

MINUTES OF BOARD OF COUNTY COMMISSIONERS OF GUILFORD COUNTY

Greensboro, North Carolina
June 10, 2019

The Board of County Commissioners met in a duly noticed work session at 2:00 p.m. in the Blue Room, located on the first floor of the old Guilford County Courthouse, Greensboro, North Carolina.

PRESENT: Chairman Alan Branson, presiding; Vice Chairman Jeff Phillips, Commissioners Melvin “Skip” Alston, Hank Henning

ABSENT: Commissioners Kay Cashion; J. Carlvena Foster; Alan Perdue

ALSO PRESENT: County Manager Marty Lawing; Deputy County Manager Clarence Grier; County Attorney Mark Payne; Guilford County Superintendent Dr. Sharron Contreras, Budget Director Michael Halford; Information Services Director Hemant Desi; Tax Director Ben Chavis; Human Resources Director Karen Fishel; Planning/Parks/Property Management Director Dan Durham; Finance Director Harley Will; Clerk to Board Robin Keller; and members of the media.

I. WELCOME AND CALL TO ORDER

Chairman Branson called the work session to order at 2:10PM

II. NEW BUSINESS

A. GUILFORD COUNTY SCHOOLS

Dr. Sharon Contreras, Guilford County Schools Superintendent, thanked the Board for their support and recent attendance at the various school graduation ceremonies throughout the County.

Angie Henry, Chief Financial Officer for Guilford County Schools, noted that the school system is entirely dependent on funding from other governmental entities. She reviewed the total state public schools general fund appropriations; the Per Pupil County Appropriation for Local Current Expense Funds; and how we compare across the state, being currently 14th and 15th percentile for per pupil funding. Henry spoke to the K-12 funding in NC; class size mandates. She shared that the ongoing problems to locate state funding as it has not restored to pre-recession levels. She noted the areas where the costs have either increased or decreased. She spoke to the per pupil county appropriation for local current expenses. Henry reviewed what other districts are doing in relation to Guilford. She noted the differences in approved budgets for operating fund. She noted that Mecklenburg County added a 2% property tax increase and their teachers are now the highest paid in the state. She noted the needs of GCS per square foot and how funds have been utilized to this point.

Contreras reviewed their Guilford County School Strategic Plan Goals. She spoke to the School Board’s recommendation request for 10M in additional funding from the Guilford County Board of Commissioners for operational expenses to cover increases for bus drivers, hourly paid staff, sustainment of operational services, state mandated salary and benefit increases.

Contreras discussed the current vacancies and the ongoing need for bus drivers and the need to improve chronically low performing schools and reviewed current plans to consolidate Hampton Elementary School and the relocation of the SCALES program, and consolidation of the twilight program to three locations.

Henry reviewed senate appropriations to GCS there being a deficit of 3M to cover state pay increases and benefits; she noted that based on the County Manager's recommendation the School would have a 9M shortfall.

Contreras stated that to meet those figures they would need to cut staffing, cut sports and arts programs and increase class sizes.

Henry stated that the request also included a 12M increase in Capital appropriations to cover deferred maintenance and other facility needs such as furniture and equipment. 83% of their costs are salaries and benefits.

Commissioner Alston questioned how the 10M that Board gave to the schools for safety had been used, and if it were still possible, could they not reallocate those funds.

Henry stated that those funds were not included in the estimated request, but they would come back to the Board for a project ordinance once plans for implementation were completed.

Commissioner Alston questioned if those dollars would be better served for the capital and maintenance costs.

Contreras stated that on the most basic level they need to make sure that the schools are safe. She stated that even the 10M addition is not sufficient to address the needs of every facility. She clarified that the 10M was necessary to cover the needs until the full integration of technology is made available.

Commissioner Alston questioned if they could split the 10M to use 5M for safety and perhaps 5M for other capital needs.

Commissioner Coleman noted that the state had authorized three additional charter schools in the Guilford County area.

Henry stated that those schools will be open to students in 2021. And added that Guilford County Schools will need to take that additional cost into consideration in next year's budget.

Commissioner Coleman questioned how more could be done with advertising, marketing, and communication to let the tax payers know what is happening in the traditional public schools, rather than having them continue to pull their kids out of public school and into charter schools and private schools.

Contreras emphasized that they are currently working with a staff of four in their communications department. She noted that other districts comparable to Guilford County have 20 or more staff to facilitate communication to the public. She shared that Guilford County Schools is currently training staff on how to use social media. She spoke additionally on the quality of education that is received in Guilford. She noted that each year they graduate students who are accepted into prominent schools and universities.

Vice Chairman Phillips questioned the per pupil allotments that were discussed in the budget request.

Henry stated that a large part of the decrease in per pupil allotments derives from higher enrollment into charter schools and the overall projected decrease in enrollment in district schools.

Henry noted further that the federal funding period will begin in October 2019, and the public schools were better equipped to include those estimates in last year's figures and more difficult to show at this point.

Commissioner Coleman questioned the difference between the budget proposed by the Manager and that proposed by Superintendent.

Henry stated that difference was approximately 6M.

Commissioner Coleman sought more information on when discussion about the rebuilding of schools such as Hampton and Peeler would take place.

Contreras stated that the joint facilities committee will meet to prepare a plan for both boards to consider, and projected that early fall was the likely time that meeting would come to fruition.

Commissioner Conrad stated that the 10M security request was double the request that the School's requested last year for security needs. He recognized that 10M will not be enough, however, noted that it was a strong start to address issues. He also questioned when some of the school security items will be brought before the Board for approval.

Henry stated that they will be looking into the process to bring those items to the Board.

Commissioner Alston questioned the total amount of the difference between the Manager's recommended budget and the School's recommended budget. Alston questioned that if they would have received the full amount, they would still be at a 3M deficient.

Henry stated that they have already identified 3M in savings from consolidation, and school closures. Henry noted that it is a little less than 6M.

Commissioner Alston questioned how much a One Cent property tax would produce and stated that we would probably require a little more than 1 cent property tax increase to cover the difference.

Marty Lawing, County Manager, provided additional information sharing that once cent is roughly 4.5 Million dollars in added tax revenue.

Chairman Branson questioned the results from MGT regarding the deliverable on the CAD designs for the safety and security components and if any payment has been distributed for the work yet.

Scott McCully, Guilford County Schools, shared that the deliverable is behind schedule with a target date the end of July.

Chairman Branson noted the discussion of a ¼ cent sales tax where revenues from that tax would be allocated to the schools.

Lawing stated that the last time it was looked at, a ¼ cent sales tax would generate 16 M. He stated that there is a current bill in the General assembly to offer a ½ cent sales tax if those funds are directed to schools.

Chairman Branson inquired about the sales tax revenue, as to where we stand in the state as compared to other counties. Branson stated that in his opinion a sales tax increase is a much more equitable tax. He questioned if staff could provide more information as to where we stand in those regards; and if we could allocate those revenues.

Mark Payne, County Attorney, noted that a ¼ cent sales tax offers more opportunity for usage, and stated further that the language on the ballot would be limited. However, the Board, through a resolution, can identify where those funds will be allocated.

Commissioner Conrad clarified that there is a way to dedicate sales tax versus property taxes. He noted that dedication of property tax for one year, does not bind any future Board to allocate those additional revenues in future years to the same project.

Commissioner Alston also noted the authority to place the ¼ cent sales tax and limitations and flexibility for property tax collections. Alston questioned the use of supplant or non-supplement phrasing.

Michael Halford, Guilford County Budget Director, stated that the current legislation for the ¼ cent does not allow stipulation on the ballot as to where the funds would be allocated.

Clarence Grier, Deputy County Manager, added that while you cannot stipulate on the ballot the Board can adopt a resolution to delineate the funds with a sunset on the resolution.

Commissioner Alston noted that there are restrictions on the ¼ cent sales tax excludes food.

Vice Chairman Phillips noted that the last time a sales tax was on the ballot the question of binding future boards was well addressed. He requested a follow up as to options on ¼ cent and property tax allocations from the School of Government if possible.

The Board thanked the Schools for their presentation.

B. GUILFORD TECHNICAL COMMUNITY COLLEGE

Dr. Randy Parker, GTCC, reviewed the budget request and noted, that like the School's, the request is the mandated state salary increases. He noted that other than salaries, they are starting a 1% match for an employee retirement plan. Parker reviewed the capital project request, versus the Manager's recommendation. He stated that they are requesting funds for roof repairs, re-glazing of windows and boilers.

III. OTHER BUSINESS

Sheriff Danny Rogers introduced his department's budget request. He stated that they had several requests that were not included in the Manager's recommended proposed budget. He spoke to the need for additional vehicles for the School Resource Officers; he shared that they have asked for several reclassifications of existing positions; and he spoke to the need to fund their reentry program. He emphasized that no new position were being sought at this time.

Captain Daryl Loftis reviewed the request for an additional 243K for replacement of seven School

resource officer vehicles. He stated that they are expecting replacement of 37 existing vehicles, but the identified fleet does not include the additional SRO vehicles. He spoke to the daily wear and tear of the vehicles. He stated that the average age of the SRO cars is 11 years with the average mileage of 147K miles. He noted that up until the early 200's they were replacing vehicles at 80K they are now replacing at 125K, but the average of the SRO vehicles is much higher. He stated that these vehicles are recommended to still be pursuit related vehicles, as they are still subject to running emergency traffic.

Commissioner Alston questioned if this would be new or existing funds we would be looking at.

Lawing shared the request would be from new funds.

Commissioner Alston questioned the per car cost of 35K.

Loftis reviewed the vehicle specifications. And that their department was able to reduce there anticipated IT expenditures by 67K in the next Fiscal Year.

Lawing stated that those savings were then used to offset the county's overall budget.

Commissioner Conrad noted that there may be some drug forfeiture funds available and that it could be a potential funding source for the needed vehicles.

Captain Demar Inman, Student Resource Officer and Sheriff's Deputy, stated that SRO deputies respond to calls made from the county during the summer months and that fully functioning patrol vehicles were necessary.

Halford noted that the department is allocated funds to replace 30-40 vehicles per year, and it is up to the department to prioritize which vehicles are replaced annually.

Commissioner Coleman questioned how the SRO vehicles came to such despair if vehicles are being purchased annual. She noted that if the average vehicle is 11 years old, that the department is not replacing vehicles on a consistent cycle.

Loftis noted that funding allocations is not sufficient to maintain the Sheriff's Office fleet. He noted that vehicles are damaged throughout the year and those repairs are used out of the replacement funds.

Sheriff Rogers noted that the ball has been dropped regarding fleet maintenance. He concurred that these vehicles are in desperate need of replacement. Rogers stated that they currently have 755K in federal forfeiture funding.

Several Commissioners echoed the option for utilization of federal forfeiture funding to meet the need.

Sharon Harrison Pope, Sheriff's office staff, presented funding reconsideration for the County's reentry program. She requested an additional \$326,000 from the account previously referred to as the "inmate welfare funds". She shared that the Sheriff's office believes that the reentry program could be sustained from revenues from the inmate commissary funds. Pope recognized that while they have only been in operation for one year, they have reduced recidivism from 48% to 7%.

Commissioner Coleman questioned the “inmate welfare funds” and the need for obtaining a funding source.

Halford clarified that there is no established “inmate welfare fund” and explained that previously the board agreed to move all future commissary revenues back to the general fund for reallocation with the annual budget processes. He noted that at that time, the board agreed to leave the existing balance to be used for special inmate related projects. But that all future revenues would follow normal revenue procedures. He stated that the Manager has approved moving the funds from grant dollars and existing county dollars but has been waiting on the figures from the Sheriff’s.

Sheriff’s staff stated that staff were working on preparing the needed cost estimates to run the program but agreed were not provided to the Manager until the Friday before the work session.

Harley Will, Guilford County Finance Director, stated that current balance of the remaining inmate welfare fund was 639K.

Commissioner Coleman questioned if those funds could be used.

Halford stated in the affirmative.

Commissioner Coleman questioned if that decision made in 2016 as to how future commissary revenues would be handled could be changed.

Halford discussed the differing usages of fund balance and the assigned balance.

Commissioner Coleman questioned where those funds are being expended.

Lawing stated that it is a general fund revenue and if the Board sought to tie those revenues to any expenditures it would be under their purview.

Commissioner Coleman spoke in support of ongoing funding of the re-entry program.

Sharon Harrison Pope shared that the total revenues from the phones and commissary is approximately 600K annually. She requested that those inmate commissary funds be redirected back to the Sheriff’s Office to support the program.

Commissioner Henning questioned why the grant to support the program went away.

Sharron Harrison Pope stated that most grants have a cap, so they can provide seed money for other counties to begin similar programs.

Commissioner Henning questioned if the program was set up for seed money, but no communication was provided to start or maintain a program long term. The Board was not made aware that there was even a county re-entry program over the last year.

Sharron Harrison Pope recognized that while they often try to avoid personnel related grant funding; however, in this instance, they would hope that the inmate commissary revenues be used to sustain this program.

Commissioner Alston spoke in support of re-assigning those commissary and telephone revenues for inmate specific programs.

Motion was made by Commissioner Alston to allow the Sheriff's Office to use 189K out of the inmate welfare fund balance to fund recidivism program; seconded by Carolyn Coleman.

Vice Chairman Phillips spoke to the motion and noted the request for sheriff's vehicles, and the reentry program. He stated that he does not have enough information to support the motion on the floor. He stated that we appropriated 68.5M to law enforcement. He questioned of those allocations how much were delegated to detention center versus patrol. He stated that he suspected a large portion would be appropriated to the detention center and noted the significant amount of funds being spent on the care and wellbeing on inmates. Phillips elaborated that the County Manager recommended 69.3M to the Sheriff's Office for the next fiscal year. He asked if the Sheriff's Office could locate additional finds from their existing budget and noted that it was a matter of the department's prioritization.

Commissioner Coleman inquired of the cost difference between last year's Law Enforcement's allocations to this year.

Staff indicated that they would provide that information during a later work session.

Commissioner Coleman stated that historically they have not gotten into the weeds on departmental expenditures, but asked for additional information concerning the program.

Commissioner Alston withdrew his motion and Commissioner Coleman also withdrew her second, provided that another work session is held.

Sharon Harrison Pope spoke to the reclassification request of a Community Outreach Specialist; she stated that they are seeking a Law Enforcement Administrative Director and a Communications Specialist.

Commissioner Alston questioned the additional costs of the new positions.

Sharon Harrison Pope stated that they initially requested new positions, but were currently asking for vacant positions to be reclassification instead. She additionally noted that that request has yet to be proposed to the county manager.

Commissioner Alston stated that proper protocol states that request need be submitted to the manager first, before coming to the Board.

Sheriff Rogers urged the Board for their support of the requested items. He spoke in support of the men and women in the Sheriff's Office and their needs.

The board thanked Sheriff Rogers.

C. NEW POSITIONS INCLUDED IN RECOMMENDED BUDGET

Michael Halford, Guilford Budget Director, reviewed the seven new positions included in the

Manager's recommended budget.

Commissioner Henning questioned the water technicians for the Health Department, and if the revenue generated would cover the expenses.

Halford stated that staff requested those figures and, to date, have not received the information.

Dr. Iulia Vann, Public Health Deputy Director, spoke in support of the positions requested by Public Health and noted that they anticipate 90K in revenue from those positions.

Chairman Branson sought clarification if there was enough currently in the back log to maintain those positions.

Dr. Iullia Vann, Deputy Director of Public Health, stated that there over six-thousand water pumps that require inspection, which does not include new systems.

Commissioner Henning noted that they were short staffed and needed support to ensure that county water treatment is effectively maintained.

Commissioner Conrad shared his support for food safety for which he noted is a public safety issue. He discussed the impacts of food born illnesses and emphasized that it was not something to take lightly.

Commissioner Coleman inquired about the advertising of restaurant grade reports in the local media and why had those reports stopped.

Merle Green, Public Health Director, stated that the report she is recalling was a series that a local station ran. She noted that it was not a partnership the county had had with the media that it was information provided when requested.

Vice Chairman Phillips probed the County Manager for his perspective concerning the Public Health positions.

Lawing stated that he was not certain that the revenues would cover the costs, and stated that while the positions were needed, they do contain several hidden costs.

Chairman Branson asked if additional vehicles for the positions would need to be acquired.

Green stated that eventually vehicles would need to be obtained; however, not in the first year.

Vice Chairman Phillips questioned the additional positions requested by EMS.

Lawing shared that they were struggling with the growth of existing revenue sources.

Vice Chairman Phillips inquired concerning the decision to go up to the 200% of the Medicare rate that would help alleviate the costs of additional salaries.

Halford stated that the increase renewable revenue would be generated by the position and would help

to support the needs.

Commissioner Conrad recommended supporting some of the positions requested made by Animal Services, and emphasized the growing overtime compensation rates that additional positions would alleviate.

Chairman Branson questioned the status of the Malachi House contract.

Grier stated that they will be bringing forward to the Board a recommendation to alter the contract.

Commissioner Coleman questioned if the contract was negotiated after the budget was approved, she asked where would the funds derive.

Grier stated that negotiations will include existing funding limitations to ensure that the County does not go over allocations.

D. MERIT / PERFORMANCE-BASED PAY

Halford stated that the Manger is recommending a merit pay pool equal 3%.

Karen Fishel, Guilford County Human Resources Director, provided a brief update on the pay compensation study. She shared that based on new slotting and fine tuning of the study they are looking at impacting 1260 employees in year one, and able to stay within budget of 2.5M. EMS and Law Enforcement roughly have 200 employees per department that would be impacted by the study. She noted that until everyone gets where they need to be there will continue to be some compression issues as pay increases to \$15.00 min. wage.

Commissioner Alston questioned what a two-year or three-year plan to alleviate the pressures of compression but also bring all employees to at least a \$15.00 min. wage.

Fishel emphasized that they were conducting extensive exit interviews to help the departments with their turnover rates, and noted that what they are hearing has more to do with environment than pay and compensation. She shared that she and her staff are working to create additional programs to help reduce workloads and better manage environmental stressors.

Vice Chairman Phillips noted the appropriations of the last few meetings where overruns in medical expenses, and stressed the need for caution to continue the growth of benefits and compensation to work within our budget.

The Board discussed options for another budget work session Monday at 3:00, June 17 Unanimous.

IV. ADJOURN

Meeting adjourned by unanimous consent at 5:28PM

Chairman J. Alan Branson

Clerk to Board