

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  
WEDNESDAY JUNE 13, 2018

The Board of Commissioners of the County of Stokes, State of North Carolina, met for a Budget Work Session (Joint Meeting with the Stokes County Board of Education) for the proposed Fiscal Year 2018-19 Budget in the third floor conference room of the Ronald Wilson Reagan Memorial Building (Administration Building) located in Danbury, North Carolina on Wednesday June 13, 2018 at 3:00 pm with the following members present:

Chairman Ronnie Mendenhall  
Commissioner James D. Booth  
Commissioner Ronda Jones  
Commissioner Ernest Lankford

County Personnel in Attendance:  
Interim County Manager Jake M. Oakley  
Clerk to the Board Shannon Shaver  
Finance Director Julia Edwards

Board of Education:  
Chairperson Jamie Yontz  
Vice Chairperson Sonya Cox  
Member Becky Boles  
Member Cheryl Knight  
Member Pat Messick

School Administration Staff:  
Dr. Brad Rice, Superintendent  
Tony George, Assistant Superintendent  
Pam Bolejack, Administrative Assistant  
Lanette Moore, Executive Director of Finance

Chairman Ronnie Mendenhall, Stokes County Board of County Commissioners, called the meeting for the Board of County Commissioners to order and welcomed those in attendance.

Chairperson Jamie Yontz, Stokes County Board of Education, called the meeting for the Board of Education to order .

## **INVOCATION**

Chairman Mendenhall asked Commissioner Booth to deliver the invocation.

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

Commissioner Booth delivered the invocation.

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

Chairman Mendenhall invited those in attendance to join both Boards in the Pledge of Allegiance.

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

Chairman Mendenhall entertained a motion to approve or amend the June 13, 2018 Board of Commissioners' Agenda.

Commissioner Lankford moved to approve or amend the June 13, 2018 Board of Commissioners Agenda. Commissioner Booth seconded and the motion carried unanimously.

Chairperson Yontz adopted the Agenda presented with full consensus of the members of the Board of Education.

### **Budget Work Session**

Chairman Mendenhall noted the following:

- Welcome to everyone.
- I am sure we will have a very interesting discussion.
- We are looking forward to it.
- We will follow our general guidelines with the speaking order.
- Each member of each Board will have time to make comments, ask questions, and create discussion.
- This is a very important meeting.
- I believe everyone in the room takes it very seriously.

Chairman Mendenhall invited Chairperson Yontz to make opening comments.

Chairperson Yontz responded:

- Thank you for allowing us to come up today.

- I would ask that we keep the conversations in a forward moving civil manner.
- Please try and be direct with questions.

Dr. Rice, Superintendent, presented the following information regarding the FY 2018-19 Budget

Request from the Board of Education:

- Would like to start of expressing our appreciation for the opportunity to be here today.
- We submitted our proposal a little over a month ago.
- I know you have had time to look over this.
- We can certainly answer any questions you may have.
- I would like to touch on the big items first.
- The biggest request has to do with just increased rates.
- Our retirement and insurance rates have gone up.
- The state has passed raises in the budget for some locally funded people.
- Yellow bus costs have increased.
- We were paying about \$75,000.00 out of expense funds for School Resource Officers we had carry over funds that we no longer have.
- Those have been used up.
- That is going to be about \$178,000.00 increase to keep our current SRO's.
- With these rate increases and fixed costs that we have no control over it comes up to about 1.6 million dollars.
- I know there have been some questions regarding why our submitted budget is so much.
- A lot of that has to do with costs that are out of our control.
- The other big item is to get the supplement back up to a full 4%.
- That is going to cost close to \$310,000.00.
- If you look at this added to the \$1.6 that is almost the \$2 million dollar increase.
- We can't negotiate with the power company.
- We have been told we could see as much as a 15% increase.
- We figured it on a 12% increase which is \$280,000.00.
- This is another large thing we cannot control.
- We have tried to be conservative but this may not be enough.
- Same thing with heating and fuel oil, we are looking at about a \$186,000.00 increase with our projection.
- In the County Manager's Budget request it looks like we have asked for \$2.4 million dollars.
- That is over the original appropriated cost from last year.
- This in not out actual operating budget.
- We had to appropriate close to \$70,000.00.
- As you know we each put in about \$141,000.00 for the art positions.
- Out total operating budget last year was \$11,530,339.00.
- While it is still an increase of over \$2 million dollars, it is around \$2.2 instead of \$2.4.
- I will turn it over to Ms. Moore now to give some further details.

Executive Director of Finance Lanette Moore presented the following information regarding the FY 2018-19 Budget Request from the Board of Education:

- We usually wait until we receive our state and federal planning allotments before we begin our budget.
- This does make our budget later sometimes.
- This is a key piece in planning a local budget.
- We are always losing funds based on state legislation.
- The county budget sheet reflects the Board of Education request increase is \$2,647,636.00, because the adjustments were not included.
- The 2017-18 current expense final approved budget was \$11,530,339.00.
- The 2018-19 current expense Board of Education request is \$13,825,296.00.
- This is an increase of \$2,294,957.00.
- The 2018-19 current expense County Manager's recommendation is \$12,596,059.00 which is a \$1,065,720.00 increase from 2017-18.
- With the current expense request of \$13,825,296.00 and the recommendation of \$12,596,059.00.
- This will leave a deficit of \$1,229,237.00.
- In the 2018-19 State/Federal Planning allotment there were several large decreases.
- State Classroom Teaching Positions - 4.50.
- Federal Classroom Teaching positions - 2.50.
- CTE Teaching positions - 9.00 months.
- The following are decreases in funding:
- Teacher Assistants - \$40,539.00
- Special Needs - \$62,856.00
- Low Wealth - \$25,658.00
- At risk students - \$84,678.00
- At risk student services carry over \$96,504.00
- Classroom Supplies - \$4,308.00
- Central Office Administration - \$21,606.00
- This is a total decrease of \$284,833.00

Dr. Rice commented:

- The allotments for teachers do not look at ADM numbers.
- With 19 schools you can lose 5 or 6 kids in each and with that number you have lost 100 kids.
- Then you go into a school and say you lost 6 kids and you are going to lose a teacher.
- With a school that has 6 grades, taking a teacher out is hard.
- It is a bad funding formula but it is the one the state uses.

Executive Director of Finance Lanette Moore continued:

- Our 8 month ADM including Pre-K is 5884 students.
- The state does not include Pre-k so our ADM is 5777.

- As Dr. Rice just mentioned, this is part of our problem.
- When the state does our allotment, they only look at the total.
- They don't take into account for example that Germanton Elementary has 169 students and appropriate money according to that site.
- It is hard, because you might lose a few student and you may lose a teacher.
- It may seem that if the ADM is down you should request less money.
- The loss of a few students at a school is not enough to affect teaching positions.
- We still have the same need.
- Another reason for the increase is we were thinking last year that we would get 100% funding from the state for enhancement teachers.
- We are going to receive 25%.
- Enhancement includes, P.E., Music, and Art.
- We would use 13.50 positions based on full funding.
- Based on the funding we are looking at we would get 3.50 positions.
- Next year they are proposing to be 50%, the 75%, and then the third year get to 100% funding.
- They have prorated it out among several years.
- This is again another impact to our local budget if we maintain.
- After all this information has been gathered we then send our budget up to you.
- I know you do not get in to line items.
- I just want to mention some things that could be options to cut.
- Some of the increased teaching positions would have to go.
- There would be no way to increase the supplement.
- New requests would have to be cut.
- Our retirement and insurance costs have increased drastically as well as utilities.
- We used 167 gallons of fuel oil last year.
- We had it figured at \$2.75 and have cut that back to \$2.50 to help meet this cut that might happen.
- \$350,000.00 or more will have to come out of local dollars just to operate the yellow buses.
- The new background check program approved by the Board costs \$13.95 per person.
- This is for parents, volunteers, etc. who are in contact with the children or go on field trips.
- There could be a savings there if that is not done.
- These are just some of the line items to help put things into perspective.

Commissioner Lankford responded:

- When we add 1,065,720.00 over last year, and I know some of the things you have listed are state cut backs.
- I feel like when the state cuts back, the School Board is going to have to problem solve about what needs to be done.
- I really thought that a million dollars more than last year was going to be enough.
- I can't remember an increase this large before.

- I looked through some of the line items and feel like you have a lot of room to make changes.
- You are going to have go back and make some tough choices.
- We have already taken around 2.7 million out of fund balance and do not want that to continue.
- One thing I do want to know, since we are losing students, is have you done any research into why you are losing students?

Dr. Rice responded:

- It is hard to get a definitive answer on that.
- When someone leaves they are not required to give you any information.
- They just transfer and move on.
- There are lots of reason that go into that.
- There are some religious reasons where people choose a private or home school, ensuring they control the education, and they are learning there family values.
- Some want a different experience.
- There are some that have a bad experience.
- When we find out those things we certainly try and address those issues.
- We just celebrated a graduating class that had a lot of good experiences.
- There were a lot of scholarship recipients.
- We have had Ivey League schools recruiting our kids.
- A lot of great things are going on.
- As far as the kids that leave, they are not required to give us an exit interview.

Commissioner Lankford continued:

- This is a problem.
- I don't think Stokes County school system can continue losing students and continue to operate 19 schools.
- You are going to have to make some tough choices.
- This million dollar increase is something I have never seen since I have been on this Board.
- It is usually \$300,000.00 to \$400,000.00.
- This is just the way I see it.

Vice Chairperson Cox commented:

- One thing that I have found is that the state of North Carolina has made it so easy to home school.
- It is a win win for the state.
- The more kids are home schooled, the less the state has to pay per pupil.
- Plus they have to pay the state to home school.
- I have been doing some research and North Carolina is one of the easiest states in the whole U.S. to home school in.
- There is virtually no oversight.
- It is all done online.
- I believe this is why we are losing more and more students to home schooling.

Commissioner Jones commented:

- Can you tell me what charter and private schools are costing the County?

Executive Director of Finance Lanette Moore responded:

- We have to take the appropriation from the County with a formula used to get the amount we have to send.
- Currently we are at \$230.46 per student.
- We have budgeted \$345,630.00 for the year.

Commissioner Booth commented;

- To take care of the request of the increase of \$2,294,957.00 would be a 6.5% tax increase.
- It would be equal to 3% for the recommendation of \$1,065,720.00.
- We have to find the revenues somewhere.
- All we have to work from is the fund balance.
- This would be a reoccurrence.
- I have not seen it decrease.
- Out county increase includes, insurance, and retirement.
- Our budget is less than last year so we are finding ways to cut.
- Our County departments did not get all their requests so do not feel bad if you do not get all of yours.
- This is not a done deal yet.
- If we funded everything our departments and the School Board requested you would be looking at a 12% tax increase.
- You cannot keep taking from the fund balance for reoccurring items.
- We have agreed to no tax increase.
- Some way or another you have to cut it back.
- I appreciate all of the information.
- I would love to say we can fund everything that you are requesting.
- I cannot see that without a tax increase and do not believe that is what our citizens want at this time.

Vice Chairman Walker commented:

- I enjoy talking with people.
- Enjoy hearing what is on their minds.
- Want to talk about what we are going to do to deal with this ongoing opioid crisis.
- This hits us every way we turn.
- I think any budget decision we make is competing with what is important to the citizens.
- We have that on the list, along with jobs, economic development, and a wellness center in this part of the community.
- We spend a lot on schools.
- We allocate quite a bit of our county's funds to schools.
- Another item that is really important is an ER in King to the people of that area.
- I like the information our Manager has provided breaking the tax rate down.

- It breaks down to half of the ad valorem taxes.
- At some point all of us need to get out and talk to people.
- We need to see what their comfort level is on how their tax money is spent.
- We need it all to fit together.
- Our citizens need to see that we are doing the best with what we have to work with.

Chairman Mendenhall asked that Superintendent Dr. Rice present the information on Capital Outlay.

Dr. Rice presented the following information regarding the 2018-18 Capital Outlay Budget:

- We submitted a request for 41 items totaling \$2,016,811.00.
- The County Manager's recommendation is \$1,880,000.00.
- This is a decrease of \$136,811.00
- The 41 projects encompass all of the schools except for Poplar Springs.
- Poplar Springs is a newer school and funded differently.
- Their items have already been taken care of.
- All schools would get something out of this.
- Some of the higher need items include \$100,000.00 for system wide emergencies.
- Things come up.
- If a chiller were to go down we would have the funds to take care of that.
- We always look at safety items first.
- After that we look at things to keep our facilities in good shape.
- I know that school safety has been on everyone's minds.
- We were able to add the door locks at the schools.
- You have to buzz in.
- We have had those at the elementary schools and have added those to the middle schools.
- We hope to complete that with North and South Stokes soon.
- One solution we have discussed is item 8, which is the addition to the Agricultural building at West Stokes.
- If you are familiar with the campus on the left side is the location of this building.
- They are looking to start some classes with the CTE program.
- We have 55 students interested in doing that there.
- They would like to basically double the size of that building.
- This has been estimated at around \$325,000.00.
- We were thinking that we could possibly take the \$136,811.00 out of the 4 cent fund that is designated for new construction to put towards this project and we could pay the rest.
- This would balance that budget as well.

Dr. Rice invited Executive Director of Finance Lanette Moore to add any additional information or comments.

Executive Director of Finance Lanette Moore responded:

- We would be able to fund 1-26 of the priorities out of the 41 requested.
- Of course the Board may change some of the priorities based on the need.



- In the budget there is a roof included for Mt. Olive and Sandy Ridge Elementary.
- They would be in the 1-26 range if the Board keeps it in the current order.
- Would like to provide a capital outlay 4 cent funding review.
- Chestnut Grove roofing completed out of the \$1,250,000.00 budget with a balance left of \$819,653.40.
- Total cost of the project was \$430,346.60.
- Want to share with you other Board approved projects out of the balance of \$819,653.40.
- Chestnut Grove damaged pavement - \$45,635.00
- Germanton roofing for main building and gym - \$238,192.46
- Lawsonville poles and lights - \$15,000.00
- North Stokes overage baseball poles and lighting - \$4,079.00
- South Stokes baseball poles and lighting - \$101,870.00
- The total for the other projects completed was \$404,776.46 leaving a balance of \$176,172.54.
- This balance will not match yours due to the interest.
- We are very appreciative of the County Manager's recommendation.
- Our goal today was to see where the cuts would impact the schools.

Chairman Mendenhall turned the floor over to Interim County Manager Jake Oakley.

Interim County Manager Jake Oakley commented:

- My recommendation came after careful review of the budget submitted.
- It is not up to me nor anyone else to decide where you spend your money or where you cut.
- I had an understanding with the Board of County Commissioners during our budget work sessions that we are to maintain a healthy fund balance.
- The balance was not to fall below 25%.
- After looking at the County's request alongside the schools request, what I gave the schools is double the county request.
- I do not have a full understanding of the capital projects.
- I would love to be able to see some of the bids that come in.
- Everything done in the budget this year was to try and meet all the needs we possibly could.
- We cut County departments very heavy.
- We understand that there are a lot of wants and we have to focus on the needs.
- The department requests totaled over 2 million dollars and we ended up recommending \$900,000.00.
- Your request was 2.4 million and we ended up giving over a million dollars over last years.
- With that I tried to cut the least amount possible without taking any more out of the fund balance than absolutely necessary.

Chairman Mendenhall noted that he would like to give all members of the Board of Education an opportunity to speak and then we will give our Board of Commissioners an opportunity to speak.

School Board Member Cheryl Knight commented:

- Thank you for meeting with us today.
- Appreciate the productive conversations concerning the needs of the county.
- It is a tough situation for everybody.
- Looking down the road we will have some tough decisions as was mentioned.
- We will need a significant amount more to continue doing the things we believe are needed in our schools.
- One of the things we have contemplated cutting is a 9 month position in the CTE.
- Feeling passionate about the CTE program with vocational courses, I do not want us to have to go that route.
- Students at smaller schools would miss out.
- It is tough.
- You want to keep everything fair and balanced.
- Some of the positions that would have to be cut when you look at losing 4 or 5 kids from a small school, and you wind up losing an entire classroom teacher.
- That is detrimental to a small school.
- I don't like to think about that happening.
- Seeing that the money goes back to our classrooms in the form of supplies.
- It is hard when the state continues to decrease funding and push more to the county to fund.
- Recently the state has cut funding towards directors positions.
- These are important to keep our system running.
- In my mind it pushes us to make decisions about cutting those instead of cutting teacher positions.
- This would be bad as well but want to do what is best for the kids in the classroom.
- Hopeful we can find a good resolution to all of this.
- We will have hard choices to make.
- Appreciate you listening to us.

School Board Member Becky Boles commented:

- Want to weigh in on everything that has been said.
- When we talk about our ADM and what happened.
- We all know that foreclosures have been happening at our county.
- When this happens those families go somewhere else.
- Some are still sitting abandoned.
- People have left for better jobs, better housing, and we know that housing is short in our county.
- The rent has gone up everyone and incomes have not.
- There are a lot of factors involved with ADM.
- When you attend the graduations and see what our students have achieved.
- You see the quality of students that we are turning out in Stokes County.
- This is a big draw to bring new people to Stokes County, because of our educational system.
- We know we have to maintain our schools for a safe and secure environment.

- When a roof goes out in a school, it is not cheap.
- When carpet wears out we are trying to replace with tile because that lasts longer.
- There are all kinds of factors in educating our kids.
- We have done a wonderful job.
- We keep trying to improve with new teachers and advancement in technology.
- Nothing is cheap.
- Everything continues to go up.
- The Commissioners have been very generous to help us over the years.
- We try to be good stewards of your money.
- For instance when a roof had to be fixed, and with the air conditioners.
- We are very grateful for what we get.
- The impression that our schools give off is important.
- If the parking lot is in bad shape, or the track, or lack thereof.
- There is so much involved.
- Presentation is a draw card.
- It is part of economic development.
- It is important to go out in the county.
- We do surveys within the school system on how the teachers and parents feel about things, and anything we can improve on.
- That is a wonderful idea that was brought up.
- We really need to see what people's priorities are.
- If they have kids in the school system, then of course the school system is a priority.
- If they do not then it may not be.
- It is important to find out.
- We are trying to do our job.
- When you attend a graduation and see the scholarships earned by our students and all of the success they have had, then you know we are doing something right.

School Board Member Pat Messick commented:

- I think the greatest treasure in our county is our children.
- As School Board members our primary duty is to serve the children of Stokes County.
- As elected officials we are given the trust of our citizens to provide the best and most current educational opportunities.
- Providing opportunities through educational programs for students in a large rural county comes at a higher price.
- In order for all of our high schools to provide the courses that students needs to qualify for college entrance requires additional personnel.
- Available funding is necessary to provide these needed opportunities.
- We need your help in providing the funding to hire additional teachers.
- The more programs we have to close due to the lack of funding, the less opportunities we can provide to our students.
- All of us agree that career and technical courses are vital for students who want to start in the work force after high school.

- With the distance of schools being a factor, the cost of additional personnel is also an issue.
- Unless the additional funding is provided, students will be offered a limited course selection.
- In the 18/19 budget the legislature is not funding the enhancement teachers at 100%, only at 25%.
- This is less than what we expected.
- The local certified classified supplement is a key in keeping qualified employees and reducing employee turnover.
- It will take additional funding to increase the supplement from the 13/14 salary base.
- Thank you for the opportunity to speak for the children of Stokes County.

Vice Chairperson Sonya Cox commented:

- I appreciate the opportunity to talk with you today about our budget.
- Thank you for funding our capital requests as much as you have.
- I think we can do a lot with that.
- Our joint efforts in providing more careers in the technical field, such as masonry and carpentry will strengthen the community.
- By adding that back in it goes along with what you are planning with the Forsyth Tech Trades building that you are building at Meadows.
- With the joint effort of our two Boards to provide the basics in high school and then to finish that with a secondary education is a plus for our county.
- As Dr. Rice stated our capital outlay does contain the addition to the agricultural building at West Stokes.
- We can offer more carpentry and masonry classes there this year.
- We were able to offer the basics, and have such an interest that there are more kids than space available.
- If we could get the shortage covered by the 4 cent fund as Dr. Rice mentioned, would be wonderful and we could get all of the capital outlay projects completed.
- Would like to recognize a student at South Stokes.
- His name is Edward Byers, he wrote a grant so that a barn could be built at the school.
- It is almost finished.
- He has helped build it practically.
- It is going to be such a benefit to those program there, like FFA.
- We have such good students that are bright, and go above and beyond.
- This helps so much to get the things that we aren't always able to do.
- Wanted to give him a shout out for his hard work on that.
- Want to thank you for the 3 art positions that we were jointly providing.
- That has been a big thing that I am constantly hearing good things about.
- People have really been pleased with having this back in their schools.
- This is such a nice outlet for students with all of the pressures of testing.
- As you have heard our enhancement teachers will not be 100% funded by the state.
- They will be eventually as we go into that fourth year.

- That is why those three positions are still in there.
- The supplement issue is kind of like the elephant in the room that no one wants to talk about.
- We have heard time and time again that you do make the cuts.
- That it is up to us to decide where cuts are made.
- I understand that and know how this works.
- The 4% supplement is so important to our employees.
- It is one of the bigger budget items.
- There are only so many places to get that kind of money from when making cuts.
- We are still basing the 4% supplement on the 13/14 salaries which is a huge deal for our employees.
- The talent pool is dwindling.
- The pay is hurting us.
- I cannot convince my daughter to come to Stokes County and teach.
- It would be a large pay cut from Forsyth County.
- Not as many people are going into education due to some of the bad press surrounding teacher pay.
- In 2021 state retirement and your hospitalization insurance are going to be lost.
- That has been the one constant that is a bonus are the benefits even if the salary is lower.
- That is going to change if you start teaching after 2021.
- We want to be able to attract and keep good teachers.
- A true 4% would help with that.
- I am sorry that the state has created a situation where it puts us and you in this predicament.
- I commend you for not having to raise taxes and building your fund balance.
- We are going to hit a wall eventually.
- This is going to be in the near future.
- For comparison purposes we have been at 4% for 13 years.
- Wake is 17.25% for new teachers.
- Buncombe is 11%.
- I know we really cannot compare to those counties.
- All we are asking is that we make this a true 4% for our employees.
- It helps with moral.
- This is a great place to live and raise your family, but people have to live.
- In the long run if things do not improve, we are going to be looking at closing some schools.
- Nobody wants to see that.
- Years ago when NC State did the study, they predicted this drop in ADM.
- I didn't believe it then, it also predicts an uptick so hopefully we will see that.
- There are some that don't mind a little tax increase.
- Not everybody is on the same page with that.
- Again I appreciate your time and efforts to help us.

Chairperson Jamie Yontz commented:

- I will be brief as I will be echoing a lot of the things fellow Board members have said.
- I would like to see the Art positions stay.
- When Mr. Lankford asked why we are losing ADM, this is a perfect example.
- It is about the services we are providing.
- We can disagree on that.
- When we are not offering those services, and the next county over is, that is appealing.
- When you start looking at schools and the numbers, as far as consolidation, take a school like Pinnacle for example, you will lose a lot of those students to Surry County.
- If we have to redistrict and close small schools like that, they are not going to want to drive all the way to Nancy Reynolds.
- We certainly do not want to look at closing a 10 million dollar elementary school.
- You are going to move that populous to Nancy Reynolds.
- There is a good chance those people are going to drive into Surry County.
- It is the same with a school like Pine Hall, you would lose some of those students to Rockingham County.
- Those are things you have to look at.
- When you are looking at CTE courses and talking about cutting those, the unfortunate thing is the schools that will suffer the most will be your smallest.
- The school that I dare say probably needs to lose it the least of any, and that is North Stokes.
- You would be taking away a course that is attractive to a lot of students there.
- I am going to agree with what has been said, do we want to be rural county with great schools, or do we want to continue to try and save money?
- That is kind of where we are at.
- You are right.
- There are going to have to be some very tough decisions made.
- As spoken about before, the study predicts an upswing.
- Whether or not this happens remains unknown.
- If this does happen and we have closed a school, the very next day you are looking at 3 million dollars in upgrades to open it back up.
- I don't want to get to that point.
- I believe our schools are a big part of our county
- Everyone I believe agrees on that.
- It looks like in the County Budget, all of the departments have asked for little more money.
- It is not just the school system.
- The number of citizens in Stokes County has went down, so I have to ask why every department is asking for money.
- It is because the demand for services has gone up.
- EMS is running more calls than they were 10 years ago.
- You mentioned the opioid crisis.
- How many more calls are they running due to that?
- We can look at it however we want but the fact is we are providing a service.

- There is more demand for it.
- It is a very unique situation right now.
- Our classroom sizes are increasing.
- Our classroom sizes in the middle schools are in the high 20's.
- When you start looking on where to make a cut, it is very difficult when you try and divide the number of teachers with the number of students.
- We have to really start making some hard choices.
- I will end with saying this, I am perfectly fine with the recommendation of the capital outlay budget.
- I appreciate that.
- The current expense is going to be tough.

Chairman Mendenhall on the behalf of the Board thanked the members of the Board of Education for their comments and turned the floor over to the Board of Commissioners to give them an opportunity to speak.

Commissioner Booth commented:

- Appreciate us getting together.
- Gives us more insight on what the needs are.
- We will be looking and thinking about those in the coming weeks as we come to our final decision.
- \$1.65 million increase for current expense is a lot.
- When you mention the departments, that is probably 6% to 8% more than the departments.
- Most of that is due to increases beyond control.
- We had about a 12% increase in health insurance cost.
- On capital improvements I looked back at Chestnut Grove Middle School where it was estimated to be \$1.2 million and it ended up being \$400,000.00.
- That left over \$800,000.00 to complete other projects.
- I do not know where the estimates come from.
- I would be looking somewhere to be able to get these numbers down.
- When I see \$500,000.00 coming for a roof, is it going to be \$200,000.00 leaving \$300,000.00 to go ahead and do other projects that were not funded.
- Last year with the air conditioning at North and South Stokes, the estimate was \$800,000.00, what was the actual cost?
- I have heard \$400,000.00.
- I feel like the shortage will be taken care of with things not costing what they are estimated.
- We are not finished with the budget and that is saying if we go with the County Manager's recommendation.
- When the county goes out for bids we get three always.
- You should be able to go out and get a bid on what the actual cost will be rather than an estimate.

Dr. Rice responded:

- I do not have the exact number on the surplus from the air conditioners in front of me.
- The estimates are exactly that, just estimates.
- They do a much more thorough job once the budget is approved.
- Back when we got these estimates months ago, you had not approved a budget.
- We are not able to get formal bids until there is an approved budget and the money is there.

Commissioner Booth continued:

- That is good.
- It looks like they have all been overestimated.
- This leaves money there if you did come up short the \$140,000.00 that would be there when the actual bids are complete.
- I do not see getting your fund balance down to where you cannot handle an emergency.
- I thank the Lord we have a fund balance that has increased over the last 8 years.
- With what we have we could keep the county running for about 3 months if something happened.
- I know you problems and issues to face.
- We do too.
- We are going to get together and move forward as we have in years past.
- Everything will be good.
- Appreciate meeting with you today.

Commissioner Lankford commented:

- There have been a lot of comments about different things.
- One being the low ADM.
- The new generation is going to be moving in closer to their jobs.
- That is just a known fact.
- I would not be looking at an increase in ADM anytime soon.
- I have heard that some people do not mind a little increase in taxes.
- That may be true for some.
- We have an aging population in Stokes County.
- They are not going to be producing children.
- In fact we have a lot of poor people in Stokes County.
- When the announcement went out with overdue tax bills, there were around 3800 delinquent tax bills.
- Some were making payments.
- We send out 38,000 bills and 3800 is about 10% that haven't even paid their tax bills for this year.
- The people who pay all the taxes are the older people.
- The younger people pay some but not as much as the older.
- The older people are paying these based on a fixed income.
- We lost 10 million dollars in Stokes County when the tobacco buyout left.
- That hurt a lot of people.



- The sales tax will increase some.
- There is one thing that I want to be sure of with the money that is allocated for the schools, both current expense, and capital outlay, I would like to have a commitment from the Board of Education regarding the supplement.
- I would like a commitment that the \$209,000.00 for the supplement will be used for the supplement.
- Not that when you go in and start looking at other things, that is the first thing that is cut.
- You will go out and tell everybody in the school system that the Commissioners did not give you the money for the supplement.
- I don't like that.
- It has been done before.
- I want a commitment that the \$209,000.00 to get the supplement up to a full 4% will be there.
- There are a lot of things that we have to look at.
- There are a lot of things that you all will have to look at.
- We want to do our very best to educate the young people of Stokes County.
- We have accomplished some major things in Stokes County in the last 10 to 12 years.
- I am proud of it.
- I am proud of the early college, community college, and all the new buildings that have been built.
- Until we fill those buildings up with students, the School Board is going to have to make some really tough decisions to keep 19 schools.
- I have always supported our education system.
- We have always had one of the best in the state.
- We have educated doctors, engineers and so many good students.
- There is a limit to what 46,000 people can do.
- We are very different from Forsyth County.
- I commuted for 30+ years but if I had to do it again, I wouldn't.
- The younger generation is going to live within 4-8 miles of their work.
- We are going to have to do the best with what we have got.
- I am proud of Stokes County as a total.
- There are limits and we have to look at the picture.
- I am very serious about the supplement.
- I want to see it back to the full 4%.

Commissioner Jones commented:

- I have a lot of thoughts but will try and just limit it to a few things.
- I have been vying for a supplement for years.
- It may be apples to oranges but we have to close that gap the best way we can.
- I don't want to raise taxes but am not totally against it.
- There are some things that have to be done.
- We have to be fiscally sound.
- Sometimes we confuse conservative with being fiscally sound.
- These are not the same thing sometimes.

- The common theme that we keep hearing over and over again is that the state is doing this to us.
- They are undermining the public school system.
- They have been doing it now for at least a decade.
- With not giving the book allotments as they should, changing curriculums to take out career, only to add it back in.
- Yet we just sit back and we take it.
- The teachers rally and go down to get their pay up.
- Yet the counties and the school boards are not rallying to say look you are cutting us off at the knees.
- They are stealing from Peter to pay Paul.
- They are taking from us to give to home schools and charter.
- Meanwhile our current expanses keep going up.
- They are setting the counties up to undermine us.
- They are pitting us against one another and I don't appreciate it.
- No one ever goes to the state and says enough is enough.
- I think I said it the last budget.
- Why are we not going to the state?
- We have a lottery.
- We get 17% when it was supposed to be 40%
- They said go build all these buildings, get these loans, and go in debt.
- Then they took the money away.
- Bait and switch.
- They never had any intentions of giving us that money.
- That 4 cent that we had to make up for that trick could have been used to operate our school systems instead.
- It is time to hold the state accountable.
- I don't care who the administration is.
- It is just not right.
- I guarantee whatever raises the teachers got, they sifted it somewhere out of the school budget anyway.
- How do we know they are going to give us the 75%?
- They are never held accountable and they keep getting by with it.
- They keep getting into office.
- Then they reinvent the wheel and cause all these mandates and expenses.
- In a situation like we have in this county with the older population and the younger people leaving, we are losing ground.
- It is time that the school boards from across the state get together and go to Raleigh and say no more of these games.
- Until the public has been educated on what they are doing to us they will not understand the mess we are in.
- The answer is not to keep raising taxes on our end.
- They are deferring their responsibilities.
- They have responsibilities by statute that they are not doing and getting by with it.

- It is time to get together and stop this madness.
- It happened to me in my education.
- They want us to teach crazy stuff the kids don't need.
- There is a skill set shortage.
- I have no problem with choice.
- There are private schools if people choose that.
- Thank you.

Vice Chairman Walker commented:

- Commissioner Jones has done a very eloquent job of describing where we are.
- The list of unfunded mandates just continues to grow.
- I spoke with Senator Berger at a meeting recently and expressed how hard these are on the counties.
- We are not prepared to keep going down these paths and dig deeper into our reserves.
- A county our size with 46,000 people cannot continue like this.
- We are not drowning in jobs either.
- We do a good job educating our young people but where are they going to work?
- We have taken some steps to remedy that.
- We have a person on board now, our new Director of Economic Development.
- When we get more of a commercial business base we will not be talking about this struggle any longer.
- You are right on with the lottery.
- People think we get all this lottery money.
- We get 42% of what we are supposed to get.
- We have the same goal for the people of the county.
- That is to do the most we can for the citizens of this county who put their trust in us as elected officials.
- We need more people like the young man spoke about earlier, Edward Byers.
- They see an issue, or need and they attack it.
- We need to be looking for ways to solve issues without always revolving around money.
- The teacher supplements range from 0-25% across the state.
- If we agree to give a 4% supplement we need to give it based on the current salaries, not from 13/14.
- You will not get any argument on the supplements from me.
- Teachers need a decent living.
- If a person wants to make a difference, what better profession.
- I think we are all trying to do the best we can for the folks we are serving.
- Is it possible that some of the attention being focused on teachers' salaries is discouraging our young people from this profession?

Dr. Rice responded:

- My daughter went to an open house at Appalachian State a couple of months back.
- They had all of the different departments there in the basketball arena.
- We walked in and found there was one group that had no students standing at it.

- That was the school of education.
- We walked over and spoke with Mrs. Shaver's daughter, Alix, who was a greeter for the college of education.
- We walked straight over and talked to her.
- There was no line.
- All of the other departments had a line.

Chairman Mendenhall commented:

- I think that the Board of Education and the Board of County Commissioners work well together.
- We are not as much as we would like to be, Wake, Mecklenburg, or any of those large counties.
- We do the best we can.
- We have to have some cohesion in working together.
- I feel like we have 10 members that work well together.
- Certainly everyone here tries to make a gain forward.
- I want to say to the Board of Education thank you for taking the time to come up today.
- Thank you for taking time out of your busy schedules to convey your priorities, and concerns.
- I appreciate the Commissioners asking questions to help them get a better understanding of what is in front of them.

Chairman Mendenhall asks for any closing remarks before Adjournment.

Dr. Rice commented:

- Could we get a status update on the parking lot?
- That is one thing that is not in our budget.
- We are however paying \$375.00 per month for parking.

County Manager Oakley responded:

- The parking lot has been approved.
- We are working behind the Arts Council currently.
- We are waiting for all the surveying to be complete.
- Then we are planning to move on the court house parking.
- The rain has held us up a couple of weeks.

Commissioner Booth commented:

- We would like to see this complete for Soil and Water too.
- We are currently parking at the hospital.
- I also want to mention that I had reservations about the Art Teachers when they were brought to us.
- I did not think the state was going to do what you thought.
- We were told we would not be asked to fund those again.
- To put the lottery into perspective, we did 40 million dollars in schools, we figured in over \$800,000.00 and are only getting half.

Commissioner Jones commented:  
We fight with the association to get that changed all the time.

Chairperson Yontz recessed the Board of Education's meeting.

**Adjournment**

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

Commissioner Lankford moved to adjourn the meeting.

Commissioner Booth seconded and the motion carried unanimously.

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**Shannon Shaver**  
**Clerk to the Board**

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**Ronnie Mendenhall**  
**Chairman**