

MINUTES – JUNE 8, 2011

The Caswell County Board of Commissioners reconvened its meeting at the Historic Courthouse in Yanceyville, North Carolina at 8:30 a.m. on Wednesday, June 8, 2011. Members present: Nathaniel Hall, Chairman, Kenneth D. Travis, Vice-Chairman, William E. Carter, Cathy W. Lucas and Gordon G. Satterfield. Absent: Erik D. Battle and Jeremiah Jefferies. Also present: Kevin B. Howard, County Manager, and Gwen Vaughn, Finance Director and Angela Evans representing The Caswell Messenger. 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 “I do not have an agenda but I do know that we started the last time with the Tax Department. We invited the Sheriff to be here this morning so I guess we could start with the Sheriff’s budget. As before at the prior meeting we had asked the commissioners if they had specific questions that they would like for the staff to address or to get the departments to address to get them to staff. We will start with the specific questions that you may have for the Sheriff’s office and then go from there. Since you don’t have any specific questions we can start to look at the Sheriff’s budget.”

Commissioner Lucas stated “Chairman Hall just for clarification on the budget. I know we have the basic Sheriff’s department’s budget and the Sheriff/Police that is considered the Town, is that correct, and then the Detention Center which is done separately?” Sheriff Welch responded “Then the revenue, you have the SOR, Jail, Town contract, the Sheriff’s Department.”

Chairman Hall stated “I know before we ended the last session there was some discussion about the Town so I guess we could start, Sheriff, with you giving us an overview of your budget, your regular budget, your budget as it relates to the Town, if any, and the sources of funding.” Sheriff Welch responded “Mr. Chairman, looking back at it three years ago when the contract was entered in by the Sheriff’s Office with the Town of Yanceyville, the Town of Yanceyville Town Council had decided to do away with the police department, which was a six man department. Looking at that, the contract, there were certain liabilities to the county that we needed assurance if we were to continue to provide services, meaning deputies assigned to the Town for 4.1 square miles. Things such as their evidence room, their investigations, their record keeping system, any kind of surplus property program that they may have been involved in. The contract was basically protecting Caswell County and the Caswell County’s Sheriff’s Office and then also assuring us that funding would be provided whether it was for four deputies assigned twenty-four hours a day, seven days a week or if the Town elected to say provide two deputies assigned to the Town and then that assurance that the funding would be provided for three years outside of the ninety (90) day option to get out of the contract. Their funding was crucial, at that point in time, the Board of Commissioners and the Sheriff’s office were working towards dividing the county into four patrol zones. The purpose of that was to provide a faster response time to the outer parts of the county and to provide more presence of law enforcement. So in essence what we have been doing for the last three years, in the Town of Yanceyville and the county, is there

have been five patrol zones. Through time analysis we were able to show the majority of the calls that come in through dispatch are double between 2:00 p.m. and 2:00 a.m. Then we were able to measure Yanceyville, being the fifth zone and the number of calls in each area. One thing that is very important to realize was that the entire response time on the calls for the Sheriff's office had decreased. We were able to promote more presence throughout the county and the savings that were realized. Contingent on the contract and I understand that the Town is opting not to provide. So in essence what they did by providing the funding was they provided a deputy to be assigned to the Town and that funding is not going to be there now. The contract allowed for the funding to be paid in quarterly payments to the county for these services. The majority of the contract was for personnel and the fringe benefits and lapse funding was put into this."

Commissioner Travis asked "What is going to happen to these deputies when this ends with the Town?" Sheriff Welch responded "The plan as you recall Commissioner Travis, we discussed that early on in the planning process between the Sheriff's office and the Board of Commissioners, in lieu of the Town opting not to provide those services those positions would be looked at attrition and through retirement. There was also a contingency fund put in place and basically two positions have already been processed through attrition and retirement." Commissioner Travis added "I understand that you have some money to take care of this but that will be through the next fiscal year, right?" Sheriff Welch responded "Right." Commissioner Travis asked "What happens after that, that is what I need to know? The County is either going to have to pick them up or let them go home, right?" Sheriff Welch responded "That is the reality of the situation however..." Commissioner Travis asked "Do you remember when you went into this contract with the Town of Yanceyville?" Sheriff Welch acknowledged. Commissioner Travis continued "What did this Board say at that time?" Sheriff Welch responded "Refresh my memory." Commissioner Travis responded "What this Board said, if I am wrong please correct me, when the contract between the Town and the Sheriff's Department ended the county would not pick up the help, I am not saying putting them in a position that is empty, I am talking about extra help. This Board made a decision then that they would not pick up any extra help. Am I right?" Chairman Hall responded "That is generally what was said and I think that was understood by the Sheriff's Department." Sheriff Welch responded "That was correct." Commissioner Travis stated "What I am getting at is I understand that you have the money to pay for this deputy through the end of the year. If there is no opening in the Sheriff's Department then they will have to go home. That is the way I understood it." Sheriff Welch responded "Basically the contingency was to allow for at least two of the positions to continue and the funding would be there for that for the next fiscal year. What I mean by attrition is if a position comes open then I will not be able to fill it unless the Board changes their stance and I come back in front of the Board, so that was part of the plan. I need the assurance of the transition, as Sheriff, the Town of Yanceyville has had a law enforcement presence for over a decade. That presence was funded by the Town Council and by removing that fund it does not allow for a transition. Crime is going to increase and our response times are going to increase for the Town. Over the last three years the response time has been amazingly less than four minutes for the Town and it has been greatly improved in the county. Also in that planning process, Commissioner Travis, we had to address the miles that were driven on the patrol cars and the amount of operating expenses that would increase and with the fuel costs and what we realized was that patrol zone, implementation of that program, has shown a savings. We were

able to show a savings last year and the year before. Now we have got to see how it is going to affect this next fiscal year.” Commissioner Travis stated “What is going to happen now is your fuel bill is going to go up. Your mileage is going to go up and your overhead is going to go up.” Sheriff Welch responded “That is very possible.” Chairman Hall stated “Not necessarily unless he changes the system. Up until this point I think that you and the Sheriff both agreed by saying the same thing. I am going to cut to the bottom line with your question to the Sheriff. What happens after this year when all of the dollars are gone? Will there be a reduction in force for the Sheriff’s Department to compensation for that loss in dollars?” Sheriff Welch responded “I think it would be my duty as Sheriff to come back in front of the Board to give the Board informed information of where we are at, at that time. This contingency was properly planned. This was done three years ago to get to this point we have been good stewards of the funding that has been provided to the Sheriff’s office. We have a lot of things going on. We are based and surrounded by budget cuts, budget restraints on the national state and surrounding areas. Right now we operate on five zones, Yanceyville being the central. As to the options, we are budget driven. Whatever contingency, whatever plan, for law enforcement services, countywide, is going to depend on the outcome of the budget process.”

Commissioner Travis asked “Mike, are you saying as of July 1st you will go back to four districts instead of five. Is that correct? Am I understanding it right or wrong?” Sheriff Welch responded “One option would be that. That fifth zone will still be maintained for reporting purposes so we can measure the crime that is occurring within that 4.1 square mile zone. That area for patrol will be incorporated into the four zones that are within the county.” Commissioner Travis stated “The way I see that is you are going from five back to four. There will be four people taking care of five districts instead of five people taking care five districts.” Sheriff Welch responded “One thing that is very important to realize is that our calls are doubled between 2:00 p.m. and 2:00 a.m. compared to 2:00 a.m. and 2:00 p.m. that is when we need to allocate our personnel to handle that. There is also an issue of officer safety. Basically when we go to calls, we need two deputies to respond to domestic situations. That is one of the main calls that we go on.” Commissioner Travis stated “What I am saying is July 1st instead of having five people looking after five districts you will have four people looking after five districts. Am I right or wrong?” Sheriff Welch responded “Yes that is what we are leaning towards.” Commissioner Travis continued “That is the reason I said what I did a while ago, that the overhead and expense of running these cars all over the county and the mileage is going up. There is no way that it can’t.” Sheriff Welch responded “It is going to be 911 driven.” Commissioner Travis continued “You are going to have to drive four cars more on a shift than when you were driving five.” Sheriff Welch responded “That is correct. That is the reason for the increase in the fuel and the increase of the car.” Commissioner Travis added “Oil change and everything else.” Sheriff Welch stated “Where we have seen savings, we are going to have to measure for the next year what this is actually going to cost us to continue to provide these services.”

Commissioner Satterfield stated “You are going to have one less car out there running too though Commissioner Travis, so that is going to cut down on your expenses.” Commissioner Travis responded “You will have one less car but the Town is going to take away that car now so the County will have to pay the whole bill, right?” Commissioner Satterfield stated “He has the

funds from this year to pay for that.” Sheriff Welch responded “As far as the request for that does the Board have any questions for that?”

Commissioner Lucas stated “We have heard that, and I don’t know what the contract says because I have not seen the contract with the Town, but they are going to be requesting their equipment back as well. Is that what the contract states?” Sheriff Welch responded “I made a formal request with the Town Council to retain the patrol cars that were given three years ago and it is my understanding that they voted to have them retained by the county by the Sheriff’s Department. There were actually three drafts of that contract and that was added towards the end. The other part was any equipment that was purchased during the three years is retained as ownership by the county.”

Chairman Hall asked “What equipment that came with the contract will be returned to the Town?” Sheriff Welch responded “Nothing.”

Commissioner Lucas asked “When was the vote?” Sheriff Welch responded “Yesterday. I actually had heard that. The contract would call for that property to be returned at the end of the contract.” Commissioner Lucas continued “And that would include any vehicles that were purchased during?” Mr. Howard responded “That was the vehicles that were given to begin with.” Sheriff Welch added “There were four vehicles given in the contract.”

Commissioner Lucas asked “If we used any of the money to purchase vehicles with, those vehicles are still ours, right?” Sheriff Welch responded “That is correct.”

Chairman Hall stated “So I guess to kind of summarize this. The current set up of the Sheriff’s office is five zones, four being in the county and one being the central Yanceyville area. The current plan for the next fiscal year is to continue those five zones.” Sheriff Welch responded “Mr. Hall it is all going to be dependent on the outcome of the budget process. I would have to look at things like structure. I would have to figure out with my staff, how to do more with less, so there are going to be some changes of course.” Chairman Hall stated “I was just trying to get the general feel.”

Commissioner Lucas asked “As far as staffing right now, Mike, where are you with your staffing?” Sheriff Welch responded “We are full. We have two positions that we have lost in this fiscal year.” Chairman Hall asked “How many officers do you have?” Sheriff Welch responded “Thirty-four (34) sworn.”

Commissioner Satterfield stated “Sheriff I would like to say that I think that you are doing a great job with what little help you have. I wish the county could afford to give you more help because I know you need it. Whenever I talk to the citizens out here, one of the three big concerns is Sheriff’s protection and response time. I hear that, I hear schools and I hear EMS. Those are the three things I hear all the time when I talk to the general public. Sheriff I look at your travel budget and I have some concerns about that. Fourteen thousand (\$14,000.00) dollars in tough economic times and some of these things and I understand that all county employees have to keep their certifications. They have to go to training and they have to keep up to date but I am hoping that somewhere down the line that some of these conferences can be webinars or

whatever to reduce some of these costs. I look at some of these things like seventeen hundred (\$1770.00) dollar trips and two thousand \$2,000.00) dollar trips, I would hope that you would go back and study these things real carefully because you are the man that knows who is going where and absolutely if they need to go in tough economic times. I am going to ask the same thing from every department head, not just the Sheriff. It is an area that I think that there are some savings that can be had. We are looking at a budget with no capital things in it and I know you can't continue to operate vehicles forever. They have to be replaced so we have to look at other areas where we can make some reductions to try to be able to give you some vehicles and things like that if you need them. I am not going to pick out any particular travel item or anything like that. I would just like to see you, and I know you have probably already done this, but I would like for you to go back and see if there is some kind of way that you can look at this and be a little bit more frugal in travel especially this coming year." Sheriff Welch responded "If that is the pleasure of this Board I will schedule a meeting with the county manager and we can take a look at that. One thing I would like to share with you though is just in the last year we have had changes in the statutes of law that require certain things from the Sheriff's office. To give you an example, the North Carolina Secured Communities Initiative, that requires travel for training. CJ Leagues through AOC Information Sharing that is another initiative that we have changes in the immigration laws where we have to train our staff to run IAQs, Illegal Alien Queries. One thing we can do Commissioner Satterfield, we also recognize the travel and training, there are more demands every year. We are trying to find a way to meet those requirements and those certifications. Our training directly reflects the services that we provide so if we give our deputies the tools we will be able to provide a better service. When there is savings that is at hand we try to find that and we try to look at it. I will definitely follow up." Commissioner Satterfield stated "I am sure that you have already looked at it." Sheriff Welch continued "We try to be consistent. We try to hold the line, but with travel and training, it gets more difficult with the demands that are put on us with the new laws."

Commissioner Lucas asked "With your staff and employees have you heard concerns about the increase in the health care coverage and how that affects their pay situation without getting a raise?" Sheriff Welch responded "Yes. Looking at a cost of living adjustment and looking at the employees with the Sheriff's office that were affected by the change, they are very appreciative of the county providing the benefit for employee health insurance coverage but any concern that was brought to me was if that was going to continue with the county."

Commissioner Lucas asked "Equipment rental on your main budget, Sheriff Welch, what is that for specifically?" Sheriff Welch responded "Equipment rental is for the leases that we have." Commissioner Lucas asked "Leases on?" Sheriff Welch responded "Like the copy machine." Commissioner Lucas continued "The armored vests?" Sheriff Welch responded "We generally apply for grant funding through the BGA but I still have to include the funding in the budget and then we usually look at that. Usually we are successful..." Commissioner Lucas added "When you get the grant you pull that out." Sheriff Welch responded "Well with the changes on the national level and with the funding we know that it is the Board's stance as far as grant funding. We don't look at grants to go towards positions because of the continuing cost situation but we do look at grant funding for equipment and we have been successful in BGA block grants for bullet proof vests."

Commissioner Lucas asked "I just had one other question on the Detention Center budget on the maintenance and repair of the building. There was not any expenditure this year. The year before it was nineteen thousand expended and this year you are budgeting five is that for something specific or?" Sheriff Welch responded "In the past that was actually budgeted through the maintenance department but the county commissioners set up a contingency fund and that was going to track through detention center."

Commissioner Travis asked "This special pay for K9, what is that for? Is that for the people that handle the dogs?" Sheriff Welch responded "That is correct." Commissioner Travis continued "The only people that have these dogs are the people that handle the dogs, right?" Sheriff Welch responded "That is correct. The K9s are assigned to the handlers. This program started back in 2003. We use the K9s for mainly drug detection." Commissioner Travis asked "How many dogs do you have?" Sheriff Welch responded "4." Commissioner Travis asked "So you have four individuals with the dogs?" Sheriff Welch responded "When the DOC moved their bloodhound unit from Dan River, it was housed there, to the outside of the county and we have had numerous situations when we have had to use the bloodhounds for man tracking. That service was provided by the Sheriff's Office in conjunction with the DOC to provide that service in the county."

Chairman Hall asked "Does the DOC maintain the bloodhounds?" Sheriff Welch responded "They have a bloodhound unit but they are not housed in Yanceyville." Chairman Hall continued "So they maintain that unit so when we need to use them what happens then?" Sheriff Welch responded "We can actually call them in too. Sometimes we work jointly and sometimes we handle situations ourselves as a Sheriff's office. The last situation would have been with the escape from the Dan River Work Farm. The DOC unit came out and we assisted the DOC officers."

Sheriff Welch stated "I did put in the budget for six vehicles, we did not discuss that. Generally in the past we use six or eight vehicles as a rotation. I just want to thank the Board and if there could be any consideration for a cost of living for employees that would be appreciated." Chairman Hall responded "Let's discuss this for a second. We had six in for last year?" Sheriff Welch responded "Yes but what happened was we tried to meet ends meet, the Board approved four highway patrol vehicles. We had skipped, if we ever skip a year it put us behind. That is where we were at last year. We need to get back on track." Chairman Hall stated "One year we bought those Dodge Intrepids and we are not particular happy with those." Sheriff Welch responded "That was a great decision at the time." Commissioner Lucas added "But the process at the time was the key there. It was the way it was done. It was not so much the actual vehicle but the process by which he needs to get those." Sheriff Welch stated "If I could share this. When we went to the Dodge Intrepids it was to allow us time to actually get back on the rotation. The Dodge Intrepids will not last as long as the Crown Victoria but it allowed us time to get in the position where we could start the rotation. When we missed that window we ended up in the position where we had to get the Dodge Intrepids off the fleet." Commissioner Lucas added "It was a lease purchase arrangement." Sheriff Welch stated "A lease purchase to own. That was twelve at that time. We purchased Chargers which were two thousand less than the Crown Vics. Ford is talking about not producing the Crown Vic any longer and to go to another version of a patrol car. Basically when we ask for patrol cars we are asking for what we need. We are not

looking for more.” Chairman Hall asked “What did we do last year?” Sheriff Welch responded “The Chargers. They have proven to be a good patrol car.” Chairman Hall asked “How many did we get?” Sheriff Welch responded “Three.” Chairman Hall stated “This year you have a request for six vehicles. I am assuming we are looking at either Chargers or Crown Vics or does it matter?” Sheriff Welch responded “Or we could look at the new version put out by Ford.”

Commissioner Satterfield asked “Do you know what platform that is going to be on?” Sheriff Welch responded “It usually comes out of the Michigan Study for Law Enforcement Pursuit Vehicles. We usually do our research on that, through the reviews and talk with other agencies.” Commissioner Satterfield continued “Will it be under the 500 series Ford Platform or?” Sheriff Welch responded “I will try to find out and get that information back to you.”

Commissioner Lucas asked “As far as the mileage on the vehicles that you currently have for the patrol officers are you in a situation there where it could become an issue because of the high mileage on the vehicles?” Sheriff Welch responded “Yes.” Commissioner Lucas asked “How many?” Sheriff Welch responded “I can get a list to you. We keep track of this and that is part of our preparation for the budget. We keep track of each vehicle on mileage.”

Commissioner Travis stated “The only thing I would like to say about these cars is we need to consider not buying any more front wheel drive cars because they do not hold up. The Intrepids we had paid for them, we got our money out of them. Those cars were perfect for around town but when you get on the other side of the county these cars are not cut out for that.” Commissioner Lucas asked “What year was it that this was put into place?” Sheriff Welch responded “Probably when I first took office in 2003. Originally I asked for eight (8) then I came back in front of the Board and asked for four (4) more to be by three years. We did not have a replacement for three years. We needed a window for us to start that rotation.” Commissioner Travis asked “That was 2003 – 2004 right?” Commissioner Lucas responded “I know it was when I was on the Board.” Sheriff Welch added “It was 2003 when we implemented that. Basically it proved to be a good initiative.”

Chairman Hall asked “What is the next budget item we need to take a look at this morning?” Mr. Howard responded “We got to page 7 for Revenues for the Sheriff. That is where we stopped at the last meeting.”

Commissioner Lucas asked “On the impound fees for the vehicles. It dropped from six thousand two hundred from the year before?” It may have been because you had a sale on vehicles.” Sheriff Welch responded “We sell vehicles every year in the summer time.” Commissioner Lucas continued “It went from six thousand dollars down to two fifty-five. The only reason I could see that would be because of the sale of vehicles.” Sheriff Welch responded “Last year we had the sale on vehicles and we have not scheduled that for this fiscal year.”

Commissioner Travis asked “What do you charge on that per day?” Sheriff Welch responded “Fifteen (\$15.00) dollars a day plus the tow bill.” Commissioner Travis stated “You should at least go up to thirty (\$30.00) dollars per day.” Chairman Hall responded “This Board sets the fee.” Commissioner Travis stated “We need to change that because most places are getting forty-five (\$45.00) dollars per day.” Sheriff Welch stated “One thing that we do and it works

great with the Finance Director is that when the Sheriff's office pays that tow bill, we get reimbursed for that tow bill so it helps us in our operating budget. The storage fees go directly to revenues as well. That impound lot paid for itself within the first couple of years."

Commissioner Travis stated "That is something that we do need to look at." Chairman Hall stated "This does not impact his budget, it's the general fund but I understand what you are saying." Sheriff Welch stated "Most of the vehicles we do impound are related to drug cases."

Commissioner Satterfield asked "Are there any other areas of revenue Sheriff that you have control over or we have control over where fees could be moved upward on the scale or are most of your fees such as concealed weapons permits by statute or what is the deal?" Sheriff Welch responded "That is pretty much through statute. Some of the things, Mr. Satterfield, we have already done in the past, out of state civil processing fee. We went along with the other counties surrounding us and it went up to one hundred (\$100.00) dollars. The civil processing fee in the county was covered under a general statute. One of the things that I am monitoring right now that is going to directly affect the jail project is the Justice Reinvestment Act. That is where the state is trying to get misdemeanors that have been sentenced to the DOC held in the county jails. We have looked at the numbers and as far as our population increasing, it is not going to be that demanding but when you look at it from a revenue aspect, with the completion of the jail we have the potential to make more revenue for the county. I think I have already discussed meeting with the U.S. Marshals, basically holding twenty inmates for the U.S. Marshals and that has the potential of about five hundred thousand (\$500,000.00) dollars a year in revenue."

Commissioner Lucas asked "I had marked that on our revenue on the Federal/State Contracts for fifteen thousand for the upcoming year. Is that a formula like they are talking about with this state plan, they are going to base it by the federal plan but it is negotiable, what is that?" Sheriff Welch responded "Right now I think there has been some discussion, and please correct me if I am wrong, about the state providing revenue for holding these misdemeanors in the local jail. If we have the bed space available you have that revenue. On the flip side of that you are also going to have demands in jurisdictions where their numbers are so great. Say for example a county had three hundred misdemeanors last year and they have to find three hundred beds to hold these misdemeanors plus their general population they may reach out and contact a fellow county or Sheriff's office to help with that and that is fifty dollars to sixty-five per day." Commissioner Lucas continued "Well that was my question because I understand that is in the planning process and nobody really knows the actual numbers so that was my question as far as how to negotiate." Sheriff Welch responded "We are being kept up to speed by the North Carolina Sheriff's Association." Commissioner Satterfield stated "Those numbers have been projected, those misdemeanor numbers have been projected somewhere because I have seen them and there were very few for Caswell County but the surrounding counties around us already have one hundred percent jail population right now." Commissioner Lucas stated "I am not talking about actual numbers. I am talking about the fee that would be received." Commissioner Satterfield responded "I am sorry, I thought you were talking about population." Sheriff Welch stated "That was what I was trying to say is even if the state does not provide that revenue there is still the possibility that a county may want to ask us to help them and that fee is fifty to sixty-five dollars per day per inmate revenue. So when we are looking at the projection we have up to twenty beds for the U.S. Marshals and then that rate has to be calculated based on our operating expenses to the formula of the U.S. Marshals and then you also have the Justice

Reinvestment Act. So basically with time it looks like it is going to benefit the taxpayers greatly.” Commissioner Lucas stated “I think Sheriff Welch that is the one thing that the public may have questions about is the revenue side of the picture. We are hearing a lot about the expenditure side and not a whole lot about the revenue side so to get that out there would probably be very helpful. I know people that have been working on it understand it but the general public does not have a good understanding of it.” Sheriff Welch responded “The only thing that I have been at liberty, at this point, to discuss is meeting with the U.S. Marshals but as time goes on definitely I agree with getting that information out to the general public.” Mr. Howard added “Just for discussion the jail pays telephone revenues. When housing these inmates that is revenue we will make as well because they are paying to make phone calls. With the jail that will increase with us with the increased number of inmates that we will be housing in our facilities. It is not a huge amount but it is revenue. It is our understanding that the federal inmates use it a lot more than the ones that are local because folks come to visit them.”

Chairman Hall stated “We will keep moving on the Revenues.”

Commissioner Lucas asked “On the Emergency Management, on the base line, is that the grant?” Mr. Howard responded “Yes ma’am. That is based on a number of things that we did in this fiscal year and we will get a grant next year that will actually go back and cover those costs. We get that grant usually in June. Sometimes we do not budget it but we are going to budget it for next year because we already know the amount.” Commissioner Lucas continued “Which one of those is used for salary?” Mr. Howard responded “I think it is the base line.” Commissioner Lucas asked “Is that strictly for salary?” Mr. Howard responded “Not strictly but I cannot remember the percentage.” Commissioner Lucas continued “I know they have the supplemental and then just the basic grant.” Mr. Howard responded “The base line is what we get. The supplemental is based on a number of...” Commissioner Lucas stated “I thought that was for supplies.” Mr. Howard continued “They changed the formula a couple of years ago. It is based on the number of trainings we do that year. They have a list of ten to fifteen things you can do and for each thing you do you get a thousand or a couple of thousand for it. Most of them are not hard to do. Say we do a tabletop training scenario, like the other Saturday they had a scenario at the courthouse, doing those things will get you additional money through the grant process.” Commissioner Lucas asked “If the base line is strictly for salary then that would be half of what the EMS director’s salary would be?” Mr. Howard responded “It pays a portion of the EMS director and a portion of one other position. There are two positions that it helps to cover and it has been up to three depending on how much they deal with Emergency Management, we base it on that. It is prorated based on how much they deal with Emergency Management.” Commissioner Lucas continued “And the director makes that decision on who gets the money?” Mr. Howard responded “That is the way it has worked in the past. It basically offsets their EMS salary. We use that to pay for what their EMS salary would be.” Commissioner Lucas stated “I know originally it started out paying half of the director’s salary and but since then there have been additional people added.” Chairman Hall responded “But offset means there are no salary increases?” Mr. Howard responded “Correct. That is what I was trying to say. They do not get paid more because they are doing those duties.” Chairman Hall added “Really it is just a cost allocation. For grants that is required.”

Commissioner Satterfield stated "Page 9 Planning Department Revenues. Civil penalties, is that penalty civil or criminal? Wasn't that civil, that ten thousand we received plus some other fines this year?" Mr. Howard responded "Yes sir. Any fines we collect through the court system goes to the school system." Chairman Hall added "We don't get that." Commissioner Satterfield stated "It goes directly to the schools?" Mr. Howard responded "Yes sir. It passes through us to the school system. Some of these may be if we write a citation in house that may come back to us. That is why we don't have a whole lot in there because we don't usually budget anything in that."

Commissioner Lucas asked "On the Communication Tower Fee, it is not showing anything for the past year or the year before but you have it in for next year?" Mr. Howard responded "We have had an issue on getting that collected. We have since solved that problem and are making contact and we are getting that collected. So we know we will be able to collect that fee this year. We also have two new towers that will be going in over the next year." Commissioner Lucas asked "So we did not collect it for 2010 and 2011?" Mr. Howard responded "Right." Commissioner Lucas continued "Will we collect it?" Mr. Howard responded "Yes ma'am. Alamance County has been going through this process and I have been talking with them on how they resolved this issue." Commissioner Lucas asked "What is the name of the company that will be putting in the towers?" Mr. Howard responded "Beacon Towers is the one at the landfill and they are also looking at putting a tower in the Semora area. They are actually helping us. The problem we have had is the contact information we had goes through the real estate office and not to the office that pays these bills and the towers have changed ownership and getting the information where it needs to go has been difficult. Beacon Towers has actually assisted us in finding out what process to use to find out how to get in touch with those offices. Alamance County is going through the same thing." Commissioner Lucas asked "So we have had a loss of what?" Mr. Howard responded "Well we are going to try to recoup those." Commissioner Lucas continued "But it would have been how much?" Mr. Howard responded "I think we get fifteen hundred (\$1,500.00) dollars a tower, so about three thousand a year." Commissioner Lucas added "So about six thousand." Mr. Howard responded "Yes ma'am. This six thousand does not include the new towers that will be going up over the next year." Commissioner Lucas asked "So the six thousand is what we are planning to collect?" Mr. Howard responded "Based on the towers we have, yes ma'am."

Commissioner Lucas asked "Under Undesignated Health Revenue. You have lines there but what is that?" Ms. Vaughn responded "That line is used if we get an electronic deposit in and we don't get the information in from the Health Department then it is posted into the undesignated until we get the information from them." Commissioner Lucas asked "Do we have it now?" Mr. Howard responded "It has been moved into something else." Ms. Vaughn added "It is moved into the correct line." Mr. Howard stated "When they make a deposit and we don't know where it is supposed to go because we have not gotten the sheets explaining the revenue sources so they stick it into this account and they move it into the other accounts when they get the sheet."

Commissioner Satterfield stated "We did receive notice that, well Dr. Moore said that it was pretty much certain, that we are going to get about two hundred and sixty thousand (\$260,000.00) dollars in Medicaid settlement for this current fiscal year that we did not have budgeted so that is going to hopefully replenish some of the fund balance we are having to

expend this year on the Health Department budget. We were not sure we were going to get that much of a settlement but it looks to be about two hundred and sixty thousand (\$260,000.00) dollars. Of course that does not reflect on here yet because we have not gotten the money. The check is not in hand yet. That is good news.”

Ms. Vaughn stated “We met with Dr. Moore and he has revised his budget with the state indirect fees and insurance. He has reduced it by thirty-two thousand two thirty-seven. He has also adjusted his expenditures to match so it is no change in that and no change in the county funding.” Commissioner Lucas asked “Why is that?” Ms. Vaughn responded “Dr. Moore adjusted five lines: the State Public Health Administration, the Direct Fees, Medicaid Public Health, Medicare Public Health and Jail Health so all of those have been adjusted slightly.” Chairman Hall asked “When you say adjusted, he reduced?” Ms. Vaughn responded “He has adjusted either up or down. He has reduced the Public Health Administration and increased the Direct Fees just slightly and he has done that based on new numbers he has received from the state.” Chairman Hall asked “What did he adjust in expenditures?” Ms. Vaughn responded “His total of difference that his budget changed was one thousand eighty (\$1,080.00) dollars.” Chairman Hall stated “So there were no major changes?” Ms. Vaughn responded “No major changes.”

Ms. Vaughn stated “DSS adjusted the Miscellaneous Administration slightly on page 12. Actually DSS was ten eighty and Health was thirty-two thousand but as I said before the thirty-two thousand was changed to reduce in revenue and also in the expenditure side so it was a wash.” Chairman Hall asked “As far as these big budget items we don’t see any significant reductions for the current year?” Ms. Vaughn responded “I made those adjustments and we will have that when we start doing the total so then you can see it.” Chairman Hall stated “I guess my comment is we did not find any significant adjustments to the current year than what we are projecting next year should be pretty much on track barring any other changes.” Ms. Vaughn responded “Actually what I am saying is the adjustments have been made to the upcoming year 2011-12.”

Commissioner Lucas asked “Chairman Hall on page 12 the Veterans Service, for as long as I can remember that line item has had two thousand (\$2,000.00) dollars and it is like it has never been used. Do we not have a Veterans Service person at DSS?” Ms. Vaughn responded “We receive the two thousand (\$2,000.00) dollars and...” Commissioner Lucas continued “And it is never used.” Mr. Vaughn responded “It may not show listed on the expenditure side, it may be in another...” Commissioner Lucas stated “I don’t think it is listed separately, I am sure it is probably used but I am wondering, I am hoping that it goes for the benefit of the veterans.” Mr. Howard responded “It pays for the veteran’s officer. It goes to the government, that salary, to pay for that individual.” Commissioner Lucas asked “Could we check to see because I would like to know?” Mr. Howard responded “We will check.”

Commissioner Lucas asked “On page 13, Foster Care/AFDC. We only used twenty-seven thousand this year and next year they budgeted eighty thousand so I was just wondering why there would be such a huge increase?” Mr. Howard responded “That is a reimbursable. We have to pay it out and then the state reimburses us. That is what we think we will have to spend in that year and it is based on the number of children we have in foster care.” Commissioner

Lucas stated "But those numbers were low." Mr. Howard responded "They were low this past year so we did not spend that amount. According to an email last week it is picking up again. That is actually reimbursed on a percentage. We are showing the revenue here from the state that will reimburse us. The expenditure side would be a similar amount." Commissioner Lucas stated "I noticed that Social Services only have about four or five children." Mr. Howard responded "Most of our foster care is for out of the county." Commissioner Lucas stated "I was looking at the years before too and it seems low but this number seems high." Mr. Howard responded "It is not a complete wash but we show the revenue from the state on this side and we have an expenditure on the expense side and it is based on the number of children we have. You are seeing here what we got back from the state."

Commissioner Lucas asked "On page 14 under the administrative cost for JCPC what is that?" Ms. Vaughn responded "That is the actual amount of the grant that is projected for 2011-2012." Commissioner Lucas continued "As of April 30th you have received the grant for this year or?" Ms. Vaughn responded "Yes and part of that is the money above that, the fifty-nine thousand and then the seven thousand." Commissioner Lucas asked "That is the 4H program?" Ms. Vaughn responded "Yes, all of that should be combined." Commissioner Lucas asked "As the JCPC?" Ms. Vaughn responded "It comes in as DJJDP." Commissioner Lucas continued "But it is broken down in the 4H YES program." Ms. Vaughn responded "The two programs. Yes it is broken down. What I have done is put the \$97,534 at that time when I did this budget, I only put in the amount on the admin side because we were not sure how much would be allocated to any other groups that was doing a request or proposal. We did not know if the 4H would get it or we would get it but we knew that the grant would come to the county. That is why it is just on one line, the \$97,534." Commissioner Lucas stated "As I look at this it is showing that as of April 30, 2011 the 4H YES program has expended the fifty-nine thousand but it is just a matter of where you put it." Ms. Vaughn responded "Yes, it has been received for that program."

Mr. Howard stated "Going back to your question about the foster care we actually budgeted two hundred and twenty-six thousand on the expense side of that and spent \$38,921 so far this year. So we have received twenty-seven thousand in reimbursement and spent out thirty-eight thousand and that might not be exact. If she comes in for her expenses she can explain that to you." Commissioner Satterfield asked "Is all of that state money?" Mr. Howard responded "No sir, they pay back on a percentage. I think it is seventy-five (75%) percent but I am not positive."

Commissioner Satterfield asked "Do we still have a Fraud Collection unit down there?" Mr. Howard responded "Yes sir, we have to. We have to have someone to investigate it." Commissioner Satterfield continued "I just noticed that it is zero there." Mr. Howard responded "We don't budget because we don't know." Commissioner Satterfield asked "We have not gotten any this year?" Mr. Howard responded "I don't know." Commissioner Lucas responded "I read in the minutes, I think they have recovered over three thousand (\$3,000.00) dollars."

Commissioner Lucas asked "Chairman Hall on page 14 the recreation concession fees, it is showing in the minus as of April 30th." Ms. Vaughn responded "I did look at that. The actual amount is three thousand six hundred and thirty-eight (\$3,638.00) dollars. That line has sales tax that has been coded from that line and it should not be. The sales tax needs to be moved out and

I will do that.” Chairman Hall stated “I remember last year and the prior years that there were questions about this line even with the sales tax that would not account for that bid difference would it?” Ms. Vaughn responded “The concessions fee is only thirty-six thousand now but usually the summer months are when the fees will really go up.” Chairman Hall stated “That is why I said in prior years I remember this question. We buy stuff out of this account.” Ms. Vaughn responded “We buy stuff from the expenditure side.”

(At 9:35 a.m. Commissioner Carter entered the meeting.)

Commissioner Lucas stated “We have put in Facility Rental Fees for this year twenty-five hundred (\$2500.00) dollars. We have not had this in the years past.” Mr. Howard responded “Ashley is going to be working on increasing that revenue. She plans to do some more marketing to increase the usage of the facility.”

Commissioner Lucas asked “The summer camp program it was budgeted at nine thousand does that include what we have been discussing or is that for sports camps?” Mr. Howard responded “That is strictly the Day Camp.”

Commissioner Lucas stated “On the Welcome Center reimbursements on page 16. It is left blank for this year. I was wondering if we did not know how much we would be getting or are we not getting any funds for the Welcome Center?” Mr. Howard responded “We are. We have recorded forty-six fourteen this year. Vocational Trades is blank. They have moved out of that building that is why that is blank.” Commissioner Lucas continued “Right but for the Welcome Center.” Mr. Howard responded “We can go back and add that in.” Commissioner Lucas asked “What would that be?” Mr. Howard responded “The state reimburses us for the utility costs out there.”

Commissioner Satterfield asked “On that same page, Farmer Lake. I would like to discuss that just a little bit if we could Mr. Chairman. I notice that their expenses are projected to go down just a little bit this coming year, but again we are looking at expenses of forty-eight thousand (\$48,000.00) dollars and revenues of ninety-three hundred. Why do you think that is going to increase that much? When this year we are five thousand, last year seven thousand?” Mr. Howard responded “Part of the reason is this year was one of the first years for season passes. We will get you an updated number on that as far as what has come in so far this year.” Commissioner Satterfield asked “We were going to get a monthly report, I thought, from SR Farmer Lake after the discussion last year and I have not seen a monthly report yet. I thought we instructed last year and it may be happening I am just asking the question, if the safety officer out there, if he were to make any night calls and things like that, that this would go through 911 for his safety and also for our information so we can look and see how many calls are being made at night. Are those things happening Mr. Manager?” Mr. Howard responded “I will get you a report on that.” Commissioner Satterfield asked “Can you get me a monthly report for each month and the activity for each month?” Mr. Howard responded “Yes sir.” Commissioner Satterfield continued “On what has been going on each month as far as permits and so forth. With gas being what it is I am wondering if permits are down rather than up. When are we operating that lake right now?” Mr. Howard responded “We are still closed on Mondays and Tuesdays. It is open Wednesday through Sunday.” Commissioner Satterfield asked “Well what

about during the off season?" Mr. Howard responded "It is closed to the public, we use that time to do some of the maintenance. It is closed December and January and it is opened back up sometime in February." Commissioner Satterfield stated "I still think that is an area where there is an awful lot of expense for so little use. That money I think would be better utilized for the recreation area or somewhere like that where the people are really using the facilities."

Commissioner Lucas stated "So the four thousand and ninety is for seasonal passes through April 30th of this year and we haven't really hit the..." Mr. Howard responded "I will get you an updated sheet." Commissioner Lucas continued "It says up here, I think, it is broken down in expenditures. I think it is five thousand." Commissioner Carter stated "I think we have a meeting over there soon." Commissioner Travis responded "The whole Board is supposed to meet over there on Thursday, the 16th at 6:00 p.m." Commissioner Satterfield asked "Ya'll board members are ya'll getting a monthly print out of what is going on over there?" Commissioner Carter responded "We get a quarterly report when we meet. We meet every quarter. Lisa Watlington is the Secretary and she gives us a report every quarter." Commissioner Satterfield asked "Do ya'll know if the lake warden is, if these night calls are being recorded with 911?" Commissioner Carter responded "I don't know." Commissioner Lucas asked "What kind of night calls are they?" Mr. Howard responded "Sometimes somebody is on the lake." Commissioner Travis added "They are riding down the lake at night." Commissioner Satterfield stated "We had a discussion last year, Commissioner Lucas, there is a danger involved with one person responding if there is someone on the lake at night illegally and someone on the lake calls the lake warden. We were looking at the inherent danger of no one knowing from the Sheriff's office that the lake warden is out there by himself. He could have a boating accident at night or whatever or he could run into more than he can handle by himself." Commissioner Travis responded "We can have Kevin contact the lake warden and tell him if there is a call at night to call 911 and to tell them to send a deputy over there." Commissioner Satterfield stated "That is what he was directed to do last year." Chairman Hall responded "All we need then is the confirmation of the procedures."

Commissioner Lucas asked "On page 16 on the CDOT grant is it because it has not been collected or posted as of the 30th is that why there is such a difference there? It is the last listing, the eighty-nine thousand three sixty-three that is what you are predicting for next year? Through April 30th it is twenty-eight thousand and that seems to be tracking the same from '09 and '10." Ms. Vaughn responded "That particular grant has been broken up with DSS, Senior Center and the CDOT budget and this 2011-2012 I am putting the full amount in the general fund in two lines so we can see the actual grant and the supplement and we won't have to track it from one place to the other." Commissioner Lucas continued "So the actual grant is, we are projecting one hundred and thirty-two thousand?" Ms. Vaughn responded "Yes one hundred and thirty-two thousand and it will be in just those two lines."

Commissioner Lucas asked "On page 17 on the bond refund/interest earned, it is left blank. Do we have a number for that or is that?" Ms. Vaughn responded "That is from the bond refund of the school bond so that line was there when we did the refund in 2007-08 so it is just there from that." Commissioner Lucas continued "So there is nothing coming to be put in that line?" Mr. Howard responded "When we do a bond sometimes we will actually have a little interest off the money as it changes from one account to another."

Commissioner Lucas asked "The DOT License Agency back up above, we don't get that money anymore?" Mr. Howard responded "No ma'am, we used to be the pass through for that and now we are not having to do that."

Commissioner Satterfield asked "That ASC and FHA rent, is that something that we occasionally look at and adjust? It looks like it has been about the same thing for about three years." Mr. Howard responded "The FHA rent it may be time to do that again, I am not sure. The federal government has a standard rate that they pay pretty much everywhere and I think it is around \$10.00/sq.ft. It is pretty good." Commissioner Satterfield continued "So they pretty much adjust that every so many years or do we have to ask for that adjustment?" Mr. Howard responded "Let me go back and look at that and see how that is set up. I guess what I am getting at is the rate that they are paying us is so far above what the market is paying around here." Commissioner Satterfield asked "And that is the same way, I assume, with the post office rent?" Mr. Howard responded "Yes that one is set for a pretty good length of time."

Commissioner Lucas stated "On page 18 under Insurance Settlement, I noticed that we have had significant settlements in previous years, not so much this year and nothing is in the lines for next year." Ms. Vaughn responded "That money is based on any kind of losses that we have, mostly vehicle and it is just posted there. Based on the expenditure side I will appropriate it so it will be showing on the expenditure side as well if the vehicle needs a repair and when it is repaired."

Commissioner Lucas asked "On the ABC board profits did we get that corrected?" Ms. Vaughn responded "Yes, the actual amount should be nine thousand two eighty-nine as of May 31st."

Commissioner Lucas stated "On the Medicaid/Medicare, there is nothing filled in." Ms. Vaughn responded "That amount, the one hundred and fifty-three thousand will be combined with EMS Source, the collection on that. We receive the funding from EMS Source through electronic funds deposits and they have descriptions on it that say Medicaid or Medicare and it has been posted in this line and I move it all to EMS Source. You will see the true amount there. That is going to bring EMS Source up to over six hundred thousand (\$600,000.00) dollars." Commissioner Lucas asked "Does that come in all at one time?" Ms. Vaughn responded "It comes in, I won't say daily but almost daily that we get deposits from EMS Source for their collections." Mr. Howard added "As they collect them they automatically transfer it to our bank."

Commissioner Lucas asked "On page 19, the Medicaid Hold Harmless pay, we have not had any and you are showing it for next year?" Ms. Vaughn responded "We don't normally budget that but we do have the projection for 2011-2012 and we have not received it. We will receive a small amount this year, somewhere around twenty-one thousand, but next year we received a projection for forty-five five zero seven so we are budgeting that." Commissioner Lucas responded "You said twenty-one for this year, right?" Ms. Vaughn responded "Yes." Commissioner Lucas continued "But it is not in the budget?" Ms. Vaughn responded "It is not in the budget, I have not appropriated that yet. We have received notification that we will receive that amount of money." Mr. Howard added "What they base that on is as our sales tax revenues

go back up that puts us back in line to have a minimum of five hundred thousand (\$500,000.00) dollars savings this year. What is happening is the sales tax that they took from us is increasing their revenue so it is decreasing the savings difference we would have had in Medicaid Hold Harmless as that goes back up. As it goes up they are taking more revenue source from us than what they have in the years past.” Chairman Hall asked “This is not the sales tax that is about to expire?” Mr. Howard responded “No sir, this is not sales tax. This is based on the part before that they took as part of the Medicaid.” Commissioner Lucas stated “The settlement.” Mr. Howard responded “Yes ma’am.”

Commissioner Lucas asked “Under the Capital Reserve for the Board of Education, the three hundred thousand, is that the agreement that was worked out?” Mr. Howard responded “No ma’am. This is, in the years past we have made the bond payment with the sales tax dollars for capital outlay. With that bond being paid off that money is going to their capital that we give them every year for operations and we are using what we would normally spend for that to make the jail bond payment.” Commissioner Lucas continued “Because the next line is transfer from School capital Reserve.” Mr. Howard responded “That is the actual bond payment. With that one bond being paid off we are just shifting that to cover the other.”

Commissioner Lucas asked “On page 21 under the Solid Waste Management, I guess there is nothing for this year?” Mr. Howard responded “No ma’am, that was the loan where we borrowed the money to pay for the ambulance.” Commissioner Lucas continued “And the number on appropriated fund balance, has that changed?” Ms. Vaughn responded “The four thirty-nine one fifty-four, no that has not changed. Nothing else has been appropriated for that.”

Commissioner Lucas stated “So none of those fund balance numbers have changed on page 22?” Ms. Vaughn responded “On page 22, the Home Health fund balance changed. It increase by four thousand one hundred and twenty (\$4,120.00) dollars and the WCH increased by one thousand ninety-eight (\$1,098.00) dollars. That is the difference to offset the state direct fees and the insurance revenue that Dr. Moore changed earlier.”

Commissioner Lucas asked “And the eighty-one thousand for the Sheriff/Police that is what was left over in the...” Ms. Vaughn responded “That is what the projection is.” Mr. Howard added “That number could change.” Ms. Vaughn stated “That amount is the exact amount on the expenditure side that is used for the Police.”

Ms. Vaughn stated “That is all the revenues for general funds. Tab 3 is the General Government and the first budget is Governing Body and that is very much the same as the current year except the dues and subscriptions have all been moved to one location and that is in non-departmental. The difference is not the dues and subscriptions...” Commissioner Lucas asked “Is that the state succession dues?” Ms. Vaughn responded “Yes and I have a list of them when we get to that point.” Chairman Hall asked “Do you want to know what they are?” Commissioner Lucas responded “I thought they were on here but they are not on what you gave us.” Mr. Howard responded “They will be in non-departmental now.” Commissioner Lucas asked “What page is non-departmental on?” Ms. Vaughn responded “They should be on that report that we have.” Mr. Howard added “Go to page 2 under non-departmental.”

Commissioner Satterfield asked "What are the cablevision television dues? What is that?" Ms. Vaughn responded "That is the title they have on it." Chairman Hall asked "Is that what we pay the COG?" Mr. Howard and Ms. Vaughn responded "Yes sir." Commissioner Satterfield asked "For what?" Chairman Hall responded "The Council of Governments up until this past year, had a dedicated person to help negotiate cablevision and other dues for the entire region. I think after last year we kind of eliminated that position and moved it to somewhere else or to work on something for the COG." Commissioner Satterfield asked "Well can't we eliminate that seven hundred (\$700.00) dollars." Chairman Hall responded "I don't know what else he is working on. It is for whatever he is working on." Mr. Howard stated "We will go back and look at that again to make sure that this is not something different." Commissioner Satterfield stated "We are giving the COG a lot of money. What is PTCOG contributions? What do we get for that?" Ms. Vaughn responded "That is the Rural Transportation Plan and Organization match that the COG charges the counties." Mr. Howard stated "He is talking about the contribution line above that." Chairman Hall asked "Is that the regular dues. I know the dues are per capita." Commissioner Satterfield responded "The dues are forty-nine hundred (\$4,900.00) dollars." Ms. Vaughn stated "Most of these I have already received the letter for." Mr. Howard stated "The PTCOG contributions is the Piedmont Triad Partnership, it has the wrong..." Commissioner Lucas stated "So we are members of the partnership?" Mr. Howard responded "Yes ma'am. That is supposed to be Piedmont Triad Partnership contributions." Commissioner Lucas asked "How will this be affected with the restructuring of the COG?" Chairman Hall responded "I don't think it is going to affect our dues too much. It may be a small amount. To answer your question it probably will not impact us."

Commissioner Lucas asked "What is the SOG membership dues?" Ms. Vaughn responded "That is the School of Government membership dues." Commissioner Lucas continued "Is that something new?" Ms. Vaughn responded "No." Mr. Howard added "We use them for advice." Ms. Vaughn continued "I will have to look back but I get memos to let us know how much is due." Mr. Howard added "We were doing that when I got here so we have been doing that for several years." Commissioner Satterfield stated "I was thinking that we paid some kind of dues to the School of Government even when I was on the Board before." Commissioner Lucas responded "We did not when I was on the Board before."

Ms. Vaughn stated "The next budget is Administration on page 4."

Commissioner Carter stated "I noticed that Economic Development has increased from seven hundred to fifteen hundred." Mr. Howard responded "What that pays for is the bush hogging at the Pelham Industrial Park twice a year." Commissioner Lucas asked "Why wouldn't that come under Maintenance?" Mr. Howard responded "We did that so we could track it. It was under the Economic Development Department when I first got here and we just absorbed some of those costs in Admin." Ms. Vaughn added "That would be easy enough to move to Maintenance." Chairman Hall added "It would work but let's think through what it is you are trying to accomplish. I think we should have a designated place for capturing the costs of the park whether it is Economic Development or wherever. Once you move it then you will not know the true costs." Ms. Vaughn asked "So you prefer to leave it?" Chairman Hall responded "I would prefer to leave it or if we are going to move it we need to identify the park so we can put all the cost in one place. Not just move it because it is maintenance or because it is something else."

Commissioner Lucas asked "So we have the total on longevity and fringe for administration?" Mr. Howard responded "Neither of us has been here five years yet. There is no longevity pay for either person in administration."

Commissioner Carter asked "Kevin what about the travel?" Mr. Howard responded "That is increased. What we have in there is for Paula to take the County Administration course with the School of Government next year and that is twenty-two hundred (\$2,200.00) dollars."

Commissioner Lucas stated "I am trying to look and see if there is a justification, I think we do on the small tools and equipment." Mr. Howard responded "We do not have anything definite in there. We do not plan on buying anything but if a printer breaks or a calculator or whatever we will replace it. We don't usually have a very large expense there."

Commissioner Lucas asked "On the telecommunications for administrations, who is that. Is that both you and Gwen?" Mr. Howard responded "That covers my cell phone. I use my own cell phone and the county gives me a stipend each month for the use of my cell phone." Ms. Vaughn added "And it is going to increase this year because of an air card for usage to his laptop." Mr. Howard stated "That is for when I go to different functions I can access the internet for things that I would need."

Commissioner Lucas asked "The due and subscriptions on page 5, what is that? Did we get a list of those?" Ms. Vaughn responded "Yes." Mr. Howard responded "That is my membership in the County Managers Association and then the clerk's membership in the County Clerks Association."

Ms. Vaughn stated "On page 8 is the Finance Budget."

Commissioner Carter asked "Under travel I noticed an increase in travel to two thousand (\$2,000.00) dollars. It is doubled." Ms. Vaughn responded "That includes the Fall and Spring conference and summer conference and the North Carolina School of Government classes. This year we did not do a Public Law update class and that is one that I have included in. We normally do that but we did not do that one at all this year at the School of Government." Commissioner Lucas asked "So you have Fall, Spring and Summer conferences?" Ms. Vaughn responded "Yes."

Commissioner Carter asked "The small tools are in with the supplies right?" Ms. Vaughn responded "Yes I have that for a check signer printer." Commissioner Carter asked "Is it supplies, or maintenance on equipment or what?" Ms. Vaughn responded "It is a replacement of the printer. It is still in operation just like with Thomas when he was here but it is kind of giving us some problems so I budgeted to replace that. I will only do that if I have to." Commissioner Carter stated "I understand that. It is just in every column I see a small tools and equipment and I was just wondering if it would be best suited to be listed as supplies or maintenance repair on equipment." Mr. Howard responded "We could do that. We list them separately so we can track our actual supplies which is pens, paper, paper clips, the smaller things and equipment in a separate place when we have actually bought equipment. That is the only reason that is done that

way. They are not capital items. They are just printers and we may purchase a computer out of that. Anything less than five thousand dollars goes in there instead of capital outlay. It is not capitalized on our inventory.”

Commissioner Lucas asked “And for information purposes, Contracted Services is what?” Ms. Vaughn responded “The contracted services would be our WebX. When we do a WebX for ACS we normally do the end of the year for W-2s and 1099s and any updates that may come and that is normally between seventy-five (\$75.00) dollars to one hundred and fifty (\$150.00) dollars depending on what it is.”

Commissioner Lucas asked “When we went through administration we did not talk about the professional services for the attorney. Is now the time to address that during our budget workshop? How to handle the attorney situation?” Chairman Hall responded “Yes it is.” Commissioner Lucas asked “I was just wondering what the other commissioners’ thoughts are on where we are with that?” Chairman Hall responded “The last discussions that I recall, the Board basically decided not to move forward with the employment applications that we had advertised for. I guess we are at the point, where we should have already made a decision on if we are going to continue with contract services. It was in my mind that we were going to continue with the contract services since we did not move forward with interviewing and trying to hire someone as an employee.” Commissioner Lucas stated “I thought we talked about through June, having the situation temporary.” Chairman Hall responded “We may have.” Mr. Howard added “The current contract ends in June.” Chairman Hall stated “If you are going to hire someone as an employee starting July 1 then there should be something in process. If not then we should be discussing advertisement.” Commissioner Lucas responded “I thought we talked about doing that and that we were still receiving applications. That was my understanding.” Commissioner Satterfield stated “Let’s put it on the next agenda and take care of it Mr. Chairman. I am pretty happy with what we are doing.” Commissioner Carter added “I am too. I think it is saving us money the way we are doing it now.” Chairman Hall responded “I will get it on the agenda.”

Ms. Vaughn stated “Before we go to the Tax budget I would like to add that we have some new initiatives that we would like to start in Finance. We have already started scanning and emailing our month end and budget and payroll reports out to the departments and we email memos as often as possible. We would like to offer tax payments to the employees by payroll deduction. I have discussed that with the Tax Director. We would do it in a span of time that allows the employees to set up possibly three, four or five month of payroll deduction that will go directly to the tax department to pay for the current year’s tax that they owe. We plan to do an online payroll check stub rather than fold and hand out that paper. That way an employee can go online and look at their pay stub and print copies or even look at the compiled information about their sick leave, vacation leave, when they used it, how they used it, and how often they use it so they will be able to keep up with that. We find that we have employees who come in and ask for a check stub that they have not kept and they need to have one because they are going to the bank for a loan possibly or something so they want us to go back and pull one. If they have it on line they can go in, even if they are at the bank, they can go on and print it right out. We would like to offer that. We plan to offer document destruction. We don’t have any type of shredding or destruction going on here other than taking it to the landfill. We have been in contact with two

vendors about document destruction and they will be able to come on site and destroy anything that we have in documents and take it away and we will not need to have the landfill to come out and to pick it up and burn it. Those are the things that we are looking at.”

Commissioner Satterfield asked “I noticed in looking at the budget in capital request I think there was some type of shredder proposed for several departments to use down at the other courthouse.” Mr. Howard responded “We are looking at doing this instead of doing that shredder. It is cheaper to have a company to come in and do it.” Commissioner Satterfield asked “It is cheaper to have a company to come in rather than us to shred it?” Mr. Howard responded “The shredder we would need is four thousand (\$4,000.00) dollars.” Ms. Vaughn added “It was more than five thousand and they were looking at purchasing a shredder and moving it from one location to another. I don’t know that this would be a good concept because it would probably last one year or two years and then it would be gone. We have looked at the cost of having it destroyed. The company that we have already spoken with comes to several places here in the county and we can set the cost based upon where we want to have the locations, when we want to have them come. We may have one department where they come once a month or every two months or even quarterly. Another department they may come once a week. It all depends on the volume. We are looking at that and it is a very cost effective way of doing it. We also know that we will be doing the destruction the right way rather than just single shredding.” Commissioner Satterfield stated “I just figured we did not need both, that was the reason I was questioning it.” Mr. Howard responded “This came up after we did the budget.” Commissioner Satterfield stated “Well part of that cost will come out of Court Facility fees or something like that.” Mr. Howard responded “Yes sir. This allows us to divide up that cost based upon the department such as Health Department, DSS, etc.”

Commissioner Satterfield asked “We had talked about last year and I know there is nothing in here for it for governing body, we talked about the cost of putting together these agenda packages and things like this and even so much as this. Would laptops be cost effective? Could we look into laptops being issued to the member of the Board of Commissioners to reduce paperwork?” Mr. Howard responded “We have actually been doing some research on that for the past few months and what we would need to get the stuff on the laptops. Some counties are actually going to the iPads because they are about four hundred or five hundred dollars a piece versus a laptop can get up to quite a bit more than that.” Commissioner Satterfield asked “Even something like this could be downloaded on it, I would assume?” Mr. Howard responded “Yes sir.” Commissioner Satterfield added “It looks to me that we are still operating at about fifty years backwards in some cases.” Mr. Howard responded “In some cases we are. We are getting to the point where, we are getting this stuff from different sources. It is not all in one program and I am not an expert so I am giving you the layman’s terms on it, getting all into one document and downloading it on the laptop so you can read it, a PDF. We are researching that type of software in order to do that.” Chairman Hall added “I will comment over the last few months I have been talking with the clerk about this very same thing only because the clerk brought it to my attention that others are doing it and that it is something that we should consider. With iPads at the cost that they are now and the storage capabilities, I think we would be much better in the long run in terms of paper and for clerk time to do that. If you do it one time, you can download it to the iPad in five minutes or whatever and you don’t spend forever putting together books. This is labor intensive. It just makes sense.” Commissioner Satterfield asked “Mr. Chairman

can we look at is in next year's budget?" Chairman Hall responded "I would say definitely. I would go so far as suggesting that our clerk start looking at that since that falls under her realm of responsibility to start getting the information and the costs and everything. Look at the paper costs, the printing costs would far exceed if not in one year but two the thirty-five hundred or four thousand dollars we would spend." Commissioner Satterfield stated "I know a lot times I go back, of course she does mine in a book, I have to go back and try to find different meetings and things like that and if it was on a laptop or and iPad it would be a simple matter of a few clicks of a button and I am there. I think it is a lot more effective." Chairman Hall stated "Let's start looking at that and to address the county manager's concern that is procedural on how we get information from the departments and I don't think we should hold up as far as coming into the 21st century because of that. The departments are spending a lot of time printing and typing and copying and it is not an efficient way to do business."

Commissioner Satterfield stated "While we are in Finance, Mr. Chairman, I would like to say one thing. I appreciate the job you are doing with staff. I am just mentioning this, I know it is just a nickel and dime, I am a nickel and dime man I guess, I would also like to make the request I did to the Sheriff as far as travel. I noticed that this year you spent about fifteen hundred dollars so if it is five hundred dollars you can save the taxpayers in there I wish you would reconsider and talk to the manager and see if there is any way you can pick and choose what is most important. If we can get a little bit from each department maybe we can buy something." Ms. Vaughn responded "Yes sir."

Commissioner Travis asked "When you talked about taking the taxes out of people's payroll, how many people have you had asked about this?" Ms. Vaughn responded "We have not had anybody ask from my perspective, I am not sure about the tax director, but we thought we would offer that to any employee." Commissioner Travis stated "If we start adding things to your department the next thing we will hear is you need more help." Chairman Hall responded "My thinking on what she is suggesting is, I will charge her with whatever we do, we do it with technology. The technology could reduce time. We can come back to this in another meeting to discuss this more." Commissioner Satterfield added "Something like that should not require much time at all. I think it could be a good benefit for some of the employees to be able to do that."

Chairman Hall stated "We need to schedule the next meeting. The next meeting will be Tuesday, June 14th at 5:30 p.m."

Commissioner Lucas asked "Which department is next?" Ms. Vaughn responded "The Board of Elections."

RECESS

At 10:30 p.m. Chairman Hall recessed the meeting until Tuesday, June 14, 2011 at 5:30 p.m.

Paula P. Seamster
Clerk to the Board

Nathaniel Hall
Chairman
