

MINUTES
WILKES COUNTY BOARD OF COMMISSIONERS
BUDGET PLANNING WORK SESSION
February 19, 2026

The Wilkes County Board of Commissioners met on Thursday, February 19, 2026 with Dinner beginning at 5:00 P.M.; Budget Planning Work Session began at 5:32 P.M. at the Wilkes County Agricultural Center located at 416 Executive Drive, Wilkesboro, N.C. with the following members present: Chairman Hardin Kennedy, Vice Chairman Evan Handy, Commissioner Casey Joe Johnson, Commissioner Bill Sexton, and Commissioner Shirley Randleman.

Also present for the meeting were Tony Triplett, County Attorney; John Yates, County Manager; Interim Finance Director Zachary Lovette; and Sarah Call, Clerk to the Board.

Chairman Hardin Kennedy welcomed everyone and called the meeting to order at this time.

INVOCATION – Commissioner Johnson led the Invocation.

PLEDGE OF ALLEGIANCE – Commissioner Randleman led the Pledge of Allegiance.

INTRODUCTION OF MEETING FACILITATOR – Mr. Yates introduced Don Adams, NCACC Outreach Associate at this time, who served as the Facilitator for the meeting.

OPIOID SETTLEMENT FUNDS UPDATE – Zach Lovette presented an annual update presentation on the Opioid Settlement Funds.

CAPITAL PROJECTS UPDATE – John Yates presented a brief update and discussed the capital projects in process at this time in Wilkes County.

EMPLOYEE SURVEY RESULTS – Mr. Yates said the employee survey tells a positive story. It confirms that a large majority of Wilkes County employees who completed the survey feel their public work is important and meaningful, they work in a safe, healthy and collegial work environment, felt supported by their supervisors, and enjoy good employee benefits. This is good news, there are a few things to work on, but this is an amazing place to work for. He hopes the Commissioners are pleased with the survey.

FINANCIAL UPDATE – Mr. Lovette presented the Adopted Budget Summary; December 2025 Financial Report; Fund Balance Update; and Long-Term Debt.

BUDGET PROCESS AND TIMELINE – County Manager John Yates provided the following Budget process and timeline:

| | |
|---|----------------|
| Fire Depts., Non-Profits and County Departments | March 13, 2026 |
| Budget to Board of Commissioners | May 5, 2026 |

Commissioners hold Work Session
Public Hearing on Proposed Budget
Commissioners Adopt Budget

May 11 – June 2, 2026
May 19, 2026
June 2, 2026

UNCONTROLLABLE EXPENSES – Mr. Don Adams briefly discussed uncontrollable expenses with the Board. Next, Mr. Yates went through some items to include: H.R.1 (\$163,000 to \$188,000 estimated cut in reimbursement for next year) which is a 25% cut to FNS Administration reimbursement; W. Kerr Scott operations, maintenance, repair, rehabilitation and replacement that they bill the county for annually (\$160,084 estimated expense increase); Autopsy Fees (\$80,000 estimated expense increase); Insurance (4% health \$270,000 estimated increase and \$80,000 workers comp. increase); Library HVAC (\$63,800 estimated cost) and the Board; and Senior Center Roof (Phase 2 \$94,254 estimated cost). Also discussed were the subjects of EMS overtime, Schools K-12, Wilkes Community College, Public Safety, and Energy Cost increases at this time.

RECESS – Chairman Kennedy declared the Work Session of the Wilkes County Board of Commissioners recessed at 6:44 P.M. Mr. Adams stated the meeting will reconvene in about 5 minutes.

RECONVENE – Chairman Kennedy reconvened the Work Session of the Wilkes County Board of Commissioners at 6:58 P.M. on Thursday, February 19, 2026.

BUDGET PRIORITIES – Don Adams said next the Board will be asked to weigh in on their top three priorities for the upcoming budget (ranked in order – 1, 2, and 3). He mentioned that a 2.5% growth to the Ad Valorem tax base for 2026 would generate about \$1,000,000 in additional revenue. Mr. Adams went over the process they have used in the past and, to start the list, added some items that have been mentioned in the past are already listed. After further discussion, he asked if the Board would like to add any priorities to the list. Currently listed are the following:

| | | |
|----------------------------------|----------------------|-----------------|
| Cost of Living Adjustment (COLA) | Economic Development | Housing |
| K-12 Schools | Non-Profits | No Tax Increase |
| Public Safety | WCC | |

After discussion the Board added Reduce Fund Balance Usage to the list of Priorities.

Mr. Adams said they have colored stickers (dots) to pick their top three priorities, the colors of the stickers do not matter and they can place all three in one category if they wish to do that as well. He added this will help the staff to know what the Board is most focused on as their top priorities and help to come up with a master plan for the upcoming budget. After this exercise was completed with the placement of the dots (*) by the Board for their top three priorities, the results were as listed below:

| | | |
|----------------------------------|----------------------|---------|
| Cost of Living Adjustment (COLA) | Economic Development | Housing |
| ***** | * | |

| | | |
|--------------------|-------------|---------------------------------------|
| K-12 Schools | Non-Profits | No Tax Increase ***** |
| Public Safety * | WCC | Reduce Fund Balance Usage ***** |

Mr. Adams stated the top priority is a COLA for employees. He discussed with the Board the difference in a COLA increase, a merit increase, and a performance-based increase. Mr. Adams mentioned the possibility of developing a pay plan that is fair and consistent in which all employees have an opportunity to earn and advance throughout their career. The Board mentioned possibly considering a tiered COLA based on an annual salary below \$75,000. Next, the Board discussed with Mr. Adams the two remaining priorities, no tax increase and reduce the fund balance usage in the upcoming proposed budget process. Each member expressed their thoughts on the top three priorities.

Next Mr. Adams discussed with the Board potential expenditure reductions that may be needed or could be considered in the upcoming budget. He added the Board could consider a potential across-the-board cut or individual department and agency cuts. After further discussion it was mentioned that it would take an approximately 5% to 6% across-the-board reduction in the upcoming budget to remove the potential fund balance appropriation at this time. It was suggested that maybe larger cuts could be made to some areas of 8% to 9% to give the Board options to add back to the County Departments. Mr. Yates stated the County cannot maintain the current level of services if cuts of this size are made in the upcoming budget.

Mr. Don Adams thanked the Board and staff for their time and for allowing him to facilitate the Budget Planning Work Session. He stated to sum up the Budget Planning meeting; items 4 – 7 on the agenda for today’s meeting provided updates to the Board from Staff; item 8 is the Budget process and timeline; under item 9 they discussed uncontrollable expenses and growth; under item 10.A. the Board set their top three priorities for the upcoming Budget; and under item 10.B. they discussed how they may consider an across-the-board cut of 5% to 9% to reduce the fund balance appropriation. Mr. Adams thanked the Board for their participation and for allowing him to serve as the Facilitator. The Board thanked Mr. Adams and the staff for the good meeting and meal.

ADJOURN – The Budget Planning Work Session ended at 8:18 P.M.

Sarah D. Call, Clerk

Hardin C. Kennedy III, Chairman

WILKES COUNTY BOARD OF COMMISSIONERS

Approved: March 17, 2026