

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

Thursday, April 11, 2013

Special Meeting – Nonprofit Discussion and CIP Worksession

MINUTES

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

Present: Chairman, Fred Foster, Jr., Vice-Chairman Brenda A. Howerton, and Commissioners Wendy Jacobs, Michael D. Page, and Ellen W. Reckhow

Absent: None

Presider: Chairman Foster

Chairman Foster called the meeting to order.

Discussion – Nonprofit Applications

County Manager Mike Ruffin asked Laura Jensen, Budget Analyst, to give a brief summary of the discussion the Board had last year regarding nonprofit applications. The Board offered feedback on the process last year that was implemented in the 2013-14 process.

Ms. Jensen recapped items discussed by the Board last year. She highlighted the following recommendations:

- 1) Staff increased advertising for the nonprofit program this year, including three on-line ads, and a Q&A with potential applicants;
- 2) It was requested that staff explore the United Way process. Ms. Jensen reported that the County uses a different cycle than United Way. Also the United Way process is very specific to United Way goals and strategies;
- 3) Give agencies more time to complete applications – the time was increased to eight (8) weeks this year;
- 4) Soft deadline review – On February 14, 2013, staff reviewed all applications. The applicants were given a week to make any corrections;
- 5) Solicit volunteers from universities to assist nonprofits in writing applications – the time did not work. There was a conflict with holiday leave and semester breaks.

Ms. Jensen also commented that a score based process was implemented. Applicants with the highest scores and those who are in line with the County's Strategic Plan will be considered for the \$794,849 which is the current funding. This year, the County received 67 vs. 53 applications. Twenty two (22) of the applicants have never been funded. The total requested this year is \$2.3 million.

Commissioner Reckhow requested more information on the mental health funding.

Commissioner Jacobs questioned the sustainability of the organizations. She was concerned about the County being an only funding source, and the percentage of funding that was for salaries.

Ms. Jensen will send copies of the review forms to the Board.

Vice Chair Howerton asked if there were specific areas of funding. Ms. Jensen responded that there were no directions from the Board about the types of funding. Therefore, there were no restrictions on applications.

Ms. Jensen gave an overview of how the applications aligned with the strategic plan goals:

6% were not aligned
6% - aligned with Goal 4
36% - aligned with Goal 1
24% - aligned with Goal 3
28% - aligned with Goal 2

Commissioner Reckhow inquired about the percentage of time Ms. Jensen spent on the nonprofit process. Ms. Jensen reported that 50% was spent last year, and 60% was spent this year.

Other areas of concern and future discussion included:

- Funding of the arts
- EDGE funding – does DPS provide funding to alternative programs
- Survey relevant department heads to see how the nonprofit service relates to their mission
- Duplication of services
- County not being the only provider
- Ask City to revisit their support to nonprofits
- Discussion about options for demographics that will not be accepted by DPS or Durham Technical Community College
- The need for a youth commission to link youth needs
- Phasing out nonprofits who have received funding for a long period of time

Commissioner Page commented that it cannot be discounted that the programs are serving our citizens.

Chairman Foster announced that the Board would take a recess before resuming the meeting to discuss the Capital Improvement Plan.

CIP Worksession

Chairman Foster reconvened the meeting.

Revised Capital Finance Plan

County Manager Mike Ruffin briefed the Board on a revised Capital Finance plan. He highlighted the following:

- Property Tax increase lowered from 5 cents in FY 2013-14 to 3 cents
- An estimated additional property tax increase of 2 cents would be needed in FY 2014-15
- No additional property tax increase estimated until FY 2018-19 (3 years)
- GO Bond Referendum moved out one year. Referendum would occur November 2015
- GO Bond funding for DPS = \$115.2 Million (moved out one year)
- GO Bond funding for NCMLS = 6.25 Million (moved out one year)
- Open Space and Farmland Preservation taken off of a potential GO Bond Referendum \$4,000,000
- County contribution support of Open Space & Farmland Preservation added to CIP for 8 years at an annual \$500,000 funding = \$4 million
- Total proposed GO Bond Referendum for November 2015 = \$121.45 Million (a decrease of \$4 million)

Durham Public Schools (DPS)

Dr. Eric Becoats, DPS Superintendent; Mr. Hugh Osteen, Chief Operations Officer for DPS; and Mr. Tim Carr, Contract Program Director, addressed the Board.

DPS discussed a risk in delaying bonds—it would mean more work to be performed on schools. Mr. Carr explained that there could be 14-18 months of planning for an elementary school (2 1/2 years).

Commissioner Reckhow questioned the need for new elementary schools given the decline in enrollment over the past 3-4 years.

Dr. Becoats asked the Board to take into account where the projected school would be located. All schools in the affected area are at 99% or 100% utilization.

Commissioner Jacobs asked DPS staff to clarify the enrollment at Durham School of the Arts.

Commissioner Page inquired about security in the schools in light of recent events around the country.

Dr. Becoats responded that DPS has a very successful security plan in place. The schools work closely with the Sheriff's Department.

Museum of Life and Science

Mr. Barry A. Van Deman, President and CEO, of the Museum of Life and Science addressed the Board.

He briefed the Board on the Museum's capital needs for 2014-2023. \$6.26 million is needed to support maintenance renewal projects 2015-2019. \$3.9 million capital campaign will support new experiences opening in 2015 and 2016.

Commissioner Jacobs inquired about the Museum's relationship with Durham Public Schools. Mr. Van Deman replied that the Museum continues to operate DPS' science program. The Museum helps to modify kits and write curriculum for the science program. In addition, DPS receives free admission for field trips.

Manager Ruffin stated that the Museum spends \$1.2 million each year on maintenance. \$160,000 of that amount comes from the County.

Commissioner Reckhow suggested that the Museum explore working with the Workforce Development Board to have youth employed to perform maintenance duties.

Chairman Foster asked about the amount anticipated from Federal grants. Mr. Van Deman stated that it was a challenge for museums to get grant funding. The museum has been successful in partnering with other museums.

Chairman Foster asked for a clarification on the capital campaign. Mr. Van Deman responded that all monies are from private sources except for the \$500,000 from the County.

The consensus of the Board was to push the bonds (\$122.85 million) to the 2015 Bond referendum. The library renovations will also be included in the bonds.

The Board discussed land for a jail annex. Commissioner Reckhow recommended having an annual report on the jail population management.

Manager Ruffin stated that he would like for department heads to come to the Board with the Manager's recommendation during budget presentations.

The Board expressed concern about what would happen if the Manager and department heads did not agree on the recommendation. There would need to be a way to receive the information. Chairman Foster suggested that a compromise would be to have the department heads put something in writing.

Adjournment

Commissioner Jacobs moved, seconded by Commissioner Reckhow that the meeting be adjourned.

The motion carried unanimously. The meeting was adjourned at 3:15 pm.

Respectfully Submitted,



V. Michelle Parker-Evans
Clerk to the Board