

STATE OF NORTH CAROLINA )  
 )  
COUNTY OF STOKES )  
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OFFICE OF THE COMMISSIONERS  
STOKES COUNTY GOVERNMENT  
DANBURY, NORTH CAROLINA  
NOVEMBER 8, 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, November 8, 2010 at 1:30 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  
Jail Captain Kenny Norman  
Sheriff Elect Mike Marshall  
Captain Craig Carico, Sheriff's Department  
Public Works Director Mark Delehant  
Watershed Coordinator Rodney Wright  
Health Director Josh Swift  
Support Services Supervisor Danny Stovall  
Emergency Medical Services Director Monty Stevens  
Tax Administrator Jake Oakley

Chairman Jimmy Walker called the meeting to order.

Commissioner Inman 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 November 8, 2010 Agenda.

Chairman Walker requested to add a request from Emergency Medical Services Director Monty Stevens to the Discussion Agenda regarding a Homeland Security Grant that was awarded to NC Baptist Hospital while Stokes Reynolds Memorial Hospital was being leased by Baptist, since the lease is no longer in effect, Baptist has been declared ineligible.

The Board had no issues with adding Chairman Walker's request to the Discussion Agenda.

Commissioner Inman moved to approve the November 8, 2010 Agenda as amended.

Vice Chairman Lankford seconded and the motion carried unanimously.

## **PUBLIC COMMENTS**

The following spoke during Public Comments:

### **Operations Director David Burge**

Stokes County Schools  
2811 Slate Road  
King, NC 27021

#### **Re: School Construction**

Director Burge noted the following:

- Would like to provide the Board of Commissioners with statistical information about some of the schools in Stokes County before today's discussion of school facilities
- Two largest elementary schools in the county
  - King Elementary = 691 students
  - Mount Olive Elementary = 677 students
  - Total enrollment = 1368 students
  - Increased over 29 students over last year
  - Enrollment capacity for both schools is 924 students
  - 444 over capacity for those two schools combined
- London Elementary is the fourth largest elementary school = 262 students
- Walnut Cove Elementary would follow with 260 students
- Total of 25 mobile units at King Elementary and Mount Olive with two single wide units that are 35 years old, other single wide units range from 19-21 years old, the newest double wide units are 17 years old
- Last two elementary schools built in Stokes County:
  - Walnut Cove Elementary built in 1993
  - Nancy Reynolds Elementary (to open in January 2011) which is currently under construction
- Southeastern Middle School is a composite of 6 different construction projects starting in 1941, with other projects in, 1947, 1951, 1957, 1973 and 1999
- Chestnut Grove Middle School built in 1975 as a junior high with renovations in 1999 for a middle school
- Piney Grove Middle School built in 1999 as a middle school
- Facilities at Southeastern are substandard and don't meet the requirements for a middle school
- Just wanted to refresh the Board of Commissioners and inform the community before the discussion of education facilities

### **Chairman Sonya Cox**

Board of Education  
5645 HWY 66  
King, NC 27021

#### **Re: School Construction**

Chairman Cox noted the following:

- One thing that will be said to today will be to let the people vote
- Feels the people have voted and elected the Board of Commissioners and the Board of Education to address the school needs of Stokes County
- By electing each of us, they have put their trust in both boards to make the hard decisions
- Four years ago, both boards met in a joint session to share common goals and visions regarding education and school facilities in Stokes County
- Feels that if a bond referendum had been held for the Nancy Reynolds Project, it would probably have not passed
- Both boards knew the issues with Nancy Reynolds and together a good decision was made
- Most school systems currently don't use bond referendums to build schools in the scope of the work that is being discussed
- Passing a bond referendum is costly, raising funds from the private sector, estimated cost of \$20,000
- State/federal/local funds can't be used to promote a bond referendum, that means the burden will be on the backs of small business owners and private citizens to donate money

- Having a bond referendum could push these projects back one to two years
- Promoting a bond referendum would be difficult for a newly elected Board of Education
- Delaying these projects could result in higher construction costs
- If a bond referendum was held and it failed, this could cause issues with the Local Government Commission if the County chose to proceed with financing using Certificates of Participation
- If a bond referendum is held, the Board of Education requests that the Community College Project be included
- Questions whether the Board of Commissioners is willing to risk the defeat of a bond referendum for something that the Board has already committed to
- Request the Board of Commissioners fulfill their commitment to the students of our County who deserve facilities that are conducive to learning

**Doug Rose**

Principal at Southeastern Middle School  
1065 Laurel Crest Road  
King, NC 27021

**Re: School Construction**

Principal Rose noted the following:

- Southeastern Middle School has been pieced together since 1941
- Building “B” has the following issues:
  - Building was built as a primary school
  - Old cafeteria has been converted into a computer lab
  - Heating system has pipes that run under the concrete floors
  - Floors have torn and stained carpet
  - Building has one set of student bathrooms for over 300 students
  - Building is separate from the other buildings, students must walk outside to get to their elective classes, front office or the cafeteria
  - During the past three years, two rooms have had the pipes to burst (under concrete floors)
  - When the pipes burst, the room over heats, air conditioning must be run which causes other issues
  - Students must be moved to another location or suffer the heat
  - When repairs for the burst pipes were done in the summer, asbestos was discovered and an asbestos abatement had to be done
  - Repairs such as this are costly to an aging school
  - Need to allocate funding for a new building instead of continuing to spend on an old facility which continues to have costly repairs
- Building “A” is holding up fairly well
- Building “C” has the following issues:
  - Building is 35 years old
  - Roof is beyond patching
  - Two classrooms were flooded during the last heavy rains from ceiling leaks
  - Materials along with personal items have been damaged from the leaks
  - Building has sliding glass doors which need to be replaced and are definitely a safety issue, many are damaged or non functional and not energy efficient
- Maintenance issues will continue requiring funding
- Request the Board of Commissioners repair the facilities for the students at Southeastern Middle School
- Appreciate the time to speak

**Debra Hennelly**

441 Oak Street  
Walnut Cove, NC 27052

**Re: School Construction**

Ms. Hennelly, a teacher at Southeastern Middle School, noted the following:

- Stokes Teacher of the Year, voter, and taxpayer
- There have many changes at Southeastern
- Safety, such as fire and environmental, is a major issue at Southeastern

- Flooding has occurred in my classroom resulting in carpet having to be removed along with asbestos abatement
- There are major issues with climate control, some days too hot which resulted in a student lacerating his arm trying to open the old windows
- Numerous students use inhalers only during the school year
- Building “B” was built several years ago for elementary students with restrooms and classrooms on one wing which some have been sealed off
- 2/3 of the student population is housed in “B” Building with limited restroom access and inappropriate learning environment
- All students should be given a quality education and be provided with the appropriate facilities as well
- Need to make our students ready for the 21<sup>st</sup> Century
- As a taxpayer, a parent and a teacher, I ask you to put the students of Stokes County first by voting for school construction today

**Jack Gibson**

345 Springdale Road  
Walnut Cove, NC 27052

**Re: School Construction**

Mr. Gibson noted the following:

- As a citizen, would like to thank the Board of Commissioner for their service to Stokes County
- Retired carpenter, retired teacher, and currently coordinator of Stokes Freedom Works, an organization that defends the policy of lower taxes, less government, and more freedom for the individual citizen
- Respectfully request the Board of Commissioners vote “no” on this large expenditure that does not allow the citizens their normal and historical responsibility of making these decisions for their children’s education
- Let the citizens of Stokes County vote on these matters
- If the Commissioners choose to deny the citizens the right to vote, please postpone this action until an evening meeting when working citizens will have the opportunity to attend the meeting
- Stokes Freedom Works’ position is certainly not in opposition to provide adequately for the schools, no one associated with Freedom Works wants anything but the best learning environment that the County can afford
- Challenge anyone that can produce a statement from Freedom Works of the contrary
- Freedom Works has not implied nor stated that the organization is in favor of holding back one penny, only encouraging the Board of Commissioners to use the procedure that has historically been used in this county that allows the citizens to participate in the decision process
- This is the best way to ensure support for proposed school building projects
- Must continue to trust the people to make the right decisions
- Over 50 years ago, there were 11 “fire trap” schools (grades 1-12) in this county, there was controversy surrounding a bond referendum whether to build schools east and west or north and south
- The people stepped forward and voted, they did the right thing- trust the people, they will come through
- Trust the people, to do differently, creates more separation of government from our citizens and we become no longer a nation of “we the people”

**Denise Collins**

3373 YMCA Camp Road  
King, NC 27021

**Re: School Construction**

Ms. Collins noted the following:

- Substitute teacher, head soccer coach at Chestnut Grove, head boys’ tennis coach at Chestnut Grove, and represent Mount Olive and Chestnut Grove on the District Advisory Board
- There are 126 fifth graders at Mount Olive in mobile units

- County recently allocated funding to built a state of the art facility for only 127 students at Nancy Reynolds, no issues with funding being provided for the project
- Violate every safety code each time the school has an assembly
- Overcrowding - maximum in the gym is 501, there are 677 students not including staff
- Serving lunch takes over 3 hours
- During the recent lockdown, students had to use the bathroom in trash cans
- During the recent lockdown, kindergarten class had to be evacuated from one of the mobile units by an armed officer
- Some mobile units that do have bathrooms, but don't have warm water for kids to wash their hands
- Some mobile units have ant issues, some kids actually have taken ants home in their book bags
- Very dangerous in winter months – ice
- No covered walkways – students and staff exposed to severe weather
- Should provide the students with adequate facilities

**Johnna Warlow**

1696 Lewisville Vienna Road  
Pfafftown, NC

**Re: School Construction**

Ms. Warlow noted the following:

- Exceptional children's teacher at King Elementary School
- Class, currently housed in a mobile unit, is for students with behavior and emotional disabilities, structured behavior support classroom
- A vital part of behavior support is communication, unfortunately, there are no phones in the classroom to communicate with parents, outside resources, or other school personnel
- It is very challenging to maintain a positive learning environment when students require additional support for their behavior outbursts
- Students who are having behavior outbursts often must stay in the classroom with students who are not having any problems simply because there is no other space available
- There are times when additional support is needed, but have difficulty obtaining the support since there are no phones in the mobile unit
- Safety issues arise being in mobile units during severe weather, lockdown, etc., students in mobile units are at a greater risk due to their removal from the rest of the school
- Best interest of the children is to have a new elementary school in the King area

**Laura Hall**

2528 Mount Salem Road  
Pfafftown, NC

**Re: School Construction**

Ms. Hall noted the following:

- Speaking on behalf of the exceptional children at King Elementary
- Overcrowding issues increase each year
- One of the larger "EC" schools providing resources services along with providing self contained "EC" classes for the county
- Many of the "EC" staff teach in trailers, closets, or a make shift room in the hallway
- Traveling to and from classrooms can be difficult and is very time consuming
- Providing a quiet and closed space for EOG testing and EC testing is difficult
- Confidentiality is necessary and struggle to have a space to adequately provide it
- Been at King Elementary four years and have had to move the location of my classroom each year
- Space is often shared, during the past two years, my classroom has been shared with another EC teacher
- Very difficult to try teach interactive lessons with another teacher teaching at the same time
- This year, my classroom was given to another homeroom class, with my classroom moving to the assistant principal's office which is adjacent to a custodian's closet that creates daily interruptions and the assistant principal was moved to a storage closet
- A new elementary school is desperately needed to make sure that all the children receive the best education in an environment that promotes learning

**Shannon Boles**

Principal at King Elementary  
105 Fox Brook Court  
King, NC 27021

**Re: School Construction**

Principal Boles noted the following:

- During the past seven years, the school population has increased from 540 students to 695 students, four new students were enrolled yesterday, new students enroll every week
- Speaking on behalf of 60 certified staff members along with 33 teacher assistants
- Thank you for allocating funding for the Nancy Reynolds project
- Please support the renovations/additions needed at Lawsonville Elementary (northern district), support the renovations/additions needed at Southeastern Middle School (southern district), and the new elementary school needed in the western district
- Do what is right for all students of Stokes County, have waited long enough and can't wait for a bond referendum
- With new children enrolling each week, there is nowhere else to put these children
- Please vote yes to move forward with school construction

**Alicia White**

1204 Red Cedar Road  
Rural Hall, NC 27045

**Re: School Construction**

Ms. White noted the following:

- Speech Language Pathologist at King Elementary School
- Currently serve 48 students (kindergarten, first and second graders) in a space that was originally a janitor's closet
- One wall is crumbling away due to moisture from an adjacent bathroom
- Constant toilet flushing is very distracting when trying to teach children to speak
- No other place to go
- Room is very small, but some of the other staff are using tables that are set up in the hallway
- Currently serving a K2 classroom that is located across campus, bringing the students back to my work area takes at least 10 minutes of their instructional time
- Students can't use the restrooms on the hallway, designed for fifth graders
- King area is in desperate need for a new elementary school to alleviate the overcrowding

**Doris Meachum**

2162 Taylor Road  
Westfield, NC 27053

**Re: School Construction**

Ms. Meachum noted the following:

- Been a teacher assistant at King Elementary since the fall of 1983
- Campus has undergone many changes during this time
- King Elementary is "bursting out at the seams"
- Currently have 8 mobile units
- Music is held in one of the mobile units, with no covered walkways, teachers use umbrellas to take five students at a time to the mobile unit during bad weather conditions
- Mobile unit does not have a bathroom
- Classrooms have to be shared
- Storage cabinets have been used in hallways to "make shift" an area for students who need tutors which can be very distracting from hallway and classroom noise
- Overcrowding needs to be addressed
- Students deserve a campus that can provide enough space to provide learning environment for our children and that is who we are here for

**Tony Boles**

105 Fox Brook Court  
King, NC 27021

**Re: School Construction**

Mr. Boles noted the following:

- Representing my two children, first grader at King Elementary
- Bond referendum will be an additional cost to the County
- \$9 million dollars was recently allocated to build a new elementary school for 127 students
- Overcrowding at King and Mount Olive is twice the number that a new school was built for in the Nancy Reynolds area
- Schools are in need of repair and urge the Board to vote to repair our schools
- King area is in need of a new elementary school
- Thank you for working closely with the Board of Education
- Already voted once to elect the Board of Commissioners to make the decision for the people of Stokes County
- Vote to get a new school in the King area started now

**Patricia Osborne**

575 Academy Street  
Rural Hall, NC

**Re: School Construction**

Ms. Osborne noted the following:

- Been teaching at King Elementary School for 24 years
- Pay taxes in Stokes County
- School has grown tremendously – overcrowded
- Statements regarding King Elementary from other speakers are true
- Safety is an issue when students have to travel between mobile units
- Lunchroom is very noisy, a child could get choked and no one hear it
- Need for a large room for conference planning
- Growth is going to continue
- Must plan for the future
- Now is the time, this needs to be done now
- Future of our children is the top priority
- Vote for a new elementary school in the King area
- No time is like the present

**Mildred Smith**

956 Spainhour Road  
King, NC 27021

**Re: Vote**

Ms. Smith noted the following:

- Member of Freedom Works and a member of the Tea Party
- Would like to let the people vote
- New to Stokes County, but after hearing all these problems, maybe the people should made some of the decisions to try to fix some of these problems
- Main concern - Stokes County needs a Charter School
- Charter School is needed for the bright young students that need advanced learning
- Consider a Charter School when making these decisions
- Taxpayers have come to the conclusion that no matter what elected officials you are (local, state, federal) taxpayers must keep an eye on each of you
- Let the people have their say

**Buddy Timm**

708 Summit Street  
Walnut Cove, NC 27052

**Re: Taxes**

Mr. Timm noted the following:

- Questions where the Board of Education has been over the years, these problems that have been described today did not just happen
- It is not the time to raise taxes
- People are losing jobs, struggling to pay their bills
- Raising taxes will cause someone else to lose their job
- Commodities in the stores will increase, store owners will have to pay more taxes
- Washington is very unstable, tax and spend, borrow and spend
- Wait for stability and to see if the economy turns around, then reevaluate your formula for spending
- If you have growth and you are not meeting your needs, you have the wrong formula
- Funding should be set aside for educational needs, not allocated all at one time
- You must plan for the future

**Ramona Timm**

708 Summit Street  
Walnut Cove, NC 27052

**Re: Taxes and Spending**

Ms. Timm noted the following:

- Thank you for listening to the concerns of the citizens and taxpayers of Stokes County
- If you don't have the money, don't spend it
- Marched in Washington on 09-12-09 for the Tea Party (Taxed Enough Already)
- Raising taxes will hurt the business and will produce less revenue
- Taxes are going up anyway, increased prices at the grocery stores
- Federal Reserve is enacting a new funding, going to create more money to boost the economy, but all it is going to do is raise taxes, raise the cost of commodities; therefore, lessen the value of the dollar and hurt everyone
- Don't believe we have the obligation to put everyone in danger by taking on more debt

**Kaitlyn Costern**

1160 Curtis Lane  
Pilot Mountain, NC 27041

**Re: School Construction**

Ms. Costner noted the following:

- Representing the West Stokes Teacher Cadet Program (8 members attending today)
- Support the best learning environment possible for all students in Stokes County
- As a future educator for Stokes County, I would like to be in a more competitive workplace
- Data shows that students perform better in a better environment
- Need to stop putting bandages on the problems
- Land has been purchased for a new elementary school
- Building a new elementary school will enable all students to be under one roof
- A costly bond referendum means most people will vote against a small tax increase because it is not for their kids
- Need to move forward with the plans

**Kanci Brannock**

1850 Meadowbrook Drive  
Tobaccoville, NC 27050

**Re: School Construction**

Ms. Brannock noted the following:

- Senior at West Stokes in the Teacher Cadet Program
- Overcrowding at King Elementary and Mount Olive
- King Elementary and Mount Olive together have more than 25 mobile units



- These units are between 17-35 years old
- Safety is a everyday issue at these schools – severe weather conditions and possible intruders
- Overcrowding in the cafeteria – some elementary students must eat at 10:00 am
- Some students attend afternoon school programs and are not picked up until 6:00 pm with some programs not providing snacks
- Want to return to Stokes County to teach
- Would not like to have to return to teach in a mobile unit
- A child's life is a \$1,000 dollars more important than a small tax increase

**Diane Oakley**

117 Ridge Road  
Walnut Cove, NC 27052

**Re: School Construction**

Ms. Oakley noted the following:

- Previously worked for Stokes County for nine years as a Public Health Nurse, also worked in the local school system
- Currently working in Forsyth County as school nurse
- Speakers today have addressed the school needs
- Commissioners have tried in the past and are currently trying to meet the needs of the schools, increased the Fund Balance, and met the needs of Nancy Reynolds
- Must look at how to address the economy
- Have a limited amount of funding and must look at needs in terms of priority
- Increasing educational opportunities for children, re-educating those who have lost jobs, creating jobs which increases spending, results in increased jobs, increased work, increased tax base which gives us more funding to work with
- Can't wait until you have the funding
- Don't agree with waiting, elected you as the Board of Commissioners to deal with the County's budgetary issues
- Need to meet the needs of the children
- Don't need Charter Schools in Stokes County, don't believe they work in other counties
- Look at the school system as it is, provide what teachers need, provide funding for competitive salaries for teachers, and provide jobs for the children to come back to in Stokes County
- People look at the school system in a county before coming
- County needs to offer competitive salaries and needs to provide better educational facilities

**Durwood Dunlap**

3270 Dodgetown Road  
Walnut Cove, NC 27052

**Re: Board of Education Budget Request**

Mr. Dunlap noted the following:

- Congratulate the Board of Commissioners on being good stewards for the county
- Great job building the Fund Balance in a very difficult economical time
- Urge the Board to move forward the school projects for King Elementary and Southeastern
- Southeastern has been put off too many times
- One issue – concerns with one of the options being discussed for Southeastern that has a \$5 million dollar reduction in spending, concerned that no other project was cut
- Construction cost are lower now – very competitive with the current economy
- Very good time to borrow with lower interest rates
- Overcrowding in King area needs to be addressed
- Walnut Cove is the oldest municipality in Stokes County
- Children in the Walnut Cove area deserve the needed renovations to Southeastern
- Urge the Board to pass the capital outlay projects for the schools and the time to act is now

**Tonya Smith**

109 Prince Albert Drive  
King, NC 27012

**Re: School Construction**

Ms. Smith noted the following:

- Represent the teachers at King Elementary School
- Blessed to be able to go into a classroom and work with children
- Staff at King Elementary works hard to provide every educational opportunity possible
- Even with all the effective programs offered at King Elementary, our problem is a lack of space and inadequate facilities
- K2 building is extremely overcrowded, classrooms are separated by paper thin walls and don't have doors to close which are a safety factor
- Children are distracted from other classrooms, noise in the hallway, etc.
- Noise distraction makes it very difficult to all parties involved
- Have two special needs children in my classroom, one child is in a wheelchair and one child is hearing impaired
- The child who is hearing impaired struggles daily to be able to hear me because of the surrounding noise
- The child in the wheelchair struggles to get from point "A" to point "B" because of all the "make shift" accommodations in the hallway
- Lack of bathroom facilities for the enrollment, children must wait in line to use the restrooms
- Cafeteria is much too small for the number of children at King Elementary
- Low ceilings create a very loud and unsafe cafeteria
- Children must be ready for the 21<sup>st</sup> Century
- Lack of computer labs
- A new elementary school facility in King is essential in meeting the needs for our 21<sup>st</sup> Century learners

**Carla S. Landress**

3109 Flat Shoals Road  
Germanton, NC 27019

**Re: School Construction and Safety**

Ms. Landress noted the following:

- Come to you today as a parent
- Came to Stokes County as a choice
- Dedicate everyday as a volunteer at my son's school
- Was present at school during the recent lockdown
- Very disheartening for staff and parents who were in mobile units during that lockdown
- Kindergarteners were not allowed to go to the restrooms for more than two hours, some even missed their time to go to lunch
- Mobile units are placed by woods which is very dangerous
- Can't understand why there are 25 year old mobile units still being used
- If you don't invest in the children's future, you will pay for it later
- Request the Board consider the needs of the children

**Shannon Whitt**

1020 Oxford Lane  
King, NC 27021

**Re: School Construction**

Ms. Whitt noted the following:

- Work as a teacher coach at King Elementary
- Speaking on behalf of the incredible staff at King Elementary
- School facility is tremendously overcrowded
- In the single wide trailer where I teach, there are two other classrooms and one other office space for another employee
- Constantly having to reschedule meetings with parents
- Principals often forfeit their offices for parent meetings

- Large number of students are served outside their classrooms for special needs and tutoring
- Some students are served in “make shift” cubicles where lighting is poor and at times very noisy
- Consider the overcrowding situation at King Elementary and what a new facility could offer the students in the King area
- The children are the future of our county

**Linda Combs**

7901 Sunberry Court  
Rural Hall, NC 27045

**Re: School Construction**

Ms. Combs noted the following:

- Own property in Stokes County and do pay taxes in Stokes County
- K2 Reading Specialist at King Elementary
- Students who are struggling in reading must work with a reading specialist in a corner of a library/hallway that has been blocked off by bookcases, very noisy
- Children are easily distracted
- Lack of safety for these students and teachers in the event of an emergency
- Limited adult bathroom facilities
- These conditions are unacceptable
- Asking the Board of Commissioners to be visionaries, to imagine the wonderful quality education that could be provided to all students in the King area with the addition of a new elementary school
- Community, faculty, and students deserve better

**Amy Nail**

Principal at Mount Olive Elementary School  
145 Hartgrove Road  
King, NC 27021

**Re: School Construction**

Principal Nail noted the following:

- Parent of a first grader at Mount Olive
- Speaking today on behalf of students, parents and faculty at Mount Olive Elementary
- Offering my two cents, literally, my understanding that a mere two cents per \$100 property tax increase could fund the desperately needed new elementary school in the Yadkin Township
- Small price to pay to allow students in this district to attend an elementary school that is safe, free from mobile unites, and with a core capacity that actually meets the needs of the school’s enrollment
- Currently, 9 of the 33 classes are in mobile units, all exceptional children’s classes, speech classes, AIG classes, and music classes are taught in mobile units
- Surely it is worth our 2 cents to provide students a campus where there is room for everyone to be taught in a building
- At Mount Olive, the capacity in the gym is 501 students, this limit is exceeded every time the school hosts cultural arts programs like the “Living Storybook”, holds student recognition assemblies, or gathers to have costume parties for Halloween
- Is it not worth two cents to provide students an area where programs can be brought into the school without exceeding capacity limits set by the fire marshal
- Schools have limited funding and are expected to do more with less while still meeting high standards for student achievement
- Surely students’ safety is worth our 2 cents
- Request the Board consider our final 2 cents on behalf of the students and the need for construction of a new elementary school, if not know, then when and if not you, then who

**Mayor Jack Warren**

110 Elinor Court  
King, NC 27021

**Re: School Construction**

Mayor Warren noted the following:

- Not going to quote numbers or statistics
- The Board of Commissioners knows the school facilities needs in the King area
- Up to the Board to do something about the issues
- Each member of this Board ran on the platform of education and economic development, hand in hand
- You must have good education and good school facilities for new businesses to come to Stokes County
- Need to do something about these schools
- Safety is the major concern – severe weather conditions, abductions,
- Overcrowding in the schools is there and needs to be addressed
- The newly elected Commissioners ran on the same platform – education and economic development
- Time to get it done – build schools

**Tracie Spainhour**

725 Spainhour Road  
King, NC 27021

**Re: School Construction**

Ms. Spainhour noted the following:

- Have five children at King Elementary
- No need for a bond referendum, these schools needed to be built yesterday
- There was no bond referendum for Nancy Reynolds, there was an obvious need that has been met
- There are obvious needs at King Elementary and Southeastern
- King Elementary and Mount Olive are overcrowded
- Southeastern's campus is deteriorating
- As being the elected officials of Stokes County, do what is best for the students of Stokes County

**Sarah Grubbs Skinner**

511 Well House Drive  
Walnut Cove, NC 27052

**Re: School Construction**

Ms. Skinner noted the following:

- Product of Stokes County Schools and currently teach at King Elementary School
- Children attend Southeastern Middle School
- During a lockdown practice today at King Elementary School, one of my fourth grade students stated they we don't have anywhere safe to go
- Have a really small area for 24 students
- Building "B" was old when I was there in the first grade
- Some mobile units don't have restrooms
- Need to do better for our kids
- Don't let us down

**Fran Newsome**

230 Thomas Road  
King, NC 27021

**Re: School Construction**

Ms. Newsome noted the following:

- Grew up in Walnut Cove, started teaching in Stokes County at Lawsonville Elementary (17 years), one year at Sandy Ridge and currently at King Elementary
- I have taught school for 32 years with 29 being in Stokes County

- Have been in a classroom inside of a building for only 3 years while teaching in Stokes County
- Need the best facilities to attract the best teachers
- Mobile units don't have covered walkways, so students get soaked if they must leave to use the restroom
- You know what has to be done, you can make it happen

**Paula Hall**

4064 NC 66 HWY S  
King, NC 27021

**Re: School Construction**

Ms. Hall noted the following:

- Started kindergarten in a single wide trailer with no bathroom and no running water in 1976
- 34 years later, my five children attend classes in single wide trailers
- History is being repeated
- Some repairs have been done and discussion is continuing regarding the overcrowding
- It is imperative that the momentum continue at a fast pace to keep addressing the issues that have not been resolved
- Overcrowding was discussed two year ago and we are still waiting for a solution
- Mobile units are unsafe, hazardous, and aging
- Can't imagine that replacing these mobile units is a solid solution
- Must have brick and mortar in the near future to continue to provide a safe and secure learning environment for our children and staff
- Charge the Board of Commissioners with continued action now
- Can't wait for new schools, 34 years is too long to wait

**Greg Ottaway**

Principal Lawsonville Elementary School  
3411 Glen Hollow Road  
Greensboro, NC 27407

**Re: School Construction**

Principal Ottaway noted the following:

- Drive over 100 miles a day because I believe in Stokes County Schools, I choose to be here
- Support the need for a new elementary school in the King area and the needed renovations to Southeastern
- Here today to speak about Lawsonville Elementary which has over 200 students and 5 mobile units (three being used for classrooms)
- One unit houses a third grade class
- One teacher has been in a mobile unit for 14 years (pre-K students)
- EC classroom is located in one mobile unit
- One unit is used for Exceptional Children's Program and gifted program
- One unit is used by the school counselor, two Speech/Language Pathologists, and English Language Learner classroom
- All five units are at least 20 years old with one unit over 30 years older
- Require continuous maintenance with one unit having a hole in the floor, carpet is old and unit contains a smell
- Children are exposed to weather conditions traveling back and forth to the main building, cafeteria, gym, etc.
- Like all other schools, there is always a safety issue
- Need to do what is best for the children
- Request the Board of Commissioners fund all the capital projects
- Provide safe and quality facilities for our students and staff

**Abigail Watkins**  
1166 Campbell PO Road  
Lawsonville, NC 27022  
**Re: Lawsonville Elementary School**

Ms. Watkins noted the following:

- Classroom is located in one of the mobile units, been in the unit for 14 years
- Don't have enough room to all required materials, equipment must be moved daily
- There are safety issues with students traveling to and from the mobile units
- Drainage issue under the mobile units has caused mold issues
- Mobile units are easier to break into and have been broken into
- Hope this Board will look for the future and the students
- Time to plan ahead is now

The following individuals signed up to speak, but were not in the Chambers when their name was called by Chairman Walker:

**Kathy Conrad**  
2104 High Bridge  
Pinnacle, NC 27043  
**Re: Taxes**

**E. R. Conrad, Jr**  
2104 High Bridge  
Pinnacle, NC 27043  
**Re: Taxes**

Chairman Walker, on behalf of the Board, expressed the Board's appreciation for those who took time to come to today's meeting.

## **CONSENT AGENDA**

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

### **Minutes**

- Minutes of October 25, 2010

## **Proposed Resolution – PART – Endorsing a Proposal to Construct a Park/Ride Lot In King**

Commissioner Inman presented the following proposed Resolution Endorsing a Proposal to Construct a PART Park and Ride Lot in King at the October 25<sup>th</sup> meeting with a request for approval at the November 8<sup>th</sup> meeting:

### **RESOLUTION OF THE STOKES COUNTY BOARD OF COUNTY COMMISSIONERS ENDORING THE PART PROPOSAL TO CONSTRUCT A PARK AND RIDE LOT IN THE TOWN OF KING**

**WHEREAS**, North Carolina General Statutes Chapter 160A, Article 27 provided for the creation of the Piedmont Authority for Regional Transportation (PART) which became incorporated on the seventeenth day of July 1998; and

**WHEREAS**, PART was given broad governing powers for the purpose of development and enhancement of all forms of transportation in the Piedmont Triad Region while protecting the natural and manmade environments; and

**WHEREAS**, PART has developed a safe, sound, efficient, and economical public transportation system within its 10-county territorial boundaries; and

**WHEREAS**, PART began operating the regional public transportation system by connecting the existing urban transit systems in Greensboro, High Point and Winston-Salem on the thirtieth day of September, 2002; and

**WHEREAS**, the system was expanded in July 2006, to provide public transportation services to outlying counties surrounding the urban core of the region, which has resulted in numerous quantitative benefits to users and non-users of the system; and

**WHEREAS**, the PART Board of Trustees has entered into a Joint Land Use Agreement with the NCDOT and propose to construct a Park and Ride Lot in the Town of King to be located adjacent to the southbound exit ramp from US 52 to Doral Drive.

**NOW, THEREFORE BE IT RESOLVED** that the Stokes County Board of County Commissioners does hereby endorse the PART proposal for the construction of a Park and Ride Lot in the Town of King to be located adjacent to the southbound ramp from US 52 to Doral Drive.

Motion made by \_\_\_\_\_ and seconded by \_\_\_\_\_ and approved on this being the \_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
**Jimmy Walker – Chairman**

\_\_\_\_\_  
**Ernest Lankford – Vice Chairman**

\_\_\_\_\_  
**J. Leon Inman – Commissioner**

\_\_\_\_\_  
**Ron Carroll – Commissioner**

\_\_\_\_\_  
**Stanley Smith – Commissioner**

Attest:

\_\_\_\_\_  
**Darlene M. Bullins – Clerk of the Board**

Commissioner Inman moved to approve the Consent Agenda as presented.

Vice Chairman Lankford seconded and the motion carried unanimously.

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

### **Presentation of the Fiscal Year 2009-10 Audit**

Senior Accountant, Shane Fox, Martin-Starnes & Associates presented the following information regarding the 2010 Audit:

- Audit Highlights
  - Unqualified opinion (best opinion that can be given)
  - No findings or questioned costs
  - No significant deficiencies or material weaknesses identified
  - Staff was fully prepared and cooperative
- General Fund Summary
  - Revenues 2009 =\$37,680,724
  - Revenues 2010 =\$38,088,936
  - Expenditures 2009 =\$38,140,531
  - Expenditures 2010 =\$37,680,103
- Fund Balance
  - Serves as a measure of the County’s financial resources available
  - Assets – Liabilities = Fund Balance
  - Three classifications
    - Reserved
    - Unreserved designated (available)
    - Unreserved undesignated (available)

- Total Fund Balance (General Fund)
  - 2008 = \$9,494,274
  - 2009 = \$10,505,845
  - 2010 = \$9,752,595
  - Fund Balance was down \$753,250 from 2009
  - General Fund had an increase of approximately \$400,000 from operating expenditures/revenues
  - Transfers out of General Fund equal approximately \$3 million versus transfers in totaling approximately \$1 million (Approximately \$1 million went to debt service, over \$1 million went to Stokes Reynolds Hospital Fund, \$500,000 went for capital projects and \$500,000 went for smaller transfers)
  - Loss in the General Fund resulted in a decrease in Fund Balance in the amount of \$753,250
- Unreserved Fund Balance as a Percent of Expenditures (General Fund)
  - 2002 = 3.8%
  - 2003 = 5.7%
  - 2004 = 7.7%
  - 2005 = 7.7%
  - 2006 = 9.0%
  - 2007 = 14.5%
  - 2008 = 19.6%
  - 2009 = 21.7%
  - 2010 = 19.4%
- Top 3 Revenues
  - Property taxes = 56%
  - Intergovernmental = 24%
  - Other revenues = 10%
  - Other taxes and licenses = 10%
- Top 3 Expenditures
  - Education = 28%
  - Human Services = 26%
  - Other functions = 26%
  - Public Safety = 20%
- Summary of Responses to Recession (source: NC County Commissioners Association)
  - 16 counties increased tax rate – average of 3.3 cents
  - 49 counties, of 95, cut budgets (again)
    - 44 counties reported hiring freeze
    - 43 counties cut positions
    - 1000+ fewer positions, on top of 2009-10 cuts of 1000
    - 14 counties laid off existing employees
    - 595 county workers lost jobs
    - 7 counties implemented mandatory furloughs
    - Other actions include salary decreases, fewer paid holidays, decreased/stopped 401(k)
  - 25 counties, of 95 counties reporting, see decreased property valuations
  - 31 of 100 counties see assessed value above market value
  - 2009-10 sales taxes nearly 5% below 2008-09
  - 2008-10 10% off 2007-08
  - 48 counties relied on fund balance to help offset budget deficit in 2010
  - 20 counties used fund balance to replace lottery funds
  - 61 counties reported using some or all of lottery funds for school debt service
- What does the State Legislature face:
  - 2009-10 budget included:
    - \$1.3 billion in temporary taxes
    - \$1.6 billion federal stimulus dollars
    - \$.03 billion in non-recurring budget reductions
    - Summary: Static budget gap going into 2011-12 = \$3.2 billion
- What do the State problems mean to local governments?
  - Expect “transformational” government at the State level
  - Everything is on the table
  - Local revenue options?
  - Cuts (15%)/New Taxes/Tax Reform?



- Potential loss of 10,000+ jobs
- Retirement System
- Financial Report change for 2011
  - The County's financial statements for 2011 will reflect an accounting standards change regarding special revenue funds and fund balance reporting.
  - The County's fund structure will be reviewed in the Spring of 2011 and alert management of any reporting changes that will be necessary
- Actual audit report is not available due to the County waiting to receive the Stokes-Reynolds Memorial Hospital's audit which will be included in the County's audit as a component unit
- County's audit had been completed approximately two weeks
- LGC was made of the situation
- The Stokes Reynolds audit was received on Friday and incorporated into the County audit and forwarded (overnight delivery) to LGC today
- Once the LGC has completed their review of the audit and there are no issues, then the audit will be printed and provided to the County and the Board of Commissioners
- If LGC requires a major correction to the audit, the Board will be provided an update

Chairman Walker expressed the Board's appreciation to Mr. Fox for his presentation.

**Northwest Piedmont Council of Government (NWPCOG) Merger with Piedmont Triad Council of Governments (PTCG)**

Vice Chairman Lankford, who serves as the NWPCOG representative, requested direction from the Board regarding the upcoming vote on the merger of Northwest Piedmont Council of Government and the Piedmont Triad Council of Governments.

Vice Chairman Lankford noted the following:

- Presentation regarding the merger was presented by Director Matthew Dolge of NWPCOG at the recent League of Governments meeting
- Vote will be taken at the next NWPCOG meeting scheduled for November 16<sup>th</sup>
- Stokes County will have a seat at the table, one of twelve counties
- Municipalities will alternate seats at the table
- All 72 delegates will have a voice vote
- Feels the county would benefit by being able to receive more services
- Dues will be less
- Feels this is a positive move for the NWPCOG and Stokes County
- Supports the merger

Chairman Walker polled the Board regarding merger of NWPCOG and PTCOG:

- The Board unanimously agreed to direct Vice Chairman Lankford to vote yes to proceed with the merger

**Jail Inspection Report – October 2010**

Jail Captain Kenny Norman presented the following information regarding the recent October 2010 Jail Inspection Report:

- Jail was inspected on October 21, 2010 by Jail Inspector Litonya Carter, North Carolina Department of Health and Human Services
- One correction action was noted – Issues with Fire Alarm System Panel
- Issue with the Fire Alarm Panel has been repaired

The Board commended Captain Norman on the department's dedication and hard work.

## **Update – Manager and Board of Commissioners**

County Manager Bryan Steen noted the following:

- Notification has been received that the Senior Center General Purpose Funding has been released from the State
- Stokes County Criminal Partnership Annual Quality Assurance Monitoring has been completed by the State and had no issues, positive comments were received regarding the program being administered by Director Tony Hill
- Public Works Director Mark Delehant provided the following holiday schedule for the Greenbox Sites:
  - Closed Thanksgiving Day – Thursday, November 25<sup>th</sup>
  - Friday, November 26<sup>th</sup> – closing at 3:00 pm
  - Closed December 24<sup>th</sup> and December 25<sup>th</sup>

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

### **Proposed Restructuring of the Administration Plan for Stokes County Sheriff's Department**

Sheriff Elect Mike Marshall presented the following information regarding the proposed Restructuring of the Administrative Plan for Stokes County Sheriff's Department: (Captain Craig Carico was present for the meeting)

- Plan includes restructuring mid-level management which will provide cost reduction and enhanced middle-management supervision available to county citizens and officers within the department
- No added positions within the plan and budget proposal
- Eliminating two (2) captain positions at grade 76 and replacing with 2 exempt lieutenant positions at grade 74
- Reclassifying one detective position to an exempt lieutenant position at grade 74
- Reclassifying one patrol sergeant position to an exempt lieutenant position at grade 74
- After the transitional ripple effect from the retiring of Sheriff Mike Joyce and Chief Deputy Durward Bennett, along with the implementation of the four lieutenant positions, a patrol position and one investigative position will require filling
- Request all full time positions currently in place as well as the requested middle management changes be approved for a structured change over and transition for December 6, 2010 swearing in of the new Sheriff and department
- This will allow for continued level of service and a smooth transition to our citizens
- Within this proposed plan the projected reduction in the department's full time salary line will be approximately \$18,000 within the first full fiscal year (conservative saving estimate)
- Additional savings will be in 401(k) – 5% mandatory match, 6.41% mandatory retirement match and 7.65% mandatory FICA/Medicare match
- Cost savings have been presented to the county personnel staff for verification
- Request the item be moved to today's Action Agenda in order to implement the proposed administrative plan on December 6<sup>th</sup>

Commissioner Carroll noted that the Sheriff is an independently elected official responsible directly to the voters and has no issues with the request as long as he operates within the budget approved for fiscal year 2010-11.

Commissioner Inman agreed with Commissioner Carroll's comments and commended Sheriff Elect Marshall for his effort to save funding.

Vice Chairman Lankford also commended Sheriff Elect Marshall for his efforts to save county funding.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on today's Action Agenda.

**Stokes County Comprehensive Solid Waste Management Plan- Proposed Amendment**

Public Works Director Mark Delehant presented the following information regarding a proposed amendment to the Stokes County Comprehensive Solid Waste Management Plan:

- Proposed amendment regards the disposal of electronic waste
- Currently electronic waste is treated as C&D and citizens are charged for disposal
- Effective July 1, 2011, all electronics, computer equipment, television, etc. will be banned from disposal in North Carolina landfills
- Synergy Recycling in Rockingham County will be providing the County with Gaylord boxes to store the electronic equipment received from citizens at the landfill
- Synergy Recycling will pick up the electronic equipment and dispose of them at no cost to the county
- Stokes County will be creating a program for recycling and reusing discarded electronics which will protect public health and the environment, as well as, promote conservation
- With the adoption of the amendment, Stokes County will be eligible to receive electronic management funding from the State
- Will kick off a campaign by providing one day pick up at different locations in the County

Director Delehant provided the following proposed Resolution to Approve the Amendment to the Stokes County Comprehensive Solid Waste Management Plan:

**STOKES COUNTY  
RESOLUTION TO APPROVE AMENDMENT TO  
THE STOKES COUNTY SOLID WASTE PLAN**

**WHEREAS**, better planning for solid waste will help protect public health and the environment, provide for an improved solid waste management system, better utilize our natural resources, control the cost of solid waste management; and,

**WHEREAS**, NC Session Law 2010-67 and Senate Bill 887 requires modification to the computer recycling plan requirements and associated fee imposed on manufacturers; and make further substantive, clarifying, technical, and conforming amendments to the laws governing the management of discarded computer equipment and discarded televisions, as recommended by the Environmental Review Commission; and,

**WHEREAS**, G.S. 130A-309.137 requires changes to the County's Comprehensive Solid Waste Management Plan and submission to the Department of Environment and Natural Resources on or before December 31, 2010.

**NOW, THEREFORE, BE IT RESOLVED** that the County Commissioners of Stokes County hereby approved the amendment (Appendix K- Electronic Waste Program) to the Stokes County Comprehensive Solid Waste Management Plan.

**ADOPTED** by the Board of Commissioners during regular session on this \_\_\_\_\_ day of \_\_\_\_\_, 2010

\_\_\_\_\_  
**Jimmy Walker - Chairman**

\_\_\_\_\_  
**Ernest Lankford – Vice Chairman**

\_\_\_\_\_  
**J. Leon Inman - Commissioner**

\_\_\_\_\_  
**Ron Carroll - Commissioner**

\_\_\_\_\_  
**Stanley Smith - Commissioner**

Attest:

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

The Board had no issues with Director Delehant's request.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on the November 22<sup>nd</sup> Action Agenda.

**Dan River #319 Grant – Request for Approval to Apply for State/Federal Funding – Second Phase**

Watershed Coordinator Rodney Wright, Soil and Water, presented a power point presentation to the Board of Commissioners regarding the Dan River #319 Grant:

- #319 Grant began in September 2008
- Grant ends in September 2011
- Stokes County received this grant due to the impaired condition of the Dan River
- Dan River is on the EPA's 303(d) list of impaired rivers for fecal coliform bacteria and turbidity (sedimentation)
- Cattle in streams (fecal) and runoff from fields (sediment)
- The 11.6 miles of the upper Dan River are classified as trout waters and are impaired for aquatic life
- There is a total of 49.8 miles of the Dan River impaired for turbidity standard violations as well as 38.3 miles impaired for fecal coliform bacteria standard violations
- #319 Grant totaled \$730,550 including matching funds
- The dollar amounts of the grant were \$399,000 which included \$255,000 to Stokes, Caswell, and Rockingham counties (\$85,000 each)
- Stokes Soil and Water Department received equipment, supplies and mileage for coordinator from the grant
- Grant also funded a Watershed Coordinator's position (salary and benefits for three years)
- Stokes County received the funding to administer the program
- Stokes, Rockingham, and Caswell counties each placed \$85,000 worth of Best Management Practices on the ground
- Stokes County provided funding to 14 farmers to implement Best Management Practices
- Conservation was improved on farms that might never have occurred if not for this special funding
- Dan River is an important tourist attraction for Stokes County
- Water should be kept clean to support the quality of fishing, canoeing, and swimming in the Dan River
- It would be beneficial to remove the Dan River from the 303(d) list of impaired rivers – that is the goal
- Approximately 95% of the work planned for the first cycle has been completed
- Cattle have been fenced out of the Dan River and some of the connecting streams in Stokes, Caswell, and Rockingham counties
- Each time cattle are fenced out and given an alternate water source instead of a stream that flows into the Dan River, the water quality of the Dan River is improved
- First Riparian Buffer easement has been placed on a farm above the Jessup's Mill area
- Currently nearing the closing on the second conservation easement on the northern section of the Dan River
- More work needs to be performed to reduce the fecal coliform and turbidity from the Dan River, so that it can be removed from the 303(d) list
- North Carolina Division of Soil and Water will be submitting an application for a second round of #319 Grant funding for the Stokes County Coordinator and funds for Best Management Practices in Stokes, Caswell, and Rockingham counties

- Division is requesting that the County fund half of the Watershed Coordinator's position for the next three years
- Division of Soil and Water in Raleigh believes that a better chance of receiving funding for the coordinator position will be possible with a commitment from Stokes County to fund half of the position
- If the county does not fund half of the position, the Division will attempt to submit for the entire cost; however, this will increase the chance of not having the position funded
- There will be competition from other Soil and Water Districts across the State
- County can choose to fund less than half of the position
- North Carolina Association of Soil and Water Conservation Districts strongly endorses and supports the Stokes County Soil and Water Conservation District in seeking funds to continue the targeted effort to improve water quality in the Dan River
- The Association encourages Stokes County Board of Commissioners to join the District in strengthening the application for funding through #319 program by providing partial funding for a staff position
- Request the Board consider funding part of the coordinator's position

The Board discussed the item with Mr. Wright.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on November 22<sup>nd</sup> Action Agenda.

### **Tax Administration Report – October 2010**

Administrator Jake Oakley presented the following informational data for the September report:

<b>Fiscal Year 2010-11</b>	<b>Budget Amt</b>	<b>Collected Amt</b>	<b>Over Budget</b>	<b>Under Budget</b>
County Regular & Motor Vehicles	\$(20,744,514.00)	\$10,881,776.04		\$9,862,737.96
<b>Prior Taxes 93-09 Tax Years</b>				
County Regular & Motor Vehicles	\$ 700,000.00	\$330,334.67		\$369,665.33
<b>EMS Collections</b>				
Total Collected (10-01-10/10-31-10)	\$10,680.05			
Total Collected (07-01-10/06-30-11)	\$47,279.64			
Delinquent accounts received from EMS (October 2010) accounts = no accounts				
<b>Personal Property Discovery Report</b>		<b># of Accts</b>	<b>Total Value</b>	<b>Taxes Due</b>
<b>Audit Dates</b>				
10-01-10/10-31-10		76	\$639,623.00	\$5,406.10
07-01-10/06-30-11		272	\$3,509,459.00	\$30,032.84
<b>Business Personal Property Discovery Report</b>		<b># of Accts</b>	<b>Total Value</b>	<b>Taxes Due</b>
<b>Audit Dates</b>				
10-01-10/10-31-10		0	\$00.00	\$00.00
07-01-10/06-30-11		1	\$2,162.00	\$23.31
<b>Motor Vehicle Release Report</b>		<b>Accounts</b>	<b>Total Value</b>	
<b>Audit Dates</b>				
10-01-10/10-31-10		36	\$1,126.03	

<b>Motor Vehicle Refund Report</b>	<b>Accounts</b>	<b>Total Value</b>
<b>Audit Dates</b>		
10-01-10/10-31-10	9	\$512.69
<b>Number billed for Oct. 2010</b>	4864	

<b>Garnishment Totals</b>			
<b>Month</b>	<b>Total Accounts</b>	<b>Original Levy Amt</b>	<b>Collected Amt</b>
10-01-10/10-31-10	204	\$42,950.56	\$28,368.23
F/Year 2010-11			
(July 1 – June 30)	684	\$159,294.69	\$116,974.42

<b>Interstate Collection Report (October 2010)</b>	<b>Collection</b>	<b>Total Collected</b>
Cumulative total Collected (to date)	NC Debt Setoff	\$28,595.31
Cumulative total Collected (to date)	Motor Vehicles	\$43,057.80
Cumulative total Collected (to date)	Property Taxes	\$10,805.11
Cumulative total Collected (to date)	EMS	<u>\$28,375.40</u>
Cumulative total Collected (to date)	All Categories	\$82,238.31

Tax Administrator Jake Oakley submitted the following Real and Personal Property Release (October 2010) which is less than \$100 for the Board's review:

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

<b>Name</b>	<b>Bill Number</b>	<b>Amount</b>
Charles Smith	10A64059.02	<u>\$96.00</u>
	<b>Total Amount</b>	<b>\$96.00</b>

Tax Administrator Jake Oakley presented the following Real and Personal Property Releases (October 2010) which are more than \$100 for the Board's consideration:

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

<b>Name</b>	<b>Bill Number</b>	<b>Amount</b>	
Dow Roofing	10A156025401.02	\$13,336.00	Reason: Appealed Personal Property Value Based on Plant Closing-reduced 50% SWMH Ownership
Charles Smith	09A64059.02	\$107.31	transferred in 2007
Charles Carriker	10A156010608.02.1	<u>\$165.81</u>	SWMH is real property
	<b>Total Amount</b>	<b>\$13,609.12</b>	

Tax Administrator Jake Oakley submitted the following Late Applications for Elderly and Disabled Exemption for 2010:

- **Billy J. Hall** – 3589 NC 772 HWY, Walnut Cove – Assigned Tax Value = \$45,000
- **Angeline W. Nelson** – 1851 US 311 HWY N, Walnut Cove – Assigned Tax Value = \$74,600

Due to the failure of making a timely application, the Tax Administration recommends the Board disapprove the submitted Late Applications for Elderly and Disabled Exemption for 2010. Tax Administrator Oakley stated that he was being consistent denying late applications for Elderly and Disabled Exemptions for 2010 and advised the taxpayer of their appeal rights.

Vice Chairman Lankford confirmed with Tax Administrator Oakley that once action is taken by the Board of Commissioners regarding the late application, information regarding the action along with the filing period (January-June) is sent to the taxpayer.

### **Delinquent EMS/Motor Vehicle Tax Bills**

Tax Administrator Jake Oakley presented the following information regarding the utilization of Interstate Collection Agency to collect aged delinquent EMS/Motor Vehicle Tax

Bills:

- Delinquent EMS billings through the year 2005 have been forwarded to Interstate Collection
- Delinquent motor vehicle billings through the year 2007 have been forwarded to Interstate Collection
- After the completion of the Tax Office's efforts to resolve motor vehicle billings processed during the year 2008 and the EMS billings processed during the years of 2006-2008, the Tax Office requests to forward the remaining uncollected taxes from these categories to Interstate Collection Agency
- Following 90 days of individual collection effort, an effective tool by Interstate Collection Agency is the debt set-off program through the NC Department of Revenue
- This will help to "clean up" motor vehicle accounts before the state takes over the collection of motor vehicle taxes in 2013

### **Listing Forms and Published Notice**

Tax Administrator Jake Oakley notified the Board the following information regarding Annual Listing:

- On December 23, 2010, a notice will be published in the Stokes News regarding the mailing of the 2011 Stokes County Annual Listing Forms
- Pertinent information relating to the items required to be listed will be included in the publication, as well as, requirements to qualify for the Elderly/Disabled Exemption
- Mailing of the 2011 Stokes County Annual Listing Forms will be December 29, 2010

Chairman Walker, with full consensus of the Board, directed the Clerk to place the following on the November 22<sup>nd</sup> Consent Agenda:

- Real and Personal Releases more than \$100.00
- Late applications for Elderly and Disabled Exemptions
- Delinquent 2006-2008 EMS/2008 Motor Vehicles billings be forwarded to Interstate Collection

### **Health Department – Job Reclassification**

Health Director Josh Swift presented the following information regarding a job reclassification:

- Request to reclassify a WIC Processing Assistant III to a WIC Processing IV
- Duties of the job have changed
- Reclassification has been approved by the NC Office of State Personnel due to the increased job duties
- Stokes County Board of Health supports the reclassification

- Was not brought to the Board during the budget process due to the WIC Department was under the direction of an interim supervisor and had an additional vacancy
- Salary increase is very minimal
- Funding for WIC Department is approximately 90% federal/state funding
- Lapsed salaries will be used – no additional county funding being requested

The Board discussed the reclassification with Director Swift.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on November 22<sup>nd</sup> Action Agenda.

### **Lease Purchase – Vehicle Purchases – Fiscal Year 2010-11**

Support Services Supervisor Danny Stovall presented the following information regarding fiscal year 2010/11 vehicle financing:

- Following banks were contacted on October 20, 2010 concerning providing funding for our fiscal year 2010-11 vehicle purchases:
  - RBC Bank
  - Wachovia
  - New Bridge Bank
  - First Citizens
  - Local Government Credit Union
  - SunTrust
  - BB&T
  - Southern Community Bank
- The following quotes were received before 5:00 pm on Monday, November 1, 2010 for a term of 2 years with the loan amount of \$470,500:
  - RBC Bank - 1.52% (bank fees \$100.00) Interest = \$11,179.98  
1<sup>st</sup> payment due 12-15-11
  - BB&T – 1.98% (bank fees \$00.00) Interest = \$12,556.16  
1<sup>st</sup> payment due 09-01-11
  - New Bridge – 2.83% (bank fees \$00.00) Interest = \$19,972.73  
1<sup>st</sup> payment due 09-01-11
  - LCFCU - 4.00% (bank fees \$00.00) Interest = \$28,440.28  
1<sup>st</sup> payment due 10-26-11
- Approval of a proposed Resolution authorizing the execution and delivery of an installment financing contract in the amount of \$470,500 with RBC Bank (USA) to finance the acquisition of certain equipment for use by the County of Stokes, North Carolina, authorizing the execution and delivery of related instruments, and determining other matters in connection therewith
- Request the item be moved to today’s Action Agenda in order for funding to be ready when the ambulance being remounted at West Jefferson is completed

The Board had no issues with Mr. Stovall’s request.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on today’s Action Agenda.

### **Proposed Resolution – Vehicle Request for Retiring Sheriff Mike Joyce**

Support Services Supervisor Danny Stovall presented the following proposed Resolution as requested by the Board at the October 25<sup>th</sup> meeting regarding Major Durward Bennett’s request concerning the disposal of Sheriff Mike Joyce’s 2001 Ford Crown Vic:



**Resolution authorizing sale of personal property worth less than \$30,000.00  
(G.S. 160A-266; 267)**

**WHEREAS**, The County of Stokes owns a 2001 Ford Crown Vic; and

**WHEREAS**, North Carolina General Statute, 153A-176, 160A-266 and 160A-267 permits the County to sell such property by private sale at a negotiated price upon authorization by the Board of Commissioners at a regular meeting and notice to the public; and

**WHEREAS**, the Board of Commissioners is convened in a regular meeting;

**THEREFORE, THE BOARD OF COMMISSIONERS OF STOKES COUNTY RESOLVES THAT:**

1. The Board of Commissioners authorizes the County Manager to sell by private sale to Retiring Sheriff Mike Joyce at a negotiated price the following vehicle:  
  
2001 Ford Crown Vic, serial number 2FAFP71W71X163822, with 138,000 miles
2. The Support Services Supervisor shall publish a notice summarizing this resolution, and no sale may be executed pursuant to this resolution until at least ten (10) days after the day the notice is published

Adopted the \_\_\_\_ day of \_\_\_\_\_ 2010.

\_\_\_\_\_  
Jimmy Walker - Chairman

\_\_\_\_\_  
Ernest Lankford – Vice Chairman

\_\_\_\_\_  
J. Leon Inman - Commissioner

\_\_\_\_\_  
Ron Carroll - Commissioner

\_\_\_\_\_  
Stanley Smith – Commissioner

Attest \_\_\_\_\_  
Darlene Bullins  
Clerk to the Board

The Board continued discussion regarding the disposal of Sheriff Mike Joyce’s 2001 Crown Vic.

Vice Chairman Lankford stated the following:

- Would like to see a private sale as allowed by GS 153A-176
- Committee will be formed to secure donations to purchase the vehicle and then transfer to the Sheriff

Commissioner Inman stated that in conversation with Sheriff Joyce, he stated that he does not want any special consideration. Commissioner Inman also noted that at a recent Republican Executive Committee meeting, consensus was the vehicle should be sold at fair market value with no county tax dollars involved – all funding to purchase the vehicle would be donations.

Mr. Stovall confirmed that the private sale would be to a committee and not directly to Sheriff Joyce at a price set by the Board at fair market value.

Commissioner Carroll stated that he had given a lot thought to this request since the last meeting and feels it would be a mistake to deviate from the county’s normal practice which is to sell vehicles at public auction. Commissioner Carroll also stated that he felt the potential harm is a lot more than the potential good.

Commissioner Inman stated that he has no problem with a public auction.

Commissioner Smith confirmed with Mr. Stovall that some undercover vehicles have been recently sold directly to an auto dealer that the County was buying other vehicles from.

Mr. Stovall stated that the normal process for vehicles being taken off the street in the Sheriff's Department is to transfer those vehicles to other departments for 4-5 years then be sold at public auction.

Mr. Stovall requested direction from the Board regarding the placement of the Sheriff's vehicle in another department or going straight to public auction.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on November 22<sup>nd</sup> Action Agenda.

### **Educational Facilities – Continued Discussion**

Finance Director Julia Edwards presented the following financial models prepared by DEC at the request of Board members:

Vice Chairman Lankford requested the following models:

#### **Version 16f**

- Move \$1,195,000 into Capital Fund Balance starting in fiscal year 2012 and every year thereafter
- July 2011- \$26, 575,000 (new elementary school, Southeastern, Community College, Sewer Lines – all projects from Version 15b)

#### **Version 16g**

- Move \$1,000,000 into Capital Fund Balance starting in fiscal year 2012 and every year thereafter
- July 2011- \$20,700,000 (maximum you can issue without adding more than the \$1m year in revenues)

Commissioner Smith requested the following model:

#### **Version 16i**

- March 2011 – New elementary school = \$13,000,000
- July 2011 – Southeastern Middle = \$6,000,000
- July 2013 – Community College and Lawsonville School = \$7,500,000
  - \$6 million for community college
  - \$1.5 million for Lawsonville
- Fund Balance transfers into Capital Fund – F/Y 2011 (current fiscal) = \$1,500,000; F/Y 2012 - \$1,000,000 (from hold harmless)
- With these new assumptions, it looks to be about a 1.9 cents equivalent needs starting in fiscal year 2012 (next fiscal year) in addition to the Fund Balance transfers in fiscal year 2011 and Fiscal year 2012

Clerk Bullins questioned Finance Director Edwards regarding Vice Chairman Lankford's first model being referred to as 16f due to Commissioner Inman's model at the last meeting being noted in the minutes as 16f. Finance Director Edwards noted that Commissioner Inman's model had been identified as another letter 16h by DEC due to when the request was made.

Clerk Bullins noted the change would be made to Commissioner Inman's model (16h).

Chairman Walker noted that the Board had been reviewing financial models for over a year.

Commissioner Carroll requested to address members of the Board of Education, David Burge, and Superintendent Hobbs who were present at the meeting. The Board had no issues with allowing members from the Board of Education, David Burge and Superintendent Hobbs being allowed to speak at today's meeting.

Commissioner Carroll requested information regarding the exact amount needed for renovations/construction for Southeastern Middle School due to two different figures (\$9 million and \$6 million) being presented to the Board.

Dr. Hobbs noted the following response to Commissioner Carroll's request:

- Original proposal dated March 20, 2009 calls for approximately \$9.2 million construction budget which includes total demolition and re-construction, (new construction of "B" building, new construction of "A" building and extensive renovations to the remaining part of the school)
- Proposal dated July 23, 2009 calls for approximately \$5.5 million which is similar to the proposal dated March 20, 2009 except for selective demolition of "A" building and renovation
- Can do everything for \$9.2 million with significant cost savings (15-20% saving for construction cost)
- My recommendation after talking with architects/contractors would be to take any savings (approximately 15-20%) from the new elementary school and allocate it to Southeastern along with a \$6 million dollar appropriation
- Feels that everything can be done at Southeastern Middle School under the current construction cost (if project is done within the next six months) with the savings from the new elementary school and a \$6 million dollar appropriation
- In the proposal dated July 23, 2009, \$500,000 can be eliminated due to the work for the main gym roof, floor, paint, doors, HVAC, auxiliary gym roof, interior paint that was completed in fiscal year 2009-10
- School system has entered into a Guaranteed Performance Contract with Johnson Controls for HVAC, controls, new lighting, some windows, etc.
- If funding is allocated, this would not be done to "A" and "B" Buildings – additional savings

Commissioner Carroll confirmed with Dr. Hobbs that an appropriation of \$6 million dollars along with the savings from the new elementary school (\$13 million) will make Southeastern a functional middle school, a total \$19 million dollar appropriation for a new elementary school and renovations/construction to Southeastern Middle School.

Commissioner Smith confirmed with Dr. Hobbs that there was still approximately \$500,000 left in Contingencies of the Nancy Reynolds Project to relocate the POD to either Lawsonville or Early College site.

Dr. Hobbs noted that the new elementary school and Southeastern are the Board of Education's top two priorities.

Vice Chairman Lankford questioned Dr. Hobbs regarding what kind of funding would be needed to alleviate the overcrowding at Lawsonville if the POD at Pinnacle goes to the Early College site.

Dr Hobbs noted the following:

- 8 classroom addition would cost approximately \$1.5 million
- Original request by the Board of Education was for the POD to go to Lawsonville
- Board of Education is willing to work with the Board of Commissioners regarding the placement of the POD (Lawsonville or Early College)

Commissioner Carroll confirmed with Dr. Hobbs that the Board of Education's next priority (if the POD goes to Early College) following a new elementary school in the Yadkin Township and renovations/construction to Southeastern Middle School would be Lawsonville Elementary School.

Commissioner Inman confirmed with Dr. Hobbs that if the POD goes to Lawsonville, there would be space issues for students next year at the Early College, possibly losing funding.

Dr. Hobbs noted that it has been 3 and ½ years since both Boards set down and discussed building new schools and the time is now to start, we need to put our students in the best facilities possible and eliminate students being in mobile units during lockdowns and severe weather conditions.

Dr. Hobbs invited Board members to attend a walk through at Nancy Reynolds on Wednesday.

Commissioner Carroll noted that he would like to explain his rationale about being so adamant about Southeastern:

- One of my former students whom I taught at Southeastern was having a conversation with her son who attended Southeastern (approximately a year and a half ago)
- Her son came home after attending an away game and stated that he wished he could play all of his games away because he was embarrassed for other schools to come and see where he went to school

Commissioner Carroll stated that he wanted a state of the art middle school for Southeastern and he is tired of talking and ready to vote and has been ready to vote.

Commissioner Smith stated that he is also ready to vote.

Commissioner Smith noted the following:

- Schools have been a priority of this Board during the past four years
- This Board had to position the County financially in order to get approval from the Local Government Commission
- This Board has been a good steward regarding the revenue that comes to Stokes County
- Fund Balance has increased from 9% to 19.4% over the past four years
- County has approximately \$8 million dollars in cash money, LGC requires the County to have at least 8% in Fund Balance which would be approximately \$3.2 million
- Recommendation would be to leave 16% in Fund Balance (approximately 6 million)

- Recommended and discussed his model Version 16i:
  - March 2011 – New elementary school =- \$13,000,000
  - July 2011 – Southeastern Middle = \$6,000,000
  - July 2013 – Community College and Lawsonville School = \$7,500,000
  - \$6 million for community college
  - \$1.5 million for Lawsonville
  - Fund Balance transfers into Capital Fund – F/Y 2011 (current fiscal) = \$1,500,000; F/Y 2012 \$1,000,000 (from hold harmless)
  - With these new assumptions, it looks to be about a 1.9 cents equivalent needs starting in fiscal year 2012 (next fiscal year) in addition to the Fund Balance transfers in fiscal year 2011 and fiscal year 2012
  - Very minimal increase for the average taxpayer with a 2 cent tax increase
- With this model along with the funding allocated for Nancy Reynolds would provide the following:
  - Fixed Nancy Reynolds
  - Will alleviate overcrowding at Pinnacle by leaving a POD at that location
  - Will fix the problem at the Early College temporarily for 3-4 years
  - Will alleviate the overcrowding at Mount Olive Elementary
  - Will alleviate the overcrowding at King Elementary
  - Will alleviate the overcrowding at Lawsonville Elementary
  - Will alleviate the overcrowding and unsafe conditions at Southeastern Middle School
- Reiterated that he is ready to vote with Commissioner Carroll

Vice Chairman Lankford noted the following:

- Remind the Board that when the meeting took place in Germanton, the economic conditions at that time were very good, as of today, they are not very good
- Even though economic times are not very sound, feels that every member on the Board of Commissioners continues to support education and facility construction
- The Board needs to find out and figure out what is the most efficient and effective way to build schools that keeps the tax burden off the people
- Recommended and discussed the following model:
  - **Version 16f**
  - Move \$1,195,000 into Capital Fund Balance starting in fiscal year 2012 and every year thereafter
  - July 2011- \$26, 575,000 (new elementary school - \$13 million, Southeastern - \$6 million, Community College - \$6 million, and Lawsonville School - \$1.5 million - Sewer Lines – all projects from Version 15b)
  - Would need to appropriate \$1,195,000 annually to the dedicated fund
  - Appropriation of \$1,195,000 annually for 20 years with the results building school facilities, community college with no tax increase
  - POD would go to the Early College site
- Commitment of this much funding \$26,575,000 needs to have a bond referendum

Commissioner Inman noted the following:

- Likes the sound of no tax increase
- Concerns of where the \$1,195,000 allocation would come from in Vice Chairman Lankford's model
- Concerns with the hold harmless funding that sunsets in one more year
- Board has discussed each budget year the dangers allocating hold harmless on recurring expenses
- Taxes were lowered two cents in 2004
- Board has been budgeting revenues conservatively
- As a commissioner, have challenged the Board of Education to be accountable for the funding provided by the Board of Commissioners
- Tried to be a good steward of the county's money
- Need for a community college to train the work force to bring economic development to Stokes County
- Very concerned with the recent lockdown at Mount Olive

- This Board has increased the fund balance to build schools
- Commitment to the citizens is to guard and spend the county funds wisely
- Cost of education is not cheap, consider the alternative
- LGC states that if you have an eminent need to build schools and put it out for a bond referendum and it fails, it doesn't relieve the Board's obligation to build schools

Chairman Walker noted the following:

- Commissioner Carroll - ready to move to Action Agenda
- Commissioner Smith - ready to move to Action Agenda
- Vice Chairman Lankford - prefers bond referendum
- Commissioner Inman - open to consider either a bond referendum or a vote

Commissioner Carroll moved that this item be advanced to the Action Agenda for this Board to act on one way or the other today. Commissioner Smith seconded the motion.

Commissioner Smith noted the following:

- Understands fellow members wanting a bond referendum, but a referendum would delay the projects at least a year and cost the county a minimum of \$20,000 to \$25,000
- Continuing the path started with the allocation to the Nancy Reynolds which did not go out for a bond referendum

Vice Chairman Lankford noted the following:

- Feels the Board is taking quick action on this very important issue
- Need very concrete numbers on the items that have been identified
- Don't feel those numbers have been offered by the Board of Education
- Don't feel that the Board of Commissioners has done its homework regarding the cost of a community college
- Don't feel that a bond referendum would cost \$20,000 and that much more funding has been approved for other issues nowhere near as important as education/school facilities
- Board is "jumping the gun" by pushing this to today's Action Agenda
- Trying to get as much information as possible before making a decision that allocates \$26.5 million dollars
- Don't agree with moving the item to today's Action Agenda

The motion carried (4-1) with Vice Chairman Lankford voting against the motion.

### **Code of Ethics – Further Discussion**

Clerk Darlene Bullins noted the following regarding the information provided to the Board of Commissioners regarding the Code of Ethics:

- Following included in today's Agenda packet:
  - Overview requirements for the Code of Ethics
  - Stokes County Code of Ethics adopted in 2002
  - Code of Ethics from Davidson, Davie, Forsyth, Guilford, Orange, Surry counties, Stokes County Board of Education, Village of Whispering Pines
  - Legal opinion from County Attorney Edward Powell and Attorney Fleming Bell
- Code of Ethics must be adopted by January 1, 2011
- Fleming Bell, School of Government, noted that the Code of Ethics adopted by previous board remains in effect for the present board and does not have to be readopted each time a new board takes office

- Fleming Bell also noted that the current code does address most of the five areas, but suggested it could be shorter and perhaps cover a narrower range of subjects
- Fleming Bell questioned some components of the current Code of Ethics

Commissioner Carroll noted contrary to Fleming Bell’s response that the current Code of Ethics states that the provisions of the Stokes County Code of Ethics shall be effective December 2, 2002 and shall apply to all County Commissioners holding office on that date, which applies only the Commissioners holding office on that date.

Chairman Walker, with full consensus of the Board, directed the Clerk to have the County Attorney take the comments from Fleming Bell and draft a Code of Ethics for the new Board’s review at the first meeting in December – Discussion Agenda.

Chairman Walker directed the Clerk to provide Board members a copy of the draft as soon as it is completed by Attorney Powell.

**Draft RFP for Stokes Reynolds Memorial Hospital, Inc.**

Chairman Walker noted that the following RFP for Stokes Reynolds Memorial Hospital along with the Proposed Resolution to Sell, Lease of Convey Stokes Reynolds which was included in today’s Agenda material:

**Re: Proposals for the Lease, Sale or Conveyance of Stokes-Reynolds Memorial Hospital**

Dear \_\_\_\_\_,

On \_\_\_\_\_, 2010, the Board of Commissioners (the “Board of Commissioners”) of Stokes County, North Carolina (the “County”) adopted a resolution (the “Resolution”) declaring its intent to sell, lease, or convey Stokes-Reynolds Memorial Hospital (the “Hospital”). In accordance with the Resolution and the provisions of Part 1, Article 2, Chapter 131E of the NC General Statutes (the “Statute”), the Board of Commissioners is required to solicit proposals for the sale, lease or conveyance of the Hospital. The purpose of this letter is to invite your organization to submit a proposal. (copies of the Resolution and the Statute are enclosed for your reference.) The County is under no obligation or responsibility to accept any proposal and reserves the right to reject any and all proposals.

The Hospital is owned by the County and is operated by Stokes-Reynolds Memorial Hospital, Inc., a nonprofit corporation (the “Corporation”), pursuant to a lease agreement (the “Lease”) between the County, as Lessor, and the Corporation, as Lessee. The Lease will terminate upon the closing of the sale of the Hospital assets to the Purchaser.

It is the intention of the County to sell the Hospital, but proposals for the lease of the Hospital real estate and the sale of the personal assets will be considered. The County will require, as a condition to the sale or lease of the Hospital, that the buyer or lessee (the “Purchaser”) agree to replace the Hospital’s inpatient hospital facility with a new inpatient hospital facility within a reasonable period of time **and revert the existing facility back to the County.** The County will require that location of the replacement hospital be consistent with the CMS requirements for the relocation of a Critical Access Hospital and that it be within an approximately three-mile radius of the **current Hospital in Danbury.**

In addition to the condition regarding the replacement of the inpatient facility, the following specific provisions listed in the Statute will be included in the lease, sale or conveyance document:

1. The Purchaser shall operate the Hospital, including the replacement inpatient facility, as a community general hospital open to the general public and free of discrimination based on race, creed, color, sex, or national origin.

2. The Purchaser shall continue to provide the same or similar clinical hospital services in medical-surgery, pediatrics, outpatient and emergency treatment, including emergency services for the indigent, that the Hospital provided prior to the lease or sale of the Hospital.

3. The Purchaser shall ensure that indigent care is available to the population of the area served by the Hospital at levels related to need, as previously demonstrated and determined mutually by the County and the Purchaser.

4. The Purchaser shall not enact financial admission policies that have the effect of denying essential medical services or treatment solely because of a patient's immediate inability to pay for the services or treatment.

5. The Purchaser shall ensure that admission to and services of the Hospital are available to beneficiaries of governmental reimbursement programs without discrimination or preference because they are beneficiaries of such programs.

6. The Purchaser shall prepare an annual report to the County that demonstrates compliance with the requirements of the lease or sale documents.

The Purchaser shall agree that if it fails to substantially comply with the foregoing conditions, including without limitation, the replacement of the Hospital's inpatient facility with a new inpatient facility, or if it fails to operate the Hospital as a community general hospital, or if it dissolves without a successor corporation to carry out the terms and conditions of the lease or sale documents, then all ownership or other rights in the Hospital, including the building, land and equipment associated with the Hospital, shall revert to the County; provided that any building, land or equipment associated with the Hospital that the Purchaser has constructed or acquired since the sale or lease may revert only upon payment to the Purchaser of a sum equal to the cost less depreciation of the building, land or equipment.

The County expects to select the Purchaser from its careful examination of the proposals and to thereafter enter into negotiations with the selected party relating to a definitive agreement or agreements. However, the County reserves the right to reject any or all proposals for reasons sufficient to the Board of Commissioners in its sole and absolute discretion.

The County will require the Purchaser to reimburse the County for its professional expenses in preparing this RFP and in connection with the sale or lease transaction, including without limitation, legal and consulting fees and expenses.

The County will require the Purchaser to provide professional liability coverage (i.e. "Tail Coverage") to protect the County against liability for claims arising prior to the purchase of the Hospital

### **Hospital Description**

Stokes-Reynolds Memorial Hospital (License #H0165) is a federally recognized Critical Access Hospital with two campus locations; Stokes-Reynolds Memorial Hospital in Danbury and Dr. J.R. Jones Medical Center in King. These are described as follows:

Stokes-Reynolds Memorial Hospital, Inc. ("SRMH")  
1570 NC Hwy 8 & 89 North  
P.O. Box 10  
Danbury, NC 27016

The SRMH campus in Danbury includes a full time Emergency Department with 9 treatment rooms and 53 licensed inpatient general acute care beds (25 of these beds are staffed) and 40 nursing facility beds that comprise the Stokes-Reynolds Skilled Nursing Facility. This hospital campus location provides diagnostic imaging services including fluoroscopy, echocardiography, vascular studies and ultrasound. Surgical capacity at this location includes two licensed operating rooms that serve both inpatients and ambulatory patients. Ancillary services include laboratory, physical therapy, occupational therapy, respiratory therapy and pulmonary rehabilitation, diabetes education



and outpatient behavioral health. The Hospital also operates Stokes Medical Associates family practice and Stokes Medical Associates-Pediatrics which are located on the Danbury campus. The total gross square footage of the hospital facility in Danbury is 52,330.

Dr. J.R. Jones Medical Center  
 402 West King Street  
 P.O. Box 410  
 King, NC 27021

Located in southwestern Stokes County, the Dr. J.R. Jones Medical Center is licensed as part of Stokes-Reynolds Memorial Hospital and includes ambulatory surgery, endoscopy and outpatient diagnostic services, including laboratory. Two ambulatory operating rooms are located in the facility. Dr. J.R. Jones Medical Center provides emergency services Monday through Friday from 8:00a.m to 12:00 Midnight and weekends & holidays from 9:00a.m to 12:00 midnight. Imaging services include a CT scanner, a radiography and fluoroscopy room and computed radiography. The Dr. J.R. Jones Medical Center totals 12,378 square feet.

In addition to the above hospital facility locations, the Hospital provides outpatient services in leased space at the Stokes Medical Center Park office building 167 Moore Road, King NC. Hospital-owned imaging equipment at this location includes ultrasound, radiography unit, bone density unit and mammography. At this location, the hospital also provides physical therapy and occupational therapy services through a contract services agreement. The Hospital also operates the King Comprehensive Wound Center at this location. In addition, the Hospital partners with specialty physicians to provide Dermatology, Orthopedics, Podiatry and Urology services at Stokes Medical Center Park.

**Property, Facilities and Equipment**

The land, buildings and physical property owned by the hospital is described in the attached spread sheet entitled “Stokes-Reynolds Memorial Hospital, 2010-2011 Statement of Values.

**CON Applications**

According to hospital officials, there are no CON applications that are pending review or development.

**Service Area Demographics**

The majority of inpatients and long-term care patients originate from Stokes County, making it the primary services area for Stokes-Reynolds Memorial Hospital. Ambulatory surgery patients and endoscopy patients who obtain service at Dr. J.R. Jones Medical Center reflect a mix of patients with most originating from Stokes and Forsyth County.

The following table provides the total population data for Stokes and Forsyth Counties.

	2010	2015	% Growth
Stokes County	46,958	47,700	1.6%
Forsyth County	361,444	390,369	8.0%

North Carolina Office of State Budget and Management, July 2, 2010  
 www.osbm.state.nc.us

A high percentage of Stokes County inpatients and ambulatory patients are served by Forsyth Memorial Hospital and North Carolina Baptist Hospital. While these facilities offer considerable depth of tertiary care in Winston-Salem, Stokes-Reynolds Hospital fulfills a vital role in providing access to Emergency Department, outpatient and inpatient care as well as nursing facility care to Stokes County residents within their home county.

**Financial Statements**

Copies of the Hospital’s audited financial statements for the fiscal years ended June 30, 2008 and June 30, 2009 and interim financial statements through February 28, 2010, are enclosed with this letter.

## **Proposals**

Your proposal should be in writing, signed by an authorized person, and received by the undersigned no later than 5:00 pm on \_\_\_\_\_, 2010. My mailing address is Post Office Box 20 Danbury, NC 27016 and my office is located in the Stokes County Administration Building, located at 1014 Main Street, Danbury, North Carolina 27016. Requests for additional information should be submitted to me. You are invited to visit the Hospital. Please call me to schedule your visit. My telephone number is (336) 593-2448 and my fax number is (336) 593-2346.

Please provide us with six (6) copies of your proposal and an electronic copy, which may be in the form of a compact disk or an attachment to an e-mail. The electronic copy should be in PDF format.

All proposals will be evaluated as submitted; provided that the County reserves the right to request more information. Although your proposal will be a public document, it will be reviewed by the Commissioners in closed session, and will be made available to the public when the County gives notice of a public hearing on the proposals.

## **Information Regarding the Proposing Company**

Please provide the following information in your proposal.

1. The full name of your company (the "Company"), its state of organization, the date of its organization, its mailing and street addresses, telephone number and the name of the person to contact. Please provide the same information for each subsidiary and affiliate of the Company which is engaged in the operation of a hospital (each, a "Subsidiary" and collectively, the "Subsidiaries").

2. The name of the directors and principal officers of the Company and each Subsidiary, and a brief summary of the experience of each person in the healthcare industry.

3. Copies of the audited financial statements of the Company and each Subsidiary (including all footnotes and auditor's letters) for the last three fiscal years and unaudited interim statements for the current period. Please provide us with a copy of the attorneys' letters regarding pending and threatened claims and investigations for the Company and each Subsidiary for each of the last three fiscal years.

4. A list of all hospitals owned and/or operated by the Company and its Subsidiaries, including the mailing addresses, telephone numbers and persons to contact for each hospital. Please indicate which of these are Critical Access Hospitals.

5. A statement as to whether or not the Company, any Subsidiary or any shareholder, officer or director of the Company or any Subsidiary has ever been suspended or excluded from or denied participation in any federal health care program, including without limitation Medicare, Medicaid and TRICARE. Please indicate whether there are any threatened or ongoing investigations relating to Medicare, Medicaid or TRICARE.

6. A statement as to whether or not the licensure or accreditation of the Company or any Subsidiary, or any hospital owned or operated by the Company or any Subsidiary of the Company, has ever been suspended, revoked or denied.

7. A listing of the insurance coverage maintained by the Company and each Subsidiary, including without limitation, professional liability, general liability and officers and directors coverage. Please include the name of each insurance company and provide the coverage limits and deductibles under each policy.

8. A copy of the indigent care policies in effect at hospitals owned or operated by the Company and any Subsidiary of the Company.

9. A copy of the most recent community benefit report or reports of the Company and its Subsidiaries.

10. A complete list of services provided by the hospitals owned and operated by the Company and its Subsidiaries.

## **Matters to be Discussed in the Proposals**

Please discuss the following matters in your proposal:

1. How you propose to structure the transaction, including the amount you are willing to pay for the purchase or lease of the Hospital real estate and the purchase of the non-real estate Hospital assets.
2. Describe your vision for providing health care services in the Hospital's service area and strategy the Company plans to employ to implement any changes necessary to achieve the vision
3. How you propose to grow the Hospital's inpatient and outpatient volumes.
4. Describe your plan to reduce patient outmigration.
5. Give examples of successful growth strategies that the Company has utilized.
6. Do you plan to make changes to the medical staff structure at the Hospital? If so, please describe your proposed changes.
7. Does the Company or any of its Subsidiaries operate a hospitalist program? If so, please describe the program.
8. Specifically describe the Company's experience in physician recruitment and management of physician practices. What financial arrangements (income guarantees, loans, other financial assistance) does the Company contemplate using when recruiting physicians?
9. Please describe the Company's policies and programs regarding access to care for indigent and uninsured residents, including your specific experience with providing indigent care.
10. Please describe how you determine charity care as opposed to bad debts.
11. Describe the commitment to help the Hospital access sufficient capital to address its facility, physician recruitment and other requirements for long-term financial stability and ability to support clinical excellence in the future.
12. Describe the information technology features the Company could offer to the Hospital.
13. Your commitment to continued employment of current Hospital employees and continuation of equivalent benefits, including without limitation, retirement benefits.
14. Your commitment to plan, develop construct and license a new hospital facility within five (5) years.
15. Your record of regulatory compliance.
16. Your commitment to maintain appropriate amounts of insurance coverage including without limitation, professional liability coverage and "tail" coverage to protect the County after the lease or sale of the Hospital.
17. Information demonstrating that the lease, or sale of the Hospital to your organization will provide for the health-related needs of medically underserved groups such as low income persons, racial and ethnic minorities, and handicapped persons.
18. Information on charges, services, and indigent care at similar facilities owned or operated by the Company and its subsidiaries.

19. Please indicate whether you are willing to pay or reimburse the County for the costs of professional fees in connection with the development of this RFP and relating to the sale or lease of the Hospital.
20. Please provide information and examples of your commitment to support psychiatric and mental health services and coordination of care through the hospital emergency department. Please describe your experience regarding innovative methods for assessment and coordination of care or including telepsychiatry.
21. Please describe your proposal for relocating or replacing the Stokes-Reynolds Skilled Nursing Facility.
22. Your commitment to support Stokes County Emergency Medical Services capability to maintain an “*EMS crew station / on-call room*” at the existing and anticipated replacement hospital facility.
23. Information and examples of your commitment to support Stokes County EMS and other County Departments ability to obtain physician examination of employees with workers compensation injuries during and after normal business hours.
24. Your commitment to support public health initiatives including contract staffing for part-time, shared positions including physician’s assistant and nurse practitioner, provided by the hospital to the Stokes County Public Health Clinics and the Hospital's continued participation in Grant funded programs with the Health Department.
25. Your commitment to support public health initiatives including Healthy Carolinians and other programs.

Please contact the undersigned for more information regarding the Hospital and to schedule a visit to the Hospital

Thank you very much for your interest in this important matter.

Sincerely,

Bryan Steen  
County Manager

cc: Stokes County Board of Commissioners

Enclosures:

Resolution  
Statute  
Financial Statements

**Proposed Resolution – of Intent to Sell, Lease, or Convey Stokes Reynolds Memorial Hospital**

**RESOLUTION DECLARING THE INTENT OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF STOKES, NORTH CAROLINA TO LEASE, SELL OR CONVEY STOKES-REYNOLDS MEMORIAL HOSPITAL**

**WHEREAS**, Stokes-Reynolds Memorial Hospital (the “Hospital”) is owned by the County of Stokes, North Carolina (the “County”); and

**WHEREAS**, the Hospital consists of the Stokes-Reynolds Memorial Hospital inpatient hospital facility located at 1570 NC Hwy 8 & 89 North, Danbury, North Carolina, and the J. R. Jones Medical Center outpatient facility located at 402 West King Street, King, North Carolina; and

**WHEREAS**, the Hospital also includes a forty (40) bed skilled nursing facility located at 1570 NC Hwy 8 & 89 North, Danbury, North Carolina; and

**WHEREAS**, the Hospital is operated as a community general hospital by the Stokes-Reynolds Memorial Hospital, Inc. Board of Trustees; and

**WHEREAS**, The Board of Commissioners of the County (the “Board of Commissioners”), is interested in receiving proposals for the lease, sale or conveyance of the Hospital and intends to negotiate a contract to sell, lease or convey the Hospital; and

**WHEREAS**, any lease, sale or conveyance of the Hospital by the Board of Commissioners (i) shall be pursuant to the authority granted to the County by Part 1, Article 2, Chapter 131E of the North Carolina General Statutes (the “Statute”), and (ii) shall be in compliance with the procedures set out in the Statute, and any document of sale or lease shall include the conditions required by the Statute;

**WHEREAS**, in compliance with the Statute, the Board of Commissioners has given notice by publication of its intent to lease, sell or convey the Hospital and has given notice by certified mail to certain agencies of the State of North Carolina, as required by the Statute; and

**WHEREAS**, there has been presented to the Board of Commissioners a Request For Proposals for the lease, sale or conveyance of the Hospital which the County intends to send to prospective lessees and buyers.

**NOW, THEREFORE, THE BOARD OF COMMISSIONERS OF THE COUNTY OF STOKES, NORTH CAROLINA RESOLVES AS FOLLOWS:**

(1) The Board of Commissioners hereby declares its intent to lease, sell, or convey Stokes-Reynolds Memorial Hospital, pursuant to terms and conditions negotiated by the Board of Commissioners.

(2) The Board of Commissioners hereby approves the form and content of the Request For Proposals (the “RFP”) and hereby authorizes the County Manager of Stokes County to provide a copy of the RFP to any person who requests a copy.

(3) The County Manager shall directly solicit proposals for the lease, sale, or conveyance of the Hospital from the entities listed on Exhibit “A” attached hereto. Each such solicitation shall include a copy of the RFP and a copy of the Statute. All proposals for the lease, sale, or conveyance of the Hospital must be received by \_\_\_\_\_, 2010, in order to be considered by the Board of Commissioners.

(4) Any entity interested in leasing or purchasing the Hospital shall provide to the County Manager information as to charges, services and indigent care at similar facilities owned or operated by the proposed lessee or purchaser.

(5) The Board of Commissioners reserves the right to reject any and all proposals and to accept the proposal that it determines, in its sole and absolute discretion, is in the best interests of Stokes County and its citizens.

(6) The Board of Commissioners intends to negotiate a contract for the lease, sale, or conveyance of the Hospital with the entity that submits the proposal accepted by the Board of Commissioners.

(7) A public hearing on this Resolution of Intent shall be held on \_\_\_\_\_, 2010, at 9:\_\_\_\_ a.m. in the Commissioners Chambers, Administration Building, 1014 Main Street, Danbury, North Carolina 27016

Adopted this \_\_ day of \_\_\_\_\_ 2010

\_\_\_\_\_  
Jimmy Walker, Chairman  
Stokes County Board of Commissioners

\_\_\_\_\_  
Attest: Darlene Bullins  
Clerk to the Board of County Commissioners

Chairman Walker opened the floor for discussion.

Commissioner Carroll moved that this item be tabled until after the Board of Trustees meets on the 12<sup>th</sup> and then be placed on the Board of Commissioner November 22<sup>nd</sup> Agenda. Vice Chairman

Lankford seconded the motion.

Commissioner Inman confirmed with Manager Steen that this is the most updated version of the RFP which includes changes made by the Board of Commissioners.

The motion carried unanimously.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on the November 22<sup>nd</sup> Discussion Agenda.

### **Home Health Relocation – Further Discussion**

County Manager Bryan Steen provided the following additional information requested by the Board at the October 25<sup>th</sup> meeting regarding the relocation of Home Health:

- Available office space on main campus:
  - Administrative Building
    - Two offices on third floor
  - Courthouse
    - Former Environmental Health Office, lower floor of courthouse
    - FTCC offices and classrooms if FTCC operations are moved to Meadows Campus (approximately 2,858 sq. feet)
  - DSS Building
    - DSS Conference Room, 590 sq. feet
    - Home Health Conference Room, 240 sq. feet
  - Health Department Building
    - Conference Room 193 sq. feet
- The three conference rooms identified could be considered duplicative in their use as conference rooms and meetings held in these rooms could possibly be held in the third floor conference room of the Administrative Building or FTCC courthouse space not actively in use during the time of need
- This could increase the use of the third floor conference room and FTCC space and the reallocation of current conference room space to meet office space needs in an expeditious and cost effective manner
- Modular Building
  - Building can be moved to our campus, but there will be costs:
    - Tear down/transport (approximately \$12,000 set up fee)
    - Town of Danbury zoning compliance permit application (\$35 cost)
    - Site preparation cost for water and sewer line extension that can't be calculated until a location is established
    - Parking lot and ADA building accessibility cost, to include handicapped parking, may also be incurred depending on the topography of the site selected
- Response from Director Ann Watts – FTCC:
  - Conference space is provided to EMS and Sheriff's Department when needed
  - Would be glad to accommodate additional needs as our space would allow
  - Understand the old judges' chamber that is now behind security doors is longer used by FTCC and is available all day
  - There could some additional classroom space available on a limited basis
- Response highlights from DSS Director Kristy Preston
  - Position of DSS remains that the space occupied by Home Health and other Health Department staff in the DSS building would be returned to DSS for the agency's staff needs as approved on June 14<sup>th</sup> by the BOCC
  - The needs of DSS remain as urgent now as they were in April of 2010, if anything the needs have increased with the addition of three new workers approved in the FY 10-11 budget
  - DSS position is that there should be no further delay, the matter has been delayed for some time already and DSS is simply not in a position to continue to postpone this matter
  - Currently, there is no office designated as storage

- Every available office space is used to house at least one employee with several offices housing more than one employee
- Several rooms that were not designated for office space are now being used as such
- Every available space in the building is use for some type of storage
- Agency records contain highly confidential information and must be stored in a safe and secure facility, protected from fire, other damage and theft
- Depending on the service area, agency records must be retained for varying amounts of time
- Agency has a designated file room upstairs that is filled almost to capacity with closed files
- 145 copier paper boxes are filled with closed files are stored around the agency with 22 filing cabinets filled with closed files along with 8 filing cabinets filled with CPS files downstairs
- 142 copier paper boxes are stored at an offsite facility at a cost of \$50 per month
- At this time, DSS is not aware of any program at the Department that could be more effectively or efficiently administered offsite, could possibly consider staff being placed at the King office, this would need additional study and should be considered for long-range planning
- There are five individuals with office space located at DSS with whom the agency contracts to provide various mandated services which DSS feels should remain housed at DSS
- One NCCN employee has office space in the building because the individual works closely with the agency's Medical population
- Without additional funding, creating a paperless office is not an option that DSS can pursue at this time
- At this time, there is no space underutilized, Library and Conference Room are used for many different purposes
- As of November 2<sup>nd</sup>, no information has been received from Health Director Swift to review regarding relocation of Home Health
- Remain open to consider any proposals, but currently I am not aware of any other options to alleviate the space issue at DSS beyond asking the Health Department to seek out an alternative location for those housed in the DSS building
- Response highlights from Director Josh Swift:
  - Board of Health motion – The Stokes County Board of Health has made a motion that Home Health not be moved at this time. The BOH also has requested that Happy Hills not be an option for moving or storage. The BOH also requests that DSS and SFHC move items to an appropriate storage area and then examine move options for each department
- Moving individuals to a new facility will incur the cost of lost productivity during a move, this would be a significant cost to Home Health since their budget is based solely on revenue (estimate 3-5 days for relocation)
- Other costs – Phone and internet would be more expensive at a location outside the complex
  - Phone costs – estimated at additional annual expense of \$3600
  - Internet Access – estimated cost will increase by over 200% (\$44 per month to \$100 per month)
  - Cost for painting, utilities, shelving, flooring, etc.
- DSS and Home Health correspond daily and any move will interrupt the current work arrangement
- Phone numbers would be changed and could lead to less referrals = less revenue
- Needs Assessment:
  - Preparedness Coordinator could be moved to the 3rd floor of the Administrative Building or the POD at Stokes Reynolds, but must have a room to store preparedness supplies that can be accessed 24/7
  - Care Manager and Health Check Coordinator could be moved to the POD at Stokes Reynolds
  - Baby Love could be moved to another location
  - Break room could possibly be converted to an office space since a larger break room exists in the bottom floor of the DSS building

- Staffing:
  - With a total of 47 staff in 4 locations, concerned about spreading Stokes Family Health Center to other locations – DSS only has staff at the Danbury location with no other sites at this time
- Storage:
  - Three rooms in Home Health are designated solely for storage
  - Clinic has one storage area
  - Depending on the program, agency records must be retained for varying amounts of time
- King Facility:
  - One social worker has an office at the King Clinic
  - WIC – Tuesdays
  - Adult Primary Clinic – Wednesdays
  - Would like to see a 5 day per week presence in King over the next 3-5 years
  - Other clinics are held at during the year, flu, sports physicals, etc
- Conference Room:
  - Could use the third floor of the Administrative Building
  - Conference room is used for leadership meetings, state consultants, etc., would prefer that the conference room remain as is
- Ideas:
  - NC Office of Rural Health will send an architect to assess our clinic set up and offer suggestions to better utilize space at no cost
- Not against moving staff within their current space or using other available areas but feel that all options must be examined before making any moves
- Concerns with personal items being maintained in DSS office such as refrigerators, microwaves, etc. which take up more space than filing cabinets
- Need to investigate creative ways to conserve space and resources

Manager Steen requested the Board help to narrow down the focus so detailed information could be obtained.

Manager Steen offered other options for consideration which have not been to the DSS and Health Directors nor to their boards:

- Modular unit be moved to the county campus in Danbury
- Move modular unit to another location in Stokes County
- Leave the modular unit at the current location for storage and limited relocation of Home Health staff
- Leave the modular unit at the current location for storage and relocation of all Home Health staff
- No change – keep things as they are at current locations
- No change of Home Health and convert DSS conference room to office space for DSS staff
- DSS staff take Home Health space and convert DSS Conference room to office space and storage for Home Health
- Relocation of Emergency Preparedness Coordinator and supplies to the former Environmental Health office located in lower level of the government center
- Relocate Home Health billing staff to the conference room in the Health Department and leave remaining Home Health in current location
- Variation of any of these options can be considered
- \$20,000 has been allocated for the relocation

Manager Steen requested direction from the Board regarding whether options developed should be presented to the DSS and Health Boards for comments before returning to the Board.

Chairman Walker opened to floor for discussion.



Commissioner Inman confirmed with Board members that Happy Hills has been taken off the table for relocation of Home Health.

Commissioner Carroll, who serves as the BOCC representative on the Board of Health, noted that the concern of the Board of Health is not disrupting Home Health which any move would involve shutting down the operation for a period of time which would result in a decrease in revenue. Commissioner Carroll suggested looking at moving everyone/everything except Home Health which would free up five offices for office space and storage and moving the modular unit from the hospital to government center for storage for all department and possible office space for those being relocated from the Home Health space. Commissioner Carroll suggested looking at using the third floor conference room in this building, Commissioners' Chambers could be used for meetings as used in the past.

Vice Chairman Lankford feels the modular unit at its present location could be used for storage and those being relocated from Home Health be located in other areas on the government center complex. Vice Chairman Lankford also suggested looking into the old prison campus for storage. Vice Chairman Lankford agreed with Commissioner Carroll that everyone/everything should be relocated from the DSS Building except Home Health.

Commissioner Smith agreed with Commissioner Carroll regarding no disruption to Home Health and they should remain where they are and that last resort should be using the DSS conference room, it is used tremendously for meetings, training sessions, etc.

Chairman Walker, who serves as the BOCC representative on the DSS Board, noted that the DSS Board had discussed the issue regarding using the conference room as office space and agreed that the conference room should remain as is.

Commissioner Inman noted that there has been a tremendous amount of time spent on this issue and that the County Manager, DSS Director and Health Director should be able to work out this situation.

Vice Chairman Lankford suggested that the County Manager, DSS Director and Health Director work out some type of situation to this issue.

Commissioner Carroll had no issue with the Manager, DSS and Health Director working out the situation, but would like to include the following caveats:

- Solve the original request of office space for DSS
- Do not disrupt Home Health in the process

Chairman Walker, with full consensus of the Board, directed the County Manager to work with the DSS and Health Directors to develop an agreeable proposal for Board to consider at the next meeting.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on the November 22<sup>nd</sup> Discussion Agenda.

### **Personnel Policies Handbook – Proposed Revisions**

County Manager Bryan Steen presented a proposed revised personnel policies handbook which includes recommendations from a personnel committee for the board's review.

Manager Steen requested direction from the Board regarding the changes, deletions, and additions included the recommendations. Manager Steen noted that a few grammatical changes would be done before the next meeting.

Commissioner Carroll requested the Board review two issues:

- Promotions/Reclassification/Grade Change - Additional wordage needs to be added that when an employee receives a promotion that includes increased responsibilities, even if it does not involve a grade change, the employee would receive the 4% salary increase
- Political Activity – Deleting (item 6) appear at voting location on behalf of any candidate or party or serve as an elections official.

The Board discussed Commissioner Carroll's request regarding an employee on the same grade who receives a promotion with added responsibilities receiving a 4% increase.

The Board had no issues with adding the wordage, but recommended wordage be added that the Department Head would present justification to the county manager indicating the increased responsibilities for consideration of the 4% salary increase for the Manager's consideration and that department heads would have an appeal to the Board of Commissioners if the salary increase is not approved by the Manager.

Commissioner Carroll stated that he was unsure about deleting item #6 under Political Activity, the policy was put originally adopted in the 80's to take the political pressure off the employees, such as campaigning for an individual.

Personnel Officer/Clerk Darlene Bullins noted that the committee felt that item #6 under Political Activity questioned whether the employee's constitutional rights were being violated since the employee was using personal leave to be able to participate at the voting location or serve as an election official. Clerk Bullins noted that the recommendations have been sent to the county attorney for legal review and this particular item had been identified to the county attorney for specific review.

Chairman Walker stated that he had concerns with an employee not being able to appear on behalf of a candidate at a voting location or serve as an elections official if they were using approved leave for the day.

Commissioner Carroll objects strongly about employees serving as an election official since that could take a decision away from department heads regarding whether the employee is able to be off that particular day which could put an unfair burden on the department.

Chairman Walker stated that he doesn't agree that an employee should not be able to serve as an election official if the employee has followed the proper procedure in obtaining the time off.

Commissioner Inman suggested including the requirements of the new general statute regarding the release of personnel records in the revised handbook.

Chairman Walker directed the Clerk to seek legal opinion from the county attorney regarding the new general statute about the release of personnel records and the concerns presented by Board members regarding political activity.

Clerk Bullins requested direction from the Board regarding the development of an unpaid leave policy up to six months following Family/Medical Leave. Clerk Bullins noted that several counties offer an unpaid leave policy in which the employee pays their insurance premiums.

Chairman Walker, with full consensus of the Board, directed the Clerk to submit an unpaid leave policy for the Board's consideration.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on the November 22<sup>nd</sup> Discussion Agenda.

### **Job Vacancies**

County Manager Bryan Steen presented the following vacancies:

- Telecommunicator – will be vacant on November 5<sup>th</sup>
- Income Maintenance Caseworker – will be vacant on November 12<sup>th</sup>

Manager Steen recommended filling of both positions and noted that both directors requested that the positions be filled as soon as possible and that the items be moved to today's Action Agenda.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on today's Action Agenda.

## **Appointments**

Clerk Darlene Bullins presented the following information regarding appointments to the Juvenile Crime Prevention Council:

- JCPC recommends Destiny Carpenter as a student representative from South Stokes High School and Jesse Eads as a student representative from North Stokes High School
- These positions don't have to be advertised due to the position must be filled by a student representative
- Each school recommended the representative to serve

Commissioner Smith, who serves as the BOCC representative on the JCPC, nominated Destiny Carpenter and Jesse Eads to serve as student representative.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on the November 22<sup>nd</sup> Action Agenda.

## **Homeland Security Grant**

Emergency Medical Services Director Monty Stevens presented the following information regarding a Homeland Security Grant:

- Joe Wright, Office of EMS, notified Stokes County on Friday, November 5<sup>th</sup> that a Homeland Security Grant had been awarded NC Baptist Hospital
- The Grant was for government entities and Baptist was awarded this latest grant because of the lease agreement with Stokes Reynolds
- Since the lease is no longer in effect, Baptist has been declared as ineligible and the state is looking for someone to help with this project
- Project is very time sensitive and the state needs an answer quickly
- Grant totals over \$358,000
- \$308,696 is earmarked for Surge Cases and Surge Tents which will increase the hospitals capability during times of disaster and can be deployed to disaster areas
- \$50,000 is earmarked for a prime mover for trailers
- Purchases can be invoiced to the state without any use of county funding
- In the spirit of cooperation with Baptist, we could take delivery of the surge cases and tents and then adopt an agreement with Baptist and turn the equipment over to them to be utilized both locally and regionally
- The prime mover can be utilized to move trailers that are currently in Stokes County, as well as, assist in moving the equipment for Baptist in times of disaster and during exercises
- The prime mover will have to be licensed and insured by Stokes County
- DHS will not allow us to hand over or even lease the vehicle back to Baptist
- The prime mover cannot be used for day-to-day operations such as a supervisor's vehicle
- Information received from Joe Wright today indicates that Baptist is also working with Davidson County regarding the grant
- Request direction from the Board regarding the County's desire to proceed with the grant and development of an agreement with Baptist to either turn part or all of the equipment

The Board discussed the Grant with Director Stevens.

Chairman Walker, with full consensus of the Board, directed the Clerk to place the item on today's Action Agenda.

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

**Board of Education – Request – Relocation of POD**

Commissioner Smith requested the Board move the item to follow Item F - Educational Facilities or either incorporate the item with Item F.

The Board discussed placing the item after Item F.

Chairman Walker, with full of the Board, directed the clerk the place the after Item F, labeled as F1.

**Proposed Resolution – Presentation of Service Badge to Retiring Law Enforcement Officer**

Chairman Walker entertained a motion.

Vice Chairman Lankford moved to approve the following proposed Resolution to present Sheriff Mike Joyce his service badge upon retirement:

**Resolution per North Carolina General Statute 20-187.2.A**

**WHEREAS**, Mike Joyce is retiring as Sheriff of Stokes County on November 30, 2010; and

**WHEREAS**, Mike Joyce has been a dedicated Sheriff to the citizens of Stokes County from December 3, 1990 through November 30, 2010, and

**WHEREAS**, North Carolina General Statute 20-187.2 (a), permits Stokes County to donate the badge worn at no cost to retiring law enforcement officers; and

**THEREFORE, THE BOARD OF COMMISSIONERS OF STOKES COUNTY RESOLVES THAT:**

- 1. Major Durward Bennett is authorized to present to Sheriff Mike Joyce his Stokes County Sheriff's Department issued badge at no cost.

Adopted this the \_\_\_ day of \_\_\_\_\_ 2010.

\_\_\_\_\_  
Jimmy Walker - Chairman

\_\_\_\_\_  
Ernest Lankford – Vice Chairman

\_\_\_\_\_  
J. Leon Inman - Commissioner

\_\_\_\_\_  
Ron Carroll - Commissioner

\_\_\_\_\_  
Stanley Smith – Commissioner

Attest \_\_\_\_\_  
Darlene Bullins  
Clerk to the Board

Commissioner Inman seconded and the motion carried unanimously.

**Sheriff Department – Equipment Request – Computers for Patrol Vehicles**

Chairman Walker entertained a motion.

Vice Chairman Lankford moved to approve the purchase of new laptop computers along with vehicle mounts for the Sheriff's Department and Budget Amendment #24.

<b>Account Number</b>	<b>Account Description</b>	<b>Budgeted Amount</b>	<b>Increase (Decrease)</b>	<b>As Amended</b>
<b>Sheriff's Department</b>				
100.4310.511	Equipment Non Capitalized	\$2,750.00	\$43,073.00	\$45,823.00
100.4310.510	Equipment Contingency	\$213,130.00	\$(13,130.00)	\$200,000.00
100.9910.000	Contingency	<u>\$187,681.00</u>	<u>\$(16,943.00)</u>	<u>\$170,738.00</u>
	<b>Totals</b>	<b>\$403,561.00</b>	<b>\$13,000.00</b>	<b>\$416,561.00</b>

This budget amendment is justified as follows:

To appropriate Federal Fines & Forfeitures and transfer funds from Contingency from the financing for vehicles purchase in fiscal year 2009-10, to purchase 18 to 20 laptop computers, invertors, and mounts. This budget amendment also corrects Budget Amendment #12 from equipment to equipment non capitalized due to the cost per unit for the computers.

This will result in a net increase of \$13,000.00 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>
100.3301.411	Federal Fines & Forfeiture	<u>\$13,130.00</u>	<u>\$13,000.00</u>	<u>\$26,130.00</u>
	<b>Totals</b>	<b>\$13,130.00</b>	<b>\$13,000.00</b>	<b>\$26,130.00</b>

Commissioner Inman seconded the motion.

Commissioner Smith confirmed with Finance Director Julia Edwards that Budget Amendment #24 does not appropriate funding from Fund Balance and allocates an additional \$13,000 from Federal Fines & Forfeitures.

The motion carried unanimously.

### **Proposed Restructuring of the Administration Plan for Stokes County Sheriff's Department**

Chairman Walker entertained a motion.

Commissioner Inman moved to approve the proposed restructuring of the Administration Plan for the Stokes County Sheriff's Department submitted at today's meeting by Sheriff Elect Mike Marshall with an effective date of December 6, 2010. Commissioner Carroll seconded and the motion carried unanimously.

### **Lease Purchase – Vehicle Purchases – Fiscal year 2010-11**

Chairman Walker entertained a motion.

Vice Chairman Lankford moved to approve vehicle financing in the amount of \$470,500 with RBC Bank at an interest rate of 1.52%, the proposed Resolution submitted by Mr. Stovall at today's meeting along with authorization by Chairman Walker. Commissioner Inman seconded and the motion carried unanimously.

## Educational Facilities

Chairman Walker opened the floor for any further discussion.

Commissioner Carroll submitted the following new option:

- Commissioner Smith's option with no tax increase provided that the Board commit to funding debt service an additional \$650,000 per year beyond what is currently being funded
- Each Board each year must determine where the funding comes from for debt service

Commissioner Carroll moved that this Board authorize this County to incur debt as follows:

- \$13 million dollars appropriated to the School Board effective March 1, 2011 for the construction of a new elementary school in the Yadkin Township
- \$6 million dollars appropriated to the School Board to Southeastern Middle School for new construction and renovation for July 1, 2011 for the debt with the actual expenditures could be frontloaded by the county as soon as school is out
- \$1.5 million dollars appropriated to the School Board for new construction at Lawsonville Elementary School effective January 1, 2013
- \$6 million dollars appropriated for construction of a new Forsyth Tech. Community College campus at Meadows effective January 1, 2013

Commissioner Carroll reiterated that it was premature to discuss a tax rate because each Board of Commissioners when they adopt a budget each year must set the tax rate and fund the debt service.

Commissioner Smith seconded the motion.

The Board continued discussion regarding education facilities.

Commissioner Carroll added the following comments:

- This Board, meaning the five of us, having been talking about building schools since January of 2007 and have been looking at specific financial scenarios for well over a year
- This is not being rushed, if anything it has been delayed unnecessarily, it should have been long ago
- As superintendent of the schools, I presented some of these very same proposals at a joint meeting between the Board of Education and the Board of Commissioners in February 2001 and almost ten years later, we are still talking about the same projects
- There comes a time when you stop talking and start acting
- It is time for this Board to stop talking and starting acting
- Ready to build these schools

Vice Chairman Lankford noted the following:

- The truth is that this Board has been discussing these issues, but where we differ on what needs to happen is the process
- Very important to build schools, but it is also very important to have a process that is efficient, effective and something that won't be questioned in six months whether it was or was not a good decision
- Want to make the right decision
- When spending his kind of money, traditionally, the county has always took it to the people for a vote
- It would my preference to allow the people to vote on this type of action

- With the changes and the published indicators, it doesn't give a positive picture with the State predicting a \$3.2 billion dollar shortfall next year and the recession could be out as much as 2-3 years
- Very firm on the people's voice in making this type of decision of borrowing this amount of funding

Commissioner Inman noted the following:

- In recent discussions, Representative Holloway feels that he might be able to assist the county in obtaining an appropriation for the community college project
- Even with Certificates of Participation, there must be Public Hearings, the people could be heard at that time

Commissioner Smith noted the following:

- Feels everyone in the room knows where I stand, this is a very good plan
- Been waiting four years to for this plan
- The plan is doable, logical and meets the needs

Vice Chairman Walker confirmed with Commissioner Carroll that his motion certifies the debt, but financial details could be worked out later.

The motion carried (4-1) with Vice Chairman Lankford voting against the motion.

### **Board of Education – Request – Relocation of POD**

Chairman Walker entertained motion.

Commissioner Smith moved that the Board of Commissioners direct the Board of Education to relocate the vacated POD at Pinnacle campus that housed Nancy Reynolds to the Forsyth Tech. campus at Meadows for continuation of the Early College High School.

Commissioner Inman seconded the motion.

The Board further discussed the motion.

Vice Chairman Lankford questioned the cost of relocating the POD to the Meadows location.

County Manager Steen noted that transportation cost were estimated \$75,000 with additional cost for water, sewer, placement at the site, etc.

The Board agreed to allow Dr. Hobbs to address the Board regarding the cost of relocating the POD.

Dr. Hobbs noted the following:

- The POD would have to be broken down, physically moved to the campus, reassembled and connect to water and sewer which would be the county's responsibility
- It will definite cost more than \$75,000 to relocate the POD
- Total cost estimated to relocate the POD from Pinnacle to Lawsonville was \$575,000 which would be slightly different to relocate to the Meadows campus

Vice Chairman Lankford suggested that any remaining funds from the estimated \$500,000 savings from the Nancy Reynolds project be moved to Dedicated Fund for



construction.

Dr. Hobbs had no issue with Vice Chairman Lankford's suggestion, but requested the Board of Education be allowed to use a small amount of the savings to re-establish the ball field to its natural area as promised at Pinnacle.

The Board had no issues with the Board of Education using a small amount of the savings for repairs to the ball field.

Dr. Hobbs, on behalf of 7,100 students, expressed his appreciation to the Board.

Commissioner Smith amended his motion to include the following:

- Any funds over and above those needed out of the Contingency from the construction of Nancy Reynolds be put in the County's Dedicated Fund Balance for school construction

Commissioner Inman seconded the amendment to the motion.

The Board unanimously agreed to include Commissioner Smith's amendment to the original motion.

The amended motion carried unanimously.

### **Job Vacancies**

Chairman Walker entertained a motion.

Commissioner Inman moved to approve the filling of the following vacancies as recommended at today's meeting by Manager Steen:

- Telecommunicator
- Income Maintenance Caseworker

Vice Chairman Lankford seconded and the motion carried unanimously.

### **Homeland Security Grant**

Chairman Walker entertained a motion.

Commissioner Inman moved to approve the request from EMS Director Stevens to proceed with the Homeland Security Grant. Vice Chairman Lankford seconded and the motion carried unanimously.

### **Closed Session**

Chairman Walker entertained a motion to enter Closed Session for the following:

- To consider the initial employment or appointment of an individual to any office or position, other than a vacancy in the Board of County Commissioners or any other public body, or to consider the qualifications, competence, performance, character, and fitness of any public officer or employee, other than a member of the Board of Commissioners or of some other public body pursuant to G.S. 143-318.11(a)(6).

Commissioner Inman moved to enter Closed Session for the following:

- To consider the initial employment or appointment of an individual to any office or position, other than a vacancy in the Board of County Commissioners or any other public body, or to consider the qualifications, competence, performance, character, and fitness of any public officer or employee, other than a member of the Board of Commissioners or of some other public body pursuant to G.S. 143-318.11(a)(6).

Commissioner Carroll seconded and the motion carried unanimously.

The Board re-entered the regular session of the November 8<sup>th</sup> meeting.

### **Health Department**

Chairman Walker entertained a motion.

Commissioner Carroll move to authorize the Health Director to employ a Physicians Assistant at a salary of \$73,115 or the next highest grade on the salary grade. Commissioner Smith seconded and the motion carried unanimously.

### **Adjournment**

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

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

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

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**Jimmy Walker**  
**Chairman**