

CUMBERLAND COUNTY BOARD OF COMMISSIONERS
JUNE 10, 2010 – 5:30 PM
COURTHOUSE - 117 DICK STREET - ROOM 564
SPECIAL MEETING FOR BUDGET WORK SESSION

PRESENT: Commissioner Billy King
Commissioner Jeannette Council
Commissioner Kenneth Edge
Commissioner Marshall Faircloth
Commissioner Ed Melvin
Commissioner Phillip Gilfus
James Martin, County Manager
Juanita Pilgrim, Deputy County Manager
Amy Cannon, Assistant County Manager
Rick Moorefield, County Attorney
James Lawson, Human Resources Manager
Howard Abner, Assistant Finance Director
Bob Tucker, Finance Department
Todd Hathaway, Finance Department
Kelly Autry, Finance Department
Marie Colgan, Clerk to the Board
Candice White, Deputy Clerk to the Board

ABSENT: Commissioner Jimmy Keefe

Chairman King called the special meeting to order and called on Commissioner Edge to give an invocation.

Chairman King commented on the public hearing which was held on Tuesday night stating it is evident that the library has great support and praised the library staff for the work they do.

Chairman King questioned the request from the Second Harvest Food Bank. County Manager Martin provided background stating that their request last year was received after the deadline for the recommended budget. A request was heard at last year's public hearing, but the Board did not add the request into the budget. Mr. Martin reminded members that he does not add in new funding requests until they are requested by the Board. He advises agencies to make their request known to the Board and once the board approves the request, they are added into the budget. Approved agencies stay in the manager's recommended budget for subsequent years unless he and his staff determine there is a need to remove an agency and then he will make a recommendation for their removal. Therefore, funding requests from agencies roll to the next recommended budget, with occasional exceptions, and are not removed unless the Board requests that they be removed. Commissioner Edge voiced his concern about the Second Harvest Food Bank possibly not receiving funds from other counties since Cumberland County is not the only county in which they provide assistance.

Chairman King stated his hope is for the members present to come to an agreement regarding the budget so that management can be instructed to prepare the budget ordinance for approval at the June 21st meeting. Chairman King noted one issue that members are trying to make a decision on is the funding of additional jail space and two options have already been discussed: 1) the manager's option of putting some monies aside for a two or three year period, and 2) use monies from the \$5.6M fund balance which is the amount over the 10% fund balance requirement which the Board set. Mr. Martin provided background information on how the monies he had tagged for the old Public Health building came about and provided a handout showing the chronology of those events. He reminded members that it is the Board's decision as to how any of the excess fund balance monies are used for one time projects. Commissioners shared their thoughts and concerns regarding the jail, a tax increase and the budget. Chairman King distributed a handout showing the tax rates in all North Carolina counties for informational purposes. Based on a question from Chairman King, Mr. Martin advised that at the 73.4 cents revenue neutral tax rate, the recommended budget is balanced. If the 1.5 cent for jail funding is added, the tax rate goes to 74.9 cents. If 74 cents is decided upon, the difference would provide about \$1.2M additional funds which may be enough money to start planning the jail if the Board designates to use it for that purpose.

Chairman King recessed the meeting for five minutes.

Chairman King reconvened the meeting.

Discussion ensued regarding a compromise to the 74.9 cents presented which includes the 1.5 cent for funding the jail expansion. Commissioner Edge questioned whether reducing the tax rate to 74 cents and then redirecting \$1.8M out of the \$5.6M fund balance to be used toward the jail this year would work. It was noted this plan would mean that funds for the jail expansion would need to be looked at each year. Mr. Martin agreed this plan would work. Commissioner Council questioned how the county's bond rating would be affected by this plan and Mrs. Cannon stated that it should not have any impact since the \$5.6M is already designated. Mrs. Cannon further stated the Board will just be redirecting the use of a portion of the amount and the \$1.2M for the jail expansion will be a recurring amount. Commissioner Faircloth explained to members that the only difference in the plan just discussed compared to the plan Commissioner Keefe presented at the last meeting was only using \$1.8M of the \$5.6M fund balance instead of using the full \$5.6M for the jail expansion. Mr. Martin stated that the only downside to this plan is the issue on how to sustain acquiring enough money to build a jail and how to sustain operations after it has been built. Commissioner Gilfus stated he feels the plan needs to be a sustainable financial plan and that a 74.9 cent rate is still less than what citizens paid last year.

GILFUS MOTION: Commissioner Gilfus moved to direct the County Manager to move forward with preparing the budget ordinance with the changes to the recommended budget as listed on the Agenda and FY2011 Budget Worksheet which establishes a tax rate at 74.9 cents/\$100, including 1.5 cent for jail funding; a 2% COLA raise for employees, Community Funding requests for Spring Lake Chamber of Commerce in the amount of \$50,000, Cumberland County Veterans Council funding of \$668 (an increase to the recommended funding amount of \$321 making a total of \$1,000), \$35,000 for Second Harvest Food Bank, and a $\frac{3}{4}$ cent increase in the Special Fire District Tax.

SECOND: Commissioner Council

DISCUSSION: Commissioner Gilfus questioned what the monies requested by the Spring Lake Chamber of Commerce would actually be used for as the information presented at the public hearing was not clear. Commissioner Council stated concern over setting a precedent which might lead to another request from the Hope Mills Chamber and felt that the monies should come out of the monies designated for economic development through the Fayetteville-Cumberland County Chamber of Commerce.

FAIRCLOTH SUBSTITUTE MOTION: Commissioner Faircloth moved to include in Commissioner Gilfus' original motion that the \$50,000 to the Spring Lake Chamber of Commerce be a one-time contractual commitment for this year.

SECOND: Commissioner King

DISCUSSION: Commissioner Edge also voiced his concern about the funding request for the Spring Lake Chamber since the monies are going to an economic development committee.

EDGE SUBSTITUTE MOTION: Commissioner Edge moved to direct the County Manager to move forward with preparing a budget ordinance with a 74 cents/\$100 valuation, a 2% COLA for employees as presented in an earlier meeting which excludes new hires after June 20th and all new Child Support Enforcement Department employees from the COLA, and a $\frac{3}{4}$ cent increase in the Special Fire District Tax, with no further additions to the recommended budget.

COMMISSIONER EDGE'S SUBSTITUTE MOTION DIED FOR LACK OF A SECOND

VOTE on substitute motion of Commissioner Faircloth: Motion Failed. Voting for – Commissioners Council, Gilfus, and King. Voting against – Commissioners Edge, Faircloth and Melvin

Commissioner Edge stated that he cannot vote for a motion without knowing where the money is coming from.

GILFUS AMENDED MOTION: Commissioner Gilfus moved to direct the County Manager to move forward with preparing a budget ordinance with a 74.9 cents/\$100 evaluation which includes 1.5 cent for jail funding, a 2% COLA for employees and a $\frac{3}{4}$ cent increase in the Special Fire District, and no other additions to the recommended budget.

SECOND: Commissioner Council
VOTE: Motion Failed. Voting For – Commissioners Council, Gilfus
Voting Against – Commissioners Edge, Faircloth, King and Melvin

Further discussion ensued regarding a compromise on the community funding for Spring Lake Chamber of Commerce and Second Harvest Food Bank.

COUNCIL SUBSTITUTE MOTION: Commissioner Council moved to direct the County Manager to move forward with preparing a budget ordinance with a 74 cents/\$100 valuation which includes \$1.2M for jail funding, a 2% COLA for employees, \$35,000 for the Spring Lake Chamber of Commerce (a one-time contractual commitment for this year), Cumberland County Veterans Council funding of \$668 (an increase to the recommended funding amount of \$321 making a total of \$1,000), \$15,000 for the Second Harvest Food Bank, and $\frac{3}{4}$ cent increase in the Special Fire District Tax.

SECOND: Commissioner Faircloth

DISCUSSION: Commissioner Edge advised that he cannot vote for anything without knowing where the money is coming from for the community funding. Mrs. Cannon stated the monies can be taken out of fund balance and will still be above the 10% balance requirement.

Commissioner Edge called the question.

VOTE: Motion Passed. Voting For – Commissioners Council, King, Faircloth and Edge.
Voting Against – Commissioners Gilfus and Melvin

MOTION: Commissioner Council moved to adjourn the meeting.

SECOND: Commissioner Gilfus

VOTE: UNANIMOUS

The meeting adjourned at 7:15 p.m.

Approved with/without revision:

Respectfully submitted,

Marie Colgan
Clerk to the Board