

**STATE OF NORTH CAROLINA
COUNTY OF AVERY**

The Avery County Board of Commissioners met in a Budget Workshop on Tuesday, April 26, 2011 at 4:00 p.m. in the Commissioners Board Room, Avery County Administrative Complex, 175 Linville Street, Newland, NC.

Members Present: Kenny Poteat, Chairman; Phyllis Forbes, Vice-Chair; Scott Heath; Martha Hicks; Glenn Johnson

Members Absent: None

Call To Order

Chairman Poteat called the meeting to order at 4:00 pm.

FY Budget 2011/2012

Chairman Poteat read an article from the "County Lines" magazine regarding 14 different counties and how these counties are trying to work with their budgets.

Robert Wiseman, County Manager, said that this is without a doubt the toughest year fiscally that we have had ever. It does not look nearly as gloomy now as it did yesterday. Yesterday we were looking at a 2.3 million dollar shortfall. We have been very conservative with the budget. We have cut the budget back to where we thought was a good starting point. We started out with that and went back this morning and went through the capital budget requests and made more severe cuts. At noon today, we were will looking at a 1 million dollar shortfall and there was nothing left to cut but Tim has worked on the revenue side and now the budget is down to where it can be manageable. Keep in mind where we are now is based on the presumption that the school board allocation, Mayland allocation, Toe River Health District allocation and all nonprofit allocations stay where they were from last year with no increases. A COLA or the salary plan is not even under consideration at this time for county employees. The situation with the Linville Rescue Squad taking over the Avery Rescue is an issue. The Newland Town Council is trying to make a decision on whether to continue the Tag Office in Newland. They are at a deficit of \$30,000 even with \$10,000 from Avery County.

Mr. Greene said that this is the first time that we have brought in a budget that is not balanced. We are still \$710,000 short. We cannot go through capital again and come up with \$710,000. This is the first year since I have been here that we are projecting less tax revenue in the upcoming year than we got in the current year. Our tax base has shrunk a little nearly \$19,000,000. Every year our tax revenue has gone up probably \$300,000 to \$500,000 but instead of going up it has gone down \$60,000. Mr. Greene stated that we have been assuming a 96% tax collection rate and this year it has been scaled back to 95% . This plus the \$60,000 less in tax revenue equates to a total of \$205,000 less in taxes this year than last year. We have lost some land to conservancies and some of the developments have had drastic decreases in the appraisals. Mr. Greene advised that he added an additional 14 jailer positions and that comes to a total of 23. As it is in this budget, these positions are budgeted for a full 12 months for a total of approximately \$600,000. Mr. Wiseman stated that it is a little liberal to budget for the full 12 months this budget because Phase I will not be finished until approximately the last of September. Mr. Greene stated that if everything was good to go on September 30th they would need to be employed by July 30th. Mr. Wiseman said by the last of May or first of June we will have a little better handle on the schedule.

Each Commissioner was handed out a copy of the proposed budget for 2011/2012. There was considerable discussion and questions regarding the proposed budget for 2011/2012.

The next budget meeting will be May 16, 2011 at 4:30 p.m. after the Regular Meeting. There will be a Budget Meeting on May 19, 2011 at 5:00 p.m. with the Fire Commission, Sheriff and Avery County Board of Education.

Adjourn

Motion by Scott Heath and second by Glenn Johnson to adjourn this meeting at 6:05 p.m. Motion unanimously approved.

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

ATTEST: _____
Cindy Turbyfill, Clerk

