

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 28, 2016

The Board of Commissioners of the County of Stokes, State of North Carolina, met for a recessed Budget Work Session (recessed from June 23, 2016) for the proposed Fiscal Year 2016-17 Budget in the third floor conference room of the Ronald Wilson Reagan Memorial Building (Administration Building) located in Danbury, North Carolina on Thursday, June 28, 2016 at 10:00 am with the following members present:

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

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

Chairman J. Leon Inman reconvened the work session which was recessed from the June 21, 2016 Budget Work Session.

INVOCATION

Chairman Inman invited those who wished to join in the invocation to please do so.

Commissioner Jones delivered the invocation.

GENERAL GOVERNMENT-GOVERNING BODY-PLEDGE OF ALLEGIANCE

Chairman Inman invited the citizens in attendance to join the Board in the Pledge of Allegiance.

Budget Work Session

Chairman Inman commented:

- Back here today for the task in hand - adopting a budget
- My goal is to get a budget adopted today
- Would need to come back tomorrow to adopt the Budget Ordinance

The Board discussed scheduling a Work Session for June 29th with the last date available being June 30th.

The Board tentatively agreed to recess today's Work Session to June 29th at 10:00am if a budget was approved at today's work session.

Finance Director Julia Edwards presented the Board with a proposed budget which included all of Commissioner Lankford's recommendations presented at yesterday's Work Session. (items that were changed were highlighted)

Finance Director Edwards noted that the manager had requested \$250,000 be added to the revenue for FY 2016-17 which is funding being received from the State for the expansion of broadband.

Chairman Inman commented:

- We continue to owe Senator Shirley Randleman a great debt of gratitude along with Representative Kyle Hall
- Not only did she get Stokes County in a position to get connected with RiverStreet Networking for the expansion of broadband, she was able to get a \$250,000 special appropriation for Stokes County earmarked for the expansion of broadband
- There will be no more 20% entity/80% RiverStreet projects with other entities for the expansion of Broadband, everything going forward will be 40% entity /60% RiverStreet

Commissioner Lankford commented:

- Would like to build on Chairman Inman's comments
- I feel very strongly that the reason we received the special appropriation was our local participation (\$1.8 million county appropriation)

Finance Director Julia Edwards commented:

- Information had been requested regarding the amount of additional sales tax revenue if a quarter sales tax was approved by the citizens

- Per NCACC, a quarter sales tax, based on the current statistical tax information, would be approximately \$480,281 (conservative estimate)

Vice Chairman Booth confirmed with Finance Director Edwards that Walmart was not figured in this rough estimate.

Commissioner Walker requested what would have to be done to get it on the November 2016 ballot?

Clerk Bullins responded:

- A Resolution would have to be approved by the Board of County Commissioners and sent to the Board of Elections to get on the November 2016 ballot
- The Resolution would have to be approved and presented to the Board of Elections by August 1, 2016
- If it is approved by the citizens, you would have to adopt another Resolution of your intent to approve this additional sales tax ten (10) days before you can levy that additional sales tax

Commissioner Walker noted that it looks like we need to get this on our next Agenda for discussion.

Chairman Inman commented:

- I applaud the thinking of the additional sales tax
- I will go on record to say that I feel sales tax is the fairest tax that there is
- Roughly half of the population in Stokes County are property owners and pay Ad Valorem taxes, so you have about half the population paying taxes
- Requested the Finance Director to figure how much more would it be for a family of four that spends \$150 weekly on groceries

Finance Director Edwards responded:

- It would only be approximately \$19.50 a year more

Commissioner Walker suggested placing the item on the next regular Agenda for discussion.

Commissioner Lankford agreed to place the item on the next regular Agenda.

Vice Chairman Booth commented:

- Agree with Chairman Inman that sales tax is the fairest tax because everyone participates
- When Walmart gets on board, it will definitely increase the projected amount of \$480,281

Commissioner Jones commented:

- I think it is great
- Wish we could put this budget on the ballot
- Wish people could choose which pot their tax dollars go into
- People will have a voice in this decision

Chairman Inman commented:

- Reality is – a tax is a tax

Commissioner Lankford noted that he had talked to several commissioners whose counties have passed the additional quarter sales tax and heard good reviews regarding the new revenue source.

Finance Director Edwards noted the following counties that have already passed the quarter sales tax:

- Surry County
- Alexander County
- Ashe County
- Avery County
- Beaufort County
- Several others have also approved the additional sales tax

Commissioner Lankford noted that this gives the citizens a choice.

The Board discussed possible revenue from the quarter cent sales tax if approved by the citizens of Stokes County.

Chairman Inman, with full consensus of the Board, directed the Clerk to place the item on the July 11th Discussion Agenda.

Commissioner Walker requested to start discussion with the recommendations made by Commissioner Lankford and its impact on the county's operation.

Chairman Inman noted that Commissioner Lankford's recommended budget only included the purchase of one ambulance.

Finance Director Edwards commented:

- With Commissioner Lankford's recommended budget, \$2,163,000 would have to be appropriated from Fund Balance
- Fund Balance at the end of FY 2016-17 would be approximately 21%
- \$45,580,100 is the total budget

Commissioner Lankford commented:

- Reviewed the recommended budget I submitted and I would like to include the purchase of (6) vehicles for the Sheriff's Department

The Board had no issues with adding the (6) vehicles to Commissioner Lankford's recommended budget.

Commissioner Walker wanted to discuss the \$40,000 from Capital Reserve for (4) used vehicles recommended in Manager Morris' budget.

County Manager Morris commented:

- Sheriff Marshall has shifted vehicles around for SROs and has not used the funding that was set aside for SRO vehicles which is in Capital Reserve
- Would like to use \$40,000 from Capital Reserve to buy (4) used vehicles to replace cars used from his fleet for SROs

The Board discussed the Sheriff's request for (4) used vehicles.

Commissioner Walker commented:

- I trust the Sheriff's judgement
- Will support putting the \$40,000 into Commissioner Lankford's recommended budget

Commissioner Lankford noted he could support the (4) used vehicles.

Chairman Inman noted that he supported vehicle rotation.

The Board agreed to put the \$40,000 from Capital Reserve into Commissioner Lankford's recommended budget.

Chairman Inman commented:

- Noted the shelving & computer for the Register of Deeds
- No County Funding

The Board discussed the request.

Commissioner Walker agreed to put the shelving & computer for the Register of Deeds

into Commissioner Lankford's recommended budget.

Finance Director Edwards commented:

- The proposed budget is now \$45,803,000 which is a 1.95% increase over FY 2015-16 budget
- Fund Balance has not changed

The Board had no issues with adding the shelving and computer for Register of Deeds.

Commissioner Walker requested if there was anything that needed revisiting since the \$250,000 appropriation have been provided from the State.

Commissioner Lankford responded:

- Need to remember anything put back that is funded by the County's General Fund increases the amount that has to be allocated from the County's Fund Balance

Vice Chairman Booth commented:

- If the quarter sales tax passed, the funding generated in FY 2016-17 could be placed in the General Fund to increase the Fund Balance

The Board reviewed the equipment that was not included in Commissioner Lankford's recommended budget along with the funding source:

- Animal Control
 - Outside Kennel
 - Stainless Steel Exam Table
 - Tranquilizer Gun
 - SUV 4x4 Vehicle
 - Manager Morris noted the need for the tranquilizer gun
- Cooperative Extension
 - Bifold paper folder
- District Resource Center
 - Weed eater
 - Blower
 - Chairman Inman noted the need for this program
- Emergency Communications
 - Mobile AVL Mapping Site License
 - Generator (Sauratown Mtn)
 - Manager Morris noted this was a major risk when the power goes out
 - This generator is permanently located at Sauratown Mtn.
- Emergency Management
 - Vehicle
 - Docking station (Poplar Springs Elementary School)
 - Docking station (Installation Poplar Springs Elementary School)

- Storage building
- Emergency Medical Services
 - Physio Control Life Pack 15 monitor
 - Defibrillators (4)
 - TruCPR Coaching Device (5)
 - Engle Coolers (10)
 - Ferno Stretchers (5)
 - Air TraQCamera Adapters (9)
 - Computers (2)
 - Manager Morris noted the coolers help reduce medication being thrown away
 - Manager Morris noted the need for the Air TraQ Cameras – safety
- Finance
 - Folder/insert machine
 - Upgrade AD Cloud version
 - ESSP Serve
 - Employee Self Service Portal Software
 - Commissioner Walker confirmed with Finance Director Edwards that there would be no annual fees for the Cloud version which will replace the need to buy a server (server is at end of life); already paying the annual fee
- Environmental Health
 - CDP Food Inspection Program Software
 - Manager Morris noted the software would improve efficiency
- Fire Marshal
 - Vehicle
 - Air Pack
 - Computer
 - Manager Morris noted the air pack is going out of date
- Forsyth Tech
 - Front Entrance Security Gate
 - Athletic Field
 - No county funding
 - Manager Morris noted the gate would be near the highway to help control who goes in and out after hours
 - 4 cent school tax
- Information Systems
 - Replace 2 Switches
 - Computer
 - Manager Morris noted the switches were on a rotation schedule
- Jail
 - Two Way radios
 - Computers (2)
 - Document storage software
 - Transport car
 - Washing machine

- Manager Morris noted the need for the commercial washing machine that is worn out
- Natural Resources
 - Computer
- Public Buildings
 - Carpet/Tile – Government Center – upper level
 - Carpet Community Services Building
- Register of Deeds
 - Computer
 - Shelving
 - Already added both back
- Sheriff's Department
 - 10 vehicles
 - 4 used vehicles
 - Document storage software
 - Laptop computers (2)
 - Computers (2)
 - Body Armor Vest (5) matching funds for a grant
 - Radio Equipment (headset earpieces)
 - Commissioner Walker noted the Sheriff's Fines and Forfeitures which could possibly be used by the Sheriff to purchase some of the equipment
 - Chairman Inman requested an exact figure that the Sheriff has in Fines and Forfeitures
- Solid Waste
 - Replace Backhoe/Loader
 - (8) Replacement Dumpsters
 - Zero Turn Mower
 - Computer
- Tax Administration
 - Document Scanner
- Vehicle Maintenance
 - (2) 12,000 lb. post lift
 - Front End Alignment Machine
 - Brake Lathe
 - Fuel System
 - Truck
 - Vehicle tire lift
 - Plasma cutting torch
 - Pallet Jack
 - Commissioner Lankford noted the need for additional training and a possible additional employee for the front end alignment machine
 - Commissioner Walker noted it would pay for itself

Finance Director Edwards noted that she did not remove the equipment for the

Danbury Water Fund, Sewer Fund, and E911 as they were all separate funding – no county

funding.

The Board discussed the equipment that had not been included in Commissioner Lankford's recommended budget.

The Board discussed the funding sources for each equipment item.

Commissioner Walker commented:

- Would like to see if the Sheriff would be willing to use Fines and Forfeitures to purchase some of the capital equipment

Commissioner Lankford noted that the Sheriff has full authority over the Fines and Forfeitures.

Chairman Inman noted updated information from the Sheriff:

- State Fines and Forfeitures \$28,441.40
- Federal Fines and Forfeitures - \$3,049.82

The Board discussed the \$200,000 for chrome notebooks and the no longer need for a facilitator.

Chairman Inman allowed Assistant Superintendent Tony George, Stokes County Schools to speak about the role of the facilitator for the Golden LEAF Grant.

Assistant Superintendent Tony George commented:

- It can work but the downside is that it will take time away from the classroom teaching
- It worked well at North Stokes with 386 students (1) teacher, but you have 600 students (2) teachers at South Stokes and 1,000 (3 teachers) students at West Stokes
- The \$200,000 is the match for the Golden LEAF Grant
- You have to show Golden LEAF that you can administer the grant without having a facilitator which we did by using the teachers

Chairman Inman recessed the Work Session.

Chairman Inman called the Work Session back to order.

Chairman Inman apologized to Commissioner Walker for calling the recess while Commissioner Walker and Assistant Superintendent George were still discussing the school's

Golden LEAF Grant for the chrome notebooks.

Commissioner Walker commented:

- At our last meeting, the need for textbooks was mentioned during public comments
- Assistant Superintendent George noted that textbooks was not the Board of Commissioners' responsibility and that a lot of teachers prefer to use other resources

The Board discussed the impact if the majority of the items that were just discussed was added back to Commissioner Lankford's recommended budget.

The Board discussed putting the following items back in Commissioner Lankford's recommended budget:

- Animal Control
 - Tranquilizer Gun
 - \$2,000
 - General Fund
- District Resource Center
 - Weed eater
 - Blower
 - \$583
 - General Fund
- Emergency Communications
 - Generator (Sauratown Mountain)
 - \$9,500
 - Capital Reserve
- Emergency Medical Services
 - Engle Coolers (10)
 - Air TraQCamera Adapters (9)
 - \$15,750
 - General Fund and Finance
 - Ambulance has already been added back \$184,000
- Finance
 - Ungrade AD Cloud version
 - \$18,420
 - Finance
- Environmental Health
 - CDP Food Inspection Program Software
 - \$13,224
 - Revenues and Capital Reserve
- Fire Marshal
 - Air Pack

- Computer
 - \$7,600
 - General Fund
- Information Systems
 - Replace 2 Switches
 - \$6,000
 - General Fund
- Jail
 - Two way radios
 - Washing machine
 - \$8,800
 - General Fund
- Public Buildings
 - Carpet Community Services Building
 - \$8,000
 - Capital Reserve
- Register of Deeds
 - Computer
 - Shelving
 - \$14,900
 - Technology Funds
- Sheriff's Department
 - 10 vehicles
 - 4 used vehicles
 - \$208,000
 - Finance
 - These items were added back in the first round of discussion
- Solid Waste
 - (8) Replacement Dumpsters
 - \$8,000
 - General Fund
- Tax Administration
 - Document Scanner
 - \$1,585
 - General Fund
- Vehicle Maintenance
 - Front End Alignment Machine
 - Pallet Jack
 - Brake Lathe
 - Vehicle Tire Lift
 - Plasma cutting torch
 - \$39,475
 - Finance and General Fund

Chairman Inman requested a total from Finance Director Edwards.

Finance Director Edwards noted the following:

- Total cost of equipment = \$123,187 with \$62,463 coming from General Fund
- Total proposed budget = \$45,926,187
- Total allocation from Fund Balance = \$2,226,397
- Estimated Fund Balance would be 20.96%

Chairman Inman turned the meeting over to Vice Chairman Booth.

Vice Chairman Booth asked if commissioners had any other items for discussion.

Commissioner Walker commented:

- This budget is a work in process, we will be working on it all year long

Commissioner Lankford commented:

- Not sure I agree with all the equipment being added back
- I started with none with my recommended budget

Commissioner Walker commented:

- I believe giving each department a little something
- There is a little bit of equipment in the list for most departments

Commissioner Lankford commented:

- Departments ask for computers everyday
- Computers are supposed to be rotated to other departments

Finance Director Edwards responded:

- When new computers are received such as the large number that the state allows DSS to buy each year, their old computers come back to IT for rotation to another department

Commissioner Walker commented:

- Think the county is recycling computers the best they can
- Normally a computer is out date after about 3 years

Commissioner Lankford continued:

- Still using one computer since I bought it in 1993

Commissioner Walker commented:

- Want to be as fair as possible
- Want to make to our employees feel valued and appreciated

Chairman Inman resumed the Chair.

The Board discussed the equipment list being considered to be added back to

Commissioner Lankford's recommended budget.

Chairman Inman recessed the Work Session.

Chairman Inman called the Work Session back to order.

The Board discussed adding the Natural Resources – computer and the items being considered for Vehicle Maintenance.

The Board tentatively agreed to consider putting the following back to Commissioner Lankford's recommended budget.

- Animal Control
 - Tranquilizer Gun
 - \$2,000
 - General Fund
- District Resource Center
 - Weed eater
 - Blower
 - \$583
 - General Fund
- Emergency Communications
 - Generator (Sauratown Mountain)
 - \$9,500
 - Capital Reserve
- Emergency Medical Services
 - Engle Coolers (10)
 - Air TraQCamera Adapters (9)
 - \$15,750
 - General Fund and Finance
 - Ambulance has already been added back \$184,000
- Finance
 - Upgrade AD Cloud version
 - \$18,420
 - Finance
- Environmental Health
 - CDP Food Inspection Program Software
 - \$13,224
 - Revenues and Capital Reserve
- Fire Marshal
 - Air Pack
 - Computer
 - \$7,600
 - General Fund

- Information Systems
 - Replace 2 Switches
 - \$6,000
 - General Fund
- Jail
 - Two way radios
 - Washing machine
 - \$8,800
 - General Fund
- Natural Resources
 - Computer
 - \$2,000
 - General Fund
- Public Buildings
 - Carpet Community Services Building
 - \$8,000
 - Capital Reserve
- Register of Deeds
 - Computer
 - Shelving
 - \$14,900
 - Technology Funds
- Sheriff's Department
 - 10 vehicles
 - 4 used vehicles
 - \$208,000
 - Finance
 - These items were added back in the first round of discussion
- Solid Waste
 - (8) Replacement Dumpsters
 - \$8,000
 - General Fund
- Tax Administration
 - Document Scanner
 - \$1,585
 - General Fund
- Vehicle Maintenance
 - Front End Alignment Machine
 - Pallet Jack
 - \$30,275
 - Finance and General Fund

Finance Director Edwards provided the Board with an update amount which included the equipment discussed by the Board:

- Total cost of equipment = \$131,737 with \$62,463 coming from General Fund

- Total proposed budget = \$45,934,737
- Total allocation from Fund Balance = \$2,216,527
- Total amount being financed: \$400,420
- Estimated Fund Balance would be 20.98% /estimated \$9,783,473

Chairman Inman entertained a motion.

Commissioner Lankford moved to adopt his version of the recommended budget for the 2016-17 County Budget in the amount of \$45,936,737 with additions discussed and agreed by the Board with a tax rate of \$.62. Commissioner Walker seconded the motion for discussion as long the figures provided by Finance Director Edwards are correct and make corrections if necessary based on her calculations.

Chairman Inman opened the floor for discussion.

Commissioner Walker commented:

- Not smart enough and will probably never be able to create a perfect budget
- There may be times that we need to revisit items concerning the budget
- I will make a commitment to keep an open mind in that regards as we go forward

Commissioner Jones commented:

- Would like to commend those that have tried to make it as fair as possible, but I don't agree with it
- Do want to recognize that I think it is so important that we realize there is a systematic breakdown not only on the local level, but also on the state level of government
- We raised taxes 4 cents and that was because of the shell game that was put on us
- But at the same time, we have not kept our schools up
- Things have been postponed
- Schools don't have art, music, Spanish in our elementary schools
- Just read that the population in Forsyth County is almost equal between white and hispanic
- I think our citizens forget that we are in this together
- The reason we have departments such as DSS is to lighten the actual personal load on a family if they have a family member that may be in crisis
- We are getting a lot of value for our tax dollars
- No one hates waste more than I do

- I don't like taxes, quite frankly, I don't like government
- The reality is that things continue to increase
- We need to get our infrastructure fixed in this county
- We need to make a bold move to make that happen
- We have done some tokens
- We have done the internet, built some schools, have a community college almost ready to open
- Yet, we are not really backing it all up
- I say every year at budget time that we need to rally the state because the schools are being cut
- Textbook funding is being cut
- Quite frankly when I was teaching, we did not have books either
- Something needs to give
- Everyone needs to rally together
- We are stuck on the lottery
- Why are we not getting the lottery funding that we were promised and need
- Not sure the chrome notebooks are going to compensate for the actual hard copy material
- There is a lot of things going on in the County that I am not privy to all the time
- I know one thing and that is that we are in this mess together
- We need to come together and fix it
- If people don't want to live here, they do not have to stay
- The short sidedness of not realizing that there are people out there that need help
- I hate the dependence we have on Ad Valorem taxes, but that is our reality
- If we get the quarter sales tax on the ballot, it may not pass
- Walmart may not come through for us
- The low line is if we are going to be personally responsible to move our county forward, we need to do what we need to do whether you like it or not
- We have got to keep our employees marketable
- We need to market ourselves to other counties and be compatible to what they are doing
- We are just falling farther and farther behind which really bothers me
- I will stop with that

Vice Chairman Booth commented:

- Think this is about \$750,000 increase over last year's budget
- Think we are holding the line on spending
- Think it is a good, conservative budget at this time
- Good with the budget on the floor

Commissioner Lankford commented:

- One thing that I want the county manager to do is cut out all this waste that was reported to us last night
- Would like for the manager to identify that and bring it back to us
- If we have that much waste, we need to look at that further

County Manager Morris responded:

- We don't have that waste

Commissioner Lankford continued:

- We know that
- After a two cent increase last year and after knowing that we needed to make some adjustments on the manager's recommended budget, I feel pretty good about it
- I support what Commissioner Walker said that most of the departments got a little something, maybe did not get everything they wanted
- I am satisfied with it
- I am proud to be part of this Board

Chairman Inman commented:

- You folks have heard me say that a budget that is so heavily dependent on Ad Valorem can't sustain itself
- What we are seeing is that very same thing right now
- Not sure how much longer the county is going to be able to go to the taxpayer
- I certainly applaud the idea of the quarter of a cent sales tax on the ballot in November
- I will assure you that I will fully support that and any measure that the county can come up with to increase revenues
- A budget is a fairly simple mechanism when you break it down in its most concrete form – revenues versus expenditures
- We can see in our county that expenditures have a built in increase whether you add anything or not – basically a 2% increase
- Revenues are not increasing
- We have never found a replacement for the Hold Harmless funds
- Tried to not use Hold Harmless for recurring expenditures but still that does not get you over the bump because the revenue is still not there
- You get down to the point you have to increase taxes
- At some point and time, you are going to reach a limit where you can't do that
- There will never be a perfect budget
- The balanced budget is that when expenditures and revenues equal and you don't have to take funding out of the Fund Balance
- I think that some of these things will come back before the year is out
- School System now has an approved state budget

- It is a good possibility that we might see them come back since they have such a small Fund Balance
- Truly believe they have cut this time
- Don't think they can operate the entire year on what we are funding them
- That will remain to be seen
- EMS issue is still looming out there
- As Commissioner Walker has stated, the only thing that you can't change is the tax rate
- Anything else can come back via a budget amendment
- We don't like budget amendments, but they can come back to this Board at any time for consideration
- If the vote was called at this moment, not sure I can support this budget
- I will say this, whether I vote for it or against it, I will own this budget once it passes
- If it passes today, I will own this budget and I will defend it

Commissioner Jones commented:

- Ad Valorem taxes are not sustainable
- It is not fair to the property owners to have to continue to keep this county going but it is our reality
- Another reality is if we don't invest in ourselves for the future and get very active in the near future, we are just going to get farther behind
- It is so unwise to have to use our Fund Balance for recurring expenses
- I will be sitting here next year and will be hearing the same thing – this is the toughest budget that I have ever seen
- I have heard that every year
- We have got to have the courage to encourage and to educate our public that we are in this together
- We can't just turn this county around by just waiting for Economic Development to pop up
- If we don't have our schools up to par, our infrastructure up to par and other things up to par, we are not going to be able to attract people
- People look at schools and healthcare before they come to a place
- They are not going to buy into us no matter how low the tax rate is
- Those are the people that we need
- We need working people to help come in and build this county up
- We have done some things but we need to really follow through and back this stuff up and push it
- I am so frustrated with the fact that we can't seem to get the cohesiveness in this community to take us to another level to keep our standard of living and our quality of life
- We have got to do better than we are doing
- Can't keep going on like this

Commissioner Walker requested the vote be called before he make any

comments.

Chairman Inman confirmed with Finance Director Edwards that the Economic Development Committee recommendation is not in the proposed budget that is being voted on.

Commissioner Walker commented:

- Would be adding the full time salary for a position in Economic Development and a part time increase for another staff member

County Manager Morris reviewed the recommendation with the Board:

- Increase the salary for one year only for the Arts Council Director
- Reclassify the Administrative Assistant to an Economic Development Technical Analyst as presented in the manager's recommendation

Commissioner Lankford amended his motion to include the Economic Development Committee's recommendation in the proposed budget that is on the table to be voted on.

Commissioner Walker amended his second.

County Manager Morris confirmed with the Board there is no other personnel in the budget other than what has just been added.

County Manager Morris questioned if there were any questions pertaining to personnel.

Chairman Inman called the vote for the amendment to the motion.

The amendment to the motion to include Economic Development Committee's recommendation into the budget being voted on carried 4-1 with Commissioner Jones voting against the motion.

Chairman Inman make sure with the Board that there were no other questions regarding the budget that was on the table.

The amended motion carried (3-2) with Chairman Inman and Commissioner Jones voting against the amended motion.

Chairman Inman commented:

- As I said before, this is now my budget
- I will embrace it and work with it

Commissioner Walker commented:

- Would like to make a few comments
- Agree with Commissioner Jones' observation about the schools regarding the arts, music and textbooks
- Agree our schools are significantly missing items that would be good for students to have in their curriculum

Commissioner Jones responded:

- These missing items can have long term effects with students

Commissioner Walker continued:

- The curriculum and the textbooks are all Board of Education issues
- We are taking the heat for what the Board of Education is not dealing with

Commissioner Jones responded:

- You have to realize that they are "robbing Peter to pay Paul" and that still trickles down to our budget
- When they don't have the funds, they are going to take them from somewhere else

Commissioner Walker responded:

- That is what we have been doing for the last three hours, taking funds from one area and moving them to another area

Commissioner Jones noted that she totally disagreed with taking funds from one area and moving them to another area.

Commissioner Walker continued:

- Until things start coming around for our County, I am willing to continue to work toward securing our revenues
- I look at our financial situation as temporary
- We are a better County than what shape we are in today with our financial situation
- We will get through this and will probably be stronger for having gone through this because it is a reality check for us
- All of us, I think, have that vision of continuing to work to have a better county and a better future for those to follow
- The schools are in the position to decide on curriculum – arts, music, etc. and I don't think it is all about funding
- We were talking about most of all the departments received something
- We don't want to overlook the schools, we gave them an additional \$200,000 which I supported

- We tried to at least give every department who asked for something a little something
- I feel this budget is a gap measure
- In the years to come, I think we will look back to see that we have learned some valuable lessons
- Was able to build a Fund Balance from 3.5% to almost 30% with not allocating the Hold Harmless revenue
- This county is a survivor
- We will find a way to move from a survive financially to thrive financially

Commissioner Jones noted that when Hold Harmless was being received, we were not doing what we should have been doing for the schools.

Vice Chairman Booth noted you have to remember what has been done for the schools over the past six years and the possibility of having more funding available for the schools when some debt service is retired along with the opening of a community college very soon and the additional trades building to be built.

Vice Chairman Booth noted new resources that will be coming soon to the County – Walmart, new sales tax revenue, and hopefully an additional sales voted by the citizens in November.

Chairman Inman noted we were doing all we could do for current expense for the schools with taking on debt for construction of new schools and renovations at existing schools and must remember we don't line item budgeting for the schools.

Fire Districts

Fire Service District

Chairman Inman entertained a motion.

Commissioner Walker moved to approve the submitted budget for the Stokes County Fire District for Fiscal Year 2016-17 with a 7.50 cent fire tax rate. Commissioner Jones seconded and the motion carried unanimously.

King Fire District

Chairman Inman entertained a motion.

Commissioner Lankford moved to approve the submitted budget for the King Fire District Fiscal Year 2016-17 with a 7.50 cent fire tax rate. Commissioner Walker seconded and the motion carried unanimously.

Walnut Cove Fire District

Chairman Inman entertained a motion.

Vice Chairman Booth moved to approve the submitted budget for the Walnut Cove Fire District for Fiscal Year 2016-17 with a 7.50 cent fire tax rate. Commissioner Jones seconded and the motion carried unanimously.

Rural Hall Fire District

Chairman Inman entertained a motion.

Vice Chairman Booth moved to approve the submitted budget for the Rural Hall Fire District for Fiscal Year 2016-17 with a 7.50 cent fire tax rate. Commissioner Walker seconded and the motion carried unanimously.

Adjournment

There being no further business to come before the Board, Chairman Inman recessed the Budget Work Session until June 29th at 10:00 am.

Darlene M. Bullins
Clerk to the Board

J. Leon Inman
Chairman