

STATE OF NORTH CAROLINA)
)
COUNTY OF STOKES)
)

OFFICE OF THE COMMISSIONERS
STOKES COUNTY GOVERNMENT
DANBURY, NORTH CAROLINA
FEBRUARY 27, 2012

The Board of Commissioners of the County of Stokes, State of North Carolina, met for a regular session in the Commissioners' Chambers of the Ronald Wilson Reagan Memorial Building (Administration Building) located in Danbury, North Carolina on Monday, February 27, 2012 at 6:00 pm with the following members present:

Chairman Ernest Lankford
Vice Chairman J. Leon Inman
Commissioner Jimmy Walker
Commissioner Ronda Jones
Commissioner James D. Booth

County Personnel in Attendance:
County Manager Richard D. Morris
Clerk to the Board Darlene Bullins
Finance Director Julia Edwards
County Attorney Edward Powell

Chairman Ernest Lankford called the meeting to order.

Chairman Lankford presented the following "Thought for the Day":

- "Know ye that the Lord he is God: it is he that hath made us, and not we ourselves; we are his people, and the sheep of his pasture.

Commissioner Jones delivered the invocation.

GENERAL GOVERNMENT-GOVERNING BODY-PLEDGE OF ALLEGIANCE

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

GENERAL GOVERNMENT – GOVERNING BODY – APPROVAL OF AGENDA

Chairman Lankford entertained a motion to approve or amend the February 27, 2012 Agenda.

Commissioner Jones moved to approve the February 27th Agenda as submitted.

Commissioner Walker seconded and the motion carried unanimously.

PUBLIC COMMENTS

The following spoke during Public Comments:

Richard Thorpe

601 N. Main Street

Danbury, NC 27016

Re: **McClanless Inn**

Mr. Thorpe noted the following comments regarding the McClanless Inn located in the Town of Danbury:

- Have a situation with the McClanless Inn which has been in Danbury since 1830
- Personally spent \$400 toward the purchase of the historical marker for the Inn
- Historical sites bring tourism
- Have people in Danville, VA and Philadelphia, PA that want to come to the Inn and do authentic reenactments that will bring commerce to Danbury and Stokes County
- Have built a restaurant in the Inn and have \$24,000 worth of equipment already bought for the restaurant
- People think that old historical buildings can't go back to how they were originally
- Building has been there for over 180 years
- Have engineer plans that shows the building is stable and is zoned commercial residential
- Have worked as a chef at many five star restaurants across the country
- Trying to bring money to Stokes County
- Inspector Jimmy Kallam is giving me a big fit about this place
- Have questioned Mr. Kallam why the place can't be opened
- Want to know if there is something dangerous or hazardous that needs to be take care of
- Met with Mr. Kallam, a health inspector and the fire marshal, they told me that they did not want a restaurant, they wanted a bed and breakfast
- Have already spent over \$170,000 on renovations to the building
- Can't afford to build a bed and breakfast
- Know what I am doing, I am a contractor
- This building could bring revenue to this county and increase the quality of food being served
- The place is ready to go, but having a lot of opposition
- Wondering why there is so much opposition
- Could hire people right now if I could open the restaurant
- This would be a good thing for the Town of Danbury and Stokes County
- Have been working on this building for over seven years with half ready to go
- Need to open the restaurant in order to finish the other eight rooms

- It will be a fashionable, decent place that will help everybody
- Have a permit from the Town of Danbury that they approved a restaurant in the town
- If there are any codes or laws that need to be addressed, will be happy to do
- Just want to open a restaurant

Chairman Lankford expressed the Board's appreciation to Mr. Thorpe for bringing the issues to the Board. Chairman Lankford requested Manager Morris to research the issues and bring back to the Board.

Mr. Thorpe reiterated that he needed to know what is needed for safety.

CONSENT AGENDA

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

Minutes

- Minutes of February 7, 2012
- Minutes of February 13, 2012
- Minutes of February 14, 2012

Commissioner Walker stated that the February 13th minutes reflected that Vice Chairman Inman delivered the invocation, but he thought Vice Chairman Inman only requested a moment of silence.

Clerk Bullins noted that Vice Chairman Inman had been asked to deliver the invocation and he chose to request a moment of silence. Clerk Bullins also noted that the minutes never reflected what someone actually said when they delivered the invocation.

Commissioner Walker noted that he felt that they were different.

Commissioner Walker noted the following correction on page 32 of the February 13th minutes:

Sentence read: Commissioner Walker and Commissioner Jones both agreed with Commissioner Walker that this increase should have been provided to the Board earlier.

Should read: Commissioner Walker and Commissioner Jones both agreed that this increase should have been provided to the Board earlier.

Administration/Finance - Budget Amendment #60-Correction

Finance Director Julia Edwards submitted a corrected Budget Amendment #60.

(Totals were not calculated correctly when submitted to the BOCC on 02-13-2012.)

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

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
	See Below for Detail	\$6,893,682.00	\$(55,505.00)	\$6,838,177.00
100.9910.000	Contingency	<u>\$80,950.00</u>	<u>\$55,505.00</u>	<u>\$136,455.00</u>
	Totals	\$6,974,632.00	\$00.00	\$6,974,632.00

This budget amendment is justified as follows:

To transfer funds to Contingency from the Second Quarter Review.

This will result in a net increase of \$00.00 in the expenditures and other financial use to the County's annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received this fiscal year.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
	Governing Body			
100.4110.110	Group Insurance	\$13,470.00	\$4,495.00	\$17,965.00
100.4110.111	Dental Insurance	\$1,044.00	\$350.00	\$1,394.00
100.4110.450	Insurance	\$562,000.00	\$(5,000.00)	\$557,000.00
	Administration			
100.4120.110	Group Insurance	\$8,980.00	\$(4,475.00)	\$4,505.00
100.4120.111	Dental Insurance	\$696.00	\$(325.00)	\$371.00
	Tax Administration			
100.4140.000	Salaries & Wages	\$264,158.00	\$(2,500.00)	\$261,658.00
	Superior Court			
100.4160.411	Juvenile Detention		\$(5,000.00)	\$15,000.00
	Sheriff's Department			
100.4310.000	Salaries & Wages	\$1,388,956.00	\$(30,000.00)	\$1,358,956.00
100.4310.020	Salaries & Wages-Part Tim	\$129,160.00	\$30,000.00	\$159,160.00
100.4310.430	Rental of Equipment	\$2,600.00	\$1,200.00	\$3,800.00
100.4310.320	Telephone	\$17,107.00	\$200.00	\$17,307.00
100.4310.351	Maint. & Repairs - Auto	\$85,945.00	\$1,000.00	\$86,945.00
100.4310.110	Group Insurance	\$193,072.00	\$(2,400.00)	\$190,672.00
	Jail			
100.4320.000	Salaries & Wages	\$553,666.000	\$(30,000.00)	\$523,666.00

100.4320.010	Salaries & Wages-Overtime	\$00.00	\$300.00	\$300.00
100.4320.020	Salaries & Wages-Part Time	\$101,000.00	\$39,700.00	\$140,700.00
100.4320.220	Food & Provisions	\$194,496.00	\$(10,000.00)	\$184,496.00
Emergency Communications				
100.4325.000	Salaries & Wages	\$362,983.00	\$(9,000.00)	\$353,983.00
100.4325.010	Salaries & Wages – Overtime	\$12,000.00	\$8,000.00	\$20,000.00
100.4325.020	Salaries & Wages –Part Time	\$27,000.00	\$2,100.00	\$29,100.00
100.4325.110	Group Insurance	\$53,880.00	\$(1,100.00)	\$52,780.00
Cooperative Extension				
100.4950.440	Misc. Contractual Services	\$130,402.00	\$(10,000.00)	\$120,402.00
Health Department				
100.5100.000	Salaries & Wages	\$1,020,431.00	\$(30,700.00)	\$989,731.00
100.5100.030	Salaries & Wages –Perm. P/T	\$12,747.00	\$(1,100.00)	\$11,647.00
Social Services				
100.5310.000	Salaries & Wages	<u>\$1,737,889.00</u>	<u>\$(1,250.00)</u>	<u>\$1,736,639.00</u>
Totals		\$6,893,682.00	\$(55,505.00)	\$6,838,177.00

Social Services - Budget Amendment #70

Finance Director Julia Edwards submitted Budget Amendment #70.

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

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
Social Services				
100.5470.003	Special Adoption Assistance	<u>\$5,000.00</u>	<u>\$36,000.00</u>	<u>\$41,000.00</u>
Totals		\$5,000.00	\$36,000.00	\$41,000.00

This budget amendment is justified as follows:

To appropriate additional funding for Special Adoption Assistance which is 100% Federal Funding.

This will result in a net increase of \$36,000.00 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.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
100.3301.202	Adoption Assistance	<u>\$5,000.00</u>	<u>\$36,000.00</u>	<u>\$41,000.00</u>
Totals		\$5,000.00	\$36,000.00	\$41,000.00

Social Services - Budget Amendment #71

Finance Director Julia Edwards submitted Budget Amendment #71.

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

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
	Social Services			
100.5310.511	Equipment	<u>\$00.00</u>	<u>\$30,000.00</u>	<u>\$30,000.00</u>
	Totals	\$00.00	\$30,000.00	\$30,000.00

This budget amendment is justified as follows:

This equipment line item will be paid using our MOE funding which has been approved by the State for a computer, a printer, and equipment purchase.

This will result in a net increase of \$30,000.00 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.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
100.3301.202	SS County Federal	<u>\$00.00</u>	<u>\$30,000.00</u>	<u>\$30,000.00</u>
	Totals	\$00.00	\$30,000.00	\$30,000.00

Social Services - Budget Amendment #72

Finance Director Julia Edwards submitted Budget Amendment #72.

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

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
	Social Services			
100.5310.184	Prof. Services-HCCBG	\$57,354.00	\$5,610.00	\$62,964.00
	Contingency			
100.9910.000	Contingency	<u>\$135,205.00</u>	<u>\$(1,528.00)</u>	<u>\$133,677.00</u>
	Totals	\$192,559.00	\$4,082.00	\$196,641.00

This budget amendment is justified as follows:

To appropriate additional funding and match for Home and Community Care Block Grant for expenditures.

This will result in a net increase of \$4,082.00 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.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
100.3301.373	NWPCOG - HCCBG	<u>\$52,586.00</u>	<u>\$4,082.00</u>	<u>\$56,668.00</u>
	Totals	\$52,586.00	\$4,082.00	\$56,668.00

Emergency Medical Services - Budget Amendment #73

Finance Director Julia Edwards submitted Budget Amendment #73.

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

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
	EMS			
100.4370.351	Maint. & Repairs – Auto	<u>\$60,000.00</u>	<u>\$1,700.00</u>	<u>\$61,700.00</u>
	Totals	\$60,000.00	\$1,700.00	\$61,700.00

This budget amendment is justified as follows:

To appropriate insurance claim funds for repairs to ambulance due to an accident.

This will result in a net increase of \$1,700.00 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.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
100.3839.850	Insurance Claims	<u>\$00.00</u>	<u>\$1,700.00</u>	<u>\$1,700.00</u>
	Totals	\$00.00	\$1,700.00	\$1,700.00

Health Department - Budget Amendment #74

Finance Director Julia Edwards submitted Budget Amendment #74.

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

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
Health Department				
100.5100.511	Equipment – Non Capital	<u>\$00.00</u>	<u>\$2,550.00</u>	<u>\$2,550.00</u>
	Totals	\$00.00	\$2,550.00	\$2,550.00

This budget amendment is justified as follows:

To appropriate and transfer additional Infection Control State Funds. Funds will be used to purchase a computer and printer for the nurse who handles the Infection Control Program.

This will result in a net increase of \$2,550.00 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.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
100.3301.245	Communicable Disease	<u>\$11,000.00</u>	<u>\$2,550.00</u>	<u>\$13,550.00</u>
	Totals	\$11,000.00	\$2,550.00	\$13,550.00

Special Appropriations - Budget Amendment #75

Finance Director Julia Edwards submitted Budget Amendment #75.

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

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
Special Appropriations				
100.5830.694	NWPCOG	\$500.00	\$930.00	\$1,430.00
Contingency				
100.9910.000	Contingency	<u>\$133,677.00</u>	<u>\$(930.00)</u>	<u>\$132,747.00</u>
	Totals	\$134,177.00	\$00.00	\$134,177.00

This budget amendment is justified as follows:

To transfer funds from Contingency for the Nursing Home and Community Advisory Committee for travel reimbursement.

This will result in a net increase of \$00.00 in the expenditures and other financial use to the County's annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received this fiscal year.

Special Appropriation - Budget Amendment #76

Finance Director Julia Edwards submitted Budget Amendment #76.

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

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
	Special Appropriation			
100.4961.493	Northwest Piedmont MPO	\$3,679.00	\$5,267.00	\$8,946.00
	Contingency			
100.9910.000	Contingency	<u>\$132,747.00</u>	<u>\$(5,267.00)</u>	<u>\$127,480.00</u>
	Totals	\$136,426.00	\$00.00	\$136,426.00

This budget amendment is justified as follows:

To transfer funds from Contingency for the County's portion of the MPO appropriations.

This will result in a net increase of \$00.00 in the expenditures and other financial use to the County's annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received this fiscal year.

Sheriff's Department - Budget Amendment #77

Finance Director Julia Edwards submitted Budget Amendment #77.

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

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
	Sheriff's Department			
100.4310.511	Equipment – Non capital	<u>\$21,693.00</u>	<u>\$750.00</u>	<u>\$22,443.00</u>
	Totals	\$21,693.00	\$750.00	\$22,443.00

This budget amendment is justified as follows:

To appropriate funding to purchase a Four Wheeler for use by the Sheriff's Department.

This will result in a net increase of \$750.00 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.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
100.3301.413	State Fine & Forfeitures	\$19,611.00	\$750.00	\$20,361.00
	Totals	\$19,611.00	\$750.00	\$20,361.00

Tax Administration Report – January 2012

Real and Personal Releases More than \$100

Tax Administrator Jake Oakley presented the following Real and Personal Property Release (January 2012) which is more than \$100 at the February 13th meeting with a request for approval at the February 27th meeting:

Release (Real and Personal Property) More than \$100–January 2012–Per NCGS 105-381 (b)

Wilton Bourne	11A67404.06	\$141.13	Boat repossessed
	Total Amount	\$141.13	

Real and Personal Refunds More than \$100

Tax Administrator Jake Oakley presented the following Real and Personal Property Refunds (January 2012) which are more than \$100 at the February 13th meeting with a request for approval at the February 27th meeting:

Refunds (Real and Personal Property) More than \$100–January 2012–Per NCGS 105-381 (b)

Charlie/Mary Johnson	11A698400150623	\$291.17	House burned in 2010
Keith/Cynthia Robertson	10A696500754716	\$493.35	System didn't account for Deferment
	11A696500754716	\$523.71	System didn't account for Deferment
	Total	\$1,308.23	

Motor Vehicle Bill Write Off - Westmoreland

Tax Administrator Jake Oakley presented the following Motor Vehicle Bill Write Off at the February 13th meeting with a request for approval to release the taxes at the February 27th meeting:

- Total amount of \$37.39 of motor vehicle taxes on account #19561

- Bill is over ten years old
- Ms. Sharon Westmoreland no longer owns the vehicle

Advertisement of Tax Liens on Real Property for Fiscal Year 2011-12

Tax Administrator Jake Oakley presented the following amounts for the 2011 Delinquent Tax Bills with at the February 13th meeting:

- As of 02-07-2012:
 - General County = 3,798 bills with principal due in the amount of \$1,860,918.86
 - City of King = 237 bills with principal due in the amount of \$301,095.41
 - Town of Danbury = 17 bills with principal due in the amount of \$8,126.49
 - Town of Walnut Cove = 82 bills with principal due in the amount of \$58,862.02

Tax Administrator Oakley requested the Governing Body to order the Tax Collector to advertise the tax liens for Fiscal Year 2011-12 at the February 27th meeting.

Proposed Resolution – Hanging of a Portrait of Retired Sheriff Mike Joyce – Government Center

County Manager Richard Morris presented the following proposed Resolution for the Hanging of a Portrait of Retired Sheriff Mike Joyce at the February 13th meeting with a request for approval at the February 27th meeting:

STOKES COUNTY

RESOLUTION

**SUPPORTING THE HANGING OF A PORTRAIT IN THE STOKES COUNTY
COURTHOUSE TO HONOR RETIRED SHERIFF MIKE JOYCE**

WHEREAS, the County of Stokes would like to give special recognition to Retired Sheriff Mike Joyce for his exemplary service to the citizens of Stokes County; and

WHEREAS, Retired Sheriff Mike Joyce, by his own words, considered himself a servant and employee of the citizens of Stokes County, and he never took for granted the trust of the people to enforce the laws of the land equally, with respect to all persons; and

WHEREAS, Retired Sheriff Mike Joyce was often called by the citizens “A Friend of the People”, because of his commitment, honesty and integrity; and

WHEREAS, Retired Sheriff Mike Joyce was highly respected for his fair and equitable application of the law by the citizens of Stokes County and fellow law enforcement officials, at all levels of government; and

WHEREAS, Retired Sheriff Mike Joyce strongly supported his community, church, county and country, and was a wonderful role model for the citizens, young and old; and

WHEREAS, Retired Sheriff Mike Joyce was a loving and loyal husband and family man, and an exceptional human being; and

WHEREAS, Retired Sheriff Mike Joyce served as the Stokes County Sheriff for five consecutive four year terms, which makes him the longest serving Sheriff in Stokes County history.

NOW, THEREFORE BE IT RESOLVED, that the Stokes County Board of County Commissioners fully supports the private acquisition of a portrait, with accompanying plaque, of Retired Sheriff Mike Joyce to:

1. Be hung in a prominent location within the Stokes County Courthouse, located at the Government Center in Danbury, North Carolina, and
2. Furthermore, that any future Sheriff, who serves a total of twenty consecutive years, or more, as Sheriff of Stokes County, also be authorized to receive recognition in a similar fashion within the courthouse.

Adopted this the 27th day of February 2012.

Ernest Lankford – Chairman

J. Leon Inman – Vice Chairman

Jimmy Walker – Commissioner

Ronda Jones – Commissioner

James D. Booth – Commissioner

Attest:

Darlene M. Bullins – Clerk of the Board

Commissioner Booth moved to approve the Consent Agenda as amended.

Vice Chairman Inman seconded and the motion carried unanimously.

GENERAL GOVERNMENT – GOVERNING BODY – INFORMATION AGENDA

Update – Manager and Board of Commissioners

Chairman Lankford opened the floor for comments:

Commissioner Walker noted:

- Recently spoke to some of the individuals in King that were having issues with ATVs, they seemed very encouraged that we are headed in the right direction to where we need to be

- Spoke to a family member of a young lady in King that has cancer that a fund raiser was held for on Saturday
- Early estimates appear that over \$50,000 was raised during the event
- Very encouraging to see that kind of outpour of love and care for someone in the community

Commissioner Jones noted:

- Teaching about worms and composite tomorrow and everyone is welcomed
- University of Wisconsin is currently experimenting with worms and feels they may be able to use the protein from worms to fight cancer

Vice Chairman Inman noted the following:

- Echo Commissioner Walker's comments regarding the fund raiser in King which demonstrated the compassion felt for someone in need

NCACC – Update

Vice Chairman Inman introduced NCACC Intergovernmental Relations Director Rebecca Troutman who works diligently to serve all 100 counties in North Carolina.

Intergovernmental Relations Director Rebecca Troutman, NCACC, discussed the following power point presentation with the Board of Commissioners:

Where We are Now – State of the Counties

➤ County Budget Status – Little Financial Improvement Seen

(Based on annual NCACC Budget & Tax Survey)

- 50 counties cut budget
- 21 counties increased property tax rate
- 39 counties under hiring freeze
- 29 counties reduced school \$
- 52 counties eliminated 600+ positions
- 24 counties laid off 126 employees

➤ Counties Face Declining Tax Base

- 43 counties underwater
 - Cherokee = 31%
 - 10 counties > 10%
- Revaluations = property tax increases
 - Brunswick County = 13.75 cents
- Current law requires counties >75,000 to revalue at 115%
 - Each year the Department of Revenue calculates the sales assessment ratio (selling price versus the assessed revaluation of the property)
 - Normally, during revaluation, property grows in value, but during the recent housing problems, counties are finding out that their assessed revaluations are actually higher than market value

- There is a general statute which requires a county, if they are 15% over valued in the assessed valuation, then they must be revalued
- Union County is another county in this situation
- Stokes County = 96.6% - in very good shape
- Several counties are having to raise taxes to stay revenue neutral

➤ **Counties Reset Budgets**

- Budget cuts during recession and sluggish economy = \$1 billion (10%)
- Spending drops below \$10 billion statewide
 - Levels not seen since 2007

State of the State's Economy (Barry Boardman-NCGA Chief Economist)

➤ **State's General Fund Ok So Far....but**

- Recent economic data show recovery slowly regaining traction lost last summer & fall
- 1st 8 months– \$115 M above \$11.1B target
 - Revenue trends not as robust in 2nd quarter
 - Net withholdings flattening
 - Sales taxes up, but not at 1st quarter levels
 - 10% increase in 1st quarter
 - 7.1% up thru 8 months
- State Medicaid \$150 M over budget

➤ **Jobless Recovery Impedes Growth**

- 30 months into recovery
 - 300,000 fewer jobs in NC
 - Housing sector loses 1/3 workforce
 - Dec. 2010 – Dec. 2011
 - Private sector up 12,400 jobs, government sector down by 7,900 jobs
 - NC unemployment >9% until 2014?
 - UE claims on decline
 - Increased price of gas and sluggish economy continue in North Carolina
 - Currently still in the deficit mode
 - During the height of the recession, North Carolina lost 10% of sales tax revenue (sales tax being the second largest revenue source) relative to the year before
 - North Carolina has never had such a drop in sales tax before
 - Dropped another 4% the next year
 - North Carolina is slowly climbing out of the revenue loss, but are very concerned with the increasing gas prices, North Carolina may begin to see another drop in sales tax revenue
 - Point of Delivery sales tax has also decreased sales tax revenue in Stokes County
 - One of the Federal Legislative Goals is to compel Congress to get remote vendors to collect sales tax on behalf of North Carolina
 - Amazon refuses to collect sales tax on behalf of North Carolina
 - Amazon has agreed to start collecting sales tax for California in Sept. 2012

- Next year, the General Assembly of North Carolina is going to attempt tax reform again; attempts will be made to have sales tax on services which will help North Carolina's tax base
- Nationally, this past year, remote sales increased 16% over the year before, all sales only increased 8% - remote sales are going to continue to increase

➤ **State Outlook**

- Subpar, but steady growth in 2012
 - State budget predicated on higher revenue growth
 - Hope the state meets revenue for the next fiscal year
 - Certainly can't afford to lose any more money or have any more state expenses shifted to counties
 - Very concerned about the rising price of gasoline, very fragile economy which could lower the economic recovery
- Fragile recovery
 - Subject to economic shocks, e.g. gas prices, Europe recession, USA debt reduction efforts

General Assembly in Action – What We are Working on

- A unique (busy) Interim
- Monitoring over 65 Legislative Committees
 - NCACC Recent Presentations: ETJ, Local Government Oversight, Broadband/PPP, Emergency Management, Fracking
- Mini Sessions / Veto Sessions
- Other Legislative / Agencies Studies
 - DENR Fracking / HHS LME Governance
- Issues Du Jour
 - Retirement Issues / LGC / Building Code Enforcement

○ **NCACC Government Relations Issues List – February 2012**

- Monitoring
 - Secondary Roads
 - Tax Reform
 - Revenue Options
 - Personnel Records
 - Voter ID
 - Zoning/Bona Fide Farms
 - Feral Cats/Puppy Mills
 - Electronic Notice
 - Annexation
 - JRI Implementation
 - Economic Development
 - HC1779 Implementation
- Working on Now
 - Charter school capital funding
 - Fracking
 - Mental Health Governance
 - 911 Secondary PSAP Funding
 - Property Assessment/Revaluations

- Second Primary/Runoff Elections
 - Sweepstakes
 - Emergency Management Issues
 - Extraterritorial Jurisdiction (ETJ)
 - Board of Elections Funds
 - Building Codes
- Key Legislative Issues
 - 2012-13 Budget
 - SB433
 - Human Services
 - Administration Flexibility
 - Broadband/PPP
- **Justice Reinvestment Act (H642)**
 - What it is
 - DOC/counties with jail capacity enter voluntary agreement for misdemeanants sentenced >90 days <= 180 days
 - Current law requires misdemeanants sentenced > 90 days in state prisons & <90 days to county jails
 - Counties reimbursed for new misdemeanants for entirety of sentence
 - New state fees seed fund to pay counties
 - Changes criminal justice partnership program
 - Where it's at
 - Sheriff's Assn. assigns beds & sets rate
 - Jan. 2 statewide initiation
 - \$40 per day, covers all internal jail expenses
 - NCSA calculates payment & sends mo. following release
 - External health care billed to NCSA
 - Transportation at IRS rate + \$25/hr officer supervision & sent mo. following event
 - Counties will also receive additional court fees
- **Statewide Expansion of 1915 (b)(c) Waiver (H916)**
 - What it is
 - Expands capitated model of care for all mental health area authorities & single county programs
 - Increases population threshold to 300,000 7/1/12 & 500,000 7/1/13, requiring LME merger, interlocal agreement for lead LME
 - County changes included:
 - Counties held harmless for cost overruns
 - Governance structure to be studied
 - Where it's at
 - All LMEs have initiated waiver implementation plans
 - Discussion of governance & county role
 - NCGA forms LME governance subcommittee with county representation
 - NC-DHHS forms dept. advisory waiver committee to oversee implementation
 - There were 23 LMEs in 2010

- On January 1, 2013, there will only be 11 LMEs
- **HHS LOC LME Governance Subcommittee**
 - NCACC Board Adopts Policy—*Focus on County Flexibility*
 - Maintain current appointment authority
 - Each participating county BOC appoints 1 commissioner per county, appointed county commissioners then appoint remaining members;
 - OR
 - Participating county BOCs agree to different structure, subject to certain required expertise, with all appointments from BOC
 - Set super majority of participating counties to structure board composition (80%)
 - Permit counties to change LMEs for cause
 - Maintain current ex officio voting status for commissioners & managers
 - No term limits for ex officio voting county members
- **Local Human Services Administration (S433) (will be County's option to consolidate the Health and Social Services)**
- What it is
 - Provides option to all boards of commissioners to restructure human services
 - Under BOC or create consolidated human services board
 - Current law only permits counties with pops. >425,000 to restructure
 - Streamlines county administration, improves client services, and enables countywide vision across depts.
 - GA staff report recommends county flexibility
- Where it's at
 - Passed Senate 40/9; received favorable report in House HHS
 - House version includes incentives for regional health departments & authorities
- Attempt on House floor Nov. 29th mini-session
 - 3 votes shy of super majority needed for consideration
- Final version to exclude mental health

Looking Ahead – General Assembly Convenes – May 16th Counties Getting Ready

- NCACC legislative goals review & strategies to complete
 - New brochure out
- Focus on grassroots
 - Need your help! Watch for meeting materials for Stokes County's delegation
- Local bills – work on them now
 - Tax reform, revisiting intergovernmental responsibilities
 - Approximately half of the 54 goals adopted by NCACC in 2011 have been completed due to county officials working with delegates to get these accomplished
 - Feels there will be a short session

Short Session Issues

- Leadership declares in & out in 5 to 6 weeks
- Budget job #1
 - Higher revenue rates may need reduction
 - Push to replace lost federal education dollars
 - Speaker Tillis continues no shift pledge
- Budget introduced Day 1?

- Fracking, mental health governance, S433, broadband/PPPs, video sweepstakes, charter school funding

NCACC 2012 Short Session – Top Priority Issues

- 2012-13 Budget
 - Advocate for increased lottery funds
 - Currently, all lottery funding is allocated per ADM; although statutorily still calls for extra funding to those counties with the higher tax rate
 - Don't think that will come back
 - Protect against unfunded mandates
- SB433 – Human Services Flexibility
 - Gives counties the option to consolidate Human Services
 - GA is prepared to proceed
- Broadband/PPP
 - Working with House PPP Committee to grant increased flexibility to counties
 - Not sure that statutorily, Counties can work with private providers to get Broadband to needed areas in the county
 - Working to make sure that Counties can work with private providers

The Counties' Federal Agenda

NCACC 2012 Congressional Issues of Interest to Counties

- Annual solicitation to county board chairs & managers
- Counties to identify most pressing federal issue
 - 14 counties responded
- Staff recommendations based on immediacy & impact
- NCACC Board approves:
 - Ensure balanced budget reforms do not result in unfunded mandates to counties
 - Very concerned with federal revenues next year pertaining to Block Grants (mostly in DSS) – can look for a 10% cut
 - Support remote sales tax collection
 - Currently have a Senate bill
 - Reauthorize Secure Rural Schools and Payment in Lieu of Taxes
 - Federal acreage (mountain counties)
 - Will not affect Stokes County
 - Reauthorize TANF supplemental grants
 - Could be a \$36 million cut in the State revenue next year if the supplement grants are not reauthorized

2012 Elections – New Governor, New Cabinet, New General Assembly

Season of Change (As of February 21, 2012 – Filing Period 13-29th)

- 6 – number of Senators retiring (3D, 3R)
- 6 – number of open Senate seats created by redistricting
- 11 – number of Legislators seeking higher office
- 14 – number of open House seats created by redistricting
- 20 – number of Representatives retiring (12D, 8R)
- 42 – number of new faces in 2011-12 (24.7%)
- 57 – total number of guaranteed new faces for 2013-14 (34%)
- 351 – number of years of Legislative experience to be lost

District Meetings scheduled for April 2012

Commissioner Walker noted to Director Troutman the recent loss of acquiring health insurance with the NCACC pool which was very advantageous to Stokes County and questioned why that could not continue.

Director Troutman responded:

- Very unfortunate that the NCACC had to get out of the health care business
- Went very well when the Association was with BCBS with over 30,000 members
- Counties began to drop out when the Association went with CIGNA which ended up with less than 10,000 members
- Working on trying to get counties (if so desired) to be able to join the State Health Care Plan
- Must have legislative approval to allow other counties to join – right now can only join for two years, but will continue to work on being able to stay with the plan after the two years is up
- County needs to contact State legislators to indicate their desire to join the State Plan

County Manager Rick Morris requested Director Troutman to explain further about the restructure of human services.

Director Troutman responded:

- Two models – Wake and Mecklenburg models
 - Mecklenburg model
 - The BOCC has all the authority and sits as the Boards of Health and DSS
 - Still has two departments, each having a director that reports to the County Manager
 - Wake model
 - Has a consolidated human services board that has all the authority of the Boards of Health and DSS
 - Manager has the hiring and firing authority with consent of the human services board
- Can have a human services board that has the authority for both Health and DSS or you can have the BOCC serves as the authority
- Option will be left up to the County whether Health and DSS remain under the State Personnel Act

Director Troutman concluded with very good news - Stokes County will get Hold Harmless Funding in August 2012, may be cut 10%. Director Troutman noted that the reimbursement is calculated and paid out on calendar year and not fiscal year.

Chairman Lankford, on behalf of the entire Board, expressed the Board's appreciation

to Director Troutman for the update and bringing Stokes County great news – Hold Harmless.

GENERAL GOVERNMENT – GOVERNING BODY – DISCUSSION AGENDA

NCDOT – Request to Abandon a Portion of SR#1915 – Pipe Plant Road from the Secondary Roads System along with Abandonment of the Right of Way

County Manager Rick Morris presented the following information regarding a request from NCDOT to abandon a portion of SR#1915 – Pipe Plant Road from the Secondary Road Systems:

- Request to abandon approximately 5,914' from the Secondary Roads System
- Pine Hall Brick Company, Inc. is the sole property owner for the portion being requested to be abandoned from the Secondary Roads System
- County Attorney Edward Powell has reviewed the request and has no legal issues
- Tax Administrator Jake Oakley sees no issues with the abandonment request
- Pine Hall Brick Company, Inc. has also requested the right of way be abandoned along the same portion of the road
- Request the BOCC to direct Administration staff to start the abandonment procedure according to General Statutes

Vice Chairman Inman confirmed with Manager Rick Morris that the entire portion being requested to be abandoned is owned by Pine Hall Brick and Pipe Company, Inc.

Commissioner Walker questioned if there had been any concerns from any citizens regarding the abandonment request.

Clerk Bullins noted that if directed by the Board, a Public Hearing will be scheduled and advertised which will allow anyone to present concerns or opposition to the Board of Commissioners regarding the abandonment request.

Chairman Lankford, with full consensus of the Board, directed Administration to take the statutory steps to abandon the road from the secondary road system and to abandon the right of way.

Chairman Lankford, with full consensus of the Board, directed the Clerk to place the items on the March 12th Action Agenda.

Appointments – Juvenile Crime Prevention Council (JCPC)

County Manager Rick Morris presented the following vacancies for the JCPC:

- Vacancy – Defense Attorney
- Vacancy – Member of the Faith Community

JCPC recommends the following:

- Defense Attorney – Dustin Nichols (term to expire 2014)
- Member of the Faith Community – Gerald Jones (term to expire 2014)

Commissioner Booth nominated the following to serve on the JCPC:

- Defense Attorney – Dustin Nichols
- Member of the Faith Community – Gerald Jones

Chairman Lankford entertained a motion to close the nominations.

Vice Chairman Inman moved to close the nominations. Commissioner Jones seconded and the motion carried unanimously.

Chairman Lankford directed the Clerk to place the item on the March 12th Action Agenda.

Qualified School Construction Bonds (QSCB) – 2013 Lawsonville Elementary School Project

County Manager Rick Morris presented the following information as requested by the BOCC at the February 14th meeting regarding the QSCB Program:

- After the bond issuance deadline of December 31, 2011, the State of NC has a remainder of \$12,530,150 in Qualified School Construction Bonds to be re-allocated
- There is no limit to how much each school system can apply for
- Deadline for application is March 16, 2012
- QSCBonds can be used for construction (including new construction), rehabilitation, or repair of a public school or for land acquisition for such a facility
- QSCB Program is intended to be interest free bonds, but could have a very small interest rate
- Met with Superintendent Ronnie Mendenhall, Stokes County Schools and Vice Chairman Mike Rogers, Stokes County Board of Education, who are both in favor of proceeding with the application
- Would have until the end of the calendar year to borrow the funds which will be no issue with the projected start date being in 2013
- Estimate for the Lawsonville project two years ago was approximately \$1.5 million
- Do not believe the current projected costs include any contingency

- Did not see any cost for the removal of the old modular units

County Manager Rick Morris questioned Operations Director David Burge, Stokes Schools, about the estimated cost of the project.

Operations Director David Burge responded:

- \$1.5 million cost was only an estimate two years ago
- Very concerned about the square footage- the number seems too low for 8 classrooms
- Needs a revised estimate on cost and square footage
- Reiterated that figures are approximately two years old
- Can start on new estimates immediately

Chairman Lankford opened the floor for discussion.

Commissioner Walker noted:

- Even the if the footage is too low, construction costs today may be lower than estimated two years ago
- Feels the square footage is too low and could possibly cost close to \$2 million
- Could be a plus getting the funding at either no interest or a very low interest cost
- Would feel good about getting this project started earlier than scheduled and saving county dollars in interest payments

Manager Morris noted that the model had recently been rerun with the \$1.5 million estimated for the Lawsonville project and would be happy to get Mr. Carter to rerun the model using \$2 million.

County Manager Morris noted that he would contact Superintendent Mendenhall on Tuesday regarding the necessary paperwork.

The Board unanimously agreed it would be very advantageous to try to use QSCBonds for the Lawsonville project.

Chairman Lankford, with full consensus of the Board, directed the Clerk to place the items on the March 12th Action Agenda.

GENERAL GOVERNMENT – GOVERNING BODY – ACTION AGENDA

Petition Requesting Contiguous Annexation – 223 Hobe Kiser Road, King, NC

Chairman Lankford entertained a motion regarding the proposed petition requesting

Contiguous Annexation for property located at 223 Hobe Kiser Road (location of the new Poplar Springs Elementary School) which was presented at the February 13th meeting.

Vice Chairman Inman moved to approve petition requesting Contiguous Annexation for property located at 223 Hobe Kiser Road (location of the new Poplar Springs Elementary School). Commissioner Jones seconded and the motion carried unanimously.

Board of Education – Request for Funding

Chairman Lankford entertained a motion regarding the request for funding for the restoration of the soccer field and basketball play area at Pinnacle Elementary School (\$50,000) and for playground equipment at Nancy Reynolds Elementary School (\$25,000) which were presented at the February 13th meeting.

Vice Chairman Inman moved to approve requested funding for the projects at Pinnacle Elementary (\$50,000) and Nancy Reynolds Elementary (\$25,000). Commissioner Jones seconded and the motion carried unanimously.

NCDOT – Request for Addition to the Secondary Roads System – Voss Hill Drive in Voss Hill Subdivision

Chairman Lankford entertained a motion regarding the request to add Voss Hill Drive to the Secondary Roads System which was presented at the February 13th meeting.

Commissioner Jones moved to add Voss Hill Drive to the Secondary Roads System. Commissioner Booth seconded and the motion carried unanimously.

Fiscal Year Ending June 30, 2012 – Proposed Audit Contract – Martin Starnes & Associates

Chairman Lankford entertained a motion regarding the Fiscal Year 2011-12 Audit Contract with Martin Starnes in the amount of \$45,000.00 which was presented at the February 13th meeting.

Commissioner Booth moved to approve Audit Contract with Martin Starnes for

Fiscal Year 2011-12. Commissioner Jones seconded and the motion carried unanimously.

Appointments – Stokes Aging Planning Committee

Chairman Lankford noted the following individuals were nominated at the February 13th meeting:

- Carol Shamburg
- Carolyn Manuel

Chairman Lankford entertained a motion to close the nominations.

Commissioner Booth moved to close the nominations. Commissioner Jones seconded and the motion carried unanimously.

Chairman Lankford polled the Board:

Commissioner Booth: Carol Shamburg and Carolyn Manuel
Commissioner Walker: Carol Shamburg and Carolyn Manuel
Chairman Lankford: Carol Shamburg and Carolyn Manuel
Vice Chairman Inman: Carol Shamburg and Carolyn Manuel
Commissioner Jones: Carol Shamburg and Carolyn Manuel

Chairman Lankford noted Carol Shamburg and Carolyn Manuel were unanimously approved by the Board to serve on the Stokes Aging Planning Committee.

Appointment – Stokes County Planning – Board of Adjustments

Chairman Lankford noted the following individuals were nominated at the February 13th meeting:

- Stephen Jessup – Westfield/Francisco
- Marvin Cavanaugh – Sandy Ridge
- Carl Hill – Germanton
- Tim Flinchum - Alternate

Chairman Lankford entertained a motion to close the nominations.

Commissioner Jones moved to close the nominations. Commissioner Booth seconded and the motion carried unanimously.

Chairman Lankford polled the Board.

The Board unanimously approved the following:

- Stephen Jessup – Westfield/Francisco
- Marvin Cavanaugh – Sandy Ridge
- Carl Hill – Germanton
- Tim Flinchum - Alternate

Chairman Lankford noted Stephen Jessup, Marvin Cavanaugh, Carl Hill, and Tim Flinchum were unanimously re-appointed to serve on the Board of Adjustments.

Appointment – CenterPoint Human Services – Board of Director

Chairman Lankford noted the following individual was nominated at the February 13th meeting:

- Jan Spencer

Chairman Lankford entertained a motion to close the nominations.

Commissioner Booth moved to close the nominations. Commissioner Jones seconded and the motion carried unanimously.

Chairman Lankford polled the Board:

Commissioner Jones: Jan Spencer
Vice Chairman Inman: Jan Spencer
Chairman Lankford: Jan Spencer
Commissioner Walker: Jan Spencer
Commissioner Booth: Jan Spencer

Chairman Lankford noted that the Board unanimously approved Jan Spencer to serve on the CenterPoint Human Services – Board of Directors.

Appointments – Stokes County Agricultural Advisory Board

Chairman Lankford noted the following individuals were nominated at the February 13th meeting:

- Derrick Joyce – Quaker Gap
- Reggie Rutledge – Beaver Island

- Jimmy Sands – Peters Creek/Danbury

Chairman Lankford entertained a motion to close the nominations.

Commissioner Booth moved to close the nominations. Commissioner Jones seconded and the motion carried unanimously.

Chairman Lankford polled the Board.

The Board unanimously approved the following:

- Derrick Joyce – Quaker Gap
- Reggie Rutledge – Beaver Island
- Jimmy Sands – Peters Creek/Danbury

Chairman Lankford noted Derrick Joyce, Reggie Rutledge, and Jimmy Sands were unanimously appointed to serve on the Stokes County Agricultural Advisory Board.

Closed Session

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

- To consider and take action with respect to the position to be taken by the county in negotiating the price or other material terms of an agreement for the acquisition or lease of real property pursuant to G.S. 143-318.11(a)(5).
- To consult with an attorney employed or retained by the public body in order to preserve the attorney client privilege between the attorney and the public body, which privilege is hereby acknowledged pursuant to GS 143-318.11(a)(3).
- The Board unanimously entered into closed session 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(6).

Commissioner Jones moved to enter into Closed Session for the following:

- To consider and take action with respect to the position to be taken by the county in negotiating the price or other material terms of an agreement for the acquisition or lease of real property pursuant to G.S. 143-318.11(a)(5).

- To consult with an attorney employed or retained by the public body in order to preserve the attorney client privilege between the attorney and the public body, which privilege is hereby acknowledged pursuant to GS 143-318.11(a)(3).
- The Board unanimously entered into closed session 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(6).

Vice Chairman Inman seconded and the motion carried unanimously.

The Board reentered the regular session of the February 27th meeting.

Adjournment

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

Commissioner Jones moved to adjourn the meeting. Commissioner Booth seconded and the motion carried unanimously.

Darlene M. Bullins
Clerk to the Board

Ernest Lankford
Chairman