

STATE OF NORTH CAROLINA) OFFICE OF THE COMMISSIONERS
) STOKES COUNTY GOVERNMENT
COUNTY OF STOKES) DANBURY, NORTH CAROLINA
) JANUARY 23, 2006

The Board of Commissioners of the County of Stokes, State of North Carolina, met for regular session in the Commissioners' Chambers of the Ronald Wilson Reagan Memorial Building (Administrative Building) located in Danbury, North Carolina on Monday, January 23, 2006 at 7:00 pm with the following members present:

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

County Personnel in Attendance:
Clerk to the Board/Interim County Manager Darlene Bullins
County Attorney Jonathan Jordan
Finance Director Julia Edwards
Tax Administrator Wren Carmichael
Support Services Supervisor Danny Stovall
Emergency Services Director Monty Stevens
Captain Al Tuttle- Sheriff's Department
Information Technology Director Dianna Fulp
Public Works Director Jay Kinney
Health Director Don Moore

Chairman Leon Inman called the meeting to order.

County Attorney Jonathan Jordan delivered the invocation.

GENERAL GOVERNMENT-GOVERNING BODY-PLEDGE OF ALLEGIANCE

Chairman Inman opened the meeting by inviting the citizens in attendance to join the Board with the Pledge of Allegiance.

GENERAL GOVERNMENT -GOVERNING BODY-APPROVAL OF MINUTES

Chairman Inman entertained a motion to approve or amend the minutes of the January 9th meeting.

Commissioner John Turpin moved to approve the minutes of the January 9th meeting.

Vice Chairman Joe Turpin seconded and the motion carried unanimously.

Chairman Inman entertained a motion to add the following topic to the agenda after the Fiscal Year 2004/05 Audit Presentation:

- Local Government Commission (LGC) Update

Vice Chairman Joe Turpin moved to approve the addition of the Local Government Commission (LGC) Update following the Fiscal Year 2004/05 Audit Presentation.

Commissioner John Turpin seconded and the motion carried unanimously.

PUBLIC COMMENTS

There were no public comments.

GENERAL GOVERNMENT - GOVERNING BODY - STOKES HEALTH SERVICES ALLIANCE - PROPOSED STRATEGIC PLAN

Chairman Frank Duncan, President Doug Atkinson, Vice President Mike Kimel, and Ms. Heather Hayes Strategic Planner (NCBH) - Stokes Health Services Alliance presented the proposed Strategic Plan to the Board.

President Doug Atkinson presented the following information regarding the proposed Strategic Plan:

- Health Services Alliance - non-profit organization
- Collaboration among health care providers, county governments, and community of Stokes County, in conjunction with the partnership between North Carolina Baptist Hospital and Forsyth Medical Center to expand health care access for rural populations in Stokes County
- Charged with exploring and recommending appropriate organizational models that will support quality, cost-effective, sustainable community based health care in Stokes County - to be an Advisory Board to the Board of Commissioners
- Purpose is to outline a strategy by which the Alliance can provide support for the health care initiatives of the following agencies/entities:
 - Stokes County Healthy Carolinians
 - Public Health Department
 - Mental Health
 - Stokes Reynolds Memorial Hospital
 - Emergency Medical Services
 - Central Piedmont Access II
 - Medical Manpower
 - WFUBMC/Novant Health
 - Hospice
 - Other Healthcare providers
- A copy of the proposed strategic plan was presented to Board of Commissioners, Board of Health members, City of King, Town of Walnut Cove, and Town of Danbury for comments and concerns
- Filed 501C-3 for IRS designation for non-profit status - still in the process
- Plans to help agencies/entities file for grants with 501C-3 status such as Kate B. Reynolds Foundation
- Work session scheduled for Monday, January 30, 2006 regarding the proposed Strategic Plan
- Stokes Health Services Alliance plans to return the approved strategic plan to the Board of Commissioners at a later date

Ms. Heather Hayes, Strategic Planner -NCBH presented the following process that developed the proposed Strategic Plan and objectives of the upcoming work session:

- Received input regarding needs and current conditions from agencies/entities
- Proposed plan is a "Living Document" which can be modified
- Plans for the scheduled work session
- Objective of the scheduled work session is to identify top items that Health Service Alliance can support

The Board discussed the proposed Strategic Plan.

Commissioner Walker noted the following:

- Health Board not being closely involved, too short of notice to Health Board members regarding tonight's meeting
- Questioned Board of Commissioners' involvement in health issues pertaining to General Statutes other than budgetary
- Wants what is best for the people in the County
- Questioned how this plan will make health services better in Stokes County
- Questioned why Forsyth Medical Center and NC Baptist Hospitals being two separate competitors would partnership together
- Questioned information included in the proposed document regarding a Public Health Authority
- Willing to hear all sides in order for the citizens of Stokes County to receive the best possible services available

Vice President Mike Kimel reiterated that the goal of the Alliance is to understand the priorities of the Community, offer advice and assistance in an organized manner, and to try to obtain additional funding for these agencies/entities. Vice President Kimel also noted that the Public Health Authority was mentioned in the proposed document to study only as an option with two other options - Public Health Department and Public Health District.

President Atkinson noted the grassroots approach is to help educate the public regarding health care issues such as obesity, alcoholism, teen smoking, suicide prevention/mental health, etc.

Chairman Inman noted the following:

- Likes the fact the proposed plan involves several agencies/entities
- Questioned if it were the intent to replace the Public Health Department

President Atkinson stated that it is not nor has ever been the intent to replace the Public Health Department. Health Director Don Moore spoke briefly regarding the General Statutes that regulate a Public Health Authority.

Commissioner John Turpin noted the following:

- Proposed plan is not really controversial
- Lists the inventory of health services within the County
- Looks forward to Alliance's recommendation

Vice Chairman Joe Turpin noted the following:

- Proposed plan could help keep services available and provide more services to the citizens
- Proposed plan recognizes the issues of Stokes Reynolds Memorial Hospital

Commissioner McHugh noted the following:

- Reiterated that the Alliance has no intentions to replace the Public Health Department
- Several agencies/entities in the proposed plan do not report to the Board of Health
- All agencies/entities provide some type of health service in Stokes County
- The valuable time and resources being provided by Forsyth Medical Center and NC Baptist Hospital to help the citizens of Stokes County receive the best possible health care available.

Chairman Frank Duncan concluded that as a public citizen representative on the Alliance, his concerns are for the best health services for Stokes County especially for the rural areas in the County and that the goal of the Alliance is not to dictate but offer suggestions.

GENERAL GOVERNMENT - GOVERNING BODY - FISCAL YEAR 2004/05 AUDIT PRESENTATION

Finance Director Julia Edwards introduced Mr. Randy Brodd - Dixon Hughes PLLC for presentation of the Fiscal Year 2004/05 Audit. Director Edwards submitted an amended contract with Dixon Hughes which included changing the submission date from October 31, 2005 to January 31, 2006 and additional payment of \$2500 for the preparation of financial statements-GASB 34 for the Board's approval.

Mr. Brodd noted the following regarding the 04/05 audit which ended June 30, 2005:

- Financial Highlights -Management's Discussion and Analysis
- Discussed the Statement of Net Assets - Exhibit 1
- Discussed Balance Sheet - Exhibit 3
 - Total fund balance = \$4,918,598
 - Reserved fund balance for State Statute = \$2,091,704
 - Reserved fund balance for Register of Deeds = \$10,228
 - Unreserved/undesignated fund balance = \$2,816,666 or 7.68% of total General Fund expenditures for the fiscal year
- Discussed General Fund - Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 - Did not have to use Contingency amount \$220,000 that was appropriated in the 04/05 budget
 - Added approximately \$240,000 to the general fund balance at the end of June 30, 2005
- Discussed Statement of Net Assets - Proprietary Funds
 - Stokes Reynolds Revenue Bond Fund -Bonds to be paid off in two years
 - Regional Sewer Fund
- Reviewed the following charts:
 - General Government Revenues -2004/05
 - Property Tax Collection Rate - Current Year Levy
95.37% Collection Rate for 2004/05
 - General Government Expenditures - 2004/05
 - Per Capital General Obligation Debt-Historical Trend
 - General Fund = Available Fund Balance

- LGC recommends 8% fund balance
- Finance Director Julia Edwards noted that grant funds (Homeland Security Grant) of \$111,000 were not received until September 1, 2005 which caused fund balance not to reach the 8% LGC recommendation
- Discussion of receivables due for EMS services of which \$712,000 have had no collections in the last 3 years and have been maintained manually due to a change in a computer system several years old - because of the collect ability of the receivables is significantly impaired, the Board should consider formally writing off these old balances to eliminate the need to continue to maintain the detail on these old receivables.
- Stokes County's total governmental funds debt decreased by \$2,023,261 during the current fiscal year

The Board discussed the following regarding the 04/05 presentation:

- Lateness in the presentation of the 04/05 audit
- Debt Service - estimated at 8%
- Certificate of Participations
- Maintained A1 and A rating for the 14th consecutive year
- Increase the fund balance
- EMS Receivables
- Regional Sewer Fund

Mr. Brodd noted that Finance Director Edwards had taken on additional responsibilities (to save audit fees), which could not be balanced and had to be returned to Dixon Hughes for reconciliation and final preparation, which incurred the extra \$2500 fee.

Mr. Brodd concluded with the following recommendation:

- #1 priority - improve fund balance

Chairman Inman entertained a motion to accept the 2004/05 audit presented by Randy Brodd - Dixon Hughes PLLC.

Commissioner John Turpin moved to accept the 2004/05 audit presented by Randy Brodd - Dixon Hughes PLLC. Vice

Chairman Joe Turpin seconded and the motion carried unanimously.

Chairman Inman entertained a motion to amend the audit contract as submitted by Dixon Hughes PLLC.

Commissioner John Turpin moved to amend the audit contract as submitted by Dixon Hughes PLLC. Vice Chairman Joe Turpin seconded the motion.

The Board discussed the \$2500 additional request for preparation of the financial statements.

The motion was unanimous.

GENERAL GOVERNMENT - GOVERNING BODY- LOCAL GOVERNMENT COMMISSION UPDATE

Chairman Inman presented the following information regarding the recent meeting with Local Government Commission (LGC) on Thursday, January 12, 2006 to discuss the financing for the proposed renovations of the Walnut Cove Library.

Those in attendance from Stokes County:

- Chairman Leon Inman
- Finance Director Julia Edwards
- Clerk to the Board Darlene Bullins
- Support Services Supervisor Danny Stovall

Those in attendance from Local Government Commission (Debt Management):

- Biff McGilvray, MBA, CPA -Senior Financial Analyst
- Eve-Simone Pastor, CPA - Financial Analyst
- Dianne Kelly, Financial Analyst

The following information was discussed at the meeting:

- Current county's financial status
- Average fund balance for comparable size counties = 23%
- County's Fund balance fiscal year 03/04 = 7.65%
- County's Fund balance fiscal year 04/05 = 7.68%
- LGC requires at least 8% fund balance
- LGC would like to see 50% of comparable size counties = 11.50%
- County's current debt schedule as of June 30, 2005
- Current County Operating cost

Local Government Commission recommended the following to raise fund balance:

- Enhance revenue
- Increase tax collections
- Increase tax rate
- Decrease expenditures
- Commitment from Board of Commissioners to raise tax rate

Next steps for the County regarding LGC and the 04/05 audit:

- Fiscal year 04/05 audit must be received by LGC
- County will receive correspondence from LGC regarding low fund balance
- County must respond with commitment and plans for increasing fund balance

What must be done for consideration of proposed Walnut Cove Library Expansion Project:

- County's response to comments from LGC regarding low fund balance must be accepted by LGC
- County file application for proposed project which must be received by LGC 28 days before hearing is scheduled
- Public Hearing must be held
- County attorney must also write an opinion letter for the need
- Application must include the following:
 - Resolution passed by the Board of Commissioners that includes the need for the proposed project, benefits to the County, urgency for the proposed project, debt management policy, approved bid, financing information, minutes or letter from both the County and the Town of Walnut Cove documenting their pledges, and tax rate equivalent to the entire amount of debt service of the loan (possibility .25 to .50)

Chairman Inman commended the excellent work done by the Walnut Cove Library Board, but financing must be arranged and committed by Stokes County due to the ownership of the building.

The Board discussed the recommendations from Local Government Commission-increase tax rate, application for project approval to LGC, and county's current fund balance.

Commissioner Walker suggested that this proposed project be reviewed by the Budget Officer Dennis Thompson who will be joining the County within the next few weeks.

The Board directed Finance Director Julia Edwards to contact Mr. McGilvray-LGC to discuss the County's current fund balance which is projected to be over 8% by June 30, 2006 to determine if LGC would be willing to work with the County along with starting the preliminary application process.

Chairman Inman noted that Mr. Thompson will be available as soon as the employment contract is approved by the Board and signed by both parties.

Chairman Inman reiterated the Board's commitment to the proposed Walnut Cove Library Project.

GENERAL GOVERNMENT -TAX ADMINISTRATION - REPORT

Tax Administrator Wren Carmichael presented the following Real and Personal Property Tax Releases in the amount of \$447.48:

Ervin G. Tucker	\$	46.41
Deandre Haliburton	\$	50.64
Joy Joyce Hamm	\$	350.43
Total	\$	447.48

Chairman Inman entertained a motion to approve or deny the Real and Personal Property Tax Release Requests in the amount of \$447.48.

Commissioner John Turpin moved to approve the Real and Personal Property Tax Release Requests in the amount of \$447.48. Commissioner McHugh seconded and the motion unanimously.

Tax Administrator Wren Carmichael presented the following Property Tax Releases Request for Motor Vehicle: Salem Leasing Corporation = \$512.72.

Chairman Inman entertained a motion to approve or deny the Property Tax Release Request for Motor Vehicle: Salem Leasing Corporation = \$512.72.

Commissioner McHugh moved to approve the Property Tax Release Request for Motor Vehicle: Salem Leasing Corporation = \$512.72.

Vice Chairman Joe Turpin seconded and the motion carried unanimously.

Tax Administrator Wren Carmichael presented the 2006 Cost Index and Depreciation Schedules prepared by North Carolina Department of Revenue - Property Tax Division.

Tax Administrator Carmichael noted that any amendment done to the Index by the Board of Commissioners would have to be approved by the State.

Chairman Inman entertained a motion to approve the 2006 Cost Index and Depreciation Schedules prepared by NC-Department of Revenue -Property Tax Division.

Vice Chairman Joe Turpin moved to approve the 2006 Cost Index and Depreciation Schedules prepared by NC-Department of Revenue -Property Tax Division.

Commissioner John Turpin seconded and the motion carried unanimously.

(a copy of the 2006 Cost Index and Depreciation Schedules will be retained by the Clerk to the Board and the Tax Administration)

GENERAL GOVERNMENT - INFORMATION SYSTEMS - PROPOSED STRATEGIC IT/DISASTER RECOVERY CONTRACT

Information Technology Director Dianna Fulp presented the proposed Strategic IT/Disaster Recovery Contract (Tatum LLC) for the Board's consideration.

Director Fulp noted that the 03/04 audit recommended that Stokes County develop a Disaster Recovery Plan which funding was approved in the 05/06 budget. Director Fulp noted that Mr. Tom Foss with Tatum LLC (who previously performed these functions for the Institute of Government) had recommended a two-step approach in developing a Disaster Recovery Plan - (1) Strategic IT Plan and (2) Security/Disaster/Continuity Plan.

(Institute of Government does not currently performed these services) The proposed Plan will allow Stokes County to obtain a thorough inventory of the assets the County needs to protect during a disaster and develop a plan of recovery.

Director Fulp noted that County Attorney Jonathan Jordan had reviewed and approved the submitted contract.

Chairman Inman entertained a motion to approve the submitted contract for the Proposed Strategic IT/Disaster Recovery Plan.

Commissioner McHugh moved to approve the submitted proposed Strategic IT/Disaster Contract.

Commissioner John Turpin seconded the motion.

Commissioner John Turpin requested why the services had not been bid out.

The Board discussed the possibility that there might be another contractor who could perform these services at a lower cost.

After discussion regarding the services being bid out, Commissioner John Turpin withdrew his motion with Commissioner McHugh withdrawing her motion.

Commissioner Walker suggested that any budgetary item be reviewed by the new Budget Officer Dennis Thompson.

Commissioner McHugh moved to postpone the approval of the proposed Strategic IT/Disaster Recovery Contract until the next meeting to determine if there is any other vendors available to perform these services.

Commissioner John Turpin seconded and the motion carried unanimously.

GENERAL GOVERNMENT - TAX ADMINISTRATION - PROPOSED INTEGRATED PROPERTY TAX SYSTEM

Support Services Supervisor Danny Stovall reported the following regarding the Proposed Integrated Property Tax System:

- Bids were advertised in Stokes News and County's web page
- Bids were mailed to the following vendors:
 - Keystone Information Systems
 - IIS
 - Manatron
 - Novalis Technologies
- Bids were opened and read aloud on Monday, January 16, 2006 at 11:00am for the purchase of computer software and hardware
- The following bid was received:

Keystone Information System	\$259,704.00
Deduction for early signing	(17,039.00)
Web Pass Interface deduction	(3,950.00)
Contract Amount	\$238,715.00
Contract Amount	\$238,715.00
3 Rd Party Software	6,625.00
Maintenance Due 7-01-06	(18,139.00) due fiscal year 06/07
Total payable before 6-30-06	\$227,201.00
- \$150,000 available in Capital Reserve

Information Technology Director Dianna Fulp and Tax Administrator Wren Carmichael were also in attendance for the agenda item.

Finance Director Julia Edwards noted that additional funding was included in Budget Ordinance Amendment #59 included in tonight's agenda -(Increase revenue projections in ½ cent Sales Tax Art 40 & 42, Tax Use Value Audits, Capital Reserve, and Contingency).

Vice Chairman Joe Turpin moved to approve the Tax Department Software Purchase from Keystone Information Systems. Commissioner McHugh seconded the motion.

The Board discussed the \$17,039 saving, Novalis Technologies bankruptcy, current server unavailable for maintenance after December 2006, current vendor is proprietary, other valuable features included with software, sending out tax bills on one system and collecting tax revenue on another system very complicated, next Revaluation, and the urgency for the purchase.

The motion was unanimous.

Tax Administrator Wren Carmichael presented the proposed contract with Keystone Information Systems which had been reviewed by County Attorney Jonathan Jordan for the Board's approval. County Attorney Jonathan Jordan noted that the wording State of New Jersey on page 9 should read State of North Carolina.

Vice Chairman Joe Turpin moved to approve the submitted contract by Keystone Information Systems as amended.

Commissioner John Turpin seconded and the motion carried unanimously.

(a copy of the contract will be retained by Clerk to the Board, Information Systems, Tax Administration)

GENERAL GOVERNMENT - EMS - PROPOSED AMBULANCE PURCHASE -05/06 BUDGET - CONTINUATION

Chairman Inman reintroduced the agenda item postponed from the December 27th meeting to purchase the EMS ambulance - 05/06 budget item.

Commissioner Walker stated that he was not prepared to make a decision on this decision and suggested the proposed ambulance and law enforcement vehicles purchase be postponed until the new Budget Officer is on board.

Commissioner Walker moved to approve the motion to postpone the purchase of the EMS ambulance and Law Enforcement Vehicles until the Budget Officer has had time to review these requests.

Vice Chairman Joe Turpin seconded and the motion carried (4-1) with Commissioner McHugh voting against the motion.

Commissioner John Turpin requested that the Budget Officer place these requests top priority and that Support Services Supervisor Danny Stovall present all proposed vehicle purchases approved in the 05/06 Budget to the Budget Officer for review.

GENERAL GOVERNMENT - SHERIFF'S DEPARTMENT - PROPOSED LAW ENFORCEMENT VEHICLE PURCHASE - 005/06 BUDGET - CONTINUATION

Motion to postpone until reviewed by the new Budget Officer made in conjunction with proposed ambulance purchase budget 05/06.

Motion carried (4-1) with Commissioner McHugh voting against the motion.

GENERAL GOVERNMENT - PUBLIC BUILDINGS - PROPOSED FIREWALL BIDS

Support Services Supervisor Danny Stovall presented the following bid information for fire wall installation around Courtroom "C" in the Government Center:

- Mailed to the following vendors (received bids opened 1-16-06/3:00pm)
 - Sharp Interiors - declined
 - Shields Incorporated - no response
 - Clemmons Dry Wall - Bid \$29,936 - completed within 45 days
 - Brickey Acoustical - declined
 - Precision Walls - declined
- Currently, \$34,121 available for Courtrooms C renovations - \$40,000 allocated in the 05/06 budget

Mr. Stovall stated that Clemmons Dry Wall had indicated another option (if approved by architect and inspections) that could save an additional \$7,150.

Public Works Director Jay Kinney requested guidance from the Board regarding carpet requested by Probations in the two offices that were currently being renovated for moving two probation offices from upstairs to downstairs in the Government Center.

These offices located in the front of Courtroom "A" had been requested by Judge Oliver for Attorney usage with clients during court hours.

These offices also must be relocated in order to finish the implementation of the new security system.

Commissioner McHugh noted that the original funding had been allocated for Courtroom "C" renovations only and felt that funding should not be used for anything else due to other budgetary items being postponed.

Public Works Director Jay Kinney also noted that wiring for internet and computers could be performed by the County's IT Department saving county funding.

Chairman Inman entertained a motion to approve the bid by Clemmons Dry Wall for installation of firewalls around Courtroom "C" in the amount of \$29,936.00.

Vice Chairman Joe Turpin moved to approve the bid by Clemmons Dry Wall for installation of firewalls around Courtroom "C" in the amount of \$29,936.00.

Commissioner John Turpin seconded and the motion carried unanimously.

GENERAL GOVERNMENT - PURCHASING - SELLING OF MOBILE UNITS - BID

Support Services Supervisor Danny Stovall presented a bid from Mr. A.V. Marshall dated December 30, 2005 in the amount of \$52.50 to purchase two old mobile units located at the old prison camp. This bid was advertised in the Stokes News on January 5, 2006 and could have been upset by anyone wishing to do so before 5:00 pm, Friday, January 13, 2006.

Mr. Stovall noted that in accordance with NCGS 153A-176 and 160A-269, the Board of Commissioners can accept or reject this offer.

Mr. Stovall also noted that a contract would be prepared and approved by County Attorney Jonathan Jordan that states the buyer will remove the necessary fencing, clean up any debris, and restore the fencing to its original state in order to move the mobile units.

Chairman Inman entertained a motion to accept the bid from Mr. A.V. Marshall in the amount of \$52.50 for the two old mobile units.

Vice Chairman Joe Turpin moved to approve the motion to accept the bid from Mr. A.V. Marshall in the amount of \$52.50 for the two old mobile units.

Commissioner McHugh seconded and the motion carried unanimously.

GENERAL GOVERNMENT - COMMUNITY SERVICES BUILDING - FACILITY NEEDS EVALUATION

Public Works Director Jay Kinney presented the Board with Facility Needs Evaluation of the Community Services Building.

Director Jay Kinney noted the following:

- Recent complaints of headaches from employees located in the building
- Walls were cleaned last summer by County maintenance
- Daymark (potential tenant) has requested space in the lower part of the building along with two vacant offices on the top level
- Triumph (potential tenant) is not requesting any space at this time
- Contacted Pro Clean in King for evaluation of building
- Pro Clean inspected on January 18th
- Preliminary moisture reading do not indicate mold
- Services outlined by Pro Clean estimated \$1200 to \$1500
- Funding available in maintenance and repairs - Public Buildings

The Board discussed the need to proceed with the services outlined by ProClean to ensure the safety of employees working in the building, other allergies that could be related to the employees' headaches, and having the building tested for mold after the services are completed.

Public Buildings Director Jay Kinney recommended to proceed with Pro Clean's recommendations.

Chairman Inman entertained a motion to proceed with the recommendations submitted by Pro Clean estimated at \$1200 and not to exceed \$1500.

Commissioner John Turpin moved to approve the motion to proceed with the recommendations submitted by Pro Clean estimated at \$1200 and not to exceed \$1500.

Vice Chairman Joe Turpin seconded and the motion carried unanimously.

GENERAL GOVERNMENT - E-911 - BUDGET ORDINANCE AMENDMENT #57

Finance Director Julia Edwards requested the approval of Budget Ordinance Amendment #57, which is necessary to amend the E911 Fund to re-appropriate funds for the

purchase of ANI/ALI controllers at Danbury and King Police Department that was approved Budget Ordinance Amendment #90 (03-14-05) of fiscal year 2004/05. The appropriations are to be changed as follows:

Account Number	EXPENDITURES	Decrease	Increase
200.4325.510	Equipment	_____	\$150,500.00
			<u>\$150,500.00</u>

This will result in a net increase of \$150,500.00 in the appropriations of the E911 Fund. To provide the additional revenue for the above, the following revenues will be increased.

Account Number	REVENUES	Decrease	Increase
200.3991.000	Fund Balance	_____	\$150,500.00
			<u>\$150,500.00</u>

Finance Director Edwards noted that the following justification of the budget ordinance amendment for fiscal year 2005-06:

- To re-appropriate funds from the fiscal year 2004-05 budget

Chairman Inman entertained a motion to approve Budget Ordinance Amendment #57.

Commissioner McHugh moved to approve Budget Ordinance Amendment #57.

Commissioner John Turpin seconded and the motion carried unanimously.

GENERAL GOVERNMENT - SOLID WASTE - BUDGET ORDINANCE AMENDMENT #58

Finance Director Julia Edwards requested the approval of Budget Ordinance Amendment #58, which is necessary to amend the General Fund to appropriate funds for insurance claim funds for damage to metal building at the solid waste site. The appropriations are to be changed as follows:

Account Number	EXPENDITURES	Decrease	Increase
	Solid Waste		
100.4720.352	Maint. & Repairs Buildings		\$1,060.00
			<u>\$1,060.00</u>

This will result in a net increase of \$1,060.00 in the appropriations of the General Fund. To provide the additional revenue for the above, the following revenues will be increase.

Account Number	REVENUES	Decrease	Increase
100.3839.850	Insurance Claims		\$1,060.00
			<u>\$1,060.00</u>

Finance Director Edwards noted that the following justification of the budget ordinance amendment for fiscal year 2005-06:

- Insurance Claim for accident on November 22, 2005

Chairman Inman entertained a motion to approve Budget Ordinance Amendment #58.

Vice Chairman Joe Turpin moved to approve Budget Ordinance Amendment #58.

Commissioner McHugh seconded and the motion carried unanimously.

GENERAL GOVERNMENT - TAX ADMINISTRATION - BUDGET ORDINANCE AMENDMENT #59

Finance Director Julia Edwards requested the approval of Budget Ordinance Amendment #59, which is necessary to amend the General Fund to appropriate and transfer funds from Capital Reserve funds for the purchase of tax office software and hardware. The appropriations are to be changed as follows:

<u>Account Number</u>	<u>EXPENDITURES</u>	<u>Decrease</u>	<u>Increase</u>
	Tax Department		
100.4140.510	Equipment		\$ 227,201.00
100.9910.000	Contingency	\$8,201.00	
		<u>\$8,201.00</u>	<u>\$227,201.00</u>
	Capital Reserve	\$150,000.00	
201.4140.000	Tax		\$150,000.00
201.9910.000	Transfer to General Fund	<u>\$150,000.00</u>	<u>\$150,000.00</u>

This will result in a net increase of \$219,000.00 in the appropriations of the General Fund. To provide the additional revenue for the above, the following revenues will be increased.

<u>Account Number</u>	<u>REVENUES</u>	<u>Decrease</u>	<u>Increase</u>
100.3232.000	½ cent Sales Tax Art 40		\$ 32,000.00
100.3233.000	½ cent Sales Tax Art 42		\$ 32,000.00
100.3100.112	Tax Use Value Audits		\$ 5,000.00
110.3982.960	Transfer from Capital Reserve		\$ 150,000.00
			<u>\$ 219,000.00</u>

Finance Director Edwards noted that the following justification of the budget ordinance amendment for fiscal year 2005-06:

- Appropriated funds in the Capital Reserve fund of \$150,000.00 for fiscal year 2005-06. This project was to be funded over two years, but due to the current software company going bankrupt, the project deadline had to be moved to this fiscal year

Chairman Inman entertained a motion to approve Budget Ordinance Amendment #59.

Commissioner McHugh moved to approve Budget Ordinance Amendment #59.

Vice Chairman Joe Turpin seconded and the motion carried unanimously.

GENERAL GOVERNMENT - GOVERNING BODY - CHAMBER OF COMMERCE - MEETING - PRESENTATION OF DEMOGRAPHICS STUDY

Vice Chairman Joe Turpin noted the meeting scheduled on January 25th at the King Chamber of Commerce for the Presentation of the Demographic Study by the Stokes School System.

Vice Chairman Joe Turpin requested that any questions or concerns be forwarded to him as soon as possible.

Commissioner Walker suggested that Vice Chairman Joe Turpin relay to the Board of Education that the Board of Commissioners is waiting for further communication regarding the Demographic Study presented in October 2005.

GENERAL GOVERNMENT - GOVERNING BODY - MEETING WITH REPRESENTATIVE VIRGINIA FOXX

Commissioner John Turpin noted the meeting scheduled for Friday, January 27th with Representative Virginia Foxx.

Vice Chairman Joe Turpin requested that Commissioner John Turpin relay the Board's desire to strengthen the illegal immigration problems.

Commissioner Walker requested Commissioner John Turpin to relay the importance to relieve Counties from federal/state mandates and any funding available to address Stokes County needs such as the sewer system in Danbury.

GENERAL GOVERNMENT - GOVERNING BODY - ANNUAL LEAVE REQUEST

Interim County Manager Darlene Bullins submitted the following requests regarding annual leave that was lost by employees who were unable to take scheduled time off:

- Sgt. Perry Frye - 39.59 hours (Sheriff's Department)
- Loedia Sisk - 46.55 hours (Arts Council)

Per County policy, employees are allowed to carry over certain amounts according to individual department schedules, both employees were unable to take their annual leave due to unexpected circumstances within their department. Both employees transferred the maximum number of hours to sick leave before losing the indicated number of annual leave hours.

Vice Chairman Joe Turpin moved to approve the submitted annual leave requests for both employees.

Commissioner McHugh seconded and the motion carried unanimously.

GENERAL GOVERNMENT - GOVERNING BODY - LEAGUE OF GOVERNMENT MEETING

Clerk to the Board Darlene Bullins reminded Board members of the scheduled Stokes County League of Governments meeting on Thursday, January 26, 2006 at 6:30 pm at Walnut Cove Colored School/Senior Center in Walnut Cove, NC.

GENERAL GOVERNMENT - GOVERNING BODY - POSSIBLE WATER AND SEWER FUND GRANTS

Commissioner Walker requested information regarding recent possible water and sewer grants available from the Rural Center and the current financial status of the regional sewer system.

Public Works Director Jay Kinney informed the Board of a recent meeting at the Rural Center, which indicated possible grants for water and sewer. Director Kinney noted that the information had been immediately passed on to the Town of Danbury, Town of Walnut Cove, and City of King.

Finance Director Julia Edwards noted that the sewer rates were increased last year and took effect in March of 2005 and the current audit that reflects a low fund balance does not reflect a full year of the increased rates.

Commissioner Walker suggested that the Water and Sewer Authority prepare a utilities study within Stokes, emphasizing the County's current and future needs. Public Works Director Jay Kinney noted that the Water Authority is tentatively scheduled for the February 13th Board meeting.

GENERAL GOVERNMENT - GOVERNING BODY - PRESENTATION OF FINANCIAL DOCUMENTS

Chairman Inman informed Board members that Finance Director Julia Edwards had presented members with a new monthly financial report regarding the County's total financial status. This will be a monthly document from the Finance Department.

Chairman Inman requested members to review the format and present the Finance Director with any suggestions regarding other information requested or the format of the report.

GENERAL GOVERNMENT - GOVERNING BODY - PROPOSED BUDGET RETREAT

Chairman Inman presented information from Budget Officer Dennis Thompson regarding a budget retreat for sometime in February.

Chairman Inman suggested Saturday, February 25th starting at 8:30 am.

The Board unanimously agreed to schedule Saturday, February 25th starting at 8:30 am for a Budget Retreat in the Commissioners Chambers.

GENERAL GOVERNMENT - LEGAL - FEDERAL COMMUNICATIONS COMMISSION

County Attorney Jonathan Jordan presented information regarding a proposed FCC rule change that might negatively affect local governments and their cable franchise.

Attorney Jordan presented a draft copy of the overview of the rule change prepared by Mr. Dave Harris, PTCOG, which includes suggestions for, comments from local Governments by the first of February.

County Attorney Jordan requested the Board review the conclusions presented by Mr. Harris for consideration.

There being no further business to come before the Board, Chairman Inman entertained a motion to recess the meeting until Monday, January 30, 2006 at 5:00 pm.

Commissioner John Turpin moved to recessed the meeting until Monday, January 30, 2006 at 5:00 pm.

Vice Chairman Joe Turpin seconded and the motion carried unanimously.

Darlene M. Bullins
Clerk to the Board

J. Leon Inman
Chairman