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**BOARD OF COMMISSIONERS  
BUDGET WORK SESSION** April 28, 2026

**ALEXANDER COUNTY  
STATE OF NORTH CAROLINA**

**PRESENT:** Larry Yoder, Chairman  
Josh Lail, Vice-Chairman  
Kent Herman  
Marty Pennell  
Ronnie Reese

**STAFF:** Ben Faulkenberry, County Attorney  
Gary Herman, PIO  
Jennifer Herman, Finance Director  
Justin Mundy, County Manager  
Jamie Starnes, Clerk to the Board

The Alexander County Board of Commissioners held a budget work session on Tuesday, April 28, 2026 at 5:00 PM in the Administration first floor conference room in Taylorsville, North Carolina to discuss the FY 2026-2027 budget.

**FIRE TAX INCREASE REQUESTS**

Chief Scotty Abernathy from Stony Point Fire Department, along with Deputy Chief Chad Cockrell and Board President Phillip Starnes, were present to request a one-cent fire tax increase, which would generate approx. \$29,000 at a 100% collection rate. The request was driven by rising expenses related to fuel, insurance, staffing, and equipment. Chief Abernathy reported that fuel costs totaled \$8,000 for the current year and are projected to increase to \$10,000 next year. He also mentioned the need to purchase five sets of turn-out gear this coming year and explained that obtaining grant funding had become increasingly difficult for fire departments.

Chief Donovan Howell, along with Board President David Cozart, requested an increase in the fire tax rate for the Ellendale Fire District from 7.8 cents to 10 cents. He provided cost comparisons for turn-out gear and, in addition to concerns previously expressed by Stony Point Fire, cited the department's aging front-line engine, which is now more than 20 years old. They would also like to establish a secondary station to bring more residents within their 5-mile response radius. If approved, the proposed fire tax increase would generate an estimated net revenue of approx. \$80,000, compared to the current \$6,900.

**ANIMAL SERVICES REQUEST**

Jennifer Sigmon, Animal Services Director, requested \$50,000 for updates to the animal shelter facility. Proposed improvements include repairs to the buckling floor, construction of a second bathroom to separate staff and public use, and relocation of the front entrance to the end of the building. The entrance relocation would help separate the public from the noise and odors associated with the animal holding areas, improve communication between staff and visitors, and enhance traffic flow within the parking lot. She also noted that animal meet-and-greets were held in the lobby and expressed the need for a dedicated adoption room where the public can interact with animals in a quieter environment away.

An additional \$50,000 has been requested to renovate a nearby block building currently being used for storage into a dedicated space for spay and neuter procedures. Ms. Sigmon explained that only one local veterinarian performs these surgeries, with numerous restrictions, including no longer accepting dogs and limiting services to animals below a certain weight. Although the shelter has partnered with a mobile spay/neuter bus, the service does not accommodate large dogs. Efforts to partner with other organizations have often ended unsuccessfully and transporting animals to other counties for surgeries has become costly. She emphasized that the proposal would initially focus on surgeries for shelter animals, with a long-term goal of expanding services to the public.

In regards to staffing needs, Ms. Sigmon requested an additional part-time Animal Care Technician to assist with daily cleaning, medications, and feeding animals, noting that new state interaction requirements have significantly increase staff workload, leaving little time for other duties. In addition, a full-time Administrative Assistant was also requested to help manage paperwork, caseloads, public records requests, state reporting requirements, and public relations. She also expressed interest in expanding community outreach programs such as pet food pantries, vaccine clinics, microchip events, etc. which is not possible at current staffing levels.

## **CAPITAL OUTLAY ITEMS**

Justin Mundy, County Manager, reviewed several capital outlay items that had been removed from the FY 2026-2027 budget including the Emergency Management storage warehouse (\$750,000), an ambulance (\$368,873), and paving at the main Library (\$60,000). He noted that a budget amendment would be presented later in the year if the ambulance arrived sooner than anticipated and that paving at the main Library would likely occur during this budget year.

## **PERSONNEL**

The Emergency Management Administrative Assistant position has been removed from the proposed budget, as Mr. Mundy believes some responsibilities can be reassigned to assist the department. After discussion, the Board also agreed to remove the 911 Telecommunicator and the Animal Services Administrative Assistant. All other personnel requests will remain in the budget.

Mr. Mundy reported that the 2.5% COLA and 2% 401(k) match remained, along with \$500,000 in contingency to implement results of the internal salary study. A total of \$100,000 is also included

as a placeholder for merit bonuses associated with annual performance evaluations. Recommended amounts are \$250 for “slightly exceeds expectations” and \$750 for highly performing employees.

The Board was open to a 3% COLA if financially feasible and asked Mr. Mundy to calculate costs.

## **SPECIAL APPROPRIATIONS**

Mr. Mundy requested guidance on special appropriations to include non-profit funding requests. After discussion, the Board agreed that no new non-profit organizations would be funded. Funding for Habitat for Humanity and the Bridge Community will remain at current levels. The Board also approved increases in appropriations for Alexander Rescue Squad by \$5,000 and the Hiddenite Center by \$20,000.

## **ALEXANDER COUNTY SCHOOLS**

The Board reviewed Alexander County Schools’ budget request totaling \$8,426,361, an increase of \$348,321 to cover a School Nurse funding shortfall (\$91,503, NC Pre-K funding shortfall (\$73,094), Media/Innovation Coordinator at Ellendale Elementary (\$41,575), and salary increases for employees paid with local funds (\$142,149).

Following discussion, it was agreed to invite Superintendent Dr. Bill Griffin to attend the May 12<sup>th</sup> meeting to provide additional information and answer questions.

## **FUND BALANCE & PROPERTY TAX RATE**

Mr. Mundy said he had reduced the required Fund Balance appropriation for FY 2026-2027 to \$5.9 million based on maintaining the current property tax rate. He presented two revenue scenarios for the Board’s consideration: one at the current tax rate of 65 cents and another at a reduced rate of 62 cents.

He explained that a 3-cent reduction in the tax rate would increase the required appropriation from Fund Balance to approx. \$7.2 million, noting his belief that Fund Balance would likely be utilized under that scenario.

## **CLOSED SESSION – N.C.G.S. 143-318.11(a)(5 & 6) CONTRACTUAL & PERSONNEL**

Commissioner Reese made a motion to enter into Closed Session at 8:08 PM to discuss contractual matters and personnel issues pursuant to N.C.G.S. 143-318.11(a)(5 & 6). Commissioner Pennell seconded the motion, which passed unanimously.

## **ENERGYUNITED WATER CORPORATION WATER PURCHASE AGREEMENT**

Upon returning to Open Session, Chairman Yoder made a motion to renew the agreement authorizing Alexander County to sell up to 500,000 gallons of water per day to EnergyUnited Water Corporation for \$2.25 per thousand gallons through July 31, 2029. Vice-Chairman Lail seconded the motion, which passed unanimously.

## **ADJOURNMENT**

There being no further discussion, the meeting was adjourned at 8:35 PM.

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Larry G. Yoder, Chairman

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Jamie M. Starnes, Clerk to the Board