

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

Monday, November 7, 2005

9:00 A. M. Worksession

**MINUTES**

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

Present: Chairman Ellen W. Reckhow, Vice-Chairman Becky M. Heron, and Commissioners Lewis A. Cheek and Michael D. Page

Absent: Commissioner Philip R. Cousin Jr.

Presider: Chairman Reckhow

Chairman Reckhow welcomed everyone to the November 7, 2005 Worksession of the Board of County Commissioners. She then announced an addition to the agenda to schedule a date for the Commissioners' January 2006 Annual Retreat.

**Motion to Excuse**

Chairman Reckhow recommended that a motion be made to excuse Commissioner Cousin from the November 7, 2005 Worksession.

Commissioner Cheek moved, seconded by Commissioner Page, to excuse Commissioner Cousin.

The motion carried with the following vote:

Ayes: Cheek, Heron, Page, and Reckhow

Noes: None

Absent: Cousin

**Adoption Awareness Month Proclamation**

November being "Adoption Awareness Month", staff from the Department of Social Services (DSS) wished to spread awareness on behalf of every child in Durham County waiting for a loving family.

Chairman Reckhow read the following proclamation into the record:

**PROCLAMATION**

WHEREAS, every child deserves the chance to grow up in a safe, nurturing family; and

WHEREAS, unfortunately, many children in Durham County will never get this chance unless the entire community gets involved; and

WHEREAS, adoption is the goal for more than 50 special needs children in foster care; and

WHEREAS, some special needs children are teenagers with physical, emotional, and behavioral challenges and have been neglected, abandoned, and abused; and

WHEREAS, some are brothers and sisters who want to grow up together and need our care and need security; and

WHEREAS, last year, 17 foster children with special needs in Durham County were adopted:

NOW, THEREFORE, BE IT RESOLVED that we, the members of the Durham County Board of Commissioners, do hereby proclaim November 2005 as

“ADOPTION AWARENESS MONTH”

in Durham County. We recommend this observance to our citizens as an opportunity to spread awareness on behalf of the more than 50 children in Durham County that are waiting for a loving family. We further encourage communities, businesses, groups, schools, faith-based organizations, and families to honor the special needs of Durham County’s children in hopes of securing a permanent, loving family for each and every child regardless of race, age, gender, health, emotional or behavioral condition, and past distress.

This the 7<sup>th</sup> day of November, 2005.

/s/ Five Commissioners  
Durham County Commissioners

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DSS staff thanked the Commissioners, accepted the proclamation, and encouraged Durham County residents to consider adoption. Anyone desiring information about adoption or foster care was asked to contact the Department of Social Services at 560-8422 or 560-8092. Approximately 230 people attended this year’s “Adoption Awareness” event at Wheels Family Fun Park on Hoover Road.

Commissioner Cheek expressed appreciation to persons who become involved in programs that provide for Durham’s children and make Durham a better place to live.

Chairman Reckhow requested that Sammy Haithcock, DSS Director, relay thanks to his entire staff for their efforts.

**Resolution Opposing Federal Cuts to the Safety Net**

Chairman Reckhow stated that this issue is time-sensitive. The U.S. Congress is currently debating significant, damaging cuts to vital human service programs including Child Support Enforcement, Medicaid, Food Stamps, Child Welfare, and Temporary Assistance for Needy Families (TANF). Based on information received from a variety of sources, including the Center of Law and Social Policy, the American Public Human Services Association, National Association of Counties, and the NC Division of Social Services, these potential cuts could have a devastating impact on families in Durham and reduce funding for vital programs.

Chairman Reckhow read the following resolution into the record:

RESOLUTION

WHEREAS, Durham County provides vital human services to its citizens to foster prosperity, permanence, and safety through the Child Support, Food Stamps, Medicaid, Child Welfare, and Work First programs; and

WHEREAS, the United States Congress is considering substantial funding cuts to those programs; and

WHEREAS, Hurricanes Katrina, Rita, and Wilma have had a devastating impact on the economies in the southeastern states, particularly on low-income people; and

WHEREAS, Durham County Government has made substantial efforts to re-locate and support families displaced by Hurricane Katrina; and

WHEREAS, the U.S. House of Representatives' proposed cuts to the Child Support Federal Financial Participation Rate would be reduced from 66% to 50% by 2010, causing a potential revenue loss of approximately \$500,000 per year to Durham County; and

WHEREAS, the proposed child support cuts would severely damage efforts to improve child support collection in Durham County, putting hundreds of children in poverty, and could cause many to become at-risk for juvenile gang influence; and

WHEREAS, further substantial cuts in Child Welfare, Food Stamps, Medicaid, and Temporary Assistance to Needy Families (TANF) will create additional hardships for low-income families and make it more difficult for families to achieve economic independence; and

WHEREAS, Food Stamps provide good nutrition for more than 21,000 Durham residents, helping children to be ready for and succeed in school and for our residents to be healthy; and

WHEREAS, North Carolina has the ninth highest rate of food insecurity in the nation. A total of 13.8% of North Carolinians experienced food insecurity from 2002 to 2004, a 4% increase from the 1996 - 1998 rate. These cuts could prove to be a disaster for the poor families of Durham and North Carolina; and

WHEREAS, the proposed Food Stamp cuts reduce eligibility for legal immigrants while our immigrant population in Durham is growing substantially; and

WHEREAS, these cuts would further exacerbate the damaging results of poverty, including poor school performance, poor health status, abuse and neglect, domestic violence, increased crime, gang activity, and homelessness:

NOW, THEREFORE, BE IT RESOLVED that we, the members of the Durham County Board of Commissioners, do hereby urge the Durham Delegation to the United States House of Representatives and Senate to oppose these proposed cuts to the vital safety net of services that foster positive results for families: good health, nutrition, safety, and economic security for at-risk families.

BE IT FURTHER RESOLVED that a copy of this resolution be sent to the leaders of the U.S. House and Senate and members of the North Carolina delegation.

This the 7<sup>th</sup> day of November, 2005.

/s/ Five Commissioners  
Durham County Commissioners

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Chairman Reckhow recommended a motion to suspend the rules.

Commissioner Heron moved, seconded by Commissioner Page, to suspend the rules.

The motion carried with the following vote:

Ayes: Cheek, Heron, Page, and Reckhow  
Noes: None  
Absent: Cousin

Chairman Reckhow called on Sammy Haithcock, Department of Social Services Director, to explain the impact of the proposed cuts on Durham County's DSS.

Chairman Reckhow recommended a motion be made to approve the Resolution.

Commissioner Heron moved, seconded by Commissioner Page, to approve the Resolution Opposing Federal Cuts to the Safety Net.

The motion carried with the following vote:

Ayes: Cheek, Heron, Page, and Reckhow  
Noes: None  
Absent: Cousin

#### Directives

1. Send copies (today) of this resolution to the National Association of Counties and the North Carolina Association of County Commissioners.
2. In addition to the resolution, follow up with letters to Senators Richard Burr and Elizabeth Dole via facsimile and email (as opposed to US mail) since time is of the essence.

#### **Report on Research with At-Risk Substance Abusers and Their Families: Strengthening Community Ties**

Commissioner Page introduced Dr. Wendee Wechsberg of RTI (Research Triangle Institute) International. He thanked her for her many contributions to the Durham community.

Dr. Wechsberg provided a report on Research with At-Risk Substance Abusers and Their Families: Strengthening Community Ties. RTI is an independent, nonprofit organization dedicated to

conducting research that improves the human condition locally and globally. Dr. Wechsberg stated that the mission of RTI is to improve the human condition as well as solve problems in the substance abuse community. She also informed the Board about RTI projects that have helped advance substance abuse and HIV prevention research in North Carolina, the United States, and South Africa.

Chairman Reckhow thanked Dr. Wechsberg for her work.

Directives

1. Representatives from The Durham Center, TROSA, Duke, and other organizations should meet to coordinate a strategy on how to deliver services to assist the substance abuse community. (Commissioner Cheek expressed a desire to help in this effort.)
2. Nonprofits should meet with relevant County agencies to collaborate efforts.
3. Host a grants workshop for nonprofits to help them become sustainable and build community capacity. Contact Duke since it has a nonprofits' center with technical resources.

### **14<sup>th</sup> Judicial Districts FY 2004-05 Annual Report**

Geoffrey Hathaway, Judicial District Manager, NC Department of Correction, Division of Community Corrections, presented the FY 2004-2005 Annual Report for Community Corrections for District 14 (Durham). The report included information that summarizes money paid by offenders to the Durham County Clerk of Court, offender population trends within the past five fiscal years, the most frequently committed criminal offenses for which offenders were placed on probation, and drug tests completed and the rate of positive test results.

Mr. Hathaway answered questions about the following programs:

- Criminal Justice Resource Center (Day Reporting Center, Second Chance Program, Re-Entry Program, GED classroom training, cognitive Behavior Intervention, Employment programs, Substance abuse treatment, and Life Skill classes)
- Domestic Violence
- Sex offender Control
- Community Threat Group
- Re-Entry
- Going Home
- Repair
- TROSA
- School Partnership
- Electronic House Arrest
- Community Service Work

#### **Directives**

1. Determine the County's cost for office space provided to probation officers and consider ways to better utilize the space.
2. Repair Program:
  - Mr. Hathaway to work with Gudrun Parmer about submitting a Crime Commission grant for the program;
  - Mr. Hathaway to approach construction companies about sponsoring the program;
  - Mr. Hathaway to inform Chairman Reckhow, County Manager Ruffin, and Gudrun Parmer of the cost of the program;
  - Pool a group of people to brainstorm on how to keep the program operational; and
  - Check with Housing and Community Development and the Workforce Development Board to see if they could help fund the program.

#### **Tax Office—Establish 2008 Revaluation Date and Request for Additional Personnel**

Kenneth Joyner, Tax Administrator, stated that although the date has not been set, Tax Administration and the Board of County Commissioners have both expressed the desire for a 2008 revaluation. A resolution must be adopted to advance the revaluation to January 1, 2008. Further, a recommendation has been made that at the conclusion of the 2008 reappraisal, the County should advance to a four-year reappraisal (January 1, 2012) and each fourth year thereafter. (The potential exists for the state legislature to change the current mandated octennial revaluation plan to a four-year plan.)

Mr. Joyner continued by stating that current appraisal staff is responsible for yearly maintenance of over 98,000 parcels of real property. Historical data indicates that as of January 1, 2008, the County parcel count will exceed 105,000. With revaluation forthcoming and workload increasing, an immediate staffing need is evident. Revaluation functions are in addition to all regularly scheduled yearly real property appraisal work. It is imperative that current staff be allowed to execute their existing job functions separate and apart from general reappraisal.

Mr. Joyner requested the hiring of four full-time employees to carry forward the revaluation process for 2008 and retaining such employees for future four-year general reappraisals. The positions requested are Revaluation Supervisor--1; Residential Appraiser--2; and Commercial Appraiser--1. These employees will execute all duties associated with general reappraisal, ensuring that current staff maintains yearly cycle appraisal functions. These duties include fieldwork such as reviewing neighborhoods and commercial districts; building of the uniform schedules of values, standards, and rules to be used in the revaluation; and multiple land valuation issues. These very time-consuming issues must be done expertly and completely for a proper revaluation.

Mr. Joyner informed the Board that these positions were requested in this past year's budget, but the decision was postponed until a final revaluation date was chosen. He requested that the positions begin in January 2006. The Schedule of Values, Standards, and Rules will be presented to the Board of County Commissioners in the first half of 2007 for approval; therefore, Tax Administration has slightly over 12 months to complete the necessary work.

Per North Carolina General Statute, Durham County has budgeted for the 2008 general reappraisal. Funding is currently available in the reappraisal budget for hiring the four employees. The Budget and HR Departments have reviewed and approved this matter.

#### Directives

1. Mr. Joyner to provide additional justification for the four positions.
2. Follow-up with Forsyth, New Hanover, and other counties on their surveys and determine if information can be gained about how they perform their revaluations.
3. Find out the fund balance.
4. Place the Resolution Regarding Advancing the Time for General Appraisal of Real Property on the November 14 consent agenda.

### **Resolution Amending the Economic Development Investment Fund**

County Manager Mike Ruffin stated that the Board of County Commissioners adopted a resolution creating the Economic Development Investment Fund on October 14, 1996. Besides creating the fund from which economic incentives could be paid, the resolution created the parameters for awarding economic incentives. Since 1996, the business climate in the United States has changed considerably. The need to recruit companies which will bring high paying jobs along with medical benefits to Durham County is now of paramount importance. While headquarters of companies and other large employers may build their own buildings, today many of these companies may choose instead to locate in properties already developed.

County Attorney Chuck Kitchen reviewed the following points, which summarize the main sections of the Resolution Amending the Economic Development Investment Fund:

- Minimum \$5 million investment to be increased annually by CPI.
- Minimum creation of 200 new jobs in Durham County.
- New jobs must pay 110% of average wage in Durham County.
- Company must provide health insurance for employees.
- Incentive is up to \$1 million in the discretion of the Board.
- “Claw-Back” provision to require partial or total repayment of incentive if the company leaves prior to ten years.
- Commissioners are not obligated to make an appropriation to any company.

Chairman Reckhow clarified that a policy was in place prior to 1996, at which time it was amended to create a separate fund and expanded to include workforce development.

Commissioner Page asked County Attorney Kitchen if the living wage pertains to this resolution.

County Attorney Kitchen explained why the resolution states “average wage” instead of “living wage”.

Commissioner Page voiced support for the “claw-back” provision.

County Manager Ruffin informed Commissioner Page that incentives are offered at the Board’s discretion.

Commissioner Cheek echoed County Manager Ruffin’s comments and expressed his support for the amended resolution.

Vice-Chairman Heron expressed concern that the resolution does not guarantee or emphasize the hiring of Durham County citizens.

Chairman Reckhow informed Vice-Chairman Heron that her concern could be addressed during negotiations with the companies.

The Commissioners and County Manager discussed tax revenue generated from leasing facilities versus constructing new facilities.

Chairman Reckhow endorsed the health insurance portion of the resolution.

Per a question posed by Vice-Chairman Heron, County Attorney explained Section 3 of the resolution.

#### **Directives**

1. Page 2, No. 5, Add bullet—“Location of the facility in the community”.
2. Delete the “a” after the word “locating” in Section 6.



3. Move this item to the November 14 Regular Session agenda.

Chairman Reckhow commended the County Manager, County Attorney, and Commissioner Cheek for their expeditious work to amend the resolution.

**Finance Policy**

George Quick, Finance Director, thanked the Commissioners for the opportunity to review the proposed Finance Policy, which was created as a result of a visit to New York to meet with rating agencies to understand how to protect Durham County's 'AAA' rating. Mr. Quick informed the Board that of the 5,000 municipal counties in the United States, only 38 counties are rated 'AAA'. Of the 38 counties, five are located in North Carolina: Wake, Guilford, Mecklenburg, Forsyth, and Durham Counties. Mr. Quick expressed concern that Durham County ranks near the bottom of the 38 counties. The Finance Policy is intended to set practices in motion to improve Durham County's ranking so that shifts in the County's financial position will not threaten the 'AAA' rating.

Mr. Quick informed the Board that the Finance Policy sets various financial ratio goals, establishes budgeting procedures, and simply reduces to written form the current practices. He then brought the following policy parameters to the attention of the Board:

Total General Fund Balance		
2004	Goal	Required
13.24%	15%	8%
Undesignated General Fund Balance		
2004	Goal	Required
4.7%	8%	N/A

Contingency Amount			
2004	2005	2006	Goal
.147%	.112%	.072%	.075% to .25%

Total Bonded Debt		
2004	Goal	Required
1.57%	Not to exceed 3%	Not to exceed 8%

**'AAA' Rated Counties by Region**

Northeast	Midwest	West/Southwest	Southeast
New Jersey (4)	Minnesota (3)	Texas (4)	N. Carolina (5)
New York (1)	Michigan (3)	Utah (1)	Virginia (4)
Delaware (1)	Illinois (2)		Maryland (3)
	Ohio (1)		Georgia (2)
	Missouri (1)		S. Carolina (1)
	Kansas (1)		Florida (1)

Mr. Quick conveyed that the County Attorney, County Manager, Budget Director, and the Tax Collector have reviewed the Finance Policy.

Mr. Quick referenced the section in the Finance Policy relating to Fund Balance. He also explained why the Fund Balance declined temporarily due to Mental Health's Medicaid billing process.

**Directives**

1. Mr. Quick to consider procedures to assure a timelier job on collections so the Undesignated Fund Balance does not reflect a significant reduction.
2. Mr. Quick to consider performance criteria for vendors relating to timely billing.
3. Page 5, No. 2.10—change “45 days” to “30 days”.
4. Budget Director Pam Meyer and Mr. Quick to look at No. 2.22(c) to determine if it is consistent with standard procedures.
5. Page 7, No. 3.02(b)—change “equally” to “appropriately”.
6. Place approval of the Finance Policy on the November 14 Regular Session agenda.

The Commissioners praised Mr. Quick and his staff for their work on the Finance Policy.

### **Commissioners' January Retreat**

The Commissioners concurred to hold the retreat on January 12, provided the date is agreeable with Commissioner Cousin. January 6 and 26 were selected as alternative dates.

### **Closed Session**

Chairman Reckhow recommended a motion to move into closed session pursuant to G.S. § 143-318.11(a) (5) to instruct staff concerning the position to be taken on the terms of possible acquisition of 247 S. Mangum Street owned by U-Haul Real Estate Company and 306 S. Roxboro Street owned by Scarborough and Hargett Funeral Home.

Commissioner Cheek moved, seconded by Commissioner Page, to move into closed session.

The motion carried with the following vote:

Ayes: Cheek, Heron, Page, and Reckhow  
Noes: None  
Absent: Cousin

### **Reconvene to Open Session**

Chairman Reckhow announced that the Board met in closed session; direction was given to staff; no action was taken.

### **Adjournment**

There being no further business, Chairman Reckhow adjourned the meeting at 11:50 a.m.

Respectfully submitted,

Vonda Sessoms  
Clerk to the Board