



McDowell County
Fiscal Year
2019-2020
Budget Recommendation

“Budgeting is all about choices.”

Dr. Marvin Hoffman

McDowell County Organization

David Walker, Chairman
Tony Brown, Vice-Chairman
Barry McPeters, Commissioner
Lynn Greene, Commissioner
Brenda Vaughn, Commissioner



Appointed Officials

County Manager
County Attorney
Clerk to the Board

Elected Officials

Sheriff
Register of Deeds

Staff

Cooperative Extension Director
Social Service Director
Public Services Director
Director of Elections
Soil and Water Conservation Director
Tax Assessor
Tax Collector
Human Resources Director
Finance Director
Emergency Services Director
Chief Building Inspector
Library Director
Recreation Director
Tourism Director
Senior Center Director
Transit Director
Information Technology Director

Funded Agencies



Alcohol and Substance Abuse

Clerk of Court

Vaya Health

Foothills Health District

New Hope of McDowell

Carson House

NC Forest Service

Health Coalition

Isothermal Planning and Development

McDowell Arts Council

McDowell Chamber

Old Fort Chamber

McDowell County Schools

McDowell Tech Community College

Medical Examiner

Rescue Squad

Watershed Commission

WNC Communities

Freedom Life

McDowell Mission

Fire Departments



FY 2019 Review

FY 2019 Accomplishments

- The new Transit Department began operating on July 1. Staff and the advisory board are working to enhance the operation with new vehicles and routes.
- Construction on Phase III of the River Greenway started in the spring. Appointees from the County, City, and McDowell Trails Association started meeting monthly in March to discuss ongoing and future trail projects.
- The Board started holding a regular meeting each month with the DSS director. The County Manager and DSS Director started meeting twice a month with unit supervisors in order to enhance operations and hear concerns.
- The Courthouse Renovation project continued through the year. The new courtroom was completed in the month of May and will be in use by the end of the fiscal year. The renovation should be complete in the next fiscal year.

FY 2019 Accomplishments

- The Board authorized an expenditure of funds in order to expedite the construction of access roads on the Universal property.
- The Register of Deeds office was relocated to a building on Fort Street, which provided much-needed space in the Courthouse for the District Attorney.
- Human Resources, Finance, and Administration moved to the Administration Annex in the Senior Center Building. The vacated space in the Administration Building was allocated to the Tax Assessing, Tax Collection, Information Technology, and Planning Departments.
- The Board executed a lease at the former Planet Fitness building for the Board of Elections. The building will allow for one-stop voting, training, equipment storage, and offices in one space.

FY 2019 Accomplishments

- Enhancements were made to the courthouse lawn with the placement of the Charters of Freedom, as well as the relocation of the flagpole and the war memorial.
- The Board authorized the combination of the Facility Maintenance and Public Works departments under the umbrella of Public Services, which should improve collaboration between departments that are located in close proximity and have complementary functions.

County	County Population	Total County Employees	County Employees by Population	2018-19 General Fund Budgeted Expenditures	General Expenditures Per Capita	Property Tax Revenues	Tax Rate Per \$100	Effective Tax Rate Per \$100
Alexander	38,609	365	0.95%	\$41,200,000	1,067.11	\$19,499,000	\$0.7900	\$ 0.7388
Beaufort	47,444	387	0.82%	\$58,488,793	1,232.80	\$34,567,427	\$0.6150	\$ 0.6187
Bladen	34,120	380	1.11%	\$43,065,585	1,262.18	\$22,923,288	\$0.8200	\$ 0.7586
Columbus	56,904	420	0.74%	\$57,013,510	1,001.92	\$26,261,378	\$0.8050	\$ 0.7074
Davie	43,244		0.00%	\$61,104,785	1,413.02	\$30,866,641	\$0.7380	\$ 0.7157
Duplin	59,446	541	0.91%	\$55,263,558	929.64	\$30,153,759	\$0.7150	\$ 0.6870
Edgecombe	52,149		0.00%	\$57,674,917	1,105.96	\$24,757,039	\$0.9500	\$ 0.9570
Granville	60,566	306	0.51%	\$63,513,043	1,048.66	\$40,063,479	\$0.8400	\$ 0.8400
Halifax	51,468	576	1.12%	\$43,238,988	840.11	\$25,453,821	\$0.7700	\$ 0.7353
Hoke	54,679		0.00%	\$50,991,624	932.56	\$27,117,435	\$0.7500	\$ 0.7499
Jackson	43,662	413	0.95%	\$64,975,209	1,488.14	\$33,111,822	\$0.3800	\$ 0.3757
Lee	59,486	110	0.18%	\$75,164,491	1,263.57	\$42,502,078	\$0.7950	\$ 0.7660
Lenoir	57,366	787	1.37%	\$67,050,747	1,168.82	\$33,844,147	\$0.8300	\$ 0.8072
Macon	35,779	467	1.31%	\$51,029,009	1,426.23	\$27,708,424	\$0.3490	\$ 0.3638
McDowell	45,915	365	0.79%	\$42,635,745	928.58	\$22,248,090	\$0.5875	\$ 0.5363
Pasquotank	40,805	364	0.89%	\$48,201,737	1,181.27	\$25,129,100	\$0.7700	\$ 0.7426
Pender	62,551	432	0.69%	\$63,888,374	1,021.38	\$47,347,000	\$0.6850	\$ 0.5883
Person	39,997	380	0.95%	\$60,828,148	1,520.82	\$31,756,400	\$0.7000	\$ 0.6704
Richmond	44,812	384	0.86%	\$52,957,341	1,181.77	\$26,722,433	\$0.8300	\$ 0.8295
Scotland	35,598	326	0.92%	\$41,583,561	1,168.14	\$22,302,139	\$1.0000	\$ 1.0442
Stokes	46,708	310	0.66%	\$37,122,648	794.78	\$22,717,891	\$0.6600	\$ 0.6430
Transylvania	34,814	378	1.09%	\$51,653,685	1,483.70	\$29,726,202	\$0.5110	\$ 0.4843
Vance	44,785	375	0.84%	\$48,156,115	1,075.27	\$22,919,540	\$0.8900	\$ 0.8500
Watauga	57,348	274	0.48%	\$55,248,825	963.40	\$34,262,139	\$0.3530	\$ 0.3380
Yadkin	37,700		0.00%	\$36,607,281	971.02		\$0.6600	\$ 0.6361

County	County Population	Total County Employees	County Employees by Population	2018-19 General Fund Budgeted Expenditures	General Expenditures Per Capita	Property Tax Revenues	Tax Rate Per \$100	Effective Tax Rate Per \$100
TOTAL	1,185,955	8,340	18.12%	\$1,328,657,719	28,470.86	\$703,960,672	\$ 17.7935	\$ 17.1839
AVERAGE	47,438	397	0.72%	\$53,146,309	1,138.83	\$29,331,695	\$ 0.7117	\$ 0.6874
MIN	34,120	110	0.00%	\$36,607,281	794.78	\$19,499,000	\$ 0.3490	\$ 0.3380
MAX	62,551	787	1.37%	\$75,164,491	1,520.82	\$47,347,000	\$ 1.0000	\$ 1.0442

Over McDowell	12	13	14	20	22	22	20	20
Under McDowell	12	6	6	4	2	1	4	4
Equal McDowell		1		-	-			
Not Reported		4	4	-	-	1		

***McDowell County employs 32 fewer employees than the average.**

***McDowell County budgets \$10,510,564 fewer dollars than the average.**

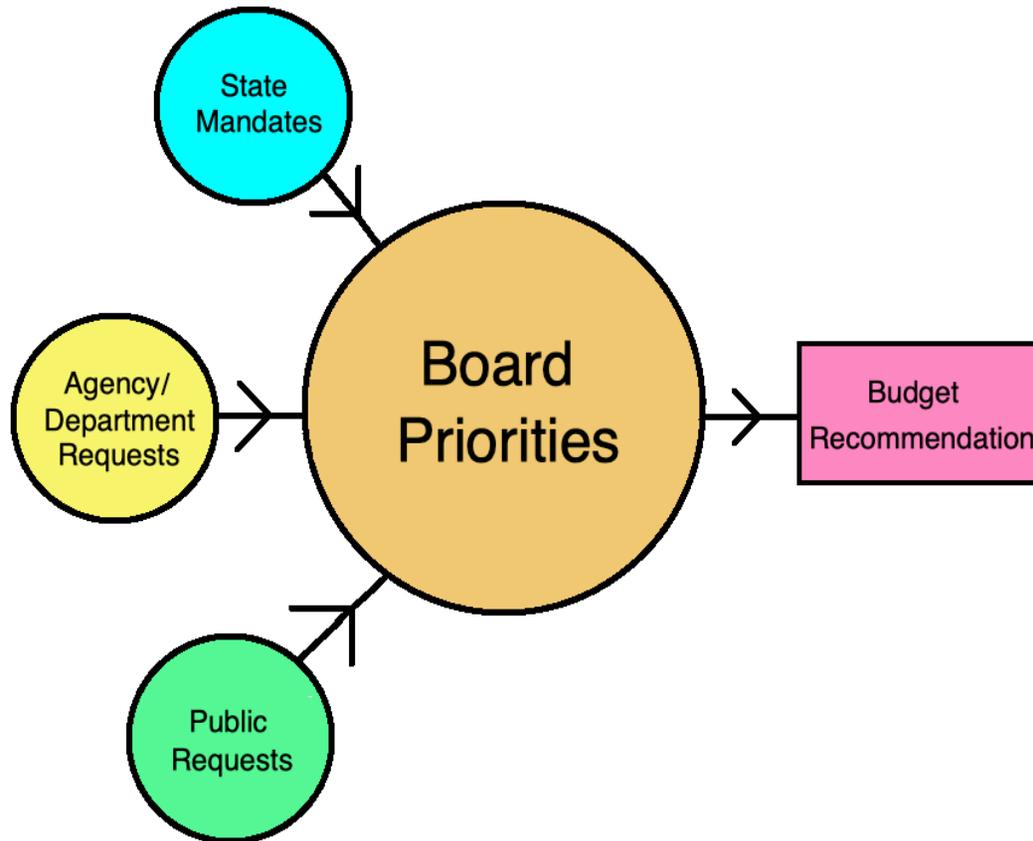
***The McDowell County tax rate is 12.42 cents below the average.**

***Property tax revenues are \$7,083,605 below the average.**

***The average General Expenditure per Capita is \$210.25 below the average.**

FY 2020 Overview

Constructing A Budget



FY 2020 Budget Priorities

- Increase public education funding
- Improve public safety through investments in Emergency Services and Sheriff's Office
- Recruit and retain skilled county staff
- Improve county facilities
- Invest in community and economic development

FY 2020 Budget Process

- Department heads meet with Budget Officer (County Manager) to review budget needs.
- Budget Officer meets with Finance Director to review departmental needs and estimated revenues.
- Budget Officer presents budget recommendation to Board of Commissioners.
- Budget Officer makes recommended budget available for public inspection.
- Board of Commissioners hold public hearing to receive public input.
- Board of Commissioners approve final budget before June 30.

New Expenditure Impacts

Public Education

School Operating	\$194,262
School Supplement	\$84,000
School Capital Outlay	\$1,310
Community College Operating	\$26,129
Community College Special Project	\$5,000
Community College Capital	<u>\$20,000</u>
Total:	\$330,701

Public Safety

New Sheriff's Deputy	\$49,360
New (3) Detention Officer's (County Share)	\$65,432
EMS Overtime Adjustment	\$80,109
Communications	\$14,527
Building Inspections Clerical	<u>\$41,022</u>
Total:	\$303,300

New Expenditure Impacts

County Facilities and Equipment

Public Services Vehicle Debt	\$10,200
Sheriff Vehicles	\$19,849
DSS and Admin Vehicles	\$21,327
Waste Collections Vehicles	\$65,128
Public Defender's Office Space	\$400,000
Nebo Water Debt	\$121,812
Watershed Dams	<u>\$25,000</u>
Total:	\$663,316

County Organization Improvements

County Employee Salary Adjustments	\$356,000
Various Staff Enhancements	<u>\$251,195</u>
Total:	\$607,195

New Expenditure Impacts

Community and Economic Development

Transportation Department	\$41,567
Waste Disposal	\$183,421
Health Department	\$46,986
Economic Development	\$138,749
Trail Planning and Maintenance	<u>\$55,000</u>
Total:	\$465,723

**Budget Proposal
Fiscal Year
2018-19 to 2019-20**

2018-19 Budget Ordinance	2019-20 Proposed Budget	Difference
\$42,635,745	\$45,442,843	\$2,807,098 or 6.58%

County of McDowell

Budget Ordinance Comparison

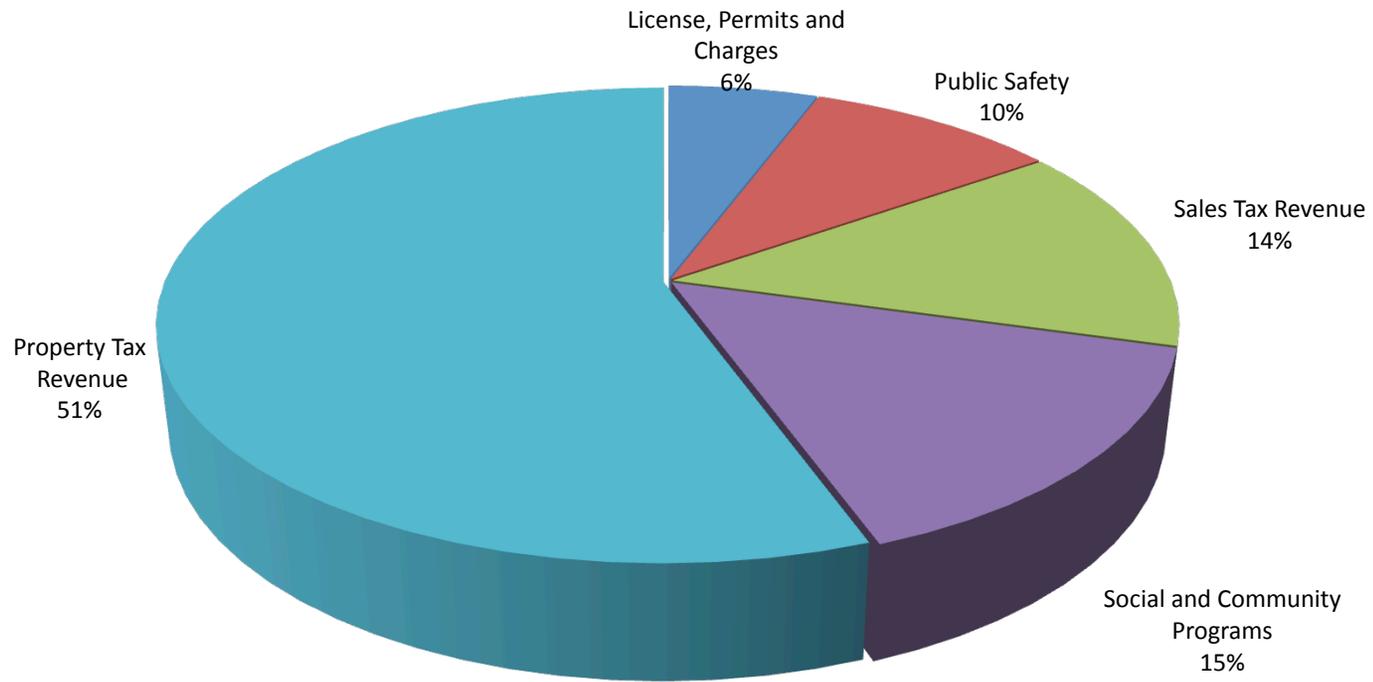
Budget Year	Total Budget Per Ordinance	Monetary Increase	Percentage Increase
2008-09	37,100,755	817,744	2.25%
2009-10	34,400,784	(2,699,971)	-7.28%
2010-11	33,301,223	(1,099,561)	-3.20%
2011-12	34,175,362	874,139	2.62%
2012-13	35,543,721	1,368,359	4.00%
2013-14	37,268,920	1,725,199	4.85%
2014-15	38,465,894	1,196,974	3.21%
2015-16	39,675,990	1,210,096	3.15%
2016-17	40,848,514	1,172,524	2.96%
2017-18	40,612,169	(236,345)	-0.58%
2018-19	42,635,745	2,023,576	4.98%
2019-20	45,442,843	2,807,098	6.58%

Proposed Tax Rate of 58.75 Cents for the General Fund

(Revenue Neutral 53.52 Cents)

	<u>Tax Rate</u>	<u>Tax Base</u>
2008-09	0.5500	3,018,548,000
2009-10	0.5500	3,055,470,225
2010-11	0.5500	3,092,442,000
2011-12	0.5500	3,163,375,049
2012-13	0.5500	3,291,383,196
2013-14	0.5500	3,372,064,972
2014-15	0.5500	3,499,944,771
2015-16	0.5500	3,582,854,944
2016-17	0.5500	3,624,940,969
2017-18	0.5500	3,722,603,765
2018-19	0.5875	3,825,160,550
2019-20	0.5875	4,331,018,255

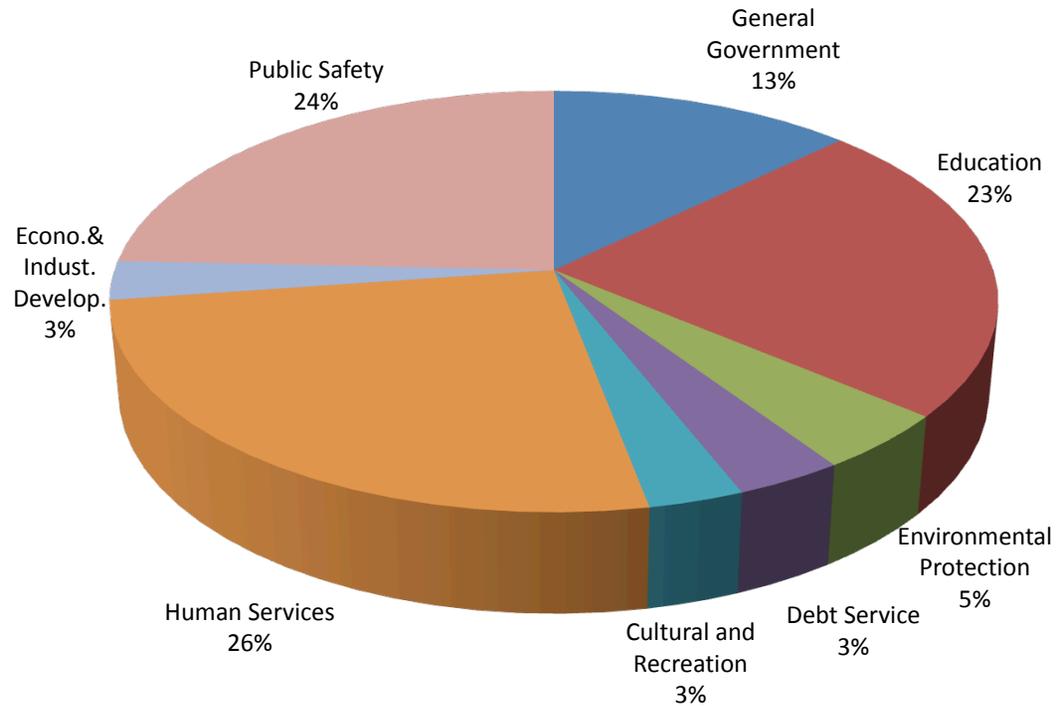
Property Taxes Remain Largest Single Source of Revenue



Significant Revenue Changes

	<u>2018-2019</u>	<u>2019-2020</u>
Property Tax	22,248,090.00	24,956,988.00
DSS Revenue	6,198,707.00	6,324,233.00
EMS Collections	2,530,000.00	2,655,000.00
Building Permits	150,000.00	200,000.00
Interest Earnings	60,000.00	130,000.00
<u>Sales Tax</u>		
Article 44	559,980.00	579,500.00
Fire and Rescue Sales Tax Shift (net 2% growth)		
<u>Fund Balance Appropriated</u>	360,000.00	-

2019-2020 Annual Expenditures Budget \$45,442,843



Local Education Funding Continues to Increase

	2018-2019	2019-2020	
McDowell County Schools			
1. Current Expense	\$ 8,612,738	\$ 8,807,000	\$
2. Capital Outlay	<u>\$ 51,890</u>	<u>\$ 53,200</u>	\$
Total Operational:	\$ 8,664,628	\$ 8,860,200	\$
3. One to One	\$ 100,000	\$ 100,000	\$
4. Supplement	\$ 252,000	\$ 336,000	\$
McDowell Technical			

McDowell County Government General Fund Allocations

Enterprise Fund Allocation:	\$	1,068,405			
Tax Equivalent:		2.47 CENTS			
THIS ALLOCATION IS TYPICALLY PAID FOR WITH REVENUES OTHER THAN					
GENERAL FUND REVENUES					

Debt Service Summary 2019-2020

	Annual Payment	Principal Outstanding	Retirement
		June 30, 2019	Date
Nebo Water Line	\$ 121,812	\$ 337,500	6/8/2022
Old Fort Senior Center	\$ 72,852	\$ 257,510	4/21/2023
Jail/Courthouse Renovations	\$ 231,108	\$ 1,983,521	3/5/2030
Courtroom Addition	<u>\$ 563,516</u>	<u>\$ 5,277,067</u>	4/18/2033
Total:	\$ 989,288	\$ 7,855,598	
Prior Year Debt Payments:	<u>888,028</u>		
Increase in Debt Payments	<u>\$ 101,260</u>		
06/30/2019 % of Debt .56%			

Next Steps

1. Board should schedule budget workshops to discuss recommendation and makes any desired changes.
2. Board will hold public hearing at June regular meeting
3. Board will need to approve budget before July 1