

STATE OF NORTH CAROLINA
COUNTY OF STOKES

OFFICE OF THE COMMISSIONERS
STOKES COUNTY GOVERNMENT
DANBURY, NORTH CAROLINA
JUNE 18, 2008

The Board of Commissioners of the County of Stokes, State of North Carolina, met for a recessed Budget Work Session (recessed from June 17th in the Commissioners' Chambers of the Ronald Wilson Reagan Memorial Building (Administrative Building located in Danbury, North Carolina on Wednesday, June 18, 2008 at 11:00 am 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- entered session at 11:45 am
Clerk to the Board Darlene Bullins
Finance Director Julia Edwards
DSS Director Jan Spencer
Social Work Supervisor Stacey Elmes

Chairman J. Leon Inman called the Budget Work Session to order.

Commissioner Lankford delivered the invocation.

GENERAL GOVERNMENT-GOVERNING BODY-PLEDGE OF ALLEGIANCE

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

GENERAL GOVERNMENT – GOVERNING BODY – BUDGET WORK SESSION

Social Services

The Board discussed the proposed DSS Budget with DSS Director Jan Spencer and Social Work Supervisor Stacey Elmes.

Commissioner Carroll requested Director Spencer to briefly discuss the positions requested in the proposed budget and to also prioritize the positions.

Director Spencer noted the following positions requested were prioritized when the budget was submitted:

- ◆ Processing Assistant III – Child Welfare Unit
- ◆ Processing Assistant III – 50% position for Danbury and Southwest Service Center
- ◆ Income Maintenance Caseworker II/Adult Medicaid
- ◆ Income Maintenance Caseworker II/Family and Children’s Medicaid
- ◆ Social Worker III/Foster Care/Adoption/LINKS

Director Spencer presented the Board with graphs, which detailed the caseload activity in the following areas:

- ◆ Adult Medicaid
- ◆ Family and Children’s Medicaid
- ◆ Food and Nutrition

Director Spencer noted the following:

- ◆ DSS Administrative staff and supervisors met to determine what would be the best investment from the positions requested and trying to save the County funding at the same time
- ◆ **Processing Assistant III** position was the top priority; position would provide clerical support to the Child Welfare Unit. Unit is currently seeing an increase in child abuse cases, which can be a reflection from a poor economy. County funding would be approximately \$9,253.00.
- ◆ **Processing Assistant III – 50%** position to work in the Southwest Service Center and the Danbury office. The position would do clerical work; one specific task would be to compare a DSS financial report with individuals in current caseloads. The financial report matches bank accounts and social security numbers, some of which maybe matched back to individuals

receiving assistance who did not report the income. County funding would be approximately \$3,906.00.

- ◆ **Income Maintenance Caseworker II/Adult Medicaid** position is needed to help eliminate heavy caseloads for workers. Adult Medicaid can be very costly if errors occur. Adult Medicaid accounts for about 75% of the Medicaid dollars. Caseloads are very large and constantly increasing. Takes approximately 6 months to train an Adult Medicaid Caseworker. County funding would be approximately \$11,326.00.
- ◆ **Income Maintenance Caseworker II/Family and Children's Medicaid** position is needed for the fastest growing caseload. DSS receives an estimated 100 new applications a month. Workers have an average of 600 cases in their caseload; a manageable caseload is around 400 cases. County funding would be approximately \$11,326.00.
- ◆ **Social Worker III/Foster Care/Adoption/Links** position is not only for foster care and adoption, but also for the LINKS program. The Links program is for children who age out of foster care. Agency has approximately 60 kids who would qualify for the Links program, but workers only have time to assist those who contact the agency. The agency does not have a social worker dedicated solely to adoption; adoptions are done by the Director, Social Work Supervisor and Social Workers who do Foster Care. County funding would be approximately \$13,949.00.
- ◆ **Social Worker –CAP/DA** is a position discussed when the proposed budget was reviewed with the County Manager. CAP Services are currently being contracted with a staff social worker. Director Spencer feels that the County would not come out as good if a new position is approved. No county funding.
- ◆ DSS lost eleven positions in 2002-03, department is still two positions below the number of positions in 2002 with caseloads continually growing
- ◆ Supervisors have taken on more responsibility to lessen the load for caseworkers
- ◆ Private employers are not providing insurance and now DSS helps to provide insurance to the working poor who do not have benefits (NC Health Care
- ◆ Stokes County caseworkers do all functions of the job, whereas most counties have caseworkers who only work in specialized areas such as intake/applications, process new applications, or application reviews
- ◆ Have requested the Fraud Investigator position every year with no success, did not feel it was worth requesting it again this year, agency is seeing more desperate actions probably due to the economy
- ◆ Suspect workers will be leaving to go to other counties that have specialized areas, carrying large caseloads is very stressful
- ◆ Foster Care Standard Board Rate is expected to increase, county will pay foster care expenses in full and then be reimbursed by the State/Federal
- ◆ Adoption Assistance is also expected to increase
- ◆ Portion of Medicaid will continue to decrease
- ◆ DSS uses a template provided by the State to predict revenues

- ◆ Priorities for the positions remain the same

The Board discussed the following:

- ◆ Number of DSS staff
- ◆ Average caseloads
- ◆ Some caseloads have tripled in the last ten years
- ◆ Lack of fraud investigator
- ◆ Federal and state funding for the five requested positions
- ◆ County funding for the five requested positions = approximately \$49,760
- ◆ Federal and state revenue sources

Commissioner Smith noted that sometimes you have “to spend money to make money”.

DSS Director Spencer expressed her appreciation to the Board for allowing her to discuss her requests with the Board and reiterated that \$49,760 would give the County five additional positions that would provide more accurate caseloads, be able to undercover fraud, relieve worker burnout, reduce agency turnover, and do reviews on a timely manner, thus saving the County dollars.

County Manager Bryan Steen reiterated possible funding that could be added to the proposed budget without changing the manager’s recommendation:

- ◆ \$55,000 - additional Hold Harmless funding
- ◆ \$6,500 – moving purchase of zero turn lawn mover to current fiscal year
- ◆ \$1,700 – moving purchase of Sheriff’s Department/Jail radios to current fiscal year
- ◆ \$6,078 – Health Department position
- ◆ Total = \$69,278

The Board discussed the county funding (\$24,485 needed if the top three requested DSS positions were added to the proposed budget.

Commissioner Carroll noted that Finance Director Edwards stated that there was \$51,485 in the proposed budget for the purchase of non-capital equipment. Commissioner Carroll suggested that the Board identify those non capital items and transfer \$51,485 from the

current budget's contingency to Capital Reserve to pay for those items, therefore freeing up \$51,485 in the proposed budget. This would allow the Board to have access to additional funding in the amount of \$120,763 without changing the Manager's recommendation.

The Board discussed current contingency balance.

The Board discussed cost estimates for an EMS facility. Manager Steen stated that in 2006, Peterson/Gordon Architects estimated total building cost at \$325,025. Currently, there is \$115,000 in Capital Reserve for an EMS facility with an appropriation of \$50,000 in the proposed budget.

Commissioner Carroll noted that if \$219,000 is being proposed to be borrowed for an EMS facility along with other capital items and/or improvements, there is no need for an additional \$50,000 in the proposed 2008-09 budget, which would free up another \$50,000 in the proposed budget.

Chairman Inman recently spoke to Local Government Commission (LGC) regarding the County borrowing approximately \$1 million this year for capital projects and the impact it would have on future debt. LGC noted that the current 14.5-15% fund balance is what LGC expects counties the size of Stokes to maintain, along with continuing to build the fund balance. LGC noted that with debt coming off, the borrowing of \$1 million would not impact future debt.

Finance Director Edwards stated the following payment schedule for borrowing \$1 million for capital projects (paving, roofs, etc) :

- ◆ 5 years = \$222,674 per year
- ◆ 10 years = \$122,005 per year

Manager Steen noted that the purchase of Sheriff's vehicles and ambulances would be done first.

Commissioner Smith stated that Sheriff's vehicles and ambulances should be financed for only 5 years; roofs, paving, and construction of an EMS facility could be financed for 5 or 10 years.

Chairman Inman reiterated the immediate need for a new EMS facility.

Commissioner Carroll noted that information from Senate Appropriations yesterday indicates that salary increases for teachers would probably be 3% and for everyone else, it will probably be 2.75% or \$1100.00 whichever is greater.

The Board discussed possible options for the proposed budget:

Commissioner Carroll suggested the following for consideration:

- ◆ Schools –current expense – an additional \$92,000
- ◆ DSS – an additional \$24,485 for three top positions (2.5 positions)
- ◆ One additional position for Sheriff's Department – no additional county funding

Commissioner Lankford suggested the following for consideration:

- ◆ Concerns with adding additional positions to any department due to other departments requesting positions that were cut by the manager
- ◆ Schools – current expense – an additional \$88,000

Vice Chairman Walker suggested the following for consideration:

- ◆ Schools – current expense – up to an additional \$100,000 if possible
- ◆ DSS – an additional \$24,485 for three top positions (2.5 positions)
- ◆ One additional position for Sheriff's Department – no additional county funding

Commissioner Smith suggested the following for consideration:

- ◆ Schools – current expense – an additional \$100,000
- ◆ DSS – an additional \$49,760 for the five requested positions (4.5 positions along with possibly a Fraud Investigator)
- ◆ One additional position for Sheriff's Department – no additional county funding
- ◆ Three remounts for EMS ambulances

Chairman Inman suggested the following for consideration:

- ◆ Two remounts for EMS ambulances with 2 for next year (a rotation schedule)
- ◆ One additional position for Sheriff's Department – no additional county funding
- ◆ DSS – an additional \$24,485 for three top positions (2.5 positions)
- ◆ Schools –current expense – an additional \$88,000 - \$100,000

The Board discussed options for salary increases for county employees.

Commissioner Lankford suggested a 2-step increase for permanent part/full time county employees, which would get those who are currently frozen closer to being unfrozen along with a \$150 bonus in December.

Commissioner Carroll suggested to increase the salary schedule by 1% along with a \$375.00 bonus to permanent part/full time county employees in December, this would give those who are frozen a larger bonus. (Bonus would be calculated similar to the bonus given in December 2007 and longevity steps for employees for fiscal year 2008-09 are already included in the proposed 2008-09 budget

The Board discussed the two options suggested by Commissioner Lankford and Commissioner Carroll and adding a 1% salary adjustment to the part time schedule.

The Board discussed the need for the market salary study.

The Board discussed recessing the meeting until Thursday for further deliberations with hopefully adopting a budget.

Adjournment

There being no further business to come before the Board, Chairman Inman entertained a motion to recess the Budget Work Session until Thursday, June 19th at 9:00 am.

Commissioner Smith moved to recess the Budget Work Session until Thursday, June 19th at 9:00 am. Commissioner Lankford seconded and the motion carried unanimously.

Darlene M. Bullins
Clerk to the Board

J. Leon Inman
Chairman