

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 11, 2010

The Board of Commissioners of the County of Stokes, State of North Carolina, met for a Goals Session in the Commissioners' Chambers of the Ronald Wilson Reagan Memorial Building (Administration Building) located in Danbury, North Carolina on Thursday, March 11, 2010 at 10:30 am 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.

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 March 11, 2010 Agenda.

Commissioner Inman moved to approve the March 11, 2010 Agenda as presented.

Commissioner Smith seconded and the motion carried unanimously.

Requested Information

Chairman Walker noted the following requested information which had been provided by staff:

- Stokes County Recreation Department – Statistical information regarding programs and number of participants
- Convalescent Transports – Statistical information submitted by Emergency Services Director Monty Stevens
- Financial Report as of 02-28-2010
- Sales Tax for Fiscal Year 2009-10
- Debt Schedule as of 06-30-2010
- Debt for Fiscal Year 2009-10 through 2029-2030

The Board briefly discussed the information from EMS Director Stevens and the prior recreational budgets.

Discussion Regarding Specific 2009 Goals

Vice Chairman Lankford commented about a 2009 goal which was to pursue grant funding from the Golden Leaf Foundation and to his knowledge no application has been submitted by Stokes County.

Commissioner Inman noted that the EDC has been very active trying to pursue any grants available especially from the Golden Leaf Foundation. Commissioner Inman noted one item that hurts the County in obtaining grants is the tier designation – Tier 2.

Chairman Walker noted the available grant funding from PARTF for recreational needs and the fact that Stokes County has received very little funding from PARTF.

The Board discussed the need for Stokes County to try to obtain any available grant funding.

County Manager Steen noted the need for a Recreational Master Plan which Economic Development Director Alan Wood presented to the Board at the regular March 8th meeting.

The Board discussed the need for a Land Use Plan that designates growth areas, commercial development areas, rural/residential areas, Voluntary Agriculture Districts, etc. Commissioner Inman noted a Land Use Plan will provide a plan that allows Stokes County to continue to grow as a county while still maintaining the rural, natural beauty, and heritage of the county. Vice Chairman Lankford noted the Planning Board could start with the existing Land Use Plan under the Zoning Ordinance with Planning Director Sudderth initiating the process.

The Board started discussion regarding the following items:

(Board unanimously agreed all of the 2009 Survival Goals should be included in the 2010 goals)

- 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 intact
- Second, eliminate longevity increases
- Third, impose a salary freeze
- Fourth, reduce work hours

Chairman Walker noted agencies who have had to cut services due to cuts from the State such as JCPC. Vice Chairman Lankford noted Stokes Partnership received funding cuts last year and projections are funding will be cut again this year. Chairman Walker questioned the county allocating a one-time emergency allocation to those type agencies during this crisis period.

Chairman Walker requested Finance Director Julia Edwards to briefly hit the highlights of the financial information provided to the Board:

Financial Report

Total Available Cash	\$	19,389,520.07	As of 02-28-2010
Ad Valorem Taxes	\$	19,538,656.14	As of 02-28-2010
Ad Valorem Taxes	\$	19,740,273.00	As of 03-10-2010
Remaining Ad Valorem Taxes	\$	962,004.00	Remaining budget to collect
Total Collection of Taxes	\$	20,255,659.33	As of 02-28-2010
1 Cent Sales Tax	\$	675,838.89	As of 12-31-2009
1/2 Cent Sales Tax Article 40	\$	730,102.19	As of 12-31-2009
1/2 Cent Sales Tax Article 42	\$	327,937.53	As of 12-31-2009
1/2 Cent Sales Tax Article 44	\$	100,665.38	As of 12-31-2009 (sunsets this fiscal year)
DSS Revenues (two mths behind)		55.23%	collected
Health Dept. Rev. (one mth behind)		54.57%	collected
Register of Deeds Revenues		Slightly down	
Interest on Investments		Down	
Expenditures	\$	22,165,558.36	As of 02-28-2010
Revenues	\$	30,931,390.41	As of 02-28-2010
Revenues over Expenditures	\$	8,765,832.05	As of 02-28-2010
Quarterly Reviews will be done		In April	3rd Quarter Review
Fund Balance as of 06-30-2009		21.67%	
Sales Tax 56.13 % collected with the January Payment			

The Board discussed the following revenue losses/expenditure increases/debt services for fiscal year 2010-11:

- Sales Tax Revenue Projections– F/Y 2009-10 = \$3,799,000.00
- Sales Tax Revenue Projections – F/Y 2010-11 = \$3,000,000.00
- Less Sales Tax Revenue Projections for F/Y 2010-11 = \$(799,000.00)
- Lottery - less Revenue Projections for F/Y 2010-11 = \$300,000.00
- Health and Dental premiums = \$10% increase – estimated at \$125 - \$130,000.00
- Retirement (increase in employer contributions) = \$150,000.00
- Hospital = ???
- Fuel Prices = ???
- Less Debt Service for F/Y 2010-11 = \$487,332.00
- Total Debt for Fiscal Year 2010-11 = \$3,164,339.61

Manager Steen noted the following preliminary information from Tax Administrator Jake Oakley:

- Projected Tax Revenue Increase (Ad Valorem Taxes) = \$96,000.00 for f/y 2010-11.

Finance Director Julia Edwards noted the possibility of privatization of ABC Stores which could reduce county revenue - \$8,000.00.

Finance Director Edwards stated using the revenue losses/expenditure increases listed by the Board, there could be a shortfall of approximately \$800,000.00 for fiscal year 2010-11.

The Board continued further review of the following Survival Goals:

Survival

- 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
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Finance Director Edwards stated that IRS regulations only allow the County to borrow only \$10 million for tax exempt counties/cities for capital expenditures which was met this past calendar year (Nancy Reynolds/Community College/Early College Projects).

Finance Director Edwards also noted the County received approximately \$6,000 from debt setoff (state taxes) for unpaid EMS and Tax bills.

Commissioner Inman stated the need to add the following to survival goals:

- Less State Appropriation for upcoming fiscal year 2010-11

Chairman Walker opened the floor for discussion regarding the following 2009 Thrive

Goals: (The Board discussed each item below which was added by a commissioner)

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

Commissioner Inman confirmed the top four goals have been underway since the establishment of the Economic Development Commission and the EDC is continuing to move forward with their goals.

❖ Schools

Commissioner Inman requested to add the following:

- Possible School Bond Referendum in 2012 for next two priority school projects – Southeastern Middle School, new Elementary School in Yadkin Township along with Community College

The Board discussed the pros and cons of a bond referendum in 2012.

Commissioner Smith noted issues with financing one priority school project and putting the other top priority projects to the vote of the people. Vice Chairman Lankford noted the critical needs at Nancy Reynolds prompted the immediate action.

Commissioner Carroll requested to add the following:

- Hire an architect to design a community college in fiscal year 2010-11
- Start looking at Southeastern Middle School Project in 2010-11
- Get off the “lottery bubble” to receive 100% return from the lottery funds and tie it to school and community college construction
- Consider raising the taxes for school and community college construction as to the “needs only” maybe labeling “school tax” which could be taken off when projects that were identified are done
- Consider school and community college construction even if it means raising taxes and forget this is an “election year”

County Manager Steen noted that the engineer study related to water/sewer in the Meadows community will probably be ready for presentation to the Board at the first meeting in April. This information will be used for grant submissions.

County Manager Steen also noted staff met with Golden Leaf Foundation representatives last week to discuss possible grant funding.

Chairman Walker requested Finance Director Edwards prepare the following information for the next goals session:

- Calculate figures for debt/financial impact for the following for possibly 2012:
 - New elementary school project in Yadkin Township = \$14 M
 - Community College project = \$6 M
 - Southeastern Middle School Renovation Project = \$8 M
 - Other needed renovations = \$3M
 - Consult financial advisor for estimates on future county budgets

Chairman Walker confirmed with Finance Director Edwards that if debt was incurred in 2012, the first payment would be in 2013.

Commissioner Smith inquired if the Board should discuss an alternate site for Early College students in case the POD is not ready in time for the start of school in August 2010.

❖ Health Care

Commissioner Carroll requested to add the following:

- BOCC make a decision in 2010 on the future of Stokes Reynolds Memorial Hospital

Chairman Walker noted Health Director Josh Swift informed the Alliance members last week that the King Clinic should be operational by May 2010.

Chairman Walker stated that until that meeting, he was unaware the King Clinic was not operating and expressed concerns with the fact that the clinic wasn't open.

Commissioner Carroll, who also was unaware the clinic was not operational, noted information received from Director Josh Swift confirms the clinic had not been in operation due to staffing and Health Director Swift is projecting the clinic to be operational in May 2010.

Commissioner Smith noted that the building is currently being used for WIC Services one day a week and DSS is also using the space one day a week along with the Health Department using the space for special clinics such as flu vaccines, school physicals, immunization clinics, etc.

Chairman Walker noted that Dr. Scott Volger, who practices for Novant and attends the Alliance meetings, questioned the need of the clinic due to the number of health care providers that are currently available in that particular part of the county at this time. Dr. Volger stated that he thought it would be extremely unusual for patients who are already established in a practice to transfer to the clinic.

Chairman Walker requested to add the following:

- Review the status of the King Clinic

Commissioner Carroll requested to add the following:

- Review the status of Home Health

Commissioner Carroll noted the current competition regarding Home Health Services.

Chairman Walker requested to add the following:

- Review of Health Department Services in light of pending changes such as FQHC's and other appropriate options

Commissioner Carroll requested to add the following:

- Smoke Free Public Buildings – Board of Health recently adopted a resolution regarding smoke free public buildings

Vice Chairman Lankford requested to add the following:

- Keep public buildings as they are pertaining to smoking issue

❖ **County Policies**

Manager Steen noted that a personnel committee had been established and is currently reviewing policies with an projected finish date of summer 2010.

The Board unanimously agreed to add the following:

- Continue working on county policies to hopefully be completed this year

❖ **Fund Balance**

Chairman Walker noted an allocation had been approved from the Fund Balance for projected hospital losses. Manager Steen noted that monies could be placed back into Fund Balance if unused. Commissioner Smith noted that the recent allocation from Fund Balance was the first allocation from Fund Balance approved by this Board.

The Board unanimously agreed to add the following:

- Continuing to improve Fund Balance

❖ **Technology**

The Board unanimously agreed to add the following:

- Continue with plans and progress already made with technology (Broadband)

❖ **Danbury Water System:**

The Board unanimously agreed to add the following:

- Complete the Danbury Water System Project in 2010

Chairman Walker requested Board members to have their personal 2010 goals ready for the next Goals Session.

Adjournment

There being no further business to come before the Board, Chairman Walker entertained a motion to recess the Goals Session.

Commissioner Inman moved to recess the Goals Session until Monday, March 15, 2010 at 3:00 pm. Vice Chairman Lankford seconded and the motion carried unanimously.

Darlene M. Bullins
Clerk to the Board

Jimmy Walker
Chairman