

LARRY L. LANCASTER
Chairman

JEANNETTE M. COUNCIL
Vice Chair

GLENN B. ADAMS
MICHAEL C. BOOSE
CHARLES E. EVANS
W. MARSHALL FAIRCLOTH
JIMMY KEEFE



CUMBERLAND
★ **COUNTY** ★
NORTH CAROLINA

BOARD OF COMMISSIONERS

CANDICE WHITE
Clerk to the Board

KELLIE BEAM
Deputy Clerk

MEMORANDUM

TO: Finance Committee Members (Commissioners Adams, Faircloth and Keefe)

FROM: Candice H. White, Clerk to the Board

DATE: August 31, 2018

SUBJECT: Finance Committee Special Meeting – Thursday, September 6, 2018

The regular meeting of the Board of Commissioners' committees (Finance, Policy and Facilities Committee) has been **CANCELLED** and rescheduled as a **SPECIAL MEETING** on Thursday, September 6, 2018 beginning at 8:30 a.m. at the **Department of Social Services, 1225 Ramsey Street, conference room C**. All committee meetings will start as soon as the previous committee adjourns.

AGENDA

1. Approval of Minutes – August 2, 2018 Special Meeting (**Pg. 2**)
2. Consideration of Health and Benefits Brokerage and Consulting Services Agreement with Chernoff Diamond (**Pg. 18**)
3. Consideration of Request to Participate in the North Carolina Association of County Commissioners (NCACC) County Management Fellowship Program and Budget Ordinance Amendment BR#190444 (**Pg. 27**)
4. Monthly Updates
 - A. Health Insurance (**Pg. 31**)
 - B. CDBG-DR (**Pg. 34**)
 - C. Financial Report (**Pg. 35**)
5. Other Items of Business (**NO MATERIALS**)

CUMBERLAND COUNTY FINANCE COMMITTEE
DEPARTMENT OF SOCIAL SERVICES-1225 RAMSEY STREET
CONFERENCE ROOMS C AND D
AUGUST 2, 2018 – 8:30 AM
SPECIAL MEETING MINUTES

MEMBERS PRESENT: Commissioner Jimmy Keefe, Chairman
Commissioner Glenn Adams
Commissioner Marshall Faircloth

OTHERS: Commissioner Charles Evans
Commissioner Larry Lancaster
Amy Cannon, County Manager
Melissa Cardinali, Assistant County Manager
Tracy Jackson, Assistant County Manager
Sally Shutt, Assistant County Manager
Duane Holder, Assistant County Manager
Rick Moorefield, County Attorney
Vicki Evans, Finance Director
Jeffery Brown, Engineering and Infrastructure Director
Brenda Jackson, Social Services Director
Deborah Shaw, Budget Analyst
Heather Harris, Budget Analyst
Joe Utley, Tax Administrator
Keith Todd, Information Services Director
Terri Robertson, Board of Elections Director
Elaine Smith, Animal Control Director
A.J. Riddle, Assistant County Engineer
Geneve Mankel, Communications and Outreach Coordinator
Robert Van Geons, Fayetteville-Cumberland Economic
Development Corporation President/CEO
Candice H. White, Clerk to the Board
Kellie Beam, Deputy Clerk
Press

Commissioner Keefe called the meeting to order.

1. CONSIDERATION OF APPROVAL OF MINUTES – JUNE 7, 2018 REGULAR MEETING

MOTION: Commissioner Faircloth moved to approve the June 7, 2018 regular meeting minutes.
SECOND: Commissioner Adams
VOTE: UNANIMOUS (3-0)

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>

2. CONSIDERATION OF REQUEST BY UNITED DEVELOPERS, INC. TO WAIVE LANDFILL DISPOSAL FEES

BACKGROUND:

Attached is a request from United Developers, Inc., and the Fayetteville Metropolitan Housing Authority for the “grandfathering” of concrete disposal fees for the Grove View Terrace Project. When the contractor’s demolition proposals were received by United Developers in April of 2017, the County fee schedule did not include a disposal fee for concrete at the Ann Street Landfill.

A disposal fee of \$18 per ton was adopted as part of the FY 18 budget which was effective July 1, 2017. The demolition contractor has estimated disposal of approximately 25,000 tons of concrete and brick at a cost of approximately \$450,000.

RECOMMENDATION/PROPOSED ACTION:

Consider the request to “grandfather” the disposal fees for the Grove View Terrace project.

Jeffery Brown, Engineering and Infrastructure Director, reviewed the background information recorded above and introduced Jim Smith of United Developers, Inc. Commissioner Faircloth referenced the space that would be filled up by the 25,000 tons of concrete and brick and asked what the estimated loss would be to the County if the fee was waived. Mr. Brown explained the county would crush the concrete and to contract out the crushing would cost \$7.75 per ton or about \$194,000. Mr. Brown stated as a recyclable product, it would then be sold at about \$14 a ton. Commissioner Adams asked whose profit margin would be affected if the waiver was denied. Commissioner Keefe stated this is a government enhancement project and for the County to come back later with a charge would be like changing rules in the middle of a game. Mr. Smith stated during the RFP process and when the bid was awarded to Trifecta, the abatement and demolition contractor, the County landfill was accepting concrete free of charge.

Mr. Smith stated the process got dragged out by HUD and when Trifecta was notified of the May 31 loan closing, it found out the landfill was no longer accepting concrete for disposal free of charge. Mr. Smith stated during the delay, Trifecta held to their price, never wavered and stuck with United Developers, Inc. during this process. Mr. Smith stated as far as profitability and who gets hit, this is for the project and not Trifecta because it did what it was supposed to do.

Commissioner Keefe asked how a disposal fee of \$18 per ton was decided. Mr. Brown stated the County reached out to surrounding communities to gauge that price. Commissioner Adams stated since the work was delayed that far, an adjustment should have been made to the contract in terms of whether things were the same. Amy Cannon, County Manager, stated reimbursement based CDBG dollars in the amount of \$100,000 have been provided for demolition costs, it has been closed and the commitment has been locked in.

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>

DRAFT

Mr. Smith stated this project has been in the works for three years and the money was set as an award from the N. C. Housing and Finance Agency two years ago. Mr. Smith stated there is no place to go for updates and no well or pot of funds to refresh the numbers; it is closed and that's how the budget was set. Mr. Smith stated sources are coming from everywhere, including the sale of tax credits, to make this project work. Additional questions followed. In response to a question from Commissioner Faircloth, Mr. Smith stated any change orders take away from the project and the project will eat that amount of money.

MOTION: Commissioner Keefe moved to grandfather this project in until December 31, 2018 and any concrete coming in after that will be charged the full amount.

SECOND: Commissioner Adams

DISCUSSION: Commissioner Adams suggested waiving rather than grandfathering when considering future projects. Ms. Cannon suggested invoicing and considering it a contribution to the project so the County receives credit for an additional contribution to the Grove View Terrace project. Commissioner Keefe stated his reason for putting a sunset was to establish a finish date. Commissioner Adams stated he understands but felt it should be consistent with this project, especially when things such as the weather cannot be controlled during the project. Commissioner Keefe stated he still preferred an end date but would be willing to extend it. Commissioner Faircloth stated if it is grandfathered, there is a possibility other projects will want to be grandfathered. Commissioner Adams stated it should be done as the county manager stated so it can be considered an additional contribution. In response to a question from Commissioner Keefe, Mr. Smith stated the name of the project is Cross Creek Point.

AMENDED MOTION: Commissioner Keefe moved to grandfather in the concrete disposal fees for the Cross Creek Point development by United Developers, Inc.

SECOND: Commissioner Adams

DISCUSSION: In response to a question posed by Commissioner Adams, Ms. Cannon explained how the public is informed of fee changes. Ms. Cannon stated this is somewhat different in that a contractor was conducting the bid so the County would not have had any specific knowledge of that contractor. Ms. Cannon stated the contractor reached out to the landfill to set up an account for the project and that is when the contractor became aware of the fee. Mr. Brown suggested making it specific to the demolition because block and concrete will be involved during construction.

SECOND AMENDED MOTION: Commissioner Keefe moved to waive the concrete disposal fees from the demolition of the Grove View Terrace project and for the County to invoice the contractor for demolition costs and write this amount off as the County's additional contribution to the Cross Creek Point project.

SECOND: Commissioner Adams

VOTE ON SECOND AMENDED MOTION: UNANIMOUS (3-0)

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>

3. CONSIDERATION OF CONTRACT TO PURCHASE BOARD OF ELECTION VOTING MACHINES

BACKGROUND:

The Board of Elections obtained the current M100 tabulators and 650 High Speed Counter in 2006 and they use old technology. We have begun experiencing memory card and machine failures on Election Day. We are proposing to upgrade our current equipment to the DS200 tabulators to replace the M100 tabulators and the 850 High Speed Counter to replace the 650 High Speed Counter. The contract for the purchase between the Board of Elections and Election Systems and Software has been reviewed by the Cumberland County Legal Department.

Election Systems and Software is our current vendor. They are currently the only certified voting equipment vendor in North Carolina. The total cost is \$514,739.91 for the purchase of the equipment with Election Systems and Software. We will receive a trade-in value of \$67,338.50 for current equipment and \$23,400 credit from previous rental fees paid. Funding was approved in the Fiscal Year 2019 budget.

After the first year, the vendor will invoice the Board of Elections for \$88,260 for hardware maintenance fees and firmware license, maintenance and support fees over a three-year period.

RECOMMENDATION/PROPOSED ACTION:

Recommend the Board of Commissioners approve the contract with Election Systems and Software for the purchase of the DS200 tabulators and the 850 High Speed Counter at the August 6, 2018 regular meeting of the Commission.

Terri Robertson, Board of Elections Director, reviewed the background information recorded above. Ms. Robertson stated the Board of Elections has been experiencing memory card and machine failures on Election Day and has been patching them with a paper clip to hold the battery in place over the last four years in order to make them work. Ms. Robertson clarified this is not the ADA equipment because it has not yet had a replacement certified.

MOTION: Commissioner Adams moved to recommend to the Board of Commissioners approval of the contract with Election Systems and Software for the purchase of the DS200 tabulators and the 850 High Speed Counter at the August 6, 2018 regular meeting of the Commission.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (3-0)

4. A. CONSIDERATION OF ENGAGING OUTSIDE LEGAL COUNSEL FOR DSS INDEPENDENT CONTRACTOR FOR CHILDREN'S SERVICES

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>

DRAFT**BACKGROUND:**

The overriding and primary need for this contract is to have a knowledgeable and capable attorney to handle the many cases being appealed from Juvenile Court to the North Carolina Court of Appeals. Cases are being appealed in record numbers. Seven cases are pending. Every case must be professionally addressed meeting stringent Court of Appeals requirements. These cases are time consuming with drop dead deadlines. These cases are decided on the written, not oral argument. They required research, extensive knowledge of the law, and excellent writing ability which allows this work to be managed remotely. When time allows, this contract attorney would be able to assist with legal research, termination of parental rights petitions and other legal duties as assigned.

RECOMMENDATION/PROPOSED ACTION:

We respectfully request your approval to contract with Elizabeth Gurnee in the amount of \$6,000.00 (not to exceed 32 hours per week) effective July 1, 2018 through June 30, 2019. Ms. Gurnee has a record of successful appeals for this agency. At this time, no other Cumberland County Department of Social Services attorney can take on this added work. This position is needed until the new attorney approved in County Fiscal Year 2019 is hired and trained.

**B. CONSIDERATION OF ENGAGING OUTSIDE LEGAL COUNSEL FOR DSS
INDEPENDENT CONTRACTOR FOR CHILDREN'S SERVICES**

BACKGROUND:

Due to the increased number of children in foster care, the number of cases held by the DSS attorneys exceed twice the amount of cases recommended by the American Bar Association at 100 plus cases per attorney. In the past, this has caused a delay in the drafting of Termination of Parental Rights (TPR) petitions. This delay keeps the children in foster care longer, slows the process toward permanency for these children and increases the cost to the County. Margaret Russ is responsible for drafting many of the TPR petitions. Having one person draft these petitions provides a consistency which the judges and other attorneys appreciate as well as providing the DSS attorneys with the information they need to move the cases through the court. Ms. Russ is also responsible for cases involving the RIL – Responsible Individuals List, coordinates cases between DSS and Fort Bragg and is the liaison with the District Attorney office.

RECOMMENDATION/PROPOSED ACTION:

We respectfully request your approval to contract with Margaret Russ again in FY 18-19 in the amount of \$20,000.00 per year. This position is needed until the new attorney approved in County Fiscal Year 2019 is hired and trained.

Brenda Jackson, Social Services Director, stated these matters were approved in the adopted budget for FY19 with the \$26,000 being to contract with the existing vendors, Elizabeth Gurnee and Margaret Russ, to continue the contracts approved last fiscal year. Ms. Jackson explained the need for these contracts as laid out in the background information recorded above. Commissioner Faircloth stated the total amount and concept are okay but his question is whether there will be

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>

enough budgeted in unused salaries up to the point where the new attorney is hired. Ms. Cannon stated 100% of the funds were budgeted for a new Attorney I position as well as a Paralegal. Ms. Cannon stated \$26,000 was also budgeted in anticipation of a recruitment period, which is approximately one-fourth of what was paid for these same services last year through these contracts. Commissioner Faircloth stated there has been double budgeting for these positions and asked whether, once the numbers are known, there could be a budget amendment to move the \$26,000 out of the Social Services budget and into the General Fund fund balance. Ms. Cannon stated the \$26,000 can be moved from salaries to fund balance. Additional questions followed.

MOTION: Commissioner Faircloth moved to approve the contracts with the stipulation for a budget amendment that salaries and fringe benefits are reduced by \$26,000 and moved back into fund balance.
SECOND: Commissioner Adams
VOTE: UNANIMOUS (3-0)

5. CONSIDERATION OF PARTICIPATION IN THE NATIONAL 2018 CLEAR THE SHELTER EVENT

BACKGROUND

Each August a national event occurs called "Clear the Shelter." It is a joint effort between the Humane Society of the United States, NBC media network and some corporate sponsors. This year the event will be on Saturday August 18th. Cumberland County Animal Control has not participated in the past, but other area shelters such as Wake County, Durham County, Orange County, Johnston County all have participated in the past and are doing it again this year.

In order to participate in the event, Cumberland County is required to waive adoption fees for every adoptable animal in the shelter. The goal is to get every adoptable animal a new home. Depending on the number of animals adopted, this could mean waiving revenue upwards of \$10,000.

We contacted Wake County to determine the potential impact of holding an event. Wake County has participated in the event for 2 years and plans to do so this year as well. Last year they had over 1,000 people come to their shelter for the event. They cleared out their shelter and had very few animals returned afterwards and at a lower return rate than they usually see. Participating animal shelters, and national organizations such as ASPCA and Best Friends Animal Society, see the positive publicity and decrease in animal euthanasia as far outweighing the loss in fees.

WRAL TV will be broadcasting from area shelters all day to promote the event. They will also be doing stories on responsible pet ownership throughout the week prior to the event. Last year, area shelters placed over 1,200 animals through Clear the Shelter (www.cleartheshelters.com).

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>

DRAFT

RECOMMENDATION/PROPOSED ACTION:

Approve the request to participate in the "2018 Clear the Shelter Event" moving forward to the full Board of Commissioners as a consent item on the August 6, 2018 Board of Commissioners' meeting. This item is being requested for consideration as a consent agenda item on the 6th since the event is to be held on the 18th of August, and there won't be adequate notice to participate if it is taken to a later meeting.

MOTION: Commissioner Adams moved to approve the request to participate in the "2018 Clear the Shelter Event" and to move forward to the Board of Commissioners as a consent item at the August 6 meeting.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (3-0)

6. CONSIDERATION OF WAIVING PERMIT FEES

BACKGROUND

The Garden Grove Mobile Home Park is defunct as a result of a failed septic system, and some of the remaining residents could benefit from assistance relocating their mobile homes. Staff is requesting that the following permitting fees be waived for the resident-owners of mobile homes currently sited on the premises of the Garden Grove Mobile Home Park in Spring Lake, NC:

- \$155.00 per singlewide/\$200.00 per doublewide for the manufactured home placement inspection from Planning & Inspections
- \$ 90.00 Environmental Health fee for inspection of existing septic tank in mobile home park (AIW) after the home has been set-up in new location

RECOMMENDATION/PROPOSED ACTION:

Staff requests approval of this item to move forward to the full Board of Commissioners as a consent agenda item at the August 6, 2018 Board of Commissioners regular meeting.

Mr. Jackson reviewed the background information recorded above.

MOTION: Commissioner Faircloth moved to grant the request of staff to waive the fees for Garden Grove Mobile Home Park.

SECOND: Commissioner Adams

VOTE: UNANIMOUS (3-0)

7. CONSIDERATION OF CONTRACT TO PURCHASE TAX SOFTWARE

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>

BACKGROUND:

Cumberland County Tax Administration completed an extensive RFP process for acquiring a new software solution for the Tax software project. The new software system features flexibility of the software, ease of use, compliance with RFP requirements, mobile application, and cost.

Cumberland County Tax Administration Department is in the process of upgrading its processes and software. The organization is currently in need of a modern, comprehensive software package that encompasses a mobile companion that is compatible with the software. This will eliminate the need to use several different programs, streamline their processes, provide the ability to perform tasks while mobile, and provide enhanced automation. The upgrade of the tax software will increase the efficiency of the office by reducing the use of paper as well as the need to hand walk paperwork for one person or section to another within the same organization by creating electronic workflows. The new software will bring the organization from an outdated, green screen mainframe product to a modern easy to use program that can be accessed remotely. The product will also provide a central portal through which all citizens will have the ability to access status information of past and present tax actions as well as make online payments. It will offer citizens and Cumberland tax employees a unified and user-friendly approach to maneuver through the system.

As a result of the RFP process which included demos, site visits, and detailed functionality reviews, it was clear that one vendor demonstrated the ability to meet the functionality required by the Tax Department and within budget. Information Services Technology and Tax Administration Departments selected Farragut Systems Inc., as the vendor for the tax software project. Farragut has developed software and is working with the North Carolina Association of County Commissioners (NCACC) in a cooperative technology initiative to assist in streamlining and optimizing the property tax process for North Carolina through the identification and application of best business practices and standards.

RECOMMENDATION/PROPOSED ACTION:

- 1) Approve contract for Farragut Systems, Inc. (contract has been reviewed and approved by the legal department for legal sufficiency) for the tax software as recommended by Information Services Technology and the Tax Department.
- 2) Approve Budget Ordinance Amendment B190646 in the amount of \$2,320,069 to be used towards the implementation costs for the tax software. This amendment requires the use of fund balance, which has been previously assigned specifically for this project.

Keith Todd, Information Services Director, reviewed the background information recorded above and stated this fourteen-month project is scheduled to begin October 8, 2018 and conclude December 2019 using a phased approach. Commissioner Faircloth inquired regarding the role of the NCACC. Mr. Todd stated his understanding is that the NCACC wants to work with the State to develop software that would create baseline and benchmarks across the State. Mr. Todd stated

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>

DRAFT

the NCACC has been working specifically with Farragut Systems, Inc. to develop that product and should Cumberland County select the product, members of County staff would be part of an oversight committee and other committees to help guide and develop the software. Mr. Todd stated the tax software comes with a mobile assessor that integrates with Farragut systems so real time assessments can occur in the field and an online portal accessible by citizens.

MOTION: Commissioner Faircloth moved to approve the contract with Farragut Systems, Inc. and Budget Ordinance Amendment B190646 in the amount of \$2,320,069 to be used towards the implementation costs for the tax software.

SECOND: Commissioner Adams

VOTE: UNANIMOUS (3-0)

8. CONSIDERATION OF A HAZARD MITIGATION GRANT AGREEMENT (HMGP) FOR TWO FEMA APPROVED PROJECTS

BACKGROUND

FEMA and the North Carolina Department of Public Safety – Division of Emergency Management have approved two (2) Hurricane Matthew-related acquisition projects totaling \$266,761 (Federal Share \$200,071/State Share \$66,690). Funding will allow Cumberland County to acquire and demolish two (2) residential structures that were severely damaged as a result of Hurricane Matthew. Both structures are located in a floodplain. After the properties have been acquired and the structures demolished, the associated land will be maintained as open space in perpetuity.

Staff first provided information about the FEMA HMGP program to the Policy Committee on April 6, 2017 and to the full Board of Commissioners on April 18, 2017. Staff has been diligent about providing information to the State and FEMA and has consistently met all deadlines in this regard. Staff has also provided program updates over time to Committee and the Board. Recorded below is an update regarding the status of current aid programs.

RECOMMENDATION/PROPOSED ACTION:

Staff recommends approval to forward the grant agreement to the full Board for consideration as a consent agenda Item at its August 6, 2018 regular meeting in order to avoid any delays on the part of the County in moving these projects forward.

Hurricane Matthew Assistance Programs
Cumberland County, NC Progress Summary
July 27, 2018

Program	Status
CDBG-DR*	<ul style="list-style-type: none"> Working with State to assure applicants continuously move through the eight-step housing recovery process; State is in the process of revising a

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>

DRAFT

	prior draft of an amendment to the existing MOA with the County; County and City have received proposals for project management and consulting services – award pending; Total funding for County and City projects not to exceed \$24,880,000; current MOA effective 12/1/17 and expires 12/1/23 for \$23,260,000
DRA-17	<ul style="list-style-type: none"> Ten (10) residential structures approved for acquisition, elevation, or mitigation reconstruction; waiting on State to send revised MOA to County for BOC approval; project budget not to exceed \$1,782,500
HMGP under FEMA	<ul style="list-style-type: none"> Two (2) residential structures approved for acquisition; State has sent MOA to County that needs to be approved by the BOC and executed; project costs for both projects estimated at a total of \$266,761

**Program has income eligibility requirements*

Mr. Jackson reviewed the background information recorded above.

MOTION: Commissioner Keefe moved to approve and forward the grant agreement to the full Board for consideration as a consent agenda item at its August 6, 2018 regular meeting.

SECOND: Commissioner Adams

DISCUSSION: Commissioner Adams inquired regarding maintenance costs once the structures are torn down. Mr. Jackson stated the open space will be allowed to grow naturally.

VOTE: UNANIMOUS (3-0)

9. MONTHLY UPDATES

A. HEALTH INSURANCE

BACKGROUND:

Total health insurance claims for FY18 are up 9% from FY17 resulting in total claims of \$19,845,090. There are significant charges in June 2018. While we are aware of some significant cases occurring in the past few months, we are working to determine the specific cause of the spike.

To provide some perspective on the claims, below is the 12-month average for the past 5 fiscal years. This average represents the average claims for July – June of each fiscal year.

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>

Average claims per fiscal year for July – April:

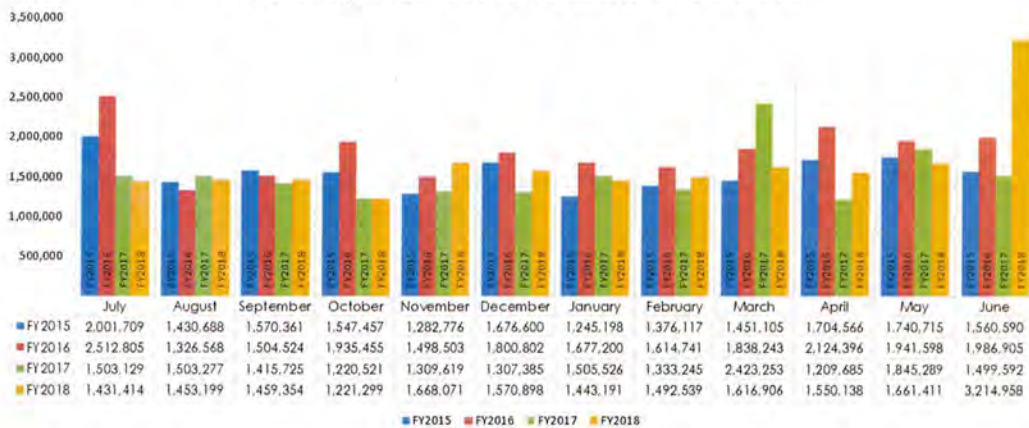
FY13 \$1,301,243
 FY14 \$1,297,284
 FY15 \$1,548,990
 FY16 \$1,813,478
 FY17 \$1,506,354
 FY18 \$1,648,615

The graphs recorded below are provided as an aid to the analysis.

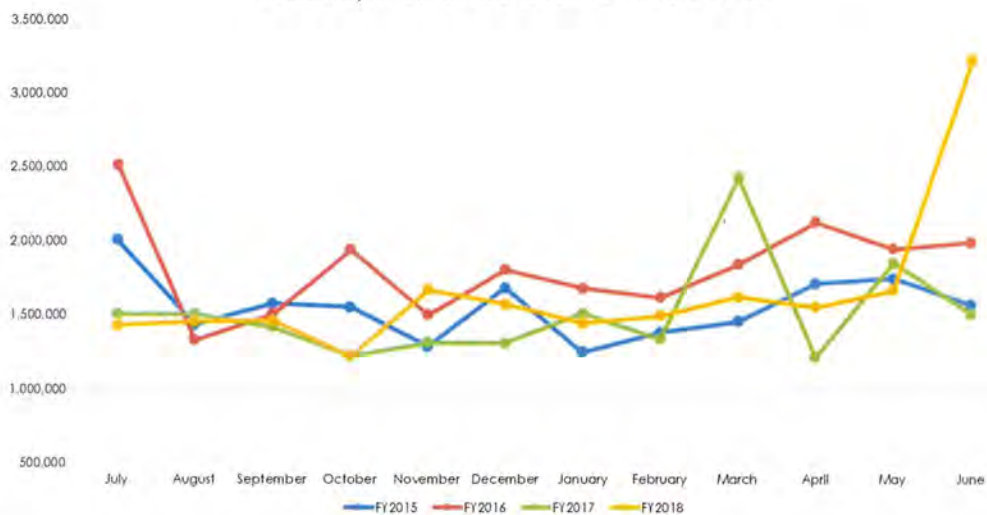
RECOMMENDATION/PROPOSED ACTION:

No action needed – for information only.

Monthly Insurance Claims FY15-FY18



Monthly Insurance Claims FY15 - FY18



All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>

DRAFT

At the request of Commissioner Keefe, Ms. Cannon provided an update on health insurance stating in December 2017 assistance was sought from Chernoff Diamond along with consultation with Cherry Bekaert Health Services. Ms. Cannon stated the County worked with them on the health insurance plan and other benefits offered to County employees under a cafeteria benefits plan, and they worked with the County on the implementation on July 1, 2018 with their recommendations saving money on the health insurance side. Ms. Cannon stated the cafeteria benefits system transition was successful with the electronic processing and enrollment that was utilized. Ms. Cannon stated the new benefits offered employees under the cafeteria plan are richer but at a lower cost. Ms. Cannon spoke to reasons behind the spike in health insurance for June and stated Finance Director Vicki Evans and Assistant County Manager Melissa Cardinali monitor health insurance every month. Commissioner Keefe suggested discussion about moving forward to come back to the Committee in September or October.

B. CDBG-DR

**CUMBERLAND COUNTY CDBG-DR PROGRAM UPDATE
FOR THE AUGUST 2, 2018
FINANCE COMMITTEE MEETING**

Status as of July 19, 2018:

Total Applications	Application Intake (Step 1)	State Eligibility Check (Step 2)	State Duplication of Benefits Check (Step 3)	Under Further Review
249	84 (17county/67 city)	64 (8 county/56 city)	79 (15 county/64 city)	22
Inspection & Environmental Review (Step 4)	Grant Determination (Step 5)	Contractor Selection (Step 6)	Construction (Step 7)	Completion (Step 8)
11	0	0	0	0

**Steps 2-3 performed by State; Steps 1, 4-8 performed by County/City*

Milestones/Activities:

- Request for Project Management Proposal – Review completed – Discussion with potential proposer currently ongoing;
- Ongoing– County will process applications, incomplete applications and submit for review; State will determine eligibility; State will handle environmental review processes;

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>

DRAFT

- County CD Rehab staff have conducted site inspections on properties that are in the Step 3 DOB stage – 8 completed;
- City CD staff have conducted site inspections on properties that are in the Step 3 DOB stage – 2 completed;
- State recently deployed damage assessment teams to assist with site inspections;
- State recently implemented and opened Regional Intake Centers – this will also allow applicants to apply at any center (non-Cumberland residents – 2 *Tier II Counties*)
- State anticipate Step 3 environmental reviews release possible August;
- RFP & Project form for State environmental review process – Robins Meadow Phase II; Day Resource Center in Homeless Initiative Committee for discussion on site determination – County & City Staff tour Transitions Homeless Center site in Columbia, SC 7/16/18 to explore the potential options for proposed project.

Current Staffing:

- State: – David Cauthorn, CD Specialist II, Dept. of Public Safety – (Community Outreach for CDBG-DR); temporary office at Cumberland County Planning Department
- Cumberland County:
 - Sylvia McLean, P.T. Community Development (CD) Consultant; Terrinique Washington, Admin Support Specialist; Tye Vaught, Admin Program Officer II; Chavaugh McLamb, Admin Housing Coordinator II
 - *Housing Project Manager – re-advertised 5/30/18*
- City of Fayetteville: Jay Reinstein and Cindy Blot, CD Director; Anedra Walls, Admin Assistant

Hours of Operation: Monday – Friday, 9 a.m. to 4 p.m.

Commissioner Keefe requested an update and stated it has been two years since Hurricane Matthew and there are still a lot of associated expectations. Mr. Jackson stated the County continues to work with the State that has received funds from the federal government for different programs and projects related to Hurricane Matthew. Mr. Jackson stated most of the people who sustained damage have already made applications and are going through a process to determine whether they are eligible for funds for different purposes; main projects to be undertaken are a buy-out, elevate a home or reconstruct a home, all coming from different pots of money with different eligibility requirements depending on whether they are HUD based or FEMA based. Mr. Jackson stated a lot of the damage was outside the floodplain which means it is a longer process to get those evaluated and assessed. Commissioner Keefe asked what access the County had to funds. Mr. Jackson stated the State has established an eight-step process with most applicants being at step three, which is still early in the review process to determine eligibility for benefits. Mr. Jackson stated the City and County have already begun performing inspections and environmental reviews to speed up the process. Mr. Jackson stated the State is performing similar work and the County is coordinating with the State to ensure all steps are being undertaken. Mr. Jackson the process is moving but not as fast as the County and victims would like. Mr. Jackson

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>

stated there are various agreements that still have to be executed to include amendments to existing agreements.

C. FINANCIAL REPORT

BACKGROUND

The financial report is included which shows the fiscal year 2018 June year-to-date budget to actual (cash received/cash paid) comparison. Additional detail has been provided on a separate page explaining any percentages that may appear inconsistent with year-to-date budget expectations.

This should not be considered a final report for fiscal year 2018. Over the next several months, Finance will be working toward closing out the fiscal year and audit completion. You can expect updated monthly financial reports pertaining to fiscal year 2018 through October 2018 and a presentation of audit results in December. In November, we will begin reporting on fiscal year 2019 with a summary of results of the first quarter.

RECOMMENDATION/PROPOSED ACTION

No action needed – for discussion and information purposes only.

Commissioner Keefe stated in speaking with Finance Director Vicki Evans, she said the County is looking good as it relates to collections and is on par with where it expected to be.

REVENUES	FY16-17 AUDITED	FY17-18 ADOPTED BUDGET	FY17-18 REVISED BUDGET	AS OF June 30, 2018	PERCENT OF BUDGET TO DATE
Ad Valorem Taxes					
Current Year	\$ 156,131,527	\$ 160,312,162	\$ 160,962,162	\$ 163,194,266	101.4% (1)
Prior Years	1,046,732	1,121,000	1,121,000	1,105,826	98.6%
Motor Vehicles	17,683,864	18,070,242	18,070,242	18,786,897	104.0% (2)
Penalties and Interest	650,368	667,602	667,602	740,525	110.9%
Other	1,018,563	930,279	930,279	955,996	102.8%
Total Ad Valorem Taxes	176,531,054	181,101,285	181,751,285	184,783,510	101.7%
Other Taxes					
Sales	41,517,943	41,760,036	41,849,536	31,024,721	74.1% (3)
Real Estate Transfer	1,091,362	700,000	700,000	1,098,615	156.9%
Other	1,114,408	1,111,500	1,111,500	1,040,401	93.6%
Total Other Taxes	43,723,713	43,571,536	43,661,036	33,163,737	76.0%
Unrestricted & Restricted Intergovernmental Revenues	75,613,483	67,300,253	70,987,921	54,480,924	76.7% (4)
Charges for Services	13,832,010	12,056,608	12,083,527	12,635,622	104.6%
Other Sources (includes Transfers In)	8,945,521	6,988,890	7,045,838	7,728,888	109.7%
Proceeds Refunding Bonds	-	-	23,005,000	23,005,000	100.0%
Premium on COPS Sold	-	-	4,285,558	4,285,557	100.0%
County Closing Contribution	-	-	254,736	254,735	100.0%
Lease Land CFV/MC	3,714,637	3,714,637	3,714,637	3,813,452	102.7%
Total Other	12,660,158	10,703,527	38,305,769	39,087,632	102.0%
Total Revenue	\$ 322,360,418	\$ 314,733,209	\$ 346,789,538	\$ 324,151,425	93.5%
Fund Balance Appropriation		8,889,652	16,834,681	-	0.0% (5)
Total Funding Sources	\$ 322,360,418	\$ 323,622,861	\$ 363,624,219	\$ 324,151,425	89.1%

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>

DEPARTMENTS	FY16-17 AUDITED	FY17-18 ADOPTED BUDGET	FY17-18 REVISED BUDGET	EXPENDITURES AS OF June 30, 2018	PERCENT OF BUDGET TO DATE **
Governing Body	\$ 591,731	\$ 617,587	\$ 617,587	\$ 566,798	91.8%
Administration	2,515,558	1,501,201	1,501,201	1,361,434	90.7%
Public Affairs/Education	76,879	497,199	497,199	458,420	92.2%
Human Resources	30,245	828,896	828,896	787,778	95.0%
Print, Mail, and Design	754,908	875,345	861,871	679,981	78.9%
Court Facilities	55,786	129,370	173,610	149,298	86.0%
Facilities Maintenance	1,936,136	2,009,030	2,787,855	1,744,852	62.6% (1)
Landscaping & Grounds	606,364	607,577	612,237	571,828	93.4%
Carpentry	231,715	234,884	234,884	173,249	73.8%
Facilities Management	1,238,266	1,267,781	1,273,221	1,204,330	94.6%
Public Buildings Janitorial	721,041	710,946	710,946	697,471	98.1%
Central Maintenance	798,075	672,386	672,386	594,314	88.4%
Information Services	3,388,444	3,958,479	4,197,368	3,341,546	79.6%
Board of Elections	1,180,015	2,237,762	2,237,762	1,138,428	50.9% (2)
Finance	1,205,572	1,201,225	1,201,225	1,133,430	94.4%
Legal	668,776	813,554	813,554	692,144	85.1%
Register of Deeds	2,092,298	2,321,099	2,762,365	1,881,266	68.1%
Tax	5,567,709	5,589,154	5,620,154	5,023,727	89.4%
Debt Service	23,400,669	21,464,283	21,466,328	21,449,808	99.9%
General Government Other	3,828,293	4,237,882	4,688,400	2,817,799	60.1%
Sheriff	47,212,707	50,250,550	50,548,888	45,108,646	89.2%
Emergency Services	3,064,405	3,320,934	3,405,291	2,836,586	83.3%
Criminal Justice Pretrial	434,987	426,673	456,673	441,205	96.6%
Youth Diversion	325	25,000	25,000	8,932	35.7% (3)
Animal Control	2,932,986	2,922,717	2,947,717	2,847,494	96.6%
Public Safety Other (Medical Examiners, NC Detention Subsidy, etc.)	1,007,220	1,075,666	1,396,928	1,143,040	81.8%
Heath	22,269,462	22,506,054	23,558,013	20,496,188	87.0%
Mental Health	3,148,761	5,452,507	3,281,366	3,093,493	94.3%
Social Services	71,524,059	66,425,182	67,301,671	56,971,264	84.7%
Veteran Services	371,189	385,725	387,901	375,254	96.7%
Child Support	4,893,727	5,044,200	5,065,530	4,540,260	89.6%
Spring Lake Resource Administration	31,524	34,332	34,332	30,979	90.2%
Library	11,105,397	10,530,428	10,779,572	9,929,806	92.1%
Stadium Maintenance	110,288	117,296	117,296	92,194	78.6%
Culture Recreation Other (Some of the Community Funding)	312,816	268,069	268,069	258,627	96.5%
Planning	3,077,126	3,446,758	3,455,653	2,804,401	81.2%
Engineering	439,678	510,090	2,467,254	1,160,469	47.0% (4)
Cooperative Extension	570,083	705,596	705,596	540,670	76.6%
Location Services	357,095	447,221	423,300	289,104	68.3%
Soil Conservation	141,234	136,400	357,543	136,407	38.2% (5)
Public Utilities	87,442	110,270	95,092	87,485	92.0%
Economic Physical Development Other	20,000	20,000	20,000	20,000	100.0%
Industrial Park	3,296	23,148	23,148	1,117	4.8% (6)
Economic Incentive	420,423	548,418	710,918	462,345	65.0% (7)
Water and Sewer	-	250,000	379,330	-	0.0% (8)
Education	91,394,940	93,341,404	94,080,904	92,013,115	97.8%
Other Uses:					
Transfers Out	2,264,613	3,522,583	10,028,936	7,084,638	70.6% (9)
Refunding of 2009A and 2011B LOBS	-	-	27,543,249	27,531,480	100.0%
TOTAL	\$ 318,084,263	\$ 323,622,861	\$ 363,624,219	\$ 326,773,099	89.9%

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>

Fiscal Year 2018 - June Year-to-Date Actuals (Report Run Date: July 23, 2018)

Additional Detail

General Fund Revenues

*

- (1) **Current Year Ad Valorem** (FINAL) 101.4% of budget, 99.17% collection rate.
- (2) **Motor Vehicles** (FINAL) 104.0% of budget.
- (3) **Sales Tax** 74.1% - YTD Actual reflects 9 months of collections.
- (4) **Unrestricted/Restricted Intergovernmental** Revenues 76.7% - revenue accruals have not yet posted.
- (5) **Fund Balance Appropriation** 0% - Direct entries are not made to fund balance.

General Fund Expenditures

**

- (1) **Facilities Maintenance** 62.6% - Conference Room renovation to be completed in July. Funds will be requested for re-appropriation during FY19.
- (2) **Board of Elections** 50.9% - Capital purchase budgeted for \$809,045 will not be purchased until FY19 budget.
- (3) **Youth Diversion** 35.7% - Not staffed the entire fiscal year.
- (4) **Engineering** 47.0% - Incomplete project (stream debris removal) funded by a grant in FY18 will be requested for re-appropriation during FY19.
- (5) **Soil Conservation** 38.2% - Incomplete projects (stream debris removal) funded by a grant in FY18 will be requested for re-appropriation during FY19.
- (6) **Industrial Park** 4.8% - Maintenance at Cedar Creek Industrial Park will not be needed for FY18.
- (7) **Economic Incentive** 65.0% - Economic incentives are budgeted at 100% of agreements but are not paid unless/until the company complies.
- (8) **Water and Sewer** 0% - Funds budgeted for Overhills W&S were not utilized.
- (9) **Transfers Out** 70.6% - Transfers out typically occur during the 13th period.
- (10) **Capital Outlay** 58.9% - Board of Elections capital equipment and FTCC capital outlay budgeted but not incurred or encumbered makes up the majority of unutilized budget.

10. OTHER ITEMS OF BUSINESS

There were no other items of business.

MOTION: Commissioner Adams moved to adjourn.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (3-0)

There being no further business, the meeting adjourned at 9:30 a.m.

All references to any materials which are described in these minutes or incorporated into these minutes are to the materials that are contained in the same numbered item in the agenda for this meeting. These may be viewed online in the agenda set out on this web page <http://co.cumberland.nc.us/departments/commissioners-group/commissioners/committee-agendas-and-minutes>



FINANCE OFFICE

4th Floor, Room No. 451, Courthouse • PO Box 1829 • Fayetteville, North Carolina 28302-1829

**MEMO FOR THE AGENDA OF THE SEPTEMBER 6, 2018
MEETING OF THE FINANCE COMMITTEE**

TO: FINANCE COMMITTEE

FROM: VICKI EVANS, FINANCE DIRECTOR

THRU: AMY CANNON, COUNTY MANAGER

DATE: AUGUST 28, 2018

SUBJECT: CONSIDERATION OF HEALTH AND BENEFITS BROKERAGE
AND CONSULTING SERVICES AGREEMENT WITH
CHERNOFF DIAMOND

Requested by: Finance Committee

Presenter(s): Vicki Evans, Finance Director

Estimate of Committee Time Needed: 10 minutes

BACKGROUND

In the fall of 2017 the County migrated its health benefits broker / consultant to Chernoff Diamond. Since that time, the scope of work was changed requiring Chernoff Diamond to complete a review of all ancillary benefits. Over the past year, Chernoff Diamond assisted the County with unwinding the non-compliant health savings account (HSA) before December 31, 2017. They also secured new ancillary benefit options for employees, set up a roll out strategy for open enrollment, and had benefits in place for the new plan year beginning July 1, 2018. Despite these significant changes, overall employee feedback has been positive. From a customer service aspect, Chernoff Diamond was able to:

- Lock in rates, 2-year dental, 4-year ancillary (some with reduced rates)
- Implement a new on-line employee benefits system
- Achieve personal service by setting up face-to-face meetings between employees and benefits counselors (80% participation rate)

Celebrating Our Past...Embracing Our Future

While the original plan was to conduct a request for proposal (RFP) process in the fall of 2018, this strategy is not recommended. The primary goal of a new broker will be to conduct the same thorough analysis just completed by Chernoff Diamond. Since this analysis is so current, it would not be prudent to once again change ancillary benefits in the spring.

Therefore, management proposes a two-year agreement with Chernoff Diamond to allow the County to better maintain stability in the current health and ancillary plans. Prior to the end of the proposed two-year agreement, staff plan to solicit proposals through a competitive RFP process.

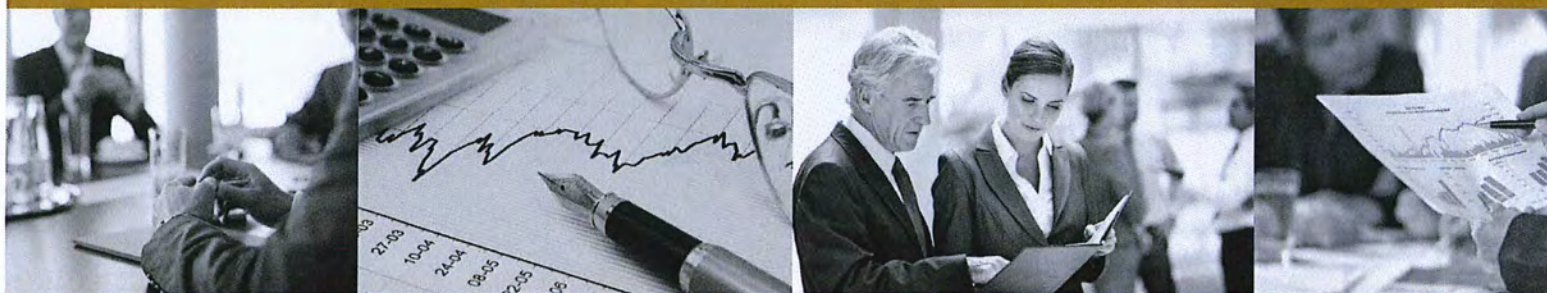
Please note: Within the proposed agreement, there are no direct payments required from the County. Chernoff Diamond receives standard carrier commissions from insurance carriers for compensation.

RECOMMENDATION/PROPOSED ACTION

Management recommends approval of a two-year agreement (January 1, 2019 through December 31, 2021) with Chernoff Diamond to provide employee health and benefits brokerage and consulting services.

Attachment

Sound Advice | Comprehensive Services



**BROKERAGE AND CONSULTING PROPOSAL SCOPE OF ENGAGEMENT:
HEALTH & BENEFITS SERVICES**

CUMBERLAND COUNTY

Prepared by:

Kevin M. Quinn

Partner

E: kquinn@chernoffdiamond.com

P: 516.247.3342

August 7, 2018

SCOPE OF ENGAGEMENT: CREATED FOR CUMBERLAND COUNTY (HEREINAFTER REFERRED TO AS "THE COUNTY")

This engagement covers comprehensive consulting and brokerage for the Health & Benefits plans listed. See "Scope of Services" for detailed list of services included in this proposal.

HEALTH & WELFARE COMPENSATION

For the services described, following fee is proposed:

Fee Base Consulting: Health & Benefits	
Fee	Chernoff Diamond to receive standard carrier commissions
Contract period:	January 1, 2019 through, December 31, 2021 (2-year contract)
Billing Procedure:	Payment to be administered by carriers

Health & Benefits Consulting		
Chernoff Diamond will receive any Commissions from the following programs:		
Medical	Dental	Whole Life
Life / AD&D	Short Term Disability	Critical Illness
Vision	Long Term Disability	*Future products

Although contingent commissions are a small percentage of the revenue Chernoff Diamond receives, Chernoff Diamond may receive additional payments from insurance carriers. These payments do not impact The County's premium rates.

CONFIDENTIALITY

- **Confidential Information.** At all times during the term of this engagement, Chernoff Diamond will hold in strictest confidence, and will not use or disclose to any third party, any Company Confidential Information. "Company Confidential Information" means and includes all non-public information, know-how and trade secrets in any form that (i) are designated as "confidential" or (ii) a reasonable person knows or should understand to be confidential. Examples of Company Confidential Information include, but are not limited to, Company's business practices, concepts, prototypes, patentable and un-patentable inventions, patent applications, designs, business and product plans, systems and technologies, documentation, procedures, business records, pricing, customer lists, financial information and any and all notes, analyses, compilations, studies, summaries and other material prepared by Chernoff Diamond containing or based, in whole or in part, upon Company Confidential Information.
- **Exceptions.** Company Confidential Information does not include information that (a) was known to Chernoff Diamond prior to Company's disclosure to Chernoff Diamond as evidenced by Chernoff Diamond's written records, (b) was independently developed by Chernoff Diamond without reference to or use of Company Confidential Information as evidenced by Chernoff Diamond's written records, or (c) becomes publicly available through no fault of Chernoff Diamond.
- **General Treatment.** Chernoff Diamond agrees as follows: (i) to use The County Confidential Information only for the purposes described in this proposal; (ii) not to reproduce the Confidential Information and to hold in confidence and protect The County Confidential Information from dissemination to, and use by, any third party; (iii) not to create any derivative works of Company Confidential Information; (iv) to restrict access to The County Confidential Information to only those personnel, agents, consultants affiliates and subcontractors, if any, who have a need to have access and who have been advised of and have agreed in writing to treat such information in

accordance with the terms of this Agreement; and (v) to return or destroy all Company Confidential Information in its possession upon termination or expiration of this engagement.

- **Standard of Care.** Chernoff Diamond agrees to take reasonable steps to protect Company Confidential Information. These steps must be at least as protective as those Chernoff Diamond takes to protect its own confidential information and commercially reasonable for the type of confidential information. Chernoff Diamond further agrees to notify Company promptly upon discovery of any unauthorized use or disclosure of Company Confidential Information and to cooperate with The County to help regain control of The County Confidential Information and prevent further unauthorized use or disclosure.

LIMITATION OF LIABILITY

- **Limitation of Liability.** NEITHER PARTY WILL BE LIABLE TO THE OTHER FOR ANY CONSEQUENTIAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES (INCLUDING DAMAGES FOR LOSS OF DATA, REVENUE, AND/OR PROFITS), WHETHER FORESEEABLE OR UNFORESEEABLE, ARISING OUT OF THIS AGREEMENT/PROPOSAL REGARDLESS OF WHETHER THE LIABILITY IS BASED ON BREACH OF CONTRACT, TORT, STRICT LIABILITY, BREACH OF WARRANTIES OR OTHERWISE, AND EVEN IF THE PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF THOSE DAMAGES. ADDITIONALLY, NEITHER PARTY'S TOTAL AGGREGATE LIABILITY TO THE OTHER PARTY WILL EXCEED THE ACTUAL FEES PAID BY COMPANY TO CHERNOFF DIAMOND IN THE 12 MONTH PERIOD PRIOR TO THE DATE THE CLAIM AROSE.

MISCELLANEOUS

- **Assignment.** Chernoff Diamond will not sell, assign, transfer, pledge or encumber this proposal or any right, or delegate any duty or obligation under this proposal, by assignment or operation of law, without Company's prior written consent. Company will not unreasonably withhold such consent. Chernoff Diamond will be deemed to have assigned this proposal if Chernoff Diamond engages in a change of control transaction. Chernoff Diamond may assign any right, or delegate any duty or obligation hereunder to any of its Affiliates. This proposal will inure to the benefit of and bind all permitted successors, assigns, receivers and trustees of each party.
- **Termination.** Company may terminate this Agreement at any time and for any reason, including no reason, upon providing Chernoff Diamond thirty (30) days advance written notice.
- **Relationship.** The parties are independent contractors. This agreement/proposal does not create an exclusive relationship between the parties. Chernoff Diamond's employees and subcontractors are not Company employees. Chernoff Diamond will pay all salaries, taxes, insurance, and benefits with respect to its personnel.
- **Governing Law.** The laws of the State of New York govern this agreement/proposal. If federal jurisdiction exists, the parties consent to nonexclusive jurisdiction and venue of the federal courts for Nassau County, New York and if not, the parties consent to non-exclusive jurisdiction and venue of the state courts located in Nassau County, New York.
- **Modifications; No Waiver.** This agreement/proposal may be modified only by a written agreement signed by duly authorized representatives of both parties. A party's delay or failure to exercise any right or remedy will not result in a waiver of that or any other right or remedy.
- **Counterparts.** The parties may execute this agreement/proposal in any number of counterparts. Each counterpart will be deemed an original and all counterparts will constitute one agreement/proposal binding on both parties. Facsimile signatures will be considered binding for all purposes.

Please indicate your acceptance of this letter of understanding by signing and returning to my attention. If you have any questions or concerns, please give me a call to review. We look forward working with your team.

Respectfully submitted,
CHERNOFF DIAMOND & CO., LLC

Signature:	_____	Date:	_____
Print:	_____	Title:	_____

To indicate your acceptance, please sign, date and return a copy of this Engagement.

ACCEPTED & APPROVED BY THE COUNTY:

Signature:	_____	Date:	_____
Print:	_____	Title:	_____

SCOPE OF SERVICES INCLUDED IN FEE: CREATED FOR CUMBERLAND COUNTY (HEREINAFTER REFERRED TO AS "THE COUNTY")

STRATEGIC PLANNING

	INCLUDED	OPTIONAL
● Compile and maintain employee benefits plan information (e.g. plan design, costs, employee contributions) in Chernoff Diamond systems to facilitate future analysis and development	✓	
● Prepare initial summary of benefits to discuss during Strategic Planning Meeting	✓	
● Benchmark health plan and health costs, comparing organization with norms	✓	
● Create a comprehensive, multi-year, wellness program. <i>Third party administrators and other vendors costs not included</i>	✓	
● Review impact of possible program modifications and identify the implications to administration and communications	✓	
● Conduct initial strategic planning meeting, review benefits program and strategy and design program for plan year	✓	
● Review implementation of Comprehensive Disease Management program including a cost benefit analysis	✓	
● Analyze on-site Clinic and Pharmacy utilization and evaluate alternatives solutions or potential improvements	✓	

RENEWAL, MARKETING, VENDOR SELECTION & IMPLEMENTATION SERVICES

	INCLUDED	OPTIONAL
● Analyze current cost structure, provide insight and recommendations for potential improvements	✓	
● Coordinate the receipt of all plan renewals	✓	
● Prepare renewal summary, discuss renewal	✓	
● Negotiate renewals with all carriers	✓	
● Market benefit programs using Chernoff Diamond's proprietary RFP process	✓	
● Prepare and present a detailed marketing and renewal report including:		
○ All Costs (including multi-year rate guarantees when available)	✓	
○ Network analysis, including disruption analysis and network discounts comparison	✓	
○ Financial impact of making plan design or stop loss program changes	✓	
● Coordinate finalist presentations when necessary	✓	
● Coordinate claims audit with outside audit firm (coordination efforts by Chernoff Diamond are included; any external audit charge would not be included)	✓	

FINANCIAL MANAGEMENT & REPORTING

	INCLUDED	OPTIONAL
● For Employer groups with claims experience, utilizing Chernoff Diamond <i>Analytics</i> , review financial structure of benefits program (medical, Rx, dental and vision plans)	✓	
● Review and negotiate Stop Loss contracts that meet company objectives	✓	
● Consider all Funding mechanisms as appropriate	✓	
● Actuarial development of Incurred But Not Reported reserves (ASO clients)	✓	
● Utilizing Chernoff Diamond's proprietary ACA Impact Modeling technology, identify financial impact of the ACA on the organizations benefits program.	✓	

FINANCIAL MANAGEMENT & REPORTING (continued)

	INCLUDED	OPTIONAL
● For Employer groups with claims experience, utilizing Chernoff Diamond <i>Analytics</i> , review financial structure of benefits program (medical, Rx, dental and vision plans)	✓	
● For Employer groups with claims experience, prepare stewardship reports for all plans Chernoff Diamond manages, including:	✓	
○ Claims performance reports including, expected and maximum claims, high cost claims, trend analysis, claims per employee, claims by plan	✓	
○ Detailed utilization review including review of cost drivers of plan and recommended interventions to manage costs effectively	✓	
○ Claim projections for upcoming plan year	✓	
○ Development of multi-year pro-forma calculations as necessary	✓	
○ Utilize proprietary Chernoff Diamond contribution modeling system to develop contributions strategies for The County	✓	
○ Develop equivalent premium rates and COBRA rates for all self-insured plans	✓	
○ Ensure impact of the Affordable Care Act are considered when developing contribution strategy	✓	

ONGOING SERVICE & VENDOR MANAGEMENT

	INCLUDED	OPTIONAL
● Chernoff Diamond dedicated management team including, Partner, Team Leader, Benefits Consultant	✓	
● Chernoff Diamond Client Manager to provide support to The County's employees	✓	
● Eligibility, Claims and Billing support as necessary	✓	
● Dedicated, employee focused, toll-free telephone hotline and direct email to support The County's employee questions as necessary	✓	
● Meet as needed to review financials and to discuss/review other open items	✓	
● Review vendor updates to contracts and benefit summaries for accurate terms, plan requirements and plan design	✓	
● Monitor and report on carrier financial ratings for contracted vendors	✓	
● Develop and manage implementation schedule for any plan changes and/or service changes	✓	
● Manage vendor participation in annual enrollment process	✓	
● Coordinate Health Fairs	✓	
● Assistance from consulting team with Union negotiations as necessary (if applicable)	✓	
● Support accounting audit activities by acting as a liaison between The County, insurance vendors and other advisors such as accounting or legal	✓	

COMMUNICATIONS

	INCLUDED	OPTIONAL
● Assist The County with design and preparation of communication materials including:		
○ Enrollment Guide (prepared electronically, printed available at additional cost)	✓	
○ Preparation of employee open enrollment communications including written, Brainshark and video	✓	
○ Assist with set up for employee access to benefits materials	✓	
○ Conduct face to face or web based Open Enrollment meetings	✓	
○ Conduct up to two (2) surveys per year, including creation, launch and summary of results report		✓
● Total Compensation Statements (Chernoff Diamond consulting services to discuss the benefits of Total Compensation Statements and share samples statements. Preparation, printing and distribution of statements is optional)		✓

COMPLIANCE & REGULATORY SUPPORT	INCLUDED	OPTIONAL
● Employee Benefits Audit to discover gaps in compliance. Will work with The County to correct issues as necessary	✓	
● Dedicated Health Care Reform Expert to provide ongoing ACA support as necessary, including onsite meeting	✓	
● Chernoff Diamond ERISA support	✓	
● Summary Plan Description and Summary of Benefit Coverage document review	✓	
● Creation of Summary Plan Description Wrap Document as necessary	✓	
● Collect Schedule A information and prepare signature-ready Form(s) 5500 and Summary Annual Reports	✓	
● Section 125 non-discrimination testing, as necessary	✓	
● Preparation of Affordable Care Act Marketplace Notices	✓	
● Preparation of employee notices, including: CHIPRA, Medicare D, and other notices as necessary	✓	
● Annual CMS filing	✓	
● Development and management of HIPAA Training for The County's staff	✓	
● Access to Chernoff Diamond webinars (SHRM credit may be available)	✓	
● Access to Chernoff Diamond Insights newsletters	✓	
ADDITIONAL CHERNOFF DIAMOND CAPABILITIES	INCLUDED	OPTIONAL
● Access to Chernoff Diamond Purchasing coalitions to secure best in class contract terms, discounts and pricing	✓	
VOLUNTARY BENEFITS PROGRAMS	INCLUDED	OPTIONAL
● Conduct review of current programs and provide recommendations for program changes	✓	
● Counselor led education meetings, one-on-one with employee	✓	
HUMAN CAPITAL MANAGEMENT		
● Technology Assessment: Payroll, Human Resources and Back Office	✓	
● Discovery: Needs Analysis and Executive Summary	✓	
● Vendor Selection: Review RFPs, negotiate pricing and assist with vendor selection		✓
● Implementation: Project Management		✓
ONLINE BENEFITS ADMINISTRATION	INCLUDED	OPTIONAL
● Employee self-service	✓	
● Comprehensive reporting capabilities	✓	

AMY H. CANNON
County Manager

MELISSA C. CARDINALI
Assistant County Manager



CUMBERLAND
★ **COUNTY** ★
NORTH CAROLINA

ITEM NO. 3.
DUANE T. HOLDER
Assistant County Manager

TRACY JACKSON
Assistant County Manager

SALLY S. SHUTT
Assistant County Manager

OFFICE OF THE COUNTY MANAGER

**MEMO FOR THE AGENDA OF THE SEPTEMBER 6, 2018
MEETING OF THE FINANCE COMMITTEE**

TO: FINANCE COMMITTEE

FROM: MELISSA C. CARDINALI, ASSISTANT COUNTY MANAGER

THRU: AMY H. CANNON, COUNTY MANAGER

DATE: AUGUST 27, 2018

SUBJECT: CONSIDERATION OF REQUEST TO PARTICIPATE IN THE N.C.
ASSOCIATION OF COUNTY COMMISSIONERS (NCACC)
COUNTY MANAGEMENT FELLOWSHIP PROGRAM

Requested by: Finance Committee

Presenter: Melissa C. Cardinali

Estimate of Committee Time Needed: 10 Minutes

BACKGROUND:

As part of its commitment to helping develop the next generation of county managers, the NCACC created a Management Fellowship Program (MFP) in 2012. The program is modeled after the Local Government Management Fellowship administered by the International City-County Management Association (ICMA). The ICMA is a partner for the NCACC program.

Each year Master's in Public Administration (MPA) students apply to participate in the program. The NCACC screens the pool of applicants and then shares qualified applications with interested host counties. The host counties then choose which applicants to interview. The successful fellow is asked to make a 12 to 24-month commitment to the host county.

The host county is responsible for a reasonable salary and benefits, travel to events, providing a mentor and an environment for career learning experience. After a review by

our Human Resources staff, it is recommended Cumberland County offer a salary of \$55,000 plus benefits. The NCACC requires a minimum salary of \$35,000 in order for the program to be affordable for smaller, rural counties. The NCACC will include the Fellow in its cohort; fund the Fellow's membership dues for the NC City-County Management Association (NCCCMA), as well as registration fees for the NCCCMA Winter and Summer seminars; waive any registration for NCACC events, including the Annual Conference, Legislative Goals Conference and County Assembly Day.

There are two timing options for participation. The main cycle coincides with the start of the fiscal year. Cumberland would post a Letter of Intent to Host on the ICMA website by October. ICMA would screen the applicants, forwarding qualified candidates to the NCACC for further review. If a Fellow is interested in Cumberland, and vice versa, he or she would begin their fellowship in July.

The second cycle targets MPA students who may be graduating in December. The NCACC will reach out to UNC system MPA programs to put out a call for letters of interest and resumes. If there is any interest, the Fellow would begin in January.

The NCACC is extremely interested in seeking participation in the program from larger NC counties. If we choose to participate, Cumberland would be the largest county to do so. Cumberland County can provide a wide range of opportunities and experiences for a future manager. In return, the county will receive management level assistance for a variety of projects for a reasonable investment.

RECOMMENDATION/PROPOSED ACTION:

Management recommends approving participation in the NCACC / ICMA Management Fellowship Program beginning in January 2019 and Budget Revision #B190444 in the amount of \$39,500 for salary, benefits and training/travel. This revision will cover expenses for half of the fiscal year.



MEMORANDUM OF UNDERSTANDING BETWEEN NCACC AND <County Name> COUNTY

This Memorandum of Understanding (MOU) is between _____ County Government (Host County) and the North Carolina Association of County Commissioners (NCACC) for the NCACC-ICMA County Management Fellowship Program, to take effect on ____ / ____ / ____.

WHEREAS, a goal of the NCACC and its partner organization, the International City/County Management Association (ICMA), through this program is to attract recent Master of Public Administration/Affairs/Policy (MPA/MPP) graduates to careers in North Carolina county government management and administration;

The NCACC and the Host County agree to the language contained in this MOU regarding the mentoring and career development of the Fellow. In consideration of these understandings, the NCACC and the Host County agree the following:

- The Host County will employ a recent MPA/MPP graduate from a National Association of Schools of Public Affairs and Administration (NASPAA)-member school in a salaried Fellowship position;
- The Host County will create a work plan and set the work schedule of the Fellow;
- The Host County shall establish the compensation and benefits of the Fellow and provide such compensation and benefits to the Fellow as established;
- The NCACC may provide financial assistance to the Host County to help with costs of the Fellowship Program for a maximum of two fiscal years;
- The NCACC will provide membership for the Fellow in the North Carolina City & County Management Association (NCCCMA) and fund registration fees for the Fellow to attend NCCCMA Winter and Summer Seminars;
- The NCACC will provide complimentary registration for the Fellow to attend the NCACC Annual Conference, Legislative Goals Conference, County Assembly Day, a District Meeting, and other pertinent NCACC events and/or courses offered through the Local Elected Leaders Academy, and the Host County will incur travel expenses for the Fellow for these events;
- The Host County will encourage the Fellow to attend and will provide adequate time in the Fellow's work plan for attendance at these events;

- The Host County will allow time for the Fellow to participate in scheduled program conference calls and learning activities through ICMA;
- The Host County will create an enriching professional learning experience for the Fellow;
- The Host County will assign a mentor to the Fellow who will, for the duration of the Fellowship, be the Fellow's primary point of contact and coach while the Fellow is in its jurisdiction, and will be available to the Fellow during rotation assignments;
- The NCACC will make available to the Fellow its Executive Director and former County Managers serving as Outreach Associates as mentoring resources throughout the Fellowship;
- The Host County will participate as available in any evaluation process that will help strengthen the program in the coming years;
- The Host County is encouraged to employ their Fellow for up to two years; and
- The Host County will endeavor to hire the Fellow full-time at or before the end of their Fellowship, or assist them (with the NCACC) in finding full-time employment when the Fellowship period ends.

Through a separate agreement between the NCACC and ICMA:

- ICMA will include this hire in its current class of Local Government Management Fellows;
- ICMA will provide complimentary membership for the Fellow in ICMA;
- ICMA will waive its Annual Conference registration fee for the Fellow to attend up to two ICMA Annual Conferences as long as they are a Fellow; and
- ICMA will assign an outside mentor to the Fellow who will be available to the Fellow throughout the Fellowship.

The duration of this MOU will be for a minimum of one year, and a maximum of two years, from the date printed above, and it will be in effect when the appropriate representatives from each organization have signed below. At the end of this period, this MOU may be reviewed by representatives of all organizations to evaluate its effectiveness, make recommendations for any mutually agreeable revisions, and prepare a proposed revision for any future Fellow hires.

Kevin Leonard
NCACC Executive Director

Host County Manager

AMY H. CANNON
County Manager

MELISSA C. CARDINALI
Assistant County Manager



CUMBERLAND
★ **COUNTY** ★
NORTH CAROLINA

ITEM NO. 4.A.

DUANE T. HOLDER
Assistant County Manager

TRACY JACKSON
Assistant County Manager

SALLY S. SHUTT
Assistant County Manager

OFFICE OF THE COUNTY MANAGER

**MEMO FOR THE AGENDA OF THE SEPTEMBER 6, 2018
MEETING OF THE FINANCE COMMITTEE**

TO: FINANCE COMMITTEE

FROM: MELISSA C. CARDINALI, ASSISTANT COUNTY MANAGER

THRU: AMY H. CANNON, COUNTY MANAGER

DATE: AUGUST 21, 2018

SUBJECT: MONTHLY HEALTH INSURANCE REPORT

Requested by: Finance Committee

Presenter: N/A

Estimate of Committee Time Needed: For Information Only

BACKGROUND:

Total health insurance claims for FY19 are in line with FY18 at \$1,483,915 for the month of July. To provide some perspective on the claims, below is the 1-month average for the past 5 fiscal years. This average represents the average claims for July of each fiscal year. Additionally, graphs are provided as an aid to the analysis.

Average claims per fiscal year for July:

FY15 \$2,001,709
FY16 \$2,512,805
FY17 \$1,503,129
FY18 \$1,431,414
FY19 \$1,483,915

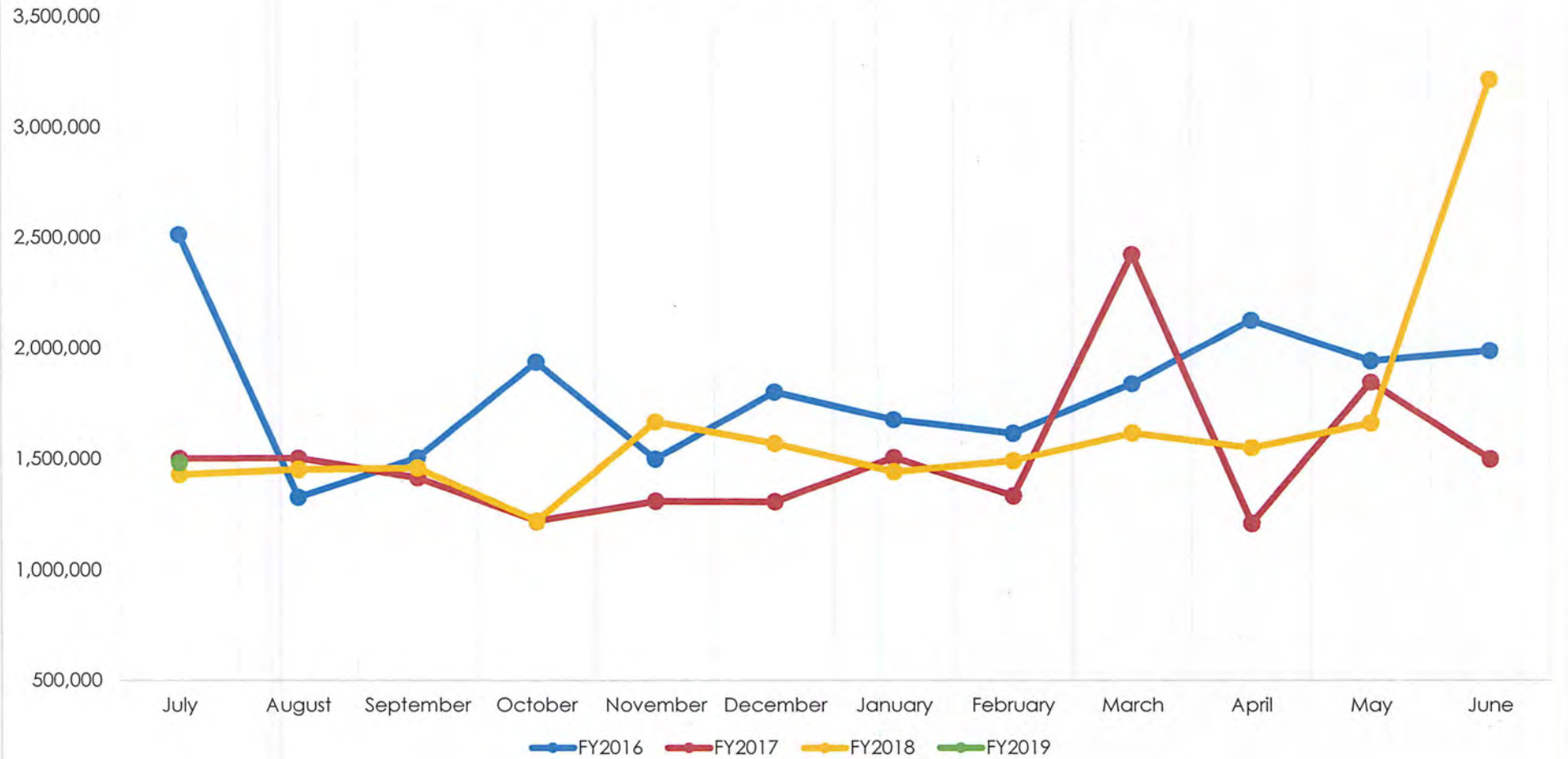
RECOMMENDATION/PROPOSED ACTION:

No action needed – for information only.

Monthly Insurance Claims FY16-FY19



Monthly Insurance Claims FY16 - FY19



ITEM NO. 4.B.

CUMBERLAND COUNTY CDBG-DR PROGRAM UPDATE
FOR THE SEPTEMBER 6, 2018
FINANCE COMMITTEE MEETING

Status as of August 30, 2018:

Total Applications	Application Intake (Step 1)	State Eligibility Check (Step 2)	State Duplication of Benefits Check (Step 3)	Under Further Review
265	74 (14 county/60 city)	18 (4 county/14 city)	133 (20 county/113 city)	23
Inspection & Environmental Review (Step 4)	Grant Determination (Step 5)	Contractor Selection (Step 6)	Construction (Step 7)	Completion (Step 8)
5 (1 county/4 city)	9 (4 county/5 city)	0	0	0

**Steps 2-3 performed by State; Steps 1, 4-8 performed by County/City*

Note: 3 applications were withdrawn

Milestones/Activities:

- Request for Project Management Proposal – Review completed – Discussion with potential proposer currently ongoing;
- Ongoing– County will process applications, incomplete applications and submit for review; State will determine eligibility; State will handle environmental review processes;
- County CD Rehab staff have conducted site inspections on properties that are in the Step 3 DOB stage – 8 completed;
- City CD staff have conducted site inspections on properties that are in the Step 3 DOB stage – 2 completed;
- State recently deployed damage assessment teams to assist with site inspections;
- State recently implemented and opened Regional Intake Centers – this will also allow applicants to apply at any center (non-Cumberland residents – 2 *Tier II Counties*)
- State anticipate Step 3 environmental reviews release possible August;
- RFP & Project form for State environmental review process – Robins Meadow Phase II; Day Resource Center in Homeless Initiative Committee for discussion on site determination –County & City Staff tour Transitions Homeless Center site in Columbia, SC 7/16/18 to explore the potential options for proposed project.

Current Staffing:

- State: – David Cauthorn, CD Specialist II, Dept. of Public Safety – (Community Outreach for CDBG-DR); temporary office at Cumberland County Planning Department
- Cumberland County:
 - Sylvia McLean, P.T. Community Development (CD) Consultant; Terrinique Washington, Admin Support Specialist; Tye Vaught, Admin Program Officer II; Chavaugh McLamb, Admin Housing Coordinator II
 - *Housing Project Manager – re-advertised 5/30/18*
- City of Fayetteville: Jay Reinstein and Cindy Blot, CD Director; Anedra Walls, Admin Assistant



FINANCE OFFICE

4th Floor, Room No. 451, Courthouse • PO Box 1829 • Fayetteville, North Carolina 28302-1829

**MEMO FOR THE AGENDA OF THE SEPTEMBER 6, 2018
MEETING OF THE FINANCE COMMITTEE**

TO: FINANCE COMMITTEE

FROM: VICKI EVANS, FINANCE DIRECTOR

THRU: AMY CANNON, COUNTY MANAGER

DATE: AUGUST 24, 2018

SUBJECT: MONTHLY FINANCIAL REPORT – FISCAL YEAR 2018,
JUNE YEAR-TO-DATE

Requested by: Finance Committee

Presenter(s): Vicki Evans, Finance Director

Estimate of Committee Time Needed: For information only

BACKGROUND

The financial report is included which shows the fiscal year 2018 June year-to-date budget to actual (cash received/cash paid) comparison. The attached report shows results posted through August 23, 2018. Additional detail has been provided on a separate page explaining any percentages that may appear inconsistent with year-to-date budget expectations.

This should not be considered a final report for fiscal year 2018. Over the next several months, Finance will be working toward closing out the fiscal year and audit completion. You can expect updated monthly financial reports pertaining to fiscal year 2018 through October 2018 and a presentation of audit results in December. In November, we will begin reporting on fiscal year 2019 with a summary of results of the first quarter.

RECOMMENDATION/PROPOSED ACTION

No action needed – for discussion and information purposes only.

Celebrating Our Past...Embracing Our Future

**County of Cumberland
General Fund Revenues**

REVENUES	FY16-17 AUDITED	FY17-18 ADOPTED BUDGET	FY17-18 REVISED BUDGET	YTD ACTUAL AS OF June 30, 2018	PERCENT OF BUDGET TO DATE	*
Ad Valorem Taxes						
Current Year	\$ 156,131,527	\$ 160,312,162	\$ 160,962,162	\$ 163,194,457	101.4%	(1)
Prior Years	1,046,732	1,121,000	1,121,000	1,105,826	98.6%	
Motor Vehicles	17,683,864	18,070,242	18,070,242	18,788,786	104.0%	(2)
Penalties and Interest	650,368	667,602	667,602	740,525	110.9%	
Other	1,018,563	930,279	930,279	955,996	102.8%	
Total Ad Valorem Taxes	176,531,054	181,101,285	181,751,285	184,785,590	101.7%	
Other Taxes						
Sales	41,517,943	41,760,036	41,849,536	38,366,951	91.7%	(3)
Real Estate Transfer	1,091,362	700,000	700,000	1,096,191	156.6%	
Other	1,114,408	1,111,500	1,111,500	1,040,243	93.6%	
Total Other Taxes	43,723,713	43,571,536	43,661,036	40,503,385	92.8%	
Unrestricted & Restricted Intergovernmental Revenues	75,613,483	67,300,253	70,987,921	61,627,167	86.8%	(4)
Charges for Services	13,832,010	12,056,608	12,083,527	13,100,993	108.4%	
Other Sources (includes Transfers In)	8,945,521	6,988,890	7,045,838	7,754,366	110.1%	
Proceeds Refunding Bonds	-	-	23,005,000	23,005,000	100.0%	
Premium on COPS Sold	-	-	4,285,558	4,285,557	100.0%	
County Closing Contribution	-	-	254,736	254,735	100.0%	
Lease Land CFVMC	3,714,637	3,714,637	3,714,637	3,813,452	102.7%	
Total Other	12,660,158	10,703,527	38,305,769	39,113,110	102.1%	
Total Revenue	\$ 322,360,418	\$ 314,733,209	\$ 346,789,538	\$ 339,130,245	97.8%	
Fund Balance Appropriation		8,889,652	16,834,681	-	0.0%	(5)
Total Funding Sources	\$ 322,360,418	\$ 323,622,861	\$ 363,624,219	\$ 339,130,245	93.3%	

County of Cumberland
General Fund Expenditures

DEPARTMENTS	FY16-17 AUDITED	FY17-18 ADOPTED BUDGET	FY17-18 REVISED BUDGET	YTD ACTUAL	PERCENT OF BUDGET TO DATE	**
				EXPENDITURES AS OF June 30, 2018		
Governing Body	\$ 591,731	\$ 617,587	\$ 617,587	\$ 567,032	91.8%	
Administration	2,515,558	1,501,201	1,501,201	1,368,086	91.1%	
Public Affairs/Education	76,879	497,199	497,199	463,236	93.2%	
Human Resources	30,245	828,896	828,896	788,221	95.1%	
Print, Mail, and Design	754,908	875,345	861,871	681,404	79.1%	
Court Facilities	55,786	129,370	173,610	149,298	86.0%	
Facilities Maintenance	1,936,136	2,009,030	2,787,855	1,808,710	64.9% (1)	
Landscaping & Grounds	606,364	607,577	612,237	573,921	93.7%	
Carpentry	231,715	234,884	234,884	175,721	74.8%	
Facilities Management	1,238,266	1,267,781	1,273,221	1,212,371	95.2%	
Public Buildings Janitorial	721,041	710,946	710,946	697,720	98.1%	
Central Maintenance	798,075	672,386	672,386	596,619	88.7%	
Information Services	3,388,444	3,958,479	4,197,368	3,371,775	80.3%	
Board of Elections	1,180,015	2,237,762	2,237,762	1,139,108	50.9% (2)	
Finance	1,205,572	1,201,225	1,201,225	1,134,661	94.5%	
Legal	668,776	813,554	813,554	693,389	85.2%	
Register of Deeds	2,092,298	2,321,099	2,762,365	1,930,174	69.9%	
Tax	5,567,709	5,589,154	5,620,154	5,060,380	90.0%	
Debt Service	23,400,669	21,464,283	21,466,328	21,449,808	99.9%	
General Government Other	3,828,293	4,237,882	4,688,400	2,988,829	63.7%	
Sheriff	47,212,707	50,250,550	50,548,888	45,408,255	89.8%	
Emergency Services	3,064,405	3,320,934	3,405,291	2,942,730	86.4%	
Criminal Justice Pretrial	434,987	426,673	456,673	441,672	96.7%	
Youth Diversion	325	25,000	25,000	9,549	38.2% (3)	
Animal Control	2,932,986	2,922,717	2,947,717	2,859,626	97.0%	
Public Safety Other (Medical Examiners, NC Detention Subsidy, etc.)	1,007,220	1,075,666	1,396,928	1,296,751	92.8%	
Heath	22,269,462	22,506,054	23,558,013	20,891,358	88.7%	
Mental Health	3,148,761	5,452,507	3,281,366	3,095,740	94.3%	
Social Services	71,524,059	66,425,182	67,301,671	58,238,886	86.5%	
Veteran Services	371,189	385,725	387,901	376,229	97.0%	

**County of Cumberland
General Fund Expenditures**

DEPARTMENTS	FY16-17	FY17-18	FY17-18	YTD ACTUAL EXPENDITURES AS OF	PERCENT OF	**
	AUDITED	ADOPTED BUDGET	REVISED BUDGET	June 30, 2018	BUDGET TO DATE	
Child Support	4,893,727	5,044,200	5,065,530	4,669,890	92.2%	
Spring Lake Resource Administration	31,524	34,332	34,332	30,978	90.2%	
Library	11,105,397	10,530,428	10,779,572	9,967,046	92.5%	
Stadium Maintenance	110,288	117,296	117,296	92,194	78.6%	
Culture Recreation Other (Some of the Community Funding)	312,816	268,069	268,069	268,069	100.0%	
Planning	3,077,126	3,446,758	3,455,653	2,818,268	81.6%	
Engineering	439,678	510,090	2,467,254	1,161,131	47.1% (4)	
Cooperative Extension	570,083	705,596	705,596	541,386	76.7%	
Location Services	357,095	447,221	423,300	289,743	68.4%	
Soil Conservation	141,234	136,400	357,543	138,738	38.8% (5)	
Public Utilities	87,442	110,270	95,092	87,866	92.4%	
Economic Physical Development Other	20,000	20,000	20,000	20,000	100.0%	
Industrial Park	3,296	23,148	23,148	1,117	4.8% (6)	
Economic Incentive	420,423	548,418	710,918	462,345	65.0% (7)	
Water and Sewer	-	250,000	379,330	-	0.0% (8)	
Education	91,394,940	93,341,404	94,080,904	92,013,115	97.8%	
Other Uses:						
Transfers Out	2,264,613	3,522,583	10,028,936	7,091,687	70.7% (9)	
Refunding of 2009A and 2011B LOBS		-	27,543,249	27,531,480	100.0%	
TOTAL	\$ 318,084,263	\$ 323,622,861	\$ 363,624,219	\$ 329,596,310	90.6%	

Expenditures by Category	FY16-17	FY17-18	FY17-18	EXPENDITURES AS OF	PERCENT OF
	UNAUDITED	ADOPTED BUDGET	REVISED BUDGET	June 30, 2018	BUDGET TO DATE
Personnel Expenditures	\$ 131,620,131	\$ 136,744,346	\$ 134,194,076	\$ 120,321,940	89.7%
Operating Expenditures	158,133,695	157,914,300	165,411,909	149,817,034	90.6%
Capital Outlay	2,118,869	3,460,456	4,158,601	2,579,226	62.0% (10)
Debt Service	23,946,955	21,981,176	21,983,221	21,966,702	99.9%
Refunding of 2009A and 2011B LOBS	-	-	27,543,249	27,531,480	100.0%
Transfers To Other Funds	2,264,613	3,522,583	10,333,163	7,379,928	71.4%
TOTAL	\$ 318,084,263	\$ 323,622,861	\$ 363,624,219	\$ 329,596,310	90.6%

COUNTY OF CUMBERLAND

Fiscal Year 2018 - June Year-to-Date Actuals (Report Run Date: August 23, 2018)

Additional Detail

General Fund Revenues

*

- (1) **Current Year Ad Valorem** - 101.4% of budget, 99.17% collection rate.
- (2) **Motor Vehicles** - 104.0% of budget.
- (3) **Sales Tax** 91.7% - YTD Actual reflects 11 months of collections.
- (4) **Unrestricted/Restricted Intergovernmental** Revenues 86.8% - revenue accruals for year-end are not yet finalized.
- (5) **Fund Balance Appropriation** 0% - Direct entries are not made to fund balance.

General Fund Expenditures

**

- (1) **Facilities Maintenance** 64.9% - Conference Room renovation to be completed in July. This re-appropriation to the FY19 budget was approved at the August 6, 2018 BOCC's meeting.
- (2) **Board of Elections** 50.9% - Capital purchase budgeted for \$809,045 will not be purchased until FY19.
- (3) **Youth Diversion** 38.2% - Not staffed the entire fiscal year.
- (4) **Engineering** 47.1% - Incomplete project (stream debris removal) funded by a grant in FY18 will be requested for re-appropriation during FY19.
- (5) **Soil Conservation** 38.8% - Incomplete projects (stream debris removal) funded by a grant in FY18. This re-appropriation to the FY19 budget was approved at the August 6, 2018 BOCC's meeting.
- (6) **Industrial Park** 4.8% - Maintenance at Cedar Creek Industrial Park did not occur in FY18.
- (7) **Economic Incentive** 65.0% - Economic incentives are budgeted at 100% of agreements but are not paid unless/until the company complies.
- (8) **Water and Sewer** 0% - Funds budgeted for Overhills W&S were not utilized.
- (9) **Transfers Out** 70.7% - Transfers out typically occur at year end and are not yet complete.
- (10) **Capital Outlay** 62.0% - Board of Elections capital equipment and FTCC capital outlay budgeted but not incurred or encumbered makes up the majority of unutilized budget.