

MINUTES OF MECKLENBURG COUNTY BOARD OF COMMISSIONERS

MAY 22, 2007

3:00 P.M.

**NORTH CAROLINA
MECKLENBURG COUNTY**

The Board of Commissioners of Mecklenburg County, North Carolina, met in Special Budget/Public Policy Session in Conference Center Room 267 of the Charlotte-Mecklenburg Government Center located at 600 East Fourth Street at 3:00 p.m. on Tuesday, May 22, 2007.

ATTENDANCE

Present: Chairman Jennifer Roberts and Commissioners
Karen Bentley, J. Daniel Bishop, Dumont Clarke
Bill James, Norman A. Mitchell, Sr.
Dan Ramirez and Valerie C. Woodard
County Manager Harry L. Jones, Sr.
Clerk to the Board Janice S. Paige

Absent: Commissioner H. Parks Helms

Commissioners Bishop, Ramirez, and Woodard were absent when the meeting was called to order and until noted in the minutes.

FY 2007 - 2008 BUDGET DELIBERATION

The meeting was called to order by Chairman Roberts.

Chairman Roberts said the purpose of the meeting was to begin the Board's deliberation on the County Manager's FY07-08 Recommended Budget.

The meeting was then turned over to Budget/ Management Director Hyong Yi.

Budget/Management Director Hyong Yi asked the Board to submit their questions to staff regarding the County Manager's Recommended Budget, so that staff can be prepared at future workshops to answer those questions.

Chairman Roberts said she would like to conclude budget deliberations on Wednesday, May 30, 2007, if possible, and if Thursday, May 31 is needed start at 3:00 p.m. rather than 5:00 p.m.

The topics for today's workshop were Central Piedmont Community College (CPC) and Charlotte-Mecklenburg Schools (CMS).

Before the presentations began, Commissioner James referenced the CMS Framework for budget development and asked was there a revised Framework that reflects what the State percentage for salaries is. *The response from Director Yi was that the Framework or Guidelines is tied to two things, 1) changes in student enrollment and demographics and 2) increases in the cost of service like salaries, gasoline, supplies, etc. It was noted further that the enrollment number is pretty much set, therefore the only way to have "influence" over the total funding amount at this point is through the cost of service numbers.*

Commissioner James asked what percentage did staff use in doing its calculation. *The response was 5% for teacher salaries, which is consistent with the State and that when staff weighted it all; the average was about 5.8%.*

Commissioner Bishop entered the meeting.

Director Yi corrected his response to Commissioner James' question and said 6% was the State amount used for teacher salaries.

Commissioner James asked staff to provide CMS with a copy of the information the Board received from Partners in Out of School Time (P.O.S.T), because he's not sure if this is something that needs to come from CMS to the Board.

Commissioner Woodard entered the meeting.

(2) CHARLOTTE-MECKLENBURG SCHOOLS BUDGET PRESENTATION

Chairman Roberts called upon Board of Education Chairman Joe White to address CMS' budget request.

Board of Education Chairman White then turned the presentation over to Superintendent Peter Gorman and Maurice Green, CMS Chief Operating Officer.

The presentation covered the following:

- 2007-08 Proposed Budget vs. 2006-07 Adopted Budget
- CMS' 2007-08 Proposed Budget Sources
- CMS' 2007-08 Proposed Budget Uses
- Board of Education's 2007-08 County Budget Request (\$346,534,208)
- Alignment with Strategic Plan 2010

Commissioner Ramirez entered the meeting.

- Major Redirections/Savings
- Factors Increasing the Board of Education's County Budget Request
- House Budget-Items of Special Interest
- Trend in Funding Requested from County
- Framework for Budget Development

A copy of a handout that was distributed is on file with the Clerk to the Board.

Comments

Commissioner James asked about the High School Challenge and if the Board would receive compliance reports. *The response was yes. It was noted that no additional funds would be requested for the High School Challenge because the results have not been where they should be.*

Commissioner James referenced the Pre-K Bright Beginnings Program and comments made by Board of Education member Larry Gauvreau. Commissioner James requested a copy of the performance measures used for the program and a comparison report of the performance of those that have gone through the program versus the typical third grader that has not and is in that same "disadvantaged class."

Commissioner James also asked about Pre-K Centers and requested additional information on this. He said he wants to know why CMS would be considering expanding this program if the performance gains aren't there.

Commissioner James asked Director Yi to provide him with the "mandatory," maximum funding amount for Schools as noted in the Deloitte & Touche Study regarding what the State requires the County to fund. What's the legally, mandated amount the County is required to pay CMS.

Commissioner James asked about Charter Schools and whether they are paid based on declining enrollment. *The response was yes with respect to County funding, however, State money for Charter Schools goes directly to those schools.*

Commissioner James said he has received feedback that the Charter Schools feel they aren't getting treated fairly by CMS. *The response was that this concern was being looked into.*

Commissioner James asked how many of the students in Bright Beginnings are enrolled in the program because they are "poor." He said there needs to be a "means" test. *The response was that the Bright Beginnings Program is intended to focus on those children that are "At-risk" and that one of the ways of identifying "At-risk" children is through levels of poverty.*

Commissioner Clarke requested information on what explains the gap between what CMS has requested compared to what the funding guidelines used by the County indicate. *The response was that the funding guidelines do not include everything, such as market based pay adjustment, the disadvantaged student supplemental fund, and the Magnet Schools Assistance Program.*

Commissioner Clarke requested a written response to his question regarding CMS' request and what the County's funding guidelines would call for CMS to receive.

Commissioner Clarke asked about the Board of Education's vote on their budget proposal. *The response was 8-1 in favor.*

Commissioner Mitchell asked for clarification on the decentralization component of the CMS Strategic Plan, which was explained.

Commissioner Mitchell asked about the Small Schools concept and the Expanded Day concept, which were explained.

Commissioner Mitchell asked about P.O.S.T. and clarification as to whether CMS is providing snacks, transportation, and facilities for this program. *The response was that Dr. Gorman was approached by P.O.S.T. and asked would CMS be interested in expanding programs since CMS has a very successful program at Eastway Middle School. P.O.S.T. was informed that CMS doesn't have funds to expand that program. Then it was asked whether CMS would allow P.O.S.T. to use their facility and P.O.S.T. would bring in their own staff. It was clarified that there is nothing in CMS' budget for P.O.S.T. It was clarified that CMS has only committed to looking at the use of its facilities and nothing else.*

Commissioner Woodard asked about the following, all of which were addressed, the 31 Focus Schools, the influx of new students and how CMS plans to accommodate facility needs for these students, many of whom she said would be on free and reduced lunch.

Commissioner Woodard asked about those students that would participate in a program at CPCC. *The response was that they would have to apply and everyone is interviewed as well as their parents.*

Commissioner Woodard asked about the sharing of textbooks by students and doesn't this impact their ability to do their homework at home. *Mr. Green said he would have to get more information before he could respond.*

Commissioner Woodard asked whether more security at schools is being anticipated. *The response was that CMS is looking at additional Campus Security Associates at various schools based on incident reports.*

Commissioner Woodard asked would CMS subsidize School Nurses. *The response was there's nothing in CMS' budget for School Nurses.*

Commissioner Woodard said she's aware the County funds school nurses but was hoping perhaps CMS could supplement their pay.

Commissioner Bentley asked about the Expanded Day concept and whether there was any performance data from other markets that this has been effective? *The response was that CMS staff would get that information.*

Commissioner Bentley requested academic achievement numbers since 2000 based on End-of-Grade Scores or whatever performance data is available.

Commissioner Bentley also requested information on what were the dollars used for in studying decentralization.

Commissioner Ramirez said he had a question about decentralization but that he would e-mail it to CMS staff, since they had to leave to attend another meeting.

No action was taken or required at this time.

The above is not inclusive of every comment but is a summary.

(1) CENTRAL PIEDMONT COMMUNITY COLLEGE (CPCC) BUDGET PRESENTATION

Dr. Tony Zeiss, President of CPCC presented CPCC's 2007-2008 Budget Request.

The presentation covered the following:

2007-2008 Budget Request (\$26,128,218)

Budget Inclusions

County Manager's Recommended Budget (\$23,774,542)

CPCC's Unfunded Budget Request (\$2,353,676)

County Budget Trends and Comparison

Total Square Footage Serviced

CPCC Compared to American College and University Average

Consequences of Recommended Funding

Dr. Zeiss requested \$2,353,676 in additional operating funds, which was the amount not funded in the County Manager's recommended budget.

Comments

Commissioner James asked County Manager Jones why he did not recommend full funding for CPCC. *The response was that CPCC was funded based on a square footage formula that the County has used in the past. It was noted further that there was not a change in CPCC's square footage from last year to the upcoming budget year.*

Commissioner Clarke asked about the percentage of increase for CPCC last year, which was addressed.

Commissioner Bishop asked about the square footage formula and accounting for inflation.

Director Yi said the way the current formula works it doesn't account for inflation. It was noted that normally CPCC's funding increased because there was always an increase in square footage, but for the upcoming budget year there was not.

Commissioner Clarke asked about the 6% Salary and Benefit increase. *The response was that this was for approximately 75 employees fully funded by the County. Also, that it would be 6% on the supplement piece, as well. Further, the 6% was based on Community College system data, which recommended 7%. The Governor's recommendation was 5.5% and the House 5%.*

Commissioner Ramirez asked whether CPCC received funding based on a per student amount and if its student population was increasing. *The response was yes with respect to student population increase.*

Commissioner Ramirez said it appears that there are different standards for CMS and CPCC.

Commissioner Bishop asked if the formula used by the County takes into consideration salary adjustment. *County Manager Jones said yes, but that in the current year budget \$515,000 was for salaries. The budget that's being proposed provides \$300,000. Further, that the balance of those expenses listed in the information from CPCC have been taken care of and assumed in the*

per square foot cost because CPCC has had increases in their per square footage in their buildings in the past. It was stated that staff has not gone through and done this type of detail in the past, as such, the problem now is the fact that CPCC is at level square footage.

County Manager Jones said Commissioner Bishop makes a very good point that the formula currently being used by the County does not take into consideration inflationary increases when CPCC is at level square footage.

Commissioner Clarke requested additional information regarding Maintenance and Supply costs. *The response was that details will be provided regarding what this includes.*

County Manager Jones said the Board may want to consider changing the formula used for CPCC. County Manager Jones said he would take the Board's comments into consideration in the future, but that staff was only being consistent in how its dealt with CPCC in the past.

No action was taken or required at this time.

The above is not inclusive of every comment but is a summary.

ADJOURNMENT

Motion was made by Commissioner Bishop, seconded by Commissioner James, and carried 8-0 with Commissioners Bentley, Bishop, Clarke, James, Mitchell, Ramirez, Roberts, and Woodard voting yes, that there being no further business to come before the Board that the meeting be adjourned at 5:45 p.m.

Janice S. Paige, Clerk

Jennifer Roberts, Chairman