

Commissioner Booth seconded the motion.

Chairman Mendenhall opened the floor for discussion.

With no discussion, the motion carried unanimously.

Open Discussion

Commissioner Booth commented:

- I think we have hit a lot of the main topics that our County Manager needs from this Board of County Commissioners.
- We have got to get that completed today so that he can put his budget together.
- We have some more things to talk about.
- Salary increase I believe is one.
- Looks like some information has been given to us regarding that.

Vice Chairman Walker commented:

- I believe we made some progress in our other meetings.
- We have others we will deal with between now and the time of the budget I am sure.
- It is nice to see some agreement between the Commissioners on some of the issues.
- We have made a lot of progress in this past year.
- The fund balance increased more than I expected.
- This gives us some options we haven't had in the past.
- Some of our fears or past predictions you could say have not happened.
- We need to continue to find ways to cut expenses.
- Where is our extra equipment?
- Finding ways to cuts without impacting services or what quality of life people have come to expect here in the county.
- We have a dilemma we need to deal with.
- People are leaving our county.
- Our schools are declining.
- When I ask about the decline in the schools, it's not Charter or Private schools I am hearing, it is that they are moving to other counties.
- It seems the trend of people moving here to get away from other counties is starting to reverse itself.
- We need to look at some things that this could cause.
- If this continues, how does it affect our future?
- Is there a way to start reversing it?
- Most people I am talking to really want more jobs in the county.
- This is a significant issue that has to be addressed.
- Where are the other revenue sources if this trend of people leaving continues?
- Everyone is hearing the same thing; no one wants their taxes raised.
- Expenses are going up, salaries are going up.
- There have to be other revenues to offset these.

Commissioner Lankford commented:

- Commissioner Walker has made some good points.
- This is a question that has been going on for the last 30 years.
- Everyone knows we need Economic Development that is just a total given.
- Hopefully we can get some Economic Development.
- I believe we are going to have to be satisfied with small businesses.
- I just don't see a land mass or infrastructure in Stokes County that would support an auto maker or something of that nature.
- If we are to create jobs it is going to be on a smaller scale.
- We have lots of entrepreneurs.
- As we work on bringing broad band across the county this is a start in helping people that need to work from home or run a business from their home.
- We have several businesses in homes throughout the county.
- Several are currently using slower internet providers.
- Hopefully as they are able to obtain faster internet this number will increase.
- There are many reasons we are losing people.
- It is not because they don't want to live here.
- Some are moving closer to their children.
- We have older people moving into the county.
- Our growth is in senior services.
- Particularly in the northern part of the county.
- In addition to that we have lost a lot of revenue that was there 10 years ago.
- The tobacco buyout ended a couple of years ago.
- Then people began selling their timber.
- Once that is gone the next thing to go is land.
- I am seeing more and more of that.
- I don't see us getting any new roads.
- I don't know the answers to all these questions.
- We will never have 4 lane roads that is just out of the question.
- The only way that I know that we might be able to help the county is that it is a good place to live and raise a family.
- This may sound simple but if we don't promote the county what else can we do?
- We know we have a lot of visitors to the county but this is not bringing in revenue.
- We might be able to get the state to give us a local bill for a toll road to capture some of the revenue generated by visitors to the park and others traveling through.
- Most small businesses are going to be in the King area.
- Fortunately we have one in the northern end of the county.
- We did not think this would ever happen but it did.
- I was there visiting the other day, and the remodeling of Francisco School is going great.
- This was a good decision by the Board.
- This will provide at least 5 jobs.
- I believe the regulations we put into place on the river are helping, especially with families.

- With all the campers coming into the park, it would be a good location for a food market if you were selling the right kinds of products.
- I believe the school information we have in front of us is a bit premature.
- We can't even be thinking about that yet.

Commissioner Jones commented:

- There is always a silver lining.
- I will start with the farmers market.
- I was told that would never work and it is at Hanging Rock now and doing great.
- It is helping to sustain 10 families.
- We are trying to get to the point where we are year round.
- I am only one person and really have not had the support.
- There is a building over there now that we could be leasing for a year round business but I certainly can't afford it on my own.
- There is a huge market that could go on there and it needs to be diverse.
- There are over 500,000 people going through that area.
- We are going on our 7th year and I am tired of putting up tents.
- 6 months of Saturdays is a lot, especially when you already have 2 jobs.
- I know that is the future of what is going to happen.
- This brings me to quality of life.
- We need to be concentrating on quality of life here.
- Every time we build a building, or a road sign we need to be mindful of what it looks like in our county.
- Every time we put up a light, it needs to be thought of how it will affect our life long term.
- We are not going to get big highways through here.
- We can capitalize on that.
- People are and are going to be craving places like this that are dark and have a quality of life.
- Commuting to work is tough business.
- We need to focus more on transportation.
- Quality of life is what is going to bring in people with families ultimately.
- That is why I came.
- I saw this place before I had children and knew this is where they needed to be, to be nurtured and become good people.
- I believe my plan worked out ok.
- I had to do my part.
- I understand isolation is hard on some kids.
- It doesn't come without its struggles.
- The good far outweighs the bad.
- We can also market ourselves as a retirement community.
- We can go all day on the services this requires.

- It brings a need for in home care, plumbers, heating and air, which they are trying to get more apprentice programs in place.
- Agriculture is still our biggest trade.
- Our community college and trades school that is coming will provide a lot of these jobs.
- We have a lot to offer, we just have to get it out there.
- What worries me is some of the people we have moving in from up north.
- Not that I have issues with that, but the problem is that we are so cheap compared to what they are used to.
- They can just buy up land or homes but are then discontent because we don't offer the things they are accustomed to having.
- This created a controversy.
- If we can combine the folks coming to retire and the raising of children in a semiotic situation I have explained before then everyone wins.
- Kids need grandparents and grandparents need kids, even if they aren't their own.
- Tourism is still great in that they come and then they leave.
- We make no money on this because we have nothing for them to buy here.
- We need some kinds of shops that target that kind of thing.
- Restaurants are the main thing as well as lodging.
- The beauty of this is with entrepreneurship, it doesn't have to be huge, or a motel.
- It can be vacant homes that have a nice view if we reached out to them.
- They could be rented to those wanting to come live the good life.
- This could even preempt sales.
- I am little leery to try and get to many kids here.
- We know what that brings and we don't have the infrastructure for it.
- This is just the one thing we can promote is our quality of life.
- People are craving that and may not know where to get it.
- We just have to keep marching on.
- We aren't going to retain all the youth.
- If we aren't going to raise taxes.
- Some can't afford to live here.
- They are going elsewhere to make more money.
- It takes a lot of money to live poor, and that get worse every day with all the mandates.
- We are going to be ok.
- We are in a much better position than most counties.
- Our fund balance is healthy.
- We have some issues to work on.
- I am concerned we have so many people close to retirement that are key people.
- It will work itself out as well.
- We did get a consensus at the last meeting to look at the schools possible request.
- We know most of our money goes to the schools.
- When we get out new Economic Development Director in here that can be something we can have them focus on with getting people interested in Stokes County and promoting it as a good place to live.

Chairman Mendenhall commented:

- We have a lot of work to do as we give Jake the answers to any other questions he may have about the budget.
- I want to be sure we are on the same page with the fund balance.
- I need the exact balance if Julia can provide this.

Finance Director Julia Edwards responded:

- As of June 30th it was 32.05% undesignated.

Chairman Mendenhall continued:

- This is my first year on the Board.
- There has been a lot of hard work put into bringing this balance up.
- I know Commissioner Jones and Commissioner Booth are going into their 8th year and Commissioner Lankford and Commissioner Walker have 12 or more years in.
- You all have a lot to do with this balance being where it is today.
- There has been a tremendous amount of growth.

Commissioner Lankford commented;

- With that comment I would like to remind everybody that in 2006 when I came on the Board, the County was absolutely broke with a 6.8% fund balance.
- We could not even borrow money.
- That is the difference in a liberal and a conservative.

Chairman Mendenhall continued:

- Our quality of life is the best thing we have to offer.
- Many times when I was Superintendent, Parents that moved here from other counties would tell me they just had to get their kids out and were so glad to be in Stokes County.
- Most of our teachers feel the same way and would not want to teach anywhere else.
- Other counties may be able to offer a bigger subsidy but cannot offer the quality of life we have here and the school environment.
- Farming is still big.
- I'm not sure if people realize how big it still is.
- It used to be all tobacco, now it is cattle, chickens, strawberries, vegetables and numerous other things.
- Our trades' building is so important.
- In speaking with some local people that work in construction, they have trouble finding people to work.
- Hopefully our Economic Development Director can come up with ideas to utilize our assets in the county.
- I agree with the retirement community comments.
- We have a lot of people that have moved in.
- Some have started businesses, built bed and breakfasts.
- Others are just here because of the cost of living.
- All of these things we have talked about are important.

- We have given Jake some pretty good direction.
- We need to finalize some things to give direction on anything he feels he needs.

County Manager Oakley commented:

- The direction I am looking at is the amount of increase there will be in the budget.
- I am aware there will not be a tax increase.
- Julia has provided me with the numbers figuring in the natural growth.
- I am attempting not to use a lot of the fund balance.
- I need an understanding where you would like to be at as far as the COLA for employees.
- I have an understanding we will handle capital projects as they come up.
- When I hear our school Superintendent states that he believes our school safety is being handled, I feel we are on track.
- We may need to spend some money on a gate a FTCC.
- When you talk about ways to promote the county, the infrastructure is the main point to consider.
- There is an EMS vehicle scheduled for this budget cycle as well as a garbage truck.
- Cars are being asked for by the Sheriff's department as cars in other departments are becoming worn out and some of those are passed down.
- I understand you want to meet the needs and are not interested in the wants.

Chairman Mendenhall commented:

- I would like for us to give you some final clarification on some items.
- We have a majority that says no tax increase.
- We would like to keep the fund balance above 25%
- We need to give you an answer on the COLA as you prepare the budget.
- I would like to go around to each Board member and get an answer on the COLA.

Commissioner Lankford commented:

- Last year it was 2%.
- I could go with 2% this year.

Commissioner Booth commented:

- At least 2% but I could go higher once we see where we are once the budget is complete.

Vice Chairman Walker commented:

- I am not ready to commit.
- I want to be fair but I don't want to get in a position where people are looking at county salaries and thinking we are getting a little out of balance.
- I would like to do what we have done historically.
- I do not want to just pick a number.
- I want to know what we have before we are set on a number.

Commissioner Lankford commented:

- The last thing we do after the budget is complete is to see where we stand.

- If we can afford to give a COLA we will.
- We have got to control our spending.
- We may have to cut some things down.
- We will need to know exactly what the revenue is.
- We need to know how much we are going to have to take out of the fund balance.
- What I am saying is if it looks like we will have it he can put it in and possibly increase if it works out.
- We can always change it.

Commissioner Jones commented:

- We obviously have to look at all parts before we make our final decision.
- This is a goals session.
- It is not to determine what we are going to do.
- It is literally a wish list.
- I will say I would like to see a minimum of 2% with the possibility of more.
- Our fund balance by statute has to be at 8%.
- We are at 4 times what we have to have.
- This doesn't mean we go on a spending spree.
- We could have another 2007 or an emergency.
- We have to keep a rainy day fund.
- We do however continue to have a high turnover rate.
- This is costing us money.
- I would rather go ahead and support an increase.
- It is less painful financially to keep giving these increases over time until we get up to where we should be.
- This gives us an affordable venue to close pay gaps over time.
- Our goal is to get these pays up so we can keep our good people.
- A lot of people can't afford to work here.
- This is another thing promoting our county.
- We support our people.

Chairman Mendenhall commented:

- What we are saying is we are supportive of a COLA.
- As Vice Chairman Walker stated we aren't going to pull a number out of the air.
- We will see what it looks like as you are putting the budget together.

Commissioner Booth commented:

- I think in the last 7 years since I have been on the Board we have tried to move the employees forward.
- I looked at with the regular employees including longevity they have gotten something like 16% or 17% over this time.
- The EMS and Sheriff Department has gotten something like 24%.
- Nationwide during this time most salaries have been flatlined.
- I want to keep moving the employees forward.

- I don't know how we can have our manager do a budget without us giving him a number to work with.

Commissioner Lankford commented:

- You don't have to have a set percentage.
- You can just figure an amount that we are able to do.

Finance Director Julia Edwards responded:

- Are you not wanting to put this in every department's budget?
- If not it goes in contingency and then next year it looks like their budget has a major increase.

Commissioner Lankford continued:

- I was saying after the presentation of the budget you can make a change.
- If we put 2% and decide to change it, the budget will have to be reworked anyway.

Vice Chairman Walker commented:

- We have for the past several years focused on the fund balance.
- We asked our employees to be patient while we did this.
- Certain areas have gotten more than others.
- We need to make our county a desirable place to work.
- We need to make our employees feel appreciated.
- This goes a long ways in offsetting salaries.
- Where I am with county employees is I want to do as much as we can for employees.
- We have had years where we gave an increase and years that we didn't.
- People stayed because they believed in Stokes County.
- When we look at pay there is a lot to be considered.
- We do have some catching up to do.
- If our turnover rate is just about money, we are going to always have this problem.
- We cannot pay what some of the larger counties are paying.
- I want you to work on the budget and take as little as possible out of the fund balance.
- We need to look at capital needs and all aspects of the budget and then look at COLA.

Commissioner Jones commented:

- When we have people starting at \$16,000 and \$17,000 we have to change that.
- The typical person cannot live on this.
- People have to live.
- With the cost of gas and groceries alone this is just too low.

Commissioner Lankford commented:

- I would like to see us set up a capital fund balance of 1 million dollars.
- We have some improvements to make in this county and this will need to be done over the next few years.

Commissioner Jones commented:

- Loans are wonderful when you get low interest rates.
- They are still recurring.
- I agree with Commissioner Lankford on setting aside some money for capital projects.

Finance Director Julia Edwards responded:

- Is that a one-time million dollars?

Chairman Mendenhall commented:

- Yes it would be one time.
- Would anyone else like to comment on the proposed million dollars that Commissioner Lankford has mentioned for capital projects?

Commissioner Booth commented:

- I want to do it just like we have in the past.
- We need to do the budget and see where we are.

Vice Chairman Walker commented:

- I agree with Commissioner Booth.
- If you move money from one place in the budget it affects the whole budget.
- We need to wait and see what we are able to do.

Chairman Mendenhall commented:

- It sounds like we are in agreement for the most part of completing the budget and then seeing what we have to work with.
- I would also like to reiterate what was said by Commissioner Walker, every part of the budget affects another.
- You can't change one part without changing another.
- Let's try and spend the rest of the time we have left today to make sure Jake is comfortable with where we are on everything and has a clear idea of the direction we are going in with the budget.

Commissioner Lankford commented:

- School safety is important.
- I feel we need to use as much technology as possible.
- There is a way to lock your door from your cell phone.
- We need to utilize this kind of technology with school safety.
- I want our people to feel safe.
- This technology has already been developed and we need to use it.
- In the school system the first safety measure we had was locking bars on the doors.

- This was simple but it worked.
- It is money well spent to look at technology instead of adding more people for this.
- There would be some initial cost but not recurring.

Commissioner Jones commented:

- I will piggyback on this with the reverse 911 I spoke about last night.
- This would save calls to EMS and the Sheriff's Department I believe.
- I will recap on what I started with.
- I want our community to be healthy.
- It means quality of life, having an open mind.
- I don't always think new is better but we have some very talented people in our county.
- We need to not only promote our county to the outside but to promote our county to those who live here.
- We have people who are born and raised here and truly don't have an appreciation for their own county.
- They don't know any different.
- They don't know how wonderful this place is.
- It's not only about making people aware but showing them what we have to offer.
- We should be grateful of where we are with our fund balance and for the good people that live here.
- This is not just about money.

Commissioner Booth commented:

- I want to go back to what the manager was saying about the Superintendent and the Sheriff speaking on safety.
- We have SRO's at all of our schools, even the Elementary Schools.
- Other counties do not have this in all their schools.
- As far as what Commissioner Lankford was saying about technology, we need to be doing these things.
- We could have an SRO at a school and they may be at the wrong place at the wrong time.
- With safety mechanisms in place to lock down schools with the touch of a button would be the best option.
- I spoke with the Manager at Walmart in King and they are planning to add 50 more employees.
- This is good news.
- Everyone cannot make \$50,000.00 per year; some are going to make less.
- I have a grandson working there and he is glad for the job.
- On that note we don't have any salaries that start at \$16,000.00, we addressed that years ago and now the lowest starting salary is \$19,500.00.
- With Walmart in our county maybe that will bring other large businesses in like Home Depot, or Lowes.
- With promoting our county, we have the new app developed by Economic Development that promotes our county.
- You can see all that we have to offer.

- The sales tax has not been as high as we predicted it would be last year with the projected increase from Walmart.

Vice Chairman Walker commented:

- One thing I really agree with Commissioner Jones on is the trend for local foods.
- People are really tired of their food coming from all over.
- The trend is shifting back to local foods.
- We are in a very good place for this with all of our agriculture.
- King RC just went under after 40+ years in business.
- Whatever we can do to help our small businesses.
- If we make it a good place to live, it will be a good place to do business.
- With retirement being mentioned, we need to provide recreation opportunities for these folks.
- What is between us and being a business friendly county?
- I know of someone who started a business in King.
- They said if they knew all the trouble it was going to be, they would have gone somewhere else.
- What is the identity of Stokes County?
- Where do we want to be next year or in five years?
- Do we want to be the leader in this area for local food production?
- Agriculture is the most popular vocational program in our school system.
- We have the land and the people.

Commissioner Jones commented:

- There has been more done than you think.
- We have one of the only GAP programs at North Stokes.
- Our biggest failure in this county is we are not fortifying this movement.
- We have not provided a permanent year round space.
- Stuart has a structure and it is busting at the seams.
- We have the community college and the trade's school coming.

Commissioner Lankford commented:

- We could possibly get a grant to help with building a structure.

Commissioner Jones commented:

- I am not a grant writer and this whole thing has been more of a grass roots operation.
- I would love to see it go year round.

Vice Chairman Walker continued:

- If we really want to get this going why not put some County money into it?
- These are some things I wanted to make Jake aware of as he starts to think about projects.

Chairman Mendenhall commented:

- I believe before we wind this up, Jake has another question or two.

County Manager Oakley commented:

- This is what Stacey has been talking to you about.
- The state of N. C is going to stop absorbing Medicaid errors.
- DSS has put \$500,000.00 in her budget to allow for this.
- Do we want to allow this in this budget or do we handle this as they come up?
- In order to not have to pay back any errors they will have to prove it is a NC Fast system issue.

Commissioner Lankford responded:

- We strive to not have errors.
- The caseworker knows who is qualified or not.
- There are records to show without any doubt whether someone qualified or not.

Commissioner Jones commented:

- This is going to just make the turnover rate even worse.

Vice Chairman Walker commented:

- This is another example of government putting the blame back on the county.

County Manager Oakley continued:

- So I am going to have her take this out of her budget and go back to the original amount of \$15,000.00 that we have been putting in there according to Julia.
- Are we to set aside money in capital reserve for projects that may come up?
- There is some money in there that has been set aside for projects.

The consensus of the Board is to continue with the same amount that has been placed in capital reserve in past budget years.

Adjournment

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

Commissioner Lankford moved to adjourn the Goals/Budget Work Session. Commissioner Jones seconded and the motion carried unanimously.

Shannon Shaver
Clerk to the Board

Ronnie Mendenhall
Chairman