

CUMBERLAND COUNTY BOARD OF COMMISSIONERS  
SPECIAL MEETING - FY 2017 BUDGET PUBLIC HEARING/WORK SESSION  
117 DICK STREET, 1<sup>ST</sup> FLOOR, ROOM 118  
JUNE 13, 2016, 7:00 PM  
SPECIAL MEETING MINUTES

PRESENT: Commissioner Marshall Faircloth, Chairman  
Commissioner Glenn Adams, Vice Chairman  
Commissioner Jeannette Council  
Commissioner Kenneth Edge  
Commissioner Charles Evans  
Commissioner Jimmy Keefe  
Commissioner Larry Lancaster  
Amy Cannon, County Manager  
James Lawson, Deputy County Manager  
Melissa Cardinali, Assistant County Manager  
Tracy Jackson, Assistant County Manager  
Sally Shutt, Governmental Affairs Officer  
Rick Moorefield, County Attorney  
Vicki Evans, Finance Director  
Deborah Shaw, Budget Analyst  
Heather Harris, Budget Analyst  
Jeffrey Brown, Engineering and Infrastructure Director  
Jody Risacher, Library Director  
Joe Utley, Tax Administrator  
Candice White, Clerk to the Board  
Kellie Beam, Deputy Clerk to the Board  
Press

Chairman Faircloth called the special meeting to order and stated the purpose of the meeting is to hear from citizens regarding the FY17 budget. Commissioner Edge provided the invocation followed by the Pledge of Allegiance to the American flag.

1. PUBLIC HEARING ON FY17 BUDGET

Chairman Faircloth called on Amy Cannon, County Manager, who explained the Board of Commissioners' procedures for public hearings.

Candice White, Clerk to the Board, advised there were eight speakers signed up for the public hearing.

This is the duly advertised/noticed public hearing set for this date and time.

Chairman Edge opened the public hearing.

The clerk to the board called the following speakers:

Alizdair Ray – Alizdair stated he has been going to the library for as long as he can remember and he loves the library because of its books, movies, activities and programs. Alizdair stated he was selected as the 2016 N.C. Library Association student ambassador and he will go to Raleigh to advocate for the library.

Angela Ray – Ms. Ray appeared as president of Friends of the Library and spoke to what the library has done for her son, Alizdair. Ms. Ray stated the library is more than books; it is a place where people can go to interact, imagine and explore. Ms. Ray encouraged the Board to continue its funding of the library.

Daniel Montoya – Mr. Montoya did not appear when his name was called.

Terri Thomas – Ms. Thomas, Vision Resource Center Executive Director, asked the Board to reconsider the proposed FY17 budget and include funding for the

Vision Resource Center. Alvin Ricks accompanied Ms. Thomas to the podium and stated she is a participant of the Vision Resource Center, outlined the programs and services provided by the Center and asked the Board to reconsider funding the Center so it can help participants remain independent.

Deborah Mintz/Jean Moore – Ms. Mintz, Arts Council Executive Director, distributed the July 2014-June 2015 annual report and provided highlights to include community events and programs, the Arts Council's support of non-profit agencies and organizations, the value of volunteer services and the new initiatives of municipal seed money allocations and participation in the misdemeanor diversion program. Jean Moore, Arts Council Board of Trustees, accompanied Ms. Mintz to the podium and spoke to the diversity of the Board of Trustees and what it means to her to be a Trustee.

Jim Thomas – Mr. Thomas, Second Harvest Food Bank CEO, stated 64,430 individuals or 1 in 5 residents face food insecurity each year and this year over 11,000 backpacks were distributed to Cumberland County Schools. Mr. Thomas stated the need is great and the impact of the County's support affects the most vulnerable and provides hope. Mr. Thomas stated in his opinion, no one should go hungry. Mr. Thomas thanked the Board for its support.

Dr. Ann T. Newell – Dr. Newell, Pastor of Soul Harvest Apostolic Church, stated the church became a member agency of the Second Harvest Food Bank in 2002 and began serving about 40 families a month; over 1,000 families are now served every month. Dr. Newell outlined services provided by the church and stated the partnership with second Harvest Food Bank is the reason these services can be provided; the food bank also provides referrals the church would not normally have.

Cynthia Wilson – Ms. Wilson, Action Pathways CEO, thanked the Board for their support of food banks which serve as a safety net to the safety net. Ms. Wilson stated food and nutrition services (FNS) for able-bodied adults without dependents or ABAWDs changes July 1, which places severe restrictions on the number of months someone can receive food stamps. Ms. Wilson stated one option for staying on the FNS rolls is to volunteer and some of these individuals can volunteer with the food bank to maintain their eligibility. Ms. Wilson the implementation of the ABAWD program will have an impact on the Department of Social Services and the food bank as resources get stretched for those who need additional help.

There being no further speakers, Chairman Faircloth closed the public hearing.

Chairman Faircloth thanked the speakers and stated the Board of Commissioners will take their comments into consideration.

2. CONSIDERATION OF THE REQUEST OF RAPID CENTERS, LLC FOR THE RELEASE OF THE COUNTY'S REVERSIONARY INTEREST IN THE PROPERTY LOCATED AT 3412 RAMSEY STREET

BACKGROUND:

In May, 2006, the county transferred approximately 70 parcels of land to the hospital corporation. These were all properties being used by the hospital at that time. The deed to the hospital was made subject to a number of conditions and provided that if the hospital failed to comply with any of those conditions, the property would automatically revert to the county. This reversionary interest is an interest in this real property that was retained by the county.

In August, 2006, the hospital deeded the property located at 3412 Ramsey Street, Fayetteville, to Rapid Centers, LLC, which is a private for-profit limited liability company. The property had been used by the hospital as an express care clinic. The hospital's deed to Rapid Centers, LLC, was by special warranty, meaning that the hospital made the deed subject to all matters of record. The county's retained reversionary interest was a matter of record.

Thomas L. Bradford, on behalf of Rapid Centers, LLC, reports to the county attorney that Rapid Centers, LLC, now has a contract to sell the property but cannot do so unless the county releases its reversionary interest. The county attorney advises the Board that the county's reversionary interest does, in fact, impair the marketability of the property. Rapid Centers, LLC, is requesting the county to release its reversionary interest for the sum of \$500. That amount will cover the cost of advertising the sale. Because the reversionary interest is an interest in real property, the sale must be advertised subject to the statutory upset bid process.

In addition, Rapid Centers, LLC, is requesting that this transaction be completed as soon as possible. If the Board wishes to do so, due to the timing of the advertisement, the earliest the Board could finalize this transaction would be June 27, 2016. That would require the Board to hold a special meeting for this purpose.

The county was not involved in the sale to Rapid Centers, LLC, in 2006. The hospital's deed put the buyer on notice that the sale was made subject to all matters of record. The county's reversionary interest was fully set out in the county's deed to the hospital. This issue should have been resolved by the Rapid Centers, LLC, at the time it purchased the property in 2006.

**RECOMMENDATION/PROPOSED ACTION:**

The county attorney recommends that the Board consider the offer and request of Rapid Centers, LLC, and if the Board proposes to accept the offer, resolve that the reversionary interest Cumberland County holds in the described real property is not needed for governmental purposes; direct that it be advertised and sold pursuant to the upset bid process of G. S. § 160A-269; and set the date for the meeting at which the Board may accept the offer. The proposed advertisement follows:

**CUMBERLAND COUNTY BOARD OF COMMISSIONERS  
ADVERTISEMENT OF PROPOSAL TO ACCEPT AN OFFER TO PURCHASE  
A CERTAIN INTEREST IN REAL PROPERTY PURSUANT TO N.C.G.S § 160A-269**

Take notice that the Board of Commissioners finds the reversionary interest Cumberland County holds in the real property owned by Rapid Centers, LLC, located at 3412 Ramsey Street, Fayetteville, is not needed for governmental purposes and proposes to accept an offer to purchase the County's reversionary interest as is fully described in the deed recorded in Deed Book 7225, page 436, Cumberland County Registry, for a purchase price of \$500. Within 10 days of this notice any person may raise the bid by not less than ten percent (10%) of the first one thousand dollars (\$1,000) and five percent (5%) of the remainder by making a five percent (5%) deposit of the bid with the Clerk. This procedure shall be repeated until no further qualifying upset bids are received. The Board of Commissioners may at any time reject any and all offers. Further details may be obtained from the Office of the County Attorney, Suite 551-Courthouse, Fayetteville, NC 28302.

\*\*\*\*\*

Rick Moorefield, County Attorney, reviewed the background information recorded above and stated in an open meeting August 1, 2005, the Board took action to declare the property located at 3412 Ramsey Street surplus and authorized it to be sold for no less than \$350,000 subject to the upset bid process to another company owned by Tommy Bradford, Bradford Investments, LLC. Mr. Moorefield stated he is unable to tell from documents available to him why the transaction did not take place and in May 2006, the County deeded the property to Cumberland County Hospital System, Inc. as part of the transfer of approximately 70 parcels of land with the county retaining a reversionary clause to protect the County's interest. Mr. Moorefield stated conditions were put in place that had to be met in order for the hospital to keep the property and according to the agreement, if the hospital did not keep all the conditions in place, the property reverted back to the County. Mr. Moorefield stated the agreement gave the hospital the authority to sell up to 20% of the assets without the consent of the Board of Commissioners and did not address the County's reversionary interest in any property the hospital sold.

Mr. Moorefield stated in August 2006, the hospital transferred the property to Rapid Centers, LLC, another private for-profit company owned by Tommy Bradford. Mr. Moorefield stated the county's reversionary interest was clearly stated in the deed to the hospital recorded in the Register of Deeds and the County's reversionary interest in the property should have been

addressed when Mr. Bradford's company purchased the property in 2006; however, it was not addressed. Mr. Moorefield stated Mr. Bradford now has an opportunity to sell the property to a third party and the issue has been brought forward with a short timeline because he is trying to meet a deadline for sale of the property. Mr. Moorefield stated in order for Mr. Bradford to sell the property with a clean title, he is requesting that the County release its reversionary interest in the real property and by statute, the only way the County can legally do this is to declare it surplus, which was done on August 1, 2005, and sell the property subject to the upset bid process. Mr. Moorefield stated Mr. Bradford has offered \$500 for the reversionary interest and the advertisement process. Mr. Moorefield stated due to the timing of the advertising and Mr. Bradford's desire to close on the property by the end of June, the Board will need to set a special meeting with the earliest the Board can finalize the transaction being June 27.

Questions and discussion followed. Mr. Moorefield provided further clarification of the transaction and stated although he pieced the situation together as best he could, there is no explanation as to how some of the issues played out. Mr. Moorefield stated the county's reversionary interest clearly impairs the marketability of the property and it is going to take Board action to resolve it.

Commissioner Evans asked Mr. Moorefield for his advice in this matter. Mr. Moorefield stated this is really a political rather than a legal decision but if the Board does release the county's reversionary interest in this property, it needs to do so through the statutory process to insure that the protection of the county's interest that was built into the transfer of the properties to the hospital is not eroded. Mr. Moorefield pointed out that the fact that this property owner was seeking this release demonstrated that the reversionary interest retained by the county did provide the protection of the county's interest that was intended.

Commissioner Adams stated the Board in 2005 made the decision that the property was surplus and for the Board to give up its reversionary interest does not hurt the County. Commissioner Adams stated he felt it was incumbent on the Board to honor the decision made by the Board in 2005 to sell the property subject to the upset bid process and to do so with respect to the interest that had been retained by the county would fulfill that obligation.

MOTION: Commissioner Keefe follow the recommendation of the County Attorney to consider the offer and request of Rapid Centers, LLC, and if the Board proposes to accept the offer, resolve that the reversionary interest Cumberland County holds in the described real property is not needed for governmental purposes; direct that it be advertised and sold pursuant to the upset bid process of G. S. § 160A-269; and set the date for the meeting at which the Board may accept the offer.

SECOND: Commissioner Lancaster

VOTE: PASSED (6-1) (Commissioners Keefe, Edge, Adams, Faircloth, Council, and Lancaster voted in favor; Commissioner Evans voted in opposition)

MOTION: Commissioner Council moved to hold the special meeting at which the Board may accept the offer on Monday, June 27, 2016 at 9:00 a.m. in room 564 of the Cumberland County Courthouse.

SECOND: Commissioner Lancaster

VOTE: UNANIMOUS (7-0)

MOTION: Chairman Faircloth moved to recess the Board of Commissioners' meeting and reconvene the meeting in room 564.

SECOND: Commissioner Adams

VOTE: UNANIMOUS (7-0)

Chairman Faircloth called the reconvened meeting to order.

Ms. Cannon stated at this point in the budget process an adjustment sheet is provided in order to see some of the changes made to the recommended budget. Ms. Cannon stated following

discussions with Russ Rogerson, President of Fayetteville Cumberland County Economic Development Corporation, and Jack Rostetter, Chairman of the Board of Directors for the Fayetteville Cumberland County Economic Development Corporation, they indicated they were revising the FCEDC’s requested budget by removing the 2% COLA and reducing the Fund Balance by \$3,600 for a total decrease of \$12,000. Ms. Cannon stated this equates to a \$6,000 reduction to the County and a \$6,000 reduction to the City.

Ms. Cannon reviewed the adjustments to the recommended budget as recorded below and stated the amendments represent monetary changes to the bottom equaling \$13,000 that will be used to provide \$7,000 in funding for the Vision Resource Center and \$6,000 in funding for the Cumberland County Veterans’ Council subject to the Board’s approval.

ADJUSTMENTS TO THE RECOMMENDED BUDGET - AMENDMENTS					
Department	Type	Original Amount	Revised Amount	Change	Explanation
Fayetteville/Cumberland County Economic Development Corp. (FCEDC)	Expense	390,000	384,000	(6,000)	Removed COLA and decreased Fund Balance (total 12,000)
Animal Control - Misc Furniture & Equipment	Expense	33,356	26,356	(7,000)	Removed expense for washer/dryer unit that was funded during FY2016
Subtotal				(13,000)	
County Manager's Recommendation:					
Vision Resource Center	Expense	0	7,000	7,000	Appropriate funds for new outside agency (requested \$8,000)
CC Veteran's Council	Expense	1,000	7,000	6,000	Increase funding
Subtotal				13,000	
Total Amendments				-	
ADJUSTMENTS TO THE RECOMMENDED BUDGET - TRANSFERS					
Department	Type	Original Amount	Revised Amount	Change	Explanation
Board of Elections - Salaries On-Call	Expense	307,000	282,927	(24,073)	Decreased Salaries On-Call to include recently approved Office/Processing Assistant
Board of Elections - Salaries Full Time & Benefits	Expense	457,555	481,628	24,073	Increased salary and benefits for recently approved Office/Processing Assistant
General Government Other - Miscellaneous	Revenue	0	(344,665)	(344,665)	Moved Foster Care Board revenues from DSS to Special Contingency
Social Services Other - Foster Care Board	Revenue	(4,423,792)	(4,079,127)	344,665	Moved Foster Care Board revenues from DSS to Special Contingency
General Government Other - Contingency Special	Expense	0	778,111	778,111	Moved Foster Care Board expenses from DSS to Special Contingency
Social Services Other - Foster Care Board	Expense	8,561,622	7,783,511	(778,111)	Moved Foster Care Board expenses from DSS to Special Contingency
Fayetteville/Cumberland County Economic Development Corp. (FCEDC)	Expense	395,000	390,000	(5,000)	Decreased transfer to FCEDC due to in-kind adjustment
Fayetteville/Cumberland County Economic Development Corp. (FCEDC)	Revenue	(395,000)	(390,000)	5,000	Decreased transfer to FCEDC due to in-kind adjustment
Total Transfers				-	

Ms. Cannon stated the adjustments to the recommended budget shown as transfers do not change the bottom line and basically move funding from one line item or cost center to another.

The Board commended staff on the budget.

- MOTION:Commissioner Keefe moved to adopt the FY17 Budget Ordinance to include the adjustments to the recommended budget as presented by the County Manager and as set out below.
- SECOND:Commissioner Evans
- VOTE:UNANIMOUS (7-0)

COUNTY OF CUMBERLAND  
FY2017 BUDGET ORDINANCE ADOPTION

June 13, 2016

The Board of County Commissioners hereby adopts and enacts the proposed 2017 fiscal year budget as recommended by the County Manager with amendments incorporated herein as the County of Cumberland’s budget for FY2017 under the following terms and conditions:

- 1.The Budget Ordinance shall govern total dollar departmental appropriations, including multiple organizations within a department, in accordance with the resolution of September 7, 1982.
- 2.The amendments to the County Manager’s recommended budget as approved by the Board of Commissioners are listed on Attachment A and shall include subsequent adjustments approved through June 30 which are required to implement this budget.

3. Attachment B, Adopted Expenditures, sets forth appropriated amounts for each county department. Attachment C, Adopted Revenue, sets forth revenue amounts by source for each fund.
4. Attachment D is a countywide listing of fees charged by county departments. The Board of County Commissioners shall annually approve the fee schedule.
5. The compensation and allowances for the members of the Board of County Commissioners shall be as provided in the annual budget, the details of which are shown in Attachment E, and the terms of which budget are hereby specifically incorporated by reference.
6. The County-Wide Ad Valorem Tax Rate and levy of 74.0 cents per \$100 valuation is hereby adopted.
7. The Special Recreation Tax Rate and levy of 5.0 cents per \$100 valuation is hereby adopted.
8. The Fire Tax District Rates as shown below are hereby adopted and taxes levied:

	<u>Approved Tax Rate Per \$100 Valuation</u>
Beaver Dam Fire District	10 cents
Bethany Fire District	10 cents
Bonnie Doone Fire District	10 cents
Cotton Fire District	10 cents
Cumberland Road Fire District	10 cents
Eastover Fire District	10 cents
Godwin-Falcon Fire District	10 cents
Grays Creek Fire District	10 cents
Lafayette Village Fire District	10 cents
Lake Rim Fire District	10 cents
Manchester Fire District	10 cents
Pearces Mills Fire District	10 cents
Stedman Fire District	10 cents
Stoney Point Fire District	10 cents
Vander Fire District	10 cents
Wade Fire District	10 cents
Westarea Fire District	10 cents
Special Fire Service District	1.25 cents

9. The Cumberland County Board of Education's current expense appropriation is hereby adopted at \$78,729,271. Fayetteville Technical Community College's current expense appropriation is adopted at \$10,627,787.
10. The Fiscal Year 2017 Position Classification and Pay Plan is hereby approved. The County Manager or designee shall be responsible for the administration and maintenance of the position classification plan and shall have authority to create new classifications and reallocate existing classifications within the salary plan for all existing county positions. Positions governed by state personnel are subject to the salary plan for classification purposes. The Board of County Commissioners shall annually approve the classification and salary plan.
11. The FY2017 budget includes a one-time stipend of \$800 for all permanent full-time employees hired before July 1, 2016, and who are on the County's payroll for pay period ending July 23, 2016. Permanent part-time employees hired before July 1, 2016, will receive a pro-rata share of the approved stipend. The FY2017 budget also funds the continuation of a 1% employer contribution to a 401K retirement plan for all employees eligible to participate in the Local Government Employees Retirement System.

12. Unexpended grants and other funds previously approved and budgeted by the Board in FY2016 may be re-budgeted into the FY2017 budget by the Manager.
13. Board approved contingency funds may be appropriated by the Manager within and between departments in the same fund. Any such expenditures shall be reported to the board at its next regular meeting and recorded in the minutes pursuant to N.C. General Statute 159-13 (b)(3).
14. Any shortfalls or other adjustments in revenues or expenditures created by the above adopted budget shall be adjusted by a like amount appropriation from the fund balance of the County of Cumberland or an adjustment to contingency or other line item so that the fiscal year 2017 budget of the County of Cumberland is balanced pursuant to Chapter 159 of the N.C. General Statutes.

This ordinance is adopted the 13<sup>th</sup> day of June 2016.

MOTION: Commissioner Edge moved to adopt the County of Cumberland FY2017 Budget Ordinance recorded above.  
SECOND: Commissioner Council  
VOTE: UNANIMOUS (7-0)

MOTION: Commissioner Evans moved to adjourn.  
SECOND: Commissioner Council  
VOTE: UNANIMOUS (7-0)

There being no further business, the meeting adjourned at 8:15 p.m.

Approved with/without revision:

Respectfully submitted,

---

Candice H. White  
Clerk to the Board