The Board of Commissioners for the County of Cabarrus met for a Board Retreat in the Multipurpose Room at the Cabarrus County Governmental Center in Concord, North Carolina at 5:00 p.m. on Friday, February 27, 2026.

Present -	Chair:	Laura B. Lindsey
	Vice Chair:	Ian Patrick
	Commissioners:	Larry G. Pittman
		Kenneth M. Wortman
		Jeff Jones

Staff present were Kelly Sifford, Interim County Manager; Aalece Pugh, Assistant County Manager; Kyle Bilafer, Assistant County Manager; Doug Hall, County Attorney/General Counsel; Ariadne Olvera, Clerk to the Board; department heads and other county staff.

The meeting was called to order at 5:00 p.m.

Welcome, Introductions and Overview

Chair Lindsey welcomed staff and participants to the meeting.

Vice Chairman Patrick addressed staff and attendees, and excused himself from the meeting at 5:01 p.m.

Kelly Sifford, Interim County Manager, provided an overview of the agenda.

Revenues and Expenses (Budget/Finance Update/CIP)

Jim Howden, Finance Director, presented a PowerPoint titled "FY26 Financial Update." The presentation provided an overview of the General Fund budget, revenues, and expenditures as of January 31, 2026.

General Fund Budget:

- Current budget: $415.9 million
- Revenues: $325.8 million
- Expenses: $235.3 million

FY26 Revenues:

- **Property Taxes:** Budgeted at $279.5 million, with collections as of January 31 totaling $265.1 million, and an estimated 99% collection rate for the year, projected total property taxes of $280 million.

- **Sales Taxes:** Budgeted at $74.6 million, with projected total collections of $80 million, exceeding the budget by $5.4 million.

- **Major Fees:**
  - Ambulance Fees - Budget: $9.5 million; collected $6.3 million; projected $10.5 million.
  - Register of Deeds - Budget: $3.8 million; collected $2.5 million; projected $4.7 million.
  - Construction Standards - Budget: $5.5 million; collected $3.9 million; projected $6.1 million.

FY26 Expenditures:

- As of January, 61.2% of the budget has been spent or encumbered.
- Debt service, transfers, and education expenditures are projected to meet budget.
- Salaries and benefits: $84.9 million (52.7% of $161.1 million budget).
- Operational expenditures and encumbrances: $163.8 million (66.4% of $246.6 million budget).
- Capital expenditures and encumbrances (vehicles, etc.): $5.9 million (71.9% of $8.2 million budget).

FY 26 Summary:

- Estimated total revenues: $415 million (100% of budget)
- Estimated expenditures and encumbrances: $395 million (95% of budget)
- Projected net increase to fund balance: $20 million

A discussion ensued. During discussion, Mr. Howden and David Thrift, Tax Administrator, responded to questions from the Board.

CIP/Property Discussion

Kyle Bilafer, Assistant County Manager, provided an overview of the Capital Improvement Plan (CIP) and discussed several potential future projects that were previously deferred, including:

- **Camp Spencer Park:** Demolition of existing buildings and construction of a larger facility; potential challenges related to limited utilities at the site.
- **Concord Library:** Interior renovations based on a preliminary master plan developed several years ago, which has since been refreshed; the project has been deferred due to financial considerations.
- **Frank Liske Park Boat Docks:** $2 million allocated; original plan included a splash pad and boat dock, but the splash pad component was removed; dock project addressing ADA compliance.
- **Grounds Maintenance Building:** Discussed as part of future capital needs.

Mr. Bilafer also noted that several FY2026 capital projects, including generator replacements and implementation of the ADA Transition Plan, have already been budgeted.

Ms. Sifford continued with an update on the FY27-FY29 Capital Improvement Plan (CIP), Pay-As-You-Go (PAYGO) projects, with emphasis on the school system's capital improvement initiatives. She reported that approximately $97 million is available for capital projects, including $62 million required to be reserved (15%) under the County's financial ordinance and policies, leaving approximately $35.5 million available for PAYGO projects.

There was discussion throughout the presentations. During discussions, Mr. Bilafer; Jim Howden, Finance Director; and Ms. Sifford responded to questions from the Board.

Revenues and Expenses (FY27 Budget Forecast/Update)

Rosh Khatri, Budget Director, presented a PowerPoint presentation titled "Fiscal Year 2027 Budget Forecast/Update". Information included:

- Revenue Forecast

Revenue	FY26 Adopted	FY27 Projected	Difference
Property Tax	$280,066,034	$286,649,423	$6,583,389
Sales & Other Taxes	49,039,740	50,745,000	1,705,260
Intergovernmental	31,450,692	30,770,540	(680,152)
Permits & Fees	9,652,880	9,498,270	(154,610)
Sales & Services	19,219,193	21,088,335	1,869,142
Investment	4,500,000	7,000,000	2,500,000
Miscellaneous	377,700	373,900	(3,800)
Other Financing Sources	5,205,008	6,249,039	1,044,031
TOTAL	399,511,247	412,374,507	12,863,260

  - Revenues - Details
    - Sales & Other Taxes
    - Intergovernmental
    - Permits & Fees
    - Investment
    - Miscellaneous
    - Other Financing Sources
  - Select Revenues Sources

- Expenditure Outlook

Expenditures	FY26 Adopted	FY27 Projected	Difference
91 - Personnel Services	$107,759,641	$110,465,808	$2,706,167
92 - Employee Benefits	51,643,030	53,423,387	1,780,357
93 - Supplies	10,966,761	10,852,664	(114,097)
94 - Other Operation Costs	23,859,430	23,444,119	(415,311)
95 - Maintenance & Repair	2,165,435	2,231,400	65,965
96 - Other Services & Charges	10,158,007	9,177,877	(980,130)
97 - Contributions to Other Funds or Activities	189,651,283	196,318,638	6,667,355
98 - Capital Outlay	3,307,660	3,382,200	74,540
TOTAL	399,511,247	409,296,093	9,784,846

- Continuation Expenditures
  - Salary & Benefits - Summary
  - Supplies - Summary
  - Other Operation Cost - Summary
  - Maintenance & Repair - Summary
  - Other Services & Charges - Summary
  - Contributions to Other Funds & Activities - Summary
  - Capital Outlay - Summary
- Summary Recap
  - Pending/Known Items
  - Five Year Financial Plan
  - General Fund Forecast
  - Closing the Gap Ideas/Options
  - Steps Remaining in the Budget Process

There was discussion throughout the presentation. During discussion, Mr. Khatri; Aalece Pugh, Assistant County Manager; Kelly Sifford, Interim County Manager; Sheriff Van Shaw; Jim Howden, Finance Director; David Thrift, Tax Administrator; and Kyle Bilafer, Assistant County Manager; responded to questions from the Board.

Dinner Break

The Board and staff took a dinner break at 6:53 p.m. The meeting resumed at 7:24 p.m.

Revaluation

David Thrift, Tax Administrator, presented a PowerPoint presentation titled "Property Tax & Revaluation". Key points included:

- North Carolina General Statutes Chapter 105 (Machinery Act)
- Commissioners have the authority to determine when a property tax revaluation is conducted; however, a revaluation is required at least once every eight years per statute unless for county populations over 75,000 a mandatory evaluation is required by North Carolina Department of Revenue due to sales ratios
- The purpose of revaluation is to ensure equity among taxpayers
- Overview of the revaluation timeline
- Revaluation cost

A discussion ensued. During discussion, Mr. Thrift responded to questions from the Board.

Property Discussion

Kyle Bilafer, Assistant County Manager, presented a PowerPoint presentation titled "FY 27 Budget Retreat Properties Discussion". The following properties were discussed:

- Cabarrus Health Alliance Building - County will own the building in June 2027. Staff recommended pursuing a lease with CHA, under which CHA would assume all operating costs.

- Land Leases on School Properties - Use of revenue from leases.

- Camp Spencer – Lease expires June 2028 and renewal of lease. If renewed, staff recommended structural repairs. Board input was requested.

- Mount Pleasant Enrichment Center (former MP Senior Center) – The lease expires May 2026 at $1/year; renewal expected at $26,100. This facility supports LunchPlus services; all other activities (except sublease) have relocated to the new Mount Pleasant Active Living Center. A proposal to sublease basement to MP Food Ministry has been submitted.

- Vietnam Veterans Park – The County owns a portion of the park; The City of Kannapolis owns the majority. The current lease expires in August 2026. Options are to continue lease, offer to City, request the land from the City of Kannapolis, or cease operations. The County originally purchased parcels in 2018 for $375K. Direction from the Board was requested.

- Former Mount Pleasant Ballfields – Not sold with MPMS property; association wishes to continue use. Board input requested regarding a potential sale.

- Cooperative Extension Building – Legal review confirms property vested in County for disposal. The building houses 17 Cooperative Extension staff, 4 Soil & Water staff, and USDA staff (3-4 daily). USDA's lease is valid through Dec. 2029 at $32,599.90/year. Property includes a greenhouse, pollinator garden, and storage buildings; the assessed value is $1,560,680.

Tracy LeCompte, Cooperative Extension Director, was invited to speak about the Cooperative Extension Building. Ms. LeCompte provided information regarding upfitting and uses of the building and property.

- Milestone Building – Condemnation has been resolved. The property has 67,918 square feet and will house 185 staff once CCTS relocates. The Lease with Partners Health Management expires in 2028 at $8,291.67/month (Annual CPI increase); early termination of the lease is possible.

- Stonewall Jackson Property

- Operating Expenses for Active Living and Parks and Library buildings

There was discussion throughout the presentation. During discussions, Mr. Bilafer; Kelly Sifford, Interim County Manger; Aalece Pugh; Assistant County Manager; Tracy LeCompte, Cooperative Extension Director; and Melanie Holles, Library Director; responded to questions from the Board.

Recess

The meeting recessed at 9:20 p.m. until 8:00 a.m. Saturday, February 28, 2026, in the Multipurpose Room at the Cabarrus County Governmental Center, Concord, North Carolina.

Ariadne Olvera, Clerk to the Board

CABARRUS COUNTY SEAL 1792 NORTH CAROLINA