

KENNETH S. EDGE  
Chairman

W. MARSHALL FAIRCLOTH  
Vice Chairman

GLENN B. ADAMS  
JEANNETTE M. COUNCIL  
CHARLES E. EVANS  
JIMMY KEEFE  
LARRY L. LANCASTER



# CUMBERLAND ★ COUNTY ★ NORTH CAROLINA

## BOARD OF COMMISSIONERS

CANDICE WHITE  
Clerk to the Board

KELLIE BEAM  
Deputy Clerk

### MEMORANDUM

TO: Finance Committee Members (Commissioners Council, Faircloth and Lancaster)

FROM: Candice H. White, Clerk to the Board

DATE: August 28, 2015

SUBJECT: Finance Committee Meeting – **Time Change** – Thursday, September 3, 2015

**The regular meeting of the Finance Committee scheduled for Thursday, September 3, 2015 at 9:30 AM has been rescheduled to begin 10:30 AM in room 564 of the Cumberland County Courthouse located at 117 Dick Street, Fayetteville, NC.**

### AGENDA

1. Approval of Minutes – August 6, 2015 Regular Meeting (**Pg. 2**)
2. Consideration of Internal Audit Plan (**Pg. 13**)
3. Monthly Financial Report (**Pg. 15**)
4. Other Matters of Business (**No Materials**)

cc: Board of Commissioners  
County Administration  
Vicki Evans, Finance Director  
Tammy Gillis, Director of Internal Audit and Wellness Services  
County Legal  
County Department Head(s)  
Sunshine List

**DRAFT**

CUMBERLAND COUNTY FINANCE COMMITTEE  
 COURTHOUSE, 117 DICK STREET, 5TH FLOOR, ROOM 564  
 AUGUST 6, 2015 - 9:30 AM  
 MINUTES

MEMBERS PRESENT: Commissioner Marshall Faircloth, Chairman  
 Commissioner Jeannette Council  
 Commissioner Larry Lancaster

OTHER COMMISSIONERS  
 PRESENT:

Commissioner Glenn Adams  
 Commissioner Kenneth Edge  
 Commissioner Jimmy Keefe

OTHERS:

Amy Cannon, County Manager  
 James Lawson, Deputy County Manager  
 Tracy Jackson, Assistant County Manager  
 Rick Moorefield, County Attorney  
 Vicki Evans, Finance Director  
 Deborah Shaw, Budget Analyst  
 Tammy Gillis, Director of Internal Audit and Wellness  
 Sally Shutt, Governmental Affairs Officer  
 Jeffrey Brown, Engineering and Infrastructure Director  
 Kristoff Bauer, Deputy City Manager  
 Michael Gibson, Parks and Recreation Director  
 Candice White, Clerk to the Board  
 Press

Commissioner Faircloth called the meeting to order.

1. APPROVAL OF MINUTES – JUNE 4 , 2015 REGULAR MEETING

MOTION: Commissioner Council moved to approve the June 4, 2015 meeting minutes.  
 SECOND: Commissioner Lancaster  
 VOTE: UNANIMOUS (3-0)

2. PRESENTATION ON A PROPOSED CITY OF FAYETTEVILLE PARKS &  
 RECREATION BOND ISSUE

Amy Cannon, County Manager, stated the Parks and Recreation Capital Program was presented to the Fayetteville City Council on Monday, August 3 and is being presented to the Finance Committee for information only with no action requested.

Kristoff Bauer, Deputy City Manager, stated his presentation would include an overview of the following:

- Financial Information

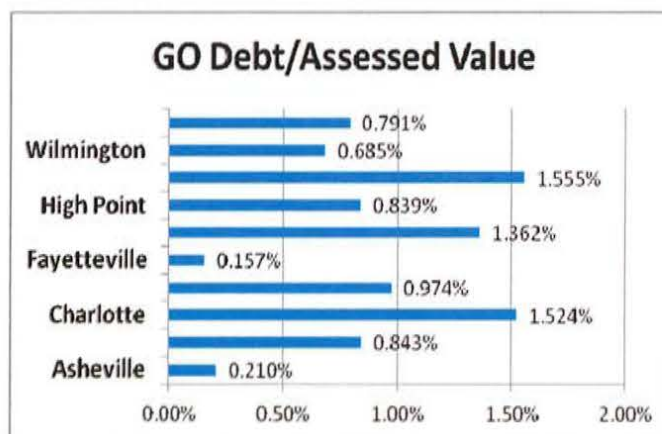
# DRAFT

- GO Bond Process Update
- Recommended Next Steps
- Ballot Options
- Project Review / Questions
- Discussion

Mr. Bauer stated in the earlier countywide bond issue, the key issues were that there would have to be a countywide vote, including citizens who would not participate in the district, and the county would have to carry the debt. Mr. Bauer stated the financing piece later moved toward the City taking the debt side of what is now put in the context of a capital program as opposed to a bond issue. Mr. Bauer stated the bond debt is a tool to finance the capital program and not the goal. Michael Gibson, Parks and Recreation Director, provided a handout of capital projects to include City funded multipurpose aquatic center with senior center, city pools, neighborhood parks, river park, skateboard park, sports complex, tennis center, greenways acquisition and development, park land acquisition and existing parks and building renovations.

Mr. Bauer stated in earlier bond issue, there was also a lot of debate as to whether the appropriate information was being disclosed relative to the cost of the project. Mr. Bauer stated the financial information or costs” associated with the capital program are land acquisition, design and construction. Mr. Bauer stated the GO bond authorization is what is financed and will include debt payment, financing costs and interest expense. Mr. Bauer clarified the bond piece is a subset of the costs and is not meant to encompass the total cost of the project from a construction or financing perspective. Mr. Bauer stated the bond piece is just the legal authorization limit for debt and clarified that only the GO bond limit can be disclosed on ballot.

Mr. Bauer displayed the following debt comparison and stated Fayetteville is the lowest in terms of debt capacity.



Mr. Bauer stated the statutory limit is 8% of appraised value which for Fayetteville is \$1.1 B.

Mr. Bauer stated a special election is not an option in the GO bond process and it can only be part of a regularly scheduled election. Mr. Bauer stated the primary is May 3, 2016 which means the first vote of the Fayetteville City Council will be January 11, 2016.

# DRAFT

Mr. Bauer stated the next step is to conduct a cost estimate review of projects identified by the City Council and to determine whether there are additional land acquisition costs for any of the projects. Mr. Bauer stated survey data will be collected from the community to determine which parts of the bond have strong support and to give the Fayetteville City Council more input from the voter base. Mr. Bauer stated staff will return to the Council in October to finalize program elements and then a financial plan will be developed. Mr. Bauer stated this will let the projects drive the financial plan rather than the financial plan drive the projects.

Mr. Bauer stated questions presented to the City Council included the GO bond capacity needed, dedicated revenue required and project timing; the question is really how much debt can be issued. Mr. Bauer stated overtime feedback will be requested from the Board of Commissioners on County specific issues.

Mr. Bauer stated there are significant advantages to packing GO bond debt together; it can be repaid over a longer period of time than conventional debt and it can be used to finance improvements for which conventional financing cannot be used. Mr. Bauer stated the City Council was asked if they wanted to consider including additional authorizations for other kinds of projects because by law a ballot issue can only be about a single use.

Mr. Bauer stated another question is to determine whether there is a need or interest in considering GO debt to support some of the Park and Recreation District projects. Mr. Bauer stated the Parks and Recreation system serves the entire County and one of the purposes of this conversation is to determine whether there can be continued dialogue about the County's participation in some of the costs for these projects so they can be included in the analysis and brought back later in the process for discussion.

Mr. Bauer stated an analysis was conducted on the differences in using GO debt versus other obligations such as pay-as-you-go or conventional financing, and the bottom line is that GO debt projects can be completed in seven years at a lower cost compared to 25 years to complete the same projects using the same cash flow. Mr. Bauer stated the fundamental piece when talking about debt authorization is identifying the revenue source to repay the debt and to support the projects over time. Mr. Bauer stated this is the decision elected officials have to make. Mr. Bauer responded to questions regarding private agency operation, patron participation as part of the financial plan and the City Council's request to analyze alternative locations and the associated cost implications.

### 3. UPDATE ON SENATE PROPOSAL TO MODIFY SALES TAX DISTRIBUTION

#### BACKGROUND:

A proposal before the Senate would modify the method of distributing local option sales tax to counties. In effect, the analysis by the State's Fiscal Research Division indicates a shift of sales tax dollars from more urban retail counties of the State to the less wealthy counties.

- In addition to modifying the distribution, the proposal includes taxing items previously exempt.
  - installation, repair and maintenance of tangible personal property
  - veterinary services

# DRAFT

- Reduce the non-profit sales tax refund
- Allows counties to levy an additional 1/4 cent sales tax via referendum
- Maintains county authority to determine distribution method to cities (i.e., ad valorem or per capita)

Based on the information provided by the Fiscal Research Division, it appears the impact of the new legislation for Cumberland County includes:

- Potential increase of approximately \$880,000 by FY 2019-20 under the 80/20 method
- Additional \$9.3 million by FY 2019-20 if the additional 1/4 cent is approved by referendum

As of the last update from the NCACC, the Governor has stated he will veto any bill that includes this modification to the distribution method and the bill continues to face other opposition as well.

## RECOMMENDATION:

No action by the Committee is needed; this is for information purposes only.

\*\*\*\*\*

Melissa Cardinali, Assistant County Manager, reviewed the background information as recorded above and stated this information was put together based on what was known at the time. Ms. Cardinali stated at that time, the proposal was for 80/20 but there is now talk about changing to 50/50. Ms. Cardinali stated based on those numbers, Cumberland County does not look like it will gain or lose, and if the sales tax base were expanded, the County might pick up another \$1.6 million. Ms. Cardinali stated her understanding as of the last update is that the House is opposed to any change so the push is likely from the Senate.

Chairman Edge stated the NCACC is lobbying that the 1/4 cent sales tax, should it become an issue, be allowed by resolution rather than referendum. Commissioner Faircloth asked whether the County could apply for the 1/4 cent. Ms. Cannon stated a change in this legislation will allow the County to apply. Commissioner Keefe inquired regarding the use of the 1/4 cent. Ms. Cannon stated it can be used for transit purposes and schools, and under the new legislation it can be used for those purposes or general purposes. Commissioner Keefe asked whether this would affect the current sales tax agreement with municipalities. Ms. Cannon stated she and the city manager concur that until the sales tax is settled in the General Assembly, no one will know what can be negotiated. Ms. Cannon further stated once the sales tax is resolved, she and the city manager are committed to begin sales tax discussions. Chairman Edge inquired whether the county could use ad valorem for some of its municipalities and per capita for others. Rick Moorefield, County Attorney, stated that cannot be done under the existing law. Commissioner Council stated she did not want the decision regarding sales tax to wait. Ms. Cannon stated it is her intent to begin discussions with all of the municipalities once the sales tax issue is settled in Raleigh.

# DRAFT

## 4. CONSIDERATION OF AMENDMENT TO THE ANNUAL AUDIT CONTRACT

### BACKGROUND:

Earlier this year, the Board of Commissioners approved a contract for Cherry Bekaert, LLP to perform the annual audit. Since that time, the N.C. Office of the State Auditor has made revisions to the work required of audit firms.

We recently received notification from the Office of the State Auditor that they are auditing the Schedule of Expenditures of Federal Awards (SEFA) and compliance over the major federal programs of the State of North Carolina as of June 30, 2015. The goal of the additional procedures is to provide reliable data to the State Auditor who will use the data in their audit of major federal programs. The requirement for the auditors contracted by the County to perform additional procedures for the State is clearly an unfunded mandate. The cost of the additional procedures is \$2,000 annually.

### RECOMMENDATION:

Approve a \$2,000 amendment to the annual audit contract with Cherry Bekaert, LLP for the fiscal year 2015 audit.

\*\*\*\*\*

Vicki Evans, Finance Director, reviewed the background information as recorded above.

MOTION: Commissioner Council moved to approve a \$2,000 amendment to the annual audit contract with Cherry Bekaert, LLP for the fiscal year 2015 audit.

SECOND: Commissioner Lancaster

DISCUSSION: Commissioner Faircloth asked whether the state put a mandate on auditors. Ms. Evans responded in the affirmative and stated an amendment to the audit contract had to be approved last year in the same dollar amount for the same reason. Commissioner Keefe stated consideration should be given in the future to rotating auditors every few years to keep a fresh look when auditing county government. In response to a question from Commissioner Faircloth, Ms. Evans stated the county is in the second of a three-year contract with Cherry Bekaert, LLP.

VOTE: UNANIMOUS (3-0)

## 5. CONSIDERATION OF BUDGET REVISIONS TO ALLOCATE FUNDING FOR BENEFITS NOW REQUIRED FOR TEMPORARY WORKERS

### BACKGROUND:

Compliance with the Affordable Care Act requires that the County extend health insurance benefits to temporary employees who are hired to work thirty or more hours per week. These employees will now be offered the same benefit as regular full time employees and if they choose to participate they will make the same contribution amounts. This fiscal year there are thirty five positions within DSS who this applies to, therefore a budget revision is needed to

# DRAFT

cover this additional cost. This does not apply to any temporary staff who is working for the County through an employment agency.

In the process of thoroughly reviewing required benefits of temporary staff, we also found that employees who have worked 1,000 or more hours in a twelve month period must be enrolled in the retirement system as of their one year anniversary. We are approaching that date for some of the thirty five DSS positions mentioned above. This additional cost has been projected in the budget revision.

No other benefits will apply to temporary employees, per the County's policy.

## RECOMMENDATION/PROPOSED ACTION:

Approval of budget revision B16-024/A which will authorize payment of these employee benefits.

\*\*\*\*\*

Ms. Cardinali reviewed the background information as recorded and stated because the employees are working greater than thirty hours per week, the County under the Affordable Care Act is required to provide health insurance coverage for them and under the State Retirement System the County is required to enroll those employees in the retirement system once they have been employed by the County for twelve months. Ms. Cardinali stated the budget revision would fund the retirement and health insurance benefits the County is required to give those time-limited positions. Ms. Cardinali stated at present, it appears there are only a handful of employees that would be eligible for the retirement system but this budget revision would take into account the entire year so staff will not have to return to the Board should someone become eligible during the year. Ms. Cardinali acknowledged a 75% reimbursement from the Medicaid funding.

MOTION: Commissioner Lancaster moved to approve budget revision B16-024/A which will authorize payment of these employee benefits.

SECOND: Commissioner Council

VOTE: UNANIMOUS (3-0)

## 6. CONSIDERATION OF SCHOOL HEALTH NURSE PAY GUIDELINES AND ASSOCIATED BUDGET REVISION

### BACKGROUND:

The Guidelines for School Health Nurse Pay and Leave Accrual have been in place and have been followed since 2003. To summarize, the guidelines state that employees in these positions will be paid prorated annualized salaries over a 12-month period even though they actually only work ten months. On a bi-weekly basis this means that the work schedule of 70 hours per pay period will amount to 59.23 paid hours. In the event one of these type employees terminates, the individual may owe the County or more likely, the County will owe the employee a pay differential.



# DRAFT

An issue with the guidelines was recently brought to the attention of Finance and Human Resources staff when a school health nurse *transferring* to another internal department requested to be paid her annualized salary difference prior to her transfer. This was the first time a school health nurse who transferred to another internal department requested these funds. Staff had been processing pay actions according to the guidelines that were implemented in 2003 for school health nurses who *terminated* employment, only.

Calculations show that the school health nurse who brought this to our attention does have a balance owed to her because of being paid for fewer hours than she worked in accordance with the guidelines. In an effort to determine the full impact for all school health nurses, staff conducted further analysis and research, and final calculations show seven other active employees and one retired employee who transferred to other internal full time positions have balances owed covering the time period 2003 to present. The total one-time cost to correct this is \$24,257 which will result in pay adjustments for nine individuals. To prevent future recurrence, the following actions were taken as of July 1, 2015:

- The guidelines were updated to include a payout calculation for school health nurses who *transfer* within the County; and
- The action to pay these individuals will be initiated by Human Resources staff on a Personnel Action Form, directing payroll to calculate and pay out or collect any discrepancies in pay.

## RECOMMENDATION/PROPOSED ACTION:

Consensus to move forward to the next scheduled meeting of the Board of County Commissioners and approve the associated budget revision which will authorize payment to the nine former school health nurses.

## GUIDELINES FOR SCHOOL HEALTH NURSE PAY AND LEAVE ACCRUAL

Effective Date: July 1, 2003

(Updated July 1, 2015 – changes shown in red)

1. Salary will be annualized over a 12-month period, but they will only work 10 months. This will insure payments for any deductions (ex: BCBS, term, dental...). This also means that the work schedule of 70 hours a pay period will be paid at 59.23 hours.
2. Reduced hours worked will not affect the number of years with the Retirement System. Retirement benefits are calculated based on the salary paid during the four highest paid years in a row. As a matter-of-fact, the health nurses will be in a much better position as it relates to time with the Retirement System because no contributions to the Retirement System means no creditable service. Salaries being paid over twelve months mean contributions will be made to the Retirement System monthly and they will receive credit time for the two months they are out of work.
3. Calculations will be made when an individual **in the school nurse special pay plan terminates or transfers to another County position** to determine the correct payout. In most cases, the County will owe the employee some additional pay because they will be working 70 hours per pay period, but are receiving pay for 59.23 hours. In the event an employee **in the**



# DRAFT

school nurse special pay plan decides to terminate employment or transfers to another County position during the period the advanced money has been paid, advanced funds are due to the County to be paid back to the County by the employee. County HR will notify Payroll in the comments section of the Personnel Action Form anytime an individual in the school nurse special pay plan terminates or transfers to another County position, noting that the calculation must be made.

4. Accrual of sick/annual leave will be at 88% of full-time rate; however, no leave will be accrued for the two months not worked. Other leaves will be paid at 88% of full-time rate, (i.e., holidays).

5. Since pay is being generated during the summer, the payroll system will show leave accrual. These accruals will be adjusted back to actual at the beginning of the school year.

\*\*\*\*\*

Ms. Evans reviewed the background information recorded above as it relates to school health nurses who transfer to another department within the County and called attention to the revision to the guidelines that have been updated to include a payout calculation for school health nurses who transfer within the County in order to pay out their prorated annualized salary as if they only worked ten months. Ms. Evans stated the total one-time cost to correct this is \$24,257 which will result in pay adjustments for nine individuals, eight of which are still working for the County. Questions followed.

MOTION: Commissioner Council moved to forward to the full Board at its next scheduled meeting approval of the budget revision which will authorize payment to the nine former school health nurses.

SECOND: Commissioner Lancaster

VOTE: UNANIMOUS (3-0)

## 7. CONSIDERATION OF REIMBURSEMENT RESOLUTION REGARDING PROPOSED FINANCING FOR CAPITAL IMPROVEMENT PROJECTS

### BACKGROUND:

As addressed in the Manager's budget message, infrastructure repairs and maintenance is a funding priority continuing the Board's goal of providing adequate infrastructure and specifically addresses the objective of ensuring that facilities are well maintained. Areas of improvements within the general fund and crown fund considered and approved in the fiscal year 2016 budget include: parking lot repair/resurfacing, roof repair/replacement and building exterior improvements. To address these categories of infrastructure needs over the next three years a total of \$9,823,625 will be financed to cover these costs.

U. S. Treasury regulations and guidelines that involve debt financing transactions require that a governmental entity declare its intent to use debt financing for a given project before expenses are incurred. In accordance with this requirement, the County must adopt a resolution of intent

# DRAFT

to use installment financing for the capital improvement projects in order to reimburse itself for any costs incurred before the financing is executed from the proceeds of the installment contract.

The resolution would satisfy the federal reimbursement requirements by declaring the County's intent to finance the capital improvement projects from an installment contract in an amount not to exceed \$10 million.

## RECOMMENDATION/PROPOSED ACTION:

Consensus to move forward to the August 17 meeting of the Board of County Commissioners and adopt the resolution recorded below declaring its intent to reimburse costs associated with the identified capital improvements projects from financing proceeds.

## RESOLUTION OF OFFICIAL INTENT TO PURSUE TAX EXEMPT FINANCING AND TO REIMBURSE EXPENDITURES WITH PROCEEDS OF A BORROWING

WHEREAS, the Board of Commissioners of Cumberland County, North Carolina (the "County") intends to provide a portion of the financing of the acquisition, construction, renovation and equipping of certain capital improvements to various County property, including but not limited to the Crown Complex, the Courthouse, the historic Courthouse, the Sheriff's office, the Department of Social Services Building, and the Health Department, including parking lot, exterior building and roof repairs (collectively, the "Projects");

WHEREAS, the County may advance its own funds to pay expenditures related to the Projects, may borrow funds on a short term taxable or tax exempt basis in order to pay such expenditures or may enter into contracts obligating third parties to make certain expenditures relating to the Projects (the "Expenditures") prior to incurring indebtedness and to receive reimbursement for such Expenditures from proceeds of tax-exempt bonds or taxable debt, or both;

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CUMBERLAND COUNTY, NORTH CAROLINA:

1. The County intends to utilize the proceeds of tax-exempt indebtedness, including but not limited to installment finance agreements (the "Indebtedness") or to incur other debt, to pay the costs of the Projects in an amount not currently expected to exceed \$10,000,000.

2. The County intends that the proceeds of the Indebtedness be used to reimburse the County for Expenditures with respect to the Projects made on or after the date that is no more than 60 days prior to the date of this resolution. The County reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Indebtedness or other debt.

3. The County intends that the adoption of this resolution confirms the "official intent" within the meaning of Treasury Regulations Section 1.150-2 promulgated under the Internal Revenue Code of 1986, as amended.

# DRAFT

4. This resolution shall take effect immediately upon its passage.

\*\*\*\*\*

Ms. Evans reviewed the background information as recorded above and stated the County's bond attorney was asked to write a bond resolution that would satisfy the federal reimbursement requirements by declaring the County's intent to finance the capital improvement projects from an installment contract in an amount not to exceed \$10 million. Ms. Evans stated within the County's fiscal year 2016 budget and the capital improvement plan, there were capital improvement items identified that need to go forward for financing; these total \$9.8 million. Commissioner Faircloth asked why U.S. Treasury regulations were involved. Ms. Evans explained those regulations require that a governmental entity declare its intent to use debt financing for a given project before expenses are incurred. Ms. Cannon also explained the County must adopt a resolution of intent to use installment financing for the capital improvement projects in order to reimburse itself for any costs incurred before the financing is executed from the proceeds of the installment contract. Ms. Cardinali further explained the U. S. Treasury is involved because the IRS regulates all of borrowing by government.

MOTION: Commissioner Lancaster moved to a forward to the full Board at its August 17 meeting adoption of the resolution declaring intent to reimburse costs associated with the identified capital improvement projects from financing proceeds.

SECOND: Commissioner Faircloth

DISCUSSION: Commissioner Keefe inquired regarding the Crown's \$3.5 million. Ms. Evans explained there are benefits, such as a better rate, to including the Crown in one financing package with capital improvement projects. Ms. Evans stated general financing is \$6.65 and the Crown is \$3.173 for a total of \$9.823 or \$10 million for both. Ms. Cannon stated as far as any debt capacity, it is for the total organization and it does not matter whether it is repaid from the enterprise fund or the general fund.

VOTE: UNANIMOUS (3-0)

## 8. MONTHLY FINANCIAL REPORT

### BACKGROUND:

The monthly financial report summary for fiscal year 2015 is incomplete at this time. We are currently operating in the 13<sup>th</sup> period of fiscal year 2015, working toward closing out that fiscal year and are getting geared up for audit. In addition, we are also working within the first month of fiscal year 2016 with less than a month's data. Preliminary results of the 13<sup>th</sup> period of fiscal year 2015 will be presented at next month's Finance Committee meeting.

Other highlights include:

- Cumberland County Tax Department is reporting a total collection rate of 99.17%. This is the highest overall rate the department has ever attained.

# DRAFT

- Cumberland County Finance Department recently received the Certificate of Achievement for Excellence in Financial Reporting for Fiscal Year Ended June 30, 2014.

## RECOMMENDATION/PROPOSED ACTION:

No action needed – for information purposes only.

\*\*\*\*\*

Ms. Evans reviewed the background information recorded above and stated although there is no regular monthly financial report, she wanted to highlight the County Tax Department and County Finance Department.

## 9. OTHER MATTERS OF BUSINESS

Ms. Cannon introduced Deborah Shaw as the new budget analyst and stated she will lead the County in developing a separate budget division and will be available to help County Administration on special projects such as the sales tax discussions.

Ms. Cardinali provided an update on the employee clinic and stated it is anticipated the clinic will be open five days per week in the fall and since its opening in July, it has averaged twenty patients per day. Ms. Cardinali stated Novant invoiced the County \$15,000 for those visits which would have cost the County over \$21,000 had those patients gone through the traditional medical system.

There were no other matters of business.

There being no further business, the meeting adjourned at 10:25 a.m.

AMY H. CANNON  
County Manager

JAMES E. LAWSON  
Deputy County Manager



**CUMBERLAND**  
★ **COUNTY** ★  
NORTH CAROLINA

ITEM NO. 2  
MELISSA C. CARDINALI  
Assistant County Manager

W. TRACY JACKSON  
Assistant County Manager

**OFFICE OF THE COUNTY MANAGER**

**MEMO FOR THE AGENDA OF THE  
September 3, 2015 MEETING OF THE FINANCE COMMITTEE**

**TO:** FINANCE COMMITTEE MEMBERS  
**FROM:** TAMMY GILLIS, INTERNAL AUDIT DIRECTOR *Tammy*  
**DATE:** AUGUST 26, 2015  
**SUBJECT:** CONSIDERATION OF INTERNAL AUDIT PLAN

**Presenter(s):** Tammy Gillis, Internal Audit Director

**Estimated of Committee Time Needed:** 10 Minutes

**BACKGROUND**

At the June 15, 2015 Board of Commissioner's meeting, an Audit/Finance Committee Charter was adopted. The Charter requires that an audit plan be submitted to the Audit Committee for approval.

As we are in the process of hiring a second internal auditor, a plan for the July – December 2015 time period is being submitted at this time. In December a plan for the remainder of the fiscal year will be submitted for approval.

**RECOMMENDATION**

Staff recommends approving the July – December 2015 Internal Audit Plan.

Cumberland County Internal Audit  
Audit Plan  
July - December 2015

<b>Audit/Project</b>	<b>Department</b>
Physical inventories	Central Maintenance Facility (CMF) Solid Waste garage Employee Pharmacy Health Department Pharmacy Health Department supply room
Inventory accounts	CMF Solid Waste
Bank accounts	Sheriff - Detention Center Social Services
Cash receipts	Sample of depts with petty cash or change funds
Cash counts	All depts with petty cash or change funds
Schedule of Federal & State Expenditures	For FY 2014-15 audit





**FINANCE OFFICE**

4<sup>th</sup> Floor, Room No. 451, Courthouse • PO Box 1829 • Fayetteville, North Carolina 28302-1829  
(910) 678-7753 • Fax (910) 323-6120

---

**MEMO FOR THE AGENDA OF THE  
SEPTEMBER 3, 2015 MEETING OF THE FINANCE COMMITTEE**

**TO:** FINANCE COMMITTEE MEMBERS  
**FROM:** VICKI EVANS, FINANCE DIRECTOR *VJE*  
**DATE:** AUGUST 26, 2015  
**SUBJECT:** MONTHLY FINANCIAL REPORT – FY15 13<sup>th</sup> PERIOD

**Presenter(s):** Vicki Evans, Finance Director

**Estimate of Committee Time Needed:** 5 Minutes

**BACKGROUND**

The financial report is included as of the 13<sup>th</sup> period of fiscal year 2015. Highlights include:

- Revenues
  - Current real and personal property taxes continue at a trend similar to past years with final collections reflected in the “June” column.
  - Motor vehicle tax revenues continue to appear strong this year. The full year’s collection amount is reflected in this report.
  - Sales tax collections show slight growth compared to last fiscal year. This report reflects eleven months of sales tax collections.
- Expenditures
  - Expenditures remain in line with budget and show no unusual patterns.
- Crown center expense summary/prepared food and beverage and motel tax
  - A combined year-to-date summary is provided.
  - Prepared food and beverage and motel tax summary included.

**RECOMMENDATION/PROPOSED ACTION**

No action needed – for information purposes only.

*Celebrating Our Past...Embracing Our Future*

**CUMBERLAND COUNTY REVENUE SUMMARY**

GENERAL FUND	FY2015							FY2014						
	Actual				Total	Budget	% Recognized	Actual				Total	Budget	% Recognized
	Jul-May	June	13th	14th				Jul-May	June	13th	14th			
<b>Category 10: Ad Valorem Tax</b>														
Real, Personal, Public - Current	151,751,129	442,447	0		152,193,576	150,400,868	101.19%	149,322,909	554,273	0		149,877,182	147,855,162	101.37%
Motor Vehicles - Current	15,250	138	0		15,387	0	0.00%	7,245,311	186,762	0		7,432,073	12,694,193	58.55%
Motor Vehicle - Tax & Tag	13,462,656	1,446,888	1,438,255		16,347,799	14,200,000	115.13%	8,755,619	1,389,870	1,425,917		11,571,406	3,000,000	385.71%
Prior Years & Other	3,799,833	180,596	0		3,980,429	4,263,000	93.37%	5,476,386	233,339	0		5,709,725	5,384,025	106.05%
<b>Total</b>	<b>169,028,867</b>	<b>2,070,069</b>	<b>1,438,255</b>	<b>0</b>	<b>172,537,190</b>	<b>168,863,868</b>	<b>102.18%</b>	<b>170,800,225</b>	<b>2,364,244</b>	<b>1,425,917</b>	<b>0</b>	<b>174,590,386</b>	<b>168,933,380</b>	<b>103.35%</b>
<b>Category 20: Other Taxes</b>														
Sales Tax (1¢ + Art 40 + 42+ 44+ 46)	26,565,839	2,928,531	6,606,916		36,101,286	37,516,061	96.23%	24,223,099	3,268,564	3,303,644		30,795,307	39,384,123	78.19%
Pet Registration Fees	189,810	15,101	0		204,911	336,236	60.94%	269,357	19,892	7		289,256	493,042	58.67%
Sales Tax Video & Telecommunications	399,645	126,105	0		525,750	556,500	94.47%	419,860	137,617	0		557,477	597,324	93.33%
Other Taxes	1,200,899	88,649	0		1,289,548	1,034,300	124.68%	1,088,016	96,572	0		1,184,588	1,047,519	113.09%
<b>Total</b>	<b>28,356,193</b>	<b>3,158,386</b>	<b>6,606,916</b>	<b>0</b>	<b>38,121,495</b>	<b>39,443,097</b>	<b>96.65%</b>	<b>26,000,332</b>	<b>3,522,646</b>	<b>3,303,651</b>	<b>0</b>	<b>32,826,628</b>	<b>41,522,008</b>	<b>79.06%</b>
<b>Category 30: Unrestricted Intergovernmental</b>														
ABC Store 3.5%	446,191	0	214,611		660,802	795,056	83.11%	426,896	0	206,421		633,317	795,056	79.66%
ABC Store Profit	1,459,360	0	0		1,459,360	1,174,000	124.31%	1,759,059	0	0		1,759,059	1,113,192	158.02%
Fay Sales Tax Equalization-Original	1,105,759	521,952	0		1,627,711	1,997,800	81.48%	1,009,194	492,892	0		1,502,086	2,079,581	72.23%
Fay Sales Tax Equalization	2,243,090	1,058,808	0		3,301,898	4,084,900	80.83%	2,055,437	1,003,879	0		3,059,316	4,253,266	71.93%
Wade Sales Tax Equalization	532	251	0		783	961	81.48%	486	237	0		723	1,001	72.23%
Eastover Sales Tax Equalization	0	0	0		0	0	0.00%	0	0	0		0	0	0.00%
Stedman Sales Tax Equalization	73	34	0		107	132	81.06%	66	33	0		99	137	72.26%
Spring Lake Sales Tax Equalization	179,099	0	0		179,099	308,760	58.01%	73,112	0	147,689		220,801	321,401	68.70%
Godwin Sales Tax Equalization	1,742	0	544		2,286	1,968	116.18%	520	534	515		1,569	2,173	72.20%
Other	1,067,426	73,403	95,245		1,236,074	1,011,400	122.21%	1,501,732	94,526	96,852		1,693,110	1,982,556	85.40%
<b>Total</b>	<b>6,503,271</b>	<b>1,654,448</b>	<b>310,400</b>	<b>0</b>	<b>8,468,120</b>	<b>9,374,977</b>	<b>90.33%</b>	<b>6,826,502</b>	<b>1,592,101</b>	<b>451,477</b>	<b>0</b>	<b>8,870,081</b>	<b>10,548,363</b>	<b>84.09%</b>
<b>Category 40: Restricted Intergovernmental</b>														
Health	4,102,037	626,416	214,005		4,942,458	5,521,622	89.51%	4,259,055	759,186	223,690		5,241,931	5,787,048	90.58%
Mental Health Consolidation	275,458	8,524	7,590		291,572	365,130	79.85%	309,205	8,525	7,318		325,048	453,258	71.71%
Social Services	35,998,802	4,188,002	4,047,007		44,233,812	45,976,385	96.21%	34,911,408	1,980,420	3,801,875		40,693,703	44,971,911	90.49%
Library	523,644	91,816	(917)		614,543	611,964	100.42%	856,248	56,386	(199)		912,435	762,178	119.71%
Child Support Enforcement	2,627,003	806,621	310,442		3,744,065	3,512,006	106.61%	2,919,167	431,230	396,242		3,746,639	3,322,840	112.75%
Other	2,845,376	88,263	74,183		3,007,822	2,813,856	106.89%	1,590,041	134,242	130,711		1,854,994	3,665,229	50.61%
<b>Total</b>	<b>46,372,320</b>	<b>5,809,643</b>	<b>4,652,310</b>	<b>0</b>	<b>56,834,272</b>	<b>58,800,963</b>	<b>96.66%</b>	<b>44,845,124</b>	<b>3,369,989</b>	<b>4,559,637</b>	<b>0</b>	<b>52,774,751</b>	<b>58,962,464</b>	<b>89.51%</b>
<b>Category 50: Licenses &amp; Permits</b>														
Register of Deeds	1,396,381	139,900	0		1,536,281	1,279,169	120.10%	1,455,879	140,183	0		1,596,062	1,529,150	104.38%
Inspections	667,563	60,113	0		727,676	566,700	128.41%	621,397	73,795	0		695,192	555,000	125.26%
<b>Total</b>	<b>2,063,944</b>	<b>60,113</b>	<b>0</b>	<b>0</b>	<b>2,263,957</b>	<b>1,845,869</b>	<b>122.65%</b>	<b>2,077,276</b>	<b>213,978</b>	<b>0</b>	<b>0</b>	<b>2,291,255</b>	<b>2,084,150</b>	<b>109.94%</b>
<b>Category 60: Sales &amp; Service</b>														
Animal Control	253,336	21,825	0		275,161	253,116	108.71%	228,034	23,283	0		251,317	213,014	117.98%
Health Department	4,399,003	368,066	6,597		4,773,666	4,362,776	109.42%	4,192,744	374,448	14,917		4,582,109	4,645,273	98.64%
Library Fees	179,506	18,453	0		197,960	275,500	71.85%	216,624	18,797	(26)		235,395	363,452	64.77%
Sheriff Fees	3,482,686	250,171	154,209		3,887,066	3,960,126	98.16%	2,885,923	245,488	129,188		3,260,599	3,413,955	95.51%
Social Services Fees	62,371	19,670	10,421		92,462	101,984	90.66%	59,518	22,809	7,980		90,307	123,138	73.34%
Other	610,819	100,595	681,463		1,392,877	1,324,508	105.16%	751,034	72,589	266,657		1,090,280	964,850	113.00%
<b>Total</b>	<b>8,987,720</b>	<b>778,780</b>	<b>852,691</b>	<b>0</b>	<b>10,619,192</b>	<b>10,278,010</b>	<b>103.32%</b>	<b>8,333,877</b>	<b>757,413</b>	<b>418,716</b>	<b>0</b>	<b>9,510,007</b>	<b>9,723,682</b>	<b>97.80%</b>
<b>Category 70: Miscellaneous</b>														
Interest Income	155,040	15,400	12,027		182,467	267,890	68.11%	142,886	31,318	4,377		178,581	110,000	162.35%
CFVMC	3,721,673	0	0		3,721,673	3,645,004	102.10%	3,645,004	0	0		3,645,004	3,615,271	100.82%
Other	1,018,978	89,089	10,677		1,118,744	1,272,142	87.94%	844,360	599,298	57,370		1,501,028	452,852	331.46%
<b>Total</b>	<b>4,895,691</b>	<b>104,489</b>	<b>22,704</b>	<b>0</b>	<b>5,022,884</b>	<b>5,185,036</b>	<b>96.87%</b>	<b>4,632,250</b>	<b>630,616</b>	<b>61,747</b>	<b>0</b>	<b>5,324,613</b>	<b>4,178,123</b>	<b>127.44%</b>
<b>Subtotal Category 10-70</b>	<b>266,208,007</b>	<b>13,635,928</b>	<b>13,883,276</b>	<b>0</b>	<b>293,867,110</b>	<b>293,791,820</b>	<b>100.03%</b>	<b>263,515,586</b>	<b>12,450,988</b>	<b>10,221,145</b>	<b>0</b>	<b>286,187,721</b>	<b>295,952,170</b>	<b>96.70%</b>
<b>Category 90: Other Financing Sources</b>														
Sale of Land & Buildings	246,764	6,548	0		253,312	214,375	118.16%	144,937	21,058	(101,154)		64,841	32,805	197.66%
Gain/Loss	0	0	0		0	0	0.00%	0	0	103,064		103,064	0	0.00%
Sale of Fixed Assets/Cash Proceeds	49,719	7,148	0		56,867	49,109	115.80%	0	0	0		0	0	0.00%
Transfers	4,456,870	1,196,138	24,000		5,677,008	5,677,009	100.00%	4,916,667	2,545,106	0		7,461,773	7,720,021	96.65%
Installment /Purchase Revenue	3,000,000	0	0		3,000,000	3,000,000	100.00%	0	0	0		0	0	0.00%
Proceeds General Longterm Debt	0	0	0		0	0	0.00%	15,280,101	0	0		15,280,101	15,280,102	100.00%
Fund Balance - Property Revaluations	0	0	0		0	25,400	0.00%	0	0	0		0	0	0.00%
Fund Balance Maintenance/Renovations	0	0	0		0	3,100,000	0.00%	0	0	0		0	301,311	0.00%
Fund Balance - Health	0	0	0		0	533,437	0.00%	0	0	0		0	768,490	0.00%
Fund Balance - Special	0	0	0		0	0	0.00%	0	0	0		0	2,422,378	0.00%
Fund Balance - Mental Health Transfer	0	0	0		0	2,598,786	0.00%	0	0	0		0	3,326,808	0.00%
Fund Balance -Economic Incentives	0	0	0		0	804,783	0.00%	0	0	0		0	672,774	0.00%
Fund Balance - Water & Sewer	0	0	0		0	500,000	0.00%	0	0	0		0	451,200	0.00%
Fund Balance Appropriated	0	0	0		0	18,013,851	0.00%	0	0	0		0	10,544,609	0.00%
<b>Total</b>	<b>7,753,353</b>	<b>1,209,834</b>	<b>24,000</b>	<b>0</b>	<b>8,987,187</b>	<b>34,516,750</b>		<b>20,341,705</b>	<b>2,566,163</b>	<b>1,910</b>	<b>0</b>	<b>22,909,779</b>	<b>41,520,498</b>	
<b>Total General Fund</b>	<b>273,961,360</b>	<b>14,845,762</b>	<b>13,907,276</b>	<b>0</b>	<b>302,854,297</b>	<b>328,308,570</b>		<b>283,857,291</b>	<b>15,017,151</b>	<b>10,223,055</b>	<b>0</b>	<b>309,097,500</b>	<b>337,472,668</b>	



**GENERAL FUND SUMMARY OF OBLIGATIONS**

GENERAL FUND	FY2015							FY2014						
	Actual					% Obligated	Budget	Actual					% Obligated	Budget
	Jul-May	June	13th	14th	Total			Jul-May	June	13th	14th	Total		
General Administration	16,413,322	1,156,441	334,761		17,904,524	90.39%	19,808,794	15,033,704	1,042,101	244,902		16,320,707	90.20%	18,094,899
Buildings & Grounds	7,687,698	370,625	92,751		8,151,075	96.04%	8,487,266	6,056,615	427,907	83,092		6,567,614	94.47%	6,951,770
General Government														
Debt Service	22,810,688	1,341,957	0		24,152,645	100.00%	24,152,717	38,802,908	1,456,157	55,193		40,314,258	100.13%	40,260,648
General Government Other	2,143,797	2,459,826	191,032		4,794,655	70.79%	6,773,301	4,274,790	318,481	108,808		4,702,079	80.44%	5,845,658
Total General Government	24,954,485	3,801,783	191,032	0	28,947,300	93.60%	30,926,018	43,077,698	1,774,638	164,001	0	45,016,337	97.64%	46,106,306
Law Enforcement														
Sheriff	22,438,751	1,794,191	338,716		24,571,658	98.10%	25,047,715	27,019,818	1,956,923	269,164		29,245,905	98.21%	29,779,695
Jail	20,438,095	1,447,418	251,425		22,136,937	95.75%	23,118,478	14,365,742	1,228,538	173,975		15,768,255	96.76%	16,296,022
Total Law Enforcement	42,876,846	3,241,609	590,141	0	46,708,595	96.97%	48,166,193	41,385,560	3,185,461	443,139	0	45,014,159	97.70%	46,075,717
Public Safety	6,322,948	488,180	168,570		6,979,698	93.01%	7,504,408	6,619,872	607,972	99,173		7,327,017	96.42%	7,598,955
Health														
Mental Health Clinic														
Health All Other	18,835,205	1,322,238	272,659		20,430,102	94.42%	21,637,570	19,492,518	1,344,389	216,879		21,053,786	93.35%	22,553,218
Total Health Department	18,835,205	1,322,238	272,659	0	20,430,102	94.42%	21,637,570	19,492,518	1,344,389	216,879	0	21,053,786	93.35%	22,553,218
Mental Health														
Mental Health Dept (LME)														
MCO														
Mental Health Other (County)	6,464,648	69,980	(103,753)		6,430,875	97.43%	6,600,775	9,151,840	(1,527,913)	21,807		7,645,734	79.02%	9,675,389
Social Services														
Social Services	36,116,967	2,868,771	931,393		39,917,131	96.36%	41,423,275	33,987,861	2,677,508	493,819		37,159,188	94.21%	39,443,346
Other DSS Programs	22,276,010	2,327,852	2,162,678		26,766,540	95.50%	28,027,161	22,195,329	2,481,683	2,266,717		26,943,729	97.61%	27,603,752
Total Social Services	58,392,977	5,196,623	3,094,071	0	66,683,672	96.02%	69,450,436	56,183,190	5,159,191	2,760,536	0	64,102,916	95.61%	67,047,098
Human Services														
Child Support Enforcement	4,200,832	310,169	174,828		4,685,829	97.81%	4,790,879	4,252,390	328,246	37,429		4,618,065	98.00%	4,712,156
Other HS Programs	361,090	24,620	5,316		391,026	96.65%	404,578	375,183	22,754	1,973		399,910	98.19%	407,287
Total Human Services	4,561,922	334,788	180,145	0	5,076,855	97.72%	5,195,457	4,627,573	351,000	39,402	0	5,017,975	98.02%	5,119,443
Library														
Library	9,485,404	759,106	126,423		10,370,933	97.37%	10,651,244	9,653,966	766,201	120,591		10,540,758	97.55%	10,805,937
Library Other	341,277	27,017	858		369,152	80.13%	460,710	627,799	10,426	(2,847)		635,378	90.37%	703,101
Total Library	9,826,681	786,123	127,281	0	10,740,085	96.65%	11,111,954	10,281,765	776,627	117,744	0	11,176,137	97.11%	11,509,038
Culture & Recreation	444,615	10,044	3,881		458,540	98.84%	463,911	490,919	72,174	1,079		564,172	99.85%	565,025
Economic Development	5,607,297	375,945	91,717		6,074,958	83.50%	7,275,088	6,403,315	363,990	74,461		6,841,766	82.59%	8,284,288
<b>Subtotal</b>	<b>202,388,644</b>	<b>17,084,400</b>	<b>5,147,009</b>	<b>0</b>	<b>224,586,278</b>	<b>94.91%</b>	<b>236,627,870</b>	<b>218,804,569</b>	<b>13,577,536</b>	<b>4,266,215</b>	<b>0</b>	<b>236,648,320</b>	<b>94.82%</b>	<b>249,581,146</b>
Education														
County School Current Exp	70,567,640	6,415,243	0		76,982,883	100.00%	76,982,883	69,868,953	6,351,723	0		76,220,676	100.00%	76,220,676
Goodyear Incentive	251,368	0	0		251,368	100.00%	251,368	261,207	0	0		261,207	100.00%	261,207
Sales Tax Equalization	0	0	0		0	0.00%	830,906	0	0	0		0	0.00%	746,777
FTCC Current Expense	8,843,934	803,994	0		9,647,928	100.00%	9,647,928	8,756,363	796,041	0		9,552,404	100.00%	9,552,404
FTCC PEG	15,797	0	0		15,797	33.33%	47,397	47,397	0	0		47,397	103.04%	46,000
FTCC Capital Outlay	3,015,656	2,950	0		3,018,605	77.00%	3,920,218	282,871	143,668	0		426,539	40.07%	1,064,458
Total Education	82,694,395	7,222,187	0	0	89,916,581	98.08%	91,680,700	79,216,791	7,291,432	0	0	86,508,223	98.43%	87,891,522
<b>Total General Fund</b>	<b>285,083,039</b>	<b>24,306,586</b>	<b>5,147,009</b>	<b>0</b>	<b>314,502,860</b>	<b>95.79%</b>	<b>328,308,570</b>	<b>298,021,360</b>	<b>20,868,968</b>	<b>4,266,215</b>	<b>0</b>	<b>323,156,543</b>	<b>95.76%</b>	<b>337,472,668</b>

**CUMBERLAND COUNTY REVENUE SUMMARY**

	FY2015							FY2014						
	Actual					Budget	% Recognized	Actual					Budget	% Recognized
PREPARED FOOD & BEVERAGE	Jul-May	June	13th	14th	Total			Jul-May	June	13th	14th	Total		
<b>Category 10: Ad Valorem Tax</b>														
1225 Interest & Penalty - Food & Occup	62,140	4,929	0		67,069	51,499	130.23%	49,201	4,102	0		53,303	40,000	133.26%
<b>Category 20: Other Taxes</b>														
1015 Food & Beverage Tax	5,575,055	549,560	0		6,124,616	5,331,574	114.87%	5,280,165	517,113	0		5,797,278	5,412,689	107.11%
1120 Food & Beverage Tax - All Prior	77,816	973	0		78,789	42,648	184.74%	46,042	432	0		46,474	45,000	103.28%
<b>Total</b>	<b>5,652,871</b>	<b>550,534</b>	<b>0</b>	<b>0</b>	<b>6,203,404</b>	<b>5,374,222</b>	<b>115.43%</b>	<b>5,326,207</b>	<b>517,545</b>	<b>0</b>	<b>0</b>	<b>5,843,752</b>	<b>5,457,689</b>	<b>107.07%</b>
<b>Category 70: Miscellaneous</b>														
7002 Interest Income	512	270	0		782	1,397	55.98%	314	59	0		373	1,000	37.30%
7662 Returned Check	0	0			0	0	0.00%	0	0	0		0	0	0.00%
<b>Total</b>	<b>512</b>	<b>270</b>	<b>0</b>	<b>0</b>	<b>782</b>	<b>1,397</b>	<b>55.98%</b>	<b>314</b>	<b>59</b>	<b>0</b>	<b>0</b>	<b>373</b>	<b>1,000</b>	<b>37.30%</b>
<b>Category 90: Other Financing Sources</b>														
9901 Fund Balance Appropriated	0	0	0		0	2,204,612	0.00%	0	0	0		0	527,210	0.00%
<b>Total Prepared Food &amp; Beverage</b>	<b>5,715,523</b>	<b>555,733</b>	<b>0</b>	<b>0</b>	<b>6,271,256</b>	<b>7,631,730</b>	<b>115.55%</b>	<b>5,375,722</b>	<b>521,706</b>	<b>0</b>	<b>0</b>	<b>5,897,428</b>	<b>6,025,899</b>	<b>107.25%</b>

	FY2015							FY2014						
	Actual					Budget	% Recognized	Actual					Budget	% Recognized
CIVIC CENTER MOTEL TAX	Jul-May	June	13th	14th	Total			Jul-May	June	13th	14th	Total		
<b>Category 10: Ad Valorem Tax</b>														
1225 Interest & Penalty - Food & Occup	0	0	0	0	0	0	0.00%	0	0	0		0	0	0.00%
<b>Category 20: Other Taxes</b>														
2600 Room Occupancy Tax - Auditorium	1,246,905	130,658	0		1,377,564	1,211,156	113.74%	1,144,791	108,199	0		1,252,990	1,228,379	102.00%
2605 Room Occupancy Tax - All Prior	0	0	0		0	0	0.00%	0	0	0		0	0	0.00%
<b>Total</b>	<b>1,246,905</b>	<b>130,658</b>	<b>0</b>	<b>0</b>	<b>1,377,564</b>	<b>1,211,156</b>	<b>113.74%</b>	<b>1,144,791</b>	<b>108,199</b>	<b>0</b>	<b>0</b>	<b>1,252,990</b>	<b>1,228,379</b>	<b>102.00%</b>
<b>Category 70: Miscellaneous</b>														
7002 Interest Income	190	120	0		310	796	38.94%	128	26	0		154	500	30.80%
<b>Category 90: Other Financing Sources</b>														
9901 Fund Balance Appropriated	0	0	0		0	12,116	0.00%	0	0	0		0	0	0.00%
<b>Total Civic Center Motel Tax</b>	<b>1,247,095</b>	<b>130,778</b>	<b>0</b>	<b>0</b>	<b>1,377,874</b>	<b>1,224,068</b>	<b>113.69%</b>	<b>1,144,919</b>	<b>108,225</b>	<b>0</b>	<b>0</b>	<b>1,253,143</b>	<b>1,228,879</b>	<b>101.97%</b>

### CROWN CENTER EXPENSE SUMMARY (CUMBERLAND COUNTY)

	FY2015							
	Actual					Total	Budget	% Recognized
	Jul-May	June	13th	14th				
Operating Expenses								
Other	30,600	2,731	7,520		40,851	152,041	26.87%	
Capital Outlay	63,592	-			63,592	68,171	93.28%	
Miscellaneous	27,597	27,596			55,193	55,193	100.00%	
Roof	43,516	9,174			52,690	52,690	100.00%	
Engineer Fee	9,519	29,481			39,000	39,000	100.00%	
Global Operating Fee	4,639,838	-	(2,211,337)		2,428,501	4,639,838	52.34%	
Global Management Fee	97,056	-			97,056	97,056	100.00%	
Global Incentive Payment	-	-	97,056		97,056	97,056	100.00%	
Total Operating Expenses	4,911,718	68,982	(2,106,761)	-	2,873,938	5,201,045	55.26%	
Non-Operating Expenses Debt Service - Coliseum								
Federal Bond Interest Subsidy	-	-	-	-	-	-	0.00%	
Prin/Int BAB	256,568	-	(199,220)	-	57,348	256,569	22.35%	
Prin/Int RZED	147,462	-	(114,501)	-	32,961	147,463	22.35%	
Prin/Int 09B	2,692,750	575,425	(2,010,627)	-	1,257,548	3,268,175	38.48%	
Prin/Int Energy	-	-	-	-	-	-	0.00%	
Total Nonoperating Expenses	3,096,780	575,425	(2,324,349)	-	1,347,856	3,672,207	36.70%	

### CROWN CENTER FINANCIAL SUMMARY (GLOBAL SPECTRUM)

	FY2015						
	Actual				Total	Budget	% Recognized
	Jul-May	June	13th	14th			
Event Income							
Direct Event Income	533,112	52,330			585,442	855,146	68.46%
Event Operating Income	823,370	36,772			860,142	989,071	86.96%
Signage and Suites Income	132,435	13,494			145,929	99,583	146.54%
Miscellaneous Income	181,513	12,710			194,223	109,000	178.19%
Total Event Income	1,670,430	115,306	-	-	1,785,736	2,052,800	86.99%
Operating Expenses (Indirect)							
Indirect Expense	3,832,832	562,703			4,395,535	4,856,894	90.50%
Total Operating Expenses	3,832,832	562,703	-	-	4,395,535	4,856,894	90.50%
Operating Inc over Operating Exp	(2,162,402)	(447,397)	-	-	(2,609,799)	(2,804,094)	