

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

Monday, January 3, 2005

9:00 A.M. Worksession

AGENDA

1. Citizen Comments

20 min.

The following citizens have requested time on the agenda to speak to the Board about various issues:

1. Mr. Jack Steer
2. Mr. Mike Fishback
3. Mr. Ralph McKinney Jr.
4. Mr. Barker French

2. Report on W. K. Kellogg Foundation

15 min.

Nearly two years ago, North Carolina Central University and Duke University received a substantial grant from the W. K. Kellogg Foundation to improve the academic achievement of low resource children in communities adjacent to the two universities. Durham County administrators and Social Services staff have been instrumental in collaborating with other community entities to manage this endeavor. Dr. Beverly Washington Jones of North Carolina Central University will provide the Board of County Commissioners with an update on how the grants have played a key role in Durham's efforts to close the achievement gaps between low- and high-achievement students.

Resource Person(s): Dr. Beverly Washington Jones, University College Dean, North Carolina Central University

County Manager's Recommendation: The Manager recommends that the Board receive the report and direct staff to facilitate a discussion regarding how the programs can be integrated into the County's ongoing funding streams.

3. EMS Salary Adjustment

15 min.

Emergency Medical Services was moved from the Durham County Hospital Corporation to Durham County Government in July 1998. As the transfer needed to be accomplished within a relatively short period, existing salary ranges were incorporated into the County salary structure without equity comparison with internal or external pay ranges, even though the existing ranges were not competitive with surrounding agencies or internal departments. Since that time, benchmark comparisons have indicated that the EMS department remains significantly behind its competition in most salary categories, specifically the technical classifications (EMT Intermediate and EMT Paramedic). Due to limited available funds, necessary adjustments to these classifications have not been possible. Because of these inequities, EMS attrition rate remains high, and, to maintain service levels and response times, overtime and Relief Staff expenses have continued to rise. Annual vacancy rates have remained in the 12-15 position range for the last several years. Attrition, although anticipated at some level, is expensive. The first-year cost for hiring, training, and equipping a new employee is \$33,116.62. EMS has become a training ground for employees to activate their North Carolina certification, gain a short period of experience, and then move to a neighboring community where the workload is significantly less and the salary higher. To compound the problem, Orange County implemented a new countywide salary structure in July 2004 that included significant range adjustments and additional positions within its EMS department. Currently, the starting salary for Basic EMTs in Orange County is slightly higher than \$27,000, which is the same starting salary for Paramedics in Durham County. In addition, the starting salary for Orange County Paramedics is \$4,000 higher than in Durham. The impact of these adjustments was immediate. Since July 2004, three Durham County employees have been hired by Orange County at the higher rates. Additionally, existing salaries in the two technical categories in Durham have proven prohibitive in attracting new, qualified applicants.

During the May 27, 2004 budget worksession, this information was discussed with the Board. As of this date, a scheduled countywide salary survey has not been completed, and vacancies within the EMS department continue to arise. As a result, the EMS Director has reviewed the first five months' expense budget activity and has identified available funds to grant a 5% adjustment to affected job

classes, effective January 2005. These available funds are the result of less than anticipated expenses in several operating expense categories and EMS's ability to negotiate lower prices in supply and equipment contracts. In addition, funding for a communications system in the new Lincoln replacement station will not be utilized this fiscal year due to construction delays. This request is for the Board to approve the proposed adjustments for implementation in 12 pay periods at a cost of \$100,451.

It is anticipated that the planned countywide salary study will further highlight the possible need for additional adjustments, and the 2005/06 budget process will include those recommended range adjustments for specific EMS job classes. In addition, recommendations for implementation of new recruitment and training strategies to develop a more accessible local labor pool are being reviewed and may be included in the FY 06 budget request.

Resource Person(s): J. M. Tezai, EMS Director; Kathy Mellown, EMS Recruitment Coordinator; and Deborah Craig-Ray, Public Information/Governmental Affairs Director

County Manager's Recommendation: The Manager recommends that the Board suspend the rules and authorize the 5% adjustment for affected EMS employees effective with the pay period beginning January 17, 2005.

4. 911 CIP Request

15 min.

The Emergency Communications Department, jointly funded by the City and the County, has prepared a five-year plan for various capital and operational needs for 911 over the next five fiscal years.

Resource Person(s): Jim Soukup, Emergency Communications Director

COUNTY MANAGER'S RECOMMENDATION: THE MANAGER RECOMMENDS THAT THE BOARD RECEIVE THE REPORT AND AUTHORIZE A BUDGET AMENDMENT FOR THE CAPITAL IMPROVEMENTS THAT HAVE BEEN REQUESTED FOR THE 2005 FISCAL YEAR.

5. Update on Results Based Accountability Initiative

15 min.

Results Based Accountability (RBA) is an initiative to generate broad-based, positive, and accountable change within both our government and our community. RBA recognizes that no one entity, even one as large as County government, can produce, on its own, substantial progress on any meaningful outcome. Rather, it takes a community engaged around priorities to affect change. The County has been working with two national consultants who developed a template for this process. RBA was launched at the community-wide level by engaging citizens around priority outcome areas and at the county government level through departmental performance measures. In January 2003, Commissioners were introduced to RBA and subsequently developed a preliminary list of priorities in which to engage the community. After a fall retreat for Commissioners, the County decided to collaborate with the City to gain broader participation and support for this initiative. From this partnership, the following shared priority outcomes were agreed upon for our community:

1. Durham citizens are safe;
2. Durham enjoys a prosperous economy;
3. Durham citizens enjoy a healthy environment;
4. Durham's citizens enjoy a community that is vibrant, rich in aesthetic beauty, and embraces and promotes its cultural heritage;
5. Children are ready for and succeeding in school;
6. Every citizen in Durham has access to adequate, safe, and affordable housing;
7. Durham citizens are healthy; and
8. Durham citizens enjoy sustainable, thriving neighborhoods with efficient and well-maintained infrastructure.

These eight outcomes are the structure of the community-wide RBA initiative, with committees formed to develop indicators and strategies for making improvements in each specific outcome area. The work products of each of our outcome committees will feed into an annual Community Report Card to inform the residents of Durham of our efforts to make positive, accountable change.

Simultaneously, County Departments were instructed to develop performance measurements for three to five of their departmental programs. These performance measurements were incorporated into the FY04-05 budget. County departments should be continuing to track and monitor data for their programs in anticipation of reporting their progress in the FY05-06 budget.

Resource Person(s): Heidi Duer, Assistant County Manager for Special Projects

County Manager's Recommendation: The County Manager's recommendation is to receive the report.

6. FY 2004 Comprehensive Annual Financial Report Presentation (CAFR)

15 min.

The Finance Director will present the FY 2004 Comprehensive Annual Financial Report (CAFR) to the Board of County Commissioners. This presentation will be an overview of the CAFR, to include discussion of the County's Fund Balance.

The Finance Director will also announce to the Board that the CAFR for FY 2003 received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association. The Finance Department takes great pride in this accomplishment. It is the highest form of recognition for excellence in state and local government financial reporting. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. Our current report continues to conform to the Certificate of Achievement Program requirements, and Finance is submitting it to the Government Finance Officers Association (GFOA) to determine its eligibility for another Certificate.

Resource Person(s): George Quick, Finance Director, and Susan Fox-Kirk, Deputy Finance Director

County Manager's Recommendation: The Manager recommends that the Board hear the presentation and commend the Finance Department for its continued commitment and dedication to ensuring the timeliness and accuracy of the County's financial reporting, as well as adhering to reporting requirements as stated by the Governmental Accounting Standards Board (GASB), the Government Finance Officers Association (GFOA), and the Local Government Commission (LGC).

7. Initial Discussion of 2005 Legislative Agenda

45 min.

In preparation for the upcoming 2005 General Assembly Session that convenes in late January, staff has initiated the legislative process by gathering ideas from County departments. In addition, staff has reviewed proposed legislation from the City of Durham with the goal of collaborating on issues of mutual interest. The County Commissioners will be asked to share their legislative proposals with staff in this initial discussion. Those items receiving consensus will be researched and brought back to the Board in a subsequent meeting for final approval of the 2005 Legislative Agenda.

Resource Person(s): Deborah Craig-Ray, Public Information/Governmental Affairs Director, and Chuck Kitchen, County Attorney

County Manager's Recommendation: The Manager recommends that the Board discuss and direct staff regarding the 2005 Statewide Legislative Issues.

8. Policy on Conveying Foreclosure Property to Nonprofit Corporations for the Development of Affordable Housing

15 min.

The County currently has approximately 75 parcels of property acquired through the tax foreclosure process. These properties are held for the benefit of all taxing units that have an interest in the property (Liens). The majority of these parcels are not marketable and the Liens exceed the value of the property. Pursuant to N.C.G.S. 153A-378(3), the County is authorized to convey property by private sale to any private entity that provides affordable housing to persons of low or moderate income; therefore, the Policy has been drafted which sets forth the procedures and standards for the conveyance of foreclosure property. The Policy provides that an eligible private entity must be a 501(c)(3) nonprofit corporation that develops Affordable Owner-Occupied Housing. The term Affordable Owner-Occupied Housing is defined as housing developed for home buyers with family incomes at or below 80% of the HUD published area median income for the Durham, North Carolina MSA.

The Policy requires that each conveyance be made via Non-Warranty Deed with the condition that the property be developed for Affordable Housing and sold within five years, with construction beginning within three years. If the condition is not met, all right, title, and interest to the property will revert to the County. The property will be conveyed upon approval of the Board at the purchase price of \$10.00; at that time, all Liens on the property will be deemed extinguished. Since all liens are extinguished upon sale, it is recommended that the City of Durham be made aware of the Policy and its potential affect on Liens held by the City on these foreclosure properties.

Resource Person(s): Carol W. Hammett, Assistant County Attorney

County Manager's Recommendation: The Manager recommends that the Board direct staff regarding the Policy and refer the proposed Policy to the Joint City/County Committee.

9. Organizational Issues

30 min.

The Board is requested to consider the following items related to the internal operations of the Board of Commissioners:

- Board of Commissioners Rules of Procedure
- Public Charge on Agenda
- Code of Ethics
- Email as a Public Record

Resource Person(s): Chuck Kitchen, County Attorney

County Manager's Recommendation: The Manager recommends that the Board consider any changes to the policies and direct that any desired amendments be placed on the consent agenda for the January 10, 2004 meeting.

10. Commissioner Assignments to Boards and Commissions

10 min.

The Board of County Commissioners is requested to consider the appointment of its members to act as liaisons to various boards and commissions. The Commissioners were asked to give a list of their preferences to the Deputy Clerk for submission to Chairman Reckhow. The recommended appointments will be presented at the meeting.

Resource Person(s): Chairman Reckhow

County Manager's Recommendation: The Manager recommends that the Board approve the appointments as decided.

_____ 3¼ hrs.