

The Board of Commissioners for the County of Cabarrus met in regular session in the Commissioners' Meeting Room at the Cabarrus County Governmental Center in Concord, North Carolina at 6:00 p.m. on Monday, May 18, 2026.

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

live broadcast at 6:00 p.m. on Channel 22
<https://www.youtube.com/cabarruscounty>
<https://www.cabarruscounty.us/cabcotv>

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

Also present were Kelly Sifford, Interim County Manager; Aalece Pugh, Assistant County Manager; Kyle Bilafer, Assistant County Manager; Doug Hall, County Attorney; and Sheila Bruce, Deputy Clerk to the Board.

Chair Lindsey called the meeting to order at 6:00 p.m.

Chair Lindsey led the Pledge of Allegiance.

Dan Marshall, Capital Ministries, Local Government Ministry gave the invocation.

Chair Lindsey introduced Youth Commissioner Rainey Mangan.

(A) APPROVAL OF THE AGENDA

(A-1) BOC - Changes to the Agenda

Chair Lindsey reviewed the following changes to the agenda:

UPDATED:

New Business

E-2 County Manager - Stephen M. Morris Behavioral Health Center Lease with Monarch and Monarch Sub Lease Approval with Genoa Healthcare LLC

Reports

F-6 County Manager - Cabarrus Arena and Events Center Financial Report

Closed Session

H-1 Closed Session - Consult with Attorney, Real Estate and Personnel

REMOVED:

A. Approval or Correction of Minutes

New Business

E-6 Fire Marshal - County Employed Firefighters - Colocation

UPON MOTION of Commissioner Jones, seconded by Vice Chair Patrick and unanimously carried, the Board approved the agenda as amended.

(B) RECOGNITIONS AND PRESENTATIONS

(B-1) Active Living & Parks - AARP Tax Volunteers Recognition

Byron Haigler, Active Living and Parks Director, introduced Teresa Kiser, Active Living Center Program Manager. Ms. Kiser recognized the AARP Tax-Aide volunteers for their service.

Ms. Kiser then introduced Bob Guerity, Lead AARP Volunteer, who provided background information on the program, including the funding, computers, and software support provided to assist with operations. Mr. Guerity noted that the program currently has 23 volunteers, discussed the benefits of the program to the community, and encouraged anyone interested in volunteering to get involved.

(B-2) Active Living & Parks - Older Americans Month 2026 Proclamation

Byron Haigler, Active Living and Parks Director, introduced Myra Baumgardner, Chairperson of the Active Living and Parks Commission, who provided an overview of the benefits the Active Living Centers provide to older adults.

Ms. Baumgardner then read the proclamation aloud.

UPON MOTION of Commissioner Jones, seconded by Vice Chair Patrick and unanimously carried, the Board adopted the proclamation.

Proclamation No. 2026-14

Older Americans Month 2026
A PROCLAMATION

Whereas, May is Older Americans Month, a time for us to recognize and honor the countless contributions older adults in Cabarrus County make to enrich our families, neighborhoods, and community life; and

Whereas, this year's theme, "Champion Your Health," emphasizes prevention, wellness, and personal responsibility as essential cornerstones of health aging; and

Whereas, small, consistent daily actions such as engaging in physical activity, maintaining social connections, practicing self-management, and participating in evidence-based health programs can help older adults sustain both physical and mental health as they age; and

Whereas, the 2026 theme encourages older adults and communities alike to recognize the power of prevention and to foster environments that support lifelong wellness and resilience, independence and

Whereas, community organizations, healthcare providers, families, and caregivers play a vital role in empowering older adults by offering support, resources, and opportunities to stay connected, healthy, and independent.

Whereas, evidence-based approaches, strong community partnerships, and accessible preventive services are essential in helping individuals lead their healthiest lives at every age;

Now, therefore, the Cabarrus County Board of Commissioners do hereby proclaim May 2026 to be Older Americans Month and encourage all residents to join us in celebrating older adults and taking meaningful steps to "Champion Your Health" throughout this month and beyond.

Adopted this 18th day of May 2026

/s/ Laura B. Lindsey
Chair, Cabarrus County Board of Commissioners

(B-3) BOC - Cabarrus County Foster Care

Dr. Paris Brown, Program Administrator over Permanency Planning for DSS, introduced Lisa Dipaolo, Permanency Planning Supervisor.

Dr. Brown presented a PowerPoint presentation titled "Department of Social Services Child Welfare Division Foster Care Awareness," which highlighted the following topics:

- Mission
- Philosophy of Care
- What is Foster Care
- Permanency Planning Goals
- FY26 Data Snapshot
- Age Demographics
- Importance and Impact of Care
- Foster Parent Requirements

Ms. Dipaolo highlighted the dedication of one of the Cabarrus County foster families.

Chair Lindsey then introduced foster parent Jessica Hartford, who shared her experiences as a foster parent.

(C) INFORMAL PUBLIC COMMENTS

Chair Lindsey opened the meeting for Informal Public Comments at 6:36 p.m.

Jeeter Anderson, a resident at 133 Kennedy Avenue, Kannapolis addressed matters related to DSS.

Jerry Anderson, a resident at 133 Kennedy Avenue, Kannapolis, addressed matters related to DSS.

Commissioner Wortman provided documents related to Mr. Jerry Anderson's concerns for his review.

Rachel Phipps, a resident at 347 Parkview Ct SW, Concord spoke regarding public school funding.

Ingrid Nurse, a resident of Concord, spoke regarding the budget.

Keshia Sandidge, a resident at 270 Post Oak Ave SW, Concord spoke regarding Cabarrus County Schools funding.

Robert Mitton, a resident of 525 Brown Lee Drive SW, Concord, spoke regarding the role of religious beliefs in government decision-making.

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

(D) CONSENT AGENDA

(D-1) Boards and Committees - Active Living and Parks - Appointment

Rebecca Chasteen had previously been appointed to complete the remainder of Tim Cook's term ending May 31, 2026. The Active Living and Parks Commission unanimously recommended her appointment to the Midland seat for a full three-year term, as she was the only eligible applicant from that district.

UPON MOTION of Commissioner Jones, seconded by Vice Chair Patrick and unanimously carried, the Board appointed Rebecca Chasteen to the Active Living and Parks Commission for a three-year term ending May 31, 2029; and to include any necessary exceptions to the Appointment Policy.

(D-2) Boards and Committees - Active Living and Parks - Appointment

Millicent Malit's term representing the Kannapolis seat on the Active Living and Parks Commission was scheduled to expire on April 30, 2026, and she was eligible for reappointment. The Commission unanimously recommended her reappointment based on her previous service.

UPON MOTION of Commissioner Jones, seconded by Vice Chair Patrick and unanimously carried, the Board reappointed Millicent Malit to the Active Living and Parks Commission for a three-year term ending April 30, 2029; and to include any necessary exceptions to the Appointment Policy.

(D-3) Boards and Committees - Centralina Workforce Development Board - Appointment

Tracie Hampton held Private Sector Seat #3 - HR/Professional on the Centralina Workforce Development Board, with her term scheduled to expire on June 30, 2026. The advisory board requested her reappointment to continue serving in the position for an additional two-year term.

UPON MOTION of Commissioner Jones, seconded by Vice Chair Patrick and unanimously carried, the Board reappointed Tracie Hampton to fill Private Sector Seat #3 - HR/Professional on the Centralina Workforce Development Board for a term expiring June 30, 2028; and to include any necessary exceptions to the Appointment Policy.

(D-4) Boards and Committees - Centralina Workforce Development Board - Appointment

Chad Champine held the Private Sector Seat #4 - Construction on the Centralina Workforce Development Board, with his term scheduled to expire on June 30, 2026. The advisory board requested his reappointment to continue serving in the position for an additional two-year term.

UPON MOTION of Commissioner Jones, seconded by Vice Chair Patrick and unanimously carried, the Board reappointed Chad Champine to fill the Private Sector Seat #4 - Construction on the Centralina Workforce Development Board for a two-year term expiring June 30, 2028; and to include any necessary exceptions to the Appointment Policy.

(D-5) Consolidated Human Services - Social Services - Home and Community Care Block Grant (HCCBG)

The Department of Social Services, serving as the lead agency for the Home and Community Care Block Grant (HCCBG), presented the FY 2027 funding plan. The HCCBG supports Cabarrus County residents ages 60 and older through services provided by the Department of Social Services, Transportation Services, Housing Home Improvement Program, Active Living & Parks, and Cabarrus Meals on Wheels. The North Carolina Division of Aging and Adult Services, through the Centralina Area Agency on Aging, allocated \$1,115,126 in grant funding for FY 2027, requiring a 10% County match of \$123,903, for a total funding plan of \$1,239,029.

UPON MOTION of Commissioner Jones, seconded by Vice Chair Patrick and unanimously carried, the Board approved the Home and Community Care Block Grant (HCCBG) Funding Plan for FY 2027.

(D-6) Consolidated Human Services Agency (CHSA) - Veteran’s Service Grant Budget Amendment and Fund 460 Project Ordinance

The North Carolina Department of Military and Veteran’s Affairs awarded the Cabarrus County Veteran’s Service a \$20,000 grant on February 16, 2026. The funding was designated to support technology enhancements, community outreach, staff training, and supplies/service improvements within Veteran’s Services. The grant required Board approval to execute a budget amendment and to update the Cabarrus County Small Projects Fund 460 Project Ordinance. No County match was required.

UPON MOTION of Commissioner Jones, seconded by Vice Chair Patrick and unanimously carried, the Board approved the Budget Amendment and the Cabarrus County Small Projects Fund 460 Project Ordinance to accept and allocate the \$20,000 grant awarded to Cabarrus County Veteran’s Services by the North Carolina Department of Military and Veteran’s Affairs, with funds to be used for technology enhancements, community outreach, staff training, and supplies/service improvements.

Budget Revision/Amendment Request

Date: 4/20/2026

Amount: 20,000.00

Dept. Head: Chad Gurley (prepared by Suzanne Moose)

Department: Veteran's Service

☐ Internal Transfer Within Department

☐ Transfer Between Departments/Funds

☒ Supplemental Request

Cabarrus County Veteran Services was awarded a grant in amount of \$20,000 on 2/16/2026 by the North Carolina Department of Military and Veteran's Affairs. There is no county match. 100% grant funded.

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
460	6	5110-6201-GPCVO	Veteran's Services Grant	15,482.00	20,000.00		35,482.00
460	9	5110-9862-GPCVO	Technology	-	7,500.00		7,500.00
460	9	5110-9301-GPCVO	Office Supplies	3,500.00	2,500.00		6,000.00
460	9	5110-9610-GPCVO	Travel and Education	-	5,000.00		5,000.00
460	9	5110-9601-GPCVO	Advertising	5,500.00	5,000.00	-	10,500.00

(D-7) County Manager - Approval of Definitive Project Investment Agreement with North Carolina Railroad Company and RRB Beverage Operations Inc. and Definitive Project Investment Sub-agreement with RRB Beverage Operations, Inc.

The North Carolina Railroad Company "NCRR Invests" program awarded \$700,000 for rail infrastructure improvements on the RRB Beverage Operations Inc. manufacturing site. Cabarrus County will serve as a pass-through entity for the funds, with no financial contribution from the County. Funding will be disbursed by the County following verification of project milestones completed by NCRR. The project scope included land preparation, track work, drainage, and signal improvements.

UPON MOTION of Commissioner Jones, seconded by Vice Chair Patrick and unanimously carried, the Board authorized the County Manager to execute both agreements with the North Carolina Railroad Company and RRB Beverage Operations Inc. for the purpose of facilitating pass-through funding for rail infrastructure improvements, including land preparation, track work, drainage, and signal work, with no County funding contribution required.

(D-8) County Manager - Hickory Ridge at Raging Ridge Greenway

The Town of Harrisburg requested an easement on Hickory Ridge Middle School property to construct a walking path connecting to the Back Creek Greenway. Cabarrus County Schools approved the general layout and process. Due to the County's ownership interest through deed of trust financing requirements, County approval was required to grant the easement, and staff coordinated obtaining the necessary subordination agreement from the lending agency.

UPON MOTION of Commissioner Jones, seconded by Vice Chair Patrick and unanimously carried, the Board approved the concept of the walking path on Hickory Ridge Middle School property and authorized the Interim County Manager to execute the necessary documents to grant the easement to the Town of Harrisburg upon receipt of the required subordination agreement from the lending agency.

(D-9) Sheriff's Office - Approval of Axon/Skydio Drone Contract

The Cabarrus County Sheriff's Office requested approval of an Axon contract to replace its current DJI drone fleet due to potential federal restrictions and FAA limitations. The proposed Skydio drone fleet includes trade-in credits for existing DJI units, structured replacement and upgrade provisions, and replacement of the indoor drone used for high-risk incidents. The contract also adds Drone as a First Responder (DFR) capability integrated with the Real Time Information Center for remote deployment and rapid incident assessment. The five-year agreement totals \$833,946.80 (\$166,789.36 annually) and would be funded through radio tower rental revenues and Asset Forfeiture funds. A corresponding budget amendment was required.

UPON MOTION of Commissioner Jones, seconded by Vice Chair Patrick and unanimously carried, the Board approved the Axon contract for the Cabarrus County Sheriff's Office drone program and the accompanying Budget Amendment to replace the existing DJI drone fleet with Skydio drones, including implementation of Drone as a First Responder capabilities and related equipment, funded through radio tower rental revenues and Asset Forfeiture funds.

Date:5/18/2026

Amount:94,010.00

Dept. Head:Sheriff Van W. Shaw

Department:2110-County Sheriff

☐ Internal Transfer Within Department

Transfer Between Departments/Funds

☒ Supplemental Request

PURPOSE: This would replace the DJI drones (the Chinese manufactured drones with potential federal bans and FAA restrictions) with Skydio/Axon drones. They are giving us discounts for the DJI drones we are replacing. This contract is structured like our other Axon contracts in that it has built in replacement and upgrade provisions. They are also replacing our smaller indoor drone that can be used on barricaded subjects and high-risk warrant service. And finally adds the Drone as a First Responder piece that will launch remotely and be piloted by our Real Time Information Center operators (all drones can/will be piloted by the RTIC).

Fund	Indicator	Department/ Object/ Project	Account Name	Approved Budget	Increase Amount	Decrease Amount	Revised Budget
001	6	2740-6915	Contribution from Special Revenue Fund	-	94,010.00		94,010.00
001	9	2740-9860	Equipment Furniture	1,657,380.13	94,010.00		1,751,390.13
							0.00
							0.00
							0.00

(D-10) Tax Administration - Refund and Release Reports - April 2026

The Release Report included taxpayers' names, bill numbers, valuations, tax amounts, and justifications for the release of valuation and tax amounts for outstanding levies in accordance with N.C.G.S. 105-381. The Refund Report provided a summary of refund requests and supporting justifications for taxpayer refunds under the same statute. Due to the transition to the North Carolina Vehicle Tax System (NCVTS), motor vehicle-related refunds and releases began appearing in reports generated through the new system.

UPON MOTION of Commissioner Jones, seconded by Vice Chair Patrick and unanimously carried, the Board approved the April 2026 Refund and Release Reports as submitted, including the NCVTS Refund Report, and authorized the Tax Collector to process the refunds and releases in accordance with N.C.G.S. 105-381.

(D-11) Tourism Authority - FY2027

The Cabarrus County Tourism Authority presented its FY2027 budget and provided a tourism update during the Work Session on May 4, 2026. The proposed budget totaled \$7,563,100.

UPON MOTION of Commissioner Jones, seconded by Vice Chair Patrick and unanimously carried, the Board adopted the FY2027 Cabarrus County Tourism Authority Budget in the amount of \$7,563,100.

(E) NEW BUSINESS**(E-1) BOC - Resolution Requiring Transparency on Federal and State Budget Impacts**

Commissioner Wortman stated that he and Dr. Aalece Pugh, Assistant County Manager, met with the individuals who submitted the item and brought the resolution forward for consideration. He noted that comments have been added to the document and that staff are awaiting one additional comment.

A brief discussion ensued, during which it was recommended that the item instead be placed on a future Work Session agenda.

UPON MOTION of Commissioner Jones, seconded by Vice Chair Patrick and unanimously carried the Board moved this item to the June 1, 2026, Work Session.

(E-2) County Manager - Stephen M. Morris Behavioral Health Center Lease with Monarch and Monarch Sub Lease Approval with Genoa Healthcare LLC

Kyle Bilafer, Assistant County Manager, advised that the County needed to authorize the execution of a lease for the Stephen M. Morris Behavioral Health Center with Monarch. He also noted that the County needed to authorize the County Manager to execute a sublease agreement among Cabarrus County, Monarch, and Genoa Healthcare LLC to support operations within the facility. All reviews and revisions had been completed, and authorization of both agreements was requested.

Vice Chair Patrick **MOVED** to authorize the County Manager to negotiate and execute a lease for the Stephen M. Morris Behavioral Health Center with Monarch, subject to review and revision by the County Attorney, and to authorize the County Manager to execute the sublease agreement between Cabarrus County, Monarch, and Genoa Healthcare LLC. Commissioner Jones seconded the motion.

The **MOTION** carried (4-1) with the following vote: Ayes: Chair Lindsey, Vice Chair Patrick, Commissioners Jones and Wortman; Nays: Commissioner Pittman.

(E-3) County Manager - Fourth Amended and Restated Operating Agreement for the Elma C. Lomax Incubator Farm Park with Carolina Farm Stewardship Association

Kyle Bilafer, Assistant County Manager, reported that staff and the Carolina Farm Stewardship Association previously presented to the Board in February regarding the Elma C. Lomax Incubator Farm operating agreement. Since that time, County staff, including legal counsel, drafted an amendment to extend the agreement. The proposed changes were reviewed and discussed at the May 4, 2026 Work Session including CFSA's request for an increase in funding. An additional \$120,000 was included in the County's budget, with said additional funding to be provided from the Deferred Tax Fund. The Board's action was limited to consideration of the amended operating agreement.

Mr. Bilafer noted the amended agreement included minimal changes overall, with revisions primarily related to termination notification requirements. He also advised there were concerns raised and he had spoken directly to the individual and provided a response.

Lastly, Mr. Bilafer further reported one of the key concerns was the absence of a formal advisory committee to provide outside expertise in agriculture and input from Cooperative Extension. As a result, a new provision was added to the agreement establishing such a committee; Term 3, which states "CFSA will establish a program advisory committee with the goal of developing a five-year farm program development plan to be implemented on July 1, 2028 (the termination of this agreement). CFSA will consult with County Staff and Cooperative Extension about the membership of this committee.

UPON MOTION of Commissioner Jones, seconded by Commissioner Pittman and unanimously carried, the Board authorized the County Manager to negotiate and execute an amended operating agreement for the Elma C. Lomax Incubator Farm with the Carolina Farm Stewardship Association, subject to review and revision by the County Attorney.

(E-4) Facilities Design and Construction - Approval of GMP2 for Progress Place Renovations

Michael A. Miller, Design and Construction Manager, along with Jason Harris with Messer Construction, presented information regarding the Guaranteed Maximum Price (GMP) #2 for the Progress Place renovation for consideration.

Mr. Miller stated that, following review of bids and completion of scope review meetings with subcontractors, Messer Construction was prepared to establish GMP #2 at \$12,328,177. He noted that this amount would be incorporated as an amendment to the existing contract. He further stated that the project remains within budget and that the overall GMP is below the original estimate.

It was requested that the GMP #2 adjustment and associated contract change order be approved.

Commissioner Jones **MOVED** to approve the Guaranteed Maximum Price (GMP) #2 amendment for the Progress Place renovations and to authorize the Interim County Manager to execute the associated contract change order to the existing contract between Cabarrus County and Messer Construction. The motion was seconded by Commissioner Wortman.

The **MOTION** carried (4-1) with the following vote: Ayes: Chair Lindsey, Vice Chair Patrick, Commissioners Wortman and Jones; Nays: Commissioner Pittman.

(E-5) Finance - General Obligation Bond Referendum Resolution

Jim Howden, Finance Director, reviewed the Initial General Obligation Bond Referendum Resolution, which makes certain findings and determinations and authorizes the filing of an application with the Local Government Commission in connection with the proposed issuance of school bonds and community college bonds by Cabarrus County, North Carolina. He stated that the resolution must include the maximum amount for each referendum and recommended \$340 million for public schools and \$60 million for the community college, for a total proposed bond referendum amount of \$400 million. It was requested that the resolution be approved.

Kelly Sifford stated that this recommendation is based on conversations with the County's financial consultants.

A discussion ensued during which Mr. Howden responded to questions from the Board.

UPON MOTION of Commissioner Pittman, seconded by Commissioner Jones and unanimously carried, the Board approved the General Obligation Bond Referendum Resolution making certain findings and determinations and authorized the filing of an application with the NC Local Government Commission in connection with the proposed issuance of school bonds and community college bonds by Cabarrus County, North Carolina.

(E-6) County Manager - Presentation of the FY27 Recommended Budget

Kelly Sifford, Interim County Manager presented the FY27 Recommended Budget. A copy has been filed with the Clerk to the Board and made available for public inspection at the Cabarrus County Government Center during business hours, as well as online at cabarrucounty.us.

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

I am pleased to present the Recommended Budget for Fiscal Year 2026-2027 (FY27) and the FY27 Community Investment Fund (CIF) capital investments for Cabarrus County.

The budget, as recommended, would maintain a tax rate of **57.6 cents per \$100 of assessed valuation.**

The recommended General Fund budget totals \$412,174,074. Across all funds, the FY27 budget totals \$ 559,576,464. The recommended General Fund budget reflects a 3.17% or \$12,662,827 increase over FY26.

County staff worked diligently and creatively to overcome the challenges presented this year. Initial FY27 projections showed a deficit of \$13,725,429. This resulted from the adoption of the FY25 tax rate of 57.6 cents, which was 2.4 cents below the recommended rate at the time.

Throughout the budget process, staff worked to ensure resources were used in the most effective and efficient ways possible. Funds were reallocated based on board priorities to minimize increases in the FY27 General Fund.

To further maintain balance, partner funding growth was limited to the amounts projected in the FY27 outlook.

Staff also managed rising costs in utilities and fuel that exceeded the 2.4% inflation rate projected by the Consumer Price Index. In addition, the County addressed mandated service needs, including the addition of 21 positions in the Sheriff's Office to support detention center and facility operations.

The FY27 Recommended Budget represents a strong focus on maximizing taxpayer investments. Our departments are already delivering on that promise. Here are some results from the first two quarters of FY26:

- Emergency Medical Services Community Paramedics served 2,188 patients, an increase of 69.9% from the prior year. These services keep patients from being readmitted to the hospital and provide a less expensive approach to medical care for medically frail individuals.
- The Sheriff's Office seized narcotics with a street value of \$5,080,672
- Veterans Services brought \$11,432,564 in benefits to veterans in our community, an increase of 47.9% over the previous year
- Household Hazardous Waste (HHW) staff collected 75,000 pounds of HHW and 32 tons of used TVs, computers and other electronics, keeping these items out of our landfills and extending the life of that critical infrastructure

Impacts of population growth

Cabarrus County is experiencing rapid growth and significant demographic change. Between 2020 and 2024, the population increased by 9.2% (nearly 21,000 residents). That number is projected to grow an additional 20.4% by 2030. At the same time, the community is becoming both older and more diverse. These trends are placing increased demand on mandated and non-mandated County services, a pressure expected to persist into the foreseeable future. Like many counties across North Carolina, Cabarrus faces the ongoing challenge of meeting these expanding service needs while maintaining, or potentially reducing, property tax rates for residents.

Economic outlook

County unemployment remains low and continues to perform favorably compared to national levels. Over the past year, job growth in the Charlotte-Concord-Gastonia Metropolitan Statistical Area has focused on education, health services, construction and professional/business services (U.S. Bureau of Labor Statistics). As of December 2025, the unemployment rate stood at 3.20% (Federal Reserve Bank of St. Louis). Unemployment is a key metric because increases typically result in higher demand for County services.

A stable labor market has helped drive the county's average private sector wage up to \$54,013, according to the North Carolina Department of Commerce. Labor market conditions and ongoing competition for talent have led to substantial wage and benefit increases in the County's budget in recent years, a trend that is expected to continue.

Impacts of unfunded mandates

Cabarrus County continues to face increasing pressure from unfunded state and federal mandates. The County is absorbing rising costs within its budget for school operations, inmate care and housing, and reductions in Food and Nutrition Service (FNS) administrative reimbursements. Despite these challenges, Cabarrus has remained committed to supporting local school districts

through staffing, teacher supplements, school nurses, resource officers and facility needs.

Potential constraints on traditional revenue sources may further strain future budgets. Additional risks include rising utility costs and volatility in fuel prices. Staff have budgeted conservatively in these areas, so continued instability may require contingency funds.

Projected needs

Cabarrus County Schools (CCS), Kannapolis City Schools (KCS) and Rowan-Cabarrus Community College (RCCC) face significant facility needs driven by population growth and deferred maintenance. CCS and KCS collectively maintain more than 7 million square feet of building space and roughly 2,500 acres of school grounds. Addressing deferred maintenance remains an ongoing priority for all three systems, each of which conducts continuous evaluation and assessment to identify and respond to facility needs.

As Cabarrus growth continues, service demands are evolving across departments. Several departments identified expanded service needs driven by increased demand.

This Recommended Budget prioritizes public safety above all other requests, adding 21 new positions in the Sheriff’s Office while maintaining the current tax rate. Rising jail populations require the opening of a new housing pod, which will need 16 additional Detention Officers to support 24-hour operations.

The opening of the new behavioral health center, coupled with the increasing complexity of mental and behavioral health cases involving children in Department of Social Services (DSS) custody, has created a need for continuous security at the Progress Place campus. To address this, additional deputy positions are included in the Sheriff’s Office Government Unit. To help offset costs, these positions will be partially funded through state Social Services and behavioral health sources.

Staff also prioritized the purchase of four replacement ambulances and an EMS administrative vehicle, all of which were at the end of their service period. All emergency response vehicles are closely monitored for usage and maintenance. The County follows a structured replacement schedule to ensure the fleet remains reliable and in good condition, saving significant funds over time.

Also, cost recovery for critical services such as EMS was evaluated and implemented. EMS conducted a comprehensive review of its fee structure and recommended updates to better align with the true cost of service.

Meeting capital needs

The following chart outlines proposed capital projects that can be funded with available cash on hand from prior-year fund balances. These proposed projects are based on the needs presented by Cabarrus County and local school systems.

FY27 Capital Improvement Plan (CIP) Pay-As-You-Go (PAYGO)

Project Name	FY27
ADA Transition Plan	\$150,000
Animal Shelter Design and Engineering	\$1,100,000
School Systems - Reserve for Teacher Raises	\$6,000,000
Frank Liske Park Second Entrance	\$2,000,000
IAM Grounds Maintenance Building Replacement	\$3,100,000
Jail Housing Roof Replacement	\$415,000
Playground Replacements/Renovations	\$180,000
Central Cabarrus High Parking and Drive Replacement	\$864,000
Charles Boger School Roof Replacement	\$1,800,000
Concord High Parking and Drive Replacement	\$1,248,600

Cox Mill High School Roof Replacement	\$2,567,500
Deferred Maintenance	\$1,197,460
Parking and Drive Replacement at NW Middle	\$1,000,000
School Bus Cameras	\$850,000
WR Odell Primary Roof Replacement	\$1,800,000
Activity Bus	\$71,000
AL Brown ADA Accessibility Baseball/Band Room/Chorus Room	\$1,500,000
Deferred Maintenance	\$1,044,000
Forest Park Elementary Repaving	\$750,000
GW Carver/Career Center Repaving	\$750,000
KPAC Roof Replacement or ALB Roof Replacement	\$4,000,000
McKnight Sewer Replacements/Kitchen Upgrade	\$575,000
System Capital for Energy Savings	\$197,000
Building S203 Roof Replacement	\$480,000
Deferred Maintenance	\$867,500
Information Systems Technology Replacements	\$480,000
S202 Renovation Completion	\$256,200
Security Systems Emergent Improvements and Expansion	\$205,200
South Campus Hardscape Emergent Repair	\$43,200
TOTAL PAYGO	\$35,491,660
Soil and Water - Prime Farmland Soil & Water Conservation Easement*	\$170,000

*Funded from Deferred Tax Fund

Efforts to limit growth in the budget

Throughout the FY27 planning process, staff continually re-evaluated current budget projections and the five-year financial plan. Revenue projections were refined to reflect historical collection rates, and FY27 expenditure budgets were adjusted to more closely match actual historical spending patterns.

Additional complications continue to affect forecasts, including the volatility of fuel prices. This not only impacts the County's fuel cost projections but may also affect the cost of essential goods and services, including food supplies for the Detention Center.

Taking all this into consideration, minor adjustments were made to revenue forecasts, projected personnel growth and partner growth projections.

All partner agencies and school systems included in the County's budget were reminded to align their budget requests with established projections and avoid exceeding those parameters.

Staff utilized several strategies to balance the budget with no increases to the property tax rate or other taxes.

To help curb rising personnel costs, vacant positions were carefully evaluated. This resulted in the elimination of six positions in the proposed FY27 budget.

In addition, several roles were reclassified or reassigned over the past two years to meet evolving needs without creating new positions. While last year's annual market study was deferred, a targeted review of "hot jobs" **is proposed** for Board consideration. This analysis will focus on high-turnover areas, such as Child Welfare, where vacancies remain a persistent challenge.

Contributions to other funds, such as the Landfill and Arena, were reduced, with those operations relying on existing fund balances in their enterprise and special revenue accounts to achieve a balanced budget.

The proposed budget maintains current insurance coverage for County employees while limiting cost increases through a change in providers. Retiree benefits established at the time of hire are also preserved. The budget also continues to fund merit increases, cost-of-living adjustments and longevity pay. Together, these measures aim to reduce turnover and mitigate the ongoing costs associated with recruitment, onboarding and training. County staff also worked collaboratively with the school systems to plan for potential teacher salary increases contingent upon adoption of the state budget. To address this

uncertainty, a joint plan was developed that uses fund balance for the first year.

The proposed budget continues to support the school systems and Cabarrus Health Alliance (CHA) while allowing for measured, sustainable growth. It maintains substantial operational funding for the school systems and provides resources to address critical deferred maintenance needs.

CHA identified expansion needs driven by ongoing population growth, including increased demand from new food and lodging establishments and the need for additional Environmental Health staff to support septic system approvals and inspections. While these needs are recognized, expansion requests from CHA and the school systems (including additional positions and increases in teacher supplements) are not included in this Recommended Budget.

Considering current projections, the Recommended Budget is balanced while maintaining AAA credit ratings from three major rating agencies. **A funding proposal is on the table at the Local Government Commission to obtain funding for two new construction school projects** while preserving the current tax rate. However, any future large-scale construction projects and/or deferred maintenance will require a new debt package and a corresponding tax increase to address those needs.

Staff have worked closely with the local school systems and school boards to initiate the process for General Obligation bonds, which would be included for consideration on the November ballot.

Five-Year Outlook

Achieving a balanced budget this year without increasing the property tax rate represents a significant accomplishment. However, based on current projections, this may be the final year the County can maintain existing service levels across all areas without seeking increases in revenues.

Under assumptions of 2% annual growth in property tax revenue, sales tax and other revenue sources, the County is projected to face a \$9.7 million shortfall in FY28. Expenditure assumptions include 4.5% growth for education partners, 5% for County personnel, 4% for CHA and 3% for operating expenses. Under these assumptions, projected deficits increase to \$19.6 million in FY29, \$30.3 million in FY30, and \$41.8 million in FY31.

While FY29 includes a property revaluation year, potential state-level legislation may impact local tax levy options, adding further uncertainty to long-term revenue planning. Addressing these projected gaps will require thoughtful prioritization by the Board of Commissioners, along with continued collaboration with partner agencies.

Long-term planning will depend on several developing factors, including clarification of future revenue options, emerging service demands and the outcome of the potential General Obligation bond referendum. Without significant adjustments to revenues or expenditures, the current trajectory is not sustainable at the existing tax rate.

Acknowledgements

I would like to recognize several staff members who worked tirelessly and creatively to address the projected deficit and develop a sound FY27 budget. I am especially grateful to Rosh Khatri, Yesenia Pineda and Sophia Politis for their thorough and collaborative approach in responding to numerous requests for information throughout this lengthy process. I also extend appreciation to Todd Shanley, Kyle Bilafer, Dr. Aalece Pugh and Jim Howden for their strong teamwork and support.

In addition, I would like to thank Mitzi Odell, Ashley Dobbins Lingafelt, Tom Nunn, Suzanne Moose and all the department heads and supervisors who worked diligently alongside the management team to develop this budget.

I especially extend thanks to the Board of Commissioners for its service to the community. As you consider this budget, you will receive significant public input both directly and indirectly. Budget decisions affect the entire community and require collaboration, thoughtful deliberation and a shared

commitment to long-term stability. I appreciate the seriousness and responsibility of those decisions.

It is with a strong sense of accomplishment that I submit this Recommended Budget to the Board. Staff faced a challenging budget season and responded with creativity and diligence, identifying innovative solutions that result in a balanced budget that meets the essential needs of the community.

We look forward to the Board's thoughtful consideration of this Recommended Budget, as well as continued input from residents and businesses, ahead of adoption on June 15, 2026.

Supplemental Information

Last week there was an apparent deal struck at the state level regarding finalizing the state budget. After analyzing the information provided thus far, staff will make technical adjustments to the county budget based on the proposed state-level budget agreement.

In the technical adjustments staff are proposing to use the planned reserve of \$968,699 for next year's budget used toward the increases in teacher pay. Additionally, staff have proposed that \$1,199,386 in fund balance be allocated to fund the increases in school staff pay and one-time bonuses. The increases for this year include just over 1 million dollars in one-time bonuses for teachers which will not impact the growth in future budget years. The total growth in the county's budget for contribution to all school systems will be 6.37%.

After accounting for these and some other minor adjustments, the technical corrections in the proposed budget will result in a 3.53% increase in the General Fund proposal at \$413,604,529. These changes will be part of the adopted budget presented for approval at the June 15, 2026.

Respectfully Submitted,

Kelly Sifford, AICP

Interim County Manager

Vice Chair Patrick extended his thanks to County Staff.

A public hearing will be held on June 1 at 5:30 p.m. at the Government Center (65 Church St., Concord). If needed, a budget workshop is scheduled for June 4 at 5:00 p.m. in the Multipurpose Room. Adoption is scheduled for June 15, 2026.

Commissioner Wortman and Chair Lindsey extended their thanks to County Staff.

(F) REPORTS

(F-1) BOC - Receive Updates From Commission Members Who Serve As Liaisons To Municipalities Or On Various Boards/Committees

Commissioner Pittman reported on the Cabarrus-Rowan MPO TAC, the DHS Transportation Advisory Board meeting, Midland Fire Department updates, NC Emergency Management hurricane season preparedness efforts, upcoming Military Games next year, and activities involving the Town of Midland.

Commissioner Wortman reported on the Visitors Bureau meeting, Centralina Regional Delegates meeting, Regional Mental Health Facility Board, and the Local Government Commission meeting.

Vice Chair Patrick reported on the Active Living Advisory Council, Town of Harrisburg meeting, and the Local Government Commission meeting.

Chair Lindsey reported on the open house for the new Brown Mill. Chair Lindsey also encouraged residents to submit applications to serve on County boards and committees.

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

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

- Adult Care Home Community Advisory Committee - 14 Vacant Positions
- Agricultural Advisory Board - 1 Vacant Position
- Concord Planning Commission (ETJ) - 1 Vacant Position
- HCCBG - 2 Expired Positions
- Library Board of Trustees - 3 Expired Positions
- Nursing Home Community Advisory Board - 8 Vacant Positions
- Region F Aging Advisory Committee - 1 Vacant Position
- Transportation Advisory Board - 5 Vacant Positions
- Youth Commission - 4 Vacant Positions

(F-3) Budget - Monthly Budget Amendment Report

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

(F-4) Budget - Monthly Financial Update

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

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

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

(F-6) County Manager - Cabarrus Arena and Events Center Financial Report

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

(F-7) County Manager - Monthly Building Activity Reports

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

(F-8) EDC - April 2026 Monthly Summary Report

The Board received the April 2026 monthly summary report for informational purposes. No action was required of the Board.

(F-9) Fire Marshal - Cabarrus County Fire Services Monthly Report

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

(F-10) Super Cab Co - Monthly Report

The Board received the monthly Super Cab Co report for informational purposes. No action was required of the Board.

(G) GENERAL COMMENTS BY THE BOARD MEMBERS

Vice Chair Lindsey shared a video highlighting two animals available for adoption at the Cabarrus County Animal Shelter.

(H) CLOSED SESSION**(H-1) Closed Session - Consult with Attorney, Real Estate and Personnel**

UPON MOTION of Commissioner Jones, seconded by Commissioner Wortman and unanimously carried, the Board moved to enter into closed session to consult with the County Attorney and to discuss real estate and personnel matters, as authorized by N.C.G.S. § 143-318.11(a)(3), (5), and (6).

(I) RETURN TO OPEN SESSION

UPON MOTION of Commissioner Jones, seconded by Commissioner Pittman and unanimously carried, the Board returned to open session.

(J) ADJOURN

UPON MOTION of Commissioner Jones seconded by Commissioner Pittman and unanimously carried, the meeting adjourned at 11:14 p.m.



Ariadne Olvera
Ariadne Olvera, Clerk to the Board