

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

Wednesday, June 2, 1999

7:00 P.M. 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 William V. Bell, Joe W. Bowser, and Becky M. Heron

Absent: None

Presider: Chairman Black

**Call to Order**

Chairman Black called the Worksession to order.

County Manager David F. Thompson asked Claudia Odom to take the Commissioners through the different areas of the budget.

The Commissioners were given a binder that had departmental and agency workplans. The Commissioners were given instructions as how the binder was organized and how to use it.

Ms. Odom began the presentation by discussing revenues. Section two of the presentation dealt with the County's compensation plan and the last departmental budget presentation will be the Sheriff's Department.

***Sales Taxes and Other Licenses and Permits***

Sales Taxes are estimated to meet budget projections estimated for the current fiscal year. The projected growth rate for sales taxes is 6% for the point of sale and two half-cent taxes.

Revenues received from Grading Permit charges were significantly under the budgeted projection of \$300,000 for FY 1998-99. The unexpected decrease in these revenues was due primarily to a decrease in the average size of sites being permitted and the number of sites needing permits (Grading Permit charges are based on the size of sites). For FY 1999-00, the recommended Grading Permit revenue projection is \$220,000 which includes a 10% Grading Permit fee increase.

***Intergovernmental Revenues***

The decrease in FY 1998-99 budgeted intergovernmental revenues in comparison to FY 1999-00 is approximately \$4,315,914 and is primarily due to anticipated revenue and expense reductions associated with decreases in Medicaid and other federal and state funding. This overall budget reduction directly affects the Department of Social Services' overall budget. Although there are overall projected decreases in Medicaid, increases in public assistance costs required a local match of \$647,379.

***Charges for Services/Miscellaneous Income***

The significant change in the charges for services and user fee category is associated with the projected revenue and expenses for Carolina Alternatives Medicaid Managed Care initiative for The Durham Center. Three million dollars (\$3,000,000) was budgeted for the initiative in anticipation of program implementation. Although The Durham Center budget projected revenues and expenses associated with this initiative, no expenses were incurred during the previous year. Therefore, the three million-dollar reductions have no impact on service delivery for The Durham Center. The Public Health Department budget anticipates additional \$362,430 in anticipated Medicaid revenue. The Elections Department projected a \$120,900 increase due to anticipated reimbursement and fees for elections next year.

The Commissioners asked several questions and made comments about the revenue presentation to which Claudia Odom and County Manager David F. Thompson responded.

***Property Taxes***

The FY99-00 projections are based on an estimated total property valuation of \$13,717,300,000 including tax discoveries. This projection is based on a 4% increase in valuation on current year projected final valuation. The value translates into property tax revenue of \$125,034,224. The budget is based on a stable tax rate of 93.97 cents and assumes a 97% collection rate.

Mr. Charles Clark, Tax Administrator, reviewed for the Commissioners the tax revenue report as of May 30, 1999. The report follows:

Fiscal Year 98-99	<u>As of May 30, 1999</u>			
		Levy	Actual Collections	% Collected
<b>Current Collections</b>				
		<b>Real/Personal Property</b>		
	300	\$ 93,827,067.81	\$ 92,051,921.18	
Less Solid Waste		\$ (707,889.93)	\$ 687,627.96	
		\$ 93,119,177.88	\$ 90,873,296.77	
	305	\$ 11,223,446.02	\$ 11,009,530.93	
		<b>\$ 104,342,623.90</b>	<b>\$101,882,827.70</b>	<b>0.976425778</b>

	<b>Public Service</b>		
300	\$ 4,041,565.82	\$ 4,037,237.88	
305	\$ 486,692.14	\$ 486,182.30	
	<b>\$ 4,528,257.96</b>	<b>\$ 4,523,420.18</b>	<b>0.998931647</b>
	<b>Motor Vehicles</b>		
300	\$ 10,222,939.59	\$ 8,086,255.21	
305	\$ 1,306,615.92	\$ 1,041,847.38	
	<b>\$ 11,529,555.51</b>	<b>\$ 9,128,102.59</b>	<b>0.791713313</b>
<b>Total Collection Current Year</b>	<b>\$ 120,400,437.37</b>	<b>\$115,534,350.47</b>	<b>0.959584143</b>
<b>As of May 30, 1999</b>			
<b>Prior Year Taxes</b>			
	<b>Real/Personal Property</b>		
300	\$ 2,266,856.47		
305	\$ 271,769.58		
	<b>\$ 2,538,626.05</b>		
	<b>Public Service</b>		
300	\$ 1,814.19		
305	\$ 254.34		
	<b>\$ 2,068.53</b>		
	<b>Motor Vehicles</b>		
300	\$ 1,527,552.48		
305	\$ 213,481.42		
	<b>\$ 1,741,033.90</b>		
<b>Total Collected Prior Year</b>	<b>\$ 4,281,728.48</b>		<b><i>Budgeted Goal</i></b>
			\$ 118,522,625
<b>Total Collected</b>			<b>\$ 119,816,079</b>
		<b>Revenue over</b>	<b>\$ 1,293,454</b>

Note: Does not include solid waste fees collected

The Commissioners asked Charles Clark questions about the revenue collection report to which he responded.

Claudia Odom called on Jackye Knight, Director of Human Resources, to talk about the County's compensation efforts for the upcoming fiscal year.

Ms. Knight began the proposed compensation plan presentation by addressing the issues relative to the design of the compensation plan.

The issues addressed were:

- ◆ Competitive salaries
- ◆ Movement through the range

- ◆ Salary compression
- ◆ Tie to performance
- ◆ Reward for meritorious performance (unfunded)

The four components of compensation are:

- ◆ Pay plan maintenance
- ◆ Compensation at hire
- ◆ Movement through the range
- ◆ Performance bonus

Jackye Knight reviewed for the Commissioners how an employee moves through the range.

The Commissioners asked many questions about the salary schedule range. County Manager David F. Thompson and Jackye Knight responded to the questions.

Jackye Knight commented that a recommendation is being made that the salary range be expanded by two steps in FY 1999-2000. The two steps will be 2.5 percent each. The proposed salary range spread will be 55.60%.

The FY 1999-2000 pay plan components are:

- ◆ Expansion of salary range
- ◆ Internal equity adjustments
- ◆ Market adjustment
- ◆ Movement through the range
- ◆ Performance bonus

Jackye Knight commented the market adjustment is done on a yearly basis. The following adjustments were done this year:

438 job titles in 44 job families  
67 benchmark positions surveyed  
16 job families (145 job titles) to adjust

County Manager David F. Thompson stated the internal equity payments will begin in October.

Jackye Knight explained to the Commissioners the internal equity process and how that was structured.

The overall compensation package for FY 1999-2000 will have an overall cost of 4.85 percent. The internal equity study will affect 750 or one-third of the employees.

The Commissioners asked Jackye Knight to provide more information on the proposed pay plan for FY 1999-2000. Concerns were expressed about the proposed pay plan and the internal equity plan.

Ms. Knight said the department heads wanted to leave the pay plan as it is for FY 1999-2000.

#### Customer Service Program

Diane Pearson, Training, Human Resources Department, presented to the Commissioners a program about customer service. Providing good customer service is an integral part of being a Durham County Government employee. I have been asked to present to the Commissioners our ongoing efforts to improve the quality of that consumer service provision. About five years ago, the County embarked on a major customer service initiative. It was entitled "Service by Anchor to Excellence." It was based on data that was collected from the employees.

The new initiative is "Target Practice: Good Customer Service is Our Target."

#### The Definition

T for thorough  
A for appearance  
R for responsive  
G for gracious  
E for efficient  
T for Trained

#### The Plan

TARGET Practice training in its entirety will be included in new employee orientation beginning 7/1/99

- ◆ Customer service benchmarks are to be used to rate each employee on the quality of their customer service provision during their performance appraisal review
- ◆ Training that includes intensive practice in dealing with dissatisfied/irate customers will also be offered on a regular basis
- ◆ An annual customer service "refresher" will be offered beginning in the 00-01 FY, perhaps as a Web-based course or via CD-ROM

#### The Big Picture

- a. other Customer Service initiatives planned for the future include:
  - A coordinated effort overseen by the County Manager's Office that insures ongoing Department identification of unique customer service strengths and weaknesses and efforts to address them  
(see hand-out entitled "Summary of County Government Customer Service Strengths and Weaknesses and Strategies to Address Them Devised by Ad Hoc County Government Employee Customer Service Committee in 1999")
  - Mystery Shopper effort

- Employee name tag pilot program

The Commissioners asked questions about the customer service program. Diane Pearson and County Manager Thompson responded to the questions.

Vice-Chairman Reckhow suggested the Commissioners be interviewed about customer service. The telephone system should be upgraded so it will be customer friendly and the listings in the telephone book should be laid out so it will be easier to understand.

### **Sheriff Department Budget Request**

Claudia Odom, Budget Director, reviewed the Manager's recommended budget for the Sheriff's Department and detention services.

The Sheriff's Department was recently rewarded the COPS MORE Technology grant. The grant award was for \$998,579, with a required \$332,860 county match. The project will be used to implement Wireless Mobile Data Network, Computed Aided Dispatch (CAD), and Geographical Information Systems (GIS) into the Sheriff's Criminal Justice Integrated Network (CJIN) system. Project funds will also be used to hire a contracted, temporary project coordinator to implement and manage the project.

The Commissioners asked questions about the Sheriff Department's budget.

Sheriff Worth Hill and his staff responded to the questions and comments.

Commissioner Bowser requested the Sheriff's Department get two deputies to investigate child abuse full time.

Sheriff Hill said his department could investigate the child abuse cases in the City with the manpower given to the department.

Commissioner Bowser requested the total cost figures to put School Resource Officers in the middle and high schools.

### **Adjournment**

Chairman Black adjourned the meeting at 9:40 p.m.

Respectfully submitted,

Garry E. Umstead, CMC  
Clerk to the Board