

**STATE OF NORTH CAROLINA
COUNTY OF MCDOWELL COUNTY
BOARD OF COMMISSIONERS
RECESSED SESSION –JUNE 7, 2021**

Assembly

The McDowell County Board of Commissioners met in Recessed Session on Monday, June 7, 2021, at 11:30 a.m., at the Universal Conference Room.

Members Present

Tony Brown, Chair; David N. Walker, Vice-Chair; Brenda Vaughn; Chris Allison; Patrick Ellis (arrived at 11:36am)

Members Absent

None

Others Present

Ashley Wooten, County Manager; Cheryl Mitchell, Clerk to the Board; Alison Bell, Finance Director; William Kehler, ES Director

Call to Order

Chairman Brown called the meeting to order at 11:32a.m.

Fire and Rescue Tax Discussion

Mr. Wooten presented the Fire and Rescue Tax request from Marion Area Fire District and the Rescue Squad. The rates for the local fire districts was discussed. Vice Chairman Walker noted the 1995-1996 agreement between the City and the County states there would be a public hearing for any request. Also, a Memorandum of Understanding was signed in 2005 stating a new agreement would be made.

Mr. Wooten noted in 2019 the Marion Area Fire District received a two-cent tax increase approval. The current request was for 1.33 cent.

Commissioner Ellis asked when grant funds are gone how do you propose to fund the employees hired through the Safer Grant if it is awarded. His suggestion was to have both City and County along with input from the citizens in the MA district, come up with a plan for future hiring needs after the agreement had been renegotiated.

Commissioner Vaughn would like to see all fire districts treated fairly, and how is the MA district compared to the other county fire districts. The MA district has the highest tax base in the county.

Commissioner Allison questioned what would the request be next year, if the MA district got the Safer Grant what would the request be in three years? With the award of the grant you are considering recurring debt.

Vice Chairman Walker made a motion to approve this request per the following:

1. Hold a public hearing and the City duly advertise the public hearing
2. Immediately set a date for the City and Board of Commissioners to establish a new agreement since the old one was established 9/12/2005.

Due to the motion not receiving a second, the motion died.

Commissioner Ellis made a motion to establish a meeting as soon as possible and by June 18th, and receive a five-year plan from the Marion Area Fire Dept. for what will be happening at the end of the three-year grant, second by Commissioner Vaughn. By a vote of 5-0 the motion passed.

Commissioner Ellis made a motion due to the 66% increase from the Rescue Squad he would like to have a meeting with the Rescue Squad to better understand their request, and requested Mr. Kehler and Mr. Craig Walker to attend the meeting also, second by Vice Chairman Walker. By a vote of 5-0 the motion passed.

FY 2022 Fee Discussion

Mr. Wooten presented the following fee adjustment request:

- Building Inspections requested minor adjustments, mostly for commercial permits
- City of Marion is increasing the purchased water rate by 6%. Staff requested a 9% increase in Nebo Water rates, plus a few other adjustments
- The county EMS collection vendor suggested increasing the transport rates to match the market

A copy of all fee requests is with the agenda materials.

Vice Chairman Walker made a motion to approve all the fee requests as presented, second by Commissioner Allison. By a vote of 5-0 the motion passed.

FY 2022 Budget Discussion

Vice Chairman Walker asked approximately how much did one cent generate of property tax revenue, to which Mr. Wooten noted was approximately \$450,000. Vice Chairman Walker's suggestion was the following in order to decrease the property tax rate by one cent:

1. Sales tax- over the last four years has averaged 5.4% growth. A 2% growth would generate approximately \$161,000
2. Property tax rate – budget recommended 98.5% and if you move to 99.1% the current rate collected last year would be approximately \$227,000
3. Schools- the County gives 2.5% increase and this year's budget was 3.7%, by staying with the 2.5% increase would be savings of \$107,000.

Commissioner Ellis clarified the schools did not get a 2.5% increase they received the same budget as the year before. He added the Local Government Commission recommendation was for a county of our size to have a fund balance of 25%-30%. Since early 1990s the LGC has requested three times for the fund balance to be increased. Also, at this year's joint meeting with the School Board they announced two large building projects in the near future. His recommendation was to leave the property tax rate the same and build up the general fund balance. The current fund balance is at 18.5%.

Commissioner Vaughn asked the Board if there was a situation where there will be a need to raise the property tax in the coming future.

Commissioner Allison agreed the budget recommendation was good, but he agreed for a one cent reduction.

Vice Chairman Walker agreed with Commissioner Ellis since the schools did not receive an increase last year to stay with the 3.7% recommended increase for the schools.

Vice Chairman Walker's suggestion was to go with projected 3% increase sales tax rate would generate \$241,695; and move the property tax collection rate from proposed budget of 98.5% to the current 99.1% collection rate to generate the one cent tax reduction.

No action was taken.

N. Main Street Renovation Bid and Project Ordinance Approval

Mr. Wooten presented the following bids for the construction of the Administrative offices at North Main Street.

Beam Construction Company, Inc.	\$1,755,000
GEM Constructors	\$1,912,351
Hickory Construction Company	\$1,925,000
Matthews Construction Company, Inc	\$2,112,000
Morrison Construction Company, Inc	\$1,684,000
Wilkie Construction	\$1,699,000

Vice Chairman Walker made a motion to approve the low bid of Morrison Construction for \$1,684,000 and approve the Project Budget Ordinance for North Main Street, second by Commissioner Vaughn. By a vote of 5-0 the motion passed.

Commissioner Ellis made a motion to adjourn at 12:32pm, second by Commissioner Vaughn. By a vote of 5-0 the motion passed.

Attest:

Cheryl L. Mitchell
Clerk to the Board

Tony G. Brown
Chairman