

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

Monday, June 12, 2000

3:55 P.M. Budget Worksession

MINUTES

Place: Commissioners' Room, second floor, Durham County Government Administrative Complex, 200 E. Main Street, Durham, NC

Present: Chairman MaryAnn E. Black, Vice-Chairman Ellen W. Reckhow, and Commissioners Joe W. Bowser and Becky M. Heron

Absent: Commissioner William V. Bell

Presider: Chairman Black

Operating Budget and CIP Worksession

The Board discussed the FY 2001 Operating Budget and FY 2001-2006 Capital Improvement Plan. Board discussion included the Interim County Manager's recommendations on the EMS and Fire Districts emergency medical service delivery, the compensation plan, and the Durham Public Schools' recommended budget. In addition, staff provided an update on the Capital Improvement Plan.

Staff requested input and direction on these issues from the Board.

Interim County Manager Carolyn P. Titus opened the Operating Budget and CIP Worksession. This would be the last worksession regarding the 2000-01 budget as well as the CIP. Three or four budget items would be reviewed with the Board. Staff would like to start with the CIP.

Interim County Manager Titus highlighted the budget and CIP questions the Commissioners had asked over the past few weeks.

Ms. Titus gave the Commissioners an overview of the accomplishments since last Tuesday's worksession when the Board gave direction to make several changes.

Carolyn Titus introduced the revised capital finance plan and the debt service calculation in which the one-cent sales tax was added while repealing the 2 percent tax on food products.

The Commissioners asked questions about the revenue impact of an additional one-cent sales tax with the repeal of the 2 percent local tax. Claudia Odom, Budget Director, responded to the questions and comments.

Interim County Manager Titus discussed the Capital Finance Plan Model--Thirty Years Ending 6-30-2030. She asked the Budget Director to review the change on the last line.

County Attorney Chuck Kitchen commented on the Internet sales tax.

Interim County Manager Titus said that staff would follow up on the repeal of the 2 percent sales tax on food products as the legislation moves forward.

Ms. Odom answered a question on the CIP about renovation of the Old Courthouse.

Library

Ms. Titus led a discussion involving changes to the CIP since the Tuesday worksession. The changes centered around three major issues. The first issue was whether the Commissioners should build a new branch library in the Bragtown area.

Chairman Black said one of the main uses of the Library on Dearborn Drive is for community activities. I hope there are several facilities in the Bragtown area that could be opened for community activities. If the library is not built in the Bragtown area, some of that money may be used to increase funding for the Senior Citizens Center in the amount of \$1.5 to \$1.7 million.

Ms. Dale Gaddis, Library Director, responded to Chairman Black's comments and spoke about the Regional Library Plan.

The Commissioners discussed the Regional Library Plan. Ms. Gaddis responded to the questions and comments.

Chairman Black requested information on the possibility of using school property to build libraries in Durham County to save on land cost.

The second change in the CIP related to downtown parking (the Judicial Building and the American Tobacco parking decks). A lengthy discussion was held on the parking deck projects listed on the CIP.

Durham Public Schools

The third change in the CIP related to Durham Public Schools projects.

Ms. Titus presented the CIP school projects and related funding plan to the County Commissioners.

A lengthy discussion followed on the Durham Public Schools CIP projects.

Staff responded to Commissioner questions and comments.

Vice-Chairman Reckhow stated a new funding plan should be developed for the school system to provide for maintenance. Maintenance should not be taken out of capital outlay money.

Interim County Manager Titus commented staff would follow up on Vice-Chairman Reckhow's suggestion.

Vice-Chairman Reckhow asked for information about the student records that are sent to the Department of Motor Vehicles when students are failing class work.

Ms. Titus distributed information about her recommendation regarding Durham Public Schools allocation. The recommendation follows:

Current Expense	\$67,590,956
Capital Outlay	<u>500,000</u>
General Fund	\$68,090,956
*Debt Service	<u>\$16,470,460</u>
	\$84,561,416

\$1,700,000 allocation for Lakeview School included in debt service payment

\$3,750,000 increase (5.5 percent increase)

Durham County Ranks Second Among Counties in ADM funding

FY 1999- 2000

ORANGE	\$2,231
DURHAM	\$2,149
MECKLENBURG	\$2,071
NEW HANOVER	\$1,847
GUILFORD	\$1,675

The Commissioners asked several general questions and made comments about the Durham Public Schools budget.

Vice-Chairman Reckhow suggested that the Commissioners find additional funding for growth in the school system.

Chairman Black commented that she is not against allocating more money to the schools, but she is against taking money from County Government services to fund the schools.

There should be no tax increase. Funding should be provided for County employees' salary increases.

Interim County Manager Titus examined the budget to find additional money for the schools. She found \$250,000 for the school system without increasing taxes.

Chairman Black wished to look at the projected school growth for next year. She also wished to look at allocating money for purchase and function.

Vice-Chairman Reckhow asked that the County Manager meet with the schools superintendent to bring forward a draft memorandum of agreement for the budget adoption meeting.

Emergency Medical Services

John Mickey Tezai, Director of Emergency Medical Services, and Kenneth J. Caviston, representing the Parkwood Volunteer Fire Department, answered Commissioner questions and responded to comments.

Mr. Tezai explained the original EMS and Fire District proposal to the Commissioners. The three points of the proposal follow:

1. Full funding of ambulance-based EMS services presently provided within the County.
2. Provision of 24-hour Paramedic coverage at all Volunteer Fire Departments.
3. The addition of three paramedic ambulances and staff to the system.

Mr. Tezai answered questions posed by the County Commissioners.

Ms. Odom commented that would send a memo to the Commissioners explaining the basis for the Lebanon Fire Department's request for a tax rate increase.

Ms. Titus said the budget includes a \$624,728 reimbursement to the five volunteer fire departments for EMS expenses currently funded by the Volunteer Districts fire tax.

The funding would come from the Health Care Trust Fund.

City/County Planning Department

Ms. Odom made opening remarks. She commented that the Commissioners had asked staff to take a better look at the Planning Department's budget. The Board wanted a better understanding of the positions and the fee rate increase included in the budget. There is a \$12,000 budget reduction to be made.

Norman Standerfer, Planning Director, explained the Open Space Planner position. He also explained the City's budget process and how it works. The same budget figures were presented to the Commissioners originally in terms of departmental resources. The fee schedule was adopted by City Council. The budget has 44 full-time equivalent positions which is ½ position less than in last year's budget. He explained several of the positions in the proposed budget.

After the overview of the department's budget, the Commissioners asked questions and made comments to which Mr. Standerfer responded.

Vice-Chairman Reckhow requested that Interim County Manager Titus talk to the City Manager about jointly funding the Open Space Planner position that was rejected by the City Council. The position should be filled with the person who was interviewed.

Ms. Titus would speak to the City about the position.

Commissioner Bowser said the Commissioners should revisit the funding percentage of the City-County Planning Department. Durham County needs more "say" in the Planning Department.

Ms. Titus said she would talk to the City Manager about the City's indirect cost allocation plan used in the budget process.

Economic Development Funding Group and Rape Crisis

The Commissioners asked questions about the economic development fund expenditures and Rape Crisis budget. Information would be provided to the Commissioners.

No official action was taken at this worksession.

Adjournment

Chairman Black adjourned the meeting at 6:30 p.m.

Respectfully submitted,

Garry E. Umstead, CMC
Clerk to the Board