

**Wake County Fire Commission
MINUTES FOR TUESDAY, MAY 18, 1999
ADOPTED 10/5/1999**

Time:	7:15 PM - 9:50 PM
Location:	Wake County Commons Building Carya Drive at Poole Road
Present :	Yevonne Brannon, Wake County Commissioner Ed Brinson, West Region/Primary Tony Chiotakis, West Region/Alternate Ken Farmer, South Region/Alternate George Mills, North Region/Primary Phil Mitchell, South Region/Primary Ned Perry, Citizen/Consumer Charles Sannipoli, Citizen/Consumer Nancy Schwarm, Citizen/Consumer Tom Vaughan, East Region/Primary Bonnie Woodruff, Citizen/Consumer Ray Echevarria, Director-Fire/Rescue Division
Absent:	Cloyce Anders, External Facilitator Max Ashworth, Citizen/Consumer Blaine Parks, Citizen/Consumer(Alternate) Rodney Privette, East Region/Alternate A.C. Rich, North Region/Alternate Bill Stevenson, President of Firemen's Association
Topic:	<u>Discussion & Summary of Topics:</u>
Meeting Called to Order:	The meeting was called to order at 7:15 PM.
	The following handout was distributed: <ul style="list-style-type: none"> • Memo prepared by Ray Echevarria reference County Budget Adoption Timeline
	Roll was taken.
Public Comments:	Mr. Ken Farmer introduced the new Fuquay-Varina Fire Chief, Mark Melvin. Chief Robert Pearce, New Hope Fire Department - Chief Pearce appreciated the opportunity to speak. Knows of the challenges faced with the budget. As the manager was quoted in the paper, this is a hold the line budget year, and agrees with holding the line on the budget. Asking for help in year of transition.

	<p>Wake-New Hope provides best ISO in a non-municipal area. \$65,000.00 cut is a 9.23% cut in budget. Ask that budget remain uncut.</p> <p>Mr. Sannipoli asked about the cut.</p> <p>Ray commented the cut that Chief Pearce referred to is the staff recommendation.</p>
<p>Adoption of Minutes:</p>	<p>Motion to adopt 4-20-99 minutes as read.</p>
<p>County Manager Budget Recommendation Presentation:</p>	<p>The County Manager Budget Recommendation Presentation was made by Mr. David Cooke, Deputy County Manager. Mr. Cooke advised this is a difficult transition from twenty-one fire districts to one fire district. Several areas of discussion:</p> <ul style="list-style-type: none"> • Overall context of budget • Layout of staff recommendations • Walk through changes of finance; as from twenty-one to one fire tax district • Respond to what was on the last Wake County Fire Commission agenda: <ul style="list-style-type: none"> • 5% collection fee • Distribution of funds <p>Mr. Cooke distributed handouts:</p> <ol style="list-style-type: none"> 1. Wake County Fiscal Year, 1999-2000 Recommended Budget 2. Fire Tax District, County Manager's FY2000 Budget Recommendation Summary 3. FY2000 Fire Tax District <p>Distributed the first handout, <i>Wake County Fiscal Year, 1999-2000 Recommended Budget</i>. Stressed that he would not hit each chart. This year's budget is about education and everything else is to hold the line. Referred to the second page, second chart from the top on the left. This is basically what we are experiencing. Reflecting priorities to education and that Wake County Schools will get the lion's share of this year's budget. Some other charts show increase to other departments. Referred to third page, second chart from the top left, showing a recommended tax rate for the fire tax district of 8.5 cents. Shows there are ten new positions and provides for first responder county wide. Also, new station renovations for Fairview Fire Department and Fuquay-Varina building a third station in Willow Springs. Referred to the Budget Strategies for the County Manager's budget recommendation on the last page, top left chart. These included:</p> <ul style="list-style-type: none"> • Higher vacancy rates • Current expenses kept flat for most departments • Capital program reduced • Fund balance appropriation to balance budget

Using the fund balance is a short term strategy - not a long term. Referred to the FY 2000 Budget calendar, last page, second chart from the top left.

- Receive recommendations
- Public hearing on June 9 at 7 PM
- Work session on June 14 at 10 AM
- Adopt budget on June 21

Chief Mills questioned what are the ten positions?

Chief Chiotakis commented that he does not see emphasis placed on Fire and EMS services.

Chief Vaughan questioned if the second meeting was a public meeting.

The funding for the ten positions is shown in the *Fire Tax District, County Manager's FY2000 Budget Recommendation Summary (handout)*.

The attachments of the handout are what the Board of Commissioners saw at the Monday night meeting.

Ms. Schwarm questioned why the tax rate was different.

Ray commented that the Wake County Fire Commission recommendation has not yet gone to the Board of Commissioners.

Mr. Cooke stated the presentation could be a letter from the chair or could be speaking at the scheduled public hearing.

Chief Mills asked is it expected that Wake County Fire Commission speak before the Board.

Ray stated that it is up to the Wake County Fire Commission to make presentation to the Board.

Ms. Brannon commented that it should come as a separate document from Wake County Fire Commission. Do think the Wake County Fire Commission should send a letter to the Board of Commissioners. Will spend from now until June 21st looking at the budget. The Wake County Fire Commission should have a position.

Mr. Sannipoli asked is there any formal charge for the Wake County Fire Commission?

Ms. Brannon advised the Board would receive recommendation and that the Board would then take action.

	<p>Ray stated nothing presented.</p> <p>Mr. Sannipoli commented that the first year is a year of process. Worried that we are not doing process.</p> <p>Ms. Brannon stated this could be done either oral or written.</p> <p>Mr. Sannipoli commented that the 8.5 cent tax rate is a funded massive tax cut in the budget.</p> <p>Ms. Woodruff commented that we've been spending a lot of time and nothing has been given to the Board. Does not feel important in the process.</p> <p>Mr. Cooke advised you have several options. You can target the staff recommendation or you can present Wake County Fire Commission recommendation to the Board.</p> <p>Ms. Brannon stated that whatever the Wake County Fire Commission does, would be great if information communicated by the 8th of June to the Board.</p> <p>Mr. Cooke stated to not get into the individual distribution. Not a true hold the line budget with ten new positions and two new stations.</p> <p>Chief Mills commented that the fire departments have been receiving those funds to pay for fire protection. Does not see a 16% tax increase. And does not remember the Wake County Fire Commission addressing a station for Fuquay-Varina.</p> <p>Ms. Brannon commented that some of those folks who were not paying taxes were without a fire station. At that, an agreement was made that staff would develop a plan.</p> <p>Chief Mills stated he understood that this is a statement of intent and not an approval.</p> <p>Mr. Cooke stated this is a critical year.</p> <p>Chief Mills commented that he understands the point. Talk about Bayleaf taking a large cut. Two fire departments are asked to put forward \$200,000 to other departments to pay for new positions.</p> <p>Chief Mills stated that the Budget Review Subcommittee in a handicapped position since the chairperson not available for the last three meetings.</p> <p>Chief Vaughan commented to not argue about the 8.5 cents, we can not change the budget. Need to work on the contract and</p>
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revenue fees.

Mr. Sannipoli voiced that he was not in agreement of the 8.5 cents.

Mr. Cooke commented on the fund balance. Referred to page one. This is what Wake County holds you to today. What is the need to require 25% fund balance and \$25,000.00? 25% is really a cash flow issue. Is there a purpose to 25% of operational budget? If municipal agency, the municipality already has a fund. Suggestion for the other fire agencies, 10% or \$25,000; whichever is higher. Look at requirements since there is a need to keep an emergency reserve. Would go from restricted to unrestricted funds. This is a short term strategy to be used for one time expenses.

Mr. Sannipoli stated that part of 25% balance was to carry over for the fiscal year.

Mr. Cooke stated will provide 1/12 or 12 equal payments. In year of transition; right now revenue flow between two different agencies. Take off 5% from the 21 separate accounts. When we go from 21 to 1, everything from year 2000 will go into 1 fund from county wide tax district. In year 2001, all money will go into fund. Will talk about collection rate.

Chief Mills questioned about funds collected from prior years like 1996.

Mr. Cooke stated that revenue will go back to each district. Part of over collections are not so much from growth, but from delinquent accounts from prior years.

Chief Mills commented that county took out 5% for delinquency and 5% for collection fees.

Mr. Cooke commented on the collection rate, as shown in *FY2000 Fire Tax District (handout)*. This is how it will be treated for the whole district. Try to get closer to line on the budget. Can argue that we raise collection rate. The cost for collection recovers costs for functional support and collection. Anything above the 95% goes back to the fund. Sharing the philosophy of 5% fee to the district the fire tax district is similar to the solid waste fund. All expenses paid for by the county, hence the cost of the funds. Expenses recovered from the fund. 5% taken from fire districts was money from the 21 revenue funds.

Chief Vaughan questioned is all money going to general fund or is it going to Ray's budget.

Mr. Cooke stated this is not from Ray's budget.

Chief Vaughan stated that he has a problem with not collecting at actual cost. Like to see Wake County Fire Commission to recommend a 1% collection. Wants to be charged what it costs to collect funds.

Mr. Cooke stated there has to be an agreement. If we have to borrow from the general fund, then we have to pay the general fund back with interest. The county receives car payments throughout the year, but real estate comes in between September and January. There is no interest if you use your funds versus using the general fund.

Chief Chiotakis stated can not do numbers here tonight.

Ray stated that the Wake County Fire Commission can talk about the contract in a moment. The County Attorney is also looking at the language in the contract.

Mr. Perry commented that he is not a Wake County fire chief and is trying to get a good picture. Cost of collection is $\frac{1}{2}$ of 1%.

Mr. Cooke replied the collection fee of $\frac{1}{2}$ of 1% is what it costs for actual collection of the tax revenue.

Mr. Perry then questioned there are also other expenses with collection?

Chief Chiotakis commented that county charging 5% is for more than actual collection.

Mr. Perry then questioned what is mutual aid?

Ray stated that historically mutual aid is given to departments who give mutual aid to other departments to off-set costs. This year, the moneys divided to each of the four regions.

Mr. Cooke stated that if general fund used, then we have to pay general fund back. If we agree to use fund balances versus general funds, then no interest.

Chief Vaughan commented he wanted to look at the collection fee.

Chief Brinson commented on paying for calls.

Ray commented county pays for calls dispatched. If Swift Creek goes on 500 calls, then county is billed by City of Raleigh for those calls.

Mr. Cooke stated that he concluded his presentation.

Mr. Sannipoli questioned if figures used were this year's numbers.

Mr. Cooke responded yes, based on this year's numbers.

Chief Chiotakis questioned if emergency incident support was part of haz-mat.

Ray answered no.

Chief Vaughan stated that he mentioned before at previous meeting that haz-mat should not come out of collections.

Chief Mills questioned what is or is not covered by \$484,131. The business about radio dispatch, is that in the public safety budget?

Ray answered that he believes it is in the Emergency Management Budget.

Chief Mills questioned if we amass some money in this account, will it have interest.

Mr. Cooke replied yes.

Chief Chiotakis questioned why 95% and not 98%?

Mr. Cooke stated that county wide, collection is between 97-98%. 95% is a safe number.

Chief Chiotakis commented that he is trying to find a balance between 8.5 cents and 10 cents.

Chief Vaughan questioned are municipalities charged the fees for using the Fire Marshal's office and EMS?

Ray answered to look at the functions of the county as a whole, not just Fire Marshal.

Chief Vaughan commented that to his knowledge, county provides same services to municipalities.

Mr. Cooke thanked the group.

(Break at 8:30 PM)

(Resumed at 8:45 PM)

Ray stated the need to talk about a fire budget recommendation. Would like for the Wake County Fire Commission to have a plan of action tonight. The Budget Review Subcommittee recommended 9.5 cent tax rate and another motion was made to endorse tax rate at 10 cents. Did not address the distribution of funds. There are a couple of strategies available. Need to decide on ten cent tax rate

and distribution of revenue or does the Wake County Fire Commission do distribution based on staff recommendation.

Mr. Sannipoli stated that 10 cents was recommended with 9.5 cents for distribution with .5 cents to general fund.

Mr. Farmer stated this is an unfair process for this much change with this little notice. Won't cost the county per se, but would cost ten districts.

Chief Mills described the way the Budget Review Subcommittee came up with the extra fund. To distribute funds to departments that demonstrated needs. This is an imperfect process. Look at what you actually get and look at the proposed funding.

Mr. Perry commented that the County Commissioners have given us general directions. Talked about 13% for schools and then it was reduced to 10%. The County Manager addressed concerns that were very difficult. For us to continue at ten cents is not realistic. Endorse what staff has given us to go to the County Commissioners. Look at functions of support at a later time than tonight. Have a June 9, 1999, deadline. Talking for ten cents is valid. The County Commissioners have responsibility to make the final choice. Support what staff has recommended. I can not continue to support ten cents.

Mr. Sannipoli made motion with ten cent tax rate to distribute at 9.5 cents with .5 cents to the fund balance. Motion that the Wake County Fire Commission recommend to County Commissioners as documented in Budget Review Subcommittee report from the February 25, 1999, report.

Motion put to vote:
In favor - 3
Against - 5
Motion not approved.

Mr. Perry recommended supporting the Fire Marshal and staff.

Chief Mills commented to distribute funds based on 9.5 cents leaves door open to retract 10 cents. Distribute moneys based on 9.5 cents. No second on motion. Motion died.

Mr. Perry motioned that the Wake County Fire Commission approve the staff proposed budget of 8.5 cents with distribution provided by staff and look at functions provided at a later date.

Chief Vaughan stated he would second the motion of 8.5 cents only minus the later date.

Chief Mitchell stated the Wake County Fire Commission came up

with 9.5 cents, but staff recommends 8.5 cents. This is not what we set out to do.

Chief Vaughan commented that he did vote with 10 cent last go round, but it is time to move on to what we can do.

Ms. Schwarm stated she is disappointed that the County Commissioners did not hear about the 10 cent proposal.

Ray stated that whatever action taken by the Wake County Fire Commission, then take forward to the Board of Commissioners. Whatever approved here, need an action to go to the Board.

Chief Chiotakis stated that if Wake County Fire Commission feels 10 cents correct rate, what vehicle do we use to agree with 8.5 cents but not 10 cents.

Ms. Brannon stated that the Board of Commissioners is aware of the Wake County Fire Commission's position. It is not like no information not leaving the room. What you see from Mr. Cooke is a way to close the gap. The Wake County Fire Commission should send to a budget proposal along with concerns, or things you think are a problem that you would like to revisit in a year or two. Would be remiss not to. Should make clear you have concerns and to revisit. This is not set in stone.

Ray stated that someone needs to articulate this to the Board.

Chief Mills stated that he had a separate conversation with Cloyce Anders and Mr. Anders was prepared to make that presentation. Mr. Anders felt it his duty to present this message.

Ms. Brannon stated to give your concerns to the Board.

Ray stated that Mr. Perry's motion is on the table.

Mr. Perry stated the County Commissioners charged with fixing tax rates by July 1st. Nothing says that we can not go back to revisit.

Chief Chiotakis commented that he agreed totally. These are changeable issues. If County Commissioners go with the Manager's recommendation, can the 5% be altered at a later date? We think the cost of collection should be \$250,000 - can this be altered?

Mr. Cooke stated yes. Concerns for answer yes. Could reallocate mutual aid funds. Services are negotiable.

Motion put to vote:
Motion passed.

	<p>Ms. Brannon went to chart to do a visual of memo to Board. Suggested three sections to the memo:</p> <ol style="list-style-type: none"> 1. Actions / Recommendations taken 2. Issues of Concern / Unresolved 3. Future Needs to Revisit <p>Mr. Perry recommended putting together letter of what was voted on tonight for the Board of Commissioners. Suggested Ray do letter to meet the timetable.</p> <p>Chief Vaughan recommended going to Ray's office to discuss collection fee.</p> <p>Mr. Sannipoli motioned to discontinue mutual aid funding and to have it put back directly into budget.</p> <p style="padding-left: 40px;">Motion put to vote: Motion failed.</p> <p>Ray stated that he would do memo for Commissioners.</p> <p>Ms. Brannon stated that everyone should be able to come to meeting to discuss collection fees. Everyone can give a memo to Ray with issues of concern.</p> <p>Chief Vaughan stated this should start with the Contract & Performance Subcommittee. Suggested setting up a Contract & Performance Subcommittee as soon as possible.</p> <p>Ray stated that he would set up a Contract & Performance Subcommittee to meet as soon as possible and will get notice out to everyone.</p> <p>Ms. Brannon stated that each individual member send information to Ray to send memo to Board of Commissioners.</p> <p style="padding-left: 40px;">Motion put to vote: Motion passed.</p> <p>Ray stated to please get comments turned in by this Friday.</p>
COMMITTEE REPORTS:	
Budget Review:	No report.
Capital Improvement Program:	No report.
Contract & Performance Requirements:	Ray stated that he sent out proposed document. Asked if everyone had time to review.

	<p>Chief Vaughan commented that fund balance, where the overage balance to be used, first responder, and collection fee concerned him.</p> <p>Mr. Sannipoli questioned if this had been distributed to fire departments yet.</p> <p>Ray stated not at this time. The document is still in DRAFT form.</p> <p>Chief Mills questioned that when the Wake County Fire Commission comfortable with contracts, what are we responsible for doing?</p> <p>Chief Vaughan stated to meet and finalize the contracts.</p> <p>Chief Chiotakis has concerns about section D, the automatic mutual aid agreement. Under ISO agreement, shouldn't it read automatic aid.</p> <p>Chief Vaughan suggested that he come to the meeting.</p> <p>Ray encouraged everyone to look at the contract prior to coming to the meeting. Will get back with a meeting date.</p> <p>Chief Chiotakis also commented about section 11, liquidation in accordance with non-profit, all assets acquired with county funds. Questioned the wording.</p> <p>Chief Vaughan commented that in the future, dissolution could be a problem.</p> <p>Chief Brinson commented that section one had no provisions for the Wake County Fire Commission to recommend funding.</p> <p>Ray stated that the contract is between the county and the fire department.</p> <p>Chief Brinson stated there is no mention of the Wake County Fire Commission.</p> <p>Ray stated that we would need to come up with recommended language.</p>
<p>Planning:</p>	<p>Mr. Perry stated there was not a quorum to have a Planning Subcommittee meeting. Chief Robert Pearce submitted plan for addition to station two. Will look at recommendation and get back with you. They have a good plan for now and future needs. This will be addressed at the next meeting.</p>
<p>Y2K Update:</p>	<p>Ray asked that the individual fire department's keep us updated of any Y2K problems.</p>

	Chief Mills stated that WC3 is not 2000 compatible. WC5 may be a solution.
New Business:	<p>Ray stated that he hoped that we can get issues addressed between now and the June 15 meeting so we can take the summer off. Stated that we have come a long way in a short period of time. Ray proposed putting together a workplan and distributed a handout: <i>Consideration of Fire Commission Workplan for FY 99-2000.</i></p> <p>Ms. Brannon commented that it lets Board members know what has been done and what is proposed to be done.</p> <p>Ray reminded the Wake County Fire Commission that the EMS Task Force meeting is next week and the Wake County Fire Commission members are invited to attend.</p>
Meeting Site for the Thursday, June 3, 1999, Wake County Fire Commission Meeting:	Wake County Commons Building Carya Drive off Poole Road
Adjournment:	Meeting adjourned at 9:50 PM.

Handouts = 5

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