

STATE OF NORTH CAROLINA)
)
COUNTY OF STOKES)
)

OFFICE OF THE COMMISSIONERS
STOKES COUNTY GOVERNMENT
DANBURY, NORTH CAROLINA
MAY 12, 2008

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, May 12, 2008 at 1:30 pm with the following members present:

Chairman J. 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
Finance Director Julia Edwards
Tax Administrator Jake Oakley
Support Services Supervisor Danny Stovall
Senior Services Director Lynn Martens

Chairman J. Leon Inman called the meeting to order and 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.

PUBLIC HEARING – Proposed Economic Development Incentive Grant – Parkdale America, LLC

Chairman Inman opened the Public Hearing for the proposed Economic Development Incentive Grant for Parkdale America, LLC to order.

There were no public comments.

Chairman Inman closed the public hearing.

GENERAL GOVERNMENT – GOVERNING BODY – APPROVAL OF AGENDA

Chairman Inman entertained a motion to approve or amend the May 12, 2008 agenda.

County Manager Bryan Steen requested the following changes to the May 12th agenda:

- ◆ Discussion agenda - Move Item B “Senior Services Meals – Proposed Contract –Fiscal Year 2008-09” to the information agenda
- ◆ Discussion agenda - Delete Item F “Proposed Well Fee Increase – Environmental Health Department” – postponed to a later date

Commissioner Lankford moved to approve the May 12th agenda as amended.

Vice Chairman Walker seconded and the motion carried unanimously.

PUBLIC COMMENTS

The following spoke during public comments.

Doris Hill

2068 Bowen Road
Pinnacle, NC 27043

Re: Fun Day – Stokes County Mental Health Association

Ms. Hill invited the Board to Fun Day at Central Park in King on May 23rd (10:00 am to 3:00pm) which will be hosted by the Stokes County Mental Health Association and CenterPoint Human Services. Ms. Hill informed the Board that the Mental Health Association had recently been awarded a \$25,000 grant from the “Ribbon of Hope” to hire a part time Mental Health Educator. Ms. Hill also extended her appreciation to the Board for their support to Mental Health in Stokes County.

CONSENT AGENDA

Chairman Inman entertained a motion to approve or amend the following items on the consent agenda:

Minutes

- Minutes of April 28, 2008

Finance – Budget Amendment #103

Finance Director Julia Edwards submitted Budget Ordinance Amendment #103.

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 and Wages	\$1,356,482.00	\$6,282.00	\$1,362,764.00
	Jail			
100.4320.000	Salaries and Wages	\$580,700.00	\$6,168.00	\$586,868.00
	Elections			
100.4170.000	Salaries and Wages	\$88,793.00	\$443.00	\$89,236.00
	Fire Marshal			
100.4340.000	Salaries and Wages	\$174,083.00	\$4,575.00	\$178,658.00
	Solid Waste			
100.4720.000	Salaries and Wages	\$174,439.00	\$1,196.00	\$175,635.00
	Health Department			
100.5100.000	Salaries and Wages	\$833,079.00	\$3,242.00	\$836,321.00
	King Clinic			
100.5191.000	Salaries and Wages	\$74,151.00	\$706.00	\$74,857.00
	Social Services			
100.5310.000	Salaries and Wages	\$1,574,361.00	\$4,904.00	\$1,579,265.00
	Contingency			
100.9910.000	Leave Cost	\$62,987.00	\$(27,516.00)	\$35,471.00
	Totals	\$4,919,075.00	\$00.00	\$4,919,075.00

This budget amendment is justified as follows:

To transfer funds from contingency leave cost for the pay out of employees terminating employment with Stokes County.

This will result in a net increase of \$00.00 in the expenditures and other financial use to the County's annual budget.

Sheriff's Department – Budget Amendment #104

Finance Director Julia Edwards submitted Budget Ordinance Amendment #104.

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 Capital	\$53,780.00	\$770.00	\$54,550.00
100.4310.260	Departmental Supplies	\$29,671.00	\$(470.00)	\$29,201.00
	Totals	\$83,451.00	\$300.00	\$83,751.00

This budget amendment is justified as follows:

To appropriate funding for the purchase of a laptop computer for in-service training.

This will result in a net increase of \$300.00 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
100.3839.001	Misc. Wal Mart Grant	\$13,570.00	\$(300.00)	\$13,270.00
	Totals	\$13,570.00	\$(300.00)	\$13,270.00

Commissioner Carroll noted the following correction:

Revenues should reflect an increase instead of a decrease

Correction

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
100.3839.001	Misc. Wal Mart Grant	\$13,570.00	\$300.00	\$13,870.00
	Totals	\$13,570.00	\$300.00	\$13,870.00

Social Services – Budget Amendment #105

Finance Director Julia Edwards submitted Budget Ordinance Amendment #105.

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

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
Social Services				
100.5310.180	Professional Services	\$19,597.00	\$7,500.00	\$27,097.00
	Totals	\$19,597.00	\$7,500.00	\$27,097.00

This budget amendment is justified as follows:

To appropriate funds for a grant received from Susan B Komen to help fight Breast Cancer in Stokes County.

This will result in a net increase of \$7,500.00 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
100.3540.425	Breast Cancer Support Fund of Stokes County	\$0.00	\$7,500.00	\$7,500.00
	Totals	\$0.00	\$7,500.00	\$7,500.00

Social Services – Budget Amendment #106

Finance Director Julia Edwards submitted Budget Ordinance Amendment #106.

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

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
	Social Services			
100.5310.184	Prof. Services - HCCBG	\$31,089.00	\$13,754.00	\$44,843.00
	Totals	\$31,089.00	\$13,754.00	\$44,843.00

This budget amendment is justified as follows:

To correct allocation for HCCBG, which should be \$44,843.00. (\$31,089.00 was used as the initial budget allocation from budget estimates)

This will result in a net increase of \$13,754.00 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
100.3301.373	NWPCOG - HCCBG	\$0.00	\$13,754.00	\$13,754.00
	Totals	\$0.00	\$13,754.00	\$13,754.00

Social Services – Budget Amendment #107

Finance Director Julia Edwards submitted Budget Ordinance Amendment #107.

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

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
	Social Services			
100.5310.314	Work First Travel	\$60,000.00	\$20,000.00)	\$80,000.00
100.5850.001	Day Care TANF	\$51,577.00	\$(20,000.00)	\$31,577.00
	Totals	\$111,577.00	\$00.00	\$111,577.00

This budget amendment is justified as follows:

To transfer funds for MOE to TANF/Work First travel due to fuel cost for transportation. This will result in a net increase of \$00.00 in the expenditures and other financial use to the County's annual budget.

Juvenile Crime Prevention Council (JCPC) – Proposed 2008-09 Application for Funding

JCPC Chairman Jan Spencer presented the following proposed 2008-09 Application for Funding (JCPC recommendation) at the April 28th meeting, with a request for action by the Board of Commissioners at the May 12th meeting:

	JCPC Funding	County Match
Stokes Emergency Shelter	\$ 7,308.00	\$ 2,192.00
Stokes Psychological Testing	\$ 2,031.00	\$ 609.00
Stokes SCAN	\$ 22,901.00	\$ 6,870.00
Partnership for a Drug Free NC	\$ 27,000.00	\$ 7,801.00
Surry/Stokes Friends of Youth	<u>\$ 80,258.00</u>	<u>\$16,475.00</u>
	\$139,498.00	\$33,947.00

Proposed Proclamation – Older Americans Month - May 2008

DSS Director Jan Spencer submitted the following proposed Proclamation – “Older Americans Month – May 2008” for the Board’s consideration:

**OLDER AMERICANS MONTH – MAY 2008
A PROCLAMATION**

WHEREAS, Stokes County is a community in which 7,337 citizens age 60 or older make their home; and

WHEREAS, older adults in Stokes County and throughout the United States are a growing population with evolving needs; and

WHEREAS, older Americans are valuable members of our society who are rich with experience and deserving of our respect; and

WHEREAS, the number of baby boomers reaching traditional retirement age continues to increase, a fact that spotlights the need for increased attention to the needs of older adults; and

WHEREAS, it is the responsibility of this and all United States communities to work together and prepare for changing older adult populations by modernizing systems of care and providing consumers with more control over their lives; and

WHEREAS, overall quality of life can be greatly enhanced when supportive communities help their older citizens obtain:

- Evidence-based approaches to making behavioral changes that can reduce risk of disease, disability, and injury.
- The tools to make informed decisions about, and gain better access to, existing health and long-term care options.
- More options to avoid placement in nursing homes and remain at home as long as possible.

NOW THEREFORE, We, the Commissioners of Stokes County do hereby proclaim **May 2008** to be **Older Americans Month**. We urge everyone to take time this May to honor our older adults and the professionals, family members, and citizens who care for older adults. We urge all citizens/communities to work collaboratively to strengthen the services Stokes County provides to its older adults in ways that recognize the changing nature of their needs, and that provide older adults with more opportunities to make informed choices about their lives. Our efforts can improve the lives of our older citizens and help pave the way for future generations.

Adopted this **12th** day of **May, 2008**.

J. Leon Inman, Chairman

Jimmy Walker, Vice-Chairman

Ron Carroll, Commissioner

Ernest Lankford, Commissioner

Stanley Smith, Commissioner

Attest: _____
Darlene Bullins, Clerk to the Board

Proposed Proclamation – American Cancer Society – “Relay for Life”

Commissioner Ernest Lankford submitted the following proposed Proclamation – American Cancer Society – “Relay for Life” at the April 28th meeting, with a request for action by the Board of Commissioners at the May 12th meeting:

**AMERICAN CANCER SOCIETY
RELAY FOR LIFE
PROCLAMATION**

WHEREAS, the South Atlantic Division of the American Cancer Society is a community based voluntary health organization dedicated to eliminating cancer through research, education, advocacy and service; and

WHEREAS, more than 50,000 North Carolinians will be diagnosed with cancer in 2008 and more that 17,000 North Carolina citizens will die from this disease; and

WHEREAS, racial and ethnic cancer disparities exist across the enter cancer spectrum, from primary prevention to palliative care; and

WHEREAS, **Relay for Life** provides vital funding for cancer research and cancer control programs in North Carolina and Stokes County; and

WHEREAS, **Relay for Life**, sponsored by the American Cancer Society, will celebrate and honor North Carolinians and their families that have been affected by cancer.

NOW, THEREFORE, BE IT RESOLVED, the **Stokes County Board of Commissioners** do hereby proclaim the month of **May, 2008** as “**RELAY FOR LIFE MONTH**”.

Adopted this 12th day of **May, 2008**.

J. Leon Inman - Chairman

Jimmy Walker – Vice Chairman

Ron Carroll - Commissioner

Ernest Lankford - Commissioner

Stanley Smith - Commissioner

Attest:

Darlene M. Bullins – Clerk to the Board

Commissioner Carroll noted the following correction:

- ◆ American Cancer Society “Relay for Life” Proclamation” - change “**do**” hereby proclaim... to “**does**” hereby proclaim...

Appointment – Stokes Aging Planning Committee

Secretary Lynn Martens, Aging Planning Committee, submitted the following request for appointment to the Aging Planning Committee:

- ◆ Recommendation from the Stokes Aging Planning Committee that Hospice Director Lori Webb fill the committee vacancy due to the resignation of Margaret Arey, former Director of Hospice of Stokes County
- ◆ Stokes County Aging Planning Committee By-Laws –Article IV –Membership: state that membership shall consist of a representative from Hospice.

Commissioner Lankford moved to approve the consent agenda as amended.

Commissioner Smith seconded and the motion carried unanimously.

GENERAL GOVERNMENT – GOVERNING BODY – INFORMATION AGENDA

Comments – Manager and Board of Commissioners

County Manager Bryan Steen presented the following update:

- ◆ Preliminary drawings for the third floor renovations of the Administrative Building were given to the Board for their review
- ◆ Email received from the Administrative Office of the Courts stated that official approval notification should be forthcoming regarding the Video Probable Cause Hearings
- ◆ Public Hearing for all categories of CDBG Grants to be held at either the May 27th or June 9th meeting
- ◆ New Fire Marshal - Frankie Burcham – to start May 27th
- ◆ Proposed 2008-09 County Budget will be delivered to the Board at the May 27th meeting

Commissioner Smith noted that the RTI has received a \$75,000 Economic Innovation Grant from the North Carolina Rural Economic Development Center, which is the second grant awarded to the RTI.

Senior Services Meals – Proposed Contract – Fiscal Year 2008-09

Support Services Supervisor Danny Stovall and Senior Services Director Lynn Martens presented the following information regarding the Senior Services Meals – Proposed Contract – Fiscal Year 2008-09:

- ◆ Beginning July 1, 2008, GC Partners, Inc (dba Golden Corral) will be increasing the price for the Stokes County Senior Meals Program to \$3.40 (tax not included) which is a price increase of 5 cents per meal

Senior Services Lynn Martens presented the following survey information regarding the Congregate Meals and Home Delivered Meals:

Survey Question	Congregate 2007	Meals 2008	Home Delivered 2007	Meals 2008
Tastes Good	36%	83%	60%	75%
Looks Good	30%	76%	79%	84%
Sufficient Amount	87%	87%	97%	79%
Eats most of the food	48%	78%	63%	68%

Director Martens noted that there were some small issues at the beginning of the fiscal year, but those issues were immediately resolved by Golden Corral. Director Martens also noted that Golden Corral would be accepting donations for Stokes County at their University-North Point location and would be willing to allow the department to place a mobile billboard on their delivery trucks which would display “Donations Accepted for Stokes Senior Meals”. Ms. Martens concluded that Golden Corral was always ready and willing to resolve any issue that develops.

Mr. Stovall requested approval from the Board to enter into the second year contract with Golden Corral for Senior Services Meals for the upcoming 2008-09 fiscal year.

Chairman Inman, with full consent of the Board, directed Mr. Stovall to execute the contract with Golden Corral for the upcoming 2008-09 fiscal year.

GENERAL GOVERNMENT – GOVERNING BODY – DISCUSSION AGENDA

Tax Administration Report – April 2008

Tax Administrator Jake Oakley presented the following informational data:

Fiscal Year 2007-08	Budget Amt	Collected Amt	Over Budget	Under Budget
County Regular & Motor Vehicles	\$(18,619,330.00)	\$18,207,780.87		\$(411,549.13)
Prior Taxes 1991-2006 Tax Years				
County Regular & Motor Vehicles	\$ 700,000.00	\$ 654,217.43		\$ 45,782.57

EMS Collections

Total Collected (04-01/04-30-08) \$ 10,859.73
Total Collected (7-01-07/4-30-08) \$ 79,606.33
Delinquent accounts received from EMS during April 2008 = 76 in the amount of \$31,773.99

Personal Property Discovery Report Audit Dates	# of Accts	Total Value	Taxes Due
04-01-08/04-30-08	1	\$14,099.00	\$ 121.41

Business Personal Property Discovery Report Audit Dates	# of Accts	Total Value	Taxes Due
04-01-08/04-30-08 - none to report			

Motor Vehicle Release Report	Accounts	Total Accounts
04-01-08/04-30-08	32	\$ 1,190.70

Motor Vehicle Refund Report	Accounts	Total Accounts
04-01-08/ 04-30-08	6	\$ 120.63

Number billed for April 2008 3588

Releases Less than \$100

Real/Personal Property

Per NCGS 105-381(b) April 2008

	Bill Number	
Tika Gilham	07A155906041.09	\$ 91.87
Ken Lewis Pyrtle	00A2000035304	\$ 45.84
	99A1999001614	\$ 48.50
	98A1998051181	\$ 46.65
	98A1998051180	\$ 53.43
	Total	\$ 286.29

Garnishment Totals	Total Accounts	Original Levy Amt
July 07 to March 08	839	\$ 287,162.07
April 2008	130	\$ 57,365.26
Total of all	969	\$ 344,527.33

Tax Administrator Oakley presented the following Real and Personal Property Releases which are more than \$100 for the Board’s consideration:

Real and Personal Property Release

More than \$100 - April 2008

Name	Account Number	Amount	Reason
Tika Gilham	155906041	\$ 109.15	Not owner of single wide home
James Lauck	155929068	\$ 102.68	Double Listing
	Total	\$ 211.83	

Tax Administrator Oakley submitted the following Appeal for Release of Charges/Fees from Ms. Cindy Lynn Cayton - #155889585:

- ◆ Ms. Cayton is requesting a release of the garnishment fees (\$15 per notice = \$45) which are associated with bill numbers 04V2004533695 and 04V2004532388
- ◆ Ms. Cayton is requesting the fees be waived due to the lack of contact with the taxpayer/employer

Tax Administrator Oakley presented information from Assistant Professor of Public Law/Government Shea Denning, Institute of Government, which states that there is no lawful basis for refunding these fees (the appropriate steps for garnishment were taken).

Tax Administrator Oakley recommended denying Ms. Cayton's request per the Machinery Act.

The Board discussed the appeal with Tax Administrator Oakley.

Chairman Inman, with full consent of the Board, instructed the Tax Administrator to follow the guidelines of the Machinery Act and supported the recommendation of the Tax Administrator to deny the appeal from Ms. Cindy Cayton.

Tax Administrator Oakley concluded that the department should meet budget by the end of May.

Chairman Inman directed the Clerk to place the Real and Personal Property Releases over \$100 on the May 27th consent agenda.

Proposed Financial and Budgetary Policies

County Manager Bryan Steen presented the following proposed Financial and Budgetary Policies for the Board's consideration:

Stokes County Financial and Budgetary Policies

Objective: Stokes County government exists to meet the needs of residents through the services the County is mandated to provide or has elected to provide. In order to meet these needs, the County must maintain its financial

integrity. In addition, the County is constantly confronted with requests for new and enhanced services from a growing and diverse population. The County's Financial and Budgetary Policies are intended to maintain and improve the County's financial condition thereby preserving our ability to meet future needs while giving County leaders a framework for balancing increased service demands and financial position.

Budget Policies

Objective: The County will manage its annual budget to meet its legal and debt obligations, ensure adequate funding of current service levels, meet the priorities of the Board of Commissioners, maintain the County's financial condition, and keep property tax increases to a minimum.

New or increased services: The County should ensure its current service levels are adequately funded before funding new or enhanced services.

Mid-year appropriations: All agencies supported by the county must function within the resources made available to them through the annual budget. The county will consider requests for new or expanded programs during the course of the regular budget process. Only in extreme circumstances will such requests be considered outside of the budget process.

Use of one-time revenues: One-time revenues should not support ongoing personnel and operating costs. Use of one-time revenues is appropriate for capital outlay, debt retirement, contribution to capital reserve, and other non-recurring expenses. Proceeds from the sale of surplus capital items will go into the County's general capital reserve, unless proceeds are otherwise restricted.

Grants: The County will pursue federal, state, and private grants to enhance services to County residents. However, the County will strictly limit its financial support of grant-funded programs to avoid commitments that continue beyond funding availability. The County will not continue programs after grants have expired except as expressly approved by the Board of Commissioners as part of the annual budget process.

New positions: New positions should be added as a last resort. Other alternatives, such as contracting, technology, and reassignment of duties should be fully explored and documented before new positions are funded.

Level of budgeting: In order to tie costs to specific services, departments shall submit budgets for each of their divisions or program areas. Department heads are required to obtain authorization to transfer operating funds between their divisions through a Budget Amendment or Budget Memorandum as appropriate. Transfers for personnel and capital outlay must be approved by the County Manager / Budget Officer and Board of County Commissioners. Excluding appropriations to the Stokes County School System and Special Appropriations, the County shall adopt budgets at the department level.

Justification for funding: Departments and agencies requesting funding from the county should justify their requests in terms of maintaining or increasing service levels. Departments should measure their performance in key service areas and periodically compare their performance to other jurisdictions to discover efficiencies and develop best management practices.

Contingency funds: Departments shall not include contingency funds in their respective budgets. The county shall include a general contingency fund in its annual budget as deemed appropriate.

Budget Officer: The County Manager serves as the Budget Officer and He / She is authorized to perform the following functions or delegate them:

- Transfer funds, other than Salary or Capital Outlay Funds, within a department with a limitation of \$5,000 upon completion of a Budget Memorandum and a report of such transfers will be made to the Board of County Commissioners during their next regularly scheduled meeting.
- Employ temporary help from time to time to meet circumstances.
- Execute contracts provided that funds for such contracts have been approved as part of the annual budget, the contract does not exceed the funds appropriated and all applicable state laws and county policies are followed.
- Execute change orders provided that the change order is for a project approved as part of the annual budget or by a project ordinance approved by the Board of Commissioners, the change order does not exceed the funds appropriated, and the change order does not exceed \$20,000.

Debt policies

Objective: The County will manage its debt obligations to meet demands for capital facilities while striving to maintain and / or improve the County's A1/A bond rating.

Types of debt: All types of debt available to North Carolina county governments include general obligation bonds, certificates of participation (COPs), bank loans, other leases instruments, revenue bonds, and proceeds from the refunding of general obligation bonds. In general, the county will select the appropriate type of debt given financial circumstances and feasibility.

When debt is appropriate: Debt is an important tool for financing capital facilities. Over-reliance on debt, however, is negatively perceived by bond rating agencies. The county should exhaust all possible resources, such as grants and pay-as-you-go funding, before borrowing funds. Debt should only be used for the construction of capital facilities and the purchase of capital assets. In general, the assets should not be recurring capital replacements, such as vehicles. If terms are favorable, however, the county may elect to use debt in this manner. Debt should never be issued to meet recurring operating expenses.

Terms: The term of the debt service payments shall not exceed the useful life of the asset purchased through debt.

Debt limitation: Debt issuance guidelines and formulas established by the Local Government and rating agencies will be closely monitored and appropriately applied.

Relationship to operating and capital budgets: Debt for items meeting the requirements of a capital project shall be requested through the capital improvements program (CIP) process. Other debt requests shall be made through the annual budget process. The annual budget will include sufficient funding to meet the County's debt service obligations.

Fees and user charges policies

Objective: The County will set its fees and user charges to recover the costs of services at a predetermined recovery threshold and thereby reduce reliance on property taxes.

Enterprise funds: The operating budgets of enterprise funds shall not be subsidized by the general fund and shall be supported wholly by fees generated by the enterprise. To the extent possible, the capital costs of enterprise funds should not be subsidized by the general fund, unless Commissioners identify a compelling need to provide a subsidy.

Other fees and charges: The County should charge other fees when it is allowable, when a limited and specific group of beneficiaries can be identified, when it is feasible to charge beneficiaries for the services rendered, and

when there is no reason to subsidize the service wholly or in part. To the extent possible, fees levels should be set to recover the full costs of the services provided, unless it is deemed necessary or desirable to subsidize the service.

Subsidy: Factors to consider in deciding whether a subsidy is appropriate include the burden on property tax payers, the degree to which the service benefits a particular segment of the population, whether beneficiaries can pay the fee, and whether the service provides a broader benefit to the community.

New and increased services: Part of the decision-making process in establishing new services or increasing service levels should include an analysis of fees and user charges and a desired cost-recovery threshold.

Review and approval of fees and charges: As part of the budget process, the County shall annually review the fees and user charges. The Board of Commissioners must approve all changes to the schedule of fees and charges.

Capital Improvements Program (CIP) policies

Objective: The County will plan for its capital needs at least five years into the future in order to address needs and to earmark revenues.

Process: A five-year capital improvements plan shall be prepared and updated each year. Departments and agencies shall request items meeting the definition of a capital asset through the County's annual CIP process. Only in extreme circumstances will the County consider items outside the CIP process. Generally, agencies should plan five years ahead for capital improvements and project additions to the CIP should occur in Year 5 of the CIP.

Relationship to annual budget: The operating impact of each project shall be identified and incorporated into the annual operating budget.

Capital project ordinances: A separate capital project ordinance shall be submitted to the Board of Commissioners for approval for all capital improvements, which span more than one fiscal year and cost \$50,000 or more.

Fund balance

Objective: The County should maintain an undesignated fund balance in its general fund of 20 percent of the previous annual operating budget in order to meet emergency obligations, avoid interruptions in cash flow, generate interest income, and maintain an investment grade bond rating.

Allowable uses: Fund balance may be used as appropriate under sound management practices.

Capital Reserves

Objective: The County will strive to fund capital improvements on a pay-as-you-go basis in order to enhance its financial condition and bond rating.

Annual contribution: The County sets as a goal the annually contribute of one percent of its operating budget to a capital reserve.

Cash Management:

Objective: The County shall effectively manage its cash resources in order to maximize interest earnings and minimize loss of revenue.

Cash Receipts: *Departments shall deposit receipts daily as required by law. Departments are responsible for ensuring the security of cash receipts. The Finance Officer is responsible for ensuring funds are deposited into interest bearing accounts.*

Cash Disbursements: The County's objective is to retain moneys for investments for the longest period of time possible. Disbursements will be made on the contractually agreed date unless earlier payments provide a greater economic benefit to the County. For County checks, two signatures will be required. Facsimile signatures will be safely stored and used when appropriated.

Investment Policy: County funds will be invested in a prudent and diligent manner with emphasis on safety, liquidity, and yield, in that order. The County will conform to all state and local statutes governing the investment of public funds.

Accounting and Financial Reporting

Objective: The County will establish and maintain its accounting system in accordance with the NC Local Budget and Fiscal Control Act. All records and reporting will be in accordance with Generally Accepted Accounting Principles. The County will maintain an accounting system, which provides internal budgetary and accounting controls, designed to provide reasonable assurance regarding both the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial information used in the preparation of financial statements and reports.

Manager Steen noted the following:

- ◆ Financial and Budgetary Policies are rated highly with bond rating companies which can be very useful when going out for bids
- ◆ Such policies can often help to secure a better rating from bond rating companies

The Board discussed the proposed Financial and Budgetary Policies.

Director Julia Edwards had no issues with the proposed policies.

Chairman Inman directed the Clerk to place the item on the May 27th consent agenda.

Proposed Resolution – Economic Development Incentive Grant – Parkdale America, LLC

Interim Economic Development Director/County Manager Bryan Steen presented the following proposed Resolution Authorizing Incentives Contract with Parkdale America, LLC:

Resolution Authorizing Incentives Contract with Parkdale America, LLC

WHEREAS, North Carolina General Statute 158-7.1 authorizes a county to undertake an economic development project by extending assistance to a company in order to cause the company to locate or expand its operations within the county; and

WHEREAS, the Board of Commissioners of Stokes County has held a public hearing to consider whether to participate in an economic development project with Parkdale America, LLC, by reimbursing Parkdale America, LLC for the cost of machinery and equipment to be installed at its facility in Stokes County; and

WHEREAS, Parkdale America, LLC, will purchase and install machinery and equipment, making an investment of at least \$30,000,000.00 and retaining at least 69 permanent full-time jobs and at least 16 contracted labor jobs in Stokes County; and

WHEREAS the Board of Commissioners of Stokes County has adopted an amendment to the County's budget ordinance appropriating the funds necessary to the project;

THE BOARD OF COMMISSIONERS OF STOKES COUNTY THEREFORE RESOLVES THAT:

1. The County is authorized to expend up to \$202,500.00 (\$67,500.00 per year for 3 years) of county funds for the Parkdale America, LLC project.
2. The attached contract between the County and Parkdale America, LLC is approved.
3. The Chairman of the Board of Commissioners is authorized to execute the contract and any other documents necessary to the project on behalf of the County.

Adopted _____, 2008

J. Leon Inman, Chairman

Jimmy Walker, Vice-Chairman

Ron Carroll, Commissioner

Ernest Lankford, Commissioner

Stanley Smith, Commissioner

Attest: _____
Darlene Bullins, Clerk to the Board

Interim Economic Development Director/County Manager Steen noted the following:

- ◆ NC General Statute 158-7.1 authorizes a county to undertake an economic development project by extending assistance to a company in order to cause the company to locate or expand its operations within the county

- ◆ Parkdale America, LLC will purchase and install machinery and equipment, making an investment of at least \$30,000,000.00 and retain at least 69 permanent full time jobs and at least 16 contracted labor jobs in Stokes County
- ◆ Expansion project will add approximately \$180,000.00 to Stokes County's tax revenue
- ◆ The County will expend up to \$202,500.00 (\$67,500.00 per year for 3 years) of county funds for the Parkdale America, LLC project, which will provide approximately \$112,500 of additional revenue each year (\$180,000 - \$67,500 = \$112,500)
- ◆ In the past several years, textile companies have been closing and moving overseas and Stokes County is fortunate to have Parkdale America LLC investing in their Walnut Cove facility
- ◆ The proposed Resolution also authorizes the Chairman of The Board of Commissioners to execute the contract and any other documents necessary to the project on behalf of the County

Manager Steen respectfully requested the Board move the item to the action agenda in order to allow Parkdale America, LLC to move forward with their project.

The Board discussed the proposed Resolution.

Parkdale representatives, Plant Manager Jay Hackney and Human Resources Manager Sandy Williams, were in attendance at the meeting and expressed their appreciation to the County for their support.

Chairman Inman entertained a motion to move the item to the action agenda.

Commissioner Lankford moved to place the item on the action agenda. Commissioner Smith seconded and the motion carried unanimously.

Danbury Water System Transfer – Further Discussion

County Manager Bryan Steen presented a proposed contract provided by the Town of Danbury terminating the water lease between Stokes County and the Town of Danbury for the Board's consideration. The contract was approved by the Danbury Town Council on April 29, 2008.

Manager Steen submitted a recommendation from County Attorney Edward Powell to

change item #9 to the following:

- ◆ Current language: The COUNTY agrees to continue to supply water to the residents, and other water customers including businesses and institutions within the TOWN limits, at rates which are reasonable and comparable with other municipal or county water systems in North Carolina
- ◆ County Attorney's recommendation: The COUNTY agrees to continue to supply water to the residents, and other water customers, including businesses and institutions within the TOWN limits and such other areas as the COUNTY may see fit, at rates which are reasonably comparable with other municipal or county water systems in North Carolina and which, in the opinion of the COUNTY, are economically feasible.

The Board discussed the proposed contract submitted by the Town of Danbury.

Chairman Inman, with full consent of the Board, directed Manager Steen to insert the County Attorney's recommendation for Item #9 and place the item on the action agenda after approval has been received from the Town of Danbury.

Economic Development Director – Position Requirements – Discussion

Chairman Inman noted the upcoming joint meeting on May 21st with the Economic Development Commission (EDC).

Chairman Inman requested input from the Board regarding the vacant Economic Development Director's position – qualifications, requirements, future direction, etc.

The Board discussed possible qualifications for the position.

Vice Chairman Walker noted the importance of the position not only for new businesses, but also for the existing businesses in Stokes County.

Commissioner Carroll noted the need for the EDC and the Board of Commissioners to determine the direction of Economic Development in Stokes County first which would then help to determine what kind of Economic Development Director Stokes County needs.

Chairman Inman noted the need to start advertising as soon as possible and consider an interview committee consisting of the County Manager and the EDC after the joint meeting.

Chairman Inman also noted the need for a Comprehensive Land Use Plan for the County in the immediate future.

Chairman Inman challenged Board members to have their vision of the Economic Development Director ready for the upcoming joint meeting with the Economic Development Commission on Wednesday, May 21st.

Appointments – CenterPoint Human Services

Chairman Inman presented the following vacancy on the CenterPoint Human Services-Board of Directors: (Vacancy has been advertised in the Stokes News and placed on the county website)

- Member be an openly-declared consumer along with residency in Stokes County
- Term will be the remainder of the appointment –ends 02-28-09; additionally eligible for two three-year terms

There were no nominations.

(Previous applicants were reviewed by CenterPoint CEO Betty Taylor and did not meet the requirements)

GENERAL GOVERNMENT – GOVERNING BODY – ACTION AGENDA

Proposed Resolution – Economic Development Incentive Grant – Parkdale America, LLC

Chairman Inman entertained a motion to approve the following Proposed Resolution – Economic Development Incentive Grant for Parkdale America, LLC:

**Resolution Authorizing Incentives Contract with
Parkdale America, LLC**

WHEREAS, North Carolina General Statute 158-7.1 authorizes a county to undertake an economic development project by extending assistance to a company in order to cause the company to locate or expand its operations within the county; and

WHEREAS, the Board of Commissioners of Stokes County has held a public hearing to consider whether to participate in an economic development project with Parkdale America, LLC, by reimbursing Parkdale America, LLC for the cost of machinery and equipment to be installed at its facility in Stokes County; and

WHEREAS, Parkdale America, LLC, will purchase and install machinery and equipment, making an investment of at least \$30,000,000.00 and retaining at least 69 permanent full-time jobs and at least 16 contracted labor jobs in Stokes County; and

WHEREAS the Board of Commissioners of Stokes County has adopted an amendment to the County's budget ordinance appropriating the funds necessary to the project;

THE BOARD OF COMMISSIONERS OF STOKES COUNTY THEREFORE RESOLVES THAT:

1. The County is authorized to expend up to \$202,500.00 (\$67,500.00 per year for 3 years) of county funds for the Parkdale America, LLC project.
2. The attached contract between the County and Parkdale America, LLC is approved.
3. The Chairman of the Board of Commissioners is authorized to execute the contract and any other documents necessary to the project on behalf of the County.

Adopted _____, 2008

J. Leon Inman, Chairman

Jimmy Walker, Vice-Chairman

Ron Carroll, Commissioner

Ernest Lankford, Commissioner

Stanley Smith, Commissioner

Attest: _____
Darlene Bullins, Clerk to the Board

Commissioner Lankford moved to approve the proposed Resolution Authorizing Incentives Contract with Parkdale America, LLC. Commissioner Smith seconded and the motion carried unanimously.

Proposed Health Insurance Bids – Fiscal Year 2008-09

County Manager Steen presented the following proposed 90/10 and 80/20 Plans with a \$500 deductible as requested by the Board at the April 28th meeting:

Alternate #3 (90/10) and #4 (80/20) plans contain the following changes from our existing coverage:

- Employee could experience an out of pocket co-insurance expense of \$2000 with the \$1000 deductible = \$3000
- Prescriptions will increase from \$10/\$25/\$40 to \$10/\$35/\$50
- Mail order prescriptions will increase from \$25/\$49/\$87 to

\$20/\$70/\$100

- Annual Cost Increase for the County #3 =\$124,560 or 11.70%
- Annual Cost Increase for the County #4 = \$67,752 or 6.40%

Alternate #11 (90/10) and #12 (80/20) plans contain the following changes from our existing coverage:

- Employee could experience an out of pocket co-insurance expense of \$2000 with the \$500 deductible = \$2500
- Prescriptions will increase from \$10/\$25/\$40 to \$10/\$35/\$50
- Mail order prescriptions will increase from \$25/\$49/\$87 to \$20/\$70/\$100
- Annual Cost Increase for the County #11 = \$219,384 or 20.70%
- Annual Cost Increase for the County #12 = \$157,968 or 14.90%

Alternate #7 (90/10) and #8 (80/20) plans contain the following changes from our existing coverage:

- Employee could experience an out of pocket co-insurance expense of \$2000 with the \$1000 deductible = \$3000
- Annual Cost Increase for the County #7 =\$163,656 or 15.40%
- Annual Cost Increase for the County #8 = \$104,976 or 9.90%

Alternate #9 (90/10) and #12 (80/20) plans contain the following changes from our existing coverage:

- Employee could experience an out of pocket co-insurance expense of \$2000 with the \$500 deductible = \$2500
- Annual Cost Increase for the County #9 = \$268,632 or 25.30%
- Annual Cost Increase for the County #10 =\$205,632 or 19.40%

County Manager Steen also presented the following alternate plan for the Board’s

consideration:

(\$1000 deductible with either a 90/10 or 80/20 plan with an out of pocket co-insurance expense of \$1,000 which could be a maximum total of \$2,000 for items applied to the deductible)

Health Insurance Proposed 2008-09	Current	Alternate 13 90/10	Alternate 14 80/20
CIGNA			
Employee	\$ 294.54	\$ 339.24	\$ 328.06
Spouse	\$ 294.54	\$ 339.24	\$ 328.06
Child	\$ 153.14	\$ 176.40	\$ 170.56
Children	\$ 265.10	\$ 305.34	\$ 295.28
Family	\$ 524.28	\$ 603.86	\$ 583.96
		15.20%	11.40%

Annual Cost Increase	15.20%	11.40%
	90/10	80/20
	Alternate 13	Alternate 14
Employee - paid by County	\$ 160,920.00	\$ 120,672.00
Spouse - paid by Employee	\$ 536.40	\$ 402.24
Child - paid by Employee	\$ 279.12	\$ 209.04
Children -paid by Employee	\$ 482.88	\$ 362.16
Family - paid by Employee	\$ 954.96	\$ 716.16

Personnel Officer Darlene Bullins noted the following regarding the alternate plan with a \$1000 deductible and a \$1000 co insurance maximum out of pocket:

- Copays for primary care physician (\$30) and specialist (\$40) remain the same
- Emergency room copay remains the same (\$150)
- In network deductible remains the same (\$1,000)
- Family limit deductible remains the same (3 times -maximum \$3000)
- Lab work remains the same (paid at 100% in network)
- Prescriptions remain the same (\$10/\$25/\$40)
- Vision Exam remains the same (\$20 copay)
- Board has the option to select either a 90/10 or 80/20 plan
- Only change - \$1,000 in network co-insurance which only applies to deductible items

The Board discussed the submitted alternate plans.

Chairman Inman entertained a motion regarding the proposed Health Plan for the upcoming 2008-09 fiscal year.

Vice Chairman Walker moved to approve the following Health Plan for the upcoming 2008-09 fiscal year:

- Alternate Plan #14 – 80/20 plan with a \$1,000 deductible and a co-insurance out of pocket maximum of \$1,000 – all other benefits remain the same

Health Insurance	
Proposed 2008-09	Alternate 14
CIGNA	80/20
Employee	\$ 328.06
Spouse	\$ 328.06
Child	\$ 170.56
Children	\$ 295.28
Family	\$ 583.96
	11.40%
Annual Cost Increase	80/20
	Alternate 14
Employee - paid by	
County	\$ 120,672.00
Spouse - paid by	
Employee	\$ 402.24
Child - paid by Employee	\$ 209.04
Children -paid by	
Employee	\$ 362.16
Family - paid by	
Employee	\$ 716.16

Commissioner Smith seconded and the motion carried unanimously.

Upcoming Meetings

Joint Meeting with Economic Development Commission – Wednesday,
 May 21, 2008 – 1:30 pm
 Regular Meeting – Tuesday, May 27, 2008 – 6:00 pm (due to Holiday)

Adjournment

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

Commissioner Lankford moved to adjourn the meeting. Vice Chairman Walker seconded and the motion carried unanimously.

Darlene M. Bullins
Clerk to the Board

J. Leon Inman
Chairman