

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

Monday, May 24, 2004

7:00 P.M. Regular Session

MINUTES

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

Present: Chairman Ellen W. Reckhow, Vice-Chairman Joe W. Bowser, and Commissioners Philip R. Cousin Jr., Becky M. Heron, and Mary D. Jacobs

Absent: None

Presider: Chairman Reckhow

Opening of Regular Session—Pledge of Allegiance

Agenda Adjustments—Commissioner Cousin added a Closed Session to the end of the agenda.

Vice-Chairman Bowser made a motion that the "Ethics Complaint" be moved to follow the consent agenda.

Commissioner Heron expressed that a number of citizens intended to speak on this item. If the item were moved, the citizens who had not yet arrived would be unaware of the time change and may not be in attendance for the discussion.

Chairman Reckhow suggested moving the agenda item prior to item No. 9, contingent upon the time element; it would not be heard earlier than 8:15 p.m.

Announcement

Chairman Reckhow announced the following meetings to be held about the Durham Comprehensive Plan: (1) Eno Valley Elementary School—May 27 (5:30 – 7:30); (2) Southern High School—June 1 (5:30 – 7:30); (3) Southwest Elementary School—June 2 (5:30 – 7:30); and (4) Main Library—June 10 (3:00 – 5:00). She encouraged all citizens who are interested in growth and development issues to attend one of the meetings. Additional information could be found on the County and City websites. Copies of the Plan were available at the Main Library.

Chairman Reckhow recognized the Boy Scouts in the audience and asked Mr. Joe Kilsheimer to stand and introduce his troop. She thanked Mr. Kilsheimer for bringing the Scouts to the meeting.

Minutes

Commissioner Heron moved, seconded by Commissioner Cousin, to approve as submitted the April 26, 2004 BOCC/Public Health Board and the May 10, 2004 Regular Session Minutes of the Board.

The motion carried unanimously.

Acts of Caring Award—Teen Diploma Academy

The National Association of Counties (NACo) presented an “Acts of Caring” Award to Durham County’s Teen Diploma Academy last month. Ms. Lucy Haagen and Mr. Fred Foster Jr. of the Durham Literacy Council attended the event and were joined by Congressman David Price.

The Acts of Caring Awards recognize top county volunteer programs in the country that enhance and preserve the quality of life for America’s communities.

RESOURCE PERSON(S): Chairman Ellen W. Reckhow

COUNTY MANAGER’S RECOMMENDATION: The Manager recommended that the Board congratulate Ms. Haagen and Mr. Foster for receiving this outstanding recognition.

Chairman Reckhow reported that the award had been presented to Ms. Haagen, Mr. Foster, and Durham County. They received the award in Washington, DC last month for the GED Academy. Chairman Reckhow recognized Ms. Haagen and Mr. Foster for comments.

Ms. Haagen presented the award statue to the County Commissioners, praising them for their financial support.

Mr. Foster expressed gratitude to the Commissioners for their insight and spirit of cooperation concerning the successful program. He was honored to accept the award in Washington on behalf of Durham County citizens and the 22 volunteers who work diligently with the students. Mr. Foster reported that out of 24,000 counties in the United States, Durham County has the only Teen GED Academy. The \$35,000 that the Commissioners invest in the Literacy Council is paying great dividends. He invited everyone to attend the 2004 Graduation Ceremony on June 21.

May Anchor Award Winner—Vivian Harris

Ms. Vivian Harris of the Durham Center serves as Director of Standards and Records for the department. Ms. Harris chairs the “Best Practices Team” and is cited for successfully leading the team as it “irons out issues and potential problems”. Interim Durham Center Area Director Ellen Holliman nominated Ms. Harris for her overall leadership as the organization transitions due to Mental Health Reform. According to Ms. Holliman, Ms. Harris “keeps the team focused on the issues at hand, which is yielding good results”.

COUNTY MANAGER’S RECOMMENDATION: The Manager recommended that the May Anchor Award be presented to Ms. Vivian Harris, along with sincere congratulations of the entire organization.

Ms Holliman thanked the Board for re-establishing the Anchor Awards, stating that she was privileged to nominate Ms. Vivian Harris, a 21-year veteran of Mental Health, for this award. Ms. Holliman made the following comments:

Ms Harris currently serves as The Durham Center’s Director of Standards and Records but wears many additional hats. She has championed The Center’s efforts towards Mental Health Reform and towards becoming a Local Management Entity. She works an untold number of hours writing and revising policies and researching all of the new state documents and requirements, while remembering the current requirements. She is a walking/talking resource for staff. She has been a tremendous asset to the agency by keeping abreast of the constant changes. When suggestions are made at meetings pertaining to communication between agencies, providers, and/or medical records, she is able to determine immediately if the suggestion falls within the guidelines for Mental Health records and requirements. Ms. Harris volunteered to chair the Best Practices Team and has performed far beyond expectations. Because of her extreme dedication and knowledge of the system and its changes, she is regarded as a leader and trainer. Her dedication in leadership of the Team has led to it performing well in ironing out issues and potential problems. Ms. Harris keeps the team focused on the issues at hand, which is yielding good results. She completes tasks accurately and on time and is willing to accept new responsibilities graciously.

Ms. Harris believes in the mission of mental health and that through reform, clients will be served more efficiently and cost effectively, thus being able to serve greater numbers.

Ms Holliman thanked the Board for giving this nomination earnest consideration.

Ms. Harris thanked the Board for the honor, accepting the award and the \$200 check from Chairman Reckhow.

FY 2004-2005 Recommended Budget

Durham County Manager Michael M. Ruffin formally presented the recommended budget for FY 2004-2005 to the Board of County Commissioners. This was in accordance with N.C.G.S. 159-12(b), the Local Government and Fiscal Control Act.

RESOURCE PERSON(S): Michael M. Ruffin

COUNTY MANAGER'S RECOMMENDATION: The Manager recommended that the Board receive his presentation.

County Manager Ruffin gave the following overview of the budget:

“The Recommended Budget for Fiscal Year 2005 is \$591.6 million. As you know, because our total budget includes 22 funds, the bottom line is misleading due to interfund transfers. Most of your attention, and much of this budget message, will be devoted to revenue and expenditure recommendations that are reported in the General Fund, the home fund for most of the County’s services, which for next year has a recommended appropriation of \$489.3 million, 7.92% less than the current year’s appropriation of \$531.4 million.

The obvious question for each of you is how could we be spending less in the General Fund in light of what we already know from budget briefings? You are all aware of requested and recommended increases for the Durham Public Schools, Durham Technical Community College, law enforcement, continuation of planned capital projects, debt service, employee raises, employee and retiree benefits, and new positions. The answer is two-fold: First and foremost, intergovernmental revenue, largely in the form of federal pass-through funds, is down by \$28 million. Second, we changed the way we move revenue from our General Fund to our Capital Finance Plan Fund. In prior years, two of the four forms of sales tax and the occupancy tax that we receive, for example, were first reported in both the General Fund and subsequently transferred to the Capital Finance Plan Fund. This year, the two one-half cent sales taxes and the occupancy tax that help to fund the capital projects are only reported in the Capital Finance Plan Fund. That change, in and of itself, amounts to an approximate \$16 million reduction in the General Fund.

Our County budget is admittedly difficult to understand for the average citizen. Part of my goal through this message is to help you and our citizens make some sense not only about how our budget is organized, but also about what major changes are planned for next fiscal year. Interestingly, one of the common misunderstandings about the County budget, as opposed to the City budget, is that local dollars do not represent even half of the cost of providing county services. Clearly county government is different and that statistic alone certainly bears the point that county services are largely provided through partnerships with federal and state governments. For example, property tax collections for next year are projected to provide only 33 cents of every dollar we will need in the General Fund. Even when you add sales tax collections to the mix, not all of which are

used for general fund services, the local share grows to only 41 cents of every dollar. The point is local dollars are important, but we also clearly rely heavily on outside sources of revenue to provide services. The last several years have taught us to be careful about how we plan to expand services to our citizens. Obviously, as our partners decide to change how they help us fund our services, as they did with federal subsidies for after-school care this year, we can be robbed, but we do not want to be left defenseless in the wake of their choices.

A breakdown of the budget for all funds is as follows:

Fund	Current FY2003-2004	FY2004-2005 Requested	FY2004-2005 Recommended	% Increase/ Decrease
101 - General	\$ 531,434,270	\$ 511,952,243	\$ 489,369,985	-7.92%
102 - Risk Management	\$ 2,353,826	\$ 1,915,397	\$ 1,872,053	-20.47%
125 - Capital Finance Plan	\$ 31,304,001	\$ 36,235,494	\$ 34,795,508	11.15%
150 - Cafeteria Plan	\$ 7,867,222	\$ 11,369,115	\$ 11,280,355	43.38%
213 - Bethesda FD Fund	\$ 963,669	\$ 1,053,109	\$ 1,053,109	9.28%
214 - Lebanon FD Fund	\$ 565,955	\$ 623,185	\$ 623,185	10.11%
215 - Parkwood FD Fund	\$ 1,001,974	\$ 1,134,221	\$ 1,134,221	13.20%
216 - Redwood FD Fund	\$ 458,791	\$ 551,212	\$ 551,212	20.14%
217 - New Hope FD Fund	\$ 40,020	\$ 40,481	\$ 40,481	1.15%
219 - Eno FD Fund	\$ 16,150	\$ 17,742	\$ 17,742	9.86%
221 - Bahama FD Fund	\$ 309,125	\$ 331,930	\$ 331,930	7.38%
222 - Special Park District Fund	\$ 320,848	\$ 333,184	\$ 333,184	3.84%
224 - Emerg. Services Tele. Sys.	\$ 1,784,090	\$ 2,771,134	\$ 2,771,134	55.32%
225 - Special Butner Fund	\$ 12,222	\$ 11,702	\$ 11,702	-4.25%
250 - Reappraisal Reserve Fund	\$ 100,687	\$ 163,513	\$ 134,267	33.35%
304 - Debt Service Fund	\$ 32,214,704	\$ 35,186,815	\$ 34,586,815	7.36%
660 - Water and Sewer Fund	\$ 7,064,109	\$ 7,152,241	\$ 7,152,151	1.25%
662 - W & S Debt Service Fund	\$ 2,059,053	\$ 3,293,961	\$ 3,293,961	59.97%
705 - Geo. R. Linder Mem. Fund	\$ 250	\$ 250	\$ 250	0.00%
708 - Comm. Health Trust Fund	\$ 530,611	\$ 1,310,000	\$ 1,310,000	146.89%
770 - L.E.O. Ret. Trust Fund	\$ 146,505	\$ 132,488	\$ 132,488	-9.57%
868 - Equipment Leasing Fund	\$ 1,167,853	\$ 1,713,775	\$ 874,500	-25.12%
Grand Total	\$ 621,715,935	\$ 617,293,192	\$ 591,670,233	-4.83%

Every budget is different. Part of the intent of the budget message is to highlight the major features that distinguish this budget from our current budget. Let me be the first to say, however, that the risk you run is the message it sends that nothing else bears importance. Every service we provide is important to the citizen who receives it. So while I must focus on a fairly short list, largely to facilitate some understanding about what is different, this list in no way defines what I think is important about what we do.

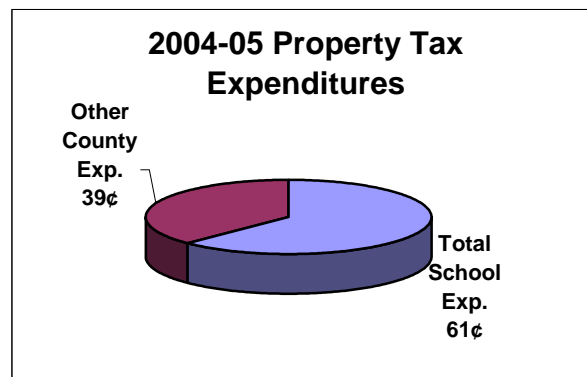
- Durham Public Schools (DPS): I don't think anyone expected me to recommend the \$12.3 million request in new funding for the Durham Public Schools. The magnitude of that increase is frankly unaffordable and would require one of two

things: Either a fairly significant spike in the county's tax rate, or a dramatic reduction in other county services, neither of which is acceptable. I have recommended an increase of \$4.25 million for current expense. Incidentally, I have worked closely with Dr. Denlinger and her staff and she has convinced me that DPS, with a \$4.25 million increase, can carry forward and accomplish the goals they have set out for the school system.

Let me also say that the increase is sufficient to accomplish a very important goal of this board, which is an increase to the salary supplement for our most experienced teachers, those with ten or more years of experience. Dr. Denlinger has agreed to support the use of \$484,000 of my recommended increase to fund that increase in the local supplement. In other words, the local supplement for teachers with ten or more years of experience will increase from 12.5% to 13%.

My recommendation for an increase for our school system continues the important commitment that this board and previous boards have made to education. There is no state or federal money used to fund the commitment we make to our schools each year. Next year, our commitment for current expense, capital outlay, and debt service for DPS is \$97.6 million, up 5.4% from \$92.6 million; and that doesn't include what we spend in the school system through the department of social services, the public health department and the criminal justice resource center.

There's an interesting statistic that compares property tax proceeds to public school funding. I've already pointed out that property taxes comprise only 33 cents of every general fund dollar that we spend, so clearly one could argue, and correctly, that other sources of income help fund our commitment to DPS. However, if the property tax were the only source of revenue to meet our commitment to DPS, 61 cents of every property tax dollar collected in FY05 would go to DPS for current expense, capital outlay and debt service. Incidentally, an additional five million dollars in FY05 does not move the percentage very much because our commitment to DPS is already extremely high, evidenced by the fact that we rank number three in the state in per-pupil funding for public schools.



- Implementation of Capital Projects: Obviously, we cannot stall major, planned capital improvements. When we presented the Capital Improvements Program last year, we stressed that FY05 would include a relatively significant increase in the

county contribution. That increase, from \$812,500 in the current year to \$2,645,068 next year will provide \$2,063,818 for land acquisition for the new courthouse, \$181,250 for the second of four installment payments for the purchase of the Head Start Facility for Operation Breakthrough, and \$400,000 for open space land acquisition.

- Employee Raises: I am very proud of our workforce. I speak to new employees every two weeks in orientation and tell them they are joining the ranks of some of the finest people in Durham. Many of our citizens don't realize the excellent reputation that we enjoy across the country for the services we provide. Indeed, people travel here to learn more about how we serve our community. The excellent reputation we enjoy is a testament to our creative, caring, well-trained, and hard-working employees.

In recent years, while state and local governments have been providing little or nothing for their employees in the form of raises, we have done otherwise to show our employees that their value to us is beyond question. We have increased our performance-based pay program from 2½% to 3¼% for performance that "meets expectations" and 4¼% for performance that "exceeds expectations."

We have reinstated our longevity pay program for those employees who have stuck with us over the years. We have reduced the eighteen-month wait to which new employees were subjected before they were eligible for an increase in salary to six months. All of these pay initiatives are continued in next year's recommended budget. Next year's cost for these increases is \$1,833,599.

- Pay Equity Study: The loudest complaint I hear from our employees is that the salaries we pay them are below market. Several of the local governments around us, the City of Raleigh, Wake County, and the City of Durham, have commissioned independent pay equity studies to respond to long-standing criticism in their organizations that salaries are behind the market. I suggest we do the same and have recommended an appropriation to employ an outside consultant to have our pay system evaluated.

I think the employment of an outside consultant is important. Confidence in our Human Resources Department has been shaken by recent events, but more importantly, an outside consultant will lend objectivity as well as bring new ideas and a fresh perspective. Having said that let me underscore that any process we pursue must include our employees if the recommendations are to reflect and address their concerns. In that spirit, I will outline a process at the appropriate time to accomplish that aim. Their input and their involvement are critical.

- Law Enforcement Salary Increases: Recent increases in salaries for law enforcement officers by Wake County, the City of Durham and the Town of Cary have highlighted and underscored that we find ourselves in a very competitive market for law enforcement and detention professionals. Sheriff Hill has told me that the

recruiting war is in the early stages of taking its toll here. Already, he is finding it increasingly difficult to recruit qualified detention officers, as well as deputies for courthouse security. Unless and until we respond with salary increases for our sworn law enforcement personnel and detention officers, the situation will only worsen. We simply cannot wait for our turnover to rise to alarming levels before we act. I have recommended and budgeted for a 5% across-the-board salary adjustment, effective October 1 of this year, for all sworn law enforcement personnel and detention officers. In FY05, this adjustment will require \$542,217.

- Employee Benefits: We are continuing to see significant increases in our costs for employee health care. Next year will be no different as we are budgeting for a five-percent increase. Again, in order to keep pace with increases in benefit costs, we will need to adjust the \$190 we give our employees twice per month to pay for their health care, dental and life insurance. I am recommending we increase that contribution to \$200, which will cost \$341,681.

Early this year, I asked our Human Resources Director and Benefits Manager to shop for some alternative health care benefits for our employees. Family coverage is rapidly becoming unaffordable for many of them, which insists that we look at some way to provide affordable health care for them to purchase for their families. I am committed to finding affordable health care for them and look forward to the proposals that will be coming this fall for your consideration.

- Retiree Health and Life Insurance Benefits: I promised you last fall that I would isolate the cost of retiree benefits and bring a separate line item of the cost for your review in the FY05 Recommended Budget. Next year, we will need an appropriation of \$940,100 to cover the cost of health care benefits for 222 retired employees and life insurance benefits for 297 retired employees.

Recently, our Finance Director and Assistant Finance Director returned from a conference of what we refer to as the “Big Ten Counties,” or the ten most populous counties in North Carolina. Interestingly, many of them were expressing concerns about the increasing costs for retiree health care benefits. Our costs have certainly escalated. In fact, next year we project a 13% increase for retiree health care benefits. While I would certainly not recommend any change to our current retirees or even those employees who currently work for us and plan to retire, I do believe we need to look at the long-term cost of this benefit and determine if this current level of benefit for future employees is affordable.

- Non-Profit Appropriations: This year, 46 non-profit organizations applied for a total of \$2,074,073 in County grants. In light of the increases I have just outlined, there is not enough money to go around.

Accordingly, I have recommended continuation of funding for the existing 23 non-profit organizations that received money during the current fiscal year.

The only changes on the list below are for the Literacy Council, which reduced its request for the next fiscal year by \$500 for its Youth GED Program, and for Child and Parent Support Services, which rounded its request down to \$8,800.

Organization	FY 03-04 Funded	FY 04-05 Recommended
Eno River Association	\$ 12,350	\$ 12,350
Council for Senior Citizens	\$ 118,750	\$ 118,750
Durham Crisis Response Center	\$ 46,730	\$ 46,730
Literacy Council-Adult Literacy	\$ 14,250	\$ 14,250
Family Counseling Services	\$ 14,250	\$ 14,250
Genesis Home	\$ 19,000	\$ 19,000
Meals on Wheels	\$ 9,500	\$ 9,500
Planned Parenthood	\$ 4,420	\$ 4,420
Radio Reading Services	\$ 3,536	\$ 3,536
Senior Aides	\$ 28,500	\$ 28,500
Senior PHARMAssist	\$ 85,500	\$ 85,500
Urban Ministries Community Shelter	\$ 142,500	\$ 142,500
Women-In-Action	\$ 30,000	\$ 30,000
Literacy Council-Youth GED	\$ 32,500	\$ 32,000
John Avery Boys & Girls Club	\$ 35,000	\$ 35,000
Middle School After School	\$ 85,500	\$ 85,500
Child Advocacy Commission	\$ 29,925	\$ 29,925
Child Care Services Association	\$ 28,215	\$ 28,215
Child and Parent Support Services	\$ 8,807	\$ 8,800
Durham Companions	\$ 4,750	\$ 4,750
Infants and Young Children with Special Needs	\$ 9,999	\$ 9,999
Teen Court and Restitution	\$ 30,000	\$ 30,000
Operation Breakthrough	\$ 97,375	\$ 97,375
Project Graduation	\$ 5,700	\$ 5,700
TOTAL	\$ 897,057	\$ 896,550

- New Positions: I was not surprised this year by the pent-up demand that emerged from our department requests. We have eliminated almost 100 positions over the last three years, largely through attrition and due in large measure to deficits handed to us by the state's refusal to restore promised revenue; and our needs have grown over the last several years. In short, we have several areas where we can no longer provide the levels of service that our citizens desire without some increases in county staff.

Let me give you one glaring example of what I mean. Two weeks ago, I met with the employees in Family and Economic Stability Division of the Department of Social Services, approximately 100 employees. They process applications for food stamps and Medicaid. They held a one-day retreat and I was invited to listen to some concerns they have. I heard loud and clear that they are overworked. In fact, their

workloads have grown by 70 percent over a period of time when they have not been able to secure new positions to help them. You could feel the stress and sense the friction in the room. They need help.

That meeting made an indelible impression on me. I already knew that I would be recommending three additional positions for their division, but I sensed that their need for six new positions was genuine. Like you, I, too, received a letter from the Chairman of the Board of Social Services stressing the importance of all six positions, but I have to tell you that there was no stronger message than the one I heard in that room two weeks ago. They convinced me to go back to my office and take a second look.

Each new position I have recommended has a similar story to tell. In one case, for example, I could tell you how a department head sometimes spends as much as two hours a day to help answer the telephone, just so his employees can get their jobs done; in another, how the lack of an experienced plumber ended up in a major leak that someone with a trained eye would have caught; I could point out how sanitarians in our health department are finding it increasingly difficult to continue making restaurant inspections on a timely basis, as the industry seems to have proliferated beyond our capacity to inspect them; lastly, how could I fail to mention that our exploding jail population has intensified the need for more detention officers?

New positions are usually one of the first things to go, especially when they are accompanied by a tax rate increase, as is the case in this budget. Yet, each of the new positions I have outlined on the next page are needed if we are to provide the services and perform at the levels that you expect. I trust you will agree and ask you to endorse my recommendation.

Positions Recommended	FTEs	Annual Cost
Database Analyst (IT)	1	\$86,824
Detention Officers (Sheriff)	4	\$140,780
Environmental Health Specialist (Public Health)	2	\$89,515
Hispanic Services Coordinator (Library)	1	\$41,888
Income Maintenance Worker (DSS)	6	\$101,154
Library/IT Tech (Library)	0.5	\$24,601
Nutritionist* (Public Health)	1	\$47,849
Paralegal (Legal)	1	\$41,888
Payroll Clerk (Finance)	1	\$35,743
Plumber (General Services)	1	\$38,659
Processing Assistant (DSS)	2	\$28,493
Project Manager (Engineering)	1	\$51,178
Senior Buyer (Finance)	1	\$63,817
Solid Waste Attendant (General Services)	1	\$31,621

Staff Specialist (Engineering)	1	\$33,718
Substance Abuse Counselor (CJRC)	1	\$35,195
Tax Call Center Tax Clerk (Tax)	2	\$63,817
Technical Support Analyst (IT)	1	\$54,761
Veterans Service Coordinator (Veterans Services)	0.5	\$19,022
TOTAL	29	\$1,030,523
*Nutritionist Position is Grant Funded in Public Health		

- **Health Care Trust Fund:** The County Finance Director advised you a couple of months ago that year-end earnings in the Health Care Trust Fund would provide \$1,310,000 for the 2005 Fiscal Year. The vast majority of those funds, \$921,672, have been earmarked for paramedic support services provided by the Bahama, Bethesda, Parkwood and Redwood volunteer fire departments. I have also recommended an appropriation of \$108,000 to purchase replacement ambulances for the Bethesda and Redwood volunteer fire departments. Finally, I have budgeted \$280,328 for the replacement of a chiller and security cameras at the Lincoln Community Health Center.
- **Fund Balance:** I have recommended a fund balance appropriation of \$10.8 million. Our goal is never to spend one dollar of appropriated fund balance. This year, we appropriated some of our undesignated fund balance to undertake emergency repairs and improvements in the detention center. I emphasized last June that we would probably spend down some of our fund balance inasmuch as almost half of what was originally budgeted was earmarked for detention center improvements.

However, our finance department recently reported that it does not believe we will spend any of the \$11.7 million in budgeted fund balance for the current fiscal year.

Our management team and department heads have shown a great ability to squeeze as much as they can out of every dollar we budget. The improved management and oversight of department budgets, the use of creative approaches to providing services on a more cost-efficient basis, the careful implementation of more sophisticated financial management systems, and use of technology have helped the County strengthen its financial position. We would not enjoy the financial health we have without the dedication and hard work of our employees.

General Fund Balance:			
Comparison of FY2003 Actual and FY2004 Projected	FY2003 Actual	FY2004 Projected	Anticipated Change
Total Fund Balance	\$ 56,193,795.00	\$ 56,631,991.89	\$ 438,196.89
Less:			
Reserved by state statute	\$ 15,686,220.00	\$ 16,000,000.00	\$ 313,780.00
Reserved by state statute-MH	\$ 2,011,416.00	\$ 2,011,416.00	\$ -
Reserved for encumbrances	\$ 1,576,123.00	\$ 1,576,123.00	\$ -
Reserved for encumbrances-MH	\$ 661,426.00	\$ 700,000.00	\$ 38,574.00

Reserved other purposes	\$ 537,878.00	\$ 537,878.00	\$ -
Net Unreserved	\$ 35,720,732.00	\$ 35,806,574.89	\$ 85,842.89
Designated for mental health	\$ 2,605,300.00	\$ 2,575,733.00	\$ (29,567.00)
Designated for subsequent years	\$ 11,735,181.00	\$ 6,000,000.00	\$ (5,735,181.00)
Designated for risk management	\$ 2,371,163.00	\$ 2,371,163.00	\$ -
Designated for debt service	\$ 1,344,861.00	\$ 1,261,206.34	\$ (83,654.66)
Undesignated	\$ 17,664,227.00	\$ 23,598,472.55	\$ 5,934,245.55
Percentage Reported to LGC	12.53%	12.32%	-0.21%

The Finance Director told me last week that many of the “Big Ten Counties” are reporting fund balance percentages in the 10% range. Indeed, our financial position is excellent. In fact, I hope it did not go without notice that the Finance Department projects that our undesignated fund balance, where the real liquidity is located, will increase by almost \$6 million, from \$17.6 million to \$23.5 million. I still remember then Chairman MaryAnn Black expressing concern to me in December of 2000 that our undesignated fund balance was only \$14 million. In four fiscal years, the County has realized a 65% increase in its undesignated fund balance.

Growth in our tax base has lagged this year, a clear indicator that we have not fully recovered from the economic downturn. Sales tax revenue growth, projected at 3.99%, also supports this conclusion. Nonetheless, real property values are expected to grow by 3.84% and automobile values by 1.97%. I was surprised to see a projected decline in personal property value by 0.63% but not too surprised to see a continuing reduction in public service property value of 2.06%. The bottom line is that our tax base is estimated at \$20.6 billion for the 2004 Tax Year. I am very comfortable with this estimate and believe the process we have in place to protect against another overestimate has the appropriate checks and balances.

	FY2004 Adopted	FY2004 (Actual)	FY2005 (Budget Estimate)	% Change FY05 from '04 Actual
Real Property	\$ 15,440,617,529	\$ 15,689,420,685	\$ 16,291,198,517	3.84%
Auto Value	\$ 1,497,626,784	\$ 1,484,745,571	\$ 1,513,936,896	1.97%
Personal Value	\$ 2,381,310,934	\$ 2,363,385,841	\$ 2,348,593,306	-0.63%
Public Service	\$ 400,000,000	\$ 536,047,683	\$ 525,000,000	-2.06%
Total	\$ 19,719,555,247	\$ 20,073,599,095	\$ 20,678,728,719	3.01%

There is one general misunderstanding that I frequently hear around the county about the County property tax rate. Many of our citizens think we have one of the highest county property tax rates in the state. That was true in 2001. In fact, we ranked fifth in the state. This year, however, we have come all the way down to 28 among North Carolina’s one hundred counties; and from what I am hearing, even with a proposed increase in the tax rate, we should continue to see Durham County move down the rankings. Plainly stated, counties across the state are experiencing sluggish sales tax growth, and absent revaluation, are seeing very little growth in real property values. Managers in several

counties that are going through revaluations are not recommending corresponding reductions to their tax rates. I certainly do not want to profit at someone else's expense, but I'm grateful to live and work in a county that is seeing some growth in its local economy.

I am proposing a three-cent increase in the County's property tax rate from 76.3 cents to 79.3 cents, a 3.9% increase. For the owner of a \$150,000 home this will mean an annual increase of \$45.00. The proposed increase will be earmarked for debt service, 1.61 cents, \$2 million of the recommended \$4.25 million increase in school funding, 1 cent, and 39/100 of one cent for general county expenses, many of which have been outlined in great detail in the preceding pages.

Finally, there are other property tax rates about which our citizens are concerned. Durham County has seven volunteer fire departments, each of which have property tax rates that this year ranged from 5.5 cents to 9 cents. In FY05, four of the seven fire tax districts, Bethesda, Lebanon, Parkwood, and Redwood, are requesting increases in fire tax rates all ranging between $\frac{3}{4}$ of a cent and 2 cents.

The following is a summary of tax rates for those Fire Districts serving Durham County.

Fire Districts	FY03-04 Tax Rate	FY04-05 Requested Tax Rate	FY04-05 Recommended Tax Rate
Bethesda	.0550	.0650	.0650
Lebanon	.0590	.0670	.0670
Parkwood	.0900	.1100	.1100
Redwood	.0750	.0825	.0825
New Hope	.0650	.0650	.0650
Eno	.0640	.0640	.0640
Bahama	.0600	.0600	.0600

It should be noted that the Eno and New Hope Fire Districts serve Orange and Durham counties. The agreements between the two boards of county commissioners calls for the Orange County Board of Commissioners to set the rate and provides that the Durham County Board will approve the same rate for the Durham County portion of the districts. No tax rate increases have been requested for either of these fire tax districts.

There is one major change to the budget document. This board, working with our employees, has embarked on a new process that will strengthen our customer service orientation and focus on results in keeping with desired outcomes that will improve the quality of life for our citizens. Results-Based Accountability will not only strengthen accountability in our organization, but also will make sure we are accountable to our community. By focusing on results, we can make informed budget choices, develop cross-agency plans and tap our public and private sector partners to help us in improving the quality of life for our residents.

The budget information that accompanies this message, along with a companion document that provides much greater detail, includes performance measures for every department. These performance measures not only allow us to assess and monitor the progress of our programs, but also will help to improve the quality of our services.

Our departments are committed to the development of consistent performance measures and to the tracking of data to support these measures around department-specific programs. Currently, all of our departments have developed performance measures for two to four of their core programs.

This process of performance measures has allowed us to discover some of our strengths and weaknesses in program administration. In some instances, we have not been collecting the data we need to monitor our progress, but the process has ensured that we are taking the steps to begin tracking important measures that will reflect the progress we are making. Incorporating performance measures from each department into the budget document is a first step in emphasizing accountability and demonstrating results; however, at this stage, these measures do not yet represent a basis on which to determine funding. In other words, it is a work in progress.

Before I close, there are a number of individuals here tonight who deserve a great deal of thanks. Putting a budget together of this magnitude is a function of good teamwork. I am fortunate to have the team that I have. My personal thanks to our Budget Director, Pam Meyer, who is a real taskmaster and keeps us all on schedule; but there are others whose advice has been indispensable: To Carolyn Titus, Wendell Davis, George Quick, Ken Joyner, Kim Simpson, Keith Lane, Susan Fox-Kirk, Trevor Minor, Bill Renfrow, Kim Cook, Deborah Craig-Ray, Heidi Duer, Vera Alston, and to all of our department heads, thank you, and believe me when I say how much I value what you do. Your dedication and high standards of professionalism make the difference in a process like this one.”

County Manager Ruffin announced the dates of the upcoming budget meetings. He noted that copies of the budget and the message are available at Durham County’s libraries and the Durham County Government Administrative Complex. For additional information, he recommended that citizens contact the Clerk’s Office, Budget Office, or the County Manager’s Office. The message and presentation would be available on the County’s website tomorrow.

Chairman Reckhow thanked the County Manager for the well thought-out budget, which is a good starting point for the Board. She called signed speaker Victoria Peterson forward for comments.

Ms. Victoria Peterson, P.O. Box 101, Durham, NC, spoke about Durham’s crime rate. She requested that the County Commissioners set aside funding in the budget to rehabilitate offenders.

Chairman Reckhow addressed Ms. Peterson's comments, stating that the Board, at its last worksession, directed that County Manager Ruffin include approximately \$200,000 in the budget for a system-of-care approach for Durham's most troubled youngsters.

Commissioner Jacobs expressed delight that employee raises and longevity were included in the Manager's recommendation. It is important for our work force to know that their work is appreciated, giving employees an incentive to strive for excellence.

Commissioner Jacobs mentioned the retirement benefits, listed as a new item for the upcoming fiscal year. She wanted the public to know that retirees have been receiving benefits in the past. She informed that her retirement benefits are paid by the State, not the County. Commissioner Jacobs asked County Manager Ruffin the year in which the County stopped recording retiree benefits as a separate budget line item. She also inquired about the funding source during this period.

County Manager Ruffin responded that the benefits expense was segregated this year for the first time in several years. He was unsure of the answers to Commissioner Jacobs' questions, but would provide them to her as soon as possible.

Commissioner Jacobs explained that the questions must be answered for the public, considering the amount of money involved (almost \$1 million) and the present public scrutiny the Board is receiving.

Vice-Chairman Bowser stressed that the Board should attempt to increase the employees' raise to 5 percent. He stated that since his tenure on the Board and due to the "percentage" increases, some "management" increases have been greater than many employees' salaries. Vice-Chairman Bowser thanked Commissioner Jacobs for her support last year concerning this matter and looked forward to working with the Commissioners to improve the Manager's recommended salary increases.

Commissioner Heron complimented the Manager in regards to the proposed budget, which has been a very difficult one due to State cutbacks in funding for Human Services Departments. She spoke about the State's plans to spend \$15 million on a testing site for NASCAR that will have devastating impact on local governments. Durham County's only source of revenue is property tax; our legislators have not given Durham County alternative revenue sources from which many other counties profit. Commissioner Heron applauded the County Manager Ruffin for proposing a reasonable budget in spite of the many demands.

Commissioner Cousin restated Vice-Chairman Bowser's appeal to find ways to give employees higher salary increases. He informed the citizens that approximately 61 cents of each tax dollar is allocated to education and the public schools. Commissioner Cousin looked forward to the remainder of the budget process.

Chairman Reckhow stated that at the beginning of this budget process, requests were greater than \$30 million over revenue. A huge effort was made to balance the budget. Over half of the proposed three-cent tax increase will be used for bonded indebtedness, much of it approved by the voters in referendums. Another cent will support the schools, which will receive about one-half of its \$4 million increase from growth in the tax base and the other half from the tax rate increase. The remainder of the revenue will be used for the pent-up demand in County Government. The Board will spend its upcoming budget worksessions reviewing the materials and determining whether adjustments should be made.

Vice-Chairman Bowser remarked that while the County Manager had recommended funding for nonprofits that had received money during the current fiscal year, this budget proposal is a working document, subject to change through negotiations. Vice-Chairman Bowser hoped that the Board would agree to fund the nonprofits that provide the most benefit to Durham County citizens, including new nonprofits.

Consent Agenda

Vice-Chairman Bowser moved, seconded by Commissioner Heron, to approve the following consent agenda items:

- *a. Property Tax Releases and Refunds for Fiscal Year 2003-04 (accept the April property tax release and refund report as presented and authorize the Tax Assessor to adjust the tax records as outlined by the report);
- *b. Capital Project Ordinance Amendment No. 04CPA000014 (approve the use of Public School Building Funds for HVAC upgrade at Neal Middle School);
- *c. Budget Ordinance Amendment No. 04BCC000071—Mental Health Department (appropriate \$100,000 on a one-time basis for a transitional employment program for individuals with mental retardation);
- d. Purchase of Total Containment Vessel for \$143,200—Emergency Management (approve the purchase from DHS Part II Grant Program funds);
- *e. First Amendment to Service Contract for Services With Excelliant Services Inc. (approve the amendment to the contract not to exceed \$35,600 and authorize the Manager to execute);
- h. Lease Agreement to the Coordinating Council for Senior Citizens, Durham Inc. (approve the agreement and authorize the Manager to execute);

- *i. Resolution Adopting Policy on Closed Session Minutes (adopt the resolution with any changes the Board desires);
- j. Contract Amendment to Wastewater Treatment Plant Improvements—Phase I Engineering Contract (authorize the Manager to execute the amendment with McKim & Creed, PA in the amount of \$112,000);
- l. Air Quality Initiatives for Durham County (instruct the Environmental Affairs Board to spearhead the initiatives for Durham County); and
- *m. Budget Ordinance Amendment No. 04BCC000074 and Capital Project Amendment No. 04CPA000016—Project No.: DC075-50 (approve the appropriation of \$200,000 of Capital Financing Fund fund balance to purchase 2.23 acres of land located on Shannon Road [Watson Property] for the purpose of expanding the Southwest Branch Library).

The motion carried unanimously.

*Documents related to these items follow:

Consent Agenda Item No. a. Property Tax Releases and Refunds for Fiscal Year 2003-04 (accept the April property tax release and refund report as presented and authorize the Tax Assessor to adjust the tax records as outlined by the report).

Due to property valuation adjustments for over assessments, listing discrepancies, duplicate listings, and clerical errors, etc., the attached report details releases and refunds for the month of April 2004.

Releases & Refunds for 2003 Taxes:

Real	\$	42,804.50
Personal	\$	5,382.08
Registered Vehicles	\$	21,881.21
Vehicle Fees	\$	325.00
Solid Waste	\$	<u>845.00</u>
Total for 2003 Taxes and Fees	\$	71,237.79

Prior years' (1993-2002) releases and refunds for April 2004 are in the amount of \$34,808.30.

The total current year and prior years' releases and refunds amount to \$106,046.09.

(Recorded in Appendix A in the Permanent Supplement of the May 24, 2004 Regular Session Minutes of the Board.)

Consent Agenda Item No. b. Capital Project Ordinance Amendment No. 04CPA000014 (approve the use of Public School Building Funds for HVAC upgrade at Neal Middle School).

DURHAM COUNTY, NORTH CAROLINA
FY 2003-04 Capital Project Ordinance
Amendment No. 04CPA0000014

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Capital Project Ordinance is hereby amended to reflect budget adjustments for Neal Middle School HVAC Upgrade.

	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>Expenditures</u>			
Neal Middle School			
HVAC Upgrade	\$ -0-	\$450,000	\$450,000

All ordinances and portions of ordinances in conflict herewith are hereby repealed.

This the 24th day of May, 2004.

(Capital Projects Ordinance Amendment recorded in Ordinance Book _____, page _____.)

Consent Agenda Item No. c. Budget Ordinance Amendment No. 04BCC000071—Mental Health Department (appropriate \$100,000 on a one-time basis for a transitional employment program for individuals with mental retardation).

DURHAM COUNTY, NORTH CAROLINA
FY 2003-04 Budget Ordinance
Amendment No. 04BCC000071

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Budget Ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>GENERAL FUND</u>			
Intergovernmental	\$299,743,419	\$100,000	\$299,843,419

Expenditures:

<u>Activity</u>			
<u>GENERAL FUND</u>			
Human Services	\$358,719,124	\$100,000	\$358,819,124

All ordinances and portions of ordinances in conflict herewith are hereby repealed.

This the 24th day of May, 2004.

(Budget Ordinance Amendment recorded in Ordinance Book _____, page _____.)

Consent Agenda Item No. e. First Amendment to Service Contract for Services With Excelliant Services Inc. (approve the amendment to the contract not to exceed \$35,600 and authorize the Manager to execute).

North Carolina
Durham County

FIRST AMENDMENT
Continuity of Operations

This First Amendment is made and entered into this 24th day of May 2004, by and between Durham County (“County”) and EXCELLIANT SERVICES INC., a foreign corporation, duly authorized to do business in the state of North Carolina, (“Consultant”) hereinafter collectively referred to as “Parties”.

WHEREAS, the Parties previously entered into an agreement dated the 22nd day of December, 2003, for Continuity of Operations planning in the event of a disaster (hereinafter the “Agreement”), which Agreement terminates on June 30, 2004; and

WHEREAS, the Parties now desire to amend the Agreement to provide for planning additional work and time to perform such work and to increase the amount of the Agreement while keeping in effect all terms and conditions of the Agreement as herein amended.

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements made herein, the Parties agree as follows:

1. The Scope of Services shall be amended to include the additional services set forth in Consultant’s Proposal, dated March 4, 2004 Rev. 2.0, and Scope of Work, both attached hereto and incorporated herein as Exhibit A.
2. Section 2, of the Agreement shall be amended to extend the Term of the Agreement through August 30, 2004.
3. Section 3, of the Agreement shall be amended to include an additional amount not to exceed Thirty-five Thousand Six Hundred Dollars (\$35,600) for the additional services set forth in Exhibit A, payable in the manner set forth in Exhibit A.

Payment to the Contractor for the Services set forth in Exhibit A is not contingent upon receipt of Grant Funds.

4. Except for the changes made herein, the Agreement, as amended, shall remain in full force and effect to the extent not inconsistent with this First Amendment. In the event that there is a conflict between the Agreement and this First Amendment, this First Amendment shall control.

The Parties have expressed their agreement to these terms by causing this First Amendment to be executed by their duly authorized officer or agent. This First Amendment shall be effective as of the date first written above.

Consent Agenda Item No. i. Resolution Adopting Policy on Closed Session Minutes (adopt the resolution with any changes the Board desires).

RESOLUTION ADOPTING POLICY ON CLOSED SESSION MINUTES

WHEREAS, the Board of Commissioners finds that closed session minutes should be made public as soon as practicable after the closed session so long as the purpose of the closed session would not be frustrated; and

WHEREAS, in order to ensure the accuracy of the minutes, it is important for the Board of Commissioners to review the prepared closed session minutes in a timely manner; and

WHEREAS, the preparation and review of the minutes must comply with N.C.G.S. § 143-318.10.

NOW, THEREFORE, THE BOARD OF COMMISSIONERS FOR THE COUNTY OF DURHAM DOETH RESOLVE:

1. The Clerk to the Board shall prepare the minutes and general account of the closed sessions of the Board of Commissioners as soon as possible following the meeting at which the closed session was held.

2. Following the preparation of the closed session minutes and general account, the Board of Commissioners shall review the minutes at the next closed session of the Board. The Board of Commissioners shall make any necessary changes to the minutes at this time. If release of the minutes and general account would not frustrate the purpose of the closed session, the minutes and general account shall be made immediately available for public inspection. Once the minutes and general account of the closed session are made available for public inspection, the minutes and general account shall be placed on the next Board of Commissioners agenda for adoption.

3. If after review by the Board of Commissioners, it is determined that the release of the minutes and general account would frustrate the purpose of the closed session, the minutes and general account shall continue to be withheld from public inspection. Thereafter, any closed session minutes and general accounts shall be made available for public inspection only after determination by the Board of Commissioners that the release would not frustrate the purpose of the closed session.

4. At any time a request is made for the release of particular closed session minutes or at least annually, the County Attorney shall review the closed session minutes and make a recommendation to the Board of Commissioners in closed session as to whether or not the release of the closed session minutes and general account would continue to frustrate the purpose of the closed session.

This the 24th day of May, 2004.

Consent Agenda Item No. m. Budget Ordinance Amendment No. 04BCC000074 and Capital Project Amendment No. 04CPA000016—Project No.: DC075-50 (approve the appropriation of \$200,000 of Capital Financing Fund fund balance to purchase 2.23 acres of land located on Shannon Road [Watson Property] for the purpose of expanding the Southwest Branch Library).

DURHAM COUNTY, NORTH CAROLINA
FY 2003-04 Budget Ordinance
Amendment No. 04BCC000074

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Budget Ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>CAPITAL FINANCING PLAN FUND</u>			
Other Financing Sources	\$ 17,260,202	\$200,000	\$17,460,202

Expenditures:

<u>Activity</u>			
<u>CAPITAL FINANCING PLAN FUND</u>			
Other	\$ 31,465,557	\$200,000	\$31,665,557

All ordinances and portions of ordinances in conflict herewith are hereby repealed.

This the 24th day of May, 2004.

(Budget Ordinance Amendment recorded in Ordinance Book _____, page _____.)

DURHAM COUNTY, NORTH CAROLINA
FY 2003-04 Capital Project Ordinance
Amendment No. 04CPA000016

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Capital Project Ordinance is hereby amended to reflect budget adjustments.

	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>Expenditures</u>			
Southwest Branch			
Library Project	\$400,000	\$200,000	\$600,000

All ordinances and portions of ordinances in conflict herewith are hereby repealed.

This the 24th day of May, 2004.

(Capital Projects Ordinance Amendment recorded in Ordinance Book _____, page _____.)

Consent Agenda Items Removed for Citizen Comments

Consent Agenda Item No. f. JCPC Recommendation for FY 2004-2005 JCPC/DJJDP Program Funding (approve the recommended plan to allocate \$561,475 in State funding for FY 04-05).

Chairman Reckhow removed this item for comment by Victoria Peterson.

Ms. Peterson, P.O. Box 101, Durham, NC, asked County Manager Ruffin which programs would benefit juveniles who are involved in criminal activity.

County Manager Ruffin deferred to Ms. Cheryl Lloyd, Cooperative Extension Director, for a response.

Ms. Lloyd stated that the State requirement for use of these funds is that referrals by the juvenile court system must comprise youth who have been involved in criminal activity or are at high risk.

Durham County Juvenile Crime Prevention Council
 For FY 2004-2005 N.C. DJJDP Funding

#	Program - Sponsor	DJJDP Continuation Funding Awarded F.Y. 2003-2004	DJJDP Continuation Funding Requested F.Y. 2004-2005	Approved by JCPC on 4/28/2004 F.Y. 2004-2005
1	Family Responsibility Training/Child Advocacy Commission of Durham, Inc.	9,500	18,000	9,600
2	Durham County Teen Court & Restitution Program Teen Court Restitution	166,100 -(84,711) -(81,389)	170,000 -(86,700) -(83,300)	166,200 -(84,762) -(81,438)
3	Durham PROUD Program	40,000	65,000	48,000
4	Durham Youth Enrichment Program Durham Council For Youth Enrichment, Inc.	15,000	18,500	16,080
5	Juvenile Court Psychologist – The Durham Center	63,137	63,137	63,137
6	A New Day – Juvenile Day Reporting Center Durham County	20,000	40,000	30,000
7	New Horizons Structured Day Triangle Urban League, Inc.	20,000	31,783	30,000
8	Parenting of Adolescents – Exchange Clubs’ Family Center	120,000	125,000	120,000
9	Rites of Passage – Durham Business and Professional Chain	9,500	9,500	9,600
10	Emergency Shelter Contract Services (Reserved)	82,738	65,000	31,358
11	JCPC Administrative Costs	15,500	15,500	15,500
12	Adolescent Self Awareness Program Alase Center For Com. Outreach & Dev.	0.00	71,460	12,000
13	Faith Based Comm. Program New Home & Durham Missionary Bapt. Assoc. Inc.	0.00	87,750	0.0 0
14	FAME I: Family Advancement Through Mentoring & Edu. (For Elem. Aged youth) Dominion Ministries, Inc.	0.00	70,000	0.00
15	FAME II & III: Family Advancement Through Mentoring & Education (For Middle & High School) Durham Partnership For Behavioral Health	0.00	100,000	0.00
16	Youth Life Learning Center Youth Life Foundation of the Triangle	0.00	10,000	10,000
	TOTALS:	\$561,475	\$ 960,630	\$561,475

Consent Agenda Item No. g. Grant Agreement to North Carolina Museum of Life and Science Inc. (approve the agreement for \$5,280,000 and authorize the County Manager to execute).

Chairman Reckhow removed this item from the consent agenda to allow comment by Dr. E. Lavonia Allison.

Dr. E. Lavonia Allison, PO Box 428, Durham, NC 27702, requested information concerning a potential increase in admission costs related to Museum expansion and disaggregative employment data.

Commissioner Cousin volunteered to obtain this information for Dr. Allison, as he serves on the Museum of Life and Science Board.

Commissioner Heron commented that Durham County citizens are allowed to attend the Museum on Wednesdays free of charge.

Project Description

Durham County Bond funds will make possible the completion of the outdoor exhibit *Catch the Wind* designed to expand the understanding of how plants and animals use the aerial environment. The exhibition includes such features as a seed tower, sailboat pond, wind yard, mist garden, and smoke rings. In a setting that contrasts both landscaping and site treatments with the natural environment, large-scaled interactive exhibits will serve as experiment stations for exploring the aerial environment.

The County bond provides for 50% of the cost of the *Dinosaur Trail and Dig*. This outdoor experience will feature lifelike dinosaur models as well as a dig site where visitors can use tools of a paleontologist to unearth fossils.

County bond funds will also make it possible to enhance the visitor experience by providing such visitor amenities as expanded parking and improved circulation, an enhanced main entry, and visitor rest areas in the nature park.

Consent Agenda Item No. k. Budget Ordinance Amendment No. 04BCC000072 and Capital Project Amendment No. 04CPA000015—Closing of 1986 and 1991 Bond Issuance Related Projects and Movement of Unspent Funds to the Debt Service Fund (304) (approve the closing of the projects and related sub-funds within the Capital Project Fund freeing up \$579,310; transfer remaining balances within these sub-funds to the Debt Service Fund to be used to pay toward existing debt; and transfer General Fund fund balance (\$161,556) to the Little River Regional Park project to replace the moved 1986 and 19991 Bond funds).

Dr. E. Lavonia Allison, PO Box 428, Durham, NC 27702, inquired about the process by which school PTAs can obtain this funding.

Chairman Reckhow explained that applications for the Matching Grants Program can be obtained by contacting Bill Renfrow, Budget Analyst.

Ms. Victoria Peterson, P.O. Box 101, Durham, NC, requested that some of the dollars be set aside for nonprofit programs that are working to reduce the crime rate in Durham.

DURHAM COUNTY, NORTH CAROLINA
FY 2003-04 Budget Ordinance
Amendment No. 04BCC000072

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Budget Ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>CAPITAL FINANCING PLAN FUND</u>			
Other Financing Sources	\$ 17,098,646	\$161,556	\$ 17,260,202
<u>DEBT SERVICE FUND</u>			
Other Financing Sources	\$ 31,944,856	\$579,310	\$ 32,524,166

Expenditures:

<u>Activity</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>CAPITAL FINANCING PLAN FUND</u>			
Other	\$ 31,304,001	\$161,556	\$31,465,557
<u>DEBT SERVICE FUND</u>			
Other	\$ 32,214,704	\$579,310	\$32,794,014

All ordinances and portions of ordinances in conflict herewith are hereby repealed.

This the 24th day of May, 2004.

(Budget Ordinance Amendment recorded in Ordinance Book _____, page _____.)

DURHAM COUNTY, NORTH CAROLINA
 FY 2003-04 Capital Project Ordinance
 Amendment No. 04CPA000015

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Capital Project Ordinance is hereby amended to reflect budget adjustments for these capital projects.

<u>Project</u>	<u>Current Budget</u>	<u>Increase</u>	<u>Decrease</u>	<u>Revised Budget</u>
Carolina Theater	\$1,400,000		\$1.98	\$1,399,998
Public Transportation	\$415,000		\$351,926.69	\$63,073
Housing Projects	\$0		\$30,666.11	(\$30,666)
Open Space-General	\$264,805		\$12,486.99	\$252,318
Open Space-Pearsontown	\$9,808		\$0.82	\$9,807
Open Space-Valley Run Homeowners	\$11,572		\$0.48	\$11,572
Open Space-NC Community Land Trust	\$4,005		\$0.05	\$4,005
Parks/Recreation-Parkland	\$23,612		\$0.01	\$23,612
Club Blvd Elem. PTA	\$4,128		\$0.30	\$4,128
Holt Elem. PTA	\$15,211		\$0.48	\$15,211
Forestview Elem. PTA	\$15,489		\$0.20	\$15,489

Community Development Projects	\$1,500,000		\$22,669.95	\$1,477,330
Little River Regional Park	\$822,426	\$161,556	\$161,556	\$822,426

All ordinances and portions of ordinances in conflict herewith are hereby repealed.

This the 24th day of May, 2004.

(Capital Projects Ordinance Amendment recorded in Ordinance Book _____, page _____.)

Commissioner Heron moved, seconded by Commissioner Jacobs, to approve consent agenda item Nos. f, g, and k.

The motion carried unanimously.

Ethics Complaint

Commissioner Heron moved, seconded by Commissioner Cousin, to excuse Vice-Chairman Bowser from discussing and voting on this agenda item.

The motion carried unanimously.

Chairman Reckhow stated that this matter was placed on the agenda for discussion and consideration by the Commissioners regarding an ethics complaint filed by Human Resources Director Jackye Knight, alleging a violation by Commission Vice-Chairman Joe Bowser. She asked County Attorney Kitchen to outline the Board's options pursuant to the Ethics Policy.

County Attorney Kitchen advised that, pursuant to § 6(d) of the Ethics Policy, a complaint against a county commissioner was filed with the County Attorney. The Board of Commissioners was required by its policy to "decide the matter in an open meeting of the Board of Commissioners." The requirement of an open meeting, while listed in the policy, is also required by the Open Meetings Law. Attorney Kitchen had prior discussions with David Lawrence at the School of Government, who confirmed this requirement. While the Ethics Policy requires an investigation by either the County Manager or County Attorney when officials other than county commissioners are involved, no such requirement exists in this instance. The Board may have an investigation conducted if it deems necessary. However, any such investigation should be conducted by an outside entity or agency to avoid the appearance of impropriety. After an investigation is completed, or at any point if no investigation is conducted, the Board could have a hearing on the matter pursuant to Section 7 of the Ethics Policy if the Board has "cause to believe a violation may have occurred". This determination should be made by the four remaining Board members and pursuant to G.S. § 153A-44. Vice Chairman Bowser should be excused from voting on all matters concerning this

complaint as it involves his official conduct. If the Board does not have cause to believe that a violation may have occurred, then it does not have to proceed with a hearing, and the complaint would be dismissed. While the hearing would be conducted in open session, it would not be a public hearing where anyone could speak. Like quasi-judicial hearings the Board has held on other matters, the formal rules of Civil Procedure and Evidence do not apply, but minimum due process rights, as set forth in § 7(b) of the Ethics Policy, and principals of fundamental fairness do apply. Since no property interest is involved in this situation, the hearing should properly be characterized as legislative in nature, but with due process rights observed.

Following the hearing by the Board, if one is held, one of several possible actions could be taken; among these are:

- 1) The Board could determine that no violation has occurred, and the Complaint should properly be dismissed.
- 2) The Board could determine that a violation occurred, but was not of a magnitude to warrant any further action.
- 3) The Board could determine that a violation occurred, and adopt a “resolution of censure”.
- 4) The Board could defer action on the matter until a later date (table the matter until a date certain or indefinitely).

Chairman Reckhow called the signed speakers forward, asking that the audience refrain from outbursts or applause due to the serious nature of the matter. Each speaker was allotted three minutes for comments.

Ms. Julie Linehan, 3437 Dixon Road, Durham, NC 27707 asked the Board not to dismiss this complaint, but authorize an immediate investigation and/or hearing.

Dr. E. Lavonia Allison, PO Box 428, Durham, NC 27702, expressed that discussions pertaining to the audit be included on a future agenda.

Chairman Reckhow informed Dr. Allison that County Manager Ruffin’s findings regarding the internal audit of Human Resources would be placed on the June 7 Worksession Agenda.

The following citizens spoke in support of Vice-Chairman Bowser and on behalf of his character, commending Mr. Bowser for his work as a County Commissioner and asking the Board to dismiss the ethics complaint:

Mr. Fred White, 1015 Jerome Road, Durham, NC 27713

Ms. Thelma Glenn White, 1015 Jerome Road, Durham, NC 27713

Ms. Theresa El-Amin, 17 Balmoray Court #15, Durham, NC 27707

Mr. Dock Terrell, 7830 Massey Chapel Road, Durham, NC 27713

Dr. Richard McMillan, 6 Placid Court, Durham, NC 27713, Pastor of Markham Chapel Missionary Baptist Church

Mr. Levonne Hardy, 1606 Rougemont Drive, Durham, NC 27705

Ms. Melinda Bowser, 9 Druid Place, Durham, NC 27707

Mr. Fred Foster Jr., 578 Whippoorwill Street, Durham NC 27704

Ms. Carolyn Davis, 105 Kit Court, Mebane, NC 27302

Mr. Purvis PJ Saab, 1402 Wildwood Road, Durham, NC 27704

Mr. Jack Steer, 729 Quiet Woods Place, Durham, NC 27712, voiced his concerns with the audit process. He stated that it is unethical for an elected official to interfere with the functioning of the hired employees; officials are elected to represent the voters and taxpayers. Mr. Steer suggested that the Board hold a hearing, obtain sworn testimony, evaluate the testimony, and make a decision quickly in regards to the ethics complaint.

Ms. Joyce McGriff, 6 Shelly Place, Durham, NC 27707 appealed to the Board to investigate the ethics complaint.

Attorney Willie S. Darby, 505 Hancock Street, Oxford, NC 27565, attorney for Ms. Jackye Knight, beseeched the Commissioners to move forward quickly with an investigation or a hearing.

Commissioner Cousin expressed concern that legal counsel, as well as Ms. Knight and Human Resources employees, were being given the opportunity to give testimony.

Chairman Reckhow asked County Attorney Kitchen to address Commissioner Cousin's concern.

Mr. Kitchen explained that a hearing would involve sworn testimony and cross-examination. The Board had elected to hear citizen comments at this meeting; consequently, no citizen could be precluded from speaking.

Ms. Jackye Knight, 306 Mckinley Street, Durham, NC 27705, stated that she was prepared to withstand the intense level of public scrutiny that the complaint had generated, having nothing to gain, either professionally or politically. She pressed the Commissioners to preserve the public trust, look for the truth, appoint an impartial investigator, and follow the letter and spirit of the Code of Ethics.

Chairman Reckhow informed the public that the Code of Ethics mandates the procedure of the Board of County Commissioners. A formal complaint regarding a Commissioner must be discussed by the Board in Open Session. Human Resources Director Jackye Knight wrote a letter to County Attorney Chuck Kitchen on May 13, 2004 regarding: Complaint for Violation of the Code of Ethics. In summary, the complaint alleges the premature release of an audit, special treatment for friends, and that department heads were given direction on whom to hire.

Chairman Reckhow announced that on May 21, the Board had received communication from Gayle Harris, Assistant Local Health Director, Durham County Health Department, alleging similar behavior by Vice-Chairman Bowser.

Commissioner Jacobs inquired about the following:

1. Was a violation committed when the audit was released?
2. Is the Board operating under the amended Code of Ethics adopted on March 22, 2004?
3. Can the County Commissioners investigate complaints that seem to point to discrimination?

County Attorney Kitchen responded:

1. A final draft is considered public record in North Carolina and cannot be withheld from any citizen or the press.
2. The current Code of Ethics would apply.
3. The Board must make the determination as to whether it investigates.

Chairman Reckhow interjected that while the amended Ethics Policy adopted in March provides greater specificity, the following section of the original Ethics Policy is applicable to several allegations in the complaint: "No County Official shall use his/her official position or the county's facilities for his/her private gain, or for the benefit of any individual, which benefit would not be available to any other member of the public...." (Page 2, Section 3b).

Commissioner Jacobs communicated that Section 8c (iii) was referenced as the violation in the complaint.

Chairman Reckhow stated that although that section of the code was referenced in the complaint, an original provision, which predates March 22, is also operative.

Commissioner Heron spoke to the comments by Ms. Melinda Bowser who indicated that Commissioner Heron had violated the Ethics Policy when her daughter catered events for Durham County Government. Commissioner Heron stated that her daughter has been in the catering business for 15 years, having been hired by Durham County only three times. Commissioner Heron has no financial interest in her daughter's business, and they do not reside in the same household or county. She asked County Attorney Kitchen to address this subject.

County Attorney Kitchen stated that relatives of elected officials have a right to engage in business with the County. No one can be precluded or discriminated against on that basis. It is not a violation of the policy.

Commissioner Cousin expressed his desire for the Board to proceed with important matters and dismiss the ethics complaint.

Commissioner Heron made the following remarks:

“I would hope that our board will meet head-on the very serious allegations made against Commissioner Bowser, our fellow commissioner, and look for the truth, wherever and whatever that may be.

The charges put before us today are too important to be left hanging. If an individual commissioner has tried to make a county employee go against his or her professional judgment, that commissioner has not only done the wrong thing—that commissioner has broken trust with the other commissioners, with the county employees, and worst of all, with the citizens of Durham. If the allegations are made of thin air, the commissioner must be cleared of the taint of meddling where meddling is both unethical and bad practice.

Our board is responsible for hiring the county manager and evaluating his performance, the county attorney and his performance, and the tax collector and his performance and for setting the policies those officers of the county carry out. Personnel matters are the responsibility of the county manager and are properly dealt with by the commissioners only as part of his evaluation.

Allegations against any elected official must be aired fully and publicly. That is the only way we, as commissioners, can meet our obligations to Durham's citizens and to the county employees who work for them. Whenever there is the murmur or the odor of an elected official abusing the privileges of office for personal purposes rather than using the post for public purposes, the whole business needs to have a full and open hearing to get at the facts, to get at the truth.

Once everybody has the facts out in the open, then I would hope with all my being that we, as a commission, will take the right step—not the weasel step, not the easy step, not the “we don't want trouble” step, but the right step.

Let's proceed with an investigation so we can move forward for the sake of Durham.”

Commissioner Heron moved that the Board move forward with an investigation, and if the investigation warrants a hearing, that the hearing follow promptly.

Commissioner Cousin offered a substitute motion: That the Board go on record as discerning there is a difference between fact-finding and witch-hunting, that the Board

proceed with the matters as they pertain to the County—those being the resolution of the audit that is to come before the Board on the 7th of June, and also move with dispatch to put in place a budget for the next fiscal year for the County of Durham.

Commissioner Jacobs seconded the motion.

Commissioner Cousin clarified for Commissioner Heron that the next step would be to proceed with the business of the County. The allegations have been aired openly and publicly. The Board has complied with that part of the Ethics Policy. His wish was to table it indefinitely or dismiss it out of hand.

Commissioner Heron expressed that very serious charges were made against a fellow commissioner and the truth should be heard.

Commissioner Cousin contended that the Commissioners were allowing a process to degenerate into an argument with each other, where the Board is no longer concerned with the issues at hand.

Chairman Reckhow made the following points:

“The Ethics Policy was amended in March. Before the amendment, a complaint like this would have been investigated, and then the Board would decide whether to proceed to a hearing. Now, under the new wording, we have a choice as to whether to proceed to an investigation and/or hearing. The County Attorney’s explanation in making the change was to avoid having to deal with frivolous complaints. An example of a frivolous complaint would be an allegation that we can readily refute. For instance, an allegation of conflict of interest that the County Attorney advises is not a true conflict. With the complaint before us now, unless we can definitely say that the allegations are not true, then it is not frivolous, and should be investigated.

By not initiating an investigation, we are treating a Commissioner different from all others covered by the policy. Under our new policy, an investigation is initiated if a complaint is filed against any other county official covered by the policy.

This issue needs to be addressed—not swept under the carpet. Otherwise, it will fester and may serve as a continuing distraction for the Board.

Lack of follow-up on this complaint sends a bad message to our employees. It appears that employees have no recourse if an employee feels that a Commissioner has acted in an inappropriate manner.”

Chairman Reckhow advised that the Board make the decision to proceed with an investigation, which would have been mandatory prior to March 22.

Commissioner Jacobs commented that she was trying to address the facts, not the politics and the emotions.

Commissioner Cousin called for the question.

The motion failed for the lack of majority.

Ayes: Cousin and Jacobs

Noes: Heron and Reckhow

County Attorney Kitchen stated that the overriding rule of North Carolina law is that the Board must have a majority to take action. A four-member Board (Vice-Chairman Bowser was excused from voting) requires a vote of three to take action; hence, no action can be taken. After tonight's discussion, any other motion would be futile.

Commissioner Heron moved that the Board receive the Manager's overview of the audit and move forward with an investigation. If the investigation warrants a hearing, then the hearing would follow the investigation.

Chairman Reckhow referred to County Attorney Kitchen for advice.

County Attorney Kitchen stated his opinion that the complaint is "going to die" without any action of the Board. The more prudent means is to say that it will not be considered further. It is not appropriate or in anyone's best interest to have a complaint hanging. Attorney Kitchen recommended that the Board consider this matter ended.

Interest Rate Swap

The Finance Department has been entertaining a proposal from Rice Financial Products for the County to enter into an interest rate swap agreement. This agreement is projected to save the County almost \$10,000,000 over a ten-year period in debt service. The use of this savings should be limited by the BOCC to 50% current budget and 50% designated for potential increases in debt service due to the Swap arrangement.

During the worksession on May 3, 2004, Rice Financial Products and Public Financial Management (PFM), a recognized expert in the area of Swaps, made presentations to the Board. (PFM was paid \$10,000 to analyze the proposal and make a recommendation to the Board.)

Management recommends that Durham County enter into an agreement with Rice Financial Products and believes that the arrangement will reduce the County's debt service. Management also believes that the risks outlined in the PFM analysis can be

mitigated to an acceptable level. A copy of the proposal has been provided to the LGC for its review and comment; however, a response is not expected prior to this meeting. As such, the request is that the Board authorize the Manager to execute a contract with Public Financial Management to advise the County in the negotiation of such an arrangement in an amount not to exceed \$100,000. The scope of services to be provided will include, but are not limited to, the following:

1. Review and comment on all Swap documentation and business terms;
2. Evaluate credit enhancement and other industry standards approaches to managing counterparty credit risk;
3. Negotiate the pricing terms and final structure with the Swap provider;
4. Coordinate the closing of the transaction; and
5. Provide the County with a memorandum summarizing the results of our engagement, including an opinion that the pricing of the Swap, as agreed to, represents fair value.

Should this arrangement be approved by the BOCC and closed, all costs will be absorbed in the deal (no cash outlay by the County). However, to move the process forward, the request is to approve a \$100,000 appropriation from Fund Balance. Please note that our deal with PFM is on a contingency basis—if the deal fails to close, the County owes nothing to PFM.

Once the deal has been negotiated, the proposal will be presented to the BOCC for final approval, which would be subject to the approval of the LGC.

RESOURCE PERSON(S): George K. Quick, Finance Director

COUNTY MANAGER'S RECOMMENDATION: The Manager recommended that the BOCC approve the proposed deal with Rice Financial Products (subject to approval by the LGC), authorize the Manager to enter into a contract with Public Financial Management to act as our Swap advisor, and approve the Fund Balance Appropriation.

Chairman Reckhow recognized Finance Director George Quick to present the item.

Mr. Quick stated that subsequent to the May 3 Worksession, Commissioner Heron requested that he speak with several counties and municipalities that have utilized Rice Financial Products services. As a result, Mr. Quick has spoken with Philip Schepfs, past Director of Finance and Administration (during the process), Houston, Texas; Rachel Baum, Director of Finance, Miami-Dade County, Miami, Florida; Roy Williams, Director of Aviation, New Orleans Aviation Board, Kenner, Louisiana; and Cynthia Austin Melvin, Director of Administration, Jackson, Mississippi. Without exception, extremely positive comments were made regarding transactions involving their organizations. The four contacts recommended that, in order to have a good understanding for this transaction, it is necessary to:

1. Engage an experienced Swap advisor.
2. Require that the advisor provide a fairness opinion on pricing of the transaction.
3. Establish a fund to offset potential dissavings.

Mr. Quick conveyed that the County has complied with these recommendations. He then recommended that the Board:

1. Authorize the Manager to enter into a contract with Public Financial Management as our financial advisor in an amount not to exceed \$100,000.
2. Allocate \$100,000 in Fund Balance appropriation as a source for payment. (From a technical standpoint, for the County to enter into a contract, funds must be allocated for payment. However, the reality is that the money will not be spent because all costs will be absorbed in the deal [no cash outlay by the County]. The contract is on a contingency basis—if the transaction fails to close, the County owes nothing. If the contract closes, the transaction will fund the payment of these fees.)
3. Authorize the Finance Director to complete the negotiation and finalized the documents, which will be presented at the June 7 Worksession. Approval would be subject to LGC approval.

Commissioner Heron thanked Mr. Quick for contacting the four organizations for their recommendations.

Commissioner Jacobs reported that the presentation at the May 3 Worksession was quite complete. She was very impressed with Rice Financial Products.

Commissioner Jacobs moved, seconded by Commissioner Cousin, that the Board approve the three above-mentioned recommendations by Finance Director Quick.

Chairman Reckhow agreed with Commissioner Jacobs' motion since a buffer trust fund would be set aside, greatly benefiting Durham County.

Commissioner Jacobs restated, for the public, that all costs will be absorbed in the transaction, with no cash outlay by the County.

The motion carried unanimously.

Budget Ordinance Amendment No. 04BCC000073—Emergency Medical Services Salary and Benefits Funding

Per discussion at the Commissioners' Retreat in January of this year, projection of funds available for personnel services in Emergency Medical Services indicates that this cost center will exceed budgeted personnel funds for the current fiscal year. The primary reasons for these anticipated overages are overtime payments to staff these areas 24/7 and under-funded shift differential and relief support pay. Unrecognized (and over-realized) revenues from EMS patient income will be increased \$150,000 and unrecognized General Fund property tax revenue will be increased \$267,029 to support increased personnel expenditures of \$417,029.

RESOURCE PERSON(S): Mickey Tezai, EMS Director, and Pam Meyer, Director Budget & Management Services

COUNTY MANAGER'S RECOMMENDATION: The Manager recommended that the Board approve the \$417,029 appropriation of unrecognized revenue of \$150,000 from EMS patient income and \$267,029 from General Fund property taxes to support personnel expenditure increases in the EMS department.

Mr. Tezai informed the Board that EMS has had 23 nonconcurring vacancies during the last 11 months. The department chose to fill the slots with relief staff and overtime rather than reduce the level of service, which would impact the response times. However, Mr. Tezai revealed the good news that this is the first fiscal year that the department will realize an excess in revenue collections over budget. The collection percentage is presently 56 percent. In addition, the department was recently notified of an unanticipated windfall to be received from Medicaid (approximately \$160,000) due to the new Medicaid cost-reporting process. This money will serve to negate most of the requested funds from the budget amendment.

Commissioner Heron asked how the contract with the ambulance company has affected the department's budget.

Mr. Tezai responded that although negative impacts were realized in the first 1½ years, the results are now positive.

Chairman Reckhow questioned how the department could become more efficient in order to reduce overtime and expenses.

Mr. Tezai reiterated that the vacancy rate has caused the problem. This year, he has worked extensively with the Budget and Human Resources Departments to produce a more adequate budget for the upcoming fiscal year.

Ms. Victoria Peterson, P.O. Box 101, Durham, NC, conveyed to the Board that a recent ambulance trip to her home resulted in two separate charges totaling over \$1000.

Mr. Tezai explained to Ms. Peterson that a single ambulance visit could not possibly exceed \$1000; nevertheless, services charges for frequent users could accumulate to total more than that amount.

Chairman Reckhow suggested that Mr. Tezai meet with Ms. Peterson to discuss this issue and answer her questions. Although the County supports EMS with the General Fund, a fee is associated with this EMS service.

Commissioner Cousin moved, seconded by Commissioner Jacobs, to approve the \$417,029 appropriation of unrecognized revenue of \$150,000 from EMS patient income and \$267,029 from General Fund property taxes to support personnel expenditure increases in the EMS department.

The motion carried unanimously.

DURHAM COUNTY, NORTH CAROLINA
FY 2003-04 Budget Ordinance
Amendment No. 04BCC000073

BE IT ORDAINED BY THE COMMISSIONERS OF DURHAM COUNTY that the FY 2003-04 Budget Ordinance is hereby amended to reflect budget adjustments.

Revenue:

<u>Category</u>	<u>Current Budget</u>	<u>Increase/Decrease</u>	<u>Revised Budget</u>
<u>GENERAL FUND</u>			
Taxes	\$136,289,045	\$267,029	\$136,556,074
Service Charges	\$ 30,891,087	\$150,000	\$ 31,041,087

Expenditures:

<u>Activity</u>			
<u>GENERAL FUND</u>			
Public Safety	\$ 37,454,734	\$417,029	\$ 37,871,763

All ordinances and portions of ordinances in conflict herewith are hereby repealed.

This the 24th day of May, 2004.

(Budget Ordinance Amendment recorded in Ordinance Book _____, page _____.)

Board Appointments—Durham Appearance Commission and the Durham Bicycle and Pedestrian Advisory Committee

Garry E. Umstead, CMC, Clerk to the Board, distributed ballots to make appointments to the Durham Appearance Commission and the Durham Bicycle and Pedestrian Advisory Committee.

RESOURCE PERSON(S): Garry E. Umstead, CMC, Clerk to the Board

COUNTY MANAGER'S RECOMMENDATION: The Manager recommended that the Board of County Commissioners vote to appoint members to the above-mentioned boards.

The following appointments were made:

Durham Appearance Commission

John E. Felton (recommended by City-County Planning Committee)
Karen Havighurst (recommended by City-County Planning Committee)
Allyson Blyth Morrell (recommended by City-County Planning Committee)

Durham Bicycle and Pedestrian Advisory Committee

Jimmy L. Gamble (recommended by City-County Planning Committee)

Closed Session

Commissioner Heron moved, seconded by Commissioner Jacobs, to adjourn to Closed Session to maintain the attorney-client privilege and to discuss Brannon v. DSS 02 SP 0769 pursuant to N.C.G.S. 143.318.11(a)(3).

The motion carried unanimously.

Reconvene to Open Session—Chairman Reckhow stated that direction was given to staff in Closed Session with no action being taken.

Adjournment—Chairman Reckhow declared the meeting adjourned at 10:35 p.m.

Respectfully submitted,

Vonda C. Sessoms
Deputy Clerk to the Board