

**STATE OF NORTH CAROLINA  
COUNTY OF AVERY**

The Avery County Board of Commissioners held a Budget Workshop on Thursday, May 9, 2019 at 5:00 p.m. in the Commissioners Board Room, Avery County Administrative Complex, 175 Linville Street, Newland, NC. The purpose of the meeting was to discuss the FY 2019/2020 Budget with the Avery Fire Commission; Avery Sheriff's Office and Avery County Board of Education.

Members Present: Martha Hicks, Chair; Dennis Aldridge; Tim Phillips; Wood Hall Young, Jr.

Members Absent: Blake Vance, Vice-Chair

**Call To Order**

Chair Hicks called the meeting to order at 5:00 p.m.

**Avery Fire Commission**

Fire Commission members present at the meeting were Bill Beuttell, Chair; Jim Brooks; and Shane Garland. Mr. Beuttell stated that he felt like things were going pretty good with the fire commission and fire departments. The fire commission has met several times over the budget. We have gleaned the budget down to \$2,731,500. In saying that, we have done some good things with the employees, trucks, and equipment. We are implementing a program to have the fire departments have no less than \$10,000 and no more than \$30,000 in their fund balance. We have paid off the Banner Elk substation at \$105,000. We currently have an undesignated fund balance of about 12% of our budget. This year we are implementing a 10% salary increase and a 5% longevity pay. We are trying to take care of our employees. We have implemented a 401K. We also provide accident and health insurance and we provide Air Med insurance for all the volunteers.

We all realize that we are going to have to put more paid people on the ground because volunteerism is waning. It is hard to get people to show up on a call. We are looking to hire more people down the road. If we can get the Avery County School System and Mayland involved we can start training some of these young people. We appreciate everything that the Board of Commissioners has done for us and the fire departments. We don't have any complaints.

Shane Garland explained to the Board that he had done a salary study for the fire commission employees. Basically, the starting base salary is \$27,000; if they have other certifications they can be bumped up. We are finding an issue with getting good qualified people that want to do the job. These employees not only do fire but also EMT level and rescue. We are looking at bumping all employees up 10% to get closer to a number that is comparable to other places. That would have the starting salary going from \$27,000 to \$30,000. We are also looking at retention; we are implementing that

every five years of service the person would get a bump in pay. Currently there are 14 paid employees. We are trying to do a person and a half per station.

Chair Hicks thanked the Fire Commission for their work on the budget and expressed appreciation for all of the fire departments and the job that they do.

### **Avery County Sheriff's Office**

Sheriff Kevin Frye stated that this was the first time that he felt like this county was moving forward. The attitude and environment is so much better than in previous years.

Sheriff Frye pointed out a few things in the budget that he wanted to discuss. In the training line item I had asked for \$17,000 and \$15,000 was recommended. Ammunition is a huge bulk of my training budget. We are trying to train through Mayland Community College. We have had a lot of retirements in the past several years so I have a lot of young people that I have to get up to speed and that is the reason for the increase in the training budget. I feel like \$15,000 is going to hamper our opportunities.

Sheriff Frye pointed out that it would make good sense to get a program in place to rotate the cars through something like the leasing option. This one action would keep this argument from having to be heard ever again. There was discussion regarding leasing vehicles. Dennis Aldridge commented "he saw the logic in the leasing. There was some discussion and contractual issues that were brought up along with insurance issues. We have gotten our answers." Blake Vance questioned if with the lease if we are locked into a five year contract. Sheriff Frye stated no and no mileage count either. Mr. Vance stated that Avery County has a duly elected sheriff and that he thought that the Board needed to try the leasing option. We are not building any equity in cars.

Sheriff Frye said one other thing is that the maintenance contracts have increased and the reason is that there are licenses for Sheriff Pak. We have six licenses for Sheriff Pak; Karen and now Lauren have two of them tied up completely so that leaves me four licenses for every road deputy, detective, etc. This needs to increase from 6 to 8 because the officers have to wait 30 minutes to do their report.

Sheriff Frye discussed each line item in the jail budget.

Chair Hicks thanked the Sheriff for his service to Avery County and his employees service to Avery County.

### **Recess**

Chair Hicks called for a brief recess.

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

### **Avery County Board of Education**

Dr. Bryan Taylor presented a power point presentation regarding the Avery County School System. Last year we were facing a million dollar deficit and the reason that was happening is because we had been taking nonrecurring dollars and attaching them

to people. We were using money out of the fund balance to cover people and that is not what fund balance is for. Our unassigned fund balance got down below \$100,000. We froze hiring and we went to work. We gave the Board of Education some options. We had to make some pretty tough decisions. We have created a sustainable budget now. The local government commission suggests that you maintain 8% of your overall budget. Last year we cut 14 positions. This year we are prepared to cut 7 ½ more positions.

Currently, we are at 1901 students across 9 schools. We have 366 students with special needs. The state funds us at 13%. That number is 18 ½% and we have to cover that. We have 143 English language learners. We have 530 total employees and we have 317 full time employees. While we have cut a lot of positions, the number of schools we operate is the same. We operate 25 yellow buses and 17 activity buses. We transport 1,101 students per day. We prepare 2200 meals a day and 56% of our student population receive free and reduced lunch. The vast majority of free and reduced lunch is identified as elementary school age.

We are losing \$265,000 this year in our budget. Several years ago a prior administration brought in Innovative High School of Design money. On paper that money is supposed to be used for administrators. We are not paying administrators we are paying teachers with that money. That is a little more than four teaching positions that we are losing money for. The state also calls for us to be down 1.76 teaching positions because we are going to be down about 14 students. Our numbers are showing us going from 1901 to 1887. Over the last five years this school district has lost over 200 students. We were not cutting staff to match those student losses. As of now we have 81 students registered for the Pre-K program.

Our goals as a district are to reduce our overall budget by at least \$375,000. We are actually beyond that. We need to reduce our teaching positions by at least 2 and we need to continue to align our staffing with state funded formulas.

Dr. Taylor explained that there were categories that the capital had been grouped into. These categories are ongoing, district type projects, annual projects, annual lease, safety, paving, and other. Dr. Taylor talked about the capital needs for the schools. Blake Vance questioned what was the status of the roof at Crossnore Elementary School? Dr. Taylor said that the school system was prepared to get with an architect or engineer to get drawings in place. We are ready to go to work as soon as you say that the money is there. Mr. Barrier stated that there is \$683,000 in the capital reserve for the roof. Mr. Vance said that this is not benefiting anyone by waiting. Mr. Young said it would be money well spent to let other architects look at it. Dr. Taylor said he was prepared to put out a request for proposals and see who applies. Chair Hicks stated that we will talk about this when we start putting the final touches on the budget.

Dr. Taylor said we are asking for a 2 ½% increase in the budget from last year which equates to \$118,000. We have to quit spending nonrecurring dollars on recurring

expenses. We are working as hard as we can to get our budget in line where it needs to be.

Mr. Vance questioned how the school systems fund balance was now. Dr. Taylor said based on the cuts from last year it is \$700,000. We had so many outstanding bills we didn't have enough money to cover that so we had to assign fund balance to pay bills. By cutting a lot of the expenses, we have been able to revert that money back to where it belongs.

Mr. Young stated fund balance was \$37,000 last year to  $\frac{3}{4}$  of a million dollars this year from where I see it that is \$700,000 of fat in the budget. Dr. Taylor said that is almost one million dollars in cuts out of the budget. A couple of years ago the fund balance was about what it is now and when we lost 200 children we didn't cut expenses. So we quit getting money so we had to take those expenses and attach them to fund balance. By cutting the expenses, we were able to put the money back where it was.

Dennis Aldridge stated that it is not more money it is a different way of accounting of that money. You did not gain that money. We were looking at that as extra dollars not assigned or unassigned so that makes sense now.

Mr. Aldridge said that one of the things we have heard from the NCACC meetings is some rumbling in the state legislature about some capital funding from the general assembly and the last word we had was that was very tenuous at best. Dr. Taylor said the house has passed one plan and the senate has another. We are being told if they do it on a per pupil basis we will not get hardly anything. We are being told if that money comes to fruition they want to see something done with it.

Chair Hicks thanked everyone for being at the meeting and that the Commissioners had their work cut out for them at the next budget meeting which will be held on May 16, 2019 at 6:30 p.m.

**Adjourn**

**Motion by Wood Hall Young, Jr. and second by Blake Vance to adjourn this meeting at 8:18 p.m. Motion unanimously approved (5-0).**

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

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

