

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
SEPTEMBER 3, 2009

The Board of Commissioners of the County of Stokes, State of North Carolina, met for a Special Called Meeting in the Commissioners' Chambers of the Ronald Wilson Reagan Memorial Building (Administration Building) located in Danbury, North Carolina on Thursday, September 3, 2009 at 12:00 noon 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:
Clerk to the Board Darlene Bullins
Finance Director Julia Edwards
Assistant Finance Director Lisa Lankford

County Manager K. Bryan Steen- absent

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.

Special Called Meeting

Chairman Inman confirmed with Clerk to the Board Darlene Bullins that the Special Called Meeting had been duly posted according to Open Meetings Law.

Day Care Operations at Stokes Reynolds Memorial Hospital

Chairman Inman opened discussion regarding the day care operations at Stokes

Reynolds Memorial Hospital. (Happy Hills Day Care Center)

The Board discussed the day care operations at Stokes Reynolds Memorial Hospital.

Chairman Inman noted the following:

- Wake Forest Baptist Medical Center, who is currently operating the Day Care Center, has notified Stokes County that plans are scheduled to discontinue Day Care operations at the Center
- Center is the only licensed Day Care Center from Danbury north
- There are 12 licensed Day Care Centers and Homes in Stokes County
- Only 6 licensed Centers with Happy Hills being one of the licensed centers
- Wake Forest Baptist Medical Center owns the license to the Center
- Division of Day Care – North Carolina requires that whoever operates the Center must own the license
- County owns the facility
- Spoke with President Donny Lambeth – WFUBMC on Monday
- Baptist had originally notified the County that the Baptist would no longer operate the Day Care Center after August 31st
- In speaking with President Lambeth on Monday, President Lambeth stated that Baptist would not close the Center and would allow the County to pursue another entity to take over the Center
- President Lambeth stated that Baptist is willing to work with the County, but the County would have to assume the Center's incurred losses during the transition
- Baptist has contracted a management entity, Northwest Child Care, to run the Center at a cost of \$5,100 per month which should provide the Center with a director and one additional staff person
- Currently, Northwest is only providing a director to the Center
- All meals have to be catered – Center does not have the space for a kitchen in the current facility (estimated cost per month for catered meals = \$3,500)
- CACFP – Child Adult Care Food Program is not being utilized by Baptist
- CACFP provides a cash reimbursement to Centers – similar to free lunch program
- CACFP could generate approximately \$1,500 reimbursement reducing the losses
- Possibly lease the county owned facility to another entity to run the Day Care Center for \$1.00 a year, but the new entity would be responsible for maintenance and repairs
- Question is “Whether the County wants to be in the Day Care business?”
- Could the losses be part of the County's annual \$300,000 appropriation to Stokes Reynolds
- Brain storming session has been scheduled with the Stokes Partnership for Children, Stokes Reynolds Memorial Hospital, and Stokes County for September 8th
- Could take at least 30 days or even longer to transfer license
- Happy Hills is a three star Center and could possibly be a four star Center which would generate more revenue

Commissioner Lankford, who has been working with Chairman Inman, noted the following:

- The county has been actively trying to see if there was any interest from any other Day Care Center in the Stokes County regarding acquiring Happy Hills Day Care
- The County has met with four different Centers with Sandy's Play School being the only Center somewhat interested
- Need to launch a public campaign to see if anyone is interested in starting a Day Care business in this location
- Kids are being removed due to the rumors that the Center is going to be closed
- If the County is going to commit to find another entity for the Center, this needs to be advertised in order to keep children at the Center
- Must have a definite timeframe before committing to Baptist

Vice Chairman Walker expressed the following concerns:

- County having to incur the Center's losses during the transition
- Center not being able to operate on a break even basis
- Paying the losses and not having involvement with the way Baptist is currently running the Center
- Not transferring the license back to the County
- Must decide how long the County will incur the losses
- Are current fees comparable to other Day Care Centers within the County
- Could there be a church that might be interested in operating this Center
- How can the losses of the Day Care Center not be included in the hospital's losses and can the hospital discontinue this service without approval of the Board (per contract)

Commissioner Smith noted the following:

- If County decides to pursue the transfer of license and operate the Center, all employees will have to become county employees
- County will also have to assume liability for Salaries/Wages along with benefits, maintenance and repairs, etc.
- Changes in management, who knows day care operations, could possibly cut losses

Commissioner Carroll noted the following:

- If the County commits to finding another entity to run the Center, what happens if no one is willing to take over the operations
- Willing to commit to December 31, 2009 with monthly reviews
- Concerned about subsidizing a private Day Care Center with county funding
- Current contract with Baptist states that Baptist must operate health delivery system, Day Care operations are not a health care provider
- Center has a lot of history – started originally for Stokes Reynolds and county employees' children and the surrounding area

Chairman Inman presented a financial analysis provided by Stokes Reynolds Memorial with losses in July of \$6,842.55 and projected losses of \$6,185.50 for August. Chairman Inman noted
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the losses have increased due to the number of children who have left the Center. The Board discussed the financial analysis submitted by Stokes Reynolds. Chairman Inman noted the State mandates the number of children that can be supervised by day care workers in a specific age group.

Vice Chairman Walker stated that he is on board to see the Center continue, but must have input with Baptist regarding operations, such as why Northwest is not providing the staff agreed upon, CACFProgram being initiated, and any other cost savings that can be applied to reduce the losses. Vice Chairman Walker agreed with Commissioner Carroll's commitment to December 31st.

Commissioner Carroll stated he would be willing to commit until 12-31-2009 with the efficiencies noted by Chairman Inman and with monthly reviews.

The Board discussed commitment to 12-31-2009.

The Board unanimously agreed to commit to Baptist until 12-31-2009, have monthly reviews, Implement cost saving measures, and proceed with trying to find another entity to operate the Center.

Chairman Inman reiterated the County must have involvement in the operations of the Center.

Chairman Inman entertained a motion.

Vice Chairman Walker moved to continue the Day Care operation until at least the end of the year (12-31-09), review monthly costs, implement all cost savings measures possible without diminishing the quality of care, and the County make a good faith effort to find a long term solution to this issue, and possibly initially leasing the facility to someone who wants to operate the Day Care Center for a nominal amount (possibly \$1 a year).

Commissioner Lankford seconded and the motion carried unanimously.

Closed Session

Chairman Inman entertained a motion to enter into closed session for the following:

- To discuss matters relating to the location or expansion of industries or other businesses in the County pursuant to G.S. 143-318-11(a)(4).
- 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 moved to enter into closed session for the following:

- To discuss matters relating to the location or expansion of industries or other businesses in the County pursuant to G.S. 143-318-11(a)(4).
- 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 Lankford seconded and the motion carried unanimously.

The Board returned to the open session of the September 3rd meeting.

Adjournment

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

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

Darlene M. Bullins
Clerk to the Board

J. Leon Inman
Chairman