

MINUTES

PTRC Board of Delegates

April 16, 2014

Members Present:

Commissioner Wayne Atkins, Town of Dobson
Commissioner Kevin Austin, Yadkin County
Mayor Joe Bennett, City of Thomasville
Mayor Jimmy Blake, Town of Biscoe
Mayor Buddy Boggs, Town of Haw River
Councilman Bill Jones, Town of Stokesdale
Councilman Dillard Burnette, City of King
Councilman Darryl Carter, City of Eden
Mayor Terry Caviness, Town of Liberty
Mayor Perry Conner, Town of Franklinville
Councilman Alvin Foster, Town of Yanceyville
Councilwoman Carissa Graves, Town of Green Level
Mayor Lestine Hutchens, Town of Elkin
Commissioner Paul Johnson, Surry County
Commissioner Ernest Lankford, Stokes County
Council Member Molly Leight, City of Winston-Salem
Commissioner Peggy Leight, Town of Walkertown
Commissioner Walter Marshall, Forsyth County
Councilman John McDermon, Town of Rural Hall
Mayor Billy McHone, Village of Tobaccoville
Commissioner Wayne Moore, Town of Jonesville
Mayor Pro Tem Parry Philipps, City of Mebane
Mayor Dan Pugh, Town of Lewisville
Mayor Pro Tem Naydine Sharpe
Councilman Tobin Shepherd, City of Lexington
Alderswoman Tracey Shifflette, Town of Kernersville
Mayor Bernita Sims, City of High Point
Mayor Bert Stone, City of Archdale
Councilman Mike Stone, Town of Oak Ridge
Commissioner Don Truell, Davidson County
Mayor Ronnie Wall, City of Burlington
Mayor Larry Ward, Town of Denton
Mayor Pro Tem Steve Yokeley, City of Mount Airy

Members Absent:

Councilwoman Lori Armstrong, Town of Stoneville
Commissioner William Baity, Town of Boonville
Commissioner Bill Bencini, Guilford County
Councilwoman Mary Cameron, Village of Clemmons
Commissioner Zane Cardwell, Rockingham County
Commissioner Sharon Conaway, Town of Walnut Cove
Alderman Mike Dawkins, City of Randleman
Council Member Debra Frazier, City of Trinity
Vice Chairman Darrell Frye, Randolph County
Commissioner Nate Hall, Caswell County
Mayor Pro Tem Yvonne Johnson, City of Greensboro
Councilwoman Michelle Leonard, Town of Bethania
Commissioner Will Marklin, Town of Mocksville
Commissioner Linda Massey, Alamance County
Chairman Jackie Morris, Montgomery County
Councilman Dennis Paschal III, Town of Wentworth
Alderman John Peterson, Town of Elon
Commissioner Terry Renegar, Davie County
Mayor Kenneth Rethmeier, Town of Bermuda Run
Mayor Danny Shaw, Town of Ramseur
Councilman Earl Sheppard, Town of Pilot Mountain
Mayor David Smith, City of Asheboro
Councilman Ron Surgeon, Town of Pleasant Garden
Commissioner Laurence Todd, Town of East Bend
Councilman Chip Turner, City of Graham
Commissioner Chris Watkins, Town of Troy
Commissioner Branson Webb, Town of Mt. Gilead
Mayor Janet Whitt, Town of Danbury
Mayor Leonard Williams, Town of Gibsonville

Chairman Molly Leight welcomed the PTRC Board of Delegates and called the meeting to order at 12:03 p.m. She requested a moment of silence and then led the Board in the Pledge of Allegiance.

Due to time constraints, it was announced that the presentations would be given prior to addressing the consent agenda items.

1. Presentation: Preview of Legislative Session: Q & A, Donny Lambeth, NC House of Representatives

- a. Mr. Dolge thanked Mr. Lambeth for his willingness to present to the Board and welcomed him to the podium. Mr. Lambeth began by providing some brief background information on himself. As a lifelong resident of Winston-Salem, he has served as an influential leader in the region with emphasis on education and healthcare. He then went on to discuss how he foresees the upcoming legislative session to play out.
****See attachment on page 5 for powerpoint presentation.**
- b. Following the powerpoint presentation, Mr. Lambeth asked the Board if they had any questions. Mr. Walter Marshall stated that his main concern was where money would come from if taxes were cut. Mr. Lambeth responded that there are a group of legislators working diligently and studying states with no income tax.
- c. Ms. Lestine Hutchens pointed out that small numbers to the state are sometimes big numbers to the smaller towns. She emphasized that the rural towns need assistance with projects that are too big to tax community members for.
- d. Mr. Kevin Austin requested that statutory language needs to be present on the State Lottery Fund. Mr. Lambeth responded that this topic would probably not be discussed until the long session, though this was briefly discussed last year.
- e. There being no other questions, Mr. Dolge thanked Mr. Lambeth again for giving the presentation.

2. Consent Agenda, Molly Leight, PTRC Chairman

- a. Request for approval of February 19, 2014 PTRC Board of Delegates Minutes
 - i. A motion was made. The motion was seconded by Mr. Ernest Lankford. Request for approval of February 19, 2014 minutes were approved.
- b. Request to apply for the DENR Weatherization Assistance Program for Alamance & Caswell Counties
 - i. A motion was made by Ms. Patty Philipps. The motion was seconded by Mr. Dan Pugh. Request to apply for the DENR Weatherization Assistance Program for Alamance & Caswell Counties was approved.

3. Discussion Item: Governor's Advisory Council Policy Listening Sessions, Blair Barton-Percival, Area Agency on Aging Director

- a. Mr. Barton-Percival thanked the Board for their time. He announced that the North Carolina Division of Aging and Adult Services, Governor's Advisory Council on Aging, and North Carolina Association of Area Agencies on Aging are co-

hosting a series of listening sessions being held in conjunction with Older Americans Month.


- b. These listening sessions will help identify the needs of North Carolina's older citizens and their caregivers as well as identify ways to further engage the resources of our older population. The information gathered will help direct the North Carolina's 2015-2019 Aging Plan.
- c. He added that PTRC is fortunate to be identified as a host for one of these sessions. He encouraged everyone from the region to take advantage of this opportunity to be heard by those in policy making positions and inform them of the needs of our seniors, their caregivers, and individuals with disabilities. He then gave information for pre-registration and the dates of the event.

4. New Business: Review of Audit Proposals & Recommendation from Executive Committee, Matthew Dolge, PTRC Executive Director

- a. Mr. Dolge discussed that in February, the full Board voted to allow PTRC to send out Requests for Proposals for new auditing services. Seven firms were solicited and four firms presented proposals. The size of the firms ranged from having four employees to being National firms. The bids ranged from \$22,630 to \$46,400 and the projected hours ranged from 283 to 488.
- b. On April 2, 2014, the Executive Committee made the recommendation to enter into contract with Cannon and Company for audit services. This selection needs to have Board approval and must also be approved by the Local Government Commission.
- c. Listed below are the bids received in response to PTRC's RFPs earlier this year:
 - i. Rives and Associates:
 - 1. Bid - \$22,630
 - 2. Hours budgeted – 283. Mr. Dolge gave them an opportunity to adjust the amount of hours, however they stood firm with their original estimate.
 - 3. Concerns:
 - a. Hours budgeted
 - b. Mostly school system work
 - c. Smaller towns (Pittsboro, Wake County Schools)
 - d. Regional consolidated services
 - ii. Gibson and Company:
 - 1. Bid - \$31,450
 - 2. Hours budgeted – 488
 - 3. Concerns:
 - a. Only four staff members
 - b. Very little grant work
 - c. No sampling experience
 - d. Smaller towns (Lewisville, Tobaccoville, Walnut Cove)
 - iii. Cannon and Company:
 - 1. Bid - \$34,400
 - 2. Hours budgeted – 460

3. Concerns:
 - a. Staff turnover
 - b. Presentation
4. Positives:
 - a. C.O.G. work (High Country, NWPCOG)
- iv. Cherry Bekaert:
 1. Bid - \$46,400
 2. Hours budgeted – 400
 3. Concerns:
 - a. Price
 - b. Scope of work
 4. Positives:
 - a. C.O.G. work (Triangle J, PTCOG)
 - b. Larger cities (Winston-Salem, Greensboro)
- d. Mr. Dolge concluded that the staff and Executive Committee recommend approval of the selection of Cannon and Company and acknowledgement of the submission to the Local Government Commission.
- e. A motion was made by Mr. Dillard Burnette.
- f. The motion was made by Mr. Ernest Lankford
- g. Review of Audit Proposals & Recommendation from Executive Committee to enter into contract with Cannon and Company was approved.

There being no other business, the meeting was adjourned.




**PIEDMONT TRIAD
REGIONAL COUNCIL**

Representative Donny C. Lambeth
75th District

April 16, 2014


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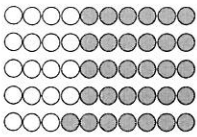
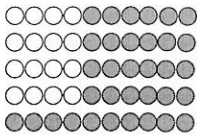
SUMMARY OF SESSION

- ❖ 104 Legislative Days (January – July)
- ❖ 1,750 Bills Introduced
- ❖ More than 2,000 Votes Cast
- ❖ 337 Bills Signed into Law
- ❖ Two Vetoes


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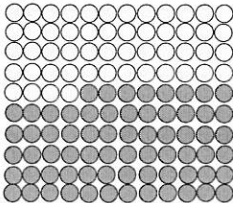
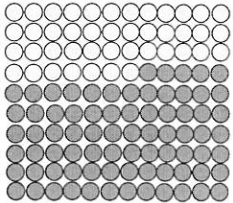
HOW THE CHAMBER HAS CHANGED
ELECTION YEAR

<p>SENATE 2010</p> 	<p>SENATE 2012</p> 
<p>○ = Democrat 19 ● = Republican 31</p>	<p>○ = Democrat 16 ● = Republican 34</p>

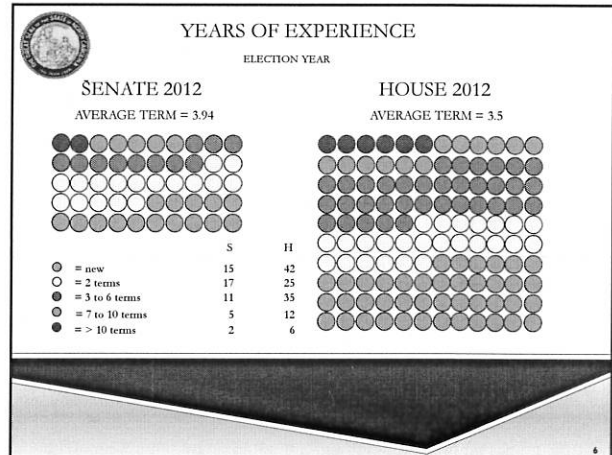
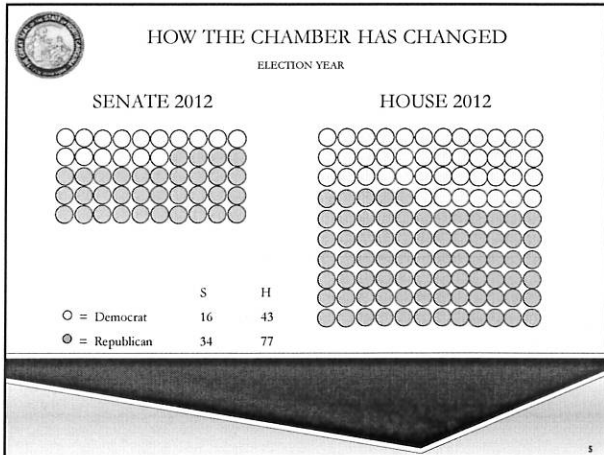
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HOW THE CHAMBER HAS CHANGED
ELECTION YEAR


<p>HOUSE 2010</p> 	<p>HOUSE 2012</p> 
<p>○ = Democrat 52 ● = Republican 68</p>	<p>○ = Democrat 43 ● = Republican 77</p>

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- ### COMMITTEE ASSIGNMENTS
- ❖ Joint Legislative Oversight Committee – Health and Human Services
 - ❖ Vice Chair, Appropriations Subcommittee on Health and Human Services
 - ❖ Agriculture
 - ❖ Appropriations
 - ❖ Banking
 - ❖ Commerce and Job Development
 - ❖ Education
 - ❖ State Personnel

- ### COMMITTEE ASSIGNMENTS
- ❖ Freshmen Appropriations Committee – Health and Human Services
 - ❖ Child Fatality Task Force
 - ❖ ACA Study Committee
 - ❖ Mental Health Committee
 - ❖ Certificate of Need Committee



HIGHLIGHTS


- ❖ Implemented North Carolina Tax Reform
 - Provides major tax relief to all NC families
 - Makes NC more attractive to job-creating businesses

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GENERAL FUND REVENUE BY SOURCE 2013 – 2014

Source	Percentage	Amount
Individual Income	55%	\$11.2 billion
Sales and Use	27%	\$5.5 billion
Non-Tax	4%	
Corporate Income	5%	
Franchise	3%	
Beverage & Tobacco	3%	
Insurance	2%	
Other Tax	1%	


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TAX REFORM LEGISLATION PROVISIONS

❖ Caps Gas Tax	❖ No Cap Charitable Giving
❖ Eliminates Marriage Penalty	❖ Non-profit Sales Tax Refund Cap
❖ No Change in Sales Tax Rate	❖ Film Tax Credit Continued to December 2014
❖ Eliminates Back-to-School Weekend	❖ New Tax – Parks, Movies, Newspapers, Modular Homes

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TOP-BRACKET PERSONAL INCOME TAX

Stat of the Week
Tax Times: Just in time for tax season, here are top-bracket tax rates for personal income tax, by state:

2014 rates for 2013 brackets for CA, HI, NY, and OH: Rates in some states started on the left side from midyear (making brackets more difficult to read). If they apply to interest and dividend income only. * Rates apply to regular tax rates. # Special tax rates on dividends for non-qualified dividends which include their own provisions. ** Rates not adjusted for inflation in this year. # These rates apply to some or all of federal income tax paid to the individual (state income tax exclusive). # Local charges based on local property taxes. # State deposits, but limited income. # Rates the average rate with a 5% surcharge based on 0.5% to 4%, 1.0% to 5%, 2.0% to 6%, 3.0% to 7%, 4.0% to 8%, 5.0% to 9%, 6.0% to 10%, 7.0% to 11%, 8.0% to 12%, 9.0% to 13%, 10.0% to 14%, and 11.0% to 15%. # Includes local rates and fees. For 2014-2015, 2015 State Deposits, but limited income. # Rates and rates for interest. # Rates on high-income individuals and those for the 2014-2015, 2015-2016, and 2016-2017 rates. # Rates for 2014-2015, 2015-2016, and 2016-2017 rates. # Rates for 2014-2015, 2015-2016, and 2016-2017 rates.

Source: Tax Foundation
The Wall Street Journal


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HIGHLIGHTS

- ❖ Adopted a balanced, fiscally responsible State Budget
 - Invests in Core Services
 - Streamlines State Government
 - Strengthens Public Education
 - Grows NC Economy

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GENERAL FUND APPROPRIATIONS

\$20.6 Billion

Education	\$ 11.5 Billion	56.0%
Health & Human Services	\$ 5.0 Billion	24.0%
Justice & Public Safety	\$ 2.4 Billion	11.0%
Debt Service & Reserves	\$ 1.0 Billion	5.0%

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GENERAL FUND APPROPRIATIONS

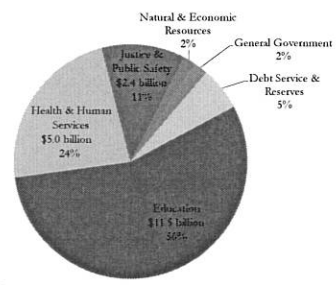
\$ 20.6 Billion

General Government	\$ 412 Million	2.0%
Natural & Economic Resources	\$ 412 Million	2.0%

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GENERAL FUND APPROPRIATIONS BY SUBCOMMITTEE



Natural & Economic Resources	2%
Justice & Public Safety	11%
Health & Human Services	24%
Education	56%
Debt Service & Reserves	5%
General Government	2%


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HIGHLIGHTS

- ❖ Passed Education Reform to:
 - Strengthen Student Literacy
 - Improve graduation rates
 - Reward effective teachers
 - Provide tools for parents to make better informed decisions about their child(ren)'s education


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HIGHLIGHTS

- ❖ Passed “common sense” provision requiring photo ID to vote
- ❖ Reformed Unemployment Insurance Program

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NORTH CAROLINA UNEMPLOYMENT RATE

Month/Year	Employment	Unemployment Rate
February 2014	4,363,010	6.4
January 2011	4,165,815	10.4
Total Net Jobs:	197,195	-4.0

North Carolina's unemployment rate (6.4%) fell below the National unemployment rate (6.7%) for the first time in 8 years (March 2006).

The North Carolina economy has added almost 200,000 new jobs since Republicans took control of the legislature in 2011.


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HIGHLIGHTS

- ❖ Passed sweeping changes to State's burdensome regulatory environment
- ❖ Passed major healthcare reform to improve medical billing fairness and transparency
- ❖ Approved bipartisan legislation to spur our economy by tapping into NC's abundant energy resources (fracking)

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**“WHAT TO EXPECT”
SHORT SESSION**

Coal Ash

- ❖ Environmental Review Commission will hold a meeting on April 22nd to receive an update and discuss the status on the Dan River spill and other coal ash ponds across the State.

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**“WHAT TO EXPECT”
SHORT SESSION**

Budget and Bills Referred to Committee

- ❖ Receive reports from five Joint Legislative Oversight Committees on:
 - Education
 - Health and Human Services
 - Environmental Review Committee
 - Appropriations
 - Economic Development

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**“WHAT TO EXPECT”
SHORT SESSION**

Health Care

- ❖ Medicaid Reform
- ❖ Certificate of Need – Ambulatory Surgery
- ❖ State Health Plan
- ❖ Health and Human Services
- ❖ ACA Impact

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**“WHAT TO EXPECT”
SHORT SESSION**

Budget

- ❖ Teacher/State Worker Raises
- ❖ Medicaid Spending
- ❖ Two Percent Cut Back – Contingency Plans
- ❖ Film Tax Credit

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“WHAT TO EXPECT”
SHORT SESSION

Agriculture

- ❖ Ports
- ❖ Exports
- ❖ China

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“WHAT TO EXPECT”
SHORT SESSION

- ❖ Fracking
- ❖ Transportation
- ❖ Immigration Reform
- ❖ Jobs

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THANK YOU

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