

## MINUTES – JUNE 2, 2011

The Caswell County Board of Commissioners met in special session at the Historic Courthouse in Yanceyville, North Carolina at 5:30 p.m. on Thursday, June 2, 2011. Members present: Nathaniel Hall, Chairman, Kenneth D. Travis, Vice-Chairman, William E. Carter, Jeremiah Jefferies, Cathy W. Lucas and Gordon G. Satterfield. Absent: Erik D. Battle. Also present: Kevin B. Howard, County Manager, and Gwen Vaughn, Finance Director. Paula P. Seamster, Clerk to the Board, recorded the minutes.

### MOMENT OF SILENT PRAYER

Chairman Hall opened the meeting with a Moment of Silent Prayer.

### PROPOSED BUDGET FOR 2011 – 2012

Chairman Hall stated “From the last meeting before we closed out I think there were several things said but one of the things that we decided is that those commissioners that had specific questions, we would review budget by budget those questions and get them answered. Did you all receive many questions?” Mr. Howard responded “No sir. We had a couple things asked for the first part of this week. We have part of that information here and I have already given them out.” Chairman Hall continued “The other thing we discussed at the last meeting was having some of the department heads here. I can’t remember who made that request?” Commissioner Jefferies responded “Ms. Lucas made that request.” Chairman Hall stated “I think we talked about Tax. The Sheriff could not be here tonight. Was there anybody else?” Mr. Howard responded “You talked about the Register of Deeds but you decided that her budget was not different from the previous year.” Chairman Hall continued “What we will do then to give the other commissioners a few more minutes we will start with the county manager and finance officer with what you have to bring before us. Any clarifications, any summaries and then hopefully we will have the two other commissioners present and then we will start with discussions with the Tax Director.”

Mr. Howard stated “This was asked for I think in the last meeting which was the travel expenses for each department. Then Ms. Lucas called today and asked for combined salaries and overtime for each department. We have that as well.” Chairman Hall asked “Is this for the last fiscal year?” Ms. Vaughn responded “Actually she asked for the Sheriff’s and Tax Office. That report is the report that is sent out monthly.” Chairman Hall stated “So this is the report we get in our packets.” Mr. Howard responded “What they did was added the salary amounts for those departments but she wanted it individually. We cannot provide that information. We are not sure if we can do that because overtime is a current benefit.”

(At 6:35 p.m. Commissioner Lucas entered the meeting).

Mr. Howard stated “This is the travel breakdown for the Tax and Sheriff’s Offices for what was spent the last fiscal year and the last year.”

Chairman Hall stated “Ms. Lucas we have in front of us a travel breakdown by departments. This first one is the travel requests?” Mr. Howard responded “Yes sir.” Chairman Hall continued “Then we have a sheet of monthly overtime by departments and what the salary and

overtimes are for these two departments. The last thing he just gave us is..." Mr. Howard added "That is a breakdown of travel expenses for the Tax Office and Sheriff's Department for this current fiscal year and the last fiscal year, 2009-2010 and 2010-2011." Chairman Hall stated "So there are two breakdowns for travel for the Tax Office and Sheriff's Department. I understand that this was some information that you had requested." Commissioner Lucas responded "Correct." Chairman Hall stated "I suppose probably the best way for us to start is with the Tax Director since he is here. Let's start with his budget and the questions that were submitted for Tax."

Chairman Hall asked "Which number is he in here?" Mr. Howard responded "Section 3." Commissioner Travis added "Page 13." Chairman Hall stated "Section 3, Page 13. Did we have any questions submitted for the Tax Office?" Ms. Vaughn responded "No sir." Mr. Howard responded "None other than the travel expenses and overtime."

Commissioner Lucas stated "I guess the process is going to be the questions had to be previously submitted. Are we allowed to ask questions now?" Chairman Hall responded "Sure. I think what we said at the last meeting was to get them to them in advance so they would have time to get with staff and get the answers. We can go through them now." Commissioner Lucas stated "I have several questions concerning the part-time salaries, Thomas, through April 30th."

(At 6:40 p.m. Commissioner Carter entered the meeting).

Commissioner Lucas continued "Can you give us a current number on that as of today on the part-time salaries?" Ms. Vaughn responded "The May payroll has not been interfaced as of yet." Commissioner Lucas stated "I guess my next question would be as far as being able to estimate a monthly amount for part-time salaries. Do you have that?" Ms. Vaughn responded "Thomas has some part-time help that comes in as needed and that would be kind of hard for me to estimate those part-time salaries." Commissioner Lucas stated "I was just looking at '09 and '10. There is twenty-two thousand in '09 and seven thousand in '10 and the request is for twenty-six thousand." Ms. Vaughn responded "That includes the tax appraiser." Mr. Bernard added "That is new this year, the part-time appraiser."

Chairman Hall stated "Thomas why don't you tell us what positions you have in part-time salaries." Mr. Bernard responded "In part-time salaries we have June Dailey." Chairman Hall stated "Just give us the position titles." Mr. Bernard continued "The appraiser. She picks up new construction." Chairman Hall asked "Of the twenty some thousand that is in here, for the current year, how many part-time people are in there?" Mr. Bernard responded "Two." Chairman Hall asked "One of them is the appraiser, what is the other one?" Mr. Bernard responded "The other one is the EMS billing clerk."

Commissioner Lucas asked "The other question was on foreclosure. Through April 30<sup>th</sup> there was fifty-one thousand four sixty-two expended and it is projected at one hundred thousand next year, is that correct?" Mr. Howard responded "That is kind of an in and out. We project the same in revenues as we do in expenses for that particular line item. We are assuming next year there will be close to one hundred thousand or one hundred and fifty thousand like it has been in the budget for the past few years." Commissioner Lucas asked "The revenue on that was? Do

you know the number Kevin?" Mr. Howard responded "It was one hundred fifty thousand for the current fiscal year and one hundred thousand for the next fiscal year. That will be on page 1 under revenues." Ms. Vaughn added "Right now the revenue is larger than the expenses because the billing comes after the collections. We do not pay anything out until we have actually collected the taxes." Mr. Bernard added "We do not submit any bills to Finance until after the money is collected." Commissioner Lucas stated "So you have collected through April 30<sup>th</sup> sixty-eight thousand and we have expended fifty-one thousand. You are projecting revenues of a hundred thousand next year and an expense of a hundred thousand, is that correct?" Mr. Howard and Mr. Bernard responded "Yes ma'am."

Commissioner Satterfield stated "Thomas I noticed that you requested in capital outlay, I believe, printers for eighteen thousand (\$18,000.00) dollars, it was cut out by the manager, a matrix line printer and a public access printer. How important are these? Do you have them now? Are they worn out or what is the deal?" Mr. Bernard responded "We have them now. I requested to put them in just in case they break down because it is an old printer. I do the maintenance on it myself now. I order the parts. I have watched them do it for so long I can do it myself to save us from service calls. So when it goes it will be gone. We are going to run it until we run it in the ground. It may run three more years or maybe even five years I don't know but if I don't put it in there or if I don't let you know and then I come asking for it you will say why didn't you ask for this." Commissioner Satterfield responded "I think it is good that we know. That is a matter for our contingency. There should be some money set aside for things just like that in case it does happen." Mr. Bernard stated "That is why I did that."

Commissioner Satterfield asked "Let me ask you a little bit too about the travel. Travel is kind of a stickler for me. Three thousand dollars. You have spent nineteen twenty-six so far this year for conferences and workshops. Of course, I can see justifications for it here in the back. Most everybody likes to go to the spring conference and fall conference and the summer conference." Mr. Bernard responded "The total for the appraiser and for the training for everybody is five hundred (\$500.00) dollars. It is twenty-five hundred (\$2,500.00) dollars for the appraiser picking up in new construction, land splits, or anything out there." Commissioner Satterfield stated "That is in county travel." Mr. Bernard responded "Yes that is in county travel." Commissioner Satterfield stated "I am not concerned about that." Mr. Bernard continued "The other is for the appraiser for training, for certifications. I have to have certifications for assessor and collector. For GIS and also I am sure all of you are aware that Ms. Judy Nelson had a stroke. She retired and we are going to have to get a business/personal property appraiser in there. We have some money in there to send them for training for that business/personal property position." Commissioner Satterfield asked "Does most of this training take place at the Institute of Government in Chapel Hill?" Mr. Bernard responded "Some of it does and some of it does not. It depends on where they hold the classes." Commissioner Satterfield "No way to trim some of these conferences?" Mr. Bernard responded "No sir and not be able to keep my certifications up because I only go to two. Our Association cut out a conference. Those conferences are where I do my continuing ed. at. There is one for assessor and one for collector."

Commissioner Lucas asked "Thomas is the training available on line? Can you get certified on line?" Mr. Bernard responded "Most of these classes are not as of yet. The Institute is working on that to try to get some stuff on line. It is not as of right now. Anything we can do and do on

line without traveling out of the county we do. In other words if it is available and they make it where we can sit in a room and do that through a webinar or something, we do that if we can. I have taken some stuff with ACS on line but not for my certifications. The North Carolina Assessors Association and the North Carolina Tax Collectors Association as a member of both and an officer of the Assessor's we are working on that to try because we know what the state budgets are and what the county budgets are and we are trying to work out something where some of that can be done. We have cut out some stuff and put more classes in that."

Commissioner Satterfield asked "Who puts these classes on for you?" Mr. Bernard responded "Usually the Assessor's get the North Carolina Department of Revenue." Commissioner Satterfield asked "How do they travel when all of their travel is frozen? How do they pay for their travel?" Mr. Bernard responded "I have no idea but at each conference we always have Department of Revenue members." Commissioner Satterfield stated "Maybe they are exempt." Mr. Thomas responded "I don't know but they are there. I don't think their travel is cut completely out for them to put these continuing ed. classes on at these conferences. At both conferences, the Assessors and the Collectors, we have members from the Department of Revenue holding these classes and giving these classes." Chairman Hall stated "What I have found, Commissioner Satterfield, over the years is that when those departments come in, the Revenue and a few others, they charge the counties through a continuing ed. fee and recoup the travel for their people. So they are really traveling on us when they put them up."

Commissioner Travis asked "These courses you are taking on line, are there any charges on them?" Mr. Bernard responded "No one in my office has taken one on line but there will be a charge for it, yes sir." Mr. Howard added "They usually run between fifty and two hundred dollars for a webinar. Usually it is just a three or four hour thing." Mr. Bernard stated "The one I go to is usually a three to four day deal. It is not cheap and it is not free."

Commissioner Lucas asked "The spring conference and the fall conference are both necessary, is that correct?" Mr. Bernard responded "Yes ma'am. One is the assessor's and one is the collector's." Commissioner Lucas asked "Which is which?" Mr. Bernard responded "The fall conference is usually the assessor's and the spring conference is usually the collector's." Commissioner Lucas stated "I just noticed that through April 30<sup>th</sup>, which I think would include the spring conference, the expenditures were nineteen hundred twenty-six (\$1,926.00) dollars and you requested three thousand for next year. A thousand dollar increase?" Mr. Bernard responded "Well it is just like I said. I have Judy Nelson who retired. She is a business/personal property appraiser. Whomever I hire I will need to get trained. They have to take classes in order to get trained in business/personal property." Commissioner Lucas asked "So that is the reason for the increase?" Mr. Bernard responded "Yes ma'am. Judy had already attended some classes, in fact, if you will look on that sheet for '10 you will see her name for workshops she attended to keep her continuing ed. up on that." Commissioner Lucas asked "It will take a thousand dollars to get the new person trained?" Mr. Bernard responded "I am thinking so, yes ma'am." Commissioner Lucas continued "And on the appraiser through April 30<sup>th</sup> there was nine hundred and fifty-three (\$953.00) dollars used." Mr. Bernard responded "We have used more than that out of that I know since then." Ms. Vaughn added "It is almost two thousand." Commissioner Lucas asked "So from April 30<sup>th</sup> until now you have used?" Ms. Vaughn responded "I have this report from May 23<sup>rd</sup> and it is one thousand eight hundred and eighty-

eight (\$1,888.00) dollars.” Mr. Bernard added “We are in the process of picking up new construction and also she attended a workshop with ACS on the internet. I am training her also on our system.”

Commissioner Lucas stated “There was an increase in your postage.” Mr. Bernard responded “Postage went up and postage is going up again next year.” Commissioner Lucas continued “Through April 30<sup>th</sup> twenty-three thousand six seventy-three and you asked for thirty thousand.” Mr. Bernard responded “I am told from the post office that postage is going up again before the fiscal year is out. We do mail bulk permit which is postcards and that is the cheapest way to mail.”

Commissioner Carter stated “Ms. Lucas had my question answered. I had postage highlighted. On the Dues and Subscriptions you had five hundred (\$500.00) dollars and now you are requesting eight twenty-five. Why the increase?” Mr. Bernard responded “We have the Association dues. The Caswell Messenger to keep up with our foreclosures and everything. The postal service for our postal box and our region guides. I am looking at those price guideline books that we get for pricing all your business and personal property equipment and the farm machinery and stuff because they made a jump on us. I am in the process of looking at another vendor that will hopefully have a lower price on those pricing guidelines. Those guidelines keep us up with the market trends on what the equipment is doing.”

Commissioner Lucas stated “On your professional services/contractor services, Thomas, you requested nineteen thousand and expended nineteen hundred through April 30<sup>th</sup>.” Ms. Vaughn responded “At this point he has expended twelve thousand three thirty-three for professional services.” Commissioner Lucas stated “That is a seven thousand (\$7,000.00) dollar increase and that is through May so you would have another month added to that.” Ms. Vaughn responded “That is through April. Some of his professional service fees may not come in until the end of the year.” Mr. Bernard added “There are professional services that we do through Anderson for the website and for the county, the GIS website that is in there to maintain that.” Commissioner Lucas responded “Really. So we have an outside vendor that maintains the GIS website?” Mr. Bernard responded “Yes ma’am.” Commissioner Lucas added “Not our Information Technical person in the county?” Mr. Bernard responded “No. I don’t know of a county that does.” Mr. Howard added “Most counties do not. It is usually an outside source that usually does that. It is not something that can be done in house. The software that you need to do that is expensive itself.” Commissioner Lucas continued “So it is twelve thousand three thirty-three today and you have requested nineteen thousand for next year?” Mr. Bernard responded “Yes ma’am and some of that is the website with Grantham and Associates. We pay for some stuff to try to get the 911, the addressing and everything system. We get that information. Trying to get that information relayed from 911 back to us, to get the correct pinpoint addresses and everything when addresses are given out in the county.” Commissioner Lucas asked “Is that not something that the Planner was working on?” Mr. Bernard continued “We send out Mr. Grantham over there too to work with them. It is kind of like a triangle effect trying to pull it all together. We also use Nexis in there when trying to find addresses and finding people’s social security numbers and trying to find where they work and everything. Every once in a while we get a little bit from Piedmont Collections where they have charged us for old EMS bills that were turned over to them in the past. A little money is trickled in every once in a while and we have to pay a

certain percentage for that service.” Commissioner Lucas asked “Are we using Debt Service, the program that is available through the state?” Mr. Bernard responded “Debt Set Off.” Ms. Vaughn added “We use that but it needs to be updated.” Mr. Bernard stated “That is handled out of Finance.” Commissioner Lucas asked “Well how does that affect the Tax Department? Does that help you with your taxes?” Mr. Bernard responded “If I can send things up there. But it needs to be updated for them to send it to Raleigh.” Ms. Vaughn added “Most of the Debt Set Offs are monies that we receive for tax. We have a little for EMS. Other comes in from the Health Department. Most of it is for taxes.”

Commissioner Lucas asked “On the software and programming. What specifically is that for Thomas? It’s a twelve thousand (\$12,000.00) dollar request.” Mr. Bernard responded “It is for ACS and GIS.” Commissioner Lucas asked “Is that new programming or?” Mr. Bernard responded “Yes that would be for any new GIS programming that needs to be done and any state law changes or programs that need to be done. They charge us for that.” Mr. Howard added “An example would be if they changed some of the guidelines for home sitting exemptions or something like that.” Commissioner Lucas added “There was nothing expended last year.” Mr. Howard responded “Sometimes that money is in there and it may take two years or it may change both years.” Mr. Bernard stated “The state made changes to that. What they did was make changes to the elderly and disability for an exemption that would process like a deferred tax on that.” Commissioner Lucas asked “So what are we anticipating for this year for twelve thousand (\$12,000.00) dollars?” Mr. Bernard responded “I have no idea. We don’t know because we don’t know what the state is going to do. The motor vehicles issues are hopefully going to be coming down the road but we don’t know what is going to take place there but we have to be ready I think.” Ms. Vaughn added “The motor vehicle is scheduled to be in ’11-’12.” Mr. Bernard stated “It was scheduled to being in ’07. They moved it down to ’12. Now the last notice I got was ’12. In the collector’s conference I was talking with Dave Baker and he is supposed to get with us via conference call and it may be in ’13. We are hoping it will be sometime in ’12 that it will be in place.” Commissioner Lucas asked “So there is a possibility that you will not need this?” Mr. Bernard responded “It is a possibility we may not need it and there is a possibility we may need it. Flip a coin. We never know but if we don’t put it there, you never know.”

Commissioner Satterfield asked “Are we talking about line item 501, software and programming? Is that what we are talking about now?” Mr. Howard responded “Yes.” Commissioner Satterfield “So you don’t have a contract with these people for the GIS and ACS programming? One the worksheet it says ten thousand (\$10,000.00) dollars for each then it is cut here to twelve thousand (\$12,000.00) dollars. I looked back under contract services and it is nineteen thousand (\$19,000.00) dollars.” Mr. Bernard responded “Software and programming well ten thousand is ACS and since we did not spend it we cut it down to twelve. We hope that we will not need anything with ACS programming but we don’t know. We hope it will just be with GIS programming. Hopefully 911 is going to get everything together and to Planning so that the information will flow to GIS but it is going to take some programming to get that done but we need to get some good clean information from them also.” Commissioner Satterfield stated “One thing I don’t understand is contract services 199 Mr. Manager. You have got to have twenty-one thousand five hundred (\$21,500.00) and you have it in here at nineteen thousand (\$19,000.00) dollars. If all of these are contracts how do we come up with twenty-five

thousand (\$25,000.00) dollars?" Mr. Howard responded "It is contract services but it is also for some things that the contracts do not cover." Mr. Thomas added "One of the things that may come out of the contract services is the Credit Bureau." Commissioner Satterfield stated "These are not actual contracts that we have signed for these particular dollar amounts." Mr. Howard responded "That is right. They vary." Mr. Bernard continued "I don't think we can, maybe if we cut out some of them with the Employment Security Commission because I am on hold right now in order to get to their site. I have been on hold for months and will be until they get some new procedures and policies in place. So it will not be near what the cost of the Credit Bureau was."

Commissioner Satterfield asked "The Health Insurance. These figures that we have here now in your manager's request are they accurate with this increase and everything we got?" Ms. Vaughn and Mr. Howard responded "Yes." Commissioner Satterfield continued "I just noticed that it was more than the actual in 2009 about three thousand (\$3,000.00) dollars." Ms. Vaughn responded "It does not allow for this vacant position." Commissioner Satterfield asked "Out of the thirty-one thousand it does that allow for the vacancy that you have?" Ms. Vaughn responded "I will check. He also has an employee that opts out of the county insurance. One that is part time pays a portion of the insurance. I will check to see if that includes the vacant position."

Commissioner Lucas asked "How many vacancies are there in your department Thomas?" Mr. Bernard responded "Two." Commissioner Lucas asked "You have two vacancies? How long have they been vacant?" Mr. Bernard responded "One day. Judy retired yesterday, officially retired. That is a full time position. We had to make sure that it was official before we could advertise. Then we have a part-time position where someone has been coming in but we have not had time to train them. They are doing a part-time, part-time position. She pays part of her insurance." Ms. Vaughn responded "I do not think that person has insurance with the county."

Commissioner Travis stated "I understand you have a vacancy in your department but this insurance needs to be in the line item when it was budgeted." Mr. Howard responded "That is why she is going to check on that." Ms. Vaughn added "I think it is in there."

Commissioner Lucas stated "Just curious in the salary line item. Is there any lapse salary money left over from this year?" Mr. Howard responded "Probably not. She has been out on sick leave so we have been paying her sick time. There may be a little this month but we will have to pay her the vacation time. She had less than two forty when she left." Commissioner Lucas asked "Is there a way to get a number on that?" Chairman Hall responded "They will not know until payroll." Mr. Howard added "Not until the June payroll. We can get an idea but it will not be exact." Commissioner Travis stated "It will not be a whole lot."

Mr. Bernard stated "I have a question for ya'll. If one of these employees say in the past when they got certified, say we hire somebody and I don't believe Caswell is going to be able to come up with a salary to be competitive with the surrounding counties. If they get certified in business/personal property appraisals, would the Board consider giving them some kind of incentive if they received their certification?" Chairman Hall responded "We would have to take that on an individual merit basis. Over the years we have gotten talked into situations where

people have promised stuff before we would get into the budget process. I think as you start the interview process we will have to deal with it then. I personally will not commit at this point to raises for certification. A certification is a requirement of the job.” Commissioner Satterfield responded “We pay for them to get certified after they get here.” Chairman Hall stated “If we hire them yes.” Commissioner Satterfield stated “If they are already certified why not pay them something more.” Chairman Hall stated “That is why I said we would take it under individual consideration.” Mr. Bernard stated “Kevin and I will have to determine what the income and salary will be. If we have somebody, they are going to ask, what if I take the classes and pass the test and I get certified through the state as a business/personal property appraiser will there be any incentive there to do that?” Mr. Howard added “Would you want to hire someone at a reduced salary based on no qualifications and once they have the qualifications and certifications bump them up to the starting salary based on those qualifications. Say they start out at \$20,000.00 because they are not certified now. Once they receive the certifications they would be bumped up to twenty-four. Some places do it that way. They hire at an entry level rate until they get their certifications.” Commissioner Satterfield stated “We have done that with the deputies in the past.” Commissioner Travis stated “If we are going to hire someone without certifications I can see hiring them at less and then when they get certified and able to do the job pay them a higher rate. But if you hire someone with the certifications you need to pay them at a higher rate than someone without the experience. That is a no brainer to me.” Mr. Bernard stated “That is exactly what we are asking.” Chairman Hall stated “We need to establish a salary scale up front. We will never be able to compete with the surrounding areas. When people apply up front they will know this is the salary you get with credentials and this is the salary you get without credentials. If they are not interested they will apply at Rockingham, Person or Guilford and that is understood until we adjust the skill again. Now we have had that problem, Mr. Satterfield, over the years with the Sheriff’s Department and the deputies. One of the things we talked about a couple of years ago is when we start the hiring process and the training process to get some type of contractual commitment because we were hiring people and training them who were immediately leaving as soon as they got their BLET.” Commissioner Lucas responded “They do that. There is a two year contract.” Chairman Hall continued “If we are going to do that I think we need to incorporate that in our personnel policy and have a scale established and not wait until there is a vacancy and say we want to do it this way because that is the way we have did it over the years.” Commissioner Travis stated “We need some rules and regulations so when you are talking to somebody you will know what to tell them. The way we have it now you may tell one this way and another that way and that is not good business.” Mr. Bernard stated “I don’t know if you can get anything done between now and June 30<sup>th</sup> but it would be good.” Mr. Howard responded “We can do it the same way as with the Sheriff’s Department with a contract.” Mr. Bernard stated “I hope you understand what I am saying because I need to know what I can tell these people because I know this question is going to be asked.” Commissioner Travis responded “There should be some language in the personnel book right now.” Mr. Howard responded “We will have to check it to make sure. I think there is some language in there about hiring somebody at an entry level rate and once they are trained they will get bumped up.” Commissioner Travis asked “You are not going to hire someone and start them out at the same rate as someone who has been here for twenty years, right?” Chairman Hall responded “You may have to.” Mr. Howard added “When you are not paying the same thing as everybody surrounding you it is critical and you may very well have to pay more to get someone for that position. Is that right? No, but when you have to fill a position it may

come down to that.” Chairman Hall stated “As a point of reference it is what the market bares. We can sit here, some of us, and say what is right and what is not right but one of the reasons we are not competitive in this county is because we don’t want to pay what the market requires. No you cannot do it and not get the services and be happy or you can be realistic and realize as things change and the Board has to change its procedures. The key is our personnel policy. It seems unfair in the local government and the state government and other places where you have a rigid salary scale but it happens because that is the only way you can recruit people.” Mr. Bernard stated “I think everyone in the county and this Board realized that we cannot compete with these larger counties like Person because they have more industry, Alamance and Rockingham, but we need to be on the same playing field. We can be in the outfield opposed to the infield but we need to be somewhere close to it.” Commissioner Travis stated “We need rules and regulations for every department.”

Chairman Hall asked “When we look at our tax classifications and I will just throw out a couple: farmland versus other open land and/or commercial property versus non-commercial property, in our appraisals or our reviews, do we check that every four years or do we have a way to check it yearly as things change?” Mr. Bernard responded “No, we don’t change that during the four year cycle between revals. In other words, once it is done in revals it is set unless we find something drastically wrong. We check this in those four year cycles. The reval companies have been doing it such as checking for commercial versus non-commercial.” Chairman Hall asked “So if I have open farmland and next year I start using that farmland for commercial purposes we are going to wait three more years before we change that?” Mr. Bernard responded “If you were to build on that site, that site would become commercial.” Chairman Hall asked “So we don’t wait for the reval?” Mr. Bernard responded “Not if you are doing it like that.” Chairman Hall asked “What about, there again I am back to the farmland, if I say that I am farming, by whatever definition, and I stop farming do we check that?” Mr. Bernard responded “If you have it in the land use program. All land is valued at the best and highest use: open land, wooded land, road front land, commercial land or whatever. If you are in the land use program yes we check those. We check a certain percentage of those every year.” Chairman Hall asked “The land use program, tell me quickly what that is?” Mr. Bernard responded “That is for farm use. That is for agriculture, forestry, and horticulture.” Chairman Hall stated “All of those have definitions as to what constitutes each one. We review those how often?” Mr. Bernard responded “We try to review one eighth (1/8) of them a year. When they are out there on the four year cycle doing the revals we tell them to review each one and to check that card and to see if they are following the guidelines. We pull land out of the land use program all the time.” Commissioner Travis stated “So what you are saying is unless I get a building permit or I come by and tell you I could get by for three years.” Mr. Bernard responded “You could. It is possible. If they get a building permit or something that throws up a red flag and it comes in automatically and we check that and everything around it, it will be changed.”

Commissioner Travis asked “These shooting ranges we have in this county, what kind of property do you consider that?” Mr. Bernard responded “That would be a commercial use.” Commissioner Travis asked “How many of them are being taxed as a commercial use?” Mr. Bernard responded “There are a couple that we sent letter to and they responded and we changed the classification because it is a difference use.” Commissioner Travis asked “If they are using thirty acres as the shooting range are they being taxed as commercial for those thirty acres.” Mr.

Bernard responded "Yes. We use all of that as to what that space is used for. If they have backdrops or whatever it is, we put it down as a shooting range. Let's say you have fifty acres and the shooting range is on twenty acres." Commissioner Travis responded "Then twenty acres should be commercial." Mr. Bernard responded "That is right."

Commissioner Satterfield stated "Well if the title changes on a piece of land, the deed changes then the tax automatically changes with it. Is that correct?" Mr. Bernard responded "That is correct." Commissioner Satterfield continued "If the new owners come in and buys it as a shooting range and the deed changes then his taxes will automatically go back to commercial or whatever. The only way he can get on the other would be to wait three years. It used to be a three year period and you would have to apply." Mr. Bernard responded "Three years exactly and you would have to have the agriculture. You have to have the income or you have to live on the property or you have to wait the three year period. Say Mr. Jefferies has a piece of farmland and he sold it to me. His is in the agriculture or land use and I am going to build a race track on it. So we are not going to stamp that deed because I have not signed anything that says that I am going to continue farming this land so therefore the deed is not going to be stamped. This throws up a red flag. We pull it out of deferred. We then will calculate the deference and somebody is going to have to pay for that before that deed is recorded." Chairman Hall stated "So in other words we have a process to do that?" Mr. Bernard responded "Yes sir." Commissioner Travis asked "How do you know if a shooting range is on a farm because they did not have to get a permit to do it?" Mr. Bernard responded "We don't permit anything." Commissioner Travis stated "I know a guy that is getting one started. His is now set up as personal property." Mr. Bernard responded "Probably not if he is just getting started." Commissioner Travis stated "I think he needs to pay taxes just like I do. I don't know if you know this Thomas but we are losing a bunch of money because we don't make people buy permits for businesses. We don't know what they are doing on their property. We talk about this budget right here, if we would tax the people right, a lot of money would be coming in." Mr. Bernard responded "Well since you brought this up may I say something? I think it is a very good idea, an excellent idea, we used to do it. I say, we as Caswell, I don't know why we stopped and this is the perfect time to instigate it and institute privilege licensing again for everything. You have to buy some type of business license to operate your business. That is a lot of income." Chairman Hall stated "Let's not get too far off the subject."

Commissioner Lucas asked "My problem is not just the shooting range ordinance it should be any business. Junkyard situations, salvage yards or anything like that, that we have no knowledge of so we are open season for anything." Mr. Bernard stated "Let me make just one more comment on this. We get calls all the time asking do you have a privilege license and I say no." Commissioner Lucas added "There is nowhere else you can go and not have a business without getting some type of license. My question is do you have a discovery process that you have to go through?" Mr. Bernard responded "If I find something yes ma'am. If someone builds a building on real property, a barn or an out building or something I find out about it through inspections." Commissioner Lucas asked "Are you working with that?" Mr. Bernard responded "All the time. We have discovery processes on property, motor vehicles..." Mr. Howard stated "We had a company that came in and discussed how we could increase our revenues by doing these types of things."

Commissioner Satterfield stated "The discovery process also applies to the farm use land. Am I right Mr. Bernard?" Mr. Bernard responded "Yes sir." Commissioner Satterfield continued "I have a farm out there and for some reason I don't qualify to continue to have farm use value and you find out about it four years later, you can make a discovery and make me go back and pay the back taxes." Mr. Bernard responded "That is what we do, yes sir." Commissioner Satterfield stated "The discovery process can be done with the gun ranges. I am assuming that this man is building a building in Prospect Hill, I have not been over there, is there a building over there?" Mr. Bernard responded "I don't know." Commissioner Satterfield stated "Well he had to get a permit for the building." Mr. Bernard responded "If he did that we would have done a discovery. I know we have, I think it is two shooting ranges that I have listed as business/personal property that we did a discovery on. We got information and we sent them a discovery letter and we listed that information."

Commissioner Lucas stated "I think we have a breakdown between the building permit process and the tax office. How does that work? Do you communicate or do you know when there is something going on? I know in some places when you apply for a 911 address somehow it goes through the building." Mr. Bernard responded "I don't know how that part works. We have to go over to Planning and get the permits." Mr. Howard added "We have it set up now where they communicate. We are having some connection issues. It is a wireless connection between inspections and the tax office." Commissioner Lucas continued "But the minute you get a 911 address indicates that you are going to construction something." Mr. Howard responded "Right, but that does not signal that you have actually started it." Mr. Bernard stated "We have some issues with the 911 addressing." Chairman Hall stated "Again we don't want to get too far off the issue. What we have is an infrastructure problem. If our building inspections and our tax office is not connected and it was my understanding when we started with this ACS software that we were going to have software that everybody could access. How long have we had this software?" Ms. Vaughn responded "Since 2000." Chairman Hall stated "Eleven years. I can I could make it work in eleven years. This is my point. Infrastructure stuff, this is what I am talking about for this Board, our job is policy issues. We have to decide to say to staff that this stuff has to work within x number of time and when that works a whole lot of problems could be solved." Commissioner Satterfield stated "We have talked about this for, I know, two years since I have been on here Mr. Chairman. What else can we do?" Chairman Hall responded "We give ultimatums on policies." Commissioner Satterfield responded "I think we have. We have talked to the Finance Officer. We have talked to Mr. Bernard. We have talked to the County Manager." Chairman Hall responded "We need to give them one more ultimatum."

Commissioner Lucas asked "What are you talking about?" Chairman Hall responded "We have software that we bought in 2000 that is supposed to communicate with Building, with Tax, with Finance and whoever else needs to be in the system. We paid a big chunk of money and to this day it is still not functioning right." Commissioner Satterfield stated "Well we have everybody here." Chairman Hall responded "In all fairness, Mr. Satterfield, I am concerned but this is not a budget issue and we don't need to go off on staff at this point on this issue. It needs to be in one of our regular meetings and we need to ask them in time to get responses that we can chew on and get some times on when it will be completed. Now if we don't have the resources our job is to provide the resources and we have said that before. We will address this, not tonight but soon. We will address this issue."

Commissioner Lucas asked "What is the status on the contract for the foreclosure right now? The foreclosure service with Mr. Daniel? What is the status of that contract?" Mr. Howard responded "It was a five year contract entered into two years ago. We have three more years. It was a five year contract that was entered into in the summer of 2008. I can get the information for you if you want me to. It was entered into by the Board." Chairman Hall stated "It really does not matter the Board voted for it." Mr. Howard stated "We will be three years into this summer or fall."

Chairman Hall stated "If there is nothing else with Tax we need to move on to the next department." Commissioner Satterfield asked "What is the next one?" Mr. Howard responded "I did not have any other questions." Chairman Hall stated "Then we can start at the top then." Mr. Howard asked "Do you want to go through Revenues first?" Chairman Hall responded "Yes."

### RECESS

The Board held a brief recess.

### PROPOSED BUDGET FOR 2011 – 2012 (Continued)

Chairman Hall stated "We are now going to start with Revenues. What page is that?" Mr. Howard responded "Section 2, Page 1." Chairman Hall stated "I think the best way to move through this is to look at it to see if there are any questions or anything that stands out that we want the County Manager or the Finance Officer to tell us about."

Commissioner Satterfield asked "Prior year tax. The revenue is four hundred thousand and we are looking at the previous year at three forty-nine and this year so far we are at two sixty-seven. Why do we think it is going to be such a big increase next year?" Mr. Howard responded "This number is based on a report given to us from the Tax Office. They give us the reports based on collections and we base it on that. I understand what you are saying but historically that is how it has been done." Commissioner Satterfield asked "Did we do four hundred thousand in this current year's budget?" Mr. Howard responded "We budgeted four hundred thousand in the current year's budget." Commissioner Satterfield asked "So we are going to be short revenue there this year?" Mr. Howard responded "Probably some, yes sir." Commissioner Satterfield asked "So why are we doing that then? Why are we budgeting more revenue than we are going to take in there? I thought on the revenue end you generally tried to underestimate and not overestimate. That is pretty good bookkeeping when you do it that way." Mr. Howard responded "Yes sir." Chairman Hall asked "Can you get us a little better answer?" Commissioner Satterfield stated "Historically it looks like we are going to be about fifty thousand (\$50,000.00) dollars short this year."

Commissioner Lucas stated "I am a little bit concerned. Just looking through revenues, I agree with you, a lot of these lines are overestimated and I am concerned about that, that the revenues have been overestimated." Commissioner Satterfield responded "I see some of them that look very good like foreclosure. It is one hundred bucks and we have done a hundred and fifteen and

a hundred and thirty-five the two previous years. That is some wiggle room there.” Commissioner Lucas asked “Why is that down sixty-six through April 30<sup>th</sup>?” Mr. Howard responded “I consider that a wash because we do the same thing on expense as on the other side. What comes in goes out in most cases with that account.” Commissioner Lucas stated “But when it is down on the revenue side and it is up on the expense side that is not really a wash. Is that right?” Mr. Howard responded “Well it is up on the revenue side and down on the expense side. We have more revenues in this than we do expenses because we don’t pay out until we receive it in as a revenue.” Commissioner Lucas continued “The fact that you appropriate one hundred thousand dollars does not mean you expend a hundred thousand.” Mr. Howard responded “Correct. It is based actually on what is collected. The hundred thousand number came from back in ’08 and ’07 fiscal years when we were actually bringing in that much.”

Commissioner Lucas asked “Mr. Chairman on the sales tax revenue can we go back to that on page 2. It shows a minus three thousand two forty-four. What is the explanation for that?” Ms. Vaughn responded “That is an in and out. We may have paid something out prior to the posting of the new amount we received.” Commissioner Lucas asked “Do you have the new totals on the sales tax revenues as of today?” Ms. Vaughn responded “I do. On Article 39 unrestricted we have \$480,473.15. We budgeted \$549,000.00 for this current year and we have received at this point \$480,473.15.” Commissioner Lucas asked “We projected \$648,000.00 for next year?” Mr. Vaughn responded “Yes.” Mr. Howard added “We still have three months to collect in this fiscal year.” Commissioner Satterfield asked “Do you think we are going to get to five forty-nine this year?” Ms. Vaughn responded “Based on the history and the calculation I am projecting that we should be close to six hundred and forty thousand. That is based on our history.” Commissioner Satterfield stated “So we will be a hundred thousand to the good.” Ms. Vaughn responded “That is a possibility. We have seen a slight increase in the sales tax.”

Ms. Vaughn continued “On Article 40 restricted we have collected \$256,488.00. On Article 40 unrestricted we have collected \$596,883.00.”

Chairman Hall asked “Have you, in any of your workshops or the county manager, had any discussions from anybody from Revenue on how we can verify that we are getting the taxes due the county?” Ms. Vaughn responded “There have been some discussions but not as far as how we can verify it. So I would have to say no to that question.” Mr. Howard asked “Are you asking me in reference to businesses paying what they are supposed to be paying or are we getting our fair share of the cut statewide?” Chairman Hall responded “Our fair share.” Mr. Howard responded “When we did that revenue audit it was being split up correctly.” Chairman Hall stated “I don’t think it is statewide now because the formula has changed. My big concern is that sixty some percent of all the people in Caswell County have out of town addresses. I am not sure how the state knows, I don’t know if they know, we have a lot of quickie marts and Mom and Pop businesses and you have one with a Reidsville address how do we know that the sales tax is being paid to Caswell and not going to Reidsville. The same thing if it is in Gibsonville or Burlington or Elon.” Commissioner Satterfield stated “It happened some on vehicle tax too.” Commissioner Travis added “Big time.” Ms. Vaughn responded “I will check on that.” Commissioner Travis stated “I don’t know how you can check it.” Mr. Howard responded “I don’t know unless it is on the form when they send it in.” Commissioner Satterfield stated “Mr. Travis has probably seen this too when doing inspections. I noticed a lot

of people that came into my place that had a Ruffin address and the county would be listed on the thing as Rockingham.” Chairman Hall stated “I raised that because I think it might be appropriate at some point to have some discussions directly with the Department of Revenue and ask them to tell us how they are sure that we are getting the dollars that we generated and that they are coming back to us.”

Chairman Hall asked “Even though they did the form correctly, how do we know that some computer down in Raleigh didn’t change it because of the zip code?” Commissioner Travis added “It is possible. A lot of times when you go to renew your tags the computer reads it and says that you live in Alamance County.” Chairman Hall stated “That is why I said at some point we need to talk to the Department of Revenue in Raleigh.”

Ms. Vaughn stated “Article 42 restricted we have collected \$178,181.00 and that based on projection. It looks like it is going to be a five thousand dollar increase over what we budgeted or projected. On Article 42 unrestricted \$118,234.00 and on Article 44 we did not budget anything because Article 44 is no longer in but we are receiving some revenues and at this point we are at \$3,370.00. The 5 cents bottle tax is based on the history that we received and that is paid out to the Local Management Entity (LME) for Mental Health and Privilege License is about the same with the history on that.”

Commissioner Carter asked “The privilege license on beer and wine, I would think that all of these quickie marts and others would have to buy them?” Ms. Vaughn responded “That comes straight from the Tax Department. They collect it for us.” Commissioner Carter asked “Why is it less?” Ms. Vaughn responded “It is based on what we have collected so far this year.” Commissioner Carter asked “Did the government take any of the ABC money?” Mr. Howard “I don’t think so. They were going to privatize it and sell everything off.” Commissioner Carter asked “Do we have an audit report from the ABC Board?” Chairman Hall responded “I have not seen it but I think there is one in the Clerk’s office from last year. If it is not there I may have moved it around or someone has moved it around.” Commissioner Carter stated “I was just thinking about the privilege tax on beer and wine and the quickie marts in the county.” Chairman Hall asked “Do we know who pays the privilege tax?” Mr. Howard responded “I am not sure how that works. I will have to research that. The beer and wine tax which is the next one, we get that check in late June usually. You will see a reduction in 2010 because that is one of the things that they cut the reimbursement back on to the counties. It will be in full effect for the next fiscal year.” Ms. Vaughn added “Actually we have received notification, I have received the remittance device and it is just over ninety thousand (\$90,000.00) dollars that we will receive this year. So we did go up from thirty to ninety.” Commissioner Lucas asked “And this is not included in the revenues, right?” Ms. Vaughn responded “Right. We just received the remittance to let us know that it is coming to the bank. I got it last Friday.” Commissioner Carter asked “Is that through April 30<sup>th</sup>?” Ms. Vaughn responded “It is a one time check that comes to us.”

Commissioner Carter asked “These court facilities fees what can that money be used for?” Mr. Howard responded “Just for the maintenance of the courthouse. It has to do with the court system itself.” Ms. Vaughn added “This one is unrestricted. It can be used for general fund purposes. It comes through the fees that come through the Sheriff’s Department. Then in fund

110, which is restricted, Court Facilities that is another revenue received for court facilities and that one is restricted.”

Commissioner Lucas asked “How do we assess the fees on tax collection for Milton and Yanceyville? What is that based on?” Mr. Howard responded “It is a percentage.” Ms. Vaughn responded “Three percent of their collections each month.” Chairman Hall asked “When is the last time we looked at our contract with them?” Mr. Howard responded “It definitely has not been since I have been here and that is four years.” Ms. Vaughn added “There was some discussion on the three percent the year that Jeff left but it has not been discussed since then.” Commissioner Lucas asked “How did you come up with three percent?” Ms. Vaughn responded “It is probably in a contract somewhere or in the minutes.” Chairman Hall added “There will be a contract from years ago. I think it is time for the Board to take a look at this to see if we can still provide these services at this rate. I don’t know if we can provide these services for Milton for seven hundred and fifty dollars.” Commissioner Carter stated “Most places have gone to five percent.” Commissioner Satterfield stated “Why don’t we have the county manager and the tax director to get together and see how much it is costing us to provide these services. Mr. Bernard should be able to come up with some type of time estimate to see what it is costing to do this.” Chairman Hall responded “That is why I said this Board needs to talk because we need to ask for this information before we go forward.” Commissioner Lucas stated “I think it would be interesting to look at the contract that we had before.” Chairman Hall asked “Ms. Clerk will you see if you can find it?” Mr. Howard stated “I think I have seen it in the box of contracts.” Chairman Hall stated “One of the things that Commissioner Satterfield suggested Kevin is that we ask the tax director to take a look not a six month look not a three month look and give us a feel on the cost, the staffing involved and what it is costing us to provide these services. I can say pretty easily that we can’t provide these services even to Milton, as small as they are, for seven hundred dollars. For the town I don’t know. We need to get a feel on what is involved there. We need to see the contract and review it. Postage has gone up and other things have gone up so we do need to see what the cost is.” Commissioner Jefferies stated “Milton cannot take an increase. We need a decrease.” Chairman Hall responded “Practically speaking if we want to give them a gift then let this Board vote to give them a gift.” Commissioner Satterfield stated “Let’s see first how much we are giving them.” Chairman Hall stated “We will find the contract and we will have the tax director to give us an idea on staffing costs involved in providing these services.” Commissioner Satterfield stated “I guess when they send out a tax notice, the best I can remember from my business, the one tax notice had on there how much I owed the county and then there was a separate line item for how much I owed the town. So the postage would be the same. It does not make any difference. That is not a factor really.” Chairman Hall responded “Not a direct factor.” Commissioner Satterfield stated “If you are going to mail out a statement anyway…” Commissioner Lucas added “It is the collection process. How long does it take for our staff to process it?” Commissioner Satterfield continued “The point I am trying to make is the postage is the same.”

Commissioner Lucas asked “What about the two hundred and ten thousand in the Yanceyville Police for the Sheriff?” Commissioner Satterfield responded “It is zero.” Commissioner Lucas continued “There is fifty-two thousand five hundred as of April 30<sup>th</sup> that has not been expended.” Mr. Howard responded “There is, I just talked with the Sheriff, there is a fund balance for that. What that has done is he can continue with two employees for a fiscal year based on that fund

balance and cover costs and faze those into the Sheriff's office." Chairman Hall asked "Is that separate from our general fund balance?" Mr. Howard responded "Yes." Chairman Hall asked "Is it separately identified in our records?" Ms. Vaughn responded "It is only separately identified by an excel spreadsheet. We know the difference by the Sheriff's Department, Health Department, Register of Deeds, but it is included in the general fund, fund balance." Chairman Hall asked "Did we designate it as restricted or unrestricted?" Ms. Vaughn responded "We do not have it designated because the Board has not designated any fund balance. In this budget it is \$81,828.00 in here appropriated for Sheriff's Department/Police. That is to offset the budget that he has for the Sheriff's police which is in the expenditure's side. It should be the same amount. That is the amount that he has to carry forward.

Commissioner Satterfield asked "How do these departments carryover fund balances?" Ms. Vaughn responded "No one does." Commissioner Satterfield continued "Well I know but I have heard EMS says well we have fifty thousand (\$50,000.00) dollars that we did not spend last year." Mr. Howard responded "If a project started in the previous fiscal year those revenues could carry over." Commissioner Satterfield stated "I was not talking about a project. This was during a conversation on a piece of equipment. I can remember that conversation coming up. We don't do that correct?" Mr. Howard responded "No." Commissioner Satterfield stated "It all goes in the general fund balance?" Mr. Howard responded "Yes sir. The only way it would carryover is if there is an outstanding po."

Chairman Hall stated "As we move forward especially with departments, all departments, they need to clearly understand that they have no fund balance after June 30<sup>th</sup>. I am saying this because I have heard the Sheriff talk and I have had some assumptions that it was not in this fund. Maybe I should not have made that assumption. Now I am hearing that whatever he is considering as his is in the general fund fund balance and this Board has to knowingly appropriate that fund balance. A lot of discussions early on kind of skirted this Board because some said the Sheriff entered into that contract. The Sheriff can do this. That's the Sheriff's money. It is not the Sheriff's money. So as we move forward and we approve this as is then we need to make it clear going forward that you have an appropriation and unless this Board approves it formally there is no carryover. Your account is clean." Commissioner Carter stated "Now I am confused. Where does he come up with those two officers then?" Chairman Hall responded "What they are saying is based on the dollars of this contract brought in over the last couple of years there is going to be about eighty thousand (\$80,000.00) dollars that was left from prior years. The Sheriff is going to use that to continue some people."

Commissioner Carter stated "It is my understanding that the town is going to request however many vehicles they gave to the county back and the equipment and the radar units and all of that. Have you talked to the Sheriff about that?" Ms. Vaughn responded "He did tell me that. But he said that those vehicles are, he did not say that they are not used for patrol, but he did say for a lack of a better term..." Mr. Howard continued "I think they are spares but I am not sure." Commissioner Carter asked "How many cars will we be short?" Mr. Howard responded "Two or three. I am not sure."

Commissioner Travis stated "Didn't we, this Board right here, when the Sheriff entered into the contract, we said that was between him and the Town of Yanceyville. We did not vote yeah or

nay. The only thing we did agree on was the money would come through Finance. Am I right or wrong?" Mr. Howard responded "I think that is correct." Chairman Hall responded "You are probably correct. I am sure that was the way it went down but it was not the appropriate way for it to be handled. The Sheriff cannot enter into contract with county property, not legally, but that is what we allowed him to do because this Board did not want to get involved. We should have gotten involved." Commissioner Travis stated "The way I understood it and I may be wrong but that was supposed to be kept in a separate account and not in with our funds." Ms. Vaughn responded "It is not in a separate bank account." Commissioner Travis continued "But it is not in what you call Caswell County's fund balance." Chairman Hall responded "Yes it is." Ms. Vaughn responded "When it all falls in, it all falls into the Caswell County fund balance." Commissioner Travis stated "I thought it was going to be in a separate account for the law enforcement for the Town of Yanceyville." Ms. Vaughn responded "The way we account for that is from the county where you have a separate account. He has the Sheriff, the Police and the Detention Center." Commissioner Travis asked "Well if it was not kept separate how do you know how much he had left over?" Commissioner Satterfield responded "Bookkeeping." Chairman Hall added "She just kept up with the dollars spent." Mr. Howard added "It is separate as a fund within the general fund just like..." Ms. Vaughn added "Just like the Register of Deeds, Tax, so we can monitor it." Commissioner Lucas asked "So you can give a print out on what the expenditures are within that fund?" Ms. Vaughn responded "Yes." Commissioner Travis stated "But the way he is looking at this, I guess, is this is really not county dollars." Chairman Hall responded "Exactly." Commissioner Travis continued "But if it is in the fund balance, it is county dollars." Chairman Hall responded "It was county dollars when we discussed it. The Board did not want to go that way because the Board was convinced on what he said and we did not want to get involved in it that way. I remember when we discussed it." Commissioner Travis stated "I remember when it was said that when the money runs out the police will run out, but he is keeping them on." Chairman Hall stated "What the Board did by allowing him to hire them and carry them as county employees, is they fall under the county's government policies." Commissioner Travis added "If he fired then today because of no money we would have to pay them unemployment." Chairman Hall responded "That is correct. You have to do that anyway. You have to follow whatever our established policy is." Commissioner Satterfield stated "But you got an extra hundred thousand dollars so you are still a head of the game." Commissioner Travis responded "But he can still use that." Commissioner Satterfield stated "Not unless we let him, he is not. He can't use it unless we let him."

Commissioner Lucas asked "How many vacancies does he have in the department right now? Three?" Mr. Satterfield responded "Two they said." Mr. Howard stated "I think the process was to use this extra money to absorb the other two positions so there would not be any unemployment costs at the end of it." Commissioner Lucas asked "How long has he had three vacancies?" Mr. Howard responded "I don't know how long it has been." Chairman Hall stated "That is only going to last a year." Commissioner Travis stated "So what you are saying is he is going to keep these on and hire someone else." Mr. Howard responded "No sir. He has no intention of hiring anyone else. We kept four positions separate in the town fund. He has had two positions open in the regular Sheriff's Department with the intent of absorbing two of these positions into those instead of having to fire somebody. The hope and intent is that there will be two more positions opened up and then these will also be absorbed over the next fiscal year." Commissioner Satterfield stated "One has already opened up then if he has three vacancies

now.” Mr. Howard responded “I don’t know if it is two or three, I have not talked to him about the number of vacancies he has right now.” Commissioner Jefferies stated “So what you are saying, Mr. County Manager, is you have three vacancies on the Sheriff’s Department right?” Commissioner Satterfield responded “He is not sure.”

Commissioner Satterfield asked “Was it anything in the contract that said that any unused monies in the contract would revert back to the town?” Mr. Howard responded “They do not go back to the town. The only things that would go back would be the equipment that they requested to be given back.” Chairman Hall stated “Let’s be clear on a couple of things. This Board did not sign a contract.” Commissioner Satterfield responded “Somebody signed it.” Commissioner Travis stated “The Sheriff did it.” Commissioner Satterfield responded “If the Sheriff did it then he did it as the Sheriff of Caswell County and it involves this Board of Commissioners.” Chairman Hall stated “But you asked the question ask what was in it. I don’t know. Maybe the county manager has a copy.” Commissioner Satterfield responded “You mean the Board never looked at the contract?” Chairman Hall responded “I don’t remember looking at it.”

Commissioner Satterfield asked “Mr. Manager does the contract say that we have to use this money to continue this protection or what if there is unspent dollars.” Mr. Howard responded “I can tell you what the intent was at the beginning of the contract. He said if there was any money left over it would help with the additional cost to absorb those employees and any additional cost for the county on unemployment insurance at the end of the contract. There were concerns three years ago that the town would not renew the contract at the end of the three year period.” Chairman Hall stated “We need to ask these questions to the Sheriff. He was supposed to be here today but he is out of town.” Commissioner Satterfield asked “In the meantime can we have the county manager and the county attorney to look that contract?” Chairman Hall asked Mr. Howard “Do you have a copy.” Mr. Howard responded “I can get a copy, yes sir.”

Chairman Hall stated “What we need to do quickly is to schedule our next meeting.” Commissioner Satterfield stated “Let’s have one during the day time, Mr. Chairman, instead of all of them at night. Let’s have it at 8:30 in the morning.” Commissioner Lucas stated “What about Wednesday, June 8<sup>th</sup>?” Chairman Hall asked “Now the time?” Commissioner Satterfield asked “What about 8:30?”

Chairman Hall stated “The meeting will be June 8<sup>th</sup> at 8:30 a.m. Again we will ask the same thing. If you have any questions for staff get it to them in time so we can have them addressed. See if we can have the Sheriff here at the next session so we can get our questions answered.

RECESS

At 7:40 p.m. Chairman Hall recess the meeting until Wednesday, June 8, 2011 at 8:30 a.m.

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Paula P. Seamster  
Clerk to the Board

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Nathaniel Hall  
Chairman

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