

**MCADENVILLE TOWN COUNCIL
SPECIAL MEETING / BUDGET WORK SESSION
MAY 2, 2026**

The McAdenville Town Council met in Special Session on Saturday, May 2, 2026 at 9:00 AM in the lower level of McAdenville Town Hall, 163 Main Street. Proper notice was given.

Members Present: Mayor Reid Washam, Mayor Pro-Tem Joe Rankin; Councilmembers: Susan Elkins, Fred McBee, Jay McCosh; and Greg Richardson. Staff: Town Administrator/Clerk Lesley Dellinger.

Mayor Washam called the meeting to order at 9:03 AM. He stated the purpose of the meeting was to review staff's recommendations for estimated revenues and expenditures in the FY2026-27 operating budget and give Council the opportunity to provide feedback.

Lesley Dellinger presented Council with the recommended budgets for the General Fund, Water/Sewer Fund, and Powell Bill Grant Fund for review.

General Fund revenues are estimated at \$1,705,350.00 including a one-time fund balance appropriation of \$350K to support construction of the River Link Trail. McAdenville's total levy for taxable value is estimated to decrease \$18 million from FY2026 to FY2027 by the Gaston County Tax Office due to the closure of Mannington Mills. Council recommended a \$0.03 cent property tax increase to offset the \$70K loss in revenues. The \$0.03/\$100 valuation increase would generate approximately \$48,000 in revenues so that staffing levels and current residential services can be maintained. Council directed staff to prioritize expenditures for the Fire Department and Streets to support needed maintenance and repair projects of capital assets. Other possible projects for the new budget year were discussed for Parks & Rec.

Water/Sewer Fund revenues are estimated at \$495,075.00, which is a 26% decrease from the current budget. The absence of new development in the new budget year negatively impacts the anticipated revenues due to the loss of system development & tap fees. Staff stated that TRU had proposed a 7.5% rate increase effective 7/1/2026 creating a revenue shortfall in the Town's proposed budget at the current W/S rates. Revenue projections for a 5%, 7.5%, and 10% rate increase were presented for Council consideration. Staff also proposed adding availability fees for industrial properties as an additional revenue source. Following discussion, Council recommended a 5% rate increase for McAdenville customers with availability fees for service connections 3" and larger

Powell Bill grant revenues are estimated at \$32K and reserves are approximately \$146K. Staff recommended allocating \$65,000 in fund balance for street resurfacing projects in FY2026-27. Funding a municipal street repair study was also recommended, which is a data driven process to assess pavement conditions, prioritize maintenance, and optimize budgetary spending.

There being no further business to discuss, the meeting was adjourned at 12:10 PM.

Reid Washam, Mayor

Lesley Dellinger, Town Clerk