



# McDowell County

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May 30, 2019

**Dear Commissioners,**

I am pleased to present the Fiscal Year 2020 Budget Message for McDowell County. The purpose of this Message is to provide an overview of the budget recommendation for the county's various funds in accordance with the requirements laid out in the North Carolina Budget and Fiscal Control Act (NC General Statute 159-7).

## **Budget Summary**

McDowell County's budget is comprised of several different funds: the General Fund, the Waste Enterprise Fund, the Nebo Water Enterprise Fund, the Universal Enterprise Fund, and various project funds. This message will primarily focus on the General Fund.

The General Fund is recommended to be set at \$45,442,8433 next year, a 6.58% increase over the current year. The recommended General Fund property tax rate is 58.75 cents, which is the same as Fiscal Year 2019. McDowell County has revalued its real property for 2019. The NC General Statutes require the Budget Officer to convey the revenue neutral tax rate for the subsequent fiscal year. The revenue neutral rate is 53.52 cents.

The proposed budget attempts to address the priorities of the Board of Commissioners within the constraints of available resources.

## **Expenditure Highlights**

The expenditures outlined in the budget are reflective of the priorities of the Board of Commissioners:

### Increase Public Education Funding:

- Provides a 2.26 % increase for McDowell County Public Schools current expense.
- Increases the teacher supplement allocation by \$84,000 to \$336,000

- Provides a 2.5% increase for McDowell Technical Community College current expense
- Increases MTCC capital funding to \$80,000

Improve public safety through investments in Emergency Services and the Sheriff's Office:

- Adds one Deputy Sheriff
- Adds three detention officers in the Jail
- Completes the adjustment to EMS overtime pay

Recruit and Retain skilled staff:

- 3.75% salary adjustment for all employees
- Provides an increase in the employer contribution for the Local Government Employees Retirement System (state mandated)
- Maintains health insurance at no cost for employees who participate in the wellness program
- Adds staff to key areas to improve county operations and service delivery

Investment in County Infrastructure and Facilities:

- Allocates significant funding towards the renovation of the Courthouse for the new Public Defender office
- Provides funding for the Stacy Hill Road Water Line debt payment
- Increases funding to the Building and Grounds and Park Maintenance line items to cover increased maintenance costs

Community and Economic Development

- Provides funding for several incentive payments for local companies including Baxter Healthcare, Beuchtel Stone, and Toolcraft
- Allocates funding for the preliminary development of industrial access roads on the Universal property
- Creates a Trail Planning and Maintenance Fund to maintain current trails and to plan for future development

**Revenue Highlights**

The budget anticipates the growth in the property tax base due to the 2019 property revaluation and natural growth. The projected additional revenue equates to \$2,708,898.

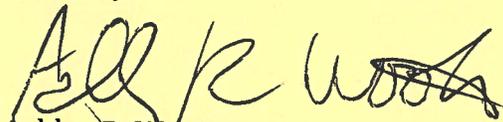
While sales tax on the local and state level show year over year growth, staff is projecting a decrease in sales tax collections due to the shifting of a portion of the sales tax revenue to the Countywide Fire District/Fire Commission. That shift

equates to a \$108,265 loss of revenue over the FY 2019 year. Staff anticipates additional revenues in the EMS function and in the Department of Social Services. Also of note, staff recommends terminating the recurring fund balance appropriate of \$360,000 that has been in place for several years.

### **Summary**

A budget document should reflect the priorities of the governing authority. Staff has attempted to address the priorities of the Commissioners with the resources available. The Board will now have the opportunity to make adjustments to this recommendation. Staff stands willing to assist to the Board with any desired.

Sincerely,

A handwritten signature in black ink, appearing to read "Ashley R. Wooten". The signature is written in a cursive style with some loops and a horizontal line through the middle.

Ashley R. Wooten  
County Manager/Budget Officer