

STATE OF NORTH CAROLINA)
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COUNTY OF STOKES)
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OFFICE OF THE COMMISSIONERS
STOKES COUNTY GOVERNMENT
DANBURY, NORTH CAROLINA
MAY 29, 2007

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 Tuesday, May 29, 2007 at 6:00 pm with the following members present:

Chairman Leon Inman
Vice-Chairman Jimmy Walker
Commissioner Ron Carroll
Commissioner Ernest Lankford
Commissioner Stanley Smith

County Personnel in Attendance:
County Manager K. Bryan Steen
Clerk to the Board Darlene Bullins
County Attorney Edward Powell
Finance Director Julia Edwards
Corporal Mary Joyce - Jail
Support Services Supervisor Danny Stovall
Health Director Don Moore
Interim Tax Administrator Jake Oakley

Chairman Leon Inman called the meeting to order.

Vice Chairman Walker 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 – PRESENTATION OF THE PROPOSED FISCAL YEAR
2007-08 COUNTY BUDGET**

County Manager Bryan Steen presented the proposed Fiscal Year 2007-08 County Budget. Manager Steen read the following budget message:

**BUDGET MESSAGE
FISCAL 2007-2008**

TO: The Honorable Chairman and Commissioners
Stokes County Board of Commissioners

FROM: Kenneth B. “Bryan “ Steen, County Manager

DATE: May 29, 2007

SUBJECT: FY 2007-2008 Recommended Budget

In accordance with the North Carolina Local Government and Fiscal Control Act (G.S. 159-8), I hereby present and submit for your review and adoption a balanced proposed budget for Fiscal Year 2007-2008. I respectfully remind you that a mandatory Public Hearing for the Proposed FY 2007-2008 Budget has been scheduled for 6 PM in the Government Center, Court Room A, on Monday, June 4, 2007.

Budget Theme

The theme of the proposed FY 2007-2008 Budget is defined by the following five major objectives:

- Continued prudent fiscal steps to recover from a state implemented policy to reduce local government revenue.
- Rebuilding of County Fund Balance for financial strength and stability as mandated by law and sound fiscal policy.
- Refocus of county service activities for efficiency, effectiveness and expenditure reduction.
- Responsible and timely maintenance of critical infrastructure and equipment.
- Provision of limited funding as may be needed for an equitable employee pay plan.

The proposed FY 2007-2008 Budget enables Stokes County to continue its efforts to increase the fund balance to a reasonably acceptable percentage of our budget and reduce our reliance on “Hold Harmless Reimbursement” as a revenue source. In this proposed budget, we will appropriate a smaller amount of “Hold Harmless Reimbursement” to fund expenditures and place the remainder in Fund Balance. Thus accomplishing a board goal of increasing Fund Balance for financial strength, provide additional financial flexibility and enable the county (through a strong bond rating) to obtain future funding for the construction of schools at the

best possible interest rate. As noted in the Budget message for 2006-2007, this revenue source is scheduled to reduce each year until it is completely terminated in FY 2012-2013.

Budget Process

The initial process has each county government department, the school system and other non-county agencies provide the county manager with a requested budget and funding request. For 2007-2008, the Requested Budget totaled **\$43,458,025 and would have required a tax rate of 80 cents.**

Over the past several weeks, I have worked with county staff and developed a proposed budget, which totals \$40,858,121 and results in a tax rate of 64.5 cents for services funded by the General Fund. The budget increase results mainly from increases in cost for insurance, fuel, contracted services and changes that were approved after adoption of the 2006-2007 budget.

Revenues

As mentioned above, the proposed budget reduces the amount of "Hold Harmless Reimbursement" revenue appropriated for expenditures from \$1,545,000 in FY 2006-2007 to \$565,201. The proposed reduction in appropriation of these funds for expenditure will allow for placement of \$1,253,896 into Fund Balance if the estimated \$1,819,097 in "Hold Harmless Reimbursement" is received for 2007-2008.

Revenues from the different Sales Taxes are expected to increase by 3.19%: from \$5,596,250 to \$5,775,000. This projection is tempered by our concerns that discretionary consumer spending may be reduced due to higher fuel cost that provide no sales tax revenues to counties.

Property Tax Revenues have improved during the current year, but the improved collection rate will not be available for use in our budget revenue projection until FY 2008-2009. Additionally, collection of delinquent taxes continues to improve, but the outstanding amount will continue to diminish as the delinquencies are satisfied.

Additionally, Property Tax estimated values increased \$84,477,105 over FY 2006-2007 values and the collection tax rate increased from 95.37% to 96.30%

Expenditures

As previously mentioned, the driving forces behind current increases in expenditures come from increased cost for insurance, fuel, contracted services and board approved changes to the original 2006-2007 approved budget. No cost of living adjustment or salary increases have been recommended in this budget, but funds have been set aside to fund future salary adjustments that may be recommended by a salary review committee. Additionally, \$130,000 has been set-aside in Contingency for unexpected expenditures as well as \$45,000 to cover unpredictable fuel cost increases that may arise during the upcoming budget year.

Departments made thirty request for Additional Full Time Positions and Salary Reclassifications resulting in a requested cost increase of \$347,682.93. Of the request, I have recommended changes resulting in an increase to the county of \$55,321.89. As you are aware, our elderly population is growing and I am recommending a new Social Worker II Position to handle increased cases of Adult Guardianship resulting from Adult Protective Cases. Please

note that the county provides 14% of the cost of this position, \$14,062. Additionally, I am recommending hiring of a new Elections Director prior to the retirement of our current director, effective 1-1-2008, to ensure proper training and continuity of services, and also the hiring of an Agriculture Extension Director as necessitated by a change in the current provision of services.

I have also recommended limited one time funding for overtime work in Environmental Health to enable staff to catch up on their backlog of septic tank permits and additional one time funding of part-time funds for digital recording of documents in the Register of Deeds Office. Both funding recommendation are in response to request from each department for a new full-time position in each department. See notes regarding all expenditure changes placed at the bottom of each department's budget page.

Expenditure Containment

I have budgeted for and I'm recommending several steps be taken to contain cost through Reduction In Force and Restructuring of Responsibilities for improved efficiency. Reduction of two positions in the Fire Marshal's Office: Assistant Fire Marshal and Fire Inspector. Additionally, the responsibilities of the Fire Marshal's Office will revert to the original mission of investigating the cause and origin of suspicious fires, fire safety inspections and fire prevention education.

Reassignment of current Economic Development duties to the County Manager's Office upon retirement of the Economic Development Director effective November 1, 2007.

Review and consideration of consolidating positions and duties in other offices will be on going and presented to the board when identified.

Capital Outlay

Departments requested a total of \$1,551,333.00 for capital expenditures. Of these request, I recommend approval of request totaling \$557,944 less \$12,605 from Capital Reserve. Approximately \$500,000.00 of these expenditures result from major facility renovations /repairs, critical computer system update and state mandates for Animal Control Services.

In addition to the Capital Outlay items noted above, I am also recommending appropriation of \$30,000.00 in the Department of Social Services' budget for construction / remodeling King Service Center basement for their use if service demand exceeds our current capacity. Budget approval of this expenditure enables us to receive reimbursement of sixty percent of actual construction cost from state and federal sources and significantly reduces county cost if the remodeling is required.

I have also recommended appropriation of \$56,000.00 for major overhaul of two ambulances if needed. Currently, vehicle manufacturers do not have a vehicle in production for use as an ambulance that is acceptable to the county. These funds will be placed in capital reserve fund for major vehicle repair expenditure if necessary. If not, they will be available to help with the cost of buying a new ambulance during FY 2008-2009.

School-Current Expense

The Stokes County School System submitted a budget request totaling \$11,133,292. After reviewing the request, I recommend appropriation of \$9,838,959 for FY 2007-2008.

This is an increase of \$353,790 above the funding provided in the FY 2006-2007, or an increase of 3.61%.

Please note the following information from FY 2006-2007 regarding our appropriation to current expense as compared to that of surrounding counties of greater financial means and a few other similar sized counties:

COUNTIES	AVERAGE DAILY MEMBERSHIP	CURRENT EXPENSE TOTAL	CURRENT EXPENSE PER ADM
Stokes	7306	\$ 9,485,169.00	\$ 1,298.27
Davie	6540	\$ 7,958,379.00	\$ 1,216.88
Forsyth	50307	\$ 98,163,179.00	\$ 1,951.28
Rockingham	14352	\$ 15,102,727.00	\$ 1,052.31
Surry	9903	\$ 12,293,050.00	\$ 1,241.35
Yadkin	6194	\$ 5,734,000.00	\$ 925.73
Hoke	7112	\$ 5,120,000.00	\$ 719.91
Pender	7674	\$ 9,577,599.00	\$ 1,248.06
Richmond	8141	\$ 6,200,000.00	\$ 761.58
Vance	7824	\$ 8,180,000.00	\$ 1,045.50

Fire Service Request

Upon review of the King and Service District Budgets, it is my recommendation that the Board approve a one-half cent increase in fire tax to cover increased cost.

I also recommend the Board place requested Capital Outlay and Escrow Account request in a fund established by the county for such expenditures and that funds not be dispensed without Board review and approval. This practice will be consistent with approval requirements set forth in new proposed service contracts set to take effect on July 1, 2007.

Walnut Cove and Rural Hall Volunteer Fire Departments will remain at their current fire tax rate.

FY 2006-2007 Budget Highlights

1. By the close of the Fiscal Year, County General Fund debt in the amount of \$3,123,911 (principal and interest) will have been retired.
2. The reopening of the King Clinic, which has been a high priority of the Board of County Commissioners.
3. The County continued its efforts to build a stronger fund balance by the quarterly review of budgeted expenditures to ensure only needed expenditures are made.

4. The Commissioners have made the restoration of the County's General Fund Balance a top priority, with the objective of exceeding the minimum amount of 8% with an addition of approximately 3%.
5. The Commissioners held the budget with a zero growth, which granted the citizens some property tax relief by levying a 60-cent tax rate for fiscal year 2006-07.
6. The County has continuous efforts to collect delinquent revenues.
7. Property Tax collection rate increased from 95.37% to 96.30%.

Chairman Inman noted the upcoming Public Hearing scheduled for Monday, June 4, 2007 at 6:00 pm in Courtroom "A" and the upcoming budget work sessions.

GENERAL GOVERNMENT – GOVERNING BODY – APPROVAL OF AGENDA

Chairman Inman entertained a motion to approve or amend the agenda for the May 29th meeting.

County Manager Bryan Steen requested the following:

- To move Budget Ordinance Amendment #83 from the Discussion Agenda to the Action Agenda due to the urgent need to transfer funds from the Salary line item to Professional Services line item in order to pay for contracted services which included payment to a consultant to assist the Health Department with preparation of Federal Qualified Health Grant which had a deadline of Wednesday, May 23, 2007
- To add the proposed Independent Contractor Agreement between Stokes County Health Department and Nancy Bres Martin who assisted the Health Department in completing the grant for "New Access Points in High Poverty Counties – New Limited Grant Competition, HRSA 07-069" to the Action Agenda
- To move Motor Vehicles – Tax Value Appeal from the Discussion Agenda to the Action Agent which would allow the citizen to satisfy the bill before it would become delinquent and additional fees added to the balance

Chairman Inman entertained a motion to approve the agenda as amended.

Commissioner Lankford moved to approve the agenda as amended. Commissioner Carroll seconded and the motion carried unanimously.

PUBLIC COMMENTS

There were no public comments.

CONSENT AGENDA

Chairman Inman entertained a motion to approve or amend the Consent Agenda:

- Minutes of May 14, 2007
- Minutes of May 17, 2007

Commissioner Carroll noted the following corrections:

May 14, 2007 – Page #11 - change the following: **3** to **1...** to **3000** to **1...**

page #23 – change contract **was...** to contract **were**

page #25 – change **agent...** to **agenda...**

page #26 – change **.45%** to **\$.45...**

page #27 – change **1.12%** to **\$1.12...**

May 17, 2007 – page #2 - change **expensed...** to be **expended...**

page #3 – is **excepted...** to is **expected...**

page #4 – is **excepted...** to is **expected...**

Elections – Budget Ordinance Amendment # 75

Finance Director Julia Edwards submitted Budget Ordinance Amendment #75.

To amend the General Fund, the expenditures are to be changed as follows:

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
	Elections			
100.4170.350	M & R –Equipment	\$300.00	\$3,022.00	\$3,322.00
	Contingency			
100.9910.000	Contingency	\$33,015.00	(\$3,022.00)	\$29,993.00
		<u>\$33,315.00</u>	<u>-0-</u>	<u>\$33,315.00</u>

This budget amendment is justified as follows:

The Director of Elections had reverted back the funding for maintenance of the voting machines. She was not aware that the Company would bill her for two months' maintenance in this fiscal year. Therefore, she is requesting \$3,022 for two months' maintenance on the voting machines.

This will result in a net increase of \$00.00 in the expenditures and other financial use to the County's annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received in this fiscal year.

Budget Ordinance Amendment #75 was discussed at the May 14th meeting.

Jail - Budget Ordinance Amendment # 76

Finance Director Julia Edwards submitted Budget Ordinance Amendment #76.

To amend the General Fund, the expenditures are to be changed as follows:

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
Jail				
100.4320.511	Equipment – Non Capitalized		\$1,000.00	\$1,000.00
100.4320.260	Departmental Supplies	\$7,498.00	\$1,001.00	\$8,499.00
100.4320.220	Food & Provisions	\$189,600.00	(\$1,000.00)	\$188,600.00
100.4320.352	Maint. & Repairs-Buildings	\$2,500.00	\$1,000.00	\$3,500.00
		<u>\$199,598.00</u>	<u>\$2,001.00</u>	<u>\$201,599.00</u>

This budget amendment is justified as follows:

The Jail Administrator has requested to appropriate \$1,000 donation from Sam’s Club to purchase a Taser Cam to be utilized with the Taser and a desk for the Main Control Room in the Jail. Also, to appropriate Evidence Room funds to purchase supplies for the evidence room and requested to transfer funds to purchase mirrors for inmate cells, per the State Jail Inspection.

This will result in a net increase of \$2,001.00 in the expenditures and other financial use to the County’s annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received in this fiscal year.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
100.3839.005	Jail-Miscellaneous	\$14,000.00	\$1,000.00	\$15,000.00
100.3432.411	Evidence Room	-0-	\$1,001.00	\$1,001.00
		<u>\$14,000.00</u>	<u>\$2,001.00</u>	<u>\$16,001.00</u>

Budget Ordinance Amendment #76 was discussed at the May 14th meeting.

Public Buildings – Budget Ordinance Amendment # 77

Finance Director Julia Edwards submitted Budget Ordinance Amendment #77.

To amend the General Fund, the expenditures are to be changed as follows:

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
Public Buildings				
100.4190.352	Maint. & Repairs-Buildings	\$39,918.00	\$3,000.00	\$36,918.00
100.4190.260	Departmental Supplies	\$64,100.00	(\$3,000.00)	\$67,100.00
		\$104,018.00	-0-	\$104,018.00

This budget amendment is justified as follows:

Request to transfer funds for the purchase of paper products for Public Buildings for the remainder of the fiscal year.

This will result in a net increase of \$00.00 in the expenditures and other financial use to the County's annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received in this fiscal year.

Budget Ordinance Amendment #77 was discussed at the May 14th meeting.

District Resource Center- Budget Ordinance Amendment # 78

Finance Director Julia Edwards submitted Budget Ordinance Amendment #78.

To amend the General Fund, the expenditures are to be changed as follows:

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
District Resource Center				
100.4321.260	Departmental Supplies	\$2,100.00	\$1,800.00	\$3,900.00
100.4321.310	Travel	\$100.00	(\$100.00)	0
100.4321.311	Training	\$300.00	\$100.00	\$400.00
100.4321.320	Telephone	\$3,500.00	(\$200.00)	\$3,300.00
100.4321.330	Utilities	\$5,700.00	\$520.00	\$6,220.00
100.4321.350	Maint & Repairs- Equipment	-0-	\$480.00	\$480.00
100.4321.351	Maint. & Repairs – Auto	\$100.00	\$135.00	\$235.00
100.4321.430	Rental of Equipment	\$240.00	\$65.00	\$305.00
100.4321.440	Misc. Contractual Services	\$33,600.00	(\$2,800.00)	\$30,800.00
		\$45,640.00	0.00	\$45,640.00

This budget amendment is justified as follows:

Request to transfer funds to cover supplies and software, training, maintenance to auto, pages, water bill, and maintenance on new copy machine.

This will result in a net increase of \$00.00 in the expenditures and other financial use to the County's annual budget. To provide the additional revenue for the above, the following

revenues will increase. These revenues have already been received or are verified they will be received in this fiscal year.

Budget Ordinance Amendment #78 was discussed at the May 14th meeting.

Solid Waste - Budget Ordinance Amendment # 79

Finance Director Julia Edwards submitted Budget Ordinance Amendment #79.

To amend the General Fund, the expenditures are to be changed as follows:

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
Solid Waste				
100.4720.350	M & R – Equipment	\$50,000.00	(\$2,500.00)	\$47,500.00
100.4720.511	Equipment- Non Capitalized	\$7,754.00	\$2,500.00	\$10,254.00
		\$57,754.00	-0-	\$57,754.00

This budget amendment is justified as follows:

Request to transfer funds to replace a broken 25-ton hydraulic truck jack and a broken air grease gun.

This will result in a net increase of \$00.00 in the expenditures and other financial use to the County’s annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received in this fiscal year.

Budget Ordinance Amendment #79 was discussed at the May 14th meeting.

Sheriff’s Department - Budget Ordinance Amendment # 80

Finance Director Julia Edwards submitted Budget Ordinance Amendment #80.

To amend the General Fund, the expenditures are to be changed as follows:

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
Sheriff’s Department				
100.4310.511	Equipment – non capitalized	\$39,781.00	\$1,588.00	\$41,369.00
		\$39,781.00	\$1,588.00	\$41,369.00

This budget amendment is justified as follows:

Additional Department of Justice Bullet Proof Vest Grant funding for purchase of 5 bullet proof vests.

This will result in a net increase of \$1,588.00 in the expenditures and other financial use to the County's annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received in this fiscal year.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
100.3301.421	Dept of Justice Bullet Proof Vest Grant	\$1,350.00	\$1,588.00	\$2,938.00
		<u>\$1,350.00</u>	<u>\$1,588.00</u>	<u>\$2,938.00</u>

Budget Ordinance Amendment #80 was discussed at the May 14th meeting.

Health Department - Budget Ordinance Amendment # 82

Finance Director Julia Edwards submitted Budget Ordinance Amendment #82.

To amend the General Fund, the expenditures are to be changed as follows:

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
	Health Department			
100.5100.511	Equipment – non capital	\$1,239.00	\$3,000.00	\$4,239.00
		<u>\$1,239.00</u>	<u>\$3,000.00</u>	<u>\$4,239.00</u>

This budget amendment is justified as follows:

The Health Department was awarded \$3,000.00 from the Department of Health and Human Services for enhancing our Child Health Program. We would like to purchase one laptop and one desktop computer if possible

This will result in a net increase of \$3,000.00 in the expenditures and other financial use to the County's annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received in this fiscal year.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
100.3301.241	Health - Child Health	\$433.00	\$3,000.00	\$3,433.00
		<u>\$433.00</u>	<u>\$3,000.00</u>	<u>\$3,433.00</u>

Commissioner Smith moved to approve the Consent Agenda with the noted corrections.

Commissioner Lankford seconded and the motion carried unanimously.

GENERAL GOVERNMENT – GOVERNING BODY – INFORMATION AGENDA

Jail Inspection Report

Jail Corporal Mary Joyce (Jail Captain Al Tuttle was unable to attend the meeting) presented the April 30, 2007 Jail Inspection Report. Corporal Joyce noted the following regarding the inspection report:

- Inspection performed on April 30, 2007 by Gina Wooten, Eastern Area Jail Consultant, from the North Carolina Department of Health and Human Services
- One deficiency which **requires a response**
 - Installation of security mirrors**
 - Per 10A NCAC 14J.1505(e) and .1506(f) – an approved security mirror shall be installed and rule 10A NCAC 14J.1521(a) mirrors shall be approximately 8 inches x 9 ½ inches in size and (b) mirrors shall be highly polished stainless steel or chrome plated steel and be securely attached to the wall
- Mirrors were ordered immediately after the inspection
- Mirrors were received today (05-29-07)
- Public Buildings Maintenance started installing the mirrors today (05-29-07)

The Board expressed their appreciation to the Jail staff for their continuous dedication and hard work.

County Manager Bryan Steen noted a response regarding the corrective action was prepared and would be mailed to NC Department of Facility Services- Jail/Detention Section.

GENERAL GOVERNMENT – GOVERNING BODY – DISCUSSION AGENDA

Interim Tax Administrator Jake Oakley presented the following information regarding the motor vehicle value appeal requested by Ms. Jane Cole:

- Original tax bill for a 2004 Nissan 350Z was valued at \$25,110 = \$163.22 motor vehicle tax
- On May 14th, Ms. Cole appealed this value to the Tax Department due to high mileage of 77,949 and the bill of sale which indicated the price of the vehicle to be \$15,000 = \$97.50 motor vehicle tax
- NADA Book value is \$23,550 = \$153.90 motor vehicle tax

- Tax Department recommended that the value be adjusted to \$23,550 according to the NADA Book – this would be consistent with prior motor vehicle adjustments
- Ms. Cole was not satisfied with the recommendation
- Tax Department requested Ms. Cole bring the car to the Tax Department for further consideration – Ms. Cole failed to bring the car to the Tax Department
- Tax Department is consistently using the NADA book value for motor vehicles unless visible inspection prompts further consideration
- No General Statute mandates the value be reduced to the bill of sale price

The Board discussed the appeal from Ms. Cole and the Tax Department’s recommendation according to the NADA Book Value.

The agenda item will be considered in the Action Agenda.

Contracts

Construction and Debris Bids

Support Services Supervisor Danny Stovall presented the following information regarding Construction and Debris Bids (C&D):

- Bid for hauling recycling materials and construction/demolition debris from County Collection Sites was opened and read aloud on Wednesday, May 2nd
- Pre-bid meeting held on April 11, 2007 with representatives from Waste Management, Waste Industries, Republic Waste Services, and Ben Lawson
- Landfill Supervisor David Nelson also attended the pre-bid meeting
- Only (1) one bid was opened on Wednesday, May 2, 2007
- No bid responses were received from Waste Industries and Republic Waste Services
- Waste Management proposed the following:
 - \$165 per haul plus disposal costs (old haul rate \$123.00)
 - C&D will be disposed of at Hanes Mill Landfill
 - No revenues will be returned to the County from the sale of recyclables- projected loss of \$24,000 from recycling revenues
 - All equipment container and truck damage due to negligence on the County’s part will be billed at \$65 per hour plus cost of parts associated with repair
 - C&D container rental rate - \$75 per month per box
 - No rental fee for recycling boxes
 - Beginning July 1, 2008 and each year thereafter, the contract haul rate will be increased per CPI index for all consumers

- Historical data from past 12 months projects an increase of approximately \$53,969 for this service for the upcoming 12 months
- Waste Management has contracted with Stokes County for the past 6 years
- Proposed (3) three year contract period – only other option is a 18 month minimum contract period with a price increase
- Volume of C&D has increased tremendously
- Consideration for an in house operation- cost of equipment, employees, etc.

The Board discussed the proposed bid received from Waste Management (approximately 34% increase), in house operation (equipment, employees, insurance, etc), increased in volume of C&D Waste, and any other option available to the County.

The Board unanimously agreed to have County Manager Steen provide any available information regarding an in-house operation and cost analysis at the June 11th meeting.

The item will be placed on the Action Agenda for the June 11th meeting.

Insurance Renewal – Worker’s Compensation, Liability, Property and Auto

Support Services Supervisor Danny Stovall presented the following information regarding the upcoming fiscal year 2007-08 insurance renewal for Worker’s Compensation, Liability, Property, and Auto:

- Fiscal Year 2007-08 Worker’s Compensation premium will increase by 6%
- Fiscal Year 2007-08 Liability, Property and Auto premium will decrease by 9%
- Premiums due will reflect a 3% or \$17,552 net decrease

	F/Year 2007-08	F/Year 2006-07	Difference
Worker's Compensation	\$243,081.00	\$229,639.00	\$13,442.00
Liability, Property & Auto	\$322,187.00	\$353,181.00	(\$30,994.00)
Multi-Pool Discounts	(\$13,200.00)	(\$13,200.00)	
Totals	\$552,068.00	\$569,620.00	(\$17,552.00) savings

- Noted the savings is being seen from the installation of deer guards on the front of patrol vehicles

The Board discussed the proposed insurance renewals.

The item will be placed on the Action Agenda for the June 11th meeting.

Transportation Contract – Fiscal Year 2007-08 YVEDDI and J.D. Cruises

Support Services Supervisor Danny Stovall presented the following information regarding fiscal year 2007-08 Transportation contracts:

- Transportation Services will be allocated using an approximate 60/40 ratio of contracted effort between YVEDDI and J.D. Cruises with YVEDDI receiving approximately 60% and J.D. Cruises the remaining 40%
- The 60% share for YVEDDI will ensure their continued viability as the Lead Transportation Agency and ensure the County receives its full share of State and Federal funds allocated for transportation services
- County needs both providers to address total transportation needs in an effective and responsive manner
- Each provider will continue to use their current accounting and billing systems
- County conducts an informal review once per quarter with the two providers to resolve any issues related to the execution of the transportation contracts
- All requirements have been met by both providers
- YVEDDI = \$1.10 per vehicle mile with fuel surcharge
- J D Cruises = \$1.19 per vehicle mile with fuel surcharge
- One year term (July 1, 2007 through June 30, 2008) with option to renew

The Board discussed the proposed contracts submitted by YVEDDI and J.D. Cruises.

The item will be placed on the Action Agenda for the June 11th meeting.

Telephone System Bids

Support Services Supervisor Danny Stovall presented the following information regarding replacement of Telephone Services for the Stokes County Government Center Complex, Community Services Building and Arts Council:

- Bids were opened and read aloud on March 21, 2007
- Requested for the following bids to be declared non-responsive bids and be rejected:

Company	Amount	
Versa Technologies Winston Salem	\$3,513.56	Toshiba system 3rd party lease on equipment Separate service contract with branch office
Teledata Services Winston Salem	\$6,163.30	Coral system 3rd party lease on equipment Separate service contract with branch office
Teledata Services Winston Salem	\$6,799.11	Coral system 3rd party lease on equipment Separate service contract with branch office
CCI Telecom Statesville	\$3,458.40	Toshiba system 60-month fair market value lease
CCI Telecom Statesville	\$4,137.95	Avaya system 60-month fair market value lease

○ **Rental Agreements** - met RFP requirements:

Company	Amount	
Inter-Tel Winston Salem	\$3,609.08	Inter-Tel system 60 month rental with 24/7/365 maintenance 1 party agreement
CCI Telecom Statesville	\$3,995.00	Toshiba system 60 month rental with 24/7/365 maintenance 1 party agreement
CCI Telecom Statesville	\$5,467.62	Avaya system 60 month rental with 24/7/365 maintenance 1 party agreement

○ **Purchase Amounts**

Purchase Amounts	Amount	
Inter-Tel Winston Salem	\$ 116,548.00	Inter-Tel Axxess 512 system
Versa Technologies Winston Salem	\$ 10,237.05	24/7/365 maintenance
CCI Telecom Statesville	\$ 146,929.00	Toshiba CIX670 system
CCI Telecom Statesville	\$ 30,544.92	24/7/365 maintenance
CCI Telecom Statesville	\$ 168,456.00	Toshiba CIX system
CCI Telecom Statesville	\$ 8,422.80	24/7/365 maintenance
CCI Telecom Statesville	\$ 201,556.46	Avaya System
Teledata Services Winston Salem	\$ 18,140.08	24/7/365 maintenance
Teledata Services Winston Salem	\$ 225,305.73	Coral 500 System No maintenance cost listed

- Proposed rental agreement will replace telephone equipment and desk sets in the following locations:
 - Health Department
 - DSS
 - Government Center
 - E911 (offices only)
 - Jail
 - Ronald W. Reagan Memorial
 - Community Service Center
 - Arts Council
 - Danbury Library
 - System Totals = 375 extensions
- Prefers a system that does not include a third party rental agreement
- Recommends 60-month rental agreement with Inter-Tel Technologies in the amount of \$3,609.08
- Annual savings of \$12,000 to \$13,000

The Board discussed the proposal submitted by Mr. Stovall.

The item will be placed on the Action Agenda for the June 11th meeting.

Budget Amendment #84

Sheriff's Department - Budget Ordinance Amendment # 84

Finance Director Julia Edwards submitted Budget Ordinance Amendment #84.

To amend the General Fund, the expenditures are to be changed as follows:

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
Sheriff's Department				
100.4310.000	Salaries & Wages	\$155,845.00	(\$3,800.00)	\$1,551,045.00
100.4310.020	Salaries & Wages–Part Time	\$98,343.00	\$3,800.00	\$102,143.00
		\$1,653,188.00	\$00.00	\$1,653,188.00

This budget amendment is justified as follows:

Due to officer out with injuries and paid workman's compensation. funds would need to be transferred from full time salaries to part time salaries to replenish line item for extra part time help.

This will result in a net increase of \$00.00 in the expenditures and other financial use to the County's annual budget. To provide the additional revenue for the above, the following

revenues will increase. These revenues have already been received or are verified they will be received in this fiscal year.

Fire Services - Proposed Commission Guidelines

County Manager Bryan Steen requested direction from the Board regarding changes to the Fire Service District (Fire Commission and Use of Service District Funds) Guidelines, which were approved by a previous Board of Commissioners on September 3, 2002.

Commissioner Carroll noted the following issues:

- Fire Commission was created by the Board of Commissioners and the Board of Commissioners is authorized to set guidelines for its operation
- When the Fire Commission was first created, the intent was to have an independent oversight commission who could provide assistance to the Board of Commissioners
- Voting Fire Commissioners should be independent of the Fire Department or at the very least a majority of the voting members be independent of the Fire Department
- Recommendations for Fire Commissioners could be made by members of the Fire and Rescue Association
- Following the current guidelines of the Board of Commissioners, all appointments are advertised which allows any citizen to apply to serve on a particular board/committee/council
- The document as it exists currently gives the Fire Association the exclusive right to remove members from the Fire Commission
- With the Board of Commissioner appointing the members, the Board of Commissioners have the authority to remove members
- All fire budget documentation and requests relating to fire services should flow through the County Manager's office as all other budgetary items before coming to the Board of Commissioners
- This Commission is a public body under the law and must follow the open meetings law including advertising its meeting
- There should be a separate line item for monetary compensation for Fire Commission members
- Improper Use of Service District Funds – Tax Collection and Distribution – this is a policy and should be discussed by the Board of Commissioners
- Amending the Document – Currently, the Fire and Rescue Association has the authority to amend the document before coming to the Board of Commissioners for approval. With the Board of Commissioners appointing the Fire Commission, the Board of Commissioners should have authority to amend or change the document

- Reiterated that changes to this document does not have anything to do with the way the Fire Departments operate, this strictly has to do with the Fire Commission that was created by the Board of Commissioners
- This is strictly a Public Policy issue

The Board discussed the suggestions presented by Commissioner Carroll.

County Manager Steen noted legal review of the document by County Attorney Powell and Institute of Government Attorney David Lawrence. Both agreed that the document needed amending in order to make the document good public policy and to be able to follow the open meetings law.

Commissioner Carroll requested information regarding how the Fire Association became a part of the Fire Commission.

Mr. L. G. Tilley, Fire Association noted that a previous County Manager had misappropriated funding from the Service District for two or three years starting in 1999. The funding was later returned to the Fire Department Fund Balance. This action prompted the development of the document - Fire Commission and Use of Service District Funds Guidelines.

Mr. Tilley noted that all the fire departments were members of the Fire Association and that the proposed changes would need to be presented to the Fire Association for their consideration. Mr. Tilley also noted the possibility of setting up a committee to sit down and discuss the issues.

Finance Director Julia Edwards presented information regarding the allegation of misappropriation of Service District Funding. Ms. Edwards noted the following:

- No misappropriation of funding occurred
- Fiscal Year 1999-2000 – a fee of \$81,000 for collection of revenue by the Tax Department was transferred to the General Fund from the Service District Fund for collection of fire taxes
- Fiscal Year 2000-01 – a fee of \$81,000 for collection of revenue by the Tax Department was transferred to the General Fund from the Service District Fund for collection of fire taxes

- Fiscal Year 2001-02 – a fee of \$30,000 for collection of revenue by the Tax Department was transferred to the General Fund from the Service District Fund for collection of fire taxes
- Total amount of revenue allocated from the Service District Fund for the collection of fire taxes that was transferred to the General Fund was \$192,000
- Local Government Commission at that time confirmed that Counties could charge the fire district as well as districts, towns, and cities for collection of taxes
- F/Y 2003-04 – the entire \$192,000 was reallocated back to the Service District Fund

Mr. Tilley confirmed that the Service District did receive the funding back.

County Attorney Powell confirmed that any Board/Commission that has been created by the Board of Commissioners, the Board of Commissioners has the authority or flexibility to structure that Board, as it feels necessary for the best interest of public it serves.

Commissioner Carroll noted that to his knowledge there was no General Statute that dictates that the Board of Commissioners create or maintain a Fire Commission, it is strictly a decision of the Board of Commissioners. Commissioner Carroll recalls that the following Fire Districts- Walnut Cove, Rural Hall, and City of King were voted in by the citizens and that the Service District was created by action of the Board (approximately 20 years ago). The Board then created the Fire Commission for the Service District with the intent that the Commission would be an independent oversight commission that would assist the Board of Commissioners.

Commissioner Carroll reiterated that this does not have anything to do with the operation of the Fire Departments, this has to do directly with the Fire Commission, which is a public body governed by state statutes, which was created by another public body.

The Board unanimously agreed to direct County Attorney Powell and County Manager Steen review the Fire Commission Guidelines and make necessary changes to the document and operation of the Fire Commission so as to properly conform with the principles

of sound public policy.

Chairman Inman reiterated that the Board has no intentions of doing away with the Fire Commission, we are all on the same team – to serve the citizens in Stokes County.

District Committee- Appointments

Clerk to the Board Darlene Bullins presented all the recommendations for the District Committee Appointments:

(Clerk Bullins presented a detailed map detailing the location of each individual)

Republican Executive Committee

Brandon Hooker-Lawsonville–Peters Creek Township
James Burrow – King-Yadkin Township
Billy Joyce - Walnut Cove – Meadows Township
Don Purdy - Walnut Cove –Beaver Island Township
Louis Vaden – Westfield-Quaker Gap Township

Democrat Executive Committee

Ricky Woods - Sandy Ridge-Snow Creek Township
Mike Pell - Westfield – Quaker Gap Township
Dr. Mark Johnson - King –Yadkin Township
Jerry Mitchell- Walnut Cove-Meadows Township
Keith Robertson - Walnut Cove-Sauratown Township

Board of Education

Reba Elliott - King –Dem-Yadkin Township
Colon Moore-King –Rep-Yadkin Township
Jerry Rothrock-Dem -Walnut Cove-Sauratown Township
Virginia Smith – Rep - Walnut Cove-Sauratown Township
Jan Culler - King –Rep -Yadkin Township

Interested Citizens

Colon Moore - King – Rep – Yadkin Township
Sherry Varillas -Walnut Cove –UNA – Beaver Island Township
Donald Ray Cassidy - Madison -Dem-Beaver Island Township

Board of Commissioners Recommendations

Leonard Hicks – Madison – Beaver Island Township
C. Arzell Montgomery – Walnut Cove – Sauratown Township

Commissioner Smith nominated the following:

- Jasper Dean Slate – Germanton – Meadows
- Steven Jessup – Westfield - Big Creek Township

Commissioner Lankford nominated the following:

- Mary Jo Hanes – Danbury Township
- Jimmy Boyles – Big Creek Township

Chairman Inman requested the item to be placed on the Action Agenda for the June 11th meeting.

Office Space

County Manager Bryan Steen noted the Board had recently discussed reviewing the vacant space available at the District Resource Center.

The Board discussed the need for office space on the Government Center Complex and the need to move forward with a project, which will identify all available space.

Chairman Inman requested the County Manager to do a brief inventory of available space, an inventory of who is located in each building, and an assessment of what other space is needed.

Manager Steen suggested bringing possible options for the Discussion Agenda at the June 11th meeting.

Manager Steen informed the Board that the County had received a request from JobLink for free office space. Effective July 1, 2007, the Northwest Piedmont Council of Governments would no longer be funding rent for JobLink. The request was for two offices, conference room, GED/classroom as well as funding for telephones and internet.

Manager Steen requested direction from the Board regarding this request.

Chairman Inman noted that Director Ann Watts – FTTC had informed him of the need for space and the importance of keeping JobLink in the vicinity.

Chairman Inman requested Commissioner Lankford to investigate with the NWPCOG the reasons why funding would not be available and if there were any other options for JobLink. The Board would continue discussion of the request.

GENERAL GOVERNMENT – GOVERNING BODY – ACTION AGENDA

Appointments

Board of Adjustment – Appointments

Chairman Inman presented the following individuals who had been nominated for consideration to serve on the Board of Adjustments as an alternate.

- Mr. Matthew Tilley
- Mr. Russell Slate

Chairman Inman entertained a motion for the appointment.

Commissioner Lankford moved to appoint Mr. Russell Slate to serve on the Board of Adjustments. Commissioner Carroll seconded and the motion carried unanimously.

Stokes Adult Care Home Advisory Committee- Appointment

There were no nominations for the Stokes Adult Care Home Advisory Committee.

Board of Health – Engineer/Registered Nurse/General Public Appointments

Chairman Inman presented the following individuals who had been nominated for consideration to serve on the Board of Health:

- Registered Nurse Vacancy – Betty Shackleford
- General Public Vacancy – Jerry Mitchell

Commissioner Carroll moved to appoint Ms. Betty Shackleford to serve on the Stokes County Board of Health in the Registered Nurse vacancy. Vice Chairman Walker seconded and the motion carried unanimously.

Commissioner Smith moved to appoint Mr. Jerry Mitchell to serve on the Stokes

County Board of Health in the General Public vacancy. Commissioner Lankford seconded and the motion carried unanimously.

DSS Board-Appointment

Chairman Inman noted the General Public vacancy on the Department of Social Services Board.

Commissioner Carroll nominated Ms. Linda Hicks to serve on the DSS Board. Ms. Hicks can be considered at the June 11th meeting.

Fire Services – Proposed Fire Protection and Mutual Aid Contracts/Agreements

County Manager Bryan Steen presented the following types of contracts for Fire and Rescue Services for the Board consideration:

- **Fire & Rescue Protection and Mutual Aid**
 - South Stokes Volunteer Fire Dept.
 - Danbury Volunteer Fire Dept. & Rescue Squad, Inc
 - Sauratown Volunteer Fire Dept., Inc
 - Stokes-Rockingham Volunteer Fire Dept. & Rescue Squad Inc
 - Northeast Stokes Volunteer Fire Dept. & Rescue Squad Inc
 - Francisco Volunteer Fire Dept. Inc
 - Lawsonville Volunteer Fire Dept. Inc
 - Pinnacle Volunteer Fire Dept.
 - Double Creek Volunteer Fire Dept. Inc
- **Fire & Rescue Protection and Mutual Aid**
 - Walnut Cove Volunteer Fire Dept. & Rescue Squad, Inc
- **Fire & Rescue Protection and Mutual Aid**
 - City of King Fire Dept.
- **Rescue Protection and Mutual Aid Agreement**
 - Pilot Mountain Rescue Squad and EMS Inc
- **Fire Protection and Mutual Aid Contract**
 - Pilot Knob Volunteer Fire Dept. Inc
- **Fire & Rescue Protection Services**
 - Town of Rural Hall-Rural Hall Fire Dept.
- **Fire and First Response and Mutual Aid Agreement**
 - Westfield Volunteer Fire Dept. Inc

County Attorney Ed Powell and Manager Steen had inserted new language requested by the Board.

County Attorney Powell reviewed the following new proposed changes with the Board:

- It is agreed that any debt of the Agency that is financed will not be paid with tax revenues unless it has received prior consent and approval by the Fire Commission and the Stokes County Board of Commissioners.

County Manager Steen reviewed the following new proposed change with the Board:

- The Agency agrees to develop and submit a budget prior to April 1 of each covered year to the Stokes County Manager. The Agency also agrees to submit an audit prior to October 1 of each covered year to the Stokes County Manager along with a copy of the final revised budget detailing any amendments to expenditures and revenues during the prior fiscal year.

Commissioner Carroll requested that the Board consider not including the stipulation regarding that any debt of the Agency that is financed will not be paid with tax revenues unless it has received prior consent and approval by the Fire Commission and the Stokes County Board of Commissioners in any contract unless Stokes County tax payers are supporting at least half of the department's budget with tax revenue.

The Board discussed Commissioner Carroll's suggestion and the amount of debt incurred and to be funded by tax revenue. If approved, this action would apply to Rural Hall Fire Department, City of King Fire Department, Westfield Volunteer Fire Department, Pilot Knob Volunteer Fire Department, and Pilot Mountain Rescue Squad and EMS Inc.

Chairman Inman entertained a motion.

Commissioner Carroll moved to delete the following-It is agreed that any debt of the Agency that is financed will not be paid with tax revenues unless it has received prior consent and approval by the Fire Commission and the Stokes County Board of Commissioners from the contracts with Rural Hall Fire Department, City of King Fire Department, Westfield Volunteer

Fire Department, Pilot Knob Volunteer Fire Department, and Pilot Mountain Rescue Squad and EMS Inc. Commissioner Lankford seconded and the motion carried unanimously.

Commissioner Carroll moved that the proposed contracts be approved with the correction to the affected agencies. Vice Chairman Walker seconded and the motion carried unanimously. (Copies of the executed contracts will be retained by the Clerk to the Board).

Health – Budget Ordinance Amendment # 83

Finance Director Julia Edwards submitted Budget Ordinance Amendment #83.

To amend the General Fund, the expenditures are to be changed as follows:

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
Health				
100.5100.000	Salaries & Wages	\$737,468.00	(\$60,000.00)	\$677,468.00
100.5100.180	Professional Services	\$130,000.00	\$60,000.00	\$130,000.00
	Totals	\$867,468.00	\$00.00	\$867,468.00

This budget amendment is justified as follows:

Finance Director Edwards noted to the Board that the justification was incorrect and requested it be deleted from the Budget Amendment.

County Manager Bryan Steen noted that vacancies during the year had created the need for use of extra part-time nurses which depleted the professional services line item and there is no funding for the contract for Independent Contractor Agreement for Ms. Nancy Martin who had been contracted for assistance in preparing the “New Access Points in High Poverty Counties” and for the remaining fiscal year.

This will result in a net increase of \$00.00 in the expenditures and other financial use to the County’s annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received in this fiscal year.

Chairman Inman entertained a motion regarding Budget Ordinance Amendment #83.

Commissioner Lankford moved to approve Budget Ordinance Amendment #83.

Commissioner Smith seconded and the motion carried unanimously.

County Manager Steen also requested approval for the Independent Contractor Agreement between Stokes County Health Department and Nancy Bres Martin. Ms. Martin agrees to assist in the preparation of the “New Access Points in High Poverty Counties”.

Health Director Don Moore noted that the Board of Health had authorized 100 hours at the rate of \$62.50 per hour for preparation of the grant package.

The Board discussed the submitted contract. The contract had been reviewed and approved by County Attorney Ed Powell.

Chairman Inman entertained a motion.

Commissioner Carroll moved to approve the Independent Contractor Agreement between Stokes County Health Department and Nancy Bres Martin. Ms. Martin agrees to assist in the preparation of the “New Access Points in High Poverty Counties.

Commissioner Lankford seconded and the motion carried unanimously.

Motor Vehicles Tax Value Appeal

Chairman Inman entertained a motion regarding the Motor Vehicle Tax Value Appeal-Jane Cole, which was presented by Interim Tax Administrator Jake Oakley.

Commissioner Carroll moved to uphold the Tax Administration’s decision – value for 2004 Nissan 350Z = \$23,550. Commissioner Lankford seconded and the motion carried unanimously.

CLOSED SESSION

Chairman Inman entertained a motion to enter into Closed Session for the following:

- To consult with an Attorney employed or retained by the Public Body in Order to preserve the attorney-client privilege between the Attorney and the Public Body, which privilege is hereby acknowledged, and to consider and give instructions to an attorney

concerning the handing or settlement of a claim judicial action, mediation, arbitration, or administrative procedure G.S. 143-318.11(3).

- To consider the initial employment or appointment of an individual to any office or position, other than a vacancy in the Board of County Commissioners or any other public body, or to consider the qualifications, competence, performance, character, and fitness of any public officer or employee, other than a member of the Board of Commissioners or of some other public body pursuant to G.S. 143-318.11(6)
- To consider and take action with respect to the position to be taken by the county in negotiating the price or other materials terms of an agreement for the acquisition or lease of real property pursuant to G.S. 143-318.11(a)(5)

Commissioner Carroll moved to enter into Closed Session for the following:

- To consult with an Attorney employed or retained by the Public Body in Order to preserve the attorney-client privilege between the Attorney and the Public Body, which privilege is hereby acknowledged, and to consider and give instructions to an attorney concerning the handing or settlement of a claim judicial action, mediation, arbitration, or administrative procedure G.S. 143-318.11(3).
- To consider the initial employment or appointment of an individual to any office or position, other than a vacancy in the Board of County Commissioners or any other public body, or to consider the qualifications, competence, performance, character, and fitness of any public officer or employee, other than a member of the Board of Commissioners or of some other public body pursuant to G.S. 143-318.11(6)
- To consider and take action with respect to the position to be taken by the county in negotiating the price or other materials terms of an agreement for the acquisition or lease of real property pursuant to G.S. 143-318.11(a)(5)

Vice Chairman Walker seconded and the motion carried unanimously.

The Board returned to the regular session of the May 29th meeting.

Stokes Reynolds Memorial Hospital – Contract

Chairman Inman entertained a motion.

Commissioner Lankford moved to accept the Restatement of Agreement of Lease between NC Baptist Hospital and Stokes County and authorize the Chairman to sign and execute the document. Commissioner Smith seconded and the motion carried unanimously.

Stokes County Health Department – Mid Level Provider Salary

Chairman Inman entertained a motion.

Commissioner Carroll moved to authorize Health Director Don Moore to employ the Mid Level Provider at \$75,000 annual salary. Commissioner Smith seconded and the motion carried unanimously.

Adjournment

There being no further business to come before the Board, Chairman Inman entertained a motion to adjourn the meeting.

Commissioner Smith moved to adjourn the meeting. Commissioner Lankford seconded and the motion carried unanimously.

Darlene M. Bullins
Clerk to the Board

J. Leon Inman
Chairman