

STATE OF NORTH CAROLINA )  
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COUNTY OF STOKES                 )  
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OFFICE OF THE COMMISSIONERS  
STOKES COUNTY GOVERNMENT  
DANBURY, NORTH CAROLINA  
JUNE 12, 2012

The Board of Commissioners of the County of Stokes, State of North Carolina, met for Budget Work Session in the Third Floor Conference Room of the Ronald Wilson Reagan Memorial Building (Administration Building) located in Danbury, North Carolina on Tuesday, June 12, 2012 at 10:00 am 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  
Sheriff Michael Marshall

Chairman Ernest Lankford called the Budget Work Session to order.

Commissioner Booth 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.

**Announcements**

Chairman Lankford reminded the Board of the upcoming joint meeting with Board of Education on Friday, June 15<sup>th</sup>.

Vice Chairman Inman noted the Forsyth Tech. Town Hall Meetings regarding the proposed community college facility are scheduled for Thursday, June 14<sup>th</sup> at the Community College facility

in King and Thursday, June 21<sup>st</sup> at the Walnut Cove Library with both meetings starting at 7:00 pm.

### **Budget Work Session**

Chairman Lankford opened the floor for discussion regarding the proposed Fiscal Year 2012-13 Budget.

County Manager Rick Morris noted four subjects he would like to cover at today's work session:

- Accrued Holiday Leave Reduction for the Sheriff's Department
- Ice Piggling for the Danbury Water System
- Animal Control – Budgetary suggestions that were not included in the budget, would like for the Board to consider
- Adjustments to the proposed budget – grant funding

### **Accrued Holiday Leave Reduction for the Sheriff's Department**

Sheriff Mike Marshall presented the following data regarding the accrued holiday leave reduction:

- Previous Board of Commissioners addressed accrued holiday and comp. time hours in 2009 in an attempt to reduce the balances
- At that time while serving as Captain for the Sheriff's Department, was directed to reduce the comp. time balances
- Worked on reducing accrued comp. time balances from August 2009 to August 2010
- Worked on reducing accrued holiday time balances from August 2010 to present
- In July 2010, if all accrued holiday time balances were paid out, it would have cost the County \$223,283.91
- In Fiscal Year 2011-12, requested \$20,000 additional funding to help reduce accrued holiday time balances
- As of June 12, 2012, the accrued holiday time if paid out would be \$85,890.12
- Have reduced the accrued holiday time if paid out by \$137,393.79
- Staff is working diligently to reduce accrued holiday and comp. time balances
- Feels an additional \$20,000 in this year's fiscal year budget would help to reduce the accrued balances even more
- There are a few employees who have large accrued holiday leave balances
- When the Board adopted policies requiring holiday time to be used before any other leave in 2009, the policy stated only holiday time accrued from that point forward could be mandated to be used before any other leave type
- Have three employees who still have large accrued holiday time balances
- Can't force an employee to use accrued holiday time before August 2009 per the Institute of Government

- Of the employees who currently have large accrued holiday time balances: one employee's pay out would be approximately \$30,000; one employee's pay off would be approximately \$16,000; and one employee's pay out would be approximately \$10,000
- Will try to triple the additional \$20,000 to exhaust \$60,000 worth of accrued holiday time
- The \$20,000 will pay for part time road deputies to cover while full time employees use their accrued holiday time
- Call volume is up so road deputies must be replaced when an employee is using accrued holiday time
- Commitments are increasing with officers being detained at the hospital anywhere from 4 to 14 days
- Uncertain how to deal with the three employees who have large balances of accrued holiday time
- Will be glad take suggestions on how to deal with the large balances

County Manager Rick Morris noted that DRC Director Tony Hill will be spending additional time this budget year on Pretrial in an effort to reduce the time that deputies are having to stay at a hospital with commitments.

Commissioner Booth expressed concerns with CenterPoint not dealing with the issue of deputies having to spend countless hours at the hospital with a commitment.

Sheriff Marshall noted:

- The problem is not as much with CenterPoint as it is with the state closing some of its mental institutions and consolidating others which has reduced bed space
- It is very hard to find bed space
- When bed space is found, you may have to travel as far as Brunswick County or New Bern
- Trips are long, but are cheaper than having a deputy spend day after day at the hospital waiting for a bed closer by
- It is not CenterPoint's fault that we are having to spend all those hours; they try to find bed space
- It is not just Stokes County, it is all over the State
- Talking to the Sheriff in Wilkes County last week; he stated that his deputies were on day 18 waiting for a bed

Commissioner Booth questioned Sheriff Marshall if he had any idea of what this is costing the County?

Sheriff Marshall responded:

- Since December 2011, personnel cost for maintaining the commitments at the hospital exceed \$10,000
- It is another burden given to the counties from the state
- Department is doing the best we can

Commissioner Walker questioned Sheriff Marshall, based on his knowledge and experience, if it is really necessary to have a deputy at the hospital while the patient is waiting to be committed?

Sheriff Marshall responded:

- Just had a placement in Central Hospital, while the individual was in custody at the hospital, he broke two sets of cuffs
- Deputies were in a struggle with the individual every day
- Individual was at the hospital for nine days before being committed
- Forsyth County and City of Winston Salem work together as well as Rockingham and Guilford Counties work together
- Forsyth and City of Winston Salem share the responsibility to be with the individual waiting for bed space for commitment
- The entry point for CenterPoint for Stokes County is Pioneer Community Hospital in Danbury
- If we could bypass that entry point and go directly to Forsyth, could possibly get a contract with Forsyth and City of Winston Salem
- Can't work with Forsyth and Winston Salem because our entry point is not Forsyth
- Unless a doctor orders a direct commit, the individual must go to Pioneer Community Hospital
- Must follow state regulations

Commissioner Walker questioned if there was any way a psychiatrist could evaluate a patient to see they are prone to violence?

Sheriff Marshall responded:

- CenterPoint has clinical staff that come and evaluate the patient
- They don't get to see a psychiatrist until they are committed
- Patients wait multiple days and then when they see a psychiatrist, they are often told that they don't meet the criteria and the Sheriff's Department is then responsible to take the individual back to where they were picked up
- Some individuals are committed by a family member just to get rid of them

Vice Chairman Inman noted the CenterPoint Board has been fighting this same issue for the past ten years.

Vice Chairman Inman also noted that he thought things were getting better at one point, but have started declining again.

Sheriff Marshall stated that things improved when Dr. Locola started getting involved; when she left and went to the State, things started declining.

Sheriff Marshall noted that beds became harder to get once Butner and Dorothy Dix merged; Central is not open for weekend admissions which makes things more complicated.

Vice Chairman Inman suggested that Sheriff Marshall and he schedule a meeting with CEO Betty Taylor, CenterPoint, to discuss these issues.

Sherriff Marshall stated that he called Betty Taylor when there are issues; she tries to help, but most of the time her hands are tied because of no bed space.

Vice Chairman Inman noted that DHHS is always a department that loses funding and is on target to lose funding this year again.

Sheriff Marshall questioned if the county would not be better off to hire a psychiatrist to work at the local hospital and have bed space available there?

Vice Chairman Inman stated that he would like to discuss that same question.

Vice Chairman Inman noted that the County can be liable if the deputy leaves that patient's room and the patient harms themselves or someone else.

Commissioner Walker suggested contacting Pioneer Community Hospital of Stokes; he understood they were considering hiring a psychiatrist.

Vice Chairman Inman reiterated the need to sit down with Betty Taylor and discuss the options.

The Board discussed the possibility of using some of the beds at Pioneer Community Hospital at Stokes for mental health issues.

Commissioner Jones noted it was ridiculous that LMEs can't take care of their own.

The Board discussed unfunded mandates.

Chairman Lankford confirmed with Sheriff Marshall that most of the calls come directly through Emergency Communications.

Sheriff Marshall noted:

- When you carry these individuals through the system, you see them on:
  - Day One - asking for help
  - Day Two - normally want to go home
  - Day Three - normally wanting to fight and hurt someone because they haven't got to see anyone yet
  - After Day Three -, normally just want you to leave them alone
- An individual must be a threat to themselves or others in front of law enforcement before there can be an emergency commitment
- If a person calls the Sheriff's Department for a deputy and tells the deputy that they are considering hurting themselves; the Sheriff's Department can give the individual a courtesy ride to Forsyth Hospital's ER and leave him at the door
- Forsyth Hospital doesn't like this, but at least they can see a psychiatrist on staff
- Individuals with mental issues are asking for help
- Families can go the Magistrate and have their family members committed (involuntary commitment)
- Most commitments are done on holidays and weekends

Chairman Lankford confirmed with Sheriff Marshall that he thought after another year, the accrued holiday time would be in good shape.

County Manager Morris reiterated that employees must use holiday time accrued after August 9, 2009 before any other type of leave.

Commissioner Walker noted the following:

- Would like to commend the Sheriff for the good effort to bring the accrued holiday time balances under control
- Questioned if the additional \$20,000, which is in the proposed budget, is adequate to be able to continue decreasing the accrued holiday time balances?

Sheriff Marshall responded:

- The additional \$20,000 worked well last year and feel it will be enough for the upcoming fiscal year
- Feels the \$20,000 will take the holiday and comp time balances down
- Have directed the Captain over patrol to decrease the accrued holiday time

The Board expressed appreciation to Sheriff Marshall in his efforts to reduce accrued Holiday

and Comp. Time balances.

Vice Chairman Inman reiterated that he would be scheduling a meeting with CEO Betty Taylor.

Sheriff Marshall suggested using local psychiatrists if possible.

Chairman Lankford suggested the County Manager speak to Pioneer officials about hiring a psychiatrist and their intentions of having any available space for mental health patients before talking to CEO Betty Taylor.

Sheriff Marshall stated that he understood that Pioneer already had a psychiatrist on staff.

Sheriff Marshall expressed his appreciation for being allowed to discuss the issues with the Board.

### **Danbury Water System – Ice Pigging**

County Manager Morris noted the following:

- Public Works Director Mark Delehant is working with a company to clean the Danbury Water System by using a new method in the United States called Ice Pigging
- Has been done one time in Florida and one time in Georgia
- Looked at several different ways before determining Ice Pigging will be the most efficient and economical
- After it is cleaned, Director Delehant knows what to do to keep it clean
- Had allocated \$11,500 in the proposed budget to do the procedure; need to allocate additional funding for the procedure which can be paid for from the Danbury Water System
- The rates will have to be raised in October as planned
- Have no option but to try to clean the water
- The new technology actually makes ice and pressure forces the ice mixed with salt through the pipes
- The company has agreed to special pricing if the County will allow other municipalities to see the new procedure perform
- The discoloration of the water has probably been caused due to not operating the system properly over the years
- Company is checking to get all the necessary permits with DENR
- Company has already briefed DENR about the new procedure
- There will be short periods of no water, but everyone will know when that will be – minimal impact to the users

The Board discussed the new technology with Manager Morris.

The Board had no issues with trying the new procedure to clean the water.

Chairman Lankford opened the floor for comments and concerns about the proposed budget from the Board.

Vice Chairman Inman noted:

- Would like to know if the request by CenterPoint for the County to allocate additional funding for a loan in this year's budget is legal?
- Feels this needs to be clarified before adopting the budget

Finance Director Julia Edwards responded:

- Have spoken to Local Government Commission (LGC) who has no issues with allowing CenterPoint to repay the request for additional funding for the implementation of the waiver over the next few years
- LGC did say that they thought DHHS has issues with allowing CenterPoint to borrow funding

Vice Chairman Inman discussed the need to have the property cards in the new GIS System changed so that they were readable; print is so small they can't be read?

Manager Morris responded:

- It is a software problem
- IT and Tax Departments are both talking to the company and should be fixed within the next month

Vice Chairman Inman noted the maps are fine; only complaint I have received is the property cards.

Vice Chairman Inman noted the following regarding school funding from the state:

- Many unknowns about what actual funding the School System will receive
- Representative Holloway is working diligently on the negative reversion
- School System could possibly only have to send back approximately \$700,000 instead of the projected \$1.2 million in discretionary funding
- The final figure could greatly impact the county's proposed budget
- Manager Morris' proposed budget projects the School System being able to keep \$600,000 to \$700,000 more than the Board of Education projected
- Board of Education's budget projects sending back all the \$1.2 million

Finance Director Julia Edwards noted that the Board of Education's proposed budget uses



\$1.4 million from their Fund Balance to balance the budget.

The Board discussed the discretionary funding that the School System could possibly have to send back to the State.

Commissioner Booth noted:

- Board of Education is subsidizing salaries from their Fund Balance
- Expressed concerns with the Board of Education using their Fund Balance to subsidize salaries, what will happen next year?

Commissioner Walker noted that a recent conversation from a retired teacher stated that the teachers' salaries had finally reached a decent starting salary.

Chairman Lankford noted the only difference in teachers' salaries depends on each county's supplement.

Vice Chairman Inman and Commissioner Jones questioned the amounts given to Commissioner Walker as starting salaries for teachers in Stokes County, seemed high.

Vice Chairman Inman noted:

- Have gone through the proposed budget very carefully
- Don't see a lot that can be changed
- Revenues will drive the expenditures
- Don't see sales tax increasing drastically, way below where we would like to see them
- Hold Harmless is definitely going away after this year
- Property values definitely decreasing with the upcoming revaluation
- Hope we can hold the property values to a 5% overall average decrease as projected by Tax Administrator Oakley
- Properties being sold today are not bringing tax values
- Big concern about the decrease in the property values
- Tax Administration is doing a great job collecting taxes in this type of economy
- Proposed budget takes \$2 million out of Fund Balance
- This Board is committed to no tax increase – fully on board with that
- Believe you must save for a rainy day
- County employees need to be commended, no COLA in several years
- On board with the manager's recommendation for a bonus
- Personally would like to see the bonus be \$500 for full time employees if possible
- Would like to see what a \$500 bonus would cost
- Concerned about future insurance rates, still feel the county has provided employees with a good health care plan
- Have confirmed with Sheriff Marshall that eight cars will do this year
- Don't see much room for flexibility

County Manager Morris responded that a \$500 bonus would be approximately \$178,000.

Commissioner Jones noted:

- Very shocked with the \$47 million total, but understand the increase
- Need to band together and go to Raleigh to get the sales tax reimbursement changed back to per capita
- Have got to find ways to increase revenues
- Got to find revenue to offset the anticipated loss in revenue from property taxes
- Raising taxes again is not an option for me
- Don't want to see the Fund Balance get really low again
- Feel the employees need to know what the county is paying for health and dental premiums for them and reasons why a COLA hasn't been given
- Feels employees need to know, even if is just through communication, that they are appreciated
- Need to keep employee morale up
- For the most part, don't have issues with the proposed budget
- Need to stay conservative regarding debt, not buy unless absolutely need to
- Have been concerned about CenterPoint for some time
- Would like to see, if possible, control for mental health come back to the County
- Feel we could serve them better
- Need to be careful going the cheap route of outsourcing
- As time goes on, it becomes more and more expensive and the county loses the capacity of doing things on our own
- When they come back and ask for more money, CenterPoint for example, we are over a barrel
- Another outsource is the billing for the Tax Department, it may become too expensive to continue to outsource that service
- Most stay very conservative

Finance Director Edwards noted that the Tax Department is bringing billing back in house.

Commissioner Walker provided another example of outsourcing as mentioned by

Commissioner Jones - imaging.

Commissioner Walker noted:

- DSS started out with a very good deal
- Vendor now is too expensive, other sources had to be found with some duties coming back to DSS and the county
- If funding had been used to purchase imaging equipment when started, the County would probably be in a very good situation now

Manager Morris noted that he would be doing meetings with all employees explaining the

budget and the county's mandatory financial issues in August.

Commissioner Booth noted the following:

- Like what fellow Commissioners have been speaking about
- Would like to thank the County Manager for his presentations to explain the proposed budget
- Very concerned about the \$47 million budget, but can see the increase with the mandatory items
- Can't see a tax increase this year
- Agreed with Vice Chairman Inman in hoping that the property values average decrease stays at 5%
- Like the manager's idea of bringing EMS under the Tax Department
- Feels the one central collection center is a great idea
- Hope we can add other billing/collection from other departments to the collection center in the future
- Home Health is running in the black now
- Don't feel there is much that can be changed in the proposed budget the manager recommended
- Feels the budget is conservative

County Manager Morris noted the increase in the budget total is outlined in the Budget

Message; increases are beyond the County's control.

Commissioner Jones noted that maybe next year's budget will be less.

Manager Morris noted that next year's budget has been estimated to be approximately \$43 million.

Manager Morris noted the following overall increase of 15.42% in this year's budget over last last year's budget is driven by seven major contributors:

- Debt service payments start this year for new school construction/renovation projects
- Mandated communications upgrade that must be funded
- Employee health insurance increased significantly
- Budget includes the cost for a building addition to the Health Department
- Potential Baptist Hospital debt payment for working capital remains unresolved
- Request from CenterPoint for additional funding
- Fuel cost and usage has increased significantly

Commissioner Booth noted it could easily be explained.

Commissioner Walker noted the following:

- Lost the opportunity of building new schools without a tax increase

- There might have been a time when things appeared that was a workable concept, but it slipped away
- Did the best we could with the favorable interest rate
- Have no regrets in doing the school construction or the 4 cent tax increase
- These were legitimate needs for the county
- That's the job of being a Commissioner - meet the needs
- Congratulation goes to Commissioner Booth for suggesting the no/low interest bonds

Commissioner Walker noted:

- Don't have anything specific yet
- Haven't really reviewed the entire budget yet
- Have reviewed the big budget book some
- Not nearly where I want to be
- Plan to spend the next few days reviewing the entire proposed budget
- Encouraged with what Sheriff Marshall shared with the Board
- In some tough times economically
- Listening to public radio a few days, heard something very concerning – the average household net worth in the US is approximately 40% less than 2007
- Twenty years of their savings gone
- We are talking about people in Stokes County
- Not going to be easy to explain a 15.42% increase in the budget no matter what the legitimate needs are
- Not going to be easy to explain a possible 3% tax increase next year
- It is going to be tough
- We have a very challenging economy
- We are the people who make the decisions who determine the economy in Stokes County
- Agree with Commissioner Jones that the sales tax needs to be redistributed, we were doing better with per capita
- Need more businesses in Stokes County, very challenging
- Will be clearer and clearer as time unfolds, you can't maintain a low tax rate with residential only, you have got to have businesses, you have to have jobs
- One major challenge for me as a Commissioner is when jobs are important to our citizens, what are we doing to create jobs?
- One thing that is a basic economic engine is a community college, it makes things happen, job training; we are gaining ground there
- When I am asked what the county is doing to create jobs, I not sure what are the strong answers that the people asking the questions would like to hear
- One major criticism that I have heard is that we haven't done enough for economic development

Commissioner Jones interjected that there is a mind set out there of the retired, wealthy and the people who own property that don't live here that are resistant to people who live here and have a

business in Stokes County.

Commissioner Jones noted the need to work on trying to get these people to be more open to people living in the County and wanting to start a business here.

Commissioner Jones noted that there are people right now in Stokes County who want to start a business.

Commissioner Walker noted without businesses and jobs, everyone should get ready to pay more for taxes.

Commissioner Walker noted the following three things that have come up:

- Neighborhood rose up against a simple wood cutting business that was very isolated and buffered
- Look at the bioremediation that could possibly have big business potential in the County and creating some jobs
- Look at fracking which could have revenue potential
- These opportunities that need to be thoroughly looked at
- These are potential businesses that are properly regulated and controlled which could be workable businesses
- Could be some place in Stokes County that these type of businesses could work
- Need to get together for some balance for what people want to maintain and preserve – the qualities of our county, our pure water, the good qualities – maintain as many of those and as much as possible
- We must look at what we are going to do for our farmers
- We still have people who have tobacco, but there are farmers who don't want to grow tobacco, who want to grow other things
- We need to look at how strong we are with our local produce initiative
- Why are we still getting things from Mexico?
- When are people going to question why the US is doing this?
- We should be growing locally and supporting local farmers
- It is a win/win for everyone involved, where is the downside?
- What can we do to help these initiatives?
- Main thing about a budget is that the budget fits the citizens needs, wants, and expectations
- They need to know where their money is going
- Would like to see some buy-in of the citizens
- We owe it to the citizens to know how their money is being spent, they will know
- Have done some things that I wished we could done differently:
  - Wished we had not given Pioneer such a sweet deal
  - Wished we had been more hard line with Baptist
- 15.5% increase for any reason to me is not a conservative budget

- County Manager has helped some in his budget message, but the challenge is how do you explain a not conservative budget in very tight times
- When you look at the reasons, a lot of them are tangible reasons
- There are some of the reasons that will be questioned by certain people
- It could be questioned by some why this budget favors the government side versus the citizen side in some ways
- Even though employees are seeing increases with health care cost, county is still paying the full premium for the employee's health and dental
- In the private sector, it is quite different
- No employees that I know are getting as good a deal as our county employees
- That happened in King, it all started back with the water system
- The water system was paying full health premiums for the employees and their families
- The Town of King acquired the water system and started paying the full health premiums for all employees
- Hope the employees recognize that they are very fortunate to have their individual paid in full by the County
- People paying taxes are not getting their health insurance premiums paid in full by their employers
- I think the Lawsonville renovation project has to be a priority to this Board; this is a commitment that the Board made and needs to keep
- Too often citizens are exposed to commitments that do not get done for some reason
- As a citizen of Stokes County, I am fed up with people promising something and not doing it
- A lot of our citizens also feel the same way, they want promises kept
- Owe it to the people in Lawsonville to follow up on our commitment
- Someone told him that one of the states that allows fracking is looking at no taxes for their citizens; that state has 27,000 wells (Wyoming)
- We have some challenges, but we have opportunities
- Looking for a budget that is fair, that is balanced, treating everyone as well as we can depending what their needs
- Will have a chance in the next few days to look for those types of things
- I agree with most of what the fellow commissioners have said
- Feel there has been some good observations made today
- Have some work to do, these are tough times

Commissioner Jones noted that she was working on the local food initiative and this proposed budget has several one-time expenses that will not be in next year's budget.

County Manager Rick Morris noted that services can always be decreased.

Commissioner Jones noted the irony of it all is that the people who are working and paying the taxes are not utilizing the services; it is a double-edged sword.

Commissioner Walker questioned if we cut some from DSS, cut some from Health Department, cut some from public safety, cut some from EMS, go to a four or five year cycle for ambulances instead of a three year cycle, just where do you start?

Commissioner Jones responded she had rather cut a few services than raise taxes; not for raising taxes.

Commissioner Walker noted that Manager Morris talked about a possible three cent tax increase for next year in his budget message or dipping again into Fund Balance or cutting services.

Commissioner Walker noted that adopting this budget this year is almost guaranteeing a tax increase for next year.

Commissioner Jones reiterated the need to go after Raleigh to get the sales tax changed back to per capita.

Commissioner Booth noted that there is going to have to be a lot adjustments made due to the property values decreasing; we will have to make up \$4 million during the next four years.

Commissioner Walker noted that the county will be making up \$2 million more each year due to losing Hold Harmless.

Commissioner Walker reiterated it is a tough time.

County Manager Morris noted that you may have to look at cutting complete departments and what is really mandated.

Chairman Lankford noted the following:

- After two more years, \$20 million of revenue is going to leave the County, the tobacco buyout program
- With that much revenue disappearing, it will be tough times
- You may start seeing land for sale, everything for sale
- People can't keep a farm and have idle land, can't pay their taxes
- The tobacco buyout program is a lot of money for some households
- Tobacco is also going away
- May have to look at purchasing no capital such as cars, ambulances, etc.

- One cent tax brings the county \$347,688 based on current assessed valuation
- Would like for the manager to review the bullet proof vests request from the Sheriff's Department

County Manager Morris responds that the allocation for the bullet proof vests is the match and the bullet proof vests do have expiration dates; will check with the Sheriff.

County Manager Rick Morris presented the following information regarding Animal Control which is not included in the budget that could increase revenue and get a better handle on the animal control issues in the County:

- Met with Dr. Debbie Cowan
- Dr. Cowan stated the Animal Control Advisory Council has been working with Chief Animal Control Officer Phil Handy and suggest the following:
  - (1) Board recommends a \$50.00 annual privilege license fee for anyone that has 5 or more breeding bitches
    - This would allow Animal Control to find out where the breeders are located in the county
    - This will also let the County know whether sales tax is being charged
    - These businesses are hard to locate
    - Would let the county get a better handle on what is going on in the County and a new revenue source
  - (2) Board recommends a \$50 annual business fee that allows selling of pets
    - Another revenue source
    - Would also let Animal Control know where the businesses are located in the county
  - (3) Increase the "N Rabies Vaccine fine (fee) from \$10 to \$25...it is for the protection of the citizens, and the pet
    - To help prevent rabies
  - (4) Increase the Stokes Tag fee from \$6 to \$17
  - (5) Increase the Shelter adoption fee to \$75, that would include getting the pet neutered
    - Would help to decrease the number of pets being euthanized
    - Do not currently have a neutering law
- Could adopt in this year's budget
- Could review and discuss at the next meeting
- Will provide any additional information if needed

Chairman Lankford noted the only one that he would have a problem with is the increase of the tag fee from \$6 to \$17; feels this will make people start not listing their animals.

Commissioner Walker stated that he could go as high as \$10 for the tag fee.



The Board briefly discussed the recommendations from the Animal Control Advisory Council.

Commissioner Jones noted:

- Agreed with number five: feels the animals need to be pre-neutered which will decrease the number being euthanized and help control the animal population.
- Disagrees with the increase of the tag fee – too high, but does agreed with number three
- Not sure about the first two, would need to think about those
- Animal Shelter staff has proven themselves with all fundraisers done and getting the adoption rate up

The Board discussed increasing the tag fee.

Commissioner Walker reiterated that he would to \$10 which would only be \$4 a year more.

Commissioner Booth confirmed that currently there were no privilege licenses in Stokes County.

The Board discussed the County having privilege licenses.

Manager Morris noted that the privilege licenses would be a way to find these types of businesses and enable the County to know what was going on before something bad happened.

Vice Chairman Inman questioned if the County did do the privilege licenses, would there also need to be some type of penalty if someone didn't obtain the privilege license?

Chairman Lankford noted the Board needed more information about privileges licenses.

Commissioner Walker suggested finding out what other surrounding counties are doing regarding this type of license.

Commissioner Jones noted that service taxes are coming.

Chairman Lankford noted there are several rental businesses in the County.

Manager Morris noted these business licenses may not be a bad idea, with the number tubes being rented in the county.

The Board discussed the rental of tubes in the county.

Chairman Lankford noted the need to discuss in the future ways that businesses who rent tubes, canoes, etc. for those on the river could contribute to cleaning up the river.

Finance Director Julia Edwards noted the following regarding a grant for Natural Resources:

- Board had previously done a budget amendment (\$20,000) for a feasibility study for Little Snow Creek Restoration Project
- Natural Resources is not going to spend any of that funding before the end of this fiscal year
- Would like to make the necessary changes to the proposed budget to keep from having to do a budget amendment at the first meeting in July

Finance Director Julia Edwards noted the following regarding the reporting of E911 funds:

- Need to add to Miscellaneous Contractual Services a proportion of IT and GIS Staff for keeping up the CAD System
- \$80,000 needs to be in the fund in order to report it to the State

Commissioner Booth confirmed with Finance Director Edwards that this would add \$20,000 to General Fund and \$80,000 to the E911 Fund (adds to expenditures and revenues which will balance each other out).

The Board had no issues with the Finance Director making the necessary changes.

Commissioner Walker confirmed with Manager Morris that the County was piggybacking with another county regarding the equipment mentioned at yesterday's meeting.

Vice Chairman Inman noted that as of today, 27% of all homeowners are under water with their mortgage (owe more than the property is worth).

The Board briefly discussed the housing market today.

Commissioner Walker noted if that the Board did not trim this proposed budget, there would be anguish for the next budget.

The Board briefly discussed the items that couldn't be cut such as the E911, Baptist issue, etc.

Commissioner Walker noted the government in Washington did the counties an acute disservice of forcing the E911 mandate at this time.

The Board discussed other counties having to increase their property taxes this year.

**Adjournment**

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

Vice Chairman Inman moved to adjourn the budget work session. Commissioner Booth seconded and the motion carried unanimously.

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

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**Ernest Lankford**  
**Chairman**