

CABARRUS COUNTY

NORTH CAROLINA



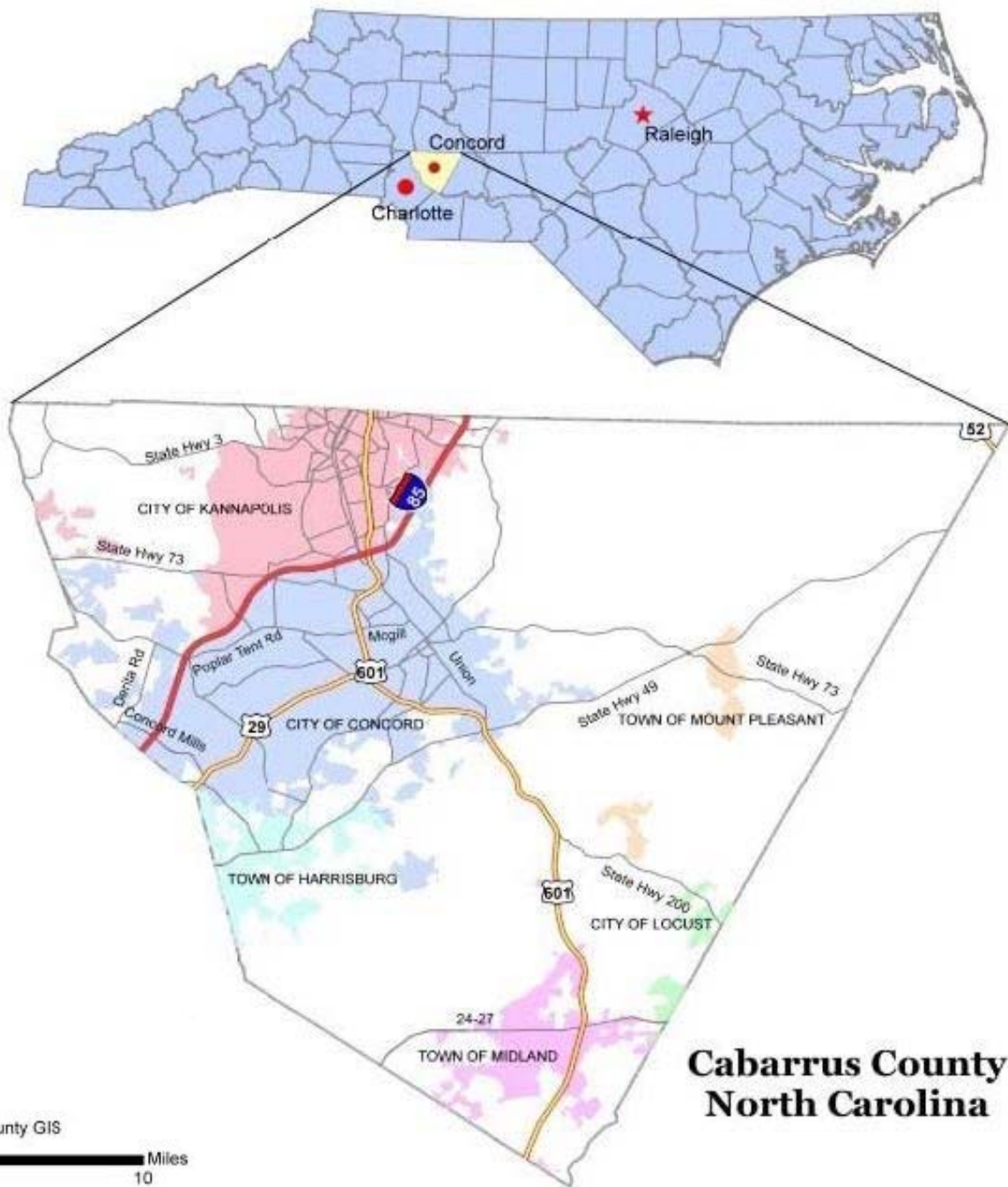
LIBRARY & ACTIVE LIVING CENTER

Annual Comprehensive Financial Report

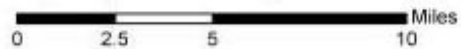
Fiscal Year Ended June 30, 2025



CABARRUS COUNTY
America Thrives Here



Prepared by Cabarrus County GIS



Cabarrus County North Carolina



Cabarrus County

North Carolina

Annual Comprehensive Financial Report

Fiscal Year Ended June 30, 2025

PREPARED BY THE CABARRUS COUNTY FINANCE DEPARTMENT

James M. Howden, Finance Director





Cabarrus County, North Carolina

Table of Contents

Introductory Section

Letter of Transmittal	1
Organizational Chart	9
List of Principal Officials	10

Financial Section

Independent Auditor's Report	11
Management's Discussion and Analysis.....	15

Basic Financial Statements:

Government-wide Financial Statements: Statement of Net Position

Exhibit 1.....	30
----------------	----

Statement of Activities

Exhibit 2.....	32
----------------	----

Fund Financial Statements:

Balance Sheet – Governmental Funds

Exhibit 3.....	33
----------------	----

Reconciliation of Balance Sheet to the Statement of Net Position

Exhibit 3A	35
------------------	----

Statement of Revenues, Expenditures, and Changes in Fund

Balances – Governmental Funds

Exhibit 4.....	36
----------------	----

Reconciliation of the Statement of Revenues, Expenditures, and Changes In Fund

Balances of Governmental Funds to the Statement of Activities

Exhibit 4A	38
------------------	----

Statement of Revenues, Expenditures, and Changes in Fund

Balances – Budget and Actual – General Fund

Exhibit 5.....	39
----------------	----

Statement of Revenues, Expenditures, and Changes in Fund

Balances – Budget and Actual – Opioid Settlement Fund

Exhibit 6.....	41
----------------	----

Cabarrus County, North Carolina

Table of Contents

Statement of Net Position – Proprietary Funds	
Exhibit 7.....	42
Statement of Revenues, Expenses and Changes in Fund Net	
Position – Proprietary Funds	
Exhibit 8.....	44
Statement of Cash Flows – Proprietary Funds	
Exhibit 9.....	46
Statement of Fiduciary Net Position – Fiduciary Funds	
Exhibit 10.....	48
Statement of Changes in Fiduciary Net Position – Fiduciary Funds	
Exhibit 11.....	49
Notes to the Financial Statements	50
Required Supplemental Financial Data:	
Schedule of Changes in the Net OPEB Liability and Related Ratios	
Exhibit 12.....	115
Schedule of County Contributions - OPEB	
Exhibit 13.....	116
Schedule of Investment Returns – OPEB	
Exhibit 14.....	117
Schedule of County’s Proportionate Share of Net Pension Liability (ASSET) - (LGERS)	
Exhibit 15.....	118
Schedule of County Contributions (LGERS)	
Exhibit 16.....	119
Schedule of County’s Proportionate Share of Net Pension Asset (ROD)	
Exhibit 17.....	120
Schedule of County Contributions (ROD)	
Exhibit 18.....	121
Schedule of Changes in Total Pension Liability LEO Special Separation Allowance	
Exhibit 19.....	122
Schedule of Total Pension Liability as a Percentage of Covered-Employee Payroll LEO Special	
Separation Allowance	
Exhibit 20.....	123

Cabarrus County, North Carolina

Table of Contents

Other Supplemental Information:

Combining and Individual Fund Statements and Schedules: Combining Balance Sheet – Nonmajor Governmental Funds

Schedule 1 124

Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds

Schedule 2 126

Special Revenue Funds:

Schedules of Revenues, Expenditures, and Changes in Fund

Balances – Budget and Actual:

Emergency Telephone System Special Revenue Fund

Schedule 3 128

Community Development Block Grant Special Revenue Fund

Schedule 4 129

Cabarrus Arena and Events Center Special Revenue Fund

Schedule 5 130

Fire Districts' Special Revenue Fund

Schedule 6 132

Sheriff's Department Special Revenue Fund

Schedule 7 133

Department of Aging Special Revenue Fund

Schedule 8 134

Social Services Payee Fund

Schedule 9 135

Intergovernmental Fund

Schedule 10 136

Capital Projects Funds:

Schedules of Revenues, Expenditures, and Changes in Fund

Balances – Budget and Actual:

Public School Building Capital Projects Fund

Schedule 11 137

Cabarrus County, North Carolina

Table of Contents

Capital Projects Funds (continued):

Small Projects Capital Projects Fund

Schedule 12	138
-------------------	-----

Fiduciary Funds:

Combining Statement of Fiduciary Net Position – Custodial Funds

Schedule 13	140
-------------------	-----

Combining Statement of Changes in Fiduciary Net Position – Custodial Funds

Schedule 14	141
-------------------	-----

Statement of Fiduciary Net Position – OPEB Trust Fund

Schedule 15	142
-------------------	-----

Combining Statement of Changes in Fiduciary net Position – OPEB Trust Fund

Schedule 16	143
-------------------	-----

Internal Service Funds:

Combining Statement of Net Position – Internal Service Funds

Schedule 17	144
-------------------	-----

Combining Statement of Revenues, Expenses, and Changes in Fund Balances – Internal Service Funds

Schedule 18	145
-------------------	-----

Schedule of Revenues and Expenditures – Financial Plan and Actual (Non-GAAP Basis): Self- Insured Workers' Compensation & Liability Internal Service Fund

Schedule 19	146
-------------------	-----

Schedule of Revenues and Expenditures – Financial Plan and Actual (Non-GAAP Basis): Self-Insured Medical and Dental Internal Service Fund

Schedule 20	148
-------------------	-----

Combining Statement of Cash Flows

Schedule 21	149
-------------------	-----

Other Schedules:

Schedule of Ad Valorem Taxes Receivable

Schedule 22	150
-------------------	-----

Analysis of Current Tax Levy

Schedule 23	151
-------------------	-----

Cabarrus County, North Carolina

Table of Contents

Other Schedules (continued):

Ten Largest Taxpayers

Schedule 24	153
-------------------	-----

Schedules of Revenues, Expenditures, and Changes in Fund Balances –

Budget and Actual:

General Fund

Schedule 25	154
-------------------	-----

Community Investment Fund

Schedule 26	171
-------------------	-----

County Capital Projects Fund

Schedule 27	174
-------------------	-----

School Capital Projects Fund

Schedule 28	176
-------------------	-----

CARES Act Relief Fund

Schedule 29	178
-------------------	-----

Schedule of Revenues and Expenditures – Budget and Actual (Non-GAAP Basis): Landfill

Fund

Schedule 30	179
-------------------	-----

Statistical Section (unaudited)

Government-wide Information: Net

Position by Component

TABLE 1	181
---------------	-----

Changes in Net Position

TABLE 2	182
---------------	-----

Fund Information:

Fund Balances, Governmental Funds

TABLE 3	184
---------------	-----

Changes in Fund Balances, Governmental Funds

TABLE 4	185
---------------	-----

Cabarrus County, North Carolina

Table of Contents

Statistical Section (unaudited)

Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years	
TABLE 5.....	186
Direct and Overlapping Property Tax Rates – Last Ten Fiscal Years	
TABLE 6.....	187
Principal Property Taxpayers – Current Year and Nine Years Ago	
TABLE 7.....	188
Property Tax Levies and Collections	
TABLE 8.....	189
Ratio of General Bonded Debt Outstanding - Last Ten Fiscal Years	
TABLE 9.....	190
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	
TABLE 10.....	191
Direct and Overlapping Governmental Activities Debt	
TABLE 11.....	192
Legal Debt Margin Information – Last Ten Fiscal Years	
TABLE 12.....	193
Demographic and Economic Statistics - Last Ten Fiscal Years	
TABLE 13.....	194
Principal Employers – Current Year and Nine Years Ago	
TABLE 14.....	195
Full-time Equivalent County Government Employees by Function – Last Ten Fiscal Years	
TABLE 15.....	196
Operating Indicators by Functional Area Fiscal Years – Last Ten Fiscal Years	
TABLE 16.....	197
Capital Asset Statistics by Function/Program – Last Ten Fiscal Years	
TABLE 17.....	198

Compliance Section

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	199
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----

Cabarrus County, North Carolina

Table of Contents

Compliance Section (continued)

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act... ..	201
Report on Compliance for Each Major State Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act... ..	204
Schedule of Findings, Responses, and Questioned Costs.....	207
Schedule of Prior Year Audit Findings	210
Schedule of Expenditures of Federal and State Awards	211





Finance Department

February 2, 2026

To the Board of Commissioners and the Citizens of Cabarrus County, North Carolina:

State law requires that all general-purpose local governments publish each year a complete set of financial statements, presented in accordance with generally accepted accounting principles (GAAP), and audited by a certified public accountant in accordance with generally accepted auditing standards. Pursuant to this requirement, we hereby issue the annual comprehensive financial report (ACFR) for the County of Cabarrus (the County) for the fiscal year ended June 30, 2025.

County management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework designed to both protect the County's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the County designed its comprehensive framework of internal controls to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. We assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The licensed certified public accountants of Martin Starnes & Associates, CPA's, P.A., audited the County's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the County for the fiscal year that ended June 30, 2025, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. **The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended June 30, 2025, are fairly presented in all material respects with GAAP.** This report presents the independent auditor's report as the first component of the financial section.

The independent audit of the financial statements of the County was part of a broader, federally - and state-mandated Single Audit designed to meet the special needs of federal and state grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal and state awards. The County issues the Single Audit report separately from the ACFR. Results of the Single Audit can be found in the compliance section of this report. GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A).

This letter of transmittal complements MD&A and should be read in conjunction with it. This report presents the MD&A immediately following the report of the independent auditors.

Profile of Cabarrus County

The County, incorporated in 1792, is in the Piedmont section of the State of North Carolina and 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 North Carolina State Demographer estimates the County had a County population of 244,925 as of August 2025. 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. The governing board consists of five commissioners. The governing board is responsible for, among other things, passing ordinances, adopting a balanced budget, appointing committees, and hiring the County's manager, tax administrator, attorney, and clerk. The County Manager serves as the chief executive and is responsible for carrying out the policies and legislative priorities of the governing board, overseeing day-to-day operations, and appointing the directors of various departments.

Local Economy

The County is one of 10 counties located in the Charlotte-Concord-Gastonia, NCSC Metropolitan Statistical Area (the "Charlotte MSA"). According to the U.S. Census Bureau, as of July 1, 2020, the Charlotte MSA was the 22nd largest MSA in the United States with nearly 2.7 million residents. The following table lists the five largest non-public sector employers in the county as of June 30, 2025:

Company	Em plo yee s
Atrium Health	4,500
Cabarrus County Schools	4,300
Hendrick Motorsports and Automotive	2,100
Cabarrus County Government	1,280
City of Concord	1,100

The County's rapid growth, largely attributable to the County's position in the Charlotte MSA, strong labor force, and pro-business policy climate has continued during this period of uneven national economic indicators. Short-range and long-range planning has provided the needed infrastructure to accommodate current and anticipated growth, particularly with strong cooperation with municipalities on economic recruitment and development efforts. The Cabarrus Economic Development Corporation ("Cabarrus EDC"), which operates with 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 businesses, and keeping an inventory of available sites for business recruitment. All of these efforts position the County for continued economic development.

The County's rapid growth, largely attributable to the County's position in the Charlotte metropolitan region, has continued to increase in recent years. 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 "CEDC"), which operates with a full-time staff, serves as the primary recruiting and marketing entity. The CEDC concentrates its efforts on business retention and expansion, entrepreneurship and new business recruitment. These efforts include keeping an inventory of available sites within commercial and industrial parks with all municipal services available located near major highways and interstates. In partnership with Flywheel, CEDC launched the Cabarrus Center for Innovation and Entrepreneurship in 2021 (the "Cabarrus Center"). The Cabarrus Center is a business support hub that offers meeting and events space, educational workshops, networking events, business resources, mentorship services, and a host of amenities to support entrepreneurs who are launching or growing their businesses.

Biotechnology. A major initiative in Kannapolis over the last decade has been the development of the approximately 350 acres of the North Carolina Research Campus (the "Research Campus"). The Research Campus houses state-of-the-art research equipment, research space and laboratory space that brings together researchers and scientists from the public and private sector to collaborate on advancements in biotechnology, nutrition and health. The Research Campus houses researchers and staff from Appalachian State University, the David H. Murdock Research Institute, Duke University, North Carolina Agricultural and Technical State University, North Carolina Central University, North Carolina State University, the University of North Carolina at Chapel Hill, the University of North Carolina at Charlotte and the University of North Carolina at Greensboro. Private and quasi-private sector partners include Atrium Health, Cabarrus Health Alliance, Rowan-Cabarrus Community College, BeaconPoint Labs, Eremid, NC Food Innovation Lab, Bright Path Laboratories, NorthState Technology Solutions, R&S Chemicals, Standard Process and Spectrum Discovery Center.

To facilitate further development on the Research Campus and finance public improvements, Kannapolis created the North Carolina Research Campus Financing District (the "Development District"), pursuant to the State's project development financing act. The Development District is comprised of approximately 863 acres within the County and Rowan County. The Development District was created to finance infrastructure within and around the Development District to support the Research Campus. The boundaries of the Development District were created to capture the area in which such infrastructure was needed. The Research Campus is approximately 240 acres within the Development District. Kannapolis issued \$35 million in limited obligation bonds in 2010 (the "Kannapolis Bonds") to finance public infrastructure in the Development District. Pursuant to an Interlocal Agreement between the County and Kannapolis executed in connection with the issuance of the Kannapolis Bonds, the County agreed to pay a portion of its incremental ad valorem tax revenues actually collected in the Development District to Kannapolis to be used for the payment of not more than half of the annual payments of principal and interest due on the Kannapolis Bonds or any debt used to refund the Kannapolis Bonds. These payments end in the fiscal year ending June 30, 2027 and range from a high of \$1,331,402 in the fiscal year ending June 30, 2022 to a low of \$1,320,865 in the fiscal year ending June 30, 2027.

Downtown Kannapolis Revitalization. In 2015, Kannapolis acquired approximately 50 acres of downtown property. The purchase included eight blocks of buildings located on Oak Avenue, West Avenue, S. Main Street and West First Street, as well as property that housed the former Plant 4 Cannon Textile Mill, and included over 600,000 square feet of commercial buildings. Kannapolis issued \$52,000,000 aggregate principal amount Taxable Limited Obligation Bonds in November 2018 to finance the construction of a sports and entertainment venue now known as Atrium Health Ballpark (the "Stadium") on a portion of the property acquired in 2015. The Stadium is home to the Kannapolis Cannon Ballers, a minor league baseball affiliate of the Chicago White Sox in the South Atlantic League. Construction on the Stadium was completed in the Spring of 2020.

Over 30 new businesses have opened on West Avenue across the street from the Stadium, including restaurants, a brewery and boutiques. The VIDA apartment complex, also across the street from the Stadium, opened in 2021 with an attached public parking deck, and construction is underway on an adjacent apartment complex called VIDA II, which is expected to be completed in late Fall of 2024. Kannapolis has reached agreement with Right Field Development, LLC to develop two blocks adjacent to the Stadium with a mixed use of offices, restaurants, a condominium and hotel.

Healthcare. The County economy is emerging as a significant provider of healthcare services, due in part to Atrium Health Cabarrus, a 457-bed acute care public hospital which is part of the Atrium Health network of healthcare facilities. The hospital provides a full range of tertiary and surgical services. 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 a few 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, also serves the County. The County does not directly contribute any funds to support Atrium Health Cabarrus, although indirectly it is responsible for the payment of certain Medicaid-eligible reimbursements.

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's fiber optics facility is located in the southeastern part of the County and is the world's largest producer of fiber optic wire.

One of the largest industrial/manufacturing parcels in the State, The Grounds at Concord, is located in the center of the County. The former Philip Morris campus encompasses over 2,100 acres. Since 2019, the CEDC has announced over \$2 billion dollars of new investment and over 1,800 new jobs at the site, including manufacturing facilities for Eli Lilly, Red Bull, Ball and Rauch. The property is also adjacent to the George Liles Parkway, which has been extended and improved, providing 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 be extended to N.C. 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 Charlotte MSA and the combination of road and rail service. In addition, the aviation sector is strong and growing. The primary areas that are currently 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. 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 Custom Flavors, 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 60, 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 N.C. Highway 24/27 and Highway 601. The Intertape Polymer Group completed a new manufacturing plant in Midland and has announced two other expansion projects. That plant has a value of approximately \$40 million and more than 50 employees in the first phase.

Newly constructed (and under construction) industrial speculative developments in Cabarrus include Axial Bonds Farm (Pitts School Road, NW and Weddington Roads, Concord), 85 Exchange (Highway 73 and Kannapolis Parkway, Kannapolis) Concord Commerce Center (Pitts School Road SW, Concord), Trade Park at Concord (Highway 29 and George Liles, Concord).

Retail. The retail mix in the County includes sites that serve the local and regional economies. The regional magnet is Concord Mills Mall, which draws 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, Concord has developed and operated Concord Regional Airport (now Concord-Padgett Regional Airport) on approximately 750 acres surrounded by I-85, Concord Mills Boulevard, Derita Road, and Poplar Tent Road. The public use commercial service airport is managed by Concord's Aviation Department and operates as a self-sustaining enterprise fund. The airport has a 7,400-foot fully-instrumented and strengthened runway that can accommodate aircraft up to the size of a Boeing 737 or Airbus 320.

Concord Regional Airport's public 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 2021 NCDOT Division of Aviation economic impact analysis, Concord-Padgett Regional Airport contributed over \$831 million into the local economy and supported 5,070 jobs in the region. There are currently 119 aircraft based at the airport with a combined taxable value of \$218 million.

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 at the airport in December 2013. Commercial service is offered to nine destinations including Orlando Sanford International Airport and Louis Armstrong New Orleans International Airport.

Avelo Airlines announced in July of 2024 they have expanded services and will utilize Concord-Padgett Regional Airport. Starting in the Fall of 2024 Avelo Airlines began servicing nine nonstop destinations to/from Concord-Padgett Regional Airport to New York, New Hampshire, Connecticut, Florida, and Delaware.

In 2020, 260,000 passengers flew commercial out of Concord-Padgett Regional Airport.

Tourism and Hospitality. Cabarrus County still has one of the most thriving tourism economies in the State. This is due to the large concentration of motorsports attractions, including Charlotte Motor Speedway ("CMS"), as well as NASCAR-based teams such as Hendrick Motorsports, Roush Fenway Keselowski Racing, and Trackhouse Racing, which provide race fans and visitors the opportunity to get a behind-the-scenes look at top racing teams. CMS is a major sports and recreation facility that regularly hosts activities that draw 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 seven-story office building and conference center topped by a restaurant and private club. The zMAX Dragway hosts NHRA-sanctioned events on the first four-lane drag strip in the world as well as motorcross races and live music festivals. The Dirt Track at Charlotte Motor Speedway hosts annual dirt racing events including the World of Outlaws World Finals.

Additional very large-scale attractions in the County include Concord Mills Mall and Great Wolf Lodge, which has the largest indoor water park in the Carolinas. The Concord Convention Center is a full service 45,000 square-foot convention center that hosts corporate and association meetings from around the region. The 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.

The County has 5 distinct downtown communities that have revitalized and offer visitors a variety of activities. In Concord visitors can dine and take in shows at the Davis Theatre. Atrium Health Ballpark in Kannapolis hosts minor league baseball games in the spring and summer with the Kannapolis Cannon Ballers. Harrisburg offers the largest July 4th celebration in the region at Harrisburg Park. Southern Grace Distilleries in Mt. Pleasant is the only distillery in the United States housed in a former prison that offers unique tasting and tour experiences. The first documented discovery of gold in the United States took place at Reed Gold Mine in Midland where visitors can still visit the mine and pan for gold. The County also offers many additional activities from the Carolina Thread Trail which is a regional walking and biking trail through 15 counties, historical areas like the Reed Gold Mine and Bost Grist Mill, art galleries, breweries, restaurants, and wineries.

Long-term financial planning

As part of the annual budget development process, the county develops a Five-Year Financial Plan - a forecast of revenues and expenditures for a five-year period beginning with the proposed budget for the upcoming fiscal year. The purpose of the Five-Year Financial Plan is to ensure the County can meet commitments, obligations, and anticipated needs in a fiscally sound manner. The basis for the forecast is the then-current fiscal year. Forecasts for subsequent years rely on previous year expenditures and revenues as a starting point. Increases and decreases are itemized.

In addition, the County re-examines and adopts a Capital Improvement Plan (CIP) each year. The CIP is a five-year plan for capital projects that details estimated costs, project descriptions and funding sources. The CIP generally addresses capital projects with a value greater than \$100,000 (and greater than \$500,000 for Cabarrus County Schools) and a useful life longer than one year. The County acknowledges pay-as-you-go financing as a significant capital financing source but recognizes that debt issuance is sometimes the most appropriate financing structure for a capital project. Current and planned debt obligations factor into the County's long term financial planning.

The County has identified economic development, future capital needs of the County, our public schools, and our community college as significant issues to address as we strive to enhance the viability of our county and its resident.

Relevant Financial Policies

In accordance with state statutes, appropriated fund balance in any fund will not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts. The County maintains an undesignated fund balance of 15 percent (15%) to meet cash flow needs, which exceeds the eight percent (8%) recommended by the North Carolina Local Government Commission (LGC).

Board policy permits the use of fund balance to avoid cash-flow interruptions, generate interest income, and assist in maintaining an investment-grade bond rating. The County does not use fund balance for recurring, operational expenses unless required to overcome revenue shortfalls related to significant downturns in the economy. Additional assigned fund balance totaling \$5,000,000 is set aside to sustain operations during unanticipated emergencies and disasters.

Upon the completion of the annual audit of the County finances, any undesignated fund balance above 15% transfers to the Community Investment Fund (CIF) to reduce reliance on debt financing; or to the Self-Funded Hospitalization Fund, the Self-Funded Liability Fund or the Self-Funded Workers' Compensation Fund as required to maintain the integrity of those funds.

If unassigned fund balance at the end of the current fiscal year is less than the approved fund balance level, the County must replenish the deficiency within three fiscal years.

Major initiatives

The county made progress on numerous initiatives over the past year including:

- In June 2024, the County received their third AAA rating. All three rating agencies now rate the County with a triple A rating.
- In 2025 the County opened two new library and active living centers. One in the Mt. Pleasant area and one in the Afton area.
- Inspections department performed 69,923 inspections and issued 18,381 permits in Fiscal Year 2025.
- Emergency Medical Services' average response time continues to be under 8 minutes.
- Cardiac arrest survival rates continued to exceed national standards.
- Cabarrus County Parks and Active Living Centers estimate over \$300,000 worth of volunteer hours in Fiscal Year 2025.
- Cabarrus County in conjunction with the State has started construction of a Regional Behavioral Health Complex in Concord.
- Provided over \$51.3 million in American Rescue Plan Act distributions to 52 non-profits since 2022.
- Cabarrus County has established an Opioid Response Project to assist the community in the Opioid epidemic; expending \$1.0 million in FY2025.

Awards

The county was fortunate to receive the following awards and recognition over the past year:

Certificate of Excellence in Financial Reporting - the Government Finance Officers Association of the United States and Canada (GFOA) have awarded to the County for its ACFR Certificate of Excellence award 39 times since 1984.

Distinguished Budget Presentation Award - the GFOA awarded to the county for its annual budget document for the fiscal year ended June 30, 2024. This was the 26th year the County received this prestigious award.

Acknowledgements

In closing, we extend our sincere appreciation to the Finance Department staff and Martin Starnes & Associates, CPA's, P.A. Producing this report would not have been possible without their dedicated assistance. To the Board of Commissioners, thank you for your continued support for maintaining the highest standards of professionalism in the management of the County's finances.

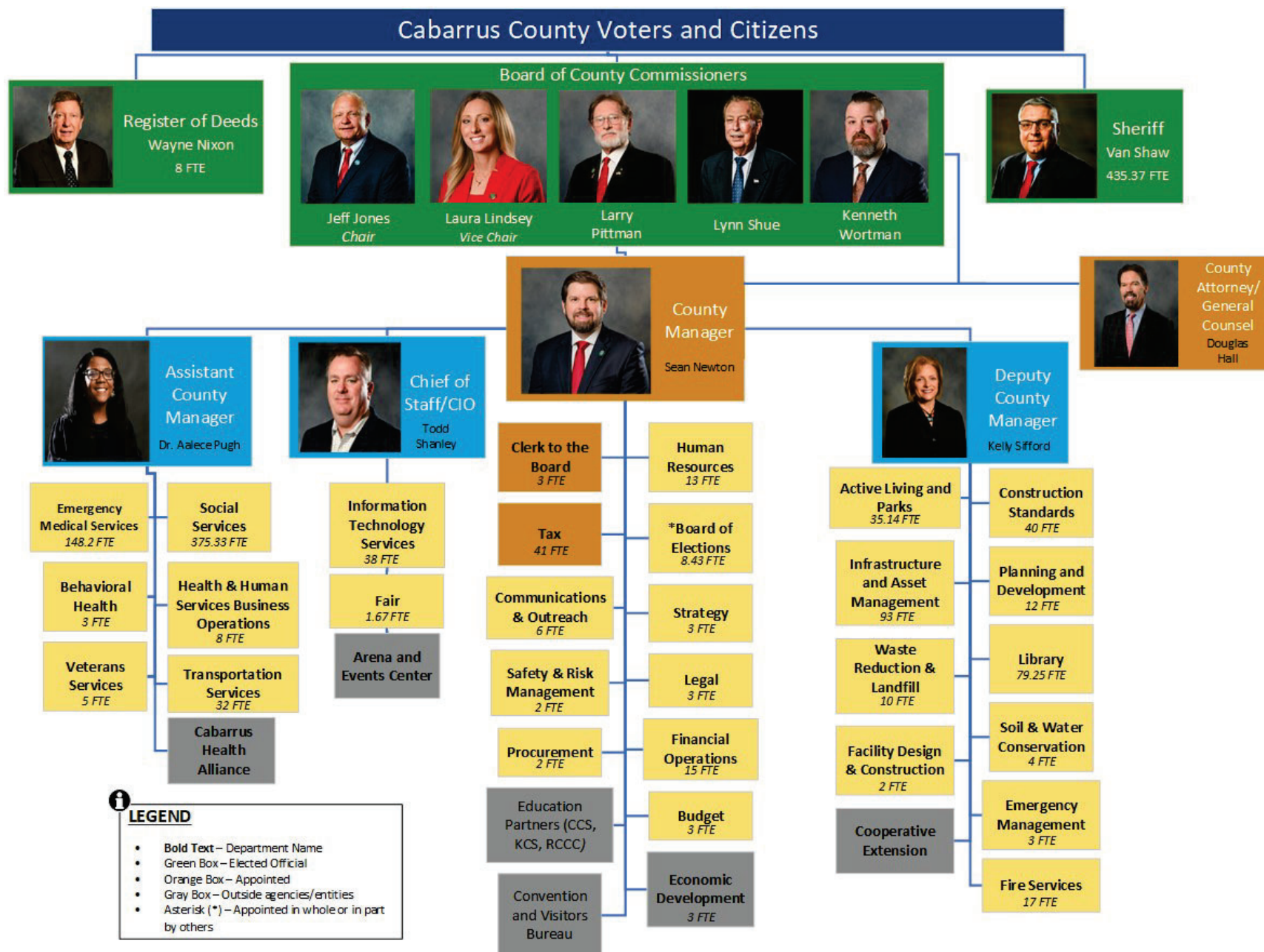
Respectfully yours,



Kelly Sifford
Interim County Manager



James M. Howden
Finance Director



Cabarrus County, North Carolina
List of Principal Officials
June 30, 2025

Board of County Commissioners

Chairman Jeff Jones
Vice-Chair Laura Lyndsey
Commissioner Larry Pittman
Commissioner Kenneth M. Wortman
Commissioner Lynn Shue

Other Elected Officials

Sheriff Van W. Shaw
Register of Deeds M. Wayne Nixon

County Manager Kelly Sifford
Assistant County Manager Aalece Pugh
Chief of Staff Todd Shanley

Clerk to the Board Lauren E. Linker

General Counsel Doug Hall

County Department Directors

Behavioral Health Kamilah McKissick
Budget Rashmikanth Khatri
Communications and Outreach Jonathan A. Weaver
Construction Standards T. Matt Love
Cooperative Extension Tracy M. LeCompte
Board of Elections Carol L. Soles
Emergency Management Jason A. Burnett
Emergency Medical Services James W. Lentz
Facility Design and Construction Michael A. Miller
Fair Courtney Wyatt
Finance James M. Howden
Human Resources Ashley Dobbins
Human Services Hollye McCullum
Information Technology Services Todd M. Shanley
Infrastructure & Asset Management Richard Stancil
Libraries Melanie J. Holles
Parks Londa A. Strong
Planning Susie Morris
Procurement Tom Nunn
Soil and Water Conservation Daniel McClellan
Strategy & Innovation Jacquelin Williams
Tax Administration M. David Thrift
Veterans' Services Tony R. Miller
Waste Reduction and Landfill Kevin P. Grant

MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

Independent Auditor's Report

To the Board of Commissioners
Cabarrus County
Concord, North Carolina

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Cabarrus County, North Carolina, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise Cabarrus County's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Cabarrus County, North Carolina, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Opioid Settlement Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Public Health Authority of Cabarrus County (Cabarrus Health Alliance) which represents 100% of the assets, net position, and revenues of the discretely presented component units as of June 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Cabarrus Health Alliance, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Change in Accounting Principle

As discussed in Note 1.D.16 to the financial statements, in 2025 the County adopted new accounting guidance, GASB Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Law Enforcement Officers' Special Separation Allowance schedules of the Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Employee Payroll, the Other Post-Employment Benefits schedules of Changes in the Net OPEB Liability and Related Ratios, the Local Governmental Employees' Retirement System schedules of the County's Proportionate Share of Net Pension Liability and County Contributions, and the Register of Deed's Supplemental Pension Fund schedules of the County's Proportionate Share of the Net Pension Asset and County Contributions to be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Cabarrus County's basic financial statements. The combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State Single Audit Implementation Act, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, based on our audit and the report of the other auditors, the combining and individual fund financial statements, budgetary schedules, other schedules, and the Schedule of Expenditures of Federal and State Awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 2, 2026 on our consideration of Cabarrus County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of Cabarrus County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cabarrus County's internal control over financial reporting and compliance.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
February 2, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS



Cabarrus County Management's Discussion and Analysis

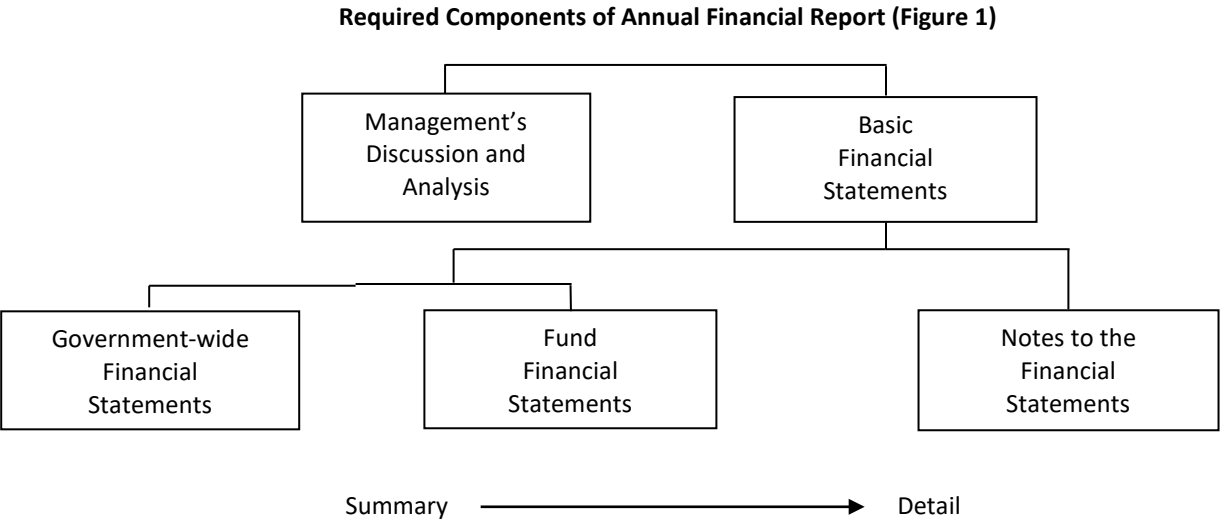
As management of Cabarrus County, we offer readers of Cabarrus County's financial statements this narrative overview and analysis of the financial activities of Cabarrus County for the fiscal year ended June 30, 2025. We encourage readers to read the information presented here in conjunction with additional information that we have furnished in the County's financial statements, which follow this narrative.

Financial Highlights

- On the government-wide Statement of Net Position, the assets, and deferred outflows of resources of the County exceeded its liabilities, and deferred inflows of resources at the close of the fiscal year 2025 by \$236.0 million (*net position*). The County's net position is impacted considerably by the debt the County has issued on behalf of the School Systems and Community College to fund school capital outlay. Under North Carolina law, the County is responsible for providing capital funding for schools. The County has chosen to meet its legal obligation by issuing general obligation and installment purchase debt. The County funds the capital assets; however, the Schools Systems and Community College utilize them. Since the County, as the issuing government acquires no capital assets, the County has incurred a liability without a corresponding increase in assets. At the end of the fiscal year, the outstanding balance of school-related debt was \$342.9 million.
- The County's total net position increased by \$63.7 million, due to an increase in governmental activities of \$63.0 million and an increase in business-type activities of \$0.7 million (Exhibit 2).
- As of the close of the 2025 fiscal year, the County's governmental funds reported combined ending fund balances of \$513.1 million after a net increase in fund balance of \$226.5 million. Approximately 60.0% of this total amount or \$307.8 million is restricted or non-spendable.
- At the end of the 2025 fiscal year, unassigned fund balance for the General Fund was \$97.6 million, or 23.6%, of total General Fund expenditures and transfers out for the fiscal year.
- Cabarrus County's total debt increased by \$246.5 million, or 42.1%, during the current fiscal year. Due to normal debt service payments, COPS and LOBS debt decreased by \$8.4 million, General Obligation Bond debt decreased by \$7.0 million, and installment financing decreased by \$.1 million. Two new direct financings were established in fiscal year 2025 increasing direct financing debt by \$196.8 million.
- In Fiscal Year 2024, for the first time in history, Cabarrus County earned the distinction of AAA ratings by Fitch Ratings, Moody's Investors Service and S&P Global ratings. The ratings reflect sound operating performance, revenue growth, strong economic development, and maintenance of healthy reserves. Those ratings were continued in Fiscal Year 2025.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Cabarrus County’s basic financial statements. The County’s basic financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The basic financial statements present two different views of the County through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that is designed to enhance the reader’s understanding of the financial condition of Cabarrus County.



Basic Financial Statements

The first two statements (Exhibits 1 and 2) in the basic financial statements are the **Government-wide Financial Statements**. They provide both short and long-term information about the County's financial status.

The next statements (Exhibits 3 through 10) are **Fund Financial Statements**. These statements focus on the activities of the individual parts of the County's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements; 2) the budgetary comparison statements; 3) the proprietary fund statements; and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **supplemental information** is provided to show details about the County's General Fund, non-major governmental funds, and internal service funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statements.

Following the notes is the required supplemental information. This section contains funding information about the County's pension plans and other post-employment benefits.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the County's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the County's financial status as a whole.

The two government-wide statements report the County's net position and how it has changed. Net position is the difference between the County's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the County's financial condition.

The government-wide statements are divided into three categories: 1) governmental activities; 2) business-type activities; and 3) component units. The governmental activities include most of the County's basic services such as public safety, parks and recreation, and general administration. Property taxes and state and federal grant funds finance most of these activities. The business-type activities are those that the County charges customers to provide. The only business-type activity fund is the landfill operations. The only component unit the County has is the Cabarrus Health Alliance. Cabarrus Health Alliance was incorporated under the Hospital Authority Act to provide public health care to the citizens and residents of the County. The Chairperson of the Board of Commissioners for Cabarrus County appoints the members of the Board of the Health Alliance.

The government-wide financial statements are on Exhibits 1 and 2 of this report.

Fund Financial Statements

The fund financial statements provide a more detailed look at the County's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Cabarrus County, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or non-compliance) with finance-related legal requirements, such as the NC General Statutes or the County's Budget Ordinance. All of the funds of Cabarrus County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds – Governmental funds are used to account for those functions reported as governmental activities in the government-wide financial statements. Most of the County’s basic services are accounted for in governmental funds. These funds focus on how assets can readily be converted into cash flow, and what monies are left at year-end that will be available for spending in the next year. Governmental funds are reported using an accounting method called *modified accrual accounting* which provides a current financial resource focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the County’s programs. The relationship between government activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is described in a reconciliation that is a part of the fund financial statements.

Cabarrus County adopts an annual budget for its General Fund, as required by the NC General Statutes. The budget is a legally adopted document that incorporates input from the citizens of the County, the management of the County, and the decisions of the Board about which services to provide and how to pay for them. It also authorizes the County to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for the General Fund demonstrates how well the County complied with the Budget Ordinance and whether or not the County succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language, and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Board; 2) the final budget as amended by the Board; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges.

Proprietary Funds – Cabarrus County has two kinds of proprietary funds. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. Cabarrus County uses an enterprise fund to account for landfill operations. This fund is the same as those functions shown in the business-type activities in the Statement of Net Position and the Statement of Activities. *Internal Service Funds* are used to account for operations that provide services to other departments on a cost-reimbursement basis. Cabarrus County uses an internal service fund to account for self-insured hospitalization/dental and workers’ compensation/property liability activities.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Cabarrus County has three fiduciary funds. Two are custodial funds and one Pension Trust Fund.

Notes to the Financial Statements – The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, supplemental information is provided to show details about the County’s non-major governmental funds and internal service funds, all of which are added together in one column on the basic financial statements. Budgetary information required by the General Statutes also can be found in this part of the statement.

Following the notes is the required supplemental information. This section contains funding information about the County’s pension plans and other post-employment benefits.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as one useful indicator of a government’s financial condition. The County’s assets and deferred outflows of resources exceeded its liabilities, and deferred inflows of resources by \$236.0 million as of June 30, 2025. The County’s net position increased by \$63.7 million in the same period. Net position is reported in three categories: net investment in capital assets, restricted and unrestricted.

One of the largest portions of net position reflects its Net Investment in Capital Assets (e.g., land, buildings, vehicles, equipment, and other machinery used in providing services to residents). These assets are not available for future spending. Although the County's investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. The amount reported as net investment in capital assets increased from \$186.2 million in the prior year to \$189.8 million on June 30, 2025.

The increase is mainly attributable to an increase in new school assets associated with new construction of Coltrane Webb Elementary School, renovations at three schools, HVAC replacements at four schools and three roof replacements all started in fiscal year 2025 with new debt but are not included as part of the County's assets.

The second reported category of net position is restricted net position. This category represents resources that are subject to specific external legal restrictions that limit the County's ability to access and use these funds beyond the purpose for which they were provided. Restricted net position totaled \$151.7 million on June 30, 2025, a \$2.6 million increase from prior year. This increase is primarily due to an increase in two items: stabilization by state statute which represents the County's receivables and outstanding encumbrances and new County school debt. The County's Capital Project fund included encumbrances for completion of two new libraries, purchase of a new department of human services building, construction of a new regional behavior health center and other county projects that the County will fund.

The third category of the County's net position is reported as unrestricted. The balance is to be used to meet the government's ongoing obligation to citizens and creditors. At June 30, 2025, the County reported an unrestricted net position deficit of \$105.4 million. This amount is impacted by the portion of the County's outstanding debt incurred for the Cabarrus County and Kannapolis City School Systems and Rowan-Cabarrus Community College. Even though the debt was issued to finance school capital outlay, the Governmental Accounting Standards Board has determined that it is not capital debt of the County since it does not finance assets that are owned by the County. At June 30, 2025, \$342.9 million of the outstanding debt on the County's financial statements was related to assets included on the Schools Systems' and community college's financial statements. If this debt was not reported as a reduction of net position, the balance of unrestricted net position would be a surplus of \$237.5 million.

Net position does not present the County's position regarding spending, this amount is presented in the governmental fund's statements.

Cabarrus County's Net Position

Figure 2

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	\$ 603,461,580	\$ 391,645,689	\$ 9,835,821	\$ 7,932,707	\$ 613,297,401	\$ 399,578,396
Capital assets	482,214,739	415,319,558	2,873,071	3,110,142	485,087,810	418,429,700
Total assets	<u>1,085,676,319</u>	<u>806,965,247</u>	<u>12,708,892</u>	<u>11,042,849</u>	<u>1,098,385,211</u>	<u>818,008,096</u>
Deferred outflows of resources	44,027,847	49,223,876	131,635	148,642	44,159,482	49,372,518
Long-term liabilities outstanding	827,718,003	581,518,228	4,601,729	4,308,936	832,319,732	585,827,164
Other liabilities	55,885,645	74,344,774	206,079	160,252	56,091,724	74,505,026
Total liabilities	<u>883,603,648</u>	<u>655,863,002</u>	<u>4,807,808</u>	<u>4,469,188</u>	<u>888,411,456</u>	<u>660,332,190</u>
Deferred inflows of resources	<u>18,034,354</u>	<u>20,856,879</u>	<u>56,204</u>	<u>67,601</u>	<u>18,090,558</u>	<u>20,924,480</u>
Net Position						
Net investment in capital assets	186,894,175	183,053,027	2,873,071	3,110,142	189,767,246	186,163,169
Restricted	151,664,323	149,023,503	-	-	151,664,323	149,023,503
Unrestricted	<u>(110,492,334)</u>	<u>(152,606,288)</u>	<u>5,103,444</u>	<u>4,415,746</u>	<u>(105,388,890)</u>	<u>(148,190,542)</u>
Total net position	<u>\$ 228,066,164</u>	<u>\$ 179,470,242</u>	<u>\$ 7,976,515</u>	<u>\$ 7,525,888</u>	<u>\$ 236,042,679</u>	<u>\$ 186,996,130</u>

Several particular aspects of the County's financial operations positively influenced the total unrestricted governmental net position:

- Continued diligence in the collection of property taxes by maintaining a collection percentage above 99.0 percent
- Continued low cost of debt due to the County's high bond rating (Triple A from all three rating agencies) and the prevailing interest rate environment.
- Management's proactive stance on monitoring spending across County departments to ensure compliance with the budget.
- Conservative spending practices which resulted in lower expenditures.
- The main area of under budget expenses were in the area of County salary and fringe which were \$10.2 million under budget, due to unfilled positions and turnover.

Cabarrus County's Net Position
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues						
Charges for services	\$ 30,775,810	\$ 31,607,919	\$ 1,554,277	\$ 1,331,609	\$ 32,330,087	\$ 32,939,528
Operating grants and contributions	53,792,093	57,490,120	-	-	53,792,093	57,490,120
Capital grants and contributions	3,146,955	4,638,189	-	-	3,146,955	4,638,189
General revenues:						
Property taxes	286,497,627	247,980,521	-	-	286,497,627	247,980,521
Local option sales tax	91,171,277	78,840,133	-	-	91,171,277	78,840,133
ABC revenues	923,766	251,567	-	-	923,766	251,567
Other taxes and licenses	1,049,296	1,489,009	651,720	672,412	1,701,016	2,161,421
Investment earnings	20,898,297	18,674,663	317,191	341,223	21,215,488	19,015,886
Miscellaneous	3,516,168	1,413,186	17	5,118	3,516,185	1,418,304
Total revenues	<u>491,771,289</u>	<u>442,385,307</u>	<u>2,523,205</u>	<u>2,350,362</u>	<u>494,294,494</u>	<u>444,735,669</u>
Expenses:						
General government	48,601,377	42,508,821	-	-	48,601,377	42,508,821
Public safety	111,420,584	88,195,570	-	-	111,420,584	88,195,570
Economic and physical development	5,581,255	10,414,324	-	-	5,581,255	10,414,324
Environmental protection	266,924	47,747	-	-	266,924	47,747
Human services	71,740,203	63,929,878	-	-	71,740,203	63,929,878
Education	160,280,313	146,234,198	-	-	160,280,313	146,234,198
Culture and recreation	12,898,809	11,096,890	-	-	12,898,809	11,096,890
Interest and other charges	17,259,677	15,761,744	-	-	17,259,677	15,761,744
Landfill	-	-	2,575,993	2,050,463	2,575,993	2,050,463
Total expenses	<u>428,049,142</u>	<u>378,189,172</u>	<u>2,575,993</u>	<u>2,050,463</u>	<u>430,625,135</u>	<u>380,239,635</u>
Change in net position before transfers	63,722,147	64,196,135	(52,788)	299,899	63,669,359	64,496,034
Transfers	<u>(740,478)</u>	<u>(1,553,400)</u>	<u>740,478</u>	<u>1,553,400</u>	<u>-</u>	<u>-</u>

Cabarrus County's Net Position
Figure 3 (continued)

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Change in net position	62,981,669	62,642,735	687,690	1,853,299	63,669,359	64,496,034
Net Position:						
Beginning of year, July 1	179,470,242	116,827,507	7,525,888	5,672,589	186,996,130	122,500,096
Prior period restatement						
Restatement	(14,385,747)	-	(237,063)	-	(14,622,810)	-
Net position July 1, as restated	165,084,495	116,827,507	7,288,825	5,672,589	172,373,320	122,500,096
End of year, June 30	<u>\$ 228,066,164</u>	<u>\$ 179,470,242</u>	<u>\$ 7,976,515</u>	<u>\$ 7,525,888</u>	<u>\$ 236,042,679</u>	<u>\$ 186,996,130</u>

Governmental Activities

For the fiscal year ended June 30, 2025, governmental activities increased the County's net position by \$63.0 million, and business-type activities increased net position by \$0.7 million. As indicated on the previous page, the majority of the County's expenses were related to education (\$160.3 million, 37.4 percent), public safety (\$111.4 million, 26.0 percent) and human services (\$71.7 million, 16.8 percent).

Changes in the County's governmental activities net position is driving by the following:

- Overall revenues increased by \$49.4 million.
 - Investment earnings increase of \$2.2 million. This increase is driven by an increase in interest rates (from less than 1% to over 5%) and an increase in funds invested by the County throughout the year.
 - Ad valorem taxes revenue exceeded last year by \$38.5 million (15.5 percent). The increase is related to revaluation year for the County with property values increasing by over 40%. The County's tax rate was reduced from 0.7400 to 0.5760. Collection percentage is 99.3%.
- Overall expenses increased by \$49.9 million.
 - Increases in public safety of \$23.2 million related to a salary study.
 - Increase in education of \$14.0 million due to increase in current expenses and supplement teachers' pay.

Business-type Activities

The County's business-type activity, the Landfill, experienced a 9.1 percent increase in net position. Tipping fees increased in fiscal year 2025 by \$190,137, nonoperating revenues increased by \$49,825 and transfers in decreased by \$264,405. Operating expenses decreased by \$733,118 related to a capital asset purchase in Fiscal Year 2024. Exhibit 7 provides a more detailed breakdown of revenue and expenses.

Financial Analysis of the County's Funds

As noted earlier, Cabarrus County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The County's major funds, as defined by GAAP for the fiscal year ended June 30, 2025, were the *General Fund*, the *County Capital Project Fund*, the *Cares Act Relief Fund*, *School Capital Projects Fund*, and the *OPIOID Settlement Fund*.

Governmental Funds. The focus of Cabarrus County's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing Cabarrus County's financing requirements. Specifically, fund balance available for appropriation can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

The General Fund is the chief operating fund of Cabarrus County. The County's total fund balance was \$304.0 million of which \$242.4 million was available for commitments, assignments, and appropriations. The governing body of Cabarrus County has determined that the County should maintain an available fund balance of 15% of General Fund expenditures in case of unforeseen needs or opportunities and to meet the cash flow needs of the County.

The County currently has an available fund balance of 64.0% of General Fund expenditures, while total fund balance represents 73.4% of that same amount. Of the \$265.0 million available fund balance, the County has restricted \$22.6 million (7.4%), committed \$133.8 million (44.0%) and assigned \$11.0 million (3.6%) for specific projects and obligations. Following the fund balance policy, \$62.1 million (20.4%) of the available fund balance has been set aside for working capital. This leaves \$35.5 million (11.7%) of fund balance remaining for appropriation, commitment, or assignment.

General Fund balance on June 30, 2025 increased \$68.2 million from the prior year. This net increase was primarily due to four factors:

- Ad valorem taxes revenue exceeded last year by \$35.7 million (14.9 percent). The increase is related to the increase in property valuations driving by the County's revaluation year, of \$40 billion. Collection percentage is 99.3%. The County's tax rate was reduced from 0.7400 to 0.5760.
- Sales tax and other tax increase of \$4.5 million (6.1 percent) greater than budget.
- Operational efficiencies resulted in \$35.6 million (10.0 percent) of unspent budgeted expenditures (excluding transfers) for the year. Mainly from payroll expenses due to lapse salaries.

Major Funds. The *County Capital Projects Fund* (Major Fund) was created in FY 2020 for the account tracking of County capital improvement projects. In Fiscal Year 2025, 2024A LOBs was issued to pay off the Limited Obligation Bond draw program that was established in February 2020 (projects included two libraries, finish courthouse, school projects and EMS Headquarters), purchase a new facility for the County's Department of Social Services and to build a new Regional Behavior Health Center. The County spent \$74.5 million in capital projects in Fiscal Year 2025.

The *Cares Act Relief Fund* (Major Fund) was created in FY 2020 to record the funding received from the federal government to cover COVID-19 expenditures for the public health emergency. \$5.6 million was recognized as revenue and expended during the fiscal year ending June 30, 2025.

The *School Capital Projects Fund* (Major Fund) was created in FY2020 for the account tracking of School capital improvement projects. A second financing, 2024B LOBs was mainly for school projects. One new elementary school is being built, three schools are being renovated, four schools have HVAC replacements, and three schools have new roofs. The County spent \$43.8 million related to school capital projects in Fiscal Year 2025.

The *Opioid Settlement Fund* (Major Fund) was created in FY2022 for the account tracking of the Opioid Settlement. \$2.1 million recognized as revenue and \$991,522 Expended during the fiscal year ending June 30, 2025.

General Fund Budgetary Highlights: During the fiscal year, the County revised the budget on several occasions. Generally, budget amendments fall into one of three categories: 1) amendments made to adjust budgetary estimates; 2) amendments made to recognize new funding amounts from external sources, such as Federal and State grants; and 3) increases in appropriations that become necessary to maintain services. Total amendments to the General Fund's budget amounted to an increase of \$41.7 Million. Most of this increase is related to transfers out to fund various County and School Capital Projects.

At year-end, *actual* General Fund revenues and transfers in exceeded the *final amended budget* numbers by 23.0 million (6.0%). Actual General Fund expenditures and transfers out were less than *final budgetary* figures by \$35.6 million (8.4%).

Proprietary Funds. Cabarrus County's proprietary funds provide the same type of information found in the government-wide statements but in more detail. The Landfill Fund is the County's sole Enterprise fund. The Net position of the Landfill Fund increased by \$0.7 million during the fiscal year ended June 30, 2025.

Capital Asset and Debt Administration

Capital assets. Cabarrus County's investment in capital assets for its governmental and business-type activities as of June 30, 2025, totals \$485.1 million (net of accumulated depreciation). These assets include buildings, building improvements, land, land improvements, reservoir, equipment, furniture and fixtures, vehicles, and construction in progress.

Major capital asset transactions during the year include:

- Purchased a total of 92 vehicles. Two for Animal Control, two for Active Living & Parks, six for Building Maintenance, three for Construction Standards, ten for Emergency Medical Services, one for Emergency Services, one for the Arena, four for Ground Maintenance, two for Infrastructure and Asset Management, sixty for Sheriff's Department, and one for Transportation.
- Two land purchases – One parcel for future school site and one parcel for a future park.
- Two new libraries (Mt. Pleasant and Alton Ridge) were completed and opened in Fiscal Year 2025 and the County purchased the ACN building to house the County's Department of Social Services in Fiscal Year 2025 for a total \$80.4 million. There was an additional \$37.1 million added to capital assets during Fiscal Year 2025 for Building Improvements, \$2.5 million was added to Land Improvements, and \$3.3 million in new equipment.
- Various Construction Projects in progress at the end of the year include a second driveway at Frank Liske Park, Public Safety Training Center, Animal Shelter, Frank Liske Park Softball facilities, Frank Liske Park Pickleball and Tennis Facilities, Government Center Bathroom Renovations, the Regional Behavior Health Center, Vietnam Veterans Park Boardwalk and Playground project and Jail Chiller Replacement.

Cabarrus County's Capital Assets
(net of accumulated depreciation)

Figure 4

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	\$ 32,733,750	\$ 30,337,789	\$ 490,447	\$ 490,447	\$ 33,224,197	\$ 30,828,236
Land Improvements	5,866,950	6,503,678	753,479	784,969	6,620,429	7,288,647
Buildings	295,428,906	222,982,707	660,022	691,437	296,088,928	223,674,144
Building improvements	78,898,249	44,125,008	-	-	78,898,249	44,125,008
Equipment	5,779,174	3,277,718	893,567	1,049,299	6,672,741	4,327,017
Furniture and fixtures	296,466	338,231	-	-	296,466	338,231
Vehicles	12,259,132	9,854,468	75,556	93,991	12,334,688	9,948,459
Reservoir	21,112,529	21,134,295	-	-	21,112,529	21,134,295
Construction in progress	25,366,177	72,431,956	-	-	25,366,177	72,431,956
Right to use assets	4,473,406	4,333,708	-	-	4,473,406	4,333,708
Total	\$ 482,214,739	\$ 415,319,558	\$ 2,873,071	\$ 3,110,143	\$ 485,087,810	\$ 418,429,701

Additional information on the County's capital assets can be found in Note 2 section A (6) of the Basic Financial Statements.

Long-term Debt. As of June 30, 2025, Cabarrus County had total debt outstanding of \$827,416,870 which includes General Obligation Bonds that are backed by the full faith and credit of the County and other debt that is covered by pledged collateral and is subject to appropriation. Additional information on the County's long-term debt can be found in Note 2 section B (7) (a, b, c, d(1)(2), e, f, g) of the Basic Financial Statements.

Cabarrus County's Outstanding Debt
All Debt Funding Sources
Figure 5

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
General obligation bonds	\$ 7,724,541	\$ 14,741,041	\$ -	\$ -	\$ 7,724,541	\$ 14,741,041
Certificates of participation/ Limited obligation bonds	682,452,553	452,543,377	-	-	682,452,553	452,543,377
Lease obligations	2,646,114	3,263,775	-	-	2,646,114	3,263,775
IT subscriptions	1,767,368	1,132,525	-	-	1,767,368	1,132,525
Installment financing	1,897,276	2,006,991	-	-	1,897,276	2,006,991
Accrued landfill closure and postclosure care costs	-	-	3,960,688	3,963,898	3,960,688	3,963,898
Compensated Absences	29,197,061	7,046,379	305,091	12,217	29,502,152	7,058,596
Total Pension Liability (LGERS)	55,937,619	56,111,938	213,374	214,039	56,150,993	56,325,977
Total pension liability (LEOSSA)	13,961,119	13,531,599	-	-	13,961,119	13,531,599
Net OPEB Liability	32,134,352	31,139,603	122,576	118,782	32,256,928	31,258,385
Total	\$ 827,718,003	\$ 581,517,228	\$ 4,601,729	\$ 4,308,936	\$ 832,319,732	\$ 585,826,164

Cabarrus County's total long-term obligations increased by \$246,493,568 (42.1%) during the past fiscal year. General obligation bonds decreased \$7,016,500 (47.6%) due to annual principal payments. Limited obligation bonds and the draw program increased \$229,909,176 (50.8%). During FY 2025, the County issued two financings to pay off a current draw note for \$160,000,000 and finance over \$200,000,000 in new County and school projects. There was an overall increase in net pension and OPEB liability of \$1,253,079 (1.2%).

As mentioned in the financial highlights section of this document, Cabarrus County was upgraded to AAA from AA+ from Standard and Poor's in Fiscal Year 2024. The County is now rated triple A by all three rating agencies. These bond ratings are a clear indication of the sound financial condition of Cabarrus County.

The State of North Carolina limits the amount of general obligation debt that a unit of government can issue to eight percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for Cabarrus County is \$3,127,050,662 as of June 30, 2025. Additional information regarding Cabarrus County's long-term obligations can be found in the Notes to the Financial Statements, Note 2 section B (7) (g).

Accounting Change

During fiscal year 2025, the County implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*. This standard requires governments to recognize a liability for certain types of compensated absences when the leave is earned, rather than when it is taken. The application of GASB 101 resulted in a restatement of \$(14,385,747) and \$(237,063) to the beginning net position of the governmental activities and business-type activities, respectively. As a result, amounts reported in Management's Discussion and Analysis for fiscal year 2025 are not comparable to those reported for fiscal year 2024, which have not been restated in the prior year comparative information. See Note 1 for additional information regarding the impact of this standard on the Current year's financial statements.

Economic Factors and Next Year's Budgets and Rates

Cabarrus County is a part of the Charlotte Metropolitan Statistical Area (MSA), which continues to experience economic growth.

The following key indicators reflect the economic condition of the County:

- Unemployment for the County was 3.7% for June 2025, compared to 3.6% at June 2024. Comparable rates for the State of North Carolina were 3.7% and 3.5% respectively. The unemployment rate has statistically stayed consistent. This can be attributable to continuous new jobs coming into the County driven by new companies such as Lilly, Red Bull, Ball and Rauch opening new facilities in the County.
- The County is the third highest in the State for population growth from 2010 to 2020 – 27%.
- A large diverse tax base with only 6.9% of assessed value attributed to the top ten taxpayers in the County.
- Two largest municipalities of Concord and Kannapolis are both under downtown revitalization projects bring housing and commerce to the downtown area.

These factors, as well as others, were considered when management prepared the County's budget ordinances for the 2026 fiscal year.

Budget Highlights for the Upcoming Fiscal Year Ending June 30, 2026

Governmental Activities: The FY 2026 budget kept the property tax rate of 57.6 cents per \$100 of assessed valuation for a total budget of \$548,920,646, which is an increase of 10.4% over the FY 2025 adopted budget. There were two primary revenue sources for the county, property taxes and sales taxes. Property taxes are expected to see a growth of approximately 3.9% with sales tax revenues expected to have a growth of .4%.

The County directed new funding toward the following:

Personnel: The Most Important Commodity

To ensure we provide competitive compensation compared to other jurisdictions and the private industry, the FY26 budget increases overall personnel expenditures by 9.4%. These adjustments are a result of the County Commissioners focus on employees and retention by utilizing recently completed market studies that compared our pay rates to comparable cities and counties throughout North Carolina. In addition, the budget also includes funds for a 1% cost-of-living adjustment for all employees and merit pay increases of up to 4% based on their individual performance. An increase in healthcare spending of 26.0% and retirement contributions of 11.3% are also included in the budget. Competitive pay enables us to attract and retain high-quality employees to allow us to serve the community better.

The budget funds reclassification of 24 positions in board of elections, finance, sheriff's office, emergency medical services, active living center, and the library to address the county's rapid growth and increased workloads across County departments strengthening essential County services.

Additional funding of \$609,219 for the Cabarrus Health Alliance will allow for inflationary and merit increases, nurses for the school nurse program and additional funding to allow CHA to provide a behavioral health program for the jail.

Education: Key to a Thriving Community

We cannot overstate the importance of making strategic investments in our education partners: Cabarrus County Schools (CCS), Kannapolis City Schools (KCS) and Rowan-Cabarrus Community College (Rowan-Cabarrus).

As always, part of the investment helps attract and retain top educators.

The FY26 budget includes for Cabarrus County Schools (CCS) funding increase of \$9,019,424 to cover rising costs of locally paid staff, facilities and grounds maintenance, and technology expenses. In addition to the day-to-day operations, the CCS budget includes additional funding salary study for classified employees and increase in local teacher supplement pay. The CCS budget totals \$106.8 million, an increase of 10.0%. This budget also includes a 9.0% increase to Kannapolis City Schools (KCS). The KCS budget totals \$12.2 million.

The County is required to provide equal per-pupil funding for residents choosing to attend a charter school. Charter school enrollment continues to rise, with an estimate of nearly 3,378 students. This results in total per-pupil funding of \$9.5 million for Charter Schools, an increase of 12.4%.

Rowan-Cabarrus serves nearly 19,000 students each year through 55 degrees, 36 diplomas and 101 certificate programs. The college plays a vital role in workforce and economic development within the county and region. This results in total funding of \$5.0 million, an increase of 6.8%. Additional Capital Improvement funding for renovations at the South Campus of \$0.9 million and \$5,922,000 design and engineering work on a new Workforce Center Building is also included in the budget and an additional \$1,250,000 in deferred maintenance.

Capital Projects: Funding for Preservation and Growth

The FY26 budget includes:

- **\$37.0 million** from the General Fund to the Community Investment Fund (CIF) for current and future debt payments.
- **\$1.9 million** for Kannapolis City School design of A.L. Brown high school renovations.
- **\$1.0 million** for Kannapolis City School design of Jackson Park elementary school renovations.
- **\$5.9 million** for a Workforce Innovation design Center at Rowan Cabarrus Community College.
- **\$0.9 million** for a S201 South Campus renovation design at Rowan Cabarrus Community College.

- **\$23.5 million** from the County’s pay-as-you-go (PAYGO) program. PAYGO is the use of cash rather than debt to pay for needed capital projects. The County will not issue new debt in FY24, which is consistent with our every-other-year cycle. PAYGO will fund a significant number of essential projects, including:
- **\$4.1 million** for various projects at County facilities. Examples include camp Spencer renovations, ADA bathroom renovations, playground equipment replacements, GC Center generator replacement, exterior building entrance repairs, Sheriff’s office renovations, Vietnam Park boardwalk repairs, and ground maintenance.
- **\$15.0 million** for Cabarrus County Schools to fund their Top 36 deferred maintenance projects. Project examples include the following taking place at multiple schools. Enhance access control key fobs, roof repairs, parking lot repairs and floor replacements. Updating paging and intercom systems, replacement of televisions and SMART boards in classrooms and adding/replacing security cameras.
- **\$3.1 million** for Kannapolis City Schools to fund various deferred maintenance projects including furniture replacement, security cameral upgrades, boiler replacement, roof replacements, activity bus purchase and technology purchases.
- **\$1.3 million** for Rowan Cabarrus Community College for general maintenance, security upgrades, parking lot repairs and south campus elevator replacement.

Business-type Activities: The Landfill budget slightly increased by \$658,796 or 26.9% from the FY2025 adopted budget. The increase is mainly driven by the County’s employee pay market study enacted in FY 2025 and an increase in operation costs.

Requests for Information

This report is designed to provide an overview of the County’s finances for those with an interest in this area. Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Department, Cabarrus County, 65 Church Street S, Concord, NC 28025. You can also call 704-920-2104 or visit our website at www.cabarruscounty.us.



BASIC FINANCIAL STATEMENTS



CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2025

Exhibit 1
Page 1 of 2

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 44,383,386	\$ 2,415,619	\$ 46,799,005	\$ 11,792,340
Investments	301,907,036	7,237,798	309,144,834	-
Receivables (net of allowance for uncollectibles):				
Accounts receivable	13,585,819	-	13,585,819	2,150,863
Customers	2,456,805	19,470	2,476,275	571,935
Interest	3,131,439	-	3,131,439	-
Property taxes	1,994,115	-	1,994,115	-
Leases	791,196	-	791,196	-
Due from other governments	36,346,251	162,934	36,509,185	182,850
Inventories	558,401	-	558,401	-
Prepaid items	351,392	-	351,392	1,000,000
Restricted cash and cash equivalents	197,709,588	-	197,709,588	369,171
Net Register of Deeds				
Supplemental retirement asset	246,152	-	246,152	-
Capital assets:				
Land and Construction in Progress	58,099,927	490,447	58,590,374	2,754,873
Other capital assets, net of depreciation	419,641,406	2,382,624	422,024,030	1,869,490
Right to use lease asset, net of amortization	2,548,903	-	2,548,903	311,155
Subscription asset, net of amortization	1,924,503	-	1,924,503	-
Total capital assets	482,214,739	2,873,071	485,087,810	4,935,518
Total assets	1,085,676,319	12,708,892	1,098,385,211	21,002,677
DEFERRED OUTFLOWS OF RESOURCES	44,027,847	131,635	44,159,482	7,370,337
LIABILITIES				
Accounts payable and other current liabilities	22,609,115	206,079	22,815,194	2,023,102
Unearned revenue	-	-	-	369,171
Advance from grantor	26,561,334	-	26,561,334	-
Accrued interest payable	5,439,055	-	5,439,055	-
Retainage payable	1,276,141	-	1,276,141	-
Long-term liabilities:				
Due within one year	68,314,393	153,415	68,467,808	1,116,456
Due in more than one year	759,403,610	4,448,314	763,851,924	15,940,391
Total long-term liabilities	827,718,003	4,601,729	832,319,732	17,056,847
Total liabilities	883,603,648	4,807,808	888,411,456	19,449,120

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF NET POSITION
JUNE 30, 2025

Exhibit 1
Page 2 of 2

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	
DEFERRED INFLOWS OF RESOURCES	18,034,354	56,204	18,090,558	1,312,120
NET POSITION				
Net investment in capital assets	186,894,175	2,873,071	189,767,246	4,616,192
Restricted for :				
Stabilization by state statute	98,799,085	-	98,799,085	2,333,713
Register of Deeds	452,146	-	452,146	-
Emergency Telephone 911	382,040	-	382,040	-
Public Safety	15,133,244	-	15,133,244	-
Community Development programs	44,450	-	44,450	-
Soil & Water programs	915,137	-	915,137	-
School debt	7,448,433	-	7,448,433	-
Cabarrus Arena & Events Center	52,499	-	52,499	-
Senior Center grants	4,622,579	-	4,622,579	-
Health Services	18,691,604	-	18,691,604	-
Register of Deeds Pension Plan	246,152	-	246,152	-
OPIOID Settlement Funds	4,876,954	-	4,876,954	-
Unrestricted	(110,492,334)	5,103,444	(105,388,890)	661,869
Total net position	\$ 228,066,164	\$ 7,976,515	\$ 236,042,679	\$ 7,611,774

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

EXHIBIT 2

Function/Program Activities	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-Type Activities	Total	
Primary Government:								
Governmental Activities:								
General government	\$ 48,601,377	\$ 4,732,566	\$ 5,700,197	\$ -	\$ (38,168,614)	\$ -	\$ (38,168,614)	
Public safety	111,420,584	22,002,562	4,333,629	-	(85,084,393)	-	(85,084,393)	
Economic and physical development	5,581,255	384,298	723,075	-	(4,473,882)	-	(4,473,882)	
Environmental protection	266,924	-	-	-	(266,924)	-	(266,924)	
Human services	71,740,203	795,306	42,359,122	-	(28,585,775)	-	(28,585,775)	
Education	160,280,313	1,344,386	384,124	3,146,955	(155,404,848)	-	(155,404,848)	
Culture and recreation	12,898,809	1,516,692	291,946	-	(11,090,171)	-	(11,090,171)	
Interest on long-term debt	17,259,677	-	-	-	(17,259,677)	-	(17,259,677)	
Total governmental activities	428,049,142	30,775,810	53,792,093	3,146,955	(340,334,284)	-	(340,334,284)	
Business-Type Activities:								
Solid Waste	2,575,993	1,554,277	-	-	-	(1,021,716)	(1,021,716)	
Total primary government	\$ 430,625,135	\$ 32,330,087	\$ 53,792,093	\$ 3,146,955	(340,334,284)	(1,021,716)	(341,356,000)	
Component Unit:								
Cabarrus Health Alliance	\$ 33,820,856	\$ 11,654,020	\$ 24,380,152	\$ -				\$ 2,213,316
General Revenues:								
Property taxes					286,497,627	-	286,497,627	-
Local option sales tax					91,171,277	-	91,171,277	-
ABC revenues					923,766	-	923,766	-
Other taxes and licenses					1,049,296	651,720	1,701,016	-
Investment earnings					20,898,297	317,191	21,215,488	359,956
Miscellaneous					3,516,168	17	3,516,185	70,119
Total general revenues, excluding transfers					404,056,431	968,928	405,025,359	430,075
Transfers					(740,478)	740,478	-	-
Total general revenues and transfers					403,315,953	1,709,406	405,025,359	430,075
Change in net position					62,981,669	687,690	63,669,359	2,643,391
Net position, beginning					179,470,242	7,525,888	186,996,130	4,968,383
Reinstatement - GASB 101					(14,385,747)	(237,063)	(14,622,810)	-
Net position beginning as restated					165,084,495	7,288,825	172,373,320	4,968,383
Net position, ending					\$ 228,066,164	\$ 7,976,515	\$ 236,042,679	\$ 7,611,774

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

EXHIBIT 3
PAGE 1 OF 3

	Major					Non-Major	
	General	County Capital Projects	CARES Act Relief	Opioid Settlement	School Capital Projects	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 17,793,666	\$ 2,124,574	\$ -	\$ -	\$ 5,997,281	\$ 3,107,076	\$ 29,022,597
Investments	258,584,366	24,721,216	-	-	11,663,793	6,937,661	301,907,036
Restricted assets							
Investments	-	79,830,353	-	5,608,117	97,836,565	-	183,275,035
Cash	8,981,955	-	5,303,747	96,352	-	52,499	14,434,553
Receivables (net of allowance for uncollectible)							
Accounts receivable	1,080,726	31,993	-	12,211,130	-	37,878	13,361,727
Customers	2,456,805	-	-	-	-	-	2,456,805
Property taxes	1,994,115	-	-	-	-	-	1,994,115
Interest	3,027,010	-	-	-	-	-	3,027,010
Lease	791,196	-	-	-	-	-	791,196
Due from other governments	36,220,756	-	-	-	-	105,210	36,325,966
Prepaid items	369,904	-	-	-	-	309	370,213
Inventories	351,392	-	-	-	-	-	351,392
Total assets	<u>\$ 331,651,891</u>	<u>\$ 106,708,136</u>	<u>\$ 5,303,747</u>	<u>\$ 17,915,599</u>	<u>\$ 115,497,639</u>	<u>\$ 10,240,633</u>	<u>\$ 587,317,645</u>
LIABILITIES , DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities:							
Accounts payable and accrued liabilities	\$ 12,923,188	\$ 2,145,052	\$ 5,003	\$ 96,352	\$ 5,214,376	\$ 441,707	\$ 20,825,678
Advance from grantor	1,533,523	19,729,067	5,298,744	-	-	-	26,561,334
Contract retainages	-	493,236	-	-	782,905	-	1,276,141
Total liabilities	<u>14,456,711</u>	<u>22,367,355</u>	<u>5,303,747</u>	<u>96,352</u>	<u>5,997,281</u>	<u>441,707</u>	<u>48,663,153</u>
DEFERRED INFLOWS OF RESOURCES	<u>13,145,415</u>	<u>-</u>	<u>-</u>	<u>12,211,130</u>	<u>-</u>	<u>226,515</u>	<u>25,583,060</u>

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2023

EXHIBIT 3
PAGE 2 OF 3

	Major					Non-Major	Total Governmental Funds
	General	County Capital Projects	CARES Act Relief	Opioid Settlement	School Capital Projects	Other Governmental Funds	
FUND BALANCES							
Nonspendable:							
Inventories	351,392	-	-	-	-	-	351,392
Prepaid items	369,904	-	-	-	-	309	370,213
Restricted:							
Stabilization by state statute	38,339,213	53,963,405	5,168,057	731,163	-	597,247	98,799,085
Register of Deeds Automation & Enhancement	-	-	-	-	-	452,146	452,146
Emergency Telephone 911	-	-	-	-	-	382,040	382,040
Public Safety	14,390,303	-	-	-	-	742,941	15,133,244
Community Development programs	-	-	-	-	-	44,450	44,450
Soil & Water programs	-	-	-	-	-	915,137	915,137
Culture and recreation	-	14,978,943	-	-	-	-	14,978,943
School debt & construction	7,448,433	-	-	-	97,836,565	-	105,284,998
Cabarrus Arena & Events Center	-	-	-	-	-	52,499	52,499
Human Services	780,553	64,851,410	-	4,876,954	-	574,930	71,083,847
Committed:							
Community Investment Fund	125,103,521	-	-	-	-	-	125,103,521
General government	2,045,000	-	-	-	-	-	2,045,000
Public safety	47,191	-	-	-	-	-	47,191
Economic & physical development	6,431,218	-	-	-	-	862,275	7,293,493
Human services	146,328	-	-	-	-	166,619	312,947
Education	-	-	-	-	11,663,793	-	11,663,793
Culture & recreation	-	-	-	-	-	470,313	470,313
Assigned:							
General government	8,483,553	-	-	-	-	-	8,483,553
Public safety	2,168,774	-	-	-	-	-	2,168,774
Economic and physical development	196,275	-	-	-	-	-	196,275
Human services	136,000	-	-	-	-	-	136,000
Culture & recreation	11,500	-	-	-	-	4,566,878	4,578,378
Unassigned	97,600,607	(49,452,977)	(5,168,057)	-	-	(255,373)	42,724,200
Total fund balances	304,049,765	84,340,781	-	5,608,117	109,500,358	9,572,411	513,071,432
Total liabilities, deferred inflows of resources, and fund balances	\$ 331,651,891	\$ 106,708,136	\$ 5,303,747	\$ 17,915,599	\$ 115,497,639	\$ 10,240,633	\$ 587,317,645

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
JUNE 30, 2025

EXHIBIT 3A
PAGE 3 OF 3

Total fund balances-total governmental funds		\$ 513,071,432
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		
Government capital assets	615,905,243	
Less accumulated depreciation	<u>(138,163,910)</u>	477,741,333
Right to use leased assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		
Government capital assets	6,398,845	
Less accumulated depreciation	<u>(3,849,942)</u>	2,548,903
Subscription based assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		
Government capital assets	3,292,747	
Less accumulated depreciation	<u>(1,368,244)</u>	1,924,503
Charges related to advance refunding bond issue	6,265,000	
Charges related to bond issuance	<u>306,712</u>	6,571,712
Other long-term assets are not available to pay for current-period expenditures and, therefore, are unavailable in the funds.		
Deferred inflows of resources for taxes, Opioid settlement and other receivables		23,652,551
Premium on debt issuance		<u>(63,647,094)</u>
Sales tax receivable for capital lease		19,532
Net Register of Deeds Supplemental Retirement asset		246,152
Accrued interest receivable		103,907
Contributions and other costs to pension plans in the current fiscal year are deferred outflows of resources on the Statement of Net Position.		
Pension		30,626,586
Register of Deeds Supplemental Retirement		134,171
Benefit payments and pension administration costs for LEOSSA		2,812,673
Contributions and administration costs for OPEB are deferred outflows of resources		<u>3,882,705</u>
Internal service funds are used by management to charge the costs of self-insured hospitalization dental, Workers Compensation, and Liability Insurance to individual departments.		13,989,633
Pension related deferred inflows		(2,218,936)
OPEB related deferred inflows		<u>(13,884,910)</u>
Long-term liabilities, including bonds payable and other postemployment benefits, are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds and other debt payable	(628,424,905)	
Accrued interest payable	(5,439,055)	
Lease liability	(2,646,113)	
Subscription liability	(1,768,465)	
Compensated absences	(29,197,061)	
Net LEO Pension liability	(13,961,119)	
Net LGERS liability	(55,937,619)	
Net OPEB liability	<u>(32,134,352)</u>	<u>(769,508,689)</u>
Net position of governmental activities		<u>\$ 228,066,164</u>

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

EXHIBIT 4
PAGE 1 OF 3

	Major					Non-Major	
	General	County Capital Projects	Cares Act Relief	Opioid Settlement	School Capital Projects	Other Governmental Funds	Total Governmental Funds
REVENUES							
Ad valorem taxes	\$ 275,902,073	\$ -	\$ -	\$ -	\$ -	\$ 10,377,977	\$ 286,280,050
Other taxes and licenses	85,221,600	-	-	-	-	-	85,221,600
Intergovernmental revenues	38,049,580	11,729,641	5,558,615	1,875,031	-	4,753,065	61,965,932
Permits and fees	10,174,938	-	-	-	-	-	10,174,938
Sales and services	18,372,842	-	-	-	-	1,980,462	20,353,304
Investment earnings	13,678,405	1,407,520	-	317,887	5,038,601	310,219	20,752,632
Donations	-	-	-	-	4,725	748,041	752,766
Miscellaneous	1,111,548	411,777	-	-	-	14,585	1,537,910
Total revenues	442,510,986	13,548,938	5,558,615	2,192,918	5,043,326	18,184,349	487,039,132
EXPENDITURES							
Current:							
General government	41,874,891	4,760,744	105,322	-	-	332,774	47,073,731
Public safety	88,718,248	496,905	-	-	-	10,174,525	99,389,678
Economic & physical development	5,309,670	-	-	-	-	119,165	5,428,835
Environmental protection	-	-	-	-	-	195,992	195,992
Human services	62,114,171	-	5,453,293	991,522	-	355,982	68,914,968
Culture and recreation	9,605,406	-	-	-	-	1,472,695	11,078,101
Education	115,072,655	-	-	-	43,770,261	1,437,396	160,280,312
Capital outlay	-	74,530,736	-	-	-	1,620,462	76,151,198
Debt service:							
Principal retirement	37,399,786	103,491,989	-	-	56,508,011	-	197,399,786
Interest and fees	17,779,615	-	-	-	-	-	17,779,615
Total expenditures	377,874,442	183,280,374	5,558,615	991,522	100,278,272	15,708,991	683,692,216
Excess (deficiency) of revenues over (under) expenditures	64,636,544	(169,731,436)	-	1,201,396	(95,234,946)	2,475,358	(196,653,084)

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

EXHIBIT 4
PAGE 2 OF 3

	Major					Non-Major	
	General	County Capital Projects	Cares Act Relief	Opioid Settlement	School Capital Projects	Other Governmental Funds	Total Governmental Funds
OTHER FINANCING SOURCES (USES)							
Issuance of Debt	-	242,651,649	-	-	179,163,313	-	421,814,962
Lease liabilities issued	502,088	-	-	-	-	-	502,088
Subscription liabilities issued	1,580,165	-	-	-	-	-	1,580,165
Transfers in	37,885,315	13,637,497	-	-	21,836,271	949,317	74,308,400
Transfers out	(36,443,214)	(25,284,666)	-	-	(9,447,497)	(3,888,014)	(75,063,391)
Total other financing sources (uses)	3,524,354	231,004,480	-	-	191,552,087	(2,938,697)	423,142,224
Net change in fund balances	68,160,898	61,273,044	-	1,201,396	96,317,141	(463,339)	226,489,140
Beginning of year - July 1 as previously presented	235,888,867	23,067,737	-	4,406,721	-	23,218,967	286,582,292
Change within financial reported entity (nonmajor to major)	-	-	-	-	13,183,217	(13,183,217)	-
Beginning of year, as restated	235,888,867	23,067,737	-	4,406,721	13,183,217	10,035,750	286,582,292
Fund balance, June 30	<u>\$ 304,049,765</u>	<u>\$ 84,340,781</u>	<u>\$ -</u>	<u>\$ 5,608,117</u>	<u>\$ 109,500,358</u>	<u>\$ 9,572,411</u>	<u>\$ 513,071,432</u>

A legally budgeted Community Investment Fund is consolidated into the General Fund for reporting purposes.

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

EXHIBIT 4A
PAGE 3 OF 3

Net change in fund balances-total governmental funds		\$ 226,489,140
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and depreciated over their estimated useful lives.		
Expenditures for capital assets	81,688,429	
Less current year depreciation	(14,607,041)	67,081,388
Subscription & leased asset capital outlay expenditures which were capitalized	2,082,253	
Subscription amortization expense	(837,299)	
Right to use leased assets amortization expense	(1,105,256)	139,698
Changes in contributions and other costs to the pension plan		(3,878,787)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental funds.		
OPIOID settlement	(1,500,025)	
Ambulance	(130,491)	
Sales tax earned in June 2025 but not received at time of preparation of financials	6,998,973	
Property tax	217,577	5,586,034
The effect of various miscellaneous transactions involving capital assets		
Disposal of capital assets, net book value	(325,905)	(325,905)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This amount is the net effect of these differences in the treatment of:		
Debt proceeds	(421,814,962)	
New long-term debt issued (subscriptions & leases)	(2,082,253)	
Amortization of current year debt premium	3,697,286	
Principal payments	197,399,786	
Deferred charge on refunding	193,825	(222,606,318)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Compensated absences	(7,764,933)	
Law Enforcement Officers Pension Liability	(950,297)	
Local Government Employees Retirement System	344,541	
Register of Deeds Supplemental Retirement	(3,613)	
Other Postemployment Benefit Liability	1,176,228	
Accrued interest	(1,517,131)	(8,715,205)
Internal service funds are used by management to charge the cost of self-insured hospitalization dental, workers compensation, and liability systems to individual departments.		(788,376)
Changes in net position of governmental activities		\$ 62,981,669

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL****GENERAL FUND****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****EXHIBIT 5****PAGE 1 OF 2**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
REVENUES				
Ad valorem taxes	\$ 269,281,057	\$ 269,281,057	\$ 275,902,073	\$ 6,621,016
Other taxes and licenses	48,589,000	48,939,000	53,480,406	4,541,406
Intergovernmental revenues	30,850,528	33,240,552	37,665,456	4,424,904
Permits and fees	8,897,350	8,897,350	10,174,938	1,277,588
Sales and services	17,202,857	18,579,742	18,372,842	(206,900)
Investment earnings	4,500,000	4,500,000	10,360,567	5,860,567
Miscellaneous	430,100	658,606	1,111,548	452,942
Total revenues	379,750,892	384,096,307	407,067,830	22,971,523
EXPENDITURES				
Current:				
General government	48,036,261	51,315,065	38,645,039	12,670,026
Public safety	91,646,889	101,315,183	88,718,248	12,596,935
Economic & physical development	7,212,078	7,394,669	5,309,670	2,084,999
Human services	65,288,259	68,638,504	62,114,171	6,524,333
Education	112,641,918	113,897,811	113,852,655	45,156
Culture and recreation	11,022,989	11,321,502	9,605,406	1,716,096
Total expenditures	335,848,394	353,882,734	318,245,189	35,637,545
Excess (deficiency) of revenues over (under) expenditures	43,902,498	30,213,573	88,822,641	58,609,068
OTHER FINANCING SOURCES (USES)				
Transfers in	-	842,455	843,153	698
Transfers out	(44,265,842)	(67,970,000)	(67,970,000)	-
Fund balance appropriated	363,344	36,913,972	-	(36,913,972)
Total other financing sources (uses)	(43,902,498)	(30,213,573)	(67,126,847)	(36,913,274)

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL****GENERAL FUND****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****EXHIBIT 5****PAGE 2 OF 2**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Net change in fund balance	\$ -	\$ -	21,695,794	\$ 21,695,794
Fund balance, July 1			149,802,017	
Fund balance, June 30			171,497,811	
A legally budgeted Community Investment Fund is consolidated into the General Fund for reporting purposes:				
Other taxes and licenses			31,741,194	
Intergovernmental revenues			384,124	
Investment earnings			3,317,839	
Expenditures			(60,959,254)	
Transfer in - General Fund			66,180,205	
Transfer in - Other Funds			37,042,162	
Lease liabilities			502,088	
Subscription liabilities			1,580,165	
Transfer out			(34,653,419)	
Fund balance, June 30			216,632,915	
Fund balance, July 1			86,086,850	
A legally budgeted principal debt service payment was made to a sinking fund held by a trustee in the County's name				
			1,330,000	
			\$ 304,049,765	

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA

EXHIBIT 6

OPIOID SETTLEMENT FUND

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Opioid Settlement Funds	\$ 670,866	\$ 670,866	\$ 1,875,031	\$ 1,204,165
Interest Earnings	-	-	317,887	317,887
Fund Balance Appropriated	-	3,974,985	-	(3,974,985)
Total revenues	<u>670,866</u>	<u>4,645,851</u>	<u>2,192,918</u>	<u>(2,452,933)</u>
EXPENDITURES				
Human Services				
Public Health Authority	263,150	70,000	70,000	-
Health and Welfare	<u>407,716</u>	<u>4,575,851</u>	<u>921,522</u>	<u>3,654,329</u>
Total expenditures	<u>670,866</u>	<u>4,645,851</u>	<u>991,522</u>	<u>3,654,329</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,201,396	<u>\$ 1,201,396</u>
Fund balance, July 1			<u>4,406,721</u>	
Fund balance, June 30			<u>\$ 5,608,117</u>	

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

EXHIBIT 7
PAGE 1 OF 2

	Business-type Activities Landfill Enterprise Fund	Governmental Activities Internal Service Funds
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 9,653,417	\$ 15,360,789
Receivables (net):		
Accounts		224,093
Customers	19,470	-
Due from other governments	162,934	-
Prepaid expenses	-	188,188
Total current assets	<u>9,835,821</u>	<u>15,773,070</u>
Noncurrent assets:		
Land	490,447	-
Land improvements	2,376,141	-
Buildings & improvements	1,256,544	-
Vehicles and equipment	3,381,403	-
Less: Accumulated depreciation	(4,631,464)	-
Total noncurrent assets (net)	<u>2,873,071</u>	<u>-</u>
Total assets	<u>12,708,892</u>	<u>15,773,070</u>
DEFERRED OUTFLOWS OF RESOURCES		
Contributions to pension plan in fiscal year	116,825	-
OPEB deferrals	14,810	-
Total deferred outflows of resources	<u>131,635</u>	<u>-</u>
LIABILITIES		
Current liabilities:		
Accounts payable and accrued liabilities	206,079	92,307
Landfill closure post closure costs	90,000	-
Compensated absences	63,415	-
Total current liabilities	<u>359,494</u>	<u>92,307</u>

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2025

EXHIBIT 7
PAGE 2 OF 2

	Business-type Activities Landfill Enterprise Fund	Governmental Activities Internal Service Funds
LIABILITIES (continued)		
Noncurrent liabilities:		
Net pension liability	213,374	-
Claims payable	-	1,691,130
Landfill closure post closure costs	3,870,688	-
Compensated absences	241,676	-
Total OPEB liability	122,576	-
Total noncurrent liabilities	4,448,314	1,691,130
Total liabilities	4,807,808	1,783,437
DEFERRED INFLOWS OF RESOURCES		
Pension deferrals	3,240	-
OPEB deferrals	52,964	-
Total deferred inflows of resources	56,204	-
NET POSITION		
Net Investment in capital assets	2,873,071	-
Unrestricted	5,103,444	13,989,633
Total net position	\$ 7,976,515	\$ 13,989,633

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

EXHIBIT 8
PAGE 1 OF 2

	Business-type Activities	Governmental Activities
	Landfill Enterprise Fund	Internal Service Funds
Operating revenues:		
Charges for sales and services:		
Tipping fees	\$ 1,258,096	\$ -
Items for sale	84,859	-
Waste disposal fees	169,097	-
Recycling revenues	42,225	-
Insurance premiums refunds	-	22,393,704
Total operating revenues	<u>1,554,277</u>	<u>22,393,704</u>
Operating expenses:		
Salaries and benefits	926,964	-
Operations	1,411,957	23,660,139
Depreciation	237,072	-
Total operating expenses	<u>2,575,993</u>	<u>23,660,139</u>
Operating income (loss)	<u>(1,021,716)</u>	<u>(1,266,435)</u>
Nonoperating revenues:		
Landfill disposal tax	51,474	-
Landfill state tax distribution	56,814	-
Solid waste franchise fee	30,000	-
Tire disposal fees	449,183	-
Investment earnings	317,191	463,551
NC Electronics management	4,795	-
White Goods Disposal Tax	59,454	-
Miscellaneous revenue	17	-
Total nonoperating revenues	<u>968,928</u>	<u>463,551</u>

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

EXHIBIT 8
PAGE 2 OF 2

	Business-type Activities	Governmental Activities
	Landfill Enterprise Fund	Internal Service Funds
Nonoperating expense - loss on disposal		
Income (loss) before contributions	(52,788)	(802,884)
Transfers:		
Transfer in - General Fund	740,478	100,000
Transfer out - General Fund	-	(85,492)
Change in net position	687,690	(788,376)
Total net position, July 1	7,525,888	14,778,009
Restatement - GASB 101	(237,063)	-
Total net position, June 30	<u>\$ 7,976,515</u>	<u>\$ 13,989,633</u>

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

EXHIBIT 9
PAGE 1 OF 2

	Business-type Activities	Governmental Activities
	Landfill Enterprise Fund	Internal Service Funds
Cash flows from operating activities:		
Cash received from customers	\$ 1,524,957	\$ 6,636
Cash received from departments	-	22,514,204
Cash paid to employees	(861,593)	-
Cash paid to suppliers for goods and services	(1,370,162)	(23,651,150)
Net cash provided (used) by operating activities	<u>(706,799)</u>	<u>(1,130,310)</u>
Cash flows from non-capital and related financing activities:		
Transfer in	740,478	100,000
Transfer out	-	(85,492)
Non-capital grants and other subsidies	651,737	-
Net cash provided (used) by non-capital financing activities	<u>1,392,215</u>	<u>14,508</u>
Cash flows from investing activities:		
Net cash provided by investing activities	<u>317,191</u>	<u>463,552</u>
Net increase in cash and cash equivalents	1,002,607	(652,250)
Cash and cash equivalents, July 1	<u>8,650,810</u>	<u>16,013,039</u>
Cash and cash equivalents, June 30	<u><u>\$ 9,653,417</u></u>	<u><u>\$ 15,360,789</u></u>

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

EXHIBIT 9
PAGE 2 OF 2

	Business-type Activities Landfill Enterprise Fund	Governmental Activities Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	\$ (1,021,716)	\$ (1,266,435)
Depreciation expense	237,072	-
Pension expense	13,893	-
Accounts receivable and prepaid expenses	-	127,136
Customers receivable	9,200	-
Due from other governments	(38,523)	-
Increase in pension liability	(665)	-
Accrued salaries and compensated absences payable	55,812	-
Accounts payable	45,827	8,989
Deferred inflows of resources (OPEB)	2,465	-
Landfill closure post-closure care cost	(3,210)	-
OPEB Liability	3,794	-
Deferred inflows of resources (OPEB)	(10,748)	-
Total adjustments	314,917	136,125
Net cash provided (used) by operating activities	\$ (706,799)	\$ (1,130,310)

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2025

EXHIBIT 10

	Custodial Funds	OPEB Trust Fund
ASSETS		
Cash and cash equivalents	\$ 1,774,480	\$ 6,584,706
Accounts receivable	1,079,794	-
Total assets	2,854,274	6,584,706
LIABILITIES		
Due to other governments	1,665,657	-
NET POSITION		
Restricted for:		
Individuals, organizations, and other governments	\$ 1,188,617	\$ 6,584,706

The notes to the financial statements are an integral part of this statement.

CABARRUS COUNTY, NORTH CAROLINA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

EXHIBIT 11

	Custodial Funds	OPEB Trust Fund
ADDITIONS		
Investment income	\$ -	\$ 296,958
Ad valorem taxes collected for other governments	172,170,457	-
Collections on behalf of inmates	1,111,605	-
Total additions	<u>173,282,062</u>	<u>296,958</u>
DEDUCTIONS		
Tax distributions to other governments	173,603,902	-
Payments on behalf of inmates	1,093,859	-
Total deductions	<u>174,697,761</u>	<u>-</u>
Net increase (decrease) in fiduciary net position	(1,415,699)	296,958
Net position - beginning	<u>2,604,316</u>	<u>6,287,748</u>
Net position - ending	<u>\$ 1,188,617</u>	<u>\$ 6,584,706</u>

The notes to the financial statements are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS



CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements and the following accounting policies of Cabarrus County, North Carolina (the "County") and its component units conform to accounting principles generally accepted in the United States of America as applicable to local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The County, which is governed by a five-member board of commissioners, is one of the one hundred counties established in North Carolina under North Carolina General Statute 153A-10. As required by accounting principles generally accepted in the United States of America, these financial statements present the County and its component units, legally separate entities, for which the County is financially accountable. The Cabarrus Development Corporation, blended component unit, and the Cabarrus County Industrial Facility and Pollution Control Financing Authority, a discretely presented component unit, described below, have no financial transactions or account balances; therefore, they do not appear in the financial statements. The Cabarrus County Development Corporation was organized and shall be operated exclusively for the purpose of providing debt financing for the County, to fulfill various statutory obligations involving but not limited to, purchase and sale, construction and/or lease of real estate improvements, facilities, and equipment. The Cabarrus County Industrial Facility and Pollution Control Financing Authority exist to issue and service revenue bond debt of private businesses for economic development purposes. The Authority has no financial transactions or account balances; therefore, it is not presented on the basic financial statements. The Public Health Authority of Cabarrus County, a discretely presented component unit described below, is reported in a separate column in the County's financial statements in order to emphasize that it is legally separate from the County.

Component Unit	Reporting Method	Criteria for Inclusion	Separate Financial Statements
Cabarrus Development Corporation	Blended	The Development Corporation is governed by a three-member Board of Directors who are established through the bylaws of the Articles of Incorporation. The Corporation exists to provide debt financing to the County.	None issued
Cabarrus County Industrial Facility and Pollution Control Financing Authority	Discrete	The Authority is governed by a seven-member Board of Commissioners that is appointed by the County Commissioners. The County can remove any commissioner of the Authority with or without cause.	None issued

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Public Health Authority of Cabarrus County d.b.a. Cabarrus Health Alliance	Discrete	Cabarrus Health Alliance (the "Alliance") was incorporated under the hospital authority act to provide public health care to the citizens and residents of the County. On April 20 th , 1998, the Cabarrus County Board by resolution authorized the transfer of powers, duties, and responsibilities to the Alliance for communicable disease control, environmental protection, and maintenance of vital records. The members of the Board of Alliance are appointed by the Chairperson of the Board of Commissioners for Cabarrus County. The County provides funding to the Alliance. The County funded the Alliance with \$12,040,642 or 33.0% of its total revenues for the fiscal year ended June 30, 2025. A financial benefit or burden relationship exists between the Alliance and the County.	Cabarrus Health Alliance 300 Mooresville Road Kannapolis, NC 28081
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B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the primary government's (the County's) and its component unit's net position. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities, although interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the Statement of Activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the County's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – *governmental*, *proprietary*, and *fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

The County reports the following major governmental funds:

General Fund. This is the County's primary operating fund. This fund accounts for all financial resources of the general government, except those required to be accounted for in another fund. The Community Investment Fund is a legally budgeted fund under North Carolina General Statutes; however, for statement presentation, in accordance with GASB 54, it is consolidated in the General Fund.

County Capital Projects – constructs, renovates, and equips capital projects for the County through the use of debt and non-debt sources.

CARES Act Relief – This fund accounts for funding received from the federal government to cover COVID-19 expenditures for public health emergency.

Opioid Fund – This fund accounts for accounts for the receipt and expenditure of OPIOID Settlement Funds.

School Capital Projects – This fund accounts for planning, design, construction and/or renovation of schools using debt and non-debt sources.

The County reports the following major proprietary fund:

Landfill Fund. This fund accounts for the operations that are financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, costs incurred and/or net income is necessary for management accountability.

The County reports the following fund types:

Internal Service Fund. This fund accounts for operations that provide services to other departments or agencies of the government, or to other governments, on a cost-reimbursement basis. The County has two internal service funds, the Medical and Dental Fund and the Property Liability and Workers' Compensation Fund.

Custodial Funds. These funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Custodial funds are used to account for assets the County holds on behalf of others that meet certain criteria. The County maintains the following custodial funds: the Undistributed Taxes Fund and the Jail Commissary Fund. The Undistributed Taxes Fund is used to accumulate collected property taxes before they are distributed to local municipalities. The Jail Commissary Fund is used to account for an inmate's money deposited with the County when an inmate is housed at the County Detention Center. The money can be used by the inmate to purchase commissary items. Any unused monies are returned to the inmate upon their release.

Trust Funds. This fund is used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans or other postemployment benefit plans. The Other Postemployment Benefits Trust Fund accounts for the County's contributions for healthcare coverage provided to qualified retirees.

Special Revenue Funds. These funds account for revenue sources that are legally restricted or committed to expenditures for specific purposes (not including expendable trusts or major capital projects). As a result of the settlement of the OPIOID litigation and the Memorandum of Agreement between the State of North Carolina and local governments, Cabarrus County created one new special revenue fund. The County maintains the following non-major special revenue funds:

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Emergency Telephone System – accounts for the receipt and disbursement of funds for the Cabarrus County Emergency 911 system.

Community Development Block Grant – accounts for the receipt and disbursement of grant funds from the Community Development Block Grant.

Cabarrus Arena and Events Center – accounts for the operations of the County owned Arena and Events Center and the annual Cabarrus County Fair.

Fire Districts – accounts for the receipt and disbursement of property taxes collected by Cabarrus County and then remitted to each fire department for the purpose of providing fire protection to a specific tax area.

Sheriff's Department – collects and appropriates federal and state funds received specifically for the Cabarrus County Sheriff's Department.

Department of Aging – collects and appropriates contributions and private donations received specifically for the Cabarrus County Department of Aging's Senior Citizen programs and projects.

Social Services Payee Fund - used to account for money deposited with the County through the social services department under a program which manages the financial affairs of persons unable or incapable of managing them on their own.

Intergovernmental Fund - used to accumulate fines and forfeitures before distributed to the local schools, and accounts for the accumulation of Register of Deeds fees that the County is required to remit to the State of North Carolina.

Capital Projects Funds. These funds account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds). The County maintains the following non-major capital projects funds:

Public School Building – collects state public school funds and lottery proceeds and disbursing the funds for smaller non-debt school capital projects.

Small Projects – 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.

Measurement Focus – Basis of Accounting

In accordance with North Carolina General Statutes, all funds of the County are maintained during the year using the modified accrual basis of accounting.

Government-wide, Proprietary, and Fiduciary Fund Financial Statements – The government-wide, proprietary fund and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide, proprietary fund and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which eligibility requirements have been satisfied.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

In the Undistributed Tax Fund, a fiduciary custodial fund, ad valorem taxes related to various municipalities, for which the County bills and collects are recorded as a receivable in the period that the taxes are levied. An allowance for uncollectible accounts is also recorded.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Governmental Fund Financial Statements – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

The County considers all revenues available if they are collected within 60 days after year-end, except for property taxes. Ad valorem taxes receivable are not accrued as revenue because the amount is not susceptible to accrual. On June 30, taxes receivable for property other than motor vehicles are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, state law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes collected and held by the state at year-end on behalf of the County are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

Under the terms of grant agreements, the County funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net positions available to finance the program. It is the County's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

C. Budgetary Data

The County's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for the General Fund, the Community Investment Fund, the Cabarrus Arena and Events Center Special Revenue Fund, the OPIOID Settlement Fund, the Landfill Fund, the Social Services Payee Special Revenue Fund, the Intergovernmental Special Revenue Fund, the Fire Districts Special Revenue Fund, and the Emergency Telephone Special Revenue Fund, all annual appropriations lapse at the fiscal year-end. Project ordinances are adopted for the remaining special revenue funds and the capital projects funds. The County operates under a financial plan for the Medical and Dental and Property Liability and Workers' Compensation Internal Service Funds. The financial plans are adopted by the governing board at the time the County's budget ordinance was approved, as required by the General Statutes. All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the function level for all annually budgeted funds and at the project level for the multi-year funds.

1. The County Manager may not distribute funds appropriated to a private entity until the County and the private entity enter into a written contract or agreement specifying the following:
 - The purposes for which the private entity may use the funds, which shall comply with the requirements of G.S.153A-449(a) and N.C. Const. Art.V,Sec. 2.
 - Requirements for accounting for the management and expenditure of county funds.
 - Any other fiscal or programmatic control deemed appropriate by the County Manager to ensure the lawful and appropriate spending and management of the county funds.
2. The County Manager, or his designee, may transfer moneys from one appropriation to another within the same fund. The County Manager must report such transfers to the Board of Commissioners at its next regular meeting and record such notice in the minutes.
3. The Board of Commissioners must approve the use of any contingency appropriation within any fund except for the County Manager may authorize expenditures from contingency appropriations to fund an increase in charter school student enrollment. Expenditures from contingency appropriations authorized by the County Manager must be reported to the board at its next regular meeting and recorded in the minutes.
4. The County Manager, Budget Director, or designee may create debt-financing amendments from estimated projections upon approval by the Board of Commissioners of the debt financing and adjust as needed upon closing.
5. The County Manager or designee 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.
6. The County Manager or designee may execute contracts not required to be bid or which G.S. 143-131 allows an informal bid so long as the annual budget or appropriate capital project ordinance contains sufficient appropriated but unencumbered funds for such purposes.
7. The County Manager or designee may execute contracts with outside agencies to properly document budgeted appropriations to such agencies where G.S. 153A-248(b), 259, 449 and any similar statutes require such contracts.
8. The County Manager or designee may reject formal bids when deemed appropriate and in the best interest of Cabarrus County pursuant to G.S. 143-129(a).

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

9. The appropriations for Cabarrus County Schools and Kannapolis City Schools are allocated by category. Cabarrus County Schools and Kannapolis City Schools must obtain the approval of the Board of Commissioners for any amendment that would increase or decrease the amount of County appropriations allocated by category by more than ten percent.

In instances where budget appropriations and estimated revenues have been revised during the year, budget data presented in the financial statements represent the final authorized amounts as of June 30, 2025.

Expenditures may not legally exceed budgeted appropriations at the functional level for all annually budgeted funds, financial plans, and multi-year funds. During the year, several supplementary appropriations were necessary. The net effect of the budget amendments from the adopted budget to the final amended budget was immaterial. The budget ordinance must be adopted by July 1 of the fiscal year, or the governing board must adopt an interim budget that covers the time until the annual ordinance can be adopted.

As required by General Statute (G.S.) 159-26(d), the County maintains encumbrance accounts, which are considered to be "budgetary accounts". Encumbrances represent commitments related to unperformed contracts and purchase orders for goods or services. Encumbrances are recognized during the year.

D. Assets, Liabilities, Deferred Inflows and Outflows and Fund Balance

1. Deposits and Investments

All deposits of the County and its component units are made in board-designated official depositories and are secured as required by G.S. 159-31. The County and its component units may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the County and its component unit may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

State law [G.S. 159-30(c)] authorizes the County and its component units to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances, and mutual fund shares when the mutual fund is certified by the local government commission.

General Statute 159-30.1 allows the County to establish and fund an irrevocable trust for the purpose of paying post-employment benefits (OPEB) for which the County is liable. The County Other Postemployment Benefit (OPEB) Trust is managed by the staff of the Department of the State Treasurer and operated in accordance with state laws and regulations. The Trust is not registered with the SEC. G.S. 159-30(g) allows the County to make contributions to the Trust. The State Treasurer in his discretion may invest the proceeds in equities of certain publicly held companies and long or short-term fixed income investments as detailed in G.S. 147-69.2(b) (1-6) and (8). Funds submitted are held on the State Treasurer's Short-Term Investment Fund (STIF). Allowable STIF investments are detailed in G.S. 147-69.1.

The County's and its component unit's investments with a maturity of more than one year at acquisition, and non-money market investments, are carried at fair value as determined by quoted market prices. Non-participating interest earning investment contracts are reported at cost.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

- The NC Capital Management Trust Government Portfolio is a SEC-registered 2a-7 money market mutual fund that is certified by the local government commission un the provision of G.S. 159-30(c)(8) and the North Carolina Administrative Code. The Government Portfolio is a 2a-7 Fund that invests in treasuries, government agencies and repurchase agreements collateralized by treasuries. It is rated AAAM by S&P and AAA-mf by Moody's Investor Service and reported at fair value.
- Ownership of the STIF is determined on a fair marker valuation basis as of fiscal year-end in accordance with the STIF operating procedures. STIF investments are valued by the custodian using Level 2 inputs which in this case involves inputs-other than quoted prices-included with Level 1 that are either directly or indirectly observable for the asset or liability. The STIF is valued at \$1 per share. The STIF portfolio is unrated and had a weighted average maturity at June 30, 2025, of 2.1 years. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to participants of the fund.

2. Cash and Cash Equivalents

A centralized cash account is maintained and may be used by all funds except the Public-School Building Fund and the OPEB Trust Fund. Interest is allocated quarterly to the owning funds based on the average cash balances outstanding during the quarter. Public School Building Fund cash is held by the Department of State Treasurer, State of North Carolina, in a separate account upon which manual checks may be issued and/or drawdowns of funds may be made.

The County, as well as the Cabarrus Health Alliance, pools monies from several funds to facilitate disbursement and investment and to maximize investment income. The County considers all demand deposits and investments with a maturity date of 90 days or less, at the time of purchase to be cash and cash equivalents.

3. Restricted Assets

ARPA funds are classified as restricted cash because funds must be expended in accordance with the American Rescue Plan Act. Additional restricted amounts at year end are for debt payments held in escrow by agent, advances from grantors related to grant advances and cash that is restricted for grant purposes such as SCIF and opioid settlement funds, advance for Medicaid expansion, unspent ERAP funds and funds for the Cabarrus Arena and Events Center. These assets have been reclassified as restricted cash or restricted investments on the Statement of Net Position and the Governmental Balance Sheet. The amounts are considered restricted because their use is expressly prohibited except for the original purpose of which the funds were received.

Governmental Activities		
General Fund	Debt payments held in escrow by agent	\$ 7,448,433
General Fund	Unspent Grant Funds	1,533,522
County Capital Projects	SCIF funds, including interest	21,958,700
County Capital Projects	Financing proceeds not spent	57,871,653
School Capital Projects	Financing proceeds not spent	97,836,565
Cares Act Relief	Unspent ARP relief funds	5,296,018
Cares Act Relief	Unspent ERAP funds	7,729
OPIOID Settlement Funds	Unspent OPIOID Settlement funds	5,704,469
Cabarrus Arena and Events Center Fund	Unspent escrow	52,499
Total Restricted Cash		<u>\$ 197,709,588</u>

Cash and cash equivalents in the OPEB Trust Fund is considered restricted because it can only be used to pay other postemployment benefit obligations.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

4. Ad Valorem Taxes Receivable

In accordance with G.S. 105-347 and G.S. 159-13(a), ad valorem taxes on property other than motor vehicles are levied on July 1, the beginning of the fiscal year, and are due on September 1; however, penalties and interest does not accrue until the following January 6. The taxes are based on the assessed values as of January 1, 2024. The legal lien date is January 1.

The County is permitted by North Carolina general statutes to levy taxes up to \$1.50 per \$100 assessed valuation for general governmental services. This limitation does not apply to debt service, court, and jail facilities, funding deficits, conducting elections, kindergarten to post-secondary public education, social services, or joint ventures with other political subdivisions in providing these functions, services, or activities. The County's tax rate for the 2024-2025 fiscal year was \$0.576 per \$100 valuation.

5. Lease Receivable

The County's lease receivable is measured at the present value of lease payments expected to be received during the lease term. There are no variable components under the lease agreement. A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

6. Allowances for Doubtful Accounts

Ad valorem taxes for the County and various municipalities for which the County bills, and Emergency Management Services receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years.

Based on the County's collection history for Landfill accounts and the aging report as of June 30, 2025, the County expects the total accounts receivable for the Landfill to be collected. The County does not consider accounts uncollectible unless greater than three years. Therefore, an allowance for doubtful accounts has not been recorded for the Landfill. Of the total accounts receivable at June 30, 2025, 16 credit customers had a balance greater than 30 days past due. These accounts are expected to be paid in full.

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.

7. Inventories and Prepaid items

Inventories are valued at cost using the first-in/first-out (FIFO) method and consist of expendable supplies and vehicle repair parts. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased. The Cabarrus Health Alliance maintains no inventory.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements and expensed as the items are used.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

8. Capital Assets

Capital assets are defined by the government as assets with an initial, minimum individual cost of \$5,000 and an estimated useful life more than one year. Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets received prior to June 15, 2015 are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 15, 2015 are recorded at acquisition value. All other purchased or constructed capital assets are reported at cost or estimated historical cost. The costs of normal maintenance and repair that do not add to the value of the assets or materially extend assets lives are not capitalized.

The County holds title to certain Cabarrus County and Kannapolis City Board of Education properties, which have not been included in capital assets. The properties have been deeded to the County to permit Certificates of Participation and installment financing of acquisition and construction costs and to permit the County to receive refunds of sales tax paid for construction costs. Agreements between the County and the Boards of Education give the Boards of Education full use of the facilities, full responsibility for maintenance of the facilities, and provide that the County will convey title to the property back to the Boards of Education once all restrictions of the financing agreements and all sales tax reimbursement requirements have been met. The properties are reflected as capital assets in the financial statements of the Cabarrus County and Kannapolis City Boards of Education.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	40
Land improvements	15
Furniture and equipment	7
Reservoir	999
Vehicles and motorized equipment	7

Capital assets of the Cabarrus Health Alliance are depreciated over their useful live on a straight-line basis as follows:

<u>Assets</u>	<u>Years</u>
Office equipment	5
Computer equipment	5
Vehicles	5
Leasehold improvements	15

9. Right to use assets

The County has recorded right to use lease assets as a result of implementing GASB 87 and GASB 96. These right to use assets arise in association with agreements where the County reports a lease (only applies when the County is the lessee) or agreements where the County reports an Information Technology (IT) Subscription in

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

accordance with the requirements of GASB 87 and GASB 96, respectively. The right to use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives and plus ancillary charges necessary to place the lease into service. The right to use assets are amortized on a straight-line basis over the life of the related lease.

The right to use IT subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any subscription payments made at the start of the subscription term, if applicable, plus capitalizable initial implementation costs at the start of the subscription term, less any incentives received from the IT subscription vendor at the start of the subscription term. Subscription payments, as well as payments for capitalizable implementation costs made before the start of the subscription term should be reported as a prepayment (asset). Such prepayments should be reduced by any incentives received from the same vendor before the start of the subscription term if a right of offset exists. The net amount of the prepayments and incentives should be reported as an asset or liability, as appropriate, before the start of the subscription term at which time the amount should be included in the initial measurement of the subscription asset. The right to use subscription assets should be amortized on a straight-line basis over the subscription term.

10. Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred Outflows of Resources*, represents a consumption of net assets that applies to a future period and so will not be recognized as an expense or expenditure until then. The County has three items that meet this criterion – charges on debt refunding, pension and OPEB related deferrals. In addition to liabilities, the Statement of Net Position can also report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred Inflows of Resources*, represents an acquisition of net assets that applies to a future period and so will not be recognized as revenue until then. The County has several items that meet this criterion for this category – prepaid taxes, property tax receivable, ambulance and other receivables, opioid settlement receivable, other pension and OPEB related deferrals and lease receivable.

11. Long-Term Obligations

In the government-wide financial statements and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities on the Statement of Net Position.

In the fund financial statements for governmental fund types, the face amount of debt issued is reported as other financing sources.

12. Compensated Absences

All permanent and probationary County and Cabarrus Health Alliance employees who are scheduled to work at least 1,000 hours during the calendar year receive vacation and sick leave benefits. The County's vacation policy allows for an unlimited accumulation of earned leave during the calendar year with a maximum of 240 hours (252 hours for 12-hour law enforcement personnel and 318 hours for fire fighter personnel) being carried over to January 1. Vacation exceeding 240 hours (252 hours for 12-hour law enforcement personnel and 318 hours for fire fighter personnel) is converted into sick leave after January 1st. Vacation leave is fully vested when earned. The County budgets and funds the current portion of accumulated vacation leave during each fiscal year. Vacation leave is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

The sick leave policies of the County provide for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. With the implementation of GASB No. 101, the County, will estimate what sick leave is “more likely than not to be paid or used” and recognize that portion as a liability for compensated absence and salary-related payments. The County used the practical expedient method in determining the relevant liability.

13. OPIOID Settlement Funds

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

The County received \$1,875,031 as part of this settlement in Fiscal Year 2025. 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, 2025, the County had determined 13 different spending strategies totaling \$12,024,982 of the total funds through 2029. The County expended \$991,522 in fiscal year 2025 and in total \$1,492,653 as of June 30, 2025. The County had not determined a spending strategy for the balance of the funds and the funds are budgeted in an unallocated account.

14. Reimbursements for Pandemic-related Expenditures

In Fiscal Year 2021, the American Rescue Plan Act (ARPA) established the Coronavirus State and Local Fiscal recovery Funds to support urgent COVID-19 response efforts and replace lost revenue for eligible state, local, territorial, and tribal governments. Cabarrus County was awarded \$42,043,458 of fiscal recovery funds to be paid in two equal installments. The first installment of \$21,021,729 was received May 2021. The second installment \$21,027,729 was received June 2022. County staff and Board of Commissioners elected to support public health, mental health services, small businesses, non-profits and disproportionately impacted populations and communities. The County spent \$5,563,909 in fiscal year 2025. As of June 30, 2025, the County has spent \$36,744,714.

15. Net Position/Fund Balances

a. Net Position

Net position in government-wide and proprietary financial statements is classified as net investment in capital assets; restricted and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through state statute.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

b. Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

1. Non-spendable Fund Balance

This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Inventories – portion of fund balance that is not an available resource because it represents the year-end balance of ending inventories, which are not spendable resources.

Prepaid Items – portion of fund balance that is not an available resource because it represents the amount of payment of items that will be expensed in future fiscal years.

2. Restricted Fund Balance

This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for Stabilization by State Statute – North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State Statute (RSS) is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by state statute". *Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal year next preceding the budget.* Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories and prepaids as they are classified as nonspendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet. For the fiscal year ended June 30, 2025, \$38,339,213 was related to the General Fund and \$53,963,405 was for County Capital Projects Fund, \$5,168,057 for CARES fund, \$731,163 for Opioid fund and \$597,247 for other non-major funds.

Restricted for Register of Deeds Automation and Enhancement – portion of fund balance that is restricted by revenue source to pay for automation enhancement improvements in the Register of Deeds' office.

Restricted for Emergency Telephone – portion of fund balance restricted for expenditures to enhance the state's 911 system.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Restricted for Public Safety - portion of fund balance restricted by revenue source for unspent Federal Forfeiture Funds, Emergency Management Operations, State Criminal Alien Assistance Program, Animal Shelter Donations and support of the administration and activities of the inspection department.

Restricted for Community Development Programs – portion of fund balance restricted by revenue source for community development low-income housing projects.

Restricted for Soil & Water Programs – portion of fund balance restricted by revenue source for unspent Conservation Grant proceeds used for Soil and Water Land conservation projects.

Restricted for Culture and Recreation – portion of fund balance restricted by revenue source for unspent grants.

Restricted for Human Service - Opioid Settlement Funds – funds restricted by revenue source associated with Opioid abatement and remediation activities.

Restricted for School Debt and Construction – portion of fund balance restricted by revenue source to be used for school debt service payments and construction.

Restricted for Cabarrus Arena & Events Center – portion of fund balance restricted by revenue source for use as an at-risk fund for the Cabarrus Arena and Events Center operations.

Restricted for Human Services – portion of fund balance restricted for unspent 4H Cannon Grant and funds received for Social Services Payees’.

Restricted net position on Exhibit 1 varies from restricted fund balance on Exhibit 3 as of June 30, 2025 by the amount of Register of Deeds’ Pension Plan of \$246,152, and \$155,708,218 of unspent debt proceeds for a net difference of \$155,462,066.

3. Committed Fund Balance

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government’s highest level of decision-making authority. The Board of Commissioners is the highest level of decision-making authority for the government that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation.

Committed for Community Investment Fund – portion of fund balance budgeted by the governing board to pay for future capital projects.

Committed for General Government – portion of fund balance budgeted by the governing board for ERP software upgrade and support for recruitment.

Committed for Public Safety – portion of fund balance committed by the governing board by revenue source to pay for EMS vehicle and Sheriff radio expenses.

Committed for Economic & Physical Development – portion of fund balance committed by the governing board for economic development expenditures.

Committed for Human Services – portion of fund balance committed by the governing board for Department of Human Services projects.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Committed for Education – portion of fund balance committed by the governing board for planning, designing and construction of public schools.

Committed for Culture & Recreation – portion of fund balance committed by the governing board for building improvements at the arena.

4. Assigned Fund Balance

The County's governing body has the authority to assign fund balance. The Manager and Deputy County Managers, as granted in the officially adopted budget ordinance, have been granted limited authority to assign fund balance.

Assigned for General Government – portion of fund balance that is intended to be used for 1) property tax appeals 2) extraordinary circumstances 3) pending and potential claims and 4) uncompleted projects budgeted in subsequent years expenditures.

Assigned for Public Safety – portion of fund balance intended to be used for uncompleted Emergency Medical Services and Sheriff Department projects.

Assigned for Economic and Physical Development – portion of fund balance intended to be used for planning and soil and water projects.

Assigned for Human Services – portion of fund balance intended to be used for human services projects.

Assigned for Culture and Recreation – portion of fund balance intended to be used for parks project.

5. Unassigned Fund Balance

Unassigned fund balance represents the portion of fund balance that has not been restricted, committed, or assigned to specific purposes or other funds. Only the General Fund may report a positive unassigned fund balance. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Cabarrus County has revenue spending procedures that provide guidance for programs with multiple revenue sources. The Finance Director will use resources in the following order: bond/issuance of debt, federal funds, state funds, local funds, County funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in-order by committed fund balance, assigned fund balance, and lastly unassigned fund balance. The Finance Director has the authority to deviate from this policy if it is in the best interest of the County or when required by grant or other contractual agreements.

Cabarrus County has a Fund Balance Policy. On June 14, 2005 (revised March 15, 2010), the Board of Commissioners adopted a resolution formalizing the following fiscal management policies to be incorporated into the County's budget document beginning with the 2006 fiscal year:

1. Recurring, operational expenses of the County government will only be funded through recurring revenue sources.
2. The County will maintain an undesignated fund balance equal to 15% of General Fund expenditures; and

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

3. Upon the completion of the annual audit of the County finances, any undesignated fund balance above 15% will be transferred to the Community Investment Fund, to reduce reliance on debt financing; or to the Self- Funded Hospitalization Fund, the Self-Funded Liability Fund or the Self-Funded Workers' Compensation Fund as required to maintain the integrity of those funds.
4. Notwithstanding the requirements of items 1, 2, and 3 above, fund balance may be appropriated for any use in the General Fund to overcome revenue shortfalls related to significant downturns in the economy.

On June 18, 2019, the Board of Commissioners adopted a resolution formalizing the following fiscal management policies to be incorporated into the County's budget document beginning with the 2019 fiscal year:

If unassigned fund balance at the end of the current fiscal year is less than the approved fund balance level, the deficiency should be replenished in the coming fiscal years, not to exceed a total of three consecutive years.

The following schedule provides management and citizens with information on the portion of General fund balance that is available for appropriation.

Total fund balance - General Fund	\$ 304,049,765
Less:	
Inventories	351,392
Prepaid items	369,904
Stabilization by state statute	38,339,213
Restricted for debt payments	7,448,433
Restricted for Building Inspections	12,681,619
Restricted for Public Safety	1,708,684
Committed for Community Investment Fund	125,103,521
Committed for unpaid tax incentives	5,000,000
Uncompleted FY24 projects	4,450,290
General Government assignments	10,996,102
Working Capital/Fund Balance policy	62,091,023
Fund balance remaining for appropriation	<u>\$ 35,509,584</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

16. Adjustment and Restatement of Beginning Balances

During the current year, the County of Cabarrus implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation time owed to employees upon separation of employment, the County now recognizes an estimated amount of sick leave earned as of year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effect of the change in accounting principles are summarized below in the “Restatement GASB 101 Implementation” column in the table below.

	Net Position/Fund Balance 6/30/2024 as Previously Reported	Change Within Reporting Entity- Nonmajor to Major	Restatement for GASB 101 Implementation	Net Position/Fund Balance 6/30/2024 as Restated
Governmental activities	\$ 179,470,242	\$ -	\$ (14,385,747)	\$ 165,084,495
Business-type activities/Enterprise Fund	7,525,888	-	(237,063)	7,288,825
	<u>\$ 186,996,130</u>	<u>\$ -</u>	<u>\$ (14,622,810)</u>	<u>\$ 172,373,320</u>
Major Fund - School Capital Projects	\$ -	\$ 13,183,217	\$ -	\$ 13,183,217
Other Governmental Funds	23,218,967	(13,183,217)	-	10,035,750
	<u>\$ 23,218,967</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 23,218,967</u>

17. Defined Benefit Pension Plans

The County participates in three cost-sharing, multiple employers, defined benefit pension plans that are administered by the state: the Local Governmental Employees’ Retirement System (LERS) the Register of Deeds’ Supplemental Pension Fund (RODSPF), (collectively the “state-administered defined benefit pension plans”) and one other postemployment benefit plan (OPEB), the Healthcare Benefits Plan (HCB). For purposes of measuring the net pension asset or liability, deferred outflows of resources and deferred inflows or resources related to pensions and pension expense, information about the fiduciary net positions of the state-administered defined benefit pension plans and additions to/deductions from the state-administered defined benefit pension plans’ fiduciary net positions have been determined on the same basis as they are reported by the state-administered defined benefit pension plans. For this purpose, plan member contributions are recognized in the period in which contributions are due. The County’s employer contributions are recognized when due and the County has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of the state-administered defined benefit pension plans. For purposes of measuring the net OPEB liability, deferred outflows and inflows of resources related to OPEB and OPEB expense, information about the fiduciary net position of the HCB and additions to/deductions from the HCB’s fiduciary net position have been determined on the same basis as they are reported by the HCB. For this purpose, the HCB recognizes benefit payments when due and payable in accordance with the benefit terms. Investments for all plans are reported at fair value.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

E. Management Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

F. Other Resources

The General Fund provides the basis of local resources for other governmental funds. These transactions are recorded as “Transfers-out” in the General Fund and “Transfers-in” in the receiving fund.

G. Comparative Data/Reclassifications

Comparative data for the prior years have been presented in the Management Discussion and Analysis report, the Notes to the Financial Statements and Statistical Tables in order to provide an understanding of the changes in the financial position and operations of the County. Also, certain amounts presented in the prior year data have been reclassified in order to be consistent with the current year’s presentation.

NOTE 2. DETAIL NOTES ON ALL FUNDS

A. Assets

1. Deposits

All of the County’s and its component unit’s deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the County’s agents in these units’ names. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer’s agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the County and its component units, these deposits are considered to be held by their agents in the entities’ names. The amount of pledged collateral is based on an approved averaging method for noninterest-bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the County, its component units, or the escrow agent. Because of the inability to measure the exact amounts of collateral pledged for the County or its component units under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. Cabarrus County has no formal policy regarding custodial credit risk for deposits but relies on the State Treasurer to enforce standards of minimum capitalization for all pooling method financial institutions and to monitor them for compliance. The County analyzes the financial soundness of any other financial institution used by the County. The County complies with the provisions of G.S. 159-31 when designating official depositories and verifying that deposits are properly secured. The Cabarrus Health Alliance has no formal policy regarding custodial credit risk for deposits.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

At June 30, 2025, the carrying amount of the County's bank deposits, including custodial fund, was \$32,287,237 and the bank balance was \$32,379,268. Of the bank balance, \$858,827 was covered by federal depository insurance, and \$30,757,291 was covered by collateral, held by authorized escrow agents in the name of the County, under the Pooling Method. At June 30, 2025, the County had \$9,627 cash on hand.

At June 30, 2025, the carrying amount of the Cabarrus Health Alliance's bank deposits was \$1,845,988 and the bank balance was \$2,088,433. Of the bank balance, \$250,000 was covered by federal depository insurance and the remainder was covered by collateral held under the pooling method. At June 30, 2025, the Cabarrus Health Alliance had \$3,600 of cash on hand.

2. Investments

As of June 30, 2025, the County had the following investments and maturities:

Investment Type	Valuation	Fair Value	Less Than 6 Months	6-12 Months	1-3 Years
	Measurement Method				
US Government Agencies	Fair Value-Level 2	\$ 71,916,840	\$ -	\$ 71,916,840	\$ -
US Treasuries	Fair Value-Level 1	132,723,887	-	132,723,887	-
Commercial Paper	Fair Value-Level 2	104,453,049	-	104,453,049	-
NC Capital Management Trust					
Government Portfolio	Fair Value-Level 1	214,037,267	214,037,267	-	-
Total		<u>\$ 523,131,043</u>	<u>\$ 214,037,267</u>	<u>\$ 309,093,776</u>	<u>\$ -</u>

Level of fair value hierarchy: Level 1: Debt securities valued using directly observable, quoted prices (unadjusted) in active markets for identical assets. Level Two: Debt securities are valued using a matrix pricing technique. Matrix pricing is used to value securities on the securities' relationship to benchmark quoted prices.

Interest Rate Risk. As a means of limiting its exposure to fair value losses arising from rising interest rates, the County's investment policy limits at least half of the County's investment portfolio to maturities of less than 12 months. Also, the County's investment policy requires purchases of securities to be laddered with staggered maturity dates and limits all securities to a final maturity of no more than five years.

Credit Risk. The County's investment policy limits investments to the provisions of G.S. 159-30 and restricts the purchase of securities to the highest possible ratings whenever particular types of securities are rated. State law limits investments in commercial paper to the top rating issued by nationally recognized statistical rating organizations (NRSROs). As of June 30, 2025, The County's investment in commercial paper were rated A-1 and A-1+ by Standard & Poor's, F-1 and F-1+ by Fitch Ratings, and P-1 by Moody's Investors Service. The County's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAA by Standard & Poor's and AAA-mf by Moody's Investor Service as of June 30, 2025. The County's investment in US Agencies (Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association) are rated Aaa and Federal Farm Credit Bank is rated AA+ by Moody's Investors Service.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Custodial Credit Risk. For an investment, custodial credit risk is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The County's formal policy indicates that the County shall utilize a third-party custodial agent for book entry transactions, all of which shall be a trust department authorized to do trust work in North Carolina who has an account with the Federal Reserve. Certificated securities shall be in the custody of the designated investment officer.

Concentration of Credit Risk. With the exception of U.S. Treasury securities, U.S agencies and authorized pools, Cabarrus County's investment policy does not allow for commercial paper investments in any one issuer in excess of 10% of the County's total investments. Thirty percent of the County's investments are held in commercial paper, twenty-one percent in governmental agencies, thirty-nine percent in treasury bills, and ten percent in North Carolina Capital Management Trust.

At June 30, 2025, the Cabarrus Health Alliance's investments consisted of \$10,311,923 in the North Carolina Capital Management Trust's Government Portfolio, which carried a credit rating of AAA by Standard and Poor's. The Government portfolio's valuation measurement method is amortized cost. The Cabarrus Health Alliance does not have a formal policy regarding credit risk or interest rate risk.

3. OPEB Trust Fund

At June 30, 2025, the County's health Care Plan has \$6,584,706 invested in the North Carolina State Treasurer's Local government Other Post-Employment (OPEB) Trust pursuant to G.S. 15-30.1. The State Treasurer's OPEB Trust may invest in public equities and both long-term and short-term fixed income obligations as determined by the State Treasurer pursuant to the General Statutes. At year-end, the County's OPEB Trust was invested as follows: State Treasurer's Short Term Investment Fund (STIF) 100%, which is reported as cash and cash equivalents.

Level of the Fair Value Hierarchy: Ownership of the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with STIF operating procedures. STIF investments are valued by the custodian using Level 2 inputs which in this case involves inputs-other than quoted prices-included within Level 1 that are either directly or indirectly observable for the asset or liability. The STIF is valued at \$1 per shar.

Valuation Technique: North Carolina Department of State Treasurer OPEB Trust investments are measured using the market approach: using prices and other relevant information generated by marker transactions involving identical or comparable assets or group of assets.

Interest Rate Risk – The County does not have a formal investment interest rate policy for the OPEB Trust Fund that manages its exposure to fair value losses arising from increasing interest rates. The State Treasurer's STIF is unrated and had a weighted average maturity of 2.1 years at June 30, 2025.

Credit Risk – The County does not have a formal investment policy regarding credit risk for the HCB Pan Fund. The STIF is unrated and authorized under NC General Statute 147-69.1. The State Treasurer's STIF is invested in highly liquid fixed income securities consisting primarily of short to intermediate term treasuries, agencies, and money market instruments.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

4. Property Tax-Use-Value Assessment on Certain Lands

In accordance with North Carolina general statutes, agriculture, horticulture, and forestland may be taxed by the County at present-use value as opposed to market value. When the property loses its eligibility for use-value taxation, the property tax is recomputed at market value for the current year and the three preceding fiscal years along with accrued interest from the original due date. This tax is immediately due and payable. The amounts shown in the table are property taxes that could become due if present use-value eligibility is lost. These amounts have not been recorded in the financial statements.

<u>Year Levied</u>	<u>Tax</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 6,180,192	\$ 1,467,796	\$ 7,647,988
2023	6,217,004	917,008	7,134,012
2024	4,969,516	285,747	5,255,263
2025	7,884,410	-	7,884,410
Total	<u>\$ 25,251,122</u>	<u>\$ 2,670,551</u>	<u>\$ 27,921,673</u>

5. Receivables

a. Government-wide Receivables

Receivables at the government-wide level for the Primary Government at June 30, 2025 were as follows:

	<u>Accounts</u>	<u>Customers</u>	<u>Lease Receivable</u>	<u>Due from other Governments</u>	<u>Taxes and Interest</u>	<u>Total</u>
Governmental Activities:						
General	\$ 1,304,819	\$ 16,448,100	\$ 791,196	\$ 36,241,041	\$ 7,210,167	\$ 61,995,323
Other governmental	15,333,782	-	-	105,210	-	15,438,992
Total receivables	16,638,601	16,448,100	791,196	36,346,251	7,210,167	77,434,315
Allowance for doubtful accounts	(3,052,782)	(13,991,295)	-	-	(2,084,613)	(19,128,690)
Total-governmental activities	<u>\$ 13,585,819</u>	<u>\$ 2,456,805</u>	<u>\$ 791,196</u>	<u>\$ 36,346,251</u>	<u>\$ 5,125,554</u>	<u>\$ 58,305,625</u>
Business-type Activities:						
Landfill	\$ -	\$ 19,470	\$ -	\$ 162,934	\$ -	\$ 182,404
Total-business-type activities	<u>\$ -</u>	<u>\$ 19,470</u>	<u>\$ -</u>	<u>\$ 162,934</u>	<u>\$ -</u>	<u>\$ 182,404</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

On 07/01/2021, Cabarrus County, NC entered into a 102-month lease as Lessor for the use of Office Space - 715 Cabarrus Avenue - USDA. An initial lease receivable was recorded in the amount of \$112,377. As of 06/30/2025, the value of the lease receivable including accrued interest is \$143,206 and the value of the short-term lease receivable is \$31,189. The lessee is required to make monthly fixed payments of \$2,717. The lease has an interest rate of 1.0950%. The buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2025 was \$186,040, and Cabarrus County, NC recognized lease revenue of \$31,924 during the fiscal year.

On 07/01/2021, Cabarrus County, NC entered into a 97 month lease as Lessor for the use of Verizon Tower - 700 Walker Road. An initial lease receivable was recorded in the amount of \$82,671. As of 06/30/2025, the value of the lease receivable including accrued interest is \$118,644 and the value of the short-term lease receivable is \$28,018. The lessee is required to make monthly fixed payments of \$2,420. The lease has an interest rate of 0.9670%. The infrastructure estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2025 was \$159,410, and Cabarrus County, NC recognized lease revenue of \$28,245 during the fiscal year.

On 07/01/2021, Cabarrus County, NC entered into a 72 month lease as Lessor for the use of AT&T Cell Phone Tower Lease - 698 Walker road. An initial lease receivable was recorded in the amount of \$131,352. As of 06/30/2025, the value of the lease receivable including accrued interest is \$44,744 and the value of the short-term lease receivable is \$22,331. The lessee is required to make monthly fixed payments of \$1,870. The lease has an interest rate of 0.3160%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2025 was \$43,784, and Cabarrus County, NC recognized lease revenue of \$21,892 during the fiscal year. The lessee has 3 extension option(s), each for 60 months.

On 07/01/2021, Cabarrus County, NC entered into a 76 month lease as Lessor for the use of Verizon Tower - Rockland circle. An initial lease receivable was recorded in the amount of \$185,100. As of 06/30/2025, the value of the lease receivable including accrued interest is \$72,698 and the value of the short-term lease receivable is \$30,455. The lessee is required to make monthly fixed payments of \$2,585. The lease has an interest rate of 1.2166%. The infrastructure estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2025 was \$68,195, and Cabarrus County, NC recognized lease revenue of \$29,226 during the fiscal year. The lessee has 3 extension option(s), each for 60 months.

On 09/01/2023, Cabarrus County, NC entered into a 60-month lease as Lessor for the use of Milestone Partners Lease. An initial lease receivable was recorded in the amount of \$443,043. As of 06/30/2025, the value of the lease receivable including accrued interest is \$295,806 and the value of the short-term lease receivable is \$90,878. The lessee is required to make monthly fixed payments of \$8,074. The lease has an interest rate of 2.3660%. The buildings estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2025 was \$378,266, and Cabarrus County, NC recognized lease revenue of \$91,120 during the fiscal year. The lessee has 5 extension option(s), each for 12 months. Cabarrus County, NC has 5 extension option(s), each for 12 months.

On 12/18/2024, Cabarrus County, NC entered into a 60-month lease as Lessor for the use of T-Mobile Tower Lease. An initial lease receivable was recorded in the amount of \$128,145. As of 06/30/2025, the value of the lease receivable including accrued interest is \$116,098 and the value of the short-term lease receivable is \$24,689. The lessee is required to make monthly fixed payments of \$2,265. The lease has an interest rate of 2.3810%. The Land estimated useful life was 0 months as of the contract commencement. The value of the deferred inflow of resources as of 06/30/2025 was \$114,405, and Cabarrus County, NC recognized lease revenue of \$13,740 during the fiscal year.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Fiscal Year	Lease Receivables		
	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2026	\$ 227,560	\$ 11,753	\$ 239,313
2027	232,014	7,923	239,937
2028	192,343	4,117	196,460
2029	103,687	1,280	104,967
2030	35,592	152	35,744
Total	<u>\$ 791,196</u>	<u>\$ 25,225</u>	<u>\$ 816,421</u>

Due from other governments that is owed to the County consists of the following:

	Governmental Activities	Business Type Activities
Local option sales tax	\$ 21,320,793	\$ -
NCVTS	3,113,283	-
Grants	5,044,799	-
Other	6,867,376	-
White Goods	-	31,438
Solid Waste disposal tax	-	13,568
Scrap tire tax	-	117,928
	<u>\$ 36,346,251</u>	<u>\$ 162,934</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Discretely Presented Component Unit CHA

Receivables at the government-wide level for the Cabarrus Health Alliance at June 30, 2025, were as follows:

	<u>Accounts</u>	<u>Customers</u>	<u>Due from Other Governments</u>	<u>Total</u>
Governmental Activities:				
General	\$ 2,150,863	\$ 845,107	\$ 182,850	\$ 3,178,820
Allowance for doubtful accounts	-	(273,172)	-	(273,172)
Total receivables	<u>2,150,863</u>	<u>571,935</u>	<u>182,850</u>	<u>2,905,648</u>
Total-governmental activities	<u>\$ 2,150,863</u>	<u>\$ 571,935</u>	<u>\$ 182,850</u>	<u>\$ 2,905,648</u>

6. Capital Assets

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities:					
Capital assets not being depreciated:					
Land	\$ 30,337,789	\$ 2,395,961	\$ -	\$ -	\$ 32,733,750
Construction in progress	<u>72,431,956</u>	<u>29,983,994</u>	<u>-</u>	<u>(77,049,773)</u>	<u>25,366,177</u>
Total capital assets not being depreciated	<u>102,769,745</u>	<u>32,379,955</u>	<u>-</u>	<u>(77,049,773)</u>	<u>58,099,927</u>
Capital assets being depreciated:					
Buildings	291,874,587	33,528,861	-	46,823,949	372,227,397
Building improvements	54,179,086	6,847,081	-	30,225,824	91,251,991
Equipment	25,727,110	3,302,480	-	-	29,029,590
Furniture and fixtures	1,976,541	-	-	-	1,976,541
Land improvements	15,711,119	-	-	-	15,711,119
Vehicles	23,449,039	5,630,052	(3,214,143)	-	25,864,948
Reservoir	21,743,730	-	-	-	21,743,730
Total capital assets being depreciated	<u>434,661,212</u>	<u>49,308,474</u>	<u>(3,214,143)</u>	<u>77,049,773</u>	<u>557,805,316</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

	Beginning Balance	Increases	Decreases	Transfers	Ending Balance
Less accumulated depreciation for:					
Buildings	68,891,880	7,906,611	-	-	76,798,491
Building improvements	10,054,078	2,299,664	-	-	12,353,742
Equipment	22,449,392	801,024	-	-	23,250,416
Furniture and fixtures	1,638,310	41,765	-	-	1,680,075
Land improvements	9,207,441	636,728	-	-	9,844,169
Vehicles	13,594,571	2,899,483	(2,888,238)	-	13,605,816
Reservoir	609,435	21,766	-	-	631,201
Total accumulated depreciation	<u>126,445,107</u>	<u>14,607,041</u>	<u>(2,888,238)</u>	<u>-</u>	<u>138,163,910</u>
Total capital assets, being depreciated, net	<u>308,216,105</u>	<u>34,701,433</u>	<u>(325,905)</u>	<u>77,049,773</u>	<u>419,641,406</u>
Capital assets being amortized					
Right To use assets:					
Leased equipment	594,017	377,068	-	-	971,085
Leased buildings	5,302,740	125,020	-	-	5,427,760
IT subscriptions	2,122,880	1,580,165	(410,298)	-	3,292,747
	<u>8,019,637</u>	<u>2,082,253</u>	<u>(410,298)</u>	<u>-</u>	<u>9,691,592</u>
Less accumulated amortization for:					
Right To use assets:					
Leased equipment	63,693	191,078	-	-	254,771
Leased buildings	2,680,993	914,178	-	-	3,595,171
IT subscriptions	941,243	837,299	(410,298)	-	1,368,244
Total accumulated amortization	<u>3,685,929</u>	<u>1,942,555</u>	<u>(410,298)</u>	<u>-</u>	<u>5,218,186</u>
Total right to use assets, net	<u>4,333,708</u>	<u>139,698</u>	<u>-</u>	<u>-</u>	<u>4,473,406</u>
Governmental and Internal Service Fund Capital Assets, net	<u>\$ 415,319,558</u>	<u>\$ 67,221,086</u>	<u>\$ (325,905)</u>	<u>\$ -</u>	<u>\$ 482,214,739</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Depreciation and amortization expense was charged to function/programs of the primary government as follows:

Governmental activities:	
General government	\$ 2,344,697
Public safety	9,486,462
Economic & physical development	28,964
Environmental protection development	54,627
Human services	998,288
Culture & recreation	1,694,004
Subscription amortization	837,299
Right to use lease amortization	1,105,255
Total depreciation and amortization expense - governmental & internal services activities	<u>\$ 16,549,596</u>

Capital asset activity for the year ended June 30, 2025:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business-type activities:				
Capital assets, not being depreciated:				
Land	<u>\$ 490,447</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 490,447</u>
Capital assets, being depreciated:				
Land improvements	2,376,141	-	-	2,376,141
Vehicles	2,041,051	-	-	2,041,051
Equipment	1,340,352	-	-	1,340,352
Buildings	<u>1,256,544</u>	<u>-</u>	<u>-</u>	<u>1,256,544</u>
Total capital assets, being depreciated	<u>7,014,088</u>	<u>-</u>	<u>-</u>	<u>7,014,088</u>
Less accumulated depreciation for:				
Land improvements	1,591,172	31,490	-	1,622,662
Vehicles	1,947,060	18,435	-	1,965,495
Equipment	291,053	155,732	-	446,785
Buildings	<u>565,107</u>	<u>31,415</u>	<u>-</u>	<u>596,522</u>
Total accumulated depreciation	<u>4,394,392</u>	<u>237,072</u>	<u>-</u>	<u>4,631,464</u>
Total capital assets, being depreciated, net	<u>2,619,696</u>	<u>(237,072)</u>	<u>-</u>	<u>2,382,624</u>
Proprietary capital assets, net	<u>\$ 3,110,143</u>	<u>\$ (237,072)</u>	<u>\$ -</u>	<u>\$ 2,873,071</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Construction Commitments

The government has active construction projects as of June 30, 2025. The projects include New School Construction (Multiple Schools Roof Replacements, Fred L. Wilson Elementary School, Opportunity School, Mary Francis Wall School, Coltrane Webb School), Renovations to the Health Services Center and Mental Health Facility. At year-end, the government's commitments with contractors are as follows:

	Spent-To-Date	Remaining Commitment
School new construction	\$ 36,255,199	\$ 88,157,443
Health Services Center	173,215	21,826,785
Mental Health Facility	16,360,196	41,639,804
	<u>\$ 52,788,610</u>	<u>\$ 151,624,032</u>

Discretely Presented Component Unit

Capital asset activity for Cabarrus Health Alliance for the year ended June 30, 2025, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Construction in progress	\$ -	\$ 2,754,873	\$ -	\$ 2,754,873
Capital assets, being depreciated:				
Furniture and fixtures	731,470	64,104	(5,169)	790,405
Vehicles	1,265,736	134,978	(14,240)	1,386,474
Equipment	1,563,610	361,537	(39,816)	1,885,331
Land improvements	195,932	422,756	-	618,688
Total capital assets being depreciated	<u>3,756,748</u>	<u>983,375</u>	<u>(59,225)</u>	<u>4,680,898</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

	Beginning Balance	Increases	Decreases	Ending Balance
Less accumulated depreciation:				
Furniture and fixtures	447,503	72,789	(5,169)	515,123
Vehicles	724,380	166,864	(14,240)	877,004
Equipment	1,248,908	164,697	(39,816)	1,373,789
Land improvements	10,755	34,737	-	45,492
Total accumulated depreciation	<u>2,431,546</u>	<u>439,087</u>	<u>(59,225)</u>	<u>2,811,408</u>
 Total governmental activities, being depreciated (net)	 <u>1,325,202</u>	 <u>544,288</u>	 <u>-</u>	 <u>1,869,490</u>
 Capital assets, being amortized:				
Right to use assets:				
Leased equipment	184,371	-	-	184,371
Leased building	735,945	-	(442,146)	293,799
Total right to use assets	<u>920,316</u>	<u>-</u>	<u>(442,146)</u>	<u>478,170</u>
Less accumulated amortization:				
Leased equipment	64,853	38,505	-	103,358
Leased building	373,352	132,451	(442,146)	63,657
Total right to use assets	<u>438,205</u>	<u>170,956</u>	<u>(442,146)</u>	<u>167,015</u>
Total capital assets being amortized, (net)	<u>482,111</u>	<u>(170,956)</u>	<u>(442,146)</u>	<u>311,155</u>
 Cabarrus Health Alliance capital assets, (net)	 <u>\$ 1,807,313</u>	 <u>\$ 3,128,205</u>	 <u>\$ -</u>	 <u>\$ 4,935,518</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

B. Liabilities

1. Payables

Payables at the government-wide level for the Primary Government at June 30, 2025, were as follows:

	Vendors	Salaries and Benefits	Other	Total
Governmental Activities:				
General	\$ 8,322,763	\$ 4,600,425	\$ 1,783,437	\$ 14,706,625
County Capital Projects	2,145,052	-	-	2,145,052
Cares Act Relief Fund	-	5,003	-	5,003
OPIOID Settlement	80,829	15,523	-	96,352
Other governmental	5,365,162	-	290,921	5,656,083
Total-governmental activities	<u>\$ 15,913,806</u>	<u>\$ 4,620,951</u>	<u>\$ 2,074,358</u>	<u>\$ 22,609,115</u>
Business-type activities				
Landfill	<u>\$ 169,352</u>	<u>\$ 36,727</u>	<u>\$ -</u>	<u>\$ 206,079</u>

2. Pension Plan and Other Postemployment Obligations

a. Local Governmental Employees' Retirement System

Plan Description. The County is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities, firefighters and rescue squad workers. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The state's Annual Comprehensive Financial Report includes financial statements and required supplementary information LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. LGERS provides retirement, disability and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. General employee plan members are eligible to retire with unreduced retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. General employee plan members are eligible to retire with

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

reduced retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters and rescue squad workers). Disabled members may qualify for disability benefits at earlier ages. Survivor benefits are available to eligible beneficiaries of general employee plan members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad workers who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life in lieu of the return of the member's contributions that is generally available to beneficiaries of deceased members. The plan does not provide for automatic post-retirement benefit increases. Cost of living benefit increases are contingent upon investment gains of the plan at the discretion of the LGERS Board of Trustees, except as authorized by the General Assembly.

LGERS plan members who are LEOs are eligible to retire with unreduced retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with reduced retirement benefits at age 50 with 15 years of creditable service as an officer. LEOs who complete 25 years of creditable service with 15 years as an officer are eligible to retire with reduced retirement benefits. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life in lieu of the return of the member's contributions that is generally available to beneficiaries of deceased members.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. Cabarrus County employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. Cabarrus County's contractually required contribution rate for the year ended June 30, 2025, was 15.04% of compensation for law enforcement officers and 13.6% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Cabarrus County were \$13,072,671 for the year ended June 30, 2025.

Refunds of Contributions – County employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members include interest (currently 4% per year) regardless of the number of years of retirement service credit or for the reason for separation from service. State law requires a 60-day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions, or any other benefit provided by LGERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025 the County reported a liability of \$56,150,993 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. The total pension liability was then rolled forward to the measurement date of June 30, 2024, utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension liability was based on a projection of the County's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2025 the County's proportion was 0.833% (measured as of June 30, 2024), which was a decrease of 0.0175% from its proportion as of June 30, 2024 (measured as of June 30, 2023).

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

For the year ended June 30, 2025, the County recognized pension expense of \$16,553,582. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,839,780	\$ 66,159
Net difference between projected and actual earnings on pension plan investments	7,633,694	-
Changes in proportion and differences between County contributions and proportionate share of contributions	197,262	786,505
County contributions subsequent to the measurement date	13,072,671	-
	<u>\$ 30,743,407</u>	<u>\$ 852,664</u>

\$13,072,671 reported as deferred outflows of resources related to pensions resulting from County's contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2026	\$ 5,204,213
2027	10,738,655
2028	1,738,359
2029	(863,154)
Total	<u>\$ 16,818,073</u>

Actuarial Assumptions. The total pension liability in the December 31, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	6.50 percent, net of pension plan investment expense, including inflation

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

The plan actuary currently uses mortality tables that vary by age, gender, employee group (i.e., general, law enforcement officer) and health status (i.e., disabled, and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2023, valuation, were based on the results of an actuarial experience study prepared as of December 31, 2019, and adopted by the Board of Trustees on January 28, 2021.

Future ad hoc cost of living amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns, and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2024, are summarized in the following table:

	Target Allocation	Long-Term Expected Real Rate of Return
Fixed income	33.0%	2.4%
Global equity	38.0%	6.9%
Real estate	8.0%	6.0%
Alternatives	8.0%	8.6%
Opportunistic fixed income	7.0%	5.3%
Inflation protection	6.0%	4.3%
	<u>100.0%</u>	

The information above is based on 30-year expectations developed with an investment consulting firm as part of a study that was completed in early 2022 and is part of the North Carolina Retirement Systems. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.38%. Return projections do not include any excess return expectations over benchmark averages. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 6.50%. This discount rate is in line with the long-term nominal expected return on pension plan investments. The calculation of the net pension liability is a present value calculation of the future net pension payments. These net pension payments assume that contributions from plan members will be made at the current statutory contribution rate and that contributions from employers will be made at the contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

periods of projected benefits payments to determine the total pension liability.

Sensitivity of the County's Proportionate Share of the Net Pension asset to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 6.50 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.50 percent) or one percentage point higher (7.50 percent) than the current rate:

	Discount Rate		
	<u>1% Decrease (5.50%)</u>	<u>(6.50%)</u>	<u>1% Increase (7.50%)</u>
County's proportionate share of the net pension liability (asset)	<u>\$ 99,501,204</u>	<u>\$ 56,150,993</u>	<u>\$ 20,489,483</u>

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report for the State of North Carolina.

b. Law Enforcement Officers' Special Separation Allowance

Plan Description. Cabarrus County administers a public employee retirement system (the "Separation Allowance"); a single employer defined benefit pension plan that provides retirement benefits to the County's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time County law enforcement officers are covered by the Separation Allowance. At December 31, 2023 the Separation Allowance's membership consisted of:

Retirees receiving benefits	39
Terminated plan members entitled to but not yet receiving benefits	-
Active plan members	<u>231</u>
Total	<u>270</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

A separate report was not issued for the plan.

Summary of Significant Accounting Policies:

Basis of Accounting. The County has chosen to fund the Separation Allowance on a pay as you go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust that meets the following criteria which are outlined in GASB Statements 73.

Actuarial Assumptions. The entry age normal actuarial cost method was used in the December 31, 2023, valuation. The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary increases	3.25 to 7.75 percent, including inflation and productivity factor
Discount rate	4.28 percent

The discount rate used to measure the TPL is the S&P Municipal Bond 20-year High Grade Rate Index.

The actuarial assumptions used in the December 31, 2023, valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees' Retirement System for the five-year period ending December 31, 2019.

Mortality Assumption: All mortality rates use Pub-2010 amount-weighted tables.

Mortality Projection: All mortality rates are projected from 2010 using generational improvement with Scale MP-2019.

Deaths After Retirement (*Healthy*): Mortality rates are based on the Safety Mortality Table for Retirees. Rates for all members are multiplied by 97% and Set Forward by 1 year.

Deaths After Retirement (*Disabled Members at Retirement*): Mortality rates are based on the Non-Safety Mortality Table Disabled Retirees. Rates are Set Back 3 years for all ages.

Deaths Prior to Retirement: Mortality rates are based are based on the safety mortality for employees.

Deaths After Retirement (*Survivors of Deceased Members*): Mortality rates are based on the Below-median Teachers Mortality Table for Contingent Survivors. Rates for male members are Set Forward 3 years. Rates for female members are Set Forward 1 year. Because the contingent survivor tables have no rates prior to 45, the Below-median Teachers Mortality Table for Employees is used for ages less than 45.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Contributions. The County is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay as you go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The County's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administration costs of the Separation Allowance are financed through investment earnings. The County paid \$812,733 as benefits came due for the reporting period.

At June 30, 2025 the County reported a total pension liability of \$13,961,119. The total pension liability was measured as of December 31, 2024 based on a December 31, 2023 actuarial valuation. The total pension liability was rolled forward to December 31, 2024 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2025 the County recognized pension expense of \$1,842,845.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 1,559,839	\$ -
Changes of assumptions	744,684	1,365,162
County benefit payments and plan administrative expenditures paid subsequent to the measurement date	508,152	-
Total	<u>\$ 2,812,675</u>	<u>\$ 1,365,162</u>

The County paid \$508,152 in benefit payments subsequent to the measurement date that are reported as deferred outflows of resources related to pensions which will be recognized as a increase of the total pension liability in the year ended June 30, 2026. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2026	\$ 707,074
2027	10,607
2028	16,455
2029	177,551
2030	27,674
Total	<u>\$ 939,361</u>

Sensitivity of the County's Total Pension Liability to Changes in the Discount Rate. The following presents the County's total pension liability calculated using the discount rate of 4.28 percent, as well as what the County's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.28 percent) or 1-percentage-point higher (5.28 percent) than the current rate.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

	1% Decrease (3.28%)	Discount Rate (4.28%)	1% Increase (5.28%)
Total pension liability	<u>\$ 15,016,361</u>	<u>\$ 13,961,119</u>	<u>\$ 12,998,516</u>

	Total Pension Liability
Beginning balance	\$ 13,531,599
Service cost at end of year	486,110
Interest on the total pension liability	525,009
Difference between expected and actual experience in the measurement of the total pension liability	516,979
Changes of assumptions or other inputs	(285,845)
Benefit payments	(812,733)
Ending balance of the total pension liability	<u>\$ 13,961,119</u>

Changes of Assumptions. Changes of assumptions and other inputs reflect a change in the discount rate from 4.00 percent at June 30, 2023 to 4.28 percent at June 30, 2024.

The plan currently uses mortality tables that vary by age, and health status (i.e., disabled, and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2019.

c. Supplemental Retirement Income Plan (401k)

Plan Description. The County contributes to the Supplemental Retirement Income Plan (Plan), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers and non-law enforcement employees of the County. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provision to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report for the State of North Carolina. The state's Annual Comprehensive Financial Report includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Funding Policy. Article 12E of G.S. Chapter 143 requires the County to contribute each month an amount equal to five percent of each law enforcement officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the plan. The County has chosen to extend this benefit to all its full and part-time (who are eligible for North Carolina Local Governmental Employees' Retirement System) employees. Contributions by Cabarrus County for the year ended June 30, 2025 were \$7,448,140 which consisted of \$4,694,493 from the County and \$2,753,647 from the employees. Contributions for the year ended June 30, 2025 were \$608,409 from participating Alliance employees. The Alliance's Board reinstated the employer's contribution to this benefit. The Alliance matched up to 2% beginning July 1, 2021. The Alliance contributed \$216,021 to the plan for the year ended June 30, 2025. No amounts were forfeited.

The County offers its employees a deferred compensation plan (Plan) created in accordance with Internal Revenue Code Section 457. The Plan available to all County employees permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency.

The County has complied with changes in the laws that govern the County's deferred compensation plan, requiring all assets of the plan to be held in trust for the exclusive benefit of the participants and their beneficiaries. Formerly, the undistributed amounts, which had been deferred by the plan participants, were required to be reported as assets of the County. In accordance with GASB Statement No. 32, "Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans", the County's deferred compensation plan is no longer reported within the County's custodial funds.

d. Register of Deeds' Supplemental Pension Fund

Plan Description. Cabarrus County also contributes to the Registers of Deeds' Supplemental Pension Fund (RODSPF), a noncontributory, cost-sharing multiple-employer defined benefit plan administered by the North Carolina Department of State Treasurer. The RODSPF provides supplemental pension benefits to any eligible county register of deeds who is retired under the Local Government Employees' Retirement System (LGERS) or an equivalent locally sponsored plan and has met the statutory eligibility requirements. Article 3 of G. S. Chapter 161 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Register of Deeds' Supplemental Pension Fund is included in the Annual Comprehensive Financial Report for the State of North Carolina. The state's Annual Comprehensive Financial Report includes financial statements and required supplementary information for the Registers of Deeds' Supplemental Pension Fund. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. An individual's benefits for the year are calculated as a share of accumulated contributions available for benefits for that year, subject to certain statutory limits. An individual's eligibility is based on at least 10 years of service as a register of deeds with the individual's share increasing with years of service. Because of the statutory limits noted above, not all contributions available for benefits are distributed. The plan does not provide for automatic post-retirement benefit increases.

Contributions. Benefits and administrative expenses are funded by investment income and 1.5% of the receipts collected by each County Commission under Article 1 of Chapter 161 of North Carolina General Statutes. The statutory contribution currently has no relationship to the actuary's required contribution. The actuarially determined contribution this year and for the foreseeable future is zero. Register of Deeds do not contribute. Contribution provisions are established by General Statute 161-50 and may be amended only by the North Carolina General Assembly. Contributions to the pension plan from the County were \$19,983 for the year ended June 30, 2025.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, the County reported an asset of \$246,152 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2024. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2023. The total pension liability was then rolled forward to the measurement date of June 30, 2024 utilizing update procedures incorporating the actuarial assumptions. The County's proportion of the net pension asset was based the County's share of contributions to the pension plan, relative to contributions to the pension plan of all participating RODSPF employers. At June 30, 2024, the County's proportion was 2.136%, which was an increase of 0.00984% from its proportion measured as of June 30, 2023.

For the year ended June 30, 2025, the County recognized pension expense of \$90,149. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 5,405	\$ 4,401
Net difference between projected and actual earnings on pension plan investments	95,060	-
Changes in proportion and differences between County contributions and proportionate share of contributions	13,723	1,154
County Contributions subsequent to the measurement date	19,983	-
	<u>\$ 134,171</u>	<u>\$ 5,555</u>

\$19,983 reported as deferred outflows of resources related to pensions resulting from County's contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ending June 30, 2026. Other amounts reported as deferred inflows and outflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2026	\$ 59,287
2027	40,374
2028	8,630
2029	342
Total	<u>\$ 108,633</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Actuarial Assumptions. The total pension liability in the December 31, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	3.25 to 8.25 percent, including inflation and productivity factor
Investment rate of return	3.0 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, and health status (i.e., disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2023 valuation were based on the results of an actuarial experience review for LGERS for the period January 1, 2015 through December 31, 2019.

Future ad hoc cost of living adjustment amounts are not considered to be substantively automatic and are, therefore, not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple-year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies’ return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The adopted asset allocation policy for the RODSPF is 99.8% in the fixed income asset class. The best estimate of arithmetic real rate of return for the fixed income asset class as of June 30, 2024 is 2.4%.

The information above is based on 30-year expectations developed with an investment consulting firm as part of a study that was completed in early 2022, and is part of the asset, liability, and investment policy study for the North Carolina Retirement Systems. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 2.38%. Return projections do not include any excess return expectations over benchmarks averages. All rates of return and inflation are annualized.

Discount Rate. The discount rate used to measure the total pension liability was 3.00%. This discount rate is in line with the long-term nominal expected return on pension plan investments. The calculation of the net pension asset is a present value calculation of the future net pension payments. These net pension payments assume that contributions from plan members will be made at the current statutory contribution rate and that contributions from employers will be made at the contractually required rates, actuarially determined. Based on those assumptions, the pension plan’s fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits payments to determine the total pension liability.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Sensitivity of the County's Proportionate Share of the Net Pension Asset to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension asset calculated using the discount rate of 3.00 percent, as well as what the County's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.00 percent) or one percentage point higher (4.00 percent) than the current rate:

	1% Decrease (2.00%)	Discount Rate (3.00%)	1% Increase (4.00%)
County's proportionate share of the net pension liability (asset)	<u>\$ (163,097)</u>	<u>\$ (246,152)</u>	<u>\$ (316,112)</u>

Pension Plan Fiduciary Net Position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report for the State of North Carolina.

e. Pension Liabilities (Assets), Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The net pension liability for LGERS and ROD was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2023. The total pension liability (asset) for LEOSSA was measured as of December 31, 2024, with an actuarial valuation date of December 31, 2023. The County's proportion of the net pension liability was based on the County's share of contributions to the pension plan relative to the contribution of all participating entities. Following is information related to the proportionate share and pension expense:

	LGERS	ROD	LEOSSA	TOTAL
Proportionate share of net pension liability (asset)	\$ 56,150,993	\$ (246,152)	\$ -	\$ 55,904,841
Proportion of the net pension liability (asset)	0.833%	2.134%	-	-
Total pension liability	-	-	13,961,119	13,961,119
Pension expense	16,553,582	90,149	1,842,845	18,486,576

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	LGERS	ROD	LEOSSA	TOTAL
<u>Deferred Outflows of Resources</u>				
Differences between expected and actual experience	\$ 9,839,780	\$ 5,405	\$ 1,559,839	\$ 11,405,024
Change of assumptions	-	-	744,684	744,684
Net difference between projected and actual earnings on pension plan investments	7,633,694	95,060	-	7,728,754
Changes in proportion and differences between County contributions and proportionate share of contributions	197,262	13,723	-	210,985
County contributions (LGERS, ROD)/benefit payments and administration costs (LEOSSA) subsequent to the measurement date	13,072,671	19,983	508,152	13,600,806
<u>Deferred Inflows of Resources</u>				
Differences between expected and actual experience	66,159	4,401	-	70,560
Changes of assumptions	-	-	1,365,162	1,365,162
Changes in proportion and differences between County contributions and proportionate share of contributions	786,505	1,154	-	787,659

f. Other Postemployment Benefits (OPEB) – Healthcare Benefits Plan

Plan Description. The County administers a single employer defined benefit Healthcare Benefits Plan (the HCB Plan). The County Board of Commissioners has the authority to establish and amend the benefit terms and financing requirements. Assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Benefits Provided. The HCB plan provides postemployment healthcare benefits to retirees of the County, provided they participate in the North Carolina Governmental Employee's Retirement System (System) and at the time of their retirement meet certain service requirements using the schedule below. In addition, retirees must work the last five years at Cabarrus County.

Hired before July 1, 1997:

Signed agreement to reduce vacation : 100%

Signed agreement not to reduce vacation and signed 2nd chance in 2021: 50%

Signed agreement not to reduce vacation and did not sign 2nd chance in 2021: 0%

Hired on or after July 1, 1997, but before November 1, 2003:

Less than 10 years of service: 0%

10 or more years of service: 100%

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Hired on or after November 1, 2003, but before November 1, 2016:

Less than 25 years of service, but more than 10 years of service: 50%

25 or more years of service: 100%

Hired on or after November 1, 2016:

Less than 25 years of service, but more than 15 years of service: 50%

25 or more years of service: 100%

The Retirees receive the same benefits as active employees and the County's eligible retirees can purchase coverage for their dependents at the County's group rate. The County pays the full cost of coverage for the HCB plan. Coverage for all retirees will cease when the retiree becomes eligible for Medicare or reaches the age where they would have had such benefits had they qualified for Social Security, or upon the retiree's death, whichever comes first. The Cabarrus County Board of Commissioners may amend the benefit provisions. A separate report was not issued for the plan.

Plan Membership. Membership of the HCB plan consisted of the following at July 1, 2025, as part of the July 1, 2024 actuarial valuation:

Inactive employees or beneficiaries currently receiving benefits	102
Inactive members entitled to but not yet receiving benefits	-
Active employees	<u>1,223</u>
Total membership	<u><u>1,325</u></u>

Contributions – The Board of Commissioners established the contribution requirements of plan members which may be amended by the Board. The County has chosen to fund the healthcare benefits on a pay as you go basis. During fiscal year 2025, no contributions were made into the County's OPEB Trust. The irrevocable trust was established for the purpose of paying future post-employment benefits (OPEB) for which the County is liable.

Summary of Significant Accounting Policies – Postemployment expenditures for the County's portion of the premiums and the prefunded benefits are made from the General Fund, which is maintained on the modified accrual basis of accounting to the Internal Service Fund. Funds are appropriated annually for the County's portion of the premiums and prefunded benefits. The employee, retiree and County premiums are revenues that finance the self-funded HCP reported in the Internal Service Funds. Claims benefits and administrative costs are expensed as they are incurred.

Investments

Per the County's Trust agreement establishing Other Post-Employment Benefits Trust, the employer, and the Investment Advisory Committee, if any, shall have the responsibility to select Qualified Investments for the Trust Assets. The County's investment policy shall allow placement of assets in the OPEB investment fund managed by the State Treasurer's office, as authorized by the Board of Commissioners on June 21, 2021, in addition to investments authorized by NC General Statute 159-30. Placement of County contributions in State Treasurer's OPEB investment fund shall be at the discretion of the Board of Trustees, as shall be the allocation of assets

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

within that fund. The HCB Plan's Trust has \$6,584,706 invested in the State Treasurer's Local Government Other Post-Employment Benefits Fund. The target allocation are based on the initial allocation approved:

Asset Class	Target	Long-Term
	Allocation	Expected Real
	2024	Rate of Return
	2025	
Bond Index Fund	0.00%	N/A
Equity Index Fund	0.00%	N/A
Short Term Investment Fund	100.00%	4.54%
Total	100.00%	

Rate of Return – For the year ended June 30, 2024, the annual money weighted rate of return on investments, net of investment expense was 3.58 percent. The money weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net OPEB Liability

The components of the County's Net OPEB liability of the County at June 30, 2025 were as follows:

Total OPEB Liability	\$ 38,841,634
Plan fiduciary net position	6,584,706
County's net OPEB liability	32,256,928
Plan fiduciary net position as a percentage of the total OPEB liability	16.95%

Actuarial assumptions and other inputs. The County's total OPEB liability in the July 1, 2024 actuarial valuation was determined using the following key actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Annual Salary increases, including wage inflation:

Measurement date: 2.50%

Municipal Bond Index Rate:

Prior measurement date 4.67%

Measurement date 5.20%

Healthcare cost trend rates:

Pre-Medicare 7.5% decreasing to an ultimate rate of 5.00% by 2027+

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

The discount rate used to measure the total OPEB liability was based on the June average of the Bond Buyer General Obligation 20-year Municipal Bond Index published by The Bond Buyer.

Mortality rates were based on the RP-2014 mortality table projected fully generationally using projection scale MP-2021.

Change in the Net OPEB liability, OPEB Expense, and Deferred Outflows of Recourses and Deferred Inflows of Resources Related to OPEB. At June 30, 2025, the County reported a net OPEB liability of \$32,256,928. The total OPEB liability was determined by an actuarial valuation as of July 1, 2024 (updated as of June 30, 2025)

At June 30, 2025 the components of the Net OPEB liability of the County, measured at June 30, 2025, were as follows:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Balances as of June 30, 2024	\$ 37,546,133	\$ 6,287,748	\$ 31,258,385
Changes for the year:			
Service cost at the end of the year	2,104,189	-	2,104,189
Interest	1,860,040	-	1,860,040
Difference between expected and actual experience	523,544	3,320	520,224
Contributions - employer	-	2,050,062	(2,050,062)
Projected Investment Income	-	293,638	(293,638)
Changes in assumptions	(1,142,210)	-	(1,142,210)
Benefit Payments	(2,050,062)	(2,050,062)	-
Net changes	1,295,501	296,958	998,543
Balance as of June 30, 2025	\$ 38,841,634	\$ 6,584,706	\$ 32,256,928

Changes in Assumptions – Changes of assumptions and other inputs reflect a change in the discount rate of 4.67% in 2024 to 5.2% in 2025.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rates. The following presents the total OPEB liability of the Plan, calculated using the health care cost trend rates, as well as what the Plan's total OPEB liability would be if it were calculated using a health care cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Health Care Cost Trend Rate Sensitivity			
	1% Decrease	Current Cost Trend Rate	1% Increase
Net OPEB Liability	<u>\$ 28,455,410</u>	<u>\$ 32,256,928</u>	<u>\$ 36,770,851</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following exhibits present the TOL of the Plan, calculated using the discount rate of 5.20%, as well as what the Plan's TOL would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

Discount Rate Sensitivity			
	1% Decrease (4.20%)	Discount Rate (5.20%)	1% Increase (6.20%)
Net OPEB liability	<u>\$ 36,416,067</u>	<u>\$ 32,256,928</u>	<u>\$ 28,632,430</u>

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2025, the County recognized OPEB expense of \$869,348. At June 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 470,828	\$ 6,108,642
Changes of assumptions or other inputs	3,426,687	7,787,016
Net difference between projected and actual earnings on pension plan investments	-	42,215
Total	<u>\$ 3,897,515</u>	<u>\$ 13,937,873</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows.

Measurement Period	
Ended June 30	Amount
2026	\$ (2,706,716)
2027	(2,464,457)
2028	(1,559,461)
2029	(1,732,805)
2030	(998,554)
Thereafter	(578,365)
Total	<u>\$ (10,040,358)</u>

g. Other Employment Benefits

The County and the Cabarrus Health Alliance have elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employee's Retirement System (LGERS) (Death Benefit Plan), a state-administered plan funded on a one year-term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to his/her death, but the benefit may not exceed \$50,000.

The Alliance and the County have no liability beyond the payment of monthly contributions. Contributions are determined as a percentage of monthly payrolls, based upon rates established by the state. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. Because the benefit payments are made by the Death Benefit Plan, the number of eligible participants is not determined.

Effective July 1, 2004, pursuant to a new IRS regulation regarding Group Life Insurance benefits, the County is now required to include the amount of group life insurance coverage that exceeds \$50,000 as a taxable fringe benefit. As a full-time employee participating in the NC Local Government Retirement System, an employee is eligible for a death benefit of \$25,000 to \$50,000 and an additional \$20,000 the County provides for all employees who have been employed for at least one year. If this combined life insurance coverage exceeds the \$50,000 limit, the excess amount is multiplied by a premium cost factor per \$1,000 based on age at December 31st provided by the IRS. This amount is then added to the employee's taxable wages.

3. Closure and Postclosure Care Costs - Cabarrus County Landfill Facility

Federal and state laws and regulations require Cabarrus County to place a final cover on its landfill facility when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post closure care costs are typically paid near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and post closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$3,960,688 reported as landfill closure and post closure care liability at June 30, 2025, represents a cumulative amount reported to date, based on the use of 100% of the combined Municipal Solid Waste (MSW) and Construction and Demolition (C&D) cell and 73.6% of a (C&D) only cell. The updated percent use of C&D cell decreased due to a recent expansion that opened in December 2021. This amount is based on what it would cost to perform all closure and post closure care in 2025. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

The County's liability is set aside for the closure and post closure of the following:

- The Municipal Solid Waste (MSW) reached capacity in 1997 and was covered in 1998.
- An expansion area that sits on the top of the MSW site was added in 1998 to accept construction and demolition waste (C&D). This expansion area has reached capacity and was closed in FY 2011.
- An additional C&D expansion area was opened in Fiscal Year 2006 and is expected to reach full capacity in FY 2028.

Cabarrus County has met the requirements of the local government financial assurance test that is one option under state and federal laws and regulations that aids in determining if a unit is secure and financially able to meet the necessary closure and post closure care requirements as of each balance sheet date. Governments that utilize the local government financial assurance test allow them to remain exempt from a set contribution schedule.

4. Deferred Outflows and Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Charge on refunding of debt	\$ 6,571,712	\$ -
(Pensions, OPEB) - difference between expected and actual experience	11,875,852	6,179,202
(Pensions, OPEB) - change of assumptions	4,171,371	9,152,178
(Pensions, OPEB) - Net difference between projected and actual investment earnings	7,728,754	42,215
Pensions - change in proportion and difference between employer contributions and proportionate share of contributions	210,985	787,659
Contributions to pension plan subsequent to measurement date (LGRS, ROD)	13,092,654	-
Benefit payment administrative costs paid subsequent to the measurement date (LEOSSA)	508,152	-
Lease receivable	-	950,100
Prepaid taxes not yet earned - General Fund	-	752,689
Prepaid taxes not yet earned - Small Projects Fund	-	226,515
Government-wide deferred outflows and inflows of resources	44,159,482	18,090,558
Taxes receivable, net (General)	-	1,994,115
Ambulance receivable, net (General)	-	2,447,919
OPIOID Settlement receivable, (net)	-	12,211,130
Other unavailable revenues	-	7,000,592
Total	\$ 44,159,482	\$ 41,744,314

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

5. Risk Management

The County is exposed to various risks of loss related to torts, theft of, damage to, destruction of assets, errors and omissions, injuries to employees, and natural disasters. The County participates in a property liability program, which is financed by using a combination of self-funding and purchase excess insurance coverage through Arthur J. Gallagher & Co. A property liability insurance fund was established to track all financial transactions related to this program. The County retains the first \$350,000 in liability insurance. Above the \$350,000 retention is purchased up to a total limit of \$3,000,000 per occurrence and \$6,000,000 aggregate.

The property insurance program is financed using a combination of self-funding and insurance purchased through Liberty Mutual Insurance. Excess property insurance above a \$50,000 deductible is purchased based on estimated replacement values submitted to the Excess Property Company each year. Special deductibles apply for certain perils such as flood, earth movement, boiler, machinery, and the 4300 Gold Hill Road E. and 65 Union St. S locations.

The County purchases primary policies for Emergency Medical Services (EMS). The policies provide coverage for physical damage to EMS units, equipment, and automobiles, general and medical professional liability. Fidelity exposures are covered through the purchase of bonds. Arthur J. Gallagher secures the purchase of these bonds on behalf of the County.

The Workers Compensation insurance program is financed using a combination of self-funding and purchasing excess insurance through Arthur J. Gallagher. A Workers Compensation fund was established to track all the financial claims more than this program. The County has purchased excess Workers Compensation insurance for claims in excess of that amount. The self-insured retention for Workers Compensation is as follows: \$600,000 per occurrence for Police & Drivers, Firefighters, and EMS (EMS occurrences resulting in an injury to any employee in, upon, entering, or alighting from any employer owned or non-owned ambulance) and \$500,000 for all other occurrences and employees. The County has \$750,000 self-insured retention for any Presumptive Losses.

The County has also purchased Cyber Liability coverage through Arthur J. Gallagher (Cowbell Cyber Insurance Company) with a \$5,000,000 limit and a deductible of \$100,000.

In accordance with G.S. 159-29, the County's employees that have access to \$100 or more at any given time of the County's funds are performance bonded through a commercial surety bond. The Director of Finance and Deputy Director of Finance are individually bonded for \$1,000,000. The Tax Collector is individually bonded for \$250,000. The Register of Deeds is bonded for \$50,000. The Sheriff is bonded for \$25,000. The remaining employees that have access to funds are bonded under a blanket bond for \$500,000.

The County carries commercial coverage for all other risks of loss including flood loss. Flood coverage is an annual limit not to exceed \$50,000,000. There have been no significant reductions in insurance coverage from previous year and settled claims have not exceeded coverage in any of the past five fiscal years.

Insurance coverage for the Alliance is through Westfield and Wester Insurance Services. The Alliance pays a premium for coverage of worker's compensation, general liability, property, automotive, and professional liability insurance coverage. The Alliance is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Alliance carries commercial coverage for all other risks of loss. Fiscal year ended June 30, 1998, was the initial year of operations. There have been no significant reductions in insurance coverage from the previous year and settled claims have not exceeded coverage in prior years.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

In accordance with G.S. 159-29, the Alliance's employees that have access to \$100 or more at any given time of the Alliance's funds are performance bonded through a commercial surety bond. Employees that have access to funds are bonded under a blanket bond for \$250,000. The Finance Director is individually bonded for \$1,000,000.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. The current claims liability for fiscal year ended June 30, 2025, is shown.

	<u>June 30, 2024</u>	<u>June 30, 2025</u>
Unpaid claims, beginning of fiscal year	\$ 430,803	\$ 530,175
Incurred claims	1,169,420	1,080,174
Claims payments	(1,070,048)	(1,195,219)
Unpaid claims, end of fiscal year	<u>\$ 530,175</u>	<u>\$ 415,130</u>

On July 1, 2004, the County chose to establish a Self-Insured Health Insurance Fund (an internal service fund) for risk associated with the health insurance plan. The Health Insurance Fund is where assets are set aside for claim settlements. A premium is charged to each fund that accounts for full-time employees, eligible part-time employees based on ACA, plus this benefit is also offered to retired employees who meet specific criteria. The total charge to each fund is based on actual calculated cost which includes but is not limited to fixed cost, mature claim cost, expected monthly liability and the number of projected employees who will be covered by insurance.

The uninsured risk retention per claim is \$200,000 with an aggregate stop loss of 125%. This coverage is for claims incurred and paid in 12 months. The benefits covered are Medical MH/SA Pharmacy and Vision.

A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss is reasonably estimable. The current claims liability for fiscal year ended June 30, 2025 is shown.

	<u>June 30, 2024</u>	<u>June 30, 2025</u>
Unpaid claims, beginning of fiscal year	\$ 1,064,000	\$ 1,198,000
Incurred claims	15,124,416	18,119,975
Claims payments	(14,990,416)	(18,041,975)
Unpaid claims, end of fiscal year	<u>\$ 1,198,000</u>	<u>\$ 1,276,000</u>

6. Contingent Liabilities

The County has received proceeds from several federal and state grants. Periodic audits of these grants are required, and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. The amount, if any, of such refunds cannot be determined at this time although management believes that such amounts would be immaterial. No provision has been made in the accompanying financial statements for the refund of grant funds.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

As of June 30, 2025, the County was a defendant in several lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of counsel for the County that resolution of these matters will not have a material adverse impact on the financial condition of the County.

7. Long-Term Obligations

a. Leases

The County has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

On 07/01/2021, Cabarrus County, NC entered into a 71 month lease as Lessee for the use of Kannapolis Land - 1303 S. Canon Blvd. An initial lease liability was recorded in the amount of \$5,179,441. As of 06/30/2025, the value of the lease liability is \$1,746,626. Cabarrus County, NC is required to make monthly fixed payments of \$76,180. The lease has an interest rate of 0.3160%. The Land estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2025 of \$5,179,441 with accumulated amortization of \$3,501,594 is included with Land on the Lease Class activities table found below. Cabarrus County, NC has 1 extension option(s), each for 60 months.

On 07/01/2021, Cabarrus County, NC entered into a 81 month lease as Lessee for the use of Suite #180 and Closet #7 - The Old Creamery. An initial lease liability was recorded in the amount of \$123,298. As of 06/30/2025, the value of the lease liability is \$54,146. Cabarrus County, NC is required to make monthly fixed payments of \$1,629. The lease has an interest rate of 1.3746%. The buildings estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2025 of \$123,298 with accumulated amortization of \$73,066 is included with Buildings on the Lease Class activities table found below.

On 12/18/2023, Cabarrus County, NC entered into a 60 month lease as Lessee for the use of Sharp Copiers 20240241. An initial lease liability was recorded in the amount of \$594,018. As of 06/30/2025, the value of the lease liability is \$423,981. Cabarrus County, NC is required to make monthly fixed payments of \$10,615. The lease has an interest rate of 2.8320%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2025 of \$594,018 with accumulated amortization of \$182,495 is included with Equipment on the Lease Class activities table found below.

On 09/25/2024, Cabarrus County, NC entered into a 48 month lease as Lessee for the use of CCA Financial 20250221 - PowerStore. An initial lease liability was recorded in the amount of \$377,068. As of 06/30/2025, the value of the lease liability is \$316,207. Cabarrus County, NC is required to make monthly fixed payments of \$8,530. The lease has an interest rate of 3.0740%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2025 of \$377,068 with accumulated amortization of \$72,271 is included with Equipment on the Lease Class activities table found below. Cabarrus County, NC has 1 extension option(s), each for 12 months.

On 01/01/2025, Cabarrus County, NC entered into a 36 month lease as Lessee for the use of Midland Library Lease 20250291. An initial lease liability was recorded in the amount of \$125,020. As of 06/30/2025, the value of the lease liability is \$105,153. Cabarrus County, NC is required to make monthly fixed payments of \$3,500. The lease has an interest rate of 2.3640%. The buildings estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 06/30/2025 of \$125,020 with accumulated amortization of \$20,514 is included with Buildings on the Lease Class activities table found below.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2025, were as follows:

Year Ending June 30	Principal Payments	Interest Payments	Total
2026	\$ 1,179,788	\$ 25,784	\$ 1,205,572
2027	1,114,484	15,400	1,129,884
2028	263,213	6,428	269,641
2029	88,629	653	89,282
Total	<u>\$ 2,646,114</u>	<u>\$ 48,265</u>	<u>\$ 2,694,379</u>

b. Subscriptions

The County has entered into subscription-based information technology arrangements (SBITAs). The SBITAs qualify as other than short-term SBITAs under GASB 96 and, therefore, have been recorded at the present value of the future minimum subscription payments as of the date of their inception.

On 07/01/2022, Cabarrus County, NC entered into a 78 month subscription for the use of Sirsidynix Products. An initial subscription liability was recorded in the amount of \$486,113. As of 06/30/2025, the value of the subscription liability is \$288,977, and the value of the short-term subscription liability is \$92,136. Cabarrus County, NC is required to make annual fixed payments of \$98,180. The subscription has an interest rate of 2.6630%. The value of the right to use asset as of 06/30/2025 of \$533,659 with accumulated amortization of \$230,420 is included with Software on the Subscription Class activities table found below.

On 07/01/2022, Cabarrus County, NC entered into a 48 month subscription for the use of OpenGov - Software Services. An initial subscription liability was recorded in the amount of \$270,408. As of 06/30/2025, the value of the subscription liability is \$68,345, and the value of the short-term subscription liability is \$68,345. Cabarrus County, NC is required to make annual fixed payments of \$69,900. The subscription has an interest rate of 2.2750%. The value of the right to use asset as of 06/30/2025 of \$270,408 with accumulated amortization of \$202,806 is included with Software on the Subscription Class activities table found below.

On 07/11/2023, Cabarrus County, NC entered into a 36 month subscription for the use of ESRI-GIS 20240091. An initial subscription liability was recorded in the amount of \$352,838. As of 06/30/2025, the value of the subscription liability is \$129,414, and the value of the short-term subscription liability is \$129,414. Cabarrus County, NC is required to make annual fixed payments of \$121,000. The subscription has an interest rate of 2.8480%. The value of the right to use asset as of 06/30/2025 of \$352,838 with accumulated amortization of \$231,958 is included with Software on the Subscription Class activities table found below.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

On 10/01/2023, Cabarrus County, NC entered into a 36 month subscription for the use of Northwoods-Traverse 20240220. An initial subscription liability was recorded in the amount of \$603,223. As of 06/30/2025, the value of the subscription liability is \$222,630, and the value of the short-term subscription liability is \$222,630. Cabarrus County, NC is required to make annual fixed payments of \$210,225. The subscription has an interest rate of 3.5910%. The value of the right to use asset as of 06/30/2025 of \$603,223 with accumulated amortization of \$351,880 is included with Software on the Subscription Class activities table found below. Cabarrus County, NC has 1 extension option(s), each for 36 months.

On 09/11/2024, Cabarrus County, NC entered into a 60 month subscription for the use of Time Clock Plus (TCP) 20250207. An initial subscription liability was recorded in the amount of \$197,400. As of 06/30/2025, the value of the subscription liability is \$155,935, and the value of the short-term subscription liability is \$37,246. Cabarrus County, NC is required to make annual fixed payments of \$42,000. The subscription has an interest rate of 3.0490%. The value of the right to use asset as of 06/30/2025 of \$197,400 with accumulated amortization of \$31,803 is included with Software on the Subscription Class activities table found below.

On 08/01/2024, Cabarrus County, NC entered into a 36 month subscription for the use of Accela Software FY25. An initial subscription liability was recorded in the amount of \$1,093,935. As of 06/30/2025, the value of the subscription liability is \$743,389, and the value of the short-term subscription liability is \$353,936. Cabarrus County, NC is required to make annual fixed payments of \$377,056. The subscription has an interest rate of 3.1100%. The value of the right to use asset as of 06/30/2025 of \$1,093,935 with accumulated amortization of \$316,919 is included with Software on the Subscription Class activities table found below.

On 06/20/2025, Cabarrus County, NC entered into a 36 month subscription for the use of VMWARE - Davenport Group. An initial subscription liability was recorded in the amount of \$241,283. As of 06/30/2025, the value of the subscription liability is \$158,678, and the value of the short-term subscription liability is \$78,251. Cabarrus County, NC is required to make annual fixed payments of \$82,624. The subscription has an interest rate of 2.7560%. The value of the right to use asset as of 06/30/2025 of \$241,284 with accumulated amortization of \$2,458 is included with Software on the Subscription Class activities table found below.

The future minimum subscription obligations and the net present value of these minimum payments as of June 30, 2025, were as follows:

Year Ending	Principal	Interest	
June 30	Payments	Payments	Total
2026	\$ 981,958	\$ 53,177	\$ 488,335
2027	604,521	23,189	522,487
2028	140,113	5,127	90,551
2029	40,776	1,243	92,270
Total	<u>\$ 1,767,368</u>	<u>\$ 82,736</u>	<u>\$ 1,193,643</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

c. General Obligation Indebtedness

General obligation bonds are issued to provide funding for the construction of capital facilities used for general government activities. All general obligation bonds are collateralized by the full faith, credit, and taxing power of the County. Principal and interest requirements are provided by appropriation in the year in which they become due.

General Obligation Advance Refunding Bonds (2020) refunded a portion of the 2013 General Obligation Bonds. As a result, a portion of the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$660,000. The amount is netted against the new debt and amortized over the life of the refunded debt. This advance refunding was undertaken to reduce total debt service payments over six years by \$249,950.

The County's general obligation bonds payable at June 30, 2025, is comprised of the following individual issues serviced by the County's General Fund:

\$6,800,000 (2020) Advance Refunding Bonds due on March 1 and September
 1 in installments through March 1, 2027; interest at 1.6
 percent

\$ 6,265,000

For Cabarrus County, the annual debt service payments to maturity as of June 30, 2025, for the County's general obligation bonds are as follows:

<u>Year Ending, June 30</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2026	\$ 3,385,000	\$ 87,710
2027	2,880,000	40,320
Total	<u>\$ 6,265,000</u>	<u>\$ 128,030</u>

d. Certificates of Participation/Limited Obligation Bonds

1. Public Offered Debt

On April 14, 2011, the Cabarrus County Development Corporation issued \$14,635,000 (2011A) certificates of Participation (COPS) contracts to fund the rehabilitating, repairing, and equipping of approximately eighteen Cabarrus County and six Kannapolis City school facilities. These 15-year COPS are financed under two bullets using Qualified School Construction Bonds. The first bullet, in the amount of \$7,200,000, matured in 2023, with an interest rate of 5.10%, and the second bullet, for \$7,435,000, will mature in 2026 with an interest rate of 5.50%. The Federal subsidy rate on the deal was a 5.43%. The second bullet will have a net interest cost to the County of 0.07%, while the County will have no interest cost on the first bullet. The principal on this debt is deferred for five years with the first principal payment due on April 1, 2016. The principal payments will be held in an interest-bearing sinking fund until the bullet payments are due. Debt Service is financed by Cabarrus County property tax revenues. Total remaining annual payments of principal and interest are approximately \$1,743,925. Total principal and interest over a 15-year period will be \$25,147,248 less the federal subsidy of \$10,434,369, with the net cost to the County of \$14,712,879. In fiscal year 2013, the Federal Government began reducing the

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

subsidy payment by approximately 7.6% for a Federal sequestration. At June 30, 2025, the County's trustee held principal payments of \$6,100,000 in a sinking fund; the total principal balance due at June 30, 2025, is \$6,105,000.

The site of Winecoff Elementary School was pledged as collateral for the 2011A COPS. The Installment Financing Contract (the "2011A Contract") and the Trust Indenture relating to the 2011A COPS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2011A COPS. After an event of default, the collateral securing the 2011A COPS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2011A COPS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2011A Contract. The remedies afforded to the owners of the 2011A COPS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2011A COPS.

On March 10, 2016, the Cabarrus County Development Corporation issued \$73,785,000 (2016) Limited Obligation Bonds (LOBS) contracts for the construction of Mount Pleasant Middle School, Kannapolis Middle School, and Royal Oaks Elementary School. These 20-year LOBS have interest rates ranging from 2.00% to 5.00%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 20-year period will be \$108,697,900. Annual principal and interest payments range from \$3,804,763 to \$5,691,663. The total principal balance due at June 30, 2025, is \$40,585,000.

The site of Kannapolis Middle School (additional land) was pledged as collateral for the 2016 LOBS. The Installment Financing Contract (the "2016 Contract") and the Trust Indenture relating to the 2016 LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2016 LOBS. After an event of default, the collateral securing the 2016 LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2016 LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2016 Contract. The remedies afforded to the owners of the 2016 LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2016 LOBS.

On November 9, 2017, the Cabarrus County Development Corporation issued \$70,820,000 (2017) Limited Obligation Bonds (LOBS) contracts for the construction of Performance Learning Center, Western Cabarrus High School, and Downtown Concord Parking Deck. These 20-year LOBS have interest rates ranging from 3.00% to 5.00%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 20-year period will be \$99,771,165. Annual principal and interest payments range from \$3,484,688 to \$5,288,125. The total principal balance due at June 30, 2025, is \$40,520,000.

The site of West Cabarrus High School was pledged as collateral for the 2017 LOBS. The Installment Financing Contract (the "2017 Contract") and the Trust Indenture relating to the 2017 LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2017 LOBS. After an event of default, the collateral securing the 2017 LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2017 LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2017 Contract. The remedies afforded to the owners of the 2017 LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2017 LOBS.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

For Cabarrus County, the annual debt service payments to maturity as of June 30, 2025, for the County's Public Offered Certificates of Participation/Limited Obligation Bonds are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2026	\$ 8,405,000	\$ 3,965,213
2027	7,070,000	3,202,788
2028	7,070,000	2,849,288
2029	7,070,000	2,495,788
2030	7,070,000	2,135,488
2031-2035	35,325,000	5,507,400
2036-2039	15,200,000	1,107,463
Total	<u>\$ 87,210,000</u>	<u>\$ 21,263,427</u>

2. Direct Borrowing Debt

On March 26, 2015, the Cabarrus County Development Corporation issued \$18,045,000 (2015A) Limited Obligation Bonds (LOBS) contracts to refund \$16,795,000 of the 2007 COPS issued for the construction of a sheriff administration facility. These 12-year LOBS have an interest rate of 2.38%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 12-year period will be \$21,057,440. Total remaining annual payments of principal and interest range from approximately \$1,617,604 to \$1,780,787. The total principal balance due at June 30, 2025, is \$3,250,000.

The site of the sheriff administration facility was pledged as collateral for the 2015A LOBS. The Installment Financing Contract (the "2015A Contract") and the Trust Indenture relating to the 2015A LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2015A LOBS. After an event of default, the collateral securing the 2015A LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2015A LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2015A Contract. The remedies afforded to the owners of the 2015A LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2015A LOBS.

On March 26, 2015, the Cabarrus County Development Corporation issued \$23,460,000 (2015B) Limited Obligation Bonds (LOBS) contracts to refund \$21,105,000 of the 2008A COPS issued to finance the construction of Cox Mill High School and Engineering and Architect fees for A.T. Allen Elementary School, Hickory Ridge Middle School, Patriots Elementary School, and a wing addition at A.L. Brown High School. These 13-year LOBS have an interest rate of 2.49%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 13-year period will be \$28,404,338. Total remaining annual payments of principal and interest range from approximately \$2,341,897 to \$2,664,558. The total principal balance due at June 30, 2025, is \$6,990,000.

The site of the Cox Mill High School facility was pledged as collateral for the 2015B LOBS. The Installment Financing Contract (the "2015B Contract") and the Trust Indenture relating to the 2015B LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2015B LOBS. After an event of default, the collateral securing the 2015B LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2015B LOBS. However, under current North Carolina law, no deficiency

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

judgment may be rendered against the County for breach of any obligation under the 2015B Contract. The remedies afforded to the owners of the 2015B LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2015B LOBS.

On March 26, 2015, the Cabarrus County Development Corporation issued \$38,295,000 (2015C) Limited Obligation Bonds (LOBS) contracts to refund \$34,025,000 of the 2008C COPS issued to fund the cost of construction of a residential tower to house County inmates and related improvements. These 14-year LOBS have an interest rate of 2.51%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 14-year period will be \$46,368,088. The total remaining annual payments of principal and interest range from approximately \$3,013,794 to \$3,654,929. The total principal balance due at June 30, 2025, is \$12,270,000.

The site of the jail housing unit facility was pledged as collateral for the 2015C LOBS. The Installment Financing Contract (the "2015C Contract") and the Trust Indenture relating to the 2015C LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2015C LOBS. After an event of default, the collateral securing the 2015C LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2015C LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2015C Contract. The remedies afforded to the owners of the 2015C LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2015C LOBS.

On March 26, 2015, the Cabarrus County Development Corporation issued \$54,435,000 (2015D) Limited Obligation Bonds (LOBS) contracts to refund \$47,300,000 of the 2009 COPS issued a) to pay a portion of the costs of (i) acquiring real property, (ii) constructing Patriots Elementary School, A.T. Allen Elementary School, Hickory Ridge Middle School, Harold E. Winkler Middle School, a wing addition, and renovation at A.L. Brown High School and equipping the Facilities. These 14-year LOBS have an interest rate of 2.52%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 14-year period will be \$66,336,892. Total remaining annual payments of principal and interest range from approximately \$4,772,306 to \$5,687,864. The total principal balance due at June 30, 2025, is \$19,245,000.

The sites of Patriots Elementary School, Hickory Ridge Middle School, AT Allen Elementary School and Winkler Middle School were pledged as collateral for the 2015D LOBS. The Installment Financing Contract (the "2015D Contract") and the Trust Indenture relating to the 2015D LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2015D LOBS. After an event of default, the collateral securing the 2015D LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2015D LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2015D Contract. The remedies afforded to the owners of the 2015D LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2015D LOBS.

On May 16, 2018, the Cabarrus County Development Corporation issued \$54,680,000 (2018) Limited Obligation Bonds (LOBS) contracts for the construction of Advanced Technology Center, New Elementary School, replacement of HVAC systems at J.N. Fries Middle School and Mount Pleasant High School, 20 school mobile units, and land for Rowan Cabarrus Community College. These 20-year LOBS have an interest rate of 3.05%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 20-year period will be \$70,563,129. Annual principal and interest payments range from \$2,241,338 to \$4,355,670. The total principal balance due at June 30, 2025, is \$31,650,000.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

The site of Hickory Ridge Elementary School was pledged as collateral for the 2018 LOBS. The Installment Financing Contract (the “2018 Contract”) and the Trust Indenture relating to the 2018 LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2018 LOBS. After an event of default, the collateral securing the 2018 LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2018 LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2018 Contract. The remedies afforded to the owners of the 2018 LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2018 LOBS.

On June 1, 2022, the Cabarrus County Development Corporation issued \$96,825,000 (2022A) Limited Obligation Refunding Bonds (LOBS) to refund the \$105,672,677 outstanding principal balance of the 2020A Contract on June 1, 2022. These 20-year LOBS all bear interest at 5.00%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 20-year period will be \$147,648,750. Annual principal and interest payments range from \$5,082,000 to \$9,201,750. The total principal balance due at June 30, 2025, is \$82,290,000.

The site of Roberta Road Middle School was pledged as collateral for the 2022A LOBS. The Installment Financing Contract (the “2022A Contract”) and the Trust Indenture relating to the 2022A LOBS have numerous events of default specified therein. An occurrence of an event of default under either could result in an acceleration of the then outstanding 2022A LOBS. After an event of default, the collateral securing the 2022A LOBS can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2022A LOBS. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2022A Contract. The remedies afforded to the owners of the 2022A LOBS after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2022A LOBS.

On October 29, 2024, the Cabarrus County Development Corporation issued \$242,400,000 (2024A) Limited Obligation Bonds (LOBS) to refund the \$160,000,000 outstanding principal balance of the 2022B Contract on June 8, 2022, purchase the ACN building to be converted to house the County’s Department of Human Services and to partner with the State of North Carolina in building a regional Behavior Health Center. These 20-year LOBS all bear interest at 3.58%. Debt Service is financed by Cabarrus County property tax revenues. Total principal and interest over a 20-year period will be \$366,672,583. Annual principal and interest payments range from \$3,097,333 to \$23,941,875. The total principal balance due at June 30, 2025, is \$242,400,000.

On November 27, 2024, the Cabarrus County Development Corporation issued \$135,010,000 (2024B) Limited Obligation Bonds (LOBs) to borrow funds for the construction of a new library, construction of a new elementary school named Coltrane Webb, renovations at Mary Francis Wall Center, Fred L. Wilson Highschool, Opportunity School, HVAC repairs/replacements at Concord Highschool, Weddington Hills Elementary School Forrest Park Elementary School, Rowan Cabarrus Community College and roof replacements at Cox Mill Elementary School, Hickory Ridge Highschool and Wolf Meadows Elementary School. These 20-year LOBS all bear interest at 3.61%. Total principal and interest over a 20-year period will be \$197,526,589. Annual principal and interest payments range from \$1,200,089 to \$14,545,625. The total principal balance due at June 30, 2025, is \$135,010,000.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

For Cabarrus County, the annual debt service payments to maturity as of June 30, 2025, for the County's Certificates of Participation/Limited Obligation Bonds are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2026	\$ 40,415,000	\$ 24,490,487
2027	40,135,000	22,838,761
2028	38,310,000	21,194,262
2029	34,725,000	19,593,640
2030	30,250,000	17,205,688
2031-2035	135,650,000	77,302,850
2036-2040	123,530,000	45,446,876
2041-2045	90,040,000	122,860,538
Total	<u>\$ 533,055,000</u>	<u>\$ 350,933,102</u>

e. Installment Financing

On December 18, 2008, the County financed the acquisition of land for the Rob Wallace Park with a down payment of \$190,000 at an effective interest rate of 4.00%. In May 2016, the County sold 40.6 acres of this property. Annual payments of \$190,000 will be made on the lease through December 2037. The County's outstanding liability at June 30, 2025, was \$1,897,276.

The site of the park was pledged as collateral for the 2008 Agreement. The Installment Purchasing Agreement (the "2008 Agreement") relating to the 2008 Agreement has numerous events of default specified therein. An occurrence of an event of default could result in an acceleration of the then outstanding amount of the 2008 Agreement. After an event of default, the collateral securing the 2008 Agreement can be foreclosed upon, sold in a foreclosure sale and the foreclosure proceeds applied to the payment of the amounts due to the owners of the 2008 Agreement. However, under current North Carolina law, no deficiency judgment may be rendered against the County for breach of any obligation under the 2008 Agreement. The remedies afforded to the owners of the 2008 Agreement after an event of default are limited to those of a secured party under the laws of the State of North Carolina, including foreclosing on the collateral securing the 2008 Agreement.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

For Cabarrus County, the annual debt service payments to maturity as of June 30, 2025, for the County's installment financing are as follows:

Year Ending June 30	Governmental Activities	
	Principal	Interest
2026	\$ 114,109	\$ 75,891
2027	118,673	71,327
2028	123,420	66,580
2029	128,357	61,643
2030	132,450	56,784
2031-2035	723,032	226,967
2036-2039	557,235	13,536
Total	<u>\$ 1,897,276</u>	<u>\$ 572,727</u>

Debt Related to Capital Activities – Of the total Governmental Activities debt listed, only \$353,619,226 relates to assets for which the County holds title.

f. Long-Term Obligation Activity

	Balance July 1, 2024	Increases	Decreases	Balance June 30, 2025	Due Within One Year
Governmental activities:					
General Obligation Bonds	\$ 12,520,000	\$ -	\$ 6,255,000	\$ 6,265,000	\$ 3,385,000
Plus: Premiums on issuance	2,221,041	-	761,500	1,459,541	761,500
Total General Obligation Bonds	<u>14,741,041</u>	<u>-</u>	<u>7,016,500</u>	<u>7,724,541</u>	<u>4,146,500</u>
Certificates of Participation/ Limited Obligation Bonds	95,610,000	-	8,400,000	87,210,000	8,405,000
Direct borrowings and direct placements	336,215,000	377,410,000	180,570,000	533,055,000	40,415,000
Plus: Premiums on issuance	20,718,377	44,404,962	2,935,786	62,187,553	4,814,416
Total Certificates of Participation/ Limited Obligation Bonds	<u>452,543,377</u>	<u>421,814,962</u>	<u>191,905,786</u>	<u>682,452,553</u>	<u>53,634,416</u>
Leases	3,263,775	502,088	1,119,749	2,646,114	1,179,788
IT Subscriptions	1,132,525	1,580,165	945,322	1,767,368	981,958
Installment financing	2,006,991	-	109,715	1,897,276	114,109
Compensated absences	21,432,128	14,811,313	7,046,380	29,197,061	7,357,622
Net Pension liability (LGERS)	56,111,938	-	174,319	55,937,619	-
Total Pension liability (LEOSSA)	13,531,599	429,520	-	13,961,119	900,000
Net OPEB liability	31,139,603	994,749	-	32,134,352	-
Total governmental activities	<u>\$ 595,902,977</u>	<u>\$ 440,132,797</u>	<u>\$ 208,317,771</u>	<u>\$ 827,718,003</u>	<u>\$ 68,314,393</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

	<u>Balance</u> <u>July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2025</u>	<u>Due Within</u> <u>One Year</u>
Business-type activities:					
Compensated absences	249,280	67,144	11,333	305,091	63,415
Net pension liability (LGRS)	214,039	-	665	213,374	-
Net OPEB liability	118,782	3,794	-	122,576	-
Landfill closure/post-closure	3,963,898	-	3,210	3,960,688	90,000
Total business-type activities	<u>4,545,999</u>	<u>70,938</u>	<u>15,208</u>	<u>4,601,729</u>	<u>153,415</u>

	<u>Balance</u> <u>July 1, 2024</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2025</u>	<u>Due Within</u> <u>One Year</u>
Discretely presented component unit:					
Compensated absences	918,570	1,191,864	1,064,137	1,046,297	1,025,372
Net pension liability	15,685,258	-	1,755,222	13,930,036	-
Leases	487,771	-	168,445	319,326	91,084
Total OPEB liability	<u>1,852,803</u>	<u>-</u>	<u>91,615</u>	<u>1,761,188</u>	<u>-</u>
Total discretely presented component unit	<u>18,944,402</u>	<u>1,191,864</u>	<u>3,079,419</u>	<u>17,056,847</u>	<u>1,116,456</u>

For governmental activities, compensated absences, OPEB and unfunded pension cost are liquidated by the General Fund. For business-type activities, compensated absences and OPEB are liquidated by the business-type activity. Compensated absences are accounted for on the LIFO basis, assuming employees are taking leave time as it is earned.

The County's legal debt margin is \$ 3,127,050,662.

g. Conduit Debt Obligations

Cabarrus County Industrial Facility and Pollution Control Authority has issued industrial revenue bonds to provide financial assistance to private businesses for economic development purposes. These bonds are secured by the properties financed as well as by letters of credit and are payable solely from payments received from the private businesses involved. Ownership of the acquired facilities is in the name of the private business served by the bond issuance. Neither the County, the Authority, the state, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of June 30, 2025, there were no industrial revenue bonds outstanding.

C. Interfund Balances and Activity

Transactions between funds are accounted for as follows:

- 1) Transactions which would be treated as revenues, expenditures, or expenses if they involved organizations external to the County are recorded as revenues, expenditures, or expenses in the appropriate funds.
- 2) Transactions which are reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditures or expenses in the appropriate funds.
- 3) All transactions other than those in 1) and 2) above are recorded as transfers.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

The composition of interfund transfers for the year ended June 30, 2025, is as follows:

From the General Fund and Community Investment Fund to the Landfill Enterprise Fund for operations and capital purchase	\$ 740,478
From the General Fund to the Internal Service Funds	100,000
From General Fund to Community Investment Fund for management of investment policy	66,180,205
From the Community Investment Fund to the County Capital Projects Fund for various capital expenditures	13,647,500
From the Community Investment Fund to the Schools Capital Projects Fund for various expenditures	21,005,919
From the Public School Fund to the Schools Capital Projects Fund with lottery funds for various expenditures	830,352
From the General Fund to the Community Development Block Grant Fund for County's portion of grant program	45,000
From the General Fund to the Cabarrus Arena and Events Center for operations and capital projects	904,122
From the Internal Service Fund to the General Fund for vehicle replacement	85,492
From the County Capital Project Fund to the Community Investment Fund to reimburse at close of projects	25,294,665
From the School Capital Project Fund to the Community Investment Fund to reimburse at close of projects	9,447,497
From Emergency Telephone Fund to General Fund to off set prior year transfer	756,964
From General Fund to the Emergency Telephone Fund to off set county expenses	195
From Small Project Fund to General Fund to off set prior years contributions	698
From the Public School Building Capital Projects Fund to the Community Investment Fund for debt service payments	2,300,000
	<u>\$ 141,339,087</u>

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

D. Net Investment in Capital Assets

Capital assets, net of accumulated depreciation	\$	477,741,333
Right to use assets, net of amortization		2,548,903
Subscription assets, net of amortization		1,924,503
Deferred outflows of resources		6,571,712
Less: capital debt		
Gross debt	\$	(696,487,852)
School debt related to assets to which the County does not capitalize		342,864,776
Unspent debt proceeds, non school related debt		<u>57,871,653</u>
		(295,751,423)
Retainage Payable related to construction of capital assets		(1,276,141)
Deferred outflows related to school debt		<u>(4,864,712)</u>
Net investment in capital assets	\$	<u><u>186,894,175</u></u>

E. Supplemental and Additional Supplemental One-Half of One Percent Local Government Sales and Use Tax

State law (Chapter 105, Articles 40 and 42, of the North Carolina General Statutes) requires the County to use a portion of the proceeds of its supplemental and additional supplemental sales taxes, or local option sales taxes, for public school capital outlays or to retire public school indebtedness. During the fiscal year ended June 30, 2025, the County reported these local option sales taxes within its General Fund and Capital Investment Fund. The County expended the restricted portion of these taxes for public school capital outlays.

F. Public School Building Capital Fund

The Public-School Building Capital Fund (PSBCF) is currently the only source of recurring state funding for the capital facility needs (buildings and land) of the local boards of education (local education administration, or LEA). The PSBCF revenue (originally funded from a portion of the Corporate Income Tax) was distributed among the counties in the state according to Average Daily Membership (ADM) and was thus colloquially known as the “ADM Fund.” At June 30, 2025 the balance of the County’s ADM allocation account was \$7,461.

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

When the Lottery was formed, the share of that revenue allocated for capital projects was brought under the 'umbrella' of the PSBCF for distribution to the LEAs in the state. Technically, both and 'ADM Fund' and the Lottery are part of the PSBCF. At June 30, 2025 the Lottery fund had a disbursing account balance of \$6,571,470.

In order to assist county governments in meeting their public-school building repair and renovation needs, the North Carolina General Assembly passed legislation in 2021, as part of *S.I. 2021-180*, that established a new source of revenue to be used specifically for repair and renovation projects. At June 30, 2025 the Public-School Building Repair and Renovation Fund (PSBRRF) had an account balance of \$1,231,932.

G. Internal Service

The County has two internal service funds, one for self-insured hospitalization / dental insurance and the other for workers' compensation and property liability insurance. The self-insured hospitalization insurance fund accumulates premiums and pays all claims and related expenses for health insurance activities. At June 30, 2025 the self-insured hospitalization / dental internal service fund had an unrestricted net position of \$4,227,969. The self-insured workers' compensation and property liability insurance fund accumulates premiums and pays all claims and related expenses for workers' compensation and property liability insurance activities. At June 30, 2025 the workers' compensation / property liability internal service fund had a net position of \$9,761,664. In the basic financial statements, the net positions and activities have been allocated to all governmental fund types, and business types as applicable. These surpluses are being retained for anticipated future catastrophic losses.

Note 3. Joint Ventures

The County, in conjunction with the State of North Carolina, Rowan-Cabarrus Community College and Rowan County participates in a joint venture to operate the Rowan-Cabarrus Community College. Each of the four participants, except the County who only appoints two members, appoints four members of the fifteen-member board of trustees of the community college. The president of the community college's student government serves as an *ex-officio* non-voting member of the community college's board of trustees. The community college is included as a component unit of the state. The County has the basic responsibility for providing funding for the facilities of the community college and provides some financial support for the community college's operations. In addition to providing annual appropriations for the facilities, the County periodically issues general obligation bonds, Limited Obligation Bonds and Capital Leases to provide financing for new and restructured facilities. A portion of the 2013 Refunding General Obligation Bonds were refunded with new series 2020. Of the 2020 Refunding General Obligation bonds \$400,960 in debt is still outstanding. Of the 2018 Limited Obligation bond issued, \$9,840,000 in debt is still outstanding. The County has an ongoing financial responsibility for the community college because of the statutory responsibilities to provide funding for the community college's facilities. The County contributed \$4,584,500 to the community college for operating purposes and \$100,000 for capital outlay and building and grounds during the fiscal year ended June 30, 2025. In addition, the County made combined debt service principal payments of \$1,096,888 during the fiscal year on general obligation bonds, and limited obligation bonds for community college capital facilities. The participating governments do not have any equity interest in the joint venture; therefore, no equity interest has been reflected in the County's financial statements at June 30, 2025. Complete financial statements for the community college may be obtained from the community college's administrative offices at I-85 at Jake Alexander Boulevard South, Salisbury, NC 28145.

In conjunction with Cabarrus County Chamber of Commerce, the County takes part in a joint venture to operate the Cabarrus County Tourism Authority, (dba Cabarrus County Convention and Visitors Bureau), which was established pursuant to state statute for the purpose of furthering the development of travel, tourism, and conventions in the County. The Board of Directors for the Tourism Authority is a twelve-member board. The Board of Cabarrus County Commissioners appoints three members, six members are appointed based on the recommendations of the Authority, and three members are appointed based on recommendations by the Cabarrus

CABARRUS COUNTY, NORTH CAROLINA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2025

Regional Chamber of Commerce. The Board of Directors established the Convention and Visitors Bureau to conduct the day-to-day operations for the Tourism Authority. The Authority receives approximately 90% of room occupancy taxes, which are levied and collected by the County. For the year ended June 30, 2025 occupancy taxes totaling \$7,491,821 were distributed to the Authority. The participating governments and agency do not have an equity interest in the joint venture, so no equity interest has been reflected in the financial statements at June 30, 2025. Complete financial statements for the Authority can be obtained at Cabarrus County CVB, 10099 Weddington Road Ext., Suite 102, Concord NC 28027.

Note 4. Jointly Governed Organization

The County in conjunction with the Cities of Concord and Kannapolis and the Towns of Harrisburg and Mount Pleasant organized the Water and Sewer Authority of Cabarrus County to operate and maintain a regional interceptor sewer system and wastewater treatment system. Although not a user of the wastewater treatment services, the County is a related party by virtue of joint governance of the Water and Sewer Authority of Cabarrus County.

The County, in conjunction with eight other counties and seventy-four municipalities, established the Centralina Council of Governments (Council). The participating governments established the Council to coordinate various funding received from federal and state agencies. Each participating government appoints one member to the Council's governing board. The County paid to the Council membership fees of \$65,714 and \$23,187 for the County Aging Service Program Match during the fiscal year ended June 30, 2025. The County was the sub recipient of grants totaling \$1,121,744 from the Division of Aging of the North Carolina Department of Health and Human Services that was passed through the Council.

Note 5. Summary Disclosure of Significant Commitments and Contingencies

Federal and State-Assisted Programs

The County has received proceeds from several federal and state grants. Periodic audits of these grants are required, and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

Note 6. Encumbrances

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

	General Fund	County Capital Project Fund	Cares Act Relief Fund	Opioid Settlement Fund	Other Governmental Funds	Landfill Enterprise Fund
Encumbrances	<u>\$ 5,002,427</u>	<u>\$ 53,931,413</u>	<u>\$ 5,168,057</u>	<u>\$ 731,163</u>	<u>\$ 454,160</u>	<u>\$ 100,962</u>



REQUIRED SUPPLEMENTAL FINANCIAL DATA

The section contains additional information required by generally accepted accounting principles.

Schedule of Changes in Net OPEB Liability and Related Ratios

Schedule of County Contributions – OPEB

Schedule of Investment Returns - OPEB

Schedule of the County's Proportionate Share of Net Pension Liability (Asset) for the Local Government Employees' Retirement

Schedule of County Contributions for the Local Government Employees' Retirement System

Schedule of the County's Proportionate Share of the Net Pension Liability (Asset) for the Register of Deeds' Supplemental Pension Fund

Schedule of County Contributions for the Register of Deeds' Supplemental Pension Fund

Schedule of Changes in Total Pension Liability for the Law Enforcement Officers' Special Separation Allowance

Schedule of Total Pension Liability as a Percentage of Covered Employee Payroll for the Law Enforcement Officers' Special Separation Allowance



CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
LAST EIGHT FISCAL YEARS

EXHIBIT 12

	Other Post Employment Benefit							
	2025	2024	2023	2022	2021	2020	2019	2018
Service cost at the end of the year	\$ 2,104,189	\$ 2,054,453	\$ 2,053,580	\$ 2,718,586	\$ 1,928,135	\$ 2,382,844	\$ 2,459,190	\$ 2,650,570
Interest	1,860,040	1,502,246	1,417,476	1,028,741	1,298,511	1,622,016	1,448,147	1,215,771
Difference between expected and actual experience	523,544	(35,709)	(3,943,785)	(286,707)	(42,333)	(11,265,223)	(309,710)	154,492
Changes of assumptions or other inputs	(1,142,210)	(4,197,665)	816,175	(6,567,892)	6,940,003	622,675	(1,458,547)	(2,423,124)
Benefits payments	(2,050,062)	(1,744,679)	(1,453,623)	(1,439,077)	(1,322,051)	(1,109,572)	(1,131,739)	(1,488,105)
Net change in Total OPEB Liability	1,295,501	(2,421,354)	(1,110,177)	(4,546,349)	8,802,265	(7,747,260)	1,007,341	109,604
Total OPEB Liability - beginning	37,546,133	39,967,487	41,077,664	45,624,013	34,499,299	42,246,559	41,239,218	41,129,614
Total OPEB Liability - ending	\$ 38,841,634	\$ 37,546,133	\$ 39,967,487	\$ 41,077,664	\$ 43,301,564	\$ 34,499,299	\$ 42,246,559	\$ 41,239,218

	Plan Fiduciary Net Position			
	2025	2024	2023	2022
Contributions - Employer	\$ 2,050,062	\$ 3,744,679	\$ 3,453,623	\$ 3,439,077
Actual versus expected return	3,320	64,244	1,202	2,678
Expected investment return	293,638	148,729	70,895	-
Benefits payments	(2,050,062)	(1,744,679)	(1,453,623)	(1,439,077)
Net Changes in Plan Fiduciary Net Position	296,958	2,212,973	2,072,097	2,002,678
Plan Fiduciary Net Position - beginning	6,287,748	4,074,775	2,002,678	-
Plan Fiduciary Net Position - ending	\$ 6,584,706	\$ 6,287,748	\$ 4,074,775	\$ 2,002,678

Net OPEB liability - ending	\$ 32,256,928	\$ 31,258,385	\$ 35,892,712	\$ 39,074,986	\$ 43,301,564	\$ 34,499,299	\$ 42,246,559	\$ 41,239,218
Plan Fiduciary Net Position as a percentage of Total OPEB liability	16.95%	16.75%	10.20%	4.88%	0.00%	0.00%	0.00%	0.00%
Covered Employee Payroll	\$ 80,694,687	\$ 53,364,171	\$ 52,062,606	\$ 53,880,223	\$ 51,283,972	\$ 49,994,283	\$ 44,146,565	\$ 44,146,565
Total OPEB liability as a percentage of covered Employee Payroll	48.13%	70.36%	76.77%	76.24%	84.43%	69.01%	95.70%	93.41%

Notes to Schedule

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period.
The following are the discount rates used in each period:

Fiscal Year	Rate
2025	5.20%
2024	4.67%
2023	3.65%
2022	3.54%
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

Pension schedules are intended to show information for ten years, additional years' information will be displayed as it comes available

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF COUNTY CONTRIBUTIONS
CURRENT FISCAL YEAR

EXHIBIT 13

	2025
Actuarially determined contribution	\$ 3,692,217
Contribution in relation to the Actuarially determined contribution	2,050,062
Contribution deficiency / (excess)	<u>\$ 1,642,155</u>
 Covered payroll	 <u>\$ 80,694,687</u>
 Contribution as a percentage of covered payroll	 2.54%
 Investment Rate of Return	 5.20%

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level percentage of Payroll
Remaining amortization period	29 years
Asset Valuation	Market Value
Inflation	2.50%
Healthcare Trend rates	7.5% initially, decreasing to an ultimate rate of 5.0% in 2027
Salary increase 3.5%	3.50%
Payroll Growth	2.50%
Average Assumed Retirement Age	62
Mortality	RPH-2014 Total Dataset with Scale MP-2021

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF INVESTMENT RETURNS
CURRENT FISCAL YEAR

EXHIBIT 14

	<u>2025</u>
Annual money-weighted rate of return, net of investment expense	3.58%

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

EXHIBIT 15

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
County's proportion of the net pension liability (asset) %	0.833%	0.850%	0.869%	0.834%	0.827%	0.795%	0.778%	0.770%	0.778%	0.724%
County's proportionate share of the net pension liability (asset) \$	\$ 56,150,993	\$ 56,325,977	\$ 49,020,060	\$ 12,793,565	\$ 29,568,671	\$ 21,710,284	\$ 18,459,668	\$ 11,761,328	\$ 16,504,338	\$ 3,247,518
County's covered payroll ⁽¹⁾	\$ 79,384,229	\$ 69,420,547	\$ 63,599,221	\$ 59,661,187	\$ 55,609,898	\$ 51,620,898	\$ 47,754,726	\$ 46,557,398	\$ 42,520,688	\$ 39,999,294
County's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	70.73%	81.14%	77.08%	21.44%	53.17%	42.06%	38.66%	25.26%	38.81%	8.12%
Plan fiduciary net position as a percentage of the total pension liability ⁽²⁾	83.30%	82.49%	84.14%	95.51%	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%

⁽¹⁾ The amount presented for each fiscal year were determined as of the prior fiscal year ending June 30.

⁽²⁾ This will be the same percentage for all participant employers in the LGERS plan.

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF COUNTY CONTRIBUTIONS
LOCAL GOVERNMENT EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

EXHIBIT 16

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 13,072,671	\$ 10,411,123	\$ 8,561,899	\$ 7,337,388	\$ 6,153,223	\$ 5,088,523	\$ 4,097,992	\$ 3,674,201	\$ 3,472,475	\$ 2,903,772
Contributions in relation to the contractually required contribution	13,072,671	10,411,123	8,561,899	7,337,388	6,153,223	5,088,523	4,097,992	3,674,201	3,472,475	2,903,772
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered payroll	\$ 93,681,895	\$ 79,384,229	\$ 69,420,547	\$ 63,599,221	\$ 59,661,187	\$ 55,609,898	\$ 51,620,898	\$ 47,754,726	\$ 46,557,398	\$ 42,520,688
Contributions as a percentage of covered payroll	13.95%	13.11%	12.33%	11.54%	10.31%	9.15%	7.94%	7.69%	7.46%	6.83%

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
REGISTER OF DEED'S SUPPLEMENTAL PENSION FUND
LAST TEN FISCAL YEARS

EXHIBIT 17

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
County's proportion of the net pension liability (asset) %	2.136%	2.126%	2.334%	2.701%	2.253%	2.072%	2.280%	2.387%	2.399%	2.267%
County's proportionate share of the net pension liability (asset) \$	\$ (246,152)	\$ (255,522)	\$ (309,762)	\$ (520,027)	\$ (516,340)	\$ (408,973)	\$ (377,711)	\$ (407,500)	\$ (448,487)	\$ (525,183)
Plan fiduciary net position as a percentage of the total pension liability ⁽¹⁾	133.61%	135.74%	139.04%	156.53%	173.62%	164.11%	153.31%	153.77%	160.17%	197.29%

⁽¹⁾ This will be the same percentage for all participant employers in the ROD plan

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF THE COUNTY CONTRIBUTIONS
REGISTER OF DEED'S SUPPLEMENTAL PENSION FUND
LAST TEN FISCAL YEARS

EXHIBIT 18

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	\$ 19,983	\$ 18,380	\$ 18,976	\$ 26,821	\$ 30,568	\$ 23,488	\$ 19,690	\$ 19,516	\$ 20,743	\$ 19,597
Contributions in relation to the contractually required contribution	19,983	18,380	18,976	26,821	30,568	23,488	19,690	19,516	20,743	19,597
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF CHANGES IN TOTAL PENSION LIABILITY
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
LAST NINE FISCAL YEARS

EXHIBIT 19

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Beginning balance	\$ 13,531,599	\$ 12,244,359	\$ 13,462,604	\$ 13,003,554	\$ 8,474,799	\$ 7,374,262	\$ 7,160,865	\$ 6,676,726	\$ 6,532,773
Service cost	486,110	441,943	601,608	600,037	379,104	281,417	289,280	249,707	283,709
Interest on the total pension liability	525,009	512,796	295,583	245,798	269,162	260,998	220,996	252,149	229,563
Differences between expected and actual experience in the measurement of the total pension liability	516,979	731,099	643,902	494,015	1,083,766	724,690	319,266	(145,794)	-
Changes of assumption or other inputs	(285,845)	294,460	(2,108,204)	(344,991)	3,233,320	241,394	(281,484)	416,835	(164,444)
Benefits payments	(812,733)	(693,058)	(651,134)	(535,809)	(436,597)	(407,962)	(334,661)	(288,758)	(204,875)
Ending balance of the total pension liability	<u>\$ 13,961,119</u>	<u>\$ 13,531,599</u>	<u>\$ 12,244,359</u>	<u>\$ 13,462,604</u>	<u>\$ 13,003,554</u>	<u>\$ 8,474,799</u>	<u>\$ 7,374,262</u>	<u>\$ 7,160,865</u>	<u>\$ 6,676,726</u>

The amounts presented for each fiscal year were determined as of the prior fiscal year ending December 31.

Pension schedules are intended to show information for ten years. Additional years' information will be displayed as it comes available.

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF TOTAL PENSION LIABILITY AS A PERCENTAGE OF COVERED PAYROLL
LAW ENFORCEMENT OFFICERS' SPECIAL SEPARATION ALLOWANCE
LAST NINE FISCAL YEARS

EXHIBIT 20

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Total pension liability	\$ 13,961,119	\$ 13,531,599	\$ 12,244,359	\$ 13,462,604	\$ 13,003,554	\$ 8,474,799	\$ 7,374,262	\$ 7,160,865	\$ 6,676,726
Covered payroll	15,774,704	15,246,824	13,720,888	12,917,051	12,448,861	10,156,862	9,482,279	9,441,196	10,335,413
Total pension liability as a percentage of covered payroll	88.50%	88.75%	89.24%	104.22%	104.46%	83.44%	77.77%	75.85%	64.60%

Notes to the schedules:

Cabarrus County has no assets accumulated in a trust that meets the criteria in paragraph 4 of the GASB Statement 73 to pay related benefits.

Pension schedules are intended to show information for ten years. Additional years' information will be displayed as it comes available.



OTHER SUPPLEMENTAL INFORMATION

- Combining Statements for Non-Major Funds
- Special Revenue Funds
- Capital Project Funds
- Fiduciary Funds

CABARRUS COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025

SCHEDULE 1
PAGE 1 OF 2

	Special Revenue Funds								
	Emergency Telephone System Fund	Community Development Block Grant Fund	Cabarrus Arena and Events Center Fund	Fire Districts' Fund	Sheriff's Department Fund	Dept of Aging Fund	Social Services Payee Fund	Inter-governmental Fund	Total Non-major Special Revenue Funds
ASSETS									
Cash and cash equivalents	\$ 18,031	\$ 48,825	\$ 1,182,790	\$ 28,646	\$ 196,514	\$ 41,419	\$ 614,839	\$ 140,083	\$ 2,271,147
Investments	543,942	-	3,562,497	-	547,342	125,200	-	-	4,778,981
Due from other governments	21,862	-	-	77,898	-	-	-	-	99,760
Accounts receivable	-	-	31,993	-	-	-	-	4,385	36,378
Prepaid items	-	-	309	-	-	-	-	-	309
Restricted cash	-	-	52,499	-	-	-	-	-	52,499
Total assets	<u>\$ 583,835</u>	<u>\$ 48,825</u>	<u>\$ 4,830,088</u>	<u>\$ 106,544</u>	<u>\$ 743,856</u>	<u>\$ 166,619</u>	<u>\$ 614,839</u>	<u>\$ 144,468</u>	<u>\$ 7,239,074</u>
LIABILITIES									
Accounts payable and accrued liabilities	\$ 18,030	\$ 102	\$ 107,965	\$ 106,544	\$ 915	\$ -	\$ 39,909	\$ 144,468	\$ 417,933
DEFERRED INFLOWS OF RESOURCES	-	-	-	-	-	-	-	-	-
FUND BALANCES									
Nonspendable									
Prepaid items	-	-	309	-	-	-	-	-	309
Restricted									
Stabilization by state statute	183,765	221,813	102,437	77,898	-	-	-	4,385	590,298
Register of Deeds Automation & Enhancement	-	-	-	-	-	-	-	-	-
Emergency Telephone 911	382,040	-	-	-	-	-	-	-	382,040
Sheriff & State Safety programs	-	-	-	-	742,941	-	-	-	742,941
Community Development programs	-	-	-	-	-	-	-	-	-
Soil and Water programs	-	-	-	-	-	-	-	-	-
Cabarrus Arena and Events Center	-	-	52,499	-	-	-	-	-	52,499
Health and Human Services	-	-	-	-	-	-	574,930	-	574,930
Committed									
Economic and physical development	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	166,619	-	-	166,619
Culture and recreation	-	-	-	-	-	-	-	-	-
Assigned									
Culture and recreation	-	-	4,566,878	-	-	-	-	-	4,566,878
Unassigned	-	(173,090)	-	(77,898)	-	-	-	(4,385)	(255,373)
Total fund balances	<u>565,805</u>	<u>48,723</u>	<u>4,722,123</u>	<u>-</u>	<u>742,941</u>	<u>166,619</u>	<u>574,930</u>	<u>-</u>	<u>6,821,141</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 583,835</u>	<u>\$ 48,825</u>	<u>\$ 4,830,088</u>	<u>\$ 106,544</u>	<u>\$ 743,856</u>	<u>\$ 166,619</u>	<u>\$ 614,839</u>	<u>\$ 144,468</u>	<u>\$ 7,239,074</u>

**CABARRUS COUNTY, NORTH CAROLINA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2025**

**SCHEDULE 1
PAGE 2 OF 2**

	Capital Project Funds				
	Public School Building Fund	(Formerly Nonmajor) School Capital Projects Fund	Small Projects Fund	Total Capital Projects Funds	Total Non-major Governmental Funds
ASSETS					
Cash and cash equivalents	\$ -	\$ -	\$ 835,929	\$ 835,929	\$ 3,107,076
Investments	-	-	2,158,680	2,158,680	6,937,661
Due from other governments	-	-	5,450	5,450	105,210
Accounts receivable	-	-	1,500	1,500	37,878
Prepaid items	-	-	-	-	309
Restricted cash	-	-	-	-	52,499
Total assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,001,559</u>	<u>\$ 3,001,559</u>	<u>\$ 10,240,633</u>
LIABILITIES					
Accounts payable and accrued liabilities	\$ -	\$ -	\$ 23,774	\$ 23,774	\$ 441,707
DEFERRED INFLOWS OF RESOURCES	-	-	226,515	226,515	226,515
FUND BALANCES					
Nonspendable					
Prepaid items	-	-	-	-	309
Restricted					
Stabilization by state statute	-	-	6,949	6,949	597,247
Register of Deeds Automation & Enhancement	-	-	452,146	452,146	452,146
Emergency Telephone 911	-	-	-	-	382,040
Sheriff & State Safety programs	-	-	-	-	742,941
Community Development programs	-	-	44,450	44,450	44,450
Soil and Water programs	-	-	915,137	915,137	915,137
Cabarrus Arena and Events Center	-	-	-	-	52,499
Health and Human Services	-	-	-	-	574,930
Committed					
Economic and physical development	-	-	862,275	862,275	862,275
Human services	-	-	-	-	166,619
Culture and recreation	-	-	470,313	470,313	470,313
Assigned					
Culture and recreation	-	-	-	-	4,566,878
Unassigned	-	-	-	-	(255,373)
Total fund balances	<u>-</u>	<u>-</u>	<u>2,751,270</u>	<u>2,751,270</u>	<u>9,572,411</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,001,559</u>	<u>\$ 3,001,559</u>	<u>\$ 10,240,633</u>

CABARRUS COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

SCHEDULE 2
PAGE 1 OF 2

	Special Revenue Funds								
	Emergency Telephone System Fund	Community Development Block Grant Fund	Cabarrus Arena and Events Center Fund	Fire Districts' Fund	Sheriff's Department Fund	Dept of Aging Fund	Social Services Payee Fund	Inter-governmental Fund	Total Non-major Special Revenue Funds
REVENUES									
Ad valorem taxes	\$ -	\$ -	\$ -	\$ 9,737,441	\$ -	\$ -	\$ -	\$ -	\$ 9,737,441
Restricted intergovernmental	262,345	-	-	-	500,862	-	459,325	-	1,222,532
Intergovernmental - lottery	-	-	-	-	-	-	-	-	-
Program fees	-	3,682	584,100	-	3,702	-	-	1,344,386	1,935,870
Investment earnings	45,311	-	164,261	-	15,233	5,639	9,455	-	239,899
Donations	-	-	376,038	-	-	690	-	-	376,728
Miscellaneous	-	-	2,547	-	-	-	-	-	2,547
Total revenues	307,656	3,682	1,126,946	9,737,441	519,797	6,329	468,780	1,344,386	13,515,017
EXPENDITURES									
General government	-	-	-	-	-	-	-	-	-
Public safety	412,112	-	-	9,737,441	24,972	-	-	-	10,174,525
Economic and physical development	-	1,863	-	-	-	-	-	-	1,863
Environmental protection	-	-	-	-	-	-	-	-	-
Human services	-	-	-	-	-	-	355,982	-	355,982
Education	-	-	-	-	-	-	-	1,344,386	1,344,386
Culture and recreation	-	-	1,472,695	-	-	-	-	-	1,472,695
Capital outlay	-	-	-	-	28,598	-	-	-	28,598
Total expenditures	412,112	1,863	1,472,695	9,737,441	53,570	-	355,982	1,344,386	13,378,049
Excess (deficiency) of revenues over (under) expenditures	(104,456)	1,819	(345,749)	-	466,227	6,329	112,798	-	136,968
OTHER FINANCING SOURCES (USES)									
Transfer in	195	45,000	904,122	-	-	-	-	-	949,317
Transfer (out)	(756,964)	-	-	-	-	-	-	-	(756,964)
Total other financing sources (uses)	(756,769)	45,000	904,122	-	-	-	-	-	192,353
Net change in fund balances	(861,225)	46,819	558,373	-	466,227	6,329	112,798	-	329,321
Beginning of year - July 1 as previously presented	1,427,030	1,904	4,163,750	-	276,714	160,290	462,132	-	6,491,820
Change within financial reported entity (nonmajor to major)	-	-	-	-	-	-	-	-	-
Beginning of year, as restated	1,427,030	1,904	4,163,750	-	276,714	160,290	462,132	-	6,491,820
Fund balance, June 30	\$ 565,805	\$ 48,723	\$ 4,722,123	\$ -	\$ 742,941	\$ 166,619	\$ 574,930	\$ -	\$ 6,821,141

CABARRUS COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2025

SCHEDULE 2
PAGE 2 OF 2

	Capital Project Funds				
	Public School Building Fund	(Formerly Nonmajor) School Capital Projects Fund	Small Projects Fund	Total Capital Projects Funds	Total Non-major Governmental Funds
REVENUES					
Ad valorem taxes	\$ -	\$ -	\$ 640,536	\$ 640,536	\$ 10,377,977
Restricted intergovernmental	-	-	307,171	307,171	1,529,703
Intergovernmental - lottery	3,223,362	-	-	3,223,362	3,223,362
Program fees	-	-	44,592	44,592	1,980,462
Investment earnings	-	-	70,320	70,320	310,219
Donations	-	-	371,313	371,313	748,041
Miscellaneous	-	-	12,038	12,038	14,585
Total revenues	<u>3,223,362</u>	<u>-</u>	<u>1,445,970</u>	<u>4,669,332</u>	<u>18,184,349</u>
EXPENDITURES					
General government	-	-	332,774	332,774	332,774
Public safety	-	-	-	-	10,174,525
Economic and physical development	-	-	117,302	117,302	119,165
Environmental protection	-	-	195,992	195,992	195,992
Human services	-	-	-	-	355,982
Education	93,010	-	-	93,010	1,437,396
Culture and recreation	-	-	-	-	1,472,695
Capital outlay	-	-	1,591,864	1,591,864	1,620,462
Total expenditures	<u>93,010</u>	<u>-</u>	<u>2,237,932</u>	<u>2,330,942</u>	<u>15,708,991</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,130,352</u>	<u>-</u>	<u>(791,962)</u>	<u>2,338,390</u>	<u>2,475,358</u>
OTHER FINANCING SOURCES (USES)					
Transfer in	-	-	-	-	949,317
Transfer (out)	(3,130,352)	-	(698)	(3,131,050)	(3,888,014)
Total other financing sources (uses)	<u>(3,130,352)</u>	<u>-</u>	<u>(698)</u>	<u>(3,131,050)</u>	<u>(2,938,697)</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>(792,660)</u>	<u>(792,660)</u>	<u>(463,339)</u>
Beginning of year - July 1 as previously presented	-	13,183,217	3,543,930	16,727,147	23,218,967
Change within financial reported entity (nonmajor to major)	-	(13,183,217)	-	(13,183,217)	(13,183,217)
Beginning of year, as restated	-	-	3,543,930	3,543,930	10,035,750
Fund balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,751,270</u>	<u>\$ 2,751,270</u>	<u>\$ 9,572,411</u>



SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes

Emergency Telephone System – accounts for the receipt and disbursement of funds for the Cabarrus County Emergency 911 system.

Community Development Block Grant – accounts for the receipt and disbursement of grant funds from the Community Development Block Grant.

Cabarrus Arena and Events Center – accounts for the operations of the County owned Arena and Events Center and the annual Cabarrus County Fair.

Fire Districts' – accounts for the receipt of property taxes levied for each Fire Department District collected by Cabarrus County and then remitted to each fire department for the purpose of providing fire protection to a specific tax area.

Sheriff's Department – collects and appropriates Federal and State funds received specifically for the Cabarrus County Sheriff's Department.

Department of Aging – collects and appropriates contributions and private donations received specifically for the Cabarrus County Department of Aging's Senior Citizen programs and projects

Social Services – accounts for money deposited with the County through the Department of Social Services under a program which manages the financial affairs of persons unable or incapable of managing on their own.

Intergovernmental – accounts for the penalties, fines, and forfeitures collected by the County and remitted to school systems.



CABARRUS COUNTY, NORTH CAROLINA**SCHEDULE 3****EMERGENCY TELEPHONE SYSTEM SPECIAL REVENUE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Actual		Variance
	Budget	Actual	Positive (Negative)
REVENUES			
Restricted intergovernmental:			
Federal & state grants	\$ 719,765	\$ -	\$ -
NC 911 service fees	262,342	262,345	-
Investment earnings	10,000	45,311	35,311
Total revenues	992,107	307,655	35,311
EXPENDITURES			
Public Safety:			
Operations	428,970	412,112	16,858
Capital outlay	966,668	-	966,668
Total expenditures	1,395,638	412,112	983,526
Revenues over (under) expenditures	(403,531)	(104,456)	299,074
OTHER FINANCING SOURCES (USES)			
Transfer In - General Fund	195	195	-
Transfer Out - General Fund	(756,964)	(756,964)	-
Fund balance appropriation	1,160,300	-	(1,160,300)
Total other financing sources	403,531	(756,769)	(1,160,300)
Net change in fund balance	\$ -	(861,225)	\$ (861,225)
Fund balance, July 1		1,427,030	
Fund balance, June 30		\$ 565,805	

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE 4
COMMUNITY DEVELOPMENT BLOCK GRANT SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
Restricted intergovernmental:				
CDBG program fees	\$ 42,352	\$ 42,352	\$ -	\$ 42,352
HOME Consortium grants	948,508	205,247	-	205,247
HOME program revenues	18,982	45,695	3,682	49,377
Total revenues	<u>1,009,842</u>	<u>293,294</u>	<u>3,682</u>	<u>296,976</u>
EXPENDITURES				
Economic and physical development:				
CDBG:				
Sub-contractor construction	<u>42,352</u>	<u>41,817</u>	<u>535</u>	<u>42,352</u>
HOME Consortium:				
Printing and Binding	1,299	-	1,152	1,152
Consultants	67,857	15,566	-	15,566
Sub-contractor construction	<u>978,191</u>	<u>318,864</u>	<u>176</u>	<u>319,040</u>
Total HOME consortium	<u>1,047,347</u>	<u>334,430</u>	<u>1,328</u>	<u>335,758</u>
Total expenditures	<u>1,089,699</u>	<u>376,247</u>	<u>1,863</u>	<u>378,110</u>
Revenues over (under) expenditures	(79,857)	(82,953)	1,819	(81,134)
OTHER FINANCING SOURCES (USES)				
Transfer in - General Fund	<u>79,857</u>	<u>84,857</u>	<u>45,000</u>	<u>129,857</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 1,904</u>	46,819	<u>\$ 48,723</u>
Fund balance, July 1			<u>1,904</u>	
Fund balance, June 30			<u>\$ 48,723</u>	

CABARRUS COUNTY, NORTH CAROLINA**CABARRUS ARENA AND EVENTS CENTER SPECIAL REVENUE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 5****PAGE 1 OF 2**

	Actual		
	Budget	Actual	Variance Positive (Negative)
REVENUES			
Arena and Events Center:			
Donations - Cabarrus Visitors Bureau	\$ 331,982	\$ 366,038	\$ 34,056
Investment earnings	-	728	728
Total Arena and Events Center	331,982	366,766	34,784
County Fair:			
Program fees	749,831	584,100	(165,731)
Investment earnings	60,000	163,533	103,533
Miscellaneous	5,000	2,547	(2,453)
Total County Fair	814,831	750,180	(64,651)
Visitor Related Events:			
Donations - Cabarrus Visitors Bureau	10,000	10,000	-
Total revenues	1,156,813	1,126,946	(29,867)
EXPENDITURES			
Cultural and recreational:			
Arena and Events Center			
Management company	898,598	686,124	212,474
Other operating expenses	375,000	81,929	293,071
Capital outlay	39,803	15,551	24,252
Total Arena & Events Center	1,313,401	783,603	529,798

CABARRUS COUNTY, NORTH CAROLINA**CABARRUS ARENA AND EVENTS CENTER SPECIAL REVENUE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 5****PAGE 2 OF 2**

	Actual	
	Budget	Actual
		Variance Positive (Negative)
County Fair:		
Salaries and employee benefits	208,388	158,932
Other operating expenses	782,850	530,160
Total County Fair	991,238	689,092
Visitor Related Events:		
Total visitor-related events	10,000	-
Total expenditures	2,314,639	1,472,695
Revenues over (under) expenditures	(1,157,826)	(345,750)
OTHER FINANCING SOURCES (USES)		
Transfer in - General Fund	904,122	904,122
Fund balance appropriated	253,704	-
Total other financing sources (uses)	1,157,826	904,122
Net change in fund balance	\$ -	558,373
Fund balance, July 1		4,163,750
Fund balance, June 30		\$ 4,722,123

**CABARRUS COUNTY, NORTH CAROLINA
FIRE DISTRICTS SPECIAL REVENUE FUND**

SCHEDULE 6

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Actual		Variance Positive (Negative)
	Budget	Actual	
REVENUES			
Ad valorem taxes	\$ 9,934,821	\$ 9,737,441	\$ (197,380)
EXPENDITURES			
Public safety	9,934,821	9,737,441	197,380
Net change in fund balance	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance, July 1		<u>-</u>	
Fund balance, June 30		<u>\$ -</u>	

**CABARRUS COUNTY, NORTH CAROLINA
SHERIFF'S DEPARTMENT SPECIAL REVENUE FUND**

SCHEDULE 7

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
Federal forfeiture sharing	\$ 302,970	\$ 123,678	\$ 179,291	\$ 302,969
Federal forfeiture sharing - Treasury	523,047	277,299	280,800	558,099
NC Substance Control Tax	741,454	702,617	40,771	743,388
Firing range fees	41,228	38,577	3,702	42,279
Investment earnings:				
Federal Forfeiture sharing	11,470	10,342	2,029	12,371
Federal forfeiture sharing - Treasury	19,438	16,907	4,189	21,096
NC Substance Control tax	74,771	68,436	8,544	76,980
Firing range	1,650	1,304	471	1,775
Total revenues	<u>1,716,028</u>	<u>1,239,160</u>	<u>519,797</u>	<u>1,758,957</u>
EXPENDITURES				
Public safety	1,326,117	601,133	24,972	626,105
Capital outlay:				
Equipment	229,939	201,341	28,598	153,701
Vehicles	337,423	337,423	-	337,423
Total expenditures	<u>1,893,479</u>	<u>1,139,897</u>	<u>53,570</u>	<u>1,117,229</u>
Revenues (under) expenditures	<u>(177,451)</u>	<u>99,263</u>	<u>466,227</u>	<u>641,728</u>
OTHER FINANCING SOURCES (USES)				
Transfer in - General Fund	285,138	285,138	-	285,138
Transfer (out) - General Fund	<u>(107,687)</u>	<u>(107,687)</u>	<u>-</u>	<u>(107,687)</u>
Total other financing sources (uses)	<u>177,451</u>	<u>177,451</u>	<u>-</u>	<u>177,451</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 276,714</u>	<u>466,227</u>	<u>\$ 742,941</u>
Fund balance, July 1			<u>276,714</u>	
Fund balance, June 30			<u>\$ 742,941</u>	

CABARRUS COUNTY, NORTH CAROLINA**SCHEDULE 8****DEPARTMENT OF AGING SPECIAL REVENUE FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
Contributions and private donations	\$ 197,528	\$ 197,940	\$ 690	\$ 198,630
Investment earnings	25,602	33,432	5,639	39,071
Total revenues	223,130	231,372	6,329	237,701
EXPENDITURES				
Human Services:				
Special projects	223,130	71,082	-	71,082
Net change in fund balance	\$ -	\$ 160,290	6,329	\$ 166,619
Fund balance, July 1			160,290	
Fund balance, June 30			\$ 166,619	

CABARRUS COUNTY, NORTH CAROLINA**SCHEDULE 9****SOCIAL SERVICES PAYEE FUND****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE YEAR ENDED JUNE 30, 2025**

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Restricted intergovernmental	\$ 450,000	\$ 459,325	\$ 9,325
Investment earnings	-	9,455	9,455
Total revenues	<u>450,000</u>	<u>468,780</u>	<u>18,780</u>
EXPENDITURES			
Current:			
Human services			
Payments made for the benefit of beneficiaries	<u>450,000</u>	<u>355,982</u>	<u>94,018</u>
Net change in fund balance	<u>\$ -</u>	<u>112,798</u>	<u>\$ 112,798</u>
Fund balance, beginning		<u>462,132</u>	
Fund balance, ending		<u>\$ 574,930</u>	

CABARRUS COUNTY, NORTH CAROLINA
INTERGOVERNMENTAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2025

SCHEDULE 10

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Sales and services			
Penalties, fines and forfeitures	\$ 2,600,000	\$ 1,344,386	\$ (1,255,614)
EXPENDITURES			
Current:			
General government			
Payments of penalties, fines and forfeitures to the			
Legal fees	125,000	108,280	16,720
Cabarrus County Schools	2,220,000	1,107,756	1,112,244
Kannapolis City Schools	255,000	128,350	126,650
Total expenditures	2,600,000	1,344,386	1,255,614
Net change in fund balance	\$ -	-	\$ -
Fund balance, beginning		-	
Fund balance, ending		\$ -	



CAPITAL PROJECT FUNDS

The Capital Projects Funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

Public School Building – collects State public school funds and lottery proceeds and disbursing the funds for smaller non-debt school capital projects.

Small Projects – 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.



CABARRUS COUNTY, NORTH CAROLINA

SCHEDULE 11

PUBLIC SCHOOL BUILDING CAPITAL PROJECTS FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
Intergovernmental				
Lottery proceeds: State	\$ 22,960,352	\$ 19,830,000	\$ 3,130,352	\$ 22,960,352
Lottery proceeds: Rowan County	1,297,858	1,204,849	93,010	1,297,859
Total revenues	24,258,210	21,034,849	3,223,362	24,258,211
EXPENDITURES				
Capital outlay - education:				
Rowan County projects	1,297,858	1,204,849	93,010	1,297,859
Total expenditures	1,297,858	1,204,849	93,010	1,297,859
Revenues over expenditures	22,960,352	19,830,000	3,130,352	22,960,352
OTHER FINANCING SOURCES (USES)				
Transfer (out) - CIF	(19,980,000)	(17,680,000)	(2,300,000)	(19,980,000)
Transfer (out) - School Construction - CPF	(2,480,352)	(1,650,000)	(830,352)	(2,480,352)
Transfer (out) - LOBS 2017 - CPF	(500,000)	(500,000)	-	(500,000)
Total other financing sources (uses)	(22,960,352)	(19,830,000)	(3,130,352)	(22,960,352)
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance, July 1			-	
Fund balance, June 30			\$ -	

CABARRUS COUNTY, NORTH CAROLINA
SMALL PROJECTS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SCHEDULE 12
PAGE 1 OF 2

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
Board of Elections:				
Investment earnings	\$ 34,195	\$ 34,173	\$ 23	\$ 34,196
Register of Deeds:				
Automation & enhancement fees	2,547,302	2,447,461	134,503	2,581,964
Investment earnings	122,780	106,969	23,751	130,720
Total Register of Deeds	2,670,082	2,554,430	158,254	2,712,684
Cabarrus Visitors Bureau:				
Contribution and donations	213,715	-	371,313	371,313
Veterans Services:				
Grants	18,289	-	2,806	2,806
Community Development:				
Program fees	122,888	92,245	43,157	135,402
Soil & Water:				
Grants	1,221,419	749,755	169,862	919,617
Stewardship Fund	52,250	52,250	-	52,250
Deferred tax collections	1,168,823	443,823	725,000	1,168,823
Program fees	22,052	20,759	1,435	22,194
Contribution and donations	2,898	2,898	-	2,898
Investment earnings	1,693	1,693	-	1,693
Total Soil & Water	2,469,135	1,271,178	896,297	2,167,475
Elma Lomax Incubator Farm:				
Deferred tax collections	607,000	527,000	80,000	607,000
Local Agriculture Preservation:				
Deferred tax collections	4,738,994	5,058,061	(164,464)	4,893,597
Lease on Land	39,075	27,038	12,038	39,076
Investment earnings	318,109	289,345	46,546	335,891
Total Soil & Water	5,096,178	5,374,444	(105,880)	5,268,564
Total revenues	11,231,482	9,853,470	1,445,970	11,299,440

CABARRUS COUNTY, NORTH CAROLINA
SMALL PROJECTS CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SCHEDULE 12
PAGE 2 OF 2

	Project Authorization	Prior Years	Actual Current Year	Total to Date
EXPENDITURES				
Operations:				
General Govt - Board of Elections	86,316	111,677	-	111,677
General Govt - Register of Deeds	2,747,587	2,008,073	329,968	2,338,041
Economic Development - Community Development	177,789	108,550	37,302	145,852
Economic Development - Elma Lomax	507,000	427,000	80,000	507,000
Environmental Protection - Soil & Water	2,555,280	1,153,772	177,764	1,331,536
Environ Protect - Local Agric Preservation	708,115	-	18,228	18,228
General Govt - Veterans Services	18,289	-	2,806	2,806
Total Operations	6,800,376	3,809,072	646,068	4,455,140
Capital Outlay:				
Land Purchase	1,691,864	1,000	1,591,864	1,592,864
Improvements	213,715	-	-	-
Equipment and furniture	152,891	127,530	-	127,530
Total capital outlay	2,058,470	128,530	1,591,864	1,720,394
Total expenditures	8,858,846	3,937,602	2,237,932	6,175,534
Revenues over (under) expenditures	2,372,636	5,915,868	(791,962)	5,123,906
OTHER FINANCING SOURCES (USES)				
Transfer in - General Fund	293,837	293,837	-	293,837
Transfer in - Capital Reserve Fund	150,000	150,000	-	150,000
Transfer (out) - General Fund	(25,698)	(25,000)	(698)	(25,698)
Transfer (out) - Capital Project Fund	(2,790,775)	(2,790,775)	-	(2,790,775)
Total other financing sources (uses)	(2,372,636)	(2,371,938)	(698)	(2,372,636)
Net change in fund balance	\$ -	\$ 3,543,930	(792,660)	\$ 2,751,270
Fund balance, July 1			3,543,930	
Fund balance, June 30			\$ 2,751,270	



FIDUCIARY FUNDS

Custodial Funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. These funds are used to account for assets the County holds on behalf of others that meet certain criteria.

INDIVIDUAL FUND DESCRIPTIONS

CUSTODIAL FUNDS:

Undistributed Taxes – is used to account for property taxes collected before they are distributed to local municipalities.

Jail Commissary – is used to account for inmate's money deposited with the County when an inmate is housed at the County detention center. The money can be used by inmate to purchase commissary items. Unused monies are returned to the inmate upon their release.

PENSION TRUST FUNDS

OPEB Trust Fund – accounts for the County's contributions for healthcare coverage provided to qualified retirees.



CABARRUS COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
JUNE 30, 2025

SCHEDULE 13

	<u>Undistributed Taxes</u>	<u>Jail Commissary</u>	<u>Total Custodial Funds</u>
ASSETS			
Cash and cash equivalents	\$ 1,665,657	\$ 108,823	\$ 1,774,480
Taxes receivable for other governments, net	1,079,794	-	1,079,794
Total assets	<u>2,745,451</u>	<u>108,823</u>	<u>2,854,274</u>
LIABILITIES			
Due to Other Governments	<u>1,665,657</u>	<u>-</u>	<u>1,665,657</u>
NET POSITION			
Restricted for:			
Individuals, organizations, and other governments	1,079,794	108,823	1,188,617
Total net position	<u>\$ 1,079,794</u>	<u>\$ 108,823</u>	<u>\$ 1,188,617</u>

CABARRUS COUNTY, NORTH CAROLINA**SCHEDULE 14****COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION****CUSTODIAL FUNDS****FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	<u>Undistributed Taxes</u>	<u>Jail Commissary</u>	<u>Total Custodial Funds</u>
ADDITIONS			
Ad valorem taxes for other governments	\$ 172,170,457	\$ -	\$ 172,170,457
Collections on behalf of inmates	-	1,111,605	1,111,605
Total additions	<u>172,170,457</u>	<u>1,111,605</u>	<u>173,282,062</u>
DEDUCTIONS			
Tax distributions to other governments	173,603,902	-	173,603,902
Payments on behalf of inmates	-	1,093,859	1,093,859
Total deductions	<u>173,603,902</u>	<u>1,093,859</u>	<u>174,697,761</u>
Net increase (decrease) in fiduciary net position	(1,433,445)	17,746	(1,415,699)
Net position, beginning,	<u>2,513,239</u>	<u>91,077</u>	<u>2,604,316</u>
Net position, ending	<u>\$ 1,079,794</u>	<u>\$ 108,823</u>	<u>\$ 1,188,617</u>

CABARRUS COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
OPEB TRUST FUND
JUNE 30, 2025

SCHEDULE 15

	<u>OPEB Trust Fund</u>	<u>Total</u>
ASSETS		
Cash and cash equivalents	\$ 6,584,706	\$ 6,584,706
Total assets	<u>6,584,706</u>	<u>6,584,706</u>
NET POSITION		
Restricted for:		
Post employment benefits other than pensions	6,584,706	6,584,706
Total net position	<u>\$ 6,584,706</u>	<u>\$ 6,584,706</u>

CABARRUS COUNTY, NORTH CAROLINA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
OPEB TRUST FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SCHEDULE 16

	<u>OPEB Trust Fund</u>	<u>Total</u>
ADDITIONS		
Investment income	<u>\$ 296,958</u>	<u>\$ 296,958</u>
Net increase (decrease) in fiduciary net position	296,958	296,958
Net position, July 1	6,287,748	6,287,748
Net position, June 30	<u><u>\$ 6,584,706</u></u>	<u><u>\$ 6,584,706</u></u>

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies of the County on a cost reimbursement basis

Workers' Compensation | Property Liability was established to accumulate premiums and pay all claims and related expenses for workers' compensation and property liability activities.

Self-Insured Medical | Dental was established as a self-insurance fund for employee health and dental insurance coverage. The employee's premium and the County's contribution are deposited in this fund. Payments for health and dental coverage are made to third-party administrators for the statement of claims plus administrative expenses.



CABARRUS COUNTY, NORTH CAROLINA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2025

SCHEDULE 17

	Workers' Compensation and Property Liability Fund	Medical Dental Fund	Total
ASSETS			
Cash and cash equivalents	\$ 10,181,503	\$ 5,179,286	\$ 15,360,789
Accounts receivable	-	224,093	224,093
Prepaid expenses	400	187,788	188,188
Total current assets	<u>10,181,903</u>	<u>5,591,167</u>	<u>15,773,070</u>
Capital assets:			
Vehicles and equipment	29,664	-	29,664
Less: Accumulated depreciation	<u>(29,664)</u>	<u>-</u>	<u>(29,664)</u>
Total assets	<u>10,181,903</u>	<u>5,591,167</u>	<u>15,773,070</u>
LIABILITIES			
Accounts payable	5,109	87,198	92,307
Amounts payable for future claims	<u>415,130</u>	<u>1,276,000</u>	<u>1,691,130</u>
Total liabilities	<u>420,239</u>	<u>1,363,198</u>	<u>1,783,437</u>
NET POSITION			
Unrestricted	<u>\$ 9,761,664</u>	<u>\$ 4,227,969</u>	<u>\$ 13,989,633</u>

CABARRUS COUNTY, NORTH CAROLINA

SCHEDULE 18

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND BALANCES

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Workers' Compensation and Property Liability Fund	Medical Dental Fund	Total
Operating revenues:			
Insurance premiums	\$ 2,307,034	\$ 19,003,674	\$ 21,310,708
Program fees	-	42,253	42,253
Insurance refunds	9,162	1,031,581	1,040,743
Total operating revenues	2,316,196	20,077,508	22,393,704
Operating expenses:			
General administrative and other	1,945,104	3,668,805	5,613,909
Claims	412,850	17,633,380	18,046,230
Total operating expenses	2,357,954	21,302,185	23,660,139
Operating income (loss)	(41,758)	(1,224,677)	(1,266,435)
Nonoperating revenues:			
Investment earnings	321,292	142,259	463,551
Income (loss) before contributions	279,534	(1,082,418)	(802,884)
Transfers:			
Transfers out - General Fund	(85,492)	-	(85,492)
Transfers in - General Fund	-	100,000	100,000
Total transfers	(85,492)	100,000	14,508
Change in net position	194,042	(982,418)	(788,376)
Net position, July 1	9,567,622	5,210,387	14,778,009
Net position, June 30	\$ 9,761,664	\$ 4,227,969	\$ 13,989,633

CABARRUS COUNTY, NORTH CAROLINA**SELF-INSURED WORKERS' COMPENSATION AND LIABILITY INTERNAL SERVICE FUND****SCHEDULE OF REVENUES AND EXPENDITURES - FINANCIAL PLAN AND ACTUAL (NON-GAAP)****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 19****PAGE 1 OF 2**

	2025		
	Financial Plan	Actual	Variance Favorable (Unfavorable)
Revenues:			
Property Liability:			
Operating revenues:			
Insurance premiums	\$ -	\$ 23,478	\$ 23,478
Insurance refunds	-	9,162	9,162
Total operating revenues	-	32,640	32,640
Nonoperating revenues:			
Investment earnings	20,000	321,291	301,291
Workers Compensation			
Operating revenues:			
Insurance premiums	2,363,223	2,283,556	(79,667)
Total revenues	2,383,223	2,637,487	254,264
Expenditures:			
Property Liability:			
General and administrative - Premiums	2,000,000	1,590,294	409,706
Capital outlay	75,000	-	75,000
Claims	305,008	74,869	230,139
Consultants	33,500	33,500	-
Total property liability	2,413,508	1,698,663	714,845

CABARRUS COUNTY, NORTH CAROLINA**SELF-INSURED WORKERS' COMPENSATION AND LIABILITY INTERNAL SERVICE FUND****SCHEDULE OF REVENUES AND EXPENDITURES - FINANCIAL PLAN AND ACTUAL (NON-GAAP)****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 19****PAGE 2 OF 2**

	2025	
	Financial Plan	Variance Favorable (Unfavorable)
Workers Compensation		
General and administrative - premiums	323,500	54,750
Purchased services	11,000	2,190
Claims	1,978,723	1,640,742
Consultant	49,250	5,500
Total workers compensation	2,362,473	1,703,182
 Total expenditures	 4,775,981	 2,418,027
 Revenues over (under) expenditures	 (2,392,758)	 2,672,292
 Fund balance appropriated	 2,478,250	 (2,478,250)
 Transfers:		
Transfers to - Capital Projects Fund	-	-
Transfers to - General Fund	(85,492)	-
 Revenues and transfers over (under) expenditures	 \$ -	 \$ 194,042
 Change in net position		 \$ 194,042

CABARRUS COUNTY, NORTH CAROLINA

SELF-INSURED MEDICAL AND DENTAL INTERNAL SERVICE FUND

SCHEDULE OF REVENUES AND EXPENDITURES - FINANCIAL PLAN AND ACTUAL (NON-GAAP BASIS)

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SCHEDULE 20

	2025		
	Financial Plan	Actual	Variance Favorable (Unfavorable)
MEDICAL			
Operating revenues:			
Insurance premiums	\$ 18,137,770	\$ 18,361,542	\$ 223,772
Insurance refunds	700,000	1,031,581	331,581
Program fees	40,392	42,253	1,861
Total operating revenues	<u>18,878,162</u>	<u>19,435,376</u>	<u>557,214</u>
DENTAL			
Operating revenues:			
Insurance premiums	<u>578,000</u>	<u>642,132</u>	<u>64,132</u>
Total operating revenues	<u>19,456,162</u>	<u>20,077,508</u>	<u>621,346</u>
Nonoperating revenues:			
Investment earnings	<u>50,000</u>	<u>142,259</u>	<u>92,259</u>
Total revenues	<u>19,506,162</u>	<u>20,219,767</u>	<u>713,605</u>
MEDICAL			
General and administrative	4,243,999	3,590,241	653,758
Claims	<u>18,915,316</u>	<u>16,961,948</u>	<u>1,953,368</u>
Total hospitalization	<u>23,159,315</u>	<u>20,552,189</u>	<u>2,607,126</u>
DENTAL			
General and administrative	83,000	78,565	4,435
Claims	<u>732,000</u>	<u>671,431</u>	<u>60,569</u>
Total dental	<u>815,000</u>	<u>749,996</u>	<u>65,004</u>
Total expenditures	<u>23,974,315</u>	<u>21,302,185</u>	<u>2,672,130</u>
Income (loss) before contributions	(4,468,153)	(1,082,418)	3,385,735
Transfers:			
Transfers in - General Fund	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Revenues and transfers over (under) expenditures	(4,368,153)	(982,418)	3,385,735
Fund balance appropriated	<u>4,368,153</u>	<u>-</u>	<u>4,368,153</u>
Change in net position	<u>\$ -</u>	<u>\$ (982,418)</u>	<u>\$ (982,418)</u>

CABARRUS COUNTY, NORTH CAROLINA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SCHEDULE 21

	Workers' Compensation and Property Liability Fund	Medical Dental Fund	Total
Cash flows from operating activities:			
Cash received from customers	\$ -	\$ 6,636	\$ 6,636
Cash received from departments	2,318,946	20,195,258	22,514,204
Cash paid to suppliers for goods and services	(2,467,988)	(21,183,162)	(23,651,150)
Net cash provided (used) for operating activities	(149,042)	(981,268)	(1,130,310)
Cash flows from noncapital financing:			
Transfer in	-	100,000	100,000
Transfer out	(85,492)	-	(85,492)
Net cash provided (used) from noncapital financing	(85,492)	100,000	14,508
Cash flows from investing activities:			
Interest received on investments	321,292	142,260	463,552
Net increase (decrease) in cash and cash equivalents	86,758	(739,008)	(652,250)
Cash and cash equivalents, July 1	10,094,745	5,918,294	16,013,039
Cash and cash equivalents, June 30	<u>\$ 10,181,503</u>	<u>\$ 5,179,286</u>	<u>\$ 15,360,789</u>
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:			
Operating income (loss)	\$ (41,758)	\$ (1,224,677)	\$ (1,266,435)
(Increase) decrease in accounts receivable and prepaid expenses	2,750	124,386	127,136
Increase (decrease) in accounts payable and accrued liabilities	(110,034)	119,023	8,989
Total adjustments	(107,284)	243,409	136,125
Net cash provided by (used for) operating activities	<u>\$ (149,042)</u>	<u>\$ (981,268)</u>	<u>\$ (1,130,310)</u>

OTHER SCHEDULES

Tax Receivable and Tax Levy - schedules report the balance of the past ten years of tax levies and provides detailed information concerning the current tax assessment and levy.

General Fund - accounts for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in other funds.

Community Investment Fund – sub fund of the general fund and accounts for sales tax | lottery revenue dedicated to school capital and property tax revenues for debt | capital projects. This fund also accounts for debt service expenditures and transfers to Capital Projects Funds.

County Capital Projects Fund – accounts for construction, renovations, and larger Capital projects for the County using debt and non-debt sources.

School Capital Projects – accounts for planning, design, construction and/or renovation of schools through the use of debt and non-debt sources.

CARES Act Relief Fund - accounts for funding received from the federal government to cover COVID-19 expenditures for public health emergencies.

Opioid Settlement – accounts for the receipt of funds as part of nationwide settlement related to multiple opioid lawsuits and disbursement of funds for opioid abatement and remediation activities.

Landfill Fund - accounts for the operations that are financed and operated in a manner like private business or where the board has decided that the determination of revenues earned, costs incurred and | or net income is necessary for management accountability. The schedule presents the results of operation for the Landfill on the modified accrual basis for comparison to the legally adopted budget. A reconciliation of the modified accrual basis to the full accrual basis (per generally accepted accounting principles) follows the schedule.



CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF AD VALOREM TAXES RECEIVABLE
JUNE 30, 2025

SCHEDULE 22

<u>Fiscal Year</u>	<u>Uncollected Balance June 30, 2024</u>	<u>Additions</u>	<u>Collections and Credits</u>	<u>Uncollected Balance June 30, 2025</u>
2025	\$ -	\$ 276,858,762	\$ 275,007,841	\$ 1,850,921
2024	1,348,684	-	918,991	429,693
2023	579,024	-	113,171	465,868
2022	225,876	-	29,198	196,678
2021	193,956	-	12,482	181,473
2020	299,470	-	7,199	292,255
2019	104,851	-	4,978	99,874
2018	480,359	-	3,201	477,166
2017	45,937	-	2,965	42,972
2016	44,823	-	2,993	41,829
2015	56,692	-	56,692	-
Total	<u>\$ 3,379,672</u>	<u>\$ 276,858,762</u>	<u>\$ 276,159,712</u>	<u>4,078,728</u>
Less: Allowance for uncollectible accounts:				
General Fund				<u>(2,084,613)</u>
Ad valorem taxes receivable (net):				
General Fund				<u>\$ 1,994,115</u>
<u>Reconciliation to revenues:</u>				
Ad valorem taxes - General Fund				\$ 275,902,073
Penalties collected on ad valorem taxes - Custodial Fund				382,678
Total ad valorem taxes and penalties				<u>276,284,751</u>
Reconciling items:				
Deferred taxes				287,357
Interest collected				(627,859)
Taxes written-off				32,692
Abatement of prior year taxes				89,259
Collection of tax previously written-off				(8,028)
NCVTS refunds				101,541
Total reconciling items				<u>(125,039)</u>
Total collections and credits				<u>\$ 276,159,712</u>

CABARRUS COUNTY, NORTH CAROLINA
ANALYSIS OF CURRENT YEAR LEVY
COUNTY-WIDE LEVY
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SCHEDULE 23
PAGE 1 OF 2

	County-wide			Total Levy	
	Property Valuation	Rate	Amount of Levy	Property Excluding Registered Motor Vehicles	Registered Motor Vehicles
Original levy:					
Property taxed at current year's rate	\$ 47,864,635,653	\$ 0.5760	\$ 276,669,031	\$ 256,041,505	\$ 20,627,526
Penalties	-		215,542	215,542	-
Total	47,864,635,653		276,884,574	256,257,047	20,627,526
Discoveries:					
Current year taxes	201,930,980	0.5760	616,982	614,471	2,511
Prior year taxes			771,138	771,138	-
Penalties	-		71,330	71,330	-
Total	201,930,980		1,459,449	1,456,939	2,511
Releases	(272,335,203)		(1,485,261)	(1,484,795)	(466)
Total property valuation	<u>\$ 47,794,231,430</u>				
Net levy			276,858,762	256,229,210	20,629,570
Uncollected taxes at June 30, 2025			1,850,921	1,850,921	-
Current year's taxes collected			<u>\$ 275,007,841</u>	<u>\$ 254,378,289</u>	<u>\$ 20,629,570</u>
Current levy collection percentage			<u>99.33%</u>	<u>99.28%</u>	<u>100.00%</u>

**CABARRUS COUNTY, NORTH CAROLINA
ANALYSIS OF CURRENT YEAR LEVY
COUNTY-WIDE LEVY
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**SCHEDULE 23
PAGE 2 OF 2**

Secondary market disclosures:

Assessed valuation:

Assessment ratio ¹	100%
Real property	\$ 40,624,226,242
Personal property	6,597,642,847
Public service companies ²	<u>572,362,341</u>
Total assessed valuation	\$ 47,794,231,430
Tax rate per \$100	<u>0.5760</u>
Levy (includes discoveries, releases and abatements) ³	<u><u>\$ 276,858,762</u></u>

In addition to the County-wide rate, the following table lists the levies by the County on behalf of fire protection districts for the fiscal year ended June 30:

Fire protection districts ⁴	<u><u>\$ 9,887,351</u></u>
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¹ Percentage of appraised value has been established by statute.

² Valuation of railroads, telephone companies and other utilities as determined by the North Carolina Property Tax Commission.

³ Levy includes penalties.

⁴ Levy excludes motor vehicle taxes.

CABARRUS COUNTY, NORTH CAROLINA
TEN LARGEST TAXPAYERS
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SCHEDULE 24

Secondary market disclosures (continued):

Taxpayer	Type of Business	Assessed Valuation	Percentage of Total Assessed Valuation
Eli Lilly and Company	Pharmaceutical	\$ 653,002,707	1.49%
Corning Inc	Manufacturing	419,148,432	0.95%
Hendrick Corporation	Automotive & Sports	359,186,213	0.82%
Charlotte Motor Speedway Inc	Sports - Racing	272,759,701	0.62%
Mall at Concord Mills LP	Retail Center	266,049,328	0.61%
Duke Energy Corp	Public Service-Utilities	236,578,739	0.54%
Weinstein Properties	Real Estate - Residential	216,182,810	0.49%
Progress Residential	Real Estate - Residential	210,923,980	0.48%
Great Wolf Lodge of the Carolinas	Amusement Water Park	200,085,201	0.46%
FirstKey Homes LLP	Real Estate - Residential	190,294,880	0.43%
Totals		<u>\$ 3,024,211,991</u>	<u>6.89%</u>

¹More information about principal property taxpayers can be found on Table 7.

CABARRUS COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SCHEDULE 25

PAGE 1 OF 17

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Ad Valorem Taxes:			
Taxes - current	\$ 267,241,057	\$ 274,207,869	\$ 6,966,812
Taxes - delinquent	1,500,000	1,066,345	(433,655)
Interest	540,000	627,859	87,859
Total	<u>269,281,057</u>	<u>275,902,073</u>	<u>6,621,016</u>
Local Option Sales Taxes:			
Sales tax - one cent	27,177,921	29,374,211	2,196,290
Sales tax - half cent (40)	11,613,000	13,151,820	1,538,820
Sales tax - half cent (42)	7,080,000	7,850,358	770,358
Sales tax - half cent (44)	-	19	19
Sales tax fire districts	2,053,079	2,054,702	1,623
Total	<u>47,924,000</u>	<u>52,431,110</u>	<u>4,507,110</u>
Other Taxes:			
Franchise fees	450,000	363,925	(86,075)
Gross receipts tax	275,000	371,820	96,820
Heavy equipment tax	90,000	238,274	148,274
ABC Bottle tax	200,000	75,277	(124,723)
Total	<u>1,015,000</u>	<u>1,049,296</u>	<u>34,296</u>
Intergovernmental Revenues:			
Federal and state grants	26,671,902	27,842,566	1,170,664
Court facilities fees	350,000	291,013	(58,987)
ABC profit distribution	200,000	923,766	723,766
Other intergovernmental	6,018,650	8,608,111	2,589,461
Total	<u>33,240,552</u>	<u>37,665,456</u>	<u>4,424,904</u>

CABARRUS COUNTY, NORTH CAROLINA**GENERAL FUND****SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 25****PAGE 2 OF 17**

	Final Budget	Actual	Variance Positive (Negative)
Permits and Fees:			
Inspection fees	5,400,000	5,946,767	546,767
Register of Deeds	3,215,000	3,941,244	726,244
Other permits	282,350	286,927	4,577
Total	8,897,350	10,174,938	1,277,588
Sales and Services:			
Ambulance fees	9,250,000	10,906,105	1,656,105
Recreation fees	172,600	149,557	(23,043)
Transportation	1,031,000	554,438	(476,562)
Other sales and services	8,126,142	6,762,742	(1,363,400)
Total	18,579,742	18,372,842	(206,900)
Investment Earnings:			
Interest on investments	4,500,000	10,360,567	5,860,567
Miscellaneous:			
Private contributions and donations	226,735	194,373	(32,362)
Sale of materials and capital assets	35,000	142,279	107,279
Gain (loss) on foreclosures	-	(103)	(103)
Other	396,872	774,999	378,127
Total	658,607	1,111,548	452,941
Total revenues	384,096,308	407,067,830	22,971,522
EXPENDITURES			
General Government			
Board of Commissioners			
Personnel services	394,822	396,433	(1,611)
Operations	215,014	162,551	52,463
Total	609,836	558,984	50,852

CABARRUS COUNTY, NORTH CAROLINA**GENERAL FUND****SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 25****PAGE 3 OF 17**

	Final Budget	Actual	Variance Positive (Negative)
Legal Department			
Personnel services	357,394	310,626	46,768
Operations	545,797	456,453	89,344
Total	903,191	767,079	136,112
County Manager			
Personnel services	1,484,881	1,344,548	140,333
Operations	(80,884)	(405,681)	324,797
Total	1,403,997	938,867	465,130
Budget			
Personnel services	441,255	441,722	(467)
Operations	11,665	3,567	8,098
Total	452,920	445,289	7,631
Strategy			
Personnel services	407,644	374,280	33,364
Operations	52,900	4,753	48,147
Total	460,544	379,033	81,511
Procurement			
Personnel services	232,664	231,421	1,243
Operations	7,430	5,806	1,624
Total	240,094	237,227	2,867
Communications & Outreach			
Personnel services	735,842	723,845	11,997
Operations	245,450	115,173	130,277
Total	981,292	839,018	142,274

CABARRUS COUNTY, NORTH CAROLINA**GENERAL FUND****SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 25****PAGE 4 OF 17**

	Final Budget	Actual	Variance Positive (Negative)
Safety & Risk Management			
Personnel services	256,748	255,509	1,239
Operations	28,220	12,977	15,243
Total	284,968	268,486	16,482
Human Resources			
Personnel services	1,398,654	1,365,006	33,648
Operations	287,350	209,937	77,413
Capital outlay	17,095	17,095	-
Total	1,703,099	1,592,038	111,061
Tax Collector			
Personnel services	737,921	732,848	5,073
Operations	649,618	389,094	260,524
Capital outlay	600	-	600
Total	1,388,139	1,121,942	266,197
Tax Administration			
Personnel services	3,044,367	3,049,332	(4,965)
Operations	241,987	212,017	29,970
Capital outlay	1,900	1,862	38
Total	3,288,254	3,263,211	25,043
Board of Elections			
Personnel services	1,138,951	893,999	244,952
Operations	322,478	262,100	60,378
Total	1,461,429	1,156,099	305,330
Register of Deeds			
Personnel services	785,314	781,161	4,153
Operations	102,900	100,377	2,523
Total	888,214	881,538	6,676

CABARRUS COUNTY, NORTH CAROLINA**GENERAL FUND****SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 25****PAGE 5 OF 17**

	Final Budget	Actual	Variance Positive (Negative)
Finance			
Personnel services	1,695,819	1,589,669	106,150
Operations	179,482	155,307	24,175
Capital outlay	18,100	17,947	153
Total	<u>1,893,401</u>	<u>1,762,923</u>	<u>130,478</u>
Information Technology Services			
Personnel services	4,715,407	4,692,103	23,304
Operations	7,084,470	4,912,357	2,172,113
Capital outlay	86,000	85,922	78
Total	<u>11,885,877</u>	<u>9,690,382</u>	<u>2,195,495</u>
Non-Departmental			
Personnel services	3,657,553	1,080,162	2,577,391
Operations	1,256,109	(18,229)	1,274,338
Total	<u>4,913,662</u>	<u>1,061,933</u>	<u>3,851,729</u>
Covid			
Operations	<u>1,950,000</u>	<u>-</u>	<u>1,950,000</u>
Facility Construction & Design			
Personnel services	318,576	313,575	5,001
Operations	12,372	7,453	4,919
Total	<u>330,948</u>	<u>321,028</u>	<u>9,920</u>
Grounds Maintenance			
Personnel services	958,523	939,461	19,062
Operations	1,578,380	1,175,426	402,954
Capital outlay	158,548	158,548	-
Total	<u>2,695,451</u>	<u>2,273,435</u>	<u>422,016</u>

CABARRUS COUNTY, NORTH CAROLINA**GENERAL FUND****SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 25****PAGE 6 OF 17**

	Final Budget	Actual	Variance Positive (Negative)
Infrastructure and Asset Management			
Personnel services	901,142	825,514	75,628
Operations	2,679,868	1,823,877	855,991
Capital outlay	25,869	24,225	1,644
Total	<u>3,606,879</u>	<u>2,673,616</u>	<u>933,263</u>
Street Sign Maintenance			
Personnel services	160,277	154,500	5,777
Operations	91,518	50,381	41,137
Total	<u>251,795</u>	<u>204,881</u>	<u>46,914</u>
Building Maintenance			
Personnel services	1,511,145	1,329,097	182,048
Operations	2,818,143	1,240,508	1,577,635
Capital Outlay	1,700	-	1,700
Total	<u>4,330,988</u>	<u>2,569,605</u>	<u>1,761,383</u>
Facility Services			
Personnel services	2,860,569	2,861,056	(487)
Operations	536,953	420,074	116,879
Capital Outlay	26,600	11,609	14,991
Total	<u>3,424,122</u>	<u>3,292,739</u>	<u>131,383</u>
Fleet Maintenance			
Personnel services	685,013	683,204	1,809
Operations	36,574	639,181	(602,607)
Capital outlay	1,244,379	1,023,298	221,081
Total	<u>1,965,966</u>	<u>2,345,683</u>	<u>(379,717)</u>
Total General Government	<u>51,315,066</u>	<u>38,645,036</u>	<u>12,670,030</u>

CABARRUS COUNTY, NORTH CAROLINA**GENERAL FUND****SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 25****PAGE 7 OF 17**

	Final Budget	Actual	Variance Positive (Negative)
Public Safety			
County Sheriff			
Personnel services	23,895,898	22,470,205	1,425,693
Operations	5,834,258	4,228,051	1,606,207
Capital outlay	4,778,494	3,018,791	1,759,703
Total	<u>34,508,650</u>	<u>29,717,047</u>	<u>4,791,603</u>
 County Sheriff - Harrisburg			
Personnel services	3,559,403	2,980,170	579,233
Operations	260,836	5,657	255,179
Capital outlay	928,123	260,807	667,316
Total	<u>4,748,362</u>	<u>3,246,634</u>	<u>1,501,728</u>
 County Sheriff - Midland			
Personnel services	477,291	476,054	1,237
Total	<u>477,291</u>	<u>476,054</u>	<u>1,237</u>
 County Sheriff - Mt Pleasant			
Personnel services	504,226	476,565	27,661
Operations	600	395	205
Total	<u>504,826</u>	<u>476,960</u>	<u>27,866</u>
 County Sheriff - School Resource Officer			
Personnel services	3,278,030	3,246,467	31,563
Operations	4,700	4,538	162
Total	<u>3,282,730</u>	<u>3,251,005</u>	<u>31,725</u>
 Detention Center			
Personnel services	16,395,818	14,953,946	1,441,872
Operations	3,635,324	3,228,784	406,540
Capital outlay	81,606	5,530	76,076
Total	<u>20,112,748</u>	<u>18,188,260</u>	<u>1,924,488</u>

CABARRUS COUNTY, NORTH CAROLINA**GENERAL FUND****SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 25****PAGE 8 OF 17**

	Final Budget	Actual	Variance Positive (Negative)
Animal Control			
Personnel services	1,190,427	1,049,172	141,255
Operations	204,280	85,739	118,541
Capital outlay	149,060	129,120	19,940
Total	<u>1,543,767</u>	<u>1,264,031</u>	<u>279,736</u>
Animal Shelter			
Personnel services	754,745	723,401	31,344
Operations	247,483	172,078	75,405
Capital outlay	15,150	15,150	-
Total	<u>1,017,378</u>	<u>910,629</u>	<u>106,749</u>
Courts			
Personnel services	131	-	131
Operations	1,423,560	894,032	529,528
Total	<u>1,423,691</u>	<u>894,032</u>	<u>529,659</u>
Construction Standards			
Personnel services	4,005,666	3,665,606	340,060
Operations	2,014,589	1,519,158	495,431
Capital outlay	65,000	64,888	112
Total	<u>6,085,255</u>	<u>5,249,652</u>	<u>835,603</u>
Emergency Management			
Personnel services	372,085	370,604	1,481
Operations	125,517	75,741	49,776
Capital outlay	13,300	13,300	-
Total	<u>510,902</u>	<u>459,645</u>	<u>51,257</u>

CABARRUS COUNTY, NORTH CAROLINA**GENERAL FUND****SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 25****PAGE 9 OF 17**

	Final Budget	Actual	Variance Positive (Negative)
Fire Services			
Personnel services	601,810	627,403	(25,593)
Operations	469,444	450,846	18,598
Capital outlay	1,130,691	1,058,198	72,493
Total	<u>2,201,945</u>	<u>2,136,447</u>	<u>65,498</u>
Fire Districts			
Operations	<u>2,053,079</u>	<u>2,062,265</u>	<u>(9,186)</u>
Emergency Medical Services			
Personnel services	15,440,650	15,495,233	(54,583)
Operations	2,672,696	2,020,076	652,620
Capital outlay	1,796,179	951,996	844,183
Total	<u>19,909,525</u>	<u>18,467,305</u>	<u>1,442,220</u>
Emergency Telephone			
Operations	201,801	142,734	59,067
Capital outlay	1,053,517	147,206	906,311
Total	<u>1,255,318</u>	<u>289,940</u>	<u>965,378</u>
Other Public Safety			
Personnel services	983,178	981,148	2,030
Operations	696,539	647,196	49,343
Total	<u>1,679,717</u>	<u>1,628,344</u>	<u>51,373</u>
Total Public Safety	<u>101,315,184</u>	<u>88,718,250</u>	<u>12,596,934</u>
Economic and Physical Development			
Planning and Development Services			
Personnel services	585,825	579,621	6,204
Operations	77,847	38,493	39,354
Total	<u>663,672</u>	<u>618,114</u>	<u>45,558</u>

CABARRUS COUNTY, NORTH CAROLINA**GENERAL FUND****SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 25****PAGE 10 OF 17**

	Final Budget	Actual	Variance Positive (Negative)
Community Development			
Personnel services	350,655	341,816	8,839
Operations	659,933	429,270	230,663
Total	1,010,588	771,086	239,502
Soil & Water Conservation			
Personnel services	388,915	392,524	(3,609)
Operations	47,935	26,993	20,942
Total	436,850	419,517	17,333
Zoning Administration			
Personnel services	274,084	261,590	12,494
Operations	15,639	7,461	8,178
Total	289,723	269,051	20,672
Economic Development Corp			
Personnel services	442,723	322,113	120,610
Operations	425,000	425,000	-
Total	867,723	747,113	120,610
Economic Development Incentives			
Operations	1,900,000	468,782	1,431,218
Other Economic and Physical Development			
Operations	2,226,113	2,016,008	210,105
Total Economic and Physical Development	7,394,669	5,309,671	2,084,998

CABARRUS COUNTY, NORTH CAROLINA**GENERAL FUND****SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 25****PAGE 11 OF 17**

	Final Budget	Actual	Variance Positive (Negative)
Human Services			
Veterans Services			
Personnel services	513,354	494,760	18,594
Operations	9,600	5,426	4,174
Total	522,954	500,186	22,768
 Transportation			
Personnel services	1,589,890	1,376,691	213,199
Operations	1,827,692	1,147,420	680,272
Capital outlay	848,169	94,445	753,724
Total	4,265,751	2,618,556	1,647,195
 Cooperative Extension			
Personnel services	451,446	379,021	72,425
Operations	117,352	96,960	20,392
Total	568,798	475,981	92,817
 HS - Business Operations			
Personnel services	341,533	333,572	7,961
Operations	2,330	40	2,290
Total	343,863	333,612	10,251
 HS - Administration Operations			
Personnel services	4,453,987	4,344,162	109,825
Operations	2,867,328	1,556,290	1,311,038
Total	7,321,315	5,900,452	1,420,863
 HS - Economic Family Support Services			
Personnel services	2,127,160	2,095,128	32,032
Operations	550,587	93,964	456,623
Total	2,677,747	2,189,092	488,655

CABARRUS COUNTY, NORTH CAROLINA**GENERAL FUND****SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 25****PAGE 12 OF 17**

	Final Budget	Actual	Variance Positive (Negative)
HS - Food & Nutrition Services			
Personnel services	2,693,907	2,643,218	50,689
Operations	64,961	35,231	29,730
Total	<u>2,758,868</u>	<u>2,678,449</u>	<u>80,419</u>
HS - Child Welfare			
Personnel services	10,136,087	9,623,315	512,772
Operations	4,176,977	2,956,021	1,220,956
Total	<u>14,313,064</u>	<u>12,579,336</u>	<u>1,733,728</u>
HS - Child Support Services			
Personnel services	2,191,936	2,169,726	22,210
Operations	236,873	234,438	2,435
Total	<u>2,428,809</u>	<u>2,404,164</u>	<u>24,645</u>
HS - Economic Services			
Personnel services	9,138,971	8,968,575	170,396
Operations	1,243,924	998,817	245,107
Total	<u>10,382,895</u>	<u>9,967,392</u>	<u>415,503</u>
HS - Adult and Family Services			
Personnel services	3,123,880	3,004,945	118,935
Operations	175,961	143,814	32,147
Total	<u>3,299,841</u>	<u>3,148,759</u>	<u>151,082</u>
HS - Behavioral Health			
Personnel services	338,258	317,669	20,589
Operations	2,427,670	2,423,570	4,100
Total	<u>2,765,928</u>	<u>2,741,239</u>	<u>24,689</u>

CABARRUS COUNTY, NORTH CAROLINA

GENERAL FUND

SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

SCHEDULE 25

PAGE 13 OF 17

	Final Budget	Actual	Variance Positive (Negative)
HS Aging - Nutrition Title III			
Personnel services	676,835	620,810	56,025
Operations	373,094	223,242	149,852
Total	1,049,929	844,052	205,877
HS Aging - Senior Services			
Personnel services	407,439	409,085	(1,646)
Operations	521,594	441,394	80,200
Total	929,033	850,479	78,554
Cabarrus Health Alliance			
Operations	12,040,642	12,040,642	-
Other Human Services			
Operations	2,969,067	2,841,783	127,284
Total Human Services	68,638,504	62,114,174	6,524,330
Culture & Recreation			
Active Living and Parks - Administration			
Personnel services	896,836	498,068	398,768
Operations	606,201	439,270	166,931
Capital outlay	100,000	6,555	93,445
Total	1,603,037	943,893	659,144
Active Living and Parks - Camp Spencer			
Personnel services	157,323	79,367	77,956
Operations	148,400	136,737	11,663
Total	305,723	216,104	89,619

CABARRUS COUNTY, NORTH CAROLINA**GENERAL FUND****SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 25****PAGE 14 OF 17**

	Final Budget	Actual	Variance Positive (Negative)
Active Living and Parks - Frank Liske Park			
Personnel services	297,157	148,031	149,126
Operations	144,700	104,199	40,501
Total	441,857	252,230	189,627
Active Living and Parks - Rob Wallace Park			
Personnel services	254,524	128,921	125,603
Operations	37,175	30,525	6,650
Total	291,699	159,446	132,253
Active Living and Parks - Vietnam Veterans Park			
Operations	5,950	4,530	1,420
Active Living and Parks - St Stephens Park			
Operations	4,000	-	4,000
Active Living and Parks - Operations			
Personnel services	-	914,056	(914,056)
Operations	92,298	95,107	(2,809)
Capital outlay	26,640	26,640	-
Total	118,938	1,035,803	(916,865)
Active Living and Parks - Afton Ridge Senior Center			
Personnel services	425,146	141,960	283,186
Operations	11,350	5,106	6,244
Total	436,496	147,066	289,430
Active Living and Parks - Concord Senior Center			
Personnel services	490,072	514,605	(24,533)
Operations	123,544	72,659	50,885
Total	613,616	587,264	26,352

CABARRUS COUNTY, NORTH CAROLINA**GENERAL FUND****SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 25****PAGE 15 OF 17**

	Final Budget	Actual	Variance Positive (Negative)
Active Living and Parks - Mt Pleasant Senior Center			
Personnel services	307,690	100,960	206,730
Operations	10,750	4,035	6,715
Capital outlay	25,000	18,624	6,376
Total	<u>343,440</u>	<u>123,619</u>	<u>219,821</u>
Library System - Administration			
Personnel services	1,242,976	646,269	596,707
Operations	1,022,917	916,312	106,605
Total	<u>2,265,893</u>	<u>1,562,581</u>	<u>703,312</u>
Library System - Mt Pleasant Library			
Personnel services	622,551	421,543	201,008
Operations	5,100	5,480	(380)
Total	<u>627,651</u>	<u>427,023</u>	<u>200,628</u>
Library System - Harrisburg Library			
Personnel services	666,433	412,611	253,822
Operations	5,500	5,527	(27)
Total	<u>671,933</u>	<u>418,138</u>	<u>253,795</u>
Library System - Concord Library			
Personnel services	1,331,310	2,517,515	(1,186,205)
Operations	6,100	6,094	6
Total	<u>1,337,410</u>	<u>2,523,609</u>	<u>(1,186,199)</u>
Library System - Kannapolis Library			
Personnel services	781,546	426,386	355,160
Operations	5,000	4,785	215
Total	<u>786,546</u>	<u>431,171</u>	<u>355,375</u>

CABARRUS COUNTY, NORTH CAROLINA**GENERAL FUND****SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 25****PAGE 16 OF 17**

	Final Budget	Actual	Variance Positive (Negative)
Library System - Midland Library			
Personnel services	367,021	218,549	148,472
Operations	25,000	3,626	21,374
Total	392,021	222,175	169,846
Library System - Afton Ridge Library			
Personnel services	1,043,292	519,239	524,053
Operations	5,000	4,513	487
Total	1,048,292	523,752	524,540
Other Culture and Recreation			
Cabarrus Arts Council	27,000	27,000	-
Total Culture & Recreation	11,321,502	9,605,404	1,716,098
Education			
Schools - Current Expense			
Cabarrus County Schools	97,784,688	97,784,688	-
Kannapolis City Schools	11,349,062	11,349,062	-
Rowan Cabarrus Community College	4,584,500	4,584,500	-
Total	113,718,250	113,718,250	-
Schools - Capital Outlay			
School Site Development - CCS	36,324	-	36,324
School Site Development - KCS	8,832	-	8,832
Total	45,156	-	45,156
Schools - Other	134,405	134,405	-
Total Education	113,897,811	113,852,655	45,156

CABARRUS COUNTY, NORTH CAROLINA**GENERAL FUND****SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2025****SCHEDULE 25****PAGE 17 OF 17**

	Final Budget	Actual	Variance Positive (Negative)
Total Expenditures	<u>353,882,736</u>	<u>318,245,190</u>	<u>35,637,546</u>
Excess of revenues over expenditures	<u>30,213,572</u>	<u>88,822,640</u>	<u>58,609,068</u>
OTHER FINANCING SOURCES (USES)			
Transfer In - Property & Liability	85,492	85,492	-
Transfer In - Special Revenue Fund (911)	756,964	756,964	-
Transfer In - Special Projects Fund	-	698	698
Transfer Out - Community Dev	(45,000)	(45,000)	-
Transfer Out - CIF	(66,180,205)	(66,180,205)	-
Transfer Out - Landfill	(740,478)	(740,478)	-
Transfer Out - Special Revenue Fund (911)	(195)	(195)	-
Transfer Out - Internal Service Fund	(100,000)	(100,000)	-
Transfer Out - Arena	<u>(904,122)</u>	<u>(904,122)</u>	<u>-</u>
Total other financing sources (uses)	<u>(67,127,544)</u>	<u>(67,126,846)</u>	<u>698</u>
Fund balance appropriated	<u>36,913,972</u>	<u>-</u>	<u>(36,913,972)</u>
Net change in fund balance	<u>\$ -</u>	<u>21,695,794</u>	<u>\$ 21,695,794</u>
Fund balance, July 1		<u>149,802,017</u>	
Fund balance, June 30		<u>\$ 171,497,811</u>	

CABARRUS COUNTY, NORTH CAROLINA**COMMUNITY INVESTMENT FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

SCHEDULE 26

PAGE 1 OF 3

	Final Budget	Actual	Variance Positive (Negative)
REVENUES			
Local Option Sales Taxes:			
Sales tax - half cent (40)	\$ 4,978,000	\$ 5,636,494	\$ 658,494
Sales tax - half cent (42)	10,624,000	11,775,537	1,151,537
Sales tax - half cent (46)	12,824,000	14,329,163	1,505,163
Total	<u>28,426,000</u>	<u>31,741,194</u>	<u>3,315,194</u>
Intergovernmental Revenues:			
Other intergovernmental	404,000	384,124	(19,876)
Other Taxes:			
Occupancy tax	341,982	-	(341,982)
Interest on investments	-	3,317,839	3,317,839
Total revenues	<u>29,171,982</u>	<u>35,443,157</u>	<u>6,271,175</u>
EXPENDITURES			
General Government			
Other General Government			
Other Operations	27,407,368	1,147,600	26,259,768
Capital Outlay - Lease	900,000	502,089	397,911
Capital Outlay - SBITA	1,850,000	1,580,165	269,835
Total	<u>30,157,368</u>	<u>3,229,854</u>	<u>26,927,514</u>
Education			
Schools - Capital Outlay			
Cabarrus County Schools	1,020,000	1,020,000	-
Kannapolis City Schools	100,000	100,000	-
Rowan Cabarrus Community College	100,000	100,000	-
Total	<u>1,220,000</u>	<u>1,220,000</u>	<u>-</u>

CABARRUS COUNTY, NORTH CAROLINA

COMMUNITY INVESTMENT FUND

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

SCHEDULE 26

PAGE 2 OF 3

	Final Budget	Actual	Variance Positive (Negative)
Debt Service			
Leases			
Principal	1,883,000	1,119,749	763,251
Interest and other charges	53,350	30,223	23,127
Total	1,936,350	1,149,973	786,377
Subscriptions			
Principal	882,000	945,322	(63,322)
Interest and other charges	40,000	32,649	7,351
Total	922,000	977,971	(55,971)
Other			
Principal	41,040,275	35,334,715	5,705,560
Interest and other charges	22,314,325	17,716,741	4,597,584
Total	63,354,600	53,051,456	10,303,144
Total expenditures	97,590,318	59,629,254	37,961,064
Revenues over (under) expenditures	(68,418,336)	(24,186,097)	44,232,239
OTHER FINANCING SOURCES (USES)			
Transfer in - General Fund	66,180,205	66,180,205	-
Transfer in - School Capital Projects Fund	-	9,447,497	9,447,497
Transfer in - County Capital Projects Fund	2,073,823	25,294,665	23,220,842
Transfer in - Other Funds (PSBCF)	2,300,000	2,300,000	-
Lease Liabilities issued	900,000	502,088	(397,912)
Subscription liabilities issued	1,850,000	1,580,165	(269,835)
Transfer out - School Capital Projects Fund	(21,005,919)	(21,005,919)	-
Transfer out - County Capital Projects Fund	(19,703,742)	(13,647,500)	6,056,242
Total other financing sources (uses)	32,594,367	70,651,201	38,056,834
Fund balance appropriated	35,823,969	-	(35,823,969)

CABARRUS COUNTY, NORTH CAROLINA**COMMUNITY INVESTMENT FUND****SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

SCHEDULE 26

PAGE 3 OF 3

	Final Budget	Actual	Variance Positive (Negative)
Net change in fund balance	<u>\$ -</u>	<u>46,465,104</u>	<u>\$ 46,465,104</u>
Fund balance, July 1		<u>86,086,850</u>	
Fund balance, June 30		132,551,954	
Debt service payment made from sinking fund held by trustee in the County's name		(1,330,000)	
A legally budgeted principal debt service payment was made to a sinking fund held by a trustee in the County's name		<u>1,330,000</u>	
Fund balance, June 30		<u>\$ 132,551,954</u>	

**CABARRUS COUNTY, NORTH CAROLINA
COUNTY CAPITAL PROJECTS FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**SCHEDULE 27
PAGE 1 OF 2**

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
Interest on Investment	\$ 4,203,921	\$ 3,380,624	\$ 1,407,520	\$ 4,788,144
State Grants	41,200,000	9,664,885	11,806,048	21,470,933
Miscellaneous	-	-	335,369	335,369
Contribution From City of Concord	-	76,407	-	76,407
Total revenues	<u>45,403,921</u>	<u>13,121,916</u>	<u>13,548,937</u>	<u>26,670,853</u>
EXPENDITURES				
Improvements				
General Government	16,961,974	8,426,773	2,147,580	10,574,353
Public Safety	7,959,282	6,412,999	496,908	6,909,907
Parks	2,292,562	107,173	-	107,173
Legal fees	3,651,457	879,160	2,613,164	3,492,324
Total Improvements	<u>30,865,275</u>	<u>15,826,105</u>	<u>5,257,652</u>	<u>21,083,757</u>
Capital outlay				
Land	9,132,203	6,668,029	798,721	7,466,750
Buildings	222,359,152	153,451,245	52,780,423	206,231,668
Building Improvements	62,824,340	56,419,330	4,274,927	60,694,257
Equipment	3,069,049	2,533,669	478,382	3,012,051
Vehicles	419,899	-	419,899	419,899
Turf fields	2,541,790	2,541,790	-	2,541,790
Total Capital Outlay	<u>300,346,433</u>	<u>221,614,063</u>	<u>58,752,352</u>	<u>280,366,415</u>
Construction in progress				
Camp Spencer Improvement	526,998	382,377	52,900	435,277
Fire Service Building	370,000	25,017	113,580	138,597
Frank Liske Park - Upgrades/ADA/Parking Lot/Bathroom	9,410,803	1,920,302	424,789	2,345,091
Mental Health Facility	58,000,000	1,969,924	14,390,271	16,360,195
RWP Phase 1	1,190,744	1,190,744	-	1,190,744
Rob Wallace Park Phase 2	1,433,504	1,333,532	-	1,333,532
Sheriff Training & Firing Range Project	72,059,392	2,165,553	15,535	2,181,088
Government Center Bathroom Renovation	450,000	198,164	-	198,164
Health Science Center	22,000,000	342,350	5,865	348,215
Sheriffs Office Chiller	1,000,000	9,704	465,796	475,500

**CABARRUS COUNTY, NORTH CAROLINA
COUNTY CAPITAL PROJECTS FUND**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

**SCHEDULE 27
PAGE 2 OF 2**

	Project Authorization	Prior Years	Actual Current Year	Total to Date
Vietnam Veterans Park Boardwalk and Playground Replacement	95,000	50,126	-	50,126
Concord Library Window Replacement	326,174	-	309,648	309,648
Total construction in progress	166,862,615	9,587,793	15,778,384	25,366,176
 Total capital outlay	 467,209,048	 231,201,856	 74,530,736	 305,732,592
 Debt Service - Principal	 103,491,989	 -	 103,491,989	 103,491,989
 Total expenditures	 601,566,312	 247,027,961	 183,280,377	 430,308,338
 Revenues (under) expenditures	 (556,162,391)	 (233,906,045)	 (169,731,440)	 (403,637,485)
OTHER FINANCING SOURCES (USES)				
Proceeds from LOBS 2020	60,622,147	60,440,612	-	60,440,612
Proceeds from LOBS 2022B	103,491,988	103,491,988	-	103,491,988
Proceeds from LOBS 2024A	213,773,522	-	213,773,521	213,773,521
Proceeds from LOBS 2024B	98,878,128	-	28,878,128	28,878,128
Transfer in - Capital Projects	24,556,334	24,696,943	-	24,696,943
Transfer in - Capital Reserve	2,554,255	2,728,681	-	2,728,681
Transfer in - General Fund	42,543,748	35,492,707	-	35,492,707
Transfer in - Internal Service Fund	2,287,023	2,287,023	-	2,287,023
Transfer in - Community Investment Fund	36,879,828	29,978,328	13,647,500	43,625,828
Transfer (out) - Community Investment Fund	(25,294,665)	-	(25,294,665)	(25,294,665)
Transfer (out) - General Fund	(2,044,917)	(57,500)	-	(57,500)
Transfer (out) - Capital Reserve	(2,085,000)	(2,085,000)	-	(2,085,000)
 Total other financing sources (uses)	 556,162,391	 256,973,782	 231,004,484	 487,978,266
 Net change in fund balance	 \$ -	 \$ 23,067,737	 61,273,044	 \$ 84,340,781
 Fund balance, July 1			 23,067,737	
 Fund balance, June 30			 \$ 84,340,781	

**CABARRUS COUNTY, NORTH CAROLINA
SCHOOL CAPITAL PROJECTS FUND**

**SCHEDULE 28
PAGE 1 OF 2**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
NC Department of Transportation Grant	\$ 2,759,082	\$ 2,109,082	\$ -	\$ 2,109,082
Interest Earned	-	-	5,038,601	5,038,601
Contributions and donations	1,550,000	1,545,275	4,725	1,550,000
Total revenues	4,309,082	3,654,357	5,043,326	8,697,683
EXPENDITURES				
Roberta Road Middle School	54,379,503	54,379,503	-	54,379,503
New High School	9,513,790	8,467,593	19,484	8,487,077
R. Brown McAllister Elementary	48,326,750	44,305,378	1,588,747	45,894,125
Southeast High School	1,816,320	1,816,248	-	1,816,248
JM Robinson High School Mondo Track	1,557,843	1,550,000	3,000	1,553,000
Coltrane Webb Stem Elementary	50,469,994	66,093	10,145,112	10,211,205
New Harrisburg Elementary	52,100,000	11,925	-	11,925
Opportunity School	11,731,149	186,858	1,823,686	2,010,544
Cabarrus Health Science Institute	2,000,000	1,182,448	794,982	1,977,430
Concord High School HVAC	9,091,958	257,625	227,248	484,873
Weddington Hills HVAC	7,006,377	192,327	130,165	322,492
Central Cabarrus High School Track	965,000	688,121	105,924	794,045
Concord High School Track	190,000	-	121,436	121,436
Cox Mill Elementary School Roof	917,630	40,663	700,815	741,478
Hickory Ridge High School Roof	1,882,464	71,240	1,196,664	1,267,904
Hickory Ridge High School Track	1,893,357	1,893,357	-	1,893,357
Mary Francis Wall Renovation	14,740,000	210,548	2,991,886	3,202,434
Tennis Courts Reconstruction	1,495,000	666,008	737,485	1,403,493
Wolf Meadow Elementary School Roof	997,895	51,677	919,925	971,602
Fred L. Wilson Elementary School	14,000,000	583,530	10,775,680	11,359,210
Forrest Park Elementary School HVAC	7,203,000	347,400	20,940	368,340
Shady Brook Elementary School Chiller	244,087	244,087	-	244,087
RCCC South Campus HVAC	6,150,500	67,486	147,050	214,536
Workforce Innovation Center	47,000,000	-	-	-
RCCC Building 203 Renovation	7,000,000	-	-	-

**CABARRUS COUNTY, NORTH CAROLINA
SCHOOL CAPITAL PROJECTS FUND**

**SCHEDULE 28
PAGE 2 OF 2**

**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Project Authorization	Prior Years	Actual Current Year	Total to Date
Cabarrus County School Maintenance	42,599,139	23,956,799	8,262,970	32,219,769
Kannapolis City School Maintenance	8,890,034	5,347,796	1,638,782	6,986,578
Rowan Cabarrus Community College Maintenance	3,652,500	1,382,777	1,418,280	2,801,057
Debt Service - Principal	56,508,011	-	56,508,011	56,508,011
Total expenditures	464,322,301	147,967,486	100,278,272	248,245,758
Revenues (under) expenditures	(460,013,219)	(144,313,129)	(95,234,946)	(239,548,075)
OTHER FINANCING SOURCES (USES)				
Proceeds from LOBS 2020A	45,227,096	45,232,065	-	45,232,065
Proceeds from LOBS 2022B	56,508,011	56,508,011	-	56,508,011
Proceeds from LOBS 2024B	227,975,468	-	120,855,302	120,855,302
Proceeds from LOBS 2024A	62,589,761	-	58,308,011	58,308,011
Transfer in - General Fund	20,048,688	17,947,106	-	17,947,106
Transfer in - Capital Projects	9,383,614	9,383,613	-	9,383,613
Transfer in - Capital Reserve	693,429	693,429	-	693,429
Transfer in - Community Investment Fund	51,663,467	32,733,456	21,005,919	53,739,375
Transfer in - PSCBF Lottery	398,191	-	830,352	830,352
Transfer (out) - CIF	(9,473,392)	(25,174)	(9,447,497)	(9,472,671)
Transfer (out) - Capital Reserve	(5,001,114)	(4,976,160)	-	(4,976,160)
Total other financing sources	460,013,219	157,496,346	191,552,087	349,048,433
Net change in fund balance	\$ -	\$ 13,183,217	96,317,141	\$ 109,500,358
Fund balance, July 1			13,183,217	
Fund balance, June 30			\$ 109,500,358	

CABARRUS COUNTY, NORTH CAROLINA

SCHEDULE 29

CARES ACT RELIEF FUND

SCHEDULE OF OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Project Authorization	Prior Years	Actual Current Year	Total to Date
REVENUES				
Restricted intergovernmental:				
Cares Act Relief Payment - ARP	\$ 42,043,458	\$ 31,193,828	\$ 5,564,187	\$ 24,244,140
US Treasury Emergency Asst	6,528,517	6,528,517	-	6,528,517
US Treasury Emergency Asst	3,073,598	3,065,868	(5,572)	3,065,868
US Treasury Emergency Asst (State)	4,965,552	4,965,553	-	4,965,553
Total revenues	56,611,125	45,753,766	5,558,615	38,804,078
EXPENDITURES				
Salaries and benefits	10,808,836	10,660,029	105,322	10,765,351
Other Public Health Emergency	45,802,289	35,093,737	5,453,293	40,547,030
Total expenditures	56,611,125	45,753,765	5,558,615	51,312,380
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balance, July 1			-	
Fund balance, June 30			\$ -	

CABARRUS COUNTY, NORTH CAROLINA
LANDFILL FUND

SCHEDULE 30
PAGE 1 OF 2

SCHEDULE OF OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Operating revenues:			
Charges for sales and services:			
Tipping fees	\$ 945,000	\$ 1,258,096	\$ 313,096
Items for sale	104,000	84,859	(19,141)
Waste disposal fee	120,000	169,097	49,097
Recycling revenue	35,000	42,225	7,225
Total operating revenues	<u>1,204,000</u>	<u>1,554,277</u>	<u>350,277</u>
Nonoperating revenues:			
Landfill disposal tax	42,000	51,474	9,474
Landfill state tax distribution	50,000	56,814	6,814
Solid waste franchise fee	30,000	30,000	-
Tire disposal fees	375,000	449,183	74,183
Investment earnings	-	317,191	317,191
NC Electronics management	6,000	4,795	(1,205)
White Goods Disposal Tax	-	59,454	59,454
Miscellaneous revenue	-	17	17
Total nonoperating revenues	<u>503,000</u>	<u>968,928</u>	<u>465,928</u>
Total revenues	<u>1,707,000</u>	<u>2,523,205</u>	<u>816,205</u>
EXPENDITURES			
Salaries and benefits	959,126	911,985	47,141
Operations	1,487,812	1,365,596	122,216
Capital outlay	540	-	540
Total expenditures	<u>2,447,478</u>	<u>2,277,581</u>	<u>169,897</u>
Revenues over (under) expenditures	<u>(740,478)</u>	<u>245,624</u>	<u>986,102</u>

**CABARRUS COUNTY, NORTH CAROLINA
LANDFILL FUND**

**SCHEDULE 30
PAGE 2 OF 2**

**SCHEDULE OF OF REVENUES AND EXPENDITURES - BUDGET AND ACTUAL (NON-GAAP BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2025**

	Budget	Actual	Variance Favorable (Unfavorable)
OTHER FINANCING SOURCES (USES)			
Contribution from General Fund	740,478	740,478	-
Revenues and appropriated net position over expenditures	\$ -	986,102	\$ 986,102
Reconciliation from budgetary basis (modified accrual) to full accrual:			
Reconciling items:			
Depreciation		(237,072)	
Decrease in net pension liability		665	
(Decrease) in deferred outflows of resources - pension		(14,542)	
Decrease in deferred inflow - pension		649	
Decrease in accrued landfill closure / post-closure care costs		3,210	
Increase in compensated absences payable		(55,811)	
(Decrease) in deferred outflow - OPEB		(2,465)	
Decrease in deferred inflow- OPEB		10,748	
(Increase) in OPEB liability		(3,794)	
Total reconciling items		(298,412)	
Change in net position		\$ 687,690	



STATISTICAL SECTION

This part of the County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the County's overall financial health

Financial Trends – these tables contain trend information to help the reader understand how the government's financial performance and well-being have changed over time

- Net position by Component
- Changes in Net Position
- Fund Balances of Governmental Funds
- Changes in Fund Balances of Governmental Funds

Revenue Capacity – these tables contain information to help the reader assess the government's, most significant local revenue source, property taxes.

- Assessed Value of Taxable Property
- Direct and Overlapping Property Tax Rates
- Principal Property Taxpayers
- Property Tax Levies and Collections

Debt Capacity – these tables contain information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

- Ratios of General Bonded Debt Outstanding
- Ratios of Outstanding Debt by Type
- Direct and Overlapping Governmental Activities Debt
- Legal Debt Margin Information

Demographic and Economic Information – these tables offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.

- Demographic and Economic Statistics
- Principal Employers

Operating Information – these tables contain information about the County's operations and resources to help the reader understand how the County's financial information related to the services the County provides and the activities it performs.

- Full-time Equivalent County Government Employees by Function | Program
- Operating Indicators by Function
- Capital Asset Statistics by Function | Program



CABARRUS COUNTY, NORTH CAROLINA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

TABLE 1

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Governmental activities										
Net investment in capital assets	\$ 132,384,494	\$ 135,088,132	\$ 140,299,370	\$ 147,584,065	\$ 159,939,882	\$ 171,326,199	\$ 156,428,800	\$ 183,698,605	\$ 183,053,027	\$ 186,894,175
Restricted	20,309,397	22,230,970	32,255,525	34,418,834	30,339,063	123,192,871	110,468,295	145,776,324	149,023,503	151,664,323
Unrestricted	(119,878,979)	(160,670,777)	(222,703,931)	(250,738,117)	(255,163,508)	(316,869,749)	(218,982,098)	(212,647,422)	(152,606,288)	(110,492,334)
Total governmental activities net position	<u>\$ 32,814,912</u>	<u>\$ (3,351,675)</u>	<u>\$ (50,149,036)</u>	<u>\$ (68,735,218)</u>	<u>\$ (64,884,563)</u>	<u>\$ (22,350,679)</u>	<u>\$ 47,914,997</u>	<u>\$ 116,827,507</u>	<u>\$ 179,470,242</u>	<u>\$ 228,066,164</u>
Business-type activities										
Net investment in capital assets	\$ 2,617,174	\$ 2,681,953	\$ 2,545,825	\$ 2,399,580	\$ 2,264,367	\$ 2,129,152	\$ 2,284,446	\$ 2,252,676	\$ 3,110,143	\$ 2,873,071
Unrestricted	694,368	832,692	1,385,260	2,043,617	2,825,277	3,275,894	3,328,112	3,419,913	4,415,745	5,103,444
Total business-type activities net position	<u>\$ 3,311,542</u>	<u>\$ 3,514,645</u>	<u>\$ 3,931,085</u>	<u>\$ 4,443,197</u>	<u>\$ 5,089,644</u>	<u>\$ 5,405,046</u>	<u>\$ 5,612,558</u>	<u>\$ 5,672,589</u>	<u>\$ 7,525,888</u>	<u>\$ 7,976,515</u>
Primary government										
Net investment in capital assets	\$ 135,001,668	\$ 137,770,085	\$ 142,845,195	\$ 149,983,645	\$ 162,204,249	\$ 173,455,351	\$ 158,713,246	\$ 185,951,281	\$ 186,163,170	\$ 189,767,246
Restricted	20,309,397	22,230,970	32,255,525	34,418,834	30,339,063	123,192,871	110,468,295	145,776,324	149,023,503	151,664,323
Unrestricted	(119,184,611)	(159,838,085)	(221,318,671)	(248,694,500)	(252,338,231)	(313,593,855)	(215,653,986)	(209,227,509)	(148,190,543)	(105,388,890)
Total primary government net position	<u>\$ 36,126,454</u>	<u>\$ 162,970</u>	<u>\$ (46,217,951)</u>	<u>\$ (64,292,021)</u>	<u>\$ (59,794,919)</u>	<u>\$ (16,945,633)</u>	<u>\$ 53,527,555</u>	<u>\$ 122,500,096</u>	<u>\$ 186,996,130</u>	<u>\$ 236,042,679</u>
Component Unit										
Net investment in capital assets	\$ 591,994	\$ 415,038	\$ 454,265	\$ 332,666	\$ 621,966	\$ 481,291	\$ 748,536	\$ 1,159,138	\$ 1,325,201	\$ 4,616,192
Restricted	2,079,353	2,496,308	889,823	3,097,700	1,175,395	3,342,317	3,136,129	2,250,238	3,917,177	2,333,713
Unrestricted	4,819,120	5,157,603	5,904,428	3,509,305	3,860,514	3,397,185	4,366,757	3,230,601	(273,995)	661,869
Total component unit net position	<u>\$ 7,490,467</u>	<u>\$ 8,068,949</u>	<u>\$ 7,248,516</u>	<u>\$ 6,939,671</u>	<u>\$ 5,657,875</u>	<u>\$ 7,220,793</u>	<u>\$ 8,251,422</u>	<u>\$ 6,639,977</u>	<u>\$ 4,968,383</u>	<u>\$ 7,611,774</u>

CABARRUS COUNTY, NORTH CAROLINA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

TABLE 2
PAGE 1 OF 2

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Expenses										
Governmental activities:										
General government	\$ 22,937,803	\$ 25,784,005	\$ 25,410,503	\$ 26,373,901	\$ 31,253,702	\$ 33,792,440	\$ 40,088,592	\$ 38,810,270	\$ 42,508,821	\$ 48,601,377
Public safety	44,488,831	47,282,589	48,772,340	53,570,795	60,955,287	69,942,162	75,020,454	82,186,124	88,195,570	111,420,584
Economic and physical development	4,657,763	4,556,125	6,448,102	4,765,182	4,693,056	6,495,322	4,797,206	4,977,516	10,414,324	5,581,255
Environmental protection	396,644	654,645	509,267	1,371,094	690,214	879,312	122,163	121,645	47,747	266,924
Human Services	36,753,034	38,136,558	36,361,691	38,699,195	41,391,469	45,911,170	55,574,511	64,149,397	63,929,878	71,740,203
Education	96,042,477	144,665,606	141,487,058	151,618,111	129,178,290	127,347,464	121,259,242	140,498,917	146,234,198	160,280,313
Cultural and recreation	7,593,910	8,177,430	8,474,373	8,013,339	9,265,753	9,484,202	9,956,155	10,308,138	11,096,890	12,898,809
Interest on long term debt	13,448,868	13,271,582	13,488,064	14,222,496	13,098,803	13,264,142	12,271,921	16,448,929	15,761,744	17,259,677
Total governmental activities	226,319,330	282,528,540	280,951,398	298,634,113	290,526,574	307,116,214	319,090,244	357,500,936	378,189,172	428,049,142
Business-type activities:										
Solid Waste	1,673,170	866,076	778,768	1,040,485	937,658	1,060,521	1,755,828	2,370,143	2,050,463	2,575,993
Total primary government expenses	<u>\$ 227,992,500</u>	<u>\$ 283,394,616</u>	<u>\$ 281,730,166</u>	<u>\$ 299,674,598</u>	<u>\$ 291,464,232</u>	<u>\$ 308,176,735</u>	<u>\$ 320,846,072</u>	<u>\$ 359,871,079</u>	<u>\$ 380,239,635</u>	<u>\$ 430,625,135</u>
Program Revenues										
Governmental activities										
Charges for services:										
General government	\$ 3,850,542	\$ 3,650,774	\$ 3,914,304	\$ 4,129,231	\$ 4,724,834	\$ 5,885,165	\$ 6,038,781	\$ 4,007,428	\$ 4,324,722	\$ 4,732,566
Public safety	12,018,879	12,642,192	14,337,385	14,464,132	16,337,716	17,983,682	18,374,612	19,647,444	21,456,822	22,002,562
Economic and physical development	137,487	458,680	500,476	555,219	560,492	557,613	429,493	438,181	463,284	384,298
Environmental protection	28,143	45,345	56,403	37,958	27,775	41,027	-	-	-	-
Human Services	1,383,584	1,344,764	1,423,955	1,352,953	1,242,731	1,296,637	1,203,123	281,427	1,701,681	795,306
Education	-	-	-	-	-	1,233,590	1,725,446	1,765,536	2,007,543	1,344,386
Cultural and recreation	1,411,083	1,387,169	1,301,067	1,042,956	969,726	276,209	801,829	1,438,785	1,653,867	1,516,692
Operating grants and contributions:										
General government	5,538,601	1,956,333	2,482,082	6,310,981	5,478,549	7,142,816	15,680,687	8,694,960	7,032,095	5,700,197
Public safety	1,735,870	1,669,713	1,902,528	1,823,435	2,417,516	1,562,779	1,445,842	2,350,919	10,958,405	4,333,629
Economic and physical development	671,661	689,873	1,148,056	577,179	386,740	559,246	390,972	676,855	5,819,585	723,075
Environmental protection	11,054	12,263	9,690	13,414	14,062	7,532	-	-	-	-
Human Services	18,652,890	18,155,349	15,725,089	15,184,450	16,473,584	23,809,777	36,543,413	50,953,051	32,860,026	42,359,122
Education	847,822	717,727	718,883	721,581	724,279	730,239	726,977	729,988	383,689	384,124
Cultural and recreation	1,125,669	1,352,324	1,176,367	1,145,331	1,011,083	617,610	326,911	1,262,072	436,320	291,946
Capital grants and contributions:										
Public safety	-	38,619	29,504	-	-	-	-	-	-	-
Human Services	423,803	305,137	112,585	222,423	-	-	-	-	-	-
Education	2,000,000	3,600,000	2,050,000	2,500,000	2,300,000	2,300,000	5,514,430	2,895,148	4,638,189	3,146,955
Cultural and recreation	150,000	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	49,987,088	48,026,262	46,888,374	50,081,243	52,669,087	64,003,922	89,202,516	95,141,794	93,736,228	87,714,858
Business-type activities:										
Charges for Services - Solid Waste	741,644	676,295	812,407	1,007,575	1,065,832	934,000	908,296	1,025,067	1,331,609	1,554,277
Total business-type activities program revenues	741,644	676,295	812,407	1,007,575	1,065,832	934,000	908,296	1,025,067	1,331,609	1,554,277
Total primary government program revenues	<u>\$ 50,728,732</u>	<u>\$ 48,702,557</u>	<u>\$ 47,700,781</u>	<u>\$ 51,088,818</u>	<u>\$ 53,734,919</u>	<u>\$ 64,937,922</u>	<u>\$ 90,110,812</u>	<u>\$ 96,166,861</u>	<u>\$ 95,067,837</u>	<u>\$ 89,269,135</u>
Net (Expense)/Revenue										
Governmental activities	\$ (176,332,242)	\$ (234,502,278)	\$ (234,063,024)	\$ (248,552,870)	\$ (237,857,487)	\$ (243,112,292)	\$ (229,887,728)	\$ (262,359,142)	\$ (284,452,944)	\$ (340,334,284)
Business-type activities	(931,526)	(189,781)	33,639	(32,910)	128,174	(126,521)	(847,532)	(1,345,076)	(718,854)	(1,021,716)
Total primary government net (expense)/revenue	<u>\$ (177,263,768)</u>	<u>\$ (234,692,059)</u>	<u>\$ (234,029,385)</u>	<u>\$ (248,585,780)</u>	<u>\$ (237,729,313)</u>	<u>\$ (243,238,813)</u>	<u>\$ (230,735,260)</u>	<u>\$ (263,704,218)</u>	<u>\$ (285,171,798)</u>	<u>\$ (341,356,000)</u>

CABARRUS COUNTY, NORTH CAROLINA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

TABLE 2
PAGE 2 OF 2

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes	\$ 145,851,203	\$ 154,541,579	\$ 161,470,648	\$ 173,109,015	\$ 185,141,095	\$ 221,375,407	\$ 229,030,987	\$ 238,498,719	\$ 247,980,521	\$ 286,497,627
Local option sales tax	44,145,980	47,584,589	47,725,592	51,750,607	52,970,080	62,507,935	72,616,470	78,357,960	78,840,133	91,171,277
ABC revenues	99,766	128,382	122,995	147,027	130,203	220,443	227,863	242,721	251,567	923,766
Other taxes and licenses	844,478	897,888	950,776	903,350	824,515	810,546	1,194,229	1,410,618	1,489,009	1,049,296
Investment earnings	2,494,713	1,043,249	2,042,086	4,056,689	2,642,249	259,485	(1,762,381)	9,817,567	18,674,663	20,898,297
Donations	-	-	-	-	-	-	-	-	1,413,186	-
Miscellaneous	-	-	-	-	-	312,545	1,399,291	3,520,931	-	3,516,168
Transfers In/Out	-	-	-	-	-	-	(2,553,055)	(621,871)	(1,553,400)	(740,478)
Total governmental activities:	<u>193,436,140</u>	<u>204,195,687</u>	<u>212,312,097</u>	<u>229,966,688</u>	<u>241,708,142</u>	<u>285,486,361</u>	<u>300,153,404</u>	<u>331,226,645</u>	<u>347,095,679</u>	<u>403,315,953</u>
Business-type activities:										
Other taxes and licenses	338,457	360,626	375,397	404,695	409,159	425,883	493,499	607,752	672,412	651,720
Unrestricted investment earnings	14,706	32,258	55,092	140,327	109,114	16,040	8,374	169,253	341,223	317,191
Miscellaneous	-	-	-	-	-	-	116	6,230	5,118	17
Transfers In/Out	-	-	-	-	-	-	553,055	621,872	1,553,400	740,478
Total business-type activities	<u>353,163</u>	<u>392,884</u>	<u>430,489</u>	<u>545,022</u>	<u>518,273</u>	<u>441,923</u>	<u>1,055,044</u>	<u>1,405,107</u>	<u>2,572,153</u>	<u>1,709,406</u>
Total primary government	<u>\$ 193,789,303</u>	<u>\$ 204,588,571</u>	<u>\$ 212,742,586</u>	<u>\$ 230,511,710</u>	<u>\$ 242,226,415</u>	<u>\$ 285,928,284</u>	<u>\$ 301,208,448</u>	<u>\$ 332,631,752</u>	<u>\$ 349,667,832</u>	<u>\$ 405,025,359</u>
Change in Net Position										
Governmental activities	\$ 17,103,898	\$ (30,306,591)	\$ (21,750,927)	\$ (18,586,182)	\$ 3,850,655	\$ 42,374,069	\$ 70,265,676	\$ 68,867,503	\$ 62,642,735	\$ 62,981,669
Business-type activities	(578,363)	203,103	464,128	512,112	646,447	315,402	207,512	60,031	1,853,299	687,690
Total primary government	<u>\$ 16,525,535</u>	<u>\$ (30,103,488)</u>	<u>\$ (21,286,799)</u>	<u>\$ (18,074,070)</u>	<u>\$ 4,497,102</u>	<u>\$ 42,689,471</u>	<u>\$ 70,473,188</u>	<u>\$ 68,927,534</u>	<u>\$ 64,496,034</u>	<u>\$ 63,669,359</u>
Expenses										
Component Unit:										
Cabarrus Health Alliance	<u>\$ 19,906,309</u>	<u>\$ 23,208,662</u>	<u>\$ 23,680,278</u>	<u>\$ 23,680,278</u>	<u>\$ 23,702,637</u>	<u>\$ 24,084,142</u>	<u>\$ 28,601,445</u>	<u>\$ -</u>	<u>\$ 33,741,661</u>	<u>\$ 33,820,856</u>
Program Revenues										
Component Unit:										
Charges for Services	\$ 9,860,172	\$ 11,397,891	\$ 12,134,585	\$ 12,134,585	\$ 8,458,809	\$ 9,915,841	\$ 9,513,438	\$ -	\$ 10,845,617	\$ 11,654,020
Operating grants and contributions	10,690,727	12,294,538	11,448,897	11,448,897	12,867,721	15,707,492	20,060,871	-	20,836,882	24,380,152
Total component unit	<u>\$ 20,550,899</u>	<u>\$ 23,692,429</u>	<u>\$ 23,583,482</u>	<u>\$ 23,583,482</u>	<u>\$ 21,326,530</u>	<u>\$ 25,623,333</u>	<u>\$ 29,574,309</u>	<u>\$ -</u>	<u>\$ 31,682,499</u>	<u>\$ 36,034,172</u>
Net (Expense) Revenue										
Component Unit:										
Total component unit	<u>\$ 644,590</u>	<u>\$ 483,767</u>	<u>\$ (96,796)</u>	<u>\$ (96,796)</u>	<u>\$ (2,376,107)</u>	<u>\$ 1,539,191</u>	<u>\$ 972,864</u>	<u>\$ (1,946,103)</u>	<u>\$ (2,059,162)</u>	<u>\$ 2,213,316</u>
General Revenues and Other Changes in Net Position										
Component Unit:										
General Revenues										
Unrestricted investment earnings	\$ 18,393	\$ 34,710	\$ 95,743	\$ 95,743	\$ 104,186	\$ 4,223	\$ 15,223	\$ 298,825	\$ 362,632	\$ 359,956
Special Item	-	-	-	-	1,000,000	-	-	-	-	-
Miscellaneous	47,652	60,005	55,723	55,723	(9,875)	19,504	42,542	35,833	24,936	70,119
Total component unit	<u>\$ 66,045</u>	<u>\$ 94,715</u>	<u>\$ 151,466</u>	<u>\$ 151,466</u>	<u>\$ 1,094,311</u>	<u>\$ 23,727</u>	<u>\$ 57,765</u>	<u>\$ 334,658</u>	<u>\$ 387,568</u>	<u>\$ 430,075</u>
Change in Net Position										
Component Unit:										
Total component unit	<u>\$ 710,635</u>	<u>\$ 578,482</u>	<u>\$ 54,670</u>	<u>\$ 54,670</u>	<u>\$ (1,281,796)</u>	<u>\$ 1,562,918</u>	<u>\$ 1,030,629</u>	<u>\$ (1,611,445)</u>	<u>\$ (1,671,594)</u>	<u>\$ 2,643,391</u>

**CABARRUS COUNTY, NORTH CAROLINA
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

TABLE 3

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Fund										
Nonspendable	\$ 359,001	\$ 383,345	\$ 557,448	\$ 261,337	\$ 354,585	\$ 178,548	\$ 258,860	\$ 641,660	\$ 695,243	\$ 721,296
Restricted	17,002,983	20,017,459	21,468,197	24,251,535	26,117,071	39,257,660	49,091,774	47,179,392	53,715,538	60,958,502
Committed	4,912,643	7,975,354	4,175,361	4,484,945	5,944,972	15,502,497	49,541,798	55,562,456	89,627,624	133,773,258
Assigned	7,295,961	7,525,893	6,239,540	6,006,806	6,652,997	6,271,912	6,258,482	6,158,727	8,819,245	10,996,102
Unassigned	50,718,395	49,627,559	51,601,102	52,881,018	58,554,655	61,185,503	72,602,771	89,469,308	83,031,217	97,600,607
Total General Fund	<u>\$ 80,288,983</u>	<u>\$ 85,529,610</u>	<u>\$ 84,041,648</u>	<u>\$ 87,885,641</u>	<u>\$ 97,624,280</u>	<u>\$ 122,396,120</u>	<u>\$ 177,753,685</u>	<u>\$ 199,011,543</u>	<u>\$ 235,888,867</u>	<u>\$ 304,049,765</u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ 17,812	\$ 8,971	\$ 15,193	\$ 13,220	\$ 23,722	\$ 17,996	\$ 309
Restricted	84,402,426	33,179,505	121,713,619	47,098,773	12,909,487	83,445,742	60,955,879	96,907,357	95,052,443	246,167,887
Committed	31,648,792	21,643,756	22,823,801	24,657,983	17,790,229	6,595,594	9,917,453	10,095,432	16,035,599	13,163,000
Assigned	3,202,731	6,411,469	1,446,067	1,655,365	4,043,024	1,506,451	2,019,537	3,409,448	3,986,139	4,566,878
Unassigned	(287,944)	(57,671)	(5,167,699)	(43,414)	(246,357)	(43,733,796)	(38,175,378)	(68,733,251)	(64,398,752)	(54,876,407)
Total all other governmental funds	<u>\$ 118,966,005</u>	<u>\$ 61,177,059</u>	<u>\$ 140,815,788</u>	<u>\$ 73,386,519</u>	<u>\$ 34,505,354</u>	<u>\$ 47,829,184</u>	<u>\$ 34,730,711</u>	<u>\$ 41,702,708</u>	<u>\$ 50,693,425</u>	<u>\$ 209,021,667</u>

Note:

The County implemented GASB Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" in fiscal year 2011. Fiscal year 2010 is presented in the format prior to the implementation of GASB 54.

CABARRUS COUNTY, NORTH CAROLINA
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

TABLE 4

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Ad valorem taxes	\$ 146,665,438	\$ 157,805,766	\$ 161,348,060	\$ 173,272,386	\$ 184,477,467	\$ 221,315,376	\$ 229,781,677	\$ 238,446,693	\$ 247,900,319	\$ 286,280,050
Other taxes and licenses	44,990,458	48,482,477	48,676,368	52,653,957	53,794,595	63,462,569	73,810,699	79,768,578	80,329,142	85,221,600
Intergovernmental	26,718,675	28,531,275	25,033,587	28,435,191	28,933,554	38,025,479	62,458,252	51,233,867	66,266,834	61,965,932
Permits and fees	6,187,633	5,966,475	7,371,875	6,840,659	8,625,692	10,712,602	10,813,501	9,320,563	10,004,041	10,174,938
Sales and services	11,813,400	12,695,122	13,552,117	13,892,819	14,316,244	14,166,150	15,820,511	17,734,830	20,420,771	20,353,304
Investment earnings	476,243	976,381	1,933,054	3,790,853	2,451,326	221,507	(1,764,744)	9,832,726	18,497,059	20,752,632
Donations	696,118	559,896	571,705	602,438	415,049	373,042	10,426	1,895,587	356,683	752,766
Miscellaneous	1,078,357	386,890	1,099,121	1,162,952	699,466	368,219	1,387,731	1,791,162	440,823	1,537,910
Total Revenues	<u>238,626,322</u>	<u>255,404,282</u>	<u>259,585,887</u>	<u>280,651,255</u>	<u>293,713,393</u>	<u>348,644,944</u>	<u>392,318,053</u>	<u>410,024,006</u>	<u>444,215,672</u>	<u>487,039,132</u>
Expenditures										
General Government	21,462,463	21,664,835	24,150,818	24,833,675	28,855,817	32,201,956	40,143,798	40,148,532	41,979,935	47,073,731
Public Safety	39,466,706	41,058,868	43,217,050	47,306,560	53,137,616	61,746,314	68,662,875	76,848,412	82,286,880	99,389,678
Economic & Phy Dev	4,660,358	4,500,973	6,405,953	4,739,493	4,569,919	6,376,847	4,690,346	4,903,357	10,342,262	5,428,835
Environmental Prot.	377,117	610,380	438,565	1,332,525	637,270	855,939	19,639	64,527	300	195,992
Human Services	36,356,523	37,003,442	35,573,296	37,390,443	39,276,647	44,507,630	59,503,565	62,322,641	62,709,723	68,914,968
Education	96,042,477	144,665,606	141,487,058	151,618,111	129,247,085	7,729,279	121,259,242	140,498,917	9,836,686	11,078,101
Culture and recreation	6,276,076	6,569,071	6,822,720	6,902,789	7,394,923	127,347,464	8,496,111	9,292,264	146,234,197	160,280,312
Capital Outlay	3,454,088	7,782,211	9,092,657	17,131,454	15,251,155	31,467,518	66,546,674	48,320,300	74,945,550	76,151,198
Debt Service:										
Principal	28,546,548	31,553,890	35,259,074	38,292,875	36,803,683	36,278,886	35,176,452	46,217,092	38,951,390	197,399,786
Interest	10,832,777	13,384,878	13,792,808	15,543,086	13,905,019	12,332,752	11,989,272	15,693,671	16,901,221	17,779,615
Total Expenditures	<u>247,475,133</u>	<u>308,794,154</u>	<u>316,239,999</u>	<u>345,091,011</u>	<u>329,079,134</u>	<u>360,844,585</u>	<u>416,487,974</u>	<u>444,309,713</u>	<u>484,188,144</u>	<u>683,692,216</u>
Excess of revenues over (under) expenditures	<u>(8,848,811)</u>	<u>(53,389,872)</u>	<u>(56,654,112)</u>	<u>(64,439,756)</u>	<u>(35,365,741)</u>	<u>(12,199,641)</u>	<u>(24,169,921)</u>	<u>(34,285,707)</u>	<u>(39,972,472)</u>	<u>(196,653,084)</u>
Other Financing Sources (Uses)										
Debt Proceeds	-	-	-	-	6,017,493	63,226,409	170,624,153	61,969,617	84,810,829	421,814,962
Lease Financing issue	-	-	-	652,796	-	-	5,881,913	-	594,018	502,088
Subscription Liabilities issued	-	-	-	-	-	-	-	1,167,916	954,965	1,580,165
Transfers in	42,964,933	45,408,477	24,803,710	46,946,432	59,829,310	59,318,739	86,835,829	39,721,576	28,011,951	74,308,400
Transfers out	(42,964,933)	(45,408,477)	(24,803,710)	(46,744,748)	(59,623,588)	(58,220,857)	(91,240,205)	(40,343,448)	(28,531,248)	(75,063,391)
Limited Obligation Bonds Issued	73,785,000	-	125,500,000	-	-	-	-	-	-	-
Premium from Limited Obligation Bonds	11,159,452	-	8,374,879	-	-	-	-	-	-	-
Disbursements to Escrow Agent	-	-	-	-	-	(14,188,795)	(105,672,677)	-	-	-
Issuance of lease	-	841,553	930,000	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>84,944,452</u>	<u>841,553</u>	<u>134,804,879</u>	<u>854,480</u>	<u>6,223,215</u>	<u>50,135,496</u>	<u>66,429,013</u>	<u>62,515,661</u>	<u>85,840,515</u>	<u>423,142,224</u>
Net change in fund balances	<u>\$ 76,095,641</u>	<u>\$ (52,548,319)</u>	<u>\$ 78,150,767</u>	<u>\$ (63,585,276)</u>	<u>\$ (29,142,526)</u>	<u>\$ 37,935,855</u>	<u>\$ 42,259,092</u>	<u>\$ 28,229,954</u>	<u>\$ 45,868,043</u>	<u>\$ 226,489,140</u>
Debt service as a percentage of noncapital expenditures	16.14%	14.93%	15.97%	16.42%	16.16%	14.76%	13.48%	15.63%	13.65%	35.42%

CABARRUS COUNTY, NORTH CAROLINA
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

TABLE 5

Fiscal Year		Real Property	Personal Property	Public Service Companies ⁽²⁾	Total Assessed Valuation	County Total Direct Tax Rate ⁽³⁾
2016		\$ 16,451,336,581	\$ 3,452,698,898	\$ 377,571,137	\$ 20,281,606,616	\$ 0.7000
2017	(1)	17,490,495,184	3,673,234,986	381,343,745	21,545,073,915	0.7000
2018		18,030,699,506	3,874,032,498	407,469,337	22,312,201,341	0.7000
2019		18,654,406,653	4,031,847,588	420,009,900	23,106,264,141	0.7200
2020		19,335,275,287	4,392,660,440	456,471,377	24,184,407,104	0.7400
2021	(1)	23,576,844,027	4,786,125,942	462,090,236	28,825,060,205	0.7400
2022		24,553,335,415	4,993,040,074	465,531,976	30,011,907,465	0.7400
2023		25,284,715,521	5,471,809,275	507,055,204	31,263,580,000	0.7400
2024		26,109,127,127	5,825,313,628	549,095,855	32,483,536,610	0.7400
2025	(1)	40,624,226,242	6,597,642,847	572,362,341	47,794,231,430	0.5760

Notes:

- (1) Cabarrus County typically reassesses property every four years. Increases or decreases in value are due to revaluation
- (2) Public service companies' valuations are provided to the County by the North Carolina Department of Revenue and include both real and personal property
- (3) The County total direct tax rate is per \$100 of assessed valuation include both real and personal property

CABARRUS COUNTY, NORTH CAROLINA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

TABLE 6

	Fiscal Year									
	2016	2017 (1)	2018	2019	2020	2021 (1)	2022	2023	2024	2025 (1)
County Total Direct Rate ⁽²⁾	\$ 0.7000	\$ 0.7000	\$ 0.7000	\$ 0.7200	\$ 0.7400	\$ 0.7400	\$ 0.7400	\$ 0.7400	\$ 0.7400	\$ 0.5760
Fire Protection Districts ⁽³⁾	0.0722	0.0751	0.0848	0.0947	0.0975	0.0975	0.0988	0.1022	0.1076	0.1018
Municipal Rates: ⁽⁴⁾										
Concord	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4800	0.4200
Kannapolis	0.6300	0.6300	0.6300	0.6300	0.6300	0.6300	0.6300	0.6300	0.6300	0.5595
Harrisburg	0.1585	0.1585	0.1585	0.3550	0.3550	0.3550	0.3550	0.4350	0.4350	0.4100
Mt. Pleasant	0.5050	0.5050	0.5050	0.5050	0.5050	0.5050	0.5050	0.5050	0.5050	0.3900
Midland	0.2000	0.2000	0.2000	0.2000	0.2200	0.2200	0.2200	0.2200	0.2200	0.2000
Locust	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600	0.3600
Huntersville	*	*	*	*	*	*	0.2400	0.2400	0.1760	0.2275

*No rate available

Notes:

⁽¹⁾ Real property was revalued on January 1

⁽²⁾ All taxable property is subject to the County total direct rate. Cabarrus County has a unified tax rate; it has no components to display

⁽³⁾ Most property in the unincorporated areas is subject to one of sixteen fire protection district taxes. The fire protection districts direct rate is a combined rate as the impact of each individual fire district is considered insignificant. The average tax rate for the districts is recorded above. The Cabarrus County Board of Commissioners set each fire district rate. This rate, combined with the County rate, is the totally overlapping tax rate

⁽⁴⁾ Municipalities set their own direct rate. This rate, combined with the County rate, is the total overlapping tax rate

**CABARRUS COUNTY, NORTH CAROLINA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO**

TABLE 7

Taxpayer	Type of Business	Fiscal Year 2025			Fiscal Year 2016		
		Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Eli Lilly and Company	Pharmaceutical	\$ 653,002,707	1	1.49%	\$ -		0.00%
Corning Inc	Manufacturing	419,148,432	2	0.95%	288,694,694	2	0.66%
Hendrick Corporation	Automotive & Sports	359,186,213	3	0.82%	83,525,757	10	0.19%
Charlotte Motor Speedway Inc	Sports - Racing	272,759,701	4	0.62%	212,250,696	4	0.48%
Mall at Concord Mills LP	Retail Center	266,049,328	5	0.61%	252,360,387	3	0.57%
Duke Energy Corp	Public Service-Utilities	236,578,739	6	0.54%	118,494,410	6	0.27%
Weinstein Properties	Real Estate - Residential	216,182,810	7	0.49%	94,517,490	8	0.22%
Progress Residential	Real Estate - Residential	210,923,980	8	0.48%			0.00%
Great Wolf Lodge of the Carolinas	Amusement Water Park	200,085,201	9	0.46%	90,843,363	9	0.21%
FirstKey Homes LLP	Real Estate - Residential	190,294,880	10	0.43%			0.00%
Castle & Cooke NC LLC/David H Murdock	Land Developer			0.00%	343,358,673	1	0.78%
Celgard LLC	Battery Manufacturer			0.00%	208,412,833	5	0.47%
Hendrick Motorsports Inc					98,837,587	7	0.23%
Totals		<u>\$ 3,024,211,991</u>		<u>6.89%</u>	<u>\$ 1,791,295,890</u>		<u>4.08%</u>

Source:

Cabarrus County Tax Administration Department-Email

**CABARRUS COUNTY, NORTH CAROLINA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

TABLE 8

Fiscal Year	Taxes Levied for the Fiscal Year (Original Levy)	Discoveries	Releases	Total Adjusted Levy	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date		Uncollected
					Amount	Percentage of Adjusted Levy		Amount	Percentage of Adjusted Levy	
2016	\$ 142,057,414	\$ 1,711,206	\$ (261,433)	\$ 143,507,187	\$ 140,909,405	98.19%	\$ 2,555,953	\$ 143,465,358	99.97%	\$ 41,829
2017	151,766,267	2,984,909	(1,731,216)	153,019,960	151,567,896	99.05%	1,409,092	152,976,988	99.97%	42,972
2018	156,492,609	1,730,690	(720,773)	157,502,526	155,797,502	98.92%	1,227,857	157,025,359	99.70%	477,167
2019	166,041,841	2,611,618	(439,783)	168,213,676	167,031,329	99.30%	1,082,473	168,113,802	99.94%	99,874
2020	178,561,795	2,217,488	(333,442)	180,445,841	178,156,835	98.73%	1,996,751	180,153,586	99.84%	292,255
2021	213,614,252	2,754,382	(869,313)	215,499,321	213,522,265	99.08%	1,795,583	215,317,848	99.92%	181,473
2022	220,834,717	1,860,481	(389,941)	222,305,257	220,927,405	99.38%	1,181,174	222,108,579	99.91%	196,678
2023	230,521,312	1,957,263	(706,193)	231,772,382	230,226,400	99.33%	966,958	231,193,358	99.75%	465,868
2024	239,431,670	1,825,776	(569,417)	240,688,829	239,340,145	99.44%	918,991	240,259,136	99.82%	429,693
2025	276,884,573	1,456,939	(1,484,795)	276,858,762	275,007,841	99.33%		275,007,841	99.33%	1,850,921

Source:
Cabarrus County Finance Department

CABARRUS COUNTY, NORTH CAROLINA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS

TABLE 9

Fiscal Year	General Obligation Bonds ⁽¹⁾	Percentage of Actual Taxable Value of Property ⁽²⁾	Per Capita ⁽³⁾
2016	\$ 73,900,237	0.36%	376
2017	65,546,821	0.27%	325
2018	57,460,041	0.26%	278
2019	50,318,541	0.22%	238
2020	43,893,541	0.18%	203
2021	36,745,541	0.13%	162
2022	29,479,041	0.10%	127
2023	22,122,541	0.07%	94
2024	14,741,041	0.05%	61
2025	7,724,541	0.02%	32

Notes:

⁽¹⁾ Details regarding the County's outstanding debt can be found in the notes to the financial statements

⁽²⁾ See Table 5 for total assessed value of property

⁽³⁾ See Table 13 for population data

CABARRUS COUNTY, NORTH CAROLINA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

TABLE 10

Fiscal Year	Governmental Activities						IT Subscriptions	Total Primary Government	Per Capita ⁽²⁾	Percentage of Personal Income ⁽²⁾
	General Obligation Bonds ⁽¹⁾	Certificates Of Participation/ Limited Obligation Bonds	Installment Financing	Notes Payable	Capital Leases	Leases				
2016	\$ 73,900,237	\$ 301,695,995	\$ 2,745,710	\$ 365,858	\$ -	\$ -	\$ -	\$ 378,707,800	\$ 1,925	4.57%
2017	65,546,821	276,304,369	3,166,929	274,393	334,814	-	-	345,627,326	1,715	3.80%
2018	57,460,041	380,726,387	3,909,320	182,928	334,814	-	-	442,613,490	2,140	4.63%
2019	50,318,541	347,902,739	3,407,393	91,463	713,127	-	-	402,433,263	1,904	3.99%
2020	43,132,041	322,857,803	2,900,998	-	442,302	-	-	369,333,144	1,706	3.28%
2021	36,745,541	341,351,782	2,389,979	-	334,435	-	-	380,821,737	1,677	3.07%
2022	29,479,041	377,498,997	2,438,718	-	-	4,911,157	-	414,327,913	1,791	3.21%
2023	22,122,541	399,840,531	2,225,806	-	-	3,757,265	817,627	427,946,143	1,815	3.09%
2024	14,741,041	457,421,362	2,006,991	-	-	3,263,775	1,132,525	477,433,169	1,989	*
2025	7,724,541	682,452,553	1,897,276	-	-	2,646,114	1,767,368	694,720,484	2,836	*

Notes:

⁽¹⁾ Details regarding the County's outstanding debt can be found in the notes to the financial statements

⁽²⁾ See Table 13 for personal income and population data. These ratios are calculated using data from the prior calendar year

* Calendar year 2024 personal income is not yet available to calculate the percentage of personal income for fiscal year 2024

CABARRUS COUNTY, NORTH CAROLINA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2025

TABLE 11

Governmental Unit ⁽¹⁾	Outstanding Debt ⁽²⁾	Estimated Percentage Applicable ⁽³⁾	Amount Applicable to Primary Government
City of Concord	\$ 71,443,213	49.92%	\$ 35,667,913
City of Kannapolis	144,657,082	18.88%	27,305,452
Town of Harrisburg	15,012,425	10.04%	1,507,102
Town of Mt. Pleasant	9,847,163	0.64%	62,637
City of Locust	-	0.29%	-
Town of Midland	387,320	2.03%	7,852
Subtotal, overlapping debt			64,550,957
Cabarrus County direct debt			686,222,263
Total direct and overlapping debt			<u>\$ 750,773,220</u>

Notes:

- ⁽¹⁾ Overlapping governments are those that coincide, at least in part, with geographic boundaries within the County. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the property taxpayers of Cabarrus County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the property taxpayers should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.
- ⁽²⁾ Total outstanding Governmental activities debt is provided by each governmental unit.
- ⁽³⁾ The percentage of the overlapping debt is calculated by dividing the governmental unit's assessed valuation by the County's assessed valuation (overlapping portion of the government's revenue base / total revenue base of the overlapping government).

CABARRUS COUNTY, NORTH CAROLINA
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS

TABLE 12

	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Assessed Value of Property	\$ 20,281,606,616	\$ 21,545,073,915	\$ 22,312,201,341	\$ 23,108,571,747	\$ 24,184,407,104	\$ 28,825,060,205	\$ 30,011,907,465	\$ 31,263,580,000	\$ 32,483,536,610	\$ 47,794,231,430
Debt Limit, 8% of Assessed Value (Statutory Limitation)	1,622,528,529	1,723,605,913	1,784,976,107	1,848,685,740	1,934,752,568	2,306,004,816	2,400,952,597	2,501,086,400	2,598,682,929	3,823,538,514
Debt applicable to debt limitations:										
Total Bonded Debt	73,900,237	65,546,821	57,460,041	50,318,541	43,132,041	36,745,541	29,479,041	22,122,541	14,741,041	7,724,541
Total Notes Payable	365,858	274,393	182,928	91,463	-	-	-	-	-	-
Total Capital Leases	-	334,814	334,814	713,127	442,302	334,435	-	-	-	-
Total Leases	-	-	-	-	-	-	4,911,157	4,574,892	3,263,775	2,646,114
Total Subscription Liabilities	-	-	-	-	-	-	-	2,225,806	2,006,991	1,767,368
Total Installment Financing	2,745,710	3,166,929	3,909,320	3,407,393	2,900,998	2,389,979	2,438,718	817,628	1,132,507	1,897,276
Total Certificates of Participation/ Limited Obligation Bonds	301,695,995	276,304,369	380,726,387	347,902,739	322,857,803	341,351,782	377,498,997	399,840,531	457,421,362	682,452,553
Total debt applicable to limitations	378,707,800	345,627,326	442,613,490	402,433,263	369,333,144	380,821,737	414,327,913	429,581,398	478,565,676	696,487,852
Legal debt limit	<u>\$ 1,243,820,729</u>	<u>\$ 1,377,978,587</u>	<u>\$ 1,342,362,617</u>	<u>\$ 1,446,252,477</u>	<u>\$ 1,565,419,424</u>	<u>\$ 1,925,183,079</u>	<u>\$ 1,986,624,684</u>	<u>\$ 2,071,505,002</u>	<u>\$ 2,120,117,253</u>	<u>\$ 3,127,050,662</u>
Total net debt applicable to the limit as a percentage of debt limit	\$ 1,243,820,729 20.38%	\$ 1,377,978,587 20.05%	\$ 1,342,362,617 24.80%	\$ 1,446,252,477 21.77%	\$ 1,565,419,424 19.09%	\$ 1,925,183,079 16.51%	\$ 1,986,624,684 17.26%	\$ 2,071,505,002 17.18%	\$ 2,120,117,253 18.42%	\$ 3,127,050,662 18.22%

Note:
NC Statute GS159-55 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

**CABARRUS COUNTY, NORTH CAROLINA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

TABLE 13

Year	Population⁽¹⁾	Personal Income⁽²⁾ (Dollars in Thousands)	Per Capita Personal Income⁽²⁾	Public School Enrollment⁽³⁾	Unemployment Rate⁽⁴⁾	Number of Building Inspections Performed⁽⁵⁾
2016	196,762	\$ 8,286,025	\$ 41,103	35,376	4.8%	55,741
2017	201,590	9,085,784	43,920	36,669	4.1%	57,485
2018	206,872	9,556,853	45,220	33,877	3.9%	61,400
2019	211,342	10,089,975	46,415	32,955	3.8%	64,131
2020	216,453	11,260,526	49,592	33,579	7.6%	71,036
2021	227,065	12,407,280	53,647	32,555	4.4%	72,520
2022	231,726	12,910,767	54,754	33,565	3.4%	65,142
2023	235,797	13,556,305	57,492	34,674	3.3%	64,470
2024	240,016	14,098,557	60,367	34,877	3.6%	75,413
2025	244,925	*	*	35,106	3.7%	69,916

* Information not yet available. Information for calendar year 2023 will be available November 16, 2024.

Notes:

⁽¹⁾ United States Census Bureau

⁽²⁾ Bureau of Economic Analysis, U.S. Department of Commerce. Figures are for the prior calendar year

⁽³⁾ Public Schools of North Carolina/State Board of Education reported the County Official Statements

⁽⁴⁾ N.C. Department of Commerce Labor & Economic Analysis as of June 30th

⁽⁵⁾ Total number of inspections performed by Cabarrus County Inspections Department. Does not include inspections by municipalities.

**CABARRUS COUNTY, NORTH CAROLINA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

TABLE 14

Employer	2025			2016		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Atrium Health Cabarrus	4500	1	3.71%	4,500	1	4.59%
Cabarrus County Schools	4300	2	3.54%	3,800	3	3.87%
Hendrick Motorsports and Automotive Group	2100	3	1.73%	-	-	0.00%
Cabarrus County	1280	4	0	950	4	-
City of Concord	1100	5	0	901	5	-
Amazon.com Inc	1000	6	0.82%	-	-	0.00%
Walmart SuperCenter	965	7	0.80%	-	-	-
Shoe Show Inc	800	8	0	800	8	-
Eli Lilly & Co	750	9	0.62%	-		0.00%
Westrock Coffee Co LLC	600	10	0.49%	-		0.00%
Concord Mills Mall	-	-	0.00%	4,000	2	4.08%
Connexions	-	-	0.00%	900	6	0.92%
S&D Coffee and Tea	-	-	0.00%	800	7	0.82%
State of North Carolina	-	-	0.00%	770	9	0.79%
Kannapolis City Schools	-	-		750	10	0.76%
Total	17,395		14.34%	18,171		15.82%

Source:

NC Employment Security Commission, Cabarrus County Economic Development Corporation and FY 2016 ACFR

CABARRUS COUNTY, NORTH CAROLINA
FULL-TIME EQUIVALENT COUNTY GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

TABLE 15

Function/Program	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government	171	176	180	190	192	205	220	237	246	248
Cultural and Recreation	69	71	74	76	78	81	82	86	116	121
Public Safety	472	496	505	514	524	582	597	609	627	639
Economic and Physical Development	18	19	19	19	19	19	20	21	22	20
Human Services	308	317	330	340	347	356	372	392	389	423
Environmental Protection	7	7	8	9	9	9	9	10	10	10
Total	<u>1,045</u>	<u>1,086</u>	<u>1,116</u>	<u>1,148</u>	<u>1,169</u>	<u>1,252</u>	<u>1,300</u>	<u>1,355</u>	<u>1,410</u>	<u>1,461</u>

Note:

Vacant positions are included in the above numbers. Full-time personnel work 2,080 hours per year (less vacation and sick leave)

Source:

Cabarrus County Finance Department

CABARRUS COUNTY, NORTH CAROLINA
OPERATING INDICATORS BY FUNCTIONAL AREA
LAST TEN FISCAL YEARS

TABLE 16

Functional Area	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government										
Tax Collection Rate	98.19%	99.05%	98.92%	99.30%	98.73%	99.08%	99.38%	99.33%	99.44%	99.33%
Land Records Recorded ⁽¹⁾	33,207	35,324	32,719	32,668	44,916	55,845	40,375	27,600	27,500	29,500
Culture & Recreation										
Circulation of Library Materials-All Branches	675,234	771,850	812,539	848,068	758,135	716,997	800,130	958,987	816,742	852,939
Acres of Park Land-Developed/Undeveloped ⁽⁴⁾	356/257	356/257	356/27	356/270	553/100	553/715	507/668	507/668	521/784	521/784
Public Safety										
Sheriff Average Response Time (includes Fire and EMS)	6:48	6:52	7:28	7:34	6:01	7:13	0.31944444	7:13	7:27	8:21
Detention Center Average Daily Population	285	336	347	351	303	202	276	321.31	343	384
Animals Picked Up (Animal Shelter)	2,955	2,596	2,685	3,414	2,815	2,585	2,698	3,274	2,524	1,282
Building Inspections Completed	55,966	57,167	62,516	64,129	71,036	72,520	65,142	64,470	75,413	69,916
EMS Average Response Time Countywide	7	7	8	7.4	7.4	8.2	7.98	8.12	7.9	7.73
Economic & Physical Development										
Construction Permits Issued	16,971	16,183	18,152	18,762	20,807	20,078	18,490	18,734	20,645	18,522
Zoning Permits Issued	444	536	538	406	544	652	599	553	462	485
Human Services										
Veteran /Dependent Contacts	9,610	9,852	10,241	9,142	8,506	9,807	9,506	10,291	11,039	9,414
Human Service Transportation Trips ⁽²⁾	92,402	81,353	74,158	75,501	65,309	52,682	54,588	58,430	61,374	56,902
Family Medicaid Cases	18,662	17,197	17,197	19,050	22,401	22,276	25,480	30,122	48,930	50,699
Adult Medicaid Cases ⁽³⁾	10,817	8,326	7,234	9,525	9,804	9,915	9,998	8,096	8,043	7,971
WFFA (formerly AFDC)	273	235	203	209	301	163	136	115	99	92
Child Protective Service Reports Investigated	1,748	1,185	1,953	2,066	2,043	1,380	1,678	1,802	1,922	1,412
Adoptions Completed	16	10	7	13	13	15	30	25	18	12
Food Stamp Cases	11,450	12,150	9,564	8,573	9,153	11,494	12,592	12,086	10,667	11,008
Adult Protective Services Reports	380	388	411	381	422	394	421	450	515	612
Environmental Protection										
Tons of MSW and C&D Waste Managed	16,126	15,327	16,845	19,097	21,089	19,952	17,347	18,404	25,351	27,695
Tons of Recyclable Materials Collected	3,461	3,774	3,700	3,200	4,787	4,659	4,268	4,827	4,896	4,944
Education ⁽⁵⁾										
Per Pupil Current Expense Funding	\$ 1,699.00	\$ 1,866.59	\$ 1,850.22	\$ 1,887.69	\$ 1,878.48	\$ 2,040.84	\$ 2,068.13	\$ 2,167.27	\$ 2,297.86	\$ 2,524.26
Per Pupil Capital Outlay Funding	\$ 137.18	\$ 182.14	\$ 129.36	\$ 29.73	\$ 26.71	\$ 27.21	\$ 27.22	\$ 26.77	\$ 26.21	\$ 25.91
Per Pupil Debt Service Funding	\$ 848.80	\$ 1,010.11	\$ 1,067.35	\$ 1,085.19	\$ 697.43	\$ 968.53	\$ 883.64	\$ 1,067.92	\$ 872.49	\$ 773.47
Per Pupil - Server Space	\$ 2.28	\$ 2.28	\$ 1.18	\$ 1.09	\$ 1.08	\$ 1.10	\$ 1.10	\$ 1.08	\$ 1.06	\$ 1.04
Per Pupil - Fines & Forfeitures	\$ 41.35	\$ 40.75	\$ 39.17	\$ 37.40	\$ 34.99	\$ 28.60	\$ 39.51	\$ 39.64	\$ 44.12	\$ 28.59
Per Pupil - School Nurses	\$ 64.59	\$ 68.87	\$ 71.93	\$ 69.38	\$ 72.81	\$ 86.48	\$ 98.20	\$ 103.39	\$ 111.44	\$ 121.78

Source: County Departments

- Notes:**
- ⁽¹⁾ Data is Calendar Year from Register of Deeds Department
 - ⁽²⁾ County Department Starting in 2004, previously under DSS and private contractor
 - ⁽³⁾ Social Security began managing SSI Medicaid cases in 1998; Medicaid income limits
 - ⁽⁴⁾ Acreage reflects WW Flowe deeded to Concord, 13 additional acres at Wallace Park
 - ⁽⁵⁾ FY23 is restated.
 - Data Not Available, * Estimate

CABARRUS COUNTY, NORTH CAROLINA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

TABLE 17

Function/Program	Fiscal Year									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Parks^(1 & 3)										
Park facility	5	6	6	6	6	6	6	6	7	7
Tennis courts	6	6	6	6	6	6	6	2	2	2
Pickleball Courts			6	6	6	6	6	6	12	12
Volleyball Courts	11	11	11	11	11	11	11	11	11	11
Picnic Shelters	15	15	15	15	15	15	15	15	18	18
Enclosed Shelters									5	5
Softball Fields	8	8	8	4	4	4	4	4	4	4
Baseball Fields									3	3
Playgrounds	10	11	11	14	14	14	14	14	15	15
Outdoor Fitness Equip									4	5
Soccer Fields	11	11	11	11	11	11	11	11	11	11
Active Living Centers									2	3
Bocce Courts									4	6
Shuffleboard Courts									4	6
Camping cabins	6	6	6	6	6	6	6	6	6	6
Tent sites	7	8	8	8	8	8	8	8	8	8
Bathhouse for campgrounds	1	1	1	1	1	1	1	1	1	1
Swimming Pool	1	1	1	1	1	1	1	1	1	1
Pool Bathhouse	1	1	1	1	1	1	1	1	1	1
Fire protection⁽¹⁾										
Fire Departments ⁽²⁾	11	11	11	11	11	11	11	12	15	15
Sheriff⁽¹⁾										
Stations	1	1	1	1	1	1	1	1	1	1
Substations	5	5	5	5	5	5	5	5	5	5
Patrol units	170	173	202	214	192	213	242	243	245	246

Notes:

⁽¹⁾ Data obtained from the County Departments of Parks, Emergency Management, and Sheriff

⁽²⁾ Three stations (Concord, Kannapolis, Harrisburg) have become municipal departments and are not under the control of the County

⁽³⁾ Parks data restated in fiscal year 2025 for prior fiscal years

COMPLIANCE SECTION



MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

To the Board of Commissioners
Cabarrus County
Concord, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Cabarrus County, North Carolina, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated February 2, 2026. Our report includes a reference to other auditors who audited the financial statements of the Public Health Authority of Cabarrus County (Cabarrus Health Alliance), as described in our report on Cabarrus County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cabarrus County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cabarrus County's internal control. Accordingly, we do not express an opinion on the effectiveness of Cabarrus County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be

prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cabarrus County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
February 2, 2026

MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Cabarrus County
Concord, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Cabarrus County, North Carolina's, compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that could have a direct and material effect on each of Cabarrus County's major federal programs for the year ended June 30, 2025. Cabarrus County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

In our opinion, Cabarrus County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Cabarrus County and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Cabarrus County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Cabarrus County's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Cabarrus County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Cabarrus County's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act we:

- exercise professional judgment and maintain professional skepticism throughout the audit;
- identify and assess the risks of material non-compliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Cabarrus County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- obtain an understanding of Cabarrus County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of Cabarrus County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
February 2, 2026



MARTIN ♦ STARNES & ASSOCIATES, CPAs, P.A.

"A Professional Association of Certified Public Accountants and Management Consultants"

Report on Compliance for Each Major State Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and the State Single Audit Implementation Act

Independent Auditor's Report

To the Board of Commissioners
Cabarrus County
Concord, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited Cabarrus County, North Carolina's, compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission that could have a direct and material effect on each of Cabarrus County's major state programs for the year ended June 30, 2025. Cabarrus County's major state programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings, Responses, and Questioned Costs.

In our opinion, Cabarrus County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2025.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Cabarrus County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a reasonable basis for our opinion on compliance for each major state program. Our audit does not provide a legal determination of Cabarrus County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Cabarrus County's state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Cabarrus County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Cabarrus County's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and the State Single Audit Implementation Act, we:

- exercise professional judgment and maintain professional skepticism throughout the audit;
- identify and assess the risks of material non-compliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Cabarrus County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances;
- obtain an understanding of Cabarrus County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the State Single Audit Implementation Act, but not for the purpose of expressing an opinion on the effectiveness of Cabarrus County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Martin Starnes & Associates, CPAs, P.A.

Martin Starnes & Associates, CPAs, P.A.
Hickory, North Carolina
February 2, 2026



CABARRUS COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2025

1. Summary of Auditor's Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance to GAAP:

Unmodified

Internal control over financial reporting:

- Material weakness identified?

No

- Significant deficiency identified?

None reported

Non-compliance material to financial statements noted?

No

Federal Awards

Internal control over major federal programs:

- Material weakness identified?

No

- Significant deficiency identified?

None reported

Type of auditor's report issued on compliance for major federal programs

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

No

CABARRUS COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2025

1. Summary of Auditor's Results (continued)

Identification of major federal programs:

<u>Program Name</u>	<u>AL#</u>
Temporary Assistance for Needy Families	93.558
Child Support Enforcement	93.563
Medicaid Cluster	93.778
Children Health Insurance Program	93.767

Dollar threshold used to distinguish between Type A and Type B programs	\$798,581
----------------------------------------------------------------------------	-----------

Auditee qualified as low-risk auditee?	Yes
----------------------------------------	-----

State Awards

Internal control over major state programs:

- | | |
|--------------------------------------|---------------|
| • Material weakness identified? | No |
| • Significant deficiency identified? | None reported |

Type of auditor's report issued on compliance for major state programs	Unmodified
---------------------------------------------------------------------------	------------

Any audit findings disclosed that are required to be reported in accordance with the State Single Audit Implementation Act?	No
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CABARRUS COUNTY, NORTH CAROLINA

SCHEDULE OF FINDINGS, RESPONSES, AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2025

1. Summary of Auditor's Results (continued)

Identification of major state programs:

Program Name

Medicaid Cluster
Children Health Insurance Program
State Capital Infrastructure Fund
N.C. Parks and Recreation Trust Fund
Opioid Settlement

Auditee qualified as low-risk auditee? No

2. Findings Related to the Audit of the Basic Financial Statements

None reported.

3. Findings and Questioned Costs Related to the Audit of Federal Awards

None reported.

4. Findings and Questioned Costs Related to the Audit of State Awards

None reported.

CABARRUS COUNTY, NORTH CAROLINA

**SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2025**

None

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2025

Grantor/Pass Through Grantor/Program Title	Federal AL Number	State/Pass Through Grantor's Number	Federal Direct and Pass Through Expenditures	State Expenditures	Passed-through to Sub recipients	Local Expenditures
FEDERAL AWARDS						
U.S. DEPARTMENT OF AGRICULTURE						
Passed Through N.C. Department of Health and Human Services:						
Division of Social Services:						
Administration:						
Supplemental Nutrition Assistance Program (SNAP) Cluster:						
State Administrative Matching Grants						
for the Supplemental Nutrition Assistance Program	10.561	185NC406S2514	\$ 2,833,003	\$ 11,184	\$ -	\$ 2,821,819
Total Supplemental Nutrition Assistance Program (SNAP) Cluster			<u>2,833,003</u>	<u>11,184</u>	<u>-</u>	<u>2,821,819</u>
Total U.S. Department of Agriculture			<u>2,833,003</u>	<u>11,184</u>	<u>-</u>	<u>2,821,819</u>
U.S. DEPARTMENT OF JUSTICE						
Direct Program:						
Homeland Security						
State Criminal Alien Assistance Program	16.606	NC CABARRUS	<u>3,794</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total U.S. Dept. of Justice			<u>3,794</u>	<u>-</u>	<u>-</u>	<u>-</u>
U.S. DEPARTMENT OF TRANSPORTATION						
Passed-through the N.C. Department of Transportation:						
Formula Grants for Rural Areas and Tribal Transit Program - Capital	20.509	25-CT-042	-	76,616	-	8,513
Formula Grants for Rural Areas and Tribal Transit Program - Administrative	20.509	25-CT-042	<u>164,741</u>	<u>9,366</u>	<u>-</u>	<u>28,231</u>
Highway Safety Cluster						
State and Community Highway Safety Program - TRAFU	20.600	PT-20-06.28	<u>122,726</u>	<u>-</u>	<u>-</u>	<u>92,603</u>
National Priority Safety Programs - GHSP	20.616	M9MT-2021-16-03	<u>1,219</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Highway Safety Cluster			<u>123,945</u>	<u>-</u>	<u>-</u>	<u>92,603</u>
Transit Services Programs Cluster						
Enhanced Mobility of Seniors and Individuals with Disabilities (Elderly & Handicapped Transportation)	20.513	NC 2022-044-01	<u>35,000</u>	<u>-</u>	<u>-</u>	<u>35,000</u>
Total Transit Services Programs Cluster			<u>35,000</u>	<u>-</u>	<u>-</u>	<u>35,000</u>
Total U.S. Department of Transportation			<u>323,686</u>	<u>85,982</u>	<u>-</u>	<u>164,347</u>
U.S. DEPARTMENT OF TREASURY						
Direct Program:						
COVID 19- Coronavirus State & Local Fiscal Recovery Funds	21.027		<u>5,563,909</u>	<u>-</u>	<u>5,406,043</u>	<u>-</u>
Total U.S. Department of Treasury			<u>5,563,909</u>	<u>-</u>	<u>5,406,043</u>	<u>-</u>

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2025

Grantor/Pass Through Grantor/Program Title	Federal AL Number	State/Pass Through Grantor's Number	Federal Direct and Pass Through Expenditures	State Expenditures	Passed-through to Sub recipients	Local Expenditures
U.S. DEPARTMENT OF HOMELAND SECURITY						
Passed-through N.C. Department of Public Safety:						
Division of Emergency Management						
Emergency Management Performance Grants	97.042	EMA-2020-EP-00009	62,500	-	-	-
Homeland Security Grant Program	97.067	EMW-2021-SS-00039	64,024	-	-	-
Total U.S. Department of Homeland Security			126,524	-	-	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Division of Aging and Adult Services						
Passed-through Centralina Council of Governments:						
National Family Caregiver Support, Title III, Part E	93.052	FY25 Region F County 013	54,067	3,605	-	6,408
Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services	93.043	FY25 Region F County 013	7,650	450	-	900
<u>Aging Cluster:</u>						
Passed-through Centralina Council of Governments:						
Special Programs for the Aging - Title III, Part C						
Nutrition Services	93.045	FY25 Region F County 013	183,315	10,783	-	21,566
Special Programs for the Aging - Title III, Part B						
Grants for Supportive Services and Senior Centers:						
Transportation Grant	93.044	FY25 Region F County 013	202,799	30,289	-	25,899
Adult Day Services	93.044	FY25 Region F County 013	26,299	128,784	-	17,231
In-Home Aide I&II	93.044	FY25 Region F County 013	33,021	161,699	-	21,636
Housing Housing Improvement	93.044	FY25 Region F County 013	9,856	48,264	-	6,458
Senior Center Operations Grant	93.044	FY25 Region F County 013	16,962	83,061	-	11,114
Nutrition Services Incentive Program	93.053	FY25 Region F County 013	21,096	-	-	-
Special Program for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	2101NCSSC6	62,204	10,978	-	-
Total Aging Cluster			555,552	473,858	-	103,904
Total Division of Aging and Adult Services			617,269	477,913	-	111,212
Passed Through N.C. Department of Health and Human Services:						
Division of Social Services:						
Temporary Assistance for Needy Families (TANF)						
Temporary Assistance for Needy Families (TANF) State Programs						
Administration:						
Temporary Assistance Needy Families (TANF)	93.558	G2001NCTANF + G2101NCTANF	263,566	-	-	400,025
Services:						
Temporary Assistance Needy Families (TANF)	93.558	G2001NCTANF + G2101NCTANF	1,611,480	-	-	1,816,212
Total TANF			1,875,046	-	-	2,216,237
Child Support Services	93.563	WC302	2,279,307	-	-	1,175,656

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2025

Grantor/Pass Through Grantor/Program Title	Federal AL Number	State/Pass Through Grantor's Number	Federal Direct and Pass Through Expenditures	State Expenditures	Passed-through to Sub recipients	Local Expenditures
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)						
Low-Income Home Energy Assistance:						
Weatherization Assistance and Heating and Air Repair	93.568	G20B1NCLIEA & G21B1NCLIEA	92,563	-	-	-
Total Low-Income Home Energy Assistance			92,563	-	-	-
Passed through NCDHHS/ NC Department of Environmental Quality						
Low-Income Home Energy Assistance:						
Weatherization Assistance for Low Income Persons	93.568	21B1NCLIEA	122,313	-	-	-
Heating and Air Repair and Replacement Program	93.568	21B1NCLIEA	153,053	-	-	-
Total NCDHHS / NC Dept of Environmental Quality			275,366	-	-	-
Total Low-Income Energy Assistance			367,929	-	-	-
Special Children Adoption Fund Cluster (note 4)						
Stephanie Tubbs Jones Child Welfare Services Program	93.645	G1901NCCWSS & G2001NCCWSS	91,975	-	-	-
Mary Lee Allen Promoting Safe and Stable Families Program	93.556	G2001NCFPSS	73,239	-	-	-
Total Special Children Adoption Fund Cluster (note 4)			165,214	-	-	-
John H. Chafee Foster Care Program for Successful Transition to Adulthood						
Administration	93.674	G1901NC1420 & G2001NC1420	13,133	3,283	-	-
Direct Benefit Payment	93.674	G1901NC1420 & G2001NC1420	745	-	-	-
Total John H. Chafee Foster Care Program for Successful Transition to Adulthood Program			13,878	3,283	-	-
Social Service Block Grant (SSGB) - In Home Services						
Adult Day Care (Division of Adult and Aging Services)	93.667	G2001NCSOSR	31,189	24,671	-	7,980
In-Home Services	93.667	G2001NCSOSR	100,124	-	-	14,303
Adult Protective Services	93.667	G2001NCSOSR	5,206	-	-	-
Child Protective Services - TANF to SSBG	93.667	G2001NCSOSR	237,722	-	-	-
Social Services Block Grant Administration	93.667	G2001NCSOSR	485,103	-	-	161,701
Total Social Services Block Grant (SSBG) In Home Services			859,344	24,671	-	183,984
Total Division of Social Services - Other Programs			5,560,718	27,954	-	3,575,877
Passed Through N.C. Department of Health and Human Services:						
Division of Social Services:						
Foster Care, Adoption, and Guardianship Assistance Program Cluster (Note 4):						
Admin:						
Foster Care Title IV - E Administration	93.658	2001NCFOST	27,041	-	-	27,041
Foster Care Title IV - E Child Protective Services	93.658	2001NCFOST	187,488	80,693	-	106,795
Foster Care Title IV - E Foster Care and Training	93.658	2001NCFOST	9,229	-	-	3,076
Foster Care Title IV - E Foster Care and Off Training	93.658	2001NCFOST	548,181	-	-	548,181
Foster Care Title IV - Pre Training CWS	93.658	2001NCFOST	132,975	931	-	50,132

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2025

Grantor/Pass Through Grantor/Program Title	Federal AL Number	State/Pass Through Grantor's Number	Federal Direct and Pass Through Expenditures	State Expenditures	Passed-through to Sub recipients	Local Expenditures
Adoption Assistance- Training	93.659	WC302	10,179	-	-	10,151
Adoption Assistance- Optional Training	93.659	WC302	163	-	-	163
Foster Care Title IV	93.658	WC302	172,520	-	-	153,686
Direct Benefits:						
Foster Care - Title IV-E	93.658	2001NCFOST	465,510	175,677	-	152,489
Total Foster Care, Adoption and Guardianship Assistance Program Cluster (Note 4)			1,553,286	257,301	-	1,051,714
Passed Through N.C. Department of Health and Human Services:						
Subsidized Child Care Program Cluster (Note 4):						
Child Care Development Fund Cluster:						
Division of Social Services:						
Child Care Mandatory and Matching Funds of the Childcare Development Fund - Administration	93.596	WC302	459,445	-	-	-
Total Subsidized Child Care Program Cluster (Note 4)/Child Care Development Fund Cluster			459,445	-	-	-
Division of Social Services:						
Medicaid Cluster:						
Grants to States for Medicaid	93.778	WC302	8,282,903	484,971	-	3,341,166
Grants to States for Medicaid	93.778	WC302	111,512	22,798	-	88,714
Total Medicaid Cluster			8,394,415	507,769	-	3,429,880
Division of Social Services:						
Administration						
Children's Health Insurance Program - N.C. Health Choice	93.767	CHIP	1,047,959	336,596	-	-
Total Children's Health Insurance Program - N.C. Health Choice			1,047,959	336,596	-	-
Passed Through Cabarrus Health Alliance						
Teenage Pregnancy Prevention Program	93.297	AH-TP1-23-001	29,799	-	-	-
National Institutes of Health						
National Heart, Lung, & Blood Institute						
Passed-through Duke University (RACE CARS)						
Cardiovascular Diseases Research	93.837	1UG3HL146935-01A1	23,448	-	-	-
Total U.S. Department of Health and Human Services			17,686,339	1,607,533	-	8,168,683

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2025

Grantor/Pass Through Grantor/Program Title	Federal AL Number	State/Pass Through Grantor's Number	Federal Direct and Pass Through Expenditures	State Expenditures	Passed-through to Sub recipients	Local Expenditures
U.S. DEPARTMENT OF ENERGY						
Passed Through N.C. Department of Environmental Quality Weatherization Assistance for Low-Income Persons	81.042	DEEE0007939	79,632	-	-	-
U.S. Department of Housing and Urban Development						
Passed through N.C. Department of Commerce Division of Community Planning and Development State Public Health Approaches to Addressing Arthritis (Healthy Aging) Total Centers for Disease Control & Prevention	93.043	DP18-1803.NU58	2,500 2,500	- -	- -	- -
TOTAL FEDERAL AWARDS			26,619,387	1,704,699	5,406,043	11,154,849
STATE AWARDS						
N.C. DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Division of Social Services:						
Direct Benefits - Foster Care At-Risk Maximization		XXXX	-	5,236	-	2,788
Direct Benefits - Extended FC/MAX Non IV-E		XXXX	-	85,490	-	-
Direct Benefits - Foster Care at Risk		XXXX	-	3,427	-	-
Direct Benefits - Foster Care Kinship		XXXX	-	38,518	-	38,517
Direct Benefits - State Family Foster Max		XXXX	-	28,442	-	203,479
Direct Benefits - State Foster Home		XXXX	-	253,786	-	213,266
Direct Benefits - SFHF Maximization		XXXX	-	287,195	-	-
AFDC Incentives		XXXX	-	341	-	-
Child Welfare/CPS/CS		XXXX	-	87,932	-	-
Non-Allocating County Cost		XXXX	-	-	-	890,721
DCD Smart Start		XXXX	-	61,418	-	-
Emergency Plmt-FC		XXXX	-	41,448	-	-
Work First Non Reimbursement		XXXX	-	-	-	4,368,713
Total Division of Social Services			-	893,233	-	5,717,484
Division of Aging and Adult Services						
Passed through Centralina Council of Governments Fan /Heat Program			-	1,063	-	-
Senior Center Operations Grant General Purpose			-	7,510	-	-
Total Division of Aging and Adult Services			-	8,573	-	-
Total N. C. Department of Health and Human Services			-	901,806	-	5,717,484

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2025

Grantor/Pass Through Grantor/Program Title	Federal AL Number	State/Pass Through Grantor's Number	Federal Direct and Pass Through Expenditures	State Expenditures	Passed-through to Sub recipients	Local Expenditures
N.C DEPARTMENT OF ENVIRONMENTAL QUALITY						
Division of Waste Management:						
Electronics Recycling Management Funds		XXXX	-	4,486	-	-
Total Division of Waste Management			-	4,486	-	-
Division of Environmental Assistance and Customer Service						
Soil and Water Conservation - Water Quality Cost Share Grant		XXXX	-	23,185	-	-
Soil and Water Conservation			-	3,600	-	-
Total NC Department of Environmental Quality			-	31,271	-	-
N.C. DEPARTMENT OF PUBLIC SAFETY						
Juvenile Crime Prevention Programs:						
JCPC Admin		XXXX	-	15,500	-	-
Get Hired-Youth Employability		XXXX	-	77,361	77,361	-
Kids at Work		XXXX	-	63,952	63,952	-
Sex Offender		XXXX	-	1,383	1,383	-
Teens Together		XXXX	-	104,427	104,427	-
Thompson Rise		XXXX	-	75,971	75,971	-
Youth Style Fitness		XXXX	-	51,930	51,930	-
Families First - Strengthening Families		XXXX	-	19,068	19,068	-
Conflict Resolution Center Truancy		XXXX	-	41,695	41,695	-
Cabarrus County:						
State Directed Grant (Human Trafficking)		NC APPROPRIATIONS ACT OF 2022, HOUSE BILL 103, SECTION 5.3(a)-(c) & SECTION 5.4.(a)-(b))	-	231,731	-	-
Tier II		MOA 2371045	-	2,000	-	-
Total N.C. Department of Public Safety			-	685,018	435,787	-
N.C. DEPARTMENT OF INSURANCE						
Division of Seniors Health Insurance Information Program						
SHIIP Grant		XXXX	-	12,419	-	-
Total N.C. Department of Insurance			-	12,419	-	-
N.C. OFFICE OF STATE BUDGET AND MANAGEMENT (OSBM)						
State Capital Infrastructure Fund (SCIF)						
State Capital Infrastructure Fund (SCIF) - Behavioral Health Facility 1		20093	-	10,270,933	-	-
State Capital Infrastructure Fund (SCIF) - Behavioral Health Facility 2		20094	-	1,035,115	-	-
General Fund Appropriations						
General Fund Appropriations - Bomb Squad		20095	-	182,647	-	-
General Fund Appropriations - Wellness & Bomb Squad		20097	-	385,090	-	-
Total N.C. Office of State Budget and Management (OSBM)			-	11,873,785	-	-

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2025

Grantor/Pass Through Grantor/Program Title	Federal AL Number	State/Pass Through Grantor's Number	Federal Direct and Pass Through Expenditures	State Expenditures	Passed-through to Sub recipients	Local Expenditures
N.C. PARKS AND RECREATION						
N.C. Parks and Recreation Trust Fund (PARTF)- Rob Wallace			-	500,000	-	-
Total N.C. Parks & Recreation			-	500,000	-	-
N.C. DEPARTMENT OF CULTURAL AND NATURAL RESOURCES						
N.C. Clean Water Management Trust Fund:						
State Aid to Libraries		DCR-4	-	275,951	-	4,735,733
Total N.C. Department of Cultural and Natural Resources			-	275,951	-	4,735,733
N.C. DEPARTMENT OF ADMINISTRATION						
Veterans Service Grant			-	2,273	-	-
Total N.C. Department of Administration			-	2,273	-	-
N.C. DEPARTMENT OF TRANSPORTATION						
ROAP Elderly and Disabled Transportation Assistance Program (E&DTAP)		DOT-16CL	-	172,062	-	-
ROAP Work First Transitional - Employment		DOT-16CL	-	4,075	-	-
ROAP Rural General Public Program (RGP)		DOT-16CL	-	12,420	-	-
Total Rural Operating Assistance Program (ROAP)			-	188,557	-	-
N.C. DEPARTMENT OF MILITARY & VETERANS AFFAIRS						
Grant Program for County Veterans Offices (GPCVO)			-	2,806	-	-
DSWC District Matching & Technical Assistance Agreement						
Streamflow Rehabilitation Assistance Program		22-080-4056	-	168,362	-	-
Total N.C. Department of Military & Veterans Affairs			-	171,168	-	-
N.C. DEPARTMENT OF PUBLIC INSTRUCTION						
Public School Building Capital Fund						
Lottery proceeds			-	3,223,362	-	-
Total N.C. Department of Public Instruction			-	3,223,362	-	-
Other Financial Assistance:						
N.C. DEPARTMENT OF JUSTICE						
Opioid Settlement Fund (Note 5)			-	991,522	-	-
TOTAL STATE AWARDS			-	18,857,132	435,787	10,453,217
NOTES TO THE TOTAL FEDERAL AND STATE AWARDS			\$ 26,619,387	\$ 20,561,831	\$ 5,841,830	\$ 21,608,066

CABARRUS COUNTY, NORTH CAROLINA
SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
For the Fiscal Year Ended June 30, 2025

<u>Grantor/Pass Through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>State/Pass Through Grantor's Number</u>	<u>Federal Direct and Pass Through Expenditures</u>	<u>State Expenditures</u>	<u>Passed-through to Sub recipients</u>	<u>Local Expenditures</u>
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1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards (SEFSA) includes the federal and state grant activity of Cabarrus County under the programs of the federal government and the state of North Carolina for the year ended June 30, 2025. The information in this SEFSA is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the State Single Audit Implementation Act. Because the schedule presents only a selected portion of the operations of Cabarrus County, it is not intended to and does not present the financial position, changes in net position or cash flows of Cabarrus County.

2. Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

Cabarrus County has elected not to use the 10-percent de Minimis indirect cost rate as allowed under the Uniform Guidance.

4. Cluster of Programs

The following are clustered by the NC Department of Health and Human Services and are treated separately for state audit requirement purposes: Foster Care, Adoption and Guardianship Assistance Program, Special Children Adoption Fund, and Subsidized Child Care Program.

5. Opioid Settlement Fund

The NC Department of Justice does not consider Opioid Settlement Funds either Federal or State Financial assistance since they are from a settlement with private major drug companies. Since these funds are subject to the State Single Audit Implementation Act, they are reported as "Other Financial Assistance" on the SEFSA, and considered State Awards for State single audit requirements.