

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)

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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.

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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)

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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

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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

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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).

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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

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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

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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

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	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.

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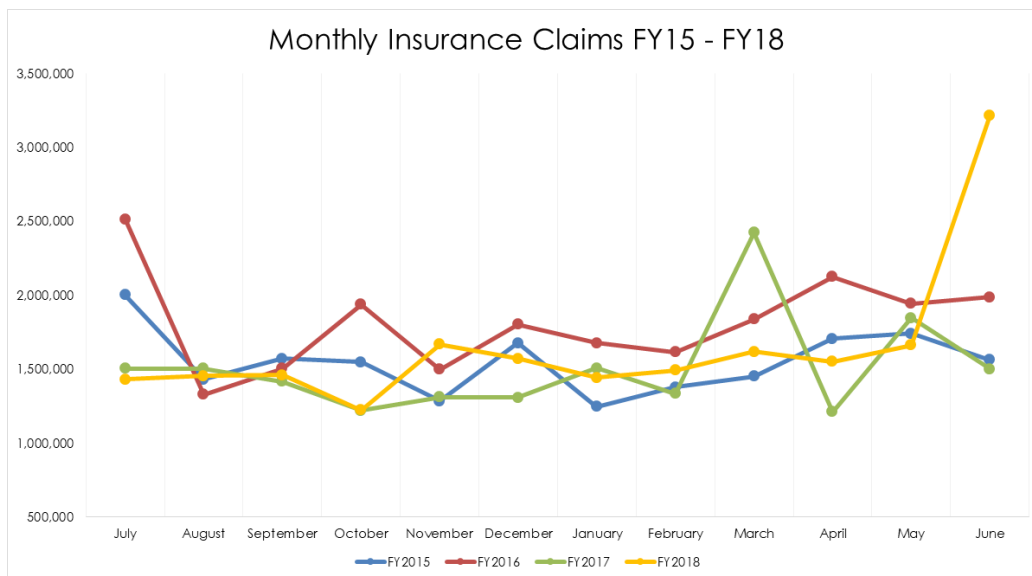
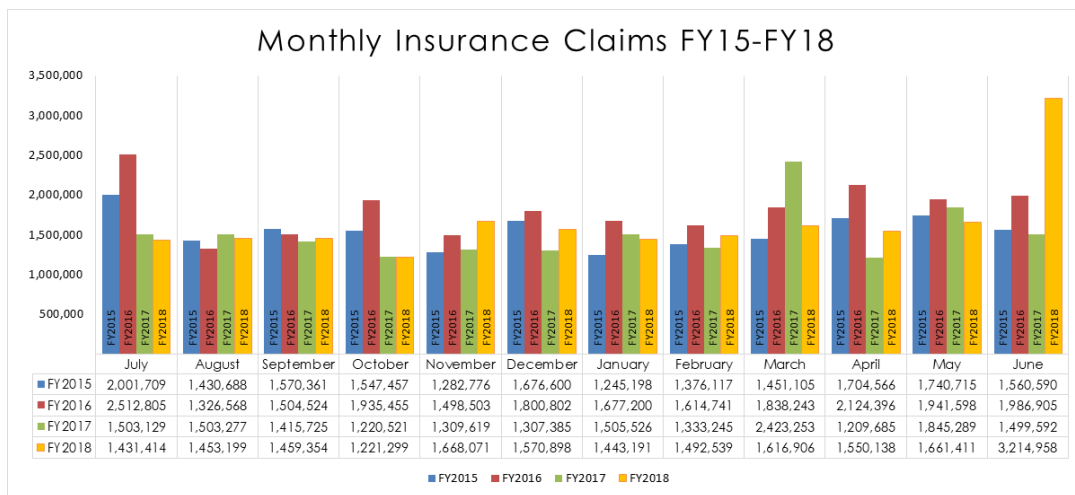
Average claims per fiscal year for July – April:

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.



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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;

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- 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

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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.

	FY16-17	FY17-18	FY17-18	AS OF	PERCENT OF	
REVENUES	AUDITED	ADOPTED BUDGET	REVISED BUDGET	June 30, 2018	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%	

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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%	

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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.

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