total Water and Sewer Fund	\$ 23,370,000	\$ 25,171,999	\$ 24,286,437	\$ 29,743,813	\$ 28,425,016
Charges and Fees	3,291,706	3,219,956	3,500,000	3,400,000	3,567,348
Investment Income	-	22,150	30,000	80,000	70,000
State Grants	-	-	-		
Miscellaneous Revenues	-	-	-	270,000	-
Transfer In	-	-	-	-	-
Total Stormwater Fund	\$ 3,291,706	\$ 3,242,106	\$ 3,530,000	\$ 3,750,000	\$ 3,637,348
Solid Waste Disposal Tax	36,000	43,866	36,000	44,000	44,000
Charges and Fees	4,132,244	3,985,382	4,200,000	4,200,000	5,604,193
Commercial Revenue	-	138,373	120,000	160,000	155,000
Miscellaneous Revenue	158,594	5,805	160,000	60,000	-
Investment Income	-	13,228	20,000	45,000	46,000
Transfer In / General Fund	85,542	85,542	1,147,817	2,191,690	1,832,669
Transfer In / Water and Sewer Fund	495,700	495,700	-	-	-
Transfer In / Stormwater Fund	-	-	-	-	-
Proceeds from Debt Financing	-	-	-	-	-
Total Environmental Fund	\$ 4,908,080	\$ 4,767,896	\$ 5,683,817	\$ 6,700,690	\$ 7,681,862
Transfer from General Fund	506,407	303,235	496,912	600,000	721,500
Total Separation Pay Fund	\$ 506,407	\$ 303,235	\$ 496,912	\$ 600,000	\$ 721,500
Vehicle License Tax	900,000	864,822	900,000	433,600	434,000
Investment Income	-	11,151	-	-	-
Transfer from General Fund	303,235	303,235	323,031	1,188,223	968,698
Appropriated Fund Balance	540,336	-	-	-	-
Total Transit Fund	\$ 1,743,571	\$ 1,179,208	\$ 1,223,031	\$ 1,621,823	\$ 1,402,698
Health Insurance Premiums	-	-	5,391,600	5,940,204	6,578,904
Workers Compensation Premiums	-	-	470,880	620,880	840,000
Retiree Premiums (Health Insurance)	-	-	184,000	200,000	200,000
Investment Income	-	-	-	-	
Miscellaneous Revenue	-	-	-	-	
Transfer in / General Fund	-	-	-	-	
Appropriated Fund Balance	-	-	-	-	-
Total Health Insurance and Risk Fund	\$ -	\$ -	\$ 6,046,480	\$ 6,761,084	\$ 7,618,904

Expenditure Summary
All Funds
Fiscal Years 2024 - FY 2026

	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Difference FY 25 to FY 26
General Government Services	11,518,036	14,143,755	14,315,886	172,131
Planning	1,263,207	1,339,115	1,534,126	195,011
Public Safety	24,950,736	25,958,779	32,111,129	6,152,350
Parks and Recreation	7,027,545	9,217,946	9,773,803	555,857
Public Works	5,719,735	6,079,494	6,565,534	486,040
Other	5,907,929	12,345,887	7,756,754	(4,589,133)
General Debt Service	13,984,091	14,175,856	13,926,149	(249,707)
Total General General Fund	\$ 70,371,279	\$ 83,260,832	\$ 85,983,381	\$ 2,722,549
Total Water and Sewer Fund	\$ 24,286,437	\$ 29,743,813	\$ 28,425,016	\$ (1,318,797)
Total Stormwater Fund	\$ 3,530,000	\$ 3,750,000	\$ 3,637,348	\$ (112,652)
Total Environmental Fund	\$ 5,683,817	\$ 6,700,690	\$ 7,681,862	\$ 981,172
Total Separation Fund	\$ 496,912	\$ 600,000	\$ 721,500	\$ 121,500
Total Transit Fund	\$ 1,223,031	\$ 1,621,823	\$ 1,402,698	\$ (219,125)
Total Insurance and Risk Fund	\$ 6,046,480	\$ 6,761,084	\$ 7,618,904	\$ 857,820
Grand Total All Funds	\$ 111,637,956	\$ 132,438,242	\$ 135,470,709	\$ 3,032,467

Expenditures Uses - All Funds

	FY 26 General Fund	FY 26 Water and Sewer	FY 26 Stormwater	FY 26 Environmental	FY 26 Separation Pay	FY 26 Transit Fund	FY 26 Insurance and Risk	FY 26 Total All Funds
Uses of Funds								
General Government	14,315,886	-	-	-	-	-	-	14,315,886
Planning	1,534,126	-	-	-	-	-	-	1,534,126
Public Safety	32,111,129	-	-	-	-	-	-	32,111,129
Parks and Recreation	9,773,803	-	-	-	-	-	-	9,773,803
Public Works	6,565,534	-	-	-	-	-	-	6,565,534
Other	7,756,754	-	2,514,014	7,681,862	721,500	1,402,698	-	20,076,828
Debt Service	13,926,149	6,073,319	532,966	-	-	-	-	-
Risk and Insurance	-	-	-	-	-	-	7,618,904	7,618,904
Distribution	-	6,362,613	-	-	-	-	-	6,362,613
Water Treatment Plant	-	5,460,678	-	-	-	-	-	5,460,678
Sewage Treatment (WSACC)	-	6,520,775	-	-	-	-	-	6,520,775
Billing and Collections	-	1,815,401	-	-	-	-	-	1,815,401
Transfers Other Funds	-	2,192,230	590,368	-	-	-	-	2,782,598
Total Sources	\$ 85,983,381	\$ 28,425,016	\$ 3,637,348	\$ 7,681,862	\$ 721,500	\$ 1,402,698	\$ 7,618,904	\$ 112,155,677

POSITION SUMMARY

City of Kannapolis
Full Time Employees - All Funds
Fiscal Year 2026

POSITION SUMMARY

FULL-TIME EMPLOYEES BY DEPARTMENT

DEPARTMENT	ADOPTED FY 2024	ADOPTED FY 2025	BUDGET 2026	CHANGES/ ADDITIONS	COMMENTS
GENERAL FUND					
General Government					
City Council	7	7	7	0	
City Manager	10	10	10	0	
Human Resources	6	6	6	0	
Legal Services	3	3	3	0	
General Services	11	12	12	0	
Planning	11	11	11	0	
Finance	8	8	8	0	
Information Technology	5	6	6	0	
Total General Government	61	63	63		
Public Safety					
Police Administration	7	8	8	0	
Police Support Services	13	40	38	-2	Detective position 2030048 moved to Field Services as a police officer trainee position. Detective position 2030047 moved to Field Services as a police officer trainee position.
Police Field Operations	65	65	68	3	2 positions moved from Field Services and 1 position from Special Operations
Police Special Operations	12	12	11	-1	SRO position 2070015 reclassified to police officer trainee in Field Services.
Total Police	97	125	125		
Fire Administration	6	6	6	0	
Fire Emergency Services	88	88	88	0	
Fire Technical Services	5	6	6	0	
Total Fire	99	100	100		
Total Public Safety	196	225	225		
TOTAL PARKS AND RECREATION	28	28	28	0	
Public Works					
Engineering	9	9	9	0	
Signs	3	3	3	0	
Street Maintenance	13	14	14	0	
Total Public Works	25	26	26		
TOTAL GENERAL FUND	310	342	342		

POSITION SUMMARY

FULL-TIME EMPLOYEES BY DEPARTMENT

DEPARTMENT	ADOPTED FY 2024	ADOPTED FY 2025	BUDGET 2026	CHANGES/ ADDITIONS	COMMENTS
WATER & SEWER FUND					
Customer Service	14	15	15	0	
Water Treatment Plant	18	19	19	0	
Water Resources	44	45	45	0	
TOTAL WATER & SEWER FUND	76	79	79	0	
TOTAL STORMWATER FUND	17	17	17	0	
TOTAL ENVIRONMENTAL FUND	10	10	10	0	
TOTAL ALL FUNDS	413	448	448	Total less elected officials = 441	

**This chart does not include part-time, seasonal, auxiliary, and temporary positions that are not budgeted by position.

BUDGET SUMMARY

City of Kannapolis General Fund Revenues and Expenditures Fiscal Year 2026

The General Fund (GF) is the largest fund with the City and represents most of the financial resources of the City. General Fund revenue includes monies collected from property taxes, licenses and permits, local taxes, and other types of revenue. This fund includes most of the basic operating services, such as fire and police protection, administration, finance, information technology, economic development, communications, parks, planning, and general services.

General Fund Summary of Revenues

	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Revenues						
Ad Valorem Taxes	35,588,732	39,027,140	49,599,642	51,446,045	1,846,403	3.72%
Sales Tax	13,626,161	16,440,102	16,887,246	17,134,463	247,217	1.46%
Intergovernmental	6,333,541	6,373,357	7,138,972	7,966,275	827,303	11.59%
Other	6,185,267	7,288,295	9,634,972	9,436,598	(198,374)	-2.06%
Transfers In/Appropriated Fund Balance	753,458	1,242,385	-	-	-	-
Total General General Fund	\$ 62,487,159	\$ 70,371,279	\$ 83,260,832	\$ 85,983,381	\$ 2,722,549	3.27%

General Fund Summary of Expenditures

	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Expenditures						
General Government Services	9,117,500	11,518,036	14,143,755	14,315,886	172,131	1.22%
Planning	1,102,225	1,263,207	1,339,115	1,534,126	195,011	14.56%
Public Safety	20,265,066	24,950,736	25,958,779	32,111,129	6,152,350	23.70%
Parks and Recreation	5,650,799	7,027,545	9,217,946	9,773,803	555,857	6.03%
Public Works	4,853,405	5,719,735	6,079,494	6,565,534	486,040	7.99%
Other	6,537,498	5,907,929	12,345,887	7,756,754	(4,589,133)	-37.17%
General Debt Service	14,960,666	13,984,091	14,175,856	13,926,149	(249,707)	-1.76%
Total General Fund	\$ 62,487,159	\$ 70,371,279	\$ 83,260,832	\$ 85,983,381	\$ 2,722,549	3.27%

SUMMARY GENERAL FUND EXPENDITURE CATEGORIES

Expense Category	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Personnel	26,894,334	32,040,473	35,349,500	44,681,028	9,331,528	26.40%
Operating	19,525,475	20,204,955	25,955,451	22,753,337	(3,202,114)	-12.34%
Capital	211,500	2,174,000	230,000	200,000	(30,000)	-13.04%
Debt Service	14,960,666	13,984,091	14,175,856	13,926,149	(249,707)	-1.76%
Transfers	895,184	1,967,760	7,550,025	4,422,867	(3,127,158)	-41.42%
Total for All Categories of Expenses	\$ 62,487,159	\$ 70,371,279	\$ 83,260,832	\$ 85,983,381	\$ 2,722,549	3.27%

General Fund Detailed Summary of Revenues

	FY 23 Adopted	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed	Percentage Change
Revenues					
Ad Valorem Taxes - Current	35,188,732	38,627,140	49,199,642	51,096,045	3.85%
Ad Valorem Taxes - Prior	400,000	400,000	400,000	350,000	-12.50%
Total General Government	\$ 35,588,732	\$ 39,027,140	\$ 49,599,642	\$ 51,446,045	3.72%
1% Sales Tax (State)	5,458,782	6,480,219	6,609,245	6,734,463	1.89%
1/2% Sales Tax (Local)	8,167,379	9,959,883	10,278,001	10,400,000	1.19%
Total Sales Tax	\$ 13,626,161	\$ 16,440,102	\$ 16,887,246	\$ 17,134,463	1.46%
Fire District Sales Tax	273,000	236,790	423,617	450,000	6.23%
Franchise Tax	2,698,000	2,805,308	3,135,627	3,500,000	11.62%
Beer and Wine Tax	210,000	210,000	240,000	281,275	17.20%
Interlocal Agreement MSD	-	-	-	200,000	-
ABC Funds	102,296	138,000	144,900	145,000	0.07%
Cabarrus Contributions	1,328,433	1,326,113	1,325,926	1,325,000	-0.07%
Powell Bill Funds	1,572,822	1,583,146	1,794,902	1,991,000	10.93%
State Asset Forfeiture	-	-	-	-	-
State Grants	-	-	-	-	-
Police - ICAC/JAG Grant	74,990	-	-	-	-
Fire - Rowan County Contributions	4,000	4,000	4,000	4,000	0.00%
Federal Asset Forfeiture	-	-	-	-	-
CDBG Administration Revenues	70,000	70,000	70,000	70,000	0.00%
Total Intergovernmental	\$ 6,333,541	\$ 6,373,357	\$ 7,138,972	\$ 7,966,275	11.59%
Vehicle License	397,390	420,000	900,000	900,000	0.00%
Vehicle Rental Tax	25,000	25,000	35,000	50,000	42.86%
Building Rental	90,000	200,000	250,000	290,000	16.00%
Tower Rental	84,000	95,000	115,000	130,000	13.04%
Commercial Rent / Lease - College Station	401,630	475,000	475,000	400,000	-15.79%
Parking Deck Lease	-	-	140,000	100,000	-28.57%
Parking Fees	-	-	35,037	40,000	14.17%
Enterprise Management Fee	2,349,702	2,287,295	2,257,710	2,782,598	23.25%
Miscellaneous Revenue	310,000	310,000	500,000	25,000	-95.00%
Investment Income	210,000	1,000,000	1,400,000	1,400,000	0.00%
Interest Income - Leases	-	-	-	-	-
Police - Charges and Fees	169,000	323,000	235,000	200,000	-14.89%
Officer Court Reimbursement	20,000	20,000	20,000	14,000	-30.00%
Police - Donations	-	-	-	75,000	-
False Alarm Fees	8,000	8,000	15,000	15,000	0.00%
Fire - Technical Services Charges and Fees	25,000	35,000	35,000	20,000	-42.86%
Street Lighting Fees and Charges	-	-	-	-	-
Engineering - Charges and Fees	-	-	30,000	-	-100.00%
Planning - Charges and Fees	120,000	200,000	200,000	100,000	-50.00%
City Code Violation s	65,000	65,000	71,625	55,000	-23.21%
P card Rebates	-	-	70,000	80,000	14.29%
Parks - Charges and Fees	1,185,545	1,100,000	2,050,600	1,920,000	-6.37%
Recreation Programs - Charges and Fees	125,000	125,000	200,000	200,000	0.00%
Recreation Programs - Donations	50,000	50,000	50,000	40,000	-20.00%
CVB Contribution	100,000	100,000	100,000	100,000	0.00%
Team Lease	450,000	450,000	450,000	500,000	11.11%
Total Other	\$ 6,185,267	\$ 7,288,295	\$ 9,634,972	\$ 9,436,598	-2.06%
Transfers In from Other Funds	-	-	-	-	-
Appropriated Fund Balance	753,458	1,242,385	-	-	-
Total Transfers In / Appropriated Fund Balance	\$ 753,458	\$ 1,242,385	\$ -	\$ -	-
Total General Fund	\$ 62,487,159	\$ 70,371,279	\$ 83,260,832	\$ 85,983,381	3.27%

General Fund Detailed Summary of Expenditures

	FY 23 Adopted	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed
Expenditures				
City Council	327,592	336,560	297,875	371,583
City Manager - Administration	1,683,345	2,041,514	2,143,659	2,375,163
Economic Development	377,887	375,887	597,873	627,550
Communications	322,740	388,908	447,900	314,500
Human Resources	717,750	830,135	1,522,405	1,376,925
City Attorney	628,377	585,760	628,525	887,546
Finance	1,035,053	1,326,491	1,508,304	1,653,937
Information Technology	2,119,622	3,131,988	4,212,817	3,826,219
General Services	1,905,134	2,500,793	2,784,397	2,882,463
Total General Government	\$ 9,117,500	\$ 11,518,036	\$ 14,143,755	\$ 14,315,886
Police - Administration	1,200,317	1,080,807	1,236,326	1,525,020
Police - Support Services	3,102,224	3,709,993	4,149,423	4,997,055
Police - Field Operations	5,806,123	7,611,955	7,107,740	9,056,563
Police - Special Operations	704,948	1,166,360	1,204,553	1,466,284
Total Police	\$ 10,813,612	\$ 13,569,115	\$ 13,698,042	\$ 17,044,922
Fire - Administration	1,246,627	1,482,736	1,653,136	1,571,468
Fire - Emergency Services	7,648,966	9,270,350	9,813,769	12,575,334
Fire - Technical Services	555,861	628,535	793,832	919,405
Total Fire	\$ 9,451,454	\$ 11,381,621	\$ 12,260,737	\$ 15,066,207
Public Works - Engineering	1,036,308	1,213,486	1,528,987	1,527,334
Public Works - Street Lighting	740,300	613,900	713,900	870,000
Public Works - Operations Center	138,700	147,100	174,460	143,000
Public Works - Signs and Markings	463,006	529,538	549,520	534,978
Public Works - Powell Bill	1,513,120	1,583,146	1,794,902	1,991,000
Public Works - Street Maintenance	961,971	1,632,565	1,317,725	1,499,222
Total Public Works	\$ 4,853,405	\$ 5,719,735	\$ 6,079,494	\$ 6,565,534
Planning	1,102,225	1,263,207	1,339,115	1,534,126
Total Planning	\$ 1,102,225	\$ 1,263,207	\$ 1,339,115	\$ 1,534,126
Parks and Recreation - Parks	4,470,299	5,679,545	7,501,346	8,024,803
Parks and Recreation - Recreation Programs	930,500	998,000	1,366,600	1,037,000
Stadium	250,000	350,000	350,000	712,000
Total Parks and Recreation	\$ 5,650,799	\$ 7,027,545	\$ 9,217,946	\$ 9,773,803
Non-Departmental	5,642,314	3,940,169	4,795,862	3,333,887
Transfers	895,184	1,967,760	7,550,025	4,422,867
Total Other	\$ 6,537,498	\$ 5,907,929	\$ 12,345,887	\$ 7,756,754
Debt Service	14,960,666	13,984,091	14,175,856	13,926,149
Total Debt Service	\$ 14,960,666	\$ 13,984,091	\$ 14,175,856	\$ 13,926,149
Total General Fund Expenditures	\$ 62,487,159	\$ 70,371,279	\$ 83,260,832	\$ 85,983,381

GENERAL FUND

General Government Non-Departmental - 10000 Fiscal Year 2026

The General Fund (GF) is the largest fund with the City and represents most of the financial resources of the City. General Fund revenue includes monies collected from property taxes, licenses and permits, local taxes, and other types of revenue. This fund includes most of the basic operating services, such as fire and police protection, administration, finance, information technology, economic development, communications, parks, planning, and general services.

Non - Departmental 10000

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
42100	Workers Comp Insurance	509,640	686,000	176,360	34.60%
42300	Medical Insurance	64,492	-	(64,492)	-100.00%
42700	Unemployment Insurance	15,000	35,000	20,000	133.33%
45220-COLL	Electricity-College Station	7,500	7,500	-	0.00%
45230	Water and Sewer	-	10,000	10,000	-
45230-COLL	Water and Sewer-College Station	2,000	-	(2,000)	-100.00%
45240-COLL	Gas Utilities-College Station	2,000	-	(2,000)	-100.00%
48000-COLL	Contracted Services-College Station	27,000	20,000	(7,000)	-25.93%
48430	Banking Fees	14,000	35,000	21,000	150.00%
51300	Special Expenses	2,345,534	575,280	(1,770,254)	-75.47%
51300-GEM	Special Expenses- GEM	-	-	-	-
51320	Contingency Appropriation	420,000	420,000	-	0.00%
51325	Strategic Planning Initiatives	112,546	-	(112,546)	-100.00%
51610	Insurance - Public Officials	100,032	177,100	77,068	77.04%
51620	Insurance - General Liability	660,342	759,000	98,658	14.94%
51630	Insurance - Buildings	199,800	243,800	44,000	22.02%
51640	Insurance - Self Insured	313,096	364,207	51,111	16.32%
51650	Encroachment Bond	2,880	1,000	(1,880)	-65.28%
Sub-Total for Operating Expenditures		\$ 4,795,862	\$ 3,333,887	\$ (1,461,975)	-30.48%
TOTAL NON-DEPARTMENTAL					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Operating Expenditures	4,795,862	3,333,887	(1,461,975)	-30.48%
Total for All Categories of Expenses		\$ 4,795,862	\$ 3,333,887	\$ (1,461,975)	-30.48%

GENERAL FUND

General Government

City Council - 11000

Fiscal Year 2026

The Governing Body consists of a Mayor and six Council members who comprise the City Council. The Council is elected to a four-year staggered term by its citizens and holds ultimate authority to act for the City. The Council decides what services the City provides and at what level, establishes fiscal policy by adopting the annual budget ordinance, levies the City's taxes, and adopts local laws and regulations. The City of Kannapolis will work in partnership with our community to enhance the quality of life through positive leadership the delivery of effective, quality service and the achievement of our shared vision.

City Council 11000

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	130,250	136,763	6,513	5.00%
42000	FICA	9,496	6,204	(3,292)	-34.67%
42210	401K	30,110	31,616	1,506	5.00%
Sub-Total for Personnel Expenditures		\$ 169,856	\$ 174,583	\$ 4,727	2.78%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43200	Advertising	5,000	5,000	-	0.00%
45250	Telephone	3,500	2,000	(1,500)	-42.86%
46100	Office Supplies	1,600	1,000	(600)	-37.50%
46300	Dues and Subscriptions	80,419	100,000	19,581	24.35%
51100	Travel and Training	20,000	20,000	-	0.00%
51200	Elections	-	51,000	51,000	100.00%
51300	Special Expenses	17,500	18,000	500	2.86%
Sub-Total for Operating Expenditures		\$ 128,019	\$ 197,000	\$ 68,981	53.88%
TOTAL CITY COUNCIL					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	169,856	174,583	4,727	2.78%
	Operating Expenditures	128,019	197,000	68,981	53.88%
Total for All Categories of Expenses		\$ 297,875	\$ 371,583	\$ 73,708	24.74%

GENERAL FUND

General Government
City Manager - 11100
Fiscal Year 2026

The City Manager acts as the Chief Executive Officer of the City and is responsible to the City Council for administering all municipal affairs including appointment and termination of City personnel; directing the supervision of City operations; advising City Council; ensuring that laws, resolutions, and regulations are faithfully executed; preparing and submitting the annual budget and capital improvement program; and other duties as directed by City Council.

City Manager 11100

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	1,387,200	1,603,167	215,967	15.57%
41100	Salaries - Part Time	2,550	2,678	128	5.02%
41200	Salaries - Overtime	-	-	-	-
41300	Longevity Pay	27,200	24,300	(2,900)	-10.66%
41600	Vehicle Allowance	42,000	44,100	2,100	5.00%
42000	FICA	107,968	110,392	2,424	2.25%
42210	401k	37,825	82,227	44,402	117.39%
42200	State Retirement	201,666	233,434	31,768	15.75%
42230	Deferred Compensation	14,028	16,727	2,699	19.24%
42300	Medical Insurance	144,000	135,000	(9,000)	-6.25%
42400	Life Insurance	3,784	5,676	1,892	50.00%
42500	Dental Insurance	4,524	9,048	4,524	100.00%
42600	Disability Insurance	914	914	-	0.00%
Sub-Total for Personnel Expenditures		\$ 1,973,659	\$ 2,267,663	\$ 294,004	14.90%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
45250	Telephone	10,500	16,000	5,500	52.38%
45610	Motor Fuel	-	500	500	-
46100	Office Supplies	10,000	7,000	(3,000)	-30.00%
46200	Small Equipment and Tools	5,000	4,000	(1,000)	-20.00%
46300	Dues and Subscriptions	12,500	20,000	7,500	60.00%
48300	Consultants	90,000	-	(90,000)	-100.00%
51100	Travel and Training	36,000	35,000	(1,000)	-2.78%
51300	Special Expenses	3,000	20,000	17,000	100.00%
51800	Meetings	3,000	5,000	2,000	66.67%
Sub-Total for Operating Expenditures		\$ 170,000	\$ 107,500	\$ (62,500)	-36.76%
TOTAL CITY MANAGER					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	1,973,659	2,267,663	294,004	14.90%
	Operating Expenditures	170,000	107,500	(62,500)	-36.76%
Total for All Categories of Expenses		\$ 2,143,659	\$ 2,375,163	\$ 231,504	10.80%

GENERAL FUND

General Government
Economic Development - 11115
Fiscal Year 2026

Economic Development recruits new businesses and assists expanding businesses to increase the commercial and industrial tax base, create new high-paying jobs, and shift the tax burden away from residential taxpayers.

Economic Development 11115

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43405	EDC Contribution	75,095	87,100	12,005	15.99%
43415	Economic Development Initiatives	15,000	15,000	-	0.00%
46350	Community Support	74,250	174,250	100,000	0.00%
48000	Contracted Services	20,000	21,000	1,000	0.00%
51310	Incentive Grant	413,528	330,200	(83,328)	0.00%
Sub-Total for Operating Expenditures		\$ 597,873	\$ 627,550	\$ 29,677	4.96%
TOTAL ECONOMIC DEVELOPMENT					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Operating Expenditures	597,873	627,550	29,677	4.96%
Total for All Categories of Expenses		\$ 597,873	\$ 627,550	\$ 29,677	4.96%

GENERAL FUND

General Government
Communications - 11120
Fiscal Year 2026

The Communication Department's objective is to communicate and engage citizens, elected officials, and staff in the process of the City's governmental functions and services.

Communications 11120

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43415	Recruitment Initiatives	20,000	-	(20,000)	-100.00%
43425	Marketing/Branding	224,000	180,000	(44,000)	-19.64%
43425- GEM	Marketing/Branding- Gem	20,000	20,000	-	0.00%
43425-SWANEE	Marketing/Branding- Swanee	20,000	20,000	-	0.00%
44300	R&M: Buildings and Grounds	-	-	-	0.00%
46200	Small Equipment and Tools	-	2,500	2,500	-
46300	Dues and Subscriptions	-	7,500	7,500	-
48300	Consultants	60,000	25,000	(35,000)	-58.33%
48540	Website	8,800	9,000	200	2.27%
51100	Travel and Training	14,000	8,000	(6,000)	-42.86%
51300	Special Expenses	9,200	8,000	(1,200)	-13.04%
51421	Academy Programs	15,400	12,500	(2,900)	-18.83%
51422	Outreach Education Programs	14,500	12,000	(2,500)	-17.24%
51422-YTH	Outreach Education Programs-Yth	15,000	10,000	(5,000)	-33.33%
Sub-Total for Operating Expenditures		\$ 420,900	\$ 314,500	\$ (106,400)	-25.28%
TOTAL COMMUNICATIONS					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Operating Expenditures	420,900	314,500	(106,400)	-25.28%
	Capital Expenditures	27,000	-	(27,000)	-100.00%
Total for All Categories of Expenses		\$ 447,900	\$ 314,500	\$ (133,400)	-29.78%

GENERAL FUND

General Government
Human Resources - 11200
Fiscal Year 2026

To provide a centralized source of support and professional assistance which enables the City to recruit, select, and maintain an appropriate level of qualified and trained staff that are committed to providing quality service.

Human Resources 11200

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	479,833	566,124	86,291	17.98%
41100	Salaries- Part Time	80,000	120,750	40,750	50.94%
41200	Salaries - Overtime	5,500	5,775	275	5.00%
41300	Longevity Pay	5,700	4,600	(1,100)	-19.30%
42000	FICA	35,534	56,169	20,635	58.07%
42200	State Retirement	58,249	98,569	40,320	69.22%
42210	401k	12,814	27,033	14,219	110.96%
42300	Medical Insurance	72,000	81,000	9,000	12.50%
42400	Life Insurance	687	1,229	542	78.89%
42500	Dental Insurance	2,088	4,176	2,088	100.00%
42800	Tuition Reimbursement	8,000	4,000	(4,000)	-50.00%
Sub-Total for Personnel Expenditures		\$ 760,405	\$ 969,425	\$ 209,020	27.49%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43100	Printing	500	1,000	500	100.00%
43200	Advertising	10,000	15,000	5,000	50.00%
43710	Medical Expenses	245,000	14,500	(230,500)	-94.08%
43710-STD	Medical Expenses	-	83,500	83,500	-
43710-VIS	Medical Expenses	-	32,000	32,000	-
44200	Repair & Maintenance: Vehicles	3,000	2,500	(500)	-16.67%
45250	Telephone	3,000	4,000	1,000	33.33%
45610	Motor Fuel	1,500	2,000	500	33.33%
46100	Office Supplies	5,500	10,000	4,500	81.82%
46200	Small Tools and Equipment	2,500	1,000	(1,500)	-60.00%
46300	Dues and Subscriptions	4,000	4,500	500	12.50%
48000	Contracted Services	350,000	110,000	(240,000)	-68.57%
51100	Travel and Training	25,500	30,000	4,500	17.65%
51800	Meetings	-	2,500	2,500	-
51110	Departmental Training	1,500	-	(1,500)	-100.00%
51421	Academy Programs	50,000	35,000	(15,000)	100.00%
51425	Employee Initiatives	60,000	60,000	-	0.00%
Sub-Total for Operating Expenditures		\$ 762,000	\$ 407,500	\$ (354,500)	-46.52%
TOTAL HUMAN RESOURCES					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	760,405	969,425	209,020	27.49%
	Operating Expenditures	762,000	407,500	(354,500)	-46.52%
Total for All Categories of Expenses		\$ 1,522,405	\$ 1,376,925	\$ (145,480)	-9.56%

GENERAL FUND

General Government
Legal Services - 11300
Fiscal Year 2026

The City Attorney is a statutory personnel appointment made by the City Council who serves at the pleasure of the City Council. The City Attorney is responsible for the management, charge, and control of all legal issues before the City and is the legal advisor to draft all legal instruments, resolutions, orders, and ordinances, as well as commencing and prosecuting all actions and suits before any tribunal in the State on behalf of the City. The City Attorney also serves as legal counsel for all boards and commissions of the City.

Legal Services 11300

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	303,901	557,168	253,267	83.34%
41300	Longevity Policy	5,100	5,100	-	0.00%
41600	Vehicle Allowance	7,200	15,120	7,920	110.00%
42000	FICA	18,500	35,285	16,785	90.73%
42210	401k	9,271	21,813	12,542	135.28%
42200	State Retirement	42,149	50,106	7,957	18.88%
42300	Medical Insurance	36,000	40,500	4,500	12.50%
42400	Life Insurance	2,108	3,162	1,054	50.00%
42500	Dental Insurance	696	1,392	696	100.00%
42600	Disability Insurance	2,900	3,900	1,000	34.48%
Sub-Total for Personnel Expenditures		\$ 427,825	\$ 733,546	\$ 305,721	71.46%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43300	Postage	500	1,000	500	100.00%
45250	Telephone	1,900	1,000	(900)	-47.37%
46100	Office Supplies	4,500	2,000	(2,500)	-55.56%
46200	Small Tools and Equipment	2,500	1,000	(1,500)	-60.00%
46300	Dues and Subscriptions	5,000	4,000	(1,000)	-20.00%
48000	Contracted Services	171,000	135,000	(36,000)	-21.05%
51100	Travel and Training	15,000	10,000	(5,000)	-33.33%
51800	Meetings	300	-	(300)	-100.00%
Sub-Total for Operating Expenditures		\$ 200,700	\$ 154,000	\$ (46,700)	-23.27%
TOTAL CITY ATTORNEY					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	427,825	733,546	305,721	71.46%
	Operating Expenditures	200,700	154,000	(46,700)	-23.27%
Total for All Categories of Expenses		\$ 628,525	\$ 887,546	\$ 259,021	41.21%

GENERAL FUND

General Government

Finance - 11400

Fiscal Year 2026

The Finance Department is charged with the responsibility of administering the City's financial affairs in compliance with all State and Federal laws and reporting requirements and is dedicated to doing so with credibility and in a manner worthy of distinction and excellence.

Finance 11400

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	686,704	762,365	75,661	11.02%
41100	Salaries - Part Time	60,000	44,100	(15,900)	-26.50%
41200	Salaries - Overtime	6,500	6,825	325	5.00%
41300	Longevity Pay	4,300	4,300	-	0.00%
42000	FICA	56,816	58,043	1,227	2.16%
42210	401k	12,474	34,427	21,953	175.99%
42200	State Retirement	97,694	110,051	12,357	12.65%
42300	Medical Insurance	96,000	108,000	12,000	12.50%
42400	Life Insurance	1,032	1,758	726	70.35%
42500	Dental Insurance	2,784	5,568	2,784	100.00%
Sub-Total for Personnel Expenditures		\$ 1,024,304	\$ 1,135,437	\$ 111,133	10.85%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
46100	Office Supplies	6,000	4,000	(2,000)	-33.33%
46200	Small Tools and Equipment	2,500	-	(2,500)	-100.00%
46300	Dues and Subscriptions	3,000	2,000	(1,000)	-33.33%
48000	Contracted Services	85,000	113,500	28,500	33.53%
48410	Tax Collection	300,000	318,000	18,000	6.00%
48420	Audit	56,000	66,000	10,000	17.86%
51100	Travel and Training	30,000	10,000	(20,000)	-66.67%
51800	Meetings	1,500	5,000	3,500	233.33%
Sub-Total for Operating Expenditures		\$ 484,000	\$ 518,500	\$ 34,500	7.13%
TOTAL FINANCE					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	1,024,304	1,135,437	111,133	10.85%
	Operating Expenditures	484,000	518,500	34,500	7.13%
Total for All Categories of Expenses		\$ 1,508,304	\$ 1,653,937	\$ 145,633	9.66%

GENERAL FUND

General Government
Information Technology - 11500
Fiscal Year 2026

The Information Technology Department mission is to create a more efficient accessible form of City government and to provide City departments with a means of obtaining needed information through computer-generated applications.

Information Technology 11500

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	553,780	643,647	89,867	16.23%
41200	Salaries - Overtime	-	-	-	-
41300	Longevity Pay	9,200	9,200	-	0.00%
41600	Vehicle Allowance	6,000	6,300	300	5.00%
42000	FICA	43,115	49,189	6,074	14.09%
42210	401k	12,440	29,108	16,668	133.99%
42200	State Retirement	74,290	92,365	18,075	24.33%
42300	Medical Insurance	72,000	81,000	9,000	12.50%
42400	Life Insurance	868	1,434	566	65.21%
42500	Dental Insurance	2,088	4,176	2,088	100.00%
Sub-Total for Personnel Expenditures		\$ 773,781	\$ 916,419	\$ 142,638	18.43%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
45250	Telephone	5,000	26,800	21,800	436.00%
46100	Office Supplies	500	1,000	500	100.00%
46200	Small Equipment and Tools	632,200	200,000	(432,200)	-68.36%
46300	Dues and Subscriptions	3,000	-	(3,000)	-100.00%
47100	Uniforms	-	2,000	2,000	-
48000	Contracted Services	17,000	20,000	3,000	17.65%
48300	Consultants	23,000	-	(23,000)	-100.00%
48530	Annual Maintenance	2,728,336	2,650,000	(78,336)	-2.87%
4853-DECK	Annual Maintenance - DECK	20,000	-	(20,000)	-100.00%
51100	Travel and Training	10,000	10,000	-	0.00%
Sub-Total for Operating Expenditures		\$ 3,439,036	\$ 2,909,800	\$ (529,236)	-15.39%
TOTAL INFORMATION TECHNOLOGY					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	773,781	916,419	142,638	18.43%
	Operating Expenditures	3,439,036	2,909,800	(529,236)	-15.39%
Total for All Categories of Expenses		\$ 4,212,817	\$ 3,826,219	\$ (386,598)	-9.18%

GENERAL FUND

General Government
General Services - 11600
Fiscal Year 2026

The budget for General Services covers utilities, facilities maintenance expenses, non-department specific contracted services, real property rental, and maintenance and repair of equipment, etc.

General Services 11600

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	575,341	689,689	114,348	19.87%
41200	Salaries - Overtime	40,000	73,500	33,500	83.75%
41300	Longevity Policy	10,400	10,400	-	0.00%
41600	Vehicle Allowance	6,000	6,300	300	5.00%
42000	FICA	52,803	53,419	616	1.17%
42200	State Retirement	87,872	100,324	12,452	14.17%
42210	401k	8,676	27,531	18,855	217.32%
42300	Medical Insurance	156,000	162,000	6,000	3.85%
42400	Life Insurance	866	1,752	886	102.31%
42500	Dental Insurance	4,524	9,048	4,524	100.00%
Sub-Total for Personnel Expenditures		\$ 942,482	\$ 1,133,963	\$ 191,481	20.32%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43300	Postage	13,000	10,000	(3,000)	-23.08%
43800	Credit Card Fees	2,500	5,000	2,500	100.00%
43810	Transaction Fees	8,500	17,000	8,500	100.00%
44100	Repair & Maintenance: Office Equip	500	1,000	500	100.00%
44200	Repair & Maintenance: Vehicles	12,000	8,000	(4,000)	-33.33%
44300	Repair & Maintenance: Buildings & Grounds	394,500	334,500	(60,000)	-15.21%
44300-FS2	Repair & Maintenance: Buildings & Grounds - FS2	-	-	-	-
44300-FS3	Repair & Maintenance: Buildings & Grounds - FS3	-	-	-	-
44300-DECK	Repair & Maintenance: Buildings & Grounds- DECK	53,500	22,000	(31,500)	-58.88%
44400	Repair & Maintenance: Equipment	20,000	10,000	(10,000)	-50.00%
44500	Repair & Maintenance: Railroad Depot	59,000	35,000	(24,000)	-40.68%
45220	Electricity	100,000	100,000	-	0.00%
45230	Water & Sewer	373,750	404,000	30,250	8.09%
45240	Gas Utilities	9,240	8,000	(1,240)	-13.42%
45250	Telephone	180,000	195,500	15,500	8.61%
45410	Equipment Rental	198,000	207,000	9,000	4.55%
45430	Real Property Rental	3,600	-	(3,600)	-100.00%
45610	Motor Fuel	6,825	6,000	(825)	-12.09%
46100	Office Supplies	24,000	25,000	1,000	4.17%
46200	Small Equipment and Tools	10,000	4,000	(6,000)	-60.00%
46300	Dues and Subscriptions	3,000	3,000	-	0.00%
46820	Cleaning Supplies	50,000	50,000	-	0.00%
47100	Uniforms	8,000	6,500	(1,500)	-18.75%
48000	Contracted Services	300,000	290,000	(10,000)	-3.33%
51100	Travel and Training	10,000	5,000	(5,000)	-50.00%
51300	Special Expenses	2,000	2,000	-	0.00%
Sub-Total for Operating Expenditures		\$ 1,841,915	\$ 1,748,500	\$ (93,415)	-5.07%
TOTAL GENERAL SERVICES					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	942,482	1,133,963	191,481	20.32%
	Operating Expenditures	1,841,915	1,748,500	(93,415)	-5.07%
	Capital Expenditures	-	-	-	-
Total for All Categories of Expenses		\$ 2,784,397	\$ 2,882,463	\$ 98,066	3.52%

GENERAL FUND

PUBLIC SAFETY
Police Administration - 12010
Fiscal Year 2026

The Police Department exists to serve all people within our jurisdiction with respect, fairness, and dignity. They are committed to the prevention of crime and the protection of life and property; the preservation of peace, order, and safety; the enforcement of laws and ordinances; and the safeguarding of constitutional guarantees.

Police - Administration 12010

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	748,845	919,187	170,342	22.75%
41200	Salaries - Overtime	-	7,350	7,350	-
41300	Longevity Pay	24,500	25,600	1,100	4.49%
42000	FICA	25,167	33,271	8,104	32.20%
42200	State Retirement	111,280	185,655	74,375	66.84%
42210	401K	47,997	77,217	29,220	60.88%
42300	Medical Insurance	96,000	108,000	12,000	12.50%
42400	Life Insurance	1,118	2,072	954	85.33%
42500	Dental Insurance	2,784	5,568	2,784	100.00%
Sub-Total for Personnel Expenditures		\$ 1,057,691	\$ 1,363,920	\$ 306,229	28.95%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43100	Printing	2,420	3,000	580	23.97%
43300	Postage	5,500	6,000	500	9.09%
43415	Recruitment Initiatives	-	-	-	-
43710	Medical Expense	-	-	-	-
44100	Repair & Maintenance: Office Equipment	600	1,000	400	66.67%
44200	Repair & Maintenance: Vehicles	7,370	5,000	(2,370)	-32.16%
44400	Repair & Maintenance: Equipment	1,700	1,000	(700)	-41.18%
45250	Telephone	7,750	7,800	50	0.65%
45410	Equipment Rental	4,000	2,000	(2,000)	-50.00%
45610	Motor Fuel	9,700	5,000	(4,700)	-48.45%
46100	Office Supplies	9,000	9,000	-	0.00%
46200	Small Tools and Equipment	-	-	-	-
46300	Dues and Subscriptions	3,500	3,800	300	8.57%
46400	Public Safety Supplies	42,300	30,000	(12,300)	-29.08%
46400-ICAC	Public Safety Supplies - ICAC	-	-	-	-
47100	Uniforms	5,850	6,000	150	2.56%
48000	Contracted Services	34,780	35,000	220	0.63%
48000-NCACP	Contracted Services- Wellness Initiative	-	-	-	-
48300	Consultants	15,165	16,000	835	5.51%
51100	Travel and Training	20,500	22,000	1,500	7.32%
51100-ICAC	Travel and Training - ICAC	-	-	-	-
51800	Meetings	8,500	8,500	-	0.00%
Sub-Total for Operating Expenditures		\$ 178,635	\$ 161,100	\$ (17,535)	-9.82%
TOTAL POLICE ADMINISTRATION					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	1,057,691	1,363,920	306,229	28.95%
	Operating Expenditures	178,635	161,100	(17,535)	-9.82%
	Capital Expenditures	-	-	-	-
Total for All Categories of Expenses		\$ 1,236,326	\$ 1,525,020	\$ 288,694	23.35%

GENERAL FUND

Public Safety
Police Support Services - 12030
Fiscal Year 2026

The Police Department exists to serve all people within our jurisdiction with respect, fairness, and dignity. They are committed to the prevention of crime and the protection of life and property; the preservation of peace, order, and safety; the enforcement of laws and ordinances; and the safeguarding of constitutional guarantees.

Police - Support Services 12030

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	2,348,984	2,798,905	449,921	19.15%
41200	Salaries - Overtime	265,000	346,500	81,500	30.75%
41300	Longevity Pay	51,800	50,200	(1,600)	-3.09%
41700	Clothing Allowance	18,250	22,313	4,063	22.26%
42000	FICA	112,522	159,519	46,997	41.77%
42200	State Retirement	302,594	445,853	143,259	47.34%
42210	401K	97,792	179,526	81,734	83.58%
42300	Medical Insurance	468,960	540,000	71,040	15.15%
42400	Life Insurance	3,586	5,585	1,999	55.74%
42500	Dental Insurance	12,877	25,754	12,877	100.00%
Sub-Total for Personnel Expenditures		\$ 3,682,365	\$ 4,574,155	\$ 891,790	24.22%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43100	Printing	660	1,000	340	51.52%
44200	Repair & Maintenance: Vehicles	23,100	21,000	(2,100)	-9.09%
44400	Repair & Maintenance: Equipment	3,000	3,000	-	0.00%
45250	Telephone	21,600	24,000	2,400	11.11%
45410	Equipment Rental	4,000	-	(4,000)	-100.00%
45610	Motor Fuel	19,150	15,000	(4,150)	-21.67%
46100	Office Supplies	11,500	11,500	-	0.00%
46200	Small Equipment and Tools	10,400	10,000	(400)	-3.85%
46300	Dues and Subscriptions	1,300	1,400	100	7.69%
46400	Public Safety Supplies	42,000	21,000	(21,000)	-50.00%
47100	Uniforms	15,738	16,000	262	1.66%
48000	Contracted Services	260,610	250,000	(10,610)	-4.07%
48860	Pre-Construction Costs	-	-	-	-
51100	Travel and Training	20,000	22,000	2,000	10.00%
51300	Special Expenses	32,000	25,000	(7,000)	-21.88%
51800	Meetings	2,000	2,000	-	0.00%
Sub-Total for Operating Expenditures		\$ 467,058	\$ 422,900	\$ (44,158)	-9.45%
TOTAL POLICE SUPPORT SERVICES					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	3,682,365	4,574,155	891,790	24.22%
	Operating Expenditures	467,058	422,900	(44,158)	-9.45%
Total for All Categories of Expenses		\$ 4,149,423	\$ 4,997,055	\$ 847,632	20.43%

GENERAL FUND

Public Safety
Police Field Services - 12035
Fiscal Year 2026

The Police Department exists to serve all people within our jurisdiction with respect, fairness, and dignity. They are committed to the prevention of crime and the protection of life and property; the preservation of peace, order, and safety; the enforcement of laws and ordinances; and the safeguarding of constitutional guarantees.

Police - Field Operations 12035

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	3,807,480	4,592,259	784,779	20.61%
41200	Salaries - Overtime	425,000	840,000	415,000	97.65%
41300	Longevity Pay	51,100	57,300	6,200	12.13%
42000	FICA	58,363	178,553	120,190	205.94%
42200	State Retirement	564,577	934,388	369,811	65.50%
42210	401K	241,737	408,492	166,755	68.98%
42300	Medical Insurance	780,000	877,500	97,500	12.50%
42400	Life Insurance	6,832	11,441	4,609	67.46%
42500	Dental Insurance	23,315	46,630	23,315	100.00%
Sub-Total for Personnel Expenditures		\$ 5,958,404	\$ 7,946,563	\$ 1,988,159	33.37%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43100	Printing	1,650	1,000	(650)	-39.39%
44200	Repair & Maintenance: Vehicles	187,000	200,000	13,000	6.95%
44400	Repair & Maintenance: Equipment	3,850	4,000	150	3.90%
45250	Telephone	52,000	45,000	(7,000)	-13.46%
45410	Equipment Rental	8,000	-	(8,000)	-100.00%
45610	Motor Fuel	245,700	246,000	300	0.12%
46100	Office Supplies	13,000	13,000	-	0.00%
46200	Small Equipment and Tools	6,600	6,000	(600)	-9.09%
46300	Dues and Subscriptions	4,500	4,000	(500)	-11.11%
46400	Public Safety Supplies	138,033	125,000	(13,033)	-9.44%
46500	Axon Lease	333,403	355,000	21,597	6.48%
47100	Uniforms	107,700	86,000	(21,700)	-20.15%
51100	Travel and Training	46,400	23,000	(23,400)	-50.43%
51800	Meetings	1,500	2,000	500	33.33%
Sub-Total for Operating Expenditures		\$ 1,149,336	\$ 1,110,000	\$ (39,336)	-3.42%
TOTAL POLICE FIELD OPERATIONS					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	5,958,404	7,946,563	1,988,159	33.37%
	Operating Expenditures	1,149,336	1,110,000	(39,336)	-3.42%
	Capital Expenditures	-	-	-	-
Total for All Categories of Expenses		\$ 7,107,740	\$ 9,056,563	\$ 1,948,823	27.42%

GENERAL FUND

Public Safety
Police Special Operations - 12070
Fiscal Year 2026

The Police Department exists to serve all people within our jurisdiction with respect, fairness, and dignity. They are committed to the prevention of crime and the protection of life and property; the preservation of peace, order, and safety; the enforcement of laws and ordinances; and the safeguarding of constitutional guarantees.

Police - Support Services 12070

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	683,544	747,611	64,067	9.37%
41100	Salaries- Part Time	46,000	68,250	22,250	48.37%
41200	Salaries - Overtime	38,500	48,300	9,800	25.45%
41300	Longevity Pay	11,100	12,500	1,400	12.61%
42000	FICA	12,660	48,452	35,792	282.72%
42200	State Retirement	87,960	177,086	89,126	101.33%
42210	401K	40,726	64,820	24,094	59.16%
42300	Medical Insurance	144,000	162,000	18,000	12.50%
42400	Life Insurance	718	1,805	1,087	151.39%
42500	Dental Insurance	3,480	6,960	3,480	100.00%
Sub-Total for Personnel Expenditures		\$ 1,068,688	\$ 1,337,784	\$ 269,096	25.18%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43100	Printing	440	1,000	560	127.27%
43415	Recruitment Initiatives	30,000	15,000	(15,000)	-50.00%
44200	Repair & Maintenance: Vehicles	9,900	11,000	1,100	11.11%
44400	Repair & Maintenance: Equipment	1,000	1,000	-	0.00%
45250	Telephone	9,100	9,000	(100)	-1.10%
45410	Equipment Rental	1,000	1,000	-	0.00%
45610	Motor Fuel	21,800	20,000	(1,800)	-8.26%
46100	Office Supplies	2,500	2,000	(500)	-20.00%
46200	Small Equipment and Tools	300	1,000	700	233.33%
46300	Dues and Subscriptions	500	1,000	500	100.00%
46400	Public Safety Supplies	35,000	34,000	(1,000)	-2.86%
47100	Uniforms	11,325	11,500	175	1.55%
51100	Travel and Training	12,000	20,000	8,000	66.67%
51800	Meetings	1,000	1,000	-	0.00%
Sub-Total for Operating Expenditures		\$ 135,865	\$ 128,500	\$ (7,365)	-5.42%
TOTAL POLICE SUPPORT SERVICES					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	1,068,688	1,337,784	269,096	25.18%
	Operating Expenditures	135,865	128,500	(7,365)	-5.42%
	Capital Expenditures	-	-	-	-
Total for All Categories of Expenses		\$ 1,204,553	\$ 1,466,284	\$ 261,731	21.73%

GENERAL FUND

Public Safety
Fire Administration - 12510
Fiscal Year 2026

The Kannapolis Fire Department is composed of a dedicated, qualified, and diverse group of professionals that exists to provide effective fire and emergency services. The department is committed to meeting the needs of our dynamic community through preparedness, proactive public education, fire prevention, risk reduction, and partnerships with others.

Fire - Administration 12510

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	513,817	594,031	80,214	15.61%
41200	Salaries - Overtime	22,000	27,300	5,300	24.09%
41300	Longevity Pay	12,700	13,500	800	6.30%
42000	FICA	39,950	46,056	6,106	15.28%
42200	State Retirement	71,560	87,159	15,599	21.80%
42210	401k	13,216	30,375	17,159	129.84%
42300	Medical Insurance	72,000	81,000	9,000	12.50%
42400	Life Insurance	855	1,371	516	60.35%
42500	Dental Insurance	2,088	4,176	2,088	100.00%
Sub-Total for Personnel Expenditures		\$ 748,186	\$ 884,968	\$ 136,782	18.28%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43100	Printing	2,750	2,000	(750)	-27.27%
43300	Postage	1,650	1,500	(150)	-9.09%
43710	Repair & Maintenance: Office Equipment	-	1,000	1,000	-
43710	Repair & Maintenance: Office Equipment	400	-	(400)	-100.00%
44200	Repair & Maintenance: Vehicles	3,000	5,000	2,000	66.67%
44400	Repair & Maintenance: Equipment	11,000	10,000	(1,000)	-9.09%
45220	Electricity	76,560	75,000	(1,560)	-2.04%
45230	Water & Sewer	30,000	35,000	5,000	16.67%
45240	Gas Utilities	18,810	19,000	190	1.01%
45250	Telephone	75,000	73,000	(2,000)	-2.67%
45410	Equipment Rental	1,000	2,000	1,000	100.00%
45610	Motor Fuel	4,830	5,000	170	3.52%
46100	Office Supplies	8,250	8,000	(250)	-3.03%
46200	Small Equipment and Tools	13,200	7,000	(6,200)	-46.97%
46300	Dues and Subscriptions	38,000	20,000	(18,000)	-47.37%
46400	Public Safety Supplies	2,800	3,000	200	7.14%
47100	Uniforms	4,200	4,000	(200)	-4.76%
48000	Contracted Services	600,000	400,000	(200,000)	-33.33%
51100	Travel and Training	8,000	6,000	(2,000)	-25.00%
51800	Meetings	5,500	10,000	4,500	81.82%
Sub-Total for Operating Expenditures		\$ 904,950	\$ 686,500	\$ (218,450)	-24.14%
TOTAL FIRE ADMINISTRATION					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	748,186	884,968	136,782	18.28%
	Operating Expenditures	904,950	686,500	(218,450)	-24.14%
	Capital Expenditures	-	-	-	-
Total for All Categories of Expenses		\$ 1,653,136	\$ 1,571,468	\$ (81,668)	-4.94%

GENERAL FUND

Public Safety
Fire Emergency Services - 12540
Fiscal Year 2026

The Kannapolis Fire Department is composed of a dedicated, qualified, and diverse group of professionals that exists to provide effective fire and emergency services. The department is committed to meeting the needs of our dynamic community through preparedness, proactive public education, fire prevention, risk reduction, and partnerships with others.

Fire - Emergency Services 12540

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	5,373,177	7,187,628	1,814,451	33.77%
41100	Salaries - Part Time	240,000	255,836	15,836	6.60%
41200	Salaries - Overtime	720,000	824,250	104,250	14.48%
41300	Longevity Pay	127,100	129,200	2,100	1.65%
42000	FICA	402,641	592,466	189,825	47.14%
42200	State Retirement	723,643	985,887	262,244	36.24%
42210	401k	127,652	292,100	164,448	128.83%
42300	Medical Insurance	1,056,000	1,188,000	132,000	12.50%
42400	Life Insurance	-	14,307	14,307	-
42500	Dental Insurance	29,580	59,160	29,580	100.00%
Sub-Total for Personnel Expenditures		\$ 8,799,793	\$ 11,528,834	\$ 2,729,041	31.01%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
44200	Repair & Maintenance: Vehicles	315,000	400,000	85,000	26.98%
44400	Repair & Maintenance: Equipment	23,000	27,500	4,500	19.57%
45250	Telephone	30,816	33,000	2,184	7.09%
45610	Motor Fuel	99,360	110,000	10,640	10.71%
46100	Office Supplies	800	1,000	200	25.00%
46200	Small Equipment and Tools	32,000	40,000	8,000	25.00%
46400	Public Safety Supplies	447,000	365,000	(82,000)	-18.34%
46820	Cleaning Supplies	12,000	16,000	4,000	33.33%
47100	Uniforms	50,000	50,000	-	0.00%
48000	Contracted Services	-	-	-	-
51300	Special Expenses	4,000	4,000	-	0.00%
Sub-Total for Operating Expenditures		\$ 1,013,976	\$ 1,046,500	\$ 32,524	3.21%
TOTAL FIRE EMERGENCY SERVICES					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	8,799,793	11,528,834	2,729,041	31.01%
	Operating Expenditures	1,013,976	1,046,500	32,524	3.21%
	Capital Expenditures	-	-	-	-
Total for All Categories of Expenses		\$ 9,813,769	\$ 12,575,334	\$ 2,761,565	28.14%

GENERAL FUND

Public Safety
Fire Technical Services - 12545
Fiscal Year 2026

The Kannapolis Fire Department is composed of a dedicated, qualified, and diverse group of professionals that exists to provide effective fire and emergency services. The department is committed to meeting the needs of our dynamic community through preparedness, proactive public education, fire prevention, risk reduction, and partnerships with others.

Fire - Technical Services 12545

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	469,103	531,624	62,521	13.33%
41200	Salaries - Overtime	28,000	42,000	14,000	50.00%
41300	Longevity Pay	13,500	11,900	(1,600)	-11.85%
42000	FICA	35,853	46,390	10,537	29.39%
42200	State Retirement	63,900	88,260	24,360	38.12%
42210	401k	12,956	25,274	12,318	95.08%
42300	Medical Insurance	72,000	81,000	9,000	12.50%
42400	Life Insurance	708	1,281	573	80.93%
42500	Dental Insurance	2,088	4,176	2,088	100.00%
Sub-Total for Personnel Expenditures		\$ 698,108	\$ 831,905	\$ 133,797	19.17%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
44200	Repair & Maintenance: Vehicles	5,500	7,500	2,000	36.36%
44400	Repair & Maintenance: Equipment	-	-	-	-
45250	Telephone	10,914	8,000	(2,914)	-26.70%
45610	Motor Fuel	13,110	13,000	(110)	-0.84%
46100	Office Supplies	5,000	4,000	(1,000)	-20.00%
46300	Dues and Subscriptions	2,400	3,000	600	25.00%
46400	Public Safety Supplies	19,300	14,500	(4,800)	-24.87%
47100	Uniforms	7,000	5,000	(2,000)	-28.57%
51100	Travel and Training	29,500	29,500	-	0.00%
51800	Meetings	3,000	3,000	-	0.00%
Sub-Total for Operating Expenditures		\$ 95,724	\$ 87,500	\$ (8,224)	-8.59%
TOTAL FIRE TECHNICAL SERVICES					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	698,108	831,905	133,797	19.17%
	Operating Expenditures	95,724	87,500	(8,224)	-8.59%
	Capital Expenditures	-	-	-	-
Total for All Categories of Expenses		\$ 793,832	\$ 919,405	\$ 125,573	15.82%

GENERAL FUND

Public Works

Engineering - 13000

Fiscal Year 2026

Ensures high quality workmanship and cost effectiveness in the installation of infrastructure projects that the City will ultimately maintain. This assurance is accomplished by designing, administering, and coordinating projects; working with developers and engineers to be sure contractors maintain a high level of workmanship and construction practices, and by providing technical assistance to citizens and other City departments.

Public Works - Engineering 13000

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	720,620	820,440	99,820	13.85%
41100	Salaries - Part Time	-	42,000	42,000	-
41200	Overtime Pay	-	5,250	5,250	-
41300	Longevity Pay	3,300	2,200	(1,100)	-33.33%
41600	Vehicle Allowance	6,000	6,300	300	5.00%
42000	FICA	57,636	75,220	17,584	30.51%
42200	State Retirement	96,584	141,354	44,770	46.35%
42210	401k	12,290	37,510	25,220	205.21%
42300	Medical Insurance	108,000	121,500	13,500	12.50%
42400	Life Insurance	1,225	1,796	571	46.61%
42500	Dental Insurance	3,132	6,264	3,132	100.00%
Sub-Total for Personnel Expenditures		\$ 1,008,787	\$ 1,259,834	\$ 251,047	24.89%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43200	Advertising	2,000	1,000	(1,000)	-50.00%
43300	Postage	1,000	1,000	-	0.00%
44200	Repair & Maintenance: Vehicles	5,000	6,000	1,000	20.00%
44400	Repair & Maintenance: Equipment	500	1,000	500	100.00%
45250	Telephone	13,200	13,000	(200)	-1.52%
45610	Motor Fuel	5,000	8,000	3,000	60.00%
46100	Office Supplies	7,500	7,500	-	0.00%
46300	Dues and Subscriptions	12,000	10,000	(2,000)	-16.67%
47100	Uniforms	3,000	4,000	1,000	33.33%
48800	Contract - Engineering	200,000	200,000	-	0.00%
48300	Consultants	260,000	-	(260,000)	-100.00%
51100	Travel and Training	9,000	13,000	4,000	44.44%
51800	Meetings	2,000	3,000	1,000	50.00%
Sub-Total for Operating Expenditures		\$ 520,200	\$ 267,500	\$ (252,700)	-48.58%
TOTAL PUBLIC WORKS ENGINEERING					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	1,008,787	1,259,834	251,047	24.89%
	Operating Expenditures	520,200	267,500	(252,700)	-48.58%
	Capital Expenditures	-	-	-	-
Total for All Categories of Expenses		\$ 1,528,987	\$ 1,527,334	\$ (1,653)	-0.11%

GENERAL FUND

Public Works
Street Lighting - 13100
Fiscal Year 2026

In administering the City's street lighting program, staff works with citizens, developers and utility agencies to evaluate, review, design and coordinate all street lighting requests and installations to ensure adequate and aesthetically pleasing lighting in our community and to provide for the general safety of our citizens.

Public Works - Street Lighting 13100

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
45220	Electricity	600,000	750,000	150,000	25.00%
48000	Contracted Services	60,000	60,000	-	0.00%
48650	Contract - New Lights	53,900	60,000	6,100	0.00%
Sub-Total for Operating Expenditures		\$ 713,900	\$ 870,000	\$ 156,100	21.87%
TOTAL PUBLIC WORKS STREET LIGHTING					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Operating Expenditures	713,900	870,000	156,100	21.87%
Total for All Categories of Expenses		\$ 713,900	\$ 870,000	\$ 156,100	21.87%

GENERAL FUND

Public Works
Operations Center - 13200
Fiscal Year 2026

To minimize the cost of the daily functions of the Operations Center by contracting various vendors, for lower cost of any services rendered; monitor all systems associated with the Public Works Operation Center (PWOC), whether it be daily or weekly, to keep systems functional and up to standards.

Public Works - Operations Center 13200

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
44100	Repair & Maintenance: Office Equipment	500	500	-	0.00%
45220	Electricity	66,000	60,000	(6,000)	-9.09%
45230	Water & Sewer	35,000	30,000	(5,000)	-14.29%
45240	Gas Utilities	12,000	12,000	-	0.00%
45250	Telephone	45,360	30,000	(15,360)	-33.86%
45410	Equipment Rental	10,000	5,000	(5,000)	-50.00%
45610	Motor Fuel	600	500	(100)	-16.67%
46100	Office Supplies	5,000	5,000	-	0.00%
Sub-Total for Operating Expenditures		\$ 174,460	\$ 143,000	\$ (31,460)	-18.03%
TOTAL PUBLIC WORKS OPERATIONS CENTER					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Operating Expenditures	174,460	143,000	(31,460)	-18.03%
Total for All Categories of Expenses		\$ 174,460	\$ 143,000	\$ (31,460)	-18.03%

GENERAL FUND

Public Works
Signs and Markings - 13300
Fiscal Year 2026

The Signs and Markings Division is responsible for promoting public safety by installing and maintaining regulatory signs, street name signs, pavement markings, construction signs, cones and barricades. Staff also completes minor bridge repairs and clearing of line-of sight and signage obstruction.

Public Works - Signs and Markings 13300

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	171,331	183,233	11,902	6.95%
41200	Salaries - Overtime	8,000	8,400	400	5.00%
41300	Longevity Pay	5,400	3,500	(1,900)	-35.19%
42000	FICA	13,328	14,126	798	5.99%
42200	State Retirement	24,107	26,822	2,715	11.26%
42210	401k	3,321	9,348	6,027	181.48%
42300	Medical Insurance	36,000	40,500	4,500	12.50%
42400	Life Insurance	289	461	172	59.52%
42500	Dental Insurance	1,044	2,088	1,044	100.00%
Sub-Total for Personnel Expenditures		\$ 262,820	\$ 288,478	\$ 25,658	9.76%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
44200	Repair & Maintenance: Vehicles	10,000	10,000	-	0.00%
44400	Repair & Maintenance: Equipment	1,000	1,000	-	0.00%
45250	Telephone	6,900	7,000	100	1.45%
45610	Motor Fuel	8,800	11,000	2,200	25.00%
46100	Office Supplies	3,500	5,000	1,500	42.86%
46200	Small Equipment and Tools	5,000	4,000	(1,000)	-20.00%
46810	Sign Supplies	125,000	100,000	(25,000)	-20.00%
47100	Uniforms	3,500	3,500	-	0.00%
48000	Contracted Services	105,000	90,000	(15,000)	-14.29%
51100	Travel and Training	18,000	15,000	(3,000)	-16.67%
Sub-Total for Operating Expenditures		\$ 286,700	\$ 246,500	\$ (40,200)	-14.02%
TOTAL PUBLIC WORKS SIGNS AND MARKINGS					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	262,820	288,478	25,658	9.76%
	Operating Expenditures	286,700	246,500	(40,200)	-14.02%
	Capital Expenditures	-	-	-	-
Total for All Categories of Expenses		\$ 549,520	\$ 534,978	\$ (14,542)	-2.65%

GENERAL FUND

Public Works Street
Maintenance/Powell Bill - 13400
Fiscal Year 2026

The Street Maintenance Division's mission is to serve and maintain safe driving, walking and biking conditions for the citizens of Kannapolis along with facilities designated as part of the "City System" as accepted by the Kannapolis City Council. Maintain and preserve the storm drainage system along with the "City System". "Powell Bill" is in reference to annual State funding for local street maintenance.

Public Works - Street Maintenance Powell Bill 13400

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
44900	Repair & Maintenance: Streets	300,000	250,000	(50,000)	-16.67%
45220	Electricity	6,000	5,000	(1,000)	-16.67%
45410	Equipment Rental	-	-	-	-
46200	Small Equipment and Tools	-	-	-	-
48000	Contracted Services	400,000	976,000	576,000	144.00%
48300	Consultants	-	-	-	-
48850	Contract - Resurfacing	1,088,902	760,000	(328,902)	0.00%
Sub-Total for Operating Expenditures		\$ 1,794,902	\$ 1,991,000	\$ 196,098	10.93%
TOTAL POWELL BILL					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Operating Expenditures	1,794,902	1,991,000	196,098	10.93%
	Capital Expenditures	-	-	-	-
Total for All Categories of Expenses		\$ 1,794,902	\$ 1,991,000	\$ 196,098	10.93%

GENERAL FUND

Public Works

Street Maintenance/Powell Bill - 13500

Fiscal Year 2026

the Street Maintenance Division's mission is to preserve and maintain safe driving, walking and biking conditions for the citizens of Kannapolis along with facilities designated as part of the "City System" as accepted by the Kannapolis City Council. Maintain and preserve the storm drainage system along with the "City System". "Powell Bill" is in reference to annual State funding for local street maintenance.

Public Works - Street Maintenance 13500

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	720,073	820,761	100,688	13.98%
41200	Salaries - Overtime	24,000	19,950	(4,050)	-16.88%
41300	Longevity Pay	16,000	17,600	1,600	10.00%
42000	FICA	54,879	63,165	8,286	15.10%
42200	State Retirement	91,153	120,034	28,881	31.68%
42210	401k	8,411	34,859	26,448	314.45%
42300	Medical Insurance	168,000	189,000	21,000	12.50%
42400	Life Insurance	1,097	2,109	1,012	92.25%
42500	Dental Insurance	4,872	9,744	4,872	100.00%
Sub-Total for Personnel Expenditures		\$ 1,088,485	\$ 1,277,222	\$ 188,737	17.34%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
44200	Repair & Maintenance: Vehicles	55,000	55,000	-	0.00%
44400	Repair & Maintenance: Equipment	50,000	50,000	-	0.00%
44900	Repair & Maintenance: Streets	50,000	50,000	-	0.00%
45410	Equipment Rental	10,000	5,000	(5,000)	-50.00%
45610	Motor Fuel	42,240	42,000	(240)	-0.57%
46200	Small Tools and Equipment	6,000	6,000	-	0.00%
47100	Uniforms	16,000	14,000	(2,000)	-12.50%
48000	Contracted Services	-	-	-	-
48000-MLK	Contracted Services	-	-	-	-
48000-ROGER	Contracted Services	-	-	-	-
Sub-Total for Operating Expenditures		\$ 229,240	\$ 222,000	\$ (7,240)	-3.16%
TOTAL PUBLIC WORKS STREET MAINTENANCE					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	1,088,485	1,277,222	188,737	17.34%
	Operating Expenditures	229,240	222,000	(7,240)	-3.16%
	Capital Expenditures	-	-	-	-
Total for All Categories of Expenses		\$ 1,317,725	\$ 1,499,222	\$ 181,497	13.77%

GENERAL FUND

Planning

Planning - 14000

Fiscal Year 2026

The Kannapolis Planning Department is committed to excellent public service and enhancing the quality of life in the community by guiding its orderly growth and development while preserving its cultural heritage and natural resources. We strive to offer the most efficient service possible in the management of our activities and programs. We always adhere to providing professionally competent advice to officials and citizens on the issues of planning and public policy, land development regulation and community improvement.

Planning 14000

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	824,136	925,389	101,253	12.29%
41100	Salaries - Part Time	5,000	5,250	250	5.00%
41200	Salaries - Overtime	7,500	7,875	375	5.00%
41300	Longevity Policy	3,300	3,800	500	15.15%
41400	Board Member Fees	10,000	7,350	(2,650)	-26.50%
41600	Vehicle Allowance	6,000	6,300	300	5.00%
42000	FICA	60,802	80,878	20,076	33.02%
42200	State Retirement	112,868	157,536	44,668	39.58%
42210	401k	11,856	41,235	29,379	247.80%
42300	Medical Insurance	132,000	148,500	16,500	12.50%
42400	Life Insurance	1,325	2,057	732	55.25%
42500	Dental Insurance	3,828	7,656	3,828	100.00%
Sub-Total for Personnel Expenditures		\$ 1,178,615	\$ 1,393,826	\$ 215,211	18.26%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43100	Printing	1,200	1,000	(200)	-16.67%
43200	Advertising	21,000	18,500	(2,500)	-11.90%
43300	Postage	300	1,000	700	233.33%
43610	Demolition Expenditures	75,000	60,000	(15,000)	-20.00%
44200	Repair & Maintenance: Vehicles	7,200	5,000	(2,200)	-30.56%
45250	Telephone	8,000	12,000	4,000	50.00%
45610	Motor Fuel	1,800	1,800	-	0.00%
46100	Office Supplies	5,000	4,000	(1,000)	-20.00%
46200	Small Equipment and Tools	3,500	1,000	(2,500)	-71.43%
46300	Dues and Subscriptions	8,000	6,000	(2,000)	-25.00%
47100	Uniforms	2,500	3,000	500	20.00%
51100	Travel and Training	23,000	23,000	-	0.00%
51300	Special Expenses	2,000	2,000	-	0.00%
51800	Meetings	2,000	2,000	-	0.00%
Sub-Total for Operating Expenditures		\$ 160,500	\$ 140,300	\$ (20,200)	-12.59%
TOTAL PLANNING					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	1,178,615	1,393,826	215,211	18.26%
	Operating Expenditures	160,500	140,300	(20,200)	-12.59%
	Capital Expenditures	-	-	-	-
Total for All Categories of Expenses		\$ 1,339,115	\$ 1,534,126	\$ 195,011	14.56%

GENERAL FUND

Parks and Recreation

Parks - 15010

Fiscal Year 2026

The Parks and Recreation Department provides residents of all ages and abilities positive experiences through a variety of quality activities, facilities, and services under the direction of professional and dedicated staff that are responsive to the changing needs of the community.

Parks and Recreation - Parks 15010

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	1,520,819	1,815,623	294,804	19.38%
41100-BCPK	Salaries - Part Time-Bakers Creek Park	137,000	131,250	(5,750)	-4.20%
41100-BUILD	Salaries - Part Time-Building Monitor	137,000	147,000	10,000	7.30%
41100-CONCE	Salaries- Part Time- Concessions	204,000	225,750	21,750	10.66%
41100-EVENT	Salaries - Part Time-Events	128,000	178,500	50,500	39.45%
411000-GEM	Salaries - Part Time-Gem	190,000	252,000	62,000	32.63%
41100-GROUN	Salaries - Part Time-Grounds Maintenance	196,000	210,000	14,000	7.14%
41100-SWANEE	Salaries - Part Time-Swanee	154,000	136,500	(17,500)	-11.36%
41100-VILPK	Salaries - Part Time-Village Park	255,000	318,150	63,150	24.76%
41200	Salaries - Overtime	16,000	21,000	5,000	31.25%
41300	Longevity Pay	27,400	30,800	3,400	12.41%
41600	Vehicle Allowance	1,950	2,048	98	5.03%
41600-GEM	Vehicle Allowance	-	-	-	-
42000	FICA	116,180	216,979	100,799	86.76%
42000-BCPK	FICA	10,906	21,320	10,414	95.49%
42000-BUILD	FICA	5,967	19,660	13,693	229.48%
42000-CONC	FICA	-	14,387	14,387	-
42000-EVENT	FICA	3,675	20,260	16,585	451.29%
42000-GEM	FICA	8,195	7,508	(687)	-8.38%
42000-GROUN	FICA	10,309	20,995	10,686	103.66%
42000-SWANE	FICA	-	17,101	17,101	-
42000-VILPK	FICA	25,695	77,632	51,937	202.13%
42200	State Retirement	185,490	223,596	38,106	20.54%
42200-BCPK	State Retirement	5,779	19,986	14,207	245.84%
42200-BUILD	State Retirement	-	-	-	-
42200-EVENT	State Retirement	-	3,009	3,009	-
42200-GEM	State Retirement	-	4,936	4,936	-
42200-GROUN	State Retirement	3,490	25,060	21,570	618.05%
42200-SAFPK	State Retirement	-	-	-	-
42200-SWANE	State Retirement	-	-	-	-
42200-VETPK	State Retirement	-	-	-	-
42200-VILPK	State Retirement	4,245	16,204	11,959	281.72%
42210	401k	30,331	77,635	47,304	155.96%
42210-BCPK	401k	-	901	901	-
42210-BUILD	401k	-	355	355	-
42210-EVENT	401k	-	410	410	-
42210-GEM	401k	-	764	764	-
42210-GROUN	401k	-	1,911	1,911	-
42210-SAFPK	401k	-	-	-	-
42210-SWANE	401k	-	300	300	-
42210-VILPK	401k	-	1,775	1,775	-
42300	Medical Insurance	336,000	378,000	42,000	12.50%
42400	Life Insurance	2,071	3,710	1,639	79.14%
42500	Dental Insurance	9,744	19,488	9,744	100.00%
Sub-Total for Personnel Expenditures		\$ 3,725,246	\$ 4,662,503	\$ 937,257	25.16%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43100	Printing	2,000	2,000	-	0.00%
43100-GEM	Printing-Gem	3,000	3,000	-	0.00%
43100-SWANEE	Printing-Swanee	2,000	1,500	(500)	-25.00%
43200	Advertising	2,000	2,000	-	0.00%
43200-GEM	Advertising-Gem	-	1,000	1,000	-
43300	Postage	300	500	200	66.67%
43300-GEM	Postage-Gem	250	1,000	750	300.00%
43300-SWANEE	Postage-Swanee	500	1,000	500	100.00%
43800	Credit Card Fees	52,000	56,000	4,000	7.69%

43800-GEM	Credit Card Fees-Gem	30,000	35,000	5,000	16.67%
43800-SWANEE	Credit Card Fees- Swanee	60,000	60,000	-	0.00%
44200	Repair & Maintenance: Vehicles	3,500	5,000	1,500	42.86%
44200-BCPK	Repair & Maintenance: Vehicles - Bakers Creek Park	7,500	8,000	500	6.67%
44200-GROUN	Repair & Maintenance: Vehicles - Grounds Maintenance	6,500	8,000	1,500	23.08%
44200-VILPK	Repair & Maintenance: Vehicles - Village Park	5,000	6,000	1,000	20.00%
44300	Repair & Maintenance: Buildings and Grounds	297,600	12,500	(285,100)	-95.80%
44300-BCPK	Repair & Maintenance: Buildings and Grounds-BC	30,000	33,000	3,000	10.00%
44300-DIXIE	Repair & Maintenance: Buildings and Grounds-Dixie	14,500	15,500	1,000	6.90%
44300-GEM	Repair & Maintenance: Buildings and Grounds-Gem	30,000	25,000	(5,000)	-16.67%
44300-GROUN	Repair & Maintenance: Buildings and Grounds-Grounds	95,000	90,000	(5,000)	-5.26%
44300-SWANEE	Repair & Maintenance: Buildings and Grounds-Swanee	10,000	16,000	6,000	60.00%
44300-SAFPK	Repair & Maintenance: Buildings and Grounds-SP	27,000	28,000	1,000	3.70%
44300-VILPK	Repair & Maintenance: Buildings and Grounds-VP	60,500	65,000	4,500	7.44%
44400	Repair & Maintenance: Equipment	-	-	-	-
44400-BCPK	Repair & Maintenance: Equipment-BC	5,000	6,500	1,500	30.00%
44400-GEM	Repair & Maintenance: Equipment-Gem	6,000	6,000	-	0.00%
44400-GROUN	Repair & Maintenance: Equipment-Grounds	6,500	8,000	1,500	23.08%
44400-SWANEE	Repair & Maintenance: Equipment-Swanee	5,000	5,000	-	0.00%
44400-VILPK	Repair & Maintenance: Equipment-VP	6,500	8,000	1,500	23.08%
45220	Electricity	170,000	150,000	(20,000)	-11.76%
45220-GEM	Electricity-Gem	20,000	40,000	20,000	100.00%
45220-SWANEE	Electricity-Swanee	13,000	40,000	27,000	207.69%
45230	Water & Sewer	99,000	325,000	226,000	228.28%
45230-GEM	Water & Sewer-Gem	15,000	-	(15,000)	-100.00%
45230-SWANEE	Water & Sewer-Swanee	4,000	-	(4,000)	-100.00%
45240	Gas Utilities	24,000	6,000	(18,000)	-75.00%
45240-GEM	Gas Utilities-Gem	-	-	-	-
45240-SWANEE	Gas Utilities-Swanee	10,000	8,000	(2,000)	-20.00%
45250	Telephone	43,900	59,200	15,300	34.85%
45250-GEM	Telephone-Gem	9,500	11,000	1,500	15.79%
45250-SWANEE	Telephone-Swanee	5,000	15,000	10,000	200.00%
45410	Equipment Rental	9,000	7,000	(2,000)	-22.22%
45450	Facility Expenses -Laundry	30,000	30,000	-	0.00%
45450-SWANEE	Facility Expenses-Swanee	21,000	16,000	(5,000)	-23.81%
45610	Motor Fuel	35,000	35,000	-	0.00%
46100	Office Supplies	9,800	10,000	200	2.04%
46100-GEM	Office Supplies-Gem	12,000	9,000	(3,000)	-25.00%
46100-SWANEE	Office Supplies-Swanee	5,000	3,500	(1,500)	-30.00%
46200	Small Equipment and Tools	1,900	1,900	-	0.00%
46200-BCPK	Small Equipment and Tools-BC	3,300	2,000	(1,300)	-39.39%
46200-GEM	Small Equipment and Tools-Gem	10,000	5,000	(5,000)	-50.00%
46200-GROUN	Small Equipment and Tools-Grounds	7,000	7,000	-	0.00%
46200-SWANEE	Small Equipment and Tools-Swanee	30,000	25,000	(5,000)	-16.67%
46200-VILPK	Small Equipment and Tools-VP	10,500	10,500	-	0.00%
46300	Dues and Subscriptions	4,500	5,300	800	17.78%
46300-GEM	Dues and Subscriptions-Gem	4,000	2,500	(1,500)	-37.50%
46300-SWANEE	Dues and Subscriptions-Swanee	1,000	1,000	-	0.00%
46620	Concession Supplies	105,000	140,000	35,000	33.33%
46620-GEM	Concession Supplies-GEM	95,000	120,000	25,000	26.32%
46620-SWANEE	Concession Supplies-Swanee	88,000	90,000	2,000	2.27%
46625-SWANEE	Rider Requirements- Swanee	25,000	20,000	(5,000)	-20.00%
46640	Cemetery Supplies	3,000	3,000	-	0.00%
46820	Cleaning Supplies	300	1,000	700	233.33%
46820-BCPK	Cleaning Supplies-BC	4,000	4,500	500	12.50%
46820-GEM	Cleaning Supplies-Gem	30,000	20,000	(10,000)	-33.33%
46820-GROUN	Cleaning Supplies-Grounds	7,300	7,000	(300)	-4.11%
46820-SWANEE	Cleaning Supplies-Swanee	10,000	7,500	(2,500)	-25.00%
46820-VILPK	Cleaning Supplies-VP	6,000	6,500	500	8.33%
47100	Uniforms	24,000	25,000	1,000	4.17%
47100-GEM	Uniforms-Gem	3,500	3,500	-	0.00%
47100-SWANEE	Uniforms- Swanee	3,500	3,500	-	0.00%
48000	Contracted Services	15,000	40,000	25,000	166.67%

48000-GEM	Contracted Services-Gem	200,000	200,000	-	0.00%
48000-SWANEE	Contracted Services-Swanee	15,000	19,000	4,000	26.67%
48220	Contract - Grounds Maintenance	917,700	627,600	(290,100)	-31.61%
48300-GEM	Consultants-Gem	40,000	20,000	(20,000)	-50.00%
48300-SWANEE	Consultants-Swanee	10,000	7,500	(2,500)	-25.00%
48455-SWANE	Convenience Expense	-	-	-	-
48840-SWANE	Talent and Entertainment-Swanee	690,000	550,000	(140,000)	-20.29%
48845-SWANE	Sound Technology-Swanee	69,000	69,000	-	0.00%
51100	Travel and Training	27,000	34,000	7,000	25.93%
51100-GEM	Travel and Training-Gem	1,000	1,300	300	30.00%
51100-SWANEE	Travel and Training-Swanee	2,000	2,000	-	0.00%
51800	Meetings	6,000	6,000	-	0.00%
51800-GEM	Meetings-Gem	250	1,000	750	300.00%
Sub-Total for Operating Expenditures		\$ 3,773,100	\$ 3,362,300	\$ (410,800)	-10.89%
TOTAL PARKS AND RECREATION - PARKS					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	3,725,246	4,662,503	937,257	25.16%
	Operating Expenditures	3,773,100	3,362,300	(410,800)	-10.89%
	Capital Improvements - GEM	-	-	-	-
	Capital Machinery and Equipment	3,000	-	(3,000)	-100.00%
Total for All Categories of Expenses		\$ 7,501,346	\$ 8,024,803	\$ 523,457	6.98%

GENERAL FUND

Parks and Recreation

Programs - 15060

Fiscal Year 2026

The Parks and Recreation Department provides residents of all ages and abilities positive experiences through a variety of quality activities, facilities, and services under the direction of professional and dedicated staff that are responsive to the changing needs of the community.

Parks and Recreation - Programs 15060

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
46630-ADLT	Adult Program Supplies	24,000	28,000	4,000	16.67%
46630-ADV	Advertising Program Supplies	11,000	10,000	(1,000)	-9.09%
46630-EQUIP	Equipment Program Supplies	8,000	9,000	1,000	12.50%
46630-FAM	Family Program Supplies	23,000	25,000	2,000	8.70%
466300-GEM	GEM Program Supplies	10,000	7,000	(3,000)	-30.00%
46630-JIGGY	Jiggy Program Supplies	235,000	-	(235,000)	-100.00%
46630-LOOP	Loop Program Supplies	6,000	5,000	(1,000)	-16.67%
46630-PARAD	Christmas Parade Program Supplies	47,000	40,000	(7,000)	-14.89%
46630-PRINT	Printing Program Supplies	3,500	4,000	500	14.29%
46630-SENIR	Senior Program Supplies	27,000	22,500	(4,500)	-16.67%
46630-SUBS	Dues and Subs Program Supplies	9,100	9,500	400	4.40%
46630-WEST	West Avenue Program Supplies	10,000	5,000	(5,000)	-50.00%
46630-YTH	Youth Program Supplies	12,000	12,000	-	0.00%
46635	Program Supplies-Athletics	167,000	175,000	8,000	4.79%
46635-RUN	Run Program Supplies	32,000	40,000	8,000	25.00%
46630-ARTS	Cultural & Historical Programming	100,000	-	(100,000)	-100.00%
51441	Summer Event Series	575,000	575,000	-	0.00%
51442	Kannapolis Christmas	67,000	70,000	3,000	0.00%
Sub-Total for Operating Expenditures		\$ 1,366,600	\$ 1,037,000	\$ (329,600)	-24.12%
TOTAL PARKS AND RECREATION - PROGRAMS					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Operating Expenditures	1,366,600	1,037,000	(329,600)	-24.12%
Total for All Categories of Expenses		\$ 1,366,600	\$ 1,037,000	\$ (329,600)	-24.12%

GENERAL FUND

Parks and Recreation

Stadium - 15200

Fiscal Year 2026

Stadium 15200

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
44300	Repair & Maintenance: Buildings and Grounds	20,000	10,000	(10,000)	-50.00%
45220	Electricity	75,000	90,000	15,000	20.00%
45230	Water and Sewer	50,000	6,000	(44,000)	-88.00%
45240	Gas	5,000	15,000	10,000	200.00%
45455	Lease Expense	-	361,000	361,000	-
48300	Contracted Services	-	30,000	30,000	-
Sub-Total for Operating Expenditures		\$ 150,000	\$ 512,000	\$ 362,000	241.33%
TOTAL STADIUM					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Operating Expenditures	150,000	512,000	362,000	241.33%
	Capital Expenditures	200,000	200,000	-	0.00%
Total for All Categories of Expenses		\$ 350,000	\$ 712,000	\$ 362,000	103.43%

GENERAL FUND

City of Kannapolis
Debt Service - 18000
Fiscal Year 2026

General Fund Debt Service 18000

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
58100	Bond Principal	10,602,153	10,604,903	2,750	0.03%
58200	Bond Interest	3,573,703	3,321,246	(252,457)	-7.06%
58300	Debt Issuance Cost	-	-	-	-
Sub-Total for Operating Expenditures		\$ 14,175,856	\$ 13,926,149	\$ (249,707)	-1.76%
TOTAL GENERAL FUND DEBT SERVICE					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Debt Service Expenditures	14,175,856	13,926,149	(249,707)	-1.76%
Total for All Categories of Expenses		\$ 14,175,856	\$ 13,926,149	\$ (249,707)	-1.76%

GENERAL FUND

City of Kannapolis

Transfers - 19000

Fiscal Year 2026

Transfers General Fund 19000

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41800	Separation Pay	600,000	721,500	121,500	20.25%
57100	Transfer to Transit Fund	1,188,223	968,698	(219,525)	-18.48%
57200	Transfer to Capital Projects Fund	2,007,404	-	(2,007,404)	-100.00%
57250	Transfer to CRF	1,562,708	900,000	(662,708)	-42.41%
57400	Transfer to Environmental Fund	2,191,690	1,832,669	(359,021)	-16.38%
57400	Transfer to Downtown Fund	-	-	-	-
57700	Transfer to Insurance and Risk	-	-	-	-
Sub-Total for Operating Expenditures		\$ 7,550,025	\$ 4,422,867	\$ (3,127,158)	-41.42%
TOTAL GENERAL FUND TRANSFERS					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Transfer Expenditures	7,550,025	4,422,867	(3,127,158)	-41.42%
Total for All Categories of Expenses		\$ 7,550,025	\$ 4,422,867	\$ (3,127,158)	-41.42%

WATER AND SEWER FUND

City of Kannapolis Water & Sewer Fund Fiscal Year 2026

The Water and Sewer Fund (W/S Fund) is the second largest fund in the City. The W/S. Fund revenue includes monies collected from charges for water and sewer services, fees, sales tax, and other revenue. This fund includes most of the operating services, such as administration, billing and collection, water treatment and distribution, sewage treatment, and general management services.

Water and Sewer Fund Summary Revenues

	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Revenues						
Charges for Services	20,000,000	21,001,437	25,485,813	24,320,553	(1,165,260)	-4.57%
Other Revenues	3,370,000	3,285,000	4,258,000	4,104,463	(153,537)	-3.61%
Total Water and Sewer Fund	\$ 23,370,000	\$ 24,286,437	\$ 29,743,813	\$ 28,425,016	\$ (1,318,797)	-4.43%

Water and Sewer Fund Summary Expenditures

	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Expenditures						
General Management Services Fee	2,418,182	1,823,413	1,845,182	2,192,230	347,048	18.81%
Billing and Collections - Water and Sewer	1,306,070	1,556,054	1,704,289	1,815,401	111,112	6.52%
Distribution - Water and Sewer	5,248,474	6,299,389	6,920,193	6,362,613	(557,580)	-8.06%
WSACC - Sewage Treatment	4,274,460	4,455,480	5,869,191	6,520,775	651,584	11.10%
Water Treatment Plant	3,640,787	4,428,892	5,373,710	5,460,678	86,968	1.62%
Debt Service	6,482,027	5,723,209	8,031,248	6,073,319	(1,957,929)	-24.38%
Total Water and Sewer Fund	\$ 23,370,000	\$ 24,286,437	\$ 29,743,813	\$ 28,425,016	\$ (1,318,797)	-4.43%

SUMMARY WATER AND SEWER FUND EXPENDITURE CATEGORIES

Expense Category	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Personnel	4,899,482	5,955,691	6,700,290	7,515,092	814,802	12.16%
Operating	8,840,309	9,701,124	12,247,093	12,644,375	397,282	3.24%
Capital	730,000	1,083,000	920,000	-	(920,000)	-100.00%
Debt Service	6,482,027	5,723,209	8,031,248	6,073,319	(1,957,929)	-24.38%
Transfers	2,418,182	1,823,413	1,845,182	2,192,230	347,048	18.81%
Total for All Categories of Expenses	\$ 23,370,000	\$ 24,286,437	\$ 29,743,813	\$ 28,425,016	\$ (1,318,797)	-4.43%

Water and Sewer Detailed Revenues

	FY 23 Adopted	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed
Revenues				
Charges and Fees	20,000,000	21,001,437	25,485,813	24,320,553
Wholesale Water Sales	360,000	400,000	425,000	436,000
Tap Fees	1,175,000	800,000	1,168,000	953,463
Connection Fees	1,250,000	1,500,000	1,885,000	1,850,000
Reconnection Fees	140,000	140,000	140,000	140,000
Penalties	400,000	400,000	525,000	525,000
Miscellaneous Revenues	15,000	15,000	15,000	-
Investment Income	30,000	30,000	100,000	200,000
Developer Contribution	-	-	-	-
Transfers In / Out	-	-	-	-
Total Water and Sewer Fund	\$ 23,370,000	\$ 24,286,437	\$ 29,743,813	\$ 28,425,016

Water and Sewer Summary of Detailed Expenditures

	FY 23 Adopted	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed
Expenditures				
General Management Services Fee	2,418,182	1,823,413	1,845,182	2,192,230
Biling and Collections - Water and Sewer	1,306,070	1,556,054	1,704,289	1,815,401
Distribution - Water and Sewer	5,248,474	6,299,389	6,920,193	6,362,613
WSACC - Sewage Treatment	4,274,460	4,455,480	5,869,191	6,520,775
Water Treatment Plant	3,640,787	4,428,892	5,373,710	5,460,678
Debt Service	6,482,027	5,723,209	8,031,248	6,073,319
Total Water and Sewer Fund	\$ 23,370,000	\$ 24,286,437	\$ 29,743,813	\$ 28,425,016

WATER AND SEWER FUND

Water and Sewer Billing and Collections - 36000 Fiscal Year 2026

The Water and Sewer Billing and Collections program was established to provide billing, collection, meter reading and installation, and customer service to the individuals in Kannapolis who receive water and sewer services from the City. We are dedicated to effectively and courteously servicing customer accounts by working with individual customers to insure accurate and timely billing, up to date customer records, and a high level of cooperative, knowledgeable, and personal service both at the City offices and at the Customer sites.

Water and Sewer - Billing and Collections 36000

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	861,652	866,934	5,282	0.61%
41200	Salaries - Overtime	6,000	22,050	16,050	267.50%
41300	Longevity Pay	11,100	6,000	(5,100)	-45.95%
42000	FICA	58,662	65,485	6,823	11.63%
42100	Workers Compensation Insurance	15,120	21,000	5,880	38.89%
42200	State Retirement	103,115	125,151	22,036	21.37%
42210	401k	9,018	34,909	25,891	287.10%
42300	Medical Insurance	180,000	202,500	22,500	12.50%
42400	Life Insurance	1,202	2,232	1,030	85.69%
42500	Dental Insurance	5,220	10,440	5,220	100.00%
Sub-Total for Personnel Expenditures		\$ 1,251,089	\$ 1,356,701	\$ 105,612	8.44%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43100	Printing	5,000	3,000	(2,000)	-40.00%
43300	Postage	175,000	150,000	(25,000)	-14.29%
44100	Repair & Maintenance: Office Equipment	1,000	1,000	-	0.00%
45250	Telephone	3,200	3,200	-	0.00%
46100	Office Supplies	5,000	7,000	2,000	40.00%
46200	Small Equipment and Tools	3,000	4,000	1,000	33.33%
46300	Dues and Subscriptions	3,000	3,000	-	0.00%
47100	Uniforms	3,000	3,000	-	0.00%
48000	Contracted Services	20,000	25,000	5,000	25.00%
48430	Banking Fees	165,000	190,000	25,000	15.15%
48440	Mailing Services	60,000	50,000	(10,000)	-16.67%
48460	Bank Admin Fees	-	12,000	12,000	-
51100	Travel and Training	10,000	7,500	(2,500)	-25.00%
Sub-Total for Operating Expenditures		\$ 453,200	\$ 458,700	\$ 5,500	1.21%
TOTAL BILLING AND COLLECTIONS					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	1,251,089	1,356,701	105,612	8.44%
	Operating Expenditures	453,200	458,700	5,500	1.21%
Total for All Categories of Expenses		\$ 1,704,289	\$ 1,815,401	\$ 111,112	6.52%

WATER AND SEWER FUND

Water and Sewer Distribution - 36100 Fiscal Year 2026

The Water and Wastewater Resources Department delivers the highest quality drinking water and to continue to build and maintain a reliable Water Distribution and Wastewater Collection System. We are also committed to providing a safe environment for our employees and citizens.

Water and Sewer - Distribution 36100

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	2,342,222	2,504,059	161,837	6.91%
41200	Salaries - Overtime	153,000	223,650	70,650	46.18%
41300	Longevity Pay	30,600	30,300	(300)	-0.98%
42000	FICA	158,813	187,911	29,098	18.32%
42100	Workers Compensation Insurance	47,520	65,000	17,480	36.78%
42200	State Retirement	268,658	334,520	65,862	24.52%
42210	401k	35,022	104,031	69,009	197.04%
42300	Medical Insurance	540,000	607,500	67,500	12.50%
42400	Life Insurance	3,188	5,834	2,646	83.00%
42500	Dental Insurance	16,704	33,408	16,704	100.00%
Sub-Total for Personnel Expenditures		\$ 3,595,727	\$ 4,096,213	\$ 500,486	13.92%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43100	Printing	3,000	1,500	(1,500)	-50.00%
43300	Postage	1,800	1,800	-	0.00%
44200	Repair & Maintenance: Vehicles	116,400	105,000	(11,400)	-9.79%
44300	Repair & Maintenance: Buildings and Grounds	1,800	2,000	200	11.11%
44400	Repair & Maintenance: Equipment	83,125	83,000	(125)	-0.15%
44600	Repair & Maintenance: Lift Station	277,000	244,000	(33,000)	-11.91%
44900	Repair & Maintenance: Streets	10,000	-	(10,000)	-100.00%
45220	Electricity	58,300	62,000	3,700	6.35%
45230	Water and Sewer	5,750	12,000	6,250	108.70%
45249	Gas Utilities	2,299	2,000	(299)	-13.01%
45250	Telephone	45,000	60,000	15,000	33.33%
45410	Equipment Rental	8,400	8,500	100	1.19%
45610	Motor Fuel	77,366	90,000	12,634	16.33%
46100	Office Supplies	12,000	12,000	-	0.00%
46200	Small Equipment and Tools	13,000	13,000	-	0.00%
46300	Dues and Subscriptions	50,400	50,000	(400)	-0.79%
46850	Materials for W&S Services	672,513	700,000	27,487	4.09%
47100	Uniforms	40,000	30,000	(10,000)	-25.00%
48000	Contracted Services	977,213	732,600	(244,613)	-25.03%
51100	Travel and Training	57,100	57,000	(100)	-0.18%
Sub-Total for Operating Expenditures		\$ 2,512,466	\$ 2,266,400	\$ (246,066)	-9.79%
TOTAL DISTRIBUTION					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	3,595,727	4,096,213	500,486	13.92%
	Operating Expenditures	2,512,466	2,266,400	(246,066)	-9.79%
	Capital Expenditures	812,000	-	(812,000)	-100.00%
Total for All Categories of Expenses		\$ 6,920,193	\$ 6,362,613	\$ 254,420	-8.06%

WATER AND SEWER FUND

Water Treatment

Plant - 36200

Fiscal Year 2026

The Water Treatment Plant protects public health by producing a continuous, adequate, and safe source of potable water for distribution to citizens. Service is provided by ten City employees operating a 15 million-gallon (MG) capacity water treatment plant fed by a 1,356 MG storage capacity lake.

Water and Sewer Fund - Water Treatment Plant 36200

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	1,244,005	1,279,072	35,067	2.82%
41100	Salaries - Part Time	20,000	21,000	1,000	5.00%
41200	Salaries - Overtime	60,000	84,000	24,000	40.00%
41300	Longevity Pay	16,300	20,100	3,800	23.31%
41600	Vehicle Allowance	6,000	12,600	6,600	110.00%
42000	FICA	79,091	99,646	20,555	25.99%
41200	Workers Compensation Insurance	19,440	27,000	7,560	38.89%
42200	State Retirement	146,312	185,673	39,361	26.90%
42210	401k	26,250	60,300	34,050	129.71%
42300	Medical Insurance	228,000	256,500	28,500	12.50%
42400	Life Insurance	1,464	3,063	1,599	109.22%
42500	Dental Insurance	6,612	13,224	6,612	100.00%
Sub-Total for Personnel Expenditures		\$ 1,853,474	\$ 2,062,178	\$ 208,704	11.26%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43200	Advertising	1,000	1,000	-	0.00%
43300	Postage	600	1,000	400	66.67%
44200	Repair & Maintenance: Vehicles	8,900	15,000	6,100	68.54%
44400	Repair & Maintenance: Equipment	178,500	180,000	1,500	0.84%
44600	Repair & Maintenance: Lift Station	76,000	100,000	24,000	31.58%
44700	Repair & Maintenance: Water Tank	152,900	160,000	7,100	4.64%
45220	Electricity	230,000	280,000	50,000	21.74%
45240	Gas Utilities	1,045	1,000	(45)	-4.31%
45250	Telephone	18,000	19,000	1,000	5.56%
45410	Equipment Rental	50,000	50,000	-	0.00%
45610	Motor Fuel	10,000	15,000	5,000	50.00%
46100	Office Supplies	6,000	7,000	1,000	16.67%
46200	Small Equipment and Tools	5,000	8,000	3,000	60.00%
46300	Dues and Subscriptions	20,000	20,000	-	0.00%
46820	Cleaning Supplies	100	1,000	900	900.00%
46830	Chemicals	800,000	721,000	(79,000)	-9.88%
46840	Raw Water Purchases	49,000	50,000	1,000	2.04%
47100	Uniforms	16,000	16,000	-	0.00%
48000	Contracted Services	449,691	450,000	309	0.07%
48000-LCRR	Contracted Services - Lead/Copper Rule Revision	25,000	25,000	-	0.00%
48300	Consultants	-	-	-	-
48220	Contract - Grounds Maintenance	46,000	60,000	14,000	30.43%
48240	Bulk Water Purchases	1,250,000	1,200,000	(50,000)	-4.00%
51100	Travel and Training	18,500	18,500	-	0.00%
Sub-Total for Operating Expenditures		\$ 3,412,236	\$ 3,398,500	\$ (13,736)	-0.40%
TOTAL WATER TREATMENT PLANT					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	1,853,474	2,062,178	208,704	11.26%
	Operating Expenditures	3,412,236	3,398,500	(13,736)	-0.40%
	Capital Expenditures	108,000	-	(108,000)	-100.00%
Total for All Categories of Expenses		\$ 5,373,710	\$ 5,460,678	\$ 194,968	1.62%

WATER AND SEWER FUND

Wastewater Treatment - 36400 Fiscal Year 2026

The Water and Sewer Authority of Cabarrus County (WSACC) provides the City's sewage treatment. WSACC is an independent, incorporated public body funded by user fees with no taxing authority supporting five jurisdictions (Cabarrus County, Concord, Kannapolis, Harrisburg, and Mount Pleasant). WSACC may plan for the provision of wholesale water and may, when tasked by its organizing jurisdictions, provide retail water and sewer service.

Water and Sewer - Wastewater Treatment - WSACC 36400

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
49020	Wastewater Treatment Variable	2,827,470	3,300,000	472,530	16.71%
49030	Treatment Fixed Rate	2,597,841	2,800,000	202,159	7.78%
49050	Interceptor Fixed Rate	347,840	260,000	(87,840)	-25.25%
49060	Capital Assessments	31,040	31,000	(40)	-0.13%
49070	Concord Northlite Sewer	65,000	129,775	64,775	99.65%
Sub-Total for Operating Expenditures		\$ 5,869,191	\$ 6,520,775	\$ 651,584	11.10%
TOTAL SEWAGE TREATMENT PLANT (WSACC)					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Operating Expenditures	5,869,191	6,520,775	651,584	11.10%
Total for All Categories of Expenses		\$ 5,869,191	\$ 6,520,775	\$ 651,584	11.10%

Water and Sewer - Debt Service 38000

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
58100	Bond Principal	6,262,280	3,110,700	(3,151,580)	-50.33%
58200	Bond Interest	1,268,968	1,538,081	269,113	21.21%
58300	Debt Issuance Cost	500,000	1,424,538	924,538	184.91%
58400	GAAP-Debt Service	-	-	-	-
Sub-Total for Operating Expenditures		\$ 8,031,248	\$ 6,073,319	\$ (1,957,929)	-24.38%
TOTAL WATER AND SEWER DEBT SERVICE					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Debt Service Expenditures	8,031,248	6,073,319	(1,957,929)	-24.38%
Total for All Categories of Expenses		\$ 8,031,248	\$ 6,073,319	\$ (1,957,929)	-24.38%

Water and Sewer Fund - General Management Services 39000

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
56000	General Management Services	1,845,182	2,192,230	347,048	18.81%
Sub-Total for Operating Expenditures		\$ 1,845,182	\$ 2,192,230	\$ 347,048	18.81%
TOTAL GENERAL MANAGEMENT SERVICES FEE					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Transfers	1,845,182	2,192,230	347,048	18.81%
Total for All Categories of Expenses		\$ 1,845,182	\$ 2,192,230	\$ 347,048	18.81%

STORMWATER FUND

City of Kannapolis Stormwater Fund Fiscal Year 2026

The Stormwater Fund is the third largest fund. Revenue includes monies collected from monthly fees charged to each citizen based on the amount of impervious area on their property. Residential customers pay a fixed fee based on predetermined limits on square footage of these impervious areas which contribute to storm water runoff. The fund includes costs related to a federally mandated educational program plus the annual maintenance of the storm drainage system within the City. Also included is administrative cost provided by the General Fund and the Billing and Collection office.

Stormwater Fund Summary of Revenues

	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Revenues						
Storm Water Fees	3,291,706	3,500,000	3,400,000	3,567,348	167,348	4.92%
Other Revenues	-	30,000	350,000	70,000	(280,000)	-80.00%
Total Stormwater Fund	\$ 3,291,706	\$ 3,530,000	\$ 3,750,000	\$ 3,637,348	\$ (112,652)	-3.00%

Stormwater Fund Summary of Expenditures

	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Expenditures						
Personnel	1,203,061	1,431,652	1,511,360	1,791,414	280,054	18.53%
Operations	835,420	868,987	891,487	722,600	(168,887)	-18.94%
Debt Service	731,005	559,479	546,259	532,966	(13,293)	-2.43%
General Management Services Fee	427,220	463,882	412,528	590,368	177,840	43.11%
Capital	95,000	206,000	388,366	-	(388,366)	-100.00%
Total Stormwater Fund	\$ 3,291,706	\$ 3,530,000	\$ 3,750,000	\$ 3,637,348	\$ (112,652)	-3.00%

SUMMARY STORMWATER FUND EXPENDITURE CATEGORIES

Expense Category	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Personnel	1,203,061	1,431,652	1,511,360	1,791,414	280,054	18.53%
Operating	835,420	868,987	891,487	722,600	(168,887)	-18.94%
Debt Service	731,005	559,479	546,259	532,966	(13,293)	-2.43%
Transfers	427,220	463,882	412,528	590,368	177,840	43.11%
Capital	95,000	206,000	388,366	-	(388,366)	-100.00%
Total for All Categories of Expenses	\$ 3,291,706	\$ 3,530,000	\$ 3,750,000	\$ 3,637,348	\$ (112,652)	-3.00%

Stormwater Fund Detailed Summary of Revenues

	FY 23 Adopted	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed
Revenues				
Charges and Fees	3,291,706	3,500,000	3,400,000	3,567,348
Investment Income	-	30,000	80,000	70,000
Miscellaneous Revenues	-	-	270,000	-
Transfer In	-	-	-	-
Total Stormwater Fund	\$ 3,291,706	\$ 3,530,000	\$ 3,750,000	\$ 3,637,348

Stormwater Fund Detailed Summary of Expenditures

	FY 23 Adopted	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed
Expenditures				
Personnel	1,203,061	1,431,652	1,511,360	1,791,414
Operations	835,420	868,987	891,487	722,600
Debt Service	731,005	559,479	546,259	532,966
General Management Services Fee	427,220	463,882	412,528	590,368
Capital	95,000	206,000	388,366	-
Total Stormwater Fund	\$ 3,291,706	\$ 3,530,000	\$ 3,750,000	\$ 3,637,348

STORMWATER FUND

Stormwater

Stormwater Fund - 40000

Fiscal Year 2026

The Stormwater Division administers the State and Federally mandated program that requires the City to reduce pollution in its waterways as well as the maintenance of over 400 miles of storm water infrastructure. The Division's focus on water quality includes collecting and analyzing surface waters for contaminants; locating and eliminating illicit discharges; implementing industry standard practices for improvement of storm water quality; and educating citizens on pollution issues.

Stormwater 40000

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	1,017,500	1,155,231	137,731	13.54%
41200	Salaries - Overtime	19,195	20,155	960	5.00%
41300	Longevity Pay	24,900	23,000	(1,900)	-7.63%
41600	Vehicle Allowance	6,000	12,600	6,600	110.00%
42000	FICA	72,195	90,255	18,060	25.02%
42100	Workers Compensation Insurance	18,360	25,000	6,640	36.17%
42200	State Retirement	125,127	169,656	44,529	35.59%
42210	401k	16,595	51,557	34,962	210.68%
42300	Medical Insurance	204,000	229,500	25,500	12.50%
42400	Life Insurance	1,572	2,628	1,056	67.18%
42500	Dental Insurance	5,916	11,832	5,916	100.00%
Sub-Total for Personnel Expenditures		\$ 1,511,360	\$ 1,791,414	\$ 280,054	18.53%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
43300	Postage	100	100	-	0.00%
44200	Repair & Maintenance: Vehicles	80,000	85,000	5,000	6.25%
44400	Repair & Maintenance: Equipment	60,500	65,000	4,500	7.44%
44900	Repair & Maintenance: Streets	187,000	137,000	(50,000)	-26.74%
45250	Telephone	8,667	9,000	333	3.84%
45410	Equipment Rental	13,000	8,000	(5,000)	-38.46%
45610	Motor Fuel	44,000	56,000	12,000	27.27%
46100	Office Supplies	3,500	3,000	(500)	-14.29%
46200	Small Equipment and Tools	10,000	10,000	-	0.00%
46300	Dues and Subscriptions	2,000	6,000	4,000	200.00%
47100	Uniforms	10,400	14,000	3,600	34.62%
48000	Contracted Services	277,820	200,000	(77,820)	-28.01%
48300	Consultants	175,000	125,000	(50,000)	-28.57%
51100	Travel and Training	19,500	4,500	(15,000)	-76.92%
Sub-Total for Operating Expenditures		\$ 891,487	\$ 722,600	\$ (168,887)	-18.94%
TOTAL STORMWATER					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	1,511,360	1,791,414	280,054	18.53%
	Operating Expenditures	891,487	722,600	(168,887)	-18.94%
	General Management Services Fee	412,528	-	(412,528)	-100.00%
	Capital Expenditures	388,366	-	(388,366)	-100.00%
Total for All Categories of Expenses		\$ 3,203,741	\$ 2,514,014	\$ 111,167	-21.53%

Stormwater - Debt Service 48000

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
58100	Bond Principal	367,713	367,795	82	0.02%
58200	Bond Interest	178,546	165,171	(13,375)	-7.49%
Sub-Total for Operating Expenditures		\$ 546,259	\$ 532,966	\$ (13,293)	-2.43%
TOTAL STORMWATER DEBT SERVICE					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Debt Service Expenditures	546,259	532,966	(13,293)	-2.43%
Total for All Categories of Expenses		\$ 546,259	\$ 532,966	\$ (13,293)	-2.43%

Stormwater - General Management Services 49000

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
56000	General Management Services Fee	-	590,368	590,368	-
Sub-Total for Operating Expenditures		\$ -	\$ 590,368	\$ 590,368	-
TOTAL GENERAL MANAGEMENT SERVICES FEE					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	General Management Services Fee	-	590,368	590,368	-
Total for All Categories of Expenses		\$ -	\$ 590,368	\$ 590,368	-

ENVIRONMENTAL FUND

City of Kannapolis Environmental Fund Fiscal Year 2026

This fund consists of revenues collected from the monthly user fee that all residents must pay, and, at certain times, revenue collected from the Materials Recovery Facility (“MRF”) when market dictates. To ensure the success of the Recycling Program, staff continues to invest in public education and outreach efforts.

Environmental Fund Summary of Revenues

	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Revenues						
User Fees	4,132,244	4,200,000	4,200,000	5,604,193	1,404,193	33.43%
Transfer from General Fund	85,542	1,147,817	2,191,690	1,832,669	(359,021)	-16.38%
Transfer from Water and Sewer Fund	495,700	-	-	-	-	-
Other Revenues	158,594	300,000	265,000	201,000	(64,000)	-24.15%
Solid Waste Disposal Tax	36,000	36,000	44,000	44,000	-	0.00%
Total Environmental Fund	\$ 4,908,080	\$ 5,683,817	\$ 6,700,690	\$ 7,681,862	\$ 981,172	14.64%

Environmental Fund Summary of Expenditures

	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Expenditures						
Personnel	450,262	838,659	905,220	1,144,262	239,042	26.41%
Operations	4,225,782	4,713,158	5,363,470	6,537,600	1,174,130	21.89%
Debt Service	232,036	-	-	-	-	-
Capital	-	132,000	432,000	-	(432,000)	-100.00%
Total Environmental Fund	\$ 4,908,080	\$ 5,683,817	\$ 6,700,690	\$ 7,681,862	\$ 981,172	14.64%

SUMMARY ENVIRONMENTAL EXPENDITURE CATEGORIES

Expense Category	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Personnel	450,262	838,659	905,220	1,144,262	239,042	26.41%
Operating	4,225,782	4,713,158	5,363,470	6,537,600	1,174,130	21.89%
Debt Service	232,036	-	-	-	-	-
Capital	-	132,000	432,000	-	(432,000)	-100.00%
Total for All Categories of Expenses	\$ 4,908,080	\$ 5,683,817	\$ 6,700,690	\$ 7,681,862	\$ 981,172	14.64%

Environmental Detailed Summary of Revenues

	FY 23 Adopted	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed
Revenues				
Solid Waste Disposal Tax	36,000	36,000	44,000	44,000
Charges and Fees	4,132,244	4,200,000	4,200,000	5,604,193
Commercial Revenue	-	120,000	160,000	155,000
Miscellaneous Revenue	158,594	160,000	60,000	-
Investment Income	-	20,000	45,000	46,000
Transfer In / General Fund	85,542	1,147,817	2,191,690	1,832,669
Transfer In / Water and Sewer Fund	495,700	-	-	-
Transfer In / Stormwater Fund	-	-	-	-
Proceeds from Debt Financing	-	-	-	-
Total Environmental Fund	\$ 4,908,080	\$ 5,683,817	\$ 6,700,690	\$ 7,681,862

Environmental Fund Detailed Summary of Expenditures

	FY 23 Adopted	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed
Expenditures				
Personnel	450,262	838,659	905,220	1,144,262
Operations	4,225,782	4,713,158	5,363,470	6,537,600
Debt Service	232,036	-	-	-
Capital	-	132,000	432,000	-
Total Environmental Fund	\$ 4,908,080	\$ 5,683,817	\$ 6,700,690	\$ 7,681,862

ENVIRONMENTAL FUND

Environmental
Environmental Fund - 50000
Fiscal Year 2026

Environmental Fund 50000

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41000	Salaries - Regular	604,645	756,483	151,838	25.11%
41100	Salaries- Part Time	-	-	-	-
41200	Salaries - Overtime	30,000	38,535	8,535	28.45%
41300	Longevity Pay	8,400	10,600	2,200	26.19%
42000	FICA	41,565	58,485	16,920	40.71%
42100	Workers Compensation Insurance	10,800	16,000	5,200	48.15%
42200	State Retirement	75,649	93,067	17,418	23.02%
42210	401k	10,101	27,564	17,463	172.88%
42300	Medical Insurance	120,000	135,000	15,000	12.50%
42400	Life Insurance	580	1,568	988	170.34%
42500	Dental Insurance	3,480	6,960	3,480	100.00%
Sub-Total for Personnel Expenditures		\$ 905,220	\$ 1,144,262	\$ 239,042	26.41%
OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
44200	Repair & Maintenance: Vehicles	160,000	149,600	(10,400)	-6.50%
44400	Repair & Maintenance: Equipment	45,000	40,000	(5,000)	-11.11%
44900	Repair & Maintenance: Streets	10,000	10,000	-	0.00%
45250	Telephone	7,000	7,000	-	0.00%
45410	Equipment Rental	10,000	-	(10,000)	-100.00%
45670	Motor Fuel	68,250	100,000	31,750	46.52%
46100	Office Supplies	2,250	2,000	(250)	-11.11%
46200	Small Equipment and Tools	5,000	4,500	(500)	-10.00%
46630	Program Supplies	7,700	7,500	(200)	-2.60%
46860	Container Purchases	156,500	187,000	30,500	19.49%
47100	Uniforms	10,000	10,000	-	0.00%
48000	Contracted Services	180,000	50,000	(130,000)	-72.22%
48910	Solid Waste	3,787,170	4,150,000	362,830	9.58%
48920	Bulk Containers	134,000	200,000	66,000	49.25%
48930	Landfill	330,000	980,000	650,000	196.97%
48940	Recycling	300,000	460,000	160,000	53.33%
48950	Yard Waste - Tipping Fees	135,000	175,000	40,000	29.63%
51100	Travel and Training	15,600	5,000	(10,600)	-67.95%
Sub-Total for Operating Expenditures		\$ 5,363,470	\$ 6,537,600	\$ 1,174,130	21.89%
TOTAL ENVIRONMENTAL					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	905,220	1,144,262	239,042	26.41%
	Operating Expenditures	5,363,470	6,537,600	1,174,130	21.89%
	Debt Service	-	-	-	-
	Capital Expenditures	432,000	-	(432,000)	-100.00%
Total for All Categories of Expenses		\$ 6,700,690	\$ 7,681,862	\$ 1,413,172	14.64%

SEPARATION PAY FUND

City of Kannapolis Separation Pay Fund Fiscal Year 2026

The Separation Pay Fund was set up by the City to set aside funds for future payments to qualified employees who are eligible for retirement and have retired and have reached age 55 but have not attained age 62. For law enforcement officers, the State has made this separation allowance mandatory by Article 12D of the North Carolina General Statute 143. The City has chosen to make this benefit available to all City employees. This benefit is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the employee for each year of creditable service. The Separation Allowance is reported in the City's annual financial report as a Pension Trust Fund.

Separation Pay Fund Summary of Revenues

	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Revenues						
Transfer from General Fund	506,407	496,912	600,000	721,500	121,500	20.25%
Total Separation Fund	\$ 506,407	\$ 496,912	\$ 600,000	\$ 721,500	\$ 121,500	20.25%

Separation Pay Fund Summary of Expenditures

	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Expenditures						
Personnel	506,407	496,912	600,000	721,500	121,500	20.25%
Total Separation Fund	\$ 506,407	\$ 496,912	\$ 600,000	\$ 721,500	\$ 121,500	20.25%

SUMMARY SEPARATION EXPENDITURE CATEGORIES

Expense Category	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Personnel	506,407	496,912	600,000	721,500	121,500	20.25%
Total for All Categories of Expenses	\$ 506,407	\$ 496,912	\$ 600,000	\$ 721,500	\$ 121,500	20.25%

Separation Pay Fund Detailed Summary of Revenues

	FY 23 Adopted	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed
Revenues				
Transfer from General Fund	506,407	496,912	600,000	721,500
Total Separation Pay Fund	\$ 506,407	\$ 496,912	\$ 600,000	\$ 721,500

Separation Pay Fund Detailed Summary of Expenditures

	FY 23 Adopted	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed
Expenditures				
Personnel - Separation Pay	506,407	496,912	600,000	721,500
Total Separation Fund	\$ 506,407	\$ 496,912	\$ 600,000	\$ 721,500

Separation Pay 60000

PERSONNEL EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
41800	Separation Pay	554,000	670,000	116,000	20.94%
42000	FICA	46,000	51,500	5,500	11.96%
Sub-Total for Personnel Expenditures		\$ 600,000	\$ 721,500	\$ 121,500	20.25%
TOTAL SEPARATION PAY					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Personnel Expenditures	600,000	721,500	121,500	20.25%
Total for All Categories of Expenses		\$ 600,000	\$ 721,500	\$ 121,500	20.25%

TRANSIT FUND

City of Kannapolis

Transit Fund

Fiscal Year 2026

The Transit Fund was established by the City to set aside funds for payments for the City's share of expenses related to the Concord-Kannapolis Local Public Transportation System. This is the twenty third year this fund has existed. To offset the cost of transit operations, an annual transfer from the General Fund is needed to supplement it in conjunction with the vehicle license fee. The largest part of this entire initiative is funded by the State and Federal Governments.

Transit Fund Summary of Revenues

	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Revenues						
Motor Vehicle Privilege Tax	900,000	900,000	433,600	434,000	400	0.09%
Transfer from the General Fund	303,235	323,031	1,188,223	968,698	(219,525)	-18.48%
Appropriated Fund Balance	540,336	-	-	-	-	-
Total Transit Fund	\$ 1,743,571	\$ 1,223,031	\$ 1,621,823	\$ 1,402,698	\$ (219,125)	-13.51%

Transit Fund Summary of Expenditures

	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Expenditures						
Contracted Services	1,203,235	1,223,031	1,621,823	1,402,698	(219,125)	-13.51%
Capital Outlay	540,336	-	-	-	-	-
Total Transit Fund	\$ 1,743,571	\$ 1,223,031	\$ 1,621,823	\$ 1,402,698	\$ (219,125)	-13.51%

SUMMARY TRANSIT FUND EXPENDITURE CATEGORIES

Expense Category	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Operating	1,203,235	1,223,031	1,621,823	1,402,698	(219,125)	-13.51%
Capital Outlay	540,336	-	-	-	-	-
Total for All Categories of Expenses	\$ 1,743,571	\$ 1,223,031	\$ 1,621,823	\$ 1,402,698	\$ (219,125)	-13.51%

Transit Fund Detailed Summary of Revenues

	FY 23 Adopted	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed
Revenues				
Vehicle License Tax	900,000	900,000	433,600	434,000
Transfer from General Fund	303,235	323,031	1,188,223	968,698
Appropriated Fund Balance	540,336	-	-	-
Total Transit Fund	\$ 1,743,571	\$ 1,223,031	\$ 1,621,823	\$ 1,402,698

Transit Fund Detailed Summary of Expenditures

	FY 23 Adopted	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed
Expenditures				
Contracted Services	1,203,235	1,223,031	1,621,823	1,402,698
Capital Outlay	540,336	-	-	-
Total Transit Fund	\$ 1,743,571	\$ 1,223,031	\$ 1,621,823	\$ 1,402,698

Transit Fund 77500

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
48000	Contracted Services	1,621,823	1,402,698	(219,125)	-13.51%
57000	Transfer to the General Fund	-	-	-	-
Sub-Total for Operating Expenditures		\$ 1,621,823	\$ 1,402,698	\$ (219,125)	-13.51%
TOTAL TRANSIT					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Operating Expenditures	1,621,823	1,402,698	(219,125)	-13.51%
Total for All Categories of Expenses		\$ 1,621,823	\$ 1,402,698	\$ (219,125)	-13.51%

INSURANCE AND RISK FUND

City of Kannapolis Insurance and Risk Fund Fiscal Year 2026

The Insurance and Risk Fund was established by the City in FY 24 to better track revenues and expenses tied to the City's self-insured health insurance and workers compensation policies. In the past, this funding ran through a payable account, and the Enterprise Funds were not paying their adequate share of health and workers' compensation costs. This fund accounts for all health-related costs associated with active and retired employees on the plan as well as active employees covered by the City's workers' compensation policy.

To make sure this fund is solvent as an internal service fund, the City will likely increase the per employee employer contribution in most budget years.

This covers the City's portion to offset projected claims, operations of the Employee Health Center, administration, stop-loss and the Health Savings Account (HSA) contribution provided to each employee. Revenue estimates are based off the number of full-time positions. The remainder makes up dependent premiums based on current estimates provided by the City's healthcare broker. Worker's Compensation premiums are budgeted an equivalent way based on the number of full-time positions budgeted each year.

Insurance and Risk Fund Summary of Revenues

	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Revenues						
Health Insurance Premiums	-	5,391,600	5,940,204	6,578,904	638,700	10.75%
Retiree Premiums	-	184,000	200,000	200,000	-	0.00%
Workers Compensation Premiums	-	470,880	620,880	840,000	219,120	35.29%
Total Insurance and Risk Fund	\$ -	\$ 6,046,480	\$ 6,761,084	\$ 7,618,904	\$ 857,820	12.69%

Insurance and Risk Fund Summary of Expenditures

	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Expenditures						
Health Insurance	-	5,575,600	6,140,204	6,773,904	633,700	10.32%
Workers Compensation	-	470,880	620,880	845,000	224,120	36.10%
Total Insurance and Risk Fund	\$ -	\$ 6,046,480	\$ 6,761,084	\$ 7,618,904	\$ 857,820	12.69%

SUMMARY INSURANCE AND RISK FUND EXPENDITURE CATEGORIES

Expense Category	FY 2023 Adopted	FY 2024 Adopted	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
Operating	-	6,046,480	6,761,084	7,618,904	857,820	12.69%
Total for All Categories of Expenses	\$ -	\$ 6,046,480	\$ 6,761,084	\$ 7,618,904	\$ 857,820	12.69%

Insurance and Risk Fund Detailed Summary of Revenues

	FY 23 Adopted	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed
Revenues				
Health Insurance Premiums	-	5,391,600	5,940,204	6,578,904
Workers Compensation Premiums	-	470,880	620,880	840,000
Retiree Premiums (Health Insurance)	-	184,000	200,000	200,000
Total Health Insurance and Risk Fund	\$ -	\$ 6,046,480	\$ 6,761,084	\$ 7,618,904

Insurance and Risk Fund Detailed Summary of Expenditures

	FY 23 Adopted	FY 24 Adopted	FY 25 Adopted	FY 26 Proposed
Expenditures				
Health Insurance	-	5,575,600	6,140,204	6,773,904
Workers Compensation	-	470,880	620,880	845,000
Total Insurance and Risk Fund	\$ -	\$ 6,046,480	\$ 6,761,084	\$ 7,618,904

Health Insurance 90000

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
42330	Retiree Insurance	1,200,000	900,000	(300,000)	-25.00%
42335	Retiree Insurance-Post 65	-	300,000	300,000	-
42340	HSA & HRA Benefits	965,800	940,000	(25,800)	-2.67%
42341	HSA/HRA Retiree	80,000	80,000	-	0.00%
48000	Contracted Services	140,000	116,000	(24,000)	-17.14%
51446	Health Clinic	150,000	400,000	250,000	166.67%
51447	Dispensing Service	-	-	-	-
51448	Stop Loss	-	650,000	650,000	-
51449	BCBS Care Management	-	30,000	30,000	-
51640	Insurance Claims	2,634,404	3,265,904	631,500	23.97%
51910	Administration Fees	970,000	92,000	(878,000)	-90.52%
Sub-Total for Operating Expenditures		\$ 6,140,204	\$ 6,773,904	\$ 633,700	10.32%
TOTAL HEALTH INSURANCE					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Operating Expenditures	6,140,204	6,773,904	633,700	10.32%
Total for All Categories of Expenses		\$ 6,140,204	\$ 6,773,904	\$ 633,700	10.32%

Workers Compensation 90100

OPERATING EXPENDITURES					
Account #	Account Description	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
42100	Workers' Comp Insurance	265,000	250,000	(15,000)	-5.66%
48560	Pre Hire Screening	-	5,000	5,000	-
51641	WC Insurance Claims	320,880	550,000	229,120	71.40%
51911	WC Admin Fees	35,000	40,000	5,000	14.29%
Sub-Total for Operating Expenditures		\$ 620,880	\$ 845,000	\$ 224,120	36.10%
TOTAL WORKERS COMPENSATION					
	Expense Category	FY 2025 Adopted	FY 2026 Proposed	Actual Increase/ Decrease (\$)	% Change
	Operating Expenditures	620,880	845,000	224,120	36.10%
Total for All Categories of Expenses		\$ 620,880	\$ 845,000	\$ 224,120	36.10%



Kannapolis City Council

City Council Agenda Staff Report
May 12, 2025

To: Mayor and City Council
From: Richard Smith, Planning Director
Subject: **PUBLIC HEARING** - Voluntary Annexation (A-2025-06) of approximately 5.039 +/- acres of property located at 2806 N. Cannon Boulevard (Rowan County Parcel Identification Number 133 05708) and consider a motion to extend the Corporate Limits of the City of Kannapolis. **WITHDRAWN BY APPLICANT**

Recommended Action Requested by City Council

1. Hold a Public Hearing for Annexation Case A-2025-06 to consider the voluntary annexation of approximately 5.039 +/- acres of property located at 2806 N. Cannon Boulevard, further identified as Rowan County Parcel Identification Number 133 05708; and
2. Consider adopting the Annexation Ordinance.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

The applicant, Brad Koch - 10FSS 2806 N Cannon Blvd Kannapolis NC LLC, has submitted an application for voluntary annexation of approximately 5.039 +/- acres of contiguous property located at 2806 N. Cannon Boulevard. The property is further identified as Rowan County Parcel Identification Number 133 05708. This property is located just north of East 29th Street on Cannon Boulevard in the Rowan County portion of the City.

On April 28, 2025, City Council adopted a Resolution of Intent to Annex the subject property; authorized the Clerk to Investigate the Intent to Annex; Certify the Sufficiency of the Petition; and established a public hearing date of May 12, 2025.

The properties are further identified as Rowan County Parcel Identification Number 133 05708 and are located in an unincorporated area of Rowan County.

Fiscal Implications

None

Alternate Courses of Action

1. **Motion to adopt an Ordinance extending the Corporate Limits of the City of Kannapolis to approximately 5.039 +/- acres of contiguous property located at 2806 N. Cannon Blvd., further identified as Rowan County Parcel Identification Numbers 133 05708 (Recommended).**
2. Table Action to a future meeting.

3. Take no action.

Attachments

1. Certificate of Sufficiency A-2025-06
2. Public Notice Ad CC 5.12.2025 A-2025-06
3. Vicinity Color A-2025-06
4. Vicinity A-2025-06
5. A-2025-06 Annexation Ordinance
6. 2806 N. Cannon - Annexation Description
7. 2806 N. Cannon - Annexation Survey

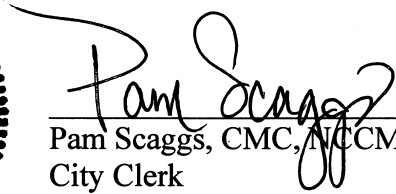
CERTIFICATE OF SUFFICIENCY
A-2025-06

To City Council of the City of Kannapolis, North Carolina.

I, Pam Scaggs, City Clerk, do hereby certify that pursuant to NCGS Chapter 160A-31 *et seq.*, I have investigated the petition attached hereto and have found as a fact that said petition is signed by all owners of real property lying in the area described therein.

In Witness Whereof, I have hereunto set my hand and affixed the seal of the City of Kannapolis, North Carolina, this the 28th day of April 2025.




Pam Scaggs, CMC, NCCMC
City Clerk



Petition for Contiguous Annexation

So that we may efficiently review your request in a timely manner, it is important that all required documents are submitted with your application. Submit digitals and 1 hard copy of applications and accompanying documents to the Planning Department at the address above.

ANNEXATION REQUEST

Approval authority – City Council.

Property Address: 2806 N. Cannon Blvd, Kannapolis, NC 28083

Applicant: Brad Koch - 10FSS 2806 N CANNON BLVD KANAPOLIS NC LLC

Address: 3301 Atlantic Ave City: Raleigh State: NC Zip: 27604

Contact number: 301-741-0600 Email: bkoch@10federal.com

SUBMITTAL CHECKLIST

- ☒ Pre-Application Meeting – send an email to planreviewappointment@kannapolisnc.gov
- ☒ Annexation Checklist and Application – Complete with all required property owner signatures
- ☒ Stamped, signed black and white 18 x 24" survey of subject property prepared by a registered engineer or surveyor (not preliminary)
- ☒ Metes and Bounds description of subject property

PROCESS INFORMATION

Annexation involves two (2) separate City Council meetings:

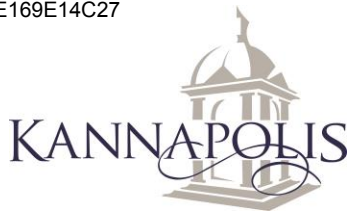
First meeting: The City Clerk will certify the sufficiency of the annexation and City Council will set a date for the public meeting.

Second meeting: City Council will review the petition and either approve or decline the annexation request:

1. Newspaper notification at least ten (10) days prior to the second Council meeting
2. Notification to the County or municipality from which the subject property is being annexed
3. Public Hearing
4. State recordation of the Resolution to Extend the Corporate City Limits, the signed/stamped 18X24" survey (can not be stamped as preliminary) and the Metes and Bounds Description.

By signing below, I acknowledge that I have reviewed the Submittal Checklist and have included the required submittal items and reviewed them for completeness and accuracy. I also acknowledge that my application will be rejected if incomplete.

Applicant's Signature:  Date: 4/15/2025



Planning Department
401 Laureate Way
Kannapolis, NC 28081
704.920.4350

PETITION REQUESTING A CONTIGUOUS ANNEXATION

Approval authority – City of Kannapolis City Council

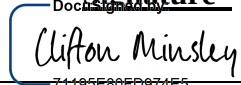
DATE: 4/16/2025

To the City Council of the City of Kannapolis, North Carolina:

1. We, the undersigned owners of real property respectfully request that the area described in paragraph 2 below be annexed to the City of Kannapolis.
2. The area to be annexed, located at 2806 N. Cannon Blvd, Kannapolis, NC 28083, further identified as Rowan County Parcel Identification Number 133 05708, is contiguous to the primary limits of the City of Kannapolis, is approximately 5.039 acres, and the boundaries of such territory are as follows:

See Attached Signed, Stamped Survey Map and Metes and Bounds Description

3. This petition is signed by all property owners of the area to be annexed.
4. ☒ The undersigned owners acknowledge that the following City service(s) is (are) not presently available for immediate taps upon annexation: water ☒ sewer ☒; and, subsequently agree that the City shall not provide water and sewer service to the area to be annexed except in accordance with the City's standard water and sewer policy.
5. Please check ONE box below:
☒ The undersigned owners declare that zoning vested rights have been established on the area to be annexed under G.S. 160D-108 or G.S. 160D-108.1 and provide proof of such rights by attachment hereto.
☐ The undersigned owners hereby declare that no such vested rights have been established and that any vested rights previously acquired are hereby terminated.

<u>Name</u> (print or type)	<u>Address</u>	<u>Signature*</u>
Clifton Minsley	3301 Atlantic Ave. Raleigh, NC 27604	 DocuSign Envelope ID: 71193E00FD974E5...
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____
4. _____	_____	_____

*Family members (e.g., husbands and wives) need to sign separately. Signatures for corporations, institutions, etc., are by those with the authority to sign legal documents.

Column Software PBC
PO Box 208098
Dallas, TX 75320-8098

help@column.us

Receipt number
Invoice number 636E6204-0009
Date paid Apr 29, 2025
Payment method VISA - 9491
Notice Id z8Yd385rveuIqjA3Z7sl
Publisher Concord Independent Tribune

Paid by
City of Kannapolis

\$200.72 paid on Apr 29, 2025

=== Notes ===

Notice Name: A-2025-06 - 2806 N Cannon Blvd.
Order Number: COL-NC-401040

Description	Qty	Unit price	Amount
05/03/2025: General Legal Notice	1	90.36	90.36
05/08/2025: General Legal Notice	1	90.36	90.36
Affidavit Fee	1	20.00	20.00
Subtotal			\$200.72
Tax			0.00
Amount paid			\$200.72

NOTICE OF PUBLIC HEARING

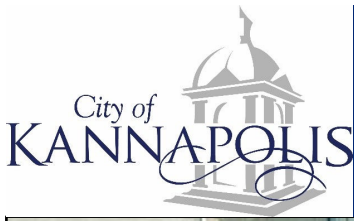
City of Kannapolis City Council
401 Laureate Way, Kannapolis, NC

Monday May 12, 2025 at 6:00 pm

Voluntary Annexation A-2025-06 - Public Hearing to consider the voluntary contiguous annexation of approximately 5.039 +/- acres of property located at 2806 N Cannon Blvd. and further identified as Rowan County Parcel Identification Number 133 05708.

In accordance with Title II of the Americans with Disabilities Act (AD), any person requiring an accommodation to participate in a function or program of the City of Kannapolis, should contact Daniel Jenkins, Assistant Human Resource Director & ADA Coordinator, by phone at 704-920-4312, email adacoordinator@kannapolisnc.gov, or in person at Kannapolis City Hall as soon as possible but not later than 48 hours before the scheduled event .

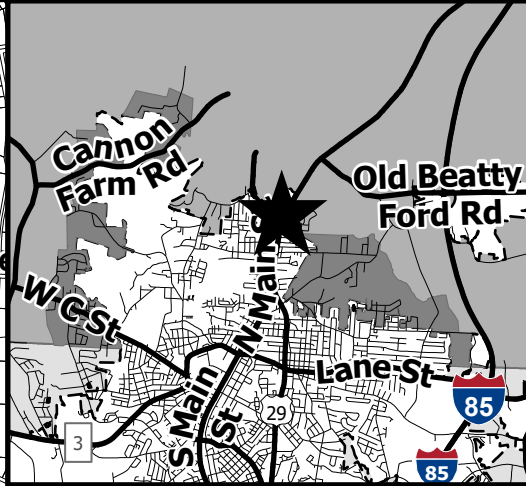
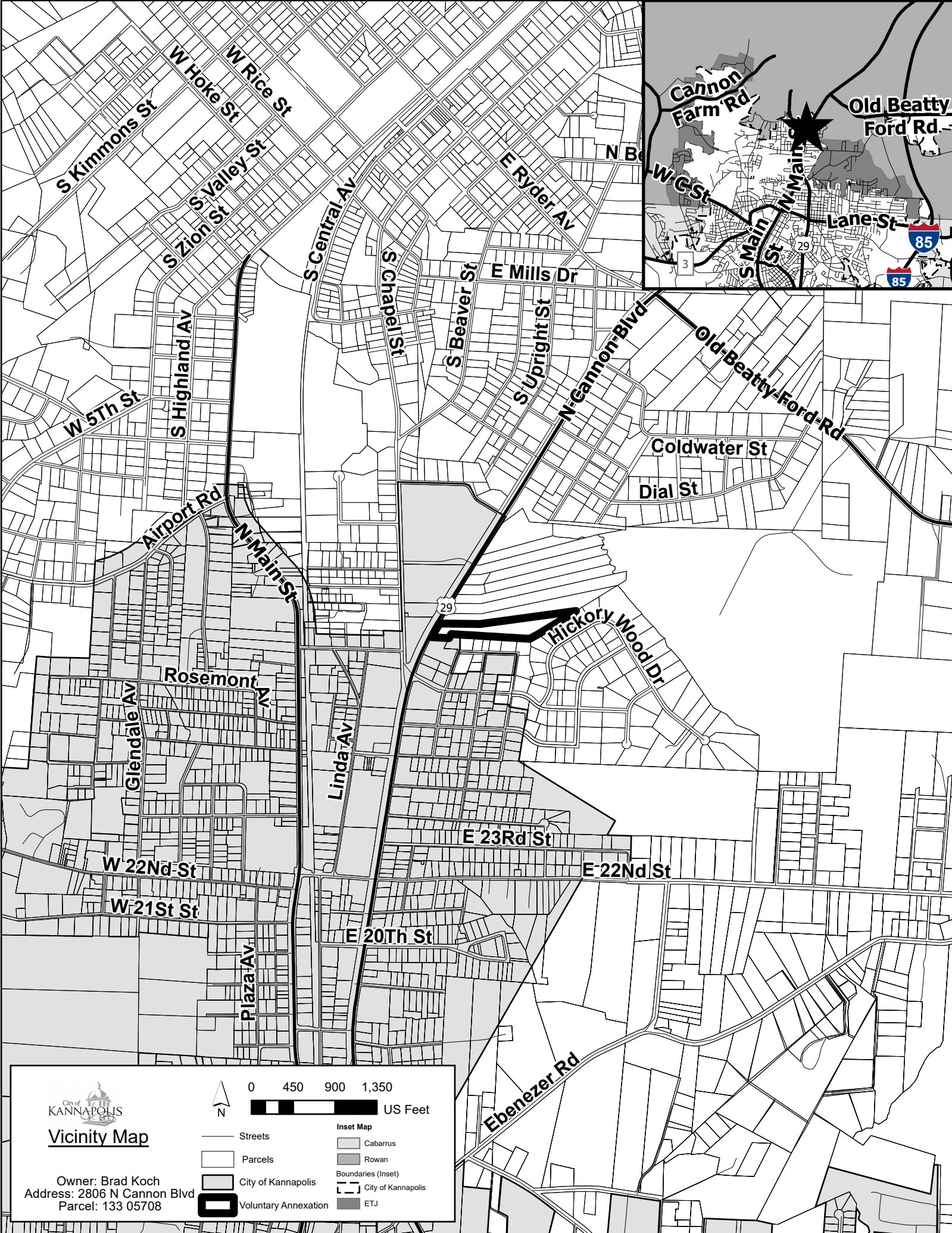
Publication Dates: May 3, 8, 2025. #####



Vicinity Map

Owner: Brad Koch
Address: 2806 N Cannon Blvd
Parcel: 133 05708







Vicinity Map

Owner: Brad Koch
Address: 2806 N Cannon Blvd
Parcel: 133 05708



0 450 900 1,350
US Feet

Streets

Parcels

City of Kannapolis

Voluntary Annexation

Inset Map

Cabarrus

Rowan

Boundaries (Inset)

City of Kannapolis

ETJ

**AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF
KANNAPOLIS, NORTH CAROLINA**

Annexation 2025-06 – 2806 North Cannon Boulevard

WHEREAS, pursuant to Chapter 160A-31 *et seq*, City Council has stated its intent to annex property as described below; and

WHEREAS, City Council has by resolution set and held a public hearing on the question of this annexation at Kannapolis City Hall, located at 401 Laureate Way at 6:00 PM on the 12th day of May 2025, after due notice by the Independent Tribune newspaper on the 3rd and 8th days of May 2025; and

WHEREAS, City Council finds that the public health, safety and welfare of the City of Kannapolis, North Carolina and of the area proposed for annexation will be best served by annexing the area described.

NOW, THEREFORE BE IT ORDAINED by City Council of the City of Kannapolis, North Carolina that:

Section 1. By virtue of the authority granted pursuant to N.C.G.S. Chapter 160A-31 *et seq*, the following described territory is hereby annexed and made part of the City of Kannapolis, North Carolina as of the 12th day of May 2025, and being more particularly described as Rowan County Parcel Identification Number 133 05708.

SEE EXHIBIT A – METES AND BOUNDS DESCRIPTON and SURVEY

Section 2. Upon and after the 12th day of May 2025, the above-described territory and its citizens and property shall be subject to all debts, laws, ordinances, and regulations in force in the City of Kannapolis, North Carolina and shall be entitled to the same privileges and benefits as other parts of the City of Kannapolis, North Carolina. Said territory shall be subject to municipal taxes according to G.S. 160A-58.3.

Section 3. The Mayor of the City of Kannapolis, North Carolina shall cause to be recorded in the office of the Register of Deeds of Rowan County, and in the office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 above, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the Board of Elections, as required by G.S. 163-288.1.

Adopted this 12th day of May 2025:

Milton D. Hinnant, Mayor
City of Kannapolis

ATTEST:

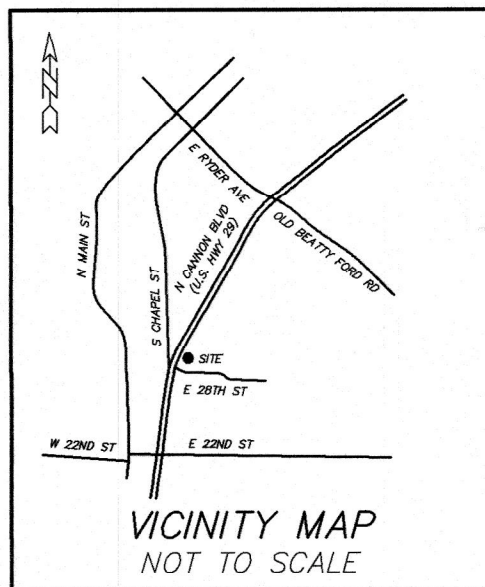
Pam Scaggs, CMC, NCCMC
City Clerk

APPROVED AS TO FORM:

W. Andrew Kelly, City Attorney

N CANNON BLVD – 5.039 ac. to be annexed into the City of Kannapolis

BEGINNING at an existing pipe with nail on the easterly margin of the right of way of N Cannon Blvd (U.S. Hwy 29), said pipe having North Carolina State Plane Coordinates N:652,127.05 E:1,521,233.04 (NAD83/2011, CF: 0.99985050), the common corner of the property of Family Land LLC (now or formerly) recorded in Deed Book 1448 Page 336, and further being on the existing City limits line; thence leaving the existing city limits line and following the common line of Family Land LLC two (2) calls: (1) with a bearing of S 88°57'39" E and a distance of 429.27' to an existing capped rebar; (2) with a bearing of N 82°32'24" E and a distance of 1041.00' to an existing pipe on the common line of Lot 13, Plat Book 9995 Page 916; thence following the common line of Lots 13 & 12 with a bearing of S 58°19'18" W and a distance of 116.04' (passing an existing bent rebar with nail at 15.92') to an existing rebar, the common corner of Lot 11; thence following the common line of Lot 11 with a bearing of S 58°23'14" W and a distance of 100.00' to a point, the common corner of Lot 10; thence following the common line of Lot 10 with a bearing of S 57°44'33" W and a distance of 99.79' to an existing pipe, the common corner of Lot 9; thence following the common line of Lot 9 with a bearing of S 58°33'13" W and a distance of 153.22' to an existing rebar, being the common corner of Lot 8 as shown on Plat Book 9995 Page 915; thence following the common line of Lot 8 with a bearing of S 58°17'11" W and a distance of 100.34' to an existing bent rebar with nail, being the common corner of Lot 1 as shown on Plat Book 9995 Page 915; thence following the common line thereof and the common line of the property of Mark T Davis & Ben W Davis (now or formerly) recorded in Deed Book 1104 Page 810 with a bearing of N 85°34'38" W and a distance of 294.82' to an existing rebar, being the common corner of the property of Robert B Morey Jr & Lisa C Morey (now or formerly) recorded in Deed Book 760 Page 402; thence following the common line thereof with a bearing of N 86°50'15" W and a distance of 124.86' to an existing bent rebar with nail, being the common corner of the property of Betty Jean Hooper (now or formerly) recorded in Deed Book 1271 Page 129; thence following the common line thereof with a bearing of N 86°32'14" W and a distance of 74.96' to an existing pipe, being the common corner of the property of Isaac Rombach (now or formerly) recorded in Deed Book 1375 Page 263; thence following the common line thereof and the common line of the property of Kendra Diprima & Evan Winfield Diprima (now or formerly) recorded in Deed Book 1374 Page 559 with a bearing of N 86°57'19" W and a distance of 257.45' to an existing pinch top pipe, the common corner of the property of 10FSS 2806 N Cannon Blvd Kannapolis NC LLC (now or formerly) recorded in Deed Book 1444 Page 461, said pipe being in the existing city limits line; thence following the common line of 10FSS 2806 N Cannon Blvd Kannapolis NC LLC and the existing city limits line three (3) calls: (1) with a bearing of N 86°24'21" W and a distance of 94.93' to an existing capped rebar; (2) with a bearing of S 27°00'55" W and a distance of 50.54' to an existing bent rebar with nail; (3) with a bearing of N 87°04'21" W and a distance of 197.28' to an existing nail on the westerly margin of the right of way of N Cannon Blvd (U.S. Hwy 29) and on the existing city limits line; thence following the margin of said right of way and the existing city limits line with a bearing of N 29°57'15" E and a distance of 176.70' to an existing pipe with nail; being the point of BEGINNING, having an area of 5.039 acres more or less, as shown on a survey by Carolina Surveyors, Inc.
(The bearings herein are referenced to N.C. Grid and the distances are ground feet)



LINE TYPE LEGEND

- BOUNDARY LINE
- TIE LINE
- RIGHT OF WAY
- APPROXIMATE RIGHT OF WAY (NOT SURVEYED)
- ADJOINING LINE (NOT SURVEYED)
- FENCE
- STORM DRAIN PIPE
- OVERHEAD ELECTRIC
- SANITARY SEWER PIPE
- EXISTING CITY LIMIT LINE

- SYMBOL LEGEND**
- SET MONUMENT (TYPE INDICATED)
 - EXISTING MONUMENT (TYPE INDICATED)
 - CALCULATED POINT
 - GAS VALVE
 - WATER VALVE
 - MAIL BOX
 - WATER METER
 - WELL
 - FIRE HYDRANT
 - SANITARY SEWER MANHOLE
 - STORM DRAIN MANHOLE
 - TELEPHONE/COMMUNICATIONS MANHOLE
 - ELECTRIC MANHOLE
 - DECIDUOUS TREE
 - EVERGREEN TREE
 - LIGHT POLE
 - POWER/UTILITY POLE
 - BACK FLOW PREVENTOR
 - GUY WIRE
 - CATCH BASIN
 - DROP INLET
 - YARD INLET

LINE TABLE		
LINE	BEARING	LENGTH
L1	N86°24'21"W	94.93'
L2	S27°00'55"W	50.54'
L3	S27°00'55"W	125.33'
L4	N87°04'21"W	197.28'
L5	N29°57'15"E	176.70'

THIS MAP IS EXEMPT FROM THE REQUIREMENTS OF N.C.G.S. 47-30 PER N.C.G.S. 47-30(j):

"THE PROVISIONS OF THIS SECTION SHALL NOT APPLY TO BOUNDARY PLATS OF STATE LINES, COUNTY LINES, AREAS ANNEXED BY MUNICIPALITIES, NOR TO PLATS OF MUNICIPAL BOUNDARIES, WHETHER OR NOT REQUIRED BY LAW TO BE RECORDED"

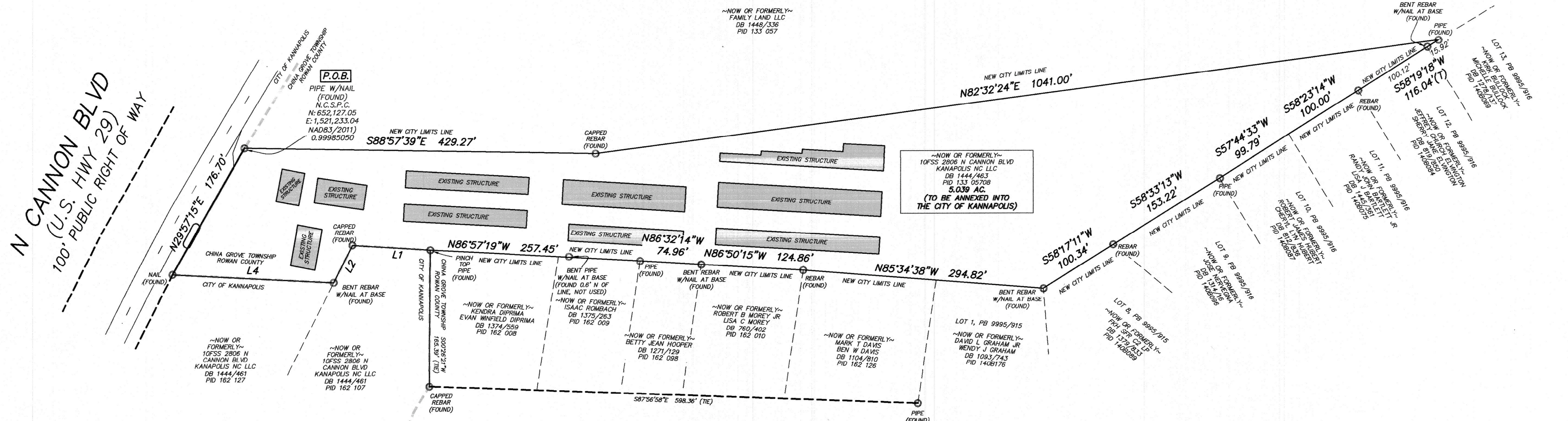
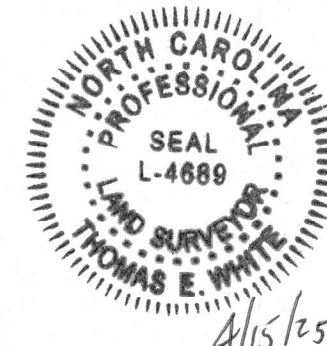
FURTHER, THIS PLAT IS EXEMPT FROM THE REVIEW OFFICER REQUIREMENTS OF N.C.G.S. 47-30.2 PER N.C.G.S. 47-30.2(c)(2)

I, THOMAS E. WHITE, CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION (DEED DESCRIPTION RECORDED IN BOOK 1444 PAGE 463, ETC.); THAT THE BOUNDARIES NOT SURVEYED ARE CLEARLY INDICATED AS DRAWN FROM INFORMATION AS REFERENCED HEREON; THAT THE RATIO OF PRECISION AS CALCULATED IS 1:10,000; THAT THIS PLAT WAS PREPARED IN ACCORDANCE WITH G.S. 47-30 AS AMENDED. WITNESS MY ORIGINAL SIGNATURE, LICENSE NUMBER, AND SEAL THIS 15TH DAY OF APRIL, 2025.

THIS IS TO CERTIFY THAT THIS SURVEY IS OF ANOTHER CATEGORY, SUCH AS THE RECOMBINATION OF EXISTING PARCELS, A COURT ORDERED SURVEY, OR OTHER EXEMPTION OR EXCEPTION TO THE DEFINITION OF SUBDIVISION.

NCPLS #L-4689

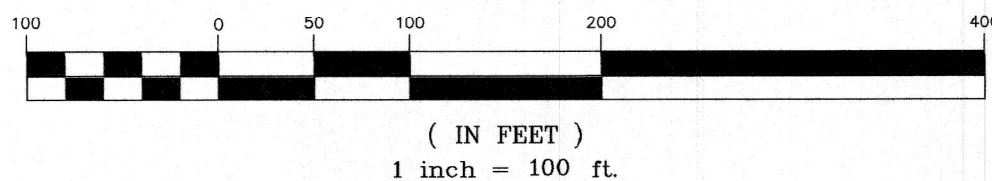
REVISIONS:	
DATE	
SCALE: 1" = 100'	
PROJECT: 25-0121	
DRAWN BY: NB	
FIELD WORK: GW/AM	
DATE: 04/15/2025	
DWG: CARLSON\2025\BAT\N Cannon Blvd ARCO	
CODG: 2025\1\N Cannon Blvd ARCO	



NOTES:

- IRON PINS SET AT ALL CORNERS UNLESS OTHERWISE NOTED.
- PROPERTY ZONED: CBI (SETBACKS & ZONING MATTERS ARE SUBJECT TO INTERPRETATION BY LOCAL MUNICIPALITIES)
- TAX PARCEL NUMBER 133 05708
- DEED REFERENCE: DB 1444 PG 463.
- BOUNDARY SURVEY ONLY THROUGH POINTS AS SHOWN.
- THIS PROPERTY IS LOCATED WITHIN AN AREA HAVING A ZONE DESIGNATION X BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY (FEMA), ON FLOOD INSURANCE RATE MAP (FIRM) NO. 3710562500K, WITH A DATE OF IDENTIFICATION OF 6/16/2009
- THIS PROPERTY MAY BE SUBJECT TO ADDITIONAL RECORDED OR UNRECORDED EASEMENTS, SETBACKS AND BUFFERS INCLUDING THOSE WITHIN THE APPLICABLE UNIFIED DEVELOPMENT ORDINANCE (UDO), RIGHTS-OF-WAY, IMPERVIOUS AREAS & BUILT UPON AREA (BUA) RESTRICTIONS, AND/OR RESTRICTIVE COVENANTS, OTHER THAN SHOWN. SURVEY MADE WITHOUT THE BENEFIT OF A TITLE EXAMINATION.
- AREA COMPUTED BY COORDINATE METHOD.
- NO NOGS MONUMENT FOUND WITHIN 2000'.
- UTILITY LOCATIONS SHOWN ARE LOCATED BASED ON SITE CONDITIONS AND MARKINGS AT THE TIME OF SURVEY. PIPES LABELED AS "DESTINATION UNKNOWN" (DU) ARE SHOWN BASED ON BEST OBSERVED EVIDENCE AT THE TIME OF SURVEY. IT IS RECOMMENDED ALL CRITICAL UTILITY CONNECTIONS AND CROSSINGS BE VERIFIED PRIOR TO FINAL DESIGN AND/OR CONSTRUCTION. CONTRACTORS ARE RESPONSIBLE TO HAVE ALL UTILITIES ACCURATELY MARKED PRIOR TO CONSTRUCTION.
- ANY CONSTRUCTION OR USE WITHIN ANY DELINEATED FLOOD AREA IS SUBJECT TO THE RESTRICTIONS IMPOSED BY ANY APPLICABLE ORDINANCES OR REGULATIONS.
- OFFSITE ADJOINER LINES AND RIGHT-OF-WAY LINES SHOWN AS DASHED ARE APPROXIMATE AND ARE FOR ILLUSTRATIVE PURPOSES ONLY.
- LINES SHOWN REPRESENTING FENCES AND WALLS ARE MEASURED FROM THE APPROXIMATE CENTERLINE AND DO NOT ACCOUNT FOR THE THICKNESS, PLUMBNESS OR MEANDER OF THE FENCE UNLESS OTHERWISE STATED.
- DISTANCES SHOWN ARE GROUND U.S. SURVEY FEET UNLESS OTHERWISE NOTED.
- NOT ALL IMPROVEMENTS ARE SHOWN.

GRAPHIC SCALE



LEGAL DESCRIPTION:

BEGINNING at an existing pipe with nail on the easterly margin of the right of way of N Cannon Blvd (U.S. Hwy 29), said pipe having North Carolina State Plane Coordinates N:652,127.05 E:1,521,233.04 (NAD83/2011, CF: 0.99985050), the common corner of the property of Family Land LLC (now or formerly) recorded in Deed Book 1444 Page 336, and further being on the existing City limits line; thence leaving the existing city limits line and following the common line of Family Land LLC two (2) calls: (1) with a bearing of S 88°57'39" E and a distance of 429.27' to an existing capped rebar; (2) with a bearing of N 82°32'24" E and a distance of 1041.00' to an existing pipe on the common line of Lot 13, Plat Book 9995 Page 916; thence following the common line of Lots 13 & 12 with a bearing of S 58°19'18" W and a distance of 116.04' (passing an existing bent rebar with nail at 15.92') to an existing rebar, the common corner of Lot 11; thence following the common line of Lot 11 with a bearing of S 58°23'14" W and a distance of 100.00' to a point, the common corner of Lot 10; thence following the common line of Lot 10 with a bearing of S 57°44'33" W and a distance of 99.79' to an existing pipe, the common corner of Lot 9; thence following the common line of Lot 9 with a bearing of S 58°33'12" W and a distance of 153.22' to an existing rebar, being the common corner of Lot 8 as shown on Plat Book 9995 Page 915; thence following the common line of Lot 8 with a bearing of S 58°17'11" W and a distance of 100.34' to an existing bent rebar with nail, being the common corner of Lot 1 as shown on Plat Book 9995 Page 915; thence following the common line thereof and the common line of the property of Mark T Davis & Ben W Davis (now or formerly) recorded in Deed Book 1104 Page 810 with a bearing of N 85°34'38" W and a distance of 294.82' to an existing rebar, being the common corner of the property of Robert B Marey Jr & Lisa C Marey (now or formerly) recorded in Deed Book 760 Page 402; thence following the common line thereof and the common line of Betty Jean Hooper (now or formerly) recorded in Deed Book 1271 Page 129; thence following the common line thereof with a bearing of N 86°32'14" W and a distance of 74.96' to an existing pipe, being the common corner of the property of Isaac Rombach (now or formerly) recorded in Deed Book 1375 Page 263; thence following the common line thereof and the common line of Kendra Dliprma & Evan Winfield Dliprma (now or formerly) recorded in Deed Book 1374 Page 359 with a bearing of N 86°57'19" W and a distance of 257.45' to an existing pinch top pipe, the common corner of the property of 10FSS 2806 N Cannon Blvd Kanapolis NC LLC (now or formerly) recorded in Deed Book 1444 Page 461, said pipe being in the existing city limits line; thence following the common line of 10FSS 2806 N Cannon Blvd Kanapolis NC LLC and the existing city limits line three (3) calls: (1) with a bearing of N 86°24'21" W and a distance of 94.93' to an existing capped rebar; (2) with a bearing of S 27°00'55" W and a distance of 50.54' to an existing bent rebar with nail; (3) with a bearing of N 87°04'21" W and a distance of 197.28' to an existing nail on the westerly margin of the right of way of N Cannon Blvd (U.S. Hwy 29) and on the existing city limits line; thence following the margin of said right of way and the existing city limits line with a bearing of N 29°57'15" E and a distance of 176.70' to an existing pipe with nail; being the point of BEGINNING, having an area of 5.039 acres more or less, as shown on a survey by Carolina Surveyors, Inc.

AN ANNEXTION PLAT SHOWING TRACT ON

N CANNON BLVD (U.S. HWY. 29)

(NEAR THE INTERSECTION OF)

SURVEYED FOR: 10FSS 2806 N CANNON BLVD KANAPOLIS NC LLC

AREA: 5.039 AC

CHINA GROVE TOWNSHIP, ROWAN COUNTY, NORTH CAROLINA

CAROLINA SURVEYORS, INC.

P.O. BOX 267 PINEVILLE, N.C. 28134 - 0267

THOMAS E. WHITE, NCPLS & SCPLS 704-889-7601

CERTIFICATE OF AUTHORIZATION NC-C-1242 SC-886



Kannapolis City Council

City Council Agenda Staff Report

May 12, 2025

To: Mayor and City Council

From: Richard Smith, Planning Director

Subject: **PUBLIC HEARING & RESOLUTION - DEVELOPMENT AGREEMENT #2025-09 - Dale Earnhardt Blvd Partners, LLC (Dale Earnhardt Blvd. Townhomes) APPROVED 4 TO 3**

Recommended Action Requested by City Council

1. Conduct a Public Hearing.
2. Motion to approve the Resolution approving the Ordinance to execute the Development Agreement.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

On December 12, 2021, City Council adopted a Wastewater Allocation Policy to "provide for the judicious allocation" of the City's limited wastewater treatment capacity. To do so, City Council adopted a fair and reasonable method for strategic allocation of this resource among qualifying public and private land development interests. The allocation process is administered by issuing permits to projects with meet specified City interest and goals. In the case of private commercial and residential permit recipients, it has become clear that once a permit is awarded, it is necessary to require the developer to guarantee completion of the project, as presented, within a specified time period. In the event of failure to meet these requirements, the allocation could be rescinded and awarded to another qualified party.

The method of acquiring that contractual guarantee is accomplished by a Development Agreement, a form of which is presented to City Council at its meeting for consideration, public comment, and approval. The project for consideration of the above-described Development Agreement is approximately 5.31 +/- acres of combined properties consisting of 27 parcels further identified as Cabarrus County Parcel Identification Numbers 56144081910000, 56144080250000, 56144070540000, 56144060700000, 56134959960000, 56134959230000, 56134958820000, 56134968440000, 56134978070000, 56134978590000, 56134989120000, 56134989750000, 56144090500000, 56134998860000, 56134998430000, 56134988800000, 56134987270000, 56134977640000, 56134977010000, 56134966470000, 56134965930000, 56134975470000, 56134976930000, 56134986540000, 56134996160000, 56134996690000, and 56134997870000. This property is located in a two-block area with Dale Earnhardt Boulevard bordering it on the east, Vance Street to the south, West D Street to the west, and Chestnut Avenue on the north.

The Development Agreement with Dale Earnhardt Blvd Partners, LLC. will include consideration of certain temporary construction and permanent stormwater easement rights with respect to the real property owned by the City consisting of approximately 2.469 acres and identified further as Cabarrus County Parcel Identification Number 56134963910000. As a result of the encroachment on City

property, the developer will in turn construct a dog park (rendering included with this packet).

City Council first held a public hearing on this matter at the April 28, 2025 business meeting. The request was not approved by Council, but additional information has been made available by the current owner concerning the existing houses at this site, as well as regarding the current and previous residents, so the matter has been added back to the agenda for City Council's reconsideration. This new information will be discussed at the meeting.

Fiscal Implications

None

Alternate Courses of Action

- 1. Motion to approve the Resolution approving the Ordinance to execute the Development Agreement with Dale Earnhardt Blvd. Partners, LLC (Recommended).**
2. Amend and then approve the Resolution.
3. Table action to a future meeting.
4. Take no action.

Attachments

1. Ryan Homes_Elevations
2. 20250424 Beauxwright_Dog Park Design
3. Beauxwright_Project Schedule
4. Beauxwright_Survey
5. Beauxwright_Project Schedule (1)
6. Public Notice
7. Beauxwright 2025-05-05 Vicinity Map
8. 2025-39 Ordinance Dev Agmt DA-2025-09 DEB THs
9. 2025-42 Resolution approving Ordinance for DA-09 DEB TH





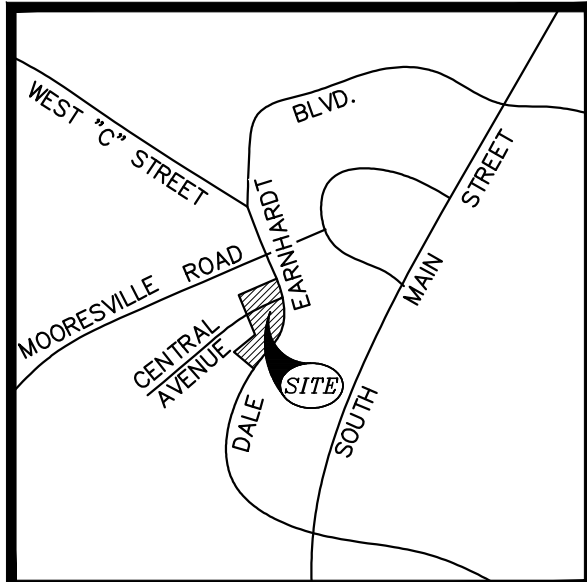


EXAMPLE IMAGES OF POTENTIAL DOG PLAY EQUIPMENT

Project Schedule

<u>Deliverable</u>	<u>Estimated Date</u>
Permit Approvals	Q4 - 2025
Development Start	Q1 - 2026
Home Construction Start	Q3 - 2026
First Home Sales	Q4 - 2026
Dog Park Delivery	Q1 - 2027
Last Sales	Q4 - 2028





FLOOD NOTE:

THIS PROPERTY IS LOCATED IN FLOOD ZONE X AS SHOWN FROM THE FOLLOWING FEMA FLOOD MAPS
3710561300K, PANEL 5613, REVISED 11/16/2018
3710561300K, PANEL 5614, REVISED 11/16/2018

NOTE REGARDING REVISION:

THIS PRELIMINARY ALTA UPDATES THE CENTRAL AVENUE ROAD ABANDONMENT FILED IN DB 17315 PAGE 0144.

VICINITY MAP (NTS)

REFERENCES

1. DEED BOOK 16230, PAGE 43
2. PLAT BOOK 20, PAGE 4
3. PLAT BOOK 20, PAGE 5
4. PLAT BOOK 56, PAGE 17
5. PLAT BOOK 56, PAGE 18
6. PLAT BOOK 83, PAGE 63
7. PLAT BOOK 83, PAGE 100
8. PLAT BOOK 85, PAGE 87
9. DEED BOOK 17315, PAGE 144

CABARRUS COUNTY REGISTER OF DEEDS

ZONING

"R8" KANNAPOLIS:
FRONT SETBACK= 10'
SIDE SETBACK= 5'
REAR SETBACK= 5'

"CC" KANNAPOLIS:
FRONT SETBACK= 0-10'
SIDE SETBACK= 0'
REAR SETBACK= 10'

SURVEY NOTES:

1. NORTH IS REFERENCED TO NAD 83 (2011) VIA THE NC RTK NETWORK.
2. SUBJECT PARCELS ARE ZONED: "CC" CENTER CITY AND "R8" RESIDENTIAL.
3. AREA WAS DETERMINED BY THE COORDINATE METHOD.
4. CHICAGO TITLE COMPANY LLC. TITLE REPORT(24-10964CH) PROVIDED BY CLIENT.
5. IRONS AT ALL CORNERS UNLESS SHOWN OR LABELED OTHER WISE.
6. HOUSES ENCLOSED PRESCRIPTIVE STORM AND SEWER EASEMENTS ON TAX PARCELS 56134989750000, 561349898430000, 56134989690000, AND 561349896160000.
7. ANYTHING SHOWN OUTSIDE THE DEFINED BOUNDARY IS FOR DESCRIPTIVE PURPOSES ONLY.
8. AS OF THE DATE OF THIS SURVEY NO RECENT STREET OR SIDEWALK CONSTRUCTION OR REPAIRS WAS FOUND TO EXIST.
9. THERE ARE NO KNOWN PROPOSED CHANGES TO THE STREET RIGHT OF WAY LINES SHOWN.
10. NO PHYSICAL EVIDENCE OF TRACTS BEING USED AS A DUMP, SUMP OR SANITARY LANDFILL WAS FOUND TO EXIST.
11. NO DEFINED PARTY WALLS CONSTITUTING A BOUNDARY LINE.
12. NO WETLANDS DELINEATED OR SURVEYED.
13. AT THE TIME OF THE SURVEY NO IDENTIFIABLE VISUAL EVIDENCE WAS OBSERVED OF CEMETERIES, GRAVESITES OR BURIAL GROUNDS, NOR WERE ANY RECORDED DOCUMENTS PROVIDED IN TITLE COMMITMENT.
14. EACH SUBJECT TRACT IS ONE CONTIGUOUS TRACT WITH NO GAPS OR GORES.
15. TRACT ONE HAS DIRECT ACCESS TO THE PUBLIC RIGHT OF WAY OF CENTRAL AVENUE AND DALE EARNHARDT BOULEVARD. TRACT TWO HAS DIRECT ACCESS TO CENTRAL AVENUE, CHESTNUT STREET, AND DALE EARNHARDT BOULEVARD. TRACT THREE HAS DIRECT ACCESS TO CENTRAL AVENUE, WEST "D" STREET, AND DALE EARNHARDT BOULEVARD. TRACT FOUR HAS DIRECT ACCESS TO CENTRAL AVENUE, WEST "D" STREET, AND CHESTNUT STREET. TRACT FIVE HAS DIRECT ACCESS TO WEST "D" STREET AND VANCE AVENUE. TRACT SIX HAS DIRECT ACCESS TO VANCE AVENUE AND DALE EARNHARDT BOULEVARD.
16. AT THE TIME OF THIS SURVEY, THERE WAS NO EVIDENCE OF EARTH MOVING WORK AND OR CONSTRUCTION
17. BUILDINGS NOT SURVEYED. LOCATIONS SHOWN PER CABARRUS COUNTY GIS.

SURVEYORS CERTIFICATE:

TO DALE EARNHARDT BOULEVARD PARTNERS, LLC, A NORTH CAROLINA LIMITED LIABILITY COMPANY; LENDER TBD, AND CHICAGO TITLE COMPANY LLC:

THIS IS TO CERTIFY THAT THIS MAP OR PLAT AND THE SURVEY ON WHICH IT IS BASED WERE MADE IN ACCORDANCE WITH THE 2021 MINIMUM STANDARD DETAIL REQUIREMENTS FOR ALTA/NSPS LAND TITLE SURVEYS, JOINTLY ESTABLISHED AND ADOPTED BY ALTA AND NSPS, AND INCLUDES ITEMS 1, 2, 3, 4, 6(A), 6(B), 7(A), 8, 9, 10, 11(A), 12, 13, 16, 17, 18, 19, AND 20 OF TABLE A THEREOF. THE FIELDWORK WAS COMPLETED ON 11/4/2024.

DATE OF PLAT OR MAP: 12/16/2024

UPDATED: 3/27/2025

PRELIMINARY

CHRISTOPHER G. DELLA MEA
NCP's REGISTRATION NO. 4157
DATED: 3/27/2025



LEGEND

- IRON FOUND (#4 REBAR UNLESS DESCRIBED OTHERWISE)
- IRON SET (5/8" REBAR)
- CALCULATED POINT
- SEWER MANHOLE
- CLEAN OUT
- FIRE HYDRANT
- WATER VALVE
- WATER METER
- LIGHT POLE
- SPOT LIGHT
- POWER POLE
- HIGH VOLTAGE TRANSMISSION POLE
- GUY WIRE
- ALTA EXCEPTION
- LOT NUMBER
- PROPERTY LINE
- ADJOINING PROPERTY LINE
- RIGHT-OF-WAY
- OVERHEAD POWER LINE
- SEWER LINE
- STORM DRAIN
- FENCE
- ZONING BOUNDARY

GRAVEL

LINE	BEARING	DISTANCE
L1	S 24°48'55" E	8.42'
L2	N 64°33'34" E	36.43'
L3	N 64°33'34" E	40.52'
L4	S 70°10'59" E	32.30'
L5	S 26°23'29" E	74.09'
L6	S 21°57'06" E	23.60'
L7	S 23°11'54" E	21.80'
L8	S 01°35'22" W	61.50'
L9	S 54°22'59" W	35.78'
L10	N 88°12'52" W	39.80'
L11	S 76°12'19" W	69.02'
L12	S 76°09'56" W	22.88'
L13	S 59°32'54" W	43.04'
L14	S 59°32'54" W	46.16'
L15	S 54°50'46" W	58.26'
L16	N 70°28'04" W	37.21'
L17	S 51°53'11" W	11.73'
L18	N 27°44'44" W	14.80'
L19	N 27°44'44" W	14.80'
L20	N 63°12'48" E	27.11'
L21	N 63°12'48" E	40.38'

CURVE	RADIUS	LENGTH	CHORD	CHORD BEARING
C1	678.70'	63.76'	63.73'	S 20°23'37" E
C2	640.97'	47.91'	47.90'	S 15°47'35" E
C3	640.97'	57.29'	57.27'	S 11°05'28" E
C4	664.95'	123.17'	123.00'	S 03°37'19" E
C5	678.70'	73.89'	73.85'	S 10°19'04" W
C6	1330.86'	93.06'	93.04'	N 17°11'16" W
C7	1330.86'	144.25'	144.18'	N 22°17'45" W

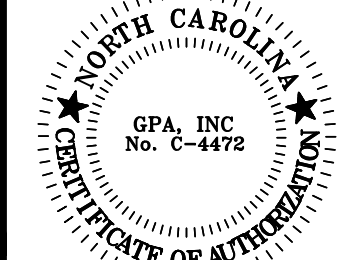
SEE SHEET 3 FOR ALTA EXCEPTIONS

SCALE
1" = 40'

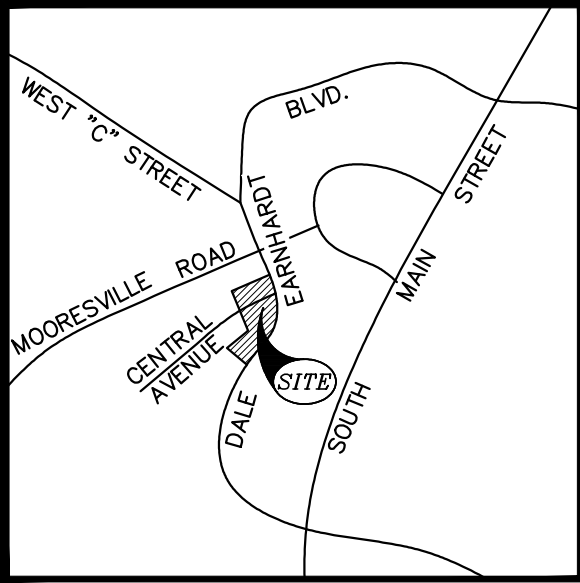
JOB NO.
240106
DATE
4/2/2025
DRAWN BY
CJP
CHECKED BY
CGD

SHOWING MULTIPLE LOTS
ALL PARCELS OWNED BY
KANNAPOLIS LAND PARTNERS LLC
LOCATED IN THE CITY OF KANNAPOLIS
CABARRUS COUNTY, NORTH CAROLINA

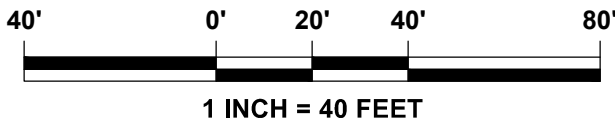
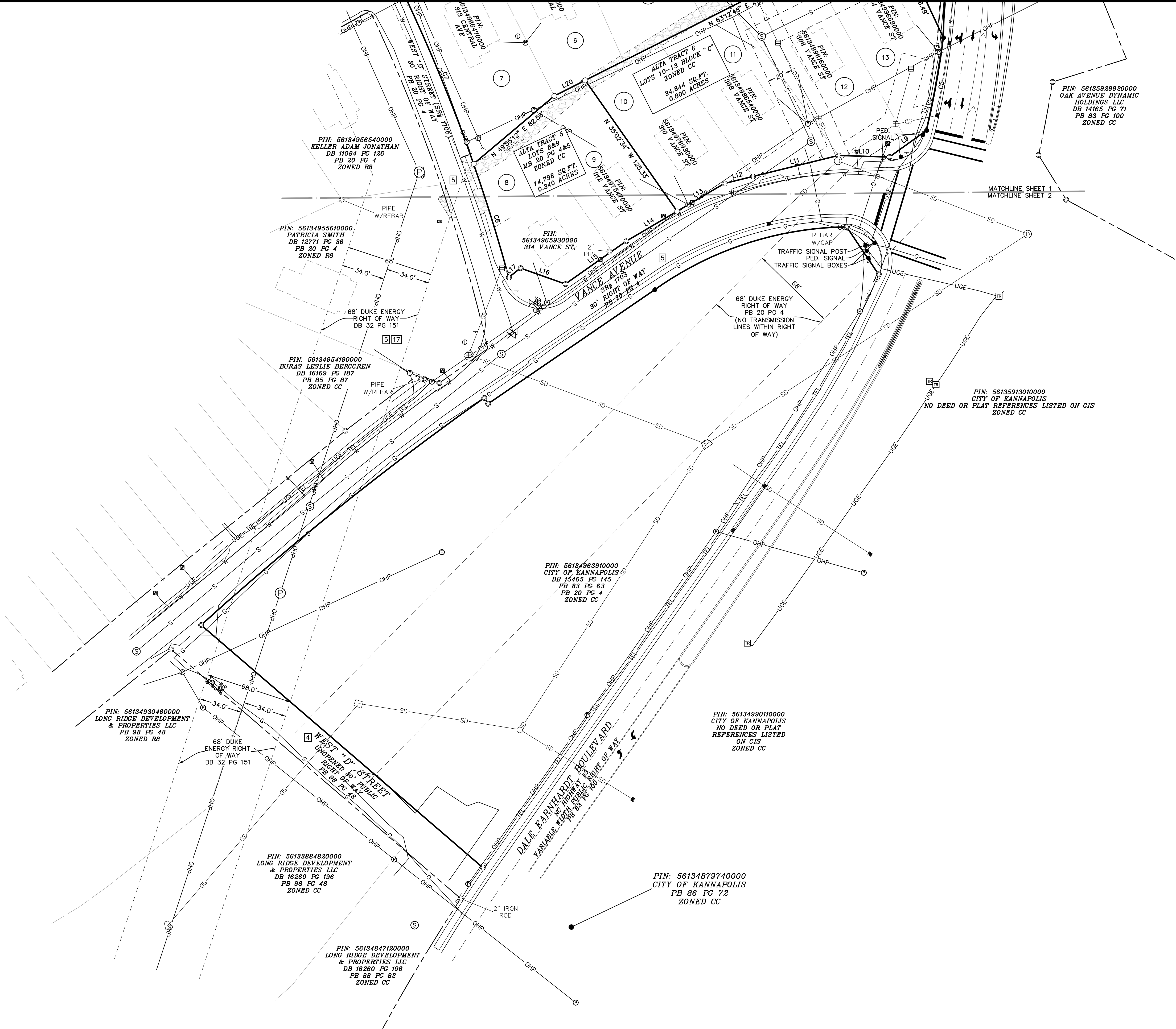
PREPARED FOR:
BEAUXWRIGHT
1800 WEST MOREHEAD,
CHARLOTTE, NC 28208



SHEET
1
OF
3



VICINITY MAP (NTS)



SEE SHEET 3 FOR
ALTA EXCEPTIONS

DATE	REVISION	BY

GPA
PROFESSIONAL
LAND SURVEYORS
EST. 1987

GPA, INC.
SERVING SOUTH CAROLINA
AND NORTH CAROLINA

CHARLESTON, SC CORP. OFF.
281 TRELAND DR. STE. B
LADSON, SC 29456
OFFICE (843) 285-2424

CHARLOTTE, NC BRANCH
605 PHILLIP DAVIS DR. STE. J
CHARLOTTE, NC 28217
OFFICE (704) 335-8600

"Integrity Without Boundaries"
www.gpaland.com

SCALE
1" = 40'
JOB NO.
240106
DATE
4/2/2025
DRAWN BY
CJP
CHECKED BY
CGD

TOWNSHIP 4

SHOWING MULTIPLE LOTS
ALL PARCELS OWNED BY
KANNAPOLIS LAND PARTNERS LLC
LOCATED IN THE CITY OF KANNAPOLIS
CABARRUS COUNTY, NORTH CAROLINA

ALTA / N S P S L A N D T I T L E S U R V E Y

PREPARED FOR:
1800 WEST MOREHEAD,
CHARLOTTE, NC 28208

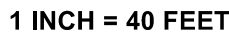


SHEET	OF
2	3



CHICAGO TITLE COMPANY, LLC
COMMITMENT NUMBER: 24-10964CH
COMMITMENT DATE SEPTEMBER 16, 2024 AT 08:00 AM

-
- A circular professional seal for Christopher G. DellaMee. The outer ring contains the text "NORTH CAROLINA" at the top and "CHRISTOPHER G. DELLA MEE" at the bottom. Inside this ring, the words "PROFESSIONAL" and "LAND SURVEYOR" are positioned at the top and bottom respectively. In the center of the seal, the word "SEAL" is above the license number "L-4157".



LYING AND BEING SITUATE IN CABARRUS COUNTY, NORTH CAROLINA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

TRACT 1:

BEING ALL OF LOTS 1 AND 14 IN BLOCK C AS SHOWN ON THAT CERTAIN PLAT ENTITLED, PROPERTY OF CANNON HOLDING

CORPORATION KANNAPOLIS SUBDIVISION S.W., SECTION V RECORDED IN PLAT BOOK 20, PAGES 4 AND 5 IN THE OFFICE OF THE REGISTER OF DEEDS FOR CABARRUS COUNTY, NORTH CAROLINA.

LESS AND EXCEPT THAT PORTION THEREOF TAKEN BY THE DEPARTMENT OF TRANSPORTATION FOR DALE EARNHARDT BOULEVARD.

TRACT II

BEING ALL OF LOTS 1 AND 13 IN BLOCK D AS SHOWN ON THAT CERTAIN PLAT ENTITLED "PROPERTY OF CANNON HOLDING CORPORATION KANNAPOLIS SUBDIVISION S.W., SECTION V" ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 20, PAGES 4 AND 5 IN THE OFFICE OF THE REGISTER OF DEEDS OF CABARRUS COUNTY, NORTH CAROLINA.

LESS AND EXCEPT THE LAND CONVEYED BY DEED FOR HIGHWAY RIGHT OF WAY RECORDED IN BOOK 12370, PAGE 226, CABARRUS COUNTY REGISTRY.

TRACT III

BEING ALL OF LOTS 2, 3, 4, 5, 6 AND 7 IN BLOCK C AS SHOWN ON THAT CERTAIN PLAT ENTITLED "PROPERTY OF CANNON

HOLDING CORPORATION KANNAPOLIS SUBDIVISION S.W., SECTION V" ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK 20, PAGES 4 AND 5 IN THE OFFICE OF THE REGISTER OF DEEDS OF CABARRUS COUNTY, NORTH CAROLINA.

TRACT IV

BEING ALL OF LOTS 2, 3, 4, 5, 6, 7, 8, 9, 10, 11 AND 12 IN BLOCK D AS SHOWN ON THAT CERTAIN PLAT ENTITLED
 "PROPERTY OF CANNON HOLDING CORPORATION KANNAPOLIS SUBDIVISION S.W., SECTION V" ACCORDING TO THE PLAT THEREOF
 RECORDED IN PLAT BOOK 20, PAGES 4 AND 5 IN THE OFFICE OF THE REGISTER OF DEEDS OF CABARRUS COUNTY, NORTH
 CAROLINA.

TRACT V

BEING ALL OF LOTS 8 AND 9 IN BLOCK C AS SHOWN ON THAT CERTAIN PLAT ENTITLED PROPERTY OF CANNON HOLDING CORPORATION KANNAPOLIS SUBDIVISION S.W., SECTION V RECORDED IN PLAT BOOK 20, PAGES 4 AND 5 IN THE OFFICE OF THE REGISTER OF DEEDS FOR CABARRUS COUNTY, NORTH CAROLINA.

TRACT VI

BEING LOTS 10, 11, 12 AND 13 IN BLOCK C AS SHOWN ON THAT CERTAIN PLAT ENTITLED "EXCEPTION PLAT BOUNDARY SURVEY AND RECOMBINATION OF LOTS 10-13, BLK "C" MBK 20, PG. 4 PROPERTIES OF ATLANTIC AMERICAN PROPERTIES, INC." RECORDED IN PLAT BOOK 83, PAGE 63 IN THE OFFICE OF THE REGISTER OF DEEDS FOR CABARRUS COUNTY, NORTH CAROLINA.

TRACTS II AND IV DESCRIBED ABOVE, TAKEN AS A TRACT, BEING ALSO DESCRIBED AS FOLLOWS:

NORTHERN TRACT: LYING AND BEING IN THE CITY OF KANNAPOUR, CABARRUS COUNTY, NORTH CAROLINA, BEING A TRACT OF LAND BOUNDED BY THE EASTERN RIGHT-OF-WAY OF WEST D STREET (30' PUBLIC RIGHT OF WAY) TO THE WEST, THE SOUTHERN RIGHT-OF-WAY OF CHESTNUT STREET TO THE NORTH, THE SOUTHERN RIGHT-OF-WAY OF DALE EARNHARDT BOULEVARD/NC HWY 3 (VARIABLE WIDTH PUBLIC RIGHT-OF-WAY) TO THE EAST, AND THE NORTHERN RIGHT-OF-WAY OF CENTRAL AVENUE (29.5' PUBLIC RIGHT OF WAY) TO THE SOUTH, AND, BEING MORE PARTICULARLY DESCRIBED TO WIT:

BEGINNING AT A MAGNETIC NAIL, SAID NAIL HAVING THE FOLLOWING NC NAD 83 COORDINATES
 N: 639747.36, E: 154569.68, AND RUNS THENCE ALONG THE WESTERN RIGHT-OF-WAY OF WEST STREET
 100 FEET TO A DISTANT POINT, (1) N 65°44'44" E, A DISTANCE OF 373.31' TO A
 RIGHT-OF-WAY OF WEST D STREET WITH THE SOUTHERN RIGHT-OF-WAY OF CHESTNUT AVENUE, THENCE WITH THE
 SOUTHERN RIGHT-OF-WAY OF CHESTNUT AVENUE THE FOLLOWING FIVE (5) CALLS: (1) N 65°04'44" E, A DISTANCE OF 373.31'
 TO A COMPUTED POINT; (2) S 2°02'33"77" E, A DISTANCE OF 6.73' TO A #4 REBAR; (3) S 63°73'21" E, A DISTANCE OF 36.43'
 TO A COMPUTED POINT; (4) S 63°33'34" E, A DISTANCE OF 40.52' TO A COMPUTED POINT; (5) THENCE S 63°05'09" E,
 A DISTANCE OF 32.30' TO A COMPUTED POINT AT THE POINT OF INTERSECTION OF THE SOUTHERN RIGHT-OF-WAY OF CHESTNUT
 STREET WITH THE WESTERN RIGHT-OF-WAY OF DALE EARNHARDT BOULEVARD; THENCE WITH THE WESTERN RIGHT-OF-WAY OF
 CHESTNUT STREET THE FOLLOWING FIVE (5) CALLS: (1) S 63°05'09" E, A DISTANCE OF 32.30' TO A COMPUTED POINT;
 (2) S 2°15'06" E, A DISTANCE OF 23.60' TO A #4 REBAR; (3) S 23°15'54" E, A DISTANCE OF 21.80' TO A #4 REBAR; (4)
 THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 63.78', HAVING A RADIUS OF 678.70', AND BEING
 SUBTENDED BY A CHORD BEARING OF S 2°02'33"77" E, WITH A CHORD LENGTH OF 6.73' TO A #4 REBAR AT THE INTERSECTION
 OF CHESTNUT STREET WITH THE WESTERN RIGHT-OF-WAY OF CENTRAL AVENUE; THENCE ALONG THE WESTERN RIGHT-OF-WAY
 AVENUE, THENCE ALONG THE NORTHERN RIGHT-OF-WAY OF CENTRAL AVENUE THE FOLLOWING FIVE (5) CALLS: S 23°37'52" E,
 A DISTANCE OF 37.52' TO A #4 REBAR; (2) S 64°55'26" W, A DISTANCE OF 29.96' TO A COMPUTED POINT; (3) S 64°55'26"
 W, A DISTANCE OF 58.92' TO A #4 REBAR; (4) S 25°46'14" E, A DISTANCE OF 7.62' TO A COMPUTED POINT; (5) THENCE S
 63°05'09" E, A DISTANCE OF 32.30' TO A COMPUTED POINT AND PLACE OF BEGINNING AND COMPRISING AN AREA OF 113,530.95
 SQUARE FEET, AND/OR 2,364 ACRES, MORE OR LESS.

TRACTS I, III, V, AND VI DESCRIBED ABOVE, TAKEN AS A TRACT, BEING ALSO DESCRIBED AS FOLLOWS:

SOUTHERN TRACT, LYING AND BEING IN THE CITY OF KANNAHOLLS, CATAHOUS COUNTY, NORTH CAROLINA, BEING A TRACT OF

AND BOUNDED BY THE SOUTHERN RIGHT-OF-WAY OF CENTRAL AVENUE (29.5' RIGHT-OF-WAY) TO THE NORTH, DALE EARNHARDT BOULEVARD/NC HWY 3 (VARIABLE WIDTH PUBLIC RIGHT-OF-WAY) TO THE EAST, VANCE AVENUE (30' PUBLIC RIGHT-OF-WAY) TO THE SOUTH, AND THE WESTERN RIGHT-OF-WAY OF VANCE AVENUE (30' PUBLIC RIGHT-OF-WAY) TO THE WEST, AND BEING MORE PARTICULARLY DESCRIBED TO WIT: BEGINNING AT A MAGNETIC NAID, SAID NAID HAVING THE FOLLOWING NC NAD 83 COORDINATES: (1) N 639711.21' E, 1514583.60', AND RUNS THENCE ALONG THE SOUTHERN RIGHT-OF-WAY OF CENTRAL AVENUE THE FOLLOWING FIVE (5) CALLS: (1) N 65151.2' E, A DISTANCE OF 154.96' TO A COMPUTED POINT; (2) S 25505.4' E, A DISTANCE OF 255.44' TO A COMPUTED POINT; (3) S 54540.4' E, A DISTANCE OF 545.40' TO A COMPUTED POINT; (4) N 64540.4' E, A DISTANCE OF 610' TO A #4 REBAR; (5) S 61500.06' E, A DISTANCE OF 611.61' TO A #4 REBAR AT THE INTERSECTION POINT OF THE SOUTHERN RIGHT-OF-WAY OF CENTRAL AVENUE WITH THE WESTERN RIGHT-OF-WAY OF DALE EARNHARDT BLVD THE FOLLOWING FOUR (4) CALLS: (1) WITH A CURVE TURNING TO THE RIGHT HAVING AN ARC LENGTH OF 1023.24', A RADIUS OF 650.13', AND SUBTENDED BY A CHORD BEARING OF S 03°41'07" E, WITH A CHORD LENGTH OF 123.06', TO A DRILL HOLE; (2) S 07°53'39" E, A DISTANCE OF 73.85', AND SUBTENDED BY A CHORD BEARING OF S 03°41'07" E, WITH A CHORD LENGTH OF 73.85', TO A COMPUTED POINT; (3) S 54225.98' W, A DISTANCE OF 35.78' TO A #4 REBAR AT THE INTERSECTION POINT OF THE WESTERN RIGHT-OF-WAY OF DALE EARNHARDT BLVD WITH THE NORTHERN RIGHT-OF-WAY OF VANCE STREET; THENCE CONTINUING WITH THE FOLLOWING FIVE (5) CALLS: (1) S 54225.98' W, A DISTANCE OF 35.78' TO A #4 REBAR; (2) S 54225.98' W, A DISTANCE OF 35.78' TO A #4 REBAR; (3) S 54225.98' W, A DISTANCE OF 35.78' TO A #4 REBAR; (4) S 59325.54' W, A DISTANCE OF 69.02' TO A #4 REBAR; (5) S 59325.54' W, A DISTANCE OF 69.02' TO A #4 REBAR; (6) S 59325.54' W, A DISTANCE OF 69.02' TO A #4 REBAR; (7) S 59325.54' W, A DISTANCE OF 69.02' TO A #4 REBAR; (8) THENCE BEGINNING AT A MAGNETIC NAID, SAID NAID HAVING THE FOLLOWING NC NAD 83 COORDINATES: (1) N 639711.21' E, 1514583.60', AND RUNS THENCE ALONG THE SOUTHERN RIGHT-OF-WAY OF CENTRAL AVENUE THE FOLLOWING TWO (2) CALLS: (1) WITH A CURVE TURNING TO THE LEFT HAVING AN ARC LENGTH OF 144.25', A RADIUS OF 144.25', AND SUBTENDED BY A CHORD BEARING OF S 03°41'07" E, WITH A CHORD LENGTH OF 33.04', TO A COMPUTED POINT; (2) THENCE CONTINUING WITH THE SAME COMPOUND CURVE TO THE LEFT WITH AN ARC LENGTH OF 144.25', HAVING A RADIUS OF 1,330.86', WITH A CHORD BEARING OF N 221°45' W, AND A CHORD LENGTH OF 144.25', TO THE POINT AND PLACE OF BEGINNING AND COMPRISING AN AREA OF 102,991.42 SQUARE FEET, AND/OR 2.366 ACRES, MORE OR LESS.

DATE	REVISION	BY

"Integrity Without Boundaries"
www.qpaland.com

SCALE

$$1'' = 40'$$

JOB NO.

240106

DATE _____

4/2/2025

RAWN R'

C/P

CHECKED BY

CCD

TOWNSHIP 4

**SHOWING MULTIPLE LOTS
ALL PARCELS OWNED BY
KANNAPOLIS LAND PARTNERS LLC
LOCATED IN THE CITY OF KANNAPOLIS
CABARRUS COUNTY, NORTH CAROLINA**

PREPARED FOR:
BEAUWRIGHT
1900 WEST MOREHEAD,
SUITE 201

A circular seal for the North Carolina GPA, INC. The outer ring contains the text "NORTH CAROLINA" at the top and "GPA, INC." at the bottom, separated by two stars. Inside the ring, the text "No. C-4472" is printed. The seal is partially obscured by the bottom edge of the page.

SHEET

OF

Project Schedule

<u>Deliverable</u>	<u>Estimated Date</u>
Permit Approvals	Q4 - 2025
Development Start	Q1 - 2026
Home Construction Start	Q3 - 2026
First Home Sales	Q4 - 2026
Dog Park Delivery	Q1 - 2027
Last Sales	Q4 - 2028



Salisbury Post

Advertising Receipt

SALISBURY NEWSMEDIA, LLC
131 W. Innes Street
Salisbury, NC 28144
Phone: (704) 797-4211
Fax: (704) 633-7373
URL: www.salisburypost.com

CITY OF KANNAPOLIS-LEGALS
401 LAUREATE WAY
KANNAPOLIS, NC 28081
Purchase Order #

Acct #: 98603
Ad #: 1986197
Phone: (420) 270-4920
Date: 04/30/25
Ad Taker: SNL Legal Desk
Sales Rep: SNL Legal Desk

Description	Start Date	Stop Date	Inserts	Cost
	05/01/25	05/08/25	10	\$389.52

Copy of ad:

No. 1986197

**PUBLIC HEARING
KANNAPOLIS CITY COUNCIL
401 Laureate Way, Kannapolis, NC**

Monday, May 12, 2025

NOTICE IS GIVEN that the Kannapolis City Council ("City Council") will conduct a public hearing relating to the City of Kannapolis ("City") entering into Development Agreements pursuant to North Carolina General Statutes § 160D-1001 through § 160D-1012 with the following companies:

Dale Earnhardt Blvd Partners, LLC (hereinafter, "Developer"). Pursuant to the Agreement, Developer intend to construct a 88-unit townhome development on approximately 5.31 +/- acres of combined properties consisting of 27 parcels further identified as Cabarrus County Parcel Identification Numbers 56144081910000, 56144080250000, 56144070540000, 56144060700000, 56134959960000, 56134959230000, 56134958820000, 56134968440000, 56134978070000, 56134978590000, 56134989120000, 56134989750000, 56144090500000, 56134988860000, 56134989430000, 56134988800000, 56134987270000, 56134977840000, 56134977010000, 56134966470000, 56134965930000, 56134975470000, 56134976930000, 56134986540000, 56134996160000, 56134996690000, and 56134997870000 (the "Property"). This agreement will include consideration of certain temporary construction and permanent stormwater easement rights with respect to the real property owned by the City consisting of approximately 2.469 acres and identified further as Cabarrus County Parcel Identification Number 56134963910000.

A copy of the proposed Agreement, including attachments, will be available for public inspection at the Office of the City Manager, located in Kannapolis City Hall, 401 Laureate Way, Kannapolis, North Carolina 28081, during regular business hours.

City Council will accept public input prior to voting on the required Development Agreement Ordinance.

The hearing will be held in the City Council Chambers located at City Hall, 401 Laureate Way, Kannapolis, North Carolina 28081, beginning at or after 6:00 p.m. on May 12, 2025. At the time and place fixed for this public hearing, the City will discuss the terms of the Development Agreement and related documents, and City Council will receive public comment on the Agreement.

Pam Scaggs, City Clerk
City of Kannapolis
North Carolina
Publish Salisbury Post: 05/01/25, 05/08/25.

Payment Type:

Total: \$389.52
Net: \$389.52
Prepaid: \$0.00
Refund: \$0.00

TOTAL Due: \$389.52

DA-2025-09

Dale Earnhardt and Central Ave

0 87.5 175 350 Feet



Chestnut Av

W D St

Central Av

Bellwood Pl

Vance St

Oak Avenue Mall Dr

Cannon Baller Way

Oak Av

**AN ORDINANCE TO ADOPT THE DEVELOPMENT AGREEMENT
BY AND AMONG**

THE CITY OF KANNAPOLIS, NORTH CAROLINA

AND

**DALE EARNHARDT BLVD PARTNERS, LLC.
A NORTH CAROLINA LIMITED LIABILITY COMPANY**

WHEREAS, N.C.G.S. §160D-1001 through §160D-1012 (the “Act”), authorizes municipalities to enter into development agreements with developers under the terms and conditions stated in the statutes; and

WHEREAS, the City of Kannapolis (“City”) and Dale Earnhardt Blvd Partners, LLC., A North Carolina limited liability company, with its successors in interest, (the “Developer”), have negotiated an agreement in accord with and under the authority of the cited statutes; and

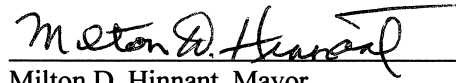
WHEREAS, a public hearing was held on May 12, 2025, as set forth in N.C.G.S. §160D-1003 providing public review of the Development Agreement, as defined below; and

WHEREAS, the City finds that the Development Agreement is consistent with the Act, the City’s adopted policy guidance, and the Current Regulations, as defined in the Development Agreement, and is reasonable and in the public interest for the reasons set forth in the Development Agreement.

NOW, THEREFORE, BE IT ORDAINED, by the Kannapolis City Council that:

1. Pursuant to the authority granted to the City by Article 10 of Chapter 160D of the North Carolina General Statutes, the City hereby adopts the Development Agreement by and among the City and the Developer, attached hereto (the “Development Agreement”), and authorize the City Manager to execute the Development Agreement.
2. This Ordinance is effective upon adoption.

Adopted this 12th day of May 2025.


Milton D. Hinnant, Mayor
City of Kannapolis

ATTEST:


Pam Scaggs, CMC, NCCMO
City Clerk

**A RESOLUTION APPROVING AN ORDINANCE
TO ADOPT THE DEVELOPMENT AGREEMENT
BY AND AMONG**

THE CITY OF KANNAPOLIS

AND

DALE EARNHARDT BLVD PARTNERS, LLC

WHEREAS, N.C.G.S. §160D-1001 through §160D-1012 (the “Act”), authorizes municipalities to enter into development agreements with developers under the terms and conditions stated in the statutes; and

WHEREAS, the City of Kannapolis (“City”) and Dale Earnhardt Blvd Partners, LLC., A North Carolina limited liability company (“Developer”), have negotiated an agreement in accord with and under the authority of the cited statutes; and

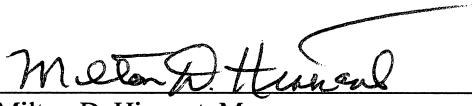
WHEREAS, a public hearing was held on May 12, 2025, as set forth in N.C.G.S. §160D-1003 providing public review of the Development Agreement, as defined below; and

WHEREAS, the City finds that the Development Agreement is consistent with the Act, the City’s adopted policy guidance, and the Current Regulations, as defined in the Development Agreement, and is reasonable and in the public interest for the reasons set forth in the Development Agreement.

NOW, THEREFORE, BE IT RESOLVED, by the Kannapolis City Council that:

1. Pursuant to the authority granted to the City by Article 10 of Chapter 160D of the North Carolina General Statutes, the City hereby adopts the Development Agreement by the attached Ordinance.
2. The City approves the Development Agreement and hereby authorize the City Manager to execute and deliver the Agreement, including any and all necessary documents to effectuate the intent of the aforementioned Agreement. The City Manager, or his designee, in accordance with his assigned responsibilities is hereby authorized to deliver, publish, file and record such documents, instruments, notices and records, and to take such other actions that shall be necessary or desirable to accomplish the purposes of this Resolution. Further, the City Manager is allowed to make minor modifications, corrections and clerical revisions as may be necessary and consistent with the intent of this Resolution.
3. This Resolution is effective upon adoption.

Adopted this 12th day of May 2025.


Milton D. Hinnant, Mayor
City of Kannapolis

ATTEST:


Pam Scaggs, CMC, NCCMC
City Clerk



Kannapolis City Council

City Council Agenda Staff Report

May 12, 2025

To: Mayor and City Council

From: Mike Legg, City Manager

Subject: **AGREEMENT** - Motion to authorize the City Manager to execute a 12-month agreement with Crown Productions for professional services related to the broadcasting of City Council meetings. **UNANIMOUSLY APPROVED**

Recommended Action Requested by City Council

Motion to authorize the City Manager to execute a 12-month agreement with Crown Productions for professional services related to the broadcasting of City Council meetings

Required Votes to Pass Required Action

Majority Present at Meeting

Background

City Council has expressed an interest in the broadcasting of its meetings. This was discussed extensively at the April 28 City Council meeting. It is the recommendation of both the Communications and Information Technology departments that contracting with a vendor would be the most appropriate route to achieve this objective. The City does not have the staff or the equipment to produce a quality broadcast of City Council meetings.

As proposed, the vendor will be responsible for providing the staff and the equipment and the production needed for the project. Due to the layout, lighting and sound system in the Laureate Center, multiple cameras will be needed in order to capture individual City Council members at the dais and speakers from the podium. Slide deck (e.g., PowerPoint) presentations will also be broadcast through the video equipment so those viewing the meeting remotely will be able to see the same presentations as those attending in person will see. Additionally, having multiple cameras will allow close-up viewing of those speaking (from the dais or the podium). It is anticipated that the vendor will provide a minimum of two of their employees at every meeting to facilitate the broadcasts.

The meetings would be uploaded to YouTube, similar to the way Cabarrus County produces its meetings.

Finally, our Information Technology Director has recommended that we include funding as part of this initiative to ensure that our sound in the Laureate Center for City Council meetings runs smoothly.

The broadcast initiative depends on consistent sound quality in the meeting space. To do so, it is recommended that a qualified sound technician attends every meeting to facilitate this. This annual cost is projected to be \$9,600 annually.

Four quotes were received from three different local video production firms (details below). Staff recommends proceeding with a services agreement with Crown Productions for this project based on both cost and experience. Since the last City Council meeting, Crown Productions has clarified its quote to \$1,500 per meeting, which equates to a total projected annual cost of \$46,300, assuming 24

meetings plus 5 extra meetings and two test meetings (at \$2,800). A few clarifications will need to be made to these assumptions as part of the final contract execution.

The tentative schedule for this new initiative will be as follows:

- May – Authorization to negotiate and execute contract. July 1-June 30 contract duration.
- June – Contract with Crown Productions executed. Laureate Center sound system improvement completed. System testing (sound, broadcast, etc.) with Crown Production and City's sound consultants.
- July – Revised Speakers from the Floor and Public Hearing Policy presented and adopted by City Council.
- July/August – Two test broadcasts will occur at the two different meetings (one with 2 cameras, one with 3 cameras). City Council decision on the preferred broadcast. These trial broadcasts will be public record, but they will not be broadcast live or uploaded to YouTube.
- September – Official broadcasting begins. The assumption is that the broadcasts will be live on YouTube and also available on our YouTube page for later viewing by anybody.

Fiscal Implications

Staff received four quotes from three local video production firms for this service (annual costs assume 24 meetings).

Company	Annual Cost	Per Meeting Cost Notes
Crown Productions 1	\$48,000	\$2,000.00 Requires an annual
	\$46,300	\$1,500.00 contract
	Revised/Clarified	Revised/Clarified
Crown Productions 2	\$84,000	\$3,500.00 No long-term commitment
Market Street	\$101,436	\$4,226.50 No long-term commitment other than a one-month cancellation notice.
Paper Theatre Studio	\$107,784	\$4,491.00 No long-term commitment other than a three-month advance cancellation notice.

Alternate Courses of Action

1. **Motion to authorize the City Manager to execute a 12-month agreement with Crown Productions for professional services related to the broadcasting of City Council meetings (Recommended).**
2. Table to a future meeting.
3. Take no action.

Attachments

1. Crown Productions - Quote for 2025-26 City Council Meetings Recording-12 months

Crown Productions

P O Box 22

Kannapolis, NC 28082

704-506-5072

Quote

Date: May 8, 2025

To: City of Kannapolis

Quote for 2025 City Council Recording

	Description	
	Video Production for the City Council Meetings *Production with live video switching and monitoring audio for live video recording and YouTube Streaming, consisting of: - 1 Camera for a static cover shot from back of room. - 1 Camera for a static shot of the presenter's podium. - 1 Camera with an operator to set up shots on each Council Member as needed. - Video switcher with an operator for live switching. - 1 laptop for title graphics and lower third graphics. - 1 Streaming encoder for recording and live streaming to YouTube. - 1 Audio mixer for receiving audio signal from house system. - Presentations/Slides from the house video system to be included live during the meeting broadcast. Rate for recording and live streaming to YouTube Kannapolis City Council Meetings for FY 2026 - \$46,300.00 Equipment owned by Crown Productions to be set up and taken down for each meeting and stored in a provided space onsite.	
	Total	\$46,300.00



Kannapolis City Council

City Council Agenda Staff Report

May 12, 2025

To: Mayor and City Council

From: Mike Legg, City Manager

Subject: **BUDGET AMENDMENT #25-41** - Motion to approve an Ordinance appropriating cash reserves for the first year funding for Professional Services related to the Broadcasting of City Council meetings and related professional sound technician support. **UNANIMOUSLY APPROVED**

Recommended Action Requested by City Council

Motion to approve an Ordinance for Budget Amendment #25-41 appropriating \$55,900 in cash reserves for first year funding of Professional Services related to the broadcasting of monthly City Council meetings and related professional sound technician support. \$46,300 will be for the broadcast services. \$9,600 will be for enhanced sound technical support.

Required Votes to Pass Required Action

Majority Present at Meeting

Background

A budget amendment is necessary to allow for the execution of professional service contracts related to the broadcasting of monthly City Council meetings.

Fiscal Implications

Since the pending FY 26 Budget has already been completed for presentation to City Council on May 12, 2025, it is recommended that a fund balance appropriation be the funding source for this initiative for the first year. Assuming City Council desires to continue the initiative beyond the first year, funding will be incorporated into the FY 27 Budget.

Alternate Courses of Action

1. **Motion to approve an Ordinance for Budget Amendment #25-41 appropriating \$55,900 in cash reserves for the first year funding of Professional Services related to the broadcasting of City Council meetings and related professional sound technician support (Recommended)**
2. Table to a future meeting.
3. Take no action.

Attachments

1. 2025-40 Ordinance Amending Budget #25-41 appropriating cash reserves for first year funding for Broadcasting of Council meetings and related sound tec

**ORDINANCE AMENDING BUDGET FOR THE
CITY OF KANNAPOLIS, NORTH CAROLINA
FOR THE FISCAL YEAR BEGINNING JULY 1, 2024, AND ENDING JUNE 30, 2025
Amendment # 25-41**

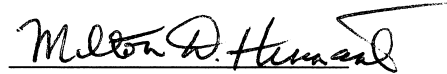
BE IT ORDAINED by the City Council of the City of Kannapolis, North Carolina meeting in open session this 12th day of May 2025, that the following amendment to the Budget Ordinance for the City of Kannapolis, North Carolina for the Fiscal Year beginning July 1, 2024, and ending June 30, 2025, is hereby adopted:

Description: The purpose of this budget amendment is to appropriate funding to allow the City Manager to execute a 12-month contract with Crown Productions for broadcasting services of all monthly City Council meetings.

SECTION I – GENERAL FUND

Revenue:	Increase: Fund Balance Appropriated Revenue: 19900-39900	\$55,900
Expenditure:	Increase: City Council: Special Expenses Expenditure: 11000-51300	\$46,300
Expenditure:	Increase: IT: Contracted Services Expenditure: 11500-48000	\$9,600

This ordinance is approved and adopted on this 12th day of May 2025.


Milton D. Hinnant, Mayor
City of Kannapolis

ATTEST:


Pam Scaggs, CMC, NCCMC
City Clerk