



A Balanced Scorecard Approach for the Town of Stallings

FY 25-26 Annual Report



September 24, 2026

A Report to Citizens, Council, & Staff – FY 2025-2026

The Town’s system of linking its vision, mission, Council’s top priorities, departmental actions, and performance measures to achieve the desired results is a balanced scorecard system called Forward Stallings. The Town strategy map, scorecards, top departmental priorities, and budgetary information are blended together to better align the Town’s time, money, and resources with its top priorities. In essence, this annual report is both a “report card” and a “strategic learning tool” that should be used to help assess how well the Town is doing in pursuing its key objectives. One of the main purposes of the report is to generate discussion, like a post-game analysis, to determine whether particular strategies being used to accomplish objectives and initiative should be 1.) changed, 2.) abandoned, or 3.) maintained (i.e., “stay the course”). The next opportunity to analyze results and discuss possible changes to strategy will be at the Council’s regular board meeting on September 28, 2026. At this meeting, the Manager will officially submit the FY 25-26 Annual Report.

The willingness to experiment by using new or innovative ideas is critical to continuously improving operations. At the same time, a learning organization must be able to identify both potential successes and failures early enough to adjust accordingly to changing conditions. This is a major benefit of this system – it provides a reality check, accommodates changes in direction, helps everyone make well informed decisions, and creates accountability by sharing the results (whether good or bad) with the citizens, media, elected officials, and Town employees. In instances where it appears the Town is being successful, the Council, staff and public should still be willing to challenge the status quo and suggest strategies that may allow an even higher standard of service to be delivered. This is the key to avoiding complacency. On the other side of the coin, just because an initiative missed its target does not necessarily mean a change in strategy is needed. As the old saying goes, “the devil is in the details.” Hence, asking probing questions to gain an understanding of the many factors affecting outcomes compared to the desired target can help clarify the performance picture and uncover a greater ability to assess

ORGANIZATIONAL PERSPECTIVES

Community – Managers must know if the Town is meeting citizen needs. They must determine the answer to the questions: Is the organization delivering the services the community wants?

Financial – Managers must focus on how to meet service needs in an efficient manner. They must answer the question: is the service delivered at a good price?

Internal Business – Manager must focus on those critical operations that enable them to satisfy citizens. Managers must answer the question: Can the organization improve upon a service by changing the way a service is delivered?

Develop Know-How – What skills, tools, and organizational climate do our employees, elected officials, appointed officials, and volunteers need to meet the community’s needs while achieving the mission and vision?

what (if anything) should be done in response. It is also important to remember that departments often set “stretch targets” that are multi-year goals intended to help make a breakthrough by encouraging creative thinking, results-oriented problem solving and/or escaping the comfort zone.

This report covers FY 2025–2026, July 1, 2025, through June 30, 2026. Where a measure uses a calendar-year or seasonal reporting period, that period is identified. Developments after June 30 are included as subsequent updates and are distinguished from fiscal-year results.

Enclosed please find:

- 1.) Our Balanced Scorecard Policy.
- 2.) Our Strategy Map.
- 3.) Individual Department Reports.
- 4.) Individual Department Scorecards.

I am grateful to Council and staff for being willing to try something new. This is our sixth year, and this has been/will be a continuous learning experience for all of us. However, I am confident that we will be able to use the lessons learned to continuously improve.

Please do not hesitate to contact me if you have any questions, suggestions, concerns, or ideas related to this report. Most importantly, we look forward to listening to and participating in the discussions that will help us take the next steps in positively impacting Stallings’ future.

Sincerely,

Alex Sewell
Town Manager

Rationale, Overview, & Processes

What is the Balanced Scorecard?

A management system that uses a group of measures/goals to help implement an organization's strategy. It is a tool/system for the leaders to use in communicating to employees and the community the outcomes and performance drivers by which the organization will achieve its mission and strategic objectives.

Rationale and Benefits of the Balanced Scorecard

- *Clarifies and Communicates Organizational Mission.* Translates your vision and strategy into a coherent set of measures, targets and initiatives that can be communicated throughout the organization and community by:
 - 1.) More clearly describing the Town Council's strategy by taking potentially vague policy directives (mission, vision, goals, and objectives) and making them easier to understand by defining them and choosing performance measures to gauge their progress; and
 - 2.) Sharing scorecard results throughout the organization and community gives employees and citizens the opportunity to discuss the assumptions underlying the strategy, learn from unexpected results, and deliberate on future modifications as necessary. Simply understanding an organization's strategy can unlock many organizational capacities, thus allowing employees and citizens, maybe for the first time, to know here the organization is headed and how they can contribute to the journey. The scorecard brings meaning and action to a vague objective like "provide excellence municipal services."
- *Better Data for Policy-Making.* The Balanced Scorecard promotes questions, dialogue, analysis, innovation, experimentation, adaptability, and accountability.
- *Helps Let Us Know if We Are Moving Toward Goal Achievement or Drifting Further Away.*
- *Resource Alignment and Allocation.* 1.) To successfully implement any strategy, it must be understood and acted upon throughout all levels of the organization and ultimately be enacted during departments' day-to-day activities; 2.) Establishing long-term "stretch targets" allows the organization to identify the key steps necessary to achieve its goals; and 3.) Aligns resources (time, effort, and money) so that the initiatives in all departments and levels share a common trait, their linkage to the Town's strategic goals.
- *Strategic Learning* – Any strategy we pursue represents a hypothesis or your best guess of how to achieve success. To prove meaningful, the measures of the scorecards must link

together to tell the story that describes what you are trying to achieve through your strategy.

- *Balance* – Between financial and non-financial indicators; 2.) Between internal and external constituents of the organization; and 3.) Between lag and lead indicators of performance (i.e., what we've done in the past and where we want to go in the future).
- *Increases Likelihood of Accomplishing Key Goals* – By not only helping to keep leadership, management, departments, and employees focused on top priorities, but also by improving communication between all interests thus making it easier to effectively troubleshoot and make logical "changes in course" that result in successfully delivering the type of services the community expects.

Using Strategy & the Balanced Scorecard to Get Results

Any strategy the Town pursues represents a hypothesis or a best guess of how to achieve success. To prove meaningful, the measures on the scorecard must link together the story of, or describe, that strategy. For example, if the Town believes that an investment in employee training will lead to improved quality, it needs to test the hypothesis through the measures appearing on the scorecard. If employee training does increase, but quality actually decreases, then it may not be a valid assumption. Instead, focus could turn to another possible factor, but more importantly, the Town has information in which to act and make decisions.

Strategy to achieve a desire outcome is often a new destination, somewhere the organization has not yet traveled to before. The Balanced Scorecard provides the Town with a method to document and test assumptions inherent in the strategies it adopts. It may take considerable time to gather sufficient data to test such correlations, but simply beginning to question the assumptions underlying the strategy is a major improvement over making decision based purely on financial numbers or subjective information.

A well-designed Balanced Scorecard should describe the Town or department's strategy through the objectives and measures chosen. These measures should link together in a chain or cause-and-effect relationships form the performance drivers in the Develop Employees perspective (Employee Learning and Growth) all the way through Service the Community Perspective. Documenting our strategy through measurement, making the relationships between the measures so specific they can be monitored, managed, and validated. Only then can we begin learning about, and successfully implementing our strategy.

Key Definitions & Components

Vision: Word picture of our desired future.

Mission: Why we exist.

Core Values: What we believe in, guiding principles.

Strategic Priorities: Themes on which the organization will concentrate efforts, dedicate resources, and strive to achieve significant improvements. The focus areas reflect what the current Stallings Town Council believes must be done to succeed.

Perspectives: The four different views that are used to create a “balanced” way of establishing objectives and measurements to assist the organization in accomplishing the vision and strategic priorities. The traditional four perspectives used in corporate strategic planning and program evaluation are 1.) Financial; 2.) Internal Business Process; 3.) Community; and 4.) Innovation, Learning & Growth. While the names and definitions of these perspectives are frequently modified to meet different organization’s specific needs, the original intent of these four traditional perspectives usually remains intact.

Objective: A concise statement describing the specific things the organization must do well in order to execute its strategy. Objectives often begin with action verbs such as “increase,” “reduce,” “improve,” “achieve,” and similar words. Examples: Reduce Crime, Enhance Customer Service, Promote Learning & Growth, Invest in Infrastructure, Deliver Competitive Services, Maintain Fiscal Strength, Maintain a Skilled & Diverse Workforce, Create Unity Between Neighborhoods, Provide Affordable Services, Protect the Environment, Enhance Walkability, etc.

Measure: A standard used to evaluate our community performance against desired results. Reporting and monitoring measures help organizations gauge progress toward effective implementation of strategy. Example: Percentage of water customers with an average pressure of 30 PSI or greater.

Target: The desired result of a measure that communicates the expected level of performance. Example: 98% of customers will have average water pressure of 30 PSI or greater. A “stretch target” is a challenging target that may not be met. It may be a multi-year goal with milestones.

Cascading: The process of developing “aligned” scorecards throughout an organization. Each level of the organization will develop scorecards based on objectives and measures it can influence from the group to which they report. For example, Police Patrol aligns/connects with the Police Department, who aligns/connects with the Town-wide Scorecard by developing their own objectives and measures based on how they influence the Town-wide objectives and measures.

Cause & Effect: The concept of cause and effect separates the Balanced Scorecards from other performance management systems. The measures on the Scorecard should link together in a series of cause-and-effect relationships to tell the organization’s strategic story.

Perspectives

The “balanced portion of the Scorecard uses four perspectives to answer critical service delivery questions. This helps provide the balance that organization’s need to successfully plan, implement, measure, and evaluate performance.

Community Perspective:

Serve the Community – What is our mission and vision? What do our citizens want?

Managers must know if the Town is meeting citizen needs. They must determine the answer to the question: Is the organization delivering the services the community wants?

Financial Perspective:

Manage Resources – How we deliver quality services efficiently and remain financially sound while achieving the vision and mission?

Managers must focus on how to meet service needs in an efficient manner. They must answer the question: Is the service delivered at a good price?

Internal Business Perspective:

Run the Operations – What internal processes must we excel at to provide valuable services to the community while achieving the mission and vision?

Managers need to focus on those critical operations that enable them to satisfy citizens. Managers must answer the question: Can the organization improve upon a service by changing the way a service is delivered?

Learning & Growth Perspective:

Develop Know-How – What skills, tools, and organizational climate do our employees, elected officials, and volunteers need to meet the community’s needs while achieving the mission and vision?

An organization’s ability to improve and meet citizen demands ties directly to the employees’ ability to meet those demands. Managers must answer the question: Is the organization providing employees with the training, technology, and proper work environment to enable them to success and continuously improve?

Objectives by Perspective

Serve the Community

What do our citizens want? What must be done to implement the vision and mission?

- **Strengthen Citizen Engagement** – Improve the quality and frequency of communication to enhance public access to information about Town services, meetings, key issues, and emergency situations. Provide a variety of ways for citizens to meaningfully share ideas, concerns, and questions with Town officials.
- **Conserve Cultural & Natural Resources** – Protect the environment, historic assets, and intangible assets such as community and cultural events that help bring Stallings' citizenry together. Ensure that these resources are protected, conserved, celebrated and resilient to changing environmental conditions.
- **Increase Citizen & Community Safety** – Accomplish this by building relationships and problem-solving partnerships with citizens, businesses, and neighborhood watch groups and using best-practice strategies including having police officers and officials accessible and approachable, improving community appearance, addressing nuisances, & approaching community safety across departments will make our community safer.
- **Promote Economic Vibrancy** – While the Town recognizes that there are many factors influencing local economic conditions, the Town seeks to do its part with partners to achieve economic development and support locally owned businesses. The Town recognizes that achieving economic vibrancy also includes creating a sense of place and identity as well as enhancing the quality of life in Stallings as a place to work, live, play, and raise a family.
- **Enhance Recreation, Walkability & Connectivity** – Provide recreation and pedestrian facilities to encourage healthy lifestyles, citizen interaction, and to offer a variety of transportation choices that link Stallings' neighborhoods together in an accessible manner.

Manage Resources

How do we deliver quality services efficiently and remain financially sound while achieving the vision and mission?

- **Maintain Fiscal Strength** – Support fiscal policies, controls, and actions that keep the Town government in a financially strong position, thereby allowing it to respond to unforeseen problems, emergencies, and opportunities, as well as having sufficient reserves for cash flow and credit rating purposes.
- **Develop Long-Term Financial Plans** – Build upon current financial planning instruments to provide a longer-term view of what Stallings' finances and operations may look like in the future. These plans are intended to identify potential challenges, opportunities, and proactive response options.
- **Invest in Infrastructure** – Prioritize funding for infrastructure maintenance to avoid deterioration while

minimizing long-term operational and capital costs. New infrastructure investments help achieve key priorities and optimize the use of current assets.

- **Deliver Services Efficiently** – Ensure citizens are receiving a good value from their investments by delivering cost-efficient services. Maximize the use of public funds through service optimization, innovation, process improvement, competition, and other means.

Run the Operations

What internal processes must we excel at to provide valuable services while achieving the vision and mission?

- **Enhance Emergency Preparedness** – Improving the ability to effectively anticipate and respond to emergency situations, from minor incidents to major disasters, through planning, training, collaboration with public and private agencies, and community education.
- **Improve Communication & Collaboration** – Increase the quality and frequency of communication throughout all areas of the organization to promote problem-solving partnerships within and outside of the organization. Good communication enables the vision to be implemented.
- **Excel at Staff & Logistical Support** – Ensure outstanding internal support is being provided to all departments, employees, elected officials, advisory board members, and volunteers that deliver services or directly serve the community. Use technology, where practical to improve service delivery and save taxpayer dollars.
- **Provide Responsive & Dependable Services** – Provide quality services to citizens in a courteous, responsive, and reliable manner that is effective in achieving desired results. Excel at the technical aspects of delivery.

Develop Know-How

What skills, tools, and organizational climate do our employees, elected officials, and volunteers need to meet the community's needs while achieving the vision and mission?

- **Maintain a Skilled & Competent Workforce** – Create a work environment that allows the Town to hire, develop, and retain a workforce of skilled employees capable of meeting the community's needs. Focus includes career development, succession planning, and improving employee motivation and satisfaction. Hire competent staff who exemplify The Stallings Way.
- **Support Development of Citizen Volunteers** – Identify opportunities for volunteers to develop the technical and leadership skills that enable them to achieve the community's needs and understand the role of the advisory boards in Town government.
- **Enhance Relations with Other Entities** – Build relationships with others involved in the governing process, including governmental organizations, non-profits, and the private sector. Public-private partnerships should be explored as a potential problem-solving tool.

Developing Departmental Strategy

Departmental Balanced Scorecards

A good scorecard will do the following:

- Tell the story of the Department's strategy.
- Shows that every objective selected is a linkage in the cause-and-effect relationships that compose the Town's strategy.
- Drive performance by using a variety of measures and targets that look at short and long-term results to encourage proactive management.
- Involve the participation of division heads, key staff, and employees throughout the Department.
- Is financially viable.
- Positively changes departmental behavior by developing strategic initiatives.

Step #1 – Town-Wide Objectives Selected to Build Scorecard & Map

Departments determine what they can do to support and respond to the town-wide strategy, Balanced Scorecard, and achieve the departmental mission. Departments select the objectives they can meet to help the town board in pursuing the achievement of the Town Council's Strategic Priorities, Vision, and Mission. The objectives selected from each of the four perspective areas are used to create the Department's strategy map.

Step #2 – Developing Departmental Initiatives

These are the critical activities the Department must pursue to achieve the Town-wide objective and the Department's mission.

- Initiatives detail what the Department must do to achieve a Town-wide objective or achieve the departmental mission.
- Initiatives identify the highest priority activities to show where resources are most needed to achieve the overall departmental strategy.
- Initiatives may apply to all divisions within a department or just one division.
- Initiatives describe how the Department will respond to the Town-wide objective.
- Initiatives are written so that divisions and employees can determine how they can respond to support the Department's effort to achieve the objective and mission.

Step #3 – Developing Measures and Targets

Each departmental initiative does not have to have a measure, but there should be a way to evaluate the achievement of the initiative or whether or not it was accomplished. There are two goals for strategic measures: organizational motivation and strategic learning.

Organizational Motivation – Measures are a very effective tool in improving performance and/or accomplishing goals. A November 2001 article by Edwin Locke in Harvard Business Review titled "Motivation by Goal Setting" cites a survey of more than 500

studies, which indicates that performance increases an average of 16 percent in companies that establish targets. A primary reason for this may be that measures give employees clear direction and guidance as to what they need to accomplish. When employees focus their efforts on achieving key initiatives that are aligned with town-wide objectives and strategic priorities, then there is much greater probability that a well-coordinated effort is made in fulfilling the Town's mission and the board's vision. The effort to clearly articulate the Town's top priorities to assist employees compliments the old saying that "people do what you inspect, not what you expect."

Strategic Learning – Measures are a way to monitor departments' progress in achieving the town-wide objectives and their initiatives. Any strategy used to achieve initiatives, objectives, or strategic priorities represents a hypothesis of how to succeed. Strategy to achieve a desired outcome or solve a problem is often a new destination, a place that the Town has not yet traveled to before. Measures and targets provide a way to test assumptions inherent in the strategies we select to pursue our goals. Documenting our strategy through measurement allows management, employees, elected officials, and the public to monitor, manage, validate, question, and/or deliberate possible adjustments to our strategy. If this can occur, then the Town starts becoming a "learning organization" where being analytical, adaptive, and responsive to the hypotheses we've tested become keystones of the organizational culture that helps the Town successfully implement its strategy.

Components of a Good Measure

- Measures should be specific. Stating the SPD will be the "best" police department or that Administration will "maximize customer satisfaction" are more like vision statements and are difficult to measure.
- Measures should be measurable. There are ways to measure seemingly less tangible goals. Surveys, if properly designed, can be used to measure the perception of service quality, awareness of issues, community satisfaction, etc.
- Does the measure really evaluate the initiative being pursued?
- Is the measure reliable?
- Is the measure easy to understand and explain?
- Are departments using a variety of measures in evaluating their initiatives (workload, results, efficiency, effectiveness, short-term vs. long-term)?
- Does the measure clearly communicate the expected performance?
- It is important to know where you are and where you want to go. Ideally, departments should have a baseline measure for current performance in the form of last year's actual data, best practices or industry standards for comparison. When baselines do not yet exist a TBD (to be determined) is placed in the appropriate area to indicate the Department is in the process of getting this data.

Guidelines for Setting Targets

1. Targets should be realistic but challenging enough to motivate greater accomplishments.
2. Departments can be more aggressive when setting multi-year targets.
3. Provide a rational explanation as to why achieving a target is important, especially with stretch targets.
4. When setting a target, Department should review the linkage (cause-and-effect relationship) of the “enabling” perspectives to make sure they have the ability to achieve the target, thus the following questions should be asked:

- Do departmental personnel have the skills and tools necessary to get the job done?
- Does the Department have sufficient resources/funding?
- Are internal operations adequate?

Stretch Targets – These are usually long-term or multi-year goals. At most, departments should set one to two stretch targets per year. These are reserved for those initiatives critical in making a particular breakthrough. Stretch targets can be especially useful to help a department break form its comfort zone or traditional way of running operations so as to spark creative thinking and results-oriented problem-solving. Every Department should have at least one stretch target.



STRATEGY MAP

Vision for Stallings

To provide an inviting and safe community with a commitment to excellence where families and businesses can thrive as we embrace our future while preserving our past.



Mission of Town Government

To serve the residents and businesses of the Stallings community by providing excellent municipal services while upholding the public interest by maintaining a sound financial position and active stewardship of public assets and resources.



Serve the Community

Strengthen Citizen Engagement	Conserve Cultural & Natural Resources	Increase Citizen & Community Safety	Promote Economic Vibrancy	Enhance Recreation, Walkability & Connectivity
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Manage Resources

Maintain Fiscal Strength	Develop Long- Term Financial Plans	Invest in Infrastructure	Deliver Services Efficiently
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Run the Operations

Enhance Emergency Preparedness	Improve Communication & Collaboration	Excel at Staff & Logistical Support	Provide Responsive & Dependable Services
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Develop Know-How

Maintain a Skilled & Competent Workforce	Support Development of Citizen Volunteers	Enhance Relations with Other Entities
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Town Council Strategic Priorities

- Mid-Range Financial Planning
- Pursue Sewer Alternatives
- Support/Enhance Union West Business Park
- Implement Adopted Plans & Studies Not Dependent on Sewer Capacity
- Pursue Town Center Creation
- Maximize Positive Development Around the Hospital/Light Rail

"The Stallings Way" Core Values

- Integrity
- Commitment
- Flexibility
- Awesome Customer Service
- Team Before Self
- Continuous Improvement
- Qualified/Competent
- Supporting Each Other
- Everyone Pitches In
- Work/Life Balance
- Positive Attitude
- Collaboration
- Dialogue
- Have Fun
- Trust & Respect
- Open to Teach/Learn
- Healthy, Positive Environment

ADMINISTRATION DEPARTMENT – ANNUAL BALANCED SCORECARD OVERVIEW

ACCOMPLISHMENTS:

What targets did your Department meet and/or exceed? What is the significance of meeting these targets? How did the Department meet/exceed these targets? What will be done to ensure continued success?

Strengthening Citizen Engagement – As noted in the challenges section below, this is both an accomplishment and a challenge. The Town published four quarterly blog posts, meeting its defined metric goal aimed at helping provide information about ongoing Town issues. Audio recordings were posted for all regular Council meetings, although live broadcasting remained a challenge. The Town is working to update our system to improve broadcasting reliability. The scorecard also records completion of the FY 25-26 budget participation steps: a meeting with Council and committee members, a public hearing, and publication of the budget meeting schedule. These steps gave residents and committee members opportunities to learn about the budget and provide input before adoption.

Supporting Economic Development and Union West Business Park – Council discussed its strategy for approaching NC General Assembly members on July 14, 2025. On October 9, the Economic Development Committee hosted Union County Economic Development Director Ron Mahle to discuss business recruitment and retention, retail recruitment, and opportunities to enhance Union West Business Park. The Town also met with the County's retail recruitment firm in October to explore how it could assist Stallings. These discussions advanced coordination with economic development partners; achieving improvements in the business park remains a longer-term effort.

Pursue Town Center Creation – The Town continued using the "Town Center" name and presented Council with information on available listed land. Twelve events were held at Stallings Municipal Park during calendar year 2025, exceeding the goal of eleven and supporting the Town Center as a community gathering place. Progress on securing a tenant and attracting development proposals was more limited, as discussed below.

Implement Adopted Plans and Studies Not Dependent on Sewer Capacity – Staff presented additional project opportunities, including greenways, sidewalks, and streetscape improvements, during the FY 25-26 budget process. This met the goal of giving Council options for advancing adopted plans while sewer capacity remains a constraint.

Maintain Fiscal Strength and Plan for Future Needs – The scorecard reports that the Town met its goal of adopting a balanced budget without using unrestricted fund balance or debt for operating expenditures. The Town followed its budget and priority-setting process and developed property revaluation options for Council to consider relative to the revenue-neutral tax rate. The five-year Capital Improvement Program was updated, and the five-year IT replacement plan was maintained, with computers and equipment replaced as needed. These efforts support informed budget decisions and planning for future capital needs.

Hold an Occupancy Tax Referendum – The referendum was held in November 2025 and approved by voters. Staff is working with the relevant governmental entities to establish the tax. Voter approval was a significant step, while implementation remains ongoing. This is both an accomplishment and a challenge. While the referendum ultimately passed after a second time on the ballot, establishment has been a challenge due to lack of resources on the subject. Staff is working with the UNC School of Government to aid in the start-up.

Safety Training and Team Building – All employees completed mandatory safety training, meeting the 100% target. The Town also held four organization-wide team-building events, meeting the annual goal and providing opportunities for employees to build relationships across departments.

Employee Compensation – The FY 25-26 budget followed the Town’s adopted pay policy. The scorecard also confirms completion of the pay and benefits study identified for FY 24-25. That earlier work provides a foundation for the Town’s efforts to attract and retain qualified employees.

CHALLENGES:

Which targets did your Department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

Reliable Council Meeting Broadcasts – The Town did not meet its goal of broadcasting all regular Council meetings. The scorecard reports audio-and-video broadcasts for 56% of meetings and audio broadcasts for 72%, with audio recordings posted for 100%. The unreliable system limited live access to meetings. A replacement system is budgeted for FY 26-27, and the Town is moving through the replacement process.

Town Center Development – Armored Cow Brewery withdrew, so the intended lease did not move forward. Staff engaged with other potential tenants. No proposals were received for developer-requested public participation strategies identified in the scorecard, so those opportunities did not advance. County sewer capacity is likely a challenge here. The Town Center remains a long-term goal that depends in part on private investment and viable development proposals.

Employee Retention – This was both a challenge and a strength. Overall turnover was 7.84%, and non-Police turnover was 0%, both meeting the target of less than 10%. Police turnover was 13.33%, exceeding that target. These measures exclude retirements, involuntary separations, and separations during the six-month probationary period. The Police result warrants continued attention to the reasons employees leave and opportunities to retain qualified staff.

Employee Recognition – Five Caught Ya! employee recognition awards were given, below the goal of eight. Additional awards were planned, but had not been reported as completed. We should continue encouraging employees and supervisors to recognize coworkers who go above and beyond.

Hold an “All Hands on Deck” Meeting – The Town did not hold the annual meeting, missing its goal of one. This was a missed opportunity to share information and hear directly from employees. Scheduling across Police shifts remains a challenge; offering more than one session could make participation more practical.

Recordable Injuries – The scorecard indicates that the zero-injury target was not met for the Town overall or for Police, while General Government reported zero. Completing required safety training is an accomplishment, but preventing injuries remains an ongoing priority.

OTHER COMMENTS:

Sewer Alternatives – Council chose to consider package plant proposals case by case rather than adopt a formal position. No formal applications were submitted, so an independent evaluation of a developer’s proposed

technology was not undertaken. This reflects Council's chosen approach and the absence of an application to evaluate.

Emergency Preparedness – In place of an in-person exercise, department heads are enrolled in applicable emergency preparedness courses, with the final courses scheduled to conclude in spring 2027. Although the scorecard marks this item "No," the reported activity is an alternative training approach still underway, rather than a completed mock emergency exercise. While this is not the mock scenario, Staff is taking the important step to ensure all department heads understand and have a working knowledge of emergency preparedness by taking three courses in that subject realm.

Performance Pay Policy – Work on implementing a functional performance pay policy remains ongoing, with a target date of June 30, 2028. This is a multi-year initiative and is not yet due for completion.

ENGINEERING AND PUBLIC WORKS DEPARTMENT – ANNUAL BALANCED SCORECARD

Accomplishments:

What targets did your Department meet and/or exceed? What is the significance of meeting these targets? How did the Department meet/exceed these targets? What will be done to ensure continued success?

- Engineering and Public Works continued to provide responsive customer service despite a substantial increase in workload. The departments met the Balanced Scorecard target of responding to resident and business inquiries within two business days, and Engineering completed plan reviews within the Town's established review timelines. Maintaining these service levels while addressing a growing volume of development activity, construction coordination, and utility work was a significant accomplishment.
- Public Works continued expanding its ability to complete infrastructure repairs in-house. Staff performed pothole and small-to-medium roadway patching, sinkhole and stormwater repairs, sidewalk work, and other maintenance activities, and successfully completed a full roadway culvert crossing using Town staff and equipment. At mid-year, staff estimated approximately \$50,000 in cost savings from work completed in-house. The expanded use of recently acquired equipment has improved response times and reduced reliance on contractors for work that is practical for Town staff to perform.
- Engineering implemented both the FY2026 reconstructive roadway maintenance program and preventative maintenance contracts. The continued use of crack sealing and microsurfacing alongside traditional resurfacing and reconstruction gives the Town a more balanced pavement management strategy, extending pavement life and allowing limited roadway funds to be directed where they provide the greatest long-term value.
- The Town met its Permit Year 3 MS4 requirements and significantly strengthened its stormwater compliance program. The Stormwater Compliance Manager position was filled, required training and certifications were completed, and the Town was able to bring more compliance work in-house. As a result, consultant task orders originally contemplated for portions of the FY2027 MS4 program were no longer necessary, creating a more sustainable internal compliance structure.
- Departmental staffing and professional development improved substantially. A third Public Works employee was hired, increasing operational capacity and flexibility. The Associate Engineer passed the PE exam, the Engineering Director completed the professional development hours required to maintain PE licensure, and stormwater staff completed required certifications and coursework.
- Engineering completed an update to the Town's land development standards through adoption of applicable City of Charlotte standards. Staff also coordinated with NCDOT to provide Council and the community with updates on critical State transportation projects in the area. These efforts improve consistency in development review while strengthening coordination with a key transportation partner.
- Engineering and Public Works maintained their adopted Transportation, Stormwater, and Public Works budgets and developed FY2027 cost information for future personnel and equipment needs. Staff also presented Council with the current sanitary sewer capacity situation and continued monitoring regional discussions and potential alternatives so the Town is positioned to respond as viable opportunities arise.

Challenges:

Which targets did your Department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

- One of the most significant emerging workload challenges has been the rapid increase in private fiber installation activity throughout Town. Although these are privately constructed utility projects, Engineering and Public Works are frequently the first point of contact when work affects streets, sidewalks, yards, drainage, or traffic. Encroachment reviews, pre-construction coordination, field visits, restoration issues, contractor follow-up, and a high volume of resident complaints have required substantial staff time. This reactive workload is difficult to predict and has competed directly with planned engineering, stormwater, and Public Works priorities.
- Land development activity has also created a significant increase in workload. Plan review, construction coordination, subdivision closeout, inspections, traffic and agency coordination, and developer and resident inquiries are often deadline-driven and can require immediate attention. Staff continued meeting plan review and response timelines, but the cumulative workload reduced the time available for longer-term internal initiatives. Most notably, the planned update to the Roadway Acceptance Policy was not completed, and staff was unable to maintain the detailed project and cost tracking list intended to quantify annual savings from in-house Public Works work.
- The Town did not fully meet the FY2026 target of investing \$50,000 in sidewalk repairs. Approximately \$18,000 in work was completed during the fiscal year, with an additional approximately \$25,000 project carried into FY2027. Staff will continue using a combination of in-house work and contracted repairs to address the highest-priority sidewalk needs while balancing other infrastructure demands.
- Although Permit Year 3 requirements were met, MS4 compliance remains a substantial ongoing responsibility. The Town continues to build processes for infrastructure inventory, SCM inspection and maintenance oversight, documentation, public education, and regulatory reporting. The addition of dedicated stormwater staff has greatly improved capacity, but future permit years will continue to require sustained staff time, coordination with private property owners and HOAs, and appropriate funding.
- Public Works has expanded the range of work that can be completed in-house, but not every project can or should be self-performed. Larger roadway repairs, extensive stormwater work, and major sidewalk replacement can exceed available manpower, equipment, or specialized expertise. Staff will continue evaluating each project individually and using contractors when doing so provides the safest and most cost-effective result.
- Sanitary sewer capacity remains a major long-term constraint outside the direct control of Engineering and Public Works. Staff presented Council with the current sewer situation and evaluated available alternatives; however, regional capacity limitations and the cost of potential solutions leave no immediate Town-driven fix. Staff will continue monitoring Charlotte Water, Union County, Centralina, and development-specific opportunities as circumstances change.

Other comments:

FY2026 demonstrated both the benefits of expanding internal capacity and the limits created by rapidly increasing service demands. The third Public Works employee, dedicated stormwater compliance position, new equipment, updated standards, and continued staff development have made the departments more capable and efficient. At the same time, increased development activity and private utility/fiber construction have created a level of reactive coordination and complaint response that was not anticipated when many Balanced Scorecard goals were established. Engineering and Public Works will continue prioritizing mandated compliance, public safety, timely plan review, and responsive service while evaluating staffing, inspection resources, encroachment processes, and contractor support needed to keep pace with the Town's workload.

FINANCE DEPARTMENT – ANNUAL BALANCED SCORECARD OVERVIEW

ACCOMPLISHMENTS:

What targets did your Department meet and/or exceed? What is the significance of meeting these targets? How did the Department meet/exceed these targets? What will be done to ensure continued success?

Strengthening Citizen Engagement – Finance began providing monthly financial reports with the staff report in March 2026, later than the January target. Each report presents the prior month's year-to-date revenues and expenditures, along with cash balances, to support Council's financial oversight.

Maintain Fiscal Strength – The audit for the fiscal year ended June 30, 2025, identified no material weaknesses or significant deficiencies.

Maintain Skilled and Competent Workforce – The new Finance position approved with the FY26 budget was filled in December 2025, enabling the implementation of internal controls previously not possible due to limited staff, such as separating the payroll and human resources functions. In addition, this position is now completing payroll reconciliations that were previously not being done regularly due to staffing limitations and was a finding in a prior year audit.

Also, current staff have participated in training and continue to do so. Not only does this provide continuing education hours needed to maintain certifications, but it also ensures staff stay up to date in their field of expertise or increases knowledge as necessary.

CHALLENGES:

Which targets did your Department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

Multiple targets have not been met solely due to timing with projected completion dates that are in the future, while others have not been met due to current software and staffing constraints. The latter limitations were acknowledged, and funding was provided in the FY26 budget to assist with solutions. Highlighted as an accomplishment above, the new position has been filled. In addition, increasing workloads and projects of other departments has a direct impact on the Finance workload with more contracts, purchase orders, invoices, etc. flowing through this department, resulting in more time being spent on daily operations and less time available for these bigger projects.

Having sufficient financial software is such an important necessity but it is also a huge undertaking. The need to recreate, rather than migrate the current financial chart of accounts, makes this project even more complicated and time-consuming. In addition, other departments are presently using their own online platforms to serve their needs, some of which include billing and payment capabilities that do not integrate with the current financial software. Overall, this is an incredibly significant task, but staff must get a few other things taken care of before being able to devote the appropriate focus to this project.

Many goals remain, but target dates need to be extended to maintain an environment that promotes the Town's core values.

OTHER COMMENTS:

While there appear to be many unmet targets, Finance has made considerable strides. Although, no formal policy revisions took place this year, multiple processes and procedures have been revised for efficiency, better record keeping and ensuring adherence to required rules and regulations. In addition, there were tasks that were

previously overlooked due to a lack of capacity that are now being completed. Also, the additional Finance staff is enabling more segregation of duties and internal controls. Finance is working diligently to make improvements as needed, while keeping the daily operations of the Town afloat and working on these big picture goals.

PARKS & REC DEPARTMENT – ANNUAL BALANCED SCORECARD OVERVIEW

ACCOMPLISHMENTS:

What targets did your Department meet and/or exceed? What is the significance of meeting these targets? How did the Department meet/exceed these targets? What will be done to ensure continued success?

Targets Met and Exceeded

- **Town Center Activation and Community Programming**
The department exceeded its 2025 target of hosting more than 10 events at Stallings Municipal Park by successfully delivering 12 events. This milestone directly supports the Town's Town Center vision by activating public space, increasing community engagement, and enhancing the economic and social vitality of the area. Success was achieved through intentional event planning, interdepartmental coordination, and strong community partnerships. Continued success will be supported by maintaining annual event benchmarks and expanding event offerings aligned with Town Center development goals.
- **Standardization of Event and Program Documentation**
A standardized event and program planning template was fully implemented ahead of the 2026 deadline. This achievement improves operational efficiency, ensures consistency across department-led events, and strengthens documentation and accountability practices. The department will continue to utilize and refine this template as programming expands.
- **Community Engagement and Public Outreach**
This is both an accomplishment and a challenge. The Parks and Recreation Department recorded 1.5 million Facebook views during the reporting period. Engagement increased by 6.7%, below the 50% target. The department will clarify the engagement measure and baseline before setting future targets.
- **Workforce Development and Training**
Department staff participated in CPR/First Aid/AED training, Fire Extinguisher Training, Event Management School and Maintenance Management School. These efforts strengthen operational readiness, safety compliance, and professional development. The department plans to formalize quarterly training goals beginning in FY27.

CHALLENGES:

Which targets did your Department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

Targets Not Yet Achieved

- **Adult-Focused Programming Expansion**
The target of launching three adult-focused programs has not yet been met. Challenges include assessing community interest and identifying appropriate program partners. To address this, the department has opened Park Partner applications to expand adult programming opportunities. Notably, this timeline/deadline extends past the time period focused on in this report (FY 25-26 fiscal year).

- **Inclusive and Sensory-Based Event Enhancements**

While inclusion remains a priority, no sensory-based or inclusive features have yet been implemented at large-scale events. This is due to ongoing research into best practices and feasible implementation strategies. The department plans to keep researching how to make inclusion a priority at events.

- **Multi-Use Trail Connectivity**

Progress toward the development of a comprehensive multi-use trail network is ongoing; however, the annual construction target has not yet been met. Challenges include funding availability and coordination across departments. Continued collaboration with Engineering and Council through the CRTPO grant process remains a priority.

- **Splash Pad Downtime Reduction**

The goal of reducing splash pad downtime during summer 2026, a period extending beyond June 30, was not achieved due to aging infrastructure and maintenance demands. The department is working with the Fountain Division on equipment upgrades and proactive maintenance strategies. An infrastructure upgrade intended to reduce downtime is scheduled for FY 26–27.

- **Department-Wide SOP Development**

The Standard Operating Procedures Manual is currently 50% complete. While progress has been steady, the time-intensive nature of documentation has impacted completion timelines. The department remains on track to finalize the SOP Manual by 12/1/26, followed by staff training.

OTHER COMMENTS:

The Parks and Recreation Department continues to make steady progress toward strategic objectives while balancing operational demands, staffing capacity, and infrastructure needs. Strong momentum in community engagement, event programming, and internal process improvements positions the department for continued success. Priorities moving forward include advancing inclusive programming, expanding adult programming, strengthening infrastructure planning, and completing the department's operating procedures.

PLANNING DEPARTMENT – ANNUAL BALANCED SCORECARD OVERVIEW

ACCOMPLISHMENTS:

What targets did your Department meet and/or exceed? What is the significance of meeting these targets? How did the Department meet/exceed these targets? What will be done to ensure continued success?

Our department met several key targets this year related to Town Center development, customer service, resource management, and professional development.

- **Town Center implementation.** All applicable Town Center development projects were reviewed for compliance with the adopted Streetscape Master Plan, meeting our goal of 100 percent compliance. One project was approved with the required streetscape improvements. A second project that promoted additional Town Center residential development was ultimately not approved by Council due to concerns including the lack of a commercial component. No multi-family projects were submitted.
- **Improved public information.** All planned development review process handouts were completed, along with the “Welcome to Stallings” handbooks for builders and residents. These materials make Town processes easier to understand and help applicants and residents find information before contacting staff.
- **Mapping and records.** All Planning maps were standardized to a consistent format. All Conditional Use Permit files were also digitized, and staff has begun scanning Conditional Zoning files.
- **Training and professional development.** Planning and Code Enforcement staff met the annual professional training target. Annual Planning Board and Board of Adjustment training was also completed before a full audience of board members and interested members of the public.

To ensure continued success, staff will continue early coordination with applicants, maintain public guidance and mapping resources, continue digitizing priority records, and provide ongoing professional development for staff and appointed boards.

CHALLENGES:

Which targets did your Department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

Several targets were not completed as originally envisioned, and experience during the year helped staff identify better approaches moving forward.

- **Development Ordinance updates.** Staff completed numerous targeted text amendments, but the planned rewrites of Articles 7 and 11 were not completed. Staff found that rewriting individual sections creates ripple effects throughout the ordinance. A comprehensive ordinance update may be a more effective approach, and staff may seek support for this in a future fiscal year.
- **Future Land Use place types.** Similar to the ordinance update, changes to individual place types affect other portions of the Comprehensive Land Use Plan. These issues were incorporated into other planning efforts, and a broader Comprehensive Plan update may ultimately be more appropriate.
- **TOD Overlay.** Implementation remains on hold due to State legislative changes affecting local zoning authority. Staff will continue monitoring legislative developments and will be prepared to move forward when appropriate.

- **Code Enforcement education.** The planned recurring public education materials were not completed as anticipated due to competing workload priorities. The approach has been adjusted in the FY 2026–2027 Balanced Scorecard.
- **Records digitization.** The volume of historical records made full completion impractical within one fiscal year. All Conditional Use Permit files have been completed, and staff is now working through Conditional Zoning records.

The FY 2026–2027 Balanced Scorecard has been adjusted based on these experiences, with greater emphasis on achievable departmental priorities while continuing to address longer-term ordinance and planning needs as resources and direction allow.

OTHER COMMENTS:

Additional front-desk support and adjustments to office arrangements are expected to improve coordination and free staff time for other departmental priorities.

POLICE DEPARTMENT – ANNUAL BALANCED SCORECARD OVERVIEW

ACCOMPLISHMENTS:

What targets did your Department meet and/or exceed? What is the significance of meeting these targets? How did the Department meet/exceed these targets? What will be done to ensure continued success?

- **Accreditation Progress** – As an update following the close of FY 25–26, SPD successfully completed its year-two accreditation assessment in August 2026, with no discrepancies reported. Reaccreditation remains targeted for 2028.
- **Improve proficiency in moving and shooting through precision shooting and tactical training-** The Department had an average firearm score of 95% over both day and night qualifications, with the lowest score being 76%. The PD has held multiple movement-based decision-making training days using simunitions. This training has been incorporated into our annual range training days.
- **Conduct 20 traffic safety awareness campaigns (PSA's/bike rodeo/car seat installs/traffic checkpoints/youth driving clinics).** Officers participated in 14 checkpoints and multiple GHSP traffic campaigns. SPD completed 3 PSA's for E-bike safety. Our Drug Recognition Expert conducted training on when and how to utilize a DRE for one of our law enforcement partners.
- **Send all command officers to an Administrative Officers Management Program-** Lt Rian Fuller graduated from Northwestern University's School of Police Staff and Command.

CHALLENGES:

Which targets did your Department not meet? What challenges did the department face in meeting these targets? What will be done to try to meet the targets going forward (i.e. adjustments in strategy)?

- **The Department selected a community officer and within a few weeks he requested reassignment causing a delay in selecting and moving an officer into that position. This created delay in the following goals.**
 - **Host a Citizens Police Academy**
 - **Host quarterly coffee w/a cop; bi-monthly lunch w/ a cop at Stallings Elementary; host a fishing derby w/ NC Wildlife for kids. SPD did host 1 Coffee w/a Cop.**
- **Certify staff members in Crime/Intelligence Analysis and Report Management System data analysis-**The SPD had an officer registered to attend training in Crime/Intelligence Analysis, but the class was cancelled due to lack of enrollment. Both of our Records Techs were trained and are utilizing Crystal Reports for our RMS system. No certification was available for Crystal Reports training.
- **Create Police Explorers Program-**The SPD conducted a survey to determine interest level for the creation of an Explorer program. The survey results showed there was no interest in the creation of this program.
- **Voluntary Fitness Program** – 45% of department members participated in fitness testing, below the 80% participation target. Of those participating, 83% passed, exceeding the 60% pass-rate target. Results were mixed: participating employees performed well, while increasing participation remains an area for improvement.

OTHER COMMENTS: Staffing continues to create struggles in meeting all of our goals, but we continue to work on achieving success. Overall, all department members have participated in the work done so far to accomplish our goals.