

STATE OF NORTH CAROLINA)
)
COUNTY OF STOKES)
)

OFFICE OF THE COMMISSIONERS
STOKES COUNTY GOVERNMENT
DANBURY, NORTH CAROLINA
AUGUST 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, August 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
Health Director Scott Lenhart
PHN Lisa Holt – Stokes Family Health Center
Tax Administrator Jake Oakley
Real Property Appraiser II Richard Brim
Real Property Appraisal Tech. II Danny Nelson
Forest Ranger Jonathan Young
District Forest Ranger Kevin Harvell

Chairman Ernest Lankford called the meeting to order.

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

- "Make yourself an example of good works with integrity and dignity"

Commissioner Walker 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 August 27, 2012 Agenda.

County Manager Rick Morris requested to remove the following Discussion Agenda item due to an issue with an easement:

- **Discussion Agenda** – Item (e) NCDOT – Request to Abandon a Portion of SR#1449 – Frank Tilley Road from the Secondary Road System along with a Request to Abandon a Portion of the Right of Way

Manager Morris noted that staff had spoken to NCDOT regarding the issue with the easement and NCDOT suggested the item be taken off the Agenda until the property owners were notified about the easement issues.

The Board had no issues with removing the item from the Agenda.

Vice Chairman Inman moved to approve the August 27th Agenda as amended.

Commissioner Jones seconded and the motion carried unanimously.

PUBLIC HEARING – 2013 Revaluation Proposed Schedule of Values Including Present-Use Deferred Taxation Schedule

Chairman Lankford called the Public Hearing for the 2013 Revaluation Proposed Schedule of Values Including Present-Use Deferred Taxation Schedule to order.

There were no public comments.

Chairman Lankford closed the Public Hearing.

PUBLIC COMMENTS

There were no public comments.

CONSENT AGENDA

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

Minutes

- Minutes of August 13, 2012 – Regular Meeting

Senior Services - Budget Amendment #7

Finance Director Julia Edwards submitted Budget Amendment #7.

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

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
Senior Services				
100.5860.263	SHIP Grant	<u>\$00.00</u>	<u>\$4,815.00</u>	<u>\$4,815.00</u>
	Totals	\$00.00	\$4,815.00	\$4,815.00

This budget amendment is justified as follows:

To appropriate Senior Health Insurance Information Grant funds for the Senior Services Department from the Department of Insurance.

This will result in a net increase of \$4,815.00 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
100.3301.366	Department of Insurance	<u>\$00.00</u>	<u>\$4,815.00</u>	<u>\$4,815.00</u>
	Totals	\$00.00	\$4,815.00	\$4,815.00

Tax Administration Report – July 2012

Real and Personal Releases more than \$100

Tax Administrator Jake Oakley presented the following Real and Personal Releases more than \$100 (July 2012) at the August 13th meeting with a request for approval at the August 27th meeting:

**Releases more than
\$100 - Real/Personal
Property**

July, 2012

Name	Bill Number	Amount	Reason
Tamoney Hall	10A599700550490	\$468.16	Fire on 11-29-2009
	11A599700550490	\$496.32	Fire on 11-29-2009
Diane Smith	11A155912131.09	\$600.00	Clerical error-incorrect value
Thomas A. Amos Jr	12A66102.01.1	<u>\$150.19</u>	Billing value incorrect
	Total Amount	\$1,714.67	

Motor Vehicle Refunds more than \$100

Tax Administrator Jake Oakley presented the following Motor Vehicle Refunds more than \$100 (July 2012) at the August 13th meeting with a request for approval at the August 27th meeting:

**Refunds more than
\$100 - Real/Personal
Property**

July, 2012

Name	Bill Number	Amount	Reason
Rickey Nowlin	11VABY9339	<u>\$189.18</u>	System Valued
Marketta Nowlin			Incorrect
	Total Amount	\$189.18	

Late Applications for Elderly and Disabled Exemption for 2012

Tax Administrator Jake Oakley presented the following Late Applications for Elderly and Disabled Exemption for 2012 (July 2012) at the August 13th meeting with a request for approval at the August 27th meeting:

**Late Application for
Elderly and Disabled
Exemption for 2012**

July, 2012

Name	Parcel Number	Address	Description	Tax Value
Mary Lee Carter	5972-04-70-7794	1610 Rierson Road Tobaccoville, NC	Land/Dwelling	\$102,000

Nancy Jane
Hazelwood

6976-04-81-4784

1105 Stacy Rothrock Rd
Madison, NC

Land/Dwelling

\$78,000

Late Application for Disabled Veteran Exclusion for 2012

Tax Administrator Jake Oakley presented the following Application for Disabled Veteran Exclusion for 2012 (July 2012) at the August 13th meeting with a request for approval at the August 27th meeting:

**Late Application for
Disabled Veteran
Exemption for
2012**

July, 2012

Name	Parcel Number	Address	Description	Tax Value
Paul E. Thompson	6996-00-36-9075	1023 Hunt Joyce Rd Madison, NC	Land/Dwelling	\$94,400

Motor Vehicle Appeal

Tax Administrator Jake Oakley presented the following Motor Vehicle Appeal from Allen J. and Meredith B. Tuttle (July 2012) at the August 13th meeting with a request for denial at the August 27th meeting:

- Ms. Meredith Tuttle appealed the Tax Office's assigned value of \$14,230 for a 2003 Springdale Camper
- Ms. Tuttle is requesting a reduction to the NADA's average retail price of \$8,790
- Ms. Tuttle was sent a letter on July 1, 2012 requesting information regarding the camper; County did not receive any reply
- In order to remain consistent and fair with the time line of appealing the value of motor vehicles, the Tax Administration recommends that the Board of Commissioners deny this appeal and uphold the assigned value of \$14,230

Commissioner Booth moved to approve the Consent Agenda as submitted.

Commissioner Jones 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:

County Manager Rick Morris noted the following:

- The “ice piggying” that was scheduled to start tonight to clean the pipes of the Danbury Water System has had to be postponed due to an equipment failure
 - Residents received an emergency call explaining the issue this morning
 - Trying to meet the Wednesday schedule
 - Considering rescheduling today’s maintenance for Friday afternoon of this week
- Confirmed Pertussis (Whooping Cough) Case in Stokes County
 - Stokes County has one confirmed case of whooping cough
 - There has been one death in Forsyth County
 - Confirmed case is a student at Nancy Reynolds Elementary School
 - Health Department and Dr. Newsome have a clinic scheduled for tomorrow at the school for all direct contacts
 - Health Department is working with local pharmacies and Social Services to make sure everyone can receive the needed prescription
 - Health Director and staff took a quick reaction to the emergency and did an exceptional job
 - Provided the Board with the press release issued by the Health Department along with information about whooping cough
 - Health Department will be providing information regarding whooping cough tomorrow to all Stokes County students to take home

Health Director Scott Lenhart noted the following:

- This reiterates the importance of getting children vaccinated
- One alarming fact about this particular case is that the child who has the whooping cough was up-to-date on all vaccinations
- This one confirmed case has 88 direct contacts that must be examined, given immunizations if necessary and prescribed antibiotics

Commissioner Walker noted that the information provided stated that about 85 children out of 100 who get all doses of the DTaP vaccine will be protected from whooping cough.

Chairman Lankford expressed the Board’s appreciation to Director Lenhart and staff for the quick response taken regarding this emergency.

Vice Chairman Inman noted the following:

- The Board recently attended a very informative NCACC conference in Raleigh
- Stayed for the entire business session, lot of good things happening with the NCACC

- Kevin Austin, Yadkin County, was elected to serve on the Board of Directors serving District 18
- Attended the CenterPoint Board of Directors meeting last Thursday and will have further comments regarding the Medicaid Waiver when the item is discussed

Commissioner Jones noted the following:

- Very glad to see everyone at tonight's meeting
- Hope to see everyone at the upcoming Stokes Stomp (September 8th and 9th)
- Also attended the NCACC Conference
- One thing that I brought back from the conference – must get the youth in our county involved to capture their ideas and energy to continue to move Stokes County forward

Commissioner Booth noted the following:

- Presented Board members with the Stokes County Soil and Water Annual Report
- Also attended the NCACC Conference

Commissioner Walker noted the following:

- Enjoyed and benefitted from the NCACC Conference
- Conference is a good time to network with other commissioners
- Attended some very good work sessions
- Would like to thank Vice Chairman Inman for serving on the Board of Directors for District 18
- Felt Vice Chairman Inman did a very good job representing District 18
- Questioned Manager Morris if he had notified the Animal Control Advisory Council regarding the appointment of Mona Triplett as the Animal Cruelty Investigator?

Manager Morris responded:

- Tried several times to contact Dr. Cowan with no success, will definitely contact Dr. Cowan this week

Chairman Lankford noted the following:

- Environmental Health did a workshop today for restaurant owners regarding the upcoming state changes for food inspection; workshop was very informative
- Also attended the NCACC conference

GENERAL GOVERNMENT – GOVERNING BODY – DISCUSSION AGENDA

2013 Revaluation Proposed Schedule of Values – Discussion

Tax Administrator Jake Oakley noted the following:

- Provided the Board with the proposed Schedule of Values at the August 13th meeting for the upcoming 2013 Revaluation
- Here tonight to answer any questions; Revaluation staff Richard Brim and Danny Nelson are in attendance for tonight's meeting

- Proposed Schedule of Values was developed by the Revaluation staff; State does not provide any guidelines for the schedule but mandates the county develops a schedule
- If the Board has no issues with the proposed schedule, request the item be placed on the September 10th Action Agenda for approval
- Once the Board approves the schedule, the County will advertise four (4) consecutive weeks that the Board of Commissioners has adopted the schedule for real property
- If there are any complaints regarding the approved schedule, the appeal must go to Raleigh
- Reiterated that there were no public comments tonight regarding the proposed schedule

Commissioner Jones confirmed with Tax Administrator Oakley that the proposed increase in deferred values will slightly offset the revenue loss with the 2013 Revaluation.

Tax Administrator Oakley also noted that the revenue loss can increase each year as more people take advantage of the deferment plan.

Commissioner Walker questioned Tax Administrator Oakley what would be the easiest way to explain to a property owner who has deferment why his taxes increased?

Tax Administrator Oakley responded:

- Would want to find out if the property owner had made any enhancements to the property during the past four years
- Would suggest you refer the property owner to the Tax Department so that everything could be taken into consideration; would definitely make sure the property owner totally understood the increase
- Would make sure the property owner and the commissioner who referred the property owner understand exactly what occurred
- Keep in mind that some property owners who are on deferment might not see an increase due to the decrease in their real property values (structures)

Commissioner Walker commended the Tax Administrator and staff for their continued efforts to work with property owners.

Commissioner Walker confirmed with Tax Administrator Oakley that the proposed schedule is basically the same as the schedule adopted by the Board in 2009 and that the proposed schedule reflects all new sales since 2009.

Tax Administrator Oakley noted the following:

- Overall average is estimated at a 5% decrease in values, mainly in structures on the property
- Some lots in the larger subdivisions may see a larger decrease
- Some areas could see more than a 5% decrease in the values, it all depends on the location
- Predict the number one question/complaint will probably be “Why did the property value not go down more?”

Chairman Lankford noted the following:

- After reviewing the information, feel the Revaluation staff has consistently stayed with the same process over the years in the development of the proposed schedule

Tax Administrator Oakley reiterated that staff would be happy to speak to anyone regarding the upcoming revaluation.

Chairman Lankford also commended the Tax Administration staff for their continued efforts to work with the taxpayers.

Vice Chairman Inman stated that he echoed all the comments made.

Commissioner Booth confirmed with Tax Administrator Oakley that the 5% decrease in values was an overall average of the county with some areas possibly having an increase and others seeing as much as 20 to 25% decrease depending on location and supply and demand.

Chairman Lankford, with full consensus of the Board, directed the Clerk to place the item on the September 10th Action Agenda.

Northwestern Regional Library – Amendment to the Contract

Manager Rick Morris presented the following amended contract from the Northwestern Regional Library:

Northwestern Regional Library Contract

The Boards of County Commissioners of Alleghany, Stokes, Surry and Yadkin Counties pursuant to G.S. 153A-270 and G.S. 160A, Article 20, hereby enter into this Agreement for the joint operation of the Northwestern Regional Library, a multi-county library system, to provide public library service to the residents of said counties by unifying the administration of the participating libraries,

providing professional library specialists, cooperating in the selection of books and other materials, and crossing county lines for the benefit of all.

This Agreement shall be in effect as of the first day of the month following the date which all of the local units of government have ratified it by resolution recorded in their minutes and after the acceptance hereof by the Northwestern Regional Library and shall continue in effect **through June 30, 2022.**

The Northwestern Regional Library system, headquartered at the Elkin Public Library in Surry County, will be governed by the Northwestern Regional Library Board of Trustees. Members of the Regional Library Board of Trustees shall be appointed by the Boards of County Commissioners as follows:

- a. The Northwestern Regional Library Board of Trustees shall consist of thirteen (13) persons, three (3) each appointed from the local library boards by the Boards of County Commissioners of Alleghany, Stokes and Yadkin Counties, and one (1) each representing the four municipal libraries in Surry County: The Dobson Community Library, The Charles H. Stone Memorial Library, The Mount Airy Public Library and the Elkin Public Library appointed by the Surry County Commissioners upon the recommendations of the Town Boards of Commissioners of Mount Airy, Elkin, Pilot Mountain and Dobson. Each appointed member shall reside in the county which they represent.
- b. Terms of membership shall be for six (6) years with the terms of one (1) member from each County expiring every two years, except that the terms of membership of the members from Elkin and Mount Airy shall expire at the same time. Terms shall run concurrent with the fiscal year (July 1 – June 30). The same person may serve two consecutive full terms. Board members who are appointed to fill unexpired terms are eligible to be appointed to one (1) additional full term. If the new member is fulfilling an unexpired term for less than 36 months, that member is eligible to serve two consecutive full terms. All Board Members shall serve until their successors have been appointed. In case of a vacancy on the Board, however caused, the County Commissioners shall appoint a new member to serve the remainder of the unexpired term. One Commissioner from each County may be appointed to serve on the Board.
- c. Any trustee missing three (3) consecutive board meetings, exempting County Commissioners, shall be considered to have resigned, and the County Commissioners shall appoint a new member to serve the remainder of the unexpired term upon notification by the Chairman of the Northwestern Regional Library Board of Trustees.
- d. **The Board of Commissioners for a county may remove and replace any member of the Board of Trustees appointed by the county for any reason deemed appropriate by that county's Board of Commissioners.**

All Boards of County Commissioners hereby delegate to the Northwestern Regional Library Board of Trustees the following powers and duties:

- 1) To adopt such bylaws, rules and regulations for its own guidance and for the government of the library as may be necessary and in conformity with law; the Board shall be delegated the

power to assure compliance with all applicable State and Federal law and eligibility requirements for the receipt of State and Federal funds.

- 2) To elect a chairman, vice-chairman, and **Secretary** and such other officers as it shall deem necessary;
- 3) To appoint a Regional Director and delegate to that person executive powers. The Regional Director of library services must possess a Masters of Library Science Degree from an accredited American Library Association school and who must obtain a North Carolina certification from the State Library within 12 months and to authorize the Director to appoint regional and branch librarians and other personnel, and to remove such librarians or personnel. It is understood that the Director will seek advice from local trustees and regional board members in appointing personnel. All library personnel will be under the administration of the Northwestern Regional Library Director;
- 4) To designate a budget and finance officer to serve as prescribed by G.S. 159 Article 3 Local Budget and Fiscal Control Act. Regional library finances must be administered by a person or firm reporting to the Director and the Northwestern Regional Library Board of Trustees.
- 5) To prepare the annual budget of the Northwestern Regional Library system in line with the needs of each unit and the grants anticipated from the State Aid to Public Libraries Fund and other state and federal sources, and to present such budgets for approval and to be included in the budgets of the participating local government units;
- 6) To make recommendations concerning the construction and improvement of physical facilities of the libraries in the region;
- 7) To report after every regional board meeting in writing, to the participating local governmental units and to report annually to the State Library as required by G.S. 125-5, and to obtain an annual audit of library accounts according to generally accepted accounting principles and submit a copy of this audit to the Division of State Library **and to each of the four participating counties.**
- 8) To set forth the salary pay scale **and other benefits, if any,** for all personnel.
All monies from both State and local governmental units will be paid into the Northwestern Regional Library as a "Public Authority" (G.S. 159-7 .b10) which will comply with the provisions of the Local Government Finance Act (G.S. 159).
Each county/municipality will pay into the Northwestern Regional Library account **an amount deemed appropriate by each county/municipality** necessary to operate its facilities, including heat, utilities, and building maintenance or rent; salaries and employer share of benefits for personnel working exclusively in the county/municipality; for materials or equipment exclusively for that county/municipality. Each county/municipality may also contribute to joint operations as mutually agreed on. **Nothing in this Agreement shall require or obligate a county to pay any funds to the Northwestern Regional Library beyond those deemed appropriate by that county in its sole discretion.**

The Northwestern Regional Library Board, staff, employees, or other agents shall not have the authority to incur any debt, obligation, liability, or other expense, which would purport to place any liability or responsibility for such debt obligation, liability or other expense upon any of the counties that are parties to this Agreement. Any contracts and agreements entered into by the Northwestern Regional Library shall expressly inform the other parties to the contract or agreement that all debts, liabilities, and obligations of the Northwestern Regional Library are its alone and that none of the counties that are party to this agreement shall be liable or responsible for any of the Northwestern Regional Library's debts, liabilities, or obligations. At all times, the Northwestern Regional Library shall carry workers compensation insurance as required by applicable law and shall carry general commercial liability insurance covering its activities in an amount of at least \$1,000,000 per occurrence. From time to time, any of the counties that are a party to this Agreement may (but need not) review and inspect the Northwestern Regional Library's contracts, agreements, financial records, and other records to ensure that the provisions of this Agreement are being followed and to assess the Northwestern Regional Library's financial condition.

All State funds will be expended throughout the region in compliance with the North Carolina Administrative Code and other applicable law. The Northwestern Regional Library Finance Officer will account for all expenditures by source of funds.

It is further agreed that all real property will be acquired and owned by the county/municipality that is a party to this Agreement in which that real property is located. The cost of utilities may be shared between local and regional sources of income. If the Northwestern Regional Library offices are separate from any library, rent is a proper shared expense for the region. All other property: books, CD's, DVD's computers, electronic materials and devices, vehicles, and other property purchased with state or federal funds or shared local funds shall be owned by the Northwestern Regional Library.

If one county should withdraw, it forfeits any right to joint personal property owned by the Northwestern Regional Library. If this Agreement is terminated, the joint property shall be divided equally among the counties that are parties to this Agreement or, at the discretion of the Board of Trustees, sold. If sold, the proceeds shall be divided equally among the counties that are parties to this Agreement. However, any item purchased with local funding from one county or gifted by a county shall remain the property of the county providing the funding or the gift.

A County proposing to withdraw from this regional library shall give written notice on or before July 1 to the Northwestern Regional Library Board, the other participating local governmental units, and the State Library of North Carolina. The withdrawal shall be effective June 30th of the following calendar year.

If the withdrawal does not result in the dissolution of the Northwestern Regional Library system (which dissolution will not occur if two or more of the other counties choose for the system to continue), the withdrawing county will forfeit all rights to personal property belonging to the Northwestern Regional Library. However, the Northwestern Regional Library Board of Trustees shall decide by June 30 of the following year whether to give the withdrawing library a portion of books and other materials when the loss of these materials to the region will not impoverish the collection. The Regional Director's professional judgment will be used to determine which materials can be spared.

This Agreement may be amended by resolution of all of the Boards of County Commissioners and recorded in their minutes and the acceptance of the amendment by the Northwestern Regional Library Board of Trustees. The amendment shall be in effect after the last county has approved it and the acceptance by the Northwestern Regional Library Board of Trustees, or at the time specified in the amendment. Copies of this contract and future adopted amendments should be sent to the Division of State Library (N.C. Administrative Code Chapter 2, Title 7, Subchapter 2I, Section .0201. Requests for amendment may come from either a Board of County Commissioners or from the Northwestern Regional Library Board of Trustees.

This agreement constitutes the entire agreement among the parties concerning the subject among matter and supersedes any prior agreements, communications, and representations the parties concerning the subject matter. This Agreement does not grant any rights or privileges to any third parties.

This Agreement supersedes all previous existing Agreements.

Signed and sealed this _____ day of _____ in the year _____ .

Stokes County Board of Commissioners

Chairman Ernest Lankford

Vice Chairman J. Leon Inman

Commissioner Jimmy Walker

Commissioner Ronda Jones

Commissioner James D. Booth

ACCEPTED:

Northwestern Regional Library
Chairman

Northwestern Regional Library
Secretary

Manager Morris noted:

- Suggested changes are underlined and in bold
- Yadkin County requested the changes in order to reduce the county's liability and tighten up the financial process of the agreement
- See no issues with the changes
- County Attorney Powell has reviewed the proposed changes and sees no issues
- Alleghany and Surry Counties have already approved the amended contract
- Yadkin County has the amended contract on their September 4th Agenda
- Recommend the Board approve the amended agreement

Chairman Lankford questioned the termination date of June 30, 2022?

Chairman Lankford stated that he did not recall the other contract having a termination date and also questioned the 10 years.

Manager Morris noted that staff would contact Director Hedrick about the 10-year termination date.

Chairman Lankford, with full consensus of the Board, directed the Clerk to place the item on the September 10th Action Agenda.

CenterPoint Human Services – Proposed Loan Agreement – Implementation of Medical Waiver – Proposed Resolution

Manager Rick Morris presented the following proposed Resolution Authorizing a Loan to CenterPoint Human Services along with a proposed Loan Agreement that has been adapted from the Resolution and Loan Agreement that have already been approved between Davie County and CenterPoint to reflect Stokes County's funding with CenterPoint Human Services:

**RESOLUTION
AUTHORIZING A LOAN TO CENTERPOINT HUMAN SERVICES**

WHEREAS, it is necessary that temporary financing be provided to CenterPoint Human Services for the implementation of the Medicaid §1915(b)/(c) waiver program affecting, among others, consumers who reside in **STOKES** County, North Carolina.

WHEREAS, North Carolina General Statutes and generally accepted accounting principles permit the Stokes County, North Carolina Board of County Commissioners (the "County") to transfer monies between certain accounting funds in the form of loans; and

WHEREAS, the County desires to meet this need by loaning monies to CenterPoint from the General Fund operating budget to the accounts established for this purpose in the budget of the General Fund.

NOW, THEREFORE, upon Motion made and seconded, the Board of County Commissions for Stokes County, North Carolina does hereby vote as follows:

Section 1: The Board of County Commissioners hereby authorizes a short term loan of an amount not to exceed **\$148,217.00** for the advancement of funds for costs related to implementation of Medicaid Sections 1915(b)/(c) waiver implementation and operations.

Section 2: Interest will be repaid at a rate mutually agreed to by Stokes County and CenterPoint Human Services.

Section 3: CenterPoint Human Services shall make annual payments through a reduction of Stokes County's discretionary funding on the loan in an amount equal to 1/5 of the total principal loan amount, plus any accrued interest over the following five-year period.

Section 4: The County Manager is hereby authorized to prepare and have CenterPoint Human Services execute a Loan Agreement for the amount of the loan under the terms as set forth above.

Adopted this ____ day of September 2012.

Chairman Ernest Lankford

Vice Chairman J. Leon Inman

Commissioner Jimmy Walker

Commissioner Ronda Jones

Commissioner James D. Booth

Attest:

Darlene M. Bullins
Clerk to the Board

NORTH CAROLINA
STOKES COUNTY

LOAN
AGREEMENT

THIS LOAN AGREEMENT, made and entered into this the ____ day of _____, 2012, by and between the County of Stokes, North Carolina, (hereinafter referred to as the "County") and CenterPoint Human Services, (hereinafter referred to as "CenterPoint").

WITNESSETH:

THAT WHEREAS, CenterPoint is in need of a short term operation loan in the amount of **\$148,127.00** for cost relating to implementation of the Medicaid Section 1915 (b)/(c) waiver and operation administrated by CenterPoint in Stokes County, North Carolina; and,

THAT WHEREAS, the County is in need of the services of CenterPoint for such Medicaid Waiver program and has the funds available to lend to CenterPoint for the **\$148,127.00** loan; and

THAT WHEREAS, such loan would benefit the consumers who reside in Stokes County, North Carolina by allowing CenterPoint to provide such services; and

THAT WHEREAS, the Stokes County Board of Commissioners have passed a resolution authorizing the County Manager of Stokes County, North Carolina to enter into a Loan Agreement with CenterPoint for such a loan.

NOW THEREFORE, IN CONSIDERATION of the promises and covenants contained herein, the County and CenterPoint do agree as follows:

1. The County shall lend to CenterPoint the sum of **\$148,127.00** under the terms and conditions set forth below.
2. CenterPoint shall use the above funds only for the purposes of implementing the Medicaid Section 1915 (b)/(c) waiver program for Stokes County, North Carolina.
3. The loan shall be for a term of not more than five (5) years.
4. Interest on the principal loan amount shall run from the date of this Agreement until the principal is paid in full. The interest rate shall be equal and equivalent to the rate of interest which the County could earn on its other investment deposits as determined by the County Finance Officer.
5. CenterPoint shall make annual payments in the form of a reduction in its annual discretionary allocation from Stokes County on the principal and interest on the anniversary date of the loan in amounts equal to one-fifth (1/5) of the total principal loan amount, plus all accrued interest. **Discretionary funding allocations to CenterPoint shall be reduced by \$29,625.00 for first four (4) fiscal years and \$29,627.00 in the fifth fiscal year beginning 2012-2013 and ending 2016-2017.**
6. Upon CenterPoint's full payment of principal and interest, Stokes County will restore CenterPoint's annual allocation of discretionary funding to the original Fiscal Year 2011-2012 amount of **\$398,820.** There is no restriction upon CenterPoint repaying the amount in less than five (5) years.
7. Any default on the payments shall cause the full amount to become due immediately by CenterPoint to the County.
8. Notice of default and presentment is hereby waived by CenterPoint upon any default.
9. The individual executing this Agreement on behalf of CenterPoint has full authorization to execute this document and bind CenterPoint to this Loan Agreement and CenterPoint, by accepting the loan acknowledges and agrees to be bound by this Loan Agreement.

IN WITNESS WHEREOF, the parties have set their hands and seals to this Loan Agreement on the date and year above written.

County of Stokes

CenterPoint Human Services

By: _____
Richard D. Morris, County Manager

By: _____
(Title) _____

This Agreement has been pre-approved
in the manner required by the Local Government
Budget and Fiscal Control Act.

Julia Edwards, Finance Director

Approved as to form:

Edward Powell, County Attorney

August 27, 2012

Manager Morris noted the following:

- Proposed documents are for discussion tonight
- Chief Financial Officer (CFO) Kevin Beauchamp and Community Operations Manager Jeff Eads, Centerpoint, are in attendance for tonight's meeting
- During the recent budget discussions, the Board substantially approved the loan to CenterPoint on the condition that the Board sign an agreement with CenterPoint
- Proposed Loan Agreement states that the County will provide CenterPoint with a short term loan in the amount of \$148,127 this fiscal year for cost relating to the implementation of the Medicaid Waiver
- County will reduce the discretionary funding allocations to CenterPoint by \$29,625 starting this fiscal year for first four years and \$29,727 in the fifth year of a five-year loan which will end in fiscal year 2016-17
- Davie County included a 1% interest rate
- Stokes County will charge an interest rate mutually agreed to by Stokes County and CenterPoint if the Board desires to charge an interest rate
- Manager Morris provided the Board with an amortization schedule for the five-year loan period that included a 1% interest rate
- CFO Kevin Beauchamp stated this week that CenterPoint plans to repay the loan back as quickly as possible and if the waiver implementation does not cost as much as projected, the funding might be repaid back to the counties at the end of this fiscal year
- Manager Morris provided the following chart which illustrates the cuts Stokes County would receive if the loan is provided by Stokes County:

Description	FY12	FY13	FY13	Difference
	Allocation	Initial Allocation	Adjusted Allocation	FY12 &
	Amount	Amount	Amount	FY13
Stokes County Discretionary Allocation	398,820	398,820	369,195	(29,625)
CenterPoint One Time Waiver Funding	-	-	148,127	148,127
	<u>398,820</u>	<u>398,820</u>	<u>517,322</u>	<u>118,502</u>
MH Services				
Daymark	42,000	25,727	38,253	(3,747)
Triumph	68,000	39,246	61,933	(6,067)
Total MH Services	110,000	64,973	100,186	(9,814)
DD Services				
Monarch	166,029	90,216	151,215	(14,814)
Total DD Services	166,029	90,216	151,215	(14,814)
SA Services				
Partnership	56,000	33,004	51,003	(4,997)
Total SA Services	56,000	33,004	51,003	(4,997)

Inpatient/Crisis Services

Old Vineyard	52,500	52,500	52,500	-
Total Inpatient/Crisis Services	52,500	52,500	52,500	-

Other

Waiver Implementation	-	148,127	148,127	148,127
Care Coordination	4,291	-	4,291	-
Transportation	10,000	10,000	10,000	-
Total Other Services	14,291	158,127	162,418	148,127

- Chart does not mean there will be any reduction in services, feels level of service will be comparable with the level of service currently receiving
- CFO Beauchamp can speak to that issue
- Will amend the proposed loan agreement as directed by the Board for the September 10th Agenda

Chairman Lankford opened the floor for discussion.

Vice Chairman Inman, who serves on the CenterPoint Board of Directors, noted:

- Item was discussed several times during the budget work sessions
- Board agreed during the budget work sessions to proceed with the requested allocation so that Stokes County would not see any reduction in services
- Confirmed with CEO Betty Taylor at the last CenterPoint meeting that since Stokes County had agreed to provide the additional funding; Stokes County would not see any reduction in services
- Also specifically questioned if the Stokes Opportunity Center would receive any reduction in services and the answer was "no"
- Feel comfortable with CEO Taylor's response
- CEO Taylor has scheduled a meeting with Administrator Jim White, Pioneer Health Services, to discuss a partnership to provide mental health services
- Believe this could be a win/win situation for both CenterPoint and Stokes County
- Comfortable with the proposed resolution and loan agreement submitted without applying any interest rate

Commissioner Jones noted:

- Anytime we can partner with another organization to enhance services is a great thing on all levels
- In regards to charging an interest rate, currently there is no funding being made on interest, but in 3 to 5 years there could be a big change in the economy
- Might be a good idea to consider charging an interest rate

Commissioner Booth noted:

- Like the idea of Pioneer Hospital getting involved to provide mental health services
- Feels this will be a win/win situation for everyone involved and could help to reduce the amount of time the Sheriff's staff is spending with mental health issues
- Pleased to hear there will be no reduction in services to the citizens of Stokes County
- Could go either way with charging an interest rate
- Could go with .50% or 1% interest rate to make sure the taxpayers' money is not losing any money
- County is currently making very little on interest

Commissioner Walker noted:

- Suggest starting off with a nominal interest rate
- Concerned with the amount that had to be taken from the Fund Balance this year to balance the budget along with the projected 5% decrease in overall property values that will have a huge impact on next year's budget
- Need to be really good stewards/fiduciaries of the citizens' money
- Comfortable with the agreement, see no issues
- Have had a good partnership with CenterPoint
- In fairness to the County's budget, feels there should be a nominal interest rate, possibly starting with 2% in the beginning and having the finance director monitor the interest rate in case the economy does bounce back
- Confirmed with Finance Director Edwards that interest rates are not expected to increase until after 2013
- Would like to see the county apply an interest rate no lower than 2% with the ability to increase the rate if the economy turns better in order to give the County some return on the money being loaned

Finance Director Edwards noted the county is currently not even making 1% on its investments.

CFO Kevin Beauchamp, CenterPoint, noted the following:

- Greatly appreciate the County allocating additional needed funding
- Discretionary funding provided by Stokes County stays in Stokes County
- Stokes County funding will not go to supplement funding in another county
- If there is a county that does not provide the additional needed funding, the reduction of services will stay in that county
- Any reduction in services in another county will definitely not affect Stokes County

Commissioner Walker confirmed with CFO Beauchamp that the requested additional funding was based on a percentage of each county's discretionary funding.

Commissioner Booth confirmed with CFO Beauchamp that CenterPoint could provide interest on the funding being provided by Stokes County and reiterated some type of interest did

need to be charged.

Commissioner Walker confirmed with Director Edwards that if the county went out for debt, the interest rate currently would probably be above 4%.

Commissioner Walker reiterated that he wanted to work with CenterPoint, but felt the County should charge 2% interest rate.

Chairman Lankford noted:

- Have had a good partnership with CenterPoint
- Feels the focus is providing mental health services for the citizens of Stokes County
- Could go with 1% interest rate, no higher, due to the County is actually just front loading funding that is normally paid each fiscal year in discretionary funding
- Don't feel the County should try to make money off the agreement, main issue is to provide good mental health services for the citizens of Stokes County

Commissioner Walker noted:

- Agree with the concept Chairman Lankford just described, but at the same time, 2% would be approximately $\frac{1}{2}$ the rate if CenterPoint had to borrow from the private market
- Feels 2% interest rate would be favorable to CenterPoint and to the citizens of Stokes County

Vice Chairman Inman noted:

- Agreed with Chairman Lankford that the loan amount would actually be discretionary funding that would normally be provided to CenterPoint over the next five years
- County would be charging an interest rate on discretionary funding that would have been provided each year anyway
- Also want to point out something – provided in the Quarterly Report – Stokes County citizens have received 100's of thousands of dollars in free medication as a result of the discretionary funding
- Charging interest could reduce discretionary funding to the point that the County could lose services

Commissioner Jones noted:

- Understand Chairman Lankford and Vice Chairman Inman's comments, but feel there does need to be a nominal interest rate applied to the loan; county is not a bank
- Have a minority of people receiving services with other taxpayers' dollars paying for those services
- Two sided issue

Commissioner Booth noted:

- Understand the front loading of the funding, but that amount could remain in the Fund Balance and draw interest
- Feel there should be some nominal interest rate

Manager Morris noted the county could review the interest rate annually.

The Board discussed comparing the interest rate to the County's Fund Balance each year.

Manager Morris reiterated that CenterPoint could pay the entire funding back to Stokes County at the end of this fiscal year if the cost of the waiver implementation is less than projected.

Commissioner Walker reiterated the need to charge 2% interest rate which would be a win/win for both the County and CenterPoint.

The Board unanimously agreed to evaluate the interest rate each year to determine a rate of interest earned by county investments as determined by the County Finance Director, but not less 1%.

Chairman Lankford directed the manager to revise the resolution to reflect the interest rate to be equivalent to the county's investments, but no lower than 1% for the September 10th Agenda.

Chairman Lankford, with full consensus of the Board, directed the Clerk to place the item on the September 10th Action Agenda.

Vice Chairman Inman expressed appreciation to the following CenterPoint Board of Directors who were also in attendance for tonight's meeting:

- Ms. Jan Spencer
- Mr. Arzell Montgomery

Vice Chairman Inman noted both members were very dedicated and doing a great job for the citizens of Stokes County.

United Health Care – Health Insurance Premium Rebate for 2011

County Manager Rick Morris presented the following information regarding the Health Insurance Premium Rebate received from United Health Care (UHC) for 2011:

August 27, 2012

- The Affordable Care Act requires UHC to rebate part of the premiums it received if it does not spend at least 85% of the premiums UHC receives on health care services, such as doctors and hospital bills, and activities to improve health care quality, such as efforts to improve patient safety
- This is referred to as the “Medical Loss Ratio” standard
- This is intended to ensure that consumers get value for their health care dollars
- County basically has two choices:
 - Reduce the premium for the upcoming year
 - Provide a cash rebate to the employees that were covered by the health insurance who paid premiums
- This will effect employees who paid premiums for dependents which is approximately 40 employees (past/present)
- County received \$22,109.50 from UHC the first of August
- Rebate must be paid within three months of receiving the rebate
- Recommend the county refund a calculated amount to the employees who paid dependent premiums from July 1, 2011 to December 31, 2011
- County will receive their portion of the rebate (county paid the entire premium for all full time employees)
- Will provide the formula at the next meeting

Chairman Lankford opened the floor for discussion.

The Board had no issues with the manager’s recommendation.

Chairman Lankford, with full consensus of the Board, directed the Clerk to place the item on the September 10th Action Agenda.

Tax Administration – External Posting – Office Assistant II

Manager Rick Morris provided the following information regarding a request from Tax Administrator Jake Oakley to post externally for a vacant Office Assistant II position:

- Office Assistant II position is one of the EMS billing positions that will be transferring to the Tax Department in October
- Current county employee was originally hired for the vacant position
- Applicant declined the appointment on August 15th to take a full time position with the Health Department
- There was only one internal applicant
- Request the position be posted externally
- Request the item be moved to tonight’s Action Agenda in order to comply with training time restraints and to help facilitate an orderly transition involving the relocation of the EMS billing staff to the Tax Department
- Recommend posting the vacant position externally

Chairman Lankford opened the floor for discussion.

Commissioner Walker reiterated the need to allow the manager to approve this type of item if there were no internal applicants.

Manager Morris noted it was the County's policy to bring all external postings to the Board for approval.

The remaining members of the Board felt it is not the right time to change the policy especially with the current budget and the next year's budget.

Manager Morris noted that by bringing external postings to the Board, the Board is aware of what is being advertised if questioned by a citizen.

The Board had no issues with the manager's recommendation regarding the external posting.

The Board unanimously agreed to move the item to tonight's Action Agenda.

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

Social Services – External Posting – Processing Assistant III

Manager Rick Morris provided the following information regarding a request from DSS Director Kristy Preston to post externally a vacant Processing Assistant position:

- Currently have a vacant Processing Assistant III position in the clerical unit
- Posted internally and no applications received
- Request permission to post position externally
- Very important position in the department that provides clerical support to the agency's employees
- Did not request to move to tonight's Action Agenda
- Recommend posting the vacant position externally

Chairman Lankford opened the floor for discussion.

Commissioner Walker suggested moving the item to tonight's Action Agenda.

The Board had no issues with the manager's recommendation.

The Board unanimously agreed to move the item to tonight's Action Agenda.

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

NCACC Solicitation of County Legislative Goals Proposals for 2013-14

Manager Rick Morris noted the need for the Commissioners to provide their Legislative Goals tonight for approval at the September 10th meeting, deadline being September 17th for submission to the NCACC.

Chairman Lankford opened the floor for members to provide their Legislative Goals.

Commissioner Jones provided the following Legislative Goals:

- No more unfunded mandates
- Go back to per capita sales tax
- Need to know exactly what portion of lottery funding the counties can expect to receive in order to be able to budget

Commissioner Booth provided the following Legislative Goals:

- No more unfunded mandates
- Preserve the existing local revenue base
 - Current goal that has not been completely accomplished
- Ensure adequate mental health funding
 - Current goal that has not been completely accomplished
- Have the state perform a feasibility study to determine the financial impact on counties becoming its own MCO with using state and local funding along with Medicaid and under the direction of the local health department
 - Just thinking out of the box
- Go back to per capita sales tax
- Require backup generators for adult care homes
 - Current goal that has not been met
 - Don't understand why this has not been addressed
 - Could eliminate residents from having to be moved during an emergency
- Improve inmate medical care cost containment
 - Current goal that has not been met
- Allow hospital authority access to debt setoff collection
 - Is currently being done in Tax Department
 - Unpaid bills continues to increase medical care and insurance premiums for everyone
 - Understand that some people can't afford to pay their medical bills, but others who can afford to pay, choose not to

Commissioner Walker provided the following Legislative Goals:

- Creation of Jobs
 - Spoke to Congressman Howard Coble who stated this is the number one priority in his district
 - Hearing this everywhere you turn
 - Questioned why something isn't being done to help create jobs?
 - Questioned why more isn't being done to help create jobs?
- More coordination between the State and County to allocate more funding toward economic development
 - Stokes County doesn't receive funding due to being classified as a Tier Two County
 - Neighboring counties classified as Tier One are more likely to get funding instead of Stokes
- Look at rural counties like Stokes where most of its citizens travel outside of the county for employment
 - Can't find work in Stokes County
 - Working outside of Stokes County puts our county at a disadvantage
- Too much government, too many laws that handcuff and restrict, too many laws that are an intrusion into a citizen's personal life
 - Spoke to Congressman Howard Coble who states this is the number two priority in his district
 - Clean up of the laws on the books that are not needed
- Lobby against specific legislation that weakens local government control and centralizes government on the state level
 - Ongoing trend to take control away from local level
 - State makes a blanket law for all 100 counties
 - People in Stokes County know what is best regarding the specific needs of the citizens in Stokes County
- Education - provide funding that doesn't have to be returned each year
 - School system is allocated funding each year and then receive notice to send back a portion of the funding each year
 - Play more straight up with funding including the Lottery Funding
- Education - make sure the funding that is advertised by the State as the "Education Lottery" goes to education instead of other sources
- Education – provide more funding if possible to lessen the burden on counties

Chairman Lankford provided the following Legislative Goals:

- Legislation for the continuation of Hold Harmless funding this year to counties who received Hold Harmless
 - Stokes County will lose \$2.2 million next year
 - House voted to continue the Hold Harmless revenue
 - Senate did not pass continuation of the Hold Harmless revenue
 - Needs to be lobbied very hard this year
 - Needs to be one of the County's top priority goals
- Lottery funding for construction of schools be at 40% of 50%
 - When it was passed, it was 40% of 50%

- Has hurt the County's school construction plans
- Article 42 Sales Tax back to point of delivery instead of point of sales
 - Revenue loss for the county
- Improve funding for early education – possibly look at PreK through the 11th grade
 - Need for children to get a good start with their education
 - PreK very important for those students who are not ready for kindergarten
 - Most 12th graders have already taken a majority of the required courses
 - Not sure if this needs to be a goal, but would be something for the General Assembly to look at

Vice Chairman Inman provided the following Legislative Goals:

- Most of my goals have already been mentioned
- Lottery funding for construction of schools be at 40% level as noted by Chairman Lankford
 - Needs to be funded as an education lottery if that is what the state intends to call it
- Concerned about state legislation that impacts local government
 - For example – hydraulic fracturing
- Unfunded mandates that don't allow any direct input from the counties
- Continue to oppose shift of state transportation responsibilities to counties
 - Goal has already been accomplished
 - Two large counties, Mecklenburg and Wake Counties, would take responsibility immediately if approved
 - Could be very costly for Stokes County; property tax would definitely have to be increased

Commissioner Walker confirmed the initial funding was 40% of 50% of the revenue received from lottery sales.

Finance Director Edwards noted that counties are currently not getting any proportion of the revenue from the increase of sales.

Commissioner Walker noted that he had heard the State had a small surplus in the State Budget.

Commissioner Jones commended that she had also heard there was a surplus.

Chairman Lankford stated that he had heard something to that effect before the budget was adopted, but to his knowledge, there was no surplus.

Chairman Lankford directed the Clerk to put all the goals suggested by the Commissioners for prioritization at the September 10th Agenda.

Chairman Lankford, with full consensus of the Board, directed the Clerk to place the item on the September 10th Action Agenda.

Proposed Agreement for the Provision of County-Based Aging Services – Home Community Block Care Grant

County Manager Rick Morris presented the following information regarding the proposed Home and Community Care Block Grant for Older Adults:

- Proposed agreement between County of Stokes and Piedmont Triad Regional Council Area Agency on Aging
- Proposed agreement for the Provision of County-Based Aging Services
- Community Service Providers specified by the County to encourage maximum collocation and coordination of services for older persons are as follows:
 - Stokes County Senior Services
 - Stokes County Department of Social Services
 - King Senior Center
 - Walnut Cove Senior Center
- Period being July 1, 2012 thru June 30, 2013
- Annual Agreement
- No changes from last year per Senior Services Director Lynn Martens
- Recommend the Board approve the proposed agreement

Chairman Lankford opened the floor for discussion.

There were no issues with the manager's recommendation.

Chairman Lankford, with full consensus of the Board, directed the Clerk to place the item on the September 10th Action Agenda.

Proposed Agreement for the Protection, Development, and Improvement of Forest Land

County Manager Rick Morris presented the following additional information for the proposed Agreement for the Protection, Development, and Improvement of Forest Land that was originally presented at the August 13th meeting:

- Was placed back on the Discussion Agenda for the August 27th meeting due to discussion at the August 13th meeting involving a possible organizational change within the Forest Service
- Board requested additional information before approving the proposed agreement

- Forest Ranger Jonathan Young and District Forest Ranger Kevin Harvell are in attendance for tonight's meeting to answer any questions (as requested by the Board at the August 13th meeting)

Forest Ranger Jonathan Young noted the following:

- Appreciate the opportunity to speak at tonight's meeting
- Glad to answer any concerns the Board may have
- District which includes Stokes County covers 10 counties

District Forest Ranger Kevin Harvell noted the following:

- Have been looking at combining district offices with no reduction in services as a cost saving measure with one office being located in the Stokesdale/Belews Creek area
- Due to several issues, mostly with communication and logistics, the reorganization has been put on hold for all counties in the District except for Forsyth and Guilford
- Maybe looking at combining services in those two counties at a later date
- Currently have an employee out on workers compensation, hope to have this issue resolved within the next few months
- Have a temporary employee currently working with Jonathan
- In the future, if there is ever any interest in increasing services, that temporary position could be filled again
- Temporary position would cost the county approximately \$6,800 annually

Commissioner Booth commended the amount of work being done by Jonathan in Stokes County and noted Stokes County does not want to lose Jonathan.

Commissioner Walker questioned how the services being provided compared to the needs of the County today?

Ranger Harvell responded:

- Historically, staffing has been based on fire occurrences, not the Forest Management that is done
- Fire protection has gotten better over the years with staffing staying the same
- Forest Management has increased over the years

Ranger Young responded:

- Staying very busy
- Did 220+ logging inspections just in Stokes County last year
- Has put a tremendous load on staff with the amount of logging going on in Stokes County and the loss of a full time ranger due to workers compensation
- Forest Management has increased drastically
- Write around 100+ plans a year

Chairman Lankford expressed the Board's appreciation to Jonathan and Kevin for attending tonight's meeting and providing the Board with the information regarding the possible reorganization.

Chairman Lankford, with full consensus of the Board, directed the Clerk to place the item on the September 10th Action Agenda.

Relocation of E911 Center – Engineering Drawings – Quotes
Proposed Resolution – Exemption of Project

County Manager Rick Morris noted the following:

- Don't have any additional information for tonight's meeting
- Will be bringing the complete package to the Board at the September 10th meeting
- Will have a lot of read ahead material
- Will need to take action on all the following items at the September 10th meeting:
 - Provider for consoles
 - Provider for paging equipment
 - Whether to relocate the E911 Center
 - Engineer Drawings
 - Funding for the complete project
- Two responses were received regarding the RFP for the consoles which are being evaluated (will be making a recommendation at the September 10th meeting)
- Received one response regarding the RFP for the paging equipment
- Need to approve the items at the September meeting to meet the January 2013 mandate
- Will have complete package ready for the Board at the September 10th meeting
- Cost projections will be provided to implement the new upgrade in the current facility along with new suggested location
- Lot of work to be done to meet the January 2013 mandate

Chairman Lankford directed the manager to send any information to the Board when available.

The Board briefly discussed financing/funding with Manager Morris.

Vice Chairman Inman expressed his appreciation to Manager Morris for getting this unfunded mandate off the ground and for having the foresight for looking at relocating E911 which has been discussed several times.

Manager Morris noted that there will additional cost for the move to the new location, but feels this is the best time to move for security, having an EOC which the County currently does not have since offices were placed on the third floor of the Admin building, being near the Sheriff's Department if the Board ever chose to place communications under the Sheriff, better working environment for employees and will be a big morale builder for the employees.

Chairman Lankford, with full consensus of the Board, directed the Clerk to place the item on the September 10th Discussion Agenda with possible option to move to the Action Agenda.

GENERAL GOVERNMENT – GOVERNING BODY – ACTION AGENDA

Appointments – Surry County Housing Consortium

Chairman Lankford noted there were no nominations for the Surry County Housing Consortium at the August 13th - (two vacancies).

Chairman Lankford noted the following application received:

- Joe McKenzie

Commissioner Booth nominated Joe McKenzie.

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 – Joe McKenzie
Vice Chairman - Joe McKenzie
Chairman Lankford - Joe McKenzie
Commissioner Walker - Joe McKenzie
Commissioner Booth - Joe McKenzie

Chairman Lankford noted the Board unanimously approved Joe McKenzie to serve on the Surry Housing Consortium.

Tax Administration – External Posting – Office Assistant II

Chairman Lankford entertained a motion regarding the request to advertise externally for a vacant Office Assistant II position presented at tonight's meeting.

Commissioner Booth moved to approve the external advertisement for an Office Assistant II position for Tax Administration. Commissioner Jones seconded and the motion carried unanimously.

Social Services – External Posting – Processing Assistant III

Chairman Lankford entertained a motion regarding the request to advertise externally for a vacant Processing Assistant III position presented at tonight's meeting.

Commissioner Jones moved to approve the external advertisement for a Processing Assistant III position for Social Services. Commissioner Walker seconded and the motion carried unanimously.

Closed Session

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

- To discuss matters relating to the location or expansion of industries or other businesses in the County pursuant to G.S. 143-318.11(a)(4)
- 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 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).
- 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).

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

- To discuss matters relating to the location or expansion of industries or other businesses in the County pursuant to G.S. 143-318.11(a)(4)
- 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 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).
- 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).

Vice Chairman Inman seconded and the motion carried unanimously.

The Board returned to the regular session of the August 27th meeting.

NC Baptist Hospital Working Capital Settlement

County Attorney Edward Powell presented the following letter regarding a settlement with North Carolina Baptist Hospital:

Commissioners of Stokes County
Ronald Reagan Administration Building
1014 Main Street
Danbury, North Carolina 27016

Dear Commissioners:

The Mutual Release of all Claims and Agreement with North Carolina Baptist Hospital has been fully executed. This letter shall serve to meet the requirements of N. C. General Statute 143-318.11, which states in part, "If the public body has approved or considered a settlement, other than a malpractice settlement by or on behalf of a hospital, in closed session, the terms of that settlement shall be reported to the public body and entered into its minutes as soon as possible within a reasonable time after the settlement is concluded."

The Mutual Release of all Claims and Agreement with North Carolina Baptist Hospital has been signed by John D. McConnell, Chief Executive of North Carolina Baptist Hospital (NCBH)

and by Ernest Lankford, Chairman of the Stokes County Board of Commissioners. I hereby report the terms of the settlement to the public body to be entered into the minutes:

1. Both parties have expressly effectuated the extinguishment of any and all rights, claims and demands, or obligations they may have against each other arising out of or in any way growing out of, or as a result or consequence of the relations and activities by and between Stokes County, North Carolina Baptist Hospital and Stokes Reynolds Memorial Hospital, Inc., during the period between December 1, 1992 and August 8, 2012, and in particular, any and all obligations Stokes County may have had to pay NCBH for the transfer of the working capital of Stokes Reynolds Memorial Hospital, Inc. by NCBH to Stokes County.

2. In accordance with the said agreement between Stokes County and North Carolina Baptist Hospital, the following amounts are paid to and in behalf of NCBH in full, final and complete settlement of any and all damages that may have occurred:

- a. Stokes County will pay \$600,000.00 to North Carolina Baptist Hospital.
- b. The parties in signing the Mutual Release of all Claims and Agreement acknowledge that this is a general release of all claims on their behalf arising from the above situation and that this compromise is made to avoid expense and to terminate all controversy in this matter.
- c. Stokes County and NCBH understand and agree that the sums paid by the County are solely by way of compromise of any claims and are not to be construed as an admission of liability. The County and NCBH expressly deny liability.

3. The parties to this Mutual Release of all Claims and Agreement understand and agree that this executed instrument constitutes the entire agreement and that the sums paid and listed within are the total amounts owed in this matter for any reason whatsoever.

4. The Board of Commissioners were informed of this Mutual Release of all Claims and Agreement and approved it in closed session in accordance with N. C. General Statute 143-318.11 at their special called meeting on August 7, 2012.

With kindest personal regards.

Sincerely yours,

Edward L. Powell
Stokes County Attorney

Chairman Lankford entertained a motion to accept the letter presented by County Attorney Powell.

Vice Chairman Inman moved to accept the letter presented by County Attorney Edward Powell pertaining to the settlement with North Carolina Baptist Hospital and that it be placed in the minutes of tonight's meeting. Commissioner Booth seconded and the motion carried unanimously.

Vice Chairman Inman moved to approve Chairman Lankford to execute the Letter to NC Baptist Hospital. Commissioner Walker seconded and the motion carried unanimously.

House Bill 438 – General Statute 153A-77 (a)

Chairman Lankford entertained a motion regarding House Bill 438.

Vice Chairman Inman moved pursuant to General Statute 153A-77(a) that the Board of Commissioners authorize a Public Hearing to be held by the Board of Commissioners pursuant to 30 days notice of said Public Hearing given in a newspaper having general circulation in the County, said Public Hearing to consider whether the Board wants to assume direct control of the activities of the Board of Health, the Social Services Board, Area Mental Health, Developmental Disabilities, the Substance Abuse Area Board or any other commission Board or agency appointed by the Board of Commissioners.

Commissioner Jones seconded the motion.

Commissioner Walker confirmed that this is only to schedule a Public Hearing.

The motion carried unanimously.

Chairman Lankford confirmed with Clerk Bullins that the Public Hearing would be held at the October 8th regular meeting.

Commissioner Walker confirmed with County Attorney Powell that this Public Hearing would not be considered as a quasi-judicial hearing.

Adjournment

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

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

Darlene M. Bullins
Clerk to the Board

Ernest Lankford
Chairman