

CUMBERLAND COUNTY FINANCE COMMITTEE
COURTHOUSE, 117 DICK STREET, 5TH FLOOR, ROOM 564
FEBRUARY 5, 2015 - 9:30 AM
MINUTES

MEMBERS PRESENT: Commissioner Marshall Faircloth, Chairman
Commissioner Larry Lancaster

MEMBERS ABSENT: Commissioner Jeannette Council

OTHERS: Amy Cannon, County Manager
James Lawson, Deputy County Manager
Melissa Cardinali, Assistant County Manager
Rick Moorefield, County Attorney
Vicki Evans, Finance Director
Randy Beeman, Emergency Services Director
Brenda Jackson, Social Services Director
Claretta Johnson, Social Services Assistant Director
Kim Cribb, Social Services Budget Manager
Melinda Murray, Social Services Finance Manager
Ed Melvin, Social Services Board Member
Tony Rand, Workforce Development Senior Vice President
for Business and Finance
Carl Mitchell, FTCC Vice President of Human Resources,
Workforce Development and Institutional
Effectiveness
Betty Smith, FTCC Senior Vice President for Business and
Finance
Jon Soles, Public Information Specialist
Candice White, Clerk to the Board
Press

Commissioner Faircloth called the meeting to order.

1. ELECTION OF 2015 FINANCE COMMITTEE CHAIRMAN

MOTION: Commissioner Lancaster moved to appoint Commissioner Faircloth as the 2015
Finance Committee Chairman.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (2-0)

2. APPROVAL OF MINUTES – OCTOBER 2, 2014 REGULAR MEETING

MOTION: Commissioner Faircloth moved to approve the October 2, 2014 meeting minutes.

SECOND: Commissioner Lancaster

VOTE: UNANIMOUS (2-0)

3. CONSIDERATION OF TRANSFER OF WORKFORCE DEVELOPMENT ADMINISTRATIVE AND FISCAL FUNCTIONS

BACKGROUND:

The Workforce Development Program has undergone significant changes in the last few years. In FY2012, the Workforce Development Program was transitioned to Fayetteville Technical Community College (FTCC). With that transition, the WFD Board and its members have taken a more active role, providing guidance, direction and advocacy to the program. Last year, the program went through yet another major transition as Senate Bill 73 required that the Summer Youth and Dislocated Worker Programs be bid through an RFP process. The Summer Youth Program was transitioned to Cumberland County Schools and the Dislocated Worker Program was transitioned to ResCare, a private provider.

The latest development is the new Workforce Innovation and Opportunity Act (WIOA) which is effective July 1, 2015. This new law includes a provision that allows direct contracts for class size training, instead of individualized training contracts.

Since FTCC still serves as the fiscal agent for the Workforce Development function, they would not be eligible to receive these class-sized training dollars. This new option under the WIOA perfectly matches the community college's core mission of providing workforce skills training. Therefore, it will be necessary for another entity to assume the responsibility for the Workforce Development Program.

FTCC has approached the county regarding the assumption of these administrative responsibilities, which will include contract and fiscal oversight, transition of five administrative personnel to the county, and coordination of WFD board activities. The staff will remain in the building with the Employment Security Commission and this transition should not provide any disruption to service delivery.

RECOMMENDATION/PROPOSED ACTION:

Direct the County Manager and County Attorney to work with the Community College in transferring the administrative and fiscal oversight to the county as well as the five employees which are directly responsible for these functions.

Amy Cannon, County Manager, reviewed the background information as recorded above. Ms. Cannon explained under the new Workforce Innovation and Opportunity Act (WIOA) the fiscal and administrative agent cannot receive training dollars. Ms. Cannon stated because the county depends on FTCC for its workforce training throughout the county, it makes sense that they should be able to receive the class-sized training dollars.

Carl Mitchell, FTCC Vice President of Human Resources, Workforce Development and Institutional Effectiveness, provided a presentation with the information as recorded below and stated in fiscal year when FTCC became the program/fiscal agent, it took over business and finance functions, operation of the WFD Board and program activities of the WFD Board. Mr. Mitchell stated since that time, services have quadrupled and the number of clients and

programs has been expanded to include the implementation of an On the Job Training (OJT) program.

Historical Recap of Workforce Development (WFD) Board

- FTCC became program/fiscal agent on July 1, 2011 (fiscal year 2012)
- Board is engaged and enthusiastic (23 members continue to be appointed by Commissioners)
- Bi-monthly board meetings with engaging discussions on strategic directions, policy and procedure adjustments and continuous improvement strategies and activities
- Bi-monthly budget updates, reviews and approvals by the Board
- Steady expansion of services to clients, raising the visibility of the Center, it's services and programs, to local employers and residents
- Many changes have occurred as result of State and Federal legislation including:
 - Integration of ESC and WFD services
 - Change to Career Center Concept (now NCWorks)
 - Workforce Innovation and Opportunity Action (effective July 1, 2015)

Mr. Mitchell provided an overview of the WIOA and stated the new law allows the WFD Board to release Requests for Proposals (RFPs) for class-size training opportunities and FTCC is just one of many service providers that can compete for those contracts. Mr. Mitchell stated FTCC found itself in a difficult position under the WIOA because it would be the entity releasing the RFP, competing for the RFP and evaluating who would be awarded the contract. Mr. Mitchell stated with FTCC being put in this position, it would no longer be able to compete for class-size training contracts

Workforce Innovation and Opportunity Act (WIOA)

Key Points Affecting Today's Discussion

- Signed into law on July 22, 2014 superseding Workforce Investment Act of 1998 – Law effective July 1, 2015
- WIOA allows workforce development training opportunities to be awarded to community colleges
- Training Contracts are to be awarded by the WFD Board
- WIOA language allows “direct contracts with higher education institutions” which hits at the heart of FTCC's core mission
- FTCC is just one of many eligible training providers that could compete for such contracts
- As a competitor for class-size training contracts and program/fiscal agent, FTCC will be placed in the inappropriate position of signing both sides of WIOA training contracts during negotiation processes
 - Appearance of unfairness to other training providers
 - Appearance that FTCC was in a position to favor itself in training contracts

Mr. Mitchell stated in 2011, sixteen employees transitioned from the county to FTCC; the transition went smoothly, employees were protected and there was no significant loss of benefits. Mr. Mitchell stated since that time, the NCWorks law also required that FTCC could no longer operate the center with FTCC staff and an RFP had to be released for award of the delivery to adult and dislocated workers and the youth program. Mr. Mitchell stated ResCare

Services, the nation's leading Workforce Development delivery company, won the contract to provide Adult and Dislocated Worker Program services and absorbed FTCC's employees. Mr. Mitchell stated Cumberland County Schools won the contract and has provided Youth Program services for the past year. Mr. Mitchell stated only three employees will be transferred back to the county for administrative support and contractual oversight.

Vision & Mission (Significant Accomplishments)

- Regardless of the multiple mandated changes in operations, the Center has continued to grow in numbers of clients, services and programs
- Previous transition went smoothly without disruption of services to residents
- Processes have been re-engineered several times since transition
(Quadrupled the number of services since July 2011)
- Costs of services have been reduced from \$2000 per participant to \$505 per participant
- Smooth transition to the NCWorks Center concept with two contractors providing services:
 - ResCare provides Adult and Dislocated Worker Program services
 - Cumberland County Schools provides Youth Program services
 - Administrative Support to Workforce Development Board
 - Workforce Development Director (Jim Lott)
 - Accountant (Nedra Rodriguez)
 - Admin Staff consisting of one permanent and one temporary employee (Peggy Aazam)

Mr. Mitchell provided highlights moving forward and key dates involved with the transition plan. Questions followed. Ms. Cannon spoke to the excellent job FTCC did managing the WFD program.

Going Forward

- Program are well-funded (approximately \$3 million annually) and administered by well-respected contractors
- Rescare is the largest provider of Career Center services in the nation (contract extended through June 2016)
- Cumberland County School System is widely respected and performing Youth Services support in an excellent manner (contract extended to June 2016)
- County sent FTCC 16 employees in 2011
 - FTCC will be transitioning 3 permanent and 1 temporary
 - All four employees are well-trained, knowledgeable and engaged

Transition Plan

- February 16, 2015 – County Commissioner Meeting
- February 17-28, 2015 – Letter notice to transitioning employees and to NC Department of Commerce
- March 2015 – Human Resources, Legal staff and Business and Finance Departments coordinate transition plans (same process used in 2011)
- April 2015 – Assign contracts to County (effective July 1, 2015)

- April to June 2015 – Departments on both sides will work together to assure an orderly transition of both employees and financial obligations on July 1, 2015

MOTION: Commissioner Lancaster moved to recommend to the full Board that it direct the County Manager and County Attorney to work with the Community College in transferring the administrative and fiscal oversight to the county as well as the five employees directly responsible for these functions.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (2-0)

4. CONSIDERATION OF REQUEST FOR SEVENTEEN (17) NEW CHILD WELFARE POSITIONS

BACKGROUND:

A Budget Revision for FY 2014-15 for 17 new child welfare positions has been submitted to County Management. According to North Carolina state law and policy, local DSS agencies are required to maintain the following in the child welfare program: a caseload of 10 families per social worker and a staffing ratio of one supervisor to five social workers. With demand increasing for child protective services, many county DSS agencies across the state including Cumberland County exceed the mandatory caseload and staffing ratios.

The budget revision is based on new state recurring revenues, some of which legislatively mandates DSS to create positions to reduce caseloads in child welfare services. Cumberland County was one of thirty counties to receive additional funds based on the state's recognition of its staffing deficiency.

DSS is experiencing a steady increase in the need for child protective services in the community which has resulted in more children in foster care. It has, in fact, experienced an increase of 38% in number of children in foster care in the past two years. An increased number of juvenile delinquents placed in DSS custody by the court system have placed additional strain on the DSS system and workforce. Any increase in social work positions will also require additional leadership and supervisory support to address the staffing ratio.

The 17 new child welfare positions will be comprised of:

- Nine new Social Worker III positions would enhance the capacity of foster care staff to expedite reunification, adoptions and guardianship efforts and increase our capacity to conduct state required internal quality assurance reviews of the federally mandated outcomes.
- Four new Social Work Supervisors, three new Program Managers and one new Social Work Program Administrator position would distribute the workload of management and enhance program oversight of our Children's Services Section which will increase from 216 to 233 employees.

RECOMMENDATION/PROPOSED ACTION:

Considering the time sensitive nature of this state mandate, the need to improve critical child welfare services and efforts to expedite some reductions in staff caseloads, request is to support

the submission of the associated budget revision for consideration by the Board of County Commissioners at its regular meeting on Monday, February 16, 2015.

Ms. Cannon stated county staff have worked collaboratively with Brenda Jackson, Social Services Director, and her staff to understand the request and new funding sources. Ms. Jackson reviewed the background information as recorded above and stated Social Service's has seen an increased need for child protective services especially as it relates to complex and complicated child welfare cases which in turn has created an increased workload and demand on staff. Ms. Jackson spoke to the statutory caseload requirements for child protective services and the supervision required. Ms. Jackson advised the state recognized Social Services staffing deficiencies and the General Assembly designated recurring funds to improve the caseload and staffing ratios. Ms. Jackson stated all together there will be an increase of \$577,701 as represented by the associated budget revision.

MOTION: Commissioner Faircloth moved to recommend to the full Board approval of the budget revision for 17 new child welfare positions.
SECOND: Commissioner Lancaster
VOTE: UNANIMOUS (2-0)

Ms. Jackson stated she is working with county staff and will return at a later time to discuss increased federal revenue received for Medicaid and staffing needs as it relates to the Medicaid program.

5. CONSIDERATION OF JOINT 911 CALL CENTER FEASIBILITY STUDY

BACKGROUND:

In October 2008, Cumberland County established a Public Safety Task Force to conduct a comprehensive review of the public safety system. The focus of this task force was fire service, communications, and EMS. The task force presented its recommendations in February 2010. One of the recommendations made was the following – “For communications, immediately establish plans and standardized protocol for an all-encompassing combined communications center and a Consolidated Public Safety Answering Point (PSAP), supporting all public safety agencies, to improve response times and increase responder safety”.

Further studies were performed to determine the compatibility of PSAP staff positions and the ease with which positions could be consolidated. At that time, the personnel expense to the County was an obstacle to consolidation.

Recently, however, the City of Fayetteville invited the County to participate in a discussion regarding the feasibility of either co-locating or consolidating county and city emergency call centers. Mission Critical Partners, a public safety consultation firm, was also invited to participate in that discussion.

There is a desire by the NC 911 Board that PSAPs move toward a regional approach as opposed to call center redundancy in a geographic area. This desire is evidenced by the grant

opportunities available through the NC 911 Board. These grants are typically awarded on an annual basis and target consolidation and regional initiatives. One of the key unknown aspects of these grants is how long they will remain available to PSAPs.

Since it was believed grant funding was available for feasibility studies, Mission Critical Partners (MCP) was asked to present a proposal for conducting a feasibility study. MCP submitted that proposal to the City of Fayetteville in the fall. The total cost for the study is \$81,000. Subsequently, it was discovered that grant funds are not available for studies.

The feasibility study proposed appears to be extensive in scope including co-location / consolidation requirements for: technology /equipment, operations/staffing, governance/cost sharing, facility needs assessment, and potential site(s) for co-location or consolidation. The time needed to complete the study is dependent upon the availability of the city and county stakeholders as well as others. Since the timeline is dependent upon the participation of so many and since that participation cannot be controlled by a single person or entity, it would appear prudent to begin the study as soon as possible in order to be fully prepared for the next NC 911 Board grant cycle in the spring of 2016.

RECOMMENDATION/PROPOSED ACTION:

Staff recommends re-directing funds in the amount of \$45,000 in order to jointly participate in a co-location / consolidation feasibility study with the City of Fayetteville. Staff further recommends the Committee ask the City of Fayetteville to proceed with securing the appropriate consultant for the study and beginning the study in the current fiscal year.

Ms. Cannon stated a joint 911 call center feasibility study was brought up recently at a meeting of the Fayetteville-Cumberland Liaison Committee for either a co-located or combined 911 call center. Melissa Cardinali, Assistant County Manager, reviewed the background information as recorded above

MOTION: Commissioner Lancaster moved to recommend to the full Board approval to re-direct \$45,000 in order to jointly participate in a feasibility study with the City of Fayetteville and to recommend that the City of Fayetteville proceed with securing the appropriate consultant for the study so the study can be conducted in the current fiscal year.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (2-0)

6. MONTHLY FINANCIAL REPORT

BACKGROUND:

The financial report is included as of December 31, 2014. Highlights include:

- Revenues
 - Current real and personal property taxes continue at the expected pace.
 - Motor vehicle tax revenues appear strong this year.

- Sales tax collections show improvement over last fiscal year.
- Expenditures
- Expenditures remain in line with budget and show no unusual patterns.
- Crown center expense summary/prepared food and beverage and motel tax
- Consolidated financial summary is included.

RECOMMENDATION/PROPOSED ACTION:

No action needed – for information purposes only.

Vicki Evans, Finance Director, reviewed the background information as recorded above. The committee concurred with the format for the Crown Center financial summary.

7. OTHER MATTERS OF BUSINESS

Ms. Cardinali provided a brief update on the financial software transition and stated the kick off date is May 1, 2015.

There being no further business, the meeting adjourned at 10:18 a.m.