

**STATE OF NORTH CAROLINA
COUNTY OF AVERY**

The Avery County Board of Commissioners met in a Special Meeting with the Avery County Fire Association and to approve a budget amendment regarding New River Service Authority on Monday, November 28, 2011 at 6:00 p.m. in the Commissioners Board Room, Avery County Administrative Complex, 175 Linville Street, Newland, NC.

Members Present: Kenny Poteat, Chairman; Scott Heath; Martha Hicks; Glenn Johnson (via telephone)

Members Absent: Phyllis Forbes, Vice Chair (vacation)

Call To Order

Chairman Poteat called the meeting to order at 6:00 p.m.

Budget Amendment – New River Mental Health

Robert Wiseman, County Manager, explained that a budget amendment of \$15,842 needs to be approved today to keep active the retirement account for the people who have been misplaced in the New River Mental Health situation. This is Avery County's 9.7% part. The debacle that has occurred is the employer part of the contribution to the local government retirement system was not paid by New River Mental Health and this will keep those folks from losing their retirement. Mr. Wiseman stated that in order to protect the fiduciary interest of the people of Avery County, Avery County has taken a deed of trust against the New River Mental Health building which is valued somewhere over ½ million dollars.

Motion by Martha Hicks and second by Scott Heath to remove \$15,842 out of fund balance to recognize Avery County's pro rata share of the critical accounts payable for New River Service Authority.

Scott Heath questioned if this was "the end of the line for this type scenario". Chairman Poteat stated he did not think so. Mr. Heath stated that while all of this is going on accounts receivable should still be pursued.

Motion unanimously approved with those in attendance (4-0).

Avery County Fire Association – Junior Sluder

Junior Sluder, Avery County Fire Association President, presented statistics regarding the fire service in Avery County. The average full time Avery County resident has an average home value of \$153,000.00. The average full time Avery County resident pays \$61.20 annually for fire protection. The average full time Avery County resident saves \$321.30 annually in fire insurance premiums due to the current fire insurance ratings. Mr. Sluder stated that the Avery County Fire service is the only county service that pays each property owner to provide the service. The first fire engine that came into this county costs \$7000; the next truck costs \$26,000 and the next truck that Newland Fire Department got costs \$300,000. The fire departments do get more money every year but the costs are much higher every year.

Jack Wiseman, Crossnore Fire Department Chief, stated that Crossnore Fire Department rating has gone from a 9 to 7. He said there is no way to maintain this rating at the current rate of funding. Mr. Wiseman said that the fire departments were running so many more calls and different calls now than before.

Kenny McFee, Green Valley Fire Department Chief, said he had been in fire service since 1978 and been chief since 1990. This is the first time that there is not a waiting list for personnel. Green Valley is under 30 personnel and there are no applicants. The state says there must be 22 personnel. Mr. McFee said there needed to be a solution to this and possible incentives to recruit volunteers.

Bob Putney, Beech Mountain Fire Department Chief, thanked the County Commissioners for this time to express their concerns. Mr. Putney stated that the County Commissioners, Fire Commission and Fire Departments have a unique partnership in Avery County that does not exist in any other organization in the county. These three entities have a partnership that have a direct impact with setting the actual dollars that every Avery County resident pays in fire insurance premium. For every dollar spent in fire tax currently at 4 cents, that comes back in real dollar savings in fire insurance. Without the county commission, fire commission and fire departments this partnership does not work and the people of Avery County are the ones that pay the price not only in service but also in dollars. Some of the problems that we have talked about are personnel and without volunteers of the fire service Avery County could not afford to have paid fire departments. This would require some incentives to help recruit volunteers and thus increased funding. The fire equipment is another issue. Currently, a fire engine has a service life of 20 years but can be kept longer. Currently today in Avery County there are 8 fire engines that are over 20 years. The value to replace these 8 engines would be 2.285 million dollars and there is no money in the fire commission money to replace the 8 engines. If we only replace 2 a year, we will fall farther behind. There are 9 additional fire engines that are over 15 years old. The picture is bigger than one engine at a time. There are 35 pieces of fire equipment including engines and tankers and ladder

company. If we leave the fire tax at 4 cents, we are going to lose ratings and cost the taxpayers more money. If the fire tax is raised to 5 cents, we can maintain the savings and also increase the savings based on the improvement to the equipment and personnel.

Scott Heath commented that he could deal with actual dollars better than the tax rate and would request that the fire departments give the dollar numbers of what they need instead of the tax rate.

Jake Owens, Avery Fire Commission member, stated that if there were no fire departments it would cost the taxpayers approximately \$6,000,000 so you are not raising taxes you are taking money away from the insurance companies because the citizens would have to pay the insurance companies \$6,000,000.

Glenn Johnson questioned if the fire departments can do what they need to do and still stay out of debt.

Jake Owens answered that the fire commission would have a better idea this upcoming budget because the truck debt has been paid off so we will know how much extra we will have. There are two buildings that will need to be replaced and there is no way to generate enough money to pay for that so there would need to be a down payment and payments every year. This year we can give you a closer figure on what we need but I don't think 5 cent will cover with the new buildings. Mr. Owens stated that at this point he didn't think anyone could say that a 5 cent fire tax could cover what was needed it may take more.

Martha Hicks said she had been listening tonight and that if there are not enough personnel what would be the point in having more fire trucks. She stated that everyone needed to sit down and talk to see how we can get more people involved.

Chairman Poteat commented that Bob Putney made a good point that this is a partnership, a unique partnership, and it involves three prongs Fire Association, Fire Commission and Board of Commissioners.

Daryl Smith, Chairman of the Avery Fire Commission, said that the best thing that was done was get rid of the debt. The Board knew what the figures were and if anything you were given too much information. The Fire Commission has also maintained a way to stay within the budget except for one time when the fuel money ran out. The Fire Commission has asked for a meeting for the past three years to discuss some of the issues and we have yet to have a meeting. We did come to you and tell you that we needed to start putting some money back for buildings because there is no way to pay for a building in one year. We have made a tremendous amount of progress and the Fire Commission and fire departments are working better together than they ever have. There is no point in the fire departments bringing a budget to the Fire Commission and then the Fire Commission bringing the budget to the Board of Commissioners when you don't listen to what the Fire Commission tells you.

Wayne Miller, Avery Fire Commission member, stated there needed to be a plan to buy trucks and the money would need to be earmarked for every truck we purchase now.

Chairman Poteat thanked the volunteers for their service.

Scott Heath said the Fire Commission justification is the biggest back up. At budget time we do allow the school board, sheriff and Fire Commission an hour regarding the budget. Last year the Fire Commission came with some issues that are still pending and one hour is not enough on some of these issues to be addressed. Mr. Heath recommended that the Commissioners honor an additional meeting with the Fire Commission before the budget process.

Martha Hicks stated that now that the debt has been paid off we can begin working on what needs to be done. Ms. Hicks thanked the volunteers for their service.

Glenn Johnson said that he had recommended in the budget meetings last year to give the fire departments an increase in the fire tax. Mr. Johnson said in his opinion that the fire departments should stay out of debt as much as possible.

Adjourn

Motion by Scott Heath and second by Martha Hicks to adjourn this meeting at 7:30 p.m. Motion unanimously approved with those in attendance.

**Kenny Poteat, Chairman
Avery County Board of Commissioners**

ATTEST: _____
Cindy Turbyfill, Clerk

