

STATE OF NORTH CAROLINA            )           OFFICE OF THE COMMISSIONERS  
  )           STOKES COUNTY GOVERNMENT  
COUNTY OF STOKES                    )           DANBURY, NORTH CAROLINA  
  )           JUNE 28, 2005

The Board of Commissioners of the County of Stokes, State of North Carolina, met for a budget work session (recessed from Monday, June 27, 2005 budget work session) in the Commissioners' Chambers of the Ronald Wilson Reagan Memorial Building (Administrative Building) located in Danbury, North Carolina on Tuesday, June 28, 2005 at 6:00 pm with the following members present:

Chairman John Turpin  
Vice-Chairman Leon Inman  
Commissioner Sandy McHugh  
Commissioner Joe Turpin  
Commissioner Jimmy Walker

County Personnel in Attendance:  
County Manager Richard Morris  
Clerk to the Board Darlene Bullins  
Finance Director Julia Edwards  
Assistant Finance Director Lisa Lankford

Chairman John Turpin called the budget work session to order.

County Manager Rick Morris delivered the invocation.

#### **GENERAL GOVERNMENT-GOVERNING BODY-PLEDGE OF ALLEGIANCE**

Chairman John Turpin opened the budget work session by inviting the citizens in attendance to join the Board with the Pledge of Allegiance.

#### **GENERAL GOVERNMENT -GOVERNING BODY-PROPOSED 2005/06 BUDGET WORK SESSION**

The Board continued discussion pertaining the proposed Fiscal Year 2005/06 Budget Work Session.

#### **Revenue Neutral Tax Rate**

County Manager Rick Morris presented information to the Board concerning Revenue Neutral Tax Rate. Manager Morris noted the following:

- Revenue Neutral is a more complex calculation than the formula supplied by the Institute of Government
- Institute of Government's formula does not take into account any specific history for the individual county
- Propose that the real revenue neutral tax rate would start with that formula and factor in the specific events that had occurred during the last four years since the last revaluation
- Past four years history of Stokes County reveals the following:
  - 5% growth in expenditures per year
  - Average Estimated 2.18 % mandated growth
  - Estimated mandates = \$2,149,725
  - Loss in Revenue = \$3,422,077
  - Negative impact =\$5,571,802
- This negative impact could result in a \$.18 cents tax increase added back to the \$.54 cent formula revenue neutral calculation.
- The estimates do not include increase in insurance premiums, COLA's and inflation.

The Board discussed the information that County Manager Morris had provided concerning revenue neutral.

Chairman John Turpin polled the Board concerning the tax rate for the upcoming Fiscal Year 2005/06 with the following responses:

- Commissioner Joe Turpin - \$.5788
- Chairman John Turpin - \$.5788
- Vice Chairman Inman - \$.60 but would consider \$.59
- Commissioner Walker - \$.59 with possibility of \$.58
- Commissioner McHugh - \$.61

Commissioner Joe Turpin moved to approve the Fiscal Year 2005/06 tax rate be set at \$.60 per hundred dollars of property value.

The motion died for lack of second.

The Board continued discussion of the tax rate for the upcoming Fiscal Year 2005/06.

Commissioner Joe Turpin moved to approve the Fiscal Year 2005/06 tax rate be set at \$.60 per hundred dollars of property value.

Commissioner Walker seconded the motion.

The Board discussed revenue that would be produced from proposed the \$.60 tax rate.

The motion failed (2-3) with Chairman John Turpin, Commissioner Joe Turpin and Commissioner McHugh voting against the motion.

Commissioner McHugh moved to approve the Fiscal Year 2005/06 tax rate be set at \$.61 per hundred dollars of property value.

Commissioner Joe Turpin seconded and the motion failed (1-4) with Commissioner Walker, Vice Chairman Inman, Chairman John Turpin, and Commissioner Joe Turpin voting against the motion.

#### **Social Services -Administration**

The Board discussed the following pertaining to the Social Services-Administration's proposed budget:

- Continual increase of County funding
- Auto Supplies
- Incentive Pay
- Maintenance of Effort Requirements
- Mandated County Percentage increased
- Requested positions
- Reclassification

Chairman John Turpin polled the Board concerning possible cuts to all departments with the following responses:

- Commissioner Joe Turpin - Cut equally to all departments
- Chairman John Turpin - Cut equally to all departments
- Vice Chairman Inman - Cut equally to all departments unless cuts can be identified by departments
- Commissioner McHugh - continue to assess each department and list cuts
- Commissioner Walker - continue to assess each department with possible cuts in COLA, longevity, new positions, reclassifications, GIS/Mapping-fly over, postponing equipment purchases

#### **Social Services - Aid to the Blind**

The Board discussed the Social Services - Aid to the Blind proposed budget.

#### **Social Services - Day Care Services**

The Board discussed the Social Services - Day Care Services proposed budget.

#### **Social Services - Medical Assistance**

The Board discussed the Social Services - Medical Assistance proposed budget with its continual increase in County's share of Medicaid Program Costs.

#### **Social Services - Public Assistance Programs**

The Board discussed the Social Services - Public Assistance Programs proposed budget.

#### **Solid Waste Collection**

The Board discussed the following pertaining to the Solid Waste Collection's proposed budget:

- Auto Supplies
- Equipment- Non Capitalized
- Green Boxes for sites
- Improvements

### **Special Appropriations**

The Board discussed the following pertaining to the Special Appropriations- proposed request:

- Discussed information provided by Economic Development Director Ron Morgan concerning Piedmont Triad
- JCPC - Step One - Administration Cost

### **Superior Courts**

The Board discussed the following pertaining to the Superior Court's proposed budget:

- Decrease from last year
- New Jury Selection software paid in 2004/05 in order to switch to new vendor
- Jury Selection software will be funded in 2006/07

### **Tax Administration**

The Board discussed the following pertaining to the Tax Department's proposed budget:

- Need for upcoming software
- Part time wages
- Salary increase for Tax Administrator
- Salary increase for Assistant Tax Administrator requested by the Tax Administrator
- Tax Revenue collections

County Manager Rick Morris reiterated that Tax Administrator Wren Carmichael had requested a salary increase for himself which was not included in the Manager's recommendation. Manager Morris noted the wording in the Machinery Act, which states that the Board of Commissioners will set the salary for the Tax Collector/Assessor.

Tax Administrator Carmichael had requested an increase from \$52,529 to \$55,156.

### **Transfer to Other Funds**

The Board discussed the Transfer to Other Funds proposed budget.

Chairman John Turpin moved to change the figure of \$195,000 Transfer Capital Reserve to \$190,000 with the correction to the Senior Service Center \$25,741.

Vice Chairman Inman moved to change the figure of \$195,000 Transfer Capital Reserve to \$190,000 with the correction to the Senior Service Center \$25,741.

Commissioner Joe Turpin seconded the motion.

Commissioner McHugh requested that the Board review the Senior Service Center Fund before changing any amounts.

Commissioner Joe Turpin withdrew his second to the motion with Vice Chairman Inman withdrawing his motion.

### **Senior Service Center Fund**

The Board discussed the following pertaining to the Senior Service Center Fund proposed budget:

- Increased rent \$500 per month per Manager's recommendation
- Auto supplies
- Fund raisers for Center
- Revenue
- Senior Service Center Fund Balance

Commissioner McHugh moved to decreased the rent to \$400 per month = \$4800.

Commissioner Joe Turpin seconded the motion.

Manager Morris explained the basis of increasing the rent to \$500 per month. The Walnut Cove Colored School Inc had requested increasing the rent to \$700.

Commissioner Joe Turpin withdrew his second with Commissioner McHugh withdrawing her motion.

Commissioner McHugh moved to increase Walnut Cove Senior Center revenue to \$20,000, use Walnut Cove Senior Center Fund balance of \$10,741.00 reducing County General Fund to \$00.00.

Commissioner Joe Turpin seconded and the motion carried unanimously.

Commissioner McHugh moved to decrease \$30,741 Transfer to Senior Service Center to \$00.00 and decrease Transfer to Capital Reserve to \$190,000 instead of \$195,00.00 and finance total purchase price of bookmobile.

Vice Chairman Inman seconded and the motion carried unanimously.

### **Vehicle Maintenance**

The Board discussed the following pertaining to the Vehicle Maintenance proposed budget:

- New proposed garage if grant is approved from NCDOT
- Extra position added to budget last fiscal year for new proposed garage
- Revenue for fees from new proposed garage

Chairman John Turpin entertained a motion to cut the new staff position along with the vehicle maintenance fees of \$30,000 until the proposed grant for the new garage is finalized.

Commissioner Joe Turpin move to cut the new staff position along with the vehicle maintenance fees of \$30,000 until the proposed grant for the new garage is finalized.

Vice Chairman Inman seconded and the motion carried unanimously.

### **Veteran Services**

The Board discussed the following pertaining to the Veteran Services' proposed budget:

- Increase in services provided to County residents
- Bill to increase State funding from \$2000 to \$5000

### **Capital Reserve Fund**

The Board discussed the following pertaining to the Capital Reserve Fund proposed budget:

- Changes to recommended budget

Commissioner McHugh moved to change the follow recommended amounts:

#### **Expenditures**

- Library \$45,000 - change to \$40,000
- General Fund \$51,445 - change to \$15, 179

#### **Revenues**

- General Fund \$195,000 - change to \$190,000
- Animal Control \$8,000 - change to \$0
- Jail \$13, 500 - change to \$0
- Mapping \$\$10,445 - change to \$5679
- Public Buildings \$10,000 - change to \$0

Commissioner Joe Turpin seconded and the motion carried unanimously.

### **Enhanced 911 Fund**

The Board discussed the following pertaining to the Enhanced 911 Fund proposed budget:

- Proposed increase of E911 surcharge from \$.60 to \$1.50
- Need for increase of E911 surcharge
- \$50,000 for partial payment for fly over to digital GIS

- Uninterruptible power supply
- New Console system for King
- E911 Fund Balance
- Equipment

#### **Revaluation**

The Board discussed the following pertaining to the Revaluation proposed budget:

- Elimination of part time employees
- Need for revaluation department after completion of 2005 revaluation

#### **Regional Sewer Fund**

The Board discussed the following pertaining to the Regional Sewer Fund proposed budget:

- Recent rate increase
- Need to build up reserve for future needs

#### **Stokes Reynolds Revenue Bond Fund**

The Board discussed the following pertaining to the Stokes Reynolds Revenue Bond Fund proposed budget:

- Hospital operations
- Bond payment

#### **King Fire District Fund**

The Board discussed the following pertaining to the King Fire District Fund proposed budget:

- Requested fire tax increase from \$.04 to \$.05 cents
- King Fire District Fund Balance

Commissioner Walker moved to increase the King Fire tax rate from \$.04 to \$.05 cents.

Commissioner Walker withdrew his motion.

#### **Rural Hall Fire District Fund**

The Board discussed the following pertaining to the Rural Hall Fire District Fund proposed budget:

- No fire tax increase requested
- Rural Hall Fire District Fund Balance

#### **Walnut Cove Fire District Fund**

The Board discussed the following pertaining to the Walnut Cove Fire District Fund proposed budget:

- Proposed tax increase from \$.017 to \$.05 cents
- Deletion of inventory tax
- Walnut Cove Fire District Fund Balance

#### **Service District**

The Board discussed the following pertaining to the Service District proposed budget:

- Proposed tax rate increase from \$.05 to \$.06
- Service District Fund Balance
- Currently Service District Fund as a negative balance

There being no further business to come before the Board, Chairman John Turpin entertained a motion to recess the budget work session until Wednesday, June 29, 2005 at 6:00 pm.

Commissioner McHugh moved to recess the budget work session until Wednesday, June 29, 2005 at 6:00 pm.

Chairman John Turpin seconded and the motion carried (3-2) with Vice Chairman Inman and Commissioner Joe Turpin voting against the motion.

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**Darlene M. Bullins**  
Clerk to the Board

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**John M. Turpin**  
Chairman

