



**McDowell County
Fiscal Year
2024-2025
Budget Recommendation**

“Don’t tell me where your priorities are. Show me where you spend your money and I’ll tell you what they are.”

- James W. Frick



McDowell County Organization



Board of Commissioners

David Walker, Chairman
Tony Brown, Vice-Chairman
Chris Allison, Commissioner
Patrick Ellis, Commissioner
Lynn Greene, Commissioner

County Manager
County Attorney
Clerk to the Board

Animal Services
Building Inspections
Cooperative Extension
Elections
Emergency Services
Finance
Human Resources
Information Technology
Planning
Public Services

Library
Parks and Recreation
Register of Deeds
Senior Center Director
Sheriff's Office
Social Service
Soil & Water Conservation
Tax Assessing
Tax Collections
Tourism
Transit

Funded Agencies



Alcohol and Substance Abuse

Clerk of Court

Vaya Health

Foothills Health District

New Hope of McDowell

Carson House

NC Forest Service

Foothills Regional Commission

McDowell Arts Council

McDowell Chamber

McDowell County Schools

McDowell Tech Community College

Medical Examiner

Watershed Commission

Freedom Life

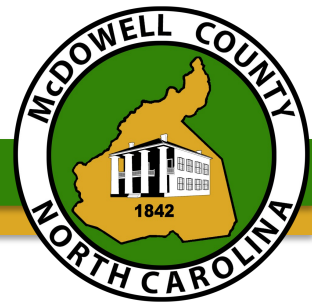
McDowell Pregnancy Center

WNC Communities

Fire Departments

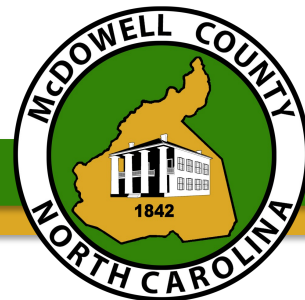


FY 2024 Review



FY 2024 Accomplishments

- Staff continues 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. A CAB grant will be awarded by the end of the fiscal year.
- A strategic planning process was initiated.



FY 2024 Accomplishments

- Bids were awarded for the the Hoppy Tom Hollow Road Water Project.
- A grant of \$2,836,740 was received from the State to construct water lines around NC 126 and the Lake Club (East End Project).
- Grants were received to extend a water line to West Marion Elementary.
- Construction began on the Recreation Center Improvement Project, which will feature a brand new pool and improved parking and access.



FY 2024 Accomplishments

- Construction began for Nebo Water System Phase 1A and 1B Expansion Projects for the extension of over four miles of water lines.
- Forza X1 purchased approximately 11 acres of property at the Universal Technology Park in order to construct their manufacturing facilities.
- Water and sewer lines were built to serve the building sites at the Universal Technology Park.



FY 2024 Accomplishments

- The Shooting Range continues to receive rave reviews from patrons. The Range hosted a large youth tournament with several hundred participants.
- The playground at the Maple Leaf Complex was completed.
- Black Bear Park and Campground opened to the public. The day use area and campground have proven to be very popular.



FY 2024 Accomplishments

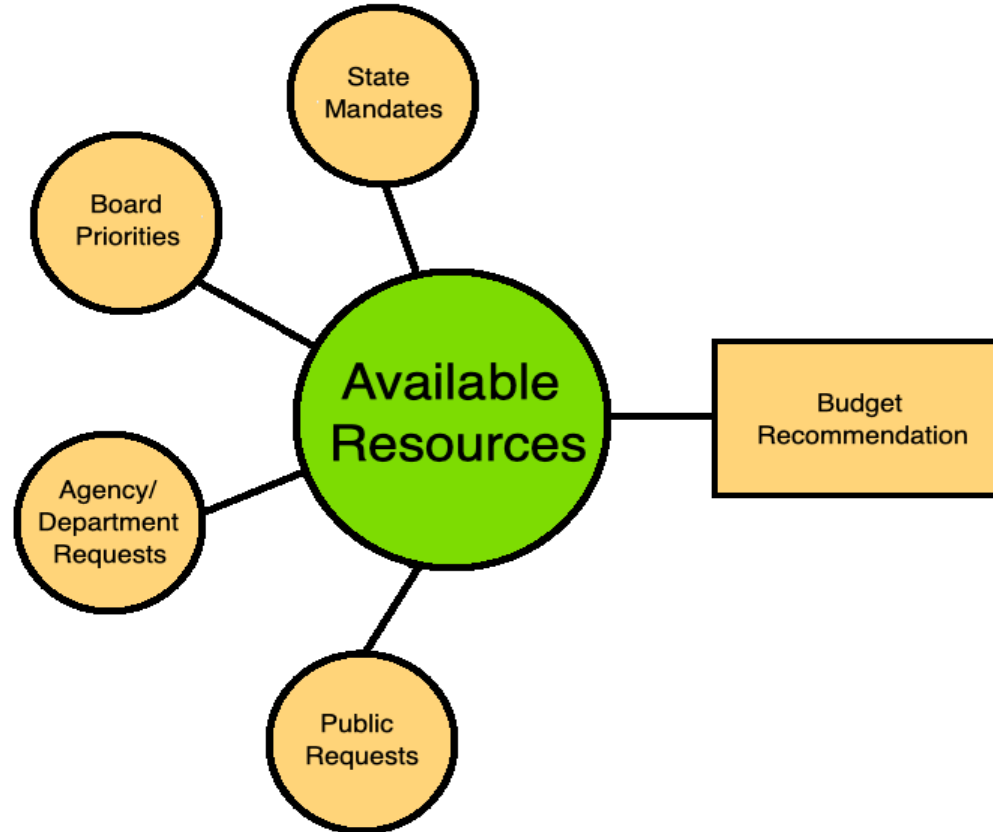
- Paving was completed at the Mental Health Building and the Sugar Hill Convenience Center.
- The County's engineers have prepared a transfer station repair plan that will be initiated in FY 2024.
- Design and planning of various building projects continued during the year including, DSS, the Services Building, the Animal Shelter, and others.
- The former EMS Station 1 was demolished clearing the way for future development.



FY 2025 Overview



Constructing A Budget



FY 2025 Budget Priorities

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



FY 2025 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.



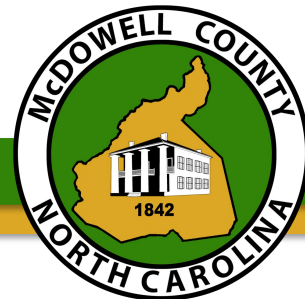
New Expenditure Impacts

Public Safety

EM Operating and Capital	\$42,870
Sheriff's Office Operating and Capital	\$103,093
911 Salaries and Benefits	\$55,096
Sheriff's Office Salaries and Benefits	\$146,471
Detention Salaries and Benefits	<u>\$59,404</u>
Total:	\$406,934

County Organization Improvements

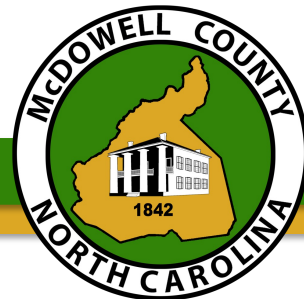
Current Year raise and benefit impacts	\$570,034
Health Insurance	\$200,400
Retirement System rate increase	\$290,800
Additional Tax Assessing Staff	\$60,000
DSS Medicaid Staffing	\$31,762
NEO Gov Software	<u>\$26,760</u>
Total:	\$1,179,756



New Expenditure Impacts

County Facilities and Equipment

EMS Capital Debt	\$93,511
Sheriff Capital Debt	\$147,821
Waste Collections Capital Debt	<u>\$22,420</u>
Total:	\$263,752



New Expenditure Impacts

Community and Economic Development

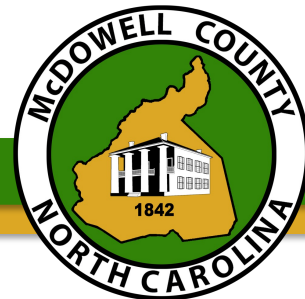
Transportation Capital (Vans)	\$210,000
Recreation (Includes Black Bear Camp)	\$ 83,092
Facility Maintenance	\$ 72,700
Animal Services	<u>\$ 74,898</u>
Total:	\$440,690



New Expenditure Impacts

Community and Economic Development

Increased Waste Disposal Cost	\$38,173
Health Department Operations	<u>\$30,180</u>
Total:	\$68,353



Budget Proposal

Fiscal Year

2023-24 to 2024-25

2023-24 Budget Ordinance	2024-25 Proposed Budget	Difference
\$61,795,078	\$63,705,502	\$1,910,424 or 3.09%



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	63,705,502	1,910,424	3.09%



Request vs. Recommendation

- Department heads and external agencies requested **\$66,928,361** in their submitted budgets, which is **\$3,715,403** over what is in the recommended budget.
- The tax rate would need to be 0.6325 cents to meet all of the requests.

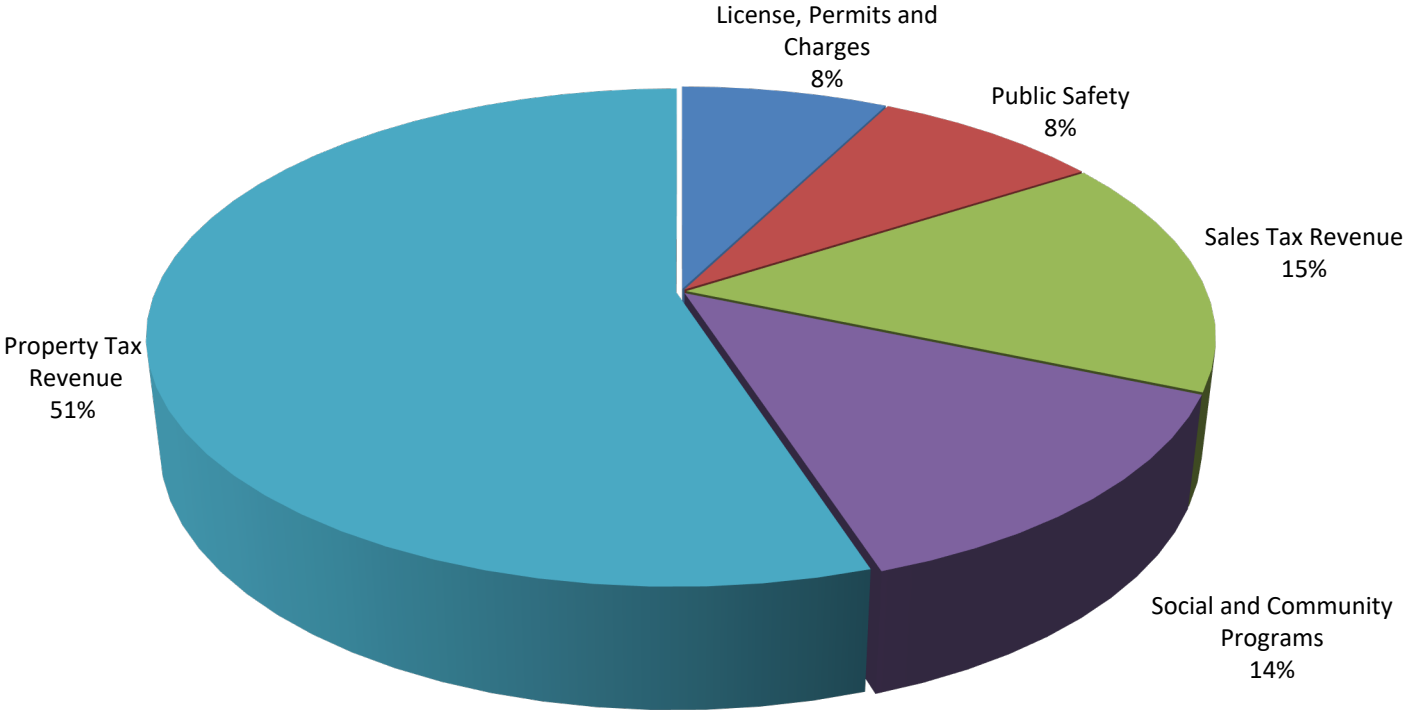


Proposed Tax Rate .5675 Cents

	<u>Tax Rate</u>	<u>Tax Base</u>
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
2020-21	0.5875	4,522,123,534
2021-22	0.5775	4,640,208,348
2022-23	0.5775	4,774,680,712
2023-24	0.5675	6,025,526,100
2024-25	0.5675	6,200,811,647



Revenue Overview

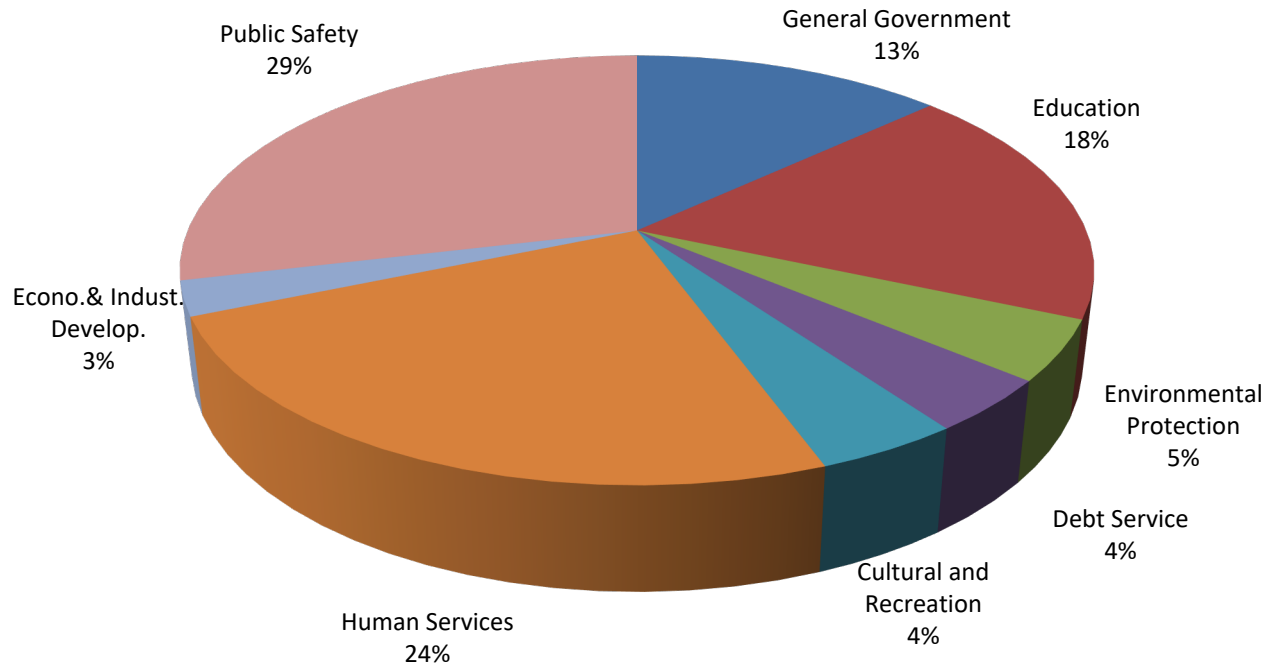


Significant Revenue Changes

	<u>2023-2024</u>	<u>2024-2025</u>	<u>CHANGE</u>	
Property Tax	34,196,261	35,052,000	855,739	2.50%
DSS Revenue	7,632,524	7,325,238	(307,286)	-4.03%
<u>Sales and other Taxes</u>				
Article 39	5,092,035	5,270,200	178,165	3.50%
Article 42	546,000	635,000	89,000	16.30%
Article 44	800,000	925,000	125,000	15.63%
Interest Income	350,000	750,000	400,000	114.29%
Transportation	545,361	742,875	197,514	36.22%



Expenditure Overview



Local Education Funding

	2023-2024	2024-2025	GROWTH	PERCENT
McDowell County Schools				
1. Current Expense	\$ 9,611,000	\$ 9,900,000	\$ 289,000	3.01%
2. Capital Outlay	\$ 54,800	\$ 54,800	\$ -	0.00%
Total Operational:	\$ 9,665,800	\$ 9,954,800	\$ 289,000	2.99%
3. Supplement	\$ 336,000	\$ 336,000	\$ -	0.00%
McDowell Technical				
1. Current Expense	\$ 1,166,000	\$ 1,191,000	\$ 25,000	2.14%
2. Old Fort Project	\$ 13,500	\$ 27,000	\$ 13,500	100.00%
2. Capital Outlay	\$ 152,450	\$ 163,950	\$ 11,500	7.54%
Total Operational:	\$ 1,331,950	\$ 1,381,950	\$ 50,000	3.75%
3. Debt Service	\$ 35,937	\$ -	\$ (35,937)	-100.00%
4. Special Projects	\$ 25,000	\$ 25,000	\$ -	0.00%



General Fund Allocation

Solid Waste Fund Allocation: \$1,641,693

Tax Equivalent: 2.89 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 6/30/2024	Retirement Retirement Date
EMS Bases	\$ 596,667	\$ 6,897,275	7/13/2040
Jail/Courthouse Renovations	\$ 207,485	\$ 1,081,921	3/5/2030
Courtroom Addition	<u>\$ 495,667</u>	<u>\$ 3,392,400</u>	4/18/2033
Total:	\$ 1,299,819	\$ 11,371,596	
Prior Year Debt Payments:	<u>1,329,107</u>		
Increase in Debt Payments	<u><u>\$ (29,288)</u></u>		



Future Concerns - Capital

- Social Services - While there have been discussions, there is no concrete plan for replacing the DSS buildings. The size of the department (over 100 and growing) would require a building of around 30,000 square feet or larger. A building of that size will be a significant expense.
- 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.



Future Concerns - Capital

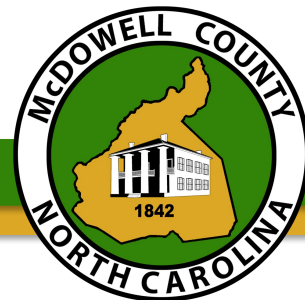
- Judicial Functions - Court and judicial related operations (including Probation/Parole) continue to grow, creating space burdens for the County. For example, Probation/Parole is in two separate buildings. The second floor of the Services Building has been explored as a home for that function, but the entire floor would be needed, which would displace the current four tenants.
- Public Services – The Board has endorsed a plan to repair the Transfer Station using federal and state funds. The Board has also endorsed seeking federal funding to make more significant improvements to the site including a new Transfer Station, scalehouse, etc.
- Transit – Our Transit Department continues to function out of leased space. Staff has sought planning grants that would provide a glide path for a standalone facility using construction grants. A location and potential matching funds will need to be considered.



Future Concerns - Staffing

Several departments requested staffing changes not met in this budget, but should be considered in future years:

- Social Services:	22
- Animal Shelter	1
- Emergency Services:	3.5
- Sheriff's Office:	3
- Tax Assessing:	3
- Human Resources	.5
- Building Inspections:	.5
- Board of Elections	1
- Register of Deeds:	0.5
- Total	35



Next Steps

1. Board will hold public hearing on June 10.
2. Board will need to approve budget by June 30.

