

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 18, 2013

The Board of Commissioners of the County of Stokes, State of North Carolina, met for Goals/ Budget Guidance Work Session in the Third Floor Conference Room of the Ronald Wilson Reagan Memorial Building (Administration Building) located in Danbury, North Carolina on Monday, March 18, 2013 at 1:00 pm with the following members present:

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

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

Chairman Ernest Lankford called the Goals/Budget Guidance Work Session to order.

Commissioner Walker delivered the invocation.

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

Chairman Lankford opened the meeting by inviting the citizens in attendance to join the Board in the Pledge of Allegiance.

**NCDOT – Letter of Intent**

County Manager Rick Morris presented the Board with a copy of a Letter of Intent regarding the NCDOT Maintenance facility in the Meadows Community of Stokes County and the proposed sewer system to be constructed in the Meadows area.

Manager Morris noted the following:

- NCDOT would like to divert their existing wastewater from the current septic fields into the new sanitary sewer system

- Intent of the County is to enter into an agreement with NCDOT which would allow construction and maintenance of gravity sewer mains and a sewer pump station with force main on the NCDOT Meadows property
- Letter will lock in the \$100,000 to be reimbursed to the county for the water and sewer expansion project
- Letter of Intent is very time sensitive in order to lock in the \$100,000
- Letter of Intent needs to be in Raleigh this afternoon
- Director Charles Anderson and County Attorney Edward Powell have both reviewed the letter and have no issues
- Don't want to lose this funding source
- NCDOT will provide the County with the following in-kind services:
  - Construction services for clearing and drainage pipes on the pump station access road
  - Asphalt repair will be provided on existing service road located on the NCDOT facility Meadows property
  - NCDOT will construct at its expense, an easement road where approximately 1,000 ft of tree clearing will be required and 900 ft of 12 ft gravel road will be constructed at an estimate cost range to NCDOT of \$75,000 to \$100,000
  - When the road is completed, it will be the County's responsibility to maintain the road
  - NCDOT will periodically machine the gravel road when deemed necessary by the NCDOT engineer
- Stokes County will provide NCDOT with four (4) six-inch sewer connections to eliminate four of their on-site wastewater systems
- The oil/water separator septic field would not be connected immediately, but would be eligible for connection in case of failure
- It would be the financial responsibility of NCDOT to connect their facilities/buildings to the four (4) six-inch taps provided by Stokes County at the edge of the sewer easement
- Stokes County will provide NCDOT with four (4) sewer taps and 6,000 gallons of both water and sewer use for a period of 25 years
- In cases where the gallons used by NCDOT exceeds 6,000 gallons, due to facility expansion or other reasons, NCDOT will be billed at the stated institutional rate for the excess gallons
- The \$100,000 would take 43 years of water and sewer usage to match the \$100,000
- NCDOT officials have reviewed the letter of intent and have no issues

Chairman Lankford opened the floor for discussion.

Commissioner Walker confirmed with Manager Morris that NCDOT needed four (4) six-inch connectors and that the road will only be used to access the pump station.

Commissioner Walker confirmed with Manager Morris that the question had been asked if there was more than the \$100,000 funding available and the answer was no.

The Board discussed the Letter of Intent.

Chairman Lankford commented:

- The question for more than the \$100,000 had definitely been asked
- There could more funding available from NCDOT Contingency Funding

Commissioner Walker stated that he wanted to make sure the County was getting the most funding available.

Manager Morris assured Commissioner Walker that there had been several discussions with NCDOT and this was their final offer.

The Board discussed the permanent easement.

Commissioner Walker stated that he would like clear understanding and in writing that the permanent easement is from the public highway without crossing private property.

Commissioner Inman noted that item #2 states the County will have a permanent utility and access easement to support the project.

Chairman Lankford stated that he agreed with Commissioner Inman that item #2 states a permanent utility and access easement.

County Manager Morris noted that the attached easement plat indicates the easement is from Highway #89 to the access road.

Commissioner Walker requested the Manager to have Attorney Powell provide the Board with a legal opinion.

County Manager Morris stated that he feels the easement plat outlines the exact easement and feels that NCDOT would not want to keep staff out considering the NCDOT facility is connected to the system.

Commissioner Inman questioned where the \$100,000 would be allocated since NCDOT would be getting water and sewer in exchange for the \$100,000?

The Board discussed allocation of the funding.

Commissioner Inman stated that he wanted to make sure the funding was properly allocated since NCDOT was being provided water/sewer in exchange for the \$100,000.

Manager Morris noted the funding could be placed in the enterprise fund and still be used for the water/sewer expansion project.

Manager Morris noted correct placement of the funding would be done before any funding was spent.

Commissioner Walker noted:

- Providing the water and sewer in exchange for the \$100,000 and in-kind services would decrease fees collected by the Danbury Water Fund and the Regional Sewer System
- This could possibly cause an increase in fees sooner to adequately maintain the systems which increases the cost for the others on both systems

Finance Director Julia Edwards responded:

- This \$100,000 would be placed in the Capital Projects Fund for construction of the water and sewer expansion project

Chairman Lankford noted that NCDOT has responded to the County's request to be a partner in the water/sewer expansion system.

Chairman Lankford entertained a motion.

Commissioner Inman moved to approve the Letter of Intent with NCDOT submitted by Manager Morris along with Manager Morris clarifying the permanent easement location.

Commissioner Jones seconded and the motion carried unanimously.

### **Purchase of Used Vehicles for Public Works**

Manager Morris noted the following:

- Public Works has two vehicles that are beyond being repaired
- Vehicle Maintenance has found two used vehicles for \$9,600 total
- These used vehicles have approximately 100,000 miles and should be able to be used for several years (both are small trucks)
- Both trucks are white – no additional painting needed and fits the needs of Public Works

- Need approval of the Budget Amendment in order to purchase the vehicles which are on hold at the moment

Budget Amendment #71

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
<b>Public Buildings</b>				
100.4190.510	Equipment	\$00.00	\$5,800.00	\$5,800.00
100.4190.511	Equipment – Non Capitalized	<u>\$00.00</u>	<u>\$3,800.00</u>	<u>\$3,800.00</u>
	<b>Totals</b>	<b>\$00.00</b>	<b>\$9,600.00</b>	<b>\$9,600.00</b>
<b>Capital Reserve Fund</b>				
201.4325.002	Emergency Communications	\$62,678.00	\$(9,600.00)	\$53,078.00
201.9810.000	Transfer to General Fund	<u>\$512,103.00</u>	<u>\$9,600.00</u>	<u>\$521,703.00</u>
	<b>Totals</b>	<b>\$574,781.00</b>	<b>\$00.00</b>	<b>\$574,781.00</b>

To appropriate from Capital Reserve Fund to purchase two (2) used trucks for Public Buildings.

This will result in a net increase of \$9,600.00 in the expenditures and other financial use to the County’s annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received this fiscal year.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
100.3982.960	Transfer from Capital Reserve Fund	<u>\$512,103.00</u>	<u>\$9,600.00</u>	<u>\$521,703.00</u>
	<b>Totals</b>	<b>\$512,103.00</b>	<b>\$9,600.00</b>	<b>\$521,703.00</b>

Commissioner Inman moved to approve Budget Amendment #71 for the purchase of trucks for Public Works. Commissioner Jones seconded and the motion carried unanimously.

**NCDOT**

The Board briefly discussed the need for a turnaround at the Intersection of Highway #8 and #89 and Dodgetown Road at Meadows and the need to reduce the speed limit in that area to possibly 45 mph.

**Goals/Budget Guidance Work Session**

Chairman Lankford opened the floor for continued discussion.

Chairman Lankford polled the Board for any additional new goals that had not been previously discussed.

Commissioner Jones wanted ordinances or guidelines such as signage, lightning, etc. for the Meadows area added to her list of goals due to the change that is getting ready to happen along with the Comprehensive Land Use Plan for the entire county.

Chairman Lankford noted that the County already has a sign ordinance.

Commissioner Jones noted the County needs to look at areas such as Oak Ridge.

Commissioner Walker suggested adding the following:

- A review of the county's sign ordinance to see if changes need to be made in light of future possible development

Commissioner Jones responded:

- That would be fine for signage, but need to consider the types of buildings
- Perfect time for the BOCC to make the area develop as an attractive area with thousands coming thru that area on their way to Hanging Rock State Park

Chairman Lankford commented:

- Could deter businesses (economic development) coming to the area if strict restrictions do not meet their standard facility style, such as Sheetz

Commissioner Jones responded:

- Business that want to come to the area will make design changes such as the McDonalds in Oak Ridge
- Do not mean that many restrictions, just want something pleasing for visitors to look at
- Do not need to allow any kind of facility just to have businesses come to the county
- Need to think about what the place will be in ten or twenty years
- Those big companies are not our local people
- Losing stars every night
- Analysis shows that security lights actually help the criminals
- Just need to be thinking ahead

Chairman Lankford continued:

- A Land Use Plan will provide those areas such as business, residential, etc.
- Feel trying to control it to a certain area will be hard in Stokes County

Commissioner Jones responded:

- Don't feel it will be hard, look at the Oak Ridge area

- There are plenty of places similar to this all across the State

The Board discussed the Meadows area and the likelihood of economic development coming to the area.

Commissioner Walker commented:

- There was a specific store planning to move into one of the shopping centers in King
- Shopping Center did not allow the kind of sign that this particular “chain” business had
- That specific store went somewhere else
- Lot of those types of “chain” businesses do not change the design just for a particular area
- They explained their needs and move on if they are not met

Commissioner Jones responded:

- Not ready to sell out to a particular store just to have them in the county

Commissioner Walker responded:

- Reiterated the need to look at what the County currently has and go from there

Commissioner Inman commented:

- Been very interested in a Land Use Plan for many years
- Met a couple of years ago with the City of King, Town of Walnut Cove to try to partner for a Land Use Plan for the entire County
- Think some of the concerns that Commissioner Jones has could be addressed by knowing first and foremost where business areas would be located in a Land Use Plan
- Meadows is obviously going to be one, Germanton potentially being another area, Pinnacle being a new frontier
- Would like to review the ordinances in general
- Have received comments and complaints regarding the noise ordinance
- Owe it to our citizens to review those ordinances
- Have to be very careful when adopting ordinances, can’t have a county that has so many ordinances that nothing can be done
- Agree with Commissioner Jones, want to maintain the beauty of this county
- Feel that can be done as we transition from a rural economy to an area that people want to visit and possibly start a business in
- Community College is a great first step in attracting new businesses
- Don’t feel we have the area for huge factories, but can position ourselves for other businesses
- High speed internet is crucial for attracting new businesses such as a “call center”
- Developing a Land Use Plan could head off some of those issues expressed by Commissioner Jones and yet at the same time attract new business and industry
- Not going to back off our necessity to stop depending solely on the Ad Valorem Tax Base in this County for the annual budget

- If we don't, you are going to see some extremely high taxes in this County to maintain the current level of services
- Without any additional revenue, the Fund Balance continues to decrease
- Can't continue our dependency on Ad Valorem Taxes
- Population is aging
- Three main things in NC – tobacco, textiles, furniture – those are gone now
- Tobacco settlement ends in 2014 – going to impact the elderly population who many pay their property taxes with this money
- Challenges ahead if we plan to maintain the same level of services
- Want to review the current Land Use Plan
- It is up to this Board to start looking at all these issues

Vice Chairman Booth commented:

- Agricultural is an \$80 billion business in North Carolina, one of the biggest businesses in the State
- Agree that the tobacco settlement will impact the County
- Farmers are transitioning to other crops
- Never want to transition out of agricultural
- Must be very careful when designating businesses areas, need to have the flexibility that the “Mom/Pop Shops” can start up in small areas
- Understand Commissioner Jones' comments, but also agreed with Chairman Lankford that you don't want to discourage businesses coming to Stokes County

Commissioner Jones responded:

- Those businesses that want to come to Stokes County will make those required changes; they are doing it all over the State

Commissioner Walker responded:

- Some areas in the County don't want to stay as a rural area
- County has 6 miles interstate
- Need to put in the area what is needed in that area
- What is a fit in King could not be a fit in Walnut Cove or vice versa
- One thing to look at is all those infrastructures such as highways, natural gas, high speed internet, etc are in King, businesses aren't knocking the door down
- Agreed, County needs a Land Use Plan
- But need a Land Use Plan that puts what is needed for that particular area
- Will support a Land Use Plan if it makes sense for each area
- What is done now, will start paying off in the years to come
- If we don't take the first steps now, we are delaying the process
- Land Use Plan will identify those specific areas

Commissioner Jones responded:

- Feels the entire Board agrees the need for a Land Use Plan



County Manager Morris commented:

- From hearing today's comments, will definitely propose some type of funding for a Land Use Plan in the upcoming 2013-14 budget

Chairman Lankford commented:

- Recently spoke with Mark Allred, PTRC regarding any available grants for a Land Use Plan
- Planning Director Sudderth has already spoken to him about grant opportunities
- Mr. Allred will be looking for any grant opportunities
- Need to look for grant opportunities
- Land Use Plan is normally \$40,000 to \$50,000

County Manager Rick Morris noted the need for a Comprehensive Land Use Plan with the possible new zoning that the Board is considering.

Commissioner Jones commented:

- My question would be how long do we wait before starting a plan if there are no available grants?
- Don't need to wait too long when the need is already here

Commissioner Walker suggested to contact the City of King and Town of Walnut Cove to see what their interest is in a Land Use Plan.

County Manager Morris noted that it takes 18 months to complete a Land Use Plan.

Commissioner Walker commented:

- Need to remember in our goals and everyday that when any part of the county improves, it improves the entire county
- Need to also look at the most effective way to accomplish this need

Commissioner Inman commented:

- Must continue to look at a conservative budget that provides the necessary services that the Stokes County citizens deserve and need

Chairman Lankford commented:

- Some of the key issues the Board needs to discuss to give the manager direction in the preparation of the upcoming budget:
  - Tax Rate Increase
  - COLA
  - Hiring Freeze
  - Fund Balance

Vice Chairman Booth responded:

- All those items are goals that were approved in the 2012 budget

Commissioner Jones noted the need to look at a COLA for employees or consider a bonus.

Commissioner Walker confirmed that employees who have frozen salaries will receive a COLA if given.

Vice Chairman Booth confirmed with staff that it depends which way the COLA is approved as to whether all employees actually receive an increase in their paycheck.

Clerk Darlene Bullins noted that the last COLA was given to the step and grade table which prevented those frozen from increasing their paychecks.

Manager Morris noted that his position does not include longevity increases and the Board would have to decide about any increase in his salary.

The Board discussed providing a COLA or bonus for employees in the upcoming 2013-14 budget.

Commissioner Walker questioned Board members if the Board ever wanted to put the ¼ sales tax on the ballot?

Commissioner Jones stated she would want it on the ballot.

Commissioner Walker stated that some counties have already done this.

Chairman Lankford noted that it had been mentioned the possibility of the state going with no state taxes and increase sales tax; Senator Berger is pushing this in the Senate.

The Board discussed the impact this kind of change would have in Stokes County.

Commissioner Walker questioned Manager Morris, as the manager, what he sees as some priorities that are worth considering?

Manager Morris responded:

- Items being discussed in closed session
- Look at revenue needed to keep the same level of services especially if no new revenue comes in and tax rate is not increased
- Continue to watch the Fund Balance to maintain a healthy percentage
- Impact on continuously having to use Fund Balance to balance the budget

- Need to look at all impacts

Commissioner Walker commented:

- Hearing comments from fellow Board members
  - No tax increase
  - Definitely no tax increase next year
  - If one is needed, look at this year
- Can't budget for just one year
- Will need to look at how this year's budget will impact next year's budget

Commissioner Jones commented:

- Have to constantly keep the revaluation in the back of our minds

County Manager Morris commented:

- Must keep in mind the situation that the federal government is in –sequestration is only the “tip of the iceberg” what the federal government can do to the counties
- Need to try to keep Fund Balance around 20%
- Without new revenue or a tax increase, you will definitely have to look at reducing staff which will definitely reduce services
- Have to look at those things that are mandatory

Commissioner Walker commented:

- Agree with Manager Morris regarding the sequestration
- Have to look carefully at what you can or can't cut
- One thing that we all must keep in mind is “health care reform”

Manager Morris commented:

- Makes me nervous to go below 20% in the Fund Balance
- Would look at revenue equivalent; would be easy to explain especially since a previous Board reduced the taxes when the revaluation increased

Commissioner Walker commented:

- One important factor to remember is the loss of Hold Harmless which was used in previous years for non-recurring expenditures – loss of \$2.2 million
- Hold Harmless was used for capital expenditures
- Even though the Hold Harmless is gone, the need for capital expenditure is not
- Feels the manager has a hard upcoming budget, especially when trying to balance with next year's budget; particularly if the Board handcuffs you by not going revenue equivalent
- Need to probably start looking at what will happen next year

Commissioner Inman commented:

- Manager will put together a budget, but this Board is the one who passes the budget, so hard decisions will have to be made by this Board

Commissioner Walker noted that by the time this meeting is done, the manager will have the direction of the Board.

The Board discussed revenue equivalent, revenue neutral, and no tax increase.

Commissioner Jones commented:

- Have to remember – bills have to be paid
- Need to start now calling federal and state representatives to let them know that the counties can't take any more pass downs

Chairman Lankford noted Representative Bryan Holloway is working hard in Raleigh for Stokes County.

Commissioner Inman responded:

- Agree with Commissioner Jones about contacting representatives, but must remember that the one thing that Stokes County Commissioners can control is our budget

Commissioner Walker commented:

- Commissioner Inman and I were on the Board when the 2 cents was decreased during a revaluation year
- I received zero compliments for lowering the taxes
- I got complaints that they were not lowered more
- The 60 cents has actually worked
- Commended Rick who recommended the 4 cents tax designated for schools and the community college
- That separate tax gave citizens the opportunity to see exactly what the 4 cents would be used for schools
- Interesting thing about 60 cents is that if you go back 30 to 35 years and average the tax rate, it comes out to about 60 cents
- Must remember the loss of Hold Harmless and revaluation
- Sixty cents just might not work any longer
- Sounds like the manager will submit two budgets: one that is revenue equivalent and one with no tax increase
- Scariest thing about this budget and next year's budget is the possible loss of the reimbursement of interest regarding the QSCBonds and QZABonds

Chairman Lankford commented:

- Will have to look closely at capital equipment purchases this budget year

Chairman Lankford commented:

- Noted the rumors of the federal government starting to charge 6.5% tax on your money in the bank

The Board discussed a possible budget of approximately \$42 to \$43 million due to several high expenditures not in the upcoming budget.

The Board discussed revenues, loss of Hold Harmless, and revaluation for the upcoming budget.

Commissioner Walker commented:

- Hard to say, but if there was a need to adjust the taxes, it might be the time now to do it

Commissioner Jones commented:

- Agree with Commissioner Walker, but don't want to raise taxes

Commissioner Inman commented:

- Have to see the budget and the county needs before making any kind of decision about raising taxes

Vice Chairman Booth moved to approve the following goals for 2013 for Stokes

County:

- **Maintain a conservative budget and a conservative tax rate (revenues/expenditures)**
- **Schools**
  - Continue with the completion of the approved school construction projects
- **Community College**
  - Take steps necessary to have a community college in Stokes County as soon as reasonably possible
- **Grants**
  - Place a higher priority and more attention regarding acquiring grants by implementing the following procedures:
    - Department heads research and identify grants for their individual departments
    - County manager and department head evaluate the pros and cons of each grant
    - County manager submits the proposed grant to the Board of Commissioners for their authority to proceed with the application and appropriate funding if match is required
    - Work with the Economic Development Director
- **Economic Development and Job Creation**
  - Continue to focus on the four initiatives as set forth by the Economic Development Commission which include:
    - Business Retention/Expansion
    - Business/Industry Recruitment

- Entrepreneurial Activities
  - Travel/Tourism Development
- Support the Buy Local Campaign
- **Revenues drive expenditures to offset the impact of Revaluation**
- **No property tax increase**
- **Evaluation of appointed boards for efficiency and value**
- **Continue to improve and look for ways to provide essential services to the citizens of Stokes County**
- **COLA or bonus if feasible**
- **Continue open, transparent, user friendly government**
  - Continue to improve county's image
- **Improve and Enhance Technology**
  - Continue to find ways to provide high speed internet to the un-served and underserved areas in the County
  - Continue to improve cell phone coverage in Stokes County
- **Investigate and analyze the possibility of expanding electronic storage of documents in county departments to increase efficiency, reduce cost, and reduce paper storage requirements**
- **Support the Animal Control Advisory Council's goals of improving the Animal Shelter and its operations and reducing instances of cruelty to animals in the county**
- **Support necessary changes to improve the operation and efficiency of the Stokes County 911 Communications Center**

Commissioner Inman seconded the motion.

Vice Chairman Booth suggested that fellow commissioners could add any of their goals to the motion.

Commissioner Inman commended:

- Would like to see the goals listed by each commissioner added to this list

Commissioner Walker and Commissioner Jones both agreed with Commissioner Inman to add the individual goals submitted by each commissioner at the March 13<sup>th</sup> meeting.

The Board discussed adding the following individual goals to the motion that were noted in the March 13<sup>th</sup> meeting:

Vice Chairman Booth:

- Continue Lawsonville Elementary School and community college projects that have already been approved
- Keep tax rate at 60 cents for general fund and 4 cents for school/community college projects

- Have the most conservative budget possible for unforeseen expenditures and loss of revenues

Commissioner Inman:

- Appreciate Chairman reviewing last year's goals
- County continuing to make progress
- This board has been a very good fiscally conservative board
- Continues to look very closely at the taxpayer's dollars
- Have budgeted revenues conservatively and expenditures accordingly
- Built up the Fund Balance
- Blessed with taxpayers paying their property taxes
- Need to reduce the county's dependency on ad valorem taxes as revenue
- Taxpayers are footing over 50% of the county expenditures
- Continue to work on Economic Development – recruitment and retention of businesses
- Continue with getting a standalone community college – dealing with Workforce Development – train and retraining workers, transitioning our economy from a rural economy to one that brings in entrepreneurs
- Need to continue to support tourism and small businesses
- There are some very good things going on in the county
- Loss of revenue due to revaluation is a lot less than projected = estimated \$453,000 per year
- Budget for fiscal year 2013-2014 should be less than last year
- Will keep an open mind, will not consider a tax rate increase unless it is a last resort
- Would consider a small amount being transferred from Fund Balance
- Economy is picking up a little, but the price of gasoline continues to increase
- Willing to stay the course another year without a tax rate increase

Commissioner Jones commented:

- Concur with what fellow commissioners have already stated
- Have made great strides
- Continue any project that is not completed
- Stokes Future Initiative Update
  - Piedmont Local Foods has absorbed the organization – now a non-profit that can receive donations
  - Have spent a large amount of personal funds on this project
  - Farmer's Market starting in April at Pioneer Community Hospital of Stokes
    - There will be a 70/30 split
    - Want to come up with ideas to feed the hungry
    - Farmer's Market will be manned by high school students on Fridays from 2:00 pm to 6:00 pm
- Need for a Land Use Plan – Stokes County's day is coming
  - Development will be happening in the Meadows area once the community college is there; need to be prepared
  - Land Use Plan has been postponed long enough

- Appalachian State University could be a resource for the Land Use Plan
- Have asked EDC to talk with Planning Board and then make a recommendation to the BOCC regarding the Meadows area
- Need to make sure buildings, lighting, signage, etc. does not take away from tourism
- People come to Stokes County to see the stars, not bright lights and signage
- Don't want a tax rate increase, if something has to happen, then would want revenue equivalent

Commissioner Walker commented:

- Have a partial list
- Economic Development on everyone's list
  - People wondering what the county is doing to create jobs
- Community College
  - Dr. Greene stated at the last Community College Advisory Council meeting that if everything stayed on target, Stokes County could have a new community college in the summer of 2015
  - Along with longevity, would like to see merit included in the county's pay plan; have hard working, good employees who are frozen and don't receive longevity
  - Would like to look at employee compensation and make adjustments if necessary
  - Need to reward the good employees with some type of merit increase
  - Not fair for the good, hard working employees to not be monetarily rewarded
- Land Use Plan
  - Need to further discuss to see what kind of plan that Stokes County really needs
- Maintaining a reasonable Fund Balance
  - Worked hard to achieve a reasonable Fund Balance
  - Set a goal to not go below a certain percentage
- Ways to go with High Speed Internet
  - Northern part of the county deserves attention to try to see if there can be any assistance to un-served and underserved areas
- Farmers
  - Settlement ends 2014
  - Need to start thinking ahead
  - \$40 million comes into Stokes County from this settlement
- Continue to look at Dan River
  - Brings tourism to Stokes County
  - Source of recreation for tubers, canoers, etc.
  - Need to make the best use of the river
- Trails in other parks of the county
  - Could be grants down the road for parks and trails
  - Still concerned about Sauratown Trail
- Commissioner Jones responded:



- Mountain to Sea Trails is coming down Sheep Rock Road from Hanging Rock State Park to Moratock Park which is maintained by volunteers
- Recreation
  - Continue to work with YMCA
  - Derek Edwards, new director, is taking a fresh look at the needs
  - Still lean to having an in-house person
  - Don't think the YMCA is set up to cover all the needs in Stokes County; good example is the river
  - The river is out of the range of the YMCA's normal activities
  - Need to be looking down the road for recreational needs for the county
    - Have a blend of county staff (could be part time) and the YMCA
- Use technology to save dollars by spending dollars such as imaging
- Plan for the future
  - Making progress
  - Need to have a plan to see what we need to be doing to plan for the future
  - Can go along with the Land Use Plan
- COLA or bonus
  - Received the letter regarding a COLA
  - Very good points made in the letter
  - Response to the letter is that we will do what we can
  - Will be on board to give a COLA if possible
- No tax rate increase unless we find ourselves in a position that we don't have much of a choice left

Chairman Lankford continued:

- Reiterated the need to consider a temporary hiring freeze for April, May, and June
- Maintain a safe environment for employees
- Need to continue to provide in-house safety training to keep insurance premiums as low as possible
- Need to have training for those who drive county cars
- Need to continue to obtain grants for special projects
- Manage current resources to eliminate costs for capital projects
- Review county policies for updates
- Keep county tax rate at 70.5 cents (60 cents for general fund, 4 cents for schools/community college, and 6.5 for Service District Fire Tax)
- Delay capital projects, which have not already been approved – paving, cars, etc., until the economy picks up
- Maintain at least an 18% Fund Balance
- Maintain school funding as last year – no cuts
- Work with CenturyLink to get un-served and underserved areas high speed internet
- Support and promote health care in the County (Pioneer, Forsyth, Baptist)

Clerk Bullins noted that any goals added to the original motion would have to be done with an amendment to the original motion.

Commissioner Walker wanted to add a blend of merit, COLA or bonus for employees to his list of goals.

Commissioner Jones wanted Comprehensive Land Use Plan added to her list of goals.

The Board discussed merit increases.

The Board discussed possibly maintaining the Fund Balance at 20%.

Commissioner Walker wanted in-house recreation along with YMCA recreation services added to his goals.

Commissioner Walker noted that some of the goals do not agree:

- Some commissioners want a 20% Fund Balance, others can live with an 18%
- Some commissioners want to keep funding the same, others are willing to look at different options
- Some commissioners want a COLA, others want a blend of merit/COLA/bonuses

Commissioner Walker questioned how the manager could do a recommended budget with the goals as they are?

Manager Morris responded:

- Have a good feel to blend the budget

The Board continued discussion regarding Vice Chairman Booth's motion and adding individual goals to the original motion.

Manager Morris suggested making general goals and include in the motion direction for the manager to factor in all discussions of the all the 2013 Goals/Budget Guidance Work Sessions.

Commissioner Inman responded:

- There will be several budget sessions once the manager has presented his recommended budget which will decide several of the questions being raised today regarding Fund Balance, tax rate increase, COLA, etc.

Manager Morris assured the Board the discussion during the work sessions provided him

direction for his recommended budget.

Commissioner Inman withdrew his second to the motion.

Vice Chairman Booth withdrew his motion.

Vice Chairman Booth moved to approve the following goals:

- **Maintain a conservative budget and a conservative tax rate (revenues/expenditures)**
- **Schools**
  - Continue with the completion of the approved school construction projects
- **Community College**
  - Take steps necessary to have a community college in Stokes County as soon as reasonably possible
- **Grants**
  - Place a higher priority and more attention regarding acquiring grants by implementing the following procedures:
    - Department heads research and identify grants for their individual departments
    - County manager and department head evaluate the pros and cons of each grant
    - County manager submits the proposed grant to the Board of Commissioners for their authority to proceed with the application and appropriate funding if match is required
    - Work with the Economic Development Director
- **Economic Development and Job Creation**
  - Continue to focus on the four initiatives as set forth by the Economic Development Commission which include:
    - Business Retention/Expansion
    - Business/Industry Recruitment
    - Entrepreneurial Activities
    - Travel/Tourism Development
  - Support the Buy Local Campaign
- **Revenues drive expenditures to offset the impact of Revaluation**
- **No property tax increase**
- **Evaluation of appointed boards for efficiency and value**
- **Continue to improve and look for ways to provide essential services to the citizens of Stokes County**
- **COLA or bonus if feasible**
- **Continue open, transparent, user friendly government**
  - Continue to improve county's image
- **Improve and Enhance Technology**
  - Continue to find ways to provide high speed internet to the un-served and underserved areas in the County
  - Continue to improve cell phone coverage in Stokes County

- Investigate and analyze the possibility of expanding electronic storage of documents in county departments to increase efficiency, reduce cost, and reduce paper storage requirements
- Support the Animal Control Advisory Council's goals of improving the Animal Shelter and its operations and reducing instances of cruelty to animals in the county
- Support necessary changes to improve the operation and efficiency of the Stokes County 911 Communications Center
- Comprehensive Land Use Plan
- All the discussion in the goals session be considered by the county manager in preparation of his recommended 2013/14 budget as reflected in the minutes of each 2013 Goals/Budget Guidance Work Sessions

Commissioner Walker seconded the motion.

Commissioner Inman confirmed with fellow Commissioners that the last statement in the motion includes each commissioners' individual goals stated during all work sessions.

The motion carried unanimously.

#### **Hiring Freeze Policy**

Vice Chairman Booth questioned whether the Board wished to approve a Hiring Freeze Policy?

Commissioner Inman moved to direct the county manager that there is an immediate selective hiring freeze with external postings coming to the BOCC for approval effective 04-01-2013.

Vice Chairman Booth seconded.

The Board discussed the hiring freeze policy that was adopted last year.

Manager Morris requested to present a hiring freeze policy to the Board at the next regular meeting for discussion.

Commissioner Inman withdrew his motion.

Vice Chairman Booth withdrew his second.

**Adjournment**

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

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

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

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**Ernest Lankford**  
**Chairman**