# Caldwell County
# North Carolina
# Board of Commissioners Meeting

June 1, 2026, at 6:00 PM
City-County Chambers
905 West Avenue NW, Lenoir

## MINUTES

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**Attendance**

Randy Church, Chairman
Mike LaBrose, Vice Chairman
Jeff Branch, Commissioner
Donnie Potter, Commissioner
Patrick Starnes, Commissioner
Shane Fox, County Manager
Dylan Laws, County Attorney
Tasha Brown, Clerk to the Board

**Call to Order**

Chairman Church called the meeting to order at 6:01 PM.

**Consent**

Chairman Church turned the meeting over to County Manager, Shane Fox to present the Consent Agenda.

1. **Fireworks Permit Approval- Town of Rhodhiss**
   The Town of Rhodhiss is requesting approval of a firework application to be conducted on June 13th, 2026, located at 101 West Caldwell Drive Granite Falls, NC.

2. **Budget Revision - Extra Funding for the School System**
   This budget revision appropriates $30,000 from Article 524 Sales Tax monies to be paid to the public school system to help them cover the travel costs associated with several sports teams.

Commissioner Starnes made a motion to approve the Consent Agenda as presented. The motion carried unanimously.

Chairman Church recognized the South Caldwell Lady Spartans softball team who won the State Championship as well as the South Caldwell men's baseball team, and the Hibriten women's soccer team, who both also competed in their State Championship games and represented Caldwell County.

**Agenda Items**

**3. FY 2026 - 2027 Budget Presentation**

County Manager Shane Fox came to the podium and presented the proposed budget for Fiscal Year 2026-2027. Mentioning that it will be available on the website to review after the meeting. He then listed a brief overview of the items that would be discussed. Starting with budget objectives. Fox stated that we are always looking to maintain or improve the services we provide. Considering priority based needs not wants. He added that an analysis of financial position for the prior Fiscal Year 25/26, a review of prior years and actuals and another objective is keeping an eye on the future, debt roll offs, and projects. Fox said that one of the main objectives are the property tax impact on citizens. Fox then gave a brief review of the current 2025-2026 general fund highlights. He said that when reviewing we must look at the amended budget number. There were a few changes after the prior budget was adopted, including EMS raises, Sherrif Department raises and a few other items of rollovers and grant monies for DSS and Health. Making the original previous budget adopted $105,232,133 and the amended total $109,404,861. He then reviewed factors going into the Fiscal Year 2026-2027 budget. He said the ending of 2025-2026 was strong, and Fund Balance should increase approximately 2%. He added there is moderate debt roll-off in 2026-2027. Health insurance increased around $1 million and this is a mandated charge through the State Health Plan. Retirement system mandated rates are up $2 million also mandated. With these mandated increases, all department heads were asked to hold the line. He added that with reengineering several areas it has allowed for several positions already to be eliminated in the current year.

Chairman Church asked about the retirement increase and what percentage increase they were now requiring per employee. Fox replied that it is a 3% increase overall, for all employees.

Fox said the proposed 2027 budget totals $110,966,452 a 1.4% increase from the revised 2025-2026 budget. He then discussed General Fund Revenues by type starting with property taxes stating they make up 50% of budget with departmental revenues at 21%, Sales Tax 11%, Vehicle Tax 4%, other general revenues 3%, Transfers In/Installment 2% and the budget is balanced with 8% of appropriated fund balance. Fox then stated that the proposed property tax base was $11,520,000,000 up $400 million from 2026 to 2027, adding that the majority of this increase is due to Google and new construction. Fox said that a .02 tax cut is being proposed to make the rate .4775 per $100 for FY 2027 down from .4975

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for FY 2026 and down from .63 for FY 2025. Fox then explained property taxes and the value of a penny. With the total tax base at $11.52 billion and a tax rate of 47.75 cents the value of a penny will be $1.15 million. Adding that a .02 cent tax rate cut equals a $2.3 million cut in the budget. Fox then spoke about how our property tax rate compares to other counties and neighbors. At .4975 in 2025 Caldwell County was 25th lowest in the state. Alexander has proposed a .02 decrease making their rate .63, Burke County has a rate of .55 and Lincoln .499 and Wilkes at .42. Fox said that there are a lot of counties and municipalities across the state proposing increases for 2027. With the proposed rate of .4775 Caldwell County would be around the 22nd/23rd lowest rate in North Carolina out of 100 counties. Fox then spoke about sales tax revenue, having seen an increase of 14% in actuals year to date. He added the proposed budget has been kept at actuals. With that a $1.5 million increase in sales tax revenue with a proposed total of $12,650,000. Fox then added that it is believed that the increase in sales tax is simply due to items costing more and this is seen statewide.

Fox said that General Fund fees have no changes being proposed across the board, with the only fee changes being proposed for EMS. Fox noted a couple departments are self-sustaining with their fees. Adding Building Inspections and Register of Deeds both have fees that offset their expenditures. He then spoke about the EMS Fee changes, mentioning that the proposed rate is to align us with the current Medicare Fee Schedule. Fox then said that there are no major changes with other revenues, however, the County is watching the HR1 Bill and potential impacts it may have on the DSS/Health departments. Fox said that Landfill Revenue continues to remain strong. Mentioning that host fees total $1.1 million and methane gas revenues total $600,000. He then noted that last year the Board voted to move methane gas fees to a Capital Project Fund for future landfill costs. Investment income continues to remain high with a proposed budget of $1 million. He then presented a brief overview of the highlights and above-mentioned topics.

Fox then moved on to General Fund Expenditures and spoke about how the County spends a dollar. Noting by function Public Safety is 31%, Human Services 25%, Education 17%, General 14%, Economic Development 7%, Debt Svc/Capital Outlay 5%, Cultural/Parks 2%. Fox stated that when the Expenditures are broken out by type Salaries are 36%, Operating Expense 27%, Education 17%, Benefits 16%, Debt Service 3%, and Capital Outlay 2%.

Fox then presented a slide detailing Salaries and Full Time Employee's. He mentioned that as part of this budget the Sheriff's Department has 1 new detective, Communication has 5 FTEs (Lenoir) revenue does offset cost. No other new FTE's.

Reengineering departments have netted several less FTE's providing cost effectiveness. Fox added that there are no proposed salary adjustments. However, the Merit system remains in place at $1,000 for Merit 1 and $2,000 for Merit 2 ($700,000 total) with the average salary at $56,000, with the merit at that rate it is a 1.8% or 3.6% increase. Fox then said that with the health insurance increase of $1 million it is equal to a 2.5% COLA and retirement increase of $1.8 million that is equal to a 4.5% COLA. Fox spoke about employee benefits continuing to rise

primarily with insurance. Fox showed the 2026 premiums for health insurance, noting that $800 is budgeted per employee for health insurance with the State Health Plan. Fox then listed all other employee benefits that are offered, mentioning there are no proposed changes to those benefits.

Commissioner Starnes asked if the $56,000 average pay does not have the benefits included. Fox answered, that is just average salary with no benefits included. You can typically expect to add 30% to the salary to cover total cost with benefits and salary paid out. The average salary does not include any overtime.

Commissioner Potter asked for clarification if we are one of the only counties among our neighbors who pay longevity. Fox stated he has not checked that, but it may be a good possibility that is true.

Vice Chairman LaBrose mentioned that we are one of the only Counties that recognize state accruals. Manager Fox said yes, we do accept prior years of service as well. Chairman Church added that we have been able to hire several State employees who have been able to have their prior service recognized.

Chairman Church spoke about the marketplace cost for health insurance and the difference in the cost of it being so much higher than the state health plan.

Vice Chairman LaBrose asked the Chief Finance Officer, Tony Helton, how much does medical insurance cost per year. Mr. Helton said he did not have that number off the top of his head, but it is a big number. LaBrose added that health expenses continue to rise, and he is not sure if it would be beneficial to look at a self-pay plan again, and it may be something to think about. Chairman Church added that it would take special legislation to be taken out of the State Health Plan.

Fox then discussed Capital Outlay and showed declining spending trends in the last few years. He added that the decline in spending does not mean we are not purchasing needed items, we are looking at ways to re-engineer plans. This includes fewer take-home vehicles, providing less mileage on vehicles and trying to reuse and reallocate items departmentally. Fox then presented a list of the items proposed to be purchased for capital outlay including replacement of handguns, SWAT body armor, fleet computers, six marked patrol cars, two unmarked, and one truck for the Sheriff's Department. An ambulance remount and AEDs for public buildings for EMS.

Two Ford F150s, 2 climate-controlled dog boxes, and markings and lighting for trucks for Animal Control. AP replacements for ACE and HHS, four Lenovo servers, scanner, switches, and etherscope network tester for IT. All proposed items total $1,496,793.

Commissioner Potter asked about the ambulance remount, and if it was just for one ambulance. Fox replied, yes. Potter then asked for clarification that the ambulance box would be taken and put on a new chassis for $382,000. Fox said yes and they revamp the box. Potter said we used to be able to buy a brand-new ambulance for

less than that. Fox said the cost does include mounting the box on the new chassis as well as revamping the box making it up to date and it includes the stretcher which alone cost $70,000. Potter asked how much a new ambulance cost now. Emergency Services Director, Trevor Key, said around $495,000. Commissioner Starnes asked how much could you sell the old ambulance for and use to buy a new one at $495,000. Key responded it would sell for around $20,000.

The next topic Manager Fox spoke about was Debt Service. Fox said that General Fund Debt is trending downwards. Adding that the Faye Broyhill Building was paid off in the current year, which is equal to $498,000 annually coming off. He added that Fiscal Year 2026-2027 is a big year for debt roll off that includes the Early College Towers ($866,000) and the Human Services Building ($672,000). Looking at 2027 and beyond there will primarily be two pieces of debt for EMS Lenoir Bases and Animal Control Building and the 59mo debt for rolling stock.

Fox then reviewed Operating Expenditures and looked at overall expenditures trending down. Fox added that forty departments/areas of the budget are down this year from last. He said this is accomplished by looking at budget vs actual.

The next topic reviewed in the proposed budget was special appropriations. Fox stated that there were no changes to current year budget amounts except for the following, two new requests – Forestry Service requested $37,000 increase from $113,000 to $150,000 to cover the local portion of a truck and provides continued funding for a County and Assistant Ranger and Smokechaser – Fairgrounds requested $12,000 for a water line installation from the one-time appropriation grant pool. Mr. Fox stated that all parks remain at the same levels as the prior year.

Fox then spoke on Education. Starting with Caldwell Community College. CCC&TI requested a $4.9 million budget, the County has included $3,953,797 which is the same as the previous year plus $140,000 for building a roof replacement to be paid for from 524 sales tax money, that is monies that can only be used for education or economic development. Mr. Fox then spoke about Caldwell County Schools stating that the budget of $14,800,000, which is the same as the previous fiscal year, is included plus an additional $500,000 for SRO funding paid for from 524 sales tax money. Fox believes that the school system has been awarded a grant of $200,000 for SRO's and with an additional $500,000 from the County the school system should be made whole for School Resource Officers.

Chairman Church asked if that is in addition to the $600,000 that we already contribute to SRO's. Mr. Fox replied yes, the $500,000 is in addition to the $600,000 the County already contributes through the general fund for School Resource Officers.

County Manager Fox then provided a brief overall summary of all topics discussed during the meeting for the 2026-2027 budget. Fox stated that he hopes the budget is satisfactory to all who view it.

Chairman Church asked if we need to look at a threshold of what we need to maintain

in Fund Balance for a policy to not jeopardize state funding and various things. Fox stated that we spoke on how that number has changed at the workshop. He added that a lot of counties have gone to ranges 18-22%. Fox does think it is a conversation that needs to be had. And understanding what our goal should be. Chairman Church believes it would be good to establish a baseline for Administration and the Manager.

Chairman Church stated that he appreciates the managers efforts with this budget. And commended him to be able to announce that we can cut .02 cents on the tax rate and it is a benefit to our citizens. Our citizens have felt that just like we all have. When the state gives unfunded mandates; we can only do so much. Otherwise, I would like to cut it more.

Mr. Fox then spoke about the Water Fund. He mentioned there is a proposed 5% increase to rates. Adding that the county purchases water from the City of Lenoir and they are increasing the cost 5% and the county policy is to pass that along to maintain this fund as the Water Fund, must be self-sufficient. He said that this increase for a typical 3000-gallon invoice would be $31.13 increased from $29.68 having a total increase of $1.45 per month. With invoices over 3,000 gallons including $6.82 per 1000 gallons used over 3000 gallons. This budget does include the purchase of one CAT backhoe for needed capital equipment. Fox then presented a list of the water rates for neighboring counties and how Caldwell County compares. He then listed for a 3,000-gallon bill in Caldwell County would be $31.13 per month, Alexander County $54 per month, and Burke County $49.50 per month.

Fox then spoke about Fire Departments. He mentioned that only one fire department requested an increase. Sawmills requested an increase from .105 to .14 Fire and .03 to .04 Rescue or from .135 to .18 combined. Fox then added that this increase is not included in the budget due to a potential ongoing merger taking place between the fire department and the Town of Sawmills. With this proposed budget all fire departments tax rates remain flat.

Fox then spoke on the last topic, the Opioid Settlement Fund. He stated that the approximate total to be received in this fund from 2022-2038 is $16 million. The fund currently has a cash balance of $4 million. The 2026-2027 Budget proposed is $815,000, this total includes a new Peer Support Specialist for Drug Court as the only change being requested. Mr. Fox then provided the date, June 22nd, for the public hearing and possible budget adoption.

Vice Chairman LaBrose thanked Mr. Fox for a great presentation.

Commissioner Potter thanked the manager and staff for the work they have done and commended the good job they have done.

Commissioner Starnes said he appreciated the work the Manager and staff have done.

Mr. Fox then stated that the proposed budget would be available online the next day following this meeting and hard copies would be available to the public to view as well.

**Closed Session Pursuant to NCGS 143-318.11(a)(4)**

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Chairman Church made a motion to enter into closed session pursuant to NCGS 143-318.11(4)(4) to discuss potential economic development projects at 7:05 PM.
The motion carried unanimously.

**Adjourn**

Commissioner Branch made a motion to adjourn at 8:50 PM.
The motion carried unanimously.

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