

**STATE OF NORTH CAROLINA
MCDOWELL COUNTY
BOARD OF COMMISSIONERS
SPECIAL SESSION – May 29, 2026**

Assembly

The McDowell County Board of Commissioners met in special session on Monday, May 29th, 2026, in the Commissioners' Board Room, 69 N. Main Street, Marion, NC.

Members Present

Chairman, Tony Brown; Vice-Chair, Lynn Greene; Patrick Ellis, Trisha Garner, and David Walker

Members Absent

None

Others Present

Ashley Wooten, County Manager; Madalyn Robinson, Clerk to the Board; Alison Bell, Finance Director.

Call to Order

Chairman Brown called the meeting to order at 8:30 am. Commissioner Walker led the group in prayer. Commissioner Ellis led the Pledge of Allegiance.

Budget Presentation

Mr. Wooten presented the Fiscal Year 2026-2027 Budget Recommendation and began with an overview of McDowell County's organization, funded and contracted agencies, and FY 2026 accomplishments.

McDowell County Organization:

- Board of Commissioners
- County Manager, County Attorney, and Clerk to the Board

- Animal Services
- Building Inspections
- Cooperative Extension
- Elections
- Library
- Parks and Recreation
- Register of Deeds
- Senior Center

- Emergency Services
- Finance
- Human Resources
- Information Technology
- Planning
- Public Services
- Library
- Sheriff's Office
- Social Services
- Soil & Water Conservation
- Tax Assessing
- Tax Collections
- Tourism
- Transit

Funded and Contracted Agencies:

Funded Agencies:

- Clerk of Court
- Foothills Health District
- Foothills Regional Commission
- McDowell County Schools
- McDowell Tech. Community College
- Medical Examiner
- NC Forest Service
- Watershed Commission
- Vaya Health

Contracted Agencies:

- Freedom Life
- Historic Carson House
- McDowell Arts Council Association
- McDowell Chamber of Commerce
- McDowell Economic Development Assn.
- McDowell Pregnancy Center
- New Hope of McDowell
- WNC Communities

FY 2026 Accomplishments:

- Helene recovery continues throughout the affected areas. Emergency Services staff have provided direct and indirect support for storm survivors, ensuring they continue to receive the support they need to get back on their feet.
- Helene recovery grants are being sought for facility expansions such as for the 911 Center, the Old Fort Senior Center, and the Animal Shelter.

- Several segments of the Nebo Water System were completed using grant funds. These areas include Memorial Park Road, Rolands Chapel Road, and areas around NC 126.
- Funding was received to construct a water storage on the Nebo system to create redundancy in the event of future water shortage events.
- The water system planning effort that will map all of the lines and will produce a rate study is partially complete.
- Planning and design continue on the planned Providence Hill Water System that will serve the area around West Marion Elementary.
- Funding was received to complete the loop on this system on Zion Hill and Marler Roads.
- A facilitated utility system partnership and cooperation effort with the Town of Old Fort and the City of Marion was initiated. Two meetings have been held, with the second focusing on improving emergency communication.
- An NCDEQ/US EPA grant of \$580,000 was received to improve cardboard and recyclable handling at the convenience centers.
- The transfer station repair project was completed using grant funds. This repair will ensure compliance with state and federal law.
- The consolidation of human services agencies occurred by placing DSS, Transit, and the Senior Center under one human services director. This consolidation has led to greater cooperation and partnership building with community agencies and organizations.
- McDowell Transit's Express service has provided thousands of rides in the Marion area and has now expanded service to the greater Old Fort area. The service provides revenue to the Transit system.
- The pool at the Recreation Center in downtown Marion experienced a record-breaking first season in 2025. Improvements continue on the green space in the former ballfield. This project was paid for using a State appropriation.
- The Playground at the Maple Leaf Complex was completed with the installation of an ADA-compliant restroom. This project was paid for using an NC Parks grant.
- Planning for repairs to the Helene-impacted parks continues with bidding planned in early summer 2026. This work will be covered through FEMA Public Assistance funding.

Mr. Wooten moved on to the FY 2027 overview:

FY 2027 Budget Priorities:

- Recruit and retain staff through salary and benefit adjustments
- Maintain current level of County-provided services
- Maintain education funding at appropriate levels

- Accomplish all of the above and more while minimizing the impact to the taxpayer

FY 2027 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 on June 15 to receive public input.
- Board of Commissioners approve final budget before June 30.

New Expenditure Impacts:

- Public Safety:
 - EM Operating and Capital: \$253,840
 - Sheriff's Office Operating and Capital: \$344,910
 - Total: \$598,750
- County Organization Improvements:
 - Current Year Raise and Benefit Impacts: \$547,430
 - Health Insurance: \$1,039,500
 - Retirement System Rate Increase: \$537,200
 - Total: \$2,124,130
- County Facilities and Equipment:
 - EMS Capital Debt: \$138,580
 - Sheriff Capital Debt: \$110,762
 - Soil and Water Capital Debt: \$10,000
 - Total: \$259,342
- Community and Economic Development:
 - Recreation: \$90,000
 - Facility Maintenance: \$140,000
 - Total: \$230,000
- Community and Economic Development:
 - Increased Social Services: \$91,410
 - Health Department Operations: \$13,310
 - Total: \$104,720

Budget Proposal Fiscal Year 2025-26 to 2026-27:

- 2025-26 Budget Ordinance: **\$66,390,709**
- 2026-27 Proposed Budget: \$71,111,024
- Difference of \$4,720,315 or 7.11%

County of McDowell Budget Ordinance Comparison:

Year	Per Ordinance	Increase	Increase
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%
2020-21	45,893,518	450,675	0.99%
2021-22	49,728,636	3,835,118	8.36%
2022-23	54,550,329	4,821,693	9.70%
2023-24	61,795,078	7,244,749	13.28%
2024-25	63,733,018	1,937,940	3.14%
2025-26	66,390,709	2,657,691	4.09%
2026-27	71,111,024	4,720,315	7.11%

Request vs. Recommendation:

- Department heads and external agencies requested **\$73,518,880** in their submitted budgets, which is **\$2,407,856** over what is in the recommended budget.
- The tax rate would need to be 0.0365 cents to meet all of the requests.

Proposed Tax Rate:

- The proposed tax rate is .5675 cents

Revenue Overview:

- Property Tax Revenue: 55%
- Social and Community Programs: 12%
- Sales Tax Revenue: 15%
- Public Safety: 8%
- License, Permits, and Chagres: 9%
- Fund Balance Appropriated: 1%

Significant Revenue Changes:

	<u>2025-2026</u>	<u>2026-2027</u>	<u>CHANGE</u>	
Property Tax	36,251,627	38,783,666	2,532,039	6.98%
Fund Balance Appropriated	-	922,187	922,187	100.00%
DSS Revenue	7,375,203	7,003,991	(371,212)	-5.03%
Sheriff's Functions	1,618,496	1,714,122	95,626	5.91%
Transportation	558,906	961,221	402,315	71.98%
EMS Functions	3,970,000	4,120,000	150,000	3.78%
<u>Sales and other Taxes</u>				
Article 39	5,700,000	5,827,000	127,000	2.23%
Article 40	3,050,000	3,050,000	-	0.00%
Article 42	800,000	913,000	113,000	14.13%
Article 44	945,000	978,000	33,000	3.49%

Expenditure Overview:

- Public Safety: 30%
- Human Services: 20%
- Education: 18%
- General Government: 14%
- Environmental Protection: 4%
- Debt Services: 4%
- Cultural Recreation: 4%
- Economic and Industrial Development: 3%

Local Education Funding:

	2025-2026	2026-2027	Change	
1. Current Expense	\$ 10,836,000	\$ 11,052,720	\$ 216,720	2.00%
2. Capital Outlay	\$ 54,800	\$ 54,800	\$ -	0.00%
Total	\$ 11,190,800	\$ 11,407,520	\$ 216,720	1.94%
McDowell Technical				
1. Current Expense	\$ 1,284,950	\$ 1,310,649	\$ 25,699	2.00%
2. Capital Outlay	\$ 163,950	\$ 163,950	\$ -	0.00%
3. Special Projects	\$ 25,000	\$ 25,000	\$ -	0.00%
Total	\$ 1,448,900	\$ 1,474,599	\$ 25,699	1.77%

General Fund Allocation:

Solid Waste Fund Allocation: \$1,788,035

Tax Equivalent: 2.63 Cents

This allocation is typically paid for with revenues other than
GENERAL FUND revenues. Alternative funding sources should be explored.

Debt Service Summary:

	Annual Payment	Principal Outstanding Balance as of 6/30/2026	Retirement Retirement Date
EMS Bases	\$ 574,679	\$ 6,061,242	7/13/2040
Jail/Courthouse Renovations	\$ 198,037	\$ 721,280	3/5/2030
Courtroom Addition	\$ 468,528	\$ 2,638,533	4/18/2033
Total:	\$ 1,241,244	\$ 9,421,055	
Prior Year Debt Payments:	1,270,531		
Decrease in Debt Payments	\$ (29,287)		

Areas of Concern:

- Financial:
 - Fund Balance Appropriation: To meet the stated budget priorities, the budget recommendation appropriates \$922,187 of fund balance. According to the Local Government Commission, counties should meet the peer average for fund balance reserves, which is 50%. This appropriation will lower the available funds for McDowell County to approximately 32%. The FY 2028 budget would need to account for this appropriation and would likely need to be doubled to meet projected costs to maintain existing services.
 - Health Insurance: The budget recommendation does increase the per-employee-per-month cost to \$1,000, but the expected cost is approximately \$1,200 per employee per month. An additional \$885,600 would likely be needed to cover all of the expected costs during the year.
 - Revenue Sources: The budget is highly dependent on property tax revenues, which is the case for all counties. Additional options for revenue, such as the one-quarter sales tax and a household solid waste availability fee, should be strongly considered.
- Capital:
 - Emergency Services: The 911 Center has no space for growth. A Congressional appropriation of \$1.5 million has been received, and work continues on seeking additional grant sources for the project balance, which may be \$3-4 million.
 - DSS: There have been ongoing discussions over the last several years about finding a new home for DSS staff, whether a new building or a repurposed building.

- o Animal Services: The current animal shelter is inadequate and often receives criticism from the NC Dept. of Agriculture for space and condition issues.
- o 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.
- o Solid Waste Facility: 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:
 - o Several departments requested staffing changes not met in this budget:

▪ Sheriff's Office:	6
▪ Tax Assessing:	2
▪ 911 Center	1
▪ Total	9
 - o Several departments indicated that they would prefer to have additional staff, but did not formally request a position.
- Federal/State/Local Relationships:
 - o The federal and state governments continue to explore ways to reduce costs by shifting them to lower levels of government. For example, the One Big Beautiful Bill Act pushed approximately \$365,000 of administrative costs to the County.
 - o Additional concerns include the diminishing of federal and state disaster response.

Mr. Wooten covered the next steps. The Board will hold a public hearing on June 15th and will need to approve the budget by June 30th.

Adjourn

Vice-Chair Greene made a motion to adjourn at 9:35 am, with a second from Commissioner Ellis. By a vote of 5-0, the motion passed.