

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

Monday, June 11, 2007

3:00 P.M. Budget 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

Library

Skip Auld, Library Director, provided a follow-up for Durham County Library's FY 2008 Budget and Service Highlights. He spoke about Sunday Hours Proposal, Comparative Usage, and Meeting Room Rental Proposal:

Building a Customer-Centered Library System

Durham County Library – FY2008 Budget & Service Highlights – Follow-up, June 11

Presented by Skip Auld, Library Director; 560-0160, 201-9200; sauld@durhamcountync.gov

The Library Board of Trustees met last Tuesday, June 5 in a special called meeting to consider (A) Sunday hours and (B) Meeting Room rental fees. They recommend the Sunday hours proposal below and want to discuss the meeting room proposal at tomorrow evening's meeting before finalizing their recommendation.

Sunday Hours Proposal

Open libraries in each geographical region year-round: Main, East, North, Southwest

Comparative Usage

	Southwest		Parkwood
	Fiscal Year 2006		
Circulation	189,806	312,344	
	Door Count	123,373	177,419

Fiscal Year 2007

Circulation (11 mos.)	170,341	271,281
Door Count (10 mos.)	83,347	147,608

Meeting Room Rental Proposal

This proposal is expected (conservatively) to bring in \$30,000 in revenue. Most of the Library Board members are in favor of this proposal. However, they are concerned that discussions have not been part of an open meeting.

Charge \$50 for nonprofit groups, for all meetings booked for up to 4 hours. Charge \$100 for meetings booked for over 4 hours.

Charge \$100 for commercial groups, for all meetings booked for up to 4 hours. Charge \$200 for meetings booked for over 4 hours.

No charge for partners, such as Durham Public Schools and Durham Literacy Center.

Mr. Auld informed the Board that Parkwood Library would not be open on Sundays.

Directive

Consider charging \$30 for nonprofit groups for meeting up to 2 hours.

Register of Deeds

Willie Covington, Register of Deeds, presented the following priority items from the Vital Records Projections:

1. Vital Records Back file Conversation—Hart Inter-civic \$193,432.69
 - a. This segment would convert and provide images to for Birth Records back to 1965 and Death Records back to 1993.
2. Shelving for Vitals Vault (Option 2) \$ 48,944.88
 - a. To physically relocate Birth/Death records to the Register of Deeds office.
3. Construction of Office Space \$ 8,000.00
 - a. To construct office space in the Real Estate deed vault for the ROD Network Systems Administrator.
4. Expansion/Up-date Security System \$ 2,000.00
 - a. When Vital records are moved into the office, of the Register of Deeds, it will be necessary to overhaul & up-date our current security system.

Phase Two of the merger could be implemented over several years and would involve the preservation of the unique Vital Records that exist only in Durham County.

Mr. Covington expressed appreciation for the Commissioners time and input. He informed the Board that if further clarification or information is needed, please contact Sharon Davis, Deputy Register of Deeds, at 560-0496.

Mr. Covington announced that Vital Records will be moved to the Register of Deeds office effective July 2nd.

Directives

1. Check with Glen Whisler to see if the movement of space to Register of Deeds would affect the programming for the Health Department.
2. Inform citizens about where they can obtain Vital Records.

Durham Public Schools Briefing

The County Manager announced that DPS has agreed to an additional \$500,000 reduction; however, it is not an actual cut due to the interest relating to impact fees.

Keith Lane, Budget Analyst, presented the following briefing regarding DPS:

School Funding Issues

\$370,000 interest from Impact Fees to DPS in FY2006-07

\$140,000 from DOT directly to DPS in FY2006-07

Average daily membership (ADM) for each school month is based on the sum of the number of days in membership for all non-violating students in individual LEAs (schools), divided by the number of days in the school month. Initial allotments are based on the higher of the prior years actual first two months of ADM or the projected higher of first two months of ADM.

Average daily attendance (ADA) is based on the sum of the number of days in attendance for all students divided by the number of days in the school month. No state allotments are based on ADA.

Membership Last Day (MLD) Membership in a school on the last school day of the month

Flat per pupil funding costs for FY 2007-08

School	Number of Students (ADM)	2006-07 Pupil Exp.	Per Pupil Increase
DPS	15	\$2,629	\$39,435
Charter	772	\$2,629	\$2,029,588
Total	787	\$2,629	\$2,069,023

DPS Request			\$7,507,697
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Difference			\$5,438,674
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No change in Governor's proposal and state House and Senate bills concerning teacher pay...so no change in estimates from DPS for these costs.

31,772 Students were the initial 2006-07 state allotment for Durham County schools

	ADM	MLD
Month1	31,179	31,659
Month 1 Changed	31,135	31,546
Month2	31,569	31,609
Month3	31,476	31,542
Month4	31,434	31,476
Month5	31,423	31,498
Month6	31,377	31,435

Charter School students have met or exceeded the estimated 2,129 allotted by the State

Month1	2,245
Month1 Changed	2,242
Month2	2,250
Month3	2,235
Month4	2,218
Month5	2,183
Month6	2,141
Does not include Durham students at charter schools in other counties	

Historical ADM Trends

DPS

Year	Allotted ADM	Final ADM	Difference	1 st Month ADM	Difference From Allotted
1993-94	27,171	26,862	-309		
1994-95	27,581	27,215	-366		
1995-96	27,980	27,911	-69	27,124	-856
1996-97	28,977	28,467	-510	28,512	-465
1997-98	29,491	28,684	-807	28,783	-708
1998-99	29,644	28,494	-1,150	28,450	-1,194
1999-00	28,964	28,675	-289	28,535	-429
2000-01	29,033	29,237	204	28,991	-42
2001-02	29,796	29,657	-139	29,792	-4
2002-03	30,627	30,032	-595	29,931	-696
2003-04	30,639	30,120	-519	30,166	-473
2004-05	30,810	30,307	-503	30,191	-619
2005-06	30,790	30,883	93	30,903	113
2006-07	31,772	31,377*	-395	31,179	-593
2007-08	31,787				
*Six Month Estimate					

Charter Schools

Year	Allotted ADM	Final ADM	Difference
2003-04		1,927	
2004-05	2,142	1,932	-210
2005-06	2,162	1,960	-202
2006-07	2,129	2,141*	12
2007-08	2,901		
*Six Month (Does not include Durham students at charter schools in other counties)			

Average Daily Attendance Compared to Average Daily Membership, and ranking of that ratio among all public school systems.

LEA	2003-04				2004-05				2005-06			
NAME	ADA	ADM	RATIO	RANK	ADA	ADM	RATIO	RANK	ADA	ADM	RATIO	RANK
CH/CARRBORO	10,189	10,590	96.21	2	10,302	10,705	96.24	4	10,543	10,973	96.08	5
CHATHAM	6,935	7,243	95.75	11	7,069	7,374	95.86	11	7,147	7,471	95.66	9
WAKE	103,547	108,396	95.53	18	108,620	113,547	95.66	20	115,039	120,367	95.57	15
ORANGE	6,121	6,449	94.91	63	6,325	6,619	95.56	25	6,352	6,668	95.26	31
GUILFORD	61,845	65,118	94.97	54	63,036	66,367	94.98	51	64,603	68,118	94.84	62
MECKLENBURG	106,655	112,698	94.64	81	111,151	117,179	94.86	67	116,036	122,261	94.91	56
NEWHANOVER	20,917	22,173	94.34	97	22,028	23,020	95.69	16	22,460	23,848	94.18	101
DURHAM	28,439	30,120	94.42	92	28,674	30,307	94.61	85	29,167	30,883	94.44	82
CUMBERLAND	48,955	52,107	93.95	108	48,930	51,663	94.71	80	48,957	51,886	94.35	90
State Total	1,244,096	1,311,163	94.88		1,266,245	1,332,009	95.06		1,294,132	1,363,695	94.90	

FTE Summary Information - Durham Public Schools

Requested by County

FTE tables as presented in the Budget Requests the past several years.

All FTE Information is a "SNAP-SHOT" in time look at DPS staffing. Positions are shifted to various funding sources throughout the year to maximize resources, align with licensure status, and to utilize lapse salary. **Despite the shifts, the average % of staff from each funding source remains relatively stable.**

Position Summary in Full-Time Equivalents (FTE) - FY 2006-07

Category	Local	State	Federal	Grants/Other	Totals	% of Total
Teachers <i>Includes K-3 Reading, Lab and Magnet programs, Alternative Schools, LEP</i>	295.60	1,530.60	85.40		1,911.60	42%
Teacher Assistants	19.40	357.90	19.00	1.00	397.30	9%
Pupil Support <i>Includes Guidance, Media, Tech support, other instructional support</i>	93.60	177.90	39.80	5.00	316.30	7%
Exceptional Children's Programs	135.70	440.10	108.10		683.90	15%

Career and Technical Education	3.00	122.50			125.50	3%
Operational Costs <i>Includes school clerical, custodians, maintenance employees</i>	352.40	130.40	1.40	15.10	499.30	11%
School Building Administration <i>Includes assistant principals and interns</i>	35.80	98.00			133.80	3%
Transportation	58.10	226.00			284.10	6%
Child Nutrition	1.00	1.00		169.30	171.30	4%
Central Services	18.60	6.50	1.40	0.90	27.40	1%
Totals	1,013.20	3,090.90	255.10	191.30	4,550.50	100%
% of Total	22%	68%	6%	4%	100%	

Position Summary in Full-Time Equivalents (FTE) - FY 2005-06

Category	Local	State	Federal	Grants/Other	Totals	% of Total
Teachers <i>Includes K-3 Reading, Lab and Magnet programs, Alternative Schools, LEP</i>	263.53	1,580.53	90.25	0.07	1,934.38	42%
Teacher Assistants	6.00	333.05	28.23	0.00	367.28	8%
Pupil Support <i>Includes Guidance, Media, Tech support, other instructional support</i>	109.94	162.67	26.74	10.00	309.35	7%
Exceptional Children's Programs	162.50	430.13	95.80	0.00	688.53	15%
Career and Technical Education	4.00	126.67	0.00	0.00	130.67	3%
Operational Costs <i>Includes school clerical, custodians, maintenance employees</i>	259.63	194.32	4.00	30.80	488.75	11%
School Building Administration <i>Includes assistant principals and interns</i>	76.00	58.50			134.50	3%
Transportation	61.13	243.77			304.90	7%
Child Nutrition				174.89	174.89	4%
Central Services	19.37	6.12	1.00	4.00	30.49	1%
Totals	962.10	3,135.76	246.02	219.76	4,563.74	100%
% of Total	21%	69%	5%	5%	100%	

Position Summary in Full-Time Equivalents (FTE) - FY 2004-05 = Used in 05-06 Budget Book

Category	Local	State	Federal	Grants/Other	Totals	% of Total
Teachers <i>Includes K-3 Reading, Lab and Magnet programs, Alternative Schools, LEP</i>	288.7	1,616.2	98.2	1.0	2,004.1	44%
Teacher Assistants	3.3	334.3	29.0	1.0	367.6	8%
Pupil Support <i>Includes Guidance, Media, Tech support, other instructional support</i>	60.6	128.0	23.8	12.4	224.7	5%
Exceptional Children's Programs	212.4	390.2	73.2		675.9	15%
Career and Technical Education	1.0	126.7			127.7	3%
Operational Costs <i>Includes school clerical, custodians, maintenance employees</i>	283.6	216.6	4.0	7.8	512.0	11%
School Building Administration	76.0	49.3			125.3	3%

<i>Includes assistant principals and interns</i>						
Transportation	82.0	217.0			299.0	7%
Child Nutrition				170.6	170.6	4%
Central Services	14.8	16.3	2.3	5.0	38.4	1%
Totals	1,022.4	3,094.5	230.5	197.7	4,545.1	100%
% of Total	22%	68%	5%	4%	100%	

Position Summary in Full-Time Equivalents (FTE) - FY 2003-04

Category	Local	State	Federal	Grants/ Other	Totals	% of Total
Teachers	335.5	1,586.2	100.8	20.0	2,042.5	44%
<i>Includes K-3 Reading, Lab and Magnet programs, Alternative Schools, LEP</i>						
Teacher Assistants	6.8	341.3	15.6	5.4	369.1	8%
Pupil Support	17.5	128.7	18.2	14.8	179.2	4%
<i>Includes Guidance, Media, Tech support, other instructional support</i>						
Exceptional Children's Programs	197.4	422.3	74.8		694.5	15%
Career and Technical Education	3.0	129.0			132.0	3%
Operational Costs	320.2	195.0	5.5	10.0	530.7	12%
<i>Includes school clerical custodians, maintenance employees</i>						
School Building Administration	78.5	52.0		1.0	131.5	3%
<i>Includes assistant principals and interns</i>						
Transportation	116.2	182.6			298.8	6%
Child Nutrition				182.0	182.0	4%
Central Services	12.1	18.0	7.6	3.0	40.7	1%
Totals	1,087.2	3,055.0	222.5	236.2	4,600.9	100%
	24%	66%	5%	5%	100%	

Position Summary in Full-Time Equivalents (FTE) - FY 2002-03

Category	Local	State	Federal	Grants/Other	Totals	% of Total
Teachers	221.7	1,545.6	95.6	15.4	1,878.3	40%
<i>Includes K-3 Reading, Lab and Magnet programs, Alternative Schools, LEP</i>						
Teacher Assistants	4.3	389.8	14.0	2.0	410.1	9%
Pupil Support	45.5	166.1	0.9	30.5	243.0	5%
<i>Includes Guidance, Media, Tech support, other instructional support</i>						
Exceptional Children's Programs	229.4	422.5	108.8		760.7	16%
Career and Technical Education	4.0	130.8			134.8	3%
Operational Costs	288.9	219.5	1.0	12.3	521.6	11%
<i>Includes school clerical custodians, maintenance employees</i>						
School Building Administration	127.5	60.0			187.5	4%
<i>Includes assistant principals and interns</i>						
Transportation	136.1	181.5			317.6	7%
Child Nutrition				182.5	182.5	4%

Central Services	24.0	15.8	7.8	3.5	51.0	1%
Totals	1,081.4	3,131.5	228.1	246.1	4,687.0	100%
	23%	67%	5%	5%	100%	

Locally supported positions

County	Local	Total	% of Total
Durham	1,013	4,551	22.27%
Forsyth	1,061	7,180	14.78%
Guilford	1,822*	8,469*	21.51%
Mecklenburg	2,893	16,877	17.14%
New Hanover	319	2,114	15.07%
Orange	204*	961*	21.23%
CH/Carrboro	763*	1,686*	45.26%
Wake	27,919**	185,617**	15.04%
*From DPI Statistical Profile (These numbers are generally considerably higher than actual FTE comparisons received from county school systems)			
**Months worked (Wake County does not collect FTE information for school employees because so many of them work different types of a year. Thus they use months. The percentage equalizes months vs. FTE's and allows for a valid comparison with other counties.			

SAP Shared Services

Wendell Davis, Deputy County Manager, briefed the Board about maintaining SAP. He proposed to create SAP Solutions and Shared Services, a collection of service subject matter for one department. The sole responsibility will be to manage the business software.

Chairman Reckhow expressed concern regarding the allotment with SAP and the overstaffing of Human Resources.

Chairman Reckhow asked if one of the positions could be funded as opposed to both positions.

Marqueta Welton, Director of Human Resources, informed the Board that without both positions being funded, the SAP position would be lost.

Directives

1. Compare the National Full-Time Equivalent (FTE) regarding efficiency relating to Human Resources.
2. Complete a comprehensive study with comparable counties to be discussed at a future Board of County Commissioners' meeting.

Proposed Changes to the FY 2007-08 Recommended Budget

Pam Meyer, Budget Analyst, presented the following final adjustments for the FY 2007-2008 Budget.

Proposed Changes to the FY 2007-08 Manager's Recommended Budget		
Expenditures		
Department	Dollar Amount	Explanation
DSS	\$115,200	Kinship Care direct Services \$28,800 County Cost
DSS	\$49,918	Kinship Care Coordinator position \$24,959 County Cost
DSS	\$3,610	Admin. Cost for position \$1,805 County cost Total Kinship Care County Cost = \$55,564
DSS	\$(499,849)	Medicaid cost settlement designated for DSS @ 6/30/07 will be re-appropriated in FY08 if necessary. State estimate of County share is \$14.2M, Manager recommendation reduced it to \$13.7M, this cut puts it at \$13.2M or \$1M less than state estimate
PH Family Planning	\$16,320	Offset with additional Title X funds from State (grant letter received after recommended budget document prepared)
Civic Center	\$(35,373)	Removed indirect cost
Economic Development	\$(854,064)	Reductions due to changes in ED contracts and timing of payments needed for FY08.
DPS	\$(500,000)	Further reduction recommended by Manager
DTCC	\$(50,000)	Further reduction recommended by Manager
NCMLS	\$58,000	Possible increase in Museum budget
ROD	\$252,378	Vital Records Project (Back file conversion \$193,433, shelving in vault \$48,945, reconfig. office space \$8,000, update security \$2,000)
EMS	\$392,000	Software and hardware (Approved in FY07, did not get encumbered in time, fund balance appropriation)
Animal Control	\$10,000	APS contract for the animal shelter
Total	\$(1,041,860)	
Revenues		
Department	Dollar Amount	Explanation
DSS	\$86,000	Revenue Reimbursement for Kinship Care Direct Services
DSS	\$24,959	Revenue Reimbursement for Kinship Care Coordinator
DSS	\$1,805	Revenue Reimbursement for Admin. Costs
PH-Family Planning	\$16,320	Additional Title X funds from the State (grant letter received after recommended budget document prepared)
EMS	\$250,000	Increase in revenue projection for Patient Income and Medicaid Reimbursement
CHTF	\$(183,377)	Decrease in transfer from CHTF (CHTF funds will be used to fund \$66,623 expansion of Child System of Care in the Mental Health Department budget)
Finance	\$(52,644)	State estimate for hold harmless less than recommended budget
Tax	\$625,188	\$75 million increase in Real property tax value (based on growth

		estimate) at 98.3% collection rate
EMS	\$392,000	Fund balance appropriation-Funds for software approved in FY07 but not encumbered in time
Library	\$30,000	Due to inc. in fees for meeting rooms
Youth Home	\$8,500	State rate reimbursement increased from \$87 to \$89 per day
Total	\$1,199,151	
Net Change	\$(2,241,011)	
One Cent on Tax Rate	\$2,241,011	
Decrease in Tax Rate	(1.00)	

The Board held a discussion regarding the CJRC grant.

Directives

1. Deputy County Manager Carolyn Titus to set up a meeting with the appropriate state officials regarding the daily cost relating to the Youth Home.
2. Bring back to the Board a chart that reflects the offset of funds.

Adjournment

There being no further business, Chairman Reckhow adjourned the meeting at 5:18 p.m.

Respectfully Submitted,

Angela M. McIver
 Staff Specialist
 Clerk to the Board's office