

**STATE OF NORTH CAROLINA  
COUNTY OF AVERY**

The Avery County Board of Commissioners met in a Budget Workshop on Thursday, May 18, 2017 at 3:30 p.m. in the Commissioners Board Room, Avery County Administrative Complex, 175 Linville Street, Newland, NC. The purpose of the meeting was to discuss and take any action necessary regarding the Fiscal Year Budget 2017/2018.

Members Present: Martha Hicks, Chair; Blake Vance, Vice-Chair; Faith Lacey; Tim Phillips; Wood Hall Young, Jr.

Members Absent: None

**Call To Order**

Chair Hicks called the meeting to order at 3:30 p.m.  
Tim Phillips led prayer.

**Fiscal Year Budget 2017/2018**

Phillip Barrier, Interim County Manager, advised that there were some changes in the budget from a previous budget workshop. There was a change in the salary for the assistant county manager; \$10,000 was added to the economic development budget; Oasis was not funded; Yellow Mountain held at \$24,000; Humane Society held at \$20,000; Chamber of Commerce allotted \$5,000.

Chair Hicks stated that Nancy Morrison and Rachel Deal with the Humane Society had met with Chair Hicks and Blake Vance and they asked that the Board not earmark the money for just spaying and neutering but for medical. The Humane Society has animals that have been brought in with injuries and they need surgery or medical care with the local vets.

Discussion regarding the solid waste grant. We need to add \$2335 for the match for the grant.

Discussion regarding legal services. We have exceeded last year's legal services. Increase of \$10,000 for legal services.

Other increases would be \$1000 for Harris Software; IT Part-time Help \$5,500; Public Building and Grounds Supplies increase of \$7,000.

EMS Building Renovation will be left at \$24,000. If the renovation is more than \$24,000, a budget amendment will be done for the amount above \$24,000. Senior Center renovation added at \$29,000.

Discussion regarding Toe River Health District. Mr. Barrier stated that he talked with Diane Creek, Toe River Health District Director. There was a proposal from TRHD to add a full time inspector for \$60,000. Mr. Barrier stated he would like to propose to just have a part-time inspector that is fully dedicated to Avery County at \$15,000 which would give us 566 hours. Decrease TRHD budget request from \$369,788 down to \$315,788. A list will be provided of what has been accomplished.

Discussion regarding Mayland Community College funding. Increase to \$333,000 in operational; \$18,000 in capital.

Discussion regarding Newland Tag Office. Newland Tag Office will decrease to \$25,000.

**Recess**

**Chair Hicks called for a brief recess.**

**Chair Hicks declared the meeting to be back in session after a brief recess.**

Discussion regarding Avery County Schools operating and capital budget. Operational will be funded at the request of \$4,641,552.00. Capital will be funded at \$966,030.00; this includes air conditioning at Avery Middle School; playground equipment at Riverside School; replace bleachers at Newland Elementary; activity bus w/handicapped accessible lift.

Discussion regarding the Sheriff's Office and Jail. Cell phones will be cut from \$28,000 to \$20,000. Four vehicles will be funded.

**Recess**

**Chair Hicks called for a recess.**

**Chair Hicks declared the meeting to be back in session after a recess.**

Discussion regarding the agricultural extension agent position. By a consensus of the majority of the board, this position will remain in the budget.

Mr. Barrier stated that as the budget is now a fund balance appropriation would need to be done of approximately 2.8 million dollars.

Discussion regarding the tax rate. Blake Vance stated that he thought the tax rate from two years ago should be reversed and put back which was the 7.38 cents and then look at the revaluation next year. Wood Hall Young, Jr. asked what the forecast for the revaluation looked like next year. Mr. Barrier stated that it was at a loss of 1% right now. Mr. Young stated that it would take three more cents to pay for the extra on the pool and the ag. building if you want to roll that into the budget this year. Mr. Young said he thought that some money needed to be set aside for things such as the roof at Crossnore School.

Tim Greene stated that he would get rid of the tenths of the cents and round off the tax rates.

Discussion about capital reserve fund. The County Manager will talk with the School of Government about the procedure for setting up a capital reserve fund and this will be discussed at a regular meeting in June.

Wood Hall Young, Jr. stated that he didn't think that putting the tax rate back to what it was before the tax cut would help if the plan was to have new construction/renovation at the high school and possibly do some other things.

Discussion about the fire tax rate. Consensus by the Board to raise the fire tax from 0.067 to 0.07 (7 cents). That will give them around \$108,000 extra.

Mr. Greene stated that now you need to keep in mind how much extra do you want per year to go for the school. One cent is going to get you approximately \$350,000.

### **Recess**

**Chair Hicks called for a brief recess.**

**Chair Hicks declared the meeting to be back in session after a recess.**

There was discussion regarding the ad valorem tax rate. The ad valorem would be 0.48 cents and the fire tax rate will be 0.07 cents.

Mr. Young stated "I think we have done well. We have known all along that we have had a budget shortfall for the last two years and we have had to be the ones to address it. We have three major projects that we are working on now and one real major one which is the high school. We had to raise the tax rate. We knew we would have to and I think the people in the county knew that we would have to but I think when they see what we are doing with the agricultural building, with the parking lot, with the swimming pool, setting aside money for the high school and setting aside money for the roof at Crossnore, I think the people will accept it. I don't think the tax increase is too much. It is enough for now. I feel good about what we have done and I think we can justify what we have done."

Faith Lacey stated "At this time I don't have any comment."

Blake Vance stated "I have been the loudest one saying that it was a bad idea to cut taxes two years ago but nobody ever wants to raise taxes. I don't want to raise taxes but we don't have any choice; that decision was made two years ago. I said that at the time and I said it last year, I am saying it now and I will say it at the budget hearing. This decision was made in June 2015 when they cut taxes to a level below our expenses and without cutting services we were not able to match our revenues and expenses. We are trying to do some positive things for the county. We are trying to provide adequate facilities for our schools, trying to provide adequate facilities for our departments, trying to provide a few things for our kids to do. It is going to cost me about \$150 to raise taxes this amount, I would pay the cash tonight because our kids deserve the best we can give them and our citizens deserve protection and facilities that they can be proud of. This is not something just to try to fatten the county government, this is something that has been needed for a couple of years and I am in support of our plans."

Tim Phillips stated "I don't want to have to raise taxes but I think it is something we had to do and in my opinion if you are stagnate you are moving backward and we have been stagnate long enough. It is time to move forward and provide the facilities and services that the county needs, the children needs and the citizens of Avery County needs and there is no other way to do it. I am in full support of what we have done."

Chair Hicks stated "I am in full support of what we have done. I have always wanted us to keep a capital reserve fund and now we are starting that back so we can look ahead to the school. I think every citizen knew that we had to raise the taxes up to do for the future and for the citizens. We have two projects going, the pool and the ag. building. Now we are facing a roof at Crossnore and possibly doing phases of a high school. We don't have a choice but to do this."

As a recap, 48 cents ad valorem; 7 cents for fire tax for a total of 55 cents. That was a 7.38 cents restoration of the prior tax cut plus an additional 2.9 cents of which 0.3 cents went to the fire tax and 2.6 cents went to the general fund; \$683,088 will go to the capital reserve fund for school projects after the capital reserve fund is set up.

**Adjourn**

**Motion by Wood Hall Young, Jr. and second by Blake Vance to adjourn this meeting at 8:46 p.m.  
Motion unanimously approved.**

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**Martha Hicks, Chair  
Avery County Board of Commissioners**

ATTEST: \_\_\_\_\_  
Cindy Turbyfill, Clerk