

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
MARCH 12, 2009

The Board of Commissioners of the County of Stokes, State of North Carolina, met for a recessed Goals Planning Session (recessed from the March 5, 2009 session) in the Conference Room of the Ronald Wilson Reagan Memorial Building (Administration Building) located in Danbury, North Carolina on Thursday, March 12, 2009 at 1:00 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

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.

Budget Work Session – Continuation

The Board discussed the challenges facing the County with the current economic climate and the need for a Strategic Plan for Stokes County.

The Board discussed the following:

- State's current funding shortfall and its effects on Stokes County
- Lottery and ADM Funding possibly being withheld

- Unemployment rate continuing to rise
- County staff continuing to monitor expenditures and revenues
- Some revenues could fall short this fiscal year
- Possible increases for the upcoming fiscal year 2009-10 such as Health and Dental premiums, fuel cost, supplies, etc.
- Upcoming fiscal year 2009-10 proposed budget

Chairman Inman suggested the County Manager submit two proposed budgets for the Board's consideration: one including the Hold Harmless Funding and one not including the Hold Harmless Funding.

Commissioner Carroll noted the possibility of the County not receiving the Medicaid Relief Funding due to the State's financial shortfall.

Chairman Inman advised the Board that the County's Financial Advisor Doug Carter stated if the County does not receive any of the anticipated \$800,000 lottery proceeds this year, it changes the County's ability to do school construction without a tax increase.

County Manager Bryan Steen noted that the county will need to anticipate other changes/reductions in sales tax revenues due to changes in Article #42 and Article #44, uncertainty of ADM and Lottery Funding, and not knowing exactly how much additional revenue the Revaluation will bring in.

Commissioner Carroll noted his number one goal is to survive.

Commissioner Carroll noted his three goals were as follows:

1. Survival
2. Use the time to plan for better times
3. What is the County going to see through and what is the County going to postpone regarding projects

County Manager Bryan Steen noted that the County had received proceeds from a financial institution for paving, but have not used the funds yet.

Commissioner Smith suggested looking at patching some of the bad places and transferring the remaining of the funds designated for paving to other needed items such as the new EMS

Pinnacle station.

The Board discussed areas that needed to be considered for patching: Danbury Library Parking Lot, Walnut Cove EMS Station, Community Services Parking Lot, and other small areas in the Government Center Parking Lot.

Manager Steen noted that the County would have to obtain permission from Local Government Commission (LGC) and the financial institute to use the proceeds for things other than paving.

Chairman Inman, with full consent of the Board, directed Manager Steen to contact LGC and the financial institute for specific details regarding using the funding for other things instead of paving and to acquire bids for patching the areas suggested by the Board.

Vice Chairman Walker noted the Manager's responsibility to present a proposed budget with different scenarios for the Board's consideration.

Chairman Inman feels that the County should not tap into the Fund Balance unless there is an extreme emergency. Board members agreed not to use fund balance unless extreme circumstances occur. Commissioner Smith stated at this time, his personal opinion is to create a budget to provide for the needs of the county which would be a safety net for the most vulnerable citizens in the County as noted by Commissioner Carroll.

Vice Chairman Walker noted the County might have to reduce services if funding is not available, some counties are already laying off employees.

Commissioner Lankford feels that there has got to be strong leadership in the decision making for the upcoming budget.

The Board further discussed the goals and strategies listed at the March 5th planning session.

The Board discussed the current salary plan/benefits and identified the following possible

options if funding is not available for the upcoming fiscal year:

- First, eliminate bonuses and evaluate funding needed for those who will receive longevity increases for the upcoming fiscal year
- Second, freeze current salary plan eliminating bonuses and longevity increases
- Third, reduce hours of employment – employee furloughs
- Other option - Reduce 1% 401(k) county match for general employees

The Board discussed Revaluation, Revenue Neutral, Hold Harmless Funding, and maintaining and increasing the County's funding balance.

The Board discussed the following school projects:

- New elementary school in Yadkin Township – land already purchased
- PODS needed to relocate students from Nancy Reynolds Elementary School
- Cost of installation of PODS at Pinnacle Elementary School
- Need for new walk-in freezer at Pinnacle due to the increase number of students
- Land needed for renovation project at Nancy Reynolds Elementary School

Commissioner Carroll noted that the requested freezer could be taken from Food Services, which is an Enterprise Fund.

Vice Chairman Walker suggested putting a timeframe on the goals (anticipated target date).

Commissioner Lankford suggested waiting until around August to place a timeframe on the goals when more information would be available regarding funding.

Chairman Inman noted that the timeframe will be a suggested "target date" and can be revisited at any time to change or modify.

Manager Steen noted the following regarding the Meadows site:

- Contacted DEHNR regarding the Meadows site today
- Contaminated site continues to grow (covers at least 4 acres of the 9 acre site)
- More samples were taken on February 25th and 26th
- Results from samples should be back in about 4 weeks
- DEHNR can't provide a timeframe
- DEHNR suggest not building on the site until the site is completely clear of contamination
- Need to look closely at water and sewer issues at the site

The Board discussed issues with using the Meadows site for the location of a community

college, the need for a feasibility study of the site, using existing buildings or building all new facilities at the site, possible cost of contamination cleanup, need for additional adjoining land, and an alternate location if the Meadows site can't be used for the location of a community college.

Chairman Inman noted that Representative Bryan Holloway and Senator Don East have both introduced a bill requesting a legislative appropriation of \$500,000 for planning of a community college in Stokes County.

Chairman Inman suggested contacting Golden Leaf Foundation to discuss plans for a community college in Stokes. Manager Steen noted that Economic Development Director Alan Wood has already contacted representatives from Golden Leaf Foundation.

The Board discussed the following four primary areas that the EDC will be including in their upcoming Strategic Plan:

- Business Retention and Expansion
- Recruitment of New Businesses and Industries
- Entrepreneurship
- Travel and Tourism

The Board discussed the unavailability of high speed internet services in several areas of the County. Manager Steen noted that the County is already assessing the areas in need of high speed internet services.

Vice Chairman Walker discussed the need for the County to take an active role regarding utilities in the County such as pursuing water intake from the Dan River instead of leaving it all up to the Water and Sewer Authority.

County Manager Steen noted that Public Works Director Delehant is working on water intake from the Dan River.

The Board discussed Early College High School and the facility needed for Early College High School. Manager Steen noted other facilities in the County have been evaluated with no

facility that meets the criteria.

The Board recessed the planning session to allow the Clerk to organize the following Goals and Strategies discussed during today's work session.

Goals and Strategies:

Survival

Given the current financial situation, a Strategic Plan for Stokes County. (Timeframe – immediately)

- Make sure the County has a safety net in place for the most vulnerable citizens in the County (first and foremost priority as far as programs)
- Provide services to the citizens of Stokes County as cost effective as possible (Quality Cost Effective services)
- Create new revenue streams – grants
- Continue expenditures and revenues review
- Minimize mileage on county vehicles (place mileage sheet in all county vehicles)
- Assess county vehicles being driven home by county employees
- Employee sharing in all departments, especially those departments associated with the current economic status
- Meet with Department Heads for suggestions for cutting cost
- Hiring freeze/selective hiring (any hiring must be approved by the BOCC)
- Control Comp. Time in all departments
- Look into imaging process to make departments more efficient
- Focus on eliminating any unnecessary spending, spending will be the key this year and next year just as the County has done during the past two years
- No funding being borrowed for recurring expenses, just capital needs
- Identify salary options
 - First, look at eliminating only the bonus with salary schedule still in tact
 - Second, eliminate longevity increases
 - Third, impose a salary freeze
 - Fourth, reduce work hours

Thrive

- ❖ Strategic Plan for Economic Development (working with the Economic Development Commission and the new Economic Development Director) (Timeframe – ongoing)
 - Business Retention and Expansion
 - Recruitment of New Businesses and Industries
 - Entrepreneurship
 - Travel and Tourism
 - Obtain 3 new businesses/industries that will create 75 new jobs; add \$2 million dollars of value for County taxes

- ❖ Schools (school construction) (Timeframe – as soon as feasibly possible)

- Nancy Reynolds Project - Possible decision after information is received (around first of May) from the Board of Education
- Other school projects as soon as feasible
- ❖ Community College in Stokes County (Tangible results for a community college) (Timeframe- 12/2009)
 - Feasibility study of the Meadows property
 - Developing a specific plan for a community college
 - Alternatives for water and sewer
 - Workable information by 12/2009
- ❖ Strategic Plan for the Meadows Site (Timeframe - 12/2009)
 - Property contamination Clean up and cost
 - Infrastructure needs
 - Specific plan for a community college
- ❖ More planning for health care and health care facilities – (Timeframe – ongoing)
- ❖ Update all County policies - (Timeframe - as soon as possible)
- ❖ Strive to continue to maintain and increase the fund balance, not decrease the fund balance – (Timeframe - on going)
- ❖ Technology – Promote the need for providers to make available better technology such as faster internet service, better cost effective telephone services, and other communications (Timeframe – ongoing)
- ❖ Possibly join forces with school system on making available more wide band satellite systems for county use (Timeframe - on going)
- ❖ Pursue water intake from the Dan River (Timeframe – 12/2009)
- ❖ Investigate Stimulus funding for upcoming fiscal year (Timeframe- immediately)
- ❖ Complete Danbury Water System Project in 2009 with no additional funding

Intermediate Goals/Projects

- Evaluate other school projects
- Completion of EMS Station
- PODS For Early College and FTCC
- Paving

The Board reviewed the Goals and Strategies presented by the Clerk.

- The Board unanimously agreed to change the “Identify salary options” as follows:
 - First option - make no changes to the current salary plan

- Second option - eliminate only the bonus with longevity increases still in tact
- Third option - eliminate longevity increases along with bonuses
- Fourth option - reduce work hours

The Board unanimously agreed on the submitted Goals and Strategies as amended with the option to review and amend at anytime.

Chairman Inman expressed his appreciation to the Board for their commitment and cooperation in developing the Goals and Strategies for Stokes County.

Adjournment

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

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

Darlene M. Bullins
Clerk to the Board

J. Leon Inman
Chairman