

MAY 30, 2012

MINUTES OF MECKLENBURG COUNTY BOARD OF COUNTY COMMISSIONERS

NORTH CAROLINA  
MECKLENBURG COUNTY

The Board of Commissioners of Mecklenburg County, North Carolina, met in a Special Budget Workshop Session in Conference Center Room CH-14 and Conference Center Room 267 of the Charlotte-Mecklenburg Government Center at 5:00 p.m. on Wednesday, May 30, 2012. Dinner was held at 4:00 p.m. in Conference Center Room CH-14.

ATTENDANCE

**Present:** Chairman Harold Cogdell, Jr. and  
Commissioners Karen Bentley, Dumont Clarke  
George Dunlap, Bill James, Vilma Leake  
Jim Pendergraph, and Jennifer Roberts  
County Manager Harry L. Jones, Sr.  
County Attorney Marvin A. Bethune  
Clerk to the Board Janice S. Paige

**Absent:** Commissioner Neil Cooksey

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**FY2012 - 2013 BUDGET DELIBERATION**

***Commissioner Roberts was away when the meeting was called to order and until noted in the minutes.***

The meeting was called to order by Chairman Cogdell at 5:00 p.m.

***The purpose of the meeting was to begin the Board's deliberation on the County Manager's FY12-13 Recommended Budget.***

Motion was made by Commissioner Bentley, seconded by Commissioner James and carried 7-0 with Commissioners Bentley, Clarke, Cogdell, Dunlap, James, Leake, and Pendergraph voting yes, to recess the meeting and reconvene in Conference Center Room 267.

***Commissioner Roberts returned.***

***The Board reconvened at 5:15 p.m.***

***Chairman Cogdell turned the meeting over to County Manager Jones, who then called on Budget/Management Director Hyong Yi.***

Director Yi addressed alternative dates for conducting the Board's Straw Voting session(s).

There was discussion regarding whether or not the Board should delay its Straw Voting session(s) in hopes that the state would have adopted its budget, prior to the Board taking action. Thus, the Board would have a better idea or know for certain what the state's funding would be for Charlotte-Mecklenburg Schools and Central Piedmont Community College. It was noted also that Commissioner Cooksey's absence should also be taken into consideration.

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Per the discussion, it was felt that the likelihood of the state finishing its work, prior to the Board needing to take action was not that favorable.

Motion was made by Commissioner Leake, seconded by Commissioner Bentley and unanimously carried with Commissioners Bentley, Clarke, Cogdell, Dunlap, James, Leake, Pendergraph, and Roberts voting yes, to move forward with the FY12-13 Recommended Budget Straw Voting session.

Budget Manager Michael Bryant addressed technical adjustments that had been made to the County Manager's FY12-13 Recommended Budget.

Commissioner Dunlap asked about the City of Charlotte's request for reimbursement of \$1.4 million for funding the City provided last year to support the funding of the Library. It was clarified by staff that the County was under no obligation to reimburse the City of Charlotte.

Note: Below is the response from staff regarding this issue.

**Question:** What is the County's agreement with the City of Charlotte and the towns regarding their funding for libraries?

**Answer:** In developing the FY11 Adopted Budget the Library received a 45.7 percent budget reduction. In an effort to sustain Library services in their respective jurisdictions, The City of Charlotte, Town of Cornelius and the Town of Mint Hill provided funding to sustain library services. The County executed interlocal agreements with the Town of Cornelius and the Town of Mint Hills. The terms regarding reimbursement of these funds to the Towns and the City of Charlotte are as follows:

- Town of Cornelius – The Town will contribute \$175,000 in cash to PLCMC or to the County for the benefit of the PLCMC and in return the Town shall receive a recorded option to purchase the Cornelius branch library building and associated land at then appraisal fair market value should it cease to be used as a library branch for any reason. (Recorded in Clerks minutes dated 10/5/2010).
- Town of Mint Hill – The Town will contribute \$175,000 in cash to PLCMC or to the county for the benefit of the PLCMC and in return the Town will receive either (i) reimbursement from the County in the amount of \$175,000 or (ii) at the election of the Town, services or land from the County that may otherwise be paid for by the Town valued at \$175,000 on or before July 1, 2018. (Recorded in Clerks minutes dated 10/5/2010).
- City of Charlotte – Any appropriation given by the City of Charlotte of \$1 or more would be credited to the County's Real Estate Ledger for future land transactions. (Recorded in Clerks minutes dated 6/3/2010). On June 30, 2011, a \$1.4 million entry was logged into the Real Estate Ledger as a credit for the City of Charlotte.

## **STRAW VOTES**

**Note: Straw vote motions do not require a second in order to be considered and can be made by any commissioner, including the chairman.**

## **FY12-13 TAX RATE**

Motion was made by Commissioner Pendergraph, seconded by Commissioner Bentley and **carried 5-3** with Commissioners Bentley, Cogdell, James, Leake, and Pendergraph voting yes and Commissioners Clarke, Dunlap and Roberts voting no, **to adopt a budget for FY12-13 with a tax rate no higher than 79.22 cents**, which would result in a tax rate change of -2.44 cents.

CHARLOTTE-MECKLENBURG SCHOOLS (CMS)

Motion was made by Commissioner James, but was not voted on, to place in Restricted Contingency from Line 3 – Charlotte-Mecklenburg Schools Operational Funding (Refers to Straw Vote Spreadsheet), whatever amount is over the statutory amount the County is mandated to provide to CMS, for the purpose of providing raises to CMS employees to at least the level that County employees would receive.

Chairman Cogdell suggested the following motion which Commissioner Leake agreed to make.

Motion was made by Commissioner Leake, but was not voted on, to place in Restricted Contingency from Line 3 – Charlotte-Mecklenburg Schools Operational Funding (Refers to Straw Vote Spreadsheet), \$18.5 million to be used for CMS staff salary increase, which would consist of Step Pay and a 2% increase; and if there are specific conditions attached to the way future state funds have to be used, such that those funds have to be used for raises for CMS staff, the Board of Education should request of the Board that those restrictions be removed.

Commissioner Bentley asked was it possible for the Board to inform CMS that the funds placed in restricted contingency was based on CMS employees receiving a salary increase, with the understanding that this would not be a repeat every year on the part of CMS to expect the County to assume a state funding obligation. Further, that the funds would remain in restricted contingency until CMS can demonstrate to the Board that it has given its employees salary increases, irrespective of the \$18.5 million.

County Attorney Bethune said the Board could put the \$18.5 million in restricted contingency to be released upon an acceptable agreement between the County and the Board of Education as to how the \$18.5 million would be used to provide salary increases CMS employees.

There was discussion regarding the best way to word Commissioner Leake’s motion.

County Attorney Bethune was asked to work on the wording in order to accomplish the desire of the Board.

It was consensus of the Board to move forward and to come back to the matter of funding for CMS.

Commissioner Leake made the following comment with respect to Central Piedmont Community College and asked that it be included in the minutes.

Commissioner Leake said “as it relates to contracts, the question was brought to me, as a commissioner, why is it that, I guess we have no control over who they employ to do their contract work, but for the last 10—15 years it’s been the same contractor. This is the wind out in the community. So, I wanted to put that out there, that there needs to be that dispersment and that all people have that opportunity to be a part of the contract process.”

MEDASSIST

Motion was made by Commissioner Dunlap and **carried 5-3** with Commissioners Bentley, Clarke, Cogdell, Dunlap, and Roberts voting yes and Commissioners James, Leake, and Pendergraph voting no, **to amend the County Manager’s Recommended FY12-13 Budget by increasing the sales tax projections by \$50,000 in order to increase funding for MedAssist (OSA) by \$50,000.**

HOUSING PARTNERSHIP

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Motion was made by Commissioner Dunlap and **failed 5-3** with Commissioners Bentley, Clarke, James, Leake, and Pendergraph voting no and Commissioners Cogdell, Dunlap, and Roberts voting yes, to amend the County Manager's Recommended FY12-13 Budget by increasing the sales tax projections by \$65,000 in order to fund the Housing Partnership in the amount of \$65,000.

**GETHSEMANE GREATER ENRICHMENT PROGRAM**

Motion was made by Commissioner Dunlap and **failed 5-3** with Commissioners Bentley, Clarke, James, Leake, and Pendergraph voting no and Commissioners Cogdell, Dunlap, and Roberts voting yes, to amend the County Manager's Recommended FY12-13 Budget by increasing the sales tax projections by \$199,000 in order to fund The Gethsemane Greater Enrichment Program in the amount of \$199,000.

**BATTERED WOMEN'S SHELTER**

Motion was made by Commissioner Dunlap and **carried 7-1** with Commissioners Bentley, Clarke, Cogdell, Dunlap, Leake, Pendergraph, and Roberts voting yes and Commissioner James voting no, **to amend the County Manager's Recommended FY12-13 Budget by increasing the sales tax projections by \$243,000 in order to increase funding for the Battered Women's Shelter in the amount of \$243,000.**

**PHYSICIAN'S REACH OUT/CARE RING**

Motion was made by Commissioner Dunlap and **carried 5-3** with Commissioners Bentley, Clarke, Cogdell, Dunlap, and Roberts voting yes and Commissioners James, Leake, and Pendergraph voting no, **to amend the County Manager's Recommended FY12-13 Budget by increasing the sales tax projections by \$100,000 in order to fund Physicians Caring in the amount of \$100,000.**

**LEVINE SENIOR CENTER**

Motion was made by Commissioner Dunlap and **carried 6-2** with Commissioners Bentley, Cogdell, Dunlap, James, Roberts, and Pendergraph voting yes and Commissioners Clarke and Leake voting no, **to amend the County Manager's Recommended FY12-13 Budget by increasing the sales tax projections by \$65,000 in order to fund the Levine Senior Center in the amount of \$65,000; however, those funds are to be placed in restricted contingency in order to allow staff the opportunity to work with the Charlotte Senior Center and the Levine Senior Center around the duplication of services and the opportunities for functional consolidation of the two centers operations, similar to what the County did a few years ago with the Senior Center and the Council on Aging. The funds would be released upon the Board's receipt of a report back from staff regarding whether there are efficiencies that can be derived from the two groups (the Charlotte Senior Center and the Levine Senior Center) looking at ways to provide services jointly.**

**REVOLVING LOAN FUND FOR SMALL BUSINESSES**

Motion was made by Commissioner Dunlap and **failed 4-4** with Commissioners Clarke, Cogdell, Dunlap, and Roberts voting yes and Commissioners Bentley, James, Leake, and Pendergraph voting no, to amend the County Manager's Recommended FY12-13 Budget by increasing the sales tax projections by \$500,000 and place \$500,000 in restricted contingency to possibly be used for establishing a Revolving Loan Fund for Small Businesses. Secondly, that staff review the pros and cons and feasibility of establishing such a program and report back to the Board.

***The Board recessed for a break at 7:20 p.m. and reconvened at 7:36 p.m.***

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Commissioner Bentley asked about the funding history of the Children's Theatre.

Director Yi addressed the Children's Theatre's relationship with the Library, ImaginOn and the City of Charlotte and what they were requesting of the County.

Children's Theatre Executive Director Bruce LaRowe and Public Library of Charlotte-Mecklenburg Chief Executive Officer Vick Phillips addressed this issue.

Commissioner James said he recalled a conversation that was held years ago in the Chairman's office, when the County was considering the building of ImaginOn, where it was stated and agreed upon that the Children's Theatre would never come back to the County at any time requesting operational funding, if the County committed to the capital funding needed for the building of ImaginOn, which would include the Children's Theatre.

Mr. LaRowe noted in response to the comment made by Commissioner James, that what was agreed upon between, then, County Manager Jerry Fox and Arts and Science Council Executive Director Michael Marsicano, was an agreement that the Arts community would not ask the County for any more capital cultural facilities because at the time there was concern about an aquarium and renovations to the Carolina Theatre. Mr. LaRowe said there was never any conversation about there not being any operational support.

Commissioner Leake requested a copy of the Children's Theatre budget.

#### **CHILDREN'S THEATRE**

Motion was made by Commissioner Clarke and **failed 5-3** with Commissioners Bentley, Cogdell, James, Leake and Pendergraph voting no and Commissioners Clarke, Dunlap, and Roberts voting yes, **to amend the County Manager's Recommended FY12-13 Budget by increasing the sales tax projections by \$190,000 and reduce other revenue by the same . Secondly, to direct the County Manager to work with the parties involved in the agreement between the Library and the Children's Theatre to resolve the issue of operational funding on the part of the Children's Theatre, which includes the cost for information technology, maintenance, & security, such that the Children's Theatre would no longer be required to pay for a portion of these costs.**

Motion was made by Commissioner Roberts and **carried 5-3** with Commissioners Bentley, Clarke, Cogdell, Dunlap, and Roberts voting yes and Commissioners James, Leake, and Pendergraph voting no, **to amend the County Manager's Recommended FY12-13 Budget by increasing the sales tax projections by \$95,000 and reduce other revenue by the same. Secondly, to direct the County Manager to work with the parties involved in the agreement between the Library and the Children's Theatre to resolve the issue of operational funding on the part of the Children's Theatre, which includes the cost for information technology, maintenance, & security, such that the Children's Theatre would no longer be required to pay for a portion of these costs.**

Prior to the above votes, the following was noted:

General Manager John McGillicuddy said if the agreement between the Library and the Children's Theatre was changed there would have to be a shift in revenue source for the County. He said currently the revenue source that the County uses to pay for operational/maintenance service at ImaginOn comes from the Library via payment they receive from the Children's Theatre. He said what Commissioner Clarke was suggesting was that instead of those funds coming from the Library, they would come basically from the County's general fund by increasing the sales tax revenue.

General Manager McGillicuddy said that then creates a need for the County to release the Library from its obligation to provide the County with the revenue that it receives from the Children's Theatre and for the Library and Children's Theatre to change their agreement, such that the

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Library would no longer require the Children's Theatre to provide that revenue to the Library.

**HEALTH DEPARTMENT PREVENTION/WELLNESS**

Motion was made by Commissioner Leake and **carried 5-3** with Commissioners Bentley, Clarke, James, Leake, and Roberts voting yes and Commissioners Cogdell, Dunlap and Pendergraph voting no, **to amend the County Manager's Recommended FY12-13 Budget by raising the sales tax projections by \$150,000 and increase the Health Department Prevention/Wellness service by \$150,000 to be used to fund a communication and health education component of the Health Department which would focus on the prevention of chronic diseases.**

**CHARLOTTE MECKLENBURG SCHOOLS OPERATIONS FUNDING**

Motion was made by Commissioner Leake and **unanimously carried** with Commissioners Bentley, Clarke, Cogdell, Dunlap, James, Leake, Pendergraph, and Roberts voting yes, to amend the County Manager's Recommended FY12-13 Budget by placing \$18,555,613 in Restricted Contingency from Line 3 – Charlotte-Mecklenburg Schools Operational Funding (Refers to Straw Vote Spreadsheet) to be released when CMS provides the Board with evidence that those funds together with other funds available to CMS have been used to give all employees a 3% salary increase.

*Note: The wording of the above motion was suggested by Commissioner Clarke and accepted by Commissioner Leake.*

***A copy of the Straw Vote Spreadsheet is on file with the Clerk to the Board.***

**LEGAL SERVICES OF SOUTHERN PIEDMONT**

Motion was made by Chairman Cogdell and **unanimously carried** with Commissioners Bentley, Clarke, Cogdell, Dunlap, James, Leake, Pendergraph, and Roberts voting yes, to amend the County Manager's Recommended FY12-13 Budget by adding \$55,000 in funding for the Legal Services of Southern Piedmont's Veterans Legal Service Project; and that the adjustment be made without increasing the tax rate of 79.22 cents.

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Motion was made by Commissioner James, seconded by Commissioner Bentley and unanimously carried with Commissioners Bentley, Clarke, Cogdell, Dunlap, James, Leake, Pendergraph, and Roberts voting yes, that there being no further business to come before the Board, that the meeting be adjourned at 8:28 p.m.

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Janice S. Paige, Clerk

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Harold Cogdell, Jr., Chairman