

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  
MARCH 15, 2017

The Board of Commissioners of the County of Stokes, State of North Carolina, met for a Goals/Budget Work Session in the Third Floor Conference Room of the Ronald Wilson Reagan Memorial Building (Administration Building) located in Danbury, North Carolina on Wednesday, March 15, 2017 at 1:00 pm with the following members present:

Chairman Jimmy Walker  
Vice Chairman Ernest Lankford  
Commissioner Ronda Jones  
Commissioner Ronnie Mendenhall

Commissioner James D. Booth – absent

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

Chairman Walker called the meeting to order and welcomed those in attendance today.

**INVOCATION**

Chairman Walker asked Vice Chairman Lankford to deliver the invocation.

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

**GENERAL GOVERNMENT-GOVERNING BODY-PLEDGE OF ALLEGIANCE**

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

**GENERAL GOVERNMENT – GOVERNING BODY – APPROVAL OF AGENDA**

Chairman Walker entertained a motion to approve or amend the March 15, 2017 Agenda.

Commissioner Jones moved to approve the March 15<sup>th</sup> Agenda as presented.

Commissioner Mendenhall seconded and the motion carried (4-0) with Commissioner Booth absent.

### **Goals/Budget Work Session – Open Discussion**

Chairman Walker noted the first item for today was the continuation of County Manager Morris' Budget Update which was started at the March 6<sup>th</sup> Work Session.

County Manager Morris commented:

- Will try to go over the briefing as quick as possible so the Board can continue their budget discussions
- Have two items that have come up since the last work session; neither item requires any action today, just want to make you aware today for future budget discussions
- The first one is the Stokes County K-3 Class Size Information
  - Legislation was passed three years ago which mandates specific classroom sizes in K-3 classes
  - If the Stokes County School System has to comply with this mandate, it will mean 24 additional teachers and 12 additional classrooms for Fiscal Year 2017-18
  - This would require the school system to take one of the actions below:
    - Add more locally funded teachers
    - Cut non-teaching positions such as art, music, and physical education
    - Cut teaching positions in grades 4-12 and increase class size for grades 4 thru 12 where there are no class size caps
  - Spoke to Senator Randleman about the issue
    - Senator Randleman's position is that during the past three years, the school system was funded for the K-3 class size reductions that are now an issue and the Senate will not be funding them again for these same class size reductions
    - Senator Randleman stated that Stokes County was appropriated funding in Fiscal Year 2016-17 for 105 (K-3) teachers and the school system only funded 79.5 teachers, a 25.5 teacher shortfall

County Manager Morris continued:

- Senator Randleman is committed to her position that the Senate has already appropriated funding for the additional needed teachers and it apparently has been used for something else
- Senator Randleman is not blaming anyone, but feels that maybe Department of Public Instruction (DPI) may have not given the correct guidance on spending the additional funding
- Questioned Senator Randleman if the additional funding was allocated for the teachers, then where was the additional funding for the 12 additional classrooms; Senator Randleman did not really have an answer for that
- I guess you assumed that the County is responsible for classrooms

- There are two different opposing positions
- NC General Assembly developed a survey that was completed by Stokes County School System and returned to the General Assembly
- As we go forward with the budget process, this is going to have to be addressed
- Have spoken to Director of Finance Lanette Moore, Stokes County Schools
- Director Moore provided the following information
  - Stokes County Schools (SCS) has been following the law and has not done anything illegal
  - SCS have been operating based on the district class size average
  - The district has used the money to cover enhancement teachers where there is no designated funding stream
  - Enhancement teachers are elementary music and physical education
  - SCS used to also have elementary Spanish and art, but eliminated several years ago due to budget constraints
  - SCS have operated to ensure every student has a classroom teacher in front of them
  - The district has used state, Title I, Title II-A, Medicaid, and local for K-3 teaching positions
  - The state used to allow flexibility to convert teacher assistant allotment money to fund classroom teachers; Stokes did this when it was allowed
  - The state requires that districts request to the State Board of Education a K-3 class waiver for classes with a ratio of 1:24 or greater; Stokes has not had to ask for a waiver
  - SCS have been lowering class sizes as the funding came down
  - SCS have followed the law that allowed for class size maximums
  - SCS have not spent the money on anything, but classroom teachers
  - SCS have spent the money for music and physical education, as well as, teachers in 4-6, 7-8, and 9-12
  - Students do not come in concise packages of 17 or 18 that would allow the district to set up a classroom in that manner
  - Students enroll in groups of 1, 2, or 3 that goes beyond the allotment ratio
  - For example, at Pine Hall, if you have 25 kindergarteners to enroll and the state allotment is 1:17; it would not be financially feasible to have a second classroom with just 8 students
  - SCS has maintained the district class size averages that is in the current law without having to request a waiver from the State Board of Education on K-3 class size
  - Being a rural school district, elementary schools are very spread out
  - It may not be conducive to start a new class for just 1 or 2 students
  - Redistricting takes time
  - The NC General Assembly developed the survey which was full of flaws
  - The funding formula was incorrect, the 2014-15 formula was reused in 2015-16

- The district inquired about this error and was directed that the NC General Assembly would correct
- The district does not know if this happened or not
- The definition sheet provided for the survey by the NC General Assembly was not correct
- After the district started the survey, the district was told not to go by the definitions sheet because it was incorrect
- DPI and school districts did not develop the survey

Chairman Walker commented:

- Confirmed with Manager Morris that Senator Randleman's position is that the Senate appropriated funding for 105 teachers which would have made the required classroom sizes correct and that she is not double funding this

County Manager Morris continued:

- Reiterated that this was somehow going to have to be sorted out during the budget process
- Understand that the Senate is investigating to see how this appropriated funding was used

Chairman Walker commented:

- There is one other aspect of this -- House Bill 13 which would restore some flexibility of the waiver
- Understand it is moving through the House of Representatives
- Yadkin County Commissioner Kevin Austin has been tracking this issue
- I carried this item to the Legislative Goals Conference and presented this to the committee
- Understood at the Conference that this should have no problem passing the House

Vice Chairman Lankford commented:

- The House Bill 13 is going to be more flexible on the number of students in the classroom
- Feel comfortable it will be passed by both the House and Senate and will no longer be an issue

Chairman Walker continued:

- If this does not pass, the County will be the one having to find funding for the mandate

Commissioner Mendenhall commented:

- This is the first time I have heard anything about this
- As you recall, when I was superintendent, we had to let some teachers go
- Do not believe funding has been misappropriated by any school system

Commissioner Jones commented:

- Confirmed with Manager Morris that if this mandate is not changed, it will require 24 additional teachers for Stokes County

County Manager Morris noted that he would keep the Board updated on this issue.

County Manager Morris noted the second issue was Cardinal Innovations Funding.

County Manager Morris commented:

- County is required to provide Cardinal Innovations \$398,820 per year for mental health
- This funding has been used for things like Stokes Opportunity Center, transportation, programs, and funding of mental health providers for mental health services
- This funding is discretionary and could be used for other behavioral health things if desired by the Board of County Commissioners
  - Examples of other uses might be the NC 211 program, which was recently briefed to the Board or for the opioid position or programs that have been discussed recently with the Board
- County had leftover funding from Fiscal Year 2016-17 and will be allowed to designate how the Fiscal Year 2017-18 funding will be spent
- There is approximately \$133,000 of unspent funding for Fiscal Year 2016-17
- Would like some guidance on how the Board would like to spend these dollars
- May want to place this on a regular meeting Agenda to start discussion

Finance Director Edwards provided the following requested information:

- Ad Valorem Taxes with Revaluation and Walmart for budgeting next year
  - Additional Revaluation dollars with Walmart = \$828,219
  - Additional Revaluation dollars without Walmart = \$772,218
- New School /Forsyth Tech Fund (4 cent fund) for budgeting next year
  - Additional Revaluation dollars with Walmart = \$53,433
  - Additional Revaluation dollars without Walmart = \$49,820
- Percentage Collection Rate
  - FY 2015-16 = 97.47% per audit
  - Audit 2016 = 97.54% per audit
  - Difference:
    - 97.47% - \$47,961
    - 97.54% - \$63,221
  - Tax Administrator Jake Oakley has requested that the Board use 97.25% due to not knowing what adjustments may be made
  - Would request direction from the Board

Vice Chairman Lankford noted that he would like to discuss the collection rate at a later time.

Finance Director Edwards continued:

- Provided the Board with Sales Tax Estimates
- Estimated Sales Tax Collection for Fiscal Year 2016-17
  - Article 39 = \$2,124,477
  - Article 40 = \$1,921,175
  - Article 42 = \$524,732
  - Article 44\*524 = \$1,543,689
  - Total Estimate = \$6,114,073
- Estimated Walmart Sales Tax
  - Article 39 = \$215,605
  - Article 40 = \$199,567
  - Article 42 = \$53,103
  - Article 44\*524 = \$00.00
  - Total Estimate = \$468,225
- Estimated Sales Tax 2017-18
  - Article 39 = \$2,340,082
  - Article 40 = \$2,120,692
  - Article 42 = \$577,835
  - Article 44\*524 = \$1,543,689
  - Total Estimate = \$6,582,298
- Sales Tax Estimate for Walmart
  - County = \$468,225
  - School capital outlay = \$165,164
  - King Fire = \$10,167
  - Rural Hall Fire = \$1,964
  - Walnut Cove Fire = \$7,152
  - Service District = \$48,448
  - Town of Danbury = \$1,120
  - City of King = \$80,400
  - Town of Walnut = \$17,360
  - Estimated Sales Tax = \$800,000

Vice Chairman Lankford confirmed with Finance Director Edwards that the County budgeted \$1.250 million for the extra distribution of sales tax and is estimated to get \$1,543,689.

Finance Director Edwards continued:

- Provided outside agencies special appropriations information
- Provided estimated revenues for Fiscal Year 2017-18 = \$46,612,170 – figures are estimates (based on the ad valorem tax collection rate of 97.25%)
- Provided a financial report as of 02-28-2017
- Provided a Sales Tax Update

The Board briefly discussed the information provided by Finance Director Edwards.

Chairman Walker questioned Finance Director Edwards what would be the total increase in

revenues?

Finance Director Edwards responded:

- Additional sales tax and Walmart sales tax – estimate for FY 2017-18 = \$761,914
- Additional revaluation dollars – estimate for FY 2017-18 = \$1.5 million
- Addition \$1 million from restricted QZAB/QSCB funding = \$1 million
- Total additional revenue estimate for FY 2017-18 = \$2,590,133

Finance Director Edwards noted that the revenue estimates could change as the budget process continues.

County Manager Rick Morris continued his presentation:

- Would request the Board provide the manager with the final answers to the questions provided at the March 6<sup>th</sup> meeting by the last budget work session
- Would not want the BOCC to answer the questions today since Commissioner Booth is absent

### **Budget Guidance Questions for BOCC**

- What is minimum acceptable level of General Fund Balance FY 2017/18?
- What are your thoughts on BOE funding and fund balance level for BOE?
- Is Property Tax increase on the table as a revenue source for FY 2017/18?
  - Will a fire tax increase be considered if recommended by Fire Commission?
- Is the county willing to further increase user fees to address revenue shortages?
- What cuts in services to citizens and / or county departmental functions are realistic to make?
- Will county continue the current level of benefits for the county employees?
- What level of capital expenditures will be considered from the county and school system 5 year capital plan requests?
- Is the county willing to cut or eliminate funding to outside agencies that have been historically funded?
- What are the Board's thoughts on a bonus or COLA for employees?
- What level of funding is the BOCC willing to spend on Francisco School should it remain under county ownership in FY 2017/18?

County Manager Morris confirmed with the Board that the Board unanimously agreed at the last meeting that the Board of Education Fund Balance should be \$250,000.

Chairman Walker noted that he would like to explore the issue regarding the possible additional funding for teachers and classrooms.

Chairman Walker commented:

- Have noticed in previous school budgets where funding has been shifted from other sources to retain teachers

- Have noticed where funding for books has been transferred to another line item which causes us grief when citizens complain at our meetings that their kids do not have books
- Need to know when this gets figured out
- This is all new to me
- I am a little shocked at Senator Randleman
- This is the first time that I feel like that Senator Randleman has turned a cold shoulder to our side of the issue

Vice Chairman Lankford responded:

- Do not see it that way

Chairman Walker responded:

- I see it that way because this Board is the one that is going to have to fund the additional funding for additional teachers and classrooms if things don't change
- Don't think we have had any information regarding where the funds were spent

Vice Chairman Lankford commented:

- The Senator is saying that the money has already been appropriated to solve this classroom size problem to DPI
- They are the ones that have to figure this out
- The State has a surplus of funding in the rainy day fund – tremendous amount
- The Governor is already wanting to spend the surplus
- Feel the state will have to make this right
- One bill has been introduced to allocate \$75 million extra for early childhood
- Don't think the General Assembly will leave the counties hanging

Chairman Walker commented:

- This gets my attention when our Senator states it has already been allocated and has no plans to double allocate funding

County Manager Morris commented:

- I am sure the school system did not purposely misappropriate funding
- Senator Randleman assured me there would be an investigation to find where the funding was appropriated

Commissioner Mendenhall commented:

- The school system took funding from discretionary funding like Title I to keep from losing teachers

Chairman Walker continued:

- If Senator Randleman continues her position on this matter, we will be looking at making some tough decisions

Commissioner Mendenhall continued:

- I am sure the school system is already looking into this issue



- Don't believe the school system misappropriated any funding

Chairman Walker continued:

- Senator Randleman is taking a very hard fast position on this – Senate has given you money for this problem and it must have been in other places and you folks are going to have to deal with it – those folks are the Board of County Commissioners

County Manager Morris responded:

- Senator Randleman started the conversation by talking about prisons and inmates
- A study recently done shows that half of the inmates in NC prisons can't read
- That may be why this K-3 classroom size is so important
- Senator Randleman went on to talk about how this has been going on for three years and should not be a surprise to anyone
- I am no expert, but I feel that DPI is somewhere in the middle of this
- Senator Randleman concluded our conversation by stating again that she can't double fund items

Vice Chairman Lankford commented:

- Agree that DPI is somewhere in the middle of this
- Confirmed with Manager Morris that Senator Randleman stated that it had been funded for three years

Chairman Walker confirmed with Commissioner Mendenhall that he had heard nothing about this until Manager Morris presented it today.

Commissioner Mendenhall commented:

- Reiterated that the school system had used discretionary funds to keep teaching positions

Chairman Walker commented:

- Will be waiting for further information on this

Commissioner Mendenhall commented:

- Confirmed with Manager Morris that the school system did not have any knowledge of this until this morning
- I am sure the school system is already working on this issue

Chairman Walker opened the floor for other comments.

Commissioner Mendenhall commented:

- I would hate to increase property taxes my first year on the Board of County Commissioners, but this is a five-member board
- I do not want to increase property taxes

Commissioner Jones comments:

- I will have to see how everything shakes out
- Absolutely, no one wants a tax increase

Chairman Walker commented:

- I think all of us, myself included to some degree, share Commissioner Jones' view – need to see how everything fits together as we go further into the process
- There are certain things to think about - timing could not be good
- I have a little different theory
- I want to see us control expenses as much as possible – tighten our belt as much as possible – try to trim where we can
- Hopefully when the expenses are trimmed, we can look at how things are and say that we can get by without a tax increase
- How some of the other questions are answered could impact the likelihood of a tax increase
- I will cut through the chase and say that I prefer to not have a tax increase this year because revenues are coming in fairly strong; had a small tax increase this past year
- Last tax increase was 2 cents in FY 2015-16
- Had a half of a cent fire tax the past two years

Chairman Walker polled the Board regarding ad valorem tax increase:

Vice Chairman Lankford – no

Commissioner Mendenhall – no

Commissioner Jones – wait and see

Chairman Walker - no unless there is some compelling reason

County Manager Morris commented:

- Need to know by the last budget session if it is a definite, absolute no regarding a tax increase
- That one question can change the entire budget process for me

Commissioner Mendenhall commented:

- Attended the Fire Commission Budget Work Session last night to see how their process works
- Confirmed with Manager Morris that he should have all the budgets within the next week

County Manager Morris commented:

- Fire Commission makes a recommendation using the fire tax funding, normally turn that directly over to the Board of County Commissioners unless there are questions
- Feel the Fire Commission was put in place to provide a recommendation to the Board of County Commissioners
- This will be the third year, if approved by the Board of County Commissioners, for the 1/2 cent fire tax increase
- The Board can always revisit that issue

Vice Chairman Lankford noted that he did not think it stated consecutive years, can always look at that.

Chairman Walker commented:

- Vice Chairman Lankford says no to a tax increase
- Recall Commissioner Booth saying no to a tax increase from a previous meeting
- Commissioner Mendenhall says no to a tax increase
- There is your three votes – a majority
- I am saying no
- Commissioner Jones says she wants to take a further look at things

County Manager Morris responded:

- All I need is three no votes – to not put a tax increase in the budget

Chairman Walker commented:

- Feel like we have made a commitment to the Fire Commission and the fire departments regarding the ½ tax increase and it should be honored
- I think it was three consecutive years
- This came up last year

Chairman Walker requested the Clerk to provide the Board with the motion that was originally made regarding the ½ cent fire tax increase for three years.

County Manager Morris continued with the next question - Is the county willing to further increase user fees to address revenue shortages?

County Manager Morris commented:

- The only comment that I would say about this is that most of our departments are just breaking even with their fees

Vice Chairman Lankford commented:

- Would like to look at a change in Animal Control in order to try to get some control
- All dogs should have a tag
- There are lots of dogs in the county that do not have tags
- Putting too much money in Animal Control – need to be getting revenue from those who own animals

County Manager Morris commented:

- Just to let the Board know, all Animal Control Officers have been scheduled for an euthanasia class

Chairman Walker commented:

- Dr. Norris stated that it is a fantasy to think we can be a no kill shelter in Stokes County
- As long as we have a spay/neuter issue, there is no way to have a no kill shelter
- Once you have your spay/ neuter under control, you can look at being a no kill shelter

County Manager Morris commented:

- One thing that Dr. Norris talked about in our meeting was having a high fee for having unspayed animals – the whole problem is not having the animals in the county spayed/neutered (with some exceptions such as breeding dogs and hunting dogs)

Commissioner Jones commented:

- Need to think out of the box to get the word out that their dog has to have a dog tax – groceries stores near the dog food, insert in the tax bills, county website, flyers, etc.

County Manager Morris noted that he would take a look at all this during the budget process.

Commissioner Jones commented:

- Do not want to be higher than surrounding counties on user fees

Chairman Walker noted that the citizens look at user fees as a tax increase.

County Manager Morris commented:

- Another user fee that has not been considered is one for Moratock Park
- When you start charging, you then have overhead and issues

Vice Chairman Lankford noted possibly looking at the feasibility of a parking fee at Moratock Park or a possible donation box.

Commissioner Jones commented:

- Not sure a parking fee would bring anything but issues such as parking on the side of the road

Chairman Walker concluded that Vice Chairman Lankford wanted to look at fees for Animal Control.

County Manager Morris continued with the next question – What cuts in services to citizens and/or county departmental functions are realistic to make?

Commissioner Jones commented:

- Don't know anything we can cut

County Manager Morris commented:

- Have looked at this before
- Not much we do that is not covered by a statute
- Could look at closing the greenbox sites more days
- Only a few departments that are not statutorily required

Vice Chairman Lankford commented:

- Keep services as they are
- Do not see growing services

Commissioner Mendenhall commented:

- Do not want to cut services

Chairman Walker commented:

- Going to take a wait and see on this one
- Prefer no cuts in services
- Would like to see how the budget shapes up first

County Manager Morris continued with the next question - Will county continue the current level of benefits for the county employees?

The Board discussed the full payment for health, dental, and term life premiums for all full time employees.

The Board unanimously agreed to keep paying the full premium for health, dental, and term life premiums for all full time employees.

County Manager Morris continued with the next question - What level of capital expenditures will be considered from the county and school system 5 year capital plan requests?

County Manager Morris commented:

- The school system is going to start to be in a better shape because of this debt coming out – some this year and a lot next year
- Our question is to see what is reasonable to spend to continue to operate and provide services
- Have a lot of vehicles with major issues and with lots of miles

Vice Chairman Lankford commented:

- May need to look at how we use them

County Manager Morris responded:

- All are used in a job capacity

Commissioner Jones commented:

- May be the time to look at purchasing some new vehicles

Vice Chairman Lankford commented:

- Have recycled the Sheriff Department's vehicles

County Manager Morris questioned how the school system looked at vehicles?

Commissioner Mendenhall commented:

- Did not have that many vehicles but they were on a rotation schedule
- Vehicles are state funded

Chairman Walker commented:

- We do things like purchase deluxe Sheriff's cars, but are offset with operational costs
- I know we can't pay our employees as much as surrounding counties, but we can support them by providing them with good equipment

Vice Chairman Lankford commented:

- As far as capital, we have to continue to go with priorities
- Would like to see all the roofs eventually fixed

County Manager Morris commented:

- Know that the school system will be putting the air conditioning for North and South High Schools as a top priority

Chairman Walker commented:

- Was at the school administrative office last week and it was a shock to see the condition of the sidewalk – it is a danger

County Manager Morris responded:

- We are actually working on replacing that dangerous sidewalk

Chairman Walker continued:

- I hope so
- When I saw the condition of that sidewalk, I thought to myself that someone was going to get hurt on that sidewalk
- Big cracks –unreal condition
- Needs to be fixed

County Manager Morris continued:

- Also working on the fire escapes

Finance Director Edwards commented:

- GO Bonds will be paid off in Fiscal Year 2017-18 – payment will only be \$828,000 – frees up approximately \$200,000 for the school system plus additional sales tax

County Manager Morris continued with the next question - Is the county willing to cut or eliminate funding to outside agencies that have been historically funded?

Chairman Walker commented:

- Willing to take a look at them
- Always need to be monitored
- Would like to look at the mileage rate for YVEDDI
- Wonder why an organization like JCPC doesn't ask for more funding each year from the state, but appears some agencies client numbers go up and down

Clerk Darlene Bullins responded:

- Serve on the JCPC
- JCPC requests additional each year, but normally do not receive additional funding due to state budget constraints
- We owe it to ourselves to monitor these outside agencies

Vice Chairman Lankford commented:

- Always need to keep an eye on spending in every department along with outside agencies
- Don't see much change with the outside agencies
- County gets a great deal from outside agencies

Chairman Walker noted the smoke chaser in the Forestry budget.

Vice Chairman Lankford noted that could definitely be looked at.

County Manager Morris continued with the next question - What are the Board's thoughts on a bonus or COLA for employees?

Chairman Walker commented:

- What about an administrative fee for commissioners?
- Would be interested in how other counties pay their commissioners
- Former Commissioner Ron Carroll made a proposal, while serving as a commissioner, instead of mileage, a commissioner would get a set amount each month plus the per diem on top of it – proposal did not go anywhere
- Would like to know if we are in line with other counties
- Don't recall an increase in several, several years except for a COLA

Vice Chairman Lankford commented:

- Since this has been put on the table, would like to see a set amount for outside meetings instead of individual meetings – a set amount each month
- Need to look at an average
- That would be the only thing I would be interested in – not an increase

Chairman Walker directed the Clerk to provide the Board with a total average of outside meetings along with surrounding and like counties wages for commissioners.

Commissioner Jones noted that she did not turn in all her outside meetings.

Vice Chairman Lankford also noted that he did not turn in all his outside meetings.

The Board discussed a COLA for employees.

Vice Chairman Walker noted a COLA would depend on how everything comes together.

The Board unanimously agreed that a COLA for employees was top priority.

County Manager Morris continued with the next question - What level of funding is the BOCC willing to spend on Francisco School should it remain under county ownership in FY 2017/18?

Commissioner Mendenhall commented:

- Coming in the midyear of this project
- Dispose of the property after June 30<sup>th</sup> if the OC does not provide the Board with a sustainable plan

Commissioner Jones commented:

- Agree with Commissioner Mendenhall
- Need to keep the building up until it can be sold
- Remain funding in the budget to keep the building up
- Got to do the minimum (\$35,000) to keep the building up

Vice Chairman Lankford commented:

- June 30<sup>th</sup> – zero dollars
- Understand what Commissioner Jones is saying and support that but that decision will be made when the County is ready to sell the property
- Do not want any funding in the upcoming budget for Francisco School
- Can always allocate funding after the budget is adopted if needed
- Got to send a clear message that we are not going to spend anymore monies after June 30<sup>th</sup>



Chairman Walker commented:

- Have shared my position at the meetings with the OC – we have a contract with the OC until June 30<sup>th</sup> and we will honor that contract
- When that contract ends on June 30<sup>th</sup>, the County will no longer continue business as usual with the OC
- Will be willing to look at options once the contract ends

Chairman Walker confirmed with the other Board members that the consensus of the Board regarding Francisco School Funding is that there will be no funding included in the Fiscal Year 2017-18 budget.

County Manager Morris commented:

- May have to budget a little for insurance, utilities, etc.
- Could do budget amendments after July 1<sup>st</sup>

With the completion of the Manager Morris' questions, Chairman Walker opened the floor for discussion/questions/comments.

Vice Chairman Walker questioned Clerk/Personnel Officer Bullins if there was any news regarding the insurance rates for FY 2017-18?

Clerk/Personnel Officer Bullins responded:

- Insurance broker currently has the county's plan out for bids
- Blue Cross and Blue Shield has provided a first bid of 15%
- Should be getting other bids back very soon

Commissioner Jones noted there was about a 10% increase last year.

Finance Director Edwards noted that retirement would also be increasing this upcoming year.

Chairman Walker questioned if there was any further information needed before the next meeting.

County Manager Morris noted the need to discuss how the Maintenance of Effort (MOE) Funding with Cardinal will be spent which must be spent on mental health/substance abuse services.

Chairman Walker suggested placing the MOE Funding on the next regular Agenda.

Vice Chairman Lankford noted the need to explore the options of having beds for mental health issues/substance abuse at the hospital.

The Board discussed using some of the MOE Funding (approximately \$10,000) for NC 211 (\$4,000 for setup and \$6,000 for advertising/marketing) along with using some funding to pay the county's share for the liaison position.

Vice Chairman Lankford noted that the Board needs more information on what it can be used for.

The Board agreed to place the MOE Funding on the next regular Discussion Agenda.

### **Adjournment**

There being no further business to come before the Board, Chairman Walker entertained a motion to adjourn the Goals/Budget Work Session.

Vice Chairman Lankford moved to adjourn the Goals/Budget Work Session.

Commissioner Jones seconded and the motion carried (4-0) with Commissioner Booth absent.

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

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**Jimmy Walker**  
**Chairman**