

Agenda Item: 11a

Memorandum

To: Chris Braund, Town Manager
Town Council

From: Ron Morgan, Lake Lure Fire Chief

Subject: Fire Equipment Capital Reserve Funds

Date: August 6th, 2013

The Lake Lure Fire Department has received an annual check from the County for fire protection from the fire tax raised outside of rated districts county wide, every county fire department received \$4000.00 designated for fire protection from this account. Prior to January 2011 there was no designated account for these funds to be deposited and if I remember correctly they went into the fire department donations account. And then were used as needed for fire equipment purchases.

In January of 2011 Council decided to create a specific account for these funds to be deposited and set up the Fire Equipment Capital Reserve Fund. The amount in the donations account at that time was transferred to this new fund along with some donations money.

This account has not been used since and has collected the additional annual checks of \$4000.00. Due to the creation of the Lake Lure Fire Tax District this past spring and the expansion of fire districts county wide we will no longer receive the checks for \$4000.00 annually. The new Lake Lure Fire tax district funds have been designated as an income line item of the fire budget for future fire tax checks. This leaves \$14,000 dollars in the Fire Equipment Capital Reserve Fund undesignated.

As you know we have recently purchased a new Ford heavy duty pick-up truck with grant funds received from Timken Foundation and a utility bed for the same with money from the fire department donations account for a total of about \$46,000. When we requested the approval of this expenditure for these funds we were ask what we planned to use for the tank and pump for this truck. At that time we were pursuing a grant to purchase and new tank and pump but anticipated we may have to use the old one until we could find funds to purchase a new one. We were unable to secure a grant for this purpose.

The existing pump and tank on our old brush unit is approximately 27 years old, we think, actually I have only been here almost 19 years and have not found anyone who remembers when it was purchased. It was on a 1986 model pickup when I got here and I assume it was purchased at the same time, needless to say it is old. This unit, pump motor, tank and plumbing combination, has give continuous problems for several years. One of the last times the pump motor quit the mechanic told us we were lucky he was

able to repair it because he could not get a lot of the parts for this motor anymore due to its age. I literally am nervous every time I take it somewhere because I honestly am not confident it will crank, even though it has the same weekly checks and maintenance the rest of our apparatus receives. This unit was instrumental a few years ago on the Girl Scout Fire as it was used to protect buildings as well as it ran for the better part of 16 hours straight on that fire. I am not confident it would do that again.

The existing tank has been damaged for several years and we have been patching it and the plumbing to stop leaks as they arise. The plumbing has corroded and deteriorated due to the age and exposure to water to the point we have had to repair leaks or pinholes in the pipe.

I would like to request the funds set aside in the Fire Equipment Capital Reserve Fund to provide replacement equipment for the firefighting unit to be placed on the new brush truck.

We were very conservative with our budget due to the new fire engine and cut to point we would be unable to replace this equipment through use of our normal budget. Based on cost estimates we believe we can build a new pump and tank firefighting unit for the \$14,000 requested.

Attached is a copy of the original resolution, and a sample the type of replacement equipment we wish to purchase.

Thank you for your time and please contact me if you have any questions.

RESOLUTION NO. 11-01-18B

**ESTABLISHMENT OF A FIRE EQUIPMENT
CAPITAL RESERVE FUND**

WHEREAS, there is a need in the Town of Lake Lure, North Carolina to purchase Fire Equipment; and

WHEREAS, the Town must bear the cost to purchase Fire Equipment without placing a large debt burden upon the operational budget; and

WHEREAS, purchases may be scheduled in order to benefit from favorable market conditions.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD THAT:

Section 1. The Governing Board hereby creates a Capital Reserve Fund for the purpose of purchasing Fire Equipment.

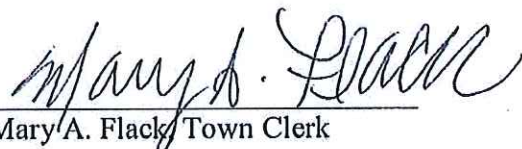
Section 2. This fund will remain operational until the Governing Board decides to disband the fund.

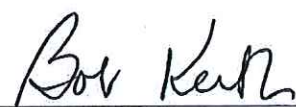
Section 3. The board will appropriate fire revenues, such as no-man's land tax, or other amounts deemed necessary by the Governing Board. All contributions to or appropriations from the fund will be approved by the Governing Board.

Section 4. This resolution shall become effective upon its adoption.

Adopted this 18th day of January, 2011.

ATTEST:


Mary A. Flack, Town Clerk


Bob Keith, Mayor

