

**STATE OF NORTH CAROLINA
MCDOWELL COUNTY
BOARD OF COMMISSIONERS
SPECIAL SESSION – May 30, 2025**

Assembly

The McDowell County Board of Commissioners met in Special Session on Friday, May 30, 2025, at 11:30 a.m., in the Commissioner's Board Room, 69 N Main St., Marion, NC.

Members Present

Tony Brown, Chairman; Lynn Greene, Vice-Chair; Patrick Ellis; and David N. Walker

Members Absent

Trisha Garner

Others Present

Ashley Wooten, County Manager/Deputy Clerk to the Board; Alison Bell, Finance Director

Call to Order

Chairman Brown called the meeting to order at 11:30 a.m.

FY 2026 Budget Presentation

Chairman Brown recognized County Manager Ashley Wooten and asked that he present the Recommended FY 2026 Budget.

Mr. Wooten noted that every local government manager is required to present a budget recommendation to the governing board on or before every June 1. Mr. Wooten noted that the budget process had been underway for several months, with both internal and external meetings occurring during that time. He noted that the Commissioners had met with both the Board of Education and the McDowell Tech Board of Trustees to hear their budget concerns.

Once the budget requests are received, Ms. Bell meets with the County Manager to begin reviewing the expenditure totals as well as the anticipated revenues.

FY 2025 Accomplishments

Mr. Wooten proceeded to review the budget recommendation starting with the FY 2025 accomplishments.

- The organization and community at large were devastated by the impact of Hurricane Helene in September. Staff have worked for months on recovery efforts since that time to get community members and businesses back on their feet.
- The strategic planning process was completed. The document will help to provide a guide for the Board and the organization on how to address challenges of the day.
- Staff continued to oversee American Rescue Plan Act investments made by the Board.
- Broadband development continues. Spectrum received a GREAT grant that is partially supported by \$100,000 in ARPA funds provided by the County. Two CAB grants were awarded to Skyrunner.
- A \$400,000 grant was received that assist in planning for the water system.
- The Hoppy Tom Hollow Road Water Project was completed. Over 30 customers have connected so far.
- Bids were awarded for the water project that will extend water service to the area around NC 126 and the Lake Club (East End Project).
- Engineering and design began for a water line to West Marion Elementary.
- Construction was completed for Nebo Water System Phase 1A and 1B Expansion Projects for the extension of over four miles of water lines. Phases 2A and 2B have begun.
- Bids were awarded for the grading of the second building site at the Universal Technology Park.
- Water and sewer lines were extended to serve the Fiber Optic Solutions company in the original industrial park.
- The improvements to the Recreation Center, which include a new pool, parking, and improved landscaping, are nearing completion.
- The playground at the Maple Leaf Complex continues to receive accolades and improvements. Additional landscaping and a restroom building will be constructed using remaining grant funds. Bids were awarded for the transfer station repair plan that will be initiated in June. A second set of scales have been ordered to help with traffic flow at the facility.
- Design and planning for various building projects continued during the year including, the Services Building, the Animal Shelter, and others.

FY 2026 Budget Priorities

Mr. Wooten moved to the FY 2026 budget priorities, which include:

- Recruit and retain high quality staff through salary and benefit adjustments
- Maintain education funding at appropriate levels
- Make targeted position additions
- Increase the health insurance reserves

He noted that most of these points are priorities every year. For item one, he noted that the budget recommendation is for there to be an across-the-board Cost of Living Adjustment (COLA) of 2%. There are also increases in the County share of the pension plan that are not noticed by the employee, but contribute to significant cost increases to the budget.

For education, he noted that the original plan was to recommend current expense funding for McDowell County Schools grow at the average rate of 3%, but additional information

and concerns were raised by School System leadership about the loss of Low Wealth Funding that had been received to offset resource constraints on the County.

Mr. Wooten noted for item three that there are two new positions recommended for the budget. One position is a telecommunicator at the 911 Center and the other is for a detective at the Sheriff's Office. The latter position would be paid for in the next fiscal year using asset forfeiture funds.

The last item of note includes increasing the contribution to the health insurance fund. He stated that this is a cost that increases significantly year over year despite the organization's best efforts.

FY 2026 Budget Proposal

Mr. Wooten noted that the property tax rate is not recommended to increase from its current 56.75 cents level. The proposed total budget for FY 2026 is \$66,340,400, which is a \$2,607,382 (or 4.04%) increase over FY 2025. He stated that most of the increased revenue (\$1,199,627) is from the property tax collections. He reiterated that the increase is not tied to a rate increase, but is only a reflection of the actual collection results. He stated that the sales tax was more or less the same situation in that the \$626,800 increase is a reflection of the actual FY 2025 receipts.

The County Manager had previously noted there were impacts on education funding. Funding for McDowell County Schools is recommended to increase \$600,000 with half of that being attributable to current expense funding and the other half being to offset the reduction in low wealth funding. McDowell Tech funding is proposed to increase \$66,950 in the current expense category.

Mr. Wooten also reviewed the large outstanding debt obligations, which are tied to the two courthouse renovation projects and the Emergency Services capital projects.

Future Concerns

Before concluding the presentation, Mr. Wooten asked to be allowed to make note of several concerns that need to be contemplated for future years including:

- Emergency Services - The 911 Center has no space for growth. There can be state or federal assistance for new facilities, but there is no guarantee. Staff recommends planning for a future standalone facility.
- Parks and Recreation - Several park properties need significant upgrades such as new lighting at ballfields. There are some grants available (PARTF, LWCF) for parks, but the funding is usually tied to new development and not renovation/rehabilitation.
- DSS – Preliminary planning and cost estimating indicates that a new building of adequate size could be in the \$20-30 million range. Alternatives should be explored.

- Sheriff's Office - The Sheriff has indicated that the Law Enforcement Center is running low on administrative space. He has requested that short-term and long-term solutions be discussed.
- Solid Waste Facility – As previously noted, several improvements are planned for the existing solid waste facility (transfer station, etc.). Planning has occurred for long term improvements, but funding has not been identified.

Staffing concerns:

- Several departments requested staffing changes not met in this budget, but should be considered in future years:
- | | |
|----------------------|----------|
| • Animal Shelter | 1 |
| • Sheriff's Office: | 2 |
| • Tax Assessing: | 2 |
| • Board of Elections | 0.5 |
| • Register of Deeds: | 0.5 |
| • Total | 6 |
- Several departments indicated that they would prefer to have additional staff, but did not formally request a position. In addition, a periodic review of compensation to other market employers should be considered in order to remain competitive.

There are several proposals being discussed at the federal level that could impact state and/or local governments:

- Disaster Response: Disasters have traditionally been viewed by FEMA as “locally executed, state managed, and federally supported.” However, there have been proposals to redefine that relationship and limit or eliminate federal support for disasters. In the event that would happen, the burden for long-term recovery would shift to lower levels of government, including the County.
- Staffing Concerns: In addition, the complexity of Helene demonstrated that the State does not have the capacity to assist a widespread area effectively due to their staffing limitations. Local emergency staffing will need to be adjusted to plan for and respond to disasters.

There are currently proposals before Congress that would change several federal benefit programs such as Medicaid and SNAP:

- Benefit Programs - Medicaid: Several of the proposed changes to the program, such as the implementation of work requirements for Medicaid Expansion beneficiaries and semiannual recertification, would add additional workload to DSS staff, likely resulting in a need for additional staffing once the change is implemented.

- Benefit Programs – SNAP: The food assistance program SNAP would see several changes including new eligibility requirements, increasing the current 25% local administrative cost to 50%, and also shifting cost-sharing to either the state or county.

Both changes could add to the current space issue that has been mentioned earlier.

Next Steps

Mr. Wooten noted that the required budget hearing would be held on Monday, June 16 at 11:30 am. The budget will need to be adopted by the end of June.

Adjournment

Vice Chair Greene made a motion to adjourn at 12:45 p.m., with a second by Commissioner Ellis. By a vote of 4-0, the motion passed.

Attest:

Ashley R. Wooten
Deputy Clerk to the Board

Tony Brown
Chairman