

**Town of Rolesville, North Carolina
Fire Service Unification Initiative
Session #5 Working Notes**

September 22, 2021 - 3pm-5:30pm – In Person – Rolesville Town Hall

Attendance:

- Mayor Ronnie Currin, Town of Rolesville ron.currin@rolesville.nc.gov
- Commissioner Jacky Wilson, Town of Rolesville jacky.wilson@rolesville.nc.gov
- Commissioner April Sneed, Town of Rolesville april.sneed@rolesville.nc.gov
- Town Manager Kelly Arnold, Town of Rolesville kelly.arnold@rolesville.nc.gov
- Finance Director Amy Stevens, Town of Rolesville amy.stevens@rolesville.nc.gov
- Human Resources Director Lisa Alston , Town of Rolesville Lisa.Alston@rolesville.nc.gov
- Pres. Spence Jones, Rolesville Rural Fire Department (RRFD) Spence@actelectricinc.com
- Frank Pearce, Jr., RRFD Board Secretary/Treasurer N/A
- Herbert Holding, RRFD Board hholding@rolesvillefire.com
- Chief Rodney Privette, RRFD chief@rolesvillefire.com
- Assistant Chief Donnie Lawrence, RRFD AsstChief@rolesvillefire.com
- Captain Jacob Butler, RRFD jbutler@rolesvillefire.com
- Captain Brian Ward, RRFD bward@rolesvillefire.com
- Admin. Asst. Edna Allison, RRFD N/A
- Darrell Alford, Wake County Fire Services Director Darrell.Alford@wakegov.com
- Greg Grayson, NC Fire Chief Consulting as facilitator only ggrayson@NCFireChief.com

A. Review of Working Notes from Session 4 :

1. Highlights of Session #4 were reviewed by Greg Grayson. A clarification was made to item #6 and a change was made to item #7. In item #7, the RRFD Board desires for construction on the fire station to begin within a two-year time period from July, 2021. The timeline for construction date was previously stated as two years from the date of the agreement. With concurrence from the group, changes made to the Session 4 working notes were to be posted to the Town website following the meeting.
2. Town of Rolesville Manager Kelly Arnold reported that the Town Board did meet on September 7, 2021, and the consensus direction from the Town elected officials was to keep moving forward with the merger/unification with the Rolesville Rural Fire Department. A joint meeting with the Town Board and the Wake Forest Town Board is scheduled for October 13, 2021, in a public meeting. There may be some discussion of Wake Forest's experience with merger/unification at that session.
3. RRFD Board President Jones reported that the RRFD Board had not met, but that the group would be meeting on October 18, 2021, when they would hold their annual meeting.

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B. Subcommittee Report on Budget and Finance:

1. Amy Stevens presented the subcommittee report on this topic. She stated that most of the RRFD budget development is through the Wake County budget submission process. There is a seven-year capital improvement plan (CIP) as a part of that process. Approximately 98% of the RRFD's total funding is from the Town of Rolesville and Wake County.
 - a. The unified fire protection service district in Wake County for unincorporated areas (and the Town of Wendell) is set at \$.1027 for this current fiscal year. The maximum rate set for the service district is \$.15 per \$100 valuation as adopted by the county commissioners in 1998 (not restricted by state legislation).
 - b. Wake County is currently revising their municipal cost share agreement for FY 22-23.
2. Historically, the Town of Rolesville budgets a designated cents per \$100 valuation of budget receipts for providing fire protection through the RRFD. The rate was at \$.08 for many years. Currently, the Town of Rolesville contribution rate is \$.10 per \$100 valuation. Of this amount, \$.07 from the Town goes to RRFD to support operational costs. Also, \$.02 is designated to a ladder/building/land fund. In addition, \$.01 of this amount is designated to support capital expenditures.
 - a. The agreement between the Town of Rolesville and the RRFD to fund at 7 cents operations, 2 cents ladder/building/land and 1 cent to capital was "mutually agreed to" back in 1999. However, the ladder truck agreement was unsigned.
 - b. With the recent revenue neutral adjustment, the yield will adjust.
3. The RRFD purchases capital equipment and Wake County reimburses the RRFD up to the budgeted amount. Wake County did not participate in the ladder truck purchase at the time that it was made. All the ladder truck expense was on the Town. However, since that time, Wake County has changed their policy.
 - a. Discussion was held about two fire apparatus that RRFD has recently ordered – Engine 152 and Rescue 15.
 - b. It was also noted that Wake County funds brush trucks and tankers across the county – not municipalities.
 - c. Also, one of the county's fiscal policies is that the sale of county funded apparatus purchased after 2000 reverts to Wake County.
4. Currently, 80% of the total RRFD budget is going to salaries and benefits.
5. There are three areas of debt currently for the RRFD: 1) the ladder truck, 2) the property on Old Pearce Road, and 3) new Rescue 15. Rescue 15 will be principally financed through a special loan program with Wake Electric Membership Corporation.

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6. The Town's yield of the 2 cents designated for ladder/building/land fund has grown significantly from FY 13-14 to FY 19-20. A revenue stream is in place to help pay for expansion of services, including construction and staffing at Fire Station 2.
 - a. Chief Privette stated to the group that staffing is needed now with the current fire station. Another weekday full-time career person is needed to help with response.
7. Darrell Alford clarified for the group that the Town of Rolesville could move forward with constructing a fire station 2 under the municipal cost share agreement for the county to support the project at a percentage, just as they do with Wake Forest and other municipalities. However, a further analysis is needed to determine if the County would be willing to contribute any more than the cost share amount.
8. Ms. Stevens handout is below (8 pages):

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**Fire Unification
Report of the Budget & Finance Subcommittee
September 2021**

Subcommittee Members:

Darrel Alford, Wake County
Aaron Brown, Wake County
Rodney Privette, RRFD
Edna Allison, RRFD
Amy Stevens, Town of Rolesville

INTRODUCTION

The subcommittee met several times over the summer to share financial information and reports. These meetings served to strengthen communication among the RRFD, Wake County, and Town of Rolesville. All of the parties involved shared information openly and transparently, and as a result we all have a better understanding of the financial issues involved in future service unification.

BUDGET DEVELOPMENT

Wake County

- Wake County collects revenues from a uniform fire district tax in unincorporated areas of the county and the Town of Wendell. Each fire department in the county except Raleigh and Cary submit a budget for approval, and the collected property taxes are used for funding the departments.
- The non-profit departments that are not tied to a municipality are funded 100% by Wake County.
- Departments that also serve municipal areas are funded at a cost share rate determined by a percentage based on 5 weighted elements: calls for service, population, valuation, area, and heated square footage.
- Wake County maintains a multi-year forecast of capital purchases for all fire departments in the county.

Town of Rolesville

- The Town of Rolesville budgets for RRFD based on a portion of the Town's property taxes. Since FY08-09, 7 cents have been earmarked for operating expenditures and 1 cent has been earmarked for capital expenditures. In FY11-12, an additional 2 cents were added for payment of the ladder truck debt service.
- The county-wide property revaluation in FY20-21 resulted in a new, lower revenue-neutral tax rate for the Town, and the RRFD allocation therefore also changed from a total of 10 cents to 9.17 cents.
- The Town has had minimal involvement in the development and implementation of the annual RRFD budget.

The committee noted that the internal budget development process for Wake County and the Town of Rolesville were very similar, both in terms of the steps in the process as well as the budget accounts used. Wake County begins their budget process earlier in the fiscal year than the Town of Rolesville.

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RRFD REVENUES

RRFD's financial statements show that the primary sources of revenue are disbursements of public funds from Wake County and the Town of Rolesville. Taken together, these two sources account for 98% of annual revenues.

Operating

- Wake County makes 12 level monthly disbursements to RRFD based upon the approved operating budget for that fiscal year.
- The Town makes monthly disbursements to RRFD based upon a percentage of the property taxes received during the month. Since property tax receipts peak from November to January, the largest disbursements occur in those months.
- RRFD has expressed an interest in having a more level distribution from the Town in order to manage cash flow for payroll and avoid distorted fund balance during budget development.

Capital

- RRFD pays for capital purchases up front and submits an invoice to Wake County for reimbursement. Wake County reviews the invoice and disburses their cost share up to the agreed budgeted amount. The balance, including any overage beyond the budgeted amount, is covered by the Town's distribution. Wake County does cost share on some overages; this decision is made on a case by case basis.
- The Town makes monthly disbursements to RRFD based upon a percentage of the property taxes received during the month.

Ladder

- Wake County does not participate in the payment of funds for the ladder truck debt service.
- The Town makes monthly disbursements to RRFD based upon a percentage of the property taxes received during the month.

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RRFD EXPENDITURES

Operating

- The majority of annual operating costs are for the salaries and benefits of personnel, accounting for about 80% of all operating expenditures. This figure does not account for expenditures on capital items or debt service. See **Appendix A** for more detail on the RRFD Operating Budget.

Wake County Capital Plan

- Other than a pumper acquisition in 2012, Wake County's multi-year capital equipment plan has not included any major capital outlays for RRFD since 2010. See **Appendix B** for a detailed list of RRFD Fixed Assets. Other notable recent capital purchases include:
 - About \$80,000 for a storage building behind the Fire Station, paid from Town funds
 - About \$50,000 for a generator, cost shared
- Capital purchases in progress as of January 2021 include:
 - **Engine 152:** Cost of \$682,576, cost shared. RRFD will finance the County cost share over a 10-year period and Wake County agrees to remit the annual debt service.
 - **Rescue 15:** Cost of \$659,420, primarily Town funds. Wake County is contributing \$80,000 that they offered toward refurbishment of the existing truck. The truck has already been paid for, and the price noted here reflects a discount of \$25,500 due to the prepayment.
- Capital expenditures planned for RRFD in the future, per the Wake County capital plan are noted below. Brush trucks and tankers are all paid 100% by Wake County.

FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
Small vehicle \$41,524 Cost shared	Brush truck \$103,277 100% Wake				Tanker \$544,000 100% Wake	Engine \$TBD Cost shared
SCBA equip \$242,452 Cost shared						

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EXISTING DEBT

Ferrara Ladder Truck

- Purchased for \$905,000 in February 2011, financed \$800,000 for 12 years at 3.62%
- Last payment will be February 2023, 2 payments are remaining, balance is \$158,110
- Annual debt service payments are \$83,373

Old Pearce Road Land

- Purchased for \$265,500 in October 2016, financed \$159,300 for 10 years at 2.75%
- Last payment will be October 2026, 6 payments remaining, balance is \$85,046
- Annual debt service payments are \$18,439

Rescue 15

- Prepaid \$659,420 in February 2021 (delivery expected in early 2022), financed \$459,420 with short term financing at 2.6%
- At delivery, RRFD plans to pay off the short-term financing and seek a \$400,000 loan with WEMC for 10 years at 0.0%

POTENTIAL COSTS OF UNIFICATION

While the majority of operational, capital, and debt costs will remain the same whether the fire service is housed with RRFD or the Town of Rolesville, some potential expenditures have been noted throughout the fire unification discussion:

- Workers compensation premiums
- Full-time Fire Chief salary and benefits
- Employee pay within Town pay grades that exceed the Wake County max for reimbursement
- IT infrastructure and software needed to integrate into Town systems

With unification, it is also likely that some current expenditures would be reduced or eliminated. Further exploration into this topic will be completed as unification progresses.

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NET ASSETS

A summary of RRFD net assets over time, as of June 30 of each fiscal year displayed:

	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20
Firemen's Relief Fund	\$100,399	\$94,964	\$93,278	\$92,479	\$90,185	\$88,830	\$82,674
Firemen's Day	20,741	22,793	24,339	23,899	25,649	20,285	20,614
Ladder Building Land Fund	115,319	167,741	158,843	234,648	143,198	438,358	555,121
Capital Fund	205,616	274,023	341,557	409,808	422,002	523,209	634,384
Undesignated Balance	48,661	173,378	322,284	427,717	601,141	502,875	534,885
	\$490,736	\$732,899	\$940,301	\$1,188,551	\$1,282,175	\$1,573,557	\$1,827,678

**Source: RRFD Financial Statements*

Firemen's Relief Fund

The Firefighters' Relief Fund was established by NC General Statutes 58-84 and 58-85 to financially assist firefighters who are injured while performing their duties. The funds come from a tax on certain insurance policies issued within the state. The use of these funds is restricted under NC state law.

Firemen's Day

This fund was established to provide discretionary funds for purchases outside the approved budget or to assist firefighters with personal hardship issues. Proceeds come from community fundraising events. The RRFD board has requested that these funds remain in their possession after unification.

Ladder Building Land Fund

This fund is used to account for the Town of Rolesville's 2 cent distribution for the ladder truck debt service payment. This is mistakenly shown as two separate funds on the financial statements, and they are combined in the chart above. The balance in this fund also includes about \$69,000 received from Eastern Wake EMS.

Capital Fund

This fund is used to account for the Town of Rolesville's 1 cent distribution to capital expenditures.

Undesignated Balance

This fund represents the balance of all other cash equity in the organization which is not designated for a specific purpose. This is where the Rolesville 7 cent distribution, the Wake County distribution, and most other revenues accumulate.

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ANALYSIS

Over the seven-year period from FY13-14 to FY19-20, RRFD has accumulated an additional \$1.3 million in liquid equity. The primary drivers of this growth in equity are the property tax disbursements from the Town of Rolesville.

Ladder Building Land Fund

- When the ladder truck was first acquired, the annual debt service payment was equivalent to 2 cents of the Rolesville property tax rate. Since that time, the revenue value of each penny of property tax has increased over 150%.
- This has resulted in Surplus Revenues to RRFD for the ladder truck debt service. The RRFD board has designated these Surplus Revenues be used for future land and building construction.
- These funds provided the source of revenue for the purchase of 3 parcels of land for future stations.

	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
Ladder Truck Payment	81,383	81,383	81,383	81,383	81,383
Rolesville 2 cent Distribution	179,119	195,446	212,409	236,598	n/a
Surplus Revenues	97,736	114,063	131,026	155,215	n/a

Capital Fund

- Subsequent to June 30, 2020, some of the \$634,384 in reserves have been used to make the cash portion of the prepayment for Rescue 15.
- All of the remaining money in this fund will be needed to make the RRFD matching payment for the Town's cost share of Engine 152 in early 2022.
- Given no other significant upcoming capital purchases, no shortfall in these funds is expected.

	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
Rolesville 1 cent Distribution	89,560	97,663	106,205	118,299	n/a

Undesignated Balance

- As noted earlier, the Wake County approved operating budget sets out the Town's cost share amount for RRFD. However, the Town's 7 cent property tax distribution more than covers this cost share amount.
- These Surplus Revenues have allowed RRFD to make some expenditures in excess of the Wake County approved budget amounts. These overages were primarily concentrated in personnel, maintenance & repair, professional services, service awards, and rental property expenditures.

	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
Operating Budget	\$1,206,159	\$1,265,878	\$1,302,083	\$1,378,104	\$1,437,099
Wake County Cost Share	808,556	808,556	806,256	664,877	662,139
Rolesville Cost Share	397,603	457,322	491,713	705,720	768,276
Rolesville 7 cent Distribution	626,917	684,122	743,433	828,091	n/a
Surplus Revenues	229,314	226,800	251,721	122,372	n/a

Summary

The subcommittee agrees that these Surplus Revenues are a revenue stream that could be used to provide funding for additional staffing and operations associated with Fire Station #2.

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Appendix A:
Budget v. Actual
Operating Budget Only

	FY17-18	FY17-18		FY18-19	FY18-19		FY19-20	FY19-20	
	Wake Budget	Audited	Difference	Wake Budget	Audited	Difference	Wake Budget	Audited	Difference
REVENUES									
4010 Special District Taxes	808,556.00	808,556.00	-	808,556.00	808,556.00	-	806,256.00	810,200.00	3,944.00
4015 Special District Taxes - Roles	397,603.00	626,917.00	229,314.00	457,322.00	684,122.00	226,800.00	491,713.00	743,433.00	251,720.00
4020 Sales Tax Refund	-	13,617.00	13,617.00	-	13,112.00	13,112.00	3,353.00	16,422.00	13,069.00
4030 Gas Tax Refund	-	-	-	-	-	-	761.00	-	(761.00)
4060 Donations	-	23,750.00	23,750.00	-	390.00	390.00	-	-	-
4080 Rental Income - Rental House	-	7,800.00	7,800.00	-	7,800.00	7,800.00	-	7,800.00	7,800.00
4090 Miscellaneous Income	-	2,395.00	2,395.00	-	4,978.00	4,978.00	-	-	-
4200 Interest Income	-	2,961.00	2,961.00	-	5,038.00	5,038.00	-	8,685.00	8,685.00
4250 Insurance Allocation	-	9,766.00	9,766.00	-	9,944.00	9,944.00	-	8,486.00	8,486.00
TOTAL REVENUES	1,206,159.00	1,495,762.00	289,603.00	1,265,878.00	1,533,940.00	268,062.00	1,302,083.00	1,595,026.00	292,943.00
EXPENDITURES									
5101 Salaries		794,541.00	(794,541.00)		873,902.00	(873,902.00)		924,051.00	(924,051.00)
5102 Wake County Personnel		78,027.00	(78,027.00)		85,590.00	(85,590.00)		92,133.00	(92,133.00)
5103 Group Insurance	4,907.00		4,907.00	5,291.00		5,291.00	5,747.00		5,747.00
5104 Retirement Exp / Pension Fund		2,880.00	(2,880.00)		2,520.00	(2,520.00)		2,640.00	(2,640.00)
5105 Other Fringe Benefits		143,714.00	(143,714.00)		142,386.00	(142,386.00)		132,809.00	(132,809.00)
Full-Time Personnel Costs	782,951.00		782,951.00	832,714.00		832,714.00	843,388.00		843,388.00
Part-Time Personnel Costs	160,679.00		160,679.00	164,563.00		164,563.00	175,620.00		175,620.00
Volunteer Compensation	34,202.00		34,202.00	29,890.00		29,890.00	29,908.00		29,908.00
Personnel Subtotal	982,739.00	1,019,162.00	(36,423.00)	1,032,458.00	1,104,398.00	(71,940.00)	1,054,663.00	1,151,633.00	(96,970.00)
5200 Office Supplies	4,000.00	3,820.00	180.00	4,000.00	5,571.00	(1,571.00)	4,000.00	4,138.00	(138.00)
5201 Food & Provisions	8,000.00	8,417.00	(417.00)	8,000.00	9,419.00	(1,419.00)	8,000.00	9,862.00	(1,862.00)
5202 Other Supplies & Materials	3,200.00	4,904.00	(1,704.00)	3,200.00	3,145.00	55.00	3,200.00	3,800.00	(600.00)
5300 Professional Services	5,600.00	14,882.00	(9,282.00)	5,600.00	24,702.00	(19,102.00)	5,600.00	14,744.00	(9,144.00)
5301 Training Expense	10,000.00	6,868.00	3,132.00	10,000.00	5,421.00	4,579.00	10,000.00	4,529.00	5,471.00
5302 Telecommunications & Telephones	9,000.00	10,421.00	(1,421.00)	9,000.00	10,649.00	(1,649.00)	9,000.00	13,095.00	(4,095.00)
5303 Postage	675.00	732.00	(57.00)	675.00	729.00	(54.00)	675.00	502.00	173.00
5304 Utilities	19,345.00	14,081.00	5,264.00	19,345.00	16,441.00	2,904.00	19,345.00	15,972.00	3,373.00
5306 Maint & Repair - Bldgs & Grounds	8,000.00	14,073.00	(6,073.00)	8,000.00	13,940.00	(5,940.00)	12,000.00	16,780.00	(4,780.00)
5307 Maint & Repair - Equipment	12,000.00	16,559.00	(4,559.00)	12,000.00	12,602.00	(602.00)	12,000.00	21,242.00	(9,242.00)
5308 Maint & Repair - Vehicles	41,000.00	83,603.00	(42,603.00)	51,000.00	66,568.00	(15,568.00)	61,000.00	94,327.00	(33,327.00)
5311 Advertising	500.00	525.00	(25.00)	500.00	844.00	(344.00)	500.00	210.00	290.00
5312 Clothing Expense	18,000.00	25,837.00	(7,837.00)	18,000.00	48,361.00	(30,361.00)	18,000.00	19,635.00	(1,635.00)
5313 Dues & Subscriptions	2,500.00	1,999.00	501.00	2,500.00	2,094.00	406.00	2,500.00	1,899.00	601.00
5314 Insurance & Bonds	23,000.00	17,878.00	5,122.00	23,000.00	17,219.00	5,781.00	23,000.00	18,923.00	4,077.00
5315 Miscellaneous Expenses	10,800.00	8,795.00	2,005.00	10,800.00	9,657.00	1,143.00	10,800.00	5,285.00	5,515.00
5316 Medical Supplies	5,000.00	3,299.00	1,701.00	5,000.00	2,960.00	2,040.00	5,000.00	2,107.00	2,893.00
5318 Contributions		1,000.00	(1,000.00)		500.00	(500.00)		98.00	(98.00)
5319 Maintenance Agreements	7,300.00		7,300.00	7,300.00		7,300.00	7,300.00		7,300.00
5320 Service Awards & Receptions	6,000.00	7,687.00	(1,687.00)	6,000.00	8,233.00	(2,233.00)	6,000.00	7,096.00	(1,096.00)
5321 Safety Program/ Fire Prev	6,500.00		6,500.00	6,500.00		6,500.00	6,500.00		6,500.00
5322 Turnout Gear (PPE/NON TURNOUT)	23,000.00	25,645.00	(2,645.00)	23,000.00	27,252.00	(4,252.00)	23,000.00	12,683.00	10,317.00
5323 Fundraising / Firemans Day			-		3,200.00	(3,200.00)			-
6005 Rental Property Misc Expense		3,241.00	(3,241.00)		2,992.00	(2,992.00)		2,455.00	(2,455.00)
6008 Property Taxes		2,539.00	(2,539.00)		2,678.00	(2,678.00)		3,670.00	(3,670.00)
Operating Subtotal	223,420.00	276,805.00	(53,385.00)	233,420.00	295,177.00	(61,757.00)	247,420.00	273,052.00	(25,632.00)
TOTAL EXPENDITURES	1,206,159.00	1,295,967.00	(89,808.00)	1,265,878.00	1,399,575.00	(133,697.00)	1,302,083.00	1,424,685.00	(122,602.00)
REVENUES MINUS EXPENDITURES	-	199,795.00	199,795.00	-	134,365.00	134,365.00	-	170,341.00	170,341.00
Salaries & Benefits as % of Operations			79%			79%			81%

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Appendix B:
Fixed Assets List

	FY17-18	FY18-19	FY19-20	FY20-21
	Trial Balance	Trial Balance	TB Corrected	TB Preliminary
FIXED ASSETS				
1400 Land - Fire Station 1980 \$1,040,670 [104 E Young St]	20,000.00	20,000.00	20,000.00	20,000.00
1401 Land - Building Addition [200 E Young St]	16,110.00	16,110.00	16,110.00	95,024.22
1402 Land Improvements	45,620.91	45,620.91	45,620.91	45,620.91
1403 Land - EMS Property [204 E Young St]	50,000.00	50,000.00	50,000.00	50,000.00
1404 Land - Pearce Property, FY15-16, \$125,000 [4124 Burlington Mills Rd]	149,149.33	149,149.33	153,788.54	154,624.15
1405 Land - Clontz Property, FY15-16, \$265,500 [Old Pearce Rd]	274,099.59	274,099.59	276,348.35	274,531.83
1406 Land - Fowler Property, FY17-18, \$171,000 [Fowler Road]	172,083.80	172,083.80	174,141.21	174,986.86
1410 Fire Station Building	278,712.87	288,087.87	288,087.87	288,087.87
1411 Fire Station Bldg Addition	178,190.53	178,190.53	181,240.03	181,240.03
1412 Fire Station Storage Building \$109,558 [104 E Young St]	65,608.33	65,608.33	65,608.33	65,608.33
1413 Building Addition - Dormitory	325,123.00	325,123.00	325,123.00	325,123.00
1420 Fire Fighting Equipment/Trucks	2,789,325.23	2,749,139.54	2,854,006.09	3,061,654.65
1967 Jeep Kaiser Brush Truck (Forestry Service titled)				
1999 Freightliner Pumper (WC funds)				
1999 Freightliner Rescue Truck (WC funds)				
2005 Peirce Pumper (WC funds) \$275,000				
2006 International Tanker (WC title) \$176,033				
2008 Chevy Tahoe (Town funds) \$33,866				
2008 Ford Brush Truck (WC title) \$82,294				
2008 Polaris Ranger ATV (EMS funds)				
2009 Chevy Utility Truck (WC funds) \$34,670				
2009 Ferrara Ladder Truck (Town funds) FY10-11, \$905,000				
2009 Pace enclosed trailer (EMS funds)				
2011 Chevy Tahoe (cost share) \$40,734				
2012 Pierce Pumper (cost share) \$368,488				
2019 Dodge First Responder (cost share) \$39,178				
1430 Communication Equipment	133,690.13	127,962.69	127,962.69	134,708.18
1440 Station Furniture & Fixtures	118,922.21	125,564.63	127,879.46	154,674.26
1460 Land - Rental House	9,000.00	9,000.00	9,000.00	9,000.00
1470 Rental House	98,147.07	98,147.07	98,147.07	98,147.07
1480 Rental House - Other	550.00	550.00	550.00	550.00
1520 Accumulated Depreciation	(2,629,861.73)	(2,743,295.55)	(2,935,478.55)	
TOTAL FIXED ASSETS	2,094,471.27	1,951,141.74	1,878,135.00	

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C. Outline of Essential Steps to Create Unification/Merger:

1. Several key process steps towards merger/unification were provided to the group. These steps included the following components:
 - a. Adoption of official board resolutions.
 - b. Joint Town and Fire Department implementation working teams to be formed each with specific focus areas and principal tasks and deadlines.
 - c. Report of the working groups to both boards outlining projected policy impacts.
 - d. Development of a final written agreement with multiple components, followed by formal adoption by both entities.
 - e. The effective date of the implementation of the merger/unification.
2. RRFD President Jones voiced concern that this process outline did not provide a date of the merger/unification and that the RRFD still did not have enough information to set an effective date.
3. The handout provided is below (1 page):

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**ROLESVILLE RURAL FIRE DEPARTMENT, INC. / TOWN OF ROLESVILLE
ESSENTIAL ELEMENTS TOWARDS MERGER/UNIFICATION
*September, 2021***

1. Adoption of Official Board Resolutions:
 - a. RRFD to adopt a resolution committing to merger/unification.
 - b. Town of Rolesville to adopt a municipal resolution committing to merger/unification (illustrative example provided).
2. Joint Town and Fire Department Implementation Working Teams To Be Formed Each With Specific Focus Areas and Principal Tasks and Deadlines:
 - a. Human Resources
 - b. Capital Resources
 - c. Operational Impacts
 - d. Fiscal Impacts
3. Report of the Working Groups to Both Boards Outlining Projected Policy Impacts:
 - a. Any item(s) requiring significant fiscal consideration would need to be presented within the appropriate municipal and county budget cycle/process.
 - b. Communication to key stakeholders as necessary and appropriate for items of interest and concern.
4. Development of Final Written Agreement With the Following Components, Followed by Formal Adoption by Both Entities:
 - a. Definitions
 - b. Transfer of Fire Assets
 - c. Closing
 - d. Representations and Warranties of the Fire Department
 - e. Representations and Warranties of the Town
 - f. Covenants (formal agreements or promises)
 - g. Conditions to Closing
 - h. Indemnification
 - i. Termination
 - j. Miscellaneous
5. Effective Date of Implementation of Merger/Unification:

**Town of Rolesville, North Carolina
Fire Service Unification Initiative
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D. Other Report Outs from the Group:

1. RRFD Board Member and Secretary/Treasurer since 1971 Frank Pearce, Jr. addressed the group and stated that the RRFD wanted to see a commitment from the Town of Rolesville to immediately proceed with the construction of Fire Station 2 among other needs before handing over \$6 - \$8 million of net worth assets from the RRFD to the Town of Rolesville. He expressed a strong desire to see Fire Station 2 on the ground and in operation soon.
 - a. Some discussion was held about annexing the property at Old Pearce Road and getting utilities there. Town leadership indicated that the annexation would not be difficult to make that happen.
 - b. There was consensus understanding that a written agreement must be in place and that the Town must own property that any building was constructed upon using Town funds.

E. Next Steps:

1. There was agreement for this group to meet again on Monday, October 25, 2021, at 3pm at the Rolesville Town Hall in-person again.
 - a. Kelly Arnold will send meeting notices out.
 - b. The RRFD Board will report from their Board meeting and annual meeting.
 - c. The group will review Wake County's position on supporting a Fire Station 2 for Rolesville.

Key Group Decisions Made During This Session (Session #5):

- 5a) There was consensus understanding that a written agreement must be in place and that the Town must own property that any building was constructed upon using Town funds.

**Town of Rolesville, North Carolina
Fire Service Unification Initiative
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Previous Key Group Decisions:

- 4a) There was consensus of the group that it was appropriate for the RRFD Board to handle securing an additional person on this work group to represent the volunteers if so desired.
- 4b) There was agreement and consensus that a merger/unification date would be effective on July 1 of a year.
- 3a) Agreement that the Town's web site will be the platform to house information about the potential merger/unification process to keep all stakeholders up to date.
- 2a) Agreement that the Town will set up a preliminary informational page on the Town web site regarding the unification process to keep all stakeholders up to date.
- 2b) Agreement that under a merger, any antique trucks would remain under the ownership of the private, non-profit corporation and would not become Town assets.
- 2c) Agreement to establish a budget subcommittee to project potential FY 22-23 costs should the fire department be under Town Government and report back to the full group.
- 1a) Agreement was to set the target date of merger/unification for July 1, 2022, with a revisit of that date in December, 2021 to determine the feasibility of that date.
- 1b) Agreement to keep volunteer firefighters and that message needs to be clearly articulated by all, to help counter any inaccurate media reporting.
- 1c) Agreement to support volunteerism and that a volunteer stipend was important and should remain regardless of any changes.
- 1d) Agreement that the mutual goal was to retain good fire employees and be able to recruit good fire employees in the future.
- 1e) Agreement that the current full-time fire employees would remain as Town employees if merged as long as they met the Town's minimum employment requirements.
- 1f) Agreement that after the merger, the Town would have the full responsibility of hiring new firefighters if someone left by attrition.
- 1g) Agreement that all fire employees would be required to operate under the Town of Rolesville requirements once they became employees of the Town.