

The Board of Commissioners for the County of Cabarrus met in regular session in the Commissioners' Meeting Room at the Cabarrus County Governmental Center in Concord, North Carolina at 6:30 p.m. on Monday, May 20, 2024.

Public access to the meeting could also be obtained through the following means:

live broadcast at 6:30 p.m. on Channel 22
<https://www.youtube.com/cabarruscounty>
<https://www.cabarruscounty.us/cabcotv>

Present - Chairman: Stephen M. Morris
Vice Chairman: Lynn W. Shue (electronic means)
Commissioners: Christopher A. Measmer
Timothy A. Furr
Kenneth M. Wortman

Also, present were Mike Downs, County Manager; Richard M. Koch, County Attorney; Kelly Sifford, Assistant County Manager; Aalece Pugh, Assistant County Manager; and Sheila Bruce, Deputy Clerk to the Board.

Chairman Morris called the meeting to order at 6:30 p.m.

Chairman Morris led the Pledge of Allegiance.

A moment of silence was observed.

(A) APPROVAL OR CORRECTIONS OF THE MINUTES

UPON MOTION of Commissioner Measmer, seconded by Commissioner Wortman and unanimously carried, the Board approved the minutes of January 16, 2024 (Regular Meeting), January 17, 2024 (Cabarrus Summit), February 5, 2024 (Work Session), February 19, 2024 (Regular Meeting), February 23, 2024 (BOC Retreat), February 24, 2024 (BOC Retreat), and March 4, 2024 (Work Session) as presented.

(B) APPROVAL OF THE AGENDA

UPON MOTION of Commissioner Wortman, seconded by Commissioner Furr and unanimously carried, the Board approved the agenda as presented.

(C) RECOGNITIONS AND PRESENTATIONS

(C-1) Active Living and Parks - AARP Tax Volunteers Recognition

Londa Strong, Active Living and Parks Director, reported the AARP tax preparation volunteers worked tirelessly to provide this free service to the citizens of Cabarrus County. This year, over 700 citizens were served. The Concord Senior Center houses the program and schedules tax appointments. Ms. Strong introduced Bob Guerity, Lead AARP Volunteer, who introduced his team and recognized their efforts. He provided information about the program including the volunteers who work hard throughout the year to provide the best service to Cabarrus County. Volunteers begin preparing for new tax laws, software, and recruiting in November/December. AARP team members provided additional comments. Ms. Strong provided closing comments and thanked the volunteers for their work.

Commissioner Wortman presented the volunteers with certificates and county pins.

(C-2) Veterans Services - Memorial Day 2024 Proclamation

Tony Miller, Veterans Services Director, read the proclamation aloud.

UPON MOTION of Commissioner Measmer, seconded by Commissioner Wortman and unanimously carried, the Board adopted the proclamation as presented.

Proclamation No.2024-13

MEMORIAL DAY PROCLAMATION

WHEREAS, our ancestors shaped the structure of our political system, laid the groundwork for higher discoveries in science and medical research, started long-lasting traditions that enrich our heritage, and fought in wars so that future generations would have freedom; and

WHEREAS, it is important to cherish the memories of our friends and family members who have died, and to remember their contributions towards making our lives better; and

WHEREAS, the veterans who fought and died for our country helped preserve the freedoms and rights guaranteed to all people under the U.S. Constitution; and

WHEREAS, on Memorial Day, Americans remember the enormous debt of gratitude we owe to our veterans who have lost their lives in the defense of freedom and pursuit of peace and we reflect on the past and renew our patriotism so that we may continue to live in freedom and seek peace so that our veterans will not have died in vain.

NOW, THEREFORE, BE IT PROCLAIMED that the Cabarrus County Board of Commissioners do hereby recognize May 27, 2024 as

MEMORIAL DAY 2024

in Cabarrus County and urges all residents in the county to take time on this special day of remembrance to honor those who have sacrificed and died to improve our quality of life, and to strengthen our nation.

ADOPTED this 20th day of May 2024.

/s/ Stephen M. Morris
Stephen M. Morris, Chairman
Board of Commissioners

Attest:

/s/ Lauren Linker
Lauren Linker, Clerk to the Board

(D) INFORMAL PUBLIC COMMENTS

Chairman Morris opened the meeting for Informal Public Comments at 6:47 p.m. He reminded everyone of the public participation policy and stated each speaker would be limited to three minutes.

Jerry E. Anderson, a resident at 133 Kennedy Avenue, Kannapolis, commented on the Department of Human Services.

Jeeter Anderson, a resident at 133 Kennedy Avenue, Kannapolis, spoke regarding a Department of Human Services matter.

Amy Palacios, a resident at 3840 Grovesner Street, Harrisburg, commented on the Department of Social Services and Cabarrus County legal representation.

Amy Betts, a resident at 313 S. East Avenue, Kannapolis, commented on the Family Court, Department of Social Services, legal, and funding appropriations.

Rick Hoffarth, a resident at 6000 Creekview Court, Harrisburg, spoke regarding rental assistance.

Teresa Bellucci, a resident at 11270 Hickory Ridge Road, Harrisburg, spoke regarding rental assistance.

Sabrina Berry, a resident a resident of Concord, commented on affordable housing.

Kim Lewter, a resident at 1832 Mary Wynn Court, Kannapolis, spoke regarding rental assistance and the county budget.

Mr. Porter, a resident of Concord, commented on affordable housing and rental assistance.

Malaysia Belmer, a resident of Concord, commented on affordable housing.

Tameka Ford, a resident of Concord, spoke regarding affordable housing and the county budget.

Mae Mack, a resident of Concord, spoke regarding affordable housing and emergency rental assistance.

Patrick Graham, a resident of Concord, commented on affordable housing.

Wesley Huneycutt, a resident at 2700 Cal Bost Road, Midland, spoke about the Cabarrus County budget.

There was no one else to address the Board, therefore Chairman Morris closed that portion of the meeting.

(E) OLD BUSINESS

(E-1) EMS - Renewal of Non-Emergency Transport Franchise Agreement with American Transmed

Justin Brines, Emergency Medical Services Deputy Chief, reported American Transmed is the non-emergency EMS transport provider for Cabarrus County. The county has maintained a franchise agreement for the last three years with American Transmed. The agreement will expire in June, 2024 and staff requested renewal for another three years.

Mr. Brines read the second reading of the ordinance aloud. The first reading was conducted at the April regular meeting.

UPON MOTION of Commissioner Wortman, seconded by Commissioner Measmer and unanimously carried, the Board adopted the Resolution Granting a Franchise to Operate Non-Emergency Ambulance Service American TransMed, after review and revision by the county attorney.

(F) CONSENT

(F-1) Appointments and Removals - Cabarrus County Senior Centers Advisory Council

The terms of appointment on the Cabarrus County Senior Centers Advisory Council have expired for Ann Eaves, Earline Ward, Mary Watts, Katie Little, James Lentz and Thomas Dixon.

Ann Eaves, Earline Ward, Mary Watts and Katie Little expressed interest in serving an additional term. The Concord Senior Center Advisory Council voted unanimously to reappoint them for an additional three-year term expiring December 31, 2026. Length of service and residency exceptions to the Appointment Policy will be needed for Ms. Watts.

The Concord Senior Center Advisory Council voted unanimously to remove James Lentz, Sr. and Thomas Dixon from the roster and thank them for their service.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board reappointed Ann Eaves, Earline Ward, Mary Watts and Katie Little to the Cabarrus County Senior Centers Advisory Council for a three-year term expiring December 31, 2026, including exceptions to the Appointment Policy for length of service and residency for Ms. Watts.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board removed James Lentz, Sr. and Thomas Dixon from the Cabarrus County Senior Centers Advisory Council roster and thanked them for their service.

(F-2) Appointment - Partners Health Management - Board of Directors

In accordance with Partners Bylaws, terms of members of the board are for three (3) years, with eligibility for reappointment for an additional three (3) years. In addition, the term end date must align with Partners fiscal year end date, which is on June 30 each year. The Cabarrus County representative on the Partners Health Management Board can be a Cabarrus County Commissioner or a designee of their choosing. Paula Yost has served as the Cabarrus County representative for the past three years and has expressed interest in reappointment for another three-year term. The new term will end June 30, 2027.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board reappointed Paula Yost to the Partners Health Management Board as the Cabarrus County representative for a three-year term ending June 30, 2027.

(F-3) Behavioral Health - Hold Harmless Funds Budget Amendment

It is requested to allocate \$1,530,534.51 in Medicaid Hold Harmless (HH) funds to Monarch, the operator of the Cabarrus County Regional Behavioral Health Center. Funding would be used for startup costs to ensure the Center is ready

for opening day in April 2026. Monarch requires startup funding to hire key administrative, clinical, nursing, and direct care positions. The total amount requested by Monarch is roughly \$2.9M.

Based on the March HH distribution, revenue is expected to be exceeded in the current fiscal year by \$2.4 million. (To date, Cabarrus has received the amount specified above). The amount received annually is variable.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board adopted the budget amendment.

Budget Revision/Amendment Request

Date: Amount:
 Dept. Head: Department:
 Internal Transfer Within Department Transfer Between Departments/Funds Supplemental Request

Monarch Cabarrus Start Up Funding- projected expenses to launch center April 2026

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
001	6	1910-6445	Medicaid Hold Harmless	6,000,000.00	1,530,534.51	-	7,530,534.51
001	9	5695-9445	Purchased Services	2,200.00	1,530,534.51	-	1,532,734.51

(F-4) BOC - 2024 Commissioner Board Appointments Update

An updated chart outlining commissioner appointments to various boards and committees and appointments as liaisons to the surrounding municipalities for 2024 was provided for the Board's consideration.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman, and unanimously carried, the Board approved the updated 2024 Commissioner Board Appointments.

NAME OF BOARD	2024 APPOINTMENTS
Active Living and Parks Commission	Wortman
Blended Community Child Protection Team (CCPT)/Child Fatality Prevention Team (CFPT)	Wortman
Cabarrus County Board of Education - Business Mtg.	Furr/Measmer
Cabarrus County Board of Education - Work Session	Measmer/Furr
Cabarrus County Partnership for Children (Smart Start)	Morris
Cabarrus Planning and Zoning Commission	Wortman/Shue
Cabarrus-Rowan Urban Area MPO Transportation Adv. Comm.	Furr/Shue
Centralina Regional Council of Government Executive Board	Shue
Centralina Regional Council of Government Board of Directors	Shue
Centralina Workforce Development Consortium	Furr
City of Concord	Morris
City of Kannapolis	Wortman
City of Locust	Furr
Cooperative Extension Service	Wortman
Council of Planning - NC 73 Corridor	Furr/Wortman
Early Childhood Task Force Advisory Board	Measmer
East 49 Taskforce	Wortman/Downs
Fire Departments & First Responder Advisory Committee	Wortman/Shue
Home and Community Care Block Grant Advisory Committee	Furr
Human Services Advisory Board	Measmer
Juvenile Crime Prevention Council	Measmer
Kannapolis Board of Education	Shue/Furr
Library Board of Trustees	Morris
Local Emergency Planning Committee	Measmer
Logan Community	Wortman
Mental Health Advisory Board	Wortman
Public Health Authority of Cabarrus County	Morris
Region F Aging Advisory Committee	Shue
Rowan-Cabarrus Community College Board of Trustees	Morris
Senior Centers Advisory Council	Measmer
Soil & Water Conservation District	Shue
Tourism Authority	Honeycutt
Town of Harrisburg	Measmer

Town of Midland	Furr
Town of Mt. Pleasant	Shue
Transportation Advisory Board	Morris
Water and Sewer Authority	Shue/Marshall
Youth Commission	Furr

(F-5) BOC - Resolution Amending the Board of Commissioners' 2024 Meeting Schedule

The Board's Resolution Amending the Cabarrus County Board of Commissioners' 2024 Meeting Schedule was presented for consideration. The amended resolution reflected the dates of June 11 and 12, 2024 for the NCACC County Assembly Day and Legislative Reception in Raleigh, North Carolina.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board adopted the resolution.

Resolution No. 2024-22

Resolution Amending the
Cabarrus County Board of Commissioners'
2024 Meeting Schedule

WHEREAS, on December 18, 2023, the Cabarrus County Board of Commissioners adopted a meeting schedule for calendar year 2024, which sets forth the dates, times and locations of various official county meetings; and

WHEREAS, at the time the resolution was adopted, the dates of the NCACC County Assembly Day and Legislative Reception in Raleigh had not been Scheduled

WHEREAS, the dates for the NCACC County Assembly Day and Legislative Reception in Raleigh have since been scheduled for June 11 and 12, 2024

WHEREAS, the Cabarrus County Board of Commissioners would like to add the dates of June 11 and 12, 2024 for NCACC County Assembly Day and Legislative Reception in Raleigh to the Resolution Amending the Cabarrus County Board of Commissioners' 2024 Meeting Schedule

NOW, THEREFORE BE IT RESOLVED that the Cabarrus County Board of Commissioners hereby amends its 2024 Meeting Schedule as follows:

1. The Resolution Amending the Cabarrus County Board of Commissioners' 2024 Meeting Schedule shall show the dates of June 11 and 12, 2024 for the NCACC County Assembly Day and Legislative Reception in Raleigh

ADOPTED this 20th day of May, 2024.

/s/ Stephen M. Morris

Stephen M. Morris, Chairman
Cabarrus County Board of Commissioners

ATTEST:
/s/ Lauren Linker

Lauren Linker, Clerk to the Board

(F-6) County Manager - Cabarrus Arts Council Lease Extension

Cabarrus Arts Council requested an additional 10-year extension on their lease at the Cabarrus County Historic Courthouse.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board approved an additional 10-year extension on the lease agreement between Cabarrus County and the Cabarrus Arts Council.

(F-7) Cabarrus County Tourism Authority - FY 2025 Budget

The Cabarrus County Tourism Authority presented for the Board's consideration their FY2025 Budget along with a tourism update.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board adopted the Cabarrus County Tourism Authority Budget of \$7,064,146.

(F-8) DHS - Transportation 5310 Elderly and Handicapped Grant

It was requested to accept the grant funds from the City of Concord to assist in meeting the goal of the Federal Transit Administration (FTA) Section 5310 program, which focuses to improve mobility for older adults and people with disabilities.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board approved the 5310 Elderly and Handicapped Grant from the City of Concord.

(F-9) EDC - Funding to Support the Spark and Retail Lab Programs at the Cabarrus Center for Innovation and Entrepreneurship

Cabarrus Economic Development, Flywheel Foundation and the other partners who make up the Cabarrus Entrepreneurship Council continue to work together to offer programming at the Cabarrus Center that stimulates organic economic development. Twenty-five thousand dollars (\$25,000) per year for three years was requested to amplify the impact proven by both the pilot Spark Grant and Retail Lab programs. Along with other municipal funding and corporate matches, this would allow the Cabarrus Center to offer multiple grant cycles each year.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board approved the requested funding to the Cabarrus Entrepreneurship Council in support of entrepreneurial programs.

(F-10) Finance - Budget Amendment For Additional Tax Turnover To The Fire Districts

A budget amendment to adjust for an increase in revenues for the Fire Districts related to an increase in current year property tax collections and sales tax allocations, which corresponds to an increase in Fire District turnover was presented for the Board's consideration.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board approved the budget amendment.

Budget Revision/Amendment Request

Date: Amount:

Dept. Head: Department:

Internal Transfer Within Department Transfer Between Departments/Funds Supplemental Request

To increase Fire Districts' current year property tax collections as well as increase related districts' turnovers. Per the Fire Tax Districts budget ordinance, Section V. (7), upon notification of funding increases of revenues, the Manager may adjust budgets to match.

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
430	6	2710-6011	Property Tax Current Year Coll	7,099,003.00	350,000.00		7,449,003.00
430	9	2710-975601	Con Rural	52,582.00	-		52,582.00
430	9	2710-9773	Rimer Fire	319,159.00	20,000.00		339,159.00
430	9	2710-9774	Mt Mitchel	131,480.00	12,000.00		143,480.00
430	9	2710-9775	Gold H VFD	51,556.00	2,500.00		55,056.00
430	9	2710-9776	Mt Pleasant	625,375.00	30,000.00		655,375.00
430	9	2710-9777	Kann Rural	236,312.00	12,000.00		248,312.00
430	9	2710-9778	Georgevill	297,610.00	17,000.00		314,610.00
430	9	2710-9779	Flowes St	321,397.00	-		321,397.00
430	9	2710-9780	Odell	1,100,721.00	30,000.00		1,130,721.00
430	9	2710-9781	Richf VFD	11,792.00	2,500.00		14,292.00
430	9	2710-9783	Jackson Pk	247,631.00	30,000.00		277,631.00
430	9	2710-9784	Cold Water	335,329.00	12,000.00		347,329.00
430	9	2710-9785	Allen	702,724.00	20,000.00		722,724.00
430	9	2710-9786	Midland	1,138,412.00	70,000.00		1,208,412.00
430	9	2710-9788	Northeast	210,027.00	17,000.00		227,027.00
430	9	2710-9798	Harris VFD	1,315,896.00	75,000.00		1,390,896.00

(F-11) Finance - Frank Liske Park Insurance Proceeds

The final two insurance proceeds totaling \$1,221,598 have been received for the Frank Liske Park Barn and Silo fire. The funds were recorded in our Workers Comp and Property Liability Fund and needed to be moved into the County Capital Project Fund for the Frank Liske Barn Project.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board approved the County Capital Project Fund Ordinance and corresponding budget amendment.

Budget Revision/Amendment Request

Date: Amount:
 Dept. Head: Department:
 Internal Transfer Within Department Transfer Between Departments/Funds Supplemental Request

This budget amendment is recognize insurance proceeds for the Frank Liske Park Barn and Silo Fire. It moves the proceeds from our Liability Insurance Fund to the Frank Liske Barn Project in the Capital Project Fund.

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
600	6	1919-9708	Insurance Funds	-	1,221,598.00		1,221,598.00
600	9	1919-9708	Contribution to Capital Project Fund	-	1,221,598.00		1,221,598.00
380	6	8140-6931-BARN	Contribution from Internal Service Fund	1,065,425.00	1,221,598.00		2,287,023.00
380	9	8140-9704-BARN	Contribution to Gen Fund / Comm Inv. Fund	-	1,221,598.00		1,221,598.00

Ordinance No. 2024-05

CABARRUS COUNTY
 COUNTY CAPITAL PROJECTS
 BUDGET ORDINANCE

BE IT ORDAINED by the Board of Commissioners of Cabarrus County, North Carolina that, Pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section I.

- A. The project authorized is for the construction and renovations of County Facilities. Details of the project are listed in section C. of this Project Ordinance.
- B. The officers of this unit are hereby directed to proceed with this capital project within the terms of the Generally Accepted Accounting Principles (GAAP) and the budget contained herein.

It is estimated that the following revenues will be available to complete capital projects as listed.

Debt Proceeds 2020 Draw Note	\$ 60,904,15
Debt Proceeds 2022 Draw Note	103,458,26
Debt Proceeds 2024 Debt Program	131,269,66
Debt Proceeds 2026 Debt Program	10,500,00
Contributions from Capital Projects Fund	24,696,94
Contribution from General Fund	40,372,704
Contribution from Capital Reserve Fund	2,728,681
Contribution from Internal Service Fund	2,287,024
Contribution from Community Investment Fund	25,088,328
State Allocation	40,700,000
PARTF Grant	500,000
Interest	2,670,53
TOTAL REVENUES	\$445,176,303

C. The following appropriations are made as listed.

Courthouse Site Enabling Construction & Renovation	\$ 148,240,251
Exterior Repairs to Multiple Buildings	326,174
Contribution to Capital Reserve (Reimb for Skylight Project)	2,085,000
West Cabarrus High School Artificial Turf Fields	2,566,810
Frank Liske Barn Replacement	7,764,393
Legal / Closing Expenses	952,50
Emergency Equipment Warehouse/ ITS Location	15,867,99
Fiber Infrastructure Improvement	799,00
Sheriff Training & Firing Range Renovations	2,200,00
Human Services HVAC	180,00

Frank Liske Park ADA Renovations	1,450,00
Frank Liske Park Playground Replacement	203,60
Camp Spencer Vending & Archery Building	526,99
West Cabarrus Library & Senior Center	30,400,00
Deferred Maintenance Projects	11,871,45
EMS Headquarters	21,007,99
Mt. Pleasant Library / ALC / Foil Park Project	26,500,001
Northeast Area Land	4,729,117
Mental Health Facility	36,564,170
Other Improvements Unallocated	1,924,031
Enterprise Physical Security Project (ITS)	807,000
Concord Senior Center Overflow Parking Lot	550,000
Contribution to the General Fund	47,500
Frank Liske Park Softball Complex Utilities	410,000
Rob Wallace Park	1,433,504
Animal Shelter Expansion	275,000
Frank Liske Park Stormwater Project	570,803
Northeast Cabarrus Radio Tower Project	2,439,172
Milestone Building	8,150,000
Fire Services Building	370,000
Frank Liske Park Tennis Court	280,000
Frank Liske Park Multiple Projects	5,600,000
Government Center Building Repair	450,000
Public Safety Training Center	37,073,823
Human Services Facility	64,365,000
Frank Liske Park Mini-Golf and Office (ADA)	1,100,000
Boardwalk at Vietnam Veterans Park	95,000
Land Acquisition	4,000,000
Chiller Replacement at Sheriff's Admin Office	1,000,000
 TOTAL EXPENDITURES	 \$445,176,303
 GRAND TOTAL - REVENUES	 \$445,176,303
GRAND TOTAL - EXPENDITURES	\$445,176,303

Section II.

- A. Special appropriations to non-profit organizations shall be distributed after the execution of an agreement which ensures that all County funds are used for statutorily permissible public purposes.
- B. The County Manager or designee is hereby authorized to transfer appropriations within or between funds, or modify revenue and expenditure projections as contained herein under the following conditions:
 - 1. Transfers amounts between objects of expenditure and revenues within a function without limitation.
 - 2. Transfer amounts up to \$500,000 between functions of the same fund.
 - 3. Transfer amounts between contingency funds which are set aside for a specific project for budgetary shortfalls or upon the appropriate approval of a change order.
 - 4. Enter and execute change orders or amendments to construction contracts in amounts less than \$90,000 when the appropriate annual budget or capital project ordinance contains sufficient appropriated but unencumbered funds.
 - 5. Award and execute contracts which are not required to be bid or which G.S. 143-131 allows to be let on informal bids so long as the annual budget or appropriate capital project ordinance contains sufficient appropriated but unencumbered funds for such purposes.
 - 6. Execute contracts with outside agencies to properly document budgeted appropriations to such agencies where G.S. 153 A-248(b), 259, 449 and any similar statutes require such contracts.
 - 7. Reject formal bids when deemed appropriate and in the best interest of Cabarrus County pursuant to G.S. 143-129(a).

Section III.

This ordinance and the budget documents shall be the basis of the financial plan for the County of Cabarrus.

- a. The Finance Director is hereby directed to maintain within the Capital Project Fund sufficient detailed accounting records to satisfy the requirements of the law.
- b. The Finance Director is directed to report, at the request of the Board, on the financial status of each project element in Section I and on the total revenues received or claimed.
- c. Copies of this capital project ordinance shall be furnished to the Clerk to the governing Board, and to the Finance Director for direction in carrying out this project.
- d. At the completion of a construction project, all unrestricted excess funds are transferred to the Community Investment Fund and the portion of the Capital Project associated with the project is closed.

Adopted this 21st day of August 2023.

CABARRUS COUNTY BOARD OF COMMISSIONERS

BY: /s/ Stephen M. Morris
Stephen M. Morris, Chairman

ATTEST:
/s/ Lauren Linker
Clerk to the Board

(F-12) Finance - Rowan County Lottery Proceeds

Lottery revenues allocated for Kannapolis City Schools were transferred by the State to Cabarrus County's Disbursing Account, including the funds associated with the Kannapolis City Schools that are in Rowan County.

Rowan County has submitted a disbursement request to the State for \$152,700 to be used for debt service, which has been approved.

Since the funds were passed through Cabarrus County's general ledger, an updated Project Ordinance and corresponding budget amendment are required in order to release the funds to Rowan County.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board approved the updated Public School Building Capital Fund Project Ordinance and corresponding budget amendment.

Budget Revision/Amendment Request

Date: Amount:
 Dept. Head: Department:
 Internal Transfer Within Department
 Transfer Between Departments/Funds
 Supplemental Request

This amendment records the Public School Building Capital Lottery funds requested from the Department of Public Instruction. Rowan County will be submitting a \$152,700.00 request to the State of North Carolina to be used for Debt Service.

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
320	6	7210-6444 0617	Lottery Proceeds	1,052,149.00	152,700.00		1,204,849.00
320	9	7210-9702 0617	Kannapolis City Schools	1,052,149.00	152,700.00		1,204,849.00

Ordinance No. 2024-06

PUBLIC SCHOOL BUILDING CAPITAL PROJECTS FUND
BUDGET ORDINANCE

BE IT ORDAINED by the Board of Commissioners of Cabarrus County, North Carolina that, Pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section I.

- D. The project authorized is the various County construction and renovation related projects. Details of the projects are listed in section C. of this Project Ordinance.

E. The officers of this unit are hereby directed to proceed with this capital project within the terms of the Generally Accepted Accounting Principles (GAAP) and the budget contained herein.

F. It is estimated that the following revenues will be available to complete capital projects as listed.

Lottery Proceeds	\$21,467,010
 TOTAL REVENUES	 \$21,467,010

G. The following appropriations are made as listed.

Capital Outlay	\$1,204,849
Transfer to Community Investment Fund	17,680,000
Transfer to Capital Project Fund	<u>2,582,161</u>

TOTAL EXPENDITURES	\$21,467,010
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GRAND TOTAL - REVENUES	\$21,467,010
GRAND TOTAL - EXPENDITURES	\$21,467,010

Section II.

A. Special appropriations to non-profit organizations shall be distributed after the execution of an agreement which ensures that all County funds are used for statutorily permissible public purposes.

B. The County Manager or designee is hereby authorized to transfer appropriations within or between funds, or modify revenue and expenditure projections as contained herein under the following conditions:

1. The Manager may transfer amounts between objects of expenditure and revenues within a function without limitation.
2. The County Manager may transfer amounts up to \$500,000 between functions of the same fund.
3. The County Manager may transfer amounts between contingency funds which are set aside for a specific project for budgetary shortfalls or upon the appropriate approval of a change order.
4. The County Manager is authorized to transfer funds from the General Fund or Capital Reserve Fund to the appropriate fund for projects approved within the Capital Improvement Plan for the current fiscal year.
5. Upon notification of funding increases or decreases to existing grants or revenues, or the award of grants or revenues, the Manager or designee may adjust budgets to match, including grants that require a County match for which funds are available.
6. The Manager or designee may adjust debt financing from estimated projections to actual funds received.
7. The County Manager may enter into and execute change orders or amendments to construction contracts in amounts less than \$90,000 when the appropriate annual budget or capital project ordinance contains sufficient appropriated but unencumbered funds.
8. The County Manager may award and execute contracts which are not required to be bid or which G.S. 143-131 allows to be let on informal bids so long as the annual budget or appropriate capital project ordinance contains sufficient appropriated but unencumbered funds for such purposes.
9. The County Manager may execute contracts with outside agencies to properly document budgeted appropriations to such agencies where G.S. 153 A-248(b), 259, 449 and any similar statutes

require such contracts.

- 10. The County Manager may reject formal bids when deemed appropriate and in the best interest of Cabarrus County pursuant to G.S. 143-129(a).
- 11. The County Manager may reduce revenue projections consistent with prevailing economic conditions, and also reduce expenditures correspondingly.

Section III.

This ordinance and the budget documents shall be the basis of the financial plan for the County of Cabarrus.

- a. The Finance Director is hereby directed to maintain within the Capital Project Fund sufficient detailed accounting records to satisfy the requirements of the law.
- b. The Finance Director is directed to report, at the request of the Board, on the financial status of each project element in Section I and on the total revenues received or claimed.
- c. Copies of this capital project ordinance shall be furnished to the Clerk to the governing Board, and to the Finance Director for direction in carrying out this project.
- d. At the completion of a construction project, all unrestricted excess funds are transferred to the General Fund and the portion of the Capital Project associated with the project is closed.

Adopted this the 20th day of May 2024.

CABARRUS COUNTY BOARD OF COMMISSIONERS

BY: /s/ Stephen M. Morris
Stephen M. Morris, Chairman

ATTEST:
/s/ Lauren Linker
Clerk to the Board

(F-13) Legal - Proposal to Lease Part of Hickory Ridge High School Property

The Burg Church in Harrisburg approached the Cabarrus County School Board regarding purchasing a portion of the Hickory Ridge Middle School property. The Cabarrus County School Board voted on September 18th, 2023 to allow the church to purchase 2-3 acres of the site. The property is still in Cabarrus County's name due to financing of the school. The matter came before this Board and the Board approved the sale and upset bid process at the March 18, 2024, regular meeting. However, upon further investigation from county legal staff, there are challenges to obtaining a release for the portion of the property. Staff and Bond Counsel recommended the best course of action would be to enter a 5-year lease contract with an option to purchase with the Church.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board approved the Lease Agreement between Cabarrus County and the Burg Church for a portion of the Hickory Ridge Middle School property.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board authorized the County Manager to execute the Agreement on behalf of Cabarrus County, subject to review or revisions by the County Attorney.

(F-14) Planning- Community Development Budget Amendment

The Community Development Division has generated additional revenues through the Housing and Home Improvement Program and Duke Rebate Program in recent months. The grants require the program income be applied to the program that created it. Staff requested to place the additional revenues into expense line items for use.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board approved the budget amendment.

Budget Revision/Amendment Request

Date: Amount:
 Dept. Head: Department:
 Internal Transfer Within Department Transfer Between Departments/Funds Supplemental Request

Purpose: To allocate HHI Program contributions received from HHI Service recipients per grant guidelines; To allocate Duke Rebate Program funds received for Weatherization Program jobs completed in homes where the electricity is provided by Duke Energy Carolinas.

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
001	6	3250-6622	Home Improvement Program Fees	150.00	60.00		210.00
001	9	3250-9493-HHIMA	HHIMA Operations	6,073.00	60.00		6,133.00
460	6	3250-6941-DE	Duke Power Rebate	14,771.66	12,397.97		27,169.63
460	9	3250-9315-DE	Health & Safety Duke	46,516.89	12,397.97		58,914.86
Total							92,427.49

(F-15) Rowan-Cabarrus Community College (RCCC) - Capital Project Budget Transfer Request

RCCC requested a transfer of \$815,500 in Funding from Building S202 Renovation Project to the Building S201 HVAC Replacement Project.

UPON MOTION of Vice Chairman Shue, seconded by Commissioner Wortman and unanimously carried, the Board approved the budget transfer from one RCCC project to another along with the corresponding budget amendment and corresponding project ordinance.

Date: Amount:
 Dept. Head: Department:
 Internal Transfer Within Department Transfer Between Departments/Funds Supplemental Request

Budget Amendment - Transfer of \$815,500 in Funding from Building S202 Renovation Project to the Building S201 HVAC Replacement Project

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
390	6	7240-6902-DM23	Contribution from General Fund	2,260,000	-	815,500	1,444,500
390	9	7240-9501-DM23	Deferred Maintenance	2,260,000	-	815,500	1,444,500
390	6	7240-6902-SCAC	Contribution from General Fund	-	815,500		815,500
390	9	7240-9821-SCAC	Building Renovations	5,335,000	815,500		6,150,500

Ordinance No. 2024-07

CABARRUS COUNTY
 SCHOOL CAPITAL PROJECTS
 BUDGET ORDINANCE

BE IT ORDAINED by the Board of Commissioners of Cabarrus County, North Carolina that, Pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section I.

- H. The project authorized is for the construction and renovations of School Facilities. Details of the project are listed in section C. of this Project Ordinance.
- I. The officers of this unit are hereby directed to proceed with this capital project within the terms of the Generally Accepted Accounting Principles (GAAP) and the budget contained herein.

It is estimated that the following revenues will be available to complete capital projects as listed.

Contribution from General Fund/CIF	\$ 50,680,34
Contribution from Capital Projects Fund	9,383,61
Debt Proceeds 2020 Draw Note	45,227,09
Debt Proceeds 2022 Draw Note	57,105,05
Debt Proceeds 2024 Draw Note	74,001,75
Contribution from Capital Reserve Fund	693,42
Contribution from Convention & Visitors Bureau	1,550,00
NC Department of Transportation	1,950,00

TOTAL REVENUES \$240,591,287

J. The following appropriations are made as listed.

CCS Mobile Unit Renovation	\$ 3,300,000
R. Brown McAllister Replacement	48,326,750
Roberta Road Middle School	56,604,300
CCS New High School	9,508,821
CCS Southeast High School - Land purchase	1,816,320
Contribution to Capital Reserve	5,001,114
Early College Mobile Units	2,536,331
Mondo Track - JM Robinson High School	1,550,000
Deferred Maintenance Cabarrus County Schools	24,864,617
Deferred Maintenance Kannapolis City School	5,640,034
Deferred Maintenance Rowan Cabarrus Community College	2,652,500
Central Cabarrus Track	1,155,000
Hickory Ridge Football Field and Track	1,925,000
Tennis Courts - Cox Mill, Central Cabarrus, Northwest	1,495,000
Mary Frances Wall Renovations	11,000,000
Weddington Hills Elementary School HVAC	7,000,000
Concord High School HVAC	9,000,000
Opportunity School	9,535,000
Hickory Ridge High School Roof	2,550,000
Cox Mill Elementary School Roof	2,500,000
Wolf Meadow Elementary School Roof	2,000,000
Fred L. Wilson Elementary School Addition	12,000,000
Forest Park Elementary School HVAC	7,000,000
RCCC South Campus HVAC	6,150,500
Cabarrus Health Science Institution	2,000,000
Shady Brook Elementary School Chiller	450,000
Consulting - Project Process Review	30,000
Coltrane Webb STEM Elementary School	1,500,000
New Elementary School - Northwest or Southwest	1,500,000
 TOTAL EXPENDITURES	 \$240,591,287

GRAND TOTAL - REVENUES	\$240,591,287
GRAND TOTAL - EXPENDITURES	\$240,591,287

Section II.

- A. Special appropriations to non-profit organizations shall be distributed after the execution of an agreement which ensures that all County funds are used for statutorily permissible public purposes.
- B. The County Manager or designee is hereby authorized to transfer appropriations within or between funds, or modify revenue and expenditure projections as contained herein under the following conditions:
 - 1. The Manager may transfer amounts between objects of expenditure and revenues within a function without limitation.
 - 2. The County Manager may transfer amounts up to \$500,000 between functions of the same fund.
 - 3. The County Manager may transfer amounts between contingency funds which are set aside for a specific project for budgetary shortfalls or upon the appropriate approval of a change order.
 - 4. The County Manager is authorized to transfer funds from the General Fund or Capital Reserve Fund to the appropriate fund for projects approved within the Capital Improvement Plan for the current fiscal year.
 - 5. Upon notification of funding increases or decreases to existing grants or revenues, or the award of grants or revenues, the Manager or designee may adjust budgets to match, including grants that require a County match for which funds are available.
 - 6. The Manager or designee may adjust debt financing from estimated

projections to actual funds received.

- 7. The County Manager may enter into and execute change orders or amendments to construction contracts in amounts less than \$90,000 when the appropriate annual budget or capital project ordinance contains sufficient appropriated but unencumbered funds.
- 8. The County Manager may award and execute contracts which are not required to be bid or which G.S. 143-131 allows to be let on informal bids so long as the annual budget or appropriate capital project ordinance contains sufficient appropriated but unencumbered funds for such purposes.
- 9. The County Manager may execute contracts with outside agencies to properly document budgeted appropriations to such agencies where G.S. 153 A-248(b), 259, 449 and any similar statutes require such contracts.
- 10. The County Manager may reject formal bids when deemed appropriate and in the best interest of Cabarrus County pursuant to G.S. 143-129(a).
- 11. The County Manager may reduce revenue projections consistent with prevailing economic conditions, and also reduce expenditures correspondingly.

Section III.

This ordinance and the budget documents shall be the basis of the financial plan for the County of Cabarrus.

- a. The Finance Director is hereby directed to maintain within the Capital Project Fund sufficient detailed accounting records to satisfy the requirements of the law.
- b. The Finance Director is directed to report, at the request of the Board, on the financial status of each project element in Section I and on the total revenues received or claimed.
- c. Copies of this capital project ordinance shall be furnished to the Clerk to the governing Board, and to the Finance Director for direction in carrying out this project.
- d. At the completion of a construction project, all unrestricted excess funds are transferred to the General Fund, Community Investment Fund or other Capital Project Fund and the portion of the Capital Project associated with the project is closed.

Adopted this 20th Day of May 2024.

CABARRUS COUNTY BOARD OF COMMISSIONERS

BY: /s/ Stephen M. Morris
Stephen M. Morris, Chairman

ATTEST:
/s/ Lauren Linker
Clerk to the Board

(F-16) Sheriff's Office - Acceptance of Governor's Highway Safety Program (GHSP) Grant Award

As part of the Governor's Highway Safety Program (GHSP) grant to fund the expansion of the Sheriff's Office Traffic Education and Enforcement Unit, the Board and GHSP approved the awarding and subsequent acceptance of monies to purchase a patrol vehicle and fleet camera in FY23. However, the claim period of this funding ended September 30, 2023, and due to the shortage of fleet vehicles available nationally, we were prohibited from buying the vehicle within the allotted timeframe. GHSP has offered to honor the award with a new application, which was provided for the Board's review and consideration. As with the original agreement, the award will be in the amount of \$78,200 with a local funding of \$13,800 (previously allocated) for a total funding of \$92,000 as reflected in the resolution form. The funding rate reflected 85% federal and 15% local.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board accepted the grant award and approved the resolution.

Resolution No. 2024-23

North Carolina Governor's Highway Safety Program
LOCAL GOVERNMENTAL RESOLUTION

WHEREAS, the Cabarrus County Sheriff's Office has completed an application contract for traffic safety funding; and that Cabarrus County Board of Commissioners has thoroughly considered the problem identified and has reviewed the project as described in the contract;

THEREFORE, NOW BE IT RESOLVED BY THE Cabarrus County Board of Commissioners IN OPEN MEETING ASSEMBLED IN THE CITY OF CONCORD, NORTH CAROLINA, THIS 20th DAY OF May 2024, AS FOLLOWS:

1. That the project referenced above is in the best interest of the Governing Body and the general public; and
2. That Sergeant Grady Christie is authorized to file, on behalf of the Governing Body, an application contract in the form prescribed by the Governor's Highway Safety Program for federal funding in the amount of \$78,200.00 to be made to the Governing Body to assist in defraying the cost of the project described in the contract application; and
3. That the Governing Body has formally appropriated the cash contribution of \$ 13,800.00 as required by the project contract; and
4. That the Project Director designated in the application contract shall furnish or make arrangement for other appropriate persons to furnish such information, data, documents and reports as required by the contract, if approved, or as may be required by the Governor's Highway Safety Program; and
5. That certified copies of this resolution be included as part of the contract referenced above; and
6. That this resolution shall take effect immediately upon its adoption.

DONE AND ORDERED in open meeting by /s/ Stephen M. Morris, Chairman
Chairman

ATTESTED BY SEAL

/s/ Lauren Linker
Clerk to the Board

DATE 05/20/2024

(F-17) Sheriff's Office - Acceptance of Governor's Highway Safety Program's (GHSP) Bike Safe Grant

The Sheriff's Office requested the acceptance of the GHSP Bike Safe Grant, which funds educational programs for motorcycle drivers. The program's goal focuses the reduction of preventable traffic crashes involving motorcycles. The Bike Safe Grant will be in the amount of \$5,000 and will not require a county match.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman and unanimously carried, the Board accepted the grant award and adopted the resolution and associated budget amendment.

Date: Amount:

Dept. Head: Department:

Internal Transfer Within Department Transfer Between Departments/Funds Supplemental Request

PURPOSE: In Fiscal Year 2022 the Cabarrus County Sheriff's Office applied for and received funding through the Governor's Highway Safety Program (GHSP) BikeSafe Grant for increased training on motorcycle safety throughout the State. Sgt. Grady Christie, of the Cabarrus County Sheriff's Office is the State's Regional Coordinator for BikeSafeNC. This is the 4th year of the 5 year grant. This request asks for approval of the budget Revenue and Expense for Year 4 of this grant. There is no match required of the County. Budget Amendment required to create a budget for the Revenue and Expense related to the BikeSafeNC Grant beginning 10/1/2024.

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
001	6	2110-6606-GHSP	Governor's Highway Safety Program Grant (Revenue)		5,000.00		5,000.00
001	9	2110-9333-GHSP	Governor's Highway Safety Program Grant (Expense)		5,000.00		5,000.00

Resolution No. 2024-24

North Carolina Governor's Highway Safety Program
LOCAL GOVERNMENTAL RESOLUTION

WHEREAS, the Cabarrus County Sheriff's Office has completed an application contract for traffic safety funding; and that Cabarrus County Board of Commissioners has thoroughly considered the problem identified and has reviewed the project as described in the contract;

THEREFORE, NOW BE IT RESOLVED BY THE Cabarrus County Board of Commissioners IN OPEN MEETING ASSEMBLED IN THE CITY OF Concord, NORTH CAROLINA,

THIS 20th DAY OF May 2024, AS FOLLOWS:

1. That the project referenced above is in the best interest of the Governing Body and the general public; and
2. That Sergeant Grady Christie is authorized to file, on behalf of the Governing Body, an application contract in the form prescribed by the Governor's Highway Safety Program for federal funding in the amount of \$5000.00 to be made to the Governing Body to assist in defraying the cost of the project described in the contract application; and
3. That the Governing Body has formally appropriated the cash contribution of \$ 0.00 as required by the project contract; and
4. That the Project Director designated in the application contract shall furnish or make arrangement for other appropriate persons to furnish such information, data, documents and reports as required by the contract, if approved, or as may be required by the Governor's Highway Safety Program; and
5. That certified copies of this resolution be included as part of the contract referenced above; and
6. That this resolution shall take effect immediately upon its adoption.

DONE AND ORDERED in open meeting by /s/ Stephen M. Morris, Chairman

ATTESTED BY SEAL

/s/ Lauren Linker

DATE 05/20/2024

(F-18) Sheriff's Office - Budget Amendment for Purchase of Town of Harrisburg Patrol Vehicles

The Town of Harrisburg contracts with Cabarrus County to have law enforcement services provided by the Cabarrus County Sheriff's Office. Per the contract between the Town of Harrisburg and Cabarrus County, patrol vehicles for the assigned town officers are to be purchased by Cabarrus County and the funds will be subsequently reimbursed by the Town of Harrisburg. The Town of Harrisburg voted on a Town Budget Amendment to purchase 7 vehicles and the

required equipment in FY24. The Sheriff's Office requests approval of the budget amendment to expand the line item for Harrisburg vehicles in the amount of \$595,000 for seven patrol vehicles and the required equipment. The Town of Harrisburg will reimburse Cabarrus County the entire amount of \$595,000. One vehicle will be a replacement vehicle from a totaled patrol vehicle, 2 will be replacement vehicles for those in surplus and 4 are for future positions.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman, and unanimously carried, the Board adopted the budget amendment.

Date: Amount:

Dept. Head: Department:

Internal Transfer Within Department Transfer Between Departments/Funds Supplemental Request

PURPOSE: Purchase seven (7) Vehicles for Harrisburg, per their request.

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
001	6	2115-6605	Deputy Reimbursement	2,554,330.90	592,900.00		3,147,230.90
001	9	2115-9863	Vehicles (NEW) x 7	521,125.00	420,000.00		941,125.00
001	9	2115-9863	Vehicles (NEW) Garage Equipment & Labor x 7		70,000.00		70,000.00
001	9	2115-9863	Vehicles (NEW) Upfits, including striping, decaling, antenna, modem, in-car camera, radar, radio x 7		42,000.00		42,000.00
001	9	2115-9331	Car Equipment	41,700.00	50,400.00		92,100.00
001	9	2115-9342	Printer & SD Card	16,430.00	3,500.00		19,930.00
001	9	2115-9316	Supplies for Vehicles	6,895.00	7,000.00		13,895.00
				3,140,480.90	592,900.00		3,733,380.90

(F-19) Sheriff's Office - Town of Harrisburg Law Enforcement Contract Update

The Town of Harrisburg contracts with the Cabarrus County Sheriff's Office for provided law enforcement services. Due to continued growth, the town has approved additional positions over the years. The additional positions for FY25 (2 patrol sergeants and 2 traffic units) have not been requested or proposed to Cabarrus County Board of Commissioners yet and will not be until the Sheriff's Office fills the current vacancies; at that time the intent will be to bring the town approved expansion before the County Board of Commissioners. The updated contract more clearly spells out the funding of the Town of Harrisburg positions to include two positions funded by the County and the remainder funded by the Town of Harrisburg at a rate of the average salary of the position type for each position. Vehicles and equipment will be purchased by the County and reimbursed by the town.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman, and unanimously carried, the Board approved the contract between Cabarrus County and The Town of Harrisburg; and authorized the County Manager to execute the contract on behalf of Cabarrus County, subject to review or revisions by the County Attorney.

(F-20) Tax Administration - Refund and Release Reports - April 2024

The Release Report contains taxpayers' names, bill numbers, valuations, tax amounts, along with the justifications for releasing the valuation/tax amounts for outstanding levies in accordance with N.C.G.S. 105-381. The Refund Report is a summary sheet which lists data from each refund request form, along with the justification for the refunds to the taxpayers in accordance with N.C.G.S. 105-381.

Note: Due to the transition of motor vehicles onto the new North Carolina Vehicle Tax System (NCVTS), motor vehicle-related refunds and releases will begin to be displayed on the new report generated by NCVTS.

UPON MOTION of Commissioner Furr, seconded by Commissioner Wortman, and unanimously carried, the Board approved the April 2024 Refund and Release Reports as submitted, including the NCVTS Refund Report, and granted authority to the Tax Collector to process the refunds and releases.

(G) NEW BUSINESS

(G-1) County Manager - Presentation of the FY25 Recommended Budget

Mike Downs, County Manager, presented the budget message to the Board:
Good evening,

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

It is my honor and privilege to submit the FY25 Recommended Budget and Community Investment Fund capital investments.

The Recommended Budget reduces the tax rate to 60 cents per \$100 of assessed valuation - a 14-cent reduction from the prior year.

With that, owners of a \$356,350 house—the median single-family assessed home value in Cabarrus as of the 2024 revaluation—would pay \$2,138.10 a year in County property tax.

At the recommended tax rate, the County can sustain services, many of which are state-mandated, and make critical investments in staff, capital and other needs. Analysis shows that short of an economic downturn, this rate should be sustainable and provide a degree of certainty for taxpayers over the next four years.

The recommended General Fund budget totals \$391 million - a 15% increase from last year.

The budget also supports continued capital investments through the Community Investment Fund.

Across all funds, including those supported by user fees, the FY25 budget totals \$510 million.

Results of the County's revaluation were prominent during budget discussions. The process is dictated by State law with minimal local control. Revaluations must occur at least every eight years, but the State can direct compliance sooner if values fall or rise more than 15% from the going market rate.

Values established on January 1, 2020, were determined to be more than 15% lower than market rates in 2022. That would have required a revaluation no later than January 1, 2025.

Faced with this, the County followed Board policy and maintained the four-year revaluation cycle, as recommended by the Department of Revenue.

The new appraised values reflect the fair market real estate value as of January 1, 2024. New real property valuations total \$40.7 billion - up 56% from the prior year.

When personal property, public service companies and motor vehicles are included, the County's estimated valuation for FY25 totals \$47 billion. Based on these valuations, the total general fund property tax levy for FY25 is \$280 million - up 19% from FY24.

The valuation increase is consistent with recent statewide trends. Although increases can cause "sticker shock," data shows the results are not an outlier nor inconsistent with current market conditions.

With appeals ongoing, these valuations reflect best current estimates. Tax Administrator David Thrift and his team did a terrific job providing conservative figures. However, appeals create considerable uncertainty. Staff will continue to monitor the appeals process and bring forward changes prior to budget adoption in June.

The other key aspect of revaluation is the requirement to calculate and publish a revenue neutral tax rate. That rate is 52.65 cents per \$100 valuation.

Staff concluded this rate would negatively impact operations, and not be sustainable over the next five years. A revenue neutral tax rate is not recommended.

Going revenue neutral would produce a deficit of \$22.8 million for FY25, requiring substantial budget reductions. Looking only at the revenue needed to balance the FY25 budget, the lowest possible tax rate without spending cuts would be 57.6 cents per \$100 valuation - about 5 cents above revenue neutral. Adopting a budget with this rate is an option but would likely produce deficits starting in FY26.

The local and national economic outlook also informed development of the Recommended Budget.

The County's population continues to grow, and revenues have increased due to higher property values and increased sales tax collections. That growth, however, comes with expenses to sustain services. The County has experienced significant growth in the school-age population; nearly a quarter of our

population is under the age of 18. This increases funding needs for school facilities.

Labor market conditions and competition necessitated substantial wage and benefit increases which greatly impacted our budget. If these conditions persist, the County should continue to invest in employees or potentially fall behind in recruiting and retaining high performers.

Another key aspect of budget development was understanding prior investments and evaluating the effectiveness of County programs.

During FY24, the Board continued to make significant investments in our dedicated workforce.

These commitments have drastically reduced turnover. Last year, our turnover rate exceeded 20% across the organization, with some departments topping 50%. As of February 2024, the turnover rate was down to 10%, which reflects the County's positioning as an employer of choice.

Data compiled over the past year, however, shows that further employee-based investments are necessary to meet service demand.

The Department of Social Services continues to experience significant turnover and must always remain compliant with State and Federal guidelines. Failure to remain compliant can result in significant financial penalties or even takeover by the state of a program or the entire department.

Food and Nutrition Services timeliness has consistently fallen below the required goal of at least 95% of applications being processed within established timeframes, while the average number of monthly applications increased by 34% and recertifications rose 234% over the past year.

Similarly, Child Welfare continues to face increased demand for services and staffing shortages.

The Recommended Budget adds 10 new positions for DSS. Fortunately, the cost for these positions will be significantly offset by state and federal revenues received by the department.

The largest new expense in the FY25 budget, significant increases to public safety salaries, was approved unanimously by the Board in March 2024. That added \$10.6 million of expense for FY25. That amount will grow each year through cost-of-living adjustments, merit increases and future market adjustments.

These increases recognize the valuable contributions of our Sheriff's Office, EMS, Fire Services and Emergency Management professionals. They work tirelessly to protect residents and visitors. More importantly, the new salaries are competitive and will improve recruitment and retention.

The FY25 budget also funds 8 new positions for EMS to place a 14th ambulance into service, improving response times and reducing standby coverage needs.

Finally, our public safety personnel must have the training, equipment and tools needed to be effective. The budget funds a new armored van and truck for the Sheriff's Office Special Response Team to enhance incident response capabilities. The budget also adds a Simulation Technical Specialist and a Logistics Specialist for EMS to enhance in-house training and manage distribution of medical supplies, equipment and other items. For the Sheriff's Office, the budget adds one Deputy Sheriff to provide security at the Concord Library.

EDUCATIONAL NEEDS

Cabarrus County Schools submitted their largest budget request in recent memory. Overall, the CCS operating budget increases to \$90.2 million - \$8.5 million over FY24. Additional funding would cover increased costs for personnel including salaries, certified supplements and benefits. In addition, funding would cover inflation and enrollment related cost increases for instructional, staff training, building maintenance and technology.

While CCS increases are substantial, they fall short of what the district requested.

Although many requests are reasonable and important, recommendation was not possible given the Board's desire to work toward adopting the lowest possible tax rate while maintaining adequate services. Funding these items requires adoption of a higher tax rate and/or spending cuts.

Kannapolis City Schools' operating budget increases to just under \$10.5 million - up 1.16 million from FY24. This covers increased costs for salaries, certified supplements and benefits.

The County is also required to provide equal per-pupil funding for students attending charter schools. Charter enrollment is estimated to be 3,356 students for the 2024-2025 school year. This results in funding to CCS and KCS of just over \$7.2 million, with an additional \$1.25 million held in Board contingency should charter school enrollment meet or exceed current projections.

Rowan-Cabarrus Community College is vital in local workforce and economic development, 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, up 6.2% from the prior year.

CAPITAL PROJECTS

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 DSS and several education projects. Given market conditions, the debt issuance was delayed until FY25 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 shortfalls for a variety of projects. Responding to these changes requires an additional \$170 million, for total financing of \$350 million.

The added funding will allow Cabarrus County Schools to construct two elementary schools that would open in August 2026.

An additional \$54 million would be allocated to RCCC for construction of a Workforce Innovation Center A state-of-the art workforce facility would enhance their workforce development efforts, which in turn benefits the county through the associated economic impact for employers and workers. Those funds would also be used for substantial renovations to Building S201.

The balance of the additional funding will go towards closing gaps for approved projects, including the \$20 million shortfall for the Regional Behavioral Health Center. The County received \$32.5 million from the State for this critical project, but the overall budget to deliver the full scope is \$55 million.

Board action will be requested in June to authorize these projects for construction-period financing, with conversion to 20-year fixed debt in 2026.

Although the total July 2024 debt issuance is substantial, 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 two-year cycle.

Funding additional school projects in FY27 and beyond would require an increased tax rate and/or significantly reduced spending.

Two primary options are available to address CCS capital needs beyond this year.

First, the Board could authorize a bond referendum to be held in March 2026, allowing voters to decide whether to fund the remaining projects on the capital plan. If approved, the County would have authority to adopt a tax rate sufficient to cover the cost of the new debt. If rejected, 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 coming over the next decade and have an undeniable impact on taxpayers. This is a significant policy discussion the Board must have in the coming months.

In addition to debt-financed projects, the budget 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, allows projects to be completed without added borrowing costs.

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

As part of the annual budget process, staff develops a conservative five-year plan that illustrates how revenue 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 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 is projected to grow at about 1% annually.

Based on these projections, the recommended tax rate would generate a total surplus of \$15 million for FY25 and FY26. This would cover the total 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, a deficit of \$19.7 million is 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. Whether or not additional revenue is realized will be a decision for a future board.

In closing, I want to thank our team members for their dedication and unmatched customer service, which makes Cabarrus County such a special place.

Many team members contributed to the development of a budget responsive to community needs, including Aalece Pugh, Kelly Sifford, Lundee Covington, Rosh Khatri, Yesenia Pineda, Sophia Politis, Jim Howden, Suzanne Burgess and department leadership.

I also commend the Board for your leadership. Your dedication to our citizens is 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.

Thank you.

Mr. Downs introduced Yesenia Pineda, Senior Management Analyst, who provided a short demonstration of the FY25 Budget book located on the Cabarrus County website. Ms. Pineda responded to questions from the board.

Chairman Morris reviewed the budget process and upcoming associated dates.

UPON MOTION of Chairman Morris, seconded by Commissioner Wortman, and unanimously carried, the Board approved to schedule a public hearing on the proposed FY25 Cabarrus County budget for Monday, June 3, 2024, at 5:30 p.m. or as soon thereafter as persons may be heard.

A lengthy discussion ensued. During discussion Mr. Downs and Rosh Khatri, Budget Director, responded to questions from the Board.

(H) REPORTS

(H-1) BOC - Receive Updates from Commission Members Who Serve as Liaisons to Municipalities or on Various Boards/Committees

Commissioner Furr, Town of Midland liaison, announced the upcoming Town of Midland Memorial Day Program at Rob Wallace Park on Monday, May 27, 2024, at 7:00 p.m. and encouraged all citizens to attend.

(H-2) BOC - Request for Applications for County Boards/Committees

Applications are being accepted for the following County Boards/Committees:

- Active Living and Parks - 6 Vacant Positions
- Adult Care Home Community Advisory Committee - 13 Vacant Positions
- Concord Planning and Zoning Commission (ETJ) - 1 Vacant Position
- Industrial Facilities & Pollution Control Financing Authority - 1 Vacant Position
- Library Board of Trustees - 3 Vacant Positions
- Mental Health Advisory Board - 6 Vacant Positions
- Nursing Home Community Advisory Committee - 11 Vacant Positions
- Public Health Authority of Cabarrus County - 1 Vacant Position
- Region F Aging Advisory Committee - 2 Vacant Positions

- Senior Centers Advisory Council - 2 Vacant Positions
- Transportation Advisory Board - 6 Vacant Positions
- Youth Commission - 5 Vacant Positions

(H-3) Budget - Monthly Budget Amendment Report

The Board received the monthly budget amendment report for informational purposes. No action was required of the Board.

(H-4) Budget - Monthly Financial Update

The Board received the monthly financial update report for informational purposes. No action was required of the Board.

(H-5) Communications and Outreach - Monthly Summary Report

The Board received the monthly summary report for informational purposes. No action was required of the Board.

(H-6) County Manager - Monthly Building Activity Reports

The board received the monthly building activity report for informational purposes. No action was required of the Board.

(H-7) Economic Development Corporation - December 2023 Monthly Summary Report

The Board received the Cabarrus Economic Development Corporation (EDC) monthly report for the month of April 2024 for informational purposes. No action was required of the Board.

(I) GENERAL COMMENTS BY BOARD MEMBERS

None.

(J) ADJOURN

UPON MOTION of Commissioner Measmer, seconded by Commissioner Wortman and unanimously carried, the meeting adjourned at 8:12 p.m.




Lauren Linker, Clerk to the Board