



CABARRUS COUNTY
America Thrives Here

FISCAL YEAR 2024-2025

ANNUAL RECOMMENDED BUDGET



INVESTING IN A SAFE CABARRUS

PRESENTED MAY 20, 2024

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Introduction

FY 2025 Recommended Budget

Board of Commissioners



Left to Right: Measmer, Shue, Morris, Wortman, Furr

STEPHEN MORRIS (Chair)

LYNN SHUE (Vice Chair)

TIM FURR

CHRISTOPHER MEASMER

KENNETH WORTMAN

INTRODUCTION

FY 2025 Recommended Budget



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**Cabarrus County
North Carolina**

For the Fiscal Year Beginning

July 01, 2023

Christopher P. Morill

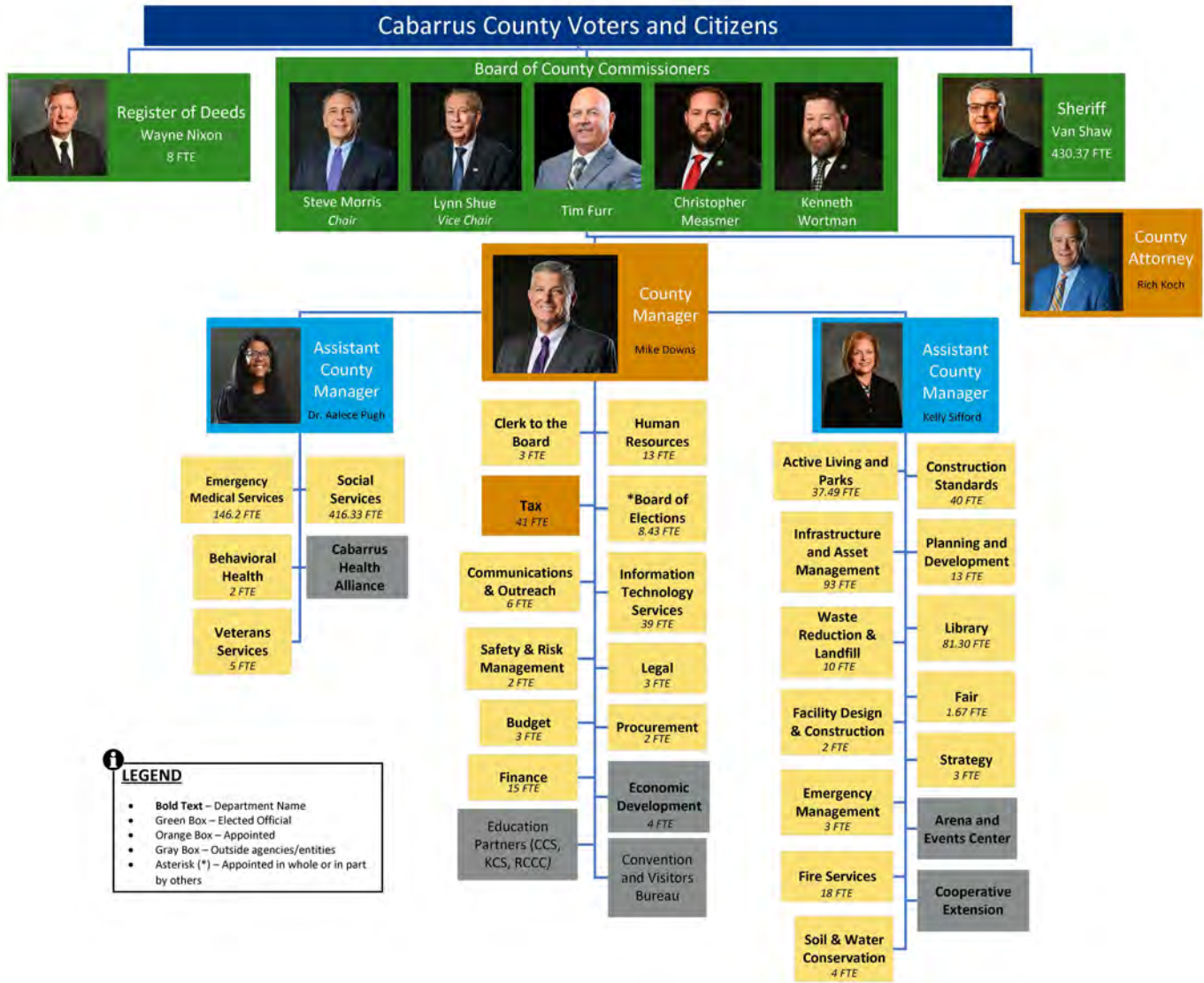
Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Cabarrus County, North Carolina for its annual budget for the fiscal year beginning July 1, 2023. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan and as a communications device. The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

Introduction

FY 2025 Recommended Budget

Cabarrus County Organization Chart



Introduction

FY 2025 Recommended Budget

Readers Guide

The information contained in this document is intended to accomplish the following:

- Explain how tax dollars are used
- Enhance accountability
- Promote transparency
- Describe departments and programs
- Inform the Board of Commissioners

The Fiscal Year 2025 (FY25) Budget goes from July 1, 2024 to June 30, 2025.

The following sections are included in the document:

Introduction

This section provides a Reader's Guide, County Profile and details of the strategic planning process.

Budget Message

This section provides the County Manager's overview of the FY25 Budget. The budget message explains funding priorities for the year focusing on new funding.

Financial Structure, Policy & Process

This section provides the fund structure, fund relationships, financial policies and budget process.

Budget Summary

This section provides a summary of revenues and expenditures.

Fund Summaries

This section provides a summary of the county's funds including:

- General Fund
- Community Investment Fund
- Landfill Fund
- 911 Emergency Telephone Fund
- Cabarrus Arena and Events Fund
- Fire Districts Fund
- Social Services Fund
- Intergovernmental Fund
- Workers Compensation and Liability Fund
- Health and Dental Insurance Fund
- Opioid Settlement Fund

Position Summary

This section provides position information by department. In addition, this section includes new positions funded.

Five Year Financial Plan

This section provides a forecast of revenues and expenditures over a five-year period for the general fund.

Capital Improvement Plan

This section provides the Capital Improvement Plan (CIP) for a five-year period. The CIP funds large construction and repair projects for the county. Projects for Cabarrus County Schools, Kannapolis City Schools and Rowan-Cabarrus Community College (RCCC) are also included.

Education

This section provides information on funding for Cabarrus County Schools, Kannapolis City Schools and Rowan-Cabarrus Community College.

Debt Service

This section provides the county's current and future debt obligations. It also includes the county's legal debt margin.

Supplemental Information

This section provides the supplemental information such as a glossary and index.

Introduction

FY 2025 Recommended Budget

Profile of Cabarrus County

The County, incorporated in 1792, is in the Piedmont section of the State of North Carolina and is bordered on the north by Rowan and Iredell counties, on the east by Stanly County, on the south by Union County and on the west by Mecklenburg County; it comprises approximately 230,400 acres. There are six municipalities in the County, the largest of which is the City of Concord, also the County seat. Concord is approximately 124 miles from the City of Raleigh, North Carolina and 18 miles northeast of the City of Charlotte, North Carolina. The second largest municipality is the City of Kannapolis. The Towns of Mount Pleasant, Harrisburg, Midland and Locust are smaller municipalities in the County. The United States Census Bureau estimated a county population of 240,016 as of July 2023, making the County the 11th largest in North Carolina. The County is empowered to levy a property tax on both real and personal property located within its boundaries.

The County has operated under the Board of Commissioners-County Manager form of government since 1976. Policy-making and legislative authority are vested in a governing board consisting of five commissioners. The governing board is responsible for, among other things, passing ordinances, adopting the budget, appointing committees and hiring the county manager, clerk to the board, tax administrator and county attorney. The County Manager serves as the chief executive and is responsible for carrying out the policies and ordinances of the governing board, for overseeing the day-to-day operations of the government and for appointing the heads of the various departments. Board members are elected on a partisan basis serving four-year staggered terms, with new members (two or three) elected every two years.

The annual budget is the foundation for the County's financial planning and control. All agencies of the County are required to submit requests for appropriation to the County Manager on or before the end of March each year. The County Manager uses these requests as the starting point for developing a recommended budget. The Board of Commissioners must adopt a final budget no later than June 30, the close of the County's fiscal year.

LOCAL ECONOMY

The County is one of 10 counties located in the Charlotte-Gastonia-Concord, NCSC Metropolitan Statistical Area (the "Charlotte MSA"), which consists of Cabarrus, Gaston, Iredell, Lincoln, Mecklenburg, Rowan and Union counties in North Carolina and Chester, Lancaster and York counties in South Carolina. The Charlotte MSA, anchored by the City of Charlotte, was the 22nd largest metropolitan statistical area in the United States as of the 2020 census.

The County's rapid growth, largely attributable to the County's position in the Charlotte metropolitan region, strong labor force and favorable environmental conditions have continued during this period of uneven national economic indicators. The County believes that its short-range and long-range planning has provided the necessary infrastructure to accommodate current and anticipated growth and the County cooperates with its municipalities in economic recruiting and development efforts.



The Cabarrus Economic Development Corporation

The Cabarrus Economic Development Corporation (the “CEDC”), which operates with a full-time staff, serves as the County’s primary recruiting and marketing entity. The Cabarrus EDC makes a measurable impact on individuals and families through program partnerships for **local start-ups**, support of **existing businesses** and recruitment of **new industry**. This includes supporting incubators for entrepreneurs, facilitating growth of existing business and keeping an inventory of available sites for business recruitment. All of these efforts position the County for continued strong economic development.

Historically, the County’s economy was primarily dependent on agriculture and the textile industry, but the County’s proximity to Charlotte and access to major interstate highways have helped diversify the County’s economy through investments in biotechnology, healthcare, manufacturing, industrial and business parks, warehousing and distribution, entertainment and hospitality, retail and aviation.

Healthcare

Atrium is a nationally recognized leader in shaping health outcomes through innovative research, education, and compassionate patient care. Based in Charlotte, North Carolina, Atrium Health is an integrated, nonprofit health system with more than 70,000 employees serving patients at 40 hospitals and more than 1,400 care locations.



Atrium Health Cabarrus, located in Concord, is the largest employer in the County. The 457-bed medical center serves a five-county region with more than 4,000 employees serving in more than 30 facilities throughout the region. Atrium Health Cabarrus is the second largest hospital facility in the Atrium Health (formerly Carolinas Healthcare System) network of healthcare facilities, which is the largest healthcare system in North Carolina and South Carolina and is the second largest public, multi-hospital system in the United States. Atrium Health Cabarrus provides a full range of tertiary and surgical services for residents of the County and surrounding counties. It has a Level III Trauma Center, The Jeff Gordon Children's Hospital, The Mariam Cannon Hayes Women's Center, The Batte Cancer Center, and other specialized services and facilities. In August 2018, the hospital opened a new state-of-the-art heart and vascular tower costing \$115 million to house The Sanger Heart & Vascular Institute. Atrium Health Cabarrus has also built satellite facilities in Kannapolis and Harrisburg. The Cabarrus Health Alliance, which is a public health authority and the only one of its kind in the State, also serves the county.

BIOTECHNOLOGY AND DOWNTOWN KANNAPOLIS REVITALIZATION

The North Carolina Research Campus Situated on 350-acres in downtown Kannapolis, the Research Campus houses eight major North Carolina universities focusing on biotechnology and nutrition research. At the center of the Research Campus is the 311,000 square foot David H. Murdock Core Laboratory, which houses the David H. Murdock Research Institute, Dole Food Company, NC Food Innovation Lab, and Endev Laboratories. Other facilities include the Cabarrus Health Alliance, Rowan-Cabarrus Community College Biotechnology Training Center, Greenhouse Facility and the Kannapolis City Hall and Police Headquarters.

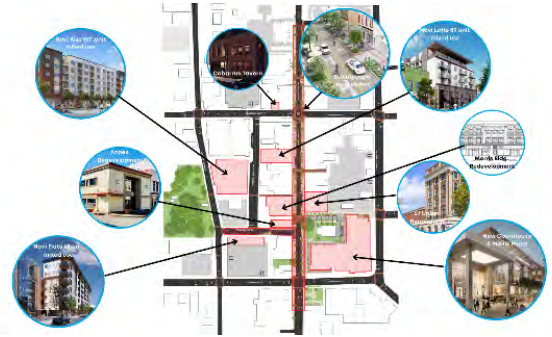


Kannapolis Downtown Revitalization Project

Kannapolis started a Downtown Revitalization project in 2016. Atrium Health Ballpark, home to minor league baseball's Kannapolis Cannon Ballers, is the centerpiece of the transformation along with the revamped West Avenue streetscape. The VIDA district includes 284 apartments, as well as commercial/retail space and a public parking deck. More than 30 businesses are now open on West Avenue including restaurants, boutiques, and a brewery. A mixed-use district located adjacent to the ballpark consisting of baseball operations offices, a restaurant, apartments, and potentially a hotel are under construction.

DOWNTOWN CONCORD REVITALIZATION

Concord started a Downtown Revitalization project in 2020. Lansing Melbourne Group's Novi mixed-use projects represent an estimated \$70 million of private investment and will add nearly 300 new market-rate and workforce apartments, commercial retail space, and a rooftop restaurant to the heart of downtown. The city's streetscape project will replace aging utility infrastructure and improve pedestrian walkability, recreation, and outdoor dining opportunities. In early 2023, the County's new courthouse and public plaza opened. The 1975 Courthouse renovation is underway and will be complete in summer 2024.





Manufacturing

The principal products manufactured in the County include optical fiber, plastic extrusion, food processing, concrete products, lumber and wood, specialized coloring, fabricated metal and machinery products, corrugated packaging, automobile parts and racing electronics. One of the largest of these manufacturers is Corning. Corning, Inc.'s fiber optics facility is in the southeastern part of the County and is the world's largest producer of fiber optic wire. Corning is continuing to increase its manufacturing numbers.

One of the largest industrial/manufacturing parcels in the state, which encompasses over 2,100 acres, lies in the City of Concord. The manufacturing site and land on both sides of U.S. 29 is available for development and is being marketed as The Grounds at Concord. Since 2019, the Cabarrus EDC has announced over \$2 billion dollars of new investment and over 1,800 new jobs at the site, including manufacturing facilities for Eli Lilly and Red Bull. The property is adjacent to George Liles Parkway, which has been extended/improved and provides a four-lane connector to U.S. 29, I-85, N.C. 73 and N.C. 3. In the future, the four-lane thoroughfare will extend to NC 49.

INDUSTRY AND DISTRIBUTION

The County has strong industrial and distribution sectors. This strength is due, in large part, to geographic location within the larger MSA and the combination of road and rail service. In addition, the aviation sector is strong and growing (this is discussed in a separate section). The best way to summarize Industry and Distribution is by area including potential areas for growth in those sectors. The primary areas that are occupied and growing lie along the interstate corridor but there are also concentrations near Harrisburg and in the southern part of the County. In addition, there are areas with infrastructure in place, or being improved, that are available for continued growth.

The International Business Park (IBP) is located near an interchange on I-85. The owners of the IBP actively pursue private investment from around the world. IBP includes a mix of over 30 companies the majority of which are global corporations. IBP has had constant activity over the last 25 plus years including recent lease up of speculative buildings, construction and occupancy of major distributions centers, the addition of manufacturing uses and, most recently, the completion of additional speculative buildings.

There are additional concentrations of industry and distribution along the interstate corridor at Afton Ridge and the Derita Road area. Afton Ridge includes retail, residential and distributions center for S.P. Richards (200,000 square feet) and Gordon Foods (300,000 square feet). Along Derita Road in Concord, there is over 3 million square feet of industrial space occupied by various distribution and manufacturing operations. The West Winds Industrial Park is located on Derita Road directly across from the airport entrance. Tenants in West Winds Industrial Park include Westrock Coffee (formerly S & D Coffee and Tea) and NASCAR Research & Development as well as the NASCAR Productions Building.

The Kannapolis Gateway Business Park is an 85-acre park located one mile from an interchange on I-85 and features approximately 753,000 square feet of industrial space and a 12-acre retail center. A million square feet of distribution was recently constructed which houses an Amazon distribution center. The facility is a combined investment in real and personal property of over \$85 million and has a total of 600 plus full-time employees now that it is in full operation.



At Interstate 85 at exit 63, a 750,000 square foot industrial spec building, Metro 63, was recently completed and is ready for a manufacturing or distribution tenant.

The Midland Business Park and Intermodal Facility is a future business park to be built near NC Highway 24/27 and Highway 601. Aberdeen Carolina and Western Railway is working to continue development at the intermodal facility and surrounding parcels that could support future industrial (rail served) development. The Intertape Polymer Group's construction of a new manufacturing plant in Midland is an example of additional growth in the southern part of the County. That plant has a value of approximately \$40 million and they employ more than 50 people in the first phase.

RETAIL

The retail mix in Cabarrus County includes sites that serve the region/state and the local economy. The regional magnet is Concord Mills, which is the state's largest tourism draw with over 17 million visitors each year and continues to spur retail and non-retail development.

Additional retail centers have been constructed throughout the County because of the population increase that has occurred. Larger retail centers are concentrated along Interstate 85 and in Harrisburg. Smaller, grocery anchored centers have been developed and are developing in several locations within Kannapolis, Concord and Harrisburg.

AVIATION

Since opening in 1994, the City of Concord has developed and operated Concord-Padgett Regional Airport on approximately 750 acres surrounded by I-85, Concord Mills Boulevard, Derita Road and Poplar Tent Road. The City's Aviation Department manages the public use commercial service airport as a self-sustaining enterprise fund. The airport has 7,400 feet of runway that can accommodate aircraft up to the size of a Boeing 737 or Airbus 320.

Concord-Padgett facilities include a general aviation terminal, 32,000 square-foot commercial service terminal and 700-space two-level parking facility. The airport also includes a variety of support facilities, hangars and over twenty-five acres of ramp space for aircraft parking.

According to a 2023 NCDOT Division of Aviation economic impact analysis, Concord-Padgett contributed over \$899 million into the local economy and supported 4,430 jobs in the region. There are currently 200 aircraft based at the airport with a combined taxable value of \$294 million. Bringing additional revenues, based aircraft and new services for the community ensures the airport's role as a critical regional economic generator and community asset.

The airport is home to many private sector businesses providing aircraft maintenance and detailing, flight schools, aircraft charter services, air ambulance providers and more. The airport is also home to many NASCAR corporate aviation flight departments including Hendrick Motorsports, Stewart-Haas and Joe Gibbs Racing.

Allegiant Air began commercial service in December 2013. Commercial service is offered to nine destinations including Orlando Sanford International Airport and Louis Armstrong New Orleans International Airport. In 2020, 260,000 passengers flew commercial out of Concord-Padgett. On May 2, 2024, Avelo Airlines will begin nonstop flights twice a week to New Haven, Connecticut from Concord Regional Airport.



TOURISM AND HOSPITALITY

Cabarrus County has become one of the most thriving tourism economies in the state of North Carolina. In 2022 the economic impact from tourism was \$566.7 million. This impact ranks Cabarrus County 11th out of North Carolina's 100 counties. The tourism industry continues to outperform pre-pandemic visitation and visitor spending. In 2023 Hotel Demand grew by 5.0% compared to 2022 while Average Daily Rates grew by 5.1%.

The Bureau rebranded in 2022 from Visit Cabarrus to Explore Cabarrus and utilizes the tag line There's More To Us. Motorsports will always be a part of the destination's DNA; however, each community has added to their tourism products which inspires visitors to explore all that Cabarrus County has to offer. There is still a large concentration of motorsports attractions, including Charlotte Motor Speedway, as well as NASCAR based teams such as Hendrick Motorsports, Roush Fenway Keslowski Racing, Trackhouse Racing, and Stewart-Haas Racing. Each team has race shop facilities that are open year around and they provide race fans and visitors the opportunity to watch the top racing teams in action. Charlotte Motor Speedway ("CMS") is a major sports and recreational facility which regularly hosts activities that draws over 1,000,000 visitors per year. Each year, CMS hosts major motorsports events, including two major NASCAR racing events. Facilities at CMS include a conference center topped by a restaurant and private club. The zMAX Dragway, also located on CMS property, hosts several events including two NHRA-sanctioned events. The Dirt Track at Charlotte Motor Speedway hosts annual dirt racing events including the World of Outlaws World Finals and motocross races. The Speedway has continually diversified its events portfolio by hosting major car shows and concerts.

Additional very large-scale attractions in Cabarrus County include Concord Mills Mall which sees 17 million visitors annually and Great Wolf Lodge which has the largest indoor water park in the Carolinas. For conventions and meetings the Embassy Suites and Concord Convention Center is a perfect destination. This full-service convention center is 45,000 sq ft and hosts corporate and association meetings from around the region. Cabarrus County operates an Arena & Events Center which is home to the annual Cabarrus County Fair, concerts, trade shows, sports/entertainment groups and a variety of other events throughout the year. Kannapolis built a new minor league baseball park for

the Kannapolis Cannon Ballers. The park is open year-round for sporting events and meetings.

The Cabarrus County Tourism Authority (CCTA) markets Cabarrus County utilizing the 6% Occupancy Tax levied on Hotels. The FY2025 budget for the CCTA is \$7,064,146 which represents a 9% increase over FY2024. The CCTA Mission is to “Drive visitation to Cabarrus County to generate the maximum impact through hotel stays and visitor spending.” The CCTA currently promotes Cabarrus County by spending 59.9% of its budget directly on Sales and Marketing. This outperforms other Tourism Authority’s where only 50% is spent on Sales and Marketing. In FY2025 the CCTA will continue to expand its reach for potential visitors through targeted marketing efforts as well as create more opportunities for conventions and meetings. The CCTA has partnered with the county school system to enhance sports facilities at 3 area high schools to benefit sports tourism. This includes the recent installation of a Mondo track which already has confirmed events on a state and regional level.

INTRODUCTION

FY 2025 Recommended Budget

KEY COMPONENTS OF STRATEGIC PLANNING AND VISIONING



Cabarrus County commissioners approved a new strategic plan in September 2023 that serves as the framework for County efforts to empower people, act intentionally and decisively, and focus on the future. Throughout the planning process, County employees and the Board of Commissioners provided input to define growth opportunities, set ambitious yet attainable goals, develop strategies that work across our organization, and cultivate values that will guide our actions.

After plan approval, County department leaders and committed frontline staff were divided into six task forces assigned to develop actionable steps, timelines and measures for each of the five goal areas. A group of frontline ambassadors focused on ways to introduce our new values and hold each other accountable to them.

In alignment with the FY25 budget process, the task forces and ambassador groups presented their employee-generated ideas to management in April 2024. The staff recommendations emphasized the importance of internal understanding, support and accountability. Their creativity produced solutions that move the County toward more effective and impactful service delivery without the need for budgetary expansion in FY25.

The task forces and ambassador group will meet quarterly to monitor progress and make adjustments. They will offer annual directional and budgetary recommendations.

To view staff ideas and progress made toward our vision, visit cabarruscounty.us and type "Strategy" in the search bar.

CABARRUS COUNTY STRATEGIC PLAN



GOAL 1: ENGAGEMENT

Strengthen community ties to increase understanding, participation and trust

- Improve the value of information, resources and opportunities we offer the community
- Design and implement purposeful relationship-building activities to elevate the County's presence within the community
- Develop new approaches to manage customer requests and establish standards to ensure positive customer experiences

GOAL 2: WORKPLACE CULTURE

Support employees through shared actions, values and culture to deliver exceptional service and become an employer of choice

- Invest in and foster opportunities for consistent employee support, development and advancement
- Enhance the County's employee recognition efforts by honoring growth, contributions, achievements and dedication to the organization
- Build strong, supportive teams using an organizational framework that helps employees recognize their strengths, address their weaknesses and adapt to changes for the benefit of the entire team
- Offer employees greater access to information and opportunities to collaborate

GOAL 3: STEWARDSHIP

Responsibly manage resources and care for assets to support the interests of our community

- Sustain responsible financial practices, uphold mandated responsibilities and meet evolving needs
- Promote and support the maximum efficiency, durability, safety, functionality and sustainability of County assets
- Partner to safeguard natural and historic resources

GOAL 4: INNOVATION

Modernize county government to meet current and future needs, improve efficiency and raise the level of accountability

- Measure and report progress made toward the County's strategic and business plans to drive internal performance and accountability
- Develop guidelines to assess and adjust ordinances, policies and procedures for relevance and efficiency
- Create opportunities for employee involvement in the decision-making process and practice responsive leadership

GOAL 5: ADVANCEMENT

Create pathways for upward economic mobility to support a prosperous and sustainable future for our community

- Connect residents to the full range of County programs and services available to them
- Support efforts to diversify and strengthen the local economy
- Grow internal and external partnerships to accomplish shared goals for prioritized needs
- Align workforce capacity to strategic priorities, population growth and service demand



BUDGET MESSAGE

FY 2025 Recommended Budget

May 20, 2024

Honorable Chairman and members of the Cabarrus County Board of Commissioners:

It is my honor and privilege to submit the Fiscal Year 2024-2025 (FY25) Recommended Budget and FY25 Community Investment Fund capital investments for Cabarrus County.

The Recommended Budget reduces the tax rate to **60 cents per \$100 of assessed value – a 14-cent reduction from the prior year**. At this tax rate, the County can sustain services and make critical investments like funding the public safety pay increase, which was unanimously approved by the Board in March of this year. Our analysis shows that short of an economic downturn, this rate should be sustainable and will provide a degree of stability for taxpayers over the next four years.

The recommended General Fund budget totals **\$391 million – a 15% increase from last year**. Across all funds, including those supported by user fees, the FY25 budget totals **\$510 million**. The budget also supports continued capital investments through the Community Investment Fund.

Impact of Revaluation

The results of the County's revaluation were front and center in budget discussions due to unprecedented growth in real property values across the county. The revaluation process is heavily dictated by State law with minimal local control. For example, revaluations must occur at least every eight years, but the State can direct they be conducted sooner if values fall or rise more than 15% from the going market rate. Our values established on January 1, 2020, were determined to be more than 15% lower than market rates in 2022. That means a revaluation would be required no later than January 1, 2025.

Faced with this reality, the County followed the current Board policy and stayed with our four-year revaluation cycle as recommended by the Department of Revenue. The new appraised values reflect real estate's current, fair market value as of January 1, 2024. New real property valuations **total \$40.7 billion – an increase of \$14.6 billion, or 56%, from the prior year**. When personal property, public service companies and motor vehicles are included, the County's **total estimated valuation for FY25 totals \$47 billion**. Based on these valuations, the **total general fund property tax levy for FY25 is \$280 million – an increase of 19% from FY24**.

The local valuation increase is consistent with the recent trend across the state. Several surrounding counties, including Iredell, Gaston and Rowan, completed revaluations last year and experienced similar increases. Likewise, counties completing 2024 revaluations like Pitt and Wake have found the same significant increases. Although new valuations of this magnitude can result in "sticker shock," it is clear from the data that our revaluation results are neither an outlier nor inconsistent with current market conditions.

It is important to keep in mind that with appeals ongoing, these valuations reflect the best estimates that can be produced at this time. Tax Administrator David Thrift and his team did a terrific job of being conservative in the figures provided. However, there is considerable uncertainty around potential changes from appeals, especially when many of the county's largest taxpayers appeal their values. **Staff will continue to monitor the appeals process and bring forward any needed changes to the Board prior to budget adoption in June.**

The other key aspect of revaluation is the requirement to calculate and publish a revenue neutral tax rate. If adopted, the revenue neutral tax rate would produce the same property tax revenue as the prior year when accounting for typical annual growth. **The revenue neutral tax rate is 52.65 cents per \$100 valuation.** Staff has concluded that this rate would negatively impact operations and be unsustainable over the next five years, so a revenue neutral tax rate is not recommended.

For example, **the revenue neutral tax rate would produce a deficit of \$22.8 million for FY25**, which would require substantial budget reductions to close the shortfall. Only looking at the revenue needed to balance the FY25 budget, the **lowest tax rate possible without spending cuts would be 57.6 cents per \$100 valuation – about 5 cents above revenue neutral.** While adopting a budget with this rate is an option available to the Board, this rate likely produces deficits that would need to be resolved starting in FY26

Economic Outlook

In addition to revaluation, the economic outlook locally and nationally was a factor in the development of the Recommended Budget.

The County's population continues to grow with an estimated 240,512 residents as of 2023. We are projected as the 10th largest out of 100 counties in the state. Continued growth results in higher property valuations and increased sales tax collections which increase revenue. On the other hand, growth comes with added expenses to sustain services and, in our case, the added challenge of significant growth in the school-age population. Nearly a quarter of our population is now under the age of 18, which increases demand and funding needed for school facilities.

County unemployment remains near a 10-year low and continues to outpace national unemployment. Job growth in the past year was primarily in retail, health care and food services.

Unemployment did increase from 3.1% in December 2023 to 3.5% in January 2024, making it a key metric to monitor since increased unemployment typically results in higher demand for County services. The stable labor market has also seen an increase in the county's average private-sector wage to over \$49,000. Labor market conditions and competition have necessitated substantial wage and benefit increases that have greatly impacted our budget. If these conditions persist, the County should continue to invest in employees or potentially fall behind the competition in recruiting and retaining high performers.

Although local data is important, the county is not immune to national economic conditions. UNC Charlotte Professor John Connaughton stated in March that "If Congress does not control fiscal spending, we are unlikely to see a recession in 2024; however, we are likely to see a slowing economy and return of inflation." Similarly, the Federal Reserve policymaking committee's March projections indicated stronger economic growth through 2026, with a continued focus on reducing inflation. Staff will continue to monitor national and local economic data for any potential impacts on the County's budget and/or programs. A further return of inflation would increase the cost of existing services and would likely result in delays in some of the large-scale construction projects detailed in this message.

Delivering on Prior Investments

Another key aspect of developing the Recommended Budget was understanding prior investments and the effectiveness of County programs. This understanding helps determine where resources should be directed moving forward.

During FY24, the Board continued to make significant investments in our workforce including:

- **Market-based pay adjustments** for **public safety, human services** and other **County staff** to ensure competitive wages with other counties or municipalities
- **Restoring longevity pay** for the first time since the 1990s to reward experienced and knowledgeable workers who are loyal to the County
- **Increasing on-call pay** for social workers and building maintenance staff responding to after-hours calls

- Allowing all employees, for the first time since 2017, **the option of two healthcare plans** based on their individual needs
- **Increasing the annual Health Savings Account** contribution for employees from \$750 to \$1,000
- **Added 12 positions** to enhance service delivery and reduce workloads in departments such as the Sheriff's Office and EMS
- **Added funding for 35.4 positions** to staff and maintain the new public library and active living centers in Mt. Pleasant and Afton Ridge. Those facilities are scheduled to open in FY25

These commitments to our dedicated employees have significantly reduced turnover. Last year, our turnover rate exceeded 20% across the organization, with a few departments exceeding 50%. **As of February 2024, the turnover rate was down to 10%, a reflection of the County's efforts to become an employer of choice in the region and state.**

In addition to investing in our workforce, the FY24 budget provided ongoing funding to support quality services and investments that continue to produce results. Accomplishments during the last few months include:

- Responding to nearly 1,500 calls with an average response time of less than eight minutes **(Emergency Medical Services)**
- Assisting veterans in receiving more than \$4.8 million of earned benefits through the first half of FY24 **(Veterans Services)**
- Being one of only four counties in the state to meet all Federal Incentive and Self-Assessment scores **(DSS-Child Support Services)**
- Exceeding the State standard by completing all evaluations of abuse or neglect for adults within established timeframes **(DSS-Adult and Aging Services)**
- Seizing narcotics with a street value of more than \$7.6 million **(Sheriff's Office)**
- Helping connect inmates with services needed while in jail and when they re-enter the community through a partnership between the **Sheriff's Office** and **Cabarrus Health Alliance**
- Maintaining over 1.8 million square feet of County-owned space **(Infrastructure and Asset Management)**
- Redirecting nearly 140,000 pounds of household hazardous waste and at least 50,000 pounds of flat-screen televisions from landfills **(Environmental Management)**

At the same time, data over the last year makes clear that investments in certain areas are necessary to meet service demand.

For example, the timeliness of Food and Nutrition Services has consistently fallen below the required goal of processing at least 95% of applications within established timeframes. Growth in service needs has produced a challenge for the program over the past year, as it has seen the average number of applications per month increase by 34%, while recertifications increased by 234%. If deficiencies in service provision continue, financial penalties or a State takeover of the program may ensue. Similarly, Child Welfare continues to be challenged by increased demand for services and staffing shortages, while EMS has crossed the threshold where a new ambulance is recommended.

These examples, both successes and opportunities for improvement, have informed the budget developed by staff over the past five months.

Prioritizing Public Safety

The largest new expense in the FY25 budget—significant increases to public safety salaries— was approved unanimously by the Board in March 2024. That action **added \$10.6 million of expense for FY25, an amount that will rise each year through cost-of-living adjustments (COLA), merit increases and future market adjustments.** These increases recognize the contributions of our **Sheriff's Office, EMS, Fire Services and Emergency Management** professionals. They work tirelessly in demanding positions to protect our residents and visitors. More importantly, these new salaries are competitive regionally and statewide, which will improve recruitment and retention and reduce vacancies and overtime.

In addition to improving salaries, the FY25 budget also **funds eight (8) new positions for EMS to place a 14th ambulance into service.** Call volumes have continued to increase year-over-year with response times remaining below eight minutes. This additional ambulance crew will provide coverage 24/7/365, improve response times and reduce the need for standby coverage.

Finally, it is critical our public safety personnel have the training, equipment and tools needed to be effective in their jobs. The budget funds a **new armored van and truck** for the Sheriff's Office Special Response Team (SRT) to enhance their incident response capabilities. The SRT was formed in 1997 to handle high-risk incidents such as drug raids, hostage rescue situations and barricaded armed individuals. Although the risk cannot be eliminated, purchase of these vehicles will make responding to these high-risk situations safer. For EMS, the budget adds a **Simulation Technical Specialist** and a **Logistics Specialist** to enhance in-house training and to manage distribution of medical supplies and uniforms. For the Sheriff's Office, the budget adds one additional **Deputy Sheriff** to provide security at the Concord Library branch

Enhancing Social Services

More than 90 positions were requested by departments during the budget process. There is an undeniable need to add staff to our Department of Social Services (DSS). The department continues to experience significant turnover and must remain compliant with State and Federal guidelines. Failure to do so can result in significant financial penalties or even State takeover of a program—or the entire department. Earlier, I noted specific deficiencies in the department; additional staff are essential to resolving these issues.

Ten (10) new positions are recommended for DSS, including:

- **Three (3) Eligibility Specialist II** and an **FNS Eligibility Supervisor II** in Food and Nutrition Services
- A **Licensing Social Worker III, Quality Assurance Evaluator** and **Community Social Services Technician** in Child Welfare
- An **Intake Social Worker II** in Adult and Family Services
- An **Administrative Specialist I** in Child Support Enforcement
- An **Administrative Specialist III** within DSS Administration

Fortunately, the cost of these positions will be significantly offset by State and Federal revenues received by the department. Although the total cost for these positions is projected to be \$807,420, the County-funded portion is expected to be only \$427,927.

Other Recruitment and Retention Efforts

We will continue to focus on improving employee recruitment and retention, thereby lowering the cost of turnover. We have committed to compensation market reviews and wage increases as needed, however, we have discovered through research of competing agencies that we are behind on other low-cost benefits. For this budget year, we want to focus on making the following changes to the Total Rewards benefits presented to the Board of Commissioners at the February 2024 Budget Retreat:

- Adjustment of **advanced holiday hours** to match total hours worked each day for public safety employees. For example, 12 hours to cover a full shift versus 8 hours.
- Increase in **vacation accruals** to match what other agencies are providing, starting at 12 days per year
- Addition of a **floating holiday** to the schedule to match competing employers and provide employees a choice
- Adjustment of the title “**sick leave**” to “**wellness leave**” to encompass physical, mental and emotional well-being and add 2 days to the Wellness Leave bank to account for mental health
- For new hires with previous government service, **consideration of previous service** with local/state government when assigning vacation tier, allow sick accrual balances to be added to our **wellness leave bank** and provide use of 6 of the 12 sick days up front in the first year to cover immediate needs and minimize need for leave without pay
- Addition of **bereavement leave**, no more than 10 days per year
- Addition of **paid parental leave**, up to 6 weeks per year

These benefits do not require budget funds. The main cost consideration involves time and staff availability to cover operational needs.

Addressing Educational Needs

The budget request submitted by Cabarrus County Schools (CCS) was the largest in recent history when operating and capital requests are combined. Overall, the recommended CCS operating budget is **\$90.2 million – an increase of \$8.5 million or 10.45% from the prior year**. Additional funding would cover increased costs for personnel, including salaries, certified supplements and benefits. This funding would also cover inflation and enrollment-related cost increases for instructional, building maintenance and technology. In addition, the following high-priority expansion items are included in the increased amount:

- **\$2.6 million** to implement recommendations from a classified position salary study. Classified positions include bus drivers, building maintenance and technology, among others.
- **\$1,825,000** to increase the certified supplement to 13% – an increase of 1%

While the increases for CCS are substantial, it is important to note that they fall short of what the district requested. Expansion requests submitted by the district, but not included in the Recommended Budget, include:

- **\$5 million** to enable a four-year computer refresh cycle for student and staff devices
- **\$755,000** to restore previously allocated one-time funds for play-based learning supplies and furniture, marching band uniform replacements and curriculum development
- **\$581,000** to address curriculum and enrollment growth including restoration of instructional supply funds reduced in prior years, books and the VEX Robotics program
- **\$517,250** to maintain software and programs previously funded through one-time or other funds. Examples include the Canvas online platform and second-chance retesting
- **\$412,500** for additional positions including IT field technicians and behavior technicians

Although these requests are reasonable and important, funding would require adoption of a higher tax rate and/or spending cuts.

Kannapolis City Schools' (KCS) operating budget would **increase to just under \$10.5 million – or \$1.16 million (12.49%) over the prior year**. The funds would cover increased costs for salaries, certified teacher supplements and benefits. Similarly, the district has been impacted by inflation for other operating expenses including utilities and technology. Considering Rowan County's share of added expenses, the additional funding should also be sufficient to sustain five positions previously funded through one-time funds, including a **Multi-language Learning Coordinator, EC Instructional Coach, Instructional Technology Facilitator, School Social Worker and School Psychologist**.

In addition to CCS and KCS funding, the County is also required to provide equal per-pupil funding for students attending a charter school. Charter school enrollment is estimated to be 3,356 students for the 2024-2025 school year. This results in direct charter school funding to CCS and KCS of just over **\$7.2 million, with an additional \$1,255,893 held in Board contingency** should charter school enrollment meet or exceed current projections.

Rowan-Cabarrus Community College (RCCC) serves over 20,000 students each year, offering 55 degrees, 36 diplomas and 101 certificate programs. The College plays a vital role in workforce and economic development throughout the county and region, with \$238 million of income added to the local economy each year. Additional funding for salary and benefit increases and utilities are included in the budget. This results in total funding of **\$4.6 million, an increase of 6.2% from the prior year**.

Tackling Unprecedented Capital Needs

As part of the FY24 budget, the Board approved new financing for 13 projects totaling an estimated \$180 million. Projects included the public safety training facility, relocation of the social services department and several education projects. Given market conditions, the debt issuance was delayed until July 2024 (FY25), providing an opportunity to address changing needs.

Most significantly, we received a nearly \$1 billion capital request from Cabarrus County Schools to address projected enrollment growth over the next decade. We also identified project shortfalls for a variety of projects. **Responding to these changes requires an additional \$170 million**, which brings the total to **\$350 million** for the following projects:

Project	Total Cost
New Public Safety Training Facility	70,000,000
New Elementary School (CCS)	50,600,000
Replacement Elementary School (CCS)	50,600,000
New Workforce Innovation Center (RCCC)	47,000,000
New Behavioral Health Facility	20,000,000
New Social Services Facility – Renovations Only	20,000,000
New Public Library and Active Living Center at Afton Ridge	15,000,000
Addition at Fred L. Wilson Elementary (KCS)	14,000,000
Relocation of Mary Frances Wall (CCS)	11,000,000
Relocation of Opportunity School (CCS)	9,500,000
HVAC Replacement at Concord High (CCS)	9,000,000
HVAC Replacement at Forest Park Elementary (KCS)	7,000,000
Renovations of Building S203 (RCCC)	7,000,000
HVAC Replacement at Weddington Hills Elementary (CCS)	7,000,000
HVAC Replacement at South Campus (RCCC)	5,335,000
Roof Replacement at Hickory Ridge High (CCS)	2,550,000
Roof Replacement at Cox Mill Elementary (CCS)	2,500,000
Roof Replacement at Wolf Meadow Elementary (CCS)	2,000,000
TOTAL	350,085,000

The added funding will allow Cabarrus County Schools to construct two elementary schools that would open in August 2026. One school will replace Coltrane-Webb and Beverly Hills elementary schools and be built on the current site of Coltrane-Webb. The other will be built on newly acquired land in Harrisburg, or potentially in the northwest portion of the county if land can be identified by this summer.

An additional \$54 million would be allocated to RCCC for construction of a Workforce Innovation Center (\$47 million) and for substantial renovations to building S201 (\$7 million). RCCC has been a vital partner in training and re-training the workforce for careers ranging from advanced manufacturing to plastics technology. A state-of-the-art facility would enhance workforce development efforts, which in turn benefits the county through the associated economic impact for both employers and workers.

The balance of the additional funding will help close funding gaps for approved projects, including the \$20 million shortfall for the Behavioral Health Center. The County was fortunate to receive \$32.5 million from the State for this critical project, but the overall budget to deliver the full scope is currently \$55 million. County staff will continue to pursue opportunities for additional State funding and/or other contribution opportunities that could reduce the need for additional County funds.

Board action will be requested in June to authorize these projects for construction-period (Draw Program) financing with a conversion to 20-year fixed debt in 2026. Over the next two years, the County will pay interest only for the actual amount spent on these projects. At the same time the 2024 Draw Program begins, we will convert the 2022 Draw Program to fixed debt in a market that should yield lower interest rates than two years ago.

As a reminder, projects included within the 2022 Draw Program included:

Project	Total Cost
Courthouse	67,500,000
New Social Services Facility – Building/Land Acquisition Only	42,000,000
R. Brown McAllister Elementary Replacement (CCS)	39,800,000
Library and Active Living Center and Virginia Foil Park at Mt. Pleasant	26,500,000
EMS Headquarters	17,768,902
Emergency Equipment Warehouse/ITS Relocation	7,300,000
Roberta Road Middle School (CCS)	6,471,511
Frank Liske Park (Multiple Projects)	5,000,000
Northwest High Replacement – Design (CCS)	3,276,000
Northeast Cabarrus Radio Tower	2,275,000
Virginia Foil Park Land Acquisition	1,648,125
Parking and Drive Replacement at Mt. Pleasant High (CCS)	1,648,000
Roof Replacement at Concord High (CCS)	1,493,500
Roof Replacement at CC Griffin Middle (CCS)	1,236,000
Roof Replacement at Central Cabarrus High (CCS)	1,236,000
Roof Replacement at Weddington Hills Elementary (CCS)	1,236,000
Roof Replacement at Bethel Elementary (CCS)	927,000
TOTAL	227,316,038

Although the total July 2024 issuance is a substantial investment, the proposed plan funds these projects without impacting the FY25 tax rate. Based on current assumptions, that is only possible by limiting future debt issuances to no more than \$60 million in each of the two-year cycles. While this proposal limits taxpayer impact for FY25, it does mean funding additional school projects in 2026 and beyond requires an increased tax rate and/or significantly reduced spending in future years.

There are two primary options available to address CCS capital needs beyond this year:

First, the Board could authorize a bond referendum to be held in March 2026. This would allow voters to decide whether to fund the remaining projects on the CCS capital plan. The referendum would need to occur during the 2026

primary to precede the County's July 2026 debt issuance. If approved, the County would have the authority to adopt a tax rate sufficient to cover the cost of the new debt. If the referendum failed, the projects would be delayed a minimum of two years, potentially resulting in further capacity challenges and increased project costs.

Second, rather than conducting a bond referendum, the Board could adopt a budget with an appropriate tax rate to fund the remainder of the CCS capital plan through non-voter-approved debt.

Either option would address the student growth over the next decade while having an undeniable impact on taxpayers. This is a significant policy discussion the Board will need to have in the coming months.

In addition to debt-financed projects, the budget also allocates **\$27.6 million** of cash reserves to meet other capital needs. The use of cash reserves for less expensive projects, known as pay-as-you-go (PAYGO), allows projects to be completed without added borrowing costs. Projects recommended for FY25 include:

Cabarrus County Schools (\$11.5 million)

- **\$7.9 million** for the Top 36 deferred maintenance projects, including enhancing access controls, roof repairs, parking lot repairs and flooring replacements. These projects will improve building conditions at 18 schools across the district.
- **\$1.4 million** for adding fuel tanks to enable additional diesel fuel storage on-site
- **\$1.3 million** for replacing end-of-life televisions and SMART boards across the district
- **\$870,000** to add/replace security cameras across the district

Kannapolis City Schools (total of \$3.3 million)

- **\$1.8 million** for 13 projects across 8 schools, including enhancing access controls, furniture replacement, roof repairs, flooring replacement and security camera upgrades
- **\$950,000** for a chiller replacement at G.W. Carver Elementary School, roof replacement at North Kannapolis Elementary School and front parking lot repaving at Shady Brook Elementary School
- **\$500,000** for water pipe replacements at A.L. Brown High School

County (total of \$11.9 million)

- **\$6.3 million** for critical deferred maintenance projects, including paving, basement renovations to accommodate staff in current buildings, ADA bathroom renovations, playground replacements and roof replacement
- **\$4.4 million** for one-time startup costs, including furniture, technology and supplies, for the new Library and Active Living Center facilities in Afton Ridge and Mt. Pleasant
- **\$800,000** for grounds maintenance building replacement design
- **\$400,000** for portable generator replacements for Emergency Management

Rowan-Cabarrus Community College (total of \$1 million)

- **\$1 million** for general campus maintenance and repairs, security upgrades and the creation of an aseptic simulation lab

Adoption of the Capital Project Ordinance is planned for the June 17 regular meeting.

Five-Year Outlook

Although the Board adopts an annual budget, it is critical to consider how decisions made each year impact future budgets. As part of the annual budget process, staff develops a five-year plan that illustrates how revenues and expenditures are expected to change.

Larger annual increases are forecast for education partners **(4.5%)** and the cost for County staffing **(6%)**, while smaller increases are projected for general operating expenses **(3%)** and the Cabarrus Health Alliance **(3%)**.

The Board has consistently directed staff to be conservative in projections, so the plan forecasts average revenue growth of about 2% annually. Property tax is the most significant revenue source and is projected to grow at about 3% each year. The second largest revenue source is sales tax, which based on recent trends, is only projected to grow about 1% annually.

Based on the five-year plan assumptions, the recommended tax rate would generate a surplus in FY25 and FY26 of \$15 million. The surplus would cover the projected shortfall of \$15 million in FY27 and FY28. Unless outside factors intervene, this would enable the County to maintain the tax rate until the next revaluation.

Regarding the next revaluation, there is a significant deficit of \$19.7 million forecast for FY29 when revaluation will go into effect. The five-year plan only assumes typical property tax revenue growth and not increased revenues from the revaluation. A future board will need to decide whether additional revenue is realized.

Acknowledgements

In closing, I would like to thank our team members for their dedication and unmatched customer service. They help make Cabarrus County such a special place. In particular, numerous team members contributed to the development of a budget responsive to community needs. I would like to mention a few specifically: Aalece Pugh, Kelly Sifford, Lundee Covington, Rosh Khatri, Yesenia Pineda, Sophia Politis, Jim Howden, Suzanne Burgess and our department leadership.

I would also like to commend the Board for your leadership over the past year. Your dedication to the citizens of our county is very much appreciated by staff, county partners and the citizens themselves.

We look forward to your thoughtful consideration of the Recommended Budget and input from residents and businesses before the budget adoption on June 17.

Respectfully submitted,

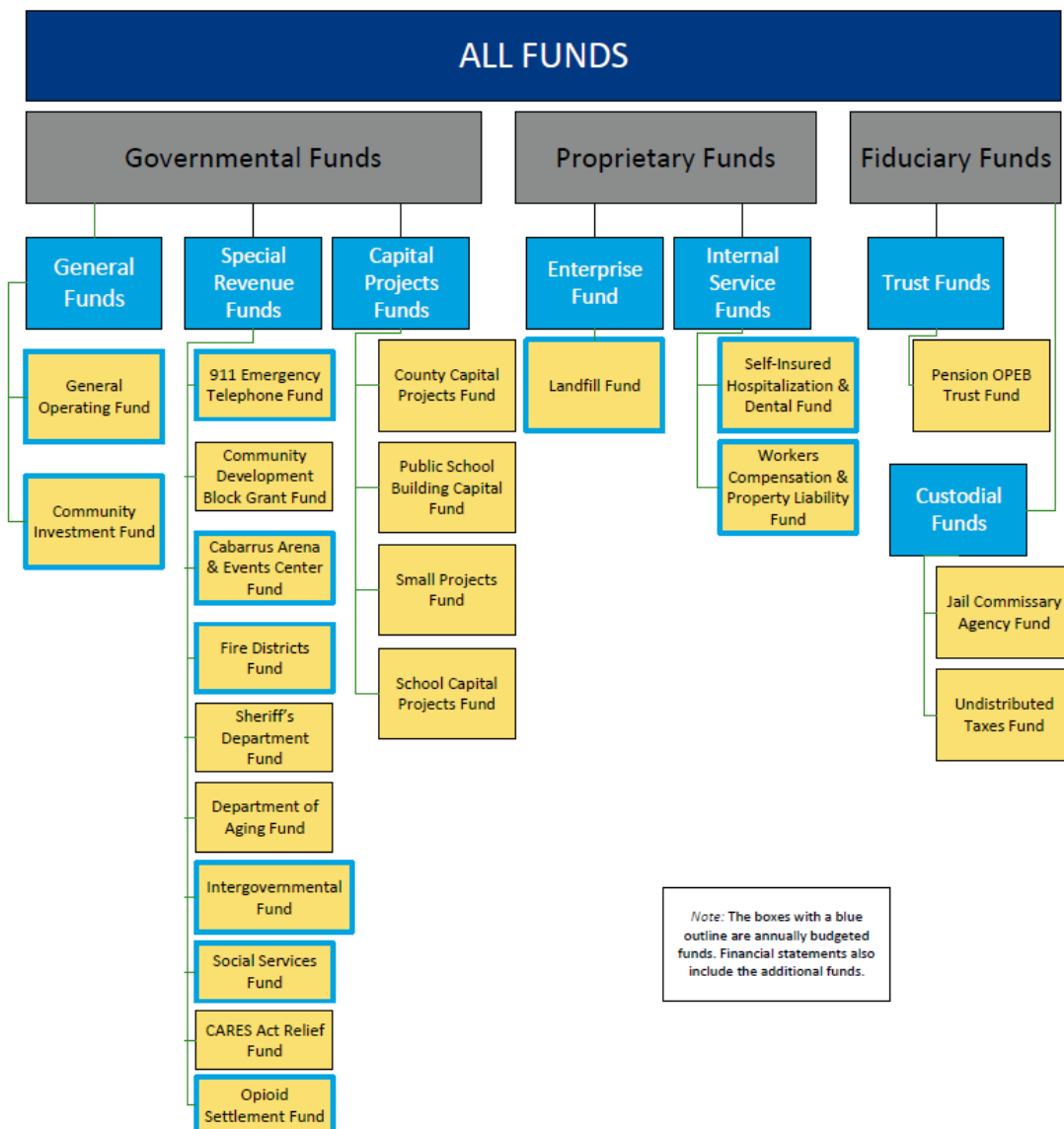


Michael K. Downs
County Manager

FINANCIAL STRUCTURE, POLICY AND PROCESS

FY 2025 Recommended Budget

Fund Structure





FINANCIAL STRUCTURE, POLICY AND PROCESS

FY 2025 Recommended Budget

FUND RELATIONSHIPS

Cabarrus County organizes and operates accounts by fund. A fund is an independent set of accounts where the county records financial transactions. The county maintains the minimum number of funds required by law. In addition, the County maintains additional sub-funds for specific management needs. The County has the following funds and sub-funds:

GENERAL FUNDS

001 - General Operating Fund

100 - Community Investment Fund

SPECIAL REVENUE FUNDS

401 - 911 Emergency Telephone System Fund

410 - Community Development Block Grant Fund

420 - Cabarrus Arena & Events Center Fund

430 - Fire Districts Fund

440 - CARES Relief Fund

442 - Opioid Settlement Fund

461 - Sheriff's Department Fund

532 - Department of Aging Fund

560 - Social Services Fund

571 - Intergovernmental Fund

CAPITAL PROJECTS FUNDS

320 - Public School Capital Fund

340 - County Capital Projects Fund

390 - School Capital Projects Fund

460 - Small Projects Fund

ENTERPRISE FUND

270 - Landfill Fund

INTERNAL SERVICE FUNDS

600 - Workers Compensation & Property Liability Fund

610 - Self-Insured Hospitalization & Dental Fund

TRUST FUNDS

550 - Pension OPEB Trust Fund

CUSTODIAL FUNDS

540 - Jail Commissary Agency Fund

570 - Undistributed Taxes Fund

FINANCIAL STRUCTURE, POLICY AND PROCESS

FY 2025 Recommended Budget

FUND DESCRIPTIONS

GOVERNMENTAL FUNDS

GENERAL FUNDS

- **General Operating Fund** – This fund is the primary operating fund for the County.
- **Community Investment Fund** – sub-fund to account for sales tax/lottery revenue dedicated to school capital and property tax revenues for debt/capital projects. This sub-fund accounts for debt service expenditures and transfers to Capital Projects Funds.

SPECIAL REVENUE FUNDS – These funds account for revenues legally restricted to specific expenditures.

- **911 Emergency Telephone System Fund** – sub-fund to account for revenues received from subscriber fees specifically restricted for the operation and maintenance of a countywide Emergency 911 network.
- **Community Development Block Grant (CDBG) Fund** – sub-fund to account for revenues received under the Community Development Block Grant Program specifically restricted to the revitalization of select areas of the County.
- **Cabarrus Arena and Events Center Fund** – sub-fund to account for revenues received from rental, user fees and general fund support specifically restricted to the operation of the facility.
- **Fire Districts Fund** – sub-fund to account for property taxes collected and disbursed on behalf of the Fire Departments that protect the unincorporated areas of the County.
- **Sheriff's Department Fund** – sub-fund to account for the collection and appropriation of Federal and State funds received for the Cabarrus County Sheriff's Office.
- **Department of Aging Fund** – sub-fund to account for the activities associated with contributions for senior citizen activities and projects.
- **Social Services Fund** – sub-fund to account for moneys held by the Department of Human Services as agent for various individuals who are incapable of managing their own financial affairs.
- **Intergovernmental Fund** – sub-fund to account for the accumulation of fines and forfeitures before they are distributed to the local School Boards.
- **CARES Act Relief Fund**– sub-fund accounts for funding received from the federal government to cover COVID-19 expenditures for public health emergency.
- **Opioid Settlement Fund** - sub-fund account for funding received from settlement proceeds from the national settlement agreement of the State and national litigation related to the opioid industry, including the manufacturing, marketing, promotion, distribution, and dispensing of opioids.

CAPITAL PROJECTS FUNDS– These funds account for the financial resources used for the acquisition or construction of major capital facilities other than those financed by proprietary and trust funds.

- **County Capital Projects Fund** – constructs, renovates, and equips capital projects for the County through the use of debt and non-debt sources.
- **Public School Building Capital Fund** – sub-fund collects State public school funds and lottery proceeds and disbursing the funds for smaller non-debt school capital projects.
- **Public School Building Capital Fund** - sub-fund collects state public school funds and lottery proceeds and disbursing the funds for smaller non-debt school capital projects
- **Small Projects Fund** – sub-fund collects and appropriates general fund revenues and federal and State grant funds received specifically for use by the appropriate Cabarrus County Department who has received the funds.
- **School Capital Projects Fund** – This sub-fund accounts for planning, design, construction and/or renovation of schools using debt and non-debt sources.

PROPRIETARY FUNDS

- **Enterprise Fund** – This fund accounts for operations financed and operated in a manner similar to private business enterprise. The intent of the county is to recover the cost of the service(s) through fees charged to users.
- **Landfill Fund** – sub-fund to account for the operations of the solid waste landfill. Cabarrus County accepts demolition and recycled materials at the landfill. Most funds reserved in this fund are for post-closure expenditures related to future closure of the landfill.
- **Internal Service Fund** – This fund accounts for the financing of goods or services provided by one department or agency to another or to other government units on a cost reimbursement basis.
- **Self-Insured Hospitalization and Dental Fund** – sub-fund to account for the administration and operation of the County's healthcare and dental insurance.
- **Workers Compensation and Property Liability Fund** – sub-fund to account for the administration and operation of the County's self-funded workers compensation and property liability transactions.

FIDUCIARY FUNDS

- **Custodial Fund** – This fund is used to report assets held in a trustee or agency capacity for others and, therefore, cannot be used to support the government's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, private-purpose trust funds and agency funds.
- **Jail Commissary Fund** – sub-fund to account for the collection and disbursement of jail inmate's personal money.
- **Undistributed Taxes Fund** – sub-fund to account for the collection of property taxes and the disbursement of the taxes to the county and to the municipalities located in the county.

TRUST FUNDS

- **Pension OPEB Trust Fund** - sub-fund to account for health care benefits of a single employer defined benefit Health Care Plan which provides postemployment health care benefits to eligible retirees of the county who participate in North Carolina Local Government Employees' Retirement System.

FINANCIAL STRUCTURE, POLICY AND PROCESS

FY 2025 Recommended Budget

BASIS OF BUDGETING AND ACCOUNTING

In accordance with North Carolina General Statutes, all funds (governmental, proprietary and fiduciary) of the County are budgeted and accounted for on a modified accrual basis. Under this basis,

1. The county recognizes Revenues in the accounting period they become measurable and available. Property tax revenue recognized in the fiscal year when taxes levied. Grant, entitlement and donation revenue recognized in the fiscal year when eligibility requirements were satisfied.
2. The county recognizes Expenditures in the period incurred. One exception is principal and interest on general long-term debt, claims and judgments and compensated absences, which are expenditures in the year payments are due.
3. The county financial statements for Governmental funds use the current financial resources measurement focus.
4. The county financial statements for Proprietary and fiduciary funds use the economic resources measurement focus and the accrual basis of accounting, except for the Agency Funds which have no measurement focus.

The county uses formal budgetary accounting as a management control for all funds. Each fiscal year, the Board of Commissioners adopts an annual budget ordinance. In addition, the Board of Commissioners adopts project budgets that cover more than one fiscal year for specific revenue and capital project funds. Examples include the Community Development Block Grant (CDBG) and school construction.

Each department exercises budgetary control, at the line item level, with the adoption of the budget by the Board of Commissioners. The county's fiscal year covers July 1 through June 30 of the budget year. Throughout the year, the Finance Department and the County Manager's office monitor expenditures and revenues. The Board of Commissioners, County Manager and Budget Director have authority to amend the budget during the fiscal year consistent with the adopted budget ordinance.

The County Manager's Office and Finance Department ensure compliance with all purchasing and payment policies and procedures. The Finance Department also pre-audits all transactions to ensure compliance with the law.

Financial Structure, Policy and Process

FY 2025 Recommended Budget

Financial and Budgetary Policies

Objectives

1. To maintain the County's stable financial position.
2. To ensure implementation of adopted policies in an efficient and effective manner.
3. To secure the highest possible credit and bond ratings by meeting or exceeding the requirements of bond rating agencies through sound, conservative financial decision making.
4. To comply with all legal requirements.

Operating Budget Summary

The County's Annual Budget Ordinance is balanced in accordance with the Local Government Budget and Fiscal Control Act (N.C.G.S. 159-8 (a)). A balanced budget means that revenues or appropriated fund balance is equal to expenditures. The County's Annual Budget Ordinance is adopted by July 1 (N.C.G.S. 159-13 (a)).

The County reviews financial policies annually in the following areas:

Revenue Policy

The County seeks to have diverse revenues to provide stability for consistent service levels and to protect against economic downturns. Revenue management is an ongoing process for reviewing and analyzing revenues to ensure proceeds are at an optimum level. The county estimates revenues conservatively based on trends and the economy. To meet these objectives the County observes the following guidelines:

Ad Valorem (Property) Tax

As provided by the North Carolina Local Budget and Fiscal Control Act, estimated revenue from the Ad Valorem Tax levy is budgeted as follows:

- The county estimates assessed valuation conservatively based on historical trends and growth patterns.
- In accordance with state law, the estimated tax collection rate will not exceed the rate from the preceding fiscal year.

The tax rate will be set each year based on the cost of providing general governmental services and paying debt service.

User Fees

When the county can individually identify a service and its costs, the County maximizes user fees rather than property taxes. This objective is in keeping with the Commissioners' goal that growth should pay for itself and not place a burden on residents who do not use the service. Emphasis on user fees over property taxes results in the following benefits:

- All users, even those that do not pay property taxes, pay user fees.
- User fees prevent the county from subsidizing services not provided to the public.
- User fees are a means to ration the provision of certain services.
- User fees are equitable and efficient.
- User fees connect an amount paid to a service received.

Grant Funding

The county will pursue opportunities for grant funding when aligned to Board of Commissioner priorities.

Other Revenue

The county appropriates all other revenue through the annual budget process to meet County Commissioner priorities.

Expenditure Policy

The county proactively monitors expenditures to maintain compliance with all requirements. Staff monitor expenditures throughout the year to ensure expenditures do not exceed revenues. The annual budget ordinance defines staff authorized to make budget adjustments during the fiscal year.

The county may only use debt proceeds for the issued purpose or payment of debt principal and interest. Similarly, the county can only spend donations for the stated purpose.

For continuing contracts, the county appropriates funds in the annual budget ordinance to meet current year obligations, in accordance with G.S. 160A-17.

Payroll is in accordance with the requirements of the Fair Labor Standards Act. Overtime and benefit payments are made in accordance with the County's Personnel Ordinance.

Fund Balance Policy

The County will maintain sufficient fund balance to address unanticipated revenue declines, avoid short-term borrowing and cover unbudgeted expenditures resulting from emergencies, natural disasters or unexpected opportunities. The County will not appropriate fund balance for ongoing operating expenditures except in extreme emergencies. Notwithstanding any other provisions of this policy, the County may appropriate fund balance for any use in the general fund to overcome revenue shortfalls related to significant downturns in the economy.

The Local Government Commission (LGC) requires the county to maintain a minimum unassigned fund balance of 8% of general fund expenditures; however, it is the policy of the County to maintain unassigned fund balance equal to 15% of general fund expenditures.

A replenishment period commences if unassigned fund balance falls below 15%. Funds will be budgeted beginning with the subsequent fiscal year's adopted budget with a replenishment period not to exceed three consecutive fiscal years.

Following the completion of the annual financial audit, any unassigned fund balance above 15% transfers to the Community Investment Fund (CIF) or Capital Reserve Fund to reduce reliance on debt; and/or to the Self-Funded Hospitalization and Dental Fund, Workers Compensation and/or Liability Fund to maintain fund integrity.

Community Investment Fund Policy

The County maintains the Community Investment Fund (CIF) within the general fund to account separately for capital projects and debt. As a means to manage fund balance during both strong economic conditions and downturns, the county will maintain a minimum fund balance within the CIF of 25-35 percent. A replenishment period will commence if CIF fund balance falls below 25 percent. Funds will be budgeted beginning with the subsequent fiscal year's adopted budget with a replenishment period not to exceed three consecutive fiscal years.

Funding within the CIF will go toward the county's five-year capital improvement plan (CIP) which projects capital needs and expenditures and details the estimated cost, description and anticipated funding sources for capital projects. The first year of the CIP will be the basis of formal appropriations during the annual budget process. If new project needs arise during the year, a budget amendment will identify the funding sources and project appropriations to provide formal budgetary authority for the project. The CIP generally addresses capital projects with a value of more than \$100,000 and a useful life of over five (5) years.

The County will emphasize preventive maintenance as a cost-effective approach to infrastructure maintenance. The County maximizes the use pay-as-you-go (PAYGO) funding for capital projects to reduce the need for debt financing.

Debt Management

Debt for capital projects will not exceed the expected useful life of the project.

The County will maximize the use of pay-as-you-go (PAYGO) funding for capital projects to reduce the need for debt. The general obligation debt of the County will not exceed eight percent of the assessed valuation of taxable property. General fund debt service will not exceed limits imposed and recommended by the Local Government Commission (LGC). The county closely monitors the formulas established by the LGC and rating agencies to make sure they are appropriately applied.

The County seeks the best financing type based on the following considerations: flexibility to meet the project needs, timing, payer equity and lowest interest cost.

The County strives for the highest possible bond rating to minimize the County's interest expenditures.

The County's debt policy is comprehensive and the County will not knowingly enter into any contracts creating significant unfunded liabilities.

Accounting/Financial Reporting Policy

The County will maintain an accounting system to monitor revenues and expenditures as required by the North Carolina Local Budget and Fiscal Control Act.

All records and reporting will be in accordance with Generally Accepted Accounting Principles. The basis of accounting within governmental funds is modified accrual. Under this method of accounting, the county records revenue when measurable and available. Enterprise Funds follow the accrual basis of accounting. Under this method of accounting, the county recognizes revenue when earned and expenditures when incurred.

The County will maintain an accounting system that provides strong internal controls designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss and the reliability of financial records for preparing financial statements and reports. These reports will be the basis for the budget and the Comprehensive Annual Financial Report (CAFR).

An independent public accounting firm will perform an annual audit. Each year the firm will issue an opinion on the county's annual financial statements, with a management letter detailing areas needing improvement, if required. The county provides full disclosure in all regulatory reports, financial statements and bond representations.

The County maintains an inventory of capital assets. The county maintains reports on inventories and depreciation in accordance with governmental accounting standards.

The CAFR is prepared according to the standards necessary to obtain the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association (GFOA). The county submits the CAFR to the GFOA annually with the goal of receiving the designation.

Cash Management Policy

The purpose of the County's Cash Management Policy is to provide guidelines to maximize the use of public funds in the best interest of the public.

Receipts

The county collects cash as quickly as possible to provide secure handling of incoming cash and to move funds into interest earning accounts and investments. Staff deposits funds as required by law and does so in a manner to receive credit for that day's interest. The county maintains cash flow projections to allow investment of funds for longer periods at higher rates of return.

Cash Disbursements

The county seeks to retain money for investment for the longest appropriate period. Staff process disbursements in advance of or on the agreed-upon contractual date of payment, unless earlier payment provides an economic benefit to the County.

The county maintains inventories and supplies at the minimum appropriate level for operations to increase cash availability for investment.

For County checks, dual signatures are required. Facsimile signatures are safely stored and used as appropriate.

Investment Policy

It is the policy of the County to preserve capital and invest public funds to provide the highest investment return with maximum security, while meeting the daily cash flow demands of the County. All county investments conform to all state and local statutes governing the investment of public funds. This investment policy applies to all financial assets in the County's investment portfolio except debt proceeds. The county accounts for and invests debt proceeds separately from other funds. The County's Comprehensive Annual Financial Report (CAFR) accounts for these funds.

Staff use the "prudent person" rule for investments. The "prudent person" concept discourages speculative transactions. It attaches primary significance to the preservation of capital and secondary importance to the generation of income and capital gains. Authorized staff, if acting in accordance with written procedures and state statutes and exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that these deviations are reported immediately and action is taken to control adverse developments.

The primary investment objectives, in priority order, are safety, liquidity and yield.

First, safety of principal is the foremost objective of the investment program. Investments seek to ensure the preservation of capital in the overall portfolio. To attain this objective, diversification is required so potential individual losses cannot exceed income generated from remaining investments. Second, the County's investment portfolio will maintain sufficient liquidity to enable the County to meet all operating requirements by using structured maturities and marketable securities. Finally, the County's investment portfolio will attain a market rate of return.

North Carolina General Statute 159-25(a) 6 delegates management responsibility for the investment program to the Finance Director. The Finance Director will establish and maintain written procedures for the operation of the investment program consistent with this policy. Such procedures will include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director. The Finance Director will be responsible for all transactions undertaken and will establish a system of controls to regulate the activities of subordinates.

Officers and employees involved in the investment process will refrain from personal business activity that could conflict with proper execution of the investment program, or which could impair their ability to make impartial investment decisions. Employees and investment officials will disclose to the County Manager any material financial interests in financial institutions that conduct business within this jurisdiction and they will further disclose any large personal financial/investment positions related to the performance of the County's portfolio. Employees and officers will subordinate their personal investment transactions to those of the County, particularly with regard to the time of purchase and sales.

The Finance Director will maintain a list of financial institutions authorized to provide investment services. The county selects authorized financial institutions based on credit worthiness. Financial institutions must also maintain a physical office in the State of North Carolina. These may include "primary" dealers or regional dealers that qualify under Securities & Exchange Commission Rule 15C3-1 (uniform net capital rule). The county deposits funds to a qualified public depository as required by state law.

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the Finance Director with the following: audited financial statements, proof of National Association of Security Dealers Certifications, proof of state registrations and certification of having read the County's investment policy. Staff will conduct a review of the financial condition and registrations of qualified bidders. The Finance Director may remove from the list financial institutions, brokers and/or dealers that fail to supply requested information.

The County is empowered by North Carolina G.S. 159-30(c) to invest in the following types of securities:

- Obligations of the United States or obligations fully guaranteed as to both principal and interest by the United States.
- Obligations of the Federal Financing Bank, the Federal Farm Credit Bank, the Bank for Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Federal Housing Administration, the Farmers Home Administration, the United States Postal Service.

- Obligations of the State of North Carolina Bonds and notes of any North Carolina local government or public authority.
- Fully collateralized certificates of deposit issued by any bank or savings and loan organized under the laws of the State of North Carolina.
- Prime quality commercial paper bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service that rates the particular obligation.
- Bankers acceptances of a commercial bank or its holding company provided that the bank or its holding company is either:
 - Incorporated in the State of North Carolina; or
 - Has outstanding publicly held obligations bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service that rates the particular obligations.
- Participating shares in a mutual fund for local government investment provided the investments of the fund are limited to those qualifying for investment under this subsection and the Local Government Commission certifies the fund.
- Evidences of ownership of, or fractional undivided interest in, future interest and principal payments on either direct obligations of the United States government or obligations the principal of and the interest on which are guaranteed by the United States, which obligations are held by a bank or trust company organized and existing under the laws of the United States or any state in the capacity of custodian.
- Repurchase agreements with respect to either obligations of the United States or obligations the principle of and the interest on are guaranteed by the United States. This applies if entered into with a broker or dealer, as defined by the Securities Exchange Act of 1934, which is a dealer recognized as a primary dealer by a Federal Reserve Bank, or any commercial bank, trust company or national banking association, the deposits of which are insured by the Federal Deposit Insurance Corporation or any successor thereof.

The county conducts all transactions, including collateral for repurchase agreements, on a delivery-versus-payment basis. A contracted third party custodian designated by the Finance Director holds securities as evidenced by safekeeping receipts.

The County will diversify its investments by institution. With the exception of U.S. Treasury securities and agencies and authorized pools, no more than 35% of the County's total investment portfolio will be invested with a single security type or with a single financial institution.

It is desirable to diversify by security type; however, if the yield is higher, more than 35% of the County's total investment portfolio may be invested in the same security type.

To the extent possible, the County will attempt to match its investments with anticipated cash flow requirements. Beyond identified cash flow needs, investments will be purchased so that maturities are staggered to avoid undue concentration of assets in a single maturity range, however, the County will not directly invest in securities maturing more than five (5) years from the date of purchase. The County may collateralize its repurchase agreements using longer-dated investments not to exceed ten (10) years to maturity.

It is the County's full intent, at the time of purchase, to hold all investments until maturity to ensure the return of all invested principal dollars. However, economic or market conditions may change, making it in the County's best interest to sell or trade a security prior to maturity.

All moneys earned and collected from investments other than bond proceed earnings will be allocated quarterly to various fund amounts based on the quarter's average cash balance in each fund as a percentage of the entire pooled portfolio. Earnings on bond proceeds will be directly allocated to the same proceeds.

The Finance Director is responsible for preparing a monthly investment inventory report, which includes investment types, cost, market value, maturity date and yield.

Contract Administration Policy

It is the policy of the county to maintain an efficient and uniform process for the administration of contracts. The contract process aligns with the county's Procurement Policy. It is also the intent of the County to consolidate contracts where appropriate to reduce paper flow and administrative costs.

There are several general rules for contract administration:

- The Department Head, County Manager or Chairman of the Board of Commissioners must sign contracts according to the authority prescribed in the Procurement Policy.
- If a contract is in writing, staff must keep an original in the contract file (in the Contract Administrator's Office).
- The Finance Director (or designee) must pre-audit and encumber all contracts requiring spending. G.S. 159-28 (a) states that if an obligation is evidenced by a contract or agreement requiring payment of money, the contract or agreement shall include on its face a certificate stating that the instrument has been pre-audited. The certificate, which shall be signed by the finance officer or any deputy finance officer approved for this purpose by the governing board, shall take substantially the following form:

"This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act."

G.S. 159-28 (a) also states that an obligation incurred in violation of this subsection is invalid and may not be enforced and the finance officer shall establish procedures to assure compliance with this subsection.

Although not all contracts obligate the County to make a payment of money, it is nevertheless important to have a system that organizes and catalogs all contracts involving the County. The administrative procedures and guidelines of this policy are not herein included, due to space limitations.

Personnel Management Policy

Cabarrus County Commissioners have supported the recruitment and retention of county staff through the following compensation and benefit initiatives:

- Cost of Living Allowance: Effective at the first full pay period of each fiscal year, a 1% cost of living allowance will be applied to employee salaries.
- Market Comparison of Salaries: Market compensation and/or classification studies shall be conducted annually with each department on a two-year review cycle. Studies will be performed by an outside consultant to maintain a pay scale consistent with like jobs in the local market including similar governmental entities. Recommendations will be presented to the Board of Commissioners upon completion of each project and funding will be approved in line with the County budget.
- 401k Plan: A five percent 401K contribution for non-law enforcement employees will be granted, thus providing them the same benefit as mandated by the State for law enforcement employees.
- Longevity: The County re-implemented a longevity pay plan in 2023 to recognize employee service to the County. Longevity award is offered one time per year for those employed at the time of payment with a graduated payment tier structure.
- Merit Pay: The County funds merit pay for employees based on performance (per merit pay scale and performance scores). Current maximum of 4%.

Financial Structure, Policy and Process

FY 2025 Recommended Budget

Budget Process

The County's annual budget process seeks to align Board and community priorities with the funding needed to achieve them. The budget process typically occurs during the seven-month period from December to June. The North Carolina Local Government Budget and Fiscal Control Act (G.S. 159, Article 3) requires local governments to adopt an annual budget by June 30, based on the state mandated fiscal year that runs from July 1 to June 30.

Staff start the budget season with a retreat for the Board of Commissioners to discuss community needs for the following year. The retreat also provides an opportunity for department leadership and outside entities to present current needs and concerns. All agencies of the County submit funding requests to the County Manager by the end of February each year. The County Manager uses these requests as the starting point for developing a recommended budget.

Budget staff manage the process using the following levels:

- **Level 1 - Base:** This level starts with the prior year's adopted budget amounts but removes any one-time costs or projects. *Departments do not do anything in this level.*
- **Level 2 - Department Continuation:** Departments update their budget detail in this level. Prior year detail serves as the starting point, but departments still need to assess and update all prior year detail and amounts while adding new detail if necessary. Continuation budgets provide the same level of service in the coming year that the department is providing in the current year. Such budgets typically include items that repeat year after year. It is ok to have increases in this column due to an increase in the cost of doing business year over year (i.e. inflation costs in operations, supplies, fuel, utilities, contractual increases, etc.). Departments should enter revenues the same as in the past. *Departments key in this level.*
- **Level 3 - Manager Continuation Budget Recommendation:** This level starts with the Departmental continuation budgets keyed in level 1. Management will review all continuation requests prior to opening up any Departmental expansion budget keying. Management will review requests and make any necessary updates and/or modifications. The Budget team will communicate any changes made. *Departments do not do anything in this level.*
- **Level 4 - Department Expansion or Reduction Budget:** This level will only be for new budget requests that the Department is seeking if the capacity for expansion exists. The following classify as an expansion request: new personnel, new software, new technology for new personnel, new projects, new upgrades, new programs, new services, new vehicles for new personnel or adding to the fleet outside of the normal replacement cycle. Expansion requests should be well justified. The following revenues are classified as expansion: those tied to a new grant, new reimbursement due to a new position or a new fee structure. *Departments key expansion or reductions in this level.*

- **Level 5 - Manager Expansion or Reduction Budget Recommendation:** Budget will move to this level prior to departmental budget conferences in March. The goal is to have budget conferences primarily focus on expansion requests that the Department is seeking since Management will review continuation requests ahead of time. Any adjustments that take place at the budget conferences will be reflected in this level. ***Departments do not do anything in this level.***
- **Level 6 - Board:** This level will combine Manager recommended continuation and expansion budget levels (Levels 3 and 5). Budget will move to this level after the budget conferences and all adjustments are made in the Manager's level. Budget will balance the budget in this level. Any adjustments that take place at the budget workshops in June will be reflected in this level and ultimately the budget will be adopted in this level. ***Departments do not do anything in this level.***

Any changes made after the Board approves the budget go through the Budget Amendment process (see section on Amendments to the Budget Ordinance).

PUBLIC ENGAGEMENT

The public has several opportunities for engagement in the budget process. These opportunities include:

- **Budget Blueprint-** This is an event that provides the public and opportunity to learn about the process of building the county's budget. It provides a fast, informative look at the inner workings of the county budget.
- **Gov 101 –** This is an annual event that provides the public an opportunity to become part of the conversation as the County's budget office breaks down the details and highlights of the upcoming fiscal year spending plan. This course gives the opportunity to meet with department heads, leadership and elected leaders and provide valuable input BEFORE the Board of Commissioners takes public comment and votes on the budget. To learn more click: [here](#)
- **Budget Work Sessions –** These are work sessions on the Budget held by the Board of Commissioners to explore the fiscal year budget being developed in in greater detail. Input at these work sessions are provided by county leadership, and staff. These work sessions also provide the Board of Commissioner and the public to hear from our community partners. These work sessions are open to the public.
- **Budget Public Hearing –** The public hearing provides the opportunity for the public to provide their input on the proposed budget to Board of Commissioners prior to the vote to adopt the budget.
- **Board of Commissioners Meetings –** The public also has an opportunity during the regular monthly meetings to provide their input on any topic of concern including the budget.

Financial Structure, Policy and Process

FY 2025 Recommended Budget

Budget Adoption

The annual budget serves as the foundation for the County's financial planning and control. Chapter 159 of the North Carolina General Statutes prescribes a uniform system of budget adoption, administration and fiscal control.

Not later than July 1, the Board of Commissioners is required to adopt a budget ordinance making appropriations and levying taxes for the budget year in such sums as the Board may consider sufficient and proper, whether greater or less than the sums recommended in the adopted budget. The budget ordinance authorizes all financial transactions of the County except:

- Those authorized by a project ordinance;
- Those accounted for in an intra-governmental service fund for which a financial plan is prepared and approved; and
- Those accounted for in a trust or agency fund established to account for moneys held by the local government or public authority as an agent or common-law trustee or to account for a retirement, pension, or similar employee benefit system. Those funds listed above that are not budgeted annually are included in the audited financial statements of the County.

Therefore, budgets are adopted for the General Fund, Community Investment Fund, Landfill Fund, Arena and Events Center Fund, 911 Emergency Telephone Fund, Social Services Fund, Intergovernmental Fund, Opioid Settlement Fund, Workers Compensation & Property Liability Fund and Self Insurance Health & Dental Fund.

Financial Structure, Policy and Process

FY 2025 Recommended Budget

Amendments to the Budget Ordinance

Except as otherwise restricted by law, the Board may amend the budget ordinance at any time after the ordinance's adoption in any manner, so long as the ordinance, as amended, continues to satisfy the statutory requirements. However, except as otherwise provided in this section, no amendment may increase or reduce a property tax levy or in any manner alter a property taxpayer's liability, unless a court of competent jurisdiction or State agency having the power to compel the levy of taxes orders the board to do so.

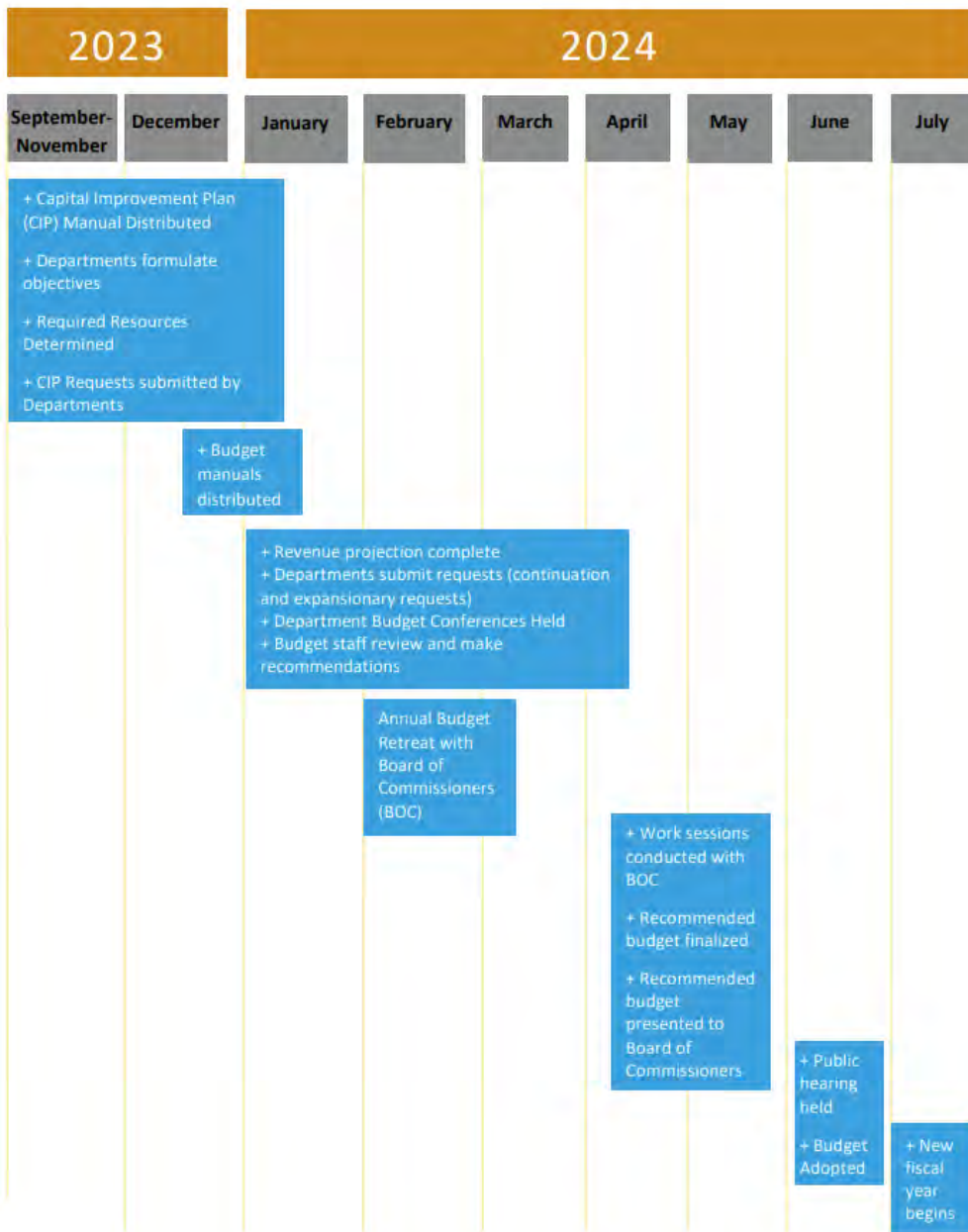
If after July 1, the County receives revenues that are substantially more or less than the amount anticipated, the Board may, before January 1 following adoption of the budget, amend the budget ordinance to reduce or increase the property tax levy to account for the unanticipated increase or reduction in revenues.

As allowed by statute, the Board has authorized the County Manager and/or Budget Director, or designee to transfer moneys from one appropriation to another or within the same fund, or modify revenue and expenditure projections, subject to such limitations and procedures as it may prescribe. The budget ordinance includes these limitations and procedures.

FINANCIAL STRUCTURE, POLICY AND PROCESS

FY 2025 Recommended Budget

Budget Calendar



Budget Summary- Revenues

FY 2025 Recommended Budget

Revenues

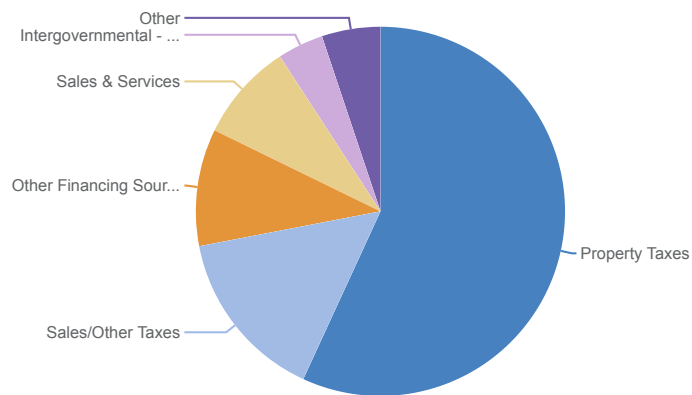
The County is committed to a strategic, conservative approach to budgeting revenues and expenditures. To estimate revenue for the coming year, the County Manager's Office and Finance Department consulted with the Tax Administrator, department heads, state agencies and economists. Staff reviewed revenue collection trends, anticipated growth and any known external factors prior to finalizing revenue projections.

The County receives revenue from many sources. The budget consists of the following revenue categories:

- Property Tax
- Sales/Other Taxes
- Other Financial Sources
- Sales & Services
- Intergovernmental – Grants/Other
- Permits & Fees
- Miscellaneous
- Investment Earnings

Revenues - All Funds

Data Updated May 07, 2024, 8:21 PM



\$509,897,480.00

Revenues in 2025

Revenues by Source

REVENUE SOURCE	REVENUE DESCRIPTION
Property Taxes	Revenue derived from property tax
Sales/Other Taxes	Tax revenues distributed to the County that are collected for sales taxes, cable franchise fees, etc.
Other Financial Sources	Includes interfund transfers and fund balance appropriations
Sales & Services	Fees collected by various departments for goods or services rendered to the public, other departments, or other governments
Intergovernmental - Grants/Other	State and federal grant moneys received in support of County programs, and revenues collected from other governmental units that are not grant related
Permits & Fees	Fees collected for various services or privileges performed or approved by the governmental unit
Miscellaneous	Revenues collected for various activities of the County that are not specific in nature
Investment Earnings	Revenue earned on idle monies held by the County for investment

Revenue by Source - All Funds

Revenues - All Funds

	2024 - 25 Budget
Property Taxes	\$289,965,806
Sales/Other Taxes	\$77,015,000
Intergovernmental - Grants - Human Services	\$20,555,532
Intergovernmental - Grants - Other	\$4,136,346
Intergovernmental - Other	\$6,618,650
Permits & Fees	\$9,047,350
Sales & Services	\$43,855,415
Investments	\$4,640,000
Miscellaneous	\$1,755,966
Other Financing Sources	\$52,307,415
TOTAL	\$509,897,480

Revenues and Expenditures by Source and Category

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Revenues			
Property Taxes	\$233,061,937	\$243,615,763	\$289,965,806
Sales/Other Taxes	\$67,193,000	\$75,826,330	\$77,015,000
Intergovernmental - Grants - Human Services	\$18,850,563	\$19,646,168	\$20,555,532
Intergovernmental - Grants - Other	\$3,037,037	\$3,096,122	\$4,136,346
Intergovernmental - Other	\$4,042,650	\$6,616,650	\$6,618,650
Permits & Fees	\$10,081,343	\$8,476,455	\$9,047,350
Sales & Services	\$37,987,395	\$41,435,292	\$43,855,415
Investments	\$227,500	\$2,045,000	\$4,640,000
Miscellaneous	\$1,415,914	\$1,261,885	\$1,755,966
Other Financing Sources	\$49,369,349	\$49,491,229	\$52,307,415
REVENUES TOTAL	\$425,266,688	\$451,510,894	\$509,897,480
Expenses			

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Personnel Services	\$78,588,071	\$87,959,990	\$105,703,741
Employee Benefits	\$34,980,957	\$38,694,659	\$45,380,490
Supplies	\$9,084,509	\$9,901,540	\$12,329,017
Other Operation Cost	\$25,303,221	\$32,726,432	\$34,260,967
Maintenance & Repair	\$5,546,911	\$3,050,422	\$3,279,492
Other Services & Charges	\$29,480,365	\$29,208,516	\$42,200,887
Contributions to Other Funds or Activities	\$178,051,998	\$189,143,436	\$200,335,912
Capital Outlay	\$10,483,351	\$9,566,898	\$9,114,574
Debt Service	\$53,747,305	\$51,259,000	\$57,292,400
EXPENSES TOTAL	\$425,266,688	\$451,510,894	\$509,897,480
REVENUES LESS EXPENSES	\$0	\$0	\$0

REVENUES BY SOURCE AND CATEGORY

Property Tax

The County's largest source of operating revenue is property tax. Real property, automobiles, boats, trailers and income-producing personal property are subject to property tax unless specifically exempted by law. The County establishes real property values every four years. The total assessed valuation is \$46,959,253,000, a \$14,893,862,796 (46.4%) increase from the prior year. This includes an estimated total valuation of Real, Personal and Public Service property of \$43,856,788,000 and vehicle of \$3,102,465,000.

The county uses the total assessed valuation and collection rate to determine the amount of revenue generated. The adopted tax rate is \$0.60 per \$100 of assessed valuation – a reduction of \$0.14 from the prior year. The collection rate used for the budget cannot exceed the prior year collection rate per state law. The county budgeted property tax revenue based on a conservative real property collection rate of 98.75% percent and a vehicle rate of 99.50%. Property tax revenue is also generated for the Fire Districts at their approved tax rates for each district.

Based on a 98.75% percent collection rate for real property, 99.50% rate for vehicles and an adopted tax rate of 60 cents, the property tax is projected to generate approximately \$278,373,185 in the General Fund. Delinquent taxes and interest are estimated to generate an additional \$2,042,800. The Fire District are estimated to generate \$9,549,821 in property taxes based on their adopted rates. In total the property tax revenue for FY25 is \$289,965,806 , an increase of \$46,350,043 (19.0%) from the prior year.

The calculated Revenue Neutral rate is \$0.5265 per \$100 of assessed valuation. Staff has concluded that this rate would negatively impact operations and be unsustainable over the next five years, so a revenue neutral tax rate is not recommended. To learn more about how this is calculated check out the Revenue Neutral Tax Rate section in the Supplemental Section of this book.

Sales/Other Taxes

The State collects sales taxes, deducts a collection fee, refunds to non-profits and returns the remaining amount to the County. Sales tax is the County's second largest source of operating revenue. Sales tax revenue totals \$74,296,921. That is an increase of \$1,296,921 (1.8%) from the prior year. Other revenue in this category includes the Cable Franchise Fee (\$450,000), Gross Receipts (\$365,000) , Bottle Tax (\$200,000) and Fire District Sales Tax (\$1,703,079).

Other Financing Sources

Other Financing Sources revenues include inter-fund transfers, debt and fund balance appropriations. Other examples include a transfer of lottery proceeds from the Capital Outlay Fund for the retirement of school debt service, and occupancy taxes from the Tourism Authority. The Community Investment Fund (CIF) includes a \$44.3 million transfer from the General Fund that is also reflected here. Other Financing Sources revenues total \$52,307,415, a \$2,816,186 (5.69%) increase from the prior year.

Sales & Services

Charging users for specific services is a method of providing services without resorting to general tax dollars, which allows customers who receive the benefits to pay for the service. Examples include ambulance transport, landfill use and program participation fees (including the County Fair). Sales & Services revenues total \$43,855,415, a \$2,420,123 (5.84%) increase from the prior year.

Intergovernmental – Grants/Other

Intergovernmental revenues are primarily state and federal funding and grants. Total intergovernmental revenues total \$30,850,528 in the General Fund, \$404,000 in the Community Investment Fund, and \$56,000 in the Landfill Fund.

Permits and Fees

Permits and fees revenues consist primarily of Register of Deeds and Building Inspection fees. Total Permits and Fees revenues total \$9,047,350, a (\$570,895) (6.74%) decrease from the prior year. The major portion of these revenues come from Building Inspection fees and Register of Deeds Fees. The Building Inspection Fees revenues total \$5,400,000. Register of Deeds fee revenues total \$3,215,000. Register of Deeds fees are largely related to the recording of documents, like the sale of property or the refinancing of a mortgage.

To learn more about the Fee Changes check out the Fee Change section in the Supplemental Section of this book.

Miscellaneous

Miscellaneous revenues are those collected for activities of the County that are not specific in nature or do not easily fit into another category. Included in this category are donations, grants from non-governmental entities, proceeds from the sale of fixed assets, the disposal tax on white goods and the Opioid Settlement Funds. Miscellaneous revenues total \$1,755,966, a (\$494,081) (39.15%) increase from the prior year.

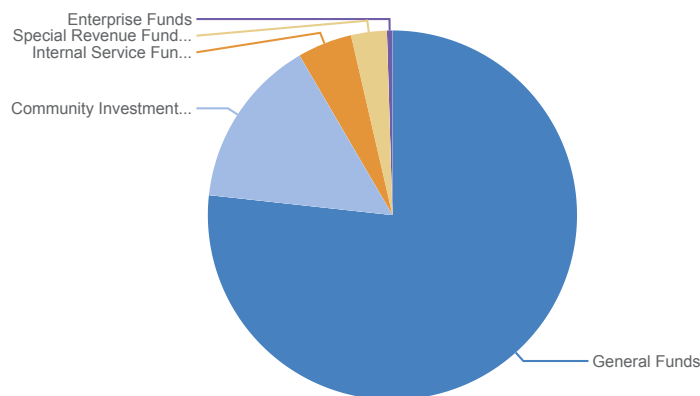
Investment Earnings

Investment Earnings are revenues earned on funds invested by the county. Investment earning revenues total \$4,640,000, a \$2,595,000 (126.89%) increase from the prior year. This is the result of higher interest rate environment.

Revenues by Fund

Revenues by Fund

Data Updated May 07, 2024, 8:21 PM



\$509,897,480.00

Revenues in 2025

Proposed Revenue by Fund- All Funds (End of Revenue Section)

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Property Taxes	\$233,061,937	\$243,615,763	\$289,965,806
Sales/Other Taxes	\$67,193,000	\$75,826,330	\$77,015,000
Intergovernmental - Grants - Human Services	\$18,850,563	\$19,646,168	\$20,555,532
Intergovernmental - Grants - Other	\$3,037,037	\$3,096,122	\$4,136,346
Intergovernmental - Other	\$4,042,650	\$6,616,650	\$6,618,650
Permits & Fees	\$10,081,343	\$8,476,455	\$9,047,350
Sales & Services	\$37,987,395	\$41,435,292	\$43,855,415
Investments	\$227,500	\$2,045,000	\$4,640,000
Miscellaneous	\$1,415,914	\$1,261,885	\$1,755,966
Other Financing Sources	\$49,369,349	\$49,491,229	\$52,307,415
TOTAL	\$425,266,688	\$451,510,894	\$509,897,480

The County allocates revenues to the following funds:

- General
- Community Investment Fund (CIF)
- Self-Insured/Dental
- Fire District
- Workers' Compensation and Liability
- Landfill
- Intergovernmental Fund
- Arena and Events Center
- 911 Emergency Telephone System
- Social Services
- Opioid Fund

EXPENDITURES

FY 2025 Recommended Budget

Expenditures

Expenditures total \$509,897,480, a \$58,386,586 (12.9%) increase from the prior year. The following three sections present expenditures by category, fund, function and department.

Expenditures by Category- All Funds

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Personnel Services	\$78,588,071	\$87,959,990	\$105,703,741
Employee Benefits	\$34,980,957	\$38,694,659	\$45,380,490
Supplies	\$9,084,509	\$9,901,540	\$12,329,017
Other Operation Cost	\$25,303,221	\$32,726,432	\$34,260,967
Maintenance & Repair	\$5,546,911	\$3,050,422	\$3,279,492
Other Services & Charges	\$29,480,365	\$29,208,516	\$42,200,887
Contributions to Other Funds or Activities	\$178,051,998	\$189,143,436	\$200,335,912
Capital Outlay	\$10,483,351	\$9,566,898	\$9,114,574
Debt Service	\$53,747,305	\$51,259,000	\$57,292,400
TOTAL	\$425,266,688	\$451,510,894	\$509,897,480

Operations

Operations include all expenses, outside of personnel, required to provide service. Examples include office supplies, technology, equipment, uniforms, fuel and utilities. Operations expenditures total \$292,406,275 a \$28,375,929 (10.7%) increase from the prior year. Significant increases include:

Education Funding – the budget includes an additional \$8,537,088 for Cabarrus County Schools(CCS) to fund rising costs of locally paid staff, and operational cost including facility & grounds maintenance. The additional funding for CCS also includes \$2,600,000 to fund the results of a salary study for classified employees and \$1,825,000 to increase local teacher supplement by 1% from 12% to 13%. Kannapolis City Schools (KCS) received an additional \$1,162,320 to also fund the rising costs of locally paid staff, technology and other operational expenses. The CCS and KCS Charter Schools also receive equivalent funding based on their student Average Daily Membership (ADM) increasing their funding by \$1,255,993. Rowan Cabarrus Community College will receive an increase of \$268,103. In total Education will receive just over \$113.8 million for operations an increase of \$11.2 million or (10.9%).

Cabarrus Health Alliance (CHA) – the budget includes an additional \$1,046,501 (9.52%) increase from the prior year. The budget funds inflationary and merit increases for CHA staff, nurses for the school nurse program and the behavioral health program for the Jail. The additional funding will also allow CHA to continue to provide four School Health –Care Managers (medical office assistants or certified nursing assistants). These employees have been working to support school nurses since December 2021 with their positions originally funded by pandemic recovery funds via the North Carolina Department of Health and Human Services.

Personnel Services

Personnel Services include all expenditures associated with employment including salaries and benefits. The Cabarrus County Personnel Management Policy calls for annual cost-of-living salary adjustments (COLA) and merit pay raises based on performance. The budget provides a one percent COLA and merit pay raises of up to four percent. Included in these costs are also salary adjustment being implemented as a result of market study conducted of various department positions.

Personnel Services expenditures total \$151,084,231, a \$24,429,582 (19.3%) increase from the prior year. Increases include 25 New Positions to support the following functions:

Public Safety

Emergency Medical Services

- Four (4) EMT/Paramedic/Senior Paramedic
- Four (4) Master Paramedic
- One (1) Logistics Specialist
- One (1) Simulation Technical Specialist

Sheriffs Office

- One (1) Deputy Sheriff - Library Security

General Government

Infrastructure & Asset Management - Building Maintenance

- One (1) Building Maintenance Mechanic

Human Services

Social Services Administration

- One (1) Administrative Specialist III

Economic Family Support Services

- One (1) FNS Eligibility Supervisor II
- Three (3) Eligibility Specialist III

Child Welfare

- One (1) Licensing Social Worker III
- One (1) Quality Assurance Evaluator
- One (1) Community Social Service Technician

Child Support Services

- One (1) Administrative Specialist I

Adult and Family Services

- One (1) Intake Social Worker II

Culture & Recreation

Active Living Center

- Three (3) Center Facility Operators

Healthcare – the budget includes an additional \$942,297, a 6.49% increase from the prior year.

Retirement – the budget includes an additional \$3,168,145, a 30.25% increase from the prior year. The county is required to make a contribution based on a percentage of each employee's salary to the North Carolina Local Government Employees' Retirement System. For FY25, the annual contribution for law enforcement officers is 15.1% and the rate for general employees is 13.6%.

Capital Outlay

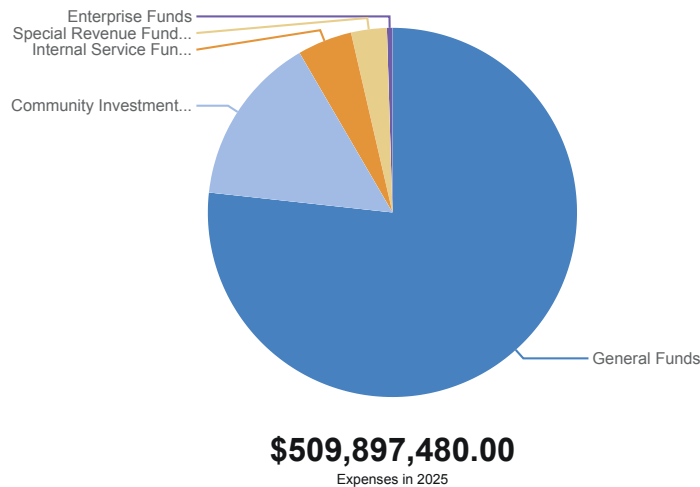
Capital Outlay includes capital purchases between \$5,000 and \$99,999. Examples include equipment, vehicles, and furniture. Capital Outlay expenditures total **\$9,114,574, a \$452,324 (-4.7%) decrease** from the prior year.

Expenditures by Fund

The budget across all funds totals \$509,597,480 , a \$58,386,586 (12.9%) increase from prior year. For further details of these funds, see the "Fund Summaries" section.

Expenditure by Fund

Data Updated May 07, 2024, 8:21 PM



Education/School Debt

The budget for Education/School Debt is \$151,342,693, a \$7,197,308 (4.99%) increase from the prior year. Education/School Debt funds Cabarrus County Schools, Kannapolis City Schools, multiple charter schools, Rowan-Cabarrus Community College (RCCC) and debt associated with the acquisition and construction of capital assets for the school systems and community college. In addition \$1,255,893 is budgeted as Charter School contingency funds in the Boards Contingency account. Including the Charter Contingency, the Education funding excluding School Debt is \$117,717,811, a \$11,653,404 (10.99%) increase from the prior year.

Public Safety

The budget for Public Safety is \$101,868,201, a \$18,414,880 (22.07%) increase from the prior year. Public Safety expenditures provide safety and security for the public. This section includes the Sheriff's Department, which includes the Jail, Animal Control and Animal Shelter. Other departments included in this category are Courts, Construction Standards, Emergency Management, Emergency Medical Services and the 911 Emergency Telephone System Fund. Beginning with the FY24 budget the Sheriff's Office budget added separate divisions (departments) to account for deputies provided to Towns of Harrisburg, Midland and Mount Pleasant. In addition, a separate division was also been created to account for staff provided as School Resource Officers to Cabarrus County Schools. Approximately \$10.6 million of the increase is the result of the implementation of the Public Safety Market Study recently approved by the Board of Commissioners. Included in this increase are the eleven (11) new Public Safety positions shown in Personnel Services section earlier.

General Government

The budget for General Government is \$83,160,824, a \$18,666,012 (28.94%) increase from the prior year. **Included in the increase for FY25 is \$11,345,684 set aside as a Restricted Reserve amount to be used in FY27 and FY28 to balance the budget based on the 5 year outlook to maintain a stable property tax rate.** The increase also includes

seven (7) positions supporting the maintenance of the new and expanded public library and active living center facilities. Included in this increase is the one (1) new General Government position shown in Personnel Services section earlier. The General Government Service area accounts for county services for the benefit of the public and the governmental body as a whole. This service area includes: Board of Commissioners, County Manager's Office, Budget, Strategy, Procurement, Safety & Risk and Facility Design & Construction, Communications and Outreach, Human Resources, Tax Collection and Administration, Board of Elections, Register of Deeds, Finance, Information Services, Infrastructure and Asset Management, Health and Dental Insurance and Non-departmental, which includes programs that relate to the General Fund and not a particular department.

Contributions

The budget for Contribution to Other Funds is \$55,235,084, a -\$4,598,088 (-7.68%) decrease from the prior year. Contributions include expenditures to other funds such as the Community Investment, Capital Project, Landfill, and Arena. For FY25 the annual contribution from the General Fund to the Other Post Employment Benefits (OPEB) Trust funds of \$2,000,000 has been discontinued after receiving direction and consensus at the Annual Board Retreat. Also, the funding for the staffings and operations of the new Public Library and Active Living Centers at Afton, Mt Pleasant and the adjacent Virginia Foil Park scheduled to open in FY25, previously budgeted in FY24 as a one-time transfer to the Community Investment Fund has now reverted to the personnel and operations budgets for these centers for FY25.

Human Services

The budget for Human Services is \$64,211,409, a \$6,878,204 (12%) increase from the prior year. Human Services expenditures are those that promote general health and well-being of the individuals within the community. This area includes Veterans Services, Medicaid and Senior Transportation, Cooperative Extension, Human Services, Aging Services, Child Welfare, Child Support and the Cabarrus Health Alliance. This increase is largely the result of 30 new Medicaid Expansion related positions added to accommodate the significant increase in Medicaid Expansion related workload. These positions were added during FY24 after the Medicaid Expansion became law in the State. Approximately 75% of the Medicaid Expansion related cost will be recouped thru reimbursements from the State and Federal governments. Included in this increase are the ten (10) new Human Services positions shown in Personnel Services section earlier.

Non-Education Debt Service

The budget for Non- Education Debt Services is \$31,191,207, a (\$7,625,340) (32.36%) increase from the prior year. Other debt service accounts for principal and interest payments on debt, other than school debt, for the acquisition and construction of capital assets such as the Arena, Jail, Jail Annex, Sheriff Administrative Building, and the Court House,

Culture and Recreation

The budget for Culture and Recreation is \$13,228,506, a \$2,986,272 (29.16%) increase from the prior year. Culture and Recreation expenditures provide residents with opportunities and facilities for cultural, recreational and educational programs. These opportunities include programming at the senior center, county parks, Cabarrus Arena and Events Center, Fair and Public Libraries. The increase is primarily the result of the addition of 28.4 positions to staff the three new and expanded Public Library and Active Living Center facilities scheduled to open in FY25 (Afton Ridge, Mt. Pleasant, and adjacent Virginia Foil Park). Included in this increase are the three (3) new part-time Culture and Recreation positions shown in Personnel Services section earlier.

Economic and Physical Development

The budget for Economic and Physical Development is \$7,212,078, a (\$853,580) (13.42%) increase from the prior year. The Economic and Physical Development service area provides for the orderly planning of growth and development, along with incentives to drive economic growth in the County. This area includes Planning and Development, Community Development, Soil and Water Conservation, Zoning Administration, Economic Development Incentives and Economic Development Corporation. The increase is primarily related to the cost related to economic development contracts with City of Kannapolis and City of Concord.

Environmental Protection

The budget for Environmental Protection is \$2,447,4780, a -\$363,078 (17.42%) increase from the prior year. Environmental Protection services provides environmental safety and quality. These services include the Landfill and Waste Reduction / Recycling Departments.

Expenditures by Fund and Category - All Funds

EXPENDITURES BY FUND AND CATEGORY ALL FUNDS

	2024 - 25 General Fund	2024 - 25 Community Investment Fund	2024 - 25 Intergovernmental Fund	2024 - 25 Fire Districts Fund	2024 - 25 Arena/Fair Fund	2024 - 25 Social Services Fund	2024 - 25 Self- Insured Fund
Personnel Services	\$104,776,513	\$0	\$0	\$0	\$149,723	\$0	\$0
Employee Benefits	\$44,942,488	\$0	\$0	\$0	\$58,665	\$0	\$0
Supplies	\$11,425,212	\$0	\$0	\$0	\$64,125	\$0	\$221,500
Other Operation Cost	\$24,790,346	\$4,250,000	\$0	\$0	\$669,475	\$450,000	\$3,223,346
Maintenance & Repair	\$2,229,992	\$0	\$0	\$0	\$391,500	\$0	\$498,500
Other Services & Charges	\$19,392,922	\$1,000,000	\$125,000	\$0	\$892,029	\$0	\$15,597,816
Contributions to Other Funds or Activities	\$178,261,699	\$9,776,242	\$2,475,000	\$9,549,821	\$10,000	\$0	\$0
Capital Outlay	\$5,399,992	\$3,529,582	\$0	\$0	\$0	\$0	\$0
Debt Service	\$0	\$57,292,400	\$0	\$0	\$0	\$0	\$0
TOTAL	\$391,219,164	\$75,848,224	\$2,600,000	\$9,549,821	\$2,235,517	\$450,000	\$19,541,162

	2024 - 25 Workers Comp/Liability Fund	2024 - 25 911 Fund	2024 - 25 Landfill Fund	2024 - 25 Opioid Settlement Fund
Personnel Services	\$0	\$0	\$645,557	\$131,948
Employee Benefits	\$0	\$0	\$313,569	\$65,768
Supplies	\$0	\$21,000	\$597,180	\$0
Other Operation Cost	\$11,000	\$367,775	\$499,025	\$0
Maintenance & Repair	\$0	\$0	\$159,500	\$0
Other Services & Charges	\$4,775,473	\$0	\$207,647	\$210,000
Contributions to Other Funds or Activities	\$0	\$0	\$0	\$263,150
Capital Outlay	\$75,000	\$85,000	\$25,000	\$0
Debt Service	\$0	\$0	\$0	\$0
TOTAL	\$4,861,473	\$473,775	\$2,447,478	\$670,866

Expenditures by Function

Expenditures are budgeted across nine functions:

Expenditures by Function - All Funds

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Contributions	\$59,674,050	\$59,833,172	\$55,235,084
General Government	\$62,933,048	\$64,494,812	\$83,160,824
Public Safety	\$74,610,691	\$83,453,321	\$101,868,201
Economic & Physical Development	\$6,323,686	\$6,358,498	\$7,212,078
Environmental Protection	\$2,164,872	\$2,084,400	\$2,447,478
Human Services	\$53,105,105	\$57,333,205	\$64,211,409
Education	\$96,175,564	\$105,384,385	\$116,461,918
Culture & Recreation	\$9,859,673	\$10,242,234	\$13,228,506
Debt Service	\$60,420,000	\$62,326,867	\$66,071,982
TOTAL	\$425,266,688	\$451,510,894	\$509,897,480

Expenditures by Function and Department- Contributions

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Contributions	\$10,871,176	\$11,193,094	\$8,556,242
Self Insured Dental	\$502,000	\$710,000	\$613,000
Cont to Other Funds	\$48,300,874	\$47,930,078	\$46,065,842
TOTAL	\$59,674,050	\$59,833,172	\$55,235,084

Expenditures by Function and Department- General Government

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Board of Commissioners	\$657,094	\$643,946	\$603,336
Legal Department	\$747,869	\$757,566	\$879,896
County Manager	\$3,263,437	\$1,337,688	\$1,166,010
Budget	\$0	\$346,789	\$417,020
Strategy	\$0	\$263,104	\$460,544
Internal Audit	\$0	\$134,766	\$0
Procurement	\$0	\$237,838	\$230,194
Communications & Outreach	\$881,947	\$863,605	\$940,292
Risk Mgmt	\$0	\$241,906	\$252,168
Human Resources	\$1,431,083	\$1,499,675	\$1,690,999
Tax Collector	\$1,309,952	\$1,352,659	\$1,447,946
Tax Administration	\$2,896,236	\$3,057,055	\$3,191,497
Board of Elections	\$1,450,285	\$1,897,608	\$1,461,429
Register of Deeds	\$724,395	\$771,914	\$856,214
Finance	\$1,643,392	\$1,670,520	\$1,937,901
Information Technology Svcs	\$8,409,701	\$8,809,560	\$9,799,232
Non-departmental	\$5,279,381	\$5,639,705	\$17,563,088
Self-Insured Workers' Comp	\$1,617,305	\$1,971,537	\$2,363,223
Self-Insured Hospitalization	\$17,190,077	\$17,879,340	\$18,928,162
Self-Insured Liability Insuran	\$1,685,000	\$2,059,040	\$2,498,250
Facility Design & Construction	\$0	\$293,965	\$310,648
Grounds Maintenance	\$3,248,549	\$2,274,605	\$2,695,451
IAM Administration	\$2,344,616	\$2,767,819	\$3,606,879

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Sign Maintenance	\$273,482	\$221,207	\$246,427
Building Maintenance	\$3,703,494	\$3,349,465	\$4,285,541
Facility Services	\$2,781,355	\$2,874,876	\$3,401,690
Fleet Maintenance	\$1,389,398	\$1,277,051	\$1,926,787
Community Development	\$5,000	\$0	\$0
TOTAL	\$62,933,048	\$64,494,812	\$83,160,824

Expenditures by Function and Department- Public Safety

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
County Sheriff	\$26,415,592	\$24,231,092	\$29,528,912
Harrisburg	\$0	\$2,865,250	\$3,280,103
Midland	\$0	\$331,552	\$440,191
Mt. Pleasant	\$0	\$349,330	\$504,826
School Resource Officers	\$0	\$2,571,815	\$3,279,230
Detention Center	\$14,612,650	\$16,068,057	\$19,927,718
Animal Control	\$1,030,695	\$1,170,363	\$1,455,427
Animal Shelter	\$742,624	\$812,789	\$957,495
Courts	\$1,389,057	\$1,407,086	\$1,430,451
Construction Standards	\$5,409,897	\$5,202,075	\$6,046,335
Emergency Management	\$6,865,675	\$7,500,229	\$10,005,091
Fire Services	\$1,715,283	\$1,922,300	\$2,189,710
Fire Districts	\$1,400,000	\$1,661,330	\$1,703,079
Emergency Medical Services	\$13,089,064	\$15,502,202	\$18,766,025
Emergency Telephone	\$615,589	\$416,638	\$574,175
Other Public Safety	\$1,324,565	\$1,441,214	\$1,581,717
Other Human Services	\$0	\$0	\$197,716
TOTAL	\$74,610,691	\$83,453,321	\$101,868,201

Expenditures by Function and Department- Economic & Phys Dev

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Planning & Development Serv	\$752,779	\$757,375	\$663,672
Community Development	\$756,408	\$768,670	\$837,997
Soil & Water Conservation	\$372,433	\$373,664	\$412,850
Zoning Administration	\$271,689	\$286,379	\$303,723
Economic Development Corp	\$830,944	\$948,297	\$867,723
Economic Development Incentive	\$1,750,000	\$1,700,000	\$1,900,000
Other Econ & Phys Devel	\$1,589,433	\$1,524,113	\$2,226,113
TOTAL	\$6,323,686	\$6,358,498	\$7,212,078

Expenditures by Function and Department- Environmental Pr...

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Landfill Operations	\$1,504,000	\$1,422,000	\$1,666,000
Waste Reduction/Recycling	\$660,872	\$662,400	\$781,478
TOTAL	\$2,164,872	\$2,084,400	\$2,447,478

Expenditures by Function and Department- Human Services

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Veterans Services	\$430,425	\$455,992	\$522,954
Transportation	\$3,585,333	\$3,272,559	\$4,068,984

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
DHS- Administration Operations	\$6,174,978	\$7,755,879	\$8,081,928
DHS-Economic Family Support Sv	\$3,525,779	\$3,205,610	\$4,790,345
DHS - Child Welfare	\$12,037,393	\$12,283,811	\$14,214,361
DHS - Child Support Services	\$2,167,955	\$2,216,543	\$2,427,509
DHS - Economic Services	\$9,597,964	\$10,767,221	\$10,607,375
DHS-Adult and Family Services	\$2,681,248	\$2,813,574	\$3,231,584
DHS- Behavioral Health	\$0	\$288,143	\$298,708
Cooperative Extension	\$448,484	\$471,822	\$515,862
Aging - Nutrition Title III	\$849,245	\$944,322	\$1,051,618
Aging - Senior Services	\$796,081	\$818,077	\$920,878
Cabarrus Health Alliance	\$10,119,709	\$10,994,141	\$12,040,642
Other Human Services	\$690,511	\$1,045,511	\$1,438,661
TOTAL	\$53,105,105	\$57,333,205	\$64,211,409

Expenditures by Function and Department- Education

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Cabarrus County Schools	\$81,349,580	\$89,618,737	\$99,265,847
Kannapolis City Schools	\$9,474,469	\$10,049,690	\$11,212,010
Current Expense- RCCC	\$3,951,954	\$4,316,397	\$4,584,500
Capital Outlay Cab Cty Schools	\$1,056,324	\$1,056,324	\$1,056,324
Capital Outlay Kann City Sch	\$108,832	\$108,832	\$108,832
Capital Outlay- RCCC	\$100,000	\$100,000	\$100,000
Other Schools	\$134,405	\$134,405	\$134,405
TOTAL	\$96,175,564	\$105,384,385	\$116,461,918

Expenditures by Function and Department- Culture & Recrea...

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
ALPS Administration	\$0	\$0	\$1,597,573
Camp Spencer	\$0	\$0	\$304,223
Frank Liske Park	\$0	\$0	\$409,357
Rob Wallace Park	\$0	\$0	\$290,199
Vietnam Veterans Park	\$0	\$0	\$5,950
St. Stephens Park	\$0	\$0	\$4,000
Afton Ridge Active Living Center	\$0	\$0	\$436,496
Concord Active Living Center	\$0	\$0	\$609,522
Mt. Pleasant Active Living Center	\$0	\$0	\$343,440
Active Living & Parks-Park Op	\$2,296,595	\$2,199,055	\$0
Active Liv& Pks-Senior Center	\$862,387	\$878,442	\$0
Library Administration	\$0	\$0	\$2,122,476
Mt. Pleasant Library	\$0	\$0	\$627,551
Harrisburg Library	\$0	\$0	\$671,933
Concord Library	\$4,530,534	\$4,941,516	\$1,337,410
Kannapolis Library	\$0	\$0	\$786,546
Midland Library	\$0	\$0	\$371,021
Afton Ridge Library	\$0	\$0	\$1,048,292
Arena & Events Center	\$1,364,326	\$1,266,217	\$1,236,104
County Fair	\$769,831	\$921,004	\$989,413
Visitor Related Events	\$10,000	\$10,000	\$10,000
Other - Cuit & Rec	\$26,000	\$26,000	\$27,000
TOTAL	\$9,859,673	\$10,242,234	\$13,228,506

Expenditures by Function and Department- Debt Service

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Debt Services: Education	\$40,304,552	\$38,761,000	\$34,880,775
Debt Service: Other	\$20,115,448	\$23,565,867	\$31,191,207
TOTAL	\$60,420,000	\$62,326,867	\$66,071,982

Expenditures by Fund and Function

	2024 - 25 General Fund	2024 - 25 Community Investment Fund	2024 - 25 Intergovernmental Fund	2024 - 25 Fire Districts Fund	2024 - 25 Arena/Fair Fund	2024 - 25 Social Services Fund	2024 - 25 Self-Insured Fund
Contributions	\$46,065,842	\$8,556,242	\$0	\$0	\$0	\$0	\$613,000
General Government	\$59,371,189	\$0	\$0	\$0	\$0	\$0	\$18,928,162
Public Safety	\$91,646,889	\$0	\$0	\$9,549,821	\$0	\$0	\$0
Economic & Physical Development	\$7,212,078	\$0	\$0	\$0	\$0	\$0	\$0
Environmental Protection	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Human Services	\$63,288,259	\$0	\$0	\$0	\$0	\$450,000	\$0
Education	\$112,641,918	\$1,220,000	\$2,600,000	\$0	\$0	\$0	\$0
Culture & Recreation	\$10,992,989	\$0	\$0	\$0	\$2,235,517	\$0	\$0
Debt Service	\$0	\$66,071,982	\$0	\$0	\$0	\$0	\$0
TOTAL	\$391,219,164	\$75,848,224	\$2,600,000	\$9,549,821	\$2,235,517	\$450,000	\$19,541,162

	2024 - 25 Workers Comp/Liability Fund	2024 - 25 911 Fund	2024 - 25 Landfill Fund	2024 - 25 Opioid Settlement Fund
Contributions	\$0	\$0	\$0	\$0
General Government	\$4,861,473	\$0	\$0	\$0
Public Safety	\$0	\$473,775	\$0	\$197,716
Economic & Physical Development	\$0	\$0	\$0	\$0
Environmental Protection	\$0	\$0	\$2,447,478	\$0
Human Services	\$0	\$0	\$0	\$473,150
Education	\$0	\$0	\$0	\$0
Culture & Recreation	\$0	\$0	\$0	\$0
Debt Service	\$0	\$0	\$0	\$0
TOTAL	\$4,861,473	\$473,775	\$2,447,478	\$670,866

General Fund Summaries

FY 2025 Recommended Budget

General Fund Summary

The General Fund overall budget totals \$467,067,388, an increase of \$52,543,674 (12.68%) from the prior year. The General Fund is made up of the General Fund (Operating) and the Community Investment Fund.

General Fund (Operating) Summary

The General Fund (Operating) budget totals \$391,219,164, an increase of \$51,435,411 (15.14%) from the prior year. The fund accounts for county services for the benefit of the public and the governmental body as a whole. This fund includes funding for Education, Public Safety, Human Services, General Government, Debt Service, Culture and Recreation, Economic and Physical Development, and Environmental Protection functions of the County.

General Fund Summary

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Revenues			
Property Taxes	\$226,563,987	\$236,516,760	\$280,415,985
Sales/Other Taxes	\$42,293,000	\$47,896,330	\$48,589,000
Intergovernmental - Grants - Human Services	\$18,850,563	\$19,646,168	\$20,555,532
Intergovernmental - Grants - Other	\$2,308,037	\$2,683,122	\$3,726,346
Intergovernmental - Other	\$3,988,650	\$6,568,650	\$6,568,650
Permits & Fees	\$9,931,343	\$8,326,455	\$8,897,350
Sales & Services	\$13,454,082	\$15,638,414	\$17,172,857
Investments	\$200,000	\$2,000,000	\$4,500,000
Miscellaneous	\$268,900	\$286,100	\$380,100
Other Financing Sources	\$0	\$221,755	\$413,344
REVENUES TOTAL	\$317,858,562	\$339,783,753	\$391,219,164
Expenses			
Personnel Services	\$77,923,484	\$87,276,269	\$104,776,513
Employee Benefits	\$34,663,120	\$38,358,913	\$44,942,488
Supplies	\$8,347,714	\$9,135,385	\$11,425,212
Other Operation Cost	\$21,164,288	\$22,742,059	\$24,790,346
Maintenance & Repair	\$4,308,011	\$2,000,252	\$2,229,992
Other Services & Charges	\$10,207,717	\$8,869,505	\$19,392,922
Contributions to Other Funds or Activities	\$157,452,872	\$167,571,339	\$178,261,699
Capital Outlay	\$3,791,356	\$3,830,031	\$5,399,992
EXPENSES TOTAL	\$317,858,562	\$339,783,753	\$391,219,164
REVENUES LESS EXPENSES	\$0	\$0	\$0

GENERAL FUND SUMMARIES

FY 2025 Recommended Budget

Community Investment Fund Summary

Also a General Fund is the Community Investment Fund (CIF) that maintains separate restricted revenues, expenses, and fund balance. The CIF provides dedicated and sustainable funding for capital projects for the county, school systems and community college. The CIF budget totals \$75,848,224.

Community Investment Fund Summary

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Revenues			
Sales/Other Taxes	\$24,900,000	\$27,930,000	\$28,426,000
Intergovernmental - Grants - Other	\$720,000	\$404,000	\$404,000
Other Financing Sources	\$46,891,176	\$46,405,961	\$47,018,224
REVENUES TOTAL	\$72,511,176	\$74,739,961	\$75,848,224
Expenses			
Other Operation Cost	\$55,700	\$5,391,000	\$4,250,000
Other Services & Charges	\$0	\$100,000	\$1,000,000
Contributions to Other Funds or Activities	\$12,091,176	\$12,413,094	\$9,776,242
Capital Outlay	\$6,616,995	\$5,576,867	\$3,529,582
Debt Service	\$53,747,305	\$51,259,000	\$57,292,400
EXPENSES TOTAL	\$72,511,176	\$74,739,961	\$75,848,224
REVENUES LESS EXPENSES	\$0	\$0	\$0

Other Fund Summaries

FY 2025 Recommended Budget

Landfill Fund Summary

The Landfill Fund budget totals \$2,447,478, a increase of \$363,078 (17.42%) from the prior year. Tipping fee revenue totals \$945,000, based on a charge of \$45 per ton multiplied by 21,000 tons of incoming commercial and demolition waste. Republic Services as part of the franchise agreement collects curbside residential waste and recyclables from unincorporated Cabarrus residents.

Landfill Fund Summary

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Revenues			
Intergovernmental - Grants - Other	\$9,000	\$9,000	\$6,000
Intergovernmental - Other	\$54,000	\$48,000	\$50,000
Permits & Fees	\$150,000	\$150,000	\$150,000
Sales & Services	\$1,330,000	\$1,259,000	\$1,501,000
Other Financing Sources	\$621,872	\$618,400	\$740,478
REVENUES TOTAL	\$2,164,872	\$2,084,400	\$2,447,478
Expenses			
Personnel Services	\$529,658	\$543,632	\$645,557
Employee Benefits	\$266,312	\$280,718	\$313,569
Supplies	\$515,120	\$515,280	\$597,180
Other Operation Cost	\$410,244	\$413,603	\$499,025
Maintenance & Repair	\$168,750	\$178,500	\$159,500
Other Services & Charges	\$274,788	\$152,667	\$207,647
Capital Outlay	\$0	\$0	\$25,000
EXPENSES TOTAL	\$2,164,872	\$2,084,400	\$2,447,478
REVENUES LESS EXPENSES	\$0	\$0	\$0

OTHER FUND SUMMARIES

FY 2025 Recommended Budget

911 Emergency Telephone System Fund Summary

The 911 Fund budget totals \$473,775, an increase of \$57,137 (13.71%) from the prior year. The primary source of revenue is the 911 surcharge on telephones—both wireless and landlines. The State 911 Board collects and remits fund to the county. Expenditures in this fund are for authorized 911 uses only including equipment, computer hardware and software.

911 Emergency Fund Revenues

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Sales & Services	\$614,089	\$346,955	\$262,342
Investments	\$1,500	\$5,000	\$10,000
Other Financing Sources	\$0	\$64,683	\$201,433
TOTAL	\$615,589	\$416,638	\$473,775

911 Emergency Fund Expenditures

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Supplies	\$0	\$0	\$21,000
Other Operation Cost	\$615,589	\$331,638	\$367,775
Capital Outlay	\$0	\$85,000	\$85,000
TOTAL	\$615,589	\$416,638	\$473,775

911 Emergency Fund Summary

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Revenues	\$615,589	\$416,638	\$473,775
Expenses	\$615,589	\$416,638	\$473,775
REVENUES LESS EXPENSES	\$0	\$0	\$0

OTHER FUND SUMMARIES

FY 2025 Recommended Budget

Arena & Events Center Fund Summary

The Arena and Events Center Fund budget totals \$2,235,517, a \$38,296 (1.74%) increase from the prior year. This fund accounts for revenues and expenditures of the Arena and Events Center, the County Fair and other visitor-related events. Fund revenue includes gate passes, carnival rides and sponsor sales. In addition, the fund receives \$341,900 from the Tourism Authority from occupancy taxes. The County contracts with SMG, a management company, to oversee and manage the Arena and Events Center (not including the County Fair).

Arena & Events Center Fund Summary Revenues

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Sales & Services	\$749,831	\$749,831	\$749,831
Investments	\$15,000	\$15,000	\$60,000
Miscellaneous	\$5,000	\$5,000	\$5,000
Other Financing Sources	\$1,374,326	\$1,427,390	\$1,420,686
TOTAL	\$2,144,157	\$2,197,221	\$2,235,517

Arena & Events Center Fund Summary Expenditures

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Personnel Services	\$134,929	\$140,090	\$149,723
Employee Benefits	\$51,526	\$55,028	\$58,665
Supplies	\$56,175	\$60,875	\$64,125
Other Operation Cost	\$366,365	\$616,508	\$669,475
Maintenance & Repair	\$644,150	\$386,150	\$391,500
Other Services & Charges	\$881,012	\$928,571	\$892,029
Contributions to Other Funds or Activities	\$10,000	\$10,000	\$10,000
TOTAL	\$2,144,157	\$2,197,221	\$2,235,517

Arena and Event Center Fund Summary

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Revenues	\$2,144,157	\$2,197,221	\$2,235,517
Expenses	\$2,144,157	\$2,197,221	\$2,235,517
REVENUES LESS EXPENSES	\$0	\$0	\$0

Other Fund Summaries

FY 2025 Recommended Budget

Fire District Fund Summary

NCGS 153A-233 authorizes counties to organize and maintain fire departments, enter contracts with municipal or volunteer fire departments and appropriate funds to engage in these activities. Fire protection services are provided to county citizens through contracts with multiple non-profit incorporated volunteer fire departments and municipal departments within Cabarrus County. Departments are funded through established fire tax districts at various tax rates, grants and a portion of sales tax.

Funding is for distribution of sales taxes to the appropriate local Fire Tax Districts. The proper accounting for these funds is to record them as a revenue upon receipt and an expenditure upon disbursement to the local fire district.

Fire Districts Fund Summary

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Revenues			
Property Taxes	\$6,497,950	\$7,099,003	\$9,549,821
REVENUES TOTAL	\$6,497,950	\$7,099,003	\$9,549,821
Expenses			
Contributions to Other Funds or Activities	\$6,497,950	\$7,099,003	\$9,549,821
EXPENSES TOTAL	\$6,497,950	\$7,099,003	\$9,549,821
REVENUES LESS EXPENSES	\$0	\$0	\$0

Other Fund Summaries

FY 2025 Recommended Budget

Social Services Fund Summary

Social Services Fund is set up to account for moneys held by the Department of Human Services as agent for various individuals who are incapable of managing their own financial affairs. Prior to FY22 these funds were accounted for as agency funds. Based on new guidance from the GASB (Governmental Accounting Standards Board) GASB Statement No. 84 these funds are now accounted for as Special Revenue Funds.

Social Services Fund Summary

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Revenues			
Sales & Services	\$400,000	\$400,000	\$450,000
REVENUES TOTAL	\$400,000	\$400,000	\$450,000
Expenses			
Other Operation Cost	\$400,000	\$400,000	\$450,000
EXPENSES TOTAL	\$400,000	\$400,000	\$450,000
REVENUES LESS EXPENSES	\$0	\$0	\$0

Other Fund Summaries

FY 2025 Recommended Budget

Intergovernmental Fund Summary

Intergovernmental Fund is set up to account for the accumulation of fines and forfeitures before they are distributed to the local School Boards. Prior to FY22 these funds were accounted for as agency funds. Based on new guidance from the GASB (Governmental Accounting Standards Board) GASB Statement No. 84 these funds are now accounted for as Special Revenue Funds.

Intergovernmental Fund Summary Revenues

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Sales & Services	\$2,080,000	\$2,170,000	\$2,600,000
TOTAL	\$2,080,000	\$2,170,000	\$2,600,000

Intergovernmental Fund Summary Expenditures

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Other Services & Charges	\$80,000	\$120,000	\$125,000
Contributions to Other Funds or Activities	\$2,000,000	\$2,050,000	\$2,475,000
TOTAL	\$2,080,000	\$2,170,000	\$2,600,000

Intergovernmental Fund Summary

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Revenues	\$2,080,000	\$2,170,000	\$2,600,000
Expenses	\$2,080,000	\$2,170,000	\$2,600,000
REVENUES LESS EXPENSES	\$0	\$0	\$0

Other Fund Summaries

FY 2025 Recommended Budget

Workers' Compensation and Liability Fund Summary

The Workers' Compensation and Liability Fund totals \$4,861,473, a \$830,896 (20.61%) increase from the prior year. The county funds both the workers' compensation and liability insurance plans from premiums generated by a percentage of the salaries of each county employee covered by the plans. Expenditures from the fund are payment of excess coverage, claims and administrative support.

Workers' Compensation & Liability Fund Revenues

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Sales & Services	\$2,841,330	\$3,487,537	\$2,363,223
Investments	\$6,000	\$20,000	\$20,000
Miscellaneous	\$20,000	\$0	\$0
Other Financing Sources	\$434,975	\$523,040	\$2,478,250
TOTAL	\$3,302,305	\$4,030,577	\$4,861,473

Workers' Compensation & Liability Fund Expenses

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Other Operation Cost	\$9,000	\$11,000	\$11,000
Other Services & Charges	\$3,218,305	\$3,944,577	\$4,775,473
Capital Outlay	\$75,000	\$75,000	\$75,000
TOTAL	\$3,302,305	\$4,030,577	\$4,861,473

Workers Compensation and Liability Fund Summary

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Revenues	\$3,302,305	\$4,030,577	\$4,861,473
Expenses	\$3,302,305	\$4,030,577	\$4,861,473
REVENUES LESS EXPENSES	\$0	\$0	\$0

Other Fund Summaries

FY 2025 Recommended Budget

Self-Insured Health & Dental Fund Summary

The Self-Insured Fund budget totals \$19,541,162, a \$951,822 (5.12%) increase from the prior year. Expenditures in the Self-Insured Fund are associated with the operation of the Employee Health Center and payment of claims and insurance settlements. The County offers two plans for employees: the Open Access Plan and the Consumer Driven Plan. The plans are self-insured by the County, which has purchased reinsurance for claims over \$200,000 per member per year.

The Employee Health Center (EHC) has proven to be a major factor in managing health care costs and an asset to employee retention and recruitment. The EHC offers basic health care services, including a focus on prevention and healthy lifestyles, to all full-time Cabarrus County employees, retirees, spouses and dependents enrolled in the County's health care plan. The County offers EHC services to employees of the Water and Sewer Authority of Cabarrus County.

The County also offers a self-insured, employee-paid dental coverage plan. The primary source of revenue for this fund is insurance premiums paid by the County on behalf of eligible full-time employees and retirees, dental premiums paid by employees who select the coverage and dependents of employees via payroll deduction who participate in the plan.

Self-Insured Health & Dental Fund Summary Revenues

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Sales & Services	\$16,518,063	\$17,383,555	\$18,756,162
Investments	\$5,000	\$5,000	\$50,000
Miscellaneous	\$1,122,014	\$970,785	\$700,000
Other Financing Sources	\$47,000	\$230,000	\$35,000
TOTAL	\$17,692,077	\$18,589,340	\$19,541,162

Self-Insured Health & Dental Fund Summary Expenditures

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Supplies	\$165,500	\$190,000	\$221,500
Other Operation Cost	\$2,282,035	\$2,820,624	\$3,223,346
Maintenance & Repair	\$426,000	\$485,520	\$498,500
Other Services & Charges	\$14,818,542	\$15,093,196	\$15,597,816
TOTAL	\$17,692,077	\$18,589,340	\$19,541,162

Self-Insured Health & Dental Fund Summary

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Revenues	\$17,692,077	\$18,589,340	\$19,541,162
Expenses	\$17,692,077	\$18,589,340	\$19,541,162

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
REVENUES LESS EXPENSES	\$0	\$0	\$0

Other Fund Summaries

FY 2025 Recommended Budget

OpioiD Settlement Fund Summary

In April 2022, drug manufacturer Johnson & Johnson, and three drug distributors, McKesson, AmerisourceBergen, and Cardinal Health, finalized a \$26 billion dollar nationwide settlement related to multiple opioiD lawsuits. These funds will be disbursed to each participating state over an 18 year period according to an allocation agreement reached with all participating states. The majority of these funds are intended for opioiD abatement and the distribution of the funds will be front loaded.

North Carolina's Memorandum of Agreement (MOA) between the state and local governments for the settlement funds allocates the funds as follows:

- 15% directly to the state ("State Abatement Fund")
- 80% to abatement funds established by Local Governments ("Local Abatement Funds")
- 5% to a County Incentive Fund

As of June 30, 2023, the County has received \$1,393,979 as part of this settlement. Per the terms of the MOA, the County created a special revenue fund, the OpioiD Settlement Fund, to account for these funds. All funds are to be used for opioiD abatement and remediation activities. Funds are restricted until expended. As of June 30, 2023, the County had determined a spending strategy for \$210,000 of the total funds under Option A for recovery support services. The County expended \$70,000 as of June 30, 2023. The County had not determined a spending strategy for the balance of the funds and the funds are budgeted in an unallocated account. Cabarrus County is expected to receive a total of \$21,886,625. OPIOID settlement funds were earned when the County entered into a settlement agreement. Since some companies may cease making OPIOID settlement payments at some point in the future for various reasons, the County considered a level of offset and recorded an allowance for payments that may not be received.

Originally, Cabarrus County along with all counties receiving OpioiD settlement funds were instructed that a grant project ordinance could be established and used to track funding and appropriations for the life of the OpioiD settlement. During a late 2023 Local Government Commission OpioiD meeting, all the counties were informed that because of the way the OpioiD Settlement Memorandum of Understanding (MOU) was written, it was not a grant contract, so a grant project ordinance was not a lawful budgeting option. The local government must re-budget the funds in an annual budget ordinance unless the funds are being used for capital purposes. Since Cabarrus County is in the early stages of determining the best use of these funds, and capital expenditures has not been determined, we have added the OpioiD Fund to our annual budget ordinance.

Opioid Settlement Fund Revenues

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Miscellaneous			
Claim Settlements	\$0	\$0	\$670,866
MISCELLANEOUS TOTAL	\$0	\$0	\$670,866
TOTAL	\$0	\$0	\$670,866

Opioid Settlement Fund Expenses

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Personnel Services	\$0	\$0	\$131,948
Employee Benefits	\$0	\$0	\$65,768
Other Services & Charges	\$0	\$0	\$210,000
Contributions to Other Funds or Activities	\$0	\$0	\$263,150
TOTAL	\$0	\$0	\$670,866

Opioid Settlement Fund Summary

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Revenues	\$0	\$0	\$670,866
Expenses	\$0	\$0	\$670,866
REVENUES LESS EXPENSES	\$0	\$0	\$0

Position Summary

FY 2025 Recommended Budget

Total Authorized Positions

	FY 2023 ADOPTED		FY 2024 ADOPTED		FY 2024 REVISED		FY 2025 RECOMMENDED		RECOMMENDED CHANGE	
	POSITIONS	FTE'S	POSITIONS	FTE'S	POSITIONS	FTE'S	POSITIONS	FTE'S	POSITIONS	FTE'S
GENERAL GOVERNMENT										
Board of Commissioners	8.00	4.00	8.00	4.00	8.00	4.00	8.00	4.00	-	-
Legal Department*	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00	-	-
County Manager	20.00	19.40	6.00	5.40	6.00	5.40	6.00	5.40	-	-
Budget**	-	-	3.00	3.00	3.00	3.00	3.00	3.00	-	-
Strategy**	-	-	2.00	2.00	3.00	3.00	3.00	3.00	-	-
Internal Audit**	-	-	1.00	1.00	-	-	-	-	-	-
Procurement**	-	-	2.00	2.00	2.00	2.00	2.00	2.00	-	-
Safety & Risk Management**	-	-	2.00	2.00	2.00	2.00	2.00	2.00	-	-
Communications & Outreach	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	-	-
Human Resources	11.00	10.50	12.00	12.00	13.00	13.00	13.00	13.00	-	-
Tax Administration	31.00	31.00	31.00	31.00	31.00	31.00	31.00	31.00	-	-
Tax Collections	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	-	-
Board of Elections	13.00	8.43	13.00	8.43	13.00	8.43	13.00	8.43	-	-
Register of Deeds	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	-	-
Finance	15.00	15.00	15.00	15.00	15.00	15.00	15.00	15.00	-	-
Information Technology Services	38.00	38.00	40.00	40.00	39.00	39.00	39.00	39.00	-	-
Facility Design & Construction**	-	-	2.00	2.00	2.00	2.00	2.00	2.00	-	-
Infrastructure & Asset Management									-	-
Administration	7.00	7.00	7.00	7.00	7.00	7.00	7.00	7.00	-	-
Grounds Maintenance	13.00	13.00	14.00	14.00	14.00	14.00	14.00	14.00	-	-
Sign Maintenance	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	-	-
Building Maintenance	15.00	15.00	18.00	18.00	18.00	18.00	19.00	19.00	1.00	1.00
Facility Services	39.00	39.00	43.00	43.00	43.00	43.00	43.00	43.00	-	-
Fleet Maintenance	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	-	-
TOTAL	246.00	236.33	255.00	245.83	256.00	246.83	257.00	247.83	1.00	1.00
PUBLIC SAFETY										
Sheriff										
Administration & Operations	241.00	240.75	198.00	197.75	198.00	197.75	199.00	198.75	1.00	1.00
Jail	159.00	155.62	158.00	154.62	158.00	154.62	158.00	154.62	-	-
Harrisburg Sheriff***	-	-	25.00	25.00	25.00	25.00	25.00	25.00	-	-
Midland Sheriff***	-	-	4.00	4.00	4.00	4.00	4.00	4.00	-	-
Mt. Pleasant Sheriff***	-	-	4.00	4.00	4.00	4.00	4.00	4.00	-	-
School Resource Officers***	-	-	27.00	27.00	27.00	27.00	27.00	27.00	-	-
Animal Control	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	-	-
Animal Shelter	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	-	-
Construction Standards	41.00	41.00	40.00	40.00	40.00	40.00	40.00	40.00	-	-
Emergency Management	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	-	-
Fire Department	17.00	17.00	17.00	17.00	18.00	18.00	18.00	18.00	-	-
Emergency Medical Services	166.00	134.94	167.00	137.40	167.00	136.20	177.00	146.20	10.00	10.00
TOTAL	644.00	609.30	660.00	626.77	661.00	626.57	672.00	637.57	11.00	11.00

	FY 2023 ADOPTED		FY 2024 ADOPTED		FY 2024 REVISED		FY 2025 RECOMMENDED		RECOMMENDED CHANGE	
	POSITIONS	FTE'S	POSITIONS	FTE'S	POSITIONS	FTE'S	POSITIONS	FTE'S	POSITIONS	FTE'S
ECONOMIC & PHYSICAL DEVELOPMENT										
Planning & Development										
Planning	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	-	-
Community Development	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	-	-
Soil & Water Conservation	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	-	-
Zoning Administration	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	-	-
Economic Development Corporation	4.00	4.00	5.00	5.00	4.00	4.00	4.00	4.00	-	-
TOTAL	21.00	21.00	22.00	22.00	21.00	21.00	21.00	21.00	-	-
ENVIRONMENTAL PROTECTION										
Landfill	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	-	-
Waste Reduction	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	-	-
TOTAL	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	-	-
HUMAN SERVICES										
Veterans Services	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	-	-
Human Services										
Administration	37.00	37.00	37.00	37.00	43.00	43.00	44.00	44.00	1.00	1.00
Transportation	33.00	33.00	33.00	33.00	32.00	32.00	32.00	32.00	-	-
Child Welfare	105.00	104.13	100.00	99.63	100.00	99.63	103.00	102.63	3.00	3.00
Child Support Enforcement	23.00	23.00	23.00	23.00	23.00	23.00	24.00	24.00	1.00	1.00
Economic Services	119.00	119.00	119.00	119.00	119.00	119.00	119.00	119.00	-	-
Economic Family Support Services	28.00	28.00	28.00	28.00	47.00	47.00	51.00	51.00	4.00	4.00
Adult & Family Services	31.00	30.10	31.00	30.10	31.00	30.10	32.00	31.10	1.00	1.00
Nutrition	11.00	8.60	11.00	8.60	11.00	8.60	11.00	8.60	-	-
Senior Services	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	-	-
Behavioral Health	-	-	2.00	2.00	2.00	2.00	2.00	2.00	-	-
TOTAL	396.00	391.83	393.00	389.33	417.00	413.33	427.00	423.33	10.00	10.00
CULTURE & RECREATION										
Active Living & Parks										
Parks Administration	23.00	19.74	35.00	28.64	15.00	11.74	15.00	11.74	-	-
Camp Spencer Park^	-	-	-	-	2.00	2.00	2.00	2.00	-	-
Frank Liske Park^	-	-	-	-	3.00	3.00	3.00	3.00	-	-
Rob Wallace Park^	-	-	-	-	3.00	3.00	3.00	3.00	-	-
Senior Centers	10.00	7.65	10.00	7.65	-	-	-	-	-	-
Active Living Center at Afton^^	-	-	-	-	5.00	5.00	8.00	6.20	3.00	1.20
Active Living Center at Concord^^	-	-	-	-	9.00	6.65	9.00	6.65	-	-
Active Living Center at Mt. Pleasant^^	-	-	-	-	8.00	4.90	8.00	4.90	-	-
Library (Administration)^^^	67.00	56.60	94.00	78.10	14.00	13.75	14.00	13.75	-	-
Mt. Pleasant Library^^^	-	-	-	-	10.00	8.25	10.00	8.25	-	-
Harrisburg Library^^^	-	-	-	-	11.00	9.00	11.00	9.00	-	-
Concord Library^^^	-	-	-	-	23.00	18.80	23.00	18.80	-	-
Kannapolis Library^^^	-	-	-	-	15.00	12.00	15.00	12.00	-	-
Midland Library^^^	-	-	-	-	7.00	5.00	7.00	5.00	-	-
Afton Ridge Library^^^	-	-	-	-	17.00	14.50	17.00	14.50	-	-
Fair	2.00	1.67	2.00	1.67	2.00	1.67	2.00	1.67	-	-
TOTAL	102.00	85.66	141.00	116.06	144.00	119.26	147.00	120.46	3.00	1.20
ALL FUNCTIONS AND DEPARTMENTS										
GRAND TOTAL	1,419.00	1,354.11	1,481.00	1,409.99	1,509.00	1,436.97	1,534.00	1,460.17	25.00	23.20

*split from County Manager in FY23

**split from County Manager in FY24

***split from Sheriff Operations in FY24

^split from Parks Administration in FY24

^^moved from Senior Centers in FY24

^^^split from Library Administration in FY24

Note: The FY 25 Recommended count combines new positions with existing positions.

POSITION SUMMARY

FY 2025 Recommended Budget

RECOMMENDED NEW POSITIONS

FY 2025 RECOMMENDED NEW POSITIONS

DEPARTMENT	POSITION REQUESTED	GRADE	POSITION	
			COUNT	FTE'S
BUILDING MAINTENANCE				
	Building Maintenance Mechanic	14	1	1
	SUBTOTAL		1	1
SHERIFF				
	Deputy Sheriff - Library Security		1	1
	SUBTOTAL		1	1
EMERGENCY MEDICAL SERVICES				
	EMT/Paramedic/Senior Paramedic	18	4	4
	Master Paramedic	20	4	4
	Logistics Specialist	12	1	1
	Simulation Technical Specialist	22	1	1
	SUBTOTAL		10	10
SOCIAL SERVICES ADMINISTRATION				
	Administrative Specialist III	15	1	1
	SUBTOTAL		1	1
ECONOMIC FAMILY SUPPORT SERVICES				
	FNS Eligibility Supervisor II	20	1	1
	Eligibility Specialist II	15	3	3
	SUBTOTAL		4	4
CHILD WELFARE				
	Licensing Social Worker III	19	1	1
	Quality Assurance Evaluator	23	1	1
	Community Social Service Technician	10	1	1
	SUBTOTAL		3	3
CHILD SUPPORT SERVICES				
	Administrative Specialist I	11	1	1
	SUBTOTAL		1	1
ADULT AND FAMILY SERVICES				
	Intake Social Worker II	18	1	1
	SUBTOTAL		1	1
ACTIVE LIVING CENTER				
	Center Facility Operators	12	3	1.2
	SUBTOTAL		3	1.2
ALL DEPARTMENTS				
	GRAND TOTAL		25	23.2

FIVE-YEAR FINANCIAL PLAN

FY 2025 Recommended Budget

Introduction

The Five-Year Financial Plan is a forecast of revenues and expenditures beginning with the current year budget (FY25) and continuing for four additional years. Using a five-year planning window helps ensure the county can meet commitments, obligations and anticipated needs in a strategic, fiscally sound manner. The plan includes both operating and capital budgets for the General Fund. The plan assumes the Board of Commissioners will maintain current service levels. Staff also factor economic trends and conditions into assumptions used in developing projected revenues and expenditures.

Revenue Assumption

Property Tax

Property tax is the largest revenue source for the General Fund. Assumptions include:

- Property valuations increase of:
 - FY25 - 46.0% (Revaluation Year)
 - FY26 - 3.0%
 - FY27 - 3.0%
 - FY28 - 3.0%
 - FY29 - 3.0%
- Tax collection rate of 98.75% for Real Property and 99.5% for Vehicles (DMV) during the five-year period.
- Sustained tax rate of \$0.60 per \$100 of assessed value.
- No sustained recession.

Sales Tax

Sales tax is the second largest revenue source for the General Fund. Assumptions include:

- Based on the estimated actual collection for FY24
- One (1) percent growth for remaining years.
- No contraction or expansion of the tax base.
- No change to sales tax distribution.
- No sustained recession.

Other Revenues

Assumptions include:

- Intergovernmental Revenue/Grants – zero (0) growth annually.
- Permits & Fees – two (2) percent growth annually.
- Sales & Services – two (2) percent growth annually.
- Investment earnings – zero (0) growth annually.
- Miscellaneous – zero (0) growth annually.

Expenditure Assumption

Major expenditure assumptions include:

- Six (6) percent increase to salaries and wages annually.
- Four and half (4.5) percent increase for education expenditures.
- Three (3) percent for all other expenditures.

Conclusion

Spending specified in the Five-Year Financial Plan is growing, as is the county. The plan provides for the opening of new/replacement schools and strives to meet the growing needs of the County, the school systems, and the community college, while maintaining adequate reserves and a stable tax rate.

As a final note, it is important to note revenue projections assume an improving economy. In the absence of such improvement, adjustments will be required to meet community needs.

Five Year Financial Plan

General Fund

Tax Rate: \$0.6000

	FY2024 Adopted	FY2025 Recommended	FY2026	FY2027	FY2028	FY2029 Revaluation
REVENUES						
Property Tax	236,516,760	280,415,985	288,022,075	295,848,896	303,902,996	312,383,039
Sales Tax	47,896,330	48,589,000	49,074,890	49,565,639	50,061,295	50,561,908
Intergovernmental Revenue/Grants	28,897,940	30,850,528	30,850,528	30,850,528	30,850,528	30,850,528
Permits & Fees	8,326,455	8,897,350	9,075,297	9,256,803	9,441,939	9,630,778
Sales & Services	15,638,414	17,172,857	17,516,314	17,866,640	18,223,973	18,588,453
Investment Earnings	2,000,000	4,500,000	4,500,000	4,500,000	4,500,000	4,500,000
Miscellaneous / Other Financial Sources	507,855	793,444	793,444	793,444	793,444	793,444
Grand Total Revenue	339,783,754	391,219,164	399,832,548	408,681,950	417,774,175	427,308,149
EXPENSES						
General Government						
Personnel Expenses	125,635,437	149,719,001	158,702,141	168,224,270	178,317,726	189,016,789
Operating Expenses	45,802,965	50,670,253	54,046,603	55,668,001	57,338,041	59,058,182
Contributions to Other Funds						
Contribution to Community Investment Fund	44,105,961	44,376,242	42,520,000	42,520,000	42,520,000	42,520,000
Contribution to Landfill Fund	618,401	745,435	767,798	790,832	814,557	838,994
Contribution to Internal Service Fund	230,000	-	230,000	230,000	230,000	230,000
Contribution to Community Development Fund	32,000	45,000	45,000	45,000	45,000	45,000
Other Post Employment Benefits (OPEB) Trust	2,000,000	-	-	-	-	-
Education						
Cabarrus County Schools	81,741,563	90,278,651	94,341,190	98,586,544	103,022,938	107,658,971
Charter Schools	7,215,515	8,471,408	8,852,621	9,250,989	9,667,284	10,102,312
Kannapolis City Schools	9,305,776	10,468,096	10,939,160	11,431,423	11,945,837	12,483,399
Rowan Cabarrus Community College	4,316,397	4,584,500	4,790,803	5,006,389	5,231,676	5,467,102
Outside Agencies						
Cabarrus Arena & Events Center	943,717	904,122	943,717	943,717	943,717	943,717
Cabarrus Arts Council	26,000	27,000	27,000	27,000	27,000	27,000
Cabarrus Health Alliance	10,994,141	12,040,642	12,401,861	12,773,917	13,157,135	13,551,849
City of Concord	100,000	100,000	-	-	-	-
City of Kannapolis (Debt)	1,325,926	1,326,113	1,322,325	1,320,865	-	-
City of Kannapolis (MSD)	98,187	733,500	733,687	733,687	733,687	733,687
Economic Development Corporation	425,000	425,000	425,000	425,000	400,000	400,000
Economic Development Incentive Grants	1,700,000	1,900,000	2,074,000	1,908,600	1,143,000	1,143,000
Fire District Sales Tax Contributions	1,661,330	1,703,079	1,703,079	1,703,079	1,703,079	1,703,079
Juvenile Crime Prevention Council (JCPC)	459,927	459,927	459,927	459,927	459,927	459,927
Mental Health Bottle Tax	350,000	200,000	200,000	200,000	200,000	200,000
Mental Health Maintenance of Effort	435,511	435,511	435,511	435,511	435,511	435,511
Rowan-Cabarrus YMCA	250,000	250,000	250,000	250,000	250,000	-
Spay Program	10,000	10,000	10,000	10,000	10,000	10,000
Total Expense	339,783,754	379,873,480	396,221,423	412,944,750	428,596,114	447,028,517
Estimated Surplus/(Deficit)	-	11,345,684	3,611,124	(4,262,800)	(10,821,939)	(19,720,368)

Capital Budget and 5-Year Capital Improvement Plan (CIP)

FY 2025 Recommended Budget

Background

The Capital Budget consists of projects where funding is appropriated by the Board of Commissioners (BOC) for the fiscal year. The 5-Year Capital Improvement Plan (CIP) includes the projects contained in the Capital Budget, as well as future year (FY25-29) projects where funds have not been appropriated by the BOC. Both the Capital Budget and 5-Year CIP are reviewed and adopted annually by the BOC based on needs identified during the budget process.

The remainder of this section provides:

- The Process for submitting, evaluating, and funding capital projects
- An overview of the Capital Budget, including funded projects and funding sources
- An overview of the 5-Year Capital Improvement Plan (CIP)
- Details on each capital project contained in the Capital Budget, including a project description, budget, operating impacts, among others.

Submitting Projects

Departments submit projects annually during the County's budget process. In general, a capital project has the following characteristics:

1. Has a value of \$100,000 or more,
2. Has a useful life of five years or more, and
3. Covers more than one fiscal year from project planning to completed construction or acquisition.

The annual operating budget must have sufficient funding to meet any staffing and operating costs related to capital projects. Any identified costs associated with capital projects are reflected in the corresponding fiscal year(s) in the County's 5-Year Financial Plan.

Evaluating Projects

Generally, successful projects result from a needs assessment, align to strategic priorities, and have sufficient funding. A team of county staff review projects based on the following criteria:

1. **Mandate** – is the project required to meet Federal, State, contractual; or compliance mandates/requirements; or safety risks?
2. **Quality of Life Impact** – does the project improve community quality of life (QOL)?
3. **Urgency** – does the project require funding in the next year?
4. **Operating Budget Impact** – does the project increase/decrease the operating budget?
5. **Service Delivery Impact** – does the project improve or increase service delivery?
6. **Strategic Alignment** – does the project align to one or more of the Board's strategic priorities?

Funding Projects

The County funds capital projects in two primary ways:

1. **Pay-as-you-go (PAYGO)** – the County maximizes the use of PAYGO funding for capital projects to reduce the need for debt financing. PAYGO funds come from two primary sources:

a. General Fund Excess Available Fund Balance – Board policy maintains an unassigned fund balance equal to 15% of general fund expenditures. Following the completion of the annual financial audit, any unassigned fund balance above 15% is typically transferred to the Capital Projects Fund for capital projects. The amount available varies from year-to-year.

b. Community Investment Fund (CIF) Pay-as-you-go (PAYGO) – in FY20, the Board established the Community Investment Fund (CIF) as a sub-fund of the General Fund. The CIF provides a dedicated and sustainable source of funding for debt and generates capacity for future capital projects. The CIF contains restricted revenues, expenses, and fund balance. Through the CIF, the County appropriates \$4.2 million annually.

2. **Debt Financing** – while the County would prefer to fund all projects with cash, significant and growing capital needs require responsible debt financing. The County issues debt every other year in the even-numbered years to fund capital projects.

Overview of the Capital Budget

As part of the FY24 budget, the board approved new financing for 13 projects totaling an estimated \$180 million. Projects included the public safety training facility, relocation of the social services department, and several education projects. Given market conditions, the debt issuance was delayed until July 2024 (FY25), providing an opportunity to address changing needs.

Most significantly, we received a nearly \$1 billion capital request from Cabarrus County Schools to address their projected enrollment growth over the next decade. We also identified project shortfalls for a variety of projects. Responding to these changes requires an additional \$170 million for total financing of \$350 million for debt funded projects seen in the Debt Section below.

The FY25 Capital Budget consists of 40 individual projects totaling \$377,664,500. (18 projects totaling \$350,085,000 funded through debt. and 22 projects funded via pay-as-you-go (PAYGO) sources totaling \$27,579,500). Funding has been appropriated within the General Fund and Capital Projects Funds by the Board of Commissioners for the following PAYGO projects:

General Government PAYGO Projects

Project	FY2025
Amount	
Parks - Frank Liske Overflow Parking	\$1,275,000
Sheriff - Midland Communications Tower Entrance Road Repair	\$550,000
Startup Costs for Library and Active Living Center at Afton/Mt. Pleasant	\$4,424,000
Critical One-time Purchases	\$579,000
Grounds Maintenance Building Replacement	\$800,000
Sheriff - Training & Firing Range Repairs	\$100,000
Sheriff - Special Response Team Armored Van	\$173,500
Interior ADA Bathroom Renovations at Governmental Center	\$450,000
Parks - Playground Replacements/Renovations	\$110,000
Portable Generator Replacements	\$400,000
GC Basement	\$1,000,000
Landscaping Renovations at Governmental Center	\$1,030,000
Enterprise Physical Security Infrastructure	\$323,000
IAM - Operation Center Roof Replacement	\$325,000
Arena - Asphalt Repair	\$320,000
AMOUNT	\$11,859,500

Cabarrus County Schools PAYGO Projects

Project	FY2025
Amount	
CCS - Television and SmartBoard Replacements	\$1,300,000
CCS - Security Cameras	\$870,000
CCS - Fuel Tanks	\$1,400,000
CCS - Deferred Maintenance	\$7,900,000
AMOUNT	\$11,470,000

Kannapolis City Schools PAYGO Projects

Project	FY2025
Amount	
KCS - Replace Water Pipes	\$500,000
KCS - Deferred Maintenance	\$2,750,000
AMOUNT	\$3,250,000

RCCC PAYGO Projects

Project	FY2025
Amount	
RCCC - Deferred Maintenance	\$1,000,000
AMOUNT	\$1,000,000

Grand Total PAYGO Projects

Project	FY2025
Amount	
Total Cabarrus County Schools PAYGO	\$11,470,000
Total Kannapolis City Schools PAYGO	\$3,250,000
Total General Government PAYGO	\$11,859,500
Total Rowan-Cabarrus Community College PAYGO	\$1,000,000
AMOUNT	\$27,579,500

Debt

Since the County issues debt every other year in the even-numbered years to fund capital projects, the following shows the Debt Funded projects for FY24:

General Government Debt Projects

Project	FY2024	FY2026
Amount		
Social Services Facility- Renovations Only	\$20,000,000	\$0
Public Library and Active Living Center at Afton Ridge	\$15,000,000	\$10,356,364
Behavioral Health Facility	\$20,000,000	\$0
Public Safety Training Facility	\$70,000,000	\$0
AMOUNT	\$125,000,000	\$10,356,364

Cabarrus County Schools Debt Projects

Project	FY2024
Amount	
CCS - New Elementary School (replace Beverly Hills/Coltrane Webb)	\$50,600,000
CCS - Opportunity School	\$9,500,000
CCS - Weddington Hills Elementary School HVAC Replacement	\$7,000,000
CCS - Wolf Meadow Elementary School Roof Replacement	\$2,000,000
CCS - Cox Mill Elementary School Roof Replacement	\$2,500,000
CCS - New Elementary School (Harrisburg or NW Cabarrus)	\$50,600,000
CCS - Concord High School HVAC Replacement	\$9,000,000
CCS - Hickory Ridge High School Roof Replacement	\$2,550,000
CCS - Mary Frances Wall Renovation	\$11,000,000
AMOUNT	\$144,750,000

Kannapolis City Schools Debt Projects

Project	FY2024
Amount	
KCS - Fred L. Wilson Elementary School Addition	\$14,000,000
KCS - Forest Park Elementary School HVAC Replacement	\$7,000,000
AMOUNT	\$21,000,000

Rowan Cabarrus Community College Debt Projects

Project	FY2024
Amount	
RCCC - Workforce Innovations Center	\$47,000,000
RCCC - S201 Renovations	\$7,000,000
RCCC - HVAC Replacement at South Campus	\$5,335,000
AMOUNT	\$59,335,000

Grand Total Debt Projects

Project	FY2024	FY2026
Amount		
Total Cabarrus County Schools Debt	\$144,750,000	\$0
Total General Government Debt	\$125,000,000	\$10,356,364
Total Rowan Cabarrus Community College Debt	\$59,335,000	\$0
Total Kannapolis City Schools Debt	\$21,000,000	\$0
AMOUNT	\$350,085,000	\$10,356,364

Overview of the Capital Improvement Plan (CIP)

The 5-Year Capital Improvement Plan (CIP) consists of the current year appropriations for the Capital Budget and planned projects for the next four fiscal years. Funding appropriated within the Capital Budget addresses 18 individual debt funded projects totaling \$350,085,000 and 22 pay-as-you-go (PAYGO) projects totaling \$27,579,500. An additional 16 Pay-as-you-go (PAYGO) projects are known projects pending prioritization envisioned for fiscal years 2025 through 2029 and beyond. In addition 7 projects have been identified for funding in the next four debt issuance years. Except for one, the rest of these projects are currently shown as "TBD" awaiting the completion of programming and schematic design. The table below summarizes the adopted 5-Year CIP:

FY25-FY29 Capital Improvement Plan (CIP) Pay-As-You-Go (PAYGO)

PROJECT LEGEND:	
General Government	
Cabarrus County Schools	
Kannapolis City Schools	
Rowan Cabarrus Community College	

Project Name	FY25	FY26	FY27	FY28	FY29 or later
Deferred Maintenance	7,900,000	TBD	TBD	TBD	TBD
Startup Costs for Library and Active Living Center at Afton/Mt. Pleasant	4,424,000				
Deferred Maintenance	2,750,000	TBD	TBD	TBD	TBD
Fuel Tanks	1,400,000				
Television and SMART Board Replacements	1,300,000				
Parks - Frank Liske Overflow Parking	1,275,000				
Landscaping Renovations at Governmental Center	1,030,000				
Deferred Maintenance	1,000,000	TBD	TBD	TBD	TBD
Critical One-time Purchases	579,000				
Security Cameras	870,000				
Sheriff - Midland Communications Tower Entrance Road Repair	550,000				
Replace Water Pipes	500,000				
Interior ADA Bathroom Renovations at Governmental Center	450,000				
IAM - Operation Center Roof Replacement	325,000				
Enterprise Physical Security Infrastructure	323,000				
Arena - Asphalt Repair	320,000				
Sheriff - Special Response Team Armored Van	173,500				
Parks - Playground Replacements/Renovations	110,000				
Sheriff - Training & Firing Range Repairs	100,000				
Portable Generator Replacements	400,000				
GC Basement	1,000,000				
Grounds Maintenance Building Replacement	800,000				
TOTAL PROJECTS	27,579,500	-	-	-	-
REMAINING FUNDS	14,323	4,200,000	4,200,000	4,200,000	4,200,000

FY24-FY32 Capital Improvement Plan (CIP) - Debt Funded Projects

PROJECT LEGEND:	
General Government	
Cabarrus County Schools	
Kannapolis City Schools	
Rowan Cabarrus Community College	

Estimated project cost pending programming					
Project Name	FY24	FY26	FY28	FY30	FY32 or later
Public Safety Training Facility	70,000,000				
New Elementary School (Harrisburg or northwest Cabarrus)	50,600,000				
New Elementary School (Replace Beverly Hills/Coltrane Webb ES)	50,600,000				
Workforce Innovations Center	47,000,000				
Behavioral Health Facility	20,000,000				
Social Services Facility- Renovations Only	20,000,000				
Public Library and Active Living Center at Afton Ridge	15,000,000	10,356,364			
Fred L. Wilson Elementary School Addition	14,000,000				
Mary Frances Wall Renovation	11,000,000				
Opportunity School	9,500,000				
Concord High School HVAC Replacement	9,000,000				
Forest Park Elementary School HVAC Replacement	7,000,000				
S203 Renovations	7,000,000				
Weddington Hills Elementary School HVAC Replacement	7,000,000				
HVAC Replacement at South Campus	5,335,000				
Hickory Ridge High School Roof Replacement	2,550,000				
Cox Mill Elementary School Roof Replacement	2,500,000				
Wolf Meadow Elementary School Roof Replacement	2,000,000				
Northwest High School Replacement		TBD			
New Elementary School (Harrisburg or northwest Cabarrus)		TBD			
Central Cabarrus High School Replacement			TBD		
New Elementary School (TBD)			TBD		
New Southeast High School				TBD	
Deferred Maintenance		TBD	TBD	TBD	TBD
TOTAL	350,085,000	10,356,364	-	-	-
CAPACITY	350,085,000	49,643,636	60,000,000	60,000,000	60,000,000

General Government

FY 2025 Capital Budget

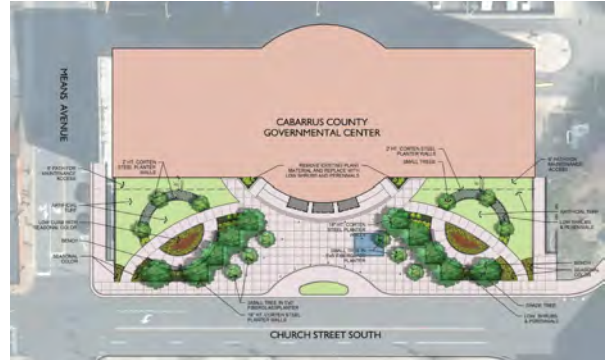
Landscaping Renovations at Governmental Center

Project Description

Renovations at Governmental Center - Church Street Elevation Landscaping

Background & Justification/Status

The landscaping at the Governmental Center is original to the building. There is a membrane that exists between that landscaping (planters, trees, turf, beds, etc.) and the sub structure of the building and subgrade parking deck has failed in several areas that staff are aware of. County staff suggests an upgrade of the landscaping, repair of membrane as needed, and a general lowering the profile of the landscaping. County staff is concerned about the continued growth of the root base of the trees into the membrane.



Landscaping Renovations at Governmental Center

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Planning and Design	\$0	\$80,000	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$950,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$1,030,000	\$0	\$0	\$0	\$0	\$0

Critical One-Time Purchases

Project Description

This request contains several proposals submitted by departments for critical needs.



Background & Justification/Status

- Risk Management - Full Replacement of all AEDs at County facilities
- Information Technology - Blue Phones for County facilities
- Grounds Maintenance - Equipment to Support New Facilities
- Sheriff - Gas Masks for Civil Emergency Response Team, truck, and other crime prevention materials
- Active Living and Parks - Dispatch Radios

Critical One-Time Purchases

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Other Improvements	\$0	\$579,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$579,000	\$0	\$0	\$0	\$0	\$0

Interior ADA Bathroom Renovations at Governmental Center

Project Description

Continued ADA improvements in Governmental Center bathrooms.



Background & Justification Status

There are four sets of public bathrooms in the Governmental Center. Two sets of bathrooms have already been renovated, one set is slated for renovation this year, and the last set is slated for the following year.

Interior ADA Bathroom Renovations at Governmental Center

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Building and Renovations	\$0	\$450,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$450,000	\$0	\$0	\$0	\$0	\$0

Arena - Asphalt Repair

Project Description

This is to ensure the funds exist for large lot repairs at the Arena that can't be phased and absorbed in the operating budget.

Background & Justification/Status

For the last 20 years asphalt repairs at the Arena and Events Center have been handled from the operating budget. These asphalt repairs have included patches, sealing and in some cases minor re-milling. Over the next decade those types of repairs will become more extensive as the original subgrade fails and repairs become to costly for the operating budget.



Arena - Asphalt Repair

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Other Improvements	\$0	\$300,000	\$0	\$0	\$0	\$0	\$300,000
Planning and Design	\$0	\$20,000	\$0	\$0	\$0	\$0	\$20,000
AMOUNT	\$0	\$320,000	\$0	\$0	\$0	\$0	\$320,000

Portable Generator Replacements

Project Description

Acquire new and/or additional portable generators for County usage.

Background & Justification/Status

Increased number of County owned and leased facilities as well as additional sheltering and event needs requires replacement of several portable generators.



Portable Generator Replacements

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Equipment & Furniture	\$0	\$400,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$400,000	\$0	\$0	\$0	\$0	\$0

Governmental Center Basement Renovations



Project Description

Renovation of old IT office space to remove a large room from the server HVAC zone.

Background & Justification Status

The room is too cold for occupancy due to being on the same HVAC zone as the server room. This area can be removed from that zone and sealed off from the server room to make more usable office space. The plan is to renovate that space for Child Support which will make their operations more efficient by proximity to the Courthouse.

Governmental Center Basement Renovations

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Other Improvements	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$0

Grounds Maintenance Building Replacement

Project Description

To build a new Grounds Maintenance facility and demolish the current facility once moved into the new building. This budget will cover design of the new facility with construction to occur in following years.



Background & Justification Status

The current Grounds Maintenance facility is located at Frank Liske Park and is original to the park. It has been added onto several times over the years but is now approaching the end of its useful life due to age and growth of the division.

Grounds Maintenance Building Replacement

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Building and Renovations	\$0	\$615,000	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$0	\$2,200,000	\$0	\$0	\$0	\$0
Equipment & Furniture	\$0	\$0	\$200,000	\$0	\$0	\$0	\$0
Planning and Design	\$0	\$185,000	\$0	\$0	\$0	\$0	\$0
Other Improvements	\$0	\$0	\$250,000	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$800,000	\$2,650,000	\$0	\$0	\$0	\$0

Social Services Facility - Renovations Only



Project Description

Renovate the Social Services facility.

Background & Justification/Status

Multiple HVAC units, some duct work, and flooring needs replacement. A front service counter and ADA compliant restrooms need to be installed. Several walls need to be installed, roof work needs to be done on both buildings. Also, some electrical work and paving need to be done.

Social Services Facility - Renovations Only

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Building and Renovations	\$20,000,000	\$0	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$20,000,000	\$0	\$0	\$0	\$0	\$0	\$0

IAM Operations Center Roof Replacement



Project Description

Renovations and building additions to the Cabarrus County Operations Center located at 484 Cabarrus Avenue in Concord.

Background & Justification/Status

Phase I is the relocation of Fleet Maintenance from the General Services Drive location to the Operations Center to facilitate a larger facility and more lifts to meet the needs of the County's growing fleet. Additionally security measures will need to be added in terms of fencing, gates, cameras, as well as equipment and interior renovations.

Phase II is the relocations of the Infrastructure & Asset Management Building Maintenance, Custodial, Administration, and Sign Maintenance staff and operations to the Operations Center. A roof replacement and minor interior renovations will be required. In future years an emergency equipment facility is planned on the currently empty parcel that will house public safety emergency equipment & vehicles (ATV's, trailers, campers, etc.) which is currently stored at various county owned, county leased, and non-county leased locations.

IAM Operations Center Roof Replacement

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Building and Renovations	\$0	\$325,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$325,000	\$0	\$0	\$0	\$0	\$0

Enterprise Physical Security Project



Project Description

This project will allow ITS to deploy cameras, card readers and other physical security devices to protect the citizens, staff and property at multiple County facilities. As facilities grow, the County's security needs change. Our current video and door access control systems are not on one platform. A converged platform will allow for better control and data. To leverage additional AI related tools to improve security at our facilities will require this upgrade.

Background & Justification/Status

ITS recently established a standardized enterprise security platform during the upgrade to the Detention Center. Some Cabarrus County facilities have video surveillance cameras but most of these are older analog devices that provide very poor quality video and are not supported on our enterprise platform. It is our goal to install IP based cameras connected to the enterprise platform to provide video retention that meets records requirements and improve video resolution of images captured at existing locations. Additionally, ITS will deploy cameras to locations throughout those facilities to provide greater security video coverage. Card Readers will also be added at several locations for employee access, reducing the number of keys issued and controlling authorized access in facilities. State retention requirements establishes a 30 day retention on video. Most of the existing DVRs do not meet this requirement. Without this upgrade we are unable to retrieve video quickly when an incident is reported and analog video provides poor image quality making identification difficult. If cameras are not upgraded so they can be added to the enterprise platform, the new Sheriff unit will not be able to view the feeds from the existing cameras at remote locations.

Enterprise Physical Security Infrastructure

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Technology	\$0	\$323,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$323,000	\$0	\$0	\$0	\$0	\$0

Behavioral Health Facility



Project Description

Support for architectural, engineering, and programming costs associated with a Behavioral Health Urgent Care (BHUC) Facility in Cabarrus County.

Background & Justification/Status

This proposal requests support for the design, development, and programming for a Behavioral Health Urgent Care facility in Cabarrus County. This single point of entry creates an integrated model of physical and behavioral healthcare, staffing physicians, nurses, and mental health clinicians to ensure all aspects of residents' health needs are met. The facility offers an alternative to unnecessary hospitalization or jail for those experiencing a behavioral health crisis related to substance use and mental health disorders. Services will be made available 24/7, in a secure facility, and include: 4-7 days of crisis stabilization in a 16-bed unit; assessment, evaluation, and brief intervention; medication management; and engagement of family, as appropriate. This facility also includes a 23-hour observation unit offering supervision/assistance with crisis de-escalation, and assessment and referral to a clinically-appropriate level of care, such as inpatient Facility Based Crisis. For the last 9 years, access to mental healthcare has been identified as a priority need in Cabarrus County. Although the state has passed legislation that allows first responders to reroute patients in mental health crisis from the ED to Facility Based Crisis (FBC), in Cabarrus County that tends not to be a viable option. As a designated Health Professional Shortage Area in mental healthcare, additional clinicians and access points to mental and behavioral health care for community members is vital to keeping employers profitable and employees productive.

Behavioral Health Facility

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Construction	\$20,000,000	\$0	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$20,000,000	\$0	\$0	\$0	\$0	\$0	\$0

Public Safety

FY 2025 Capital Budget

Public Safety Training Facility

Project Description

A multi-jurisdictional public training facility to be used by all emergency response partners.

Background & Justification/Status

This project will include the design and construction of a multi-jurisdictional public safety training facility to assist our emergency medical services, fire departments and law enforcement in meeting federal, state and local training requirements. Partnerships have been developed with (3) municipalities, the county, and our local community college to identify critical programming for a state-of-the-art facility. Programming includes commercial and residential burn building components for fire departments. A multi-story drill tower for all agencies. Driving pads and surfaces to address emergency vehicle operations. Law enforcement facilities for simulating various obstacles during field operations. Additional site elements for specialized training (confined space, hazardous materials and urban search and rescue). Opportunities also exist for large-scale disaster training to build on current capabilities, improve interoperability and allow regional and statewide integration of resources. The ability for local law enforcement agencies to host training at a multi-jurisdictional public safety training facility could reduce the burden of increased travel expenses by allowing the required training and certifications to be obtained onsite. Currently, agencies are traveling outside of the region due to current facilities being inadequate and not able to provide for the site elements or props needed for certain types of firearms and specialty-based training.



Public Safety Training Facility

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Construction	\$70,000,000	\$0	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$70,000,000	\$0	\$0	\$0	\$0	\$0	\$0

Repairs at Sheriff's Training & Firing Range

Project Description

Future renovations to existing training and firing range specifically regarding capacity, utilities, barrier walls, and environmental concerns.

Background & Justification/Status

Based on the amount of ammunition fired at the range, there is a lot of lead in the barrier walls that could leave the facility via storm water runoff. The range is booked nearly 300 days a year. The mobile classroom on site will only accommodate approximately 20 students, and the utilities are grossly worn and barely adequate. Finally, the septic system is undersized for the capacity and the lighting structures and various small storage buildings are inadequate. Parking is currently 30 to 40 spaces less than what is needed for training class sizes. To comply with NC State law, Cabarrus Sheriff, Concord Police, and Kannapolis Police Departments use the range to qualify with their firearms annually. Additionally, the size of the agencies have doubled in size since opening.



Sheriff - Training & Firing Range Repairs

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Building and Renovations	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$100,000	\$0	\$0	\$0	\$0	\$0

Midland Communications Tower Entrance Road Repair

Project Description

Repair entrance road to Communications Tower on HWY 24/27 in Midland.

Background & Justification/Status

The Midland Communications Tower located on 24/27 has suffered from entrance road structural and washout issues since its construction. Infrastructure and Asset Management have been able to repair and address stormwater issues over the years but the road now needs a true engineering subgrade and stormwater system to continue to provide access. Engineers have already been engaged to design the repairs.



Sheriff - Midland Communications Tower Entrance Road Repair

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Other Improvements	\$0	\$550,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$550,000	\$0	\$0	\$0	\$0	\$0

Sheriff - Special Response Team Armored Van

Project Description

Sheriff's Office Special Response Team (SRT) Armored Van - Replacement SRT Vehicle. The proposed NIJ III Ford Transit Van will benefit members of the SRT by affording officers ballistic and restraint protection while travelling to and on scene of high-risk incidents. It can transport up to 12 officers to scenes such as high-risk warrant service, barricaded subjects, hostage situations and more. The vehicle will benefit and serve all members of the sheriff's office and citizens of Cabarrus County by serving as a mobile shield for insertions, evacuations and rescues. The design and layout of this particular vehicle also makes offboarding and onboarding of personnel more efficient and much safer than the current vehicle along with being more agile, easy to maneuver, and smaller compared to the current vehicle or other comparable armored vehicles while still maintaining a low profile or non-militaristic appearance. This vehicle is also under weight for weight restrictions of many bridges in Cabarrus County, which is a problem for many other armored vehicles. (A second Ford F-350 with a Knapheide body will be requested through the budget process that can transport up to 4 officers as well as storage and transport of Special Response Team tools including breaching equipment, electronic equipment, ladders, ballistic shields, night vision and thermal optics, and an assortment of other tools and equipment utilized by the Cabarrus County Sheriff's Office Special Response Team.)

Background & Justification/Status

The Sheriff's Office has to regularly respond to high-risk situations, often violent crime situations, that have the potential to escalate to incidents of officers and/or the public being engaged by gunfire while responding to, on scene of, or during rescue efforts. This vehicle would provide an agile response while providing ballistic protection, as well as restraint protection for officers responding to these scenes. A secondary vehicle will be purchased through regular budget to transport equipment. In the past 10 years law enforcement agencies within Cabarrus County including the Sheriff's Office, Concord Police, and Kannapolis Police have responded to numerous incidents of violent crime that involved officers and the public being engaged by gunfire while responding to, on scene of, or during rescue efforts in which a vehicle such as this would have been advantageous for protection during the response. This vehicle plus the F-350 to be requested through a different budget process, cost less than one comparable



vehicle and will serve the mission of the Cabarrus County Sheriff's Office Special Response Team and other entities much better than a single vehicle while affording superior protection, safety, and maintaining a low-key appearance. The current SRT vehicle is a 2007 Ford E-450 and was acquired on 02/14/2007. The vehicle is cumbersome, has no ballistic protection, no seat restraints for rear passengers and is ageing and deteriorating. It also lacks space for both passengers and equipment. It is difficult to respond quickly and safely in the current vehicle to high-risk incidents and therefore we have had to reach out to other agencies to use their equipment that provides ballistic protection. Purchasing the new vehicles would provide needed protection to officers who respond to life and death situations.

Sheriff - Special Response Team Armored Van

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Other	\$0	\$173,500	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$173,500	\$0	\$0	\$0	\$0	\$0

Culture & Recreation

FY 2025 Capital Budget

Playground Replacements/Renovations at Multiple Parks

Project Description

Playground replacements/renovations of all County playgrounds and like amenities.

Background & Justification/Status

The County has eleven (11) plus playground like amenities including playgrounds, fit stations, splash pads, etc. These amenities suffer condition issues as each year passes and this CIP is intended to provide a financial mechanism for replacing and renovating. Safety is the largest concern with these amenities as they are utilized by the public on a daily basis.



Parks - Playground Replacements/Renovations

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Building and Renovations	\$0	\$110,000	\$0	\$160,000	\$0	\$0	\$180,000
AMOUNT	\$0	\$110,000	\$0	\$160,000	\$0	\$0	\$180,000

Public Library and Active Living Center at Afton Ridge



Project Description

Development and construction of a new combination facility for both the Library and Active Living Parks departments. After careful evaluation, county staff have determined that the two departments' programs can share several assembly spaces that will allow the County to deliver services with a combined facility versus standalone buildings.

Background & Justification/Status

This area of the county has grown considerably in population. After careful evaluation it has been determined that the population in this area are current utilizing library and active living center services at other locations that are not in that geographic area. The development of this facility is a strategic outreach to a growing population who already utilizes and desires those services. The project is a private-public partnership with the current developer of the Afton Ridge Complex. Libraries and active living centers provide programs that promote wellness, saving resources in the long run for the County especially as it relates to healthcare.

Public Library & Active Living Center at Afton Ridge

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Planning and Design	\$15,000,000	\$0	\$10,356,364	\$0	\$0	\$0	\$0
AMOUNT	\$15,000,000	\$0	\$10,356,364	\$0	\$0	\$0	\$0

Startup Costs for Library/ALC at Afton/Mt. Pleasant



Project Description

Payments held to support the Library and Active Living Center facilities at Afton and Mt. Pleasant coming online.

Background & Justification/Status

This money contains two years' worth of lease replacements (\$712,000/year) and the rest is money for supplies, moving costs, equipment, and other needs that come up during the start up process.

Startup Costs for Library/ALC at Afton/Mt. Pleasant

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Other Improvements	\$0	\$4,424,000	\$0	\$0	\$0	\$0	\$0

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
AMOUNT	\$0	\$4,424,000	\$0	\$0	\$0	\$0	\$0

Frank Liske Overflow Parking

Project Description

Staff proposes to increase the size of the parking lot at Frank Liske to the greatest amount possible based on locations and restricting parameters as well as asphalt the parking lot.

Background & Justification/Status

As utilization of the Frank Liske Park (FLP) athletic amenities has increased (both softball and soccer) over the past several years the need for more overflow parking is needed. Currently there is a gravel overflow lot located in between the FLP Barn and softball complex. Based on the current parking issues during large usage of these amenities (primarily on the weekends) and the anticipated utilization of the rebuilt barn that has larger reservable spaces parking will be needed moving forward at the park. Lights will be evaluated based on operations of the park and cost of those lights from the utility provider. Stormwater conveyance and detention will be required for this renovation and expansion of the existing parking lot.



Frank Liske Park Overflow Parking

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Planning and Design	\$0	\$175,000	\$0	\$0	\$0	\$0	\$0
Construction	\$0	\$1,100,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$1,275,000	\$0	\$0	\$0	\$0	\$0

Education: Cabarrus County Schools

FY 2025 Capital Budget

Deferred Maintenance

Project Description

Various projects identified by district administration and staff addressing a wide variety of needs at many schools and facilities. Some examples include:

- Replacement of cooling tower
- Bleacher and stadium additions/renovations
- ADA accessible ramps
- EC accessible play areas
- Roof repairs
- Carpet and flooring replacements
- Access Control Key Fobs
- Gym Lighting Improvements/Upgrades
- Bathroom repairs
- Courtyard renovations



Background & Justification/Status

For more detailed information - please visit Cabarrus County School's page on these projects at this link: [CCS Top 36 projects.](#)

CCS - Deferred Maintenance

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Other Improvements	\$5,400,532	\$7,900,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$5,400,532	\$7,900,000	\$0	\$0	\$0	\$0	\$0

Replace Outdated TVs and SmartBoards



Project Description

CCS has no sustainable plan for replacing classroom AV equipment. Currently schools are responsible for the brunt of replacements. This creates an inequity among our schools as priorities at individual schools differ from year to year. Funding also varies from school to school from sources other than Instructional Supply funds (PTO, fundraising, etc.)

Background & Justification/Status

Recurring annual capital funds will allow us to get on a planned refresh cycle for equipment. This equipment is anticipated to last 7-10 years at best. Full replacement of all classroom TVs and interactive displays is estimated to cost between \$7.5 and \$10 million.

CCS - Replace TVs and SmartBoards

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Other Improvements	\$0	\$1,300,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$1,300,000	\$0	\$0	\$0	\$0	\$0

Mary Frances Wall Renovation



Project Description

Consists of three projects: Replacing and relocating boiler at Mary Frances Wall Center (MFWC); HVAC mechanical upgrade at Mary Frances Wall Center; and Demolish Mary Frances Wall Center (1936). Project will include remediation, replacement of HVAC system, and relocation of fire/security alarm panels.

Background & Justification/Status

Mary Frances Wall Center main building was constructed in 1936. The original structure is beyond its life cycle and the structure is beginning to fail. The boiler system for that campus is housed in the original building and will need to be relocated before demolition can occur.

CCS - Mary Frances Wall Renovation

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Building and Renovations	\$11,000,000	\$0	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$11,000,000	\$0	\$0	\$0	\$0	\$0	\$0

Additional Fuel Tanks and Infrastructure

Project Description

Add additional fuel tanks at the Bus Garage for increased fuel capacity.



Background & Justification/Status

Currently our fuel storage capabilities are not adequate for a long term local emergency, increasing our local capacity would increase our ability to provide school bus service for weeks instead of days in the event of a natural disaster.

CCS - Fuel Tanks

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Other Improvements	\$0	\$1,400,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$1,400,000	\$0	\$0	\$0	\$0	\$0

Security Cameras

Project Description

This project addresses several needs:

- Replace Aging Security Camera Servers
- Increase Size of Security Camera Servers
- Add New Cameras
- Replace Old Existing Cameras



Background & Justification/Status

12 servers are 5+ years old and are several years out of warranty. These servers are crucial to the school security camera system; they provide, record, and store all video footage that is captured by security cameras and assist with investigations as the need arises. Existing servers do not have enough hard drive space to provide video storage for a minimum of 20+ days. The server space has been decreasing due to addition of new cameras and improvement of image/video quality overtime. New cameras are needed at many sites with some sites requesting up to 5. Some cameras still provide very good quality but no longer support/receive firmware updates, potentially compromising CCS data networks.

CCS - Security Cameras

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Other Improvements	\$0	\$870,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$870,000	\$0	\$0	\$0	\$0	\$0

Roof Replacements at Various Schools



Project Description

Replace roofs at the following schools:

- Hickory Ridge High School
- Cox Mill Elementary School
- Wolf Meadow Elementary School

Background & Justification/Status

The roofs at these schools have exceeded their life cycles and are affecting other systems because of water intrusion. If CCS averages 3 roof replacements per year, water intrusion and associated damages can be avoided.

CCS - Roof Replacements

Proposal Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
CCS - Wolf Meadow Elementary Roof Replacement	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$0
CCS - Hickory Ridge High Roof Replacement	\$2,550,000	\$0	\$0	\$0	\$0	\$0	\$0
CCS - Cox Mill Elementary Roof Replacement	\$2,500,000	\$0	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$7,050,000	\$0	\$0	\$0	\$0	\$0	\$0

New Elementary School (Harrisburg or NW Cabarrus)



Project Description

Build elementary school to address growth needs in northwest/southwest portion(s) of the county.

Background & Justification/Status

As a part of the district realignment and facility needs assessment, CCS has identified the need for targeted growth areas in both the northwest and southwest portions of Cabarrus County. The school will support the enrollment projections identified by Cooperative Strategies and position the district to sustain that growth for the foreseeable future.

CCS - New Elementary School (Harrisburg/NW Cabarrus)

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Building and Renovations	\$50,600,000	\$0	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$50,600,000	\$0	\$0	\$0	\$0	\$0	\$0

Opportunity School

Project Description

Construction of the Opportunity School.



Background & Justification/Status

In 2019, a \$5m budget was established for the Opportunity School and over the course of 3 years we made the necessary adjustments adding roughly 30% to the cost of construction that the industry saw as a whole through COVID. However, the square foot requirements for this program are unique and required more than what was originally anticipated. Currently, based on that square footage, and with everything captured, the budget is closer to \$9.53m instead of the \$7m. This represents the increase request of \$2,535,000.00. The initial program of spaces and schematic design generated with Morris Berg has the building at roughly 23,200 SF. We have met with our Construction Manager at Risk to begin the preconstruction pricing exercises on this project. These pre-construction activities may very well allow us to find opportunities to reduce the square footage as we begin more detailed constructability reviews of the project. Having the program of space needs provided us with the total square footage and allowed us to identify the more detailed individual budget necessary for the project.

CCS - New Opportunity School

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Construction	\$9,500,000	\$0	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$9,500,000	\$0	\$0	\$0	\$0	\$0	\$0

HVAC Replacement at Various Schools



Project Description

Replace HVAC systems at the following schools:

- Concord High School
- Weddington Hills Elementary School

Background & Justification/Status

The HVAC systems at these schools are at the end of their life cycles and require replacement. The system also has an added caveat of requiring a soon to be obsolete refrigerant (commonly called R22). On January 1, 2020, manufacturing of R22 ceased per mandates from the Environmental Protection Agency (EPA) due to ozone depleting qualities. Since R22 cannot be imported and is no longer produced in the United States, any remaining inventory or recovered refrigerant will be affected by rising costs.

CCS - HVAC Replacements

Proposal Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
CCS - Weddington Hills Elementary HVAC Replacement	\$7,000,000	\$0	\$0	\$0	\$0	\$0	\$0
CCS - Concord High HVAC Replacement	\$9,000,000	\$0	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$16,000,000	\$0	\$0	\$0	\$0	\$0	\$0

New Elementary School (Replace Beverly Hills/Coltrane Webb)



Project Description

Onsite rebuild to support Coltrane Webb Elementary student population and a large portion of the Beverly Hills Elementary student population - reducing high operational costs.

Background & Justification/Status

As we continue to look for ways to reduce operational cost and provide equitable facilities for the students of CCS, Beverly Hills Elementary was presented and approved as a site for redevelopment and consolidating the student population into adjacent boundaries. Coltrane Webb Elementary is also in need of replacement due to the high facility condition index rating and the property affords us the ability to be redeveloped on site.

CCS - New Elementary School (Replace BevHills/ColtraneWebb)

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Building and Renovations	\$50,600,000	\$0	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$50,600,000	\$0	\$0	\$0	\$0	\$0	\$0

Education: Kannapolis City Schools

FY 2025 Capital Budget

Deferred Maintenance

Project Description

Various maintenance projects at different schools.

Background & Justification/Status

Flooring replacements, access control/camera upgrades, classroom furniture, EC accessible playground, stair repairs, playground sunshades, emergency generator, water heater replacement, blinds replacement, building renumbering for life safety, etc.



Three projects that were ranked as highest importance by maintenance staff in three trades:

- Chiller Replacement at GW Carver (HVAC)
- Front Parking Lot Drainage and Repavement at Shady Brook (Paving)
- Roof Replacement at North Kannapolis Elementary (Carpentry)

KCS - Deferred Maintenance

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Other Improvements	\$1,500,000	\$2,750,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$1,500,000	\$2,750,000	\$0	\$0	\$0	\$0	\$0

Replace Water Pipes at AL Brown

Project Description

Replace water pipes at AL Brown High School.

Background & Justification/Status

ALBHS was built in 1950 and many portions of the steam piping and chill water lines are beyond life cycle. The piping has corroded to the point of failure. The continuous repairs to keep the system up and running is an extreme drain on maintenance resources. Complete failure of piping is imminent and if not replaced, repairs and materials will be priced at premium rates due to urgency. There is also potential to cause school closure until repairs are made.



KCS - Replace Water Pipes

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Other Improvements	\$0	\$500,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$500,000	\$0	\$0	\$0	\$0	\$0

Fred L. Wilson Elementary School Addition

Project Description

We would add 16 classrooms in a two story building and move the Media Center at FLWES (the media center move would accommodate traffic flow throughout the facility and provide for additional office and small classroom space).

Background & Justification/Status

The proposed addition would provide for growth increases across the district but would specifically address the immediate and future needs of space at FLWES. At the moment, there are 1,964 home sites inside the district approved by the city of Kannapolis. There are 796 approved sites in the FLWES attendance zone alone and one of the sites has roads going in along with infrastructure. All of these approved sites are on the Cabarrus County side of the district. Further, FLW is our most well-established magnet school in terms of duration and consistent enrollment increases. FLW is completing its sixth year as a dual-language immersion and global studies magnet school. This has caused steady enrollment increases over the last several years and currently 46 of the 467 students at FLW reside outside of the FLW attendance zone but are (and most have been for several years) participating in the magnet program.

There are no current additional classroom spaces available for use at FLWES. We have already modified the performance stage and created two small classroom spaces. The media center is used for classroom space at times. An early 2000's addition at Fred L. Wilson added eight classrooms, expanded the office area (minimally) and added a gym. The cafeteria and gym space is adequate for the current use and future expansion. There is a desperate need for small classroom space and office space for itinerant teachers and support staff. Academically Gifted and small groups of students receiving special education services are meeting in the "atrium" areas of the 1960's building. As a global studies and dual language magnet, FLWES' growth and success has led Kannapolis City Schools to add an additional global studies and dual language magnet on the eastern half of the district. In the last eight years, Kannapolis City Schools has redistricted students to accommodate growth across the district. At this time due to growth there are only four classrooms available on the western side of the district and only seven on the eastern side. Of those 11, six are being used for STEM, music, and art.



Explosive growth is expected on the east side given Kannapolis has installed water, sewer and gas to the Rowan corridor at the Old Beatty Ford Road exit in Rowan County (as a reminder, Jackson Park serves many Cabarrus County families and any increase pushes more of those Cabarrus County students back to the Cabarrus County side of the district.)

We have tentatively identified a site directly adjacent to the FLWES building for the expansion. We have spoken to Brian Cone in the Cabarrus County Schools Construction Office and Francis Layne, the demographer for Cabarrus County Schools. Our projections for growth are conservative based on most calculations used for determining the growth in attendance zones.

We also project that more than half of the approved (and sewer-allotted) sites in the FLWES attendance zone will be occupied by 2026. Further, it is important to note that none of our projections include in-fill housing that the city of Kannapolis approves. There are dozens of in-fill developments being constructed and most are putting several (4-6) townhomes on a lot. This is consistent across the district. With school building construction conservatively taking 24 months, if we started construction immediately, the additional space would not be available until after many of the available lots were built out.

Given that initial site feasibility and architectural planning has not taken place, any delay will be problematic as we do not have the space on the FLWES site for mobile units while building an addition. Expenses for additional replacement parking (existing parking lots are where we would put mobile units) would not be a good use of taxpayer money as we will still need more than the number of mobile units we could put at the FLWES site. We project that, at best, we could put six mobile units on the FLWES parking lot and still park staff and buses.

Our city, and generally, north and west of I-85 and north of HW-73, has not experienced the growth of what most of Cabarrus County has experienced. Given the improvements in Kannapolis, the growth is obviously arriving. Kannapolis City Schools has always been a district that adjusts attendance lines in order to be a good steward of school space and funding, but the reality is, we will not be able to continue down that path without some facility expansion. We are out of space at FLWES and also at Forest Park Elementary. With no additional building space available at Forest Park, and no additional space available for new school construction across the district, expanding FLWES is our best and most

economical approach for increasing classroom space in the district.

KCS - Fred L. Wilson Elementary Addition

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Building and Renovations	\$14,000,000	\$0	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$14,000,000	\$0	\$0	\$0	\$0	\$0	\$0

Forest Park Elementary School HVAC Replacement

Project Description

We are proposing an HVAC replacement at Forest Park Elementary School. We based our projections for cost (\$7,000,000) on the latest replacement work that Cabarrus County Schools did through the collaboration of their Maintenance Departments.

Background & Justification/Status

This would be a staged replacement for several reasons. In 2016 the chiller was replaced in an emergency replacement situation so that component would not need replacement at this time. In addition, the boiler looks to be in decent shape. From the back of house components out to the individual classrooms, air handler units and office areas are where our most critical replacement components lay.

Until we start replacement, we have no idea how much piping and other infrastructure would need to be replaced. We do know that all the exchange units in the classrooms would need to be changed out. They are all 25 years old and are failing consistently or are being held together in some cases with the magical support of our shared HVAC maintenance staff. The controls of this system need to be upgraded so as to have better control of the school's physical environment.

The project will have to be staged for replacement of units when school is not in session because we do not have room to displace students while repairs are made. The special education classes within the school would have to be strategically staged so as not to interfere with their schedule or room placement due to impacts on their instruction.

This staged replacement could be a benefit to capital funding resources as it will probably be stretched into two or more school years depending on start dates and times and the amount of replacement and repair required on parts of the system infrastructure. However, the need for HVAC replacement across the district is so great that this and future projects could perhaps be overlapped with funding for additional replacement/repair wrapped into the future projects.

The bottom line is Forest Park currently presents our biggest need and is in a critical state of disrepair to the point where individual classrooms could be without HVAC randomly, daily.



KCS - Forest Park Elementary School HVAC Replacement

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Other Improvements	\$7,000,000	\$0	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$7,000,000	\$0	\$0	\$0	\$0	\$0	\$0

Education- Rowan-Cabarrus Community College

FY 2025 Capital Budget

Deferred Maintenance

Project Description

The College is requesting a \$400,000 annual capital allocation increase in to support capital needs for repairs and maintenance on the College's four Cabarrus County Campuses. The increase addresses an increasing backlog of smaller deferred maintenance items at the College's aging facilities. These projects are estimated to have a budget of less than \$100,000 each. Examples of deferred maintenance include:

- Replace Existing Lighting with New LED Buildings in South Campus Buildings
- Parking Lot Paving at Building S202
- CBTC - Parking Lot and Drive Paving
- Replace Roof at Building S203
- Replace Ceiling Tiles in Building S202
- Repair Envelope of South Campus Buildings



Background and Justification

For more information - please visit this link.

RCCC - Deferred Maintenance

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Other Improvements	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$0	\$1,000,000	\$0	\$0	\$0	\$0	\$0

HVAC Replacement at South Campus

Project Description

RCCC South Campus Building 1000 is a 3 story, 43,426 SF brick facade educational building completed in 1991 (31 years)

Located on Trinity Church Road off Highway 73 at Interstate 85 Exit 55.

This project request will replace two aging chillers (31 and 24 years), which serve the entire campus, with a modular ground source heat pump chilling solution. The project will also replace the building's air handling unit that is original to the building and beyond it's anticipated life (31 years). Pneumatic controls, which are no longer well supported will be replaced with direct digital controls. The Building Automation System software will also be upgraded to the college standard to enhance operation of the system.



Background & Justification/Status

Replacement of the centrifugal chillers with ground source heat pump chillers will provide significantly better energy efficiency for the campus and lower maintenance costs. Replacement of the air handler will provide improved air quality within the spaces. Replacement of pneumatic controls and the building automation system software will provide better control and monitoring of the system. Life expectancy of a centrifugal chiller is between 20 and 30 years. Life expectancy of an air handle unit is between 25 and 30 years. Replace beyond anticipated life air handling Unit (31 years). Replace system components that are past their anticipated life. Replace pneumatic controls with digital electronic controls. Resurface parking lot over top of the wells for the ground source heat pump.

With the chillers and air handler past the anticipated life for the equipment, the increasing degradation of system performance will result in higher operating and maintenance costs as well as lower occupant comfort. An unexpected failure will result in loss of teaching environments during the period needed to procure and replace the equipment.

RCCC - HVAC Replacement at South Campus

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Other Improvements	\$5,335,000	\$0	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$5,335,000	\$0	\$0	\$0	\$0	\$0	\$0

Workforce Innovations Center

Project Description

A new building housing classrooms, labs, offices, and support spaces is necessary to support the growth in the career credit programs supporting local government and industry's workforce needs with state-of-the-art educational opportunities. It is envisioned that the building will house public safety, focused healthcare, education, physical education, and career credit programs. A key element of the building would be two large, flexible multi-purpose meeting spaces with supporting spaces. The building is envisioned to be a 75,000 square foot, three-story building. The building is planned to be located on an undeveloped parcel across Trinity Church Road from South Campus in Kannapolis, NC. It is envisioned to be a steel frame, with brick veneer to integrate into the design aesthetic of South Campus. It will be a high-performing building. The project includes extensions of all utilities (power, data, water, sewer), parking, and stormwater for the site. The project also includes a roughly 9,000 square foot Central Energy Plant designed into the first floor to provide space for chillers and other infrastructure to support the ultimate build-out of South Campus while acting as a teaching tool for students learning about the next generation of mechanical systems.



Background and Justification

This project will allow for the expansion of additional first responder and educational programs into Cabarrus County and provides an educational and training facility closer to the metropolitan area. This project addresses the recognized need for expanded Corporate & Continuing Education programs in Cabarrus County as the population of the county and surrounding areas increase.

RCCC - Workforce Innovations Center

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Building and Renovations	\$47,000,000	\$0	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$47,000,000	\$0	\$0	\$0	\$0	\$0	\$0

Building S201 Renovations

Project Description

South Campus Building S201 is a three story, 43,426 SF brick facade educational building completed in 1991 (32 years ago). This project request will renovate and remodel the first floor of the building LRC, Café, Beacon's Nest, and after that, renovate the third floor of the building to expand science labs, provide additional classroom space, and provide academic programs office space. Includes updating elevator controls and equipment, and refreshing cab finishes. Restrooms on the first and third floors will be fully renovated. The building envelope will be evaluated and upgraded to improve energy efficiency. Systems work includes updating HVAC VAV boxes and replacing older lighting with LED. The recently installed fire alarm system will be updated to include mass notification.



Background & Justification/Status

This project will update and expand the science labs on the third floor to accommodate a growing student population. This expansion will use the current LRC space. This project will also relocate the LRC and address the changing functional needs of LRC spaces to reflect current learning and collaboration concepts for students. The current LRC opened in 1991 and does not provide the resources needed for students. Additional science lab and office spaces are needed to support the growing student population and provide needed office spaces at South Campus. Student engagement areas are recognized as components of higher education teaching environments and the relocation of the LRC to the ground floor provides the opportunity to address this.

RCCC - S201 Building Renovations

Account Name	FY2024	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030
Amount							
Building and Renovations	\$7,000,000	\$0	\$0	\$0	\$0	\$0	\$0
AMOUNT	\$7,000,000	\$0	\$0	\$0	\$0	\$0	\$0

INTRODUCTION TO EDUCATION

Cabarrus County, along with the State of North Carolina and school boards, strive to provide a free, equal and quality education for every child in the state. According to the North Carolina state constitution, the County must maintain facility requirements for the public education system. Local revenues are also used to supplement the state's contribution for public school operations. Lottery proceeds and sales tax dedicated for school capital fund a portion of school capital needs.

Cabarrus County provides funding to the following Education Partners:

- Public Schools
 - Cabarrus County Schools (CCS)
 - Kannapolis City Schools (KCS)
 - Charter Schools
 - Other related agencies
- Rowan Cabarrus Community College

Although Cabarrus County is only responsible for distributing funds, the County prides itself on the relationships built with each school system. While the school boards decide how to spend county funding, the school districts and the County work together to make sure needs are met. For example, each year our Education Partners are invited to provide an update of school operations and progress along with a preview of the upcoming fiscal year at the County's Annual Board Retreat. The Educational Partner's Leadership teams and key staff meet with the County's Leadership teams and key staff to discuss and prioritize requests for the upcoming year. The Educational Partner's also annually present their budget request at the County's Budget Workshops.

The remainder of this section covers the current expense, highlights and/or significant modifications, capital outlay, debt service and county server space for public schools and provides an overview of funding for RCCC.



PUBLIC SCHOOLS

CURRENT EXPENSE

Students in Cabarrus County are served by two school districts – Cabarrus County Schools (CCS) and Kannapolis City Schools (KCS) and several charter schools. Current expense funding assists each school system with paying salaries and benefits for locally funded positions, utilities, building and grounds maintenance, and other operating expenses. Expansion funding, if provided, allows each school system to improve public education above current funding levels. Requests for continuation funding are the top priority as this funding allows the schools to continue operations of all current facilities and funds new facilities opening during the fiscal year.

Current School Expenses

Current School Expenses- Regular Instruction

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Cabarrus County Schools	\$54,627,635	\$62,727,073	\$71,593,893
Kannapolis City Schools	\$7,047,629	\$7,378,552	\$8,318,055
TOTAL	\$61,675,264	\$70,105,625	\$79,911,948

Current School Expenses- Building Maintenance

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Cabarrus County Schools	\$11,825,418	\$11,825,418	\$12,390,674
Kannapolis City Schools	\$1,042,348	\$1,260,567	\$1,260,567
TOTAL	\$12,867,766	\$13,085,985	\$13,651,241

Current School Expenses- Grounds Maintenance

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Kannapolis City Schools	\$270,364	\$113,783	\$113,783
TOTAL	\$270,364	\$113,783	\$113,783

Current School Expenses- Technology

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Cabarrus County Schools	\$7,104,667	\$7,104,667	\$6,209,679
Kannapolis City Schools	\$528,078	\$552,874	\$775,691
TOTAL	\$7,632,745	\$7,657,541	\$6,985,370

Current School Expenses - School System Total

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Cabarrus County Schools	\$73,557,720	\$81,657,158	\$90,194,246
Kannapolis City Schools	\$8,888,419	\$9,305,776	\$10,468,096
TOTAL	\$82,446,139	\$90,962,934	\$100,662,342

Current School Expenses- Charter Schools*

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Cabarrus County Schools	\$5,711,860	\$5,791,579	\$6,471,601
Kannapolis City Schools	\$586,050	\$743,914	\$743,914
TOTAL	\$6,297,910	\$6,535,493	\$7,215,515

*Money is passed through each school district to the charter schools.

AVERAGE DAILY MEMBERSHIP (ADM)

Current expense funding for schools is based on Average Daily Membership (ADM), which reflects the average number of students in classes. Certified estimates from the state are used by the county per General Statute 115C-430. The North Carolina Department of Public Instruction uses the higher of the first two months' prior year ADM and projects growth for the next school year. This information is obtained from the Principal's Monthly Report, and data supplied by the local superintendent regarding out-of-county students, and transfers between local school units. The ADM estimate used was 39,878, an increase of 16 students from the prior year. The ADM estimate used for charter schools was 3,356 an increase of 194 students from the prior year. The county is required by law to allocate an equal share to each school system based on their share of the ADM. The ADM numbers used for developing the FY25 budget were projections provided by the schools since the State had not provided the ADM for both the schools systems and the respective charters schools at the time of this publication.

For FY25 Cabarrus County School's ADM is 35,731; Kannapolis City School's is 4,147; CCS Charter's is 3,007 and KCS Charter's is 349. Payment for charter school students is a pass through from each school district to charter schools based on ADM per pupil. Initial funding for the Charter Schools is set at the same amount as the revised funding in FY24. The additional funds are held in contingency, funding will be adjusted based on the FY25 actual 2nd month student ADM.

FY 2025 BUDGET				
	DOLLARS	ADM	PERCENT	PER PUPIL
PUBLIC SCHOOL SYSTEM				
Cabarrus County Schools	\$ 90,194,246	35,731	89.60%	\$ 2,524.26
Kannapolis City Schools	10,468,096	4,147	10.40%	2,524.26
TOTAL	\$ 100,662,342	39,878	100%	
CHARTER SCHOOLS				
Cabarrus County Schools	\$ 7,590,442	3,007	89.60%	\$ 2,524.26
Kannapolis City Schools	880,966	349	10.40%	2,524.26
TOTAL	\$ 8,471,408	3,356	100%	

Three-Year Public Schools Funding Comparisons

Three Year Public School Funding Comparison

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Cabarrus County Schools	\$79,269,580	\$87,448,737	\$96,665,847
Kannapolis City Schools	\$9,474,469	\$10,049,690	\$11,212,010
TOTAL	\$88,744,049	\$97,498,427	\$107,877,857

HIGHLIGHTS AND/OR SIGNIFICANT MODIFICATIONS

Cabarrus County Schools (CCS)

The budget includes a direct current expense increase of \$8,537,088 to cover the rising costs of locally paid staff, facilities and grounds maintenance, technology; expenses. The additional funding for CCS also includes \$2,600,000 to fund the results of a salary study for classified employees and \$1,825,000 to increase local teacher supplement by 1% from 12% to 13%.

Kannapolis City Schools (KCS)

The budget includes a direct current expense increase of \$1,162,320 to also fund the rising costs of locally paid staff, technology and other operational expenses.

CAPITAL OUTLAY

Capital outlay funding is provided to address the minor capital needs of each district. Capital outlay items include buses or other vehicles, technology equipment, building improvements, and acquisition or replacement of furnishings and equipment.

Capital Outlay for Public School Systems

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Cabarrus County Schools	\$1,020,000	\$1,020,000	\$1,020,000
Kannapolis City Schools	\$100,000	\$100,000	\$100,000
TOTAL	\$1,120,000	\$1,120,000	\$1,120,000

Debt Service

The County issues various types of debt in support of school construction. General Obligation Bonds (GO bonds), Certificates of Participation (COPS) and Limited Obligation Bonds (LOBS) have all been used to finance the acquisition and construction of school capital facilities. Complete details of these long-term obligations can be found in the Debt Service section of this document.

Public School Debt Service

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
GO Bonds Principal - Schools	\$6,376,688	\$6,402,000	\$6,042,000
GO Bonds Interest - Schools	\$816,988	\$512,000	\$293,000
COPS Principal - Schools	\$22,505,000	\$20,801,000	\$18,175,275
COPS Interest - Schools	\$9,082,090	\$9,571,000	\$8,930,000
TOTAL	\$38,780,765	\$37,286,000	\$33,440,275

The following Projects are planned for public schools within the County's Capital improvement plan (CIP):

Cabarrus County Schools Debt Projects

Project	FY2024
Amount	
CCS - New Elementary School (replace Beverly Hills/Coltrane Webb)	\$50,600,000
CCS - Opportunity School	\$9,500,000
CCS - Weddington Hills Elementary School HVAC Replacement	\$7,000,000
CCS - Wolf Meadow Elementary School Roof Replacement	\$2,000,000
CCS - Cox Mill Elementary School Roof Replacement	\$2,500,000
CCS - New Elementary School (Harrisburg or NW Cabarrus)	\$50,600,000
CCS - Concord High School HVAC Replacement	\$9,000,000
CCS - Hickory Ridge High School Roof Replacement	\$2,550,000
CCS - Mary Frances Wall Renovation	\$11,000,000
AMOUNT	\$144,750,000

Kannapolis City Schools Debt Projects

Project	FY2024
Amount	
KCS - Fred L. Wilson Elementary School Addition	\$14,000,000
KCS - Forest Park Elementary School HVAC Replacement	\$7,000,000
AMOUNT	\$21,000,000

Cabarrus County Schools PAYGO Projects

Project	FY2025
Amount	
CCS - Television and SmartBoard Replacements	\$1,300,000
CCS - Security Cameras	\$870,000
CCS - Fuel Tanks	\$1,400,000
CCS - Deferred Maintenance	\$7,900,000
AMOUNT	\$11,470,000

Kannapolis City Schools PAYGO Projects

Project	FY2025
Amount	
KCS - Replace Water Pipes	\$500,000
KCS - Deferred Maintenance	\$2,750,000
AMOUNT	\$3,250,000

COUNTY SERVER SPACE

Cabarrus County Government is engaged in a strategic partnership with the Cabarrus County and Kannapolis City School districts for collaborative technology services. An Inter-local agreement between each Local Education Agency (LEA) and Cabarrus County Government was executed in October of 2011. As part of Cabarrus County's ITS Strategic Plan, Cabarrus County Government invested in two qualified data centers with the flexibility, scalability, support and capacity to offer a managed co-location to the school districts. Kannapolis City Schools continues to contract with the County for technology services.

Server Space

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Capital Outlay	\$45,156	\$45,156	\$45,156
TOTAL	\$45,156	\$45,156	\$45,156

Public Schools- Per Pupil Breakdown

PUBLIC SCHOOLS - PER PUPIL BREAKDOWN					
	FY 2023 ADOPTED	FY 2024 ADOPTED	FY 2025 RECOMMENDED	RECOMMENDED CHANGE	PERCENT CHANGE
PUBLIC SCHOOLS APPROPRIATION					
Current Expense	\$ 82,446,139	\$ 90,962,934	\$ 100,662,342	\$ 9,699,408	10.66%
Charter Schools	\$ 7,089,910	\$ 7,215,513	\$ 8,471,408	\$ 1,255,895	17.41%
Capital Outlay	\$ 1,120,000	\$ 1,120,000	\$ 1,120,000	\$ -	0.00%
Educational Debt Service	\$ 38,780,765	\$ 37,278,142	\$ 33,440,275	\$ (3,837,867)	-10.30%
County Server Space	\$ 45,156	\$ 45,156	\$ 45,156	\$ -	0.00%
School Nurses	\$ 4,522,536	\$ 4,761,440	\$ 5,264,982	\$ 503,542	0.00%
School Resource Officers	\$ -	\$ 2,571,815	\$ 3,279,230	\$ 707,415	0.00%
TOTAL	\$ 134,004,506	\$ 143,955,000	\$ 152,283,393	\$ 8,328,393	5.79%
ADM ENROLLMENT					
CCS Estimates	34,642	35,784	35,731	(53)	-0.15%
KCS Estimates	4,186	4,078	4,147	69	1.69%
CCS Estimates of Charter	3,013	2,800	3,007	207	7.39%
KCS Estimates of Charter	326	362	349	(13)	-3.59%
TOTAL ESTIMATED ENROLLMENT	42,167	43,024	43,234	210	0.49%
PER PUPIL FUNDING					
Current Expense	\$ 2,123.37	\$ 2,281.95	\$ 2,524.26	\$ 242.31	10.62%
Capital Outlay	\$ 26.56	\$ 26.03	\$ 25.91	\$ (0.13)	-0.49%
Educational Debt Service	\$ 919.69	\$ 866.45	\$ 773.47	\$ (92.98)	-10.73%
County Server Space	\$ 1.07	\$ 1.05	\$ 1.04	\$ (0.01)	-0.49%
School Nurses	\$ 107.25	\$ 110.67	\$ 121.78	\$ 11.11	10.04%
School Resource Officers	\$ -	\$ 59.78	\$ 75.85	\$ 16.07	0.00%
TOTAL	\$ 3,177.95	\$ 3,345.92	\$ 3,522.31	\$ 176.38	5.27%
<i>*School Resource Officers were previously included in Sheriff's Department and could not be split out individually until FY24.</i>					

Public School Funding by Source and Category

PUBLIC SCHOOL FUNDING BY SOURCE AND CATEGORY						
	FY 2023 ADOPTED	FY 2024 ADOPTED	FY 2025 RECOMMENDED	RECOMMENDED CHANGE	PERCENT CHANGE	
REVENUE SOURCE						
1/2 cent Sales Tax Article 40 30%	\$ 4,400,000	\$ 4,890,000	\$ 4,978,000	\$ 88,000	1.80%	
1/2 cent Sales Tax Article 42 60%	9,300,000	10,440,000	10,624,000	\$ 184,000	1.76%	
1/4 cent Sales Tax Article 46 100%	11,200,000	12,600,000	12,824,000	\$ 224,000	1.78%	
Lottery used for School Debt Service	2,300,000	2,300,000	2,300,000	\$ 2,300,000	0.00%	
QSCB Subsidy	720,000	404,000	404,000	\$ 404,000	0.00%	
School Resource Officer Reimbursement		1,403,520	1,763,460	\$ 359,940	25.65%	
TOTAL	\$ 27,920,000	\$ 32,037,520	\$ 32,893,460	\$ 3,559,940		
EXPENDITURE CATEGORY						
Current Expense	\$ 82,446,139	\$ 90,962,934	\$ 100,662,342	\$ 9,699,408	10.66%	
Charter Schools	6,297,910	7,215,513	8,471,408	\$ 1,255,895	17.41%	
Capital Outlay	1,120,000	1,120,000	1,120,000	\$ -	0.00%	
Educational Debt Service	38,780,765	37,278,142	33,440,275	\$ (3,837,867)	-10.30%	
County Server Space	45,156	45,156	45,156	\$ -	0.00%	
School Nurses	4,522,536	4,761,440	5,264,982	\$ 503,542	10.58%	
School Resource Officers*	-	2,571,815	3,279,230	\$ 707,415	27.51%	
TOTAL	\$ 133,212,506	\$ 143,955,000	\$ 152,283,393	\$ 8,328,393		
NET COUNTY COST						
GRAND TOTAL	\$ (105,292,506)	\$ (111,917,480)	\$ (119,389,933)	\$ (4,768,453)		

*School Resource Officers were previously included in Sheriff's Department and could not be split out individually until FY24.

The table above shows the non-property tax revenues supporting public schools and compares this to the total county expenses for each school district. The sum of current expense, capital outlay and debt service result in a Net County Cost of \$119,389,933 including \$5,264,982, which is given to Cabarrus Health Alliance for school nurses.

For additional years of Net County Cost for public schools, please consult the Public School Funding by Source chart in the Supplemental Information section, which includes data from Fiscal Year 2015 through Recommended Fiscal Year 2025.

OTHER RELATED AGENCIES

Other School Expenses

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
School Park Maintenance	\$50,000	\$50,000	\$50,000
Special Olympics	\$84,405	\$84,405	\$84,405
TOTAL	\$134,405	\$134,405	\$134,405

School Resource Officers

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Revenues	\$0	\$1,403,520	\$1,763,460
Expenses	\$0	\$2,571,815	\$3,279,230
REVENUES LESS EXPENSES	\$0	-\$1,168,295	-\$1,515,770

School Park Maintenance - Cabarrus County Schools

Maintenance for these school parks are funded by the Active Living and Parks Department and provided through collaboration with Cabarrus County Schools Maintenance staff.

Special Olympics – Cabarrus County Schools

In accordance with a Special Olympics Service Agreement with Cabarrus County Schools, this item provides funding for one full time equivalent position to carry out duties related to the Special Olympics program within the County.

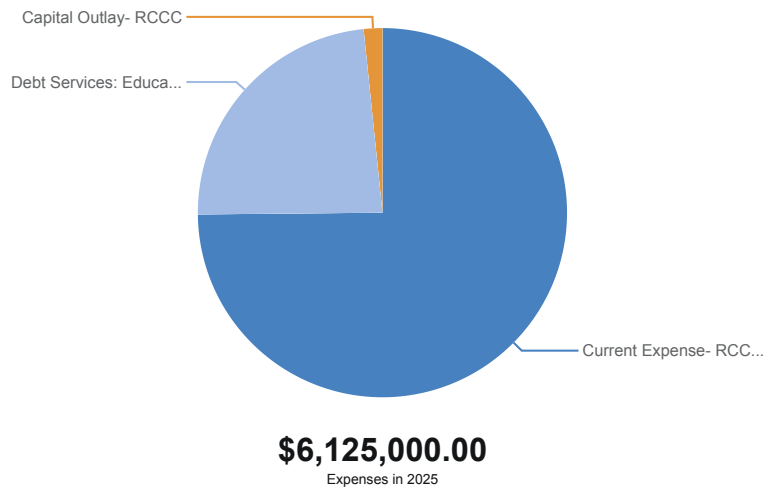
SAFETY

Safety is always at the forefront in Cabarrus County. The county is committed to providing students and staff with a safe learning and working environment. The Cabarrus County Sheriff's Department works closely with partners in law enforcement to investigate and assess threats to schools. This partnership also provides us with the ability to have school resource officers in our schools.

Rowan Cabarrus Community College Funding Breakdown

Rowan Cabarrus Community College (RCCC) Funding Breakdown

Data Updated May 07, 2024, 8:21 PM



Rowan Cabarrus Community College (RCCC) Funding Breakdown

	2022 - 23 Budget	2023 - 24 Budget	2024 - 25 Budget
Current Expense- RCCC	\$3,951,954	\$4,316,397	\$4,584,500
Capital Outlay- RCCC	\$100,000	\$100,000	\$100,000
Debt Services: Education	\$1,523,787	\$1,475,000	\$1,440,500
TOTAL	\$5,575,741	\$5,891,397	\$6,125,000

The current expense budget for Rowan-Cabarrus Community College (RCCC) totals \$4,584,500 a \$268,103 (6.21%) increase from the prior year. Additional funding for salary and benefits, increases in utilities, materials, contracted services and increased insurance premiums are included in this budget. Both new positions are co-funded by Rowan County. In addition the county continues to provide annually \$100,000 for various capital outlay needs. Funding is also budgeted for debt service related to RCCC General Obligation Bonds (GO bonds), Certificates of Participation (COPS) and Limited Obligation Bonds (LOBS) which have all been used to finance the acquisition and construction of facilities. Complete details of these long-term obligations can be found in the Debt Service section of this document.

The following project is planned for RCCC within the county's Capital Improvement Plan (CIP):

Rowan Cabarrus Community College Debt Projects

Project	FY2024
Amount	
RCCC - Workforce Innovations Center	\$47,000,000
RCCC - S201 Renovations	\$7,000,000
RCCC - HVAC Replacement at South Campus	\$5,335,000
AMOUNT	\$59,335,000

Rowan Cabarrus Community College PAYGO Projects

Project	FY2025
Amount	
RCCC - Deferred Maintenance	\$1,000,000
AMOUNT	\$1,000,000

Debt Service

FY 2025 Recommended Budget

DEBT SERVICE OVERVIEW

Debt Service is mandated by G.S. 159-36, 159-25(a) (5). The Community Investment Fund (CIF) is maintained to track the annual principal and interest requirements of General Obligation Bonds (GO), Certificates of Participation (COPS)/Limited Obligation Bonds (LOBS) and Lease and Installment Financing Agreements.

The County has the following principal and interest debt outstanding as of June 30, 2024:

DEBT SERVICE			
DEBT CATEGORY	PRINCIPAL	INTEREST	TOTAL
GO Bonds:			
Schools	\$11,902,153	\$409,679	\$12,311,832
Rowan Cabarrus Community College	617,848	21,836	639,684
COPS/LOBS:			
Schools	181,555,000	47,553,653	229,108,653
Sheriff Administration Building	4,865,000	229,551	5,094,551
Jail Housing Unit	15,535,000	1,149,205	16,684,205
Parking Deck	6,825,000	1,917,563	8,742,563
Courthouse	52,325,000	24,844,750	77,169,750
Rowan Cabarrus Community College	10,720,000	2,354,600	13,074,600
Financing Agreements:			
Wallace Property-Installment	2,006,993	653,007	2,660,000
TOTAL	\$286,351,994	\$79,133,844	365,485,838

PRINCIPAL AND INTEREST PAYMENTS

GENERAL OBLIGATION (GO) BONDS, CERTIFICATES OF PARTICIPATION (COPS)/LIMITED OBLIGATION BONDS (LOBs),

NOTES PAYABLE AND CAPITAL LEASES/INSTALLMENT FINANCING

	ISSUE DATE	RATE	PRINCIPAL / INTEREST	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
GO Bonds - Schools								
GO 2013 Refunding - Schools	5-15-13	1.50 - 5.00	Principal	5,893,813	-	-	-	-
			Interest	199,856	-	-	-	-
GO 2020 Refunding - Schools	7-16-20	1.60	Principal	144,300	3,168,360	2,695,680	-	-
			Interest	86,505	84,482	38,836	-	-
GO Bonds - Schools Total			Principal	\$ 6,038,113	\$ 3,168,360	\$ 2,695,680	\$ -	\$ -
			Interest	286,361	84,482	38,836	-	-
			Subtotal	\$ 6,324,474	\$ 3,252,842	\$ 2,734,516	\$ -	\$ -
GO Bonds - Rowan Cabarrus Community College (RCCC)								
GO 2013 Refunding (Pub Imprv) - RCCC 2006	5-15-13	1.50 - 5.00	Principal	211,188	-	-	-	-
			Interest	13,819	-	-	-	-
GO 2020 Refunding	7-16-20	1.60	Principal	5,700	216,640	184,320	-	-
			Interest	3,305	3,228	1,484	-	-
GO Bonds - RCCC Total			Principal	\$ 216,888	\$ 216,640	\$ 184,320	\$ -	\$ -
			Interest	\$ 17,124	\$ 3,228	\$ 1,484	\$ -	\$ -
GO Bonds - Grand Total			Principal	\$ 6,255,001	\$ 3,385,000	\$ 2,880,000	\$ -	\$ -
			Interest	303,485	87,710	40,320	-	-
			Grand Total	\$ 6,558,486	\$ 3,472,710	\$ 2,920,320	\$ -	\$ -

PRINCIPAL AND INTEREST PAYMENTS

GENERAL OBLIGATION (GO) BONDS, CERTIFICATES OF PARTICIPATION (COPS)/LIMITED OBLIGATION BONDS (LOBS),

NOTES PAYABLE AND CAPITAL LEASES/INSTALLMENT FINANCING

	ISSUE DATE	RATE	PRINCIPAL / INTEREST	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
COPS/LOBS - Schools								
COPS (QSCB) - Schools 2011A issue	4-14-11	0.00 - 0.07	Principal	1,330,000	1,335,000	-	-	-
			Interest	408,925	408,925	-	-	-
LOBS 2015B Refunding - Schools COPS 2008A issue	3-26-15	2.49	Principal	2,430,000	2,375,000	2,330,000	2,285,000	-
			Interest	234,558	174,051	114,914	56,897	-
LOBS 2015D Refunding - Schools COPS 2009 issue	3-26-15	2.52	Principal	5,075,000	4,970,000	4,860,000	4,760,000	4,655,000
			Interest	612,864	484,974	359,730	237,258	117,306
LOBS - Schools 2016 issue	3-10-16	2.00 - 5.00	Principal	3,690,000	3,690,000	3,690,000	3,690,000	3,690,000
			Interest	2,001,663	1,817,163	1,632,663	1,448,163	1,263,663
LOBS - Schools 2017 issue	10-26-17	3.00 - 5.00	Principal	2,855,000	2,855,000	2,855,000	2,855,000	2,855,000
			Interest	1,611,500	1,468,750	1,326,000	1,183,250	1,040,500
LOBS - Schools 2018 issue	5-16-18	3.050	Principal	2,410,000	2,410,000	2,410,000	2,410,000	1,460,000
			Interest	738,710	665,205	591,700	518,195	444,690
LOBS - Schools 2022 issue	6-1-22	5.00	Principal	1,935,000	1,935,000	1,935,000	1,930,000	1,930,000
			Interest	1,740,500	1,643,750	1,547,000	1,450,250	1,353,750
COPS/LOBS - Schools Total			Principal	\$ 19,725,000	\$ 19,570,000	\$ 18,080,000	\$ 17,930,000	\$ 14,590,000
			Interest	\$ 7,348,720	\$ 6,662,818	\$ 5,572,007	\$ 4,894,013	\$ 4,219,909
			Subtotal	\$ 27,073,720	\$ 26,232,818	\$ 23,652,007	\$ 22,824,013	\$ 18,809,909
COPS/LOBS - Rowan Cabarrus Community College (RCCC)								
LOBS - Advanced Technology Center 2018 issue RCCC 2006	5-16-18	3.05	Principal	\$ 880,000	\$ 880,000	\$ 880,000	\$ 880,000	\$ 720,000
			Interest	326,960	300,120	273,280	246,440	219,600
COPS/LOBS - RCCC Total			Subtotal	\$ 1,206,960	\$ 1,180,120	\$ 1,153,280	\$ 1,126,440	\$ 939,600

PRINCIPAL AND INTEREST PAYMENTS

GENERAL OBLIGATION (GO) BONDS, CERTIFICATES OF PARTICIPATION (COPS)/LIMITED OBLIGATION BONDS (LOBS),

NOTES PAYABLE AND CAPITAL LEASES/INSTALLMENT FINANCING

	ISSUE DATE	RATE	PRINCIPAL / INTEREST	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
COPS/LOBS - Other								
LOBS 2015A Refunding - Sheriff Adm Bldg COPS 2007	3-26-15	2.38	Principal	1,665,000	1,620,000	1,580,000	-	-
			Interest	115,787	76,160	37,604	-	-
LOBS 2015C Refunding - Jail Housing Unit COPS 2008C	3-26-15	2.51	Principal	3,265,000	3,195,000	3,110,000	3,025,000	2,940,000
			Interest	389,929	307,977	227,783	149,722	73,794
LOBS - Parking Deck 2017 issue	10-26-17	3.00 - 5.00	Principal	525,000	525,000	525,000	525,000	525,000
			Interest	296,625	270,375	244,125	217,875	191,625
LOBS - 2022 - Courthouse	6-1-22	5.00	Principal	2,910,000	2,910,000	2,910,000	2,910,000	2,910,000
			Interest	2,616,250	2,470,750	2,325,250	2,179,750	2,034,250
COPS/LOBS - Other Total			Principal	\$ 8,365,000	\$ 8,250,000	\$ 8,125,000	\$ 6,460,000	\$ 6,375,000
			Interest	3,418,591	3,125,262	2,834,762	2,547,347	2,299,669
			Subtotal	\$ 11,783,591	\$ 11,375,262	\$ 10,959,762	\$ 9,007,347	\$ 8,674,669
COPS/LOBS - Grand Total			Principal	\$ 28,970,000	\$ 28,700,000	\$ 27,085,000	\$ 25,270,000	\$ 21,685,000
			Interest	11,094,271	10,088,200	8,680,049	7,687,800	6,739,178
			Grand Total	\$ 40,064,271	\$ 38,788,200	\$ 35,765,049	\$ 32,957,800	\$ 28,424,178

PRINCIPAL AND INTEREST PAYMENTS

GENERAL OBLIGATION (GO) BONDS, CERTIFICATES OF PARTICIPATION (COPS)/LIMITED OBLIGATION BONDS (LOBS),

NOTES PAYABLE AND CAPITAL LEASES/INSTALLMENT FINANCING

	ISSUE DATE	RATE	PRINCIPAL / INTEREST	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029
Capital Leases/Installment Financing								
Installment Financing - Land Wallace Property	12-18-08	4.00	Principal	\$ 109,720	\$ 114,109	\$ 118,673	\$ 123,420	\$ 128,357
			Interest	80,280	75,891	71,327	66,580	61,643
Installment Financing - Grand Total			Principal	\$ 109,720	\$ 114,109	\$ 118,673	\$ 123,420	\$ 128,357
			Interest	80,280	75,891	71,327	66,580	61,643
			Grand Total	\$ 190,000	\$ 190,000	\$ 190,000	\$ 190,000	\$ 190,000
Annual Debt Service								
Bank Service Charges				\$ 500,000	\$ 60,000	\$ 500,000	\$ 75,000	\$ 500,000
Principal - Total				35,334,721	32,199,109	30,083,673	25,393,420	21,813,357
Interest - Total				11,478,036	10,251,801	8,791,696	7,754,380	6,800,821
TOTAL ANNUAL DEBT SERVICE				\$ 47,312,757	\$ 42,510,910	\$ 39,375,369	\$ 33,222,800	\$ 29,114,178

Note: The COPS 2011A (Qualified School Construction Bonds) issue requires that annual principal payments be made to a sinking fund, held by a trustee, in the County's name. Annual budgeted payments of \$1,330,000 are required for fiscal years 2016-2025 and a budgeted payment of \$1,335,000 is required in fiscal year 2026. The trustee will make debt service payments of \$7,200,000 and \$7,435,000 from the sinking fund in fiscal years 2023 and 2026, respectively. At this time, the County will record debt service expenditures and reduce its long-term liabilities. The accumulation of annual sinking fund payments will be accounted for in restricted fund balance. Therefore, the County will appropriate restricted fund balance in fiscal years 2023 and 2026 to fund the debt service expenditures.

Legal Debt Margin

June 30, 2024

North Carolina General Statute 159-55 limits the County's outstanding debt to 8% of the appraised value of property subject to taxation. The following deductions are made from gross debt to arrive at net debt applicable to the limit: money held for payment of principal; debt incurred for water, sewer, gas, or electric power purposes; uncollected special assessments, funding and refunding bonds not yet issued; and revenue bonds. The legal debt margin is the difference between the debt limit and the County's net debt outstanding applicable to the limit and represents the County's legal borrowing authority.

Total assessed valuation at June 30, 2024 *unaudited		<u>\$31,470,193,868</u>
Legal debt margin:		
Debt limit 8% of total assessed value		2,517,615,509
Debt applicable to debt limitation:		
Total bonded debt	\$ 12,520,000	
Total certificates of participation/ limited obligation bonds	271,825,000	
Total installment financings	2,006,933	
Total leases	<u>3,197,345</u>	
Total debt applicable to limitations		<u>284,549,278</u>
Legal debt margin		<u>\$2,228,066,231</u>

Source: Cabarrus County Finance

Supplemental Information

FY 2025 Recommended Budget

Revenue Neutral Tax Rate

North Carolina General Statute 159-11(e) requires that “in each year in which a general reappraisal of real property has been conducted, the budget officer shall include in the budget, for comparison purposes, a statement of the revenue-neutral property tax rate for the budget.” The statute sets forth the following calculation: “the budget officer shall first determine a rate that would produce revenues equal to those produced for the current fiscal year and then increase by a growth factor equal to the average annual percentage increase in the tax base.”

FY 2024 Valuation	\$32,200,000,000
FY 2024 Tax Levy	\$238,280,000
FY 2025 Valuation	\$46,959,253,000
Average Growth Rate since Last Revaluation	3.76%
FY 2025 Revenue Neutral Tax Rate	52.65¢
FY 2025 Revenue Neutral Tax Levy	\$247,241,904

Supplemental Information

FY 2025 Recommended Budget

Fee Change

Department Name	Type of Fee	Current Fee Amount	FY 25 Recommended Fee Amount
Landfill	Yard Waste Disposal Fees	\$ 40.00 / ton	\$ 42.00 / ton
Landfill	Tipping Fee	\$ 42.00 / ton	\$ 45.00 / ton

Justification

The increased tipping fees is needed to cover increased operational/labor costs at the landfill. The increase in yard waste disposal fee is required to cover the increased yard waste grinding and processing costs.

Supplemental Information

FY 2025 Recommended Budget

Community Information

Government

Date of Incorporation: 1792

Form of Government: Commission-Manager

Number of Employees (Full Time Equivalents)
Recommended: 1,460.17

County Seat: Concord

Area Statistics

Population (2023 estimate from NC State Demographer):
243,942

Area in square miles: 364

Taxes

NC Sales Tax: 4.75%

Cabarrus County Local Sales Tax: 2.25%

Cabarrus County **Recommended** Property Tax Rate per
\$100 Value: 0.60

Transportation

Airports: 1 Regional; 1 International in Close Proximity

Interstate Highways

State and Federal Highways

Mainline Rail



PUBLIC SAFETY

Fire Departments (non-city services):

- Stations: 12*
- Number of fire personnel and officers: 481
- Number of fire personnel volunteers: 290

**includes East Gold Hill and Richfield-Misenheimer*

Sheriff's Department:

- Stations: 1 main, 5 substations
- Number of sworn personnel: 257 full time
- Number of detention officers: 117 full time
- Number of civilians: 56 full time, 9 part time
- Number of patrol units: 253

MEDICAL

Hospitals: 1

Number of licensed beds: 457

ECONOMY

Construction Permits Issued (July 1, 2023 - April 30, 2024): 17,425

Zoning Permits Issued (July 1, 2023 - April 15, 2024): 363

Unemployment Rate (February 2024): 3.6%

Median Household Income (2022 Estimates): \$83,828

Per Capita Personal Income (2022 Estimates): \$38,690

CULTURE AND RECREATION

County Facilities - Operated

	Frank Liske Park	Camp Spencer Park	Vietnam Veterans Park	Rob Wallace Park	Mt. Pleasant Senior Center**	Concord Senior Center**	Other	Current Total	Virginia Foil Park (opens Oct 2025)	Active Living Center at Afton (opens Feb 2026)	Anticipated Total (mid- 2026)
Parks	1	1	1	1				4			4
Undeveloped Parks (acres)*				160			728	888			888
Senior Centers					1	1		2			2
Picnic Shelters	12	2	4	3				21			21
Indoor Picnic/Rental Facilities	2	3			2			7			7
Walking Trails (miles)	4.21	1.82	2.8	5.95		0.75		15.53	1		16.53
Baseball Fields									3		3
Softball Fields	4							4			4
Soccer Fields	11							11	2		13
Tennis Courts	2							2			2
Pickleball Courts (part of tennis court)	12							12			12
Amphitheatre	1							1			1
Playgrounds	5	1	2	2				10	1		11
Nature Playgrounds	1	1	1	1				4			4
Horseshoe Pits	11	2	2					15			15
Sand Volleyball Courts	8	1	3					12			12
Exercise Stations	15	6	8					29	6		35
Shuffleboard			2			2		4		2	6
Bocce						4		4		2	6
Cabins		6						6			6
Tent Sites		7						7			7
Group Camping		1						1			1
Pool		1						1			1
18-hole Mini Golf	1							1			1
18-hole Disc Golf	1							1			1
9-hole Disc Golf			1	1				2			2
Fitness Centers					1	2		3		1	4
Bike Skills Area				2				2			2
Dog Run			1					1			1
Paddleboats	11							11			11
Archery Range		1						1			1

*615 acres at St. Stephen's Church Rd park and 113 acres at Chester Property

**soon to be renamed to Active Living Center

County Owned Facilities - operated by a Municipality

1

School Parks (utilized by ALPS)

3

EDUCATION

	Cabarrus County	Kannapolis City	Total
Pre-kindergarten	1	1	2
Elementary Schools	19	6	25
Middle Schools	9	1	10
High Schools	11	1	12
Non-traditional	4	0	4
Number of Students	35,731	4,072	39,803

*KCS children in
Cabarrus County
limits

*KCS children in
Cabarrus County
limits

Community Colleges: 1 (Rowan-Cabarrus Community College)

Top Ten Principal Taxpayers & Employers

Top Ten Principal Taxpayers in Cabarrus County, NC				
Rank	Taxpayer	Type of Business	2022 Assessed Valuation *	Percentage of Total Assessed Valuation
1	Corning Inc	Manufacturing	\$458,132,154	1.64%
2	Mall at Concord Mills LP	Retail Center	\$228,600,161	0.82%
3	Duke Energy Corp	Public Service - Utilities	\$202,508,879	0.73%
4	Charlotte Motor Speedway Inc	Sports - Racing	\$200,059,981	0.72%
5	Castle & Cooke NC LLC / David H Murdock	Real Estate - Commercial	\$181,022,103	0.65%
6	Celgard LLC	Manufacturing	\$163,111,602	0.58%
7	Hendricks Motorsports Inc	Sports - Racing	\$158,502,661	0.57%
8	Weinstein Properties	Real Estate - Residential	\$134,484,530	0.48%
9	Exeter	Real Estate - Commercial	\$128,420,770	0.46%
10	The Silverman Group	Real Estate - Commercial	\$127,012,070	0.45%
TOTAL			\$1,981,854,911	7.10%
Total 2022 Assessed Valuation, including Public Service**			\$27,928,853,394.00	
<p><i>Based on analysis and values of top 1,000 accounts. Related entities & accounts are grouped as identified.</i></p> <p><i>* All values are as of run date and subject to change due to appeals. Values for prior years, as previously reported.</i></p> <p><i>** 2014 forward, excludes values of vehicles. Estimated as of: 7/13/2023.</i></p> <p><i>Source: Department of Cabarrus County Assessor</i></p>				

Top Ten Principal Employers in Cabarrus County, NC				
Rank	Company Name	Industry	Class	Employees
1	Atrium Health	Health Care and Social Assistance	Public Sector	1000+
2	Cabarrus County Schools	Educational Services	Public Sector	1000+
3	Amazon Services Inc.	Transportation and Warehousing	Private Sector	1000+
4	Wal-Mart Associates Inc.	Retail Trade	Private Sector	1000+
5	Cabarrus County	Public Administration	Public Sector	1000+
6	City of Concord	Public Administration	Public Sector	1000+
7	Fedex Ground Package System Inc.	Transportation and Warehousing	Private Sector	500-999
8	Corning Incorporated	Manufacturing	Private Sector	500-999
9	Shoe Show Inc.	Management of Companies and Enterprises	Private Sector	500-999
10	Food Lion	Retail Trade	Private Sector	500-999
<p><i>Source: Cabarrus Economic Development Corporation (April 2024)</i></p>				

Supplemental Information

FY 2023 Recommended Budget

Statistical Information

County	OSBM population (2023 projection)	FY2023-24 County Employees (FTE)	FY2023-24 General Fund Budgeted Expenditures	FY2023-24 Budget Property Tax Revenue	FY2023-24 Property Tax Rates (per \$100)	Relation to Cabarrus County
Alamance	181,394	1,067.00	\$ 214,495,550.00	\$ 109,551,592.00	\$0.43	S
Alexander	36,353	405.00	\$ 55,970,932.00	\$ 26,033,472.00	\$0.67	S
Anson	22,087		\$ 42,466,323.00	\$ 15,734,783.00	\$0.78	MSA
Buncombe	276,367	1,898.00	\$ 430,420,441.00	\$ 255,523,889.00	\$0.50	S
Cabarrus	243,942	1,409.99	\$ 339,783,753.00	\$ 236,516,760.00	\$0.74	
Catawba	166,441	1,204.30	\$ 241,676,709.00	\$ 118,069,000.00	\$0.40	CSA
Cleveland	100,596	866.00	\$ 149,257,595.00	\$ 61,441,547.00	\$0.69	CSA
Gaston	240,885	1,677.00	\$ 321,866,644.00	\$ 187,130,714.00	\$0.61	MSA
Iredell	202,785	1,250.00	\$ 323,625,800.00	\$ 204,487,660.00	\$0.50	N, CSA
Johnston	240,796	1,500.00	\$ 351,412,721.00	\$ 191,821,000.00	\$0.69	S
Lincoln	95,399	824.00	\$ 143,492,147.00	\$ 91,168,700.00	\$0.50	CSA
Mecklenburg	1,166,645	6,360.00	\$ 1,606,715,733.00	\$ 1,330,201,262.00	\$0.47	N, MSA
New Hanover	239,395	2,063.56	\$ 588,272,771.00	\$ 228,303,219.00	\$0.45	S
Pitt	176,572	1,085.00	\$ 195,844,774.00	\$ 114,554,592.00	\$0.68	S
Randolph	145,720	977.00	\$ 172,667,030.00	\$ 83,116,072.00	\$0.50	S
Rowan	152,064	931.00	\$ 198,247,750.00	\$ 108,360,000.00	\$0.58	N, CSA
Stanly	63,752	527.75	\$ 86,557,529.00	\$ 42,040,258.00	\$0.61	N, CSA
Union	257,071	1,499.19	\$ 445,062,935.00	\$ 244,127,710.00	\$0.59	N, MSA

N = Neighboring County

MSA = Charlotte Metropolitan Statistical Area County

CSA = Charlotte Consolidated Statistical Area County (an MSA is automatically considered part of the CSA)

S = State Benchmark County

*sources: North Carolina Association of County Commissioners FY 2023-2024 Budget & Tax Survey; Property Tax Data from NC Department of Revenue, Population Data from NC Demographer

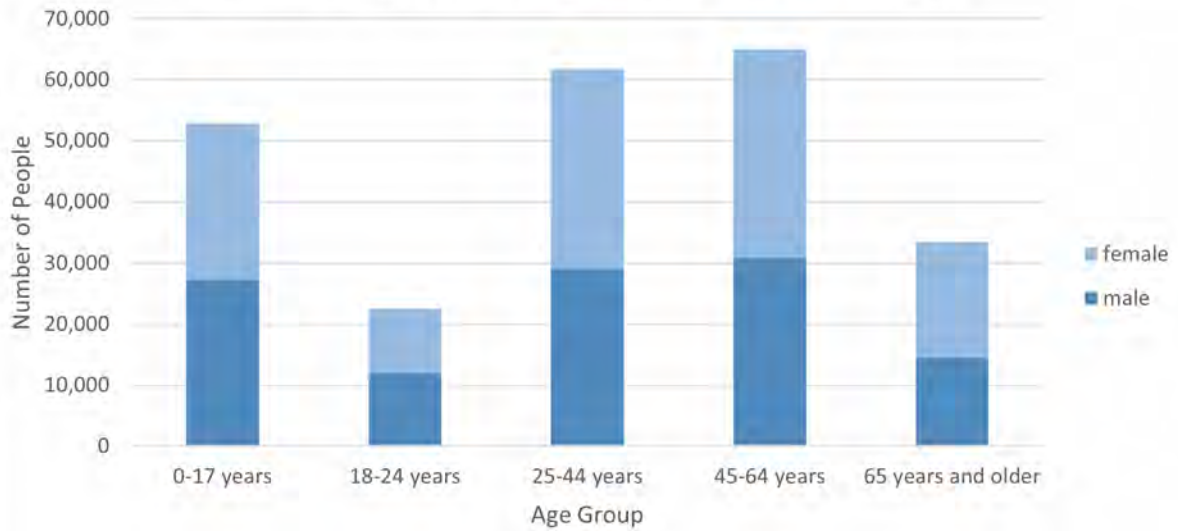
Cabarrus County, NC Age Distribution

*source: 2022 NC Office of State Budget & Management, State Demographer

Age group	Population	Percent distribution
Under 5 years	13,113	5.56%
5 to 9 years	13,314	5.65%
10 to 14 years	15,640	6.64%
15 to 19 years	17,653	7.49%
20 to 24 years	15,688	6.66%
25 to 34 years	28,631	12.15%
35 to 44 years	33,089	14.04%
45 to 54 years	35,701	15.15%
55 to 59 years	15,558	6.60%
60 to 64 years	13,749	5.83%
65 to 74 years	19,988	8.48%
75 to 84 years	10,325	4.38%
85 years and over	3,205	1.36%
TOTAL	235,654	100%

Gender Distribution by Age

*source: 2022 NC Office of State Budget & Management, State Demographer



Cabarrus County, NC Racial and Ethnic Composition

*source: 2022 NC Office of State Budget & Management, State Demographer

Racial Category	Number	Percentage	Median Age
White	161,531	68.55%	41
Black or African American	47,501	20.16%	36
American Indian, Alaska Native	2,253	0.96%	39
Asian	14,016	5.95%	37
Other	10,353	4.39%	23
Total	235,654	100.00%	39

Ethnicity	Number	Percentage	-
Hispanic	29,404	12.48%	-
Non-Hispanic	206,250	87.52%	-
Total	235,654	100.00%	-

STATISTICAL INFORMATION:
PUBLIC SCHOOL FUNDING BY SOURCE

	FY16 ACTUAL	FY17 ACTUAL	FY18 ACTUAL	FY19 ACTUAL	FY20 ACTUAL	FY21 ACTUAL	FY22 ACTUAL	FY23 ADOPTED	FY24 ADOPTED	FY25 RECOMMENDED
REVENUE SOURCE										
1/2 cent Sales Tax Article 40	\$ 2,665,952	\$ 2,799,896	\$ 2,941,555	\$ 3,187,727	\$ 3,354,134	\$ 3,962,435	\$ 3,962,435	\$ 4,400,000	\$ 4,890,000	\$ 4,978,000
30%										
1/2 cent Sales Tax Article 42	\$ 6,211,757	\$ 6,669,074	\$ 6,682,593	\$ 7,237,897	\$ 7,398,798	\$ 8,744,524	\$ 8,744,524	\$ 9,300,000	\$ 10,440,000	\$ 10,624,000
60%										
1/4 cent Sales Tax Article 46	\$ 7,150,105	\$ 8,021,787	\$ 8,163,747	\$ 8,845,020	\$ 8,863,295	\$ 10,413,436	\$ 10,413,436	\$ 11,200,000	\$ 12,600,000	\$ 12,824,000
100%										
Lottery used for School Debt Service	\$ 2,000,000	\$ 2,000,000	\$ 2,050,000	\$ 2,000,000	\$ 2,300,000	\$ 2,300,000	\$ 2,480,000	\$ 2,300,000	\$ 2,300,000	\$ 2,300,000
QSCB Subsidy	\$ 718,497	\$ 717,727	\$ 718,883	\$ 721,581	\$ 724,279	\$ 730,239	\$ 730,239	\$ 720,000	\$ 404,000	\$ 404,000
Fines & Forfeitures	\$ 1,522,063	\$ 1,921,391	\$ 1,884,139	\$ 1,539,299	\$ 1,473,780	\$ 1,233,590	\$ 1,233,590	\$ 2,080,000	\$ 2,170,000	\$ 2,600,000
School Resource Officers								\$ 1,403,520	\$ 1,403,520	\$ 1,763,460
TOTAL	\$ 20,268,374	\$ 22,129,875	\$ 22,440,917	\$ 23,531,524	\$ 24,114,286	\$ 27,384,224	\$ 27,564,224	\$ 30,000,000	\$ 34,207,520	\$ 35,493,460
EXPENDITURE CATEGORY										
Current Expense	\$ 62,533,462	\$ 64,347,620	\$ 66,642,360	\$ 75,705,683	\$ 79,375,374	\$ 83,829,821	\$ 83,829,821	\$ 88,744,049	\$ 97,498,427	\$ 109,133,750
Capital Outlay/General Fund	\$ 3,984,250	\$ 3,037,945	\$ 4,731,065	\$ 1,235,800	\$ 1,120,000	\$ 1,120,000	\$ 1,120,000	\$ 1,120,000	\$ 1,120,000	\$ 1,120,000
ITS Services	\$ 84,000	\$ 76,146	\$ 41,391	\$ 45,156	\$ 45,156	\$ 45,153	\$ 45,153	\$ 45,156	\$ 45,156	\$ 45,156
Debt Service	\$ 31,242,713	\$ 35,850,219	\$ 40,739,938	\$ 22,143,448	\$ 39,420,619	\$ 37,688,626	\$ 37,688,626	\$ 38,780,765	\$ 37,278,142	\$ 33,440,275
Fines & Forfeitures	\$ 1,522,063	\$ 1,921,391	\$ 1,884,139	\$ 1,539,299	\$ 1,473,780	\$ 1,233,590	\$ 1,233,590	\$ 2,080,000	\$ 2,170,000	\$ 2,600,000
School Nurses	\$ 2,377,375	\$ 2,534,870	\$ 2,754,723	\$ 2,884,387	\$ 3,053,426	\$ 3,560,361	\$ 3,560,361	\$ 4,522,536	\$ 4,761,440	\$ 5,264,982
School Resource Officers									\$ 2,571,815	\$ 3,279,230
TOTAL	\$ 101,743,863	\$ 107,768,191	\$ 116,793,616	\$ 103,553,773	\$ 124,488,352	\$ 127,477,551	\$ 127,477,551	\$ 135,292,506	\$ 145,444,980	\$ 154,883,393
NET COUNTY COST										
GRAND TOTAL	\$ (81,475,489)	\$ (85,638,316)	\$ (94,352,699)	\$ (80,022,249)	\$ (100,374,066)	\$ (100,093,327)	\$ (99,913,327)	\$ (105,292,506)	\$ (111,237,460)	\$ (119,389,933)



Supplemental Information

FY 2025 Recommended Budget

Glossary

Account Number - the accounting designation for revenue and expenditure line items. The account number consists of a three digit fund number, a four digit division and a four or five digit object code number.

Accrual Basis - a basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or spent.

Ad Valorem Taxes - taxes levied on real and personal property based on assessed value.

Allocate - to set apart budgeted funds for specific purposes (i.e., capital outlay).

Annual Budget - a budget covering a single fiscal year (e.g., July 1-June 30).

Appropriation - a specified dollar amount earmarked for a projected expense legally authorized by the Board of Commissioners.

Assessed Valuation - the value of real estate and personal property as determined by tax assessors. This value is used as the basis for levying taxes.

Assessment - the process of determining the value of real and personal property for taxation purposes.

Assessment Roll - an official list of real and personal property containing legal descriptions, ownership and assessed values.

Asset - a resource owned or held by a government which has monetary value.

Audit - a formal examination of the organization's accounts or financial situation.

Authority - a municipal or other public agency that performs a specific function. An authority is usually financed from fees or service charges imposed and collected by a governing body but may otherwise function independently.

Authorized Bonds - bonds that have been legally authorized, but that may or may not have been sold. Authorized bonds may be issued or sold at any time.

Authorized Positions - employee positions which are authorized in the adopted budget, to be filled during the year.

Balanced Budget - current operating revenues will be sufficient to support current operating expenditures.

Bond - a written promise to pay a specific amount of money, called principal or face value at a specified future date, called the maturity date, along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt to pay for specific capital expenditures.

Bond Refinancing - the payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

Budget - a proposed plan for raising and spending money for specified programs, functions, activities or objectives during a fiscal year.

Budget Document - a formal document presented to the Board of Commissioners containing the County's financial plan for a fiscal year. The budget document is presented in two phases -- preliminary and final. The final budget document reflects the budget as adopted by the Board of Commissioners.

Budget Message - the County Manager's written overview of the proposed budget addressed to the Board of Commissioners. The budget message addresses the major budget issues against the background of financial experience in recent years, and presents recommendations made by the County Manager.

Budget Ordinance - an ordinance that levies taxes and appropriates revenues for specified purposes, functions, activities or objectives during a fiscal year.

Budgetary Basis - refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms - GAAP, cash, or modified accrual.

Capital Asset - tangible property of significant value that has a useful life of more than one year. Includes such items as land, buildings, improvements other than buildings, and equipment.

Capital Budget - a financial plan for projected capital projects containing expenditures and resources covering a fiscal year.

Capital Improvement Program - a long-range plan of proposed capital improvement projects, which includes estimated project costs and funding over a specified period of years. The capital improvement program is updated annually to reassess capital needs during the preparation of the capital budget.

Capital Outlay - expenditures budgeted to purchase or add to fixed assets costing \$5,000 or more.

Capital Project - major construction, acquisition or renovation activities which add value to a government's physical assets or significantly increase their useful life. (Also called capital improvements.)

Capital Reserve Fund - a fund established for the purpose of receiving transfers of monies from other funds in order to build fund balance for a future capital outlay or to set aside funds for future debt service payments.

Certificates of Participation - debt that is secured by the capital project itself and is issued without voter authorization.

Consumer Price Index (CPI) - a statistical description of price levels provided by the U.S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency - an appropriation to cover unanticipated events that may occur during the fiscal year. The Board of Commissioners must approve all contingency transfers.

Continuation - budget requests that indicate the spending level required to maintain service provision at its current level.

Cost-of-living Adjustment (COLA) - an increase in salaries to offset the adverse effect of inflation on employees' compensation.

County Appropriation - reflects discretionary general fund revenues used to meet an operating department's cost. Most revenues in the general fund are not program linked and can be used to fund all operations. Several examples are: Ad Valorem Taxes, Sales Taxes, Unrestricted Intergovernmental and Interest Earnings.

Debt Service - the sum of money required to pay installments of principal and interest on bonds, notes, and other evidences of debt accruing within a fiscal year.

Deficit - an excess of expenditures over revenue receipts.

Department - an organizational unit responsible for carrying out a major government function.

Depreciation - the expiration of service life of capital assets due to wear and tear, deterioration, inadequacy or obsolescence.

Disbursement - expenditure of monies from an account.

Distinguished Budget Presentation Awards Program - a voluntary, annual awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Encumbrance - a financial commitment for services, contracts, or goods, which have not, as yet, been delivered or performed. Normally found in the form of a purchase order, contract, or formal agreement that is chargeable to an appropriation and for which a part of the appropriation is reserved.

Enterprise Fund - a fund established to account for operations that are financed and operated in a manner similar to private business. The intent is that the full cost of providing goods or services be financed through charges and fees, thus removing the expense from the tax rate. The Landfill fund is an example.

Expenditures - amount of money actually paid or obligated for payment from County funds.

Expense - charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest, or other charges.

Fiscal Year (FY) - an annual accounting period for the compilation of fiscal operations. As defined by North Carolina General Statutes G.S. 159-8, the fiscal year begins on July 1 and ends on June 30.

Fixed Assets - assets of a long-term character that are intended to continue to be held or used, such as land, buildings, improvements other than buildings, machinery and equipment.

Forecast - an estimation of revenues and expenses for the current fiscal year to be used to determine the expected balances at the end of the year.

Full-time Equivalent Position (FTE) - the unit of accounting for employee positions where part-time positions are converted to the decimal equivalent of a full-time position based on 2,080 hours per year.

Fund - a fiscal and accounting entity with a self-balancing set of accounts recording cash and other resources, together with all related liabilities and residual equities or balances, and changes therein, for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Fund Balance - represents the excess of fund current assets over current liabilities. For accounting purposes, fund balance is calculated as of year-end and is based on the difference between actual revenues and expenditures for the fiscal year. If revenues exceed expenditures, fund balance is positive. Fund balance may be carried forward and appropriated to finance expenditures in the next fiscal year.

Generally Accepted Accounting Principles (GAAP) - uniform minimum standard of and guidelines for financial accounting and reporting. These standards govern the form and content of an entity's basic financial statements. GAAP encompasses the conventions, rules and procedures necessary to define acceptable accounting practices at a particular time.

General Fund - a fund which provides for the accounting of all financial resources except those designated for other funds. Most basic government services, such as public safety, tax administration, personnel and finance are accounted for in this fund.

General Obligation Bonds (GO) - bonds issued by a government that are backed by the full faith and credit of its taxing authority.

Goal - a statement of broad direction, purpose or intent based on the needs of the community.

Governmental Fund – funds generally used to account for tax supported activities. The county has a general operating fund, special revenue funds and capital projects funds.

Grants - a contribution or gift of cash or other assets, in most cases from another government, to be used for a specific purpose. For example, a grant from the State of North Carolina may be made to finance a public health program.

Interest and Penalties Receivable on Taxes - uncollected interest and penalties on property taxes.

Interfund Accounts - accounts that reflect transfers between funds.

Intergovernmental Revenues - revenues from other governments (state, federal, other local) that can be in the form of grants, shared revenues or entitlements.

Internal Service Fund - a fund established from the financing of goods or services provided by one department or agency to other departments or agencies on a cost reimbursement basis.

Lease-Purchase Agreement - a contractual agreement by which capital assets are acquired over a period of time through lease payments.

Levy - the amount of tax, service charges and assessments imposed by a government.

Liability - debt or other obligations arising out of transactions in the past which must be liquidated, renewed, or refunded at some future date. The term does not include encumbrances.

Long-term Debt - debt with a maturity of more than one year after the date of issuance.

Mandate - any responsibility, action or procedure that is imposed by one government on another through constitutional, legislative, administrative, executive or judicial action as a direct order, or that is required as a condition of aid.

Modified Accrual Accounting Basis - basis of accounting whereby revenues are recorded when measurable and available, and expenditures, with few exceptions, are recorded when goods and services are received and the liabilities for them are created.

Municipal Bond - a bond issued by a state or local government.

Non-operating Revenues - income received by a government not directly attributable to providing a service. An example would be interest on investments.

Objective - a specific statement about what is to be accomplished or achieved for a particular program during a given time period.

Operating Budget - a plan of financial operation which encompasses an estimate of proposed expenditures for the fiscal year and the proposed means of financing them (revenues).

Ordinance - a legislative enactment by the governing body of the County. It has the full force of law within the County if it is not in conflict with any higher form of law.

Performance Indicators - specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

Performance Measure - data collected to determine how effective or efficient a program is in achieving its objectives.

Personnel Services - items of expenditures in the budget for salaries and wages paid for services by County employees, including fringe benefit costs associated with County employment.

Productivity - maximizing the use of resources (personnel and dollars) to achieve an effective result at the least possible cost.

Program - a service or services for which expenditures are made from several general ledger accounts which are combined into a single budgetary unit.

Program Changes - budget requests that reflect funding requirements for a change in programs or service levels.

Proprietary Funds - funds operated like a business and charging user fees. Enterprise and Internal Service Funds fall within this classification.

Revenue Neutral Tax Rate - the rate estimated to produce revenue for the next fiscal year equal to the revenue that would have been produced for the next fiscal year by the current tax rate if no reappraisal had occurred.

Referendum - presenting an issue to the voters of the County where a majority of voters decide on the issue.

Reserve - an account designated for a portion of the fund balance to be used for a specific purpose.

Resources - total dollars available for appropriations including estimated revenues, fund transfers and beginning fund balances.

Revenue - income received by the County from various sources used to finance its operations.

Revenue Bonds - when a government issues bonds which do not pledge the full faith and credit of the jurisdiction, it issues limited liability revenue bonds. Typically, pledges are made to dedicate one specific revenue source to repay these bonds. Revenue bonds do not require voter approval under state law.

Revenue Estimates - formal estimate of how much revenue will be earned from a specific revenue source from some future period.

Revenue Neutral Tax Rate - the rate estimated to produce revenue for the next fiscal year equal to the revenue that would have been produced for the next fiscal year by the current tax rate if no reappraisal had occurred.

Shared Revenues - revenues levied and collected by one government and shared with another on a pre-determined basis.

Service Area - a title for the grouping of departments according to common areas of service.

Special Assessment - a levy on certain properties to defray all or part of the costs associated with improvements or services that will benefit those properties.

Special Revenue Fund - a fund used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Statute - a written law enacted by a duly organized and constituted legislative body.

Tax Base - the total assessed valuation of real property within the County.

Tax Levy - the total amount of revenue to be raised from the property tax levied in the budget ordinance.

Tax Rate - the amount of tax levied per \$100 assessed valuation.

Taxes - compulsory charges levied by a government to finance services performed for the common benefit. This term does not include specific charges made against particular persons or property for current or permanent benefits such as special assessments. It does not include charges for services such as water and sewer service charges.

Tax Increment Financing (TIF) – financing procedure used by many local governments for redevelopment and improvement projects on existing structures. The cost of the improvements is assessed to future tax revenues by each taxing unit that levies taxes against the property. The taxing unit at the local level is responsible for determining how much of the increase in property tax due to the improvement will be used to repay the construction costs. The property that is seeking to use tax increment financing must be located within the city's jurisdiction.

Trust and Agency Fund - a fund used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Two-Thirds Bond - general obligation bonds that can be issued by local government without voter authorization under a formula set by the state allowing issuance of bonds equal to two-thirds of the previous year's net debt reduction.

Unencumbered Balance - the amount of an appropriation that is neither expended nor encumbered. It is basically the amount of money still available for future purposes.

Unreserved Fund Balance - the portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Charges - the payment of a fee for direct receipt of a public service by the person benefiting from the service, such as utility charges and emergency medical fees. Also known as user fees.

Supplemental Information

FY 2025 Recommended Budget

Acronyms

4-H Head, Heart, Health and Hands (Cooperative Extension)

ALS Advanced Life Support

ARPA American Rescue Plan Act of 2021

ARRA American Recovery and Reinvestment Act

BDN Benefit Delivery Network

BMP Best Management Practices

BOC Board of Commissioners

CAC Cabarrus Arts Council

CAFR Comprehensive Annual Financial Report

CAN Cabarrus Aging Network

CARES Capital Asset Realignment for Enhanced Services

CCS Cabarrus County Schools

CDBG Community Development Block Grant

CHAMPVA Civilian Health and Medical Program of the Department of Veterans Affairs

CIP Capital Improvement Program

CIF Capital Investment Fund

COPS Certificates of Participation

COPS grant Community Oriented Policing Services grant

CPI Consumer Price Index

CRP Conservation Reserve Program

DARE Drug Abuse Resistance Education

DENR Department of Environment and Natural Resources

DHHS Department of Health and Human Services

DMV Division of Motor Vehicles

DOT Department of Transportation

ECA Extension and Community Association

EFNEP Expanded Food and Nutrition Program

EMS Emergency Medical Services

EOG End of Grade testing

EPA Environmental Protection Agency

EQIP Environmental Quality Incentive Program

ERG Emergency Response Group

FCC Federal Communications Commission

FTE Full-time Equivalent

FPY From Prior Year

FY Fiscal Year

GASB Governmental Accounting Standards Board

GFOA Government Finance Officers Association

GIS Geographic Information Systems

GO General Obligation Bonds

GRP Grassland Reserve Program

GSA General Services Administration

HAARP Heat And Air Repair Program

HAZMAT Hazardous Materials

HUD Housing and Urban Development

HVAC Heating, Ventilation, Air Conditioning

IPRB Installment Payment Revenue Bonds

KCS Kannapolis City Schools

NASA National Aeronautic and Space Agency

NCACSP North Carolina Agriculture Cost Share Program

NCSU North Carolina State University

NRCS Natural Resources Conservation Services

OPEB Other Post-Employment Benefits

RCCC Rowan Cabarrus Community College

SHRT Special Hazard Response Team

SOP Standard Operating Procedure

SRO School Resource Officer

SWCD Soil & Water Conservation District

TIF Tax Increment Financing

USDA United States Department of Agriculture

VA Veterans Affairs

WHIP Wildlife Habitat Incentives Program

Departments/Agencies

Active Living and Parks - 704-920-3484
Londa Strong, Director
Arena & Events Center - 704-920-3976
Kenny Robinson, Director

Animal Control - 704-920-3288

Animal Shelter - 704-920-3288

Clerk to the Board - 704-920-2109
Lauren Linker

Commissioners' & Manager's Office - 704-920-2100
Mike K. Downs, County Manager
Aalece Pugh, PhD, Assistant County Manager
Kelly Sifford, Assistant County Manager

Communications and Outreach - 704-920-2341
Jonathan Weaver, Director

Planning and Development - 704-920-2141
Susie Morris, Director

Building Inspection Division - 704-920-2128
Community Development - 704-920-2142
Zoning - 704-920-2141

Cooperative Extension - 704-920-3310
Tracy LeCompte, County Extension Director

Elections - 704-920-2860
Carol Soles, Director

Emergency Management - 704-920-2143
Jason Burnett, Director

Emergency Medical Services - 704-920-2600
James Lentz, Director/Chief

Finance - 704-920-2104
Jim Howden, Director

Departments/Agencies

Infrastructure & Asset Management - 704-920-3212
Richard Stancil, Director

Human Resources - 704-920-2200
Lundee Covington, Director

Social Services - 704-920-1400
Hollye McCallum, Director

Transportation - DSS - 704-920-2246

Information Services - 704-920-2487
Todd Shanley, Chief Information Officer

Landfill - 704-920-3209

Recycling Division - 704-920-3278

Library - 704-920-2050
Melanie Holles, Director

Concord Branch - 704-920-2050
Kannapolis Branch - 704-920-1180
Mt. Pleasant Branch - 704-920-2202
Midland Branch - 704-920-2040
Harrisburg Branch - 704-920-2080

Register of Deeds - 704-920-2112
Wayne Nixon, Register of Deeds

Sheriff - 704-920-3000
Van Shaw, Sheriff

Soil & Water Conservation District - 704-920-3300
Daniel McClellan, Resource Conservation Specialist

Tax Administration - 704-920-2166
David Thrift, Tax Administrator

Tax Collector - 704-920-2119
Land Records - 704-920-2127
Revaluation - 704-920-2126

Veterans Services - 704-920-2870
Tony Miller, Director



The Annual Budget is published by the
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