

**MINUTES OF THE BOARD OF COUNTY COMMISSIONERS
OF GUILFORD COUNTY
WORK SESSION**

Greensboro, North Carolina
June 16, 2015

The Board of County Commissioners met in a duly noticed Work Session at 9:00am in the Blue Room at 301 West Market Street, Greensboro, N.C.

PRESENT: Chairman, Hank Henning, presiding; Vice Chairman, Jeff Phillips; Commissioners Justin Conrad, Alan Perdue, Kay Cashion, Carolyn Coleman (arrived at 10:12am), Ray Trapp, J. Carlvena Foster (arrived at 9:15am) and Alan Branson.

ALSO PRESENT: Marty Lawing, County Manager; Mark Payne, County Attorney; Clarence Grier, Deputy County Manager; Robin Keller, Clerk to Board; Ariane Webb, Deputy Clerk to Board; Michael Halford, Budget Director; various other department directors; and members of the media and community.

I. Call to Order

Chairman Henning welcomed those present and called the meeting to order at 9:05 am.

II. FY 2015-2016 RECOMMENDED BUDGET

Marty Lawing, County Manager, discussed his recommendations for the FY 2015-2015 budget.

a. Employee Compensation

County Manager Marty Lawing reviewed his recommendation for a merit pool pay equal to 3% of salaries and benefits to reward performance and address compression.

Commissioner Perdue suggested \$1 million designated for salary study and merit pool.

Michael Halford, Budget Director, commented that 85% of salaries within Guilford County are under market rate.

Commissioner Trapp professed his support of the manager's recommendation, and suggested giving him flexibility to review hard-to-fill positions.

Chairman Henning inquired about the average merit raise.

Lawing stated the average raise was 2% and the highest raise was 3.2%.

Commissioner Cashion asked if a \$1 million pool was sufficient.

Commissioner Perdue replied that the \$1 million pool would not fix compression issues within the year, but it was a good start.

Commissioner Phillips stated that \$1 million pool should be invested to primarily address compression and remainder could be utilized for merit.

Lawing responded that priority should be merit increases for existing employees and suggested allotting \$20,000 towards salary study.

Commissioner Trapp commented on low employee morale and high turnover issues.

Lawing advised the Board that 10% of the county employees are under some level of Family Medical Leave.

Motion was made by Commissioner Ray Trapp and seconded by Commissioner J. Carlvena Foster, to approve the county manager's recommendation for a 3% employee merit pool, and give the manager discretion to research and address the top 5 "hard-to-fill" positions within the County.

A substitute motion was made by Commissioner Alan Perdue, and seconded by Commissioner Alan Branson, to approve a 1% employee merit pool to address merit and compression.

VOTE:	Motion carried 5-3
AYES:	Commissioners A. Branson, A. Perdue, H. Henning, J. Phillips, J. Conrad
NOES:	Commissioners C. Foster, R. Trapp, K. Cashion

b. Capital Investment Plan (CIP) Projects

Michael Halford, Budget Director, discussed his funding recommendations for \$2.3 million transferred from the General Fund towards FY 2015-2016 Capital Investment Plan projects. He proposed using a pay-as-you-go approach to funding projects versus a hybrid of pay-as-you-go and debt financing.

Lawing provided the option of decreasing funds designated towards Animal Shelter construction to increase the Old County Courthouse stabilization funding.

Vice Chairman Phillips stated he did not have enough information on the CIP projects to make a decision on funding.

Halford replied that continuing to postpone these projects would increase the amount of required funding.

Commissioner Phillips asked if all CIP projects and funding options needed to be reviewed. Lawing replied that CIP is a living document, and while projects can change, the County must have a debt plan in place.

Commissioner Branson inquired about the status of the Bryan Park Phase I and Animal Shelter projects.

Halford gave options regarding cost and management of Bryan Park and Animal Shelter construction plans.

Commissioner Cashion expressed her agreement with Commissioner Phillips concerns, but stated that a plan for CIP funding must be developed, in case of emergency.

Halford strongly recommended that the County did not want to enter a bond phase without an approved CIP, and stressed the need for long-term planning within the County.

Reid Baker, Finance Director, explained that the recommended \$2.3 million will only cover FY 2015-2016 projects. He explained that the County should ideally have an ongoing transfer from the General Fund to the County Building Construction Fund Revenues that correlated with CIP.

Commissioner Conrad questioned prioritization of CIP projects.

Commissioner Perdue recommended a consistent CIP budget developed.

Halford responded that a CIP team had been developed to prioritize projects.

Commissioner Branson stated that continuing to delay these projects would result in a potential 2-4% increase in the amount of loans needed to cover these projects.

Motion made by Commissioner Alan Perdue, and seconded by Commissioner Kay Cashion, to approve the county manager's recommended Capital Investment Plan (CIP) Projects budget for FY 2015-2016 with the following amendment:

Decrease the Animal Shelter construction funding to \$550,000 and increase the Old Courthouse Stabilization funding to \$100,000.

VOTE: Motion carried 5-4

AYES: Commissioners A. Branson, A. Perdue, J. Phillips, H. Henning, J. Conrad

NOES: Commissioners C. Coleman, R. Trapp, C. Foster, K. Cashion

The Board recessed at 10:30 am.

The Board reconvened at 10:48 am.

Lawing questioned if it was the will of the board to add any funding for the detention center demolition.

Commissioner Coleman inquired about the status of renovating the old jail into administrative offices for the Sheriff's staff.

Robert McNiece, Property Management Director, discussed options to renovate the first 2 floors of the old jail. McNiece offered to come back to the Board to review the options in more detail. McNiece reviewed the challenges with the renovating the upper floors of the jail facility.

Vice Chairman Phillips stated the old jail should be a priority within the CIP budget.

The Board, by general consent, decided to postpone discussions regarding the old jail.

c. Facilities Maintenance and Construction

Lawing discussed the prioritization of facility repairs for the upcoming FY and recommended \$1.66 million allotted to these projects.

McNiece referenced the Facilities Assessments spreadsheet for FY 2015-2016 to identify critical, high priority and strongly recommended repair projects. He identified that \$2.3 million was needed to complete all critical needs projects, including replacement of Old Courthouse HVAC system, however will continue to prioritize and delay less critical projects.

Commissioner Branson expressed concerns related to Russell St. building repairs.

Vice Chairman Phillips commented on Independence Center elevator issues and inquired about additional funding sources for these projects.

Chairman Henning suggested further discussions with Property Management regarding additional funding sources.

Commissioner Cashion asked if space was available in other buildings to absorb staff currently located at Russell Street building.

Lawing replied that options are available, however these could result in poor service delivery and increased traffic within the new locations.

Motion made by Commissioner Kay Cashion, and seconded by Commissioner Alan Branson, to approve the county manager's recommendation of \$1.66 million designated towards ongoing facilities maintenance.

VOTE: Motion carried 6-3

AYES: Commissioners A. Branson, A. Perdue, J. Conrad, H. Henning, J. Phillips

NOES: Commissioners R. Trapp, C. Foster, C. Coleman

d. Community-Based Organization (CBO) Funding Requests

Vice Chairman Phillips presented his proposal for FY 2015-2016 CBO funding. He states, under his proposal, that this FY would be the final year for funding Human Services CBO's.

Commissioner Coleman asked if staff recommendations for funding had been received.

Phillips questioned the economic impact of the National Folk Festival and the Coltrane festival.

Foster shared some of her experiences with the Coltrane Festival and how it continues to expand.

The meeting was called into recess at 11:34 am by unanimous consent of the Board.

The meeting reconvened at 12:07pm.

Speaker from the Floor, Eunice Dudley, Director of Dudley Beauty College, was allowed to present her request for \$100,000 towards a scholarship for 50 natural hair braiders to attend school and obtain natural hair care licensure.

Commissioner Cashion questioned if there were employment opportunities for those enrolled in the program.

Ms. Dudley replied that this program will allow natural hair braiders to remain employed, as NC House Bill 1133 will require training in natural hair braiding and licensure effective 7/1/2015.

Chairman Henning asked how longer braiders had known about the program requirements.

Ms. Dudley stated the policy has been advertised for at least 1 year.

Commissioner Coleman inquired about annual starting salaries in this field.

Motion made by Vice Chairman Jeff Phillips, and seconded by Commissioner Alan Branson to return CBO funding amounts to current FY 2014-2015 levels, increase funding to HP Arts Council to \$55,000 and eliminate funding for Downtown Greensboro Initiative/High Point City project.

Commissioner Coleman questioned why Commissioner Phillips proposal included no funding for Human Services CBO's after FY 2015-2016.

Phillips confirmed that his proposal included the cessation of Human Services Grant funding moving forward.

Commissioner Trapp stated that CBO's should be funded using county dollars because expense is less than 1% of total budget.

Commissioner Conrad replied that cutting funding to Human Services CBO's would conflict within the Board.

Commissioner Coleman spoke in support of funding CBO's and their ability to fill gaps in services that the County can't adequately address or reach. Coleman referenced the NIA foundation and their ability to conduct AIDS education and outreach in a population normally unlikely to work with government employees. She urged the Board to reconsider the motion.

Chairman Henning stated his opinion that under-funded essential County services should take precedence over non-essential CBO's. Henning recommended departments directly contract with similar agencies to provide services through the regular budgeting process rather than through CBO funding.

Motion made by Vice Chairman Jeff Phillips, and seconded by Commissioner Alan Branson to return CBO funding amounts to current FY 2014-2015 levels, increase funding to HP Arts Council to \$55,000 and eliminate funding for Downtown Greensboro Initiative/High Point City project.

VOTE: Motion carried 6-2

AYES: Commissioners A. Branson, K. Cashion, H. Henning, A. Perdue, J. Conrad, J. Phillips

NOES: Commissioners R. Trapp, C. Coleman

RECUSED: Commissioner C. Foster

Motion made by Commissioner Carolyn Coleman, and seconded by Commissioner Ray Trapp, to approve \$250,000 in funding for the Renaissance Community Cooperative.

Commissioner Branson reminded the board that the Montagnard organization previously presented to lease county property to raise produce and generate revenue from the County. He noted that the Board had concerns with the request as it was a For-Profit agency. He stated that RCC is also a for-profit organization.

Motion made by Commissioner Carolyn Coleman, and seconded by Commissioner Ray Trapp, to approve \$250,000 in funding for the Renaissance Community Cooperative.

VOTE: Motion failed 3-6

AYES: Commissioners R. Trapp, C. Foster, C. Coleman

NOES: Commissioners A. Branson, K. Cashion, H. Henning, A. Perdue, J. Conrad, J. Phillips

Motion made by Commissioner Carolyn Coleman, and seconded by Commissioner Ray Trapp, to approve \$25,000 in funding for the NIA Community Action Center.

VOTE: Motion failed 3-6

AYES: Commissioners R. Trapp, C. Foster, C. Coleman

NOES: Commissioners A. Branson, K. Cashion, H. Henning, A. Perdue, J. Conrad, J. Phillips

Motion made by Commission Carolyn Coleman, and seconded by Commissioner Ray Trapp, to approve \$250,000 in funding for the International Civil Rights Museum.

VOTE: Motion failed 3-6

AYES: Commissioners R. Trapp, C. Foster, C. Coleman

NOES: Commissioners A. Branson, K. Cashion, H. Henning, A. Perdue, J. Conrad, J. Phillips

Commissioner Cashion discussed the contributions of the Civil Rights museum to the downtown economy.

Commissioner Branson voiced his concerns regarding the museum and questioned how many outside or return visitors versus Guilford County Schools students visited the museum annually.

A representative from Downtown Greensboro shared that school attendance are subsidized by the school systems, but that other schools outside of Guilford County also attend the museum.

Motion made by Commissioner Kay Cashion, and seconded by Commissioner J. Carlvena Foster, to approve \$50,000 in funding for the International Civil Rights Museum.

VOTE: Motion failed 3-6

AYES: Commissioners R. Trapp, C. Foster, K. Cashion

NOES: Commissioners A. Branson, H. Henning, A. Perdue, J. Conrad, J. Phillips, C. Coleman

Motion made by Commissioner J. Carlvena Foster, and seconded by Commissioner Ray Trapp, to approve \$15,000 in funding for NIA Community Action Center, and \$12,000 in funding for Welfare Reform Liaison.

VOTE: Motion failed 4-5

AYES: Commissioners H. Henning, R. Trapp, C. Foster, C. Coleman

NOES: Commissioners A. Branson, A. Perdue, K. Cashion, J. Conrad, J. Phillips

e. Ambulance Transport Fee Adjustments

Lawing presented his recommendation for increasing Emergency Medical Services (EMS) Ambulance Transport Fees from 130% to 150% of Medicaid allowable rates. The increase would generate \$540,000 annual revenue for the general fund.

Jim Albright, Director of Emergency Services stated the change in rates will not impact costs for Medicare and Medicaid recipients.

Commissioner Conrad inquired about differences in fee structure for Guilford versus non-Guilford who utilize ambulance services, and requested this topic researched by staff for a future meeting.

Lawing stated that he would include the recommended changes in the draft budget ordinance for Board consideration.

f. Commissioner/Staff Changes/Corrections to Budget

J. Leslie Bell, Planning Director, reviewed changes to building permit fees for FY 2015-2016 that were not included in the County Manager's recommended budget. The increased revenue from these fees would be used to fund two positions in the Planning department to improve service delivery. (See attachment)

Commissioner Branson inquired about the number of permit fees collected for FY 2005-2006.

Bell replied that his study tracked permit fees collected through 2011, but that the numbers are comparable to those collected in FY2005-2006.

Marlene Sanford with Greensboro Builders Association, stated that the association supports the fee increase, and that they agreed with the benchmarks used in the study.

Commissioner Branson commented that revenue generated will expedite the department's ability to complete permits for contractors in the field, reducing transportation expenses for vendors.

Commissioner Perdue questioned the need for residential plan reviews, as many other counties no longer have this requirement.

Sanford replied that these residential reviews are no longer a requirement, but an option offered by the county.

Motion made by Commissioner Alan Branson, seconded by Commissioner Justin Conrad, to adopt the proposed FY 2015-2016 building permit fee schedule.

VOTE: Motion carried 7-2

AYES: Commissioners A. Branson, A. Perdue, H. Henning, K. Cashion, J. Conrad, J. Phillips; Foster

NOES: Commissioners R. Trapp, C. Coleman

Halford reviewed the additional budgetary costs as result of the staffing changes made during the June 2, 2014 Commissioners work session.

Motion made by Commissioner Cashion, seconded by Commissioner Henning, to reallocate Youth Focus funding of \$48, 877 to a comparable program sponsored by North Carolina Agricultural and Technical University.

VOTE: Motion carried 9-0

Lawing asked the Commissioners if there were any other recommendations or changes to the proposed budget that they would like to make.

Commissioner Coleman encouraged a thorough review of all departmental budgets during the upcoming fiscal year.

Lawing replied that this is the right time to review all departmental budgets.

Vice Chairman Phillips inquired about debt repayment for FY 2016, referencing \$75 million that is owed this summer and what can be done to reduce interest rate.

Reid Baker, Finance Director, reviewed fund balance from the previous 5 years and projected balance for FY 2015-2016.

Commissioners Carolyn Coleman and Ray Trapp introduced Taniya Reaves with the Legal Department, who presented findings from the Jail Population Reduction Committee report. The committee recommended expanding the Electronic Monitoring program and enhancing Mental Health programs/services to improve inmate welfare and public safety.

Chairman Henning inquired about the effects of longevity pay on compression issues within the county.

Lawing replied that approximately 1500 staff within the county received longevity pay and the annual cost is expected to decrease as these staff retire or leave the county.

Vice Chairman Phillips discussed the option of eliminating the annual lump sum longevity allotment, and adding the current longevity amount to annual salaries moving forward.

Commissioner Coleman voiced her concerns regarding elimination, stating many staff depend upon the annual lump sum.

Lawing reviewed the mandated versus non-mandated County Services Inventory for FY 2015-2016 (see attachment).

Mark Payne, County Attorney, provided explanations of mandated and non-mandated services.

Merle Green, Public Health Director, discussed Medicaid maximization and the requirement for electronic filing of medical records. She stated that the County could face federal penalties if not in compliance with this requirement by 2017.

Michael Halford, Budget Director, reviewed the budget amendment to increase solid waste funding by \$30,000 resulting from increased public participation in the hazardous waste collection programs.

Motion made by Commissioner Conrad, seconded by Commissioner Perdue, to adopt solid waste budget amendment.

VOTE: Motion passed 6:0

AYES: H. Henning, J. Phillips, J. Conrad, C. Foster, A. Branson, A. Perdue

NOES: None.

ABSENT: R. Trapp, K. Cashion, C. Coleman

g. Changes to Budget Ordinance

Halford introduced the item and reviewed budget ordinance changes.

Halford noted the recommendations; He discussed the consolidation of the Health and Human Services budget and the need to adjust the language in the ordinance to reflect the changes. Halford reviewed the existing language regarding duplication in tracking efforts and allotment and exchanges for commissioners' travel and education budgets. Staff recommended removing these restrictions in the budget ordinance and managing the travel through allocated funding.

Commissioner Phillips seconded by Commissioner Perdue made a motion to remove the additional language associated with travel from the ordinance.

There was unanimous consent to remove the referenced language.

Halford reviewed the changes to the Manager's authority during a state of emergency. He also recommended amending the ordinance to place construction authorization thresholds in similar fashion with the statutory language so that should the statutes change our ordinances would be in compliance.

Phillips questioned what the majority of counties use for the Manager's threshold.

Lawing stated that most counties try to track the statutes. Halford stated that in surveying the other large counties they manage their thresholds in line with the statutes.

Halford reviewed increasing the threshold for sale and disposal of surplus property.

There was general consensus of the board to allow the changes as presented to be applied with the recommended budget.

Vice Chairman Phillips stated additional discussion regarding the budget ordinance is needed, as the Board is interested in decreasing property taxes for FY 2015-2016.

There being no further business, the board voted by unanimous consent to adjourn at 3:44pm.

Paul Henry "Hank" Henning, IV, Chairman

Clerk to Board