

STATE OF NORTH CAROLINA )  
 )  
COUNTY OF STOKES )  
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OFFICE OF THE COMMISSIONERS  
STOKES COUNTY GOVERNMENT  
DANBURY, NORTH CAROLINA  
FEBRUARY 22, 2010

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 (Administration Building) located in Danbury, North Carolina on Monday, February 22, 2010 at 6:00 pm with the following members present:

Chairman Jimmy Walker  
Vice Chairman Ernest Lankford  
Commissioner J. Leon Inman  
Commissioner Ron Carroll  
Commissioner Stanley Smith

County Personnel in Attendance:  
County Manager K. Bryan Steen  
Clerk to the Board Darlene Bullins  
Finance Director Julia Edwards

Chairman Jimmy Walker called the meeting to order and delivered the invocation.

Chairman Walker welcomed visitors Ms. Jessica Heath and Ms. Donna Southern.

Ms. Heath, a student at Rockingham Community College, is attending tonight's meeting for a class project.

#### **GENERAL GOVERNMENT-GOVERNING BODY-PLEDGE OF ALLEGIANCE**

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

#### **GENERAL GOVERNMENT – GOVERNING BODY – APPROVAL OF AGENDA**

Chairman Walker entertained a motion to approve or amend the February 22, 2010 Agenda.

Vice Chairman Lankford moved to approve the February 22, 2010 Agenda as presented.

Commissioner Inman seconded and the motion carried unanimously.

**PUBLIC COMMENTS**

There were no public comments.

**CONSENT AGENDA**

Chairman Walker entertained a motion to approve or amend the following items on the

Consent Agenda:

**Minutes**

- Minutes of February 2, 2010
- Minutes of February 4, 2010
- Minutes of February 8, 2010

Commissioner Carroll noted the following correction on Budget Amendment #53:

- Net increase should be **\$7,771.00** instead of **\$1,457.00**

Finance Director Edwards confirmed Commissioner Carroll’s notation.

Commissioner Carroll noted the following correction on page 23:

- the **expired** term should be the **unexpired** term

**Social Services - Budget Amendment #57**

Finance Director Julia Edwards submitted Budget Amendment #57.

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

<b>Account Number</b>	<b>Account Description</b>	<b>Current Budgeted Amount</b>	<b>Increase (Decrease)</b>	<b>As Amended</b>
<b>Social Services</b>				
100.5410.001	TANF County Initiated	\$185,000.00	\$(50,000.00)	\$135,000.00
100.5410.002	TANF Emergency Assistance	\$135,000.00	\$50,000.00	\$185,000.00
	<b>Totals</b>	<b>\$320,000.00</b>	<b>\$00.00</b>	<b>\$320,000.00</b>

This budget amendment is justified as follows:

This budget amendment is to correct an error made on approved Budget Amendment #47.

This will result in a net increase of \$00.00 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 this fiscal year.

**Social Services - Budget Amendment #58**

Finance Director Julia Edwards submitted Budget Amendment #58.

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

<b>Account Number</b>	<b>Account Description</b>	<b>Current Budgeted Amount</b>	<b>Increase (Decrease)</b>	<b>As Amended</b>
<b>Social Services</b>				
100.5480.000	Crisis Intervention	\$111,677.00	\$36,949.00	\$148,626.00
	Totals	\$111,677.00	\$36,949.00	\$148,626.00

This budget amendment is justified as follows:

To appropriate additional funding for Crisis Intervention which is 100% Federal Funding.

This will result in a net increase of \$36,949.00 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 this fiscal year.

<b>Account Number</b>	<b>Account Description</b>	<b>Current Budgeted Amount</b>	<b>Increase (Decrease)</b>	<b>As Amended</b>
100.3301.202	Crisis Intervention	\$1,804,429.00	\$36,949.00	\$1,841,378.00
	Totals	\$1,804,429.00	\$36,949.00	\$1,841,378.00

**Finance - Budget Amendment #59**

Finance Director Julia Edwards submitted Budget Amendment #59.

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

<b>Account Number</b>	<b>Account Description</b>	<b>Current Budgeted Amount</b>	<b>Increase (Decrease)</b>	<b>As Amended</b>
<b>Social Services</b>				
100.5310.000	Salaries & Wages	\$1,642,989.00	\$(6,000.00)	\$1,636,989.00
100.5310.090	Social Security	\$109,237.00	\$(5,000.00)	\$104,237.00
100.5310.091	Medicare	\$25,547.00	\$(1,000.00)	\$24,547.00
100.5310.100	Retirement	\$85,689.00	\$(750.00)	\$84,939.00
100.5310.101	401(k)	\$10,726.00	\$(500.00)	\$10,226.00
100.5310.110	Group Insurance	\$217,567.00	\$(3,000.00)	\$214,567.00
100.5310.001	Day Care TANF	\$13,827.00	\$(5,000.00)	\$8,827.00
100.5310.310	Travel	\$3,234.00	\$(1,308.00)	\$1,926.00
	Totals	\$2,108,816.00	\$(22,558.00)	\$2,086,258.00

This budget amendment is justified as follows:

To correct State Aid to Counties allocation which has been temporarily cut as a nonrecurring reduction.

This will result in a net decrease of \$22,558.00 in the expenditures and other financial use to the County's annual budget.

<b>Account Number</b>	<b>Account Description</b>	<b>Current Budgeted Amount</b>	<b>Increase (Decrease)</b>	<b>As Amended</b>
100.3301.207	State Aid to Counties	\$22,558.00	\$(22,558.00)	\$00.00
	Totals	\$22,558.00	\$(22,558.00)	\$00.00

**Health Department - Budget Amendment #60**

Finance Director Julia Edwards submitted Budget Amendment #60.

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

<b>Account Number</b>	<b>Account Description</b>	<b>Current Budgeted Amount</b>	<b>Increase (Decrease)</b>	<b>As Amended</b>
	<b>Health Department</b>			
100.5100.000	Salaries & Wages	\$1,038,409.00	\$(14,200.00)	\$1,024,209.00
100.5100.090	Social Security Tax	\$68,548.00	\$(800.00)	\$67,748.00
100.5100.110	Group Insurance	\$124,782.00	\$(1,500.00)	\$123,282.00
100.5100.261	Office Supplies	\$61,563.00	\$800.00	\$62,363.00
100.5100.311	Employee Training	\$17,560.00	\$(5,800.00)	\$11,760.00
100.5100.180	Professional Services	\$123,500.00	\$3,500.00	\$127,000.00
100.5110.510	Capital Equipment	12,000.00	\$14,000.00	\$26,000.00
100.5100.511	Non-Capital Equipment	\$9,710.00	\$4,000.00	\$13,710.00
	Totals	\$1,456,072.00	\$00.00	\$1,456,072.00

This budget amendment is justified as follows:

This budget amendment is a revision to a previously approved amendment due to guidelines from the State.

This will result in a net increase of \$00.00 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 this fiscal year.

**Finance - Budget Amendment #61**

Finance Director Julia Edwards submitted Budget Amendment #61.

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

<b>Account Number</b>	<b>Account Description</b>	<b>Current Budgeted Amount</b>	<b>Increase (Decrease)</b>	<b>As Amended</b>
<b>Capital Project Fund</b>				
<b>Nancy Reynolds School</b>				
400.5914.650	Site Development	\$632,783.00	\$(494,783.00)	\$138,000.00
400.5914.600	Construction	\$3,640,925.00	\$4,025,024.00	\$7,665,949.00
400.5914.601	Architect Fees & etc.	\$2,953,268.00	\$(2,226,217.00)	\$727,051.00
400.5914.620	Plumbing Contract	\$250,000.00	\$(250,000.00)	\$00.00
400.5914.630	Electrical Contract	\$489,004.00	\$(489,004.00)	\$00.00
400.5914.640	HVAC Contract	\$576,255.00	\$(576,255.00)	\$00.00
400.5914.690	Equipment	\$756,417.00	\$(81,417.00)	\$675,000.00
400.5914.970	Contingency	\$00.00	\$119,665.00	\$119,665.00
400.5914.750	Financing Fees	\$00.00	\$40,819.00	\$40,819.00
	Totals	\$9,298,652.00	\$67,832.00	\$9,366,484.00
<b>Community College</b>				
400.5916.600	Construction	\$700,000.00	\$885,000.00	\$1,585,000.00
400.5916.602	Land	\$00.00	\$320,672.00	\$320,672.00
400.5916.970	Contingency	\$00.00	\$218,312.00	\$218,312.00
400.5916.852	Financing Fees	\$00.00	\$9,532.00	\$9,532.00
	Totals	\$700,000.00	\$1,433,516.00	\$2,133,516.00

This budget amendment is justified as follows:

To amend Capital Project Ordinances for Nancy Reynolds and Community College (Early College) for the amount of financing, transferring funding to appropriate accounts and to correct error on the Nancy Reynolds Capital Project Ordinance.

This will result in a net increase of \$1,514,348.00 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 this fiscal year.

<b>Account Number</b>	<b>Account Description</b>	<b>Current Budgeted Amount</b>	<b>Increase (Decrease)</b>	<b>As Amended</b>
400.3831.002	Proceeds from Financing	\$9,985,652.00	\$1,514,348.00	\$11,500,000.00
	Totals	\$9,985,652.00	\$1,514,348.00	\$11,500,000.00

Commissioner Carroll requested additional information regarding Budget Amendment #61. Finance Director Edwards noted that the Capital Project Ordinances for the Nancy Reynolds School Project and the Early College Project were done based on estimates, Budget Amendment #61 corrects the Capital Project Ordinances based on the amount of funding that was borrowed by transferring the funding to the appropriate accounts.

**Schools - Budget Amendment #62**

Finance Director Julia Edwards submitted Budget Amendment #62.

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

<b>Account Number</b>	<b>Account Description</b>	<b>Current Budgeted Amount</b>	<b>Increase (Decrease)</b>	<b>As Amended</b>
	<b>Schools</b>			
100.5911.000	Current Expense	\$10,338,277.00	\$100,000.00	\$10,438,277.00
	<b>Contingency</b>			
100.9910.600	School- Current Expense	\$100,000.00	\$(100,000.00)	\$00.00
	<b>Totals</b>	\$10,438,277.00	\$00.00	\$10,438,277.00

This budget amendment is justified as follows:

To transfer Contingency Funds to School Current Expense approved at the February 8<sup>th</sup> Board of Commissioners’ meeting and per F/Y 2009-10 Budget Ordinance guidelines.

This will result in a net increase of \$00.00 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 this fiscal year.

**Stokes Reynolds Memorial Hospital - Budget Amendment #63**

Finance Director Julia Edwards submitted Budget Amendment #63.

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

<b>Account Number</b>	<b>Account Description</b>	<b>Current Budgeted Amount</b>	<b>Increase (Decrease)</b>	<b>As Amended</b>
	<b>General Fund Transfers</b>			
	Transfer to Stokes Reynolds			
100.9820.984	Hospital Fund	\$250,000.00	\$652,567.00	\$902,567.00
		\$250,000.00	\$652,567.00	\$902,567.00

**Stokes Reynolds Memorial  
Hospital Fund**

500.5700.000	Hospital Operations	\$550,000.00	\$393,385.00	\$943,385.00
500.5700.510	Fixed Assets	\$00.00	\$259,182.00	\$259,182.00
	Totals	\$550,000.00	\$652,567.00	\$1,202,567.00

This budget amendment is justified as follows:

To appropriate Fund Balance for the fixed assets from NC Baptist Hospital and estimated hospital losses projected through June 30, 2010.

This will result in a net increase of \$1,305,134.00 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 this fiscal year.

<b>Account Number</b>	<b>Account Description</b>	<b>Current Budgeted Amount</b>	<b>Increase (Decrease)</b>	<b>As Amended</b>
<b>General Fund</b>				
100.3991.000	Fund Balance	\$345,328.00	\$652,567.00	\$997,895.00
	Totals	\$345,328.00	\$652,567.00	\$997,895.00
<b>Stokes Reynolds Memorial Hospital Fund</b>				
500.3981.000	Transfer from General Fund	\$250,000.00	\$652,567.00	\$902,567.00
	Totals	\$250,000.00	\$652,567.00	\$902,567.00

Commissioner Carroll requested additional information regarding Budget Amendment #63.

Finance Director Edwards noted that Budget Amendment #63 appropriates Fund Balance for the purchase of the fixed assets from NC Baptist Hospital and the estimated hospital losses projected through June 30, 2010 by Stokes Reynolds Memorial Hospital Staff.

Commissioner Carroll confirmed with Finance Director Edwards that Budget Amendment #63 was in addition to the \$250,000 that was appropriated at the last meeting.

Commissioner Smith confirmed with Finance Director Edwards that this funding would not be released to Stokes Reynolds unless documentation is received verifying the losses.

Finance Director Edwards noted that this funding is placed in a separate fund, not in General Fund, it can be left in the fund to be used next fiscal year or transferred back to General Fund.

Commissioner Inman suggested moving Budget Amendment #63 to tonight's Discussion

Agenda (V.a-9: Stokes Reynolds Memorial Hospital, Inc. –Discussion – Financial Projections).

Chairman Walker, with full consensus of the Board, directed Budget Amendment #63 be moved to tonight’s Discussion Agenda – Stokes Reynolds Memorial Hospital – Financial Projections.

**Tax Administration Report – January 2010**

Tax Administrator Jake Oakley presented the following Real and Personal Property Refunds (January 2010) which are more than \$100 at the February 8<sup>th</sup> meeting with a request for approval at the February 22<sup>nd</sup> meeting: (Tax Administrator Oakley recommended approval of the Refunds)

**Refunds (Real and Personal Property)  
More than \$100–January 2010–Per NCGS 105-381 (b)**

<b>Name</b>	<b>Bill Number</b>	<b>Amount</b>
Jonathan & Charlene Crumley	09A605000650620	\$299.25
Elsie Shropshire	09A691204515587	\$162.50
	<b>Total Amount</b>	<b>\$461.75</b>

Tax Administrator Jake Oakley presented the following Real and Personal Property Releases (January 2010) which are more than \$100 at the February 8<sup>th</sup> meeting with a request for approval at the February 22<sup>nd</sup> meeting: (Tax Administrator Oakley recommended approval of the Releases)

**Releases (Real and Personal Property)  
More than \$100–January 2010–Per NCGS 105-381 (b)**

<b>Name</b>	<b>Bill Number</b>	<b>Amount</b>
Nancy T. Smith	09A696101179492	\$207.68
Alvis & Era Hole	09A695208892653	\$1,097.53
Charlie Brown	09A691900622854	\$294.26
Mary Sharpe	09A691203043964	\$564.92
Carl Graves	99A1999006383	\$109.59
	<b>Total Amount</b>	<b>\$2,273.98</b>

Tax Administrator Jake Oakley presented the following Late Application for Elderly Exemption, Disabled Exemption, and Disabled Veterans for 2009 at the February 8<sup>th</sup> meeting with a request for approval at the February 22<sup>nd</sup> meeting: (Tax Administrator Oakley recommended approval of the Late Application for Elderly Exemption, Disabled Exemption, and Disabled



Veterans):

Name	Parcel Number	Acreage	Assigned Value
Glenn M. Tuttle & Marylee Tuttle	5993-02-87-0420	Tract	\$168,800

**Webinar: Ethics Training for Local Elected Officials**

County Manager Bryan Steen requested approval to schedule a Webinar for Ethics Training for Local Elected Officials for March 25, 2010. Manager Steen noted that he had invited the town boards and the city council in the county to join the Board for the required training and they have indicated their elected officials would be interested in attending the Webinar if hosted by the County.

Vice Chairman Lankford moved to approve the Consent Agenda as amended.

Commissioner Smith seconded and the motion carried unanimously.

**GENERAL GOVERNMENT – GOVERNING BODY – INFORMATION AGENDA**

**Update – Manager and Board of Commissioners**

County Manager Bryan Steen noted the following:

- Received notification from Danny Stovall on Saturday that well drillers had confirmed a water flow estimated at 30-32 gallons per minute at the Early College Site, remaining procedures to obtain a well permit will follow
- Preliminary septic system permits for the Early College Site were received last week
- NCDOT driveway permit for the Early College Site has also been received
- Renovations for the District Attorney’s offices are almost finished, staff will be moving within the two weeks
- Recent email received regarding positive comments about bringing Broadband services to Stokes County residents
- DSS Director Jan Spencer informed Administration today of a recent vacancy in the DSS clerical unit and requested it be moved from Discussion Agenda to Action Agenda on the March 8<sup>th</sup> Agenda
- DSS Director Spencer also informed Administration of the need to transfer lapsed salaries for the continuation of a contract worker in the Food Stamps Unit which will also be placed on the March 8<sup>th</sup> Agenda

Manager Steen also noted that strong participation from the other municipalities in County has been received regarding the Webinar – Ethics Training. Manager Steen requested if the

Board would be interested in discussing with the Town of Danbury to have the April League of Governments' meeting directly following the Webinar.

The Board discussed the request from Manager Steen.

The Board unanimously agreed to leave the April League Meeting as it stands.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the requests from DSS Director Spencer on the March 8<sup>th</sup> Discussion Agenda.

Chairman Walker noted the recent quarterly meeting with CenterPoint.

Manager Steen noted recent changes being made by CenterPoint to continue to improve services to the County with the placement of Victor Armstrong covering Stokes County.

Mr. Armstrong, who has been working in Rockingham County, will be visiting Stokes County frequently to continue to improve mental health services in Stokes County.

Chairman Walker noted the possibility of changing the quarterly reviews from four (4) times a year to only two (2). Chairman Walker also noted that Mr. Armstrong has already made contact with the Sheriff's Department regarding mental health training for officers.

Vice Chairman Lankford noted the recent screening for Teacher Fellow Scholarships in Region 5 that he along with Commissioner Inman participated in.

Commissioner Smith noted things are moving along with the RTI and that Economic Development Director Alan Wood is very involved with the RTI.

## **GENERAL GOVERNMENT – GOVERNING BODY – DISCUSSION AGENDA**

### **Stokes Reynolds Memorial Hospital, Inc. - Discussion**

County Manager Bryan Steen presented the following documents related to the change of operation for Stokes Reynolds Memorial Hospital, Inc.:

- Articles of Restatement for Nonprofit Corporation
- Amended and Restated Bylaws
- Lease Agreement between Stokes County and Stokes Reynolds Memorial Hospital, Inc.

Manager Steen noted that the proposed documents had been drawn up by Special Counsel John Crill who is available for a conference call to discuss the proposed documents.

Chairman Walker suggested the Board discuss each item before calling Attorney Crill. The Board had no issues with discussing the proposed documents before calling Attorney Crill.

Chairman Walker requested Manager Steen lead the discussion.

Manager Steen noted the Articles of Restatement for Nonprofit Corporation will be effective with the change of operation on March 1, 2010.

Manager Steen reiterated that due to the Corporation being a nonprofit, there would be no compensation for attendance at the Board of Trustees' meetings.

Commissioner Carroll noted the following items which need to be discussed with Attorney John Crill:

- **Restated Articles of Incorporation** (Exhibit A: Item #5) regarding a Trustee being removed from office by the County with or without clause
  - Commissioner Carroll noted that the County could not remove a Board of Trustees member (Commissioners will be serving as the Board of Trustees) because the County has no authority to remove a Commissioner
- **Amended and Restated Bylaws:**
  - **Article IV- Meetings of the Sole Member** (Section 4-Notice of Meetings; Section 5-Waiver of Notice, and Section 7-Informal Action of the Membership (as they relate to the Open Meetings Law)
  - **Article V - Board of Trustees** (Section 4-Vacancies and Section 6-Removal (as they relate to a Trustee who is currently a Commissioner being removed from office with or without clause)
  - **Article VII – Meetings of the Board of Trustees** (Section 3- Notice of Meetings, Section 4- Waiver of Notice, and Section 8-Informal Action by Trustees and Attendance by Telephone (as it relates to the Open Meetings Law)
  - **Article VIII - Committees** – Questions the need of this section with wording that any Trustee may attend meetings of any committee whether or not he is a member of that committee and may participate to include voting on any motion
- **Lease Agreement with Stokes Reynolds Memorial Hospital**
  - **Article IV – Indemnification and Insurance** Section 4.2 Insurance (Directors should be replaced with Trustees)

- Manager Steen made the Board aware of Article 1- Section 1.14 Assignment and Subletting which would allow the Corporation to rent or lease portions of the premises in the normal course of business without the consent of the County
- Commissioner Inman requested the meaning of attorn
- **Conflict of Interest Policy** – The word “Director(s)” used throughout the document should be replaced with “Trustee(s)”

The Board discussed the following with Manager Steen:

- **Stokes Reynolds Memorial Hospital – Board of Trustees**
  - The Board unanimously agreed that the Board of Commissioners would serve as the Board of Trustees for Stokes Reynolds Memorial Hospital which will have new management, HMC/CAH Corporation, on March 1<sup>st</sup>
  - Commissioner Carroll noted he did agree that the Board would serve as the Board of Trustees for the immediate future, but depending on decisions that may or may not be made in the immediate future, would reserve the right to change (Board members agreed with Commissioner Carroll)
- **Officers for Stokes Reynolds Memorial Hospital – Board of Trustees**
  - Need for an Acting Chairman to open the Board of Trustees’ meeting until a Chairman is voted on
  - Need for an Acting Secretary in order take minutes until a Secretary is voted on
  - Commissioner Carroll suggested that Chairman Walker, Vice Chairman Lankford, and Clerk to the Board Darlene Bullins serve in the same capacity on the Board of Trustees
  - The Board unanimously agreed that Chairman Walker, Vice Chairman Lankford and Clerk Bullins serve in the same capacity on the Board of Trustees
- **Stokes Reynolds Memorial Hospital – Board of Trustees’ Meeting Schedule**
  - Possibly meet the same day of a regular Board of Commissioners’ meeting
  - Vice Chairman Lankford noted the need to schedule a work session shortly after the first Board of Trustees’ meeting with HMC and Hospital CEO and CFO
  - Vice Chairman Lankford requested Manager Steen to speak with hospital officials regarding scheduling a work session with hospital officials and HMC
- **Stokes Reynolds Memorial Hospital – Corporate Seal and Banking Matters**
  - Manager Steen noted that the hospital has a corporate seal that will not need to be changed
  - Chairman Walker requested Manager Steen to provide the Board with a copy of the seal before the first meeting
  - Board of Trustees will discuss and designate the Bank to used by Stokes Reynolds Memorial at their first meeting
- **Financial Projections and Authorization to Initiate RFP Resolution Procedure**
  - Financial projections, which are estimates, have been provided to the County by Stokes Reynolds Memorial Hospital CFO

- County is under obligation to pay the losses starting with February 2010 – estimated February losses will be verified before any payment is made to Stokes Reynolds
- Commissioner Inman noted that the estimated losses (March – June) were provided by NC Baptist based on historical data and do not take into consideration HMC Management taking over March 1<sup>st</sup>
- Commissioner Inman noted that Budget Amendment #63 reflects the fixed assets being purchased by the County that could later be leased or sold with the hospital
- Vice Chairman Lankford requested Manager Steen to inquire about the past two fiscal year audits related to Stokes Reynolds Memorial Hospital that were promised by NC Baptist to the County
- Finance Director Julia Edwards noted that information was given that an audit would be done shortly after February 28<sup>th</sup>
- Manager Steen provided Board members with procedural requirements and a timeline relating to the lease, sale, or conveyance of Stokes Reynolds Memorial Hospital
- Vice Chairman Lankford noted that it was possibly too soon to discuss RFPs without allowing HMC to do their due diligence
- Manager Steen expressed concerns with the possible financial impact on the County absorbing the financial losses over a long period of time
- Chairman Walker suggested placing Authorization to Initiate the RFP on the next Agenda for further discussion
- Commissioner Carroll agreed with Vice Chairman Lankford regarding discussing RFPs at this particular time
- Commissioner Carroll stated, as previously discussed, the need to have a Public Hearing to inform the citizens that decisions are going to have to be made regarding Stokes Reynolds Memorial Hospital
- Vice Chairman Lankford reiterated the need to have a meeting with HMC before taking action regarding RFPs
- Chairman Walker directed Manager Steen to discuss scheduling a meeting with HMC regarding the RFP process
- Commissioner Carroll reiterated the need to schedule a Public Hearing
- Vice Chairman Lankford agreed with Commissioner Carroll to schedule a Public Hearing
- Commissioner Carroll stated that Stokes Reynolds Memorial Hospital belongs to the people of Stokes County and we as their elected representatives owe them an opportunity to give us their input on whatever decision is made by the Board of Commissioners regarding the future of Stokes Reynolds Memorial Hospital
- Commissioner Carroll requested the Public Hearing be held before the meeting with HMC
- Commissioner Inman agreed with Commissioner Carroll regarding scheduling a Public Hearing for citizen input, but noted the need to continue discussion regarding RFP with Special Counsel
- Commissioner Smith agreed with Commissioner Carroll regarding a Public Hearing with RFP discussion soon afterwards

- Commissioner Inman reiterated the need to closely look at the timeline regarding the RFP process in consideration with the management agreement with HMC
- Commissioner Carroll noted sending out an RFP before a Public Hearing would send a message to the citizens that the County intends to lease, sale, or convey Stokes Reynolds Memorial Hospital no matter what the citizens think
- Chairman Walker, with full consensus of the Board, directed the Clerk to place the scheduling of a Public Hearing on the March 8<sup>th</sup> Discussion Agenda
- Vice Chairman Lankford requested Manager Steen to inquire whether HMC officials could attend the Public Hearing

### **Budget Amendment #63**

The Board had no further issues with Budget Amendment #63.

Chairman Walker entertained a motion regarding moving Budget Amendment #63 to today's Action Agenda.

Vice Chairman Lankford moved to place Budget Amendment #63 on today's Action Agenda. Commissioner Inman seconded and the motion carried unanimously.

Commissioner Carroll suggested completing tonight's Agenda before calling Attorney Crill. The Board unanimously agreed to complete tonight's Agenda before the conference call with Attorney Crill.

Chairman Walker directed the Clerk to place Budget Amendment #63 on tonight's Action Agenda.

### **Authorization of Grant Application for Day Care Facility**

Vice Chairman Lankford presented the following information regarding a grant application for renovations of a county facility for a day care facility:

- Need to apply for an Economic Grant to bring a county facility up to code which would create jobs in Stokes County (Rural Center Building Reuse Grant)
- Rural Center Building Reuse Grant can be matched with an ARC Grant which would possibly upgrade the building without any county funding
- Statistical information regarding day care in Stokes County provided by Stokes Partnership for Children:
  - Economic impact for child care industry for birth to 12 years old amounts to approximately \$27,991,522 per year

- Gross receipts for child care industry in Stokes County are approximately \$6,013,056 per year which creates 174 jobs
- Total gross income made by parents with children in child care has a potential of approximately \$24,540,960
- Local state and federal taxes paid by parents with children in child care amount to approximately \$7,362,288
- Grants provided by Stokes Partnership to day care centers amount to \$63,414.90
- There are 20 licensed/regulating day care centers in Stokes County
- Working with small children and providing child care is a very important industry and need for the County
- Grant deadline is March 1, 2010

Chairman Walker opened the floor for discussion.

During the discussion, the following was noted by the Board and Manager Steen.

Chairman Walker:

- Several questions need to be answered before submitting an application
- Renter would need to pay a reasonable rent
- Concerned if the facility is ungraded and a new provider opens up the Day Care, will parents bring children back
- Some of the previous parents may be satisfied with current arrangements and not enroll children back in the day care
- With the unemployment rate high, day care services could not be needed now by some parents
- Concerns that the County could have to pay back the grant if the day care center closes its door in the first six months
- Believes there is another grant cycle in May
- Willing to discuss the issue further, but not ready to approve a grant application at tonight's meeting

Vice Chairman Lankford (further comments):

- ARC Federal Grant (information provided by NWPCOG) can be used to match the Rural Center Grant, if both are successful, possibly no need for any county funding (ED Director Wood has been working on both grants)
- Information received last week indicates ARC Grant is available
- Day care centers in the County are currently not all at capacity
- Planning is being done regarding the "More at 4 Program" which will increase enrollment at day care centers
- There is no day care center on the northern end of the County
- There is a need for a day care center on the northern end of the County
- People had to make choices when the day care center closed
- This is an opportunity to provide something that is needed in this particular area

- In past years, there had been a waiting list for day care services and after school day care at the center previously located at the hospital
- Only interested parties since September 2009 have been day care providers
- There has been no one interested in renting the building if they had to do all the repairs to bring the building up to code, that is the main reason in applying for a grant to bring the building up to code

Commissioner Carroll:

- No problem with upgrading a county owned facility especially at no cost to the County
- Concerned that the grant application indicates a specific business and a specific provider
- If the county owned facility is going to be made available to private enterprise, it must be made available to all on an equal basis, there could be several who might be interested in using the building
- Would not want to lock the County into a specific business
- Before leasing the county owned facility to a private enterprise, it must be determined that the County has no needs for the facility
- Unfair to other businesses not to charge someone in this facility a reasonable rent (fair rental value)
- No notice has been made to the public to make them aware that the County has a building to rent

Commissioner Inman:

- Information provided by ED Director Wood indicates that a business plan and job description will need to be provided by the business intended to created the jobs and a letter of commitment from the day care center signed by the owner committing to the creation of jobs
- County will have to provide a funding commitment that would confirm that the county would be responsible for the repayment of the loan in case the jobs are not created in a pro-rata share
- Agreed there is no licensed day care center on the northern end of the County
- A very good chance that there is still a need for a day care center in the northern end of the County
- Have no issues with applying for a grant to repair a county owned building
- Only business plan is from Sandy's Play School in Walnut Cove
- Questions if Sandy's Play School is aware that rent could be at fair rental value

Commissioner Smith:

- Most questions have been asked by other Commissioners
- Must be very cautious to not use County funding to subsidize a private business
- Need to make sure that there is no liability to the County when applying for the grants
- Supports applying for any grant that will be beneficial to the County



- Need to know up front what the County will be financially responsible for

County Manager Bryan Steen:

- Estimated project cost to upgrade the facility has been quoted at \$140,000 and quoted at \$200,000, an in depth study would need to be done to get a more accurate quote
- Rural Center Grant will grant back \$12,000/net new job created by the project, providing the jobs are maintained for 6 months
- Grant covers a maximum of 50% of the verified cost of upgrading the facility
- Possibility that the ARC Grant Cycle has already passed, have inquired to NWPCOG about any other grant sources

Chairman Walker questioned what is the pleasure of the Board regarding this item.

Vice Chairman Lankford moved to place the item on tonight's Action Agenda.

Commissioner Carroll seconded the motion.

Commissioner Inman stated that in the event the Board approves to apply for the grants, it is very important that the provider who submitted the business plan understands that the County will not be donating the building rent free, rent will be at the fair rental value that anyone else might pay. Chairman Walker stated that he is not prepared to vote tonight and needs more time.

Vice Chairman Lankford reiterated the need to move the item to the Action Agenda due to the March 1<sup>st</sup> grant application deadline. Vice Chairman Lankford also stated that this project has been in the making since September and needs to move forward.

The motion carried unanimously.

Chairman Walker directed the Clerk to place the item on tonight's Action Agenda.

### **NCDOT – Proposal for Community College Site**

County Manager Bryan Steen presented the following information regarding a proposal from NCDOT for a right-of-way easement for an access road to provide a connection from the Early College Site property to the county property formally known as the Department of Correction:

- Having been working with NCDOT regarding a right-of-way easement for an access road to provide a connection from the Early College Site property to the county property formerly known as Department of Correction
- Construction of a gravel road by NCDOT that is acceptable to the County and will link the Community College Site to the former Prison Site with NCDOT being responsible for all nonmaterial construction costs as agreed upon by both parties
- NCDOT would be responsible for any cost associated with a formal survey for location of the road and all related property lines as well as any recording fees and construction of a chain link fence and gate between the properties
- Swap of an equal amount of land
- NCDOT accepts responsibility for all cost associated with installment and perpetual maintenance of a water line from their facilities to the county water distribution line that will be located on property purchased by the County for placement of Forsyth Technical Community College facilities and the NCDOT waterline must meet County standards and include a backflow prevention device acceptable to the County
- NCDOT would pay for water usage exceeding 2,000 gallons a month at the rate charged to customers of the Danbury Water System during the ten year time period that would initiate when water services is actually available
- NCDOT understands and agrees that should they request additional utility services during the ten year period the provision of water without charge is subject to change
- NCDOT would be considered for provision of work related to parking lots and driveways to be located on the Community College Site to include placement of stone, paving, and marking at an agreed upon actual price for construction materials provided that NCDOT could complete all related work within the time frame specified by the County
- The County would make available up to 2,000 gallons of water per month to NCDOT without charge for a maximum period of ten years from the date of water service initiation
- County Utilities Director has confirmed the amount of water requested each month at no charge from NCDOT is not an issue
- Revisions could be done , should at some later date, NCDOT decides to purchase sewer service from the County if available in the area

Manager Steen requested the Board authorize execution of an agreement with NCDOT based on the proposal being beneficial to Stokes County and NCDOT.

Manager Steen also noted that NCDOT would like to make the County an offer to construct the driveway and do the paving into the Community College Site at material cost.

The Board had no issues with Manager Steen's request.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on the March 8<sup>th</sup> Action Agenda.

## Use of Holiday Leave

Manager Bryan Steen provided information regarding the use of the County's

Floating Holiday:

- Floating holiday is considered the same as accrued holiday which is mandated to be used before any other leave type (policy approved by the Board on 08-24-09)
- Understand some employees are upset having to use their floating holiday before any other leave type
- Going back to the previous policy for use of Floating Holiday may be interpreted as setting a double standard if employee designation for use of the Floating Holiday is not available to all county employees to include Sheriff's Department, Jail, Communications and EMS
- Allowing the employees to use the floating holiday at anytime can place supervisors in a difficult situation of having to either deny use of the floating holiday or possibly diminish services to our citizens in order for employees to be able to use their floating holiday prior to the end of the year
- Suggest an alternate policy by leaving the current policy in place which solves the banking of holiday leave in the Sheriff's Department, Jail, Communications, and EMS
- Suggest the floating holiday be re-titled to Special Leave and consider adoption of a policy stating the following:
  - Special Leave is a non-compensatory time limited leave benefit awarded to employees on January 1<sup>st</sup> of each calendar year
  - Special Leave is available to employees at any time during the year to employees employed by the county prior to December 1<sup>st</sup> of the calendar year in which the leave is to be used
  - Special Leave can't be carried over to the next calendar year and must be approved by the employee's direct supervisor
  - Use of Special Leave will not take priority over the adequate provision of services to the citizens of Stokes County even if the denial of the Special Leave request results in loss of benefit to the requesting employee for the calendar in which it was awarded
- The Special Leave Policy would allow the employees the use of the floating time at anytime upon approval of their direct supervisor

Vice Chairman Lankford stated the Floating Holiday was created to be used at anytime upon approval of the employee's direct supervisor and employees should be able to take the Floating Holiday at anytime upon approval of their direct supervisor.

Commissioner Carroll stated that the taking of the Floating Holiday before any other type of leave was never his intention and not the context of the new policy which requires

employees who accrue Holiday Leave to take Holiday Leave before any other time to include the Floating Holiday in the policy. The new Holiday Leave Policy was intended strictly to those departments whose employees are required to work on holidays and are not able to take off on holidays.

Finance Director Julia Edwards noted that the Floating Holiday is credited to each employee on January 1<sup>st</sup> of each year.

The Board agreed that it was not the Board's intention that the Floating Holiday be considered as an accrued holiday.

Vice Chairman Lankford suggested to clarify the issue, the item should be placed on the March 8<sup>th</sup> Action Agenda.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on the March 8<sup>th</sup> Action Agenda.

## **GENERAL GOVERNMENT – GOVERNING BODY – ACTION AGENDA**

### **Appointments – Stokes County Animal Control Advisory Council**

Chairman Walker noted the following were nominated at the February 8<sup>th</sup> meeting:

- Mona S. Triplett – Appointment from Animal Advocacy Organization
- Bob Sullivan – Citizen Appointment
- Leonard Hicks – Citizen Appointment

Clerk to the Board Darlene Bullins presented an application from Joseph Williams who requests appointment to the Stokes County Animal Control Advisory Council.

Commissioner Inman moved to appoint Mona Triplett, Bob Sullivan, and Leonard Hicks to serve on the Stokes County Animal Control Advisory Council. Vice Chairman Lankford seconded the motion. Commissioner Carroll noted the need (per Board guidelines) to call the roll regarding the appointment instead of making a motion.

Chairman Walker polled the Board members regarding the Stokes County Animal Control  
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Advisory Council:

- Commissioner Smith voted for Mona Triplett, Bob Sullivan, Leonard Hicks
- Commissioner Inman voted for Mona Triplett, Bob Sullivan, Leonard Hicks
- Chairman Walker voted for Mona Triplett, Bob Sullivan, Leonard Hicks
- Vice Chairman Lankford voted for Mona Triplett, Bob Sullivan, Leonard Hicks
- Commissioner Carroll voted for Mona Triplett, Bob Sullivan, Leonard Hicks

Chairman Walker stated that Mona Triplett will serve as an appointment from an Animal Advocacy Organization, and Bob Sullivan and Leonard Hicks will serve as citizen appointments.

Chairman Walker noted that the appointments were approved (unanimously) to serve on the Stokes County Animal Control Advisory Council.

#### **Appointments – Stokes County Fire Commission**

Chairman Walker noted that David Parker was nominated at the February 8<sup>th</sup> meeting to fill the unexpired term of David Manuel who had recently resigned.

Clerk to the Board Darlene Bullins noted no other applications have been received for the Fire Commission appointment.

Chairman Walker polled the Board members regarding the Stokes County Fire Commission appointment:

- Commissioner Inman voted for David Parker
- Chairman Walker voted for David Parker
- Vice Chairman Lankford voted for David Parker
- Commissioner Carroll voted for David Parker
- Commissioner Smith voted for David Parker

Chairman Walker stated that David Parker has been approved (unanimously) to fill the unexpired term on the Stokes County Fire Commission.

#### **Firemen's Relief Fund – Board of Directors**

Chairman Walker noted the following were nominated at the February 8<sup>th</sup> meeting to serve on the Firemen's Relief Fund – Board of Directors:

Recommended for re-appointment to serve a one-year term with an effective date of 01-01-2010:

FIRE DEPARTMENT	TRUSTEE NAME
PINNACLE VFD	Mr. Travis Sink
LAWSONVILLE VFD	Mr. Ronnie Mabe
FRANCISCO VFD	Mr. Atherton Jessup
WALNUT COVE VFD	Mr. James Teague
NORTHEAST STOKES VFD	Mr. Jonathan Wall
STOKES ROCKINGHAM VFD	Ms. Kay Morris
SAURATOWN VFD	Mr. Jim Walton
DANBURY VFD	Mr. Norman Scott
SOUTH STOKES VFD	Mr. Bobby Boles
DOUBLE CREEK VFD	Mr. Tom Tilley

Recommended for re-appointment to serve a two-year term with an effective date of 01-01-2010:

FIRE DEPARTMENT	TRUSTEE NAME
PINNACLE VFD	Mr. Jeremy Bowman
LAWSONVILLE VFD	Mr. Arthur Glidewell
FRANCISCO VFD	Ms. Ashley Pack
WALNUT COVE VFD	Mr. Dwight Ball
NORTHEAST STOKES VFD	Mr. Bobby Dunlap
STOKES ROCKINGHAM VFD	Mr. Devin Rhodes
SAURATOWN VFD	Mr. Randall Patterson
DANBURY VFD	Mr. Elmer Manuel
SOUTH STOKES VFD	Ms. Jean Young
DOUBLE CREEK VFD	Mr. Donald Durham

Clerk to the Board Darlene Bullins noted the Fire Chiefs had requested the following changes since the February 8<sup>th</sup> submission to the Board:

- Pinnacle Vol. Fire Department - Replace Travis Sink with Robert Snyder
- Sauratown Vol. Fire Department - Replace Jim Walton with Randall Smith
- Sauratown Vol. Fire Department - Replace Randall Smith with Wayne Barneycastle
- Double Creek Vol. Fire Department – Replace Tom Tilley with Barbara Coe

Clerk to the Board Darlene Bullins noted no other applications have been received for the Firemen’s Relief Fund – Board of Directors’ appointments.

Commissioner Carroll nominated the following to serve on the Firemen’s Relief Fund – Board of Directors:

- Pinnacle Vol. Fire Department - Robert Snyder (one year term)

- Sauratown Vol. Fire Department - Randall Smith (one year term)
- Sauratown Vol. Fire Department - Wayne Barneycastle (two year term)
- Double Creek Vol. Fire Department – Barbara Coe (one year term)

Chairman Walker polled the Board members regarding the Firemen’s Relief Fund –

Board of Directors’ appointments:

- Chairman Walker voted for the following:

Recommended for re-appointment to serve a one-year term with an effective date of 01-01-2010:

FIRE DEPARTMENT	TRUSTEE NAME
PINNACLE VFD	Mr. Robert Snyder
LAWSONVILLE VFD	Mr. Ronnie Mabe
FRANCISCO VFD	Mr. Atherton Jessup
WALNUT COVE VFD	Mr. James Teague
NORTHEAST STOKES VFD	Mr. Jonathan Wall
STOKES ROCKINGHAM VFD	Ms. Kay Morris
SAURATOWN VFD	Mr. Randall Smith
DANBURY VFD	Mr. Norman Scott
SOUTH STOKES VFD	Mr. Bobby Boles
DOUBLE CREEK VFD	Ms. Barbara Coe

Recommended for re-appointment to serve a two-year term with an effective date of 01-01-2010:

FIRE DEPARTMENT	TRUSTEE NAME
PINNACLE VFD	Mr. Jeremy Bowman
LAWSONVILLE VFD	Mr. Arthur Glidewell
FRANCISCO VFD	Ms. Ashley Pack
WALNUT COVE VFD	Mr. Dwight Ball
NORTHEAST STOKES VFD	Mr. Bobby Dunlap
STOKES ROCKINGHAM VFD	Mr. Devin Rhodes
SAURATOWN VFD	Mr. Waynecastle
DANBURY VFD	Mr. Elmer Manuel
SOUTH STOKES VFD	Ms. Jean Young
DOUBLE CREEK VFD	Mr. Donald Durham

Commissioner Inman, Commissioner Smith, Vice Chairman Lankford, and Commissioner Carroll voted for the appointees Chairman Walker named and voted for. (unanimous vote)

**Stokes County Community Child Protection Team**

Chairman Walker noted there were no nominations at the February 8<sup>th</sup> meeting.

Clerk to the Board Darlene Bullins noted that no application for appointment to the

Stokes County Community Child Protection Team had been received by Stokes County.

Commissioner Smith stated that he would possibly have a nomination at the March 8<sup>th</sup> meeting.

**Stokes County Board of Adjustments**

Chairman Walker noted the following were nominated at the February 8<sup>th</sup> Meeting:

- Don Lester – Member
- Larry Boles - Member
- Russel Slate – Alternate member

Clerk to the Board Darlene Bullins noted that no application for appointment to the Stokes County Board of Adjustments had been received by Stokes County.

Chairman Walker polled the Board regarding the appointment to the Stokes County

Board of Adjustments:

- Vice Chairman Lankford voted for Don Lester and Larry Boles for regular members and Russel Slate for alternate member.
- Commissioner Carroll voted for Don Lester and Larry Boles for regular members and Russel Slate for alternate member.
- Commissioner Smith voted for Don Lester and Larry Boles for regular members and Russel Slate for alternate member.
- Commissioner Inman voted for Don Lester and Larry Boles for regular members and Russel Slate for alternate member.
- Chairman Walker voted for Don Lester and Larry Boles for regular members and Russel Slate for alternate member.

**Stokes Reynolds Memorial Hospital - Budget Amendment #63**

Chairman Walker entertained a motion regarding Budget Amendment #63.

Commissioner Inman moved to approve Budget Amendment #63:

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
	<b>General Fund Transfers</b>			
	Transfer to Stokes Reynolds			
100.9820.984	Hospital Fund	\$250,000.00	\$652,567.00	\$902,567.00
		\$250,000.00	\$652,567.00	\$902,567.00



**Stokes Reynolds Memorial  
Hospital Fund**

500.5700.000	Hospital Operations	\$550,000.00	\$393,385.00	\$943,385.00
500.5700.510	Fixed Assets	\$00.00	\$259,182.00	\$259,182.00
	Totals	\$550,000.00	\$652,567.00	\$1,202,567.00

This budget amendment is justified as follows:

To appropriate Fund Balance for the fixed assets from NC Baptist Hospital and estimated hospital losses projected through June 30, 2010.

This will result in a net increase of \$1,305,134.00 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 this fiscal year.

<b>Account Number</b>	<b>Account Description</b>	<b>Current Budgeted Amount</b>	<b>Increase (Decrease)</b>	<b>As Amended</b>
<b>General Fund</b>				
100.3991.000	Fund Balance	\$345,328.00	\$652,567.00	\$997,895.00
	Totals	\$345,328.00	\$652,567.00	\$997,895.00
<b>Stokes Reynolds Memorial Hospital Fund</b>				
500.3981.000	Transfer from General Fund	\$250,000.00	\$652,567.00	\$902,567.00
	Totals	\$250,000.00	\$652,567.00	\$902,567.00

Vice Chairman Lankford seconded and the motion carried unanimously.

**Authorization of Grant Application for Day Care Facility**

Chairman Walker entertained a motion.

Vice Chairman Lankford moved the County proceed to make the grant applications for funding to bring the county owned facility up to code for a specific day care center by the March 1<sup>st</sup> deadline. Commissioner Inman seconded the motion.

Commissioner Inman reiterated that he had no issues with bring a county owned facility up to code, but feels that the provider who submitted the business plan does not fully understand that the rent will be based on fair rental value. Commissioner Inman requested if the motion passed that the provider be made aware that the rent would be based on fair rental value.

Vice Chairman Lankford reiterated this grant would be creating jobs in Stokes County.

Commissioner Smith confirmed with Vice Chairman Lankford that the grant application will be a Rural Center Grant which will create 6 jobs and the County would be responsible for the repayment of the loan on a pro rata share if the jobs were not created. Commissioner Smith also confirmed with Vice Chairman Lankford that the ARC Grant was 100% stimulus funding and would have to be paid back if the jobs were not created.

Commissioner Smith reiterated the County must be very careful not use county funding to subsidize a private entity.

Vice Chairman Lankford noted at this time, the County is only making grant applications. If awarded and approved to proceed by the County, the grants would bring a county owned facility up to code, saving the County approximately \$140,000.

Commissioner Carroll reiterated he had no problem with applying for a grant, his opposition was the inequity of singling out one business to participate with no other businesses being made aware this is a potential.

Chairman Walker reiterated that he had not had sufficient time nor acquired enough information to be able to make a valid decision on the topic right now, but have no problems with revisiting the item before the next grant cycle in May.

Manager Steen stated that the Rural Center Grant will cover a maximum of 50% of the verified cost of upgrading the facility and the funds will be paid after the work is completed and invoices are submitted to the Rural Center.

Manager Steen also noted that the County would have to provide a funding commitment letter and a local government support letter along with executing a lease between the provider and the county before submission to the Rural Center. Manager Steen noted that the Board would have decide on the terms of the lease tonight.

The motion failed (2-3) with Chairman Walker, Commissioner Smith, and Commissioner

Carroll voting against the motion.

Vice Chairman Lankford requested the item be placed on the March 8<sup>th</sup> Discussion Agenda.

The Board discussed placing the item on the March 8<sup>th</sup> Discussion Agenda.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on the March 8<sup>th</sup> Discussion Agenda.

Manager Steen requested direction whether staff needed to continue to engage in the steps needed to be taken in order to have all the required elements done before the next meeting.

Chairman Walker noted there would be no urgency for the staff to continue with the grant application before the March 8<sup>th</sup> meeting.

#### **Stokes Reynolds Memorial Hospital Inc.**

Manager Steen placed a conference call with Special Counsel John Crill to discuss the proposed documents regarding the operational change with Stokes Reynolds Memorial Hospital.

Manager Steen presented the following items to Attorney Crill that the Board had concerns with. (Attorney Crill discussed the items with the Board)

- **Restated Articles of Incorporation** (Exhibit A: Item #5) regarding a Trustee being removed from office by the County with or without clause
  - Commissioner Carroll noted that the County could not remove a Board of Trustees member (Commissioners will be serving as the Board of Trustees) because the County has no authority to remove a Commissioner
    - **Attorney Crill** discussed the item with the Board. Attorney Crill noted after the Restated Articles of Incorporation were approved by the State and the Board of Commissioners was named the Board of Trustees they could change the Restated Articles of Incorporation
- **Amended and Restated Bylaws:**
  - **Article IV- Meetings of the Sole Member** (Section 4-Notice of Meetings; Section 5-Waiver of Notice, and Section 7- Informal Action of the Membership as they relate to the Open Meetings Law)
    - **Attorney Crill** discussed the item with the Board and noted the items could be changed to comply with the Open Meetings Law. Attorney Crill noted changes could be made before the Special Called Meeting next week

- **Article V - Board of Trustees** (Section 4-Vacancies and Section 6-Removal as they relate to a Trustee who is currently a Commissioner being removed from office with or without clause)
  - **Attorney Crill** noted that this is another example of the Bylaws relating to a non-profit corporation and can be revised before the approval at the Special Called Meeting next week
- **Article VII – Meetings of the Board of Trustees** (Section 3- Notice of Meetings, Section 4- Waiver of Notice, and Section 8- Informal Action by Trustees and Attendance by Telephone, as it relates to the Open Meetings Law)
  - **Attorney Crill** noted that these could be changed to comply with the Open Meetings Law before the Special Called Meeting next week
  - **Commissioner Carroll** suggested that anything that has to do with meetings should just state that as long as the Board of Commissioners is the Board of Trustees, they will comply in all respects to the Open Meetings Law
- **Article VIII - Committees** – Question the need of this section with wording that any Trustee may attend meetings of any committee whether or not he is a member of that committee and may participate to include voting on any motion
  - **Attorney Crill** noted the section could be revised to only say that the Board of Trustees has the authority to create committees before the Special Call Meeting next week
- **Lease Agreement with Stokes Reynolds Memorial Hospital**
  - **Article IV – Indemnification and Insurance** (Section 4.2 Insurance- Directors should be replaced with Trustees)
  - **Manager Steen** made the Board aware of Article 1- Section 1.14 - Assignment and Subletting which would allow the Corporation to rent or lease portions of the premises in the normal course of business without the consent of the County
  - **Commissioner Inman** requested the meaning of attorn
    - **Attorney Crill** noted “attorn” is a technical word which needs to be included in the document
    - **Attorney Crill** noted that “Director(s)” could be changed to “Trustee(s)”
    - **Attorney Crill** noted that Article 1- Section 1.14 needs to be included in order for the hospital to rent office space without having to have a special called meeting to get the County to approve the lease
- **Conflict of Interest Policy** – The need word “Director(s)” used throughout the document should be replaced with “Trustee(s)”
  - **Attorney Crill** noted the need to add a third paragraph under Article III which states that “If the Board determines that a conflict of interest exist that violates the provisions of the General Statutes, then the Board would take appropriate action
  - **Attorney Crill** noted “Director(s)” could be changed to “Trustee(s)” throughout the documents

The Board discussed the following with Attorney Crill:

- **Stokes Reynolds Memorial Hospital – Board of Trustees**
  - **Attorney Crill** stated the Board would designate this at the Special Call Meeting next week
- **Officers for Stokes Reynolds Memorial Hospital – Board of Trustees**
  - **Chairman Walker** informed Attorney Crill that the Board had tentatively decided that Chairman Walker, Vice Chairman Lankford and Secretary Bullins be named at the Special Called Meeting to continue to serve as Chairman, Vice Chairman, and Secretary for the Board of Trustees
- **Stokes Reynolds Memorial Hospital – Board of Trustees’ Meeting Schedule**
  - **Attorney Crill** noted the need to decide on a meeting schedule at the Special Call Meeting next week, only requirement is to have quarterly meetings
- **Stokes Reynolds Memorial Hospital – Corporate Seal and Banking Matters**
  - **Attorney Crill** noted the Corporate Seal would remain the same and the Board of Trustees would not have to change the seal
- **Financial Projections and Authorization to Initiate RFP Resolution Procedure**
  - **Attorney Crill** noted it is the Board’s decision on initiating an RFP. Attorney Crill suggested starting on the RFP so that when the Board is ready to initiate the RFP, it would be ready. Attorney Crill discussed the Authorization to Initiate a RFP Procedures with the Board. In placing an RFP, the Board would need to decide how long they would give someone an opportunity to submit an RFP, this can be one thing that makes it a long process and negotiations can also take a long time if there are items that can’t be agreed upon.

Vice Chairman Lankford questioned Attorney Crill if he had gotten the last two previous audits for Stokes Reynolds Memorial Hospital which were promised. Manager Steen noted that the hospital would be having an audit done the first of March and he would contact Baptist regarding the two previous audits.

Chairman Walker expressed the Board’s appreciation to Attorney Crill.

Attorney Crill noted that he would make the changes discussed tonight and send a revised copy to Manager Steen to forward to the Board before the Special Call Meeting.

### **Adjournment**

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

Commissioner Inman moved to adjourn the meeting. Commissioner Smith seconded and the motion carried unanimously.

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

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**Jimmy Walker**  
**Chairman**