

June 1, 2026

Addressing Budget Myths

Board of Education Meeting

Dr. John Kopicki, Superintendent
Phillip Penn, Chief Financial Officer

    @cabcoschools





Budget and Variance Analysis: Three Critical Factors

- **Context**
- **Process**
- **Details**

Unfamiliarity with any of these, either intentionally or unintentionally, will result in a flawed analysis.



Understanding Our Budget Templates

Instructions

Instructional Supplies and Mileage for schools, continuation requests for departments.

First to fill out your request:

Administrative Budget: This is the first budget to be completed. It is the administrative budget. It is the first budget to be completed. It is the first budget to be completed.

Instructional Budget: This is the second budget to be completed. It is the instructional budget. It is the second budget to be completed. It is the second budget to be completed.

Capital Budget: This is the third budget to be completed. It is the capital budget. It is the third budget to be completed. It is the third budget to be completed.

Other Budgets: These are the other budgets to be completed. They are the other budgets to be completed. They are the other budgets to be completed.

Instructional Budget			
Category	Amount	Percentage	Total
Instructional Supplies	1,000,000	10%	10,000,000
Mileage	500,000	5%	5,000,000
Other	500,000	5%	5,000,000
Total	2,000,000	20%	20,000,000

Capital Budget			
Category	Amount	Percentage	Total
Capital Equipment	1,000,000	10%	10,000,000
Construction	500,000	5%	5,000,000
Other	500,000	5%	5,000,000
Total	2,000,000	20%	20,000,000

Other Budgets			
Category	Amount	Percentage	Total
Administrative	1,000,000	10%	10,000,000
Instructional	500,000	5%	5,000,000
Capital	500,000	5%	5,000,000
Total	2,000,000	20%	20,000,000

Capital or Expansion Items

Understanding Our Budget Templates

Tips to fill out your request:

Schools should seek input and guidance from school improvement teams (SIT) when completing requests.

For Informational Purpose Only: This information is provided to help you see your budget and expense history.

Input from Requester: This is your opportunity to request items needed that are outside of your allotted Instructional Supply fund and Mileage Reimbursement fund

Does this Support the Strategic Plan?: All requests must align with the District Strategic Plan - use the Drop Down Box to answer.

Strategic Priority: Which Strategic Priority does the request support - use the Drop Down Box to answer.

Briefly, how does this apply to the Strategic Plan?: Give a brief description of how the request applies to the Strategic Plan.

Type of Request: Use the Drop Down Box to answer -

Operational Expansion - includes staff development, subscriptions, supplies, etc. Does NOT include salaries or positions

Capital - includes equipment, furniture, etc. with a cost of \$5,000 or greater per item.

Technology - includes computers, TVs, software, etc.

Brief Description of Request: Give a brief description of the item being requested.

Amount Requested: An estimated cost of the item being requested.

One-Time Cost?: Most requests are a one-time cost except for subscriptions and software that are multi-year. Use the Drop Down Box to answer.

Notes: Free form space to notate anything that you think Finance may need to know about your request.



Understanding Our Budget Templates

For Informational Purpose Only					
Account Code Name	Account Code	FY24		FY25	
		Budget	Expenses	Budget	Expenses
Computer Software & Supplies	2.5110.061.418.304.000.00.0	-	320.00		
Field Trips	2.5110.061.333.304.000.00.0	-	-		3,796.10
Furniture And Equipment - Inventoried	2.5110.061.461.304.000.00.0	-	1,239.32		426.93
Computer Equipment - Inventoried	2.5110.061.462.304.000.00.0				13,303.89
Copier & Duplicator Costs	2.5110.061.315.304.000.00.0	-	13,573.33		50,741.18
Supplies And Materials	2.5110.061.411.304.000.00.0	66,114.00	40,465.64	70,086.00	301.89
Mileage Reimbursement	2.5110.812.332.304.000.00.0	1,550.00	1,045.52	1,566.00	
Total		67,664.00	56,643.81	71,652.00	68,569.99



DESTINATION
Coblenz

Supplies, Mileage and Workshops

Departments consistently underspend on supplies, mileage, and workshops. You have not finalized your numbers for the fiscal year, but previous years show the same pattern. This is a consistent trend across most of your departments. Right-sizing those line items across departments nets a recurring savings of \$3.93M to \$6.03M. I am happy to breakdown individual departments (and I believe you've seen the \$90k request doubled from \$45k, when only \$3,226 was spent in FY 25), but it is fairly easy to see in each budget spreadsheet. Screenshot below from the data aggregated in Power BI.

Missing Context:

- We intentionally froze spending in supplies, mileage, travel and workshops in December 2024 because of the budget challenges we had identified at that point in the year.
- Most of the supplies covered by the Local operating budget are for schools, from which they have to cover a wide array of expenses, including copier leases. Others include custodial and shop supplies for FMD and Transportation.
- The \$90,000 is the only contingency account we hold in the Local operating budget. Contingencies, by definition, can't be easily predicted. What was spent the year prior was irrelevant. The \$90,000 reflects what had been one-tenth of one percent (.001) of the budget, and the approximate cost of a social worker.



Membership Dues

Many departments have multiple membership dues and fees for organizations. I believe you have seen the Rotary membership taxpayers are paying for. I recommend you consider setting a policy that allows for dues/subscriptions for different level of staff, and capping either the amount or number of memberships. For instance, capping cabinet level and above to two, and lower members to one or less.

Missing Context:

- Most of the memberships we hold enable us to take advantage of professional development at discounted rates vs. non-members; further, these are primarily district memberships, not individual ones.
- Other memberships enable us to be more integrated into key developments within Cabarrus County that have an impact on the school system.
- We had already identified \$143,000 in membership reductions during the May 4 Board of Education meeting.



Salary Freezes/RIF

Category	Proposed Raise	Additional Cost	Notes
Coordinated Teachers • EC • Speech (279 FTE)	2.5%	\$2901K	Direct Student Learning priority
Tea / Instructional Support (104 FTE)	3.0%	\$119K	Direct Student support roles
Total Raises Funded	—	\$3095K	Fully covered by savings
Admin / Coordinators	0%	\$0	Pay remains completely flat

Missing Context:

- The total salary value of all administrators, coordinators, directors, principals and assistant principals is \$20.6 million. It is not possible to determine how much of that amount is currently frozen (at 4.5% of the total salary value) or how much is being raised. Using this approach, you could potentially pay for teachers, EC, and speech to the extent of the state budget. If you understand this may be tricky considering how you currently top-load state funded requests – but it is worth looking into. The numbers are maximum savings of \$6.94M, recurring, but again – some of this is dependent on what the state requires and how you request funds. See screenshot – this is not a reflection of the state budget or what the state requires. We propose a way to recover some of these other costs further.
- We already maximize the use of State funds, particularly with respect to position allotments.





MTSS Positions

- There are some line items (for example MTSS Staff) that was previously funded by grants, but it is not clear to me why they have been shifted to local funding. The request is not clear to me, and the MTSS specifically appears to be allocated across multiple budgets. This seems to be a major expansion request across multiple schools that likely needs an explanation. See screenshot.

Finance Notes
Currently has an MTSS coach and is funding through title 1 or an allotment but would like to have it funded differently in FY27

Missing Context and Process:

- This is an expansion request made by one of the schools. The entry clearly says the position is currently paid for by Title I funds.
- Several schools, elementary in particular, would like to see funding restored for MTSS positions.
- The position was not added to the Local Operating budget and was not included in the expansion requests.



Finance Notes

- Some line items appear to be duplicated across departments. This may be because of how you allocate across the district, but I can find a few that appear to be a double-up. See screenshot from AT Allen, indicating the double-up. Recommend an audit to ensure no duplication.

This request is included on Sarah Reeves budget spreadsheet and has been mentioned multiple times by other schools.

Missing Process:

- As we go through the 60 meetings with each school and department, we often make notes to ensure nothing gets duplicated, or any required follow-up takes place. This is also why we have all central office departments participating in the meeting, to chime in on any conflicts.
- As we start to aggregate all the information, we go back through the notes to make sure all the follow-up items were completed. **There was no double up.**

Conferences

You are spending an inordinate amount of money on Conferences. I believe they are important to identify trends in education but recommend a similar policy of limiting the amount of conferences dependent on staff level.

Missing Context:

- Inordinate is a subjective term; what benchmark data is the Commissioner using to make that assertion?
- We scale back the requested professional development as a standard practice in our budget development process.
- Several areas require professional development for their staff to maintain licenses and certifications. These include our trades people in FMD (electricians, plumbers, HVAC technicians, pesticide managers, etc.), school psychologists, counselors, social workers and bus mechanics, to name a few.
- We had already identified \$422,000 in planned professional development reductions during the May 4 Board of Education meeting.



iPads

I have yet to understand the need for 1:1 iPads for K-3 students nor a sufficient explanation. When KCS was asked how this was handled for them, the response was "we have carts."

Missing Details:

- The explanation for the iPads requested in the 2026-27 budget was provided in the Appendix of our budget presentation. A screenshot appears below.
- This seems to confirm that the Commissioner never read the presentation.

\$ 408,000	Over time, many schools have purchased iPad 6 devices for various uses throughout the school. This includes iPads for robotics, student assessments in K-2, and various school-specific initiatives. These iPads are end-of-life and will no longer be operable. Elementary schools did receive 5,100 iPads in Fall 2024 for K-2 students. This proposal would replace roughly 700 iPads across our 43 schools.
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iPads

Appendix: Equipment Purchases w/Justification

Bus Camera System Upgrade	Transportation	\$ 850,000	Bus camera system upgrade of 268 systems for live video feed and complete replacement of 42 older systems. This will allow for our fleet of 310 cameras to have live viewing abilities and for remote download. Total cost for system upgrade, replacement systems, first year of cell service and cloud service \$850,000.
Staff Devices - remainder not reflected in 34-25	Technology	\$ 1,950,001	District-based staff devices are essential tools for instruction, communication, and daily operations. Teachers and instructional staff rely on them for lesson design, instructional delivery, assessment, and collaboration, while school and central office staff depend on them to operate student information, Finance, HR, and other internal systems. Accelerated refresh cycle to necessary to ensure equity, performance, and cost control, however, recent refresh activity has created a significant gap: - No devices refreshed in 2024-25 - 25 schools refreshed in 2023-24 - 2 schools refreshed in 2023-24 - 22 schools last refreshed in 2022-23 or earlier The proposal would refresh 1,500 staff devices in central office and the 22 schools last refreshed last year ago.
Student Devices (Chromebucks) - (All Schools - 2nd-6th, 9th grades)	Technology	\$ 4,012,695	The district proposes the purchase of 8,000 Chromebucks, representing approximately one-third of the district's student devices, as part of a 5-year refresh cycle necessary to sustain daily teaching and learning. Chromebucks are essential for instructional delivery due to current digital content formats, classroom logistics, and data collection needs. A refresh cycle is necessary to ensure instructional delivery, protect privacy, and support students associated with aging devices. The investment ensures equitable access to reliable devices, supports instructional continuity across schools, and reflects responsible long-term capital planning for district technology infrastructure. CIP FY26 funding represented the first year of a multi-year project to refresh 40 schools over a 5-year period by replacing 15 aging systems. This proposal would refresh aging systems for another 6-10 years depending on size. Our current aging refresh schedule is expected to be met all the way to next 4 years.
Feeding Bathroom Systems - (8 Schools)	Technology	\$ 425,000	Continuing camera essential and replacement of aging hardware. This also includes replacing storage capacity to meet 30-day minimum storage requirements.
Security Cameras - (All Schools)	Technology	\$ 500,000	Approximately 170 displays. Full replacement of all classroom TVs and interactive displays is estimated to cost between \$7.5 and \$10 million.
Replace Outdated TVs and Interactive Displays - (All Schools)	Technology	\$ 470,000	Over time, many schools have reached End of Life of their iPads for various uses throughout the school. These iPads are outdated and will no longer be upgradeable. Elementary schools all receive 5,100 iPads in Fall 2024 for K-2 students. The proposal would replace roughly 700 iPads across our 43 schools.
End of Life iPad 6 replacements - (All Schools)	Technology	\$ 408,000	
Total		\$ 8,945,696	

@cabcoschools

@cabcoschools



Electronic Marquee at CC Griffin

- There are what appear to be capital requests in your operational budgets across many departments. Screenshot below is from CC Griffin. I had one teacher reach out to me to try and get their classrooms painted (states 25 years old – can't confirm) but CCS is budgeting for a digital sign. I believe that is a prioritization problem. I did not calculate the totals for capital requests indicated in each operational budget, but it appears to be a consistent theme and a significant number.

Funds would be used to purchase an electronic marquee sign for the entrance of the school.	81,000	4	Yes	N/A

Missing Details:

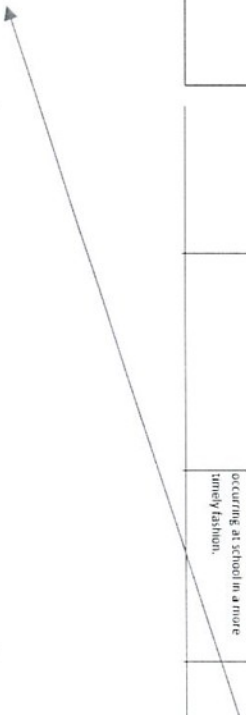
- Had the Commissioner looked one column to the left of his screen shot, he would have realized this was a capital request (and therefore an expansion item) from the school.
- Despite what the Commissioner claimed in his social media post, this wasn't included in the Operating budget. It wasn't included in the Expansion or Capital budget requests, either.



Electronic Marquee at CC Griffin

C.C. Griffin Middle	Yes	Community Engagement	It aligns to community engagement, specifically a way to increase parental and community involvement.	As a result of increased family engagement through the usage of an electronic marquee, families will have access to current happenings and events occurring at school in a more timely fashion.	Capital	Funds would be used to purchase an electronic marquee sign for the entrance of the school.	81,000
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Capital	Funds would be used to purchase an electronic marquee sign for the entrance of the school.	81,000
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Electronic Marquee at CC Griffin

8:28 AM

50%

< Ian Patrick for Cabarrus ... Q

All Photos Reels Mentions

 Ian Patrick for Cabarrus ...

I just provided the Cabarrus County School Board a summary of my budget findings. I also met with the Chair, Vice Chair, Superintendent, and Finance Director on Wednesday alongside Chair Lindsey (we meet monthly).

Overall, I believe we simply have a mindset and spending problem, not a funding problem.

Here's a perfect example:

Vex Robotics (\$66k/year) was proposed for elimination to achieve the 4.5% budget increase (which is an INCREASE in funding the BOC is prepared to fully fund, by the way, even after last year's 12.5% increase).

Yet one department is requesting \$81k for a digital display—which was kept in the budget instead of Vex Robotics (screenshots from the proposed cuts and actual budget spreadsheets).

8:28 AM

50%

< Ian Patrick for Cabarrus ... Q

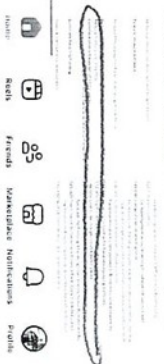
All Photos Reels Mentions

cc.wvu.edu/pressroom/2019/

What does a reasonable person who cares about the children think of cutting \$66k for Vex while keeping \$81k for a digital display? Personally, I'd cut the display, not the program. I think most people would too - I'll even bet the person who proposed the display would gladly give that money to Vex. Never-mind band cuts, athletic cuts, field trip cuts, and all the other proposed student-facing cuts presented.

Like I said—it's a mindset and spending problem, not a funding one. I'm fully prepared to get yelled at Monday at the Commissioners meeting for "not caring about education," but facts are facts and numbers are numbers.

We have an obligation to fund the schools AND protect taxpayers. We're doing both.





Electronic Marquee at CC Griffin

6:45



11 LITE



Ian Patrick for Cabarrus
May 15 · 🌐

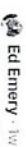
...



Deborah Allen · Tw · 🌐 by Author

Schools have become image bearers where superficially it looks good, but go deeper inside and you find the filth, dirt, and waste. Dr. Kopicki publicly stating "needs over wants?" How is this display sign a need, Mr. Superintendent? Keep at it, Ian!

Reply 19



Ed Emery · Tw

Deborah Allen Expansion budget items are wants. It was denied. End of story. It is not even relevant.

Reply 2



Deborah Allen · Tw

Ed Emery How is an 80K+ display sign a need, and the Vex program itself proposed to be cut? Riddle me this, Batman.

Reply 1



Ed Emery · Deborah Allen · Tw

Deborah Allen the sign was on



Write a comment...



6:46



11 LITE



Ian Patrick for Cabarrus
May 15 · 🌐

...



Ian Patrick for Cabarrus ·

Deborah Allen · Ed · 🌐 Author

Deborah Allen I honestly wish it were as clean as Ed proposes. It simply isn't. Things get put in all kinds of buckets because of funding sources and "playing with the numbers." There is a prime example of something moving into continuation that used to live in expansion. I wish it were as simple as he states. It's not.



Reply 2



Deborah Allen · Ian Patrick for Cabarrus · 🌐

Ian Patrick for Cabarrus Understanding school budgets is not within my



Write a comment...



Electronic Marquee at CC Griffin

Expansion Requests

2026-27 Expansion Requests

	One-Time	Ongoing	Total
<i>Student Safety</i>			
Additional School Social Workers (3)	\$0	\$244,777	\$244,777
Section 504 Specialists (3)	\$0	\$331,173	\$331,173
Radios for bus fleet (replace cell phones)	\$63,000	\$55,000	\$118,000
<i>Student Learning and Engagement</i>			
Additional Spanish language interpreter	\$0	\$62,000	\$62,000
Math curriculum (remainder of grade levels)	\$1,250,000	\$0	\$1,250,000
<i>Teacher Compensation</i>			
Increase certified supplement for teachers to 14.00%	\$0	\$1,848,000	\$1,848,000
<i>Districtwide Efficiency</i>			
Document automation software, district license	\$0	\$89,000	\$89,000
<i>IT/Network Security</i>			
Additional IT technician	\$0	\$71,352	\$71,352
Additional network security software	\$0	\$20,280	\$20,280
Totals	\$1,313,000	\$2,721,582	\$4,034,582



Software

- Your software costs appear to be oversized for your needs. I have personal experience with my children in this arena – with some teachers using powerschool, some canvas, and some completely different programs. The up-shot is that parents can't hold their own children accountable when trying to ensure their children are completing their assignments. Recommend consolidation and policies on required programs. I think you would be surprised about the software expansion asks in this budget compared to previous years. Let me know if you want me to total it.

Missing Context:

- 'Appear to be' is a subjective term, not a quantitative one. I'd question what IT or education expertise the Commissioner has to determine what the software needs of a large school system are.
- The two most targeted industries for network intrusion and fraud are healthcare and government, more specifically PK12 school systems; they are perceived as soft targets.
- We had already tasked the IT area with a planned \$150,000 reduction in their software costs in the May 4 Board of Education meeting.



Text Messages

- I can't find the line item specifically, but the texts the district sends would certainly be a cost savings. Industry standard is about 4.5 cents per text (i.e. per phone). I receive about 3-4 texts from the school weekly that also show up as emails, as does my wife. Consider an opt-out feature (depending on your subscription package) and even eliminating them completely.

Missing Details:

- You can't find the line item **because it doesn't exist.**
- We pay a flat annual fee for our communications platform, ParentSquare. There is no charge for each individual text. The default communication method is a message through the ParentSquare app, but we have sent more than 10 million so far this year.
- **Parents already can opt out of text messages.**



Reducing 12-Month Roles

You may want to consider converting some 12-month roles (non-student-facing) to 10- or 11-month roles. 15-40 of these positions could net you a recurring savings of \$80-220K a year. Obviously, some of these positions (like facility maintenance) are needed year-round. I did not do a full assessment, just a generalized one.

Missing Context:

- For Finance and several other departments, the months of June and July are our two busiest ones of the year.
- Some roles, such as school treasurer, are required to be 12-month positions.
- There's no actual analysis attached to this. It's tantamount to arbitrarily saying we can reduce some of our sheriffs to 10- and 11-month positions.



Delivery of Requested Information

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May 5
5:49 PM

...

lan Patrick for Cabarrus

30m · 🌐

Me waiting for the Cabarrus County Schools line item budget I requested a week ago.



GIPHY

🔍 1 👁️ ➦

🔗



Delivery of Requested Information

Budget information request

KS Kelly Sifford <KSifford@cabarruscountysus>
To: Philip Penn; Jonathan Weaver
Cc: Kyle Blafert; Todd Shanley; Alece Pugh; Rosh Khatt; Ariadne Oliver; Sheila Bruce
This sender KSifford@cabarruscountysus is from outside your organization.
You replied to this message on 4/29/2026 10:09 AM.

☺ Reply Reply All Forward 📎 ⋮

Tue 4/29/2026 5:22 PM

Cabarrus County Schools - CAUTION:

This email originated from outside the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe!

Hi Phil,

Could you please provide a line item budget for the proposed FY '27 request? I have a request from the BOC for it to include operations, continuation, capital, and reserves information. Essentially the entire budget in excel format.

Thanks
Kelly



Delivery of Requested Information

RE: Budget information request

 Phillip Penn
To: Kelly Sifford; Jonathan Weaver; John Kopicki
Cc: Kyle Blafar; Todd Shanley; Aalece Pugh; Rosh Khatri; Ariadne Olivera; Sheila Bruce; John Kopicki; John LeGrand

  Reply  Reply All  Forward  

Wed 4/29/2026 10:38 AM

Thanks. To us continuation is keep the lights on.

I'll have this for you tomorrow morning. I'll also include our fund balance policy so they have that context.

From: Kelly Sifford <KSifford@cabarruscounty.us>
Sent: Wednesday, April 29, 2026 10:33 AM
To: Phillip Penn <Phillip.Penn@Cabarrus.k12.nc.us>; Jonathan Weaver <jaweaver@cabarruscounty.us>; John Kopicki <John.Kopicki@Cabarrus.k12.nc.us>
Cc: Kyle Blafar <KDBlafar@cabarruscounty.us>; Todd Shanley <TIMshanley@cabarruscounty.us>; Aalece Pugh <apugh@cabarruscounty.us>; Rosh Khatri <rkhatri@cabarruscounty.us>; Ariadne Olivera <aolivera@cabarruscounty.us>; Sheila Bruce <SKBruce@cabarruscounty.us>; John Kopicki <John.Kopicki@Cabarrus.k12.nc.us>; John LeGrand <John.LeGrand@Cabarrus.k12.nc.us>
Subject: RE: Budget information request

Cabarrus County Schools - CAUTION:

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He is using the terminology we use for our continuation budget, I think. It is what we call "the keeping the lights on" version of operations for the year. It shows the same service level with only inflationary increases, no expansion in the service level. Does that make sense? I think yes, the Board is trying to see the budget holistically, reserves and all.

Kelly F. Sifford, AICP
Interim County Manager



Delivery of Requested Information

RE: Budget information request



Phillip Penn

To: Kelly Siford, Jonathan Weaver, John Kopicki

Cc: Kyle Ellsler, Todd Shanley, Alice Pugh, Rosh Khatri, Anahne Olivera, Sheila Bruce, John Kopicki, John Letcand

2026-27 Budget Excel Version.xlsx 31 KB

Policy 8101 - Fund Balance.pdf 55 KB

👤 Reply 📧 Reply All ➡ Forward 📎 ⋮

Fri, 5/1/2026 8:51 AM

Good morning,

Attached is the Excel file that ties to the budget presentation we submitted. There are three tabs, one for continuation, one for expansion and one for capital. The unassigned fund balance is at the bottom of the continuation tab. I'm also attaching our policy regarding fund balance for context, since we are currently below the target level.

Thanks,
Phil



Delivery of Requested Information

Fw: Budget information request

KS Kelly Sifford <KSifford@cabarruscounty.us>
To: Philip Penn; John Kopicki

i This sender (KSifford@cabarruscounty.us) is from outside your organization.

i You forwarded this message on 5/5/2026 1:06 PM.

image001.gif	3 KB	image003.png	393 bytes	image001.gif	3 KB	image003.png	463 bytes
image001.gif	3 KB	image003.png	463 bytes	☒ 2026-27 Budget Excel Version.xlsx	26 KB	Policy 8101 - Fund Balance.pdf	49 KB

Reply Reply All Forward

Sat 5/2/2026 6:53 AM

Cabarrus County Schools - CAUTION:

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Please see Ian's message . I will send you a copy of what we did for reference in a separate email.
Get Outlook for Android

From: Commissioner Ian Patrick <IWPatrick@cabarruscounty.us>
Sent: Saturday, May 2, 2026 1:13:11 AM
To: Kelly Sifford <KSifford@cabarruscounty.us>
Cc: Ariadne Olivera <aolivera@cabarruscounty.us>; Sheila Bruce <SKBruce@cabarruscounty.us>; Todd Shanley <TMShanley@cabarruscounty.us>; Kyle Blüafer <KDBlafer@cabarruscounty.us>; Aalece Pugh <apugh@cabarruscounty.us>; Commissioner Laura Lindsey <llindsey@cabarruscounty.us>
Subject: Re: Budget information request

Kelly,

Thank you for requesting this, but CCS is not providing sufficient data for me to review. These are top line totals, I'm looking for the full picture - every line item broken down.



Delivery of Requested Information

RE: FY 27 Line Item Budget

 Phillip Penn
To: Kelly Sifford
Cc: John Kopicki

Kelly,

It looks like I will be providing a total of 64 Excel files tomorrow. I can either try to send that through in a single email (I believe in total they should be under the email size limit), or I can drop off a thumb drive.

Let me know which one would be easier for you to work with.

Thanks,
Phil

From: Kelly Sifford <KSifford@cabarruscounty.us>
Sent: Saturday, May 2, 2026 7:00 AM
To: Phillip Penn <Phillip.Penn@Cabarrus.k12.nc.us>
Cc: John Kopicki <John.Kopicki@Cabarrus.k12.nc.us>
Subject: FW: FY 27 Line Item Budget

  Reply  Reply All  Forward  

Mon 5/4/2026 5:32 PM



Delivery of Requested Information

RE: FY 27 Line Item Budget

 Phillip Penn
To: 'Kelly Siford'

OK. Headed your way with the thumb drive now.

From: Kelly Siford <KSiford@cabarruscounty.us>
Sent: Monday, May 4, 2026 8:21 PM
To: Phillip Penn <Phillip.Penn@Cabarrus.k12.nc.us>
Subject: Re: FY 27 Line Item Budget

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If u can provide drive, I can get it to zip them.

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Tue 5/5/2026 11:28 AM



What's the Financial Position of the County: Fund Balance

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

EXHIBIT 3
PAGE 2 OF 3

FUND BALANCES	Major					Non-Major		Total Governmental Funds
	General	County Capital Projects	CARES Act Relief	Oploid Settlement	School Capital Projects	Other Governmental Funds		
Nonspendable								
Inventories	351,392	-	-	-	-	309	351,392	
Prepaid items	469,904	-	-	-	-	-	370,213	
Restricted	18,339,213	53,953,405	5,168,057	711,165	-	597,217	96,799,089	
Stabilization by state statute	-	-	-	-	-	452,146	452,146	
Register of Deeds Automation & Enhancement	-	-	-	-	-	382,010	382,010	
Emergency telephone 911	-	-	-	-	-	722,941	722,941	
Public Safety	14,390,403	-	-	-	-	44,250	15,133,204	
Community Development programs	-	-	-	Referred (685)	-	975,117	975,117	
Son & Water programs	-	14,978,943	-	-	-	-	14,978,943	
Culture and recreation	-	-	-	-	-	-	-	
School debt & construction	7,448,443	-	-	-	97,346,565	52,409	105,268,908	
Cabarrus Arena & Events Center	-	-	-	-	-	574,940	574,940	
Human services	780,555	64,851,410	-	4,876,954	-	-	71,081,864	
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	146,528	-	-	-	-	196,619	343,147	
Education	-	-	-	-	11,663,791	-	11,663,791	
Culture & recreation	-	-	-	-	-	470,315	470,315	
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	-	-	-	-	4,586,878	4,598,378	
Unassigned	97,600,607	149,452,971	(5,168,057)	-	-	(259,473)	141,735,048	
Total fund balances	304,049,755	84,340,781	-	5,608,117	109,500,558	95,572,411	515,071,712	
Total liabilities, deferred inflows of resources, and fund balances	\$ 313,651,891	\$ 106,708,136	\$ 5,303,747	\$ 17,915,599	\$ 115,497,639	\$ 10,720,633	\$ 580,317,645	

Unassigned Available to spend

What's the Financial Position of the County: Expenses

Cabarrus County's Net Position
Figure 3

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues	\$ 30,775,810	\$ 31,607,919	\$ 1,554,277	\$ 1,331,609	\$ 32,330,087	\$ 32,939,528
Charges for services						
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	1,089,296	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	491,771,289	447,385,307	2,523,205	2,350,362	494,294,494	444,735,669
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	428,049,142	378,189,172	2,575,993	2,050,463	430,625,135	380,239,635
Change in net position before transfers	63,722,147	64,196,135	(52,788)	299,899	63,669,359	64,496,034
Transfers	(740,478)	(1,553,400)	740,478	1,553,400	-	-

Total expenses for 2025 \$428 million



Maintaining Debt Ratings

- Generally, want to hold an unassigned fund balance of roughly 15% of the prior fiscal year's expenses to maintain a AAA debt rating = roughly \$62 million.
- \$97 million unassigned fund balance - \$62 million debt rating reserve = \$35 million excess available for capital projects, or to appropriate as revenue in a future fiscal year.
- But what about that other \$38 million that was restricted?

What's the Financial Position of the County?

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.

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	\$ 35,509,584



But What About the Stabilization Amount?

5. Receivables

a. Government-wide Receivables

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

	Accounts	Customers	Lease Receivable	Due from other Governments	Taxes and Interest	Total
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	\$ 13,585,819	\$ 2,456,805	\$ 791,196	\$ 36,346,251	\$ 5,125,554	\$ 58,305,625
Business-type Activities:						
Landfill	\$ -	\$ 19,470	\$ -	\$ 162,934	\$ -	\$ 182,404
Total business-type activities	\$ -	\$ 19,470	\$ -	\$ 162,934	\$ -	\$ 182,404

\$33 million received so far in 2025-26.



Affordability?

Cabarrus County ranks 7th in the state, and 327th nationally, for median household income.

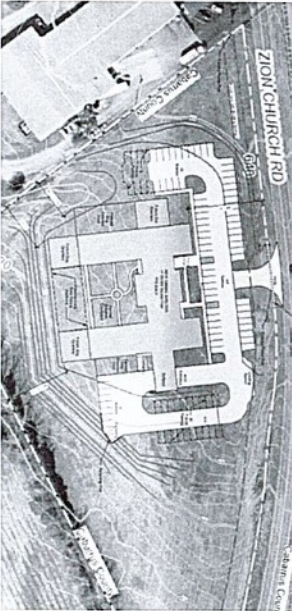
Income (Median household income) for North Carolina by County All Races (includes Hispanic/Latino), Both Sexes, All Ages, 2020-2024 Sorted by Dollars		
County	Dollars	Rank within US (of 3142 counties)
United States	80,734	N/A
North Carolina	72,388	38 of 52
Wake County	105,768	120
Union County	102,900	147
Chatham County	94,317	236
Currituck County	93,511	243
Camden County	91,078	282
Orange County	90,089	295
Cabarrus County	89,005	327
Dare County	88,994	329
Mecklenburg County	87,005	369
Moore County	86,080	399
Johnston County	83,364	470



Affordability?

Animal Shelter Design & Engineering

The current facility was constructed in 1998 and since then our population in the County has more than doubled, which results in a significant increase in household pets. Additionally, there are currently much higher standards and increased expectations of the operation of animal shelters. A larger shelter with more housing flexibility would not only allow us to better meet the needs and expectations of our community with found and surrender animal intakes, it would also allow Animal Control to be able to pursue more cruelty situations with the space available to house larger quantities of animals for the extended periods of time required for court proceedings, as well as the ability to separate animals into different spaces in case of illness outbreaks or specific needs, allowing for a higher level of medical care in house and reducing euthanasia due to treatable illnesses. This is for design of the facility with construction in future years



Animal Shelter Design & Engineering

Amount	2027	2028	2029	2030	2031	Future Years
Amount	\$1,100,000	\$0	\$0	\$0	\$0	\$0
Amount	\$1,100,000	\$0	\$0	\$0	\$0	\$0

Costs Available for 2027: \$1,100,000

Notes: Report 17

The total value of the project is \$15 million.



Your Rights as a Board of Education

From The School Budget and Fiscal Control Act

§ 115C-432. The budget resolution; adoption; limitations; tax levy; filing.

(a) After the board of county commissioners has made its appropriations to the local school administrative unit, or after the appeal procedure set out in G.S. 115C-431 for the capital outlay fund has been concluded, the board of education shall adopt a budget resolution making appropriations for the budget year in such sums as the board may deem sufficient and proper. The budget resolution shall conform to the uniform budget format established by the State Board of Education.

§ 115C-433. Amendments to the budget resolution; budget transfers.

(a) Subject to the provisions of subsection (b) of this section, the board of education may amend the budget resolution at any time after its adoption, in any manner, so long as the resolution as amended continues to satisfy the requirements of G.S. 115C-425 and 115C-432.

