



catawba county

MAKING. LIVING. BETTER.

FY2026-27 Recommended Budget

County Manager Mary Furtado

May 11, 2026

FY2027 Guiding Principles: Setting the Target

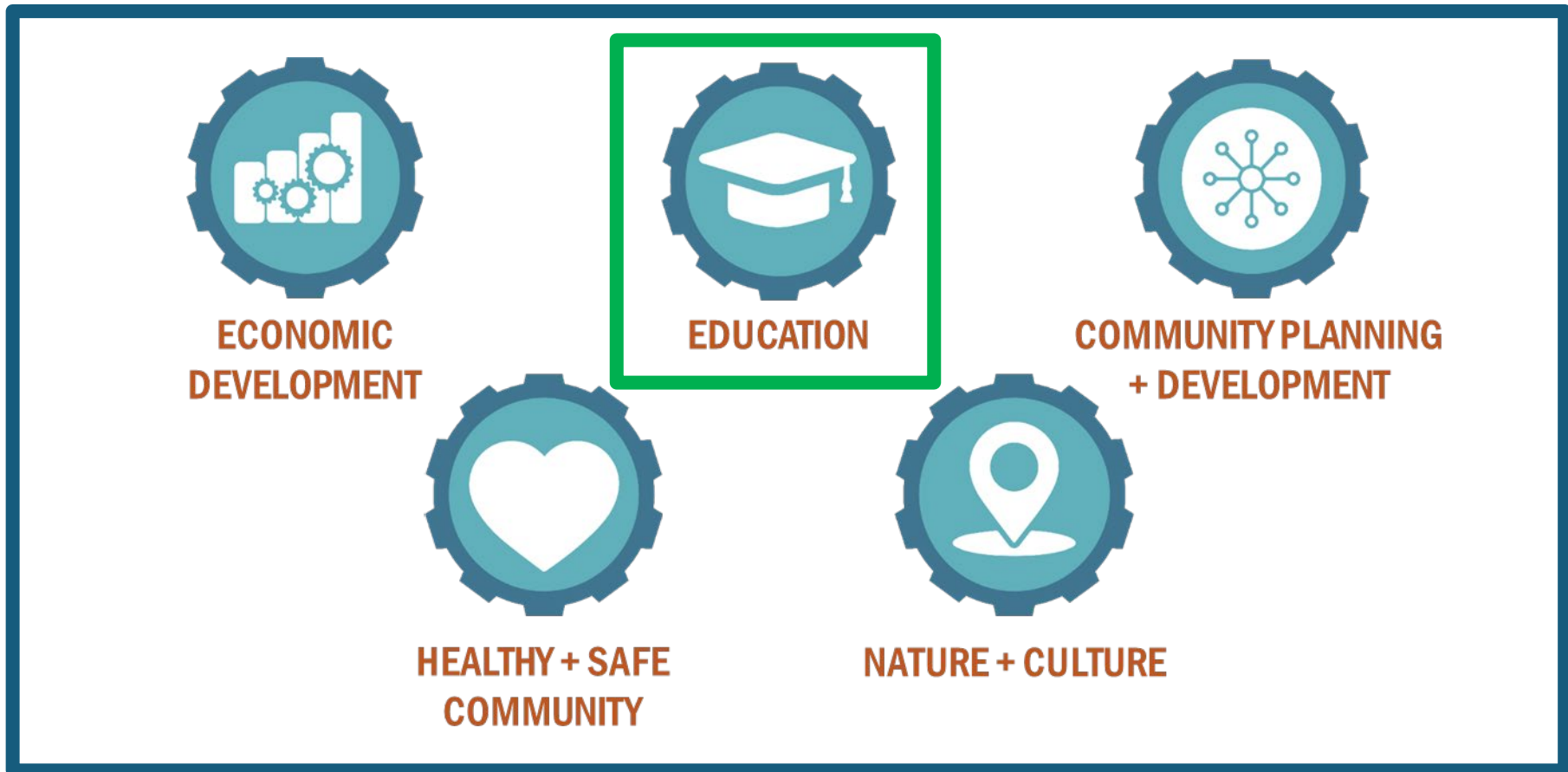
- Strategic Plan Investments: sustain services to support quality of life
- Address existing commitments while planning for the future – *don't kick the can*
- Anticipate needs on the horizon; build plans for adaptability and agility
- Take care of our people – *retention is the new recruitment*



Catawba County Strategic Plan



Success for Catawba County means driving economic and population growth through creating jobs and enhancing our strong quality of life.



FY 2027 Recommended Budget: Where We're Landing

- Property tax rate: 42.35 cents per \$100 valuation (+2.5 cents)
- Total Budget: \$369,702,666 (+9.1%)
- Total General Fund Budget: \$272,657,682 (+6.4%)
- Staff 1,254.45 full-time equivalents (+23 positions, or 1.9%)



FY2027: Strategic Approach to Community Priorities

Existing Rate: Sustaining Services

- EMS Crew Expansion (6): Hickory
- Sheriff Detention Officers (12*)
- U&E: Building Services Official
- Public Health: Community Health Worker
- Tax Real Property Appraiser
- Social Svcs: Social Worker III (2)

Tax Increase: Schools Construction

- Dedicated revenue for school construction – expansion beyond current commitment
- Increase generates \$8.1M in FY27
- Over time, annual revenue stream sufficient to support \$264M in debt-funded projects

** beginning 4/1/27*



Recommended Tax Increase Committed to Education

- FY26 adopted tax rate: \$.3985
 - 4.33 cents dedicated to schools construction
- FY27 recommended tax rate: \$.4235; yields \$264M in project capacity
- County-wide school facility pressures (\$600M+) far exceed existing tax rate capacity

Catawba County Schools: Middle Schools	\$	120,000,000
Catawba County Schools: Additional Portfolio	\$	365,000,000
Hickory City Schools: Hickory High School*	\$	129,000,000
	\$	614,000,000
<i>* excluding \$26M in existing appropriations</i>		



Recommended Tax Increase Establishes Pathway Forward

- Planned \$136M debt issuance for schools' construction (mid-2027)
 - N-C High School Phase II: \$16M (funded in current tax rate)
 - CCS Middle School expansion: \$120M (funded by proposed tax increase)
- Creates funding stream certainty to support scenario-based planning in face of shifting schools' operating dynamics; gives BOC options for a minimum of \$144M in future projects

Schools Project Capacity - 2.5 cents	\$	264,000,000
Catawba County Schools: Middle Schools	\$	120,000,000
<i>remaining project capacity - priority tbd</i>	\$	144,000,000



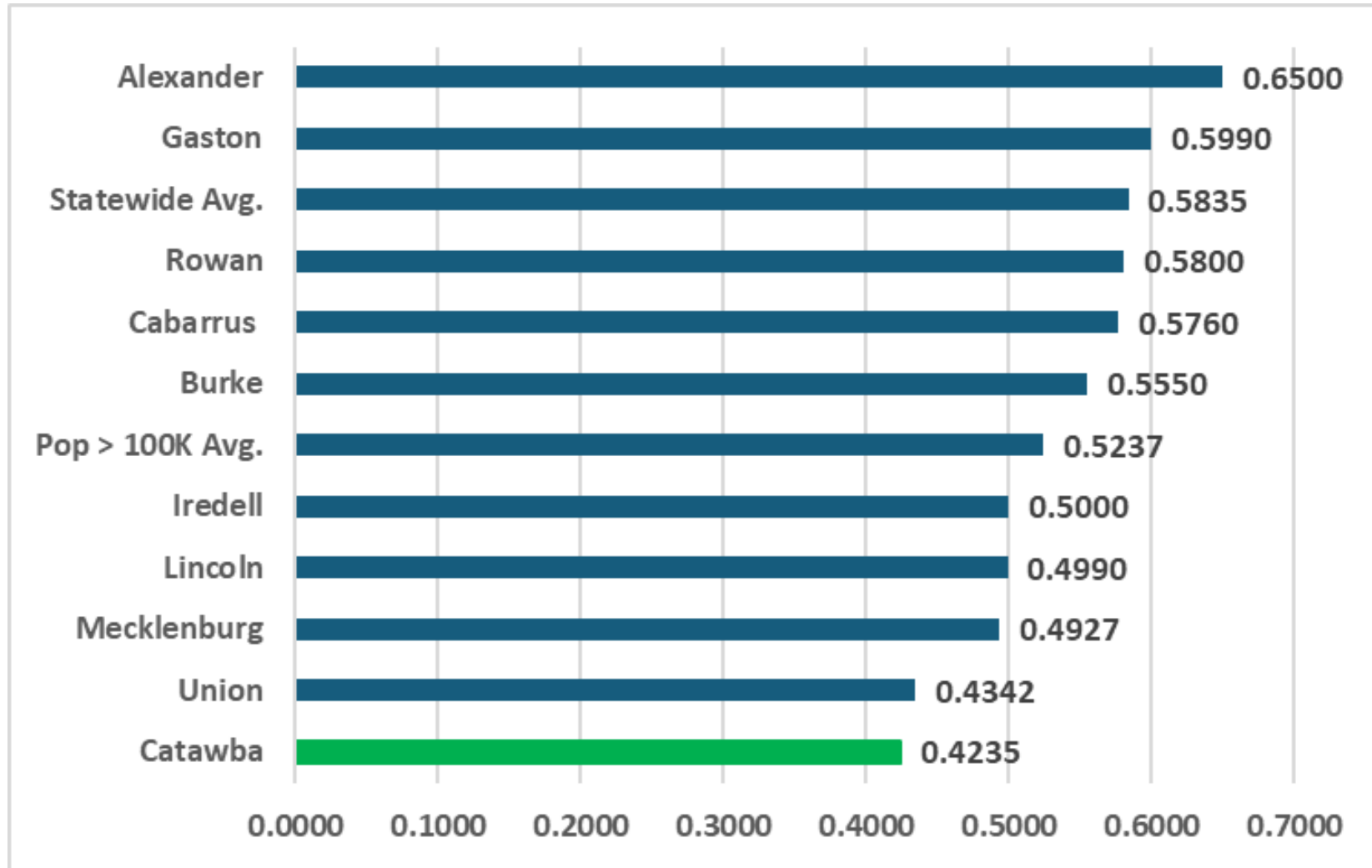
How Would This Impact the Average Tax Bill?

2027 Single-Family Home (average value) = \$327,300

FY27 Tax Bill (.4235 rate)	\$	1,386.12
FY26 Tax Bill (.3985 rate)	\$	1,304.29
annual impact	\$	81.82
monthly impact	\$	6.82



Catawba County's Tax Rate Would Still Be Lowest in Region



FY2027 Major Revenue Summary

Area	FY2026 Adopted	FY2027 Requested	FY2027 Recommended	\$ Change	% Change
Property Tax	\$126,384,000	\$131,001,500	\$139,104,500	\$12,720,500	10.1%
Fire Prot. Service District	\$14,390,673	\$15,757,473	\$15,143,851	\$753,178	5.2%
Sales Tax	\$57,600,000	\$62,440,000	\$62,847,673	\$5,247,673	9.1%
Other Taxes	\$3,057,500	\$2,046,500	\$2,046,500	-\$1,011,000	-33.1%
Federal	\$18,844,688	\$17,334,633	\$17,334,633	-\$1,510,055	-8.0%
State	\$10,140,401	\$9,668,413	\$9,686,522	-\$453,879	-4.5%
Federal & State	\$6,694,128	\$6,748,451	\$6,748,451	\$54,323	0.8%
Local	\$6,113,997	\$6,435,353	\$6,442,269	\$328,272	5.4%
Permits & Fees	\$32,133,439	\$33,641,743	\$34,433,205	\$2,299,766	7.2%
Miscellaneous	\$4,373,122	\$4,378,788	\$4,618,788	\$245,666	5.6%
Transfers	\$19,070,959	\$26,040,949	\$30,796,058	\$11,725,099	61.5%
Fines & Forfeitures	\$534,744	\$534,744	\$534,744	\$0	0.0%
Other Sources	\$26,458,397	\$24,065,872	\$24,065,872	-\$2,392,525	-9.0%
Fund Balance	\$12,909,888	\$49,022,799	\$15,899,600	\$2,989,712	23.2%
TOTAL	\$338,705,936	\$389,117,218	\$369,702,666	\$30,996,730	9.2%



FY2027 General Fund Revenue Summary

Area	FY2026 Adopted	FY2027 Requested	FY2027 Recommended	\$ Change	% Change
Property Tax	\$126,384,000	\$131,001,500	\$139,104,500	\$12,720,500	10.1%
Sales Tax	\$46,356,000	\$50,548,000	\$50,955,673	\$4,623,660	10.0%
Other Taxes	\$2,582,500	\$1,581,500	\$1,581,500	-\$1,001,000	-38.8%
Federal	\$18,844,688	\$17,334,633	\$17,334,633	-\$1,510,055	-8.0%
State	\$8,371,538	\$8,208,468	\$8,208,468	-\$163,070	-1.9%
Federal & State	\$6,294,128	\$6,348,451	\$6,348,451	\$54,323	0.9%
Local	\$5,697,997	\$6,012,103	\$6,019,019	\$314,106	5.5%
Permits & Fees	\$17,179,777	\$18,121,713	\$18,913,175	\$1,733,398	10.1%
Miscellaneous	\$4,049,337	\$4,106,957	\$4,346,957	\$290,052	7.2%
Transfers	\$1,097,980	\$1,232,117	\$1,250,226	\$152,246	13.9%
Other Sources	\$11,355,397	\$9,765,872	\$9,765,872	-\$1,589,525	-14.0%
Fund Balance	\$7,977,361	\$24,838,304	\$8,819,705	\$842,344	10.6%
TOTAL	\$256,190,703	\$279,099,618	\$272,648,179	\$16,457,476	6.4%



FY2027 Total Expenses: Taking Care of Existing Commitments

Area	FY2026 Adopted	FY2027 Requested	FY2027 Recommended	\$ Change	% Change
Education	\$94,094,382	\$106,049,500	\$92,746,862	-\$1,347,520	-1.4%
Public Safety	\$75,135,312	\$87,509,682	\$81,166,010	\$6,030,698	8.0%
Economic Development	\$51,983,509	\$69,121,748	\$68,475,742	\$16,492,233	31.7%
Human Services	\$62,863,516	\$65,588,817	\$65,247,105	\$2,383,589	3.8%
Transfers	\$11,364,959	\$16,840,263	\$21,595,372	\$10,230,413	90.0%
General Government	\$20,290,417	\$21,552,303	\$21,148,270	\$857,853	4.2%
Debt Service	\$13,515,643	\$11,794,225	\$11,794,225	-\$1,721,418	-12.7%
Culture	\$4,654,514	\$4,832,156	\$4,808,906	\$154,392	3.3%
General Govt CIP	\$3,660,000	\$4,715,000	\$1,613,000	-\$2,047,000	-55.9%
Environmental Quality	\$1,143,684	\$1,113,524	\$1,107,174	-\$36,510	-3.2%
TOTAL	\$338,705,936	\$389,117,218	\$369,702,666	\$30,996,730	9.2%



FY2027 General Fund Expenses: Taking Care of Existing Commitments

Area	FY2026 Adopted	FY2027 Requested	FY2027 Recommended	\$ Change	% Change
Education	\$66,574,409	\$69,961,303	\$65,810,265	-\$764,144	-1.1%
Human Services	\$62,460,516	\$65,185,817	\$64,844,105	\$2,383,589	3.8%
Public Safety	\$59,197,142	\$69,985,940	\$64,255,890	\$5,058,748	8.5%
Economic Development	\$26,306,811	\$27,721,253	\$27,075,247	\$768,436	2.9%
Transfers	\$10,266,979	\$15,608,146	\$20,345,146	\$10,078,167	98.2%
General Government	\$12,230,005	\$12,976,254	\$12,686,221	\$456,216	3.7%
Debt Service	\$13,515,643	\$11,794,225	\$11,794,225	-\$1,721,418	-12.7%
Culture	\$4,650,514	\$4,828,156	\$4,804,906	\$154,392	3.3%
Environmental Quality	\$988,684	\$1,038,524	\$1,032,174	\$43,490	4.4%
TOTAL	\$256,190,703	\$279,099,618	\$272,648,179	\$16,457,476	6.4%



K-12 Education: County-Wide Enrollment Basically Flat



Avg Daily Memberhsip	Catawba	Hickory	Newton	Total
FY2027 (NC DPI)	16,055	3,633	2,590	22,278
FY2026 (Adopted)	16,027	3,644	2,610	22,281
Change	28	-11	-20	-3
% Change	0.2%	-0.3%	-0.8%	0.0%

* Average Daily Membership = (Best 1 of 2) + Charter School Students – Out of County Students



K-12 Education: Current Expense Investments

- \$43 (2.0%) increase in per pupil funding allocated County-wide

Per Pupil Funding	Catawba	Hickory	Newton
FY2027	\$2,189	\$2,189	\$2,189
FY2026	\$2,146	\$2,146	\$2,146
Change	+ \$43	+ \$43	+ 43

- When converted to total funding, each system fares differently based on enrollment

Total Local Budget	Catawba	Hickory	Newton	Total
FY2027	\$35,144,395	\$7,952,637	\$5,669,510	\$48,766,542
FY2026	\$34,393,942	\$7,820,024	\$5,601,060	\$47,815,026
Change	+\$750,453	+\$132,613	+\$68,450	+\$951,516
	+ 2.18%	+ 1.70%	+1.22%	+ 2.00%



Investing in Education: CVCC Operational Support

- Catawba Valley Community College
 - Enrollment increased by 12% in FY25; up 5% in Fall '25
 - Regional Workforce Innovation Center now operational
 - Planning work underway for SECC campus footprint
 - 2% operating increase (\$108K) = \$5,514,120



Investing in Education: Schools Capital and 1-to-1 Technology



- 5-Year Chromebook Replacement Plan: 3,660 devices / year - \$1.4M
 - Maintain 1-to-1 technology for students in grades 3 through 12
 - Catawba County Schools: \$1M
 - Hickory City Schools: \$231K
 - Newton-Conover City Schools: \$169K
- \$11M dedicated to schools' capital needs
 - Catawba County Schools: \$6.6M
 - Hickory City Schools: \$1.6M
 - Newton-Conover City Schools: \$635K
 - CVCC: \$1.05M



Healthy, Safe Community: Emergency Services

- Hickory EMS Crew Expansion: 6 Paramedics / EMTs \$569K (on-going)
- EMS Retention Incentive: \$258,000
- REACH Post-Overdose Response Team: Quick Response Vehicle: \$57,000 (Opioid Settlement Funds)
- Body Armor Replacement: \$20K
- Ambulance Replacement / Remount (planned): \$2M for 3 remounts, 2 replacements



Healthy, Safe Community: Sheriff

- 12 Detention Officers: \$211K (on-going; ¼ of year); beginning April 1st.
- Motorola N70 Radios: \$265K to establish regular 5-year replacement cycle
- Evidence Storage System: \$78K
- Inmate Management System Upgrade: \$39K
- Patrol vehicle replacement (15): \$1.1M total



Healthy, Safe Community: Human Services

- Public Health: Community Health Worker \$61K (federal CSBG Funds)
- Social Services: 2 Social Worker IIIs to address high caseloads in Adult Svcs (\$172K)
- Social Services facility improvements (HVAC / Chiller): \$660K



Economic Development: Infrastructure and Site Development

- Future Economic Development Projects set-aside: \$628,000
- Water & Sewer investments:
 - New Wastewater Conveyance Design: \$2M
 - Hickory-Catawba WWTP Future Expansion: \$2M
 - Water Treatment Capacity Purchase: \$464K
 - Anderson Mtn. Water Storage Tank: \$250K



Community Planning & Development

- Utilities & Engineering – Building Services Officer: 1 FTE \$85K (on-going) and \$50K (one-time), supported by permit fee revenue
- Tax Real Estate Appraiser – Real Property: 1 FTE \$74K (on-going) and \$43K (one-time)



Investing in Quality of Life: Outside Agency Support

- Historical Assn: \$125K
- Hickory Public Libraries: \$277K
- Salt Block Fdn: \$110K
- United Arts Council: \$177K
- Chamber of Commerce: \$20K
- Convention & Visitors Bureau: \$20K
- Forestry: \$94K
- NC Wildlife Commission: \$6K
- WPCOG: \$167K + \$40K for MPO
- EDC: \$444.1K
- Court Svcs. Repay: \$201K
- Lake Norman Marine Commission: \$37K
- Catawba Wateree \$24K
- Conflict Resolution Ctr.: \$12K



Solid Waste Enterprise Fund

- Subtitle D Cell Construction: \$16.1M estimated cost
 - \$11.1M planned debt (Spring / Summer 2027)
 - \$5M cash (fund balance, fee revenue)
- Bulldozer: \$475K
- Treatment & Grinding Processing Area: \$338K
- Roll-off Truck for Convenience Ctr: \$260K
- New 40X40 Operator's Building: \$250K
- Landfill Gas Collection Improvements: \$150K



Competitive Pay, Positive Culture: Investing in our People

- Pay Plan Market-Based Adjustment: 3%
- Competitive Performance Pay
 - Meets expectations: 2% on anniversary
 - Exceeds expectations: 2% + \$500 on anniversary
- Health and Dental: 7% County Premium Increase
- Maintain 401k: 2% + 1% match



The way we do the work matters just as much as the work itself.



New Position Summary: Sustaining Services



Position	Department	Total FTEs	Funding Source
Paramedic / EMT	Emergency Services	6.00	Fees
Detention Officers* (* <i>partial year</i>)	Sheriff's Office	12.00	Local
Building Services Official (BSO)	Utilities & Engineering	1.00	Fees
Real Property Appraiser	Tax - Reappraisal	1.00	Local
Community Health Worker	Public Health	1.00	Federal
Social Worker III - Adult Services	Social Services	2.00	Local
Total FY2026/27 Recommended FTE Changes		23.00	



FY27 Proposed Fee Changes

Department / Fee Description	Change	Proposed Fee
U&E - Building Svcs: minor Electrical, Plumbing, U&E - Mechanical Fees added to Schedules C, D, and E	Added	\$60.00 Residential & Commercial
Landfill: Municipal Solid Waste Tipping Fees	2% or \$0.81 per ton	\$41.09 per ton
Emergency Services: EMS Fees	Increase from 135% of Medicaid allowable rate	165% of Medicaid allowable rate
Emergency Services: EMS Treatment / No Transport	\$75 increase	\$225.00
Emergency Services: Animal Shelter - fees for new programs, owner surrenders	Added	Various
Planning: Board of Adjustment fees	Increased by \$75 and added	\$500
Public Health: Clinical Services fees	Added; shifted to cost basis	Medicaid Reimbursement / Cost + 25%
Public Health: Environmental Health – Well Repair, Well Variance Evaluation, Variance Well Repair	Added	Various



Fire Protection Service Districts: Current State

- Catawba County has responsibility for unincorporated fire protection, addresses through contracts w/14 fire districts
- Additional services contracted based on capacity and specialization: Medical First Response; rescue certification; USAR technical rescue specialties
- Fire districts vary considerably: geographic size, population, tax base, staffing mix – paid vs. volunteer, built environment
- Increasing call volume, particularly driven by medical, mutual aid, automatic aid



FY27 Recommended Fire District Tax Rates



	FY2026 Adopted	FY2027 Requested	FY2027 Recommended	Change
Bandys	0.1000	0.1150	0.1050	0.0050
Catawba	0.1170	0.1230	0.1170	0.0000
Claremont	0.1300	0.1300	0.1300	0.0000
Conover	0.1000	0.1000	0.1000	0.0000
Cooksville	0.0710	0.0785	0.0785	0.0075
Hickory	0.1250	0.1500	0.1250	0.0000
Long View	0.1000	0.1000	0.1000	0.0000
Maiden	0.0883	0.0983	0.0983	0.0100
Mt. View	0.0855	0.0994	0.0855	0.0000
Newton	0.1110	0.1310	0.1210	0.0100
Oxford	0.0610	0.0610	0.0610	0.0000
Propst	0.0620	0.0720	0.0720	0.0100
Sherrills Ford	0.0990	0.0990	0.0990	0.0000
St. Stephens	0.1240	0.1240	0.1240	0.0000



Fire District: Bandys

Bandys		
	Rate	Revenue
FY26 Adopted	0.1000	\$ 1,346,473
FY27 Requested	0.1150	\$ 1,572,190
\$ Change - Requested	0.0150	\$ 225,717
% Change - Requested	-	16.76%
FY27 Recommended	0.1050	\$ 1,421,712
% Change - Recommended		5.59%
Rationale	Increased staffing (3 FTEs) to facilitate full station coverage	
Impact on Median Residential Property	\$11.24 / year \$0.94 / month	
Tax Rate History	FY24: Revenue Neutral; FY25: 2.15-cent increase	



Fire District: Catawba

Catawba		
	Rate	Revenue
FY26 Adopted	0.1170	\$ 417,575
FY27 Requested	0.1230	\$ 451,994
\$ Change	0.0060	\$ 34,419
% Change	-	8.24%
FY27 Recommended	0.1170	\$ 430,049
% Change - Recommended		2.99%
Rationale	Replace part-time hourly wage supplement; add part-time hours	
Impact on Median Residential Property	n/a	
Tax Rate History	FY24: Above revenue neutral; FY26: 1-cent increase	



Fire District: Cooksville

Cooksville		
	Rate	Revenue
FY26 Adopted	0.0710	\$ 208,814
FY27 Requested	0.0785	\$ 232,127
\$ Change	0.0075	\$ 23,313
% Change	-	11.16%
FY27 Recommended	0.0785	\$ 232,127
% Change - Recommended		11.16%
Rationale	Fuel, supplies, station debt service	
Impact on Median Residential Property	\$14.87 / year \$1.24 / month	
Tax Rate History	FY24: Revenue neutral; FY25: 1.7-cent increase	



Fire District: Hickory

Hickory		
	Rate	Revenue
FY26 Adopted	0.1250	\$ 877,619
FY27 Requested	0.1500	\$ 1,062,012
\$ Change	0.0250	\$ 184,393
% Change	-	21.01%
FY27 Recommended	0.1250	\$ 883,877
% Change - Recommended		0.71%
Rationale	Purchase 2 Tankers	
Impact on Median Residential Property	n/a	
Tax Rate History	FY24: Above revenue neutral; static since then	



Fire District: Maiden

Maiden		
	Rate	Revenue
FY26 Adopted	0.0883	\$ 558,940
FY27 Requested	0.0983	\$ 607,532
\$ Change	0.0100	\$ 48,592
% Change	-	8.69%
FY27 Recommended	0.0983	\$ 607,532
% Change - Recommended		8.69%
Rationale	Leadership Succession: Deputy Chief	
Impact on Median Residential Property	\$21.33 / year \$1.78 / month	
Tax Rate History	FY24: Revenue neutral; FY25: 1.63-cent increase	



Fire District: Mountain View

Mountain View		
	Rate	Revenue
FY26 Adopted	0.0855	\$ 1,108,290
FY27 Requested	0.0994	\$ 1,306,396
\$ Change	0.0139	\$ 198,106
% Change	-	17.87%
FY27 Recommended	0.0855	\$ 11,242
% Change - Recommended		1.01%
Rationale	Continuation of MFR beyond initial County funding	
Impact on Median Residential Property	n/a	
Tax Rate History	FY24: Above revenue neutral; FY25: 1.25-cent increase	



Fire District: Newton

Newton		
	Rate	Revenue
FY26 Adopted	0.1110	\$ 1,056,051
FY27 Requested	0.1310	\$ 1,276,152
\$ Change	0.0200	\$ 220,101
% Change	-	20.84%
FY27 Recommended	0.1210	\$ 1,166,102
% Change - Recommended		10.42%
Rationale	Startown Station Debt Service	
Impact on Median Residential Property	22.14 / year \$1.85 / month	
Tax Rate History	FY24: Revenue neutral; FY26: 1-cent increase	



Fire District: Propst

Propst		
	Rate	Revenue
FY26 Adopted	0.0620	\$ 405,057
FY27 Requested	0.0720	\$ 484,018
\$ Change	0.0100	\$ 78,961
% Change	-	19.49%
FY27 Recommended	0.0720	\$ 484,018
% Change - Recommended		19.49%
Rationale	Part-time pay, future building	
Impact on Median Residential Property	\$21.33 / year \$1.78 / month	
Tax Rate History	FY24: Revenue neutral; FY26: 0.3-cent increase	



Next Steps

- May 22 – 8:00 am to 5:00 pm: BOC Hearings w/Depts., Schools, & Outside Agencies
- May 26 – 6:50 pm: Public Hearing and Wrap-Up (SECC Budget, Countywide Budget)
- June 1 – 6:50 pm: FY2027 SECC Budget Adoption / FY2027 Budget Adoption





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