

City of Fayetteville
Fiscal Year 2014 Budget Questions
Group 3

Central Business Tax District

31. Q. How is the Downtown Manager position funded?

- A. Personnel expenditures for the Downtown Development Manager are budgeted in the General Fund and offset by a 50% cost allocation charged to the Central Business Tax District fund.

Economic Development

32. Q. Please provide an overview of workforce development services in Cumberland County.

- A. The following summary was provided by the director of the Workforce Development Center at Fayetteville Technical Community College, James Lott.

DESCRIPTION OF WORKFORCE SERVICES IN CUMBERLAND COUNTY

Mission Statement:

To provide an integrated system of training, retraining, and employment for job seekers and employers of Cumberland County positively influencing the economic development of the local service region.

Background Information:

The Cumberland County Commissioners designated Fayetteville Technical Community College (FTCC) as the program/fiscal agent to operate the Workforce Development Center, located downtown at 410 Ray Avenue. This Center serves over 1,000 local citizens a year seeking training, retraining, job referrals, or assistance in soft-skill or interviewing preparation and/or job search techniques. The Center serves another 5,000 citizens each year seeking Unemployment Insurance benefits.

Organization Funding:

The funding for Center programs is based on allotted allocations from the federal Workforce Investment Act (WIA) of 1998. Cumberland County's allocation is about two million dollars per year in federal funds to provide services. \$800,000 is designated for the Youth programs, and the other \$1.2 million serves unemployed adults. Additionally, FTCC provides a significant amount of professional services such as budgeting and accounting, Center employee training and development, and oversight of the Center operations without major direct costs to the budgeted federal funds. This is a form of in-kind support provided by the College.

The funding originates in the US Department of Labor, and is released to the Governor of North Carolina, who in turn has designated the Division of Workforce Solutions within the North Carolina Department of Commerce, to decide upon each Center's allocated funds, including Cumberland County. The Division of Workforce Solutions allocates and releases funding to all twenty-three local workforce areas in North Carolina. The purpose of the WIA program is to assist jobseekers with job training, retraining, locating available jobs, and to assist local employers in hiring skilled and work-ready employees. The funding formula is based on unemployment rates and the percentage of the

population living in poverty. Center services are provided through the Workforce Development Center that is staffed by FTCC employees.

Types of Programs:

The staff provides individualized career guidance, assessment, assistance in resume writing and job search and pays for tuition and associated services for jobseekers to participate in training provided by approved training providers, including FTCC. The training ranges from job-seeking classes to short-term certificates, computer software certifications, etc., to two-year Associate of Arts/Science degrees. FTCC provides over 180 associates degrees, diplomas or certificates in which these Center participants may enroll. The staff provides support and assistance during the training, and helps place the graduates after training completion. In addition, services are provided to local youth, ages 16 – 21, attempting to lessen high school dropout rates, by providing a paid Summer Youth Work Experience averaging around 140 youth working at over 45 worksites across Cumberland County. In addition to classroom training, paid Work Experience is provided to adults for 480 hours, with over 70% of these participants gain permanent employment after the work experience program is completed. Another learn and earn program is On-The Job Training, where employers hire an individual at their company and are then provided funding equaling up to 90% of the participant’s wages for six months while the new employee is trained to perform all aspects of the job. This payment is provided as compensation for the on-the-job training services provided by the employer and is not intended for employer reimbursement of wages.

Workforce Development Board:

FTCC also provides staff support to the 23-member Workforce Development Board, with a majority of the members coming from the private business sector. Board members provide policy guidance on the services and programs that are offered and make suggestions for program modifications or new programs designed to meet local employer needs. The current Workforce Development Board is very active and highly engaged, and has a strategic vision for improving the visibility of Center services, while ensuring that programs remain customer-friendly, effective, and efficient. The Board provides suggestions that will meet both local employer training needs and needs of local Center participants in need of skills development prior to entering the job market.

Shared service area and Shared Vision – Cumberland County is service area for both WFD and FTCC providing services to meet the needs of local residents in such areas as education, training, re-training, life-skills, or individualized assistance in returning to job market as quickly as possible. Unnecessary referrals from one agency to another have been reduced since support is being provided to the same client base.

Significant Achievements:

- Successfully transitioned operational control from Cumberland County to FTCC, without any disruption of services or knowledge by the clients that such a transition was underway.
- Eligibility processes for participants have been streamlined for efficiency resulting in less time for local citizens to obtain needed assistance.
- The Workforce Development Board has reengineered itself resulting in high levels of engagement and liaison with local employers seeking Center assistance.
- Budgets are carefully monitored resulting in the ability to triple the number of clients served over the past two years.
- Based upon local employer requests, almost all Center participants are receiving soft-skill training to supplement the other Center services being provided.

- Combined services has resulted in synergy of effort allowing for better access to data and information upon which to make decisions related to local economic development.
- The Workforce Development Board participated in training related to the Board's role and function with 100% Board attendance. This training resulted in subsequent Board-led strategic planning sessions to identify strategic directions and activities during the 2013-2018 timeframe.
- Costs of services per participant have been reduced from \$2,000 to \$500 over the past two years.
- Successfully passed the annual State Audit for programs and services (completed in April 2013)
- Have made approximately 30 presentations to business, government and related agencies in the past twelve months to expand interest in services available at the Center.
- Positioned the Workforce Development Center and the Workforce Solutions Office (formerly ESC for the upcoming mandated integration of services. Plans for local integration were presented at the Statewide Workforce Development Directors meeting in May 2013.
- Newly created partnerships with Cumberland County Parks and Recreation and Cumberland County Library System have resulted in increased visibility of services.

Number of Workforce Investment Act Services to local citizens

	July 1, 2010-June 30, 2011	July 1, 2011-April 30, 2013*
Orientation	411	2536
Applications	237	1636
Enrollments:		
Adults	126	834
Dislocated Workers	55	421
Youth	133	681
Training:		
Adults	96	848
Dislocated Workers	30	387
Youth	80	458

*Does not include May 1, 2013 - June 30, 2013

Soft-skills enhancements: 446 WIA participants completed HRD at FTCC and 120 have completed CRC certificates during the July 1, 2012 to April 30, 2013 (first 10 months of 2012-13 year)

Future Strategic Directions: (Approved by the WFD Board on May 14, 2013)

- Obtain outside flexible funding to maximize resources through grants, fees, increased number of people/services, and other resources.
- Increase the visibility of the Workforce Development Center and inform community stakeholders of services through a clear communication network that conveys the values, activities, needs, and accomplishments of the JobLink Center.
- Connect job seekers with other agencies through increased collaboration to assist applicants in overcoming barriers to employment and meet employer demands.
- Ensure fiscal responsibility, accountability, and financial stability.

Impact of Public Safety Positions Added from FY2010 Grants

33. Q. Staff provided the following information to Council in a recent budget work session:



**General Fund
Impact**



21 LEOs & Staff (COPS and JAG Grants)
+ 24 Firefighters (SAFER Grant)

45 Public Safety Positions

\$2.2 million

impact to General Fund in FY2014

Over the past few years, Council has received the following responses to questions about how these grants impact future budgets:

FY11 Group 3 Council Budget Questions/Answers (2011-2012 Budget)

34. Q. What is the anticipated impact, by the year, of the SAFER grant reductions we anticipate over the next several years?

A. The SAFER grant was received in April, 2009 to provide partial funding for personnel costs for 24 fire fighters for 48 months. The grant reimbursement percentages decline at the end of each 12-month period as follows: 90%, 80%, 50%, and 30%. In fiscal year 2012, the City is expected to be reimbursed approximately \$375,000. In fiscal year 2013, the grant reimbursements will decline to approximately \$230,000, and none will be received after that fiscal year.

37. Q. What is the anticipated impact, by year, of the COPS grant reductions we anticipate over the next several years?

A. Fiscal year 2012 is the last of the three years for which the COPS grant will provide funding for the 17 police officer positions. For fiscal year 2012, the maximum allowable grant reimbursement for personnel costs for these positions is \$879,172. In fiscal year 2013, the City's General Fund will be required to assume 100% of the personnel costs for the 17 officers and make up for the loss of the \$879,172 of grant funding.

FY12 Group 2 Council Budget Questions/Answers (2012-2013 Budget)

37. Q. According to the budget message, funding for the 17 police officers added under the Federal COPS Grant ends in FY13 (extended for a portion of FY13). Does this budget fund the balance of the requirement that is unfunded when the grant expires? What are the impacts for the 2014 budget?

A. The fiscal year 2013 recommended budget provides funding for all but \$676,784 of the projected annual costs for the 17 police officer positions funded by the COPS grant. In fiscal year 2014, additional resources will need to be identified in the General Fund budget for the remaining \$676,784.

Based upon the responses to prior year budget questions, how do you reconcile the \$2.2 M impact presented for FY14 to the sum of \$906,784 from the \$230,000 SAFER grant impact and the \$676,784 COPS grant impact?

- A. The prior year budget questions referenced asked for incremental impacts from the erosion of the grant funding. The \$2.2 million total presented is the total amount budgeted for fiscal year 2014 personnel expenditures for the 45 positions added from the 2009 SAFER, COPS and JAG grants. The data was presented to illustrate the total, recurring annual budget pressure on the General Fund from the grant positions at the conclusion of the grants.

Compensation Plan

34. Q. Section J of this year's budget does not include pages of employee "Position and Salary Grade Assignments." Past budget documents have shown four parts: Authorized Positions by Fund/Department, Full-time Regular Positions by Department, Position and Salary Grade Assignments and the Fee Schedule. Why is "Position and Salary Grade Assignments" omitted from this year's budget document?

- A. Position classifications and pay grade assignments resulting from the classification study have not yet been finalized. The "Position and Salary Grade Assignments" section will be included in the Fiscal Year 2014 Adopted Budget document if finalized at the time of printing.

Stormwater

35. Q. What is the cost of solely funding the unfunded mandates for stormwater?

- A. The fiscal year 2014 recommended budget includes \$57,425 for an additional stormwater inspector position and \$80,000 for contract services to meet requirements of the new NPDES permit. In addition, it is anticipated that \$132,734 to fund open encumbrance balances at June 30, 2013 will be carried over from fiscal year 2013. Therefore, the total of anticipated expenditures for fiscal year 2014 is just over \$270,000. This is the best estimate of funding requirements for the new permit at this time. Additional funding requirements for implementation of the new regulations associated with the permit are still to be determined.

There has been uncertainty surrounding the timing of the reissuance of the permit and, as such, some funding has been included in prior year budgets. The new permit was reissued effective March 1, 2013, which was after the development of funding requests for fiscal year 2014.