

**THE BOARD OF COUNTY COMMISSIONERS  
DURHAM, NORTH CAROLINA**

Tuesday, March 23, 2010

“Conversations with Commissioners”

7:00 P.M.

**MINUTES**

Place: Holton Career & Resource Center, 401 North Driver St, Durham N.C. 27701

Present: Chairman Michael D. Page, Vice-Chairman Ellen W. Reckhow, and Commissioners Joe W. Bowser (arrived at 8:18), Becky M. Heron, and Brenda A. Howerton

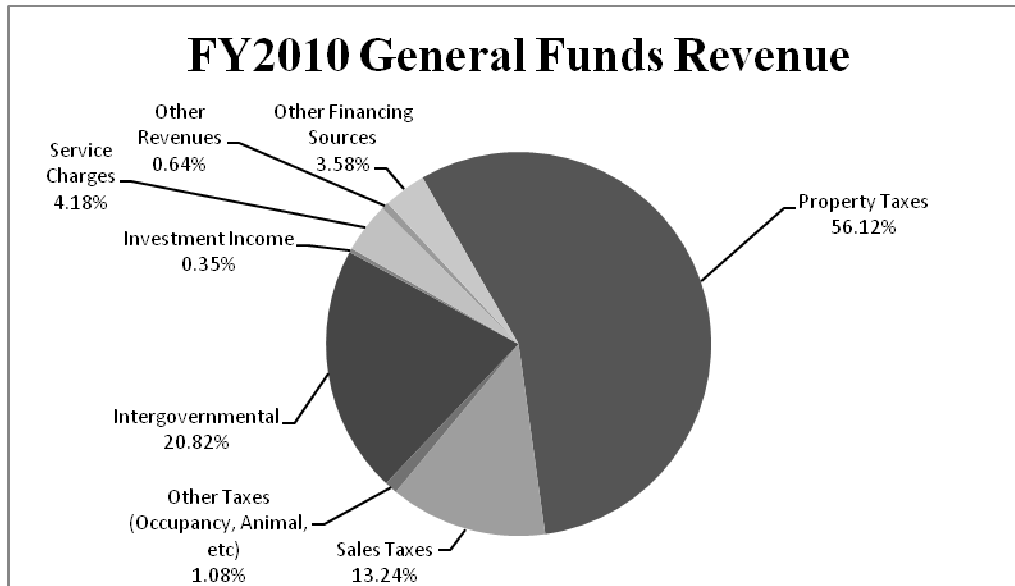
Durham Public Schools (DPS) Board Chairman Minnie Forte-Brown, Members Heidi Carter, Frederick Davis, Kirsten Kainz, and Steve Martin; Interim Superintendent—Hank Hurd

Staff: County Manager Michael Ruffin; Deputy County Managers Wendell Davis and Carolyn Titus; Pam Meyer, Budget & Management Services Director, George Quick, Finance Director; Lowell Siler, County Attorney; Laura Jensen, Assistant to the County Manager; Drew Cummings, Assistant County Manager; Keith Lane, Budget Analyst and Angela Pinnix, Administrative Assistant; Dawn Dudley, Public Information Specialist

Chairman Page welcomed citizens to “Conversations with Commissioners”, a community meeting to allow citizens the opportunity to give input on the FY 2010-2011 County Budget.

County Manager Ruffin gave the following presentation:

FY2010-2011 Budget



- Property Tax Base has increased 1.3% vs. average of 3% growth seen in previous years.
- Economic Factors continue to have impact on the tax base:
  - New Construction Permits
  - Business Personal Property
  - Public Service Values
  - Registered Motor Vehicles

2009-2010 Budgeted Tax Base		2010-2011 Estimated Tax Base	
Class		Class	Estimate
Real Property	\$24,001,391,153	Real Property	\$24,409,561,732
Personal Property	\$2,839,459,382	Personal Property	\$2,806,047,732
Public Service	\$480,000,000	Public Service	\$512,746,790
Registered Motor Vehicles	\$1,706,590,960	Registered Motor Vehicles	\$1,690,000,380
<b>Total Tax Base</b>	<b>\$29,027,441,495</b>	<b>Total Tax Base</b>	<b>\$29,418,356,634</b>

Total Durham County 2009 Fund Balance = \$92,187,744

- Reserved per N.C. Statute and Unspent Restricted Funds (Federal, State, Grants, etc.)-- \$30,335,007
- Unreserved = \$61,852,737
  - Unreserved, Designed for MH, DSS, Debt Service, Risk Management, Subsequent Year's Expenditures, Retirement = \$25,743,896
  - Unreserved, Undesignated = \$36,108,841
    - Note 1: Unreserved fund balance of 15% is goal per the Durham County Financial Policy

- Note 2: Per the Policy any undesignated fund balance over 15% supports retirement funding

Current estimated General Fund deficit for FY 2010-11

<b>Revenue</b>	<b>Net Change From FY 2009-10 Budget</b>
Property Tax	\$2,530,000
Register of Deeds Fees	(\$300,000)
Investment Revenue	(\$580,000)
State Inmate Fees	(\$280,000)
JAG Funding (Warrant Control)	(\$397,000)
State Hold Harmless Funding	(\$500,000)
<b>Total Revenue Increase</b>	<b>\$1,473,000</b>
<b>Expenditures</b>	<b>Net Change From 2009-10 Budget</b>
Medical/Dental Insurance Increase	\$1,960,000
LGERS Rate Increase for Employer Contributions	\$1,340,000
Natural Personnel Expenditure Growth	\$155,000
<b>Total Expenditure Increase</b>	<b>\$3,455,000</b>
<b>Total Estimated Deficit</b>	<b>(\$1,982,000)</b>

**FY 2011 Capital Finance Plan**

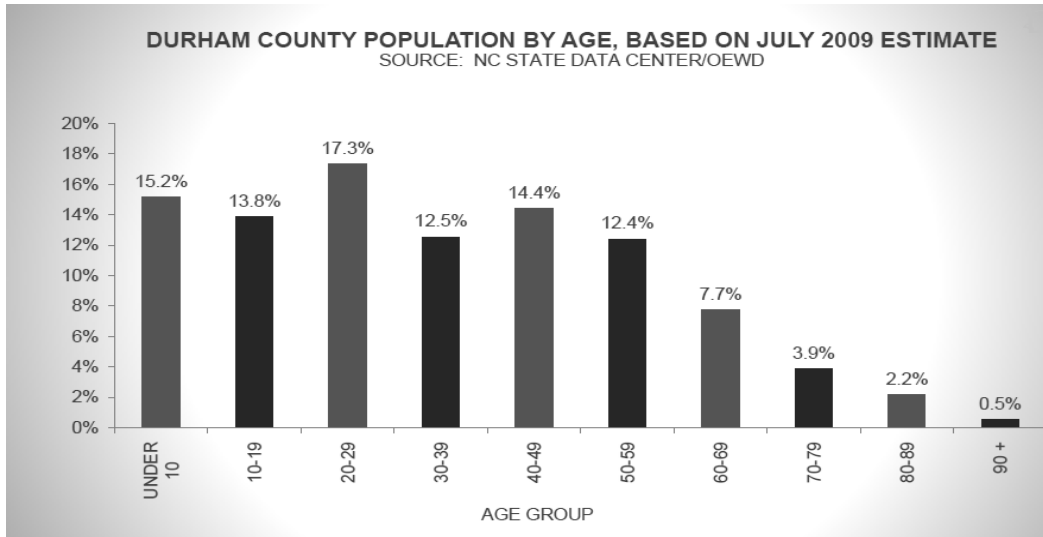
- Initial estimates projected a \$14.2m increase for debt service and the Capital Improvement Program
- Revised estimates due to changes in projected spending on capital projects, revenue changes and project cost changes - \$8.6m increase estimated
- Total Preliminary Gap for FY2011 Budget = \$10.6m

**FY 2010-11 Potential Budget Impacts**

- Opening of South Regional & Southwest Libraries in late Spring 2009 (increased utility costs, staffing in both Library and General Services)
- Changes at the State level could continue to impact local revenues
- Continued reductions in operational expenditures will likely produce higher spending averages
- Continues decline in economy may result in lower over-collection of revenues (resulting in less revenue to offset fund balance appropriated)

FY 10 Rank	10 Most Populous Counties	FY 2008-09 Approved Current Expense Per Pupil	FY 2009-10 Approved Current Expense Per Pupil	% Change from FY09 to FY10
1	Durham	\$2,899	\$2,854	-1.6%
2	New Hanover	\$2,682	\$2,520	-6.1%
3	Guilford	\$2,382	\$2,411	1.2%
4	Mecklenburg	\$2,478	\$2,278	-8.1%

5	Wake	\$2,179	\$2,115	-3.05
6	Forsyth	\$2,016	\$2,079	3.1%
7	Buncombe	\$1,774	\$1,761	-0.8%
8	Cumberland	\$1,338	\$1,389	3.8%
9	Onslow	\$1,332	\$1,351	1.4%
10	Gaston	\$1,274	\$1,297	1.9%



**Durham County – 2000 Census Information**

Per Capita Income: \$23,156

Durham County ranked eighth highest out of 100 counties

Poverty: 13.4% of population earning less than federal poverty threshold

Durham County ranked 50<sup>th</sup> highest out of 100 counties

**Durham County Population Characteristics**

- 26.7% population aged 50 or older
- 13.4 of population living in poverty

**Variety of services provided by Durham County:**

- Child Protective Services
- Libraries
- Developmental Disabilities Services
- Substance Abuse Treatment
- Women Infants and Children (WIC)
- Durham Technical Community College
- Homelessness Services
- Immunizations
- Dental Clinics
- School Resource Officers

- AIDS/HIV Testing and Counseling
- Youth Home
- Erosion Control
- Child Support Collection
- Elections
- Vital Records
- Animal Control
- Warrant Control Center
- Emergency Management
- Communicable Disease Control

Key Dates for FY 2011 Budget

- Monday, May 24 – Manager’s Recommended Budget to Commissioners
- Thursday, May 27 – June 16 – Budget Worksessions with BOCC to be scheduled
- Monday, June 14 – Public Hearing on Recommended Budget
- Monday, June 28 – Board Adoption of FY2011 Annual Budget Ordinance

Chairman Page recognized the following speakers for comments:

Gwen Johnson, 212 Breedlove, Durham, NC 27704  
L’Tanya Gilchrist McCrea, 2007 Lime Street, Durham, NC 27704  
Trilby McClammy, 22 Rhyn Court Durham, NC 27704  
Lyleen Collins, 3127 Dixon Road, Durham, NC 27707  
Gina Frutig, 5231 Penrith Drive, Apt. H., Durham, NC 27713  
George E. Brown, 3600 Tremont Drive, Apt. D., Durham, NC  
Glenn Burger, Parkwood, Durham, NC  
Kristie Moore, DAE President, Durham, NC  
Elizabeth Yancy, 3811 Westchester Road, Durham, NC 27707  
Don Leblces, 2507 W. Cornwallis, Durham, NC  
John Colclough, 204 Andrews Chapel Road, Durham, NC 27703  
Leonardo Williams, 428 St. John Drive, Durham, NC  
Allan Lang, 601Flagstone Way, Durham NC 27712  
Robert L. Cox, 206 Fallenwood Avenue, Durham, NC 27713  
Bryan Proprih, 1020 Sycamore Street, Durham, NC 27707  
Jennifer Daniels, 21 Hawthorne Drive, Durham, NC 27712  
Estellaluh Rasheed, 704 Cook Road, Durham, NC 27707  
Dee Dee Fields, 2317 Overland, Durham, NC 27704  
Willie Johnson, 105 Calms, Rougemont, NC 27572  
Cornelia Connor, 140 Glade Crest Way, #103, Durham  
Shaun Taraporewala, 2710 Hamilton Green Drive, Durham 27703  
Victoria Peterson, P. O. Box 101, Durham, NC 27701  
Natalie Beyer, 2206 Hayfield Drive, Durham, NC 27705  
Tom Johnson, 9708 Gallop Lane, Bahama, NC 27503

Stephanie Johnson, 9708 Gallop Lane, Bahama, NC 27503  
Donald Hughes, Post Office Box 52598, Durham NC 27717  
Chris Shaw, 6101 Chesden Drive, Durham, NC 27713  
David Hartwell, 813 Running Cedar Trail, Durham, NC 27712  
Peter Tompkins, 1006 Minerva Avenue, Durham, NC 27701  
Melissa Rooney, 301 Spring Garden Drive, Durham, NC 27703  
Crystal Auguste, 533 Ripling Way Drive, Durham, NC 27713

Mayor Bill Bell urged County Commissioners and Durham Public School Board members to avoid further cuts. He expressed concerns about sending the wrong signal in terms of education.

Ms. Forte-Brown made comments about the budget-cut proposals.

Chairman Page thanked everyone for their attendance and for offering their input on the upcoming budget. He adjourned the meeting at 9:00 p.m.

Respectfully submitted,

Angela M. Pinnix  
Administrative Assistant  
Clerk to the Board's office