

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  
JUNE 19, 2008

The Board of Commissioners of the County of Stokes, State of North Carolina, met for a recessed budget work session (recessed from the June 18<sup>th</sup> budget work session) in the Commissioners' Chambers of the Ronald Wilson Reagan Memorial Building (Administrative Building) located in Danbury, North Carolina on Thursday, June 19, 2008 at 9:00 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  
Clerk to the Board Darlene Bullins  
Finance Director Julia Edwards

Chairman J. Leon Inman called the recessed budget work session to order.

Commissioner Carroll 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**

Chairman Inman expressed his appreciation to the Board for their dedication and commitment to adopt a budget to provide the best services for the citizens of Stokes County.

Chairman Inman opened the floor for further discussion of the proposed fiscal year 2008-09 budget.

Commissioner Carroll noted that with all things considered, the best the Board could do this year was to adopt a “bad” budget as opposed to a “worse” budget, looking at hold harmless funding, fund balance, and having to borrow money for maintenance items.

Commissioner Lankford noted the following:

- Parameters were set for the 2007-08 budget from goals collectively developed by Board members
- Goals included the following:
  - Commission must provide strong and united leadership
  - Focus on and improve spending of county tax dollars
  - Keep property taxes low
  - Maintain a strong education system
  - Maintain a safe environment for citizens
  - Develop a plan to improve the County’s infrastructure
  - Continue to promote Economic Development in a positive way to have a positive image of the County
  - Expand technology needs
  - Identify and implement a county space needs plan which has been done
  - Improve employee morale
- 2007-08 Budget increased the county’s fund balance (from approximately 8% to 14%)
- Milestones have been met during the last fiscal year:
  - Pay plan and scale developed and implemented (fair and equitable) for county employees
  - Southwestern Service Center opened
  - Negotiated Mental Health Coordinator position and implemented with no county tax dollars
  - Negotiated for a PART park and ride lot for public transportation for the citizens of the county which should be in placed later this year
  - Meetings held with Board of Education to implement an Education Construction Plan
  - County has received approximately \$1.2 million in grants since 2006
  - Made decisions to increase employment in the County by approving Economic Development Incentive Grants
- This has been done by sticking with the goals adopted by the Board before the approval of the 2007-08 budget

Commissioner Lankford noted the need to keep the direction the same and that the

upcoming fiscal year 2008-09 budget must maintain that same type of image.

Vice Chairman Walker noted the “Report to the People” developed by County Manager Bryan Steen also highlights the accomplishments made during the past year.

Chairman Inman noted the “Report to the People” provides citizens with information about what has happened and what is happening in the County.

Commissioner Smith noted the following:

- Agreed with Commissioner Lankford’s observations
- The need to continue to do what is right, what is fair, and what is the best for the County
- Use available funding without a tax increase
- Would like to increase school current expense by \$100,000
- Add the 4.5 positions to DSS budget
- Add the 1 Detective position to the Sheriff’s budget as long as it is funded at no expense to the general fund
- Start EMS on a 2 remount per year rotation starting with 2 remounts in the upcoming fiscal year 2008-09 budget as soon as possible after adoption of the budget
- Add 1% increase to the pay scale and continue longevity step increases for employees with a \$250 bonus
- Continue funding the two Fire Marshal positions from the Service District, do not split the funding with Walnut Cove, Rural Hall, King Fire Districts
- No change in fire tax for any district
- Make sure this budget provides an increase for the fund balance in order to stay in a position to purchase land, build schools, etc.
- Separate borrowing funding for maintenance projects and vehicles

Chairman Inman stated that he had spoken to the Local Government Commission (LGC) yesterday to make sure the County was moving in the right direction and received the following comments from LGC:

- Borrowing approximately \$1 million for maintenance projects, EMS station, and vehicles would be a small amount and should not alter any effect on future school construction projects especially since debt is scheduled to come off this year
- Maintain and continue to increase the fund balance

Vice Chairman Walker noted the following:

- No issues with comments from Commissioner Lankford or Commissioner Smith

- Could possibly go along with the 4.5 positions for DSS, currently looking at 2.5 positions
- On board with the 1 Detective position for the Sheriff's Department
- On board with Remount Rotation Program for EMS starting with 2 remounts this year
- Do something for the employees – not exactly sure what that is
- Consider keeping the same approach in the Service District for funding the two Fire Marshal positions
- Review financing options pertaining to the number of years items are being financed
- Continue to keep things intact to continue the progress for school construction along with the construction of a Forsyth Technical Community College campus
- Good faith effort to fund Economic Development
- Need to look into other options for recreation for the entire county
- Need to continue to make high speed internet connection available to as many as possible in the County
- Maintain and increase the County's fund balance
- No tax increase
- Need to establish a Tourism Board or Authority
- Request from YVEDDI to consider funding for the Weatherization Program

Chairman Inman noted that YVEDDI had access to other funding for the

Weatherization Program.

Chairman Inman also noted that the Economic Development Commission had reviewed and approved the proposed Economic Development budget submitted by County Manager Steen.

Commissioner Carroll moved to approve the following multi-facet motion: (working from the County Manager's proposed budget)

1. Approve budget for King Fire District as recommended by Manager, with a tax rate of 5.5 cents, but delete \$5,333 appropriation to Fire Marshal and add that amount to fire department budget;
2. Approve budget for Rural Hall Fire District as recommended by Manager, with a tax rate of 5 cents, but delete \$5,333 appropriation to Fire Marshal and add that amount to fire department budget;
3. Approve budget for Walnut Cove Fire District as recommended by Manager, with a tax rate of 5 cents, but delete \$5,333 appropriation to Fire Marshal and add that amount to fire department budget;
4. Approve budget for Service District with tax rate of 6.25 cents (decrease ¼ cent), remove \$63,996 appropriation to Fire Marshal, change fire tax revenues to \$1,154,887, delete \$3245 appropriation from Fund Balance with total revenues equaling \$1,460,887,

- appropriation to various fire departments equaling \$1,446,336(no change) and un-appropriated revenues equaling \$14,551;
5. Approve budget for Stokes County with tax rate of 60 cents and the following changes to the Manager's proposal:
    - a. Additional revenues:
      - \$67,652 = State and Federal match for DSS salaries
      - \$36,883 = Federal Fines and Forfeitures for Sheriff's Department
      - \$219,000 = Proceeds from Financing
      - \$55,498 = Additional Hold Harmless funding
    - b. Expenditure deletions:
      - \$50,000 = From Capital Reserve for EMS station
      - \$1,700 = From Sheriff's Department for radios
      - \$6,500 = From Parks for mower
      - \$6,084 = From Health Department
      - \$53,085 = From non-capitalized equipment funded from General Fund in various departments
      - \$18,200 = From Superior Court telephone system
      - \$40,000 = From Capital Reserve for Library
    - c. Expenditure additions:
      - \$219,000 = For EMS station
      - \$36,883 = For Sheriff's Detective
      - \$109,119 (\$41,467 from General Fund) for 4.5 positions in DSS effective 09-01-08
      - \$80,000 = For Fire Marshal
      - \$109,600 = For Schools' Current Expense
    - d. Budget Note – Authorize transfer of up to \$250,000 from Schools' Current Expense Fund Balance to Capital Outlay at the discretion of the Board of Education
  6. Authorize transfer of \$109,685 from the 2007-08 Contingency Fund to Capital Reserve to fund the following:
    - a. \$53,085 for non-capitalized equipment
    - b. \$18,200 for Superior Court telephone system
    - c. \$40,000 for Library
  7. Allocate \$200,000 appropriated for Personnel Contingency in 2008-09 budget as follows:
    - a. Effective July 25, 2008, increase the county pay schedule by 1%
    - b. Effective with December 2008 payroll, pay one-time bonus of
      - \$375 to permanent full time employees employed as of January 1, 2008
      - \$250 to permanent full time employees employed as of July 1, 2008
      - \$150 to permanent full time employees employed as of November 1, 2008
 (the above amounts to be pro-rated based on % of employment for permanent employees working less than 100%)
      - \$150 to temporary employees who work a fix schedule

Vice Chairman Walker seconded the motion.

The Board discussed the motion presented by Commissioner Carroll.

Commissioner Lankford noted the following:

- Disagreed with the change in Service District Fire Tax
- All fire departments serving Stokes County should share in the cost of the two Fire Marshal positions – could possibly look at some other type of formula in sharing the cost among all the fire departments
- Agree with maintaining the 60 cents county property tax
- Schools- maintain current expense funding with an additional \$88,000
- EMS – 2 remounts or one new unit/one remount and develop a remount rotation plan for the all units
- Agree to financing an additional \$219,000
- Keep \$50,000 in Capital Reserve for new EMS station
- DSS – 2 positions - Can go with 1 Adult Medicaid Income Maintenance Caseworker and 1 Child Medicaid Income Maintenance Caseworker
- Sheriff's Department – 1 Detective position – 1 year grant to be paid from drug funds
- Not in favor of any fee increases recommended by the County Manager in the proposed fiscal year 2008-09 budget
- Salary Plan – Give employees two step increase along with a \$250 bonus

Commissioner Lankford noted the need for Administration to calculate the numbers regarding the changes he suggested.

The Board discussed the two options for employees' salary increases submitted by Commissioner Lankford and Commissioner Carroll along with the County Manager's recommendation, the two Fire Marshal positions being funded by the Service District, and funding allocation for EMS vehicles.

Commissioner Smith noted the following:

- Agrees with Commissioner Carroll's recommendation of 1% to the salary scale along with the bonus
- Does not think it would be a good idea to veer from the initial salary plan just implemented in December 2007

Chairman Inman recessed the meeting for a 15-minute break.

The Board returned to the budget work session.

The Board continued to discuss the following:

- Service District Fire Tax cut proposed by Commissioner Carroll
- Operation of Truck #310
- Funding appropriation for the two Fire Marshal positions
- Appropriation of Hold Harmless funding
- Revenue projections
- Need for a job classification market study
- DSS positions
- Schools' current expense allocation
- Personnel Contingency

Chairman Inman called the vote.

The motion failed (2-3) with Chairman Inman, Vice Chairman Walker, and Commissioner Lankford voting against the motion.

Commissioner Lankford moved to approve the following motion:

- Amend Commissioner Carroll's motion with the following:
  - Allocate funding for a 2 step salary increase for full time employees with a \$250 bonus
  - Allocate additional \$100,000 for Schools' Current Expense
  - Maintain Commissioner Carroll's recommendation for one Detective position for the Sheriff's Department for a one year grant being paid by drug money
  - Allocate funding for three positions (2 Income Maintenance Caseworkers and 1 Office Support to be decided by DSS)
  - Maintain Commissioner Carroll's recommendation to allocate funding for the two Fire Marshal positions from the General Fund instead of being funded from Service District
  - Any excessive funding to be placed in fund balance
  - Administration to calculate the numbers

Vice Chairman Walker seconded the motion.

The Board discussed the following:

- Personnel Contingency – Two step salary increase
- Schools' current expense allocation
- Funding for the two Fire Marshal positions from General Fund

Chairman Inman called the vote.

The motion failed (1-4) with Chairman Inman, Vice Chairman Walker, Commissioner Smith and Commissioner Carroll voting against the motion.

Commissioner Lankford noted that he felt that his motion did not get due respect due to the calculations not being provided before the vote was taken.

Commissioner Smith moved to approve the following motion:

- Amend Commissioner Carroll's motion with the following:
  - Change the Service District Fire Tax back to 6.50 cents with any excess revenues placed in the Service District Fund Balance

Chairman Inman seconded the motion.

The Board discussed the following:

- DSS Positions (3 versus 4.5 positions )
- Service District Fire Tax cut proposed by Commissioner Carroll
- Allocating the county's share for the additional 1.5 DSS positions in a Contingency Fund

Chairman Inman called for a five-minute recess.

The Board returned to the budget work session.

Chairman Inman called the vote.

The motion failed (2-3) with Chairman Inman, Vice Chairman Walker, and Commissioner Lankford voting against the motion.

Vice Chairman Walker moved to approve the following motion:

- Amend Commissioner Carroll's motion with the following:
  - Change the Service District Fire Tax back to 6.50 cents
  - Allocate three DSS positions to be effective 09-01-08
  - Allocate county funding for the county's share (\$9562) in a Contingency Fund for the additional 1.5 positions for DSS to be evaluated in December for possible implementation in January 2009 with no obligation to fund the positions

Commissioner Smith seconded the motion.



The Board discussed the following:

- Clarification of the Solid Wastes proposed fees included in the proposed budget
- Service District Fire Tax cut proposed by Commissioner Carroll
- Adding to Fund Balance
- DSS 1.5 positions to be evaluated in December 2008 with county funding to be placed in a Contingency Fund

Chairman Inman called the vote.

The motion was unanimous.

Chairman Inman expressed his sincere appreciation to Board members for their hard work and dedication during these Fiscal Year 2008-09 Budget Work Sessions.

### **Adjournment**

There being no further business to come before the Board, Chairman Inman entertained a motion to adjourn the recessed meeting until Monday, June 23, 2008 at 4:30 pm.

Commissioner Lankford moved to adjourn the recessed meeting until Monday, June 23, 2008 at 4:30 pm. Commissioner Smith seconded and the motion carried unanimously.

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

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**J. Leon Inman**  
**Chairman**