
AGENDA
CUMBERLAND COUNTY BOARD OF COMMISSIONERS
REGULAR AGENDA SESSION
JUDGE E. MAURICE BRASWELL
CUMBERLAND COUNTY COURTHOUSE- ROOM 564
DECEMBER 14, 2023
1:00 PM

INVOCATION- Vice Chairwoman Toni Stewart

PLEDGE OF ALLEGIANCE

1. APPROVAL OF AGENDA
2. PRESENTATIONS
 - A. Fiscal Year 2023 Audit Results
3. CONSIDERATION OF AGENDA ITEMS
 - A. Amendment to Contract to Audit Accounts
 - B. Request for Qualifications (RFQ) for Professional Design Services for Cumberland County Public Water Systems
 - C. Department of Social Services Lease Renewal for Family Visitation Center
 - D. NC Cooperative Extension Memorandum of Agreement
 - E. Changes to the Cumberland County Voluntary Agricultural District Ordinance and Farm Advisory Board Bylaws
4. OTHER ITEMS
5. MONTHLY REPORTS
 - A. Financial Report
 - B. Health Insurance Update
 - C. Project Updates
6. CLOSED SESSION
 - A. Real Property Acquisition Pursuant to NCGS 143-318.11(a)(5)

ADJOURN

AGENDA SESSION MEETINGS:

January 11, 2024 (Thursday) 1:00 PM

February 8, 2024 (Thursday) 1:00 PM

WATCH THE MEETING LIVE

THIS MEETING WILL BE STREAMED LIVE THROUGH THE COUNTY'S WEBSITE, www.cumberlandcountync.gov. LOOK FOR THE LINK AT THE TOP OF THE HOMEPAGE.

THE MEETING WILL ALSO BE BROADCAST LIVE ON CCNC-TV SPECTRUM CHANNEL 5



FINANCE DEPARTMENT

**MEMORANDUM FOR THE AGENDA OF THE DECEMBER 14, 2023
AGENDA SESSION**

TO: BOARD OF COUNTY COMMISSIONERS

FROM: VICKI EVANS, FINANCE DIRECTOR

DATE: 12/4/2023

SUBJECT: FISCAL YEAR 2023 AUDIT RESULTS

Requested by: CLARENCE GRIER, COUNTY MANAGER

Presenter(s): APRIL ADAMS, CPA, CHERRY BEKAERT AUDIT PARTNER AND VICKI EVANS, FINANCE DIRECTOR

BACKGROUND

The fiscal year 2023 audit results will be presented along with a proposed budget ordinance amendment which will transfer funds from the general to the capital investment fund. A presentation during the Monday, December 18, 2023 Board of Commissioners' meeting is also planned.

RECOMMENDATION / PROPOSED ACTION

No action needed. For information and discussion purposes only.



FINANCE DEPARTMENT

MEMORANDUM FOR THE AGENDA OF THE DECEMBER 14, 2023 AGENDA SESSION

TO: BOARD OF COUNTY COMMISSIONERS

FROM: VICKI EVANS, FINANCE DIRECTOR

DATE: 12/7/2023

SUBJECT: AMENDMENT TO CONTRACT TO AUDIT ACCOUNTS

Requested by: CLARENCE GRIER, COUNTY MANAGER

Presenter(s): VICKI EVANS, FINANCE DIRECTOR

BACKGROUND

The Board of Commissioners approved the original Contract to Audit Accounts for fiscal year 2023 on April 17, 2023. The Local Government Commission assigns a report submission due date of October 31 with a grace period for audit submission by December 1. Cumberland County missed the deadline and will submit the report on December 8, 2023. Anytime the December 1 deadline is missed, an amendment to the audit contract extending the date is required.

The primary reason for untimely submission was turnover in Finance Accountant staffing as well as Internal Audit staffing. Two finance accountants relocated and one finance accountant retired and both Internal Audit staff retired while audit work was being completed. That work was absorbed by existing finance staff and one temporary re-hired retiree. Other reasons that led to the delay was Cherry Bekaert staffing and the untimely completion of the FACVB audit.

Cherry Bekaert has provided the attached Amendment to Contract to Audit Accounts.

RECOMMENDATION / PROPOSED ACTION

Staff recommend the following action be placed on the December 18, 2023 Board of Commissioners Consent Agenda:

Approve the Amendment to Contract to Audit Accounts for fiscal year 2023 by extending the submission date to December 8, 2023.

ATTACHMENTS:

Description

Type

Amendment to Contract to Audit Accounts

Backup Material

Whereas	Primary Government Unit Cumberland County, North Carolina
and	Discretely Presented Component Unit (DPCU) (if applicable) Cumberland County Tourism Development Authority
and	Auditor Cherry Bekaert LLP

entered into a contract in which the Auditor agreed to audit the accounts of the Primary Government Unit and DPCU (if applicable)

for	Fiscal Year Ending 06/30/23	and originally to be submitted to the LGC on	Date 10/31/23
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hereby agree that it is now necessary that the contract be modified as follows.

<input checked="" type="checkbox"/> Modification to date submitted to LGC	Original date 10/31/23	Modified date 12/08/23
<input type="checkbox"/> Modification to fee	Original fee	Modified fee

Primary Other
(choose 1)(choose 0-2)

Reason(s) for Contract Amendment

- | | | |
|-----------------------|-------------------------------------|--|
| <input type="radio"/> | <input type="checkbox"/> | Change in scope |
| <input type="radio"/> | <input type="checkbox"/> | Issue with unit staff/turnover |
| <input type="radio"/> | <input checked="" type="checkbox"/> | Issue with auditor staff/workload |
| <input type="radio"/> | <input type="checkbox"/> | Third-party financial statements not prepared by agreed-upon date |
| <input type="radio"/> | <input type="checkbox"/> | Unit did not have bank reconciliations complete for the audit period |
| <input type="radio"/> | <input type="checkbox"/> | Unit did not have reconciliations between subsidiary ledgers and general ledger complete |
| <input type="radio"/> | <input type="checkbox"/> | Unit did not post previous years adjusting journal entries resulting in incorrect beginning balances in the general ledger |
| <input type="radio"/> | <input type="checkbox"/> | Unit did not have information required for audit complete by the agreed-upon time |
| <input type="radio"/> | <input checked="" type="checkbox"/> | Delay in component unit reports |
| <input type="radio"/> | <input type="checkbox"/> | Software - implementation issue |
| <input type="radio"/> | <input type="checkbox"/> | Software - system failure |
| <input type="radio"/> | <input type="checkbox"/> | Software - ransomware/cyberattack |
| <input type="radio"/> | <input type="checkbox"/> | Natural or other disaster |
| <input type="radio"/> | <input type="checkbox"/> | Other (please explain) |

Plan to Prevent Future Late Submissions

If the amendment is submitted to modify the date the audit will be submitted to the LGC, please indicate the steps the unit and auditor will take to prevent late filing of audits in subsequent years. Audits are due to the LGC four months after fiscal year end. Indicate NA if this is an amendment due to a change in cost only.

County and auditor will continue to work together towards a schedule of work that allows for timely submission.


Additional Information

Please provide any additional explanation or details regarding the contract modification.

By their signatures on the following pages, the Auditor, the Primary Government Unit, and the DPCU (if applicable), agree to these modified terms.

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* Cherry Bekaert LLP	
Authorized Firm Representative* (typed or printed) April Adams	Signature* 
Date* 12/07/23	Email Address aadams@cbh.com

GOVERNMENTAL UNIT

Governmental Unit* Cumberland County, North Carolina	
Date Primary Government Unit Governing Board Approved Amended Audit Contract* (If required by governing board policy)	
Mayor/Chairperson* (typed or printed) Glenn Adams	Signature*
Date	Email Address gadams@cumberlandcountync.gov

Chair of Audit Committee (typed or printed, or "NA") Dr. Jeannette M. Council	Signature
Date	Email Address jcouncil@cumberlandcountync.gov

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

ONLY REQUIRED IF FEES ARE MODIFIED IN THE AMENDED CONTRACT

(Pre-audit certificate not required for hospitals)

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Primary Governmental Unit Finance Officer* NCN - modified submission date only	Signature*
Date of Pre-Audit Certificate*	Email Address*

SIGNATURE PAGE – DPCU
(complete only if applicable)

DISCRETELY PRESENTED COMPONENT UNIT

DPCU Cumberland County Tourism Development Authority	
Date DPCU Governing Board Approved Amended Audit Contract (If required by governing board policy)	
DPCU Chairperson (typed or printed) Vivek Tandon	Signature
Date	Email Address vivckt@trinityncsc.com

Chair of Audit Committee (typed or printed, or "NA") n/a	Signature
Date	Email Address

DPCU – PRE-AUDIT CERTIFICATE

ONLY REQUIRED IF FEES ARE MODIFIED IN THE AMENDED CONTRACT

(Pre-audit certificate not required for hospitals)

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

DPCU Finance Officer (typed or printed) n/a	Signature
Date of Pre-Audit Certificate	Email Address



SOLID WASTE MANAGEMENT

MEMORANDUM FOR THE AGENDA OF THE DECEMBER 14, 2023 AGENDA SESSION

TO: BOARD OF COUNTY COMMISSIONERS

FROM: AMANDA L. BADER, PE, GENERAL MANAGER FOR NATURAL RESOURCES

DATE: 12/6/2023

SUBJECT: REQUEST FOR QUALIFICATIONS (RFQ) FOR PROFESSIONAL DESIGN SERVICES FOR CUMBERLAND COUNTY PUBLIC WATER SYSTEMS

Requested by: CLARENCE GRIER, COUNTY MANAGER

Presenter(s): AMANDA L. BADER, PE, GENERAL MANAGER FOR NATURAL RESOURCES

BACKGROUND

On November 16, 2023, the Public Utilities Division of the Engineering and Infrastructure Department advertised a Request for Qualifications from qualified engineering firms that provide services for the development and construction of public water systems within Cumberland County. The County is seeking a qualified consultant to encompass all aspects of developing and constructing the infrastructure to obtain surface water and/or groundwater source water, treatment, and delivery through new public water systems. These services may or will include assistance with applications to Federal and/or State agencies for funding, public outreach, hydraulic modeling, water treatability studies, negotiation of water purchase agreements, design, permitting, bidding, assistance with negotiating construction contracts, construction contract administration, construction observation, and project administration.

The firm selected would assist the County with development of a water system in southern Cumberland County to address groundwater contamination. The anticipated water source for this project is groundwater with treatment. The services to be provided for this initial project will include the development of the

groundwater supply wells and the design of the system for treatment, storage, and water main construction standards.

Firms had until December 1, 2023, to submit their Statement of Qualifications. There were two firms that responded, McGill Associates, P.A. and HDR Engineering, Inc of the Carolinas. Staff reviewed the submittals and agreed that HDR is the best qualified to be selected for Professional Design Services for Cumberland County Public Water Systems.

RECOMMENDATION / PROPOSED ACTION

The Public Utilities Division, General Manager for Natural Resources and County Management recommends that the proposed actions below be placed on the December 14, 2023, Board of Commissioners agenda as consent items:

1. Accept the selection of HDR Engineering, Inc. of the Carolinas as the best qualified firm for Professional Design Services for Cumberland County Public Water Systems.
2. Grant permission to enter negotiations for detailed scope of work, cost of services and prepare contract for approval at a future Board of Commissioners meeting.

ATTACHMENTS:

Description	Type
Summary Evaluation Design Services RFQ	Backup Material

Evaluation Sheet - Engineering Services - Professional Design Services
Total Max Points (Per Vendor) 100

Summary Sheet

Vendors	Firm Qualifications	Relevant Experience	Project Approach including Schedule	Project Team Qualifications	Firm References	Total	Notes *Additional Notes Below*
	20 Points Max	25 points Max	15 Points Max	25 Points Max	15 Points Max		
McGill	19.5	24.25	14.25	22.25	14.25	95	
HDR	20	24.75	15	25	15	99.75	

Additional Notes

*If additonal space is needed for notes, see attached

Vendors

[illegible]



DEPARTMENT OF SOCIAL SERVICES

**MEMORANDUM FOR THE AGENDA OF THE DECEMBER 14, 2023
AGENDA SESSION**

TO: BOARD OF COUNTY COMMISSIONERS

FROM: BRENDA REID JACKSON, SOCIAL SERVICES DIRECTOR

DATE: 12/14/2023

**SUBJECT: DEPARTMENT OF SOCIAL SERVICES LEASE RENEWAL FOR
FAMILY VISITATION CENTER**

Requested by: CLARENCE GRIER, COUNTY MANAGER

Presenter(s): DONNIE PERRY, SOCIAL SERVICES DIVISION DIRECTOR

BACKGROUND

On December 9, 2021 approval was obtained from the Board of County Commissioners to lease property at 2504 Raeford Road, Fayetteville, NC to serve as a family visitation center including office space to allow parents, siblings and other relatives to visit children in foster care in a family-friendly location. The current two-year lease expires December 31, 2023.

The terms of the initial lease changed due to new ownership of the property from Weeks Rental Properties, LLC to Northwest Valley Office Plaza, LLC with local management with Grant-Murray Property Management, LLC. Also, the annual rental cost reflects an increase from \$20,400.00 (\$1,700 a month) to \$22,800 (\$1,900 a month). Funds were budgeted for FY24 in anticipation of the rental cost increase. The proposed two-year lease agreement renewal under the new property owners has been reviewed and signed off for legal sufficiency by the County Legal Department.

RECOMMENDATION / PROPOSED ACTION

The Social Services Director recommends that the proposed action below be placed on the December 18, 2023 Board of Commissioners meeting consent agenda:

- Consideration of approval of the lease renewal agreement under the new property owners, Northwest Valley Office Plaza, LLC, for two years at a total annual cost of \$22,800 payable in equal installments of \$1,900 a month for family visitation center including office space effective January 1, 2024.

ATTACHMENTS:

Description	Type
Commerical Lease Northwest Valley Office Plaza LLC	Backup Material



COMMERCIAL LEASE AGREEMENT
(Multi-Tenant Facility)

(Note: This form is not intended to be used as a Sublease and SHOULD NOT be used in Sublease circumstances)

THIS COMMERCIAL LEASE AGREEMENT, including any and all addenda attached hereto ("Lease"), is by and between
Northwest Valley Office Plaza, LLC,

a(n) _____ ("Landlord"),

(individual or State of formation and type of entity)

whose address is 3559 Mt. Diablo Blvd #36, Lafayette, CA 95459, and

County of Cumberland/Cumberland County Department of Social Services,

a(n) _____ ("Tenant").

(individual or State of formation and type of entity)

whose address is 1225 Ramsey St., Fayetteville, NC 28301

☐ If this box is checked, the obligations of Tenant under this Lease are secured by the guaranty of _____
(name(s) of guarantor(s)) attached hereto and incorporated herein by reference.

(Note: Attach Guaranty Agreement (Form 595-T) or attorney-drafted guaranty.)

For and in consideration of the mutual promises set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

PREMISES/PROPERTY

(Note: In this Section, Premises is the actual space being leased and Property is the broader site/location of the Premises.)

1. (a) Landlord leases unto Tenant, and Tenant hereby leases and takes upon the terms and conditions which hereinafter appear, those certain premises depicted on **Exhibit A** attached hereto and incorporated herein by reference (hereinafter called the "Premises"), which is a part of a building or buildings located at the Property (defined below).

The address of the Premises is:

(Address): 2504 Raeform Rd., Fayetteville, NC 28305-5294

(b) The Premises is located at the following described property ("Property"):

(Address): Suite C, Approximately 1753 square feet

Plat Reference: Lot(s) _____, Block or Section _____, as shown on Plat Book or Slide
_____ at Page(s) _____, _____ County, consisting of _____ acres.

☐ If this box is checked, Property shall mean that property described on **Exhibit B** attached hereto and incorporated herewith by reference.

(For information purposes: (i) the tax parcel number of the Property is: a portion of 0427-41-5920; and, (ii) some or all of the Property is described in Deed Book 10473, Page No. 594, Cumberland County.)

All facilities furnished at the Property and designated for the general use, in common, of occupants of the Property and their invitees, agents or employees, including Tenant hereunder, including but not limited to parking areas, streets, driveways, sidewalks, canopies, roadways, loading platforms, shelters, ramps, landscaped areas, exterior water faucets, irrigation systems, exterior lighting fixtures, signs and other facilities whether of a similar or dissimilar nature ("Common Areas") shall at all times be subject to the exclusive control and management of Landlord, and Landlord shall have the right from time to time to change the area, level, location and

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 North Carolina Association of REALTORS®, Inc.
REALTOR® Tenant Initials [Signature] Landlord Initials SS



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arrangement of the Common Areas and to restrict parking by tenants and their employees to employee parking areas, to make Rules and Regulations (as herein defined) and do such things from time to time as in Landlord's reasonable discretion may be necessary regarding the Common Areas.

Tenant shall also have a non-exclusive right, in common with other tenants at the Property, to the use of the Common Areas at the Property, subject to the terms hereof.

☐ **Occupancy Limitation:** If this box is checked, notwithstanding any greater occupancy of the Premises which may be permitted by any law, statute, ordinance, regulation, rule (including rules enacted pursuant to any private use restrictions), as the same may be amended from time to time, Tenant shall not allow occupancy of the Premises to exceed _____ persons per _____ square feet in the Premises at any one time.

TERM

2. The term of this Lease shall commence on January 1, 2024 ("Lease Commencement Date"), and shall end at 11:59 p.m. (based upon the time at the locale of the Premises) on December 31, 2025, unless sooner terminated as herein provided. The first Lease Year Anniversary shall be the date twelve (12) calendar months after the first day of the first full month immediately following the Lease Commencement Date and successive Lease Year Anniversaries shall be the date twelve (12) calendar months from the previous Lease Year Anniversary.

☐ If this box is checked, Tenant shall have the option of renewing this Lease, upon written notice given to Landlord at least _____ days prior to the end of the then expiring term of this Lease, for _____ additional term(s) of _____ years each.

☐ If this box is checked, Tenant shall have the option of renewing this Lease, upon written notice given to Landlord at least _____ days prior to the end of the then expiring term of this Lease, for additional term(s) as specified on **Exhibit C**.

☐ **Option to Lease-** If this box is checked, Tenant, upon the payment of the sum of \$ _____ (which sum is not rental or security deposit hereunder, but is consideration for this Option to Lease and is non-refundable under any circumstances) shall have a period of _____ days prior to the Lease Commencement Date ("Option Period") in which to inspect the Premises and make inquiry regarding such sign regulations, zoning regulations, utility availability, private restrictions or permits or other regulatory requirements as Tenant may deem appropriate to satisfy itself as to the use of the Premises for Tenant's intended purposes. Tenant shall conduct all such on-site inspections, examinations, inquiries and other review of the Premises in a good and workmanlike manner, shall repair any damage to the Premises caused by Tenant's entry and on-site inspections and shall conduct same in a manner that does not unreasonably interfere with Landlord's or any tenant's use and enjoyment of the Property. In that respect, Tenant shall make reasonable efforts to undertake on-site inspections outside of the hours any tenant's business is open to the public and shall give prior notice to the tenant at the Premises of any entry onto the Premises for the purpose of conducting inspections. Upon Landlord's request, Tenant shall provide to Landlord evidence of general liability insurance. Tenant shall also have a right to review and inspect all contracts or other agreements affecting or related directly to the Premises and shall be entitled to review such books and records of Landlord that relate directly to the operation and maintenance of the Premises, provided, however, that Tenant shall not disclose any information regarding the Property (or any tenant therein) unless required by law and the same shall be regarded as confidential, to any person, except to its attorneys, accountants, lenders and other professional advisors, in which case Tenant shall obtain their agreement to maintain such confidentiality. Tenant assumes all responsibility for the acts of itself, its agents or representatives in exercising its rights under this Option to Lease and agrees to indemnify and hold Seller harmless from any damages resulting therefrom. This indemnification obligation of Tenant shall survive the termination of this Option to Lease or this Lease. Tenant shall, at Tenant's expense, promptly repair any damage to the Premises or Property caused by Tenant's entry and on-site inspections. **IF TENANT CHOOSES NOT TO LEASE THE PREMISES, FOR ANY REASON OR NO REASON, AND PROVIDES WRITTEN NOTICE TO LANDLORD THEREOF PRIOR TO THE EXPIRATION OF THE OPTION PERIOD, THEN THIS LEASE SHALL TERMINATE AND NEITHER PARTY SHALL HAVE ANY FURTHER OBLIGATIONS HEREUNDER AND LANDLORD SHALL RETURN TO TENANT ANY RENTAL OR SECURITY DEPOSIT PAID TO LANDLORD HEREUNDER.** Tenant shall be deemed to have exercised its Option to Lease and to be bound under the terms of this Lease if (i) Tenant shall occupy the Premises prior to the expiration of the Option Period, whereupon the date of occupancy shall be deemed the Lease Commencement Date, or (ii) Tenant shall not provide written notice to Landlord of its termination of this Lease prior to the expiration of the Option Period.

RENTAL

3. Beginning on January 1, 2024 ("Rent Commencement Date"), Tenant agrees to pay Landlord (or its Agent as directed by Landlord), without notice, demand, deduction or set off, an annual rental of \$ 22,800.00, payable in equal monthly installments of \$ 1,900.00, in advance on the first day of each calendar month during the term hereof. Upon execution of this Lease, Tenant shall pay to Landlord the first monthly installment of rent due hereunder. Rental for any period during the term hereof which is less than one month shall be the pro-rated portion of the monthly installment of rental due, based upon a 30 day month.

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Tenant Initials

[Handwritten Signature]

Landlord Initials

DS
SS

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☐ If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every _____ Lease Year Anniversary by _____ % over the amount then payable hereunder. In the event renewal of this Lease is provided for in Section 2 hereof and effectively exercised by Tenant, the rental adjustments provided herein shall apply to the term of the Lease so renewed, or

☐ If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every _____ Lease Year Anniversary by the greater of: (i) _____ percent (_____ %) over the amount then payable hereunder, or, (ii) the percentage increase (but not any decrease) in the numerical index of the "Consumer Price Index for All Urban Consumers" (1982-84 = 100) published by the Bureau of Labor Statistics of the United States Department of Labor ("CPI") for the immediately preceding twelve (12) month period over the amount then payable hereunder.

☐ If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted every _____ Lease Year Anniversary by \$ _____ over the amount then payable hereunder. In the event renewal of this Lease is provided for in Section 2 hereof and effectively exercised by Tenant, the rental adjustments provided herein shall apply to the term of the Lease so renewed,

☐ If this box is checked, the annual rental payable hereunder (and accordingly the monthly installments) shall be adjusted as provided on Exhibit C.

☒ If this box is checked, Tenant shall pay all rental to Landlord's Agent at the following address:
Grant Murray Property Management, LLC, 150 N. McPherson Church Rd., Fayetteville, NC 28303

LATE CHARGES

4. If Landlord fails to receive full rental payment within _____ 5 _____ days after it becomes due, Tenant shall pay Landlord, as additional rental, a late charge equal to _____ Five Point Zero _____ percent _____ 5.000 _____ (%) of the overdue amount or \$ _____ whichever is greater, plus any actual bank fees incurred for dishonored payments. The parties agree that such a late charge represents a fair and reasonable estimate of the cost Landlord will incur by reason of such late payment.

SECURITY DEPOSIT

5. Upon the execution of this Lease, Tenant shall deposit with Landlord the sum of \$ 1700.00 as a security deposit which shall be held by Landlord as security for the full and faithful performance by Tenant of each and every term, covenant and condition of this Lease. The security deposit does not represent payment of and Tenant shall not presume application of same as payment of the last monthly installment of rental due under this Lease. Landlord shall have no obligation to segregate or otherwise account for the security deposit except as provided in this Section 5. If any of the rental or other charges or sums payable by Tenant shall be over-due and unpaid or should payments be made by Landlord on behalf of Tenant, or should Tenant fail to perform any of the terms of this Lease, then Landlord may, at its option, appropriate and apply the security deposit, or so much thereof as may be necessary, to compensate toward the payment of the rents, charges or other sums due from Tenant, or towards any loss, damage or expense sustained by Landlord resulting from such default on the part of the Tenant; and in such event Tenant upon demand shall restore the security deposit to the amount set forth above in this Section 5. In the event Tenant furnishes Landlord with proof that all utility bills and other bills of Tenant related to the Premises have been paid through the date of Lease termination, and performs all of Tenant's other obligations under this Lease, the security deposit shall be returned to Tenant within sixty (60) days after the date of the expiration or sooner termination of the term of this Lease and the surrender of the Premises by Tenant in compliance with the provisions of this Lease.

☒ If this box is checked, Agent shall hold the security deposit in trust and shall be entitled to the interest, if any, thereon.

UTILITY BILLS/SERVICE CONTRACTS

6. Landlord and Tenant agree that utility bills and service contracts ("Service Obligations") for the Premises shall be paid by the party indicated below as to each Service Obligation. Where a Service Obligation is allocated to Tenant, Tenant shall not be responsible for such service as to any Common Area and such responsibility shall be limited to the Premises (Tenant space). In each instance, the party undertaking responsibility for payment of a Service Obligation covenants that they will pay the applicable bills prior to delinquency. The responsibility to pay for a Service Obligation shall include all metering, hook-up fees or other miscellaneous charges associated with establishing, installing and maintaining such utility or contract in said party's name. Within thirty (30) days of the Lease Commencement Date, Tenant shall provide Landlord with a copy of any requested Tenant Service Obligation information.

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Tenant Initials BJ / m Landlord Initials DS

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<u>Service Obligation</u>	<u>Landlord</u>	<u>Tenant</u>	<u>Not Applicable</u>
Sewer/Septic	X		
Water	X		
Electric	X		
Gas			X
Telephone		X	
HVAC (maintenance/service contract)	X		
Elevator (including phone line)			X
Security System		X	
Fiber Optic			X
Janitor/Cleaning	X		
Trash/Dumpster	X		
Landscaping/Maintenance	X		
Sprinkler System (including phone line)			X
Pest Control	X		
Snow/Ice Removal	X		
Tenant cleans own office		X	
Tenant responsible for plumbing within own office		X	

Landlord shall not be liable for injury to Tenant's business or loss of income therefrom or for damage that may be sustained by the person, merchandise or personal property of Tenant, its employees, agents, invitees or contractors or any other person in or about the Premises, caused by or resulting from fire, steam, electricity, gas, water or rain, which may leak or flow from or into any part of the Premises, or from the breakage, leakage, obstruction or other defects of any utility installations, air conditioning system or other components of the Premises or the Property, except to the extent that such damage or loss is caused by Landlord's gross negligence or willful misconduct. Landlord represents and warrants that the heating, ventilation and air conditioning system(s) and utility installations existing as of the Lease Commencement Date shall be in good order and repair. Subject to the provisions of this Section 6, Landlord shall not be liable in damages or otherwise for any discontinuance, failure or interruption of service to the Premises of utilities or the heating, ventilation and air conditioning system(s) and Tenant shall have no right to terminate this Lease or withhold rental because of the same.

RULES AND REGULATIONS

7. ☐ If this box is checked, the rules and regulations attached hereto ("Rules and Regulations") are made a part of this Lease. Tenant agrees to comply with all Rules and Regulations of Landlord in connection with the Premises and the Property which are in effect at the time of the execution of the Lease or which may be from time to time promulgated by Landlord in its reasonable discretion, provided notice of such new Rules and Regulations is given to Tenant in writing and the same are not in conflict with the terms and conditions of this Lease. Landlord shall use commercially reasonable efforts to enforce such Rules and Regulations at the Property, provided, however, in no event shall Landlord be obligated to make any material expenditures in connection with the enforcement of such Rules and Regulations. Landlord shall not be liable for any damages arising from any use, act or failure to act of any other tenant or occupant (including such tenant's or occupant's invitees, agents or employees), if any, of the Property.

PERMITTED USES

8. The permitted use of the Premises shall be: Visitation facility and office use ("Permitted Use"). The Premises shall be used and wholly occupied by Tenant solely for the purposes of conducting the Permitted Use, and the Premises shall not be used for any other purposes unless Tenant obtains Landlord's prior written approval of any change in use.

Landlord makes no representation or warranty regarding the suitability of the Premises for or the legality (under zoning or other applicable ordinances) of the Permitted Use for the Premises, provided however, that Landlord does represent that it has no contractual obligations with other parties which will materially interfere with or prohibit the Permitted Use of Tenant at the Premises. At Tenant's sole expense, Tenant shall procure, maintain and make available for Landlord's inspection from time to time any governmental license(s) or permit(s) required for the proper and lawful conduct of Tenant's business in the Premises.

Tenant Initials SD/csw Landlord Initials SS

Tenant shall not cause or permit any waste to occur in the Premises and shall not overload the floor, or any mechanical, electrical, plumbing or utility systems serving the Premises. Tenant shall keep the Premises, and every part thereof, in a clean and wholesome condition, free from any objectionable noises, loud music, objectionable odors or nuisances.

TAXES, INSURANCE AND COMMON AREA AND PROPERTY OPERATING EXPENSES

(Note: The following box should only be checked if there are no boxes checked below in Section 9.)

☒ Tenant shall have no responsibility to reimburse Landlord for taxes, insurance or Common Areas and Property Operating Expenses.

9. Landlord shall pay all taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Property, shall procure and pay for such commercial general liability, broad form fire and extended and special perils insurance with respect to the Property as Landlord in its reasonable discretion may deem appropriate and shall maintain and operate the Common Areas and the Property. Tenant shall reimburse Landlord for its proportionate share of all taxes, insurance and Common Areas and Property Operating Expenses as provided herein within fifteen (15) days after receipt of notice from Landlord as to the amount due. Tenant shall be solely responsible for insuring Tenant's personal and business property and for paying any taxes or governmental assessments levied thereon. Tenant shall reimburse Landlord for its proportionate share of taxes, insurance and Common Areas and Property Operating Expenses during the term of this Lease, and any extension or renewal thereof. **If boxes are checked below, the manner of reimbursement shall be as indicated:**

Taxes

☐ Its proportionate share of the amount by which all taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Property for each tax year exceed all taxes on the Property for the tax year _____; or

☐ Its proportionate share of all taxes (including but not limited to, ad valorem taxes, special assessments and any other governmental charges) on the Property for each tax year.

If one of the two boxes above is checked, then if the final Lease Year of the term fails to coincide with the tax year, any excess for the tax year during which the term ends shall be reduced by the pro rata part of such tax year beyond the Lease term. If such taxes for the year in which the Lease terminates are not ascertainable before payment of the last month's rental, then the amount of such taxes assessed against the Property for the previous tax year shall be used as a basis for determining the pro rata share, if any, to be paid by Tenant for that portion of the last Lease Year.

If one of the two boxes above is checked, Tenant shall reimburse Landlord for its proportionate share of taxes by paying to Landlord, beginning on the Rent Commencement Date and on the first day of each calendar month during the term hereof, an amount equal to one-twelfth (1/12) of its proportionate share of the then current tax payments for the Property. Upon receipt of bills, statements or other evidence of taxes due, Landlord shall pay or cause to be paid the taxes. If at any time the reimbursement payments by Tenant hereunder do not equal its proportionate share of the amount of taxes paid by Landlord, Tenant shall upon demand pay to Landlord an amount equal to the deficiency or Landlord shall refund to Tenant any overpayment (as applicable) as documented by Landlord. Landlord shall have no obligation to segregate or otherwise account for the tax reimbursements paid hereunder except as provided in this Section 9.

Insurance

☐ Its proportionate share of the excess cost of commercial general liability, broad form fire and extended and special perils insurance with respect to the Property over the cost of the first year of the Lease term for each subsequent year during the term of this Lease; or

☐ Its proportionate share of the cost of all commercial general liability, broad form fire and extended and special perils insurance with respect to the Property.

If one of the two boxes above is checked, Tenant shall reimburse Landlord for its proportionate share of insurance by paying to Landlord, beginning on the Rent Commencement Date and on the first day of each calendar month during the term hereof, an amount equal to one-twelfth (1/12) of its proportionate share of the then current insurance premiums for the Property. Upon receipt of bills, statements or other evidence of insurance premiums due, Landlord shall pay or cause to be paid the insurance premiums. If at any time the reimbursement payments by Tenant hereunder do not equal its proportionate share of the amount of insurance premiums paid by Landlord, Tenant shall upon demand pay to Landlord an amount equal to the deficiency or Landlord shall refund to Tenant any

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overpayment (as applicable) as documented by Landlord. Landlord shall have no obligation to segregate or otherwise account for the insurance premium reimbursements paid hereunder except as provided in this Section 9.

Provided however, notwithstanding any provision of the foregoing, that in the event Tenant's use of the Premises results in an increase in the rate of insurance on the Property, Tenant shall pay to Landlord, upon demand and as additional rental, the amount of any such increase.

Common Areas and Property Operating Expenses

☐ Its proportionate share of all Common Areas and Property Operating Expenses.

For the purpose of this Lease, Common Areas and Property Operating Expenses shall include: (a) the cost of water and sewer services for any exterior landscaping irrigation systems; (b) the cost of utilities to service the Property (not separately metered to tenants and regardless of their allocation to Landlord under Section 6 hereof) including but not limited to, electric service for any parking lot lighting, marquee signs, ground signs, pylon signs, time clocks, irrigation systems, common electric outlets used in connection with maintenance of the Property, and such other electric costs, including the replacement of light bulbs in Common Areas light fixtures as necessary to properly maintain and operate the Common Areas; (c) the cost of the removal of any trash, including the rental cost of dumpster units and fees for refuse removal; (d) the cost of exterior window washing of vacant spaces, cleaning of any building exterior, awnings, sidewalks, driveways and parking areas; (e) the cost of any grounds maintenance, including but not limited to charges for maintaining plant materials, fertilizer, pesticides, grass mowing, pruning of plants, planting of annual flowers, removal of debris and trash from Common Areas, cleaning supplies, and such other expenses necessary to maintain the Property; (f) the cost of service contracts with independent contractors to maintain on a regular basis the plumbing systems outside the rentable areas of each tenant, and to provide for pest control and exterminating services for the Common Areas; (g) the cost of maintaining the parking areas and driveways, including the re-striping of parking spaces, patching of deteriorated pavement, replacement of parking signs or directional signs; (h) the cost of Landlord's personnel when such personnel are engaged directly in the maintenance of the Common Areas of the Property, including the cost of employer taxes and a proration of employee benefits; (i) the cost of snow and ice removal from parking areas, driveways, walkways and service areas; (j) the cost of telephone, telegraph, stationery, advertising, and mail or shipping costs related directly to the maintenance or operation of the Property; (k) the cost of all repairs and maintenance for the structure, Property and systems related thereto; and (l) such other costs and expenses as are typically incurred in the maintenance and operation of a property of this type, inclusive of a management fee paid by Landlord to a property manager or property management company or organization for the management of the Property and any owner association dues or assessments. Within one hundred eighty (180) days following the end of each calendar year, Landlord shall cause a statement to be prepared of the actual cost of Common Areas and Property Operating Expenses for such calendar year and shall provide Tenant a copy of same. Tenant's proportionate share of Common Areas and Property Operating Expenses is presently estimated to be the sum of \$ _____ annually or \$ _____ per month.

If the box above is checked, Tenant shall reimburse Landlord for its proportionate share of Common Areas and Property Operating Expenses by paying to Landlord, beginning on the Rent Commencement Date and on the first day of each calendar month during the term hereof, the amount set forth above as the presently estimated per month proportionate share of Common Areas and Property Operating Expenses for the Premises. Landlord shall pay or cause to be paid the Common Areas and Property Operating Expenses. Within one hundred eighty (180) days following the end of each calendar year, Landlord shall: (i) cause a statement to be prepared of the actual cost of Common Areas and Property Operating Expenses for such calendar year and shall notify Tenant of any overpayment or underpayment of Tenant's proportionate share of these items during such prior calendar year; and, (ii) establish an estimate of the cost of Common Areas and Property Operating Expenses for the then current calendar year. To the extent Tenant has overpaid Tenant's proportionate share of these items for the preceding calendar year, such overage shall be credited to Tenant's proportionate share of these items for the current calendar year. To the extent Tenant has underpaid Tenant's proportionate share of these items for the preceding calendar year, Tenant shall, on the first day of the calendar month following receipt of the statement from Landlord setting forth the amount of such underpayment, pay to Landlord the full amount of such underpayment for the preceding calendar year. In addition, beginning on the first day of the calendar month following the date upon which Landlord shall have delivered to Tenant the statement for the estimated Common Areas and Property Operating Expenses for the then current calendar year, Tenant shall pay to Landlord the product of one-twelfth (1/12) of Tenant's proportionate share of the estimated Common Areas and Property Operating Expenses for the then current calendar year multiplied by the number of calendar months in the calendar year which shall have begun as of said first day, minus the aggregate amount of the monthly payments for Tenant's proportionate share of expenses theretofore paid by Tenant during such calendar year. The remainder of Tenant's proportionate share of such expenses for the then current calendar year shall be paid by Tenant to Landlord on the first day of each succeeding month in equal consecutive monthly installments of one-twelfth (1/12) of the total amount of Tenant's proportionate share of Common Areas and Property Operating Expenses as shown on the estimate thereof provided by Landlord. Landlord shall have no obligation to segregate or otherwise account for the insurance premium reimbursements paid hereunder except as provided in this Section 9.

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Tenant's Proportionate Share

For purposes of this Section 9, "Tenant's proportionate share" shall mean _____ % of the expenses above designated; the beginning amount is estimated to be \$ _____ per month, based on current expenses and is subject to annual reconciliation.

INSURANCE; WAIVER, INDEMNITY

10. (a) During the term of this Lease, Tenant shall maintain commercial general liability insurance coverage (occurrence coverage) with broad form contractual liability coverage and with coverage limits of not less than 1,000,000 combined single limit, per occurrence, specifically including liquor liability insurance covering consumption of alcoholic beverages by customers of Tenant should Tenant choose to sell alcoholic beverages. Such policy shall insure Tenant's performance of the indemnity provisions of this Lease, but the amount of such insurance shall not limit Tenant's liability nor relieve Tenant of any obligation hereunder. All policies of insurance provided for herein shall name as "additional insureds" Landlord, Landlord's Agent, all mortgagees of Landlord and such other individuals or entities as Landlord may from time to time designate upon written notice to Tenant. Tenant shall provide to Landlord, at least thirty (30) days prior to expiration, certificates of insurance to evidence any renewal or additional insurance procured by Tenant. Tenant shall provide evidence of all insurance required under this Lease to Landlord prior to the Lease Commencement Date.

~~(b) Landlord (for itself and its insurer) waives any rights, including rights of subrogation, and Tenant (for itself and its insurer) waives any rights, including rights of subrogation, each may have against the other for compensation of any loss or damage occasioned to Landlord or Tenant arising from any risk generally covered by the "all risks" insurance required to be carried by Landlord and Tenant. The foregoing waivers of subrogation shall be operative only so long as available in the State of North Carolina. The foregoing waivers shall be effective whether or not the parties maintain the insurance required to be carried pursuant to this Lease.~~

~~(c) Except as otherwise provided in Section 10(b), Tenant indemnifies Landlord for damages proximately caused by the negligence or wrongful conduct of Tenant and Tenant's employees, agents, invitees or contractors. Except as otherwise provided in Section 10(b), Landlord indemnifies Tenant for damages proximately caused by the negligence or wrongful conduct of Landlord and Landlord's employees, agents, invitees or contractors. The indemnity provisions in this Section 10 cover personal injury and property damage and shall bind the employees, agents, invitees or contractors of Landlord and Tenant (as the case may be). The indemnity obligations in this Section 10 shall survive the expiration or earlier termination of this Lease.~~

REPAIRS BY LANDLORD

11. Landlord agrees to keep in good repair the roof, foundation, structural supports, exterior walls (exclusive of all glass and exclusive of all exterior doors) of the Premises and the Common Areas of the Property (including all facilities located in the Common Areas and serving the Premises and any portion of the Property other than the Premises, and capital replacements thereof) provided that Landlord shall not be responsible for repairs or capital replacements rendered necessary by the negligence or intentional wrongful acts of Tenant, its employees, agents, invitees or contractors. Tenant shall promptly report in writing to Landlord any defective condition known to it which Landlord is required to repair and failure to report such conditions shall make Tenant responsible to Landlord for any liability incurred by Landlord by reason of such conditions.

(Note: Should Landlord and Tenant need to further detail the allocation of responsibility hereunder, the Special Stipulations box at the end of the Lease should be checked and such allocation should be specified on an Exhibit C.)

REPAIRS BY TENANT

12. (a) Tenant accepts the Premises in their present condition and as suited for the Permitted Use and Tenant's intended purposes. Tenant, throughout the initial term of this Lease, and any extension or renewal thereof, at its expense, shall maintain in good order and repair the Premises (except those repairs expressly required to be made by Landlord hereunder), specifically including but not limited to all light bulb and ballast replacements, plumbing fixtures and systems repairs within the Premises and water heater repairs. Tenant further agrees that it shall not use the Common Areas for storage or for the disposal of refuse or any other material. Tenant shall use only licensed contractors for repairs where such license is required. Landlord shall have the right to approve the contractor as to any repairs in excess of \$ 500.00.

☐ If this box is checked, Tenant, at its expense, shall maintain the heating, ventilation and air conditioning system(s) serving the Premises ("HVAC Systems") in good order and repair, including but not limited to replacement of parts, compressors, air handling units and heating units. Tenant shall be required to maintain a preventive maintenance contract for the HVAC Systems on terms and with a provider reasonably acceptable to Landlord, which contract shall call for at least semi-annual maintenance, inspection and



repair of such HVAC Systems ("HVAC Contract"). Tenant shall provide a copy of the HVAC Contract to Landlord annually. Provided that: (i) Tenant has kept the HVAC Contract in force, and, (ii) Tenant shall have obtained Landlord's prior written approval of the contractor and the repair or replacement expenses for the HVAC Systems, then, for any calendar year, Tenant shall be responsible for the cost of repairing or replacing the HVAC Systems (or any major component thereof) up to \$ n/a per HVAC System with a maximum repair or replacement cost of \$ n/a for all HVAC Systems ("HVAC Cap") in such year. Tenant shall provide Landlord copies of all records related to the servicing, maintenance, repair, and replacement of the HVAC Systems upon the occurrence of any service, maintenance, repair, or replacement of the HVAC Systems. Landlord shall be responsible for paying the repair cost or replacement cost of such HVAC System in excess of the HVAC Cap.

☐ If this box is checked, Landlord, at its expense, shall maintain the heating, ventilation and air conditioning system(s) serving the Premises ("HVAC Systems") in good order and repair, including but not limited to replacement of parts, compressors, air handling units and heating units. Provided that, Tenant shall reimburse Landlord for the cost of repairing or replacing the HVAC Systems (or any major component thereof) an amount up to \$ n/a per HVAC System with a maximum replacement cost of \$ n/a for all HVAC Systems ("HVAC Cap") in such year. Landlord shall be responsible for paying the repair cost or replacement cost of such HVAC System in excess of the HVAC Cap. Tenant shall reimburse Landlord for the amount of the HVAC Cap payable hereunder upon the written request of Landlord.

(b) Tenant, Tenant's employees, agents, invitees or contractors shall take no action which may void any manufacturers or installers warranty with relation to the Premises or the Property. Tenant shall indemnify and hold Landlord harmless from any liability, claim, demand or cause of action arising on account of Tenant's breach of the provisions of this Section 12.

ALTERATIONS

13. Tenant shall not make any alterations, additions, or improvements to the Premises without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Landlord, in connection with Landlord's consent to same, may designate any such alterations, additions, or improvements to the Premises as subject to removal upon the expiration or earlier termination of this Lease, in which case, upon Landlord's written notice to Tenant to remove same at the expiration or earlier termination of this Lease, Tenant shall do so and restore the Premises to the condition that existed prior to such alterations, additions, or improvements being made. Tenant shall promptly remove any alterations, additions, or improvements constructed in violation of this Section 13 upon Landlord's written request. All approved alterations, additions, and improvements will be accomplished in a good and workmanlike manner, in conformity with all applicable laws and regulations, and by a contractor approved by Landlord, free of any liens or encumbrances. Tenant has no authority to allow, will not permit, and will indemnify Landlord and hold it harmless from, any contractors', laborers', mechanics', or materialmen's liens, or any other similar liens filed against the Premises in connection with any alterations, additions, or improvements to the Premises.

SURRENDERING THE PREMISES

14. Tenant shall schedule its move date with Landlord, in writing, in advance of the expiration or earlier termination of this Lease. Tenant agrees to return the Premises to Landlord at the expiration or earlier termination of this Lease, broom clean and in as good condition and repair as on the Lease Commencement Date, natural wear and tear, damage by storm, fire, lightning, earthquake or other casualty alone excepted. By written notice to Tenant, Landlord may require Tenant to remove any alterations, additions or improvements at the expiration or earlier termination of this Lease (whether or not made with Landlord's consent and whether or not designated via Section 13 as subject to removal) and to restore the Premises to its prior condition as of the Lease Commencement Date, all at Tenant's expense. All alterations, additions and improvements which Landlord has not required Tenant to remove shall become Landlord's property and shall be surrendered to Landlord upon the termination of this Lease, except that Tenant may remove any of Tenant's personal property or trade fixtures which can be removed without material damage to the Premises. Tenant shall repair, at Tenant's expense, any damage to the Premises caused by the removal of any such personal property or trade fixtures.

(Note: Should Landlord and Tenant need to further enumerate their intent/understanding as to the status of items or property as fixtures, trade fixtures, or personal property hereunder, the Special Stipulations box at the end of the Lease should be checked and such enumeration should be specified by listing same by category on an Exhibit C.)

DESTRUCTION OF OR DAMAGE TO PREMISES

15. (a) If the Premises are totally destroyed by storm, fire, lightning, earthquake or other casualty, Landlord shall have the right to terminate this Lease on written notice to Tenant within thirty (30) days after such destruction and this Lease shall terminate as of the date of such destruction and rental shall be accounted for as between Landlord and Tenant as of that date.

(b) If the Premises are damaged but not wholly destroyed by any such casualties or if the Landlord does not elect to terminate the Lease under Section 15(a) above, Landlord shall commence (or shall cause to be commenced) reconstruction of the Premises within one hundred twenty (120) days after such occurrence and prosecute the same diligently to completion, not to exceed two hundred seventy (270) days from the date upon which Landlord receives applicable permits and insurance proceeds. In the event Landlord shall fail to substantially complete reconstruction of the Premises within said two hundred seventy (270) day period, Tenant's sole remedy shall be to terminate this Lease.

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(c) In the event of any casualty at the Premises during the last one (1) year of the Lease Term, Landlord and Tenant each shall have the option to terminate this Lease on written notice to the other of exercise thereof within sixty (60) days after such occurrence.

(d) In the event of reconstruction of the Premises, Tenant shall continue the operation of its business in the Premises during any such period to the extent reasonably practicable from the standpoint of prudent business management, and the obligation of Tenant to pay annual rental and any other sums due under this Lease shall remain in full force and effect during the period of reconstruction. The annual rental and other sums due under this Lease shall be abated proportionately with the degree to which Tenant's use of the Premises is impaired, commencing from the date of destruction and continuing during the period of such reconstruction. Tenant shall not be entitled to any compensation or damages from Landlord for loss of use of the whole or any part of the Premises, Tenant's personal property, or any inconvenience or annoyance occasioned by such damage, reconstruction or replacement.

(e) In the event of the termination of this Lease under any of the provisions of this Section 15, both Landlord and Tenant shall be released from any liability or obligation under this Lease arising after the date of termination, except as otherwise provided for in this Lease.

GOVERNMENTAL ORDERS

16. Landlord, at its own expense, shall comply with: (a) any law, statute, ordinance, regulation, rule, requirement, order, court decision or procedural requirement of any governmental or quasi-governmental authority relative to the Common Areas and/or facilities serving the Common Areas (or any facilities serving the Premises and the Common Areas), (b) the rules and regulations of any applicable governmental insurance authority or any similar body, relative to the Common Area and/or facilities serving the Common Areas (or any facilities serving the Premises and the Common Areas). Tenant, at its own expense, agrees to comply with: (a) any law, statute, ordinance, regulation, rule, requirement, order, court decision or procedural requirement of any governmental or quasi-governmental authority having jurisdiction over the Premises, (b) the rules and regulations of any applicable governmental insurance authority or any similar body, relative to the Premises and Tenant's activities therein; (c) provisions of or rules enacted pursuant to any private use restrictions, as the same may be amended from time to time and (d) the Americans with Disabilities Act (42 U.S.C.S. §12101, et seq.) and the regulations and accessibility guidelines enacted pursuant thereto, as the same may be amended from time to time. Landlord and Tenant agree, however, that if in order to comply with such requirements the cost to Tenant shall exceed a sum equal to one (1) year's rent, then Tenant may terminate this Lease by giving written notice of termination to Landlord in accordance with the terms of this Lease, which termination shall become effective sixty (60) days after receipt of such notice and which notice shall eliminate the necessity of compliance with such requirements, unless, within thirty (30) days of receiving such notice, Landlord agrees in writing to be responsible for such compliance, at its own expense, and commences compliance activity, in which case Tenant's notice given hereunder shall not terminate this Lease.

CONDEMNATION

17. (a) If the entire Premises shall be appropriated or taken under the power of eminent domain by any governmental or quasi-governmental authority or under threat of and in lieu of condemnation (hereinafter, "taken" or "taking"), this Lease shall terminate as of the date of such taking, and Landlord and Tenant shall have no further liability or obligation arising under this Lease after such date, except as otherwise provided for in this Lease.

(b) If more than twenty-five percent (25%) of the floor area of the Premises is taken, or if by reason of any taking of the Property or the Premises, regardless of the amount so taken, the remainder of the Premises is not one undivided space or is rendered unusable for the Permitted Use, either Landlord or Tenant shall have the right to terminate this Lease as of the date the portion of the Premises of taking of the portion of the Premises or Property so taken, upon giving notice of such election within thirty (30) days after receipt by Tenant from Landlord of written notice that said portion of the Premises or the Property have been or will be so taken. In the event of such termination, both Landlord and Tenant shall be released from any liability or obligation under this Lease arising after the date of termination, except as otherwise provided for in this Lease.

(c) Landlord and Tenant, immediately after learning of any taking, shall give notice thereof to each other.

(d) If this Lease is not terminated on account of a taking as provided herein above, then Tenant shall continue to occupy that portion of the Premises not taken and the parties shall proceed as follows: (i) at Landlord's cost and expense and as soon as reasonably possible, Landlord shall restore (or shall cause to be restored) the Premises and/or Property remaining to a complete unit of like quality and character as existed prior to such appropriation or taking, and (ii) the annual rent provided for in Section 3 and other sums due under the Lease shall be reduced on an equitable basis, taking into account the relative values of the portion taken as compared to the portion remaining. Tenant waives any statutory rights of termination that may arise because of any partial taking of the Premises and/or the Property.




(c) Landlord shall be entitled to the entire condemnation award for any taking of the Premises and/or the Property or any part thereof. Tenant's right to receive any amounts separately awarded to Tenant directly from the condemning authority for the taking of its merchandise, personal property, relocation expenses and/or interests in other than the real property taken shall not be affected in any manner by the provisions of this Section 17, provided Tenant's award does not reduce or affect Landlord's award and provided further, Tenant shall have no claim for the loss of its leasehold estate.

ASSIGNMENT AND SUBLETTING

18. Tenant shall not assign this Lease or any interest hereunder or sublet the Premises or any part thereof, or permit the use of the Premises by any party other than the Tenant, without Landlord's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Tenant shall pay to Landlord, concurrently with any request for consent to assignment or sublet, a non-refundable fee of \$ n/a as payment to Landlord for its review and processing of the request. In addition, Tenant shall pay to Landlord any legal fees and expenses incurred by Landlord in connection with the proposed assignment or sublet, to the extent such amounts exceed \$ n/a. Consent to any assignment or sublease shall not impair this provision and all later assignments or subleases shall be made likewise only on the prior written consent of Landlord. No sublease or assignment by Tenant shall relieve Tenant of any liability hereunder.

EVENTS OF DEFAULT

19. The happening of any one or more of the following events (hereinafter any one of which may be referred to as an "Event of Default") during the term of this Lease, or any renewal or extension thereof, shall constitute a breach of this Lease on the part of the Tenant: (a) Tenant fails to pay when due the rental or any other monetary obligation as provided for herein; (b) Tenant abandons or vacates the Premises; (c) Tenant fails to comply with or abide by and perform any non-monetary obligation imposed upon Tenant under this Lease within thirty (30) days after written notice of such breach; (d) Tenant is adjudicated bankrupt; (e) A permanent receiver is appointed for Tenant's property and such receiver is not removed within sixty (60) days after written notice from Landlord to Tenant to obtain such removal; (f) Tenant, either voluntarily or involuntarily, takes advantage of any debt or relief proceedings under any present or future law, whereby the rent or any part thereof is, or is proposed to be, reduced or payment thereof deferred and such proceeding is not dismissed within sixty (60) days of the filing thereof; (g) Tenant makes an assignment for benefit of creditors; or (h) Tenant's effects are levied upon or attached under process against Tenant, which is not satisfied or dissolved within thirty (30) days after written notice from Landlord to Tenant to obtain satisfaction thereof.

REMEDIES UPON DEFAULT

20. Upon the occurrence of Event of Default, Landlord may pursue any one or more of the following remedies separately or concurrently, without prejudice to any other remedy herein provided or provided by law: (a) Landlord may terminate this Lease by giving written notice to Tenant and upon such termination shall be entitled to recover from Tenant damages as may be permitted under applicable law; or (b) Landlord may terminate this Lease by giving written notice to Tenant and, upon such termination, shall be entitled to recover from the Tenant damages in an amount equal to all rental which is due and all rental which would otherwise have become due throughout the remaining term of this Lease, or any renewal or extension thereof (as if this Lease had not been terminated); or (c) Landlord, as Tenant's agent, without terminating this Lease, may enter upon and rent the Premises, in whole or in part, at the best price obtainable by reasonable effort, without advertisement and by private negotiations and for any term Landlord deems proper, with Tenant being liable to Landlord for the deficiency, if any, between Tenant's rent hereunder and the price obtained by Landlord on reletting, provided however, that Landlord shall not be considered to be under any duty by reason of this provision to take any action to mitigate damages by reason of Tenant's default and expressly shall have no duty to mitigate Tenant's damages. No termination of this Lease prior to the normal ending thereof, by lapse of time or otherwise, shall affect Landlord's right to collect rent for the period prior to termination thereof. Tenant acknowledges and understands that Landlord's acceptance of partial rental will not waive Tenant's breach of this Lease or limit Landlord's rights against Tenant hereunder or Landlord's right to evict Tenant through a summary ejectment proceeding, whether filed before or after Landlord's acceptance of any such partial rental.

EXTERIOR SIGNS

21. Tenant shall place no signs upon the outside walls, doors or roof of the Premises or anywhere on the Property, except with the express written consent of the Landlord in Landlord's sole discretion. Any consent given by Landlord shall expressly not be a representation of or warranty of any legal entitlement to signage at the Premises or on the Property. Any and all signs placed on the Premises or the Property by Tenant shall be maintained in compliance with governmental rules and regulations governing such signs and Tenant shall be responsible to Landlord for any damage caused by installation, use or maintenance of said signs, and all damage incident to removal thereof.

LANDLORD'S ENTRY OF PREMISES

22. Landlord may advertise the Premises "For Rent" 60 days before the termination of this Lease. Landlord may enter the Premises upon prior notice at reasonable hours to exhibit same to prospective purchasers or tenants, to make repairs required of Landlord under the terms hereof, for reasonable business purposes and otherwise as may be agreed by Landlord and Tenant. Landlord may enter the Premises at any time without prior notice, in the event of an emergency or to make emergency repairs to the

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Premises. Upon request of Landlord, Tenant shall provide Landlord with a functioning key to the Premises and shall replace such key if the locks to the Premises are changed.

QUIET ENJOYMENT

23. So long as Tenant observes and performs the covenants and agreements contained herein, it shall at all times during the Lease term peacefully and quietly have and enjoy possession of the Premises, subject to the terms hereof.

HOLDING OVER

24. If Tenant remains in possession of the Premises after expiration of the term hereof, Tenant shall be a tenant at sufferance and there shall be no renewal of this Lease by operation of law. In such event, commencing on the date following the date of expiration of the term, the monthly rental payable under Section 3 above shall for each month, or fraction thereof during which Tenant so remains in possession of the Premises, be twice the monthly rental otherwise payable under Section 3 above.

ENVIRONMENTAL LAWS

25. (a) Tenant covenants that with respect to any Hazardous Materials (as defined below) it will comply with any and all federal, state or local laws, ordinances, rules, decrees, orders, regulations or court decisions relating to hazardous substances, hazardous materials, hazardous waste, toxic substances, environmental conditions on, under or about the Premises or the Property or soil and ground water conditions, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, the Resource Conservation and Recovery Act, the Hazardous Materials Transportation Act, any other legal requirement concerning hazardous or toxic substances, and any amendments to the foregoing (collectively, all such matters being "Hazardous Materials Requirements"). Tenant shall remove from the Premises, all Hazardous Materials that were placed on the Premises by Tenant or Tenant's employees, agents, invitees or contractors, either after their use by Tenant or upon the expiration or earlier termination of this Lease, in compliance with all Hazardous Materials Requirements.

(b) Tenant shall be responsible for obtaining all necessary permits in connection with its use, storage and disposal of Hazardous Materials, and shall develop and maintain, and where necessary file with the appropriate authorities, all reports, receipts, manifest, filings, lists and invoices covering those Hazardous Materials and Tenant shall provide Landlord with copies of all such items upon request. Tenant shall provide within five (5) days after receipt thereof, copies of all notices, orders, claims or other correspondence from any federal, state or local government or agency alleging any violation of any Hazardous Materials Requirements by Tenant, or related in any manner to Hazardous Materials. In addition, Tenant shall provide Landlord with copies of all responses to such correspondence at the time of the response.

(c) Tenant hereby indemnifies and holds harmless Landlord, its successors and assigns from and against any and all losses, liabilities, damages, injuries, penalties, fines, costs, expenses and claims of any and every kind whatsoever (including attorney's fees and costs) paid, incurred or suffered by, or asserted against Landlord as a result of any claim, demand or judicial or administrative action by any person or entity (including governmental or private entities) for, with respect to, or as a direct or indirect result of, the presence on or under or the escape, seepage, leakage, spillage, discharge, emission or release from the Premises or the Property of any Hazardous Materials caused by Tenant or Tenant's employees, agents, invitees or contractors. This indemnity shall also apply to any release of Hazardous Materials caused by a fire or other casualty to the Premises if such Hazardous Materials were stored on the Premises or the Property by Tenant, its agents, employees, invitees or successors in interest.

(d) For purposes of this Lease, "Hazardous Materials" means any chemical, compound, material, substance or other matter that: (i) is defined as a hazardous substance, hazardous material or waste, or toxic substance pursuant to any Hazardous Materials Requirements, (ii) is regulated, controlled or governed by any Hazardous Materials Requirements, (iii) is petroleum or a petroleum product, or (iv) is asbestos, formaldehyde, a radioactive material, drug, bacteria, virus, or other injurious or potentially injurious material (by itself or in combination with other materials).

(e) The warranties and indemnities contained in this Section 25 shall survive the termination of this Lease.

SUBORDINATION; ATTORNMEN; ESTOPPEL

26. (a) This Lease and all of Tenant's rights hereunder are and shall be subject and subordinate to all currently existing and future mortgages affecting the Premises. Within ten (10) days after the receipt of a written request from Landlord or any Landlord mortgagee, Tenant shall confirm such subordination by executing and delivering Landlord and Landlord's mortgagee a recordable subordination agreement and such other documents as may be reasonably requested, in form and content satisfactory to Landlord and Landlord's mortgagee. Provided, however, as a condition to Tenant's obligation to execute and deliver any such subordination agreement, the applicable mortgagee must agree that mortgagee shall not unilaterally, materially alter this Lease and this Lease shall not be divested by foreclosure or other default proceedings thereunder so long as Tenant shall not be in default under the terms of this Lease beyond any applicable cure period set forth herein. Tenant acknowledges that any Landlord mortgagee has the right to subordinate at any time its interest in this Lease and the leasehold estate to that of Tenant, without Tenant's consent.

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Tenant Initials

BG/ass

Landlord Initials

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(b) If Landlord sells, transfers, or conveys its interest in the Premises or this Lease, or if the same is foreclosed judicially or nonjudicially, or otherwise acquired, by a Landlord mortgagee, upon the request of Landlord or Landlord's successor, Tenant shall attorn to said successor, provided said successor accepts the Premises subject to this Lease. Tenant shall, upon the request of Landlord or Landlord's successor, execute an attornment agreement confirming the same, in form and substance acceptable to Landlord or Landlord's successor and Landlord shall thereupon be released and discharged from all its covenants and obligations under this Lease, except those obligations that have accrued prior to such sale, transfer or conveyance; and Tenant agrees to look solely to the successor in interest of Landlord for the performance of those covenants accruing after such sale, transfer or conveyance. Such agreement shall provide, among other things, that said successor shall not be bound by (a) any prepayment of more than one (1) month's rental (except the Security Deposit) or (b) any material amendment of this Lease made after the later of the Lease Commencement Date or the date that such successor's lien or interest first arose, unless said successor shall have consented to such amendment.

(c) Within ten (10) days after request from Landlord, Tenant shall execute and deliver to Landlord an estoppel certificate (to be prepared by Landlord and delivered to Tenant) with appropriate facts then in existence concerning the status of this Lease and Tenant's occupancy, and with any exceptions thereto noted in writing by Tenant. Tenant's failure to execute and deliver the Estoppel Certificate within said ten (10) day period shall be deemed to make conclusive and binding upon Tenant in favor of Landlord and any potential mortgagee or transferee the statements contained in such estoppel certificate without exception.

ABANDONMENT

27. Tenant shall not abandon the Premises at any time during the Lease term. If Tenant shall abandon the Premises or be dispossessed by process of law, any personal property belonging to Tenant and left on the Premises, at the option of Landlord, shall be deemed abandoned, and available to Landlord to use or sell to offset any rent due or any expenses incurred by removing same and restoring the Premises.

NOTICES

28. All notices required or permitted under this Lease shall be in writing and shall be personally delivered or sent by U.S. certified mail, return receipt requested, postage prepaid. Notices to Tenant shall be delivered or sent to the address shown at the beginning of this Lease, except that upon Tenant taking possession of the Premises, then the Premises shall be Tenant's address for such purposes. Notices to Landlord shall be delivered or sent to the address shown at the beginning of this Lease and notices to Agent, if any, shall be delivered or sent to the address set forth in Section 3 hereof. All notices shall be effective upon delivery. Any party may change its notice address upon written notice to the other parties, given as provided herein.

BROKERS

29. Except as expressly provided herein, Tenant and Landlord agree to indemnify and hold each other harmless from any and all claims of brokers, consultants or real estate agents by, through or under the indemnifying party for fees or commissions arising out of the lease of the Property to Tenant. Tenant and Landlord represent and warrant to each other that: (i) except as to the brokers designated below ("Brokers"), they have not employed nor engaged any brokers, consultants or real estate agents to be involved in this transaction and (ii) that the compensation of the Brokers is established by and shall be governed by separate agreements entered into as amongst the Brokers, the Tenant and/or the Landlord.

Grant Murray Property Management, LLC ("Listing Agency"),
("Listing Agent" - License # _____)
Acting as: ☐ Landlord's Agent; ☐ Dual Agent
and Grant Murray Property Management, LLC ("Leasing Agency"),
Becki Ross ("Leasing Agent" - License # _____)
Acting as: ☐ Tenant's Agent; ☐ Landlord's (Sub)Agent; ☐ Dual Agent

GENERAL TERMS

30. (a) "Landlord" as used in this Lease shall include the undersigned, its heirs, representatives, assigns and successors in title to the Premises. "Agent" as used in this Lease shall mean the party designated as same in Section 3, its heirs, representatives, assigns and successors. "Tenant" shall include the undersigned and its heirs, representatives, assigns and successors, and if this Lease shall be validly assigned or sublet, shall include also Tenant's assignees or sublessees as to the Premises covered by such assignment or sublease. "Landlord", "Tenant", and "Agent" include male and female, singular and plural, corporation, partnership or individual, as may fit the particular parties.

(b) No failure of Landlord to exercise any power given Landlord hereunder or to insist upon strict compliance by Tenant of its obligations hereunder and no custom or practice of the parties at variance with the terms hereof shall constitute a waiver of Landlord's right to demand exact compliance with the terms hereof. All rights, powers and privileges conferred hereunder upon parties hereto shall be cumulative and not restrictive of those given by law.

(c) Time is of the essence in this Lease.

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Tenant Initials

BD/MS

Landlord Initials

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(d) This Lease may be executed in one or more counterparts, which taken together, shall constitute one and the same original document. Copies of original signature pages of this Lease may be exchanged via facsimile or e-mail, and any such copies shall constitute originals. This Lease constitutes the sole and entire agreement among the parties hereto and no modification of this Lease shall be binding unless in writing and signed by all parties hereto. The invalidity of one or more provisions of this Lease shall not affect the validity of any other provisions hereof and this Lease shall be construed and enforced as if such invalid provisions were not included.

(e) Each signatory to this Lease represents and warrants that he or she has full authority to sign this Lease and such instruments as may be necessary to effectuate any transaction contemplated by this Lease on behalf of the party for whom he or she signs and that his or her signature binds such party. The parties acknowledge and agree that: (i) the initials lines at the bottom of each page of this Lease are merely evidence of their having reviewed the terms of each page, and (ii) the complete execution of such initials lines shall not be a condition of the effectiveness of this Lease.

(f) Upon request by either Landlord or Tenant, the parties hereto shall execute a short form lease (memorandum of lease) in recordable form, setting forth such provisions hereof (other than the amount of annual rental and other sums due) as either party may wish to incorporate. The cost of recording such memorandum of lease shall be borne by the party requesting execution of same. The NC REALTOR Memorandum of Lease (Form 596-T) or an attorney-drafted memorandum of lease may be used for this purpose.

(g) If legal proceedings are instituted to enforce any provision of this Lease, the prevailing party in the proceeding shall be entitled to recover from the non-prevailing party reasonable attorneys fees and court costs incurred in connection with the proceeding.

SPECIAL STIPULATIONS

Note: Under North Carolina law, real estate agents are not permitted to draft lease provisions

☒ If this box is checked, additional terms of this Lease are set forth on **Exhibit C** attached hereto and incorporated herein by reference.

☐ If this box is checked, improvements to the Premises to be provided by Landlord are set forth on **Exhibit D** attached hereto and incorporated herein by reference.

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Tenant Initials BG/MS Landlord Initials DS

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THIS DOCUMENT IS A LEGAL DOCUMENT. EXECUTION OF THIS DOCUMENT HAS LEGAL CONSEQUENCES THAT COULD BE ENFORCEABLE IN A COURT OF LAW. THE NORTH CAROLINA ASSOCIATION OF REALTORS® MAKES NO REPRESENTATIONS CONCERNING THE LEGAL SUFFICIENCY, LEGAL EFFECT OR TAX CONSEQUENCES OF THIS DOCUMENT OR THE TRANSACTION TO WHICH IT RELATES AND RECOMMENDS THAT YOU CONSULT YOUR ATTORNEY.

IN WITNESS WHEREOF, the parties hereto have hereunto caused this Lease to be duly executed.

LANDLORD:

Individual

Date: _____

Date: _____

TENANT:

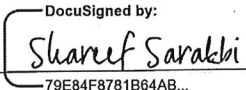
Individual

Date: _____

Date: _____

Business Entity

Northwest Valley Office Plaza, LLC
(Name of Firm)

By:  79E84F8781B64AB...

Title: Member

Date: 11/1/2023

Business Entity

County of Cumberland
(Name of Firm)

By: Clarence Dine

Title: County Manager

Date: 11/29/23

**ADDENDUM TO COMMERCIAL LEASE AGREEMENT BETWEEN
NORTHWEST VALLEY OFFICE PLAZA, LLC, AND
CUMBERLAND COUNTY DEPARTMENT OF SOCIAL SERVICES FOR
THE PREMISE LOCATED AT 2504 RAEFORD RD., FAYETTEVILLE**

The Parties agree that the terms of above-described commercial lease agreement are modified as follows:

Section 10 is modified by striking out "WAIVER; IMMUNITY" in the section Heading and all of subsections (b) and (c).

Section 2, Term, is modified by making it subject to termination upon three months' notice given to Landlord by Tenant in the event funds for the visitation program are terminated.

A Certificate of Insurance provided by the Tenant is attached with this Addendum.

Landlord: Northwest Valley Office Plaza, LLC

By DocuSigned by:

Shareef Sarakbi
Member/Manager

Tenant:

By County of Cumberland

Clarence D. [Signature]
County Manager



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/6/2023

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Arthur J. Gallagher Risk Management Services, LLC 4250 Congress Street Suite 200 Charlotte NC 28209-4615	CONTACT NAME: Lori Staples PHONE (A/C, No, Ext): 336-217-5767 FAX (A/C, No): 336-275-1776 E-MAIL: Lori_Staples@ajg.com ADDRESS: Lori_Staples@ajg.com
INSURED County of Cumberland P O Box 1829 Fayetteville NC 28302-1829	COUNOFC-01 INSURER(S) AFFORDING COVERAGE INSURER A : Federal Insurance Company INSURER B : INSURER C : INSURER D : INSURER E : INSURER F : NAIC # 20281

COVERAGES

CERTIFICATE NUMBER: 912730356

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input checked="" type="checkbox"/> LOC OTHER:	Y		73258957TPA	7/1/2023	7/1/2024	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ Included \$
	AUTOMOBILE LIABILITY ANY AUTO OWNED AUTOS ONLY HIRED AUTOS ONLY SCHEDULED AUTOS NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB EXCESS LIAB DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A				PER STATUTE OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: Location @ 2504 Raeford Road, Fayetteville NC. Certificate holder and Landlord is an additional insured under the general liability with reference to leased premises.

CERTIFICATE HOLDER

CANCELLATION

Grant Murray Property Management, LLC
150 N. McPherson Church Rd. Suite A
Fayetteville, NC 28303
USA

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

© 1988-2015 ACORD CORPORATION. All rights reserved.

Contract Signature Page
Northwest Valley Office Plaza, LLC

Contract #: ~~2020250~~ 2024332

Amount: \$45,600.00

IRAN DIVESTMENT ACT CERTIFICATION. Contractor hereby certifies that Contractor, and all subcontractors, are not on the Iran Final Divestment List ("List") created by the North Carolina State Treasurer pursuant to N.C.G.S. 147-86.55-69. Contractor shall not utilize any subcontractor that is identified on the List.

E-VERIFY. CONTRACTOR shall comply with the requirements of Article 2 of Chapter 64 of the General Statutes. Further, if CONTRACTOR utilizes a subcontractor, CONTRACTOR shall require the subcontractor to comply with the requirements of Article 2 of Chapter 64 of the General Statutes."

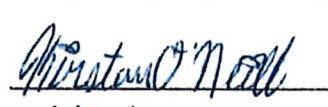
NON-APPROPRIATION CLAUSE: This Agreement shall be subject to the annual appropriation of funds by the Cumberland County Board of Commissioners. Notwithstanding any provision herein to the contrary, in the event funds are not appropriated for this Agreement, County shall be entitled to immediately terminate this Agreement, without penalty or liability, except the payment of all contract fees due under this Agreement through and including the last day of service.

CUMBERLAND COUNTY

BY: 

Brenda Jackson, Director, Cumberland County Department of Social Services

Grant Murray Property Management, LLC

ATTEST: 

(witness)

BY: 

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

BY: 

County Finance Director

Approved for Legal Sufficiency upon formal execution by all parties.

BY:  11/21/23

County Attorney's Office



Effective January 1, 2024

Rent Schedule for 2504 Raeford Rd, Suite C, Fayetteville, NC 28305

County of Cumberland/Cumberland County Department of Social Services

Extension has been requested for 2 years and has been agreed upon

Rent schedule to remain the same for the next 2 years at \$1900 per month

Carpet to be replaced in unit



COOPERATIVE EXTENSION

MEMORANDUM FOR THE AGENDA OF THE DECEMBER 14, 2023 AGENDA SESSION

TO: BOARD OF COUNTY COMMISSIONERS

FROM: LISA B. CHILDERS, COUNTY EXTENSION DIRECTOR

DATE: 12/6/2023

SUBJECT: NC COOPERATIVE EXTENSION MEMORANDUM OF AGREEMENT

Requested by: CLARENCE GRIER, COUNTY MANAGER

Presenter(s): LISA B. CHILDERS, COUNTY EXTENSION DIRECTOR

BACKGROUND

N.C. Cooperative Extension has requested that all counties update the current Memorandum of Understanding to a Memorandum of Agreement (MOA) between the Board of Commissioners and N.C. State University for Cooperative Extension activities and programs. The proposed updated MOA along with the Addendum to the MOA are attached for your consideration. The new MOA automatically makes a county a “lock-in” county, which would change Cumberland County's current funding agreement. In order to maintain our current funding structure, we are requesting to be a “non lock-in” county, which requires the approval of the attached Addendum. These documents have been reviewed by the County Attorney’s office for legal sufficiency.

RECOMMENDATION / PROPOSED ACTION

County Management recommends placing the NC Cooperative Extension Memorandum of Agreement and the Addendum on the December 18, 2023, Consent Agenda for approval.

ATTACHMENTS:

Description

Cumberland County MOA

Type

Backup Material

NC Cooperative Extension Memorandum of Agreement Addendum
Summary of MOA Changes 2023

Backup Material
Backup Material

NC STATE

EXTENSION

Memorandum of Agreement

Between
The Board of County Commissioners
Cumberland County
And
North Carolina State University

Preamble

North Carolina State Extension (NC State Extension) was established as a part of the College of Agriculture and Life Sciences of North Carolina State University (NCSU) by federal and state legislation for the specific purpose of “extending” the educational services of the University to the people of the state, on subjects related to agriculture and natural resources, family and consumer sciences, 4-H youth development, and community and rural development. The laws creating the Cooperative Extension Service were specifically designed to assure that the findings of research in these areas are communicated to the people of the State.

Under the Federal Appropriations Act of 1972, funds were provided to the 1862 land-grant universities (including NCSU) to enhance the extension outreach of the 1890 universities, which included North Carolina A & T State University (NCA&T). The Food and Agriculture Act of 1977 further stipulated that these funds be appropriated directly to the 1890 institutions, and formalized the North Carolina Cooperative Extension Program as an official part of the School of Agriculture and Environmental Sciences at NCA&T.

North Carolina Cooperative Extension (Cooperative Extension) provides the opportunity for North Carolina State Extension and North Carolina A & T Extension to work together to better serve the people of the State through the delivery of locally relevant programs, education and expertise.

The legislation further provided for a cooperative relationship among three levels of government – federal, state, and county – to ensure that the needs of all three levels are addressed. The primary purpose of Cooperative Extension is to provide the people of North Carolina with the most current and relevant unbiased research-based information – particularly that which is related to strengthening the economy through profitable, sustainable and safe food, forest and green industry systems; protecting the environment and natural resources; and empowering youth and families to lead healthier lives and become community leaders. These purposes are furthered by Cooperative Extension employees who are charged with carrying out the extension education programs of the universities and the U.S. Department of Agriculture.

Cooperative Extension has sufficient flexibility to permit attention to the special problems, needs, and interests of the citizens and leadership in each county. Therefore, the programmatic, personnel, and funding complement reflects the unique needs of each county. County Advisory Councils are consulted on a regular basis to assist in prioritizing the county educational program content. Program clientele or recipients of services include individuals, families, communities, municipalities, agricultural and seafood processing and marketing firms, other businesses and certain organizations. These services are delivered to adults and youth in both urban and rural settings.

To assure that educational programs offered by Cooperative Extension meet the needs of the local clientele, it is important that both elected and appointed decision makers at each level of government understand their respective responsibilities and relationships in conducting and funding this work. To this end, this Memorandum of Agreement will detail the individual relationships and mutually agreed-upon responsibilities of NCSU and each county or tribal community that signs this Memorandum of Agreement.

Part I.
NC State Extension will:

1. Establish minimum requirements and qualifications for employment in Cooperative Extension work.
2. Receive and examine applications for employment.
3. Interview and screen applicants to determine their qualifications and availability.
4. Consult with the Board of County Commissioners, or the County Manager as designee, regarding qualified applicants for appointment to vacant or new Cooperative Extension positions.
5. Consult with the Board of County Commissioners, or the County Manager as designee, regarding the salaries and salary splits of all Cooperative Extension employees, including but not limited to County Extension Directors, Extension Agents, and County Operations Support Staff (COSS).
6. Prepare and submit an annual budget to the Board of County Commissioners, or the County Manager as designee, for securing the county's share of funds for salaries and operating expenses each based on the state fiscal year.
7. Provide funds for official travel necessary to conduct Cooperative Extension work and postage funds, to the extent that funds are available, and for purposes authorized by state and federal policies.
8. Accept responsibility and provide the leadership for administration and supervision of Cooperative Extension programs and personnel, including compliance with affirmative action and equal employment opportunity requirements. NC State will investigate all cases of discrimination, harassment, or retaliation following applicable NC State policies.
9. Investigate and manage all employee relations issues related to NC State employees housed in local offices. We will work collaboratively with local county government and NC A&T University when an issue impacts their employees.
10. Develop and administer a personnel management plan that will provide the annual review of each employee's performance, counseling for job improvement where needed, and periodic county program reviews.
11. Provide a staff of specialists to train agents in current technology and other changes affecting agriculture and natural resources, family and consumer sciences, 4-H and youth, and community and rural development, and to otherwise assist them in conducting work in these areas.

12. Provide Cooperative Extension professionals with training programs as needed to maintain effective program delivery.
13. Seek regular input from the County and maintain a County Advisory Leadership System to ensure that county Cooperative Extension programs are based on the particular needs of people in their respective county.
14. Prepare and submit a "Report to the People" to the Board of Commissioners, or the County Manager as designee, at least annually, informing the Board or Manager of Cooperative Extension programs and work accomplished.

Part II.

The Board of County Commissioners will:

1. Provide the County's share of salaries and benefits for Cooperative Extension personnel.
2. Comply with North Carolina's Workers Compensation Act, N.C. General Statute § 97-2(2).
3. Provide offices, equipment, utilities, telephones, office supplies, instructional materials and other items needed for efficient operation of the County Extension Center and its programs; and comply with the accessibility provisions of the Americans with Disabilities Act.
4. Review and consider the annual budget request from NCSU, and take appropriate action by July 1 of each fiscal year.
5. Provide regular input to the District and County Extension Directors on the particular needs of people in their respective county to help ensure that county Cooperative Extension programs are based on specific needs and meet county programming plans.

Part III.

NC State Extension and the Board of County Commissioners mutually agree:

1. That all county Cooperative Extension employment appointments and separations will be made in consultation between NCSU and the Board of County Commissioners, or the County Manager as designee, and that no official action related to such appointments or separations will be taken by either party regarding appointment or separation prior to discussion of the matter with the other party.
2. That the Board of County Commissioners and NCSU shall each be responsible for compliance with applicable laws and regulations relating to their respective operations.
3. To cooperate in implementing affirmative action and equal employment opportunity plans of NCSU.

4. The parties will work together to maintain an environment of high-quality cooperation and services. At the request of any party, a meeting or conference will promptly be held between the Parties' representatives to resolve any problems or develop any improvements.
5. That the policies established by the State of North Carolina under N.C. General Statute §126 and followed by the UNC System for SHRA employees be used in the granting and administration of leave related to the earning rates, transfer policies, payout computation and timing, and administration of vacation, sick, civil, community involvement, military, Family and Medical Leave, Family Illness Leave, leaves of absence, and other approved leave programs for Cooperative Extension personnel.
6. That Cooperative Extension employees will follow county policies relative to office hours, office closings for inclement weather, and holidays, and for the management and use of county property.
7. That personnel procedures are as follows:

(a) Establishing Accounts to Operationalize the Payroll Process.

- i. To operationalize the payroll arrangement, NCSU will establish a Trust Fund Account for the County at NCSU that will serve as the vehicle for the transfer of funds from the County to NCSU for use in paying the county's agreed-upon share of salary and benefits for Cooperative Extension personnel.
- ii. Procedure for Providing Funds to the Account. A State Treasurer's Electronic Payment System (STEPS) form will be completed and the original submitted to the Assistant Extension Director of HR and Operational Strategy via the appropriate District Extension Director. The County Finance Officer, or the designated County representative, will receive notification from the NCSU College of Agriculture and Life Sciences HR Office prior to the University's payroll date, generally the last working day of each month, advising the amount due for the current payroll. Within 5 business days following the payday, the respective University will draft against the County's established trust account in the amount communicated.
- iii. Administration of the Account. The trust account will be maintained in accordance with the respective NCSU accounting policies and procedures. The trust account will be audited and reconciled by the NCSU College of Agriculture and Life Sciences Business Office to ensure the month-end account balance remains zero.

(b) Employee Benefits.

- i. Retirement Benefits. All Extension Personnel will participate solely in either the North Carolina Teachers and State Employees Retirement System (TSERS) and accompanying North Carolina Disability Income Plan, or the Optional Retirement Plan, based on eligibility criteria established by the State. They will be eligible solely for respective NCSU employee benefits for which they qualify based on their appointment and FTE, and former federal appointees will maintain federal benefits, the employer-paid parts of which will be paid for solely by NCSU.

(c) Taxes and Fringe Benefits.

- i. The County will be responsible for providing their proportional share of fringe benefits for all Cooperative Extension personnel, including but not limited to the following:
 1. Employer contributions to all applicable Federal and State taxes.
 2. Employer contribution to TSERs per N.C. General Statute §135, or to ORP per N.C. General Statute §135-5.1.
 3. Employer contribution to the Health Insurance matching charges per N.C. General Statute §135.

(d) Workers' Compensation will be administered pursuant to N.C. General Statute §97-2(2). The County will provide full and direct coverage for those employees subject to the County workers' compensation insurance within the county insurance program. Employees for whom the County will maintain workers' compensation coverage are the following:

1. All administrative and any other positions designated as County Operations Support Staff (COSS); and
 - a. All Program Assistants/Associates who are not funded by directly allocated federal funds such as EFNEP, or Program Assistants/Associates who are paid in part by EFNEP funds but which account for less than 50% funding.
 - b. NCSU will provide full and direct coverage for their respective Cooperative Extension employees subject to NCSU's workers' compensation insurance. Cooperative Extension employees for whom NCSU will maintain workers' compensation coverage are the following:
 - i. All County Extension Directors and Extension Agents; and
 - ii. All Program Assistants or Associates who are funded by directly allocated federal funds such as EFNEP, or Programs Assistants or Associates who are paid in part by EFNEP funds at equal to or more than 50% funding.

(e) Employee Separation

1. NCSU will process severance pay for reductions-in-force (RIFs) as delineated in the COSS Employee Handbook for County Operations Support Staff (COSS).
2. Upon an employee's separation, the County will pay out its proportional share of annual/vacation leave, up to a maximum of 240 hours per the OSHR and/or UNC System guidelines, and any applicable bonus leave balance.

3. The County will pay its proportional share of state longevity for COSS employees upon an employee's service anniversary date.
4. The County will pay out its proportional share of any accrued "extra" time (hour-for-hour) or overtime (1.5 hour-for-hour) to Cooperative Extension employees that are subject to Fair Labor Standards Act or the North Carolina Wage and Hour Act upon an employee's earning anniversary date or as due to the employee at the time of separation.

(f) Optional County-paid Salary Increases or Bonuses to Cooperative Extension Personnel.

At their discretion, Counties may award additional permanent salary increases or one-time pay awards ("bonuses") to Cooperative Extension personnel. If such salary increases or bonuses are proposed by the County under the "non-lock-in" payroll arrangement, they must be communicated to the appropriate District Extension Director's office no later than the first day of any month in which the proposed increase or bonus is to be applied. Increases must be entered in the current fiscal year.

(g) Lock-In Provision

This section describes the preferred arrangement to support the salary agreement between the County and NCSU for Extension personnel. All counties will participate in the Lock-In provision unless designated on an Opt-Out Addendum the arrangement as Non Lock-In.

1. Salary Adjustments for Extension Employees under the Lock-In Provision. The full compensation plan for university employees as approved by the General Assembly and implemented by the Office of the President, University of North Carolina System, will serve as the basis for all compensation adjustments and both the County and NCSU will adhere to the plan's effective dates and implementation instructions. Cooperative Extension personnel receiving salary from grant funds will be governed by the terms and conditions of the applicable grant within the scope and applicability of NCSU personnel policies governing grants. These compensation components include, but are not limited to:

Across-the-board adjustments,
Cost-of-living adjustments (COLA),
Merit adjustments,
Bonuses (in any form conveyed), and
Promotion, classification, market, or equity adjustments.

Salary and Benefits. Salaries and benefits, as delineated above in 7(a-e), will be split according to the hiring agreement and will be detailed on an attached addendum. As both parties may provide increases, these percentages will change slightly from the original hire percentage.

2. County Increases in the Lock-In Provision

The County may elect to include NCSU employees in County increases, bonuses, etc. at any time. See 7(f) for more information on submitting county increases. Lock-In Provision indicates that all State adjustments will be honored and automatically drafted, but the County is not limited to just the State increases in this agreement.

Part IV.

DURATION, AMENDMENT, AND TERMINATION

The parties will conduct a periodic review of this collaboration and responsibilities to determine and evaluate whether the parties are achieving the goals and accomplishing the responsibilities activities herein. No amendment of the terms of this Agreement will be effective unless made in writing and signed by each Party's authorized signatory.

Signatures of the persons below authorize execution of this document, effective as of December 18, 2023, and continuing year-to-year, unless otherwise terminated in writing by either party under written notification to the other party no less than one-hundred twenty (120) days prior to the proposed termination date. Termination of this Memorandum of Agreement shall have the effect of terminating the Cooperative Extension activities and programs in the County.

Signature: _____ Date: _____

Chairperson or Designee Board of County Commissioners
Cumberland County

Signature: _____ Date: _____

Director
North Carolina Cooperative Extension
North Carolina State University

Signature: _____ Date: _____

Dean
College of Agriculture and Life Sciences
North Carolina State University

Addendum Attached Executed _____

**Addendum to Memorandum of Agreement
Cumberland County**

This addendum documents the current salary percentages provided by the County and by NCSU.

Salary Percentages for Cumberland County as of September 21, 2023.

Position Title	Salary Percentage County	Salary Percentage NCSU
County Extension Director/CRD	48.5	51.5
Agent – 4-H Youth Development	50.7	49.3
Program Assistant – 4-H Youth Development	100	0
Agent - Agriculture	49.8	50.2
Area Agent – Livestock (shared with Hoke)	37.6	43.5
Agent – Field Crops	100	0
Agent – Agriculture/Consumer Horticulture	70.1	29.9
Agent – Family and Consumer Sciences	66.7	33.3
Administrative Assistant	100	0
Agent – Soldiers to Ag (grant funded)	0	100
Support Specialist	100	0
Support Specialist (vacant)	100	0

County Ag Add-On = .7

Any position added to this county's staff of Extension Personnel through mutual agreement between the County and NCSU subsequent to the effective date of this modification will have its funding splits documented in correspondence between this County and NCSU and will become part of this Agreement.

**Addendum to the Memorandum of Agreement
Change to Payroll Arrangement for Cumberland County**

Under a Lock-in agreement with NC Cooperative Extension, counties agree to fund salary adjustments, increases and bonuses and promotions earned according to the current percentage of employee salaries. Counties that are not lock-in are encouraged to fund state increases, bonus and promotions earned. In both scenarios, counties may include Extension employees in any county increases, longevity or raises at any time.

Non Lock-In Provisions of the Cooperative Arrangement

Enacting the Non Lock-in Provision. By signing this addendum, the County and NCSU shall adhere to the following provisions, guidelines, and procedures.

1. The county agrees to all provisions, guidelines, and procedures of the existing MOA with the exception of item 7(g) the Lock-in Provision.
2. Salary Adjustments for Extension Employees under the Non Lock-In Provision. The full compensation plan for university employees as approved by the General Assembly and implemented by the Office of the President, University of North Carolina System, will serve as the basis for all compensation adjustments for NCSU. The County may match the salary adjustments on their percentage of the employee salary. Cooperative Extension personnel receiving salary from grant funds will be governed by the terms and conditions of the applicable grant within the scope and applicability of NCSU personnel policies governing grants. These compensation components include, but are not limited to:

Across-the-board adjustments,
Cost-of-living adjustments (COLA),
Merit adjustments,
Bonuses (in any form conveyed), and
Promotion, classification, market, or equity adjustments.

Salary and Benefits. Salaries and benefits, as delineated above in 7(a-e), will be split according to the hiring agreement and will be detailed on an attached addendum. As both parties may provide increases, these percentages will change slightly from the original hire percentage.

_____ Change from Lock-In Provision to Non Lock-in (formerly known as Send In)

The above named county wishes to change its payroll agreement with North Carolina Cooperative Extension, as initially approved on _____, to non Lock-in.

Signatures of the persons below authorize execution of this document, effective _____ (date), and continuing year-to-year, unless otherwise terminated in writing by either party under notification to the other party no less than one-hundred twenty (120) days prior to the desired termination date.

Chairperson or Designee – Board of County Commissioners

Signature: _____

Date: _____

Director, North Carolina Cooperative Extension Service, NC State University or Designee

Signature: _____

Date: _____

Summary of Changes

2006 Memorandum of Understanding

2023 Memorandum of Agreement

NC State Extension and Board of County Commissioners

Changes are reflected in the 2023 MOA as follows:

Updated terms throughout the document:

- North Carolina Cooperative Extension Service (NCCES) - NC State Extension
- Memorandum of Understanding - Memorandum of Agreement
- Secretaries - COSS
- Extension – Cooperative Extension
- Send-In – Non Lock-In
- NCSU/NC A & T – NCSU
- SPA – SHRA
- State Retirement System - TSERS

Part I, Page 3

Item 5 – added the words “*salary splits*”

Deleted: Determine jointly with the County Board of Commissioners, or the County Manager as designee, the share of salaries to be paid by each and provide the University share of these salaries.

Item 7 – added “postage”

Deleted: Provide Extension employees with funds for postage, bulletins, leaflets and other publications for delivering Extension programming and conducting regular business.

Item 8 – Added: *NC State will investigate all cases of discrimination, harassment, or retaliation following applicable NC State policies.*

Item 9 – Added: *Investigate and manage all employee relations issues related to NC State employees housed in local offices. We will work collaboratively with local county government and NC A&T University when an issue impacts their employees.*

Part II, Page 4

No changes.

Part III, Page 4

Item 3 – Change “*applying*” to “*implementing*”

Item 4 – Added new item: *The parties will work together to maintain an environment of high-quality cooperation and services. At the request of any party, a meeting or conference will promptly be held between the Parties' representatives to resolve any problems or develop any improvements.*

Item 5 – Deleted: *Educational leaves of absence for EPA employees provided under University policy will be reviewed in consultation with the County.*

Item Deleted: That Extension employees will not be classified under a county classification system.

Part III, Page 5

Item 7 – Remove Section 7.1 (refers to "Send-In")

Section 7.2 remove references to "send-in", otherwise no changes to personnel procedures

Part III, Page 6

Section 7(e) Deleted: *under Office of State Personnel guidelines for County-based employees subject to the State Personnel Act (SPA) and unemployment compensation as mandated by the State.*

Section 7(e) Added: *COSS Employee Handbook for County Operations Support Staff (COSS).*

Section 7(f) Added: *Increases must be entered in the current fiscal year.*

Part III, Page 7

Added: *This section describes the preferred arrangement to support the salary agreement between the County and NCSU for Extension personnel. All counties will participate in the Lock-In provision unless designated on an Opt-Out Addendum the arrangement as Non Lock-In.*

Deleted: *Optional Lock-in Provision*

This section, if enacted by separate signature of the County, effects an optional "lock-in" agreement between the County and NCSU/NCA&T for Extension personnel. The "lock-in" provision establishes constants to be maintained over the course of the agreement for cost-share percentages.

Sections 8.1 and 8.2 of MOU combined into 7(g) of MOA reflecting all Extension Employees rather than splitting SPA and EPA (terms no longer used)

Deleted: Section 8.3 and 8.3 Option A and Option B of MOU

Part III, Page 8

Added: Salary and Benefits. Salaries and benefits, as delineated above in 7(a-e), will be split according to the hiring agreement and will be detailed on an attached addendum. As both parties may provide increases, these percentages will change slightly from the original hire percentage.

County Increases in the Lock-In Provision

The County may elect to include NCSU employees in County increases, bonuses, etc. at any time. See 7(f) for more information on submitting county increases. Lock-In Provision indicates that all State adjustments will be honored and automatically drafted, but the County is not limited to just the State increases in this agreement.

Part IV, Page 8

Deleted: A semi-annual meeting will be convened to maintain communication of ideas, developments, concerns and changes within the scope of the Counties and Cooperative Extension relationship. Members of the committee will include representatives of the North Carolina Association of County Commissioners (NCAAC), representatives from County Governments as recommended by the NCAAC, and administrators and designees of Cooperative Extension.

Added: The parties will conduct a periodic review of this collaboration and responsibilities to determine and evaluate whether the parties are achieving the goals and accomplishing the responsibilities activities herein. No amendment of the terms of this Agreement will be effective unless made in writing and signed by each Party's authorized signatory.

Deleted:

Signature:

Administrator

North Carolina Cooperative Extension Program North Carolina A&T State University

Added:

Addendum Attached Executed _____

Addendum was added to the agreement to provide a mechanism for counties to "opt out" of Lock-In payroll arrangement in the initial signing of the MOA or at any time with a 120 day notice.



COOPERATIVE EXTENSION

MEMORANDUM FOR THE AGENDA OF THE DECEMBER 14, 2023 AGENDA SESSION

TO: BOARD OF COUNTY COMMISSIONERS

FROM: LISA B. CHILDERS, COUNTY EXTENSION DIRECTOR

DATE: 12/6/2023

**SUBJECT: CHANGES TO THE CUMBERLAND COUNTY VOLUNTARY
AGRICULTURAL DISTRICT ORDINANCE AND FARM ADVISORY
BOARD BYLAWS**

Requested by: CLARENCE GRIER, COUNTY MANAGER

Presenter(s): LISA CHILDERS, COUNTY EXTENSION DIRECTOR

BACKGROUND

The General Assembly passed Senate Bill 605 which enacted various statutory changes relating to farmland definitions, conservation agreements, voluntary agricultural districts, etc. The Cumberland County Farm Advisory Board met on October 10, 2023, and made updates to the Cumberland County Voluntary Agricultural District Ordinance and the Farm Advisory Board Bylaws. The County Attorney's office has reviewed the changes for legal sufficiency.

RECOMMENDATION / PROPOSED ACTION

The Farm Advisory Board recommends the Board of Commissioners place the changes to the Cumberland County Voluntary Agricultural District Ordinance and the Farm Advisory Board Bylaws on the December 18, 2023, Regular Board Meeting Consent Agenda for approval.

ATTACHMENTS:

Description	Type
Edited Original Voluntary Agricultural District Ordinance	Backup Material

Voluntary Agricultural District REVISED
Edited Farm Advisory Board Bylaws
Farm Advisory Board Bylaws REVISED

Backup Material
Backup Material
Backup Material

**CUMBERLAND COUNTY
VOLUNTARY AGRICULTURAL DISTRICT ORDINANCE**

ARTICLE I – AUTHORITY

The articles and sections of this ordinance are adopted pursuant to authority conferred by N.C.G.S. Chapter 153A and Chapter 106, Article 61, Farmland Preservation Enabling Act, as amended.

ARTICLE II – PURPOSE

The purpose of this ordinance is to promote agricultural and environmental values and the general welfare of the County and, more specifically, increase identity and pride in the agricultural community and its way of life; ~~encourage the economic~~ and financial health of agriculture, ~~horticulture, and forestry; and~~ increase protection from non-farm development and other negative impacts on properly managed farms and; decrease the likelihood of legal disputes, such as nuisance actions between farm owners and their neighbors.

This ordinance establishes a Voluntary Agricultural District Program, which provides the following benefits:

- Preserves and maintains agricultural areas in the County.
- Informs non-farming neighbors and potential land purchasers that the participating farm may emit noise, dust, and smell, ~~which may avoid conflicts between neighbors and potential nuisance claims.~~
- Gives the farming community ~~an enhanced~~ voice in Cumberland County Commissioners' decisions affecting farmland.
- Conserves open space and natural resources as the County's population and development expand.
- Farmer participation in the Program is voluntary and the farmer may terminate his/her participation at any time.

ARTICLE III - CERTIFICATION AND QUALIFICATION OF FARMLAND

In order for farmland to qualify under this Article, it must be real property that:

- A. Is participating in the ~~land~~ Present-Use ~~Value~~ Value taxation program established by N.C.G.S. 105-277.7 or is otherwise determined by the County to meet all qualifications of this program set forth in N.C.G.S. 105-277.3;

- B. ~~Is used for bona fide farm purposes, as that term is defined in G.S. 106-743.4(a) and G.S. 160D-903. Is certified by the North Carolina Forest Service and/or Natural Resources Conservation Service of the United States Department of Agriculture, in consultation with the Cooperative Extension, as being a farm on which at least two-thirds of the land is composed of soils that (i) are best suited for providing food, seed, fiber, forage, timber, oil seed crops, and horticultural crops, including Christmas trees and ornamentals; (ii) have good soil qualities; (iii) are favorable for all major crops common to the County where the land is located; (iv) have a favorable growing season; and (v) receive the available moisture needed to produce high yields an average eight out of ten years; or on which at least two-thirds of the land has been actively used in agricultural, horticultural or forestry operations as defined in N.C.G.S. 105-277.2 (1), (2), and (3) during each of the five previous years, measured from the date on which the determination must be made as to whether the land in question qualifies.~~
- C. Is managed, if highly erodible land exists on the farm, in accordance with the Natural Resources Conservation Service ~~defined erosion~~-control practices that are addressed to said highly erodible land.
- D. Is the subject of a conservation agreement, as defined in N.C.G.S. 121-35, between the county and the owner of such land that prohibits non-farming use or development of such land for a period of at least ten years, except for the creation on not more than three lots that meet applicable zoning and subdivision regulations. This conservation agreement will become null and void if the land is removed from the Voluntary Agricultural District Program.

ARTICLE IV- CREATION OF VOLUNTARY AGRICULTURAL DISTRICTS

A. Implementation

- Any agricultural district shall initially consist of at least 10 acres of agricultural land, or 5 acres of horticultural land, or 20 acres of forest land, as set forth in the ~~land~~ Present Use Value taxation program, of qualifying farmland. An agricultural district may be enlarged by adding qualifying, contiguous farmland and by application by non-farm landowners contiguous to qualifying agricultural district.
- Landowner(s) requesting inclusion in the VAD shall execute a conservation agreement with the county to sustain agriculture in the VAD in accordance with Article VII of this ordinance. Said agreement shall be in a form which is reviewed and approved by the Advisory Board.

B. Education

The County may take such action as it deems appropriate through the Farm Advisory Board or other entities or individuals to encourage the formation of the Districts and to further their purposes and objectives, including the

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implementation of a public information program to reasonably inform landowners of the Voluntary Agricultural District Program.

C. Withdrawal

In the event that one or more participants in a District withdraws or loses eligibility to participate and the acreage becomes less than the minimum or results in land being noncontiguous, a District will continue to exist so long as there is at least one (1) remaining qualifying farm.

ARTICLE V – APPLICATION, APPROVAL, AND APPEAL PROCEDURE

A. Application Procedure

A landowner may apply to participate in the Voluntary Agricultural District Program by submitting an application to the Cooperative Extension Office. The application shall be on forms provided by Cooperative Extension and approved by the Farm Advisory Board.

B. Approval Process

1. Upon receipt of an application, the Cooperative Extension Director will forward copies to the following agencies for their prompt evaluation and response:

- a. The Cumberland County Tax Department,
- b. The Natural Resources Conservation Service office for Cumberland County,
- c. The Cumberland County Soil and Water Conservation District office, and/or
- d. The North Carolina Forest Service.

2. Upon receipt of the responses from the Cumberland County Tax Department, the Natural Resources Conservation Service, the Cumberland County Soil and Water Conservation District, and the North Carolina Forest Service, the Farm Advisory Board shall consider the application at its next regularly scheduled meeting. The Cooperative Extension Director shall notify the applicant by first-class mail of the Farm Advisory Board's decision within 15 days.

C. Appeal

If the Farm Advisory Board denies an application, the petitioner shall have ~~30~~ 60 days to appeal the decision to the Board of Commissioners. Such appeal shall be submitted in writing to the Clerk to the Board of Commissioners. The decision of the Board of Commissioners is final.

ARTICLE VI – NOTIFICATION

Upon approval of a Voluntary Agricultural District and notification to the applicant by the Cooperative Extension Director, the Cumberland County Planning Department shall provide notification of said District by the following methods:

A.

~~A.~~ Signs approved by the Farm Advisory Board shall be installed along the landowner's property outside of any right-of-way or easements and shall conform to Chapter 11. Sign Regulations of the Cumberland County Zoning Ordinance of major roads adjoining the District in a manner so that current and potential residents and property owners may be made aware that farming and agricultural activities may take place at any time. ~~Specific location of the signs, including number of signs necessary to provide adequate notice of the specific District, shall be approved by the Cumberland County Planning and Inspections Director.~~

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B.

~~B.~~ The Cumberland County Planning and Inspections Department shall maintain maps of approved Districts within the Cumberland County Geographic Information Mapping System Database as well as an overlay for all tracts located within one-half mile of the property line of any tract of land enrolled in the Voluntary Agricultural District. This mapping information may be viewed by accessing the Cumberland County website at www.cumberlandcountync.gov www.co.cumberland.nc.us., or at the following County offices and other agencies: Register of Deeds, Tax Administration/GIS Mapping and Planning and Inspections, Cooperative Extension Service, Natural Resources Conservation Service, Cumberland County Soil and Water Conservation District, and the North Carolina Forest Service.

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~~C.A.~~

The Cumberland County Tax Department and the Register of Deeds Office shall add a special notice to the GIS database so that anyone conducting title or real estate record searches, or general research on parcels of land, will be advised of the location of and participation in Voluntary Agricultural Districts, in relation to the subject parcel(s).

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~~D.B.~~

Notice of these methods of District notification and identification shall be included in all Cumberland County Voluntary Agricultural District Program information brochures made available to the public by the Cooperative Extension Service, County Planning and Inspections Department, or the County Tax Department.

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ARTICLE VII– REVOCATION AND RENEWAL OF PARTICIPATION IN THE PROGRAM

- A. By written notice to the Farm Advisory Board, a landowner of qualifying farmland may revoke his/her participation in the Voluntary Agricultural District Program formulated pursuant to Article V of this ordinance, or the Farm Advisory Board may revoke same participation based on non-compliance by the landowner. Such revocation shall result in loss of eligibility ~~to receive benefits as set forth in this ordinance. The County will remove the tract from the public record within a 90-day period.~~
- B. Those parcels approved for the Voluntary Agricultural District shall be automatically renewed unless the landowner provides a 30-day written notice to the Farm Advisory Board of intent not to renew.

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ARTICLE VIII— PUBLIC HEARINGS ON PROPOSED CONDEMNATION

- A. Purpose
Pursuant to N.C.G.S. 106-740, no state or local public agency or governmental unit may formally initiate any action to condemn any interest in qualifying farmland within a District until such agency or unit has requested the Farm Advisory Board hold a public hearing on the proposed condemnation. This ordinance requires and provides for such hearing.
- B. Procedure
1. Upon receiving a notice of proposed condemnation, the Farm Advisory Board shall direct the Cooperative Extension Director to publish notice describing the proposed action in a newspaper of general circulation in Cumberland County within five (5) business days of the request, and in the same notice shall notify the public of a public hearing before the Farm Advisory Board on the proposed condemnation to be held within ten (10) days of receipt of the notice.
 2. The Farm Advisory Board shall meet to review:
 - a. If the need for the project has been satisfactorily established by the agency or unit of government involved, including a review of any fiscal impact analysis conducted by the agency involved;
 - b. Alternatives to the proposed action that have less impact and are less disruptive to the agricultural activities of the District within which the proposed action is to take place.
 3. The Farm Advisory Board shall consult with the Cooperative Extension Director, the Natural Resources Conservation Service District Conservationist, and any other individuals, agencies or organizations deemed by the Farm Advisory Board to be necessary for

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its review of the proposed action. Land value will not be a factor in the selection between properties under consideration for the proposed action.

4. The Cumberland County Board of Commissioners shall condemn farmland within a District only "as a last resort" if it is considering condemnation for County purposes.
5. Within five (5) days after the public hearing, the Farm Advisory Board shall make a report containing its findings and recommendations regarding the proposed action. The report shall be made available to the public for comment prior to its being conveyed to the decision-making body of the agency proposing the acquisition.
- 6.4. There will be a period of ten (10) days allowed for public comment on the report of the Farm Advisory Board.
- 7.5. After the ten (10) day period for public comment has expired, the Farm Advisory Board shall submit a final report containing all of its findings and recommendations regarding the proposed action to the decision-making body of the agency proposing the condemnation.
- 8.6. The total time period, from the day that a notice requiring a hearing has been received to the day that a final report is issued to the decision-making body of the agency proposing the acquisition shall not exceed thirty (30) days. If the agency agrees to an extension, the agency and the Farm Advisory Board shall mutually agree upon a schedule to be set forth in writing and made available to the public.
- 9.7. No state or local agency may formally initiate a condemnation action while the proposed condemnation is properly before the Farm Advisory Board within these time limits.

ARTICLE IX – NORTH CAROLINA AGENCY NOTIFICATION

- A. Adoption
~~Upon adoption of this ordinance and any subsequent amendment, the Clerk to the Board of Commissioners shall record this ordinance with the North Carolina Commissioner of Agriculture and Consumer Services. A copy of this ordinance, once adopted, shall be recorded with the N.C. Department of Agriculture and Consumer Services.~~
- B. Annual Report
The Cooperative Extension Director, on behalf of the Farm Advisory Board, shall ~~make-submit~~ an annual report ~~each January~~ to the North Carolina Commissioner of Agriculture and Consumer Services as specified in N.C.G.S. 106-743.

ARTICLE X—LEGAL PROVISIONS

- A. Limit of Liability
In no event shall the County or any of its officers, employees, or agents be held liable in damages for any misfeasance, malfeasance, or nonfeasance occurring in good faith in connection with the duties of obligation imposed by this ordinance.
- B. No Cause of Action
In no event shall any cause of action arise out of the failure of a person researching the title of a particular tract to report to any person the proximity of the tract to a qualifying farm or District as defined in this ordinance.
- C. Severability
If any article, section of subsection, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portion of this ordinance.
- D. Conflict with other Ordinances and Statutes
Whenever the provisions of this ordinance conflict with other ordinances of Cumberland County, this ordinance shall govern to the extent allowed by law. Whenever the provisions of any federal or state statute require restrictive provisions than are required by this ordinance, the provisions of such statute shall govern.

**ARTICLE XI
ENACTMENT**

The Cumberland County Board of Commissioners hereby adopts and enacts the preceding articles and sections of this Ordinance.

Adopted this ~~the~~ _____ day of _____, _____.

Motion for adoption by _____ and seconded by _____.

CUMBERLAND COUNTY BOARD OF COMMISSIONERS

Chairperson

ATTEST:

Clerk to the Board of Commissioners

Approval as to form:

County Attorney

**CUMBERLAND COUNTY
VOLUNTARY AGRICULTURAL DISTRICT ORDINANCE**

ARTICLE I – AUTHORITY

The articles and sections of this ordinance are adopted pursuant to authority conferred by N.C.G.S. Chapter 153A and Chapter 106, Article 61, Farmland Preservation Enabling Act, as amended.

ARTICLE II – PURPOSE

The purpose of this ordinance is to promote agricultural and environmental values and the general welfare of the County and, more specifically, increase identity and pride in the agricultural community and its way of life; encourage the economic and financial health of agriculture, horticulture, and forestry; increase protection from non-farm development and other negative impacts on properly managed farms and; decrease the likelihood of legal disputes, such as nuisance actions between farm owners and their neighbors.

This ordinance establishes a Voluntary Agricultural District Program, which provides the following benefits:

- Preserves and maintains agricultural areas in the County.
- Informs non-farming neighbors and potential land purchasers that the participating farm may emit noise, dust, and smell.
- Gives the farming community a voice in Cumberland County Commissioners' decisions affecting farmland.
- Conserves open space and natural resources as the County's population and development expand.
- Farmer participation in the Program is voluntary and the farmer may terminate his/her participation at any time.

ARTICLE III - CERTIFICATION AND QUALIFICATION OF FARMLAND

In order for farmland to qualify under this Article, it must be real property that:

- A. Is participating in the Present-Use Value taxation program established by N.C.G.S. 105-277.7 or is otherwise determined by the County to meet all qualifications of this program set forth in N.C.G.S. 105-277.3;

- B. Is used for bona fide farm purposes, as that term is defined in G.S. 106-743.4(a) and G.S. 160D-903.
- C. Is managed, if highly erodible land exists on the farm, in accordance with the Natural Resources Conservation Service defined erosion-control practices that are addressed to said highly erodible land.
- D. Is the subject of a conservation agreement, as defined in N.C.G.S. 121-35, between the county and the owner of such land that prohibits non-farming use or development of such land for a period of at least ten years, except for the creation on not more than three lots that meet applicable zoning and subdivision regulations. This conservation agreement will become null and void if the land is removed from the Voluntary Agricultural District Program.

ARTICLE IV– CREATION OF VOLUNTARY AGRICULTURAL DISTRICTS

A. Implementation

- Any agricultural district shall initially consist of at least 10 acres of agricultural land, or 5 acres of horticultural land, or 20 acres of forest land, as set forth in the Present-Use Value taxation program, of qualifying farmland. An agricultural district may be enlarged by adding qualifying, contiguous farmland and by application by non-farm landowners contiguous to qualifying agricultural district.
- Landowner(s) requesting inclusion in the VAD shall execute a conservation agreement with the county to sustain agriculture in the VAD in accordance with Article VII of this ordinance. Said agreement shall be in a form which is reviewed and approved by the Advisory Board.

B. Education

The County may take such action as it deems appropriate through the Farm Advisory Board or other entities or individuals to encourage the formation of the Districts and to further their purposes and objectives, including the implementation of a public information program to reasonably inform landowners of the Voluntary Agricultural District Program.

C. Withdrawal

In the event that one or more participants in a District withdraws or loses eligibility to participate and the acreage becomes less than the minimum or results in land being noncontiguous, a District will continue to exist so long as there is at least one (1) remaining qualifying farm.

ARTICLE V – APPLICATION, APPROVAL, AND APPEAL PROCEDURE

A. Application Procedure

A landowner may apply to participate in the Voluntary Agricultural District Program by submitting an application to the Cooperative Extension Office. The application shall be on forms provided by Cooperative Extension and approved by the Farm Advisory Board.

B. Approval Process

1. Upon receipt of an application, the Cooperative Extension Director will forward copies to the following agencies for their prompt evaluation and response:
 - a. The Cumberland County Tax Department,
 - b. The Natural Resources Conservation Service office for Cumberland County,
 - c. The Cumberland County Soil and Water Conservation District office, and/or
 - d. The North Carolina Forest Service.
2. Upon receipt of the responses from the Cumberland County Tax Department, the Natural Resources Conservation Service, the Cumberland County Soil and Water Conservation District, and the North Carolina Forest Service, the Farm Advisory Board shall consider the application at its next regularly scheduled meeting. The Cooperative Extension Director shall notify the applicant by first-class mail of the Farm Advisory Board's decision within 15 days.

C. Appeal

If the Farm Advisory Board denies an application, the petitioner shall have 60 days to appeal the decision to the Board of Commissioners. Such appeal shall be submitted in writing to the Clerk to the Board of Commissioners. The decision of the Board of Commissioners is final.

ARTICLE VI – NOTIFICATION

Upon approval of a Voluntary Agricultural District and notification to the applicant by the Cooperative Extension Director, the Cumberland County Planning Department shall provide notification of said District by the following methods:

A.

- B. Signs approved by the Farm Advisory Board shall be installed along the landowner's property outside of any right-of-way or easements and shall conform to Chapter 11, Sign Regulations of the Cumberland County Zoning Ordinance so that current and potential residents and property owners may be made aware that farming and agricultural activities may take place at any time.

The Cumberland County Planning and Inspections Department shall maintain maps of approved Districts within the Cumberland County Geographic Information Mapping System Database as well as an overlay for all tracts located within one-half mile of the property line of any tract of land enrolled in the Voluntary Agricultural District. This mapping information may be viewed by accessing the Cumberland County website at:
www.cumberlandcountync.gov.

- A. The Cumberland County Tax Department and the Register of Deeds Office shall add a special notice to the GIS database so that anyone conducting title or real estate record searches, or general research on parcels of land, will be advised of the location of and participation in Voluntary Agricultural Districts, in relation to the subject parcel(s).
- B. Notice of these methods of District notification and identification shall be included in all Cumberland County Voluntary Agricultural District Program information brochures made available to the public by the Cooperative Extension Service, County Planning and Inspections Department, or the County Tax Department.

ARTICLE VII– REVOCATION AND RENEWAL OF PARTICIPATION IN THE PROGRAM

- A. By written notice to the Farm Advisory Board, a landowner of qualifying farmland may revoke his/her participation in the Voluntary Agricultural District Program formulated pursuant to Article V of this ordinance, or the Farm Advisory Board may revoke same participation based on non-compliance by the landowner. Such revocation shall result in loss of eligibility. The County will remove the tract from the public record within a 90-day period.
- B. Those parcels approved for the Voluntary Agricultural District shall be automatically renewed unless the landowner provides a 30-day written notice to the Farm Advisory Board of intent not to renew.

ARTICLE VIII– PUBLIC HEARINGS ON PROPOSED CONDEMNATION

- A. Purpose
Pursuant to N.C.G.S. 106-740, no state or local public agency or governmental unit may formally initiate any action to condemn any interest in qualifying farmland within a District until such agency or unit has requested the Farm Advisory Board hold a public hearing on the proposed condemnation. This ordinance requires and provides for such hearing
- B. Procedure
 - 1. Upon receiving a notice of proposed condemnation, the Farm Advisory Board shall direct the Cooperative Extension Director to

publish notice describing the proposed action in a newspaper of general circulation in Cumberland County within five (5) business days of the request, and in the same notice shall notify the public of a public hearing before the Farm Advisory Board on the proposed condemnation to be held within ten (10) days of receipt of the notice.

2. The Farm Advisory Board shall meet to review:
 - a. If the need for the project has been satisfactorily established by the agency or unit of government involved, including a review of any fiscal impact analysis conducted by the agency involved;
 - b. Alternatives to the proposed action that have less impact and are less disruptive to the agricultural activities of the District within which the proposed action is to take place.
3. The Farm Advisory Board shall consult with the Cooperative Extension Director, the Natural Resources Conservation Service District Conservationist, and any other individuals, agencies or organizations deemed by the Farm Advisory Board to be necessary for its review of the proposed action. Land value will not be a factor in the selection between properties under consideration for the proposed action.
4. The Cumberland County Board of Commissioners shall condemn farmland within a District only “as a last resort” if it is considering condemnation for County purposes. Within five (5) days after the public hearing, the Farm Advisory Board shall make a report containing its findings and recommendations regarding the proposed action. The report shall be made available to the public for comment prior to its being conveyed to the decision-making body of the agency proposing the acquisition. There will be a period of ten (10) days allowed for public comment on the report of the Farm Advisory Board.
5. After the ten (10) day period for public comment has expired, the Farm Advisory Board shall submit a final report containing all of its findings and recommendations regarding the proposed action to the decision-making body of the agency proposing the condemnation.
6. The total time period, from the day that a notice requiring a hearing has been received to the day that a final report is issued to the decision-making body of the agency proposing the acquisition shall not exceed thirty (30) days. If the agency agrees to an extension, the agency and the Farm Advisory Board shall mutually agree upon a schedule to be set forth in writing and made available to the public.
7. No state or local agency may formally initiate a condemnation action while the proposed condemnation is properly before the Farm Advisory Board within these time limits.

ARTICLE IX – NORTH CAROLINA AGENCY NOTIFICATION

A. Adoption

A copy of this ordinance once adopted, shall be recorded with the N.C. Department of Agriculture and Consumer Services.

B. Annual Report

The Cooperative Extension Director, on behalf of the Farm Advisory Board, shall submit an annual report to the North Carolina Commissioner of Agriculture and Consumer Services as specified in N.C.G.S. 106-743.

ARTICLE X– LEGAL PROVISIONS

A. Limit of Liability

In no event shall the County or any of its officers, employees, or agents be held liable in damages for any misfeasance, malfeasance, or nonfeasance occurring in good faith in connection with the duties of obligation imposed by this ordinance.

B. No Cause of Action

In no event shall any cause of action arise out of the failure of a person researching the title of a particular tract to report to any person the proximity of the tract to a qualifying farm or District as defined in this ordinance.

C. Severability

If any article, section of subsection, clause, phrase or portion of this ordinance is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such decision shall not affect the validity of the remaining portion of this ordinance.

D. Conflict with other Ordinances and Statutes

Whenever the provisions of this ordinance conflict with other ordinances of Cumberland County, this ordinance shall govern to the extent allowed by law. Whenever the provisions of any federal or state statute require restrictive provisions than are required by this ordinance, the provisions of such statute shall govern.

ARTICLE XI
ENACTMENT

The Cumberland County Board of Commissioners hereby adopts and enacts the preceding articles and sections of this Ordinance.

Adopted this _____ day of _____, ____.

CUMBERLAND COUNTY BOARD OF COMMISSIONERS

Glenn Adams, Chairman

ATTEST:

Andrea Tebbe, Clerk to the Board of Commissioners

Approval as to form:

County Attorney

**Cumberland County Farm
Advisory Board
øBylaws ø**

Adopted:

ARTICLE I - NAME

The official name of this organization shall be the Cumberland County Farm Advisory Board. Hereafter, the Cumberland County Farm Advisory Board may be referred to as the Farm Advisory Board.

ARTICLE II - PURPOSE

The articles and sections of this Ordinance are adopted pursuant to authority conferred by the North Carolina General Statutes sections 106-735 through 106-744 and Chapter 153A.

The Cumberland County Board of Commissioners establishes the Farm Advisory Board and charges it with the responsibility of serving as a "watchdog" for development in farm and rural areas, protecting agricultural land, preserving the farming industry and culture of the County, protecting the character of the rural areas of the County, and implementing the provisions of the voluntary Agricultural District Ordinance.

ARTICLE III – COMPOSITION

The Farm Advisory Board shall have ~~nine~~ seven members consisting of the following:

- ~~Five~~ Four active farmers as defined in N.C.G.S. 106-581.1
- One member representing of the Natural Resource Conservation Service, Cumberland County Soil and Water Conservation, Board of Supervisors or NC Forest Service.
- One member of the Farm Bureau Board of Directors
- One member of the Cumberland County Joint Planning Board
- ~~The Director or an Agricultural Extension Agent of the Cumberland County Center of the North Carolina Cooperative Extension Service.~~

Additional members may be appointed to the Board in an ex officio capacity representing staff from Cumberland County Cooperative Extension, Cumberland County Soil and Water Conservation, Farm Service Agency, Cumberland County Planning Department, and other agencies, as deemed necessary by the Board of Commissioners. Members serving in an ex officio capacity shall neither vote nor count toward quorum.

Candidates for membership must be residents of Cumberland County or must be actively farming in Cumberland County and are nominated by the Farm Advisory Board or County Commissioners and are appointed by the Cumberland County Board of Commissioners.

ARTICLE IV – DUTIES

The Farm Advisory Board shall have the following duties:

1. Promote the health, safety rural agricultural values, and general welfare of the County;
2. Increase identity and pride in the agricultural community and its way of life;
3. Encourage the economic and financial health of agriculture;

**Cumberland County
Farm Advisory Board
Bylaws**

4. Protect rural character and agricultural culture;
5. Insure that development does not negatively impact farming and farming operations;
6. Make recommendations to the Cumberland County Joint Planning Board and the Board of Commissioners regarding issues involving farmland in Cumberland County;
7. Review and approve or disapprove applications for inclusion in, the establishment of, and modification of Voluntary Agricultural Districts;
8. Review and make recommendations concerning any ordinance or amendment adopted or proposed for adoption pursuant to N.C.G.S. 106, Article 61;
9. Hold public hearings on public projects likely to have an impact on agricultural operations, particularly if such projects involve condemnation of all or part of a qualifying farm in a Voluntary Agricultural District; and
10. Approve and submit an annual report ~~that is due in January of each year~~ to the North Carolina Commissioner of Agriculture (required by N.C.G.S. 106-743), prepared ~~by~~ the Cooperative Extension Director, giving the status, progress and activities of the County's Voluntary Agricultural District Program;

ARTICLE V - MEMBERSHIP

Terms

Terms shall be for three years and no member shall serve more than two consecutive terms. A ~~member~~ must have been off the Farm Advisory Board for at least one year before she or he may be appointed for a subsequent term. Terms begin January 1st and end December 31st.

~~During the initial term on the Board, all members shall serve one three-year term. At the end of the initial three-year term, terms shall be staggered with 1/3 of the members appointed for a 1-year term; 1/3 of the membership appointed for a 2-year term; and 1/3 of the membership appointed to a three-year term. Board members shall determine the membership rotation during the final quarterly meeting of the third year by drawing lots.~~

Vacancies

~~Any vacancy of a member on the A-Farm Advisory Board is to be filled by a Board of Commissioner designee for the member appointed to serve the unexpired remainder of the a former member's term. may serve two terms in addition to the remainder of the unexpired term.~~

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Farm Advisory Board members must serve personally and may not send a representative or delegate in their place to conduct Farm Advisory Board business. No one but officially appointed members shall sit on the Farm Advisory Board or conduct its business.

Removal

~~Any member of the Farm Advisory Board may be removed by the Board of Commissioners upon a majority vote. No cause for removal shall be required.~~

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ARTICLE VI – OFFICERS

Officers

Officers of the Farm Advisory Board shall be a Chairman, Vice-Chairman and Secretary, and shall be elected to serve a one -year term, elected annually by the membership at the first quarter meeting.

**Cumberland County
Farm Advisory Board**

§ Bylaws §

The Chairman and Vice-Chairman shall be selected from the ~~five-four~~ active farmers serving on the Board. ~~Each officer shall serve no more than two consecutive terms in that particular office.~~

Officer Duties

Chairman – The Chairman shall preside at all meetings, shall vote, and may participate in the discussion of matters, rule on all procedural questions, establish and appoint members to sub-committees, serve as ex-officio voting member of all sub-committees, and perform other duties as may be delegated to him/her by the Farm Advisory Board.

Vice-Chairman – The Vice-Chairman shall serve as Chairman in his/her absence and performs other duties as assigned by the Chairman. The Vice-Chairman shall serve as ex-officio voting member of all sub-committees.

Secretary – The Secretary shall execute such documents as authorized by the Farm Advisory Board, on behalf of the Board, shall cause full and accurate minutes to be kept of meetings of the Farm Advisory Board and its sub-committees, and shall perform such other duties as the Farm Advisory Board may designate. The administrative staff ~~of the - of~~ Cumberland County ~~Center of the N.C.~~ Cooperative Extension ~~Service~~ shall perform or may cause to be performed on behalf of a Board member designated administrative duties, such as record keeping, correspondence, and application procedures of the Voluntary Agricultural District Ordinance.

ARTICLE VII – PROCEDURES

Conducting Business

Business shall be conducted in accordance with generally accepted rules of Parliamentary Procedure. In any case where there is a conflict between these Bylaws and Parliamentary Procedure, these Bylaws shall control. A quorum must be present to vote or make any decisions or take any official action.

Voting

The presiding Chairman shall vote on all issues. For the purposes of the Farm Advisory Board, a quorum shall be established when (45) or more Board members have convened to conduct business. A quorum once established may not be broken by the departure of a member. When a quorum is present the affirmative vote of a majority of the Farm Advisory Board present shall be required to take any action.

Conflict of Interest

Any Farm Advisory Board member who has a substantial personal or financial conflict of interest in the outcome of any matter brought before the Farm Advisory Board shall make that interest known and the minutes of that meeting shall record that the member made such fact known. The member shall refrain from voting and in any way participating in that matter.

Meetings

The Farm Advisory Board shall meet the 2nd Tuesday of the first month of each quarter ~~in Room 107C of the Historic Courthouse at the Cumberland County Agriculture Center, at 7:00 p.m.~~ 8:30 am. The schedule shall be set for the year by resolution at the January meeting. The Farm Advisory Board shall conduct meetings in compliance with the Open Meetings Law and the Public Records Law. Special meetings may be called at the request of the Chairman or a simple majority of the

**Cumberland County
Farm Advisory Board
§ Bylaws §**

Farm Advisory Board. Notice of such special meeting shall be given by the Secretary to all members of the Farm Advisory Board at least 48 hours prior to such meeting and shall state the purpose, time and place of the meeting.

Administration

Cumberland County Cooperative Extension will serve the Advisory Board for record keeping, correspondence, and whatever services the Board needs to complete its duties.

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Order of Business

The Secretary shall prepare an agenda for each meeting, and the Order of Business therein shall be as follows:

Roll Call
Recognition of Guests
Approval of Agenda and Minutes
Unfinished Business
New Business
Adjournment

Cooperation with Interested Private and Public Groups

The Chairman may request the Secretary to invite any interested parties to appear before the Farm Advisory Board or any sub-committee thereof. The Chairman may invite Department Heads from those governmental jurisdictions which may be directly or indirectly concerned with matters to be conducted by the Farm Advisory Board.

Sub-committees

The Farm Advisory Board may create sub-committee(s) from its membership to provide for thorough study and consideration of matters, within the purview of the Farm Advisory Board, and in order to provide for its efficient operation. Sub-committees may be comprised of as many members as the Chairman may deem necessary provided that in no case shall a sub-committee be composed of less than three members. The elected Farm Advisory Board officers shall serve as ex-officio members of all sub-committees. The Chairman shall appoint all sub-committee members and shall designate one sub-committee member to serve as moderator to serve until his successor has been appointed and qualified. Sub-committee meetings shall meet at the call of the moderator. The Chairman may request the moderator to call a special meeting. A majority of the members of a sub-committee shall constitute a quorum.

ARTICLE VIII – AMENDMENTS

These Bylaws may be amended, supplemented or superseded by an affirmative vote of a two-thirds (2/3) majority of the total membership of the Farm Advisory Board.

Cumberland County
Farm Advisory Board
Bylaws

ARTICLE VIII – EFFECTIVE DATE

These Bylaws shall be in full force and effect from and after the date of their approval by the Farm Advisory Board.

Adopted by the Farm Advisory Board this _____ day of _____, 2023.

~~David Collier~~ Ryan Kennedy, Chairman

—Farm Advisory Board

—Joe Gillis, -Vice-
Chairman

—Farm Advisory Board

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~~George Autry~~ Lisa Childers, Director Cumberland County Center
North Carolina Cooperative Extension Service

Final approval by the Cumberland County Board of Commissioners was granted on this _____ day of _____, 2006.

Commissioner Dr. Toni
Stewart
Chairman

Andrea Tebbe
Clerk to the Board of Commissioners

Commissioner Ch. D. R.
King

Marsha Fogle;
Clerk to the Board of Commissioners

**Cumberland County
Farm Advisory Board
Bylaws**

Approved for Legal Sufficiency

~~Grainger Barrett~~ Rick Moorefield,
County Attorney

**Cumberland County
Farm Advisory Board
⌘ Bylaws ⌘**

Adopted:

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ARTICLE III – COMPOSITION

The Farm Advisory Board shall have seven members consisting of the following:

- Four active farmers as defined in N.C.G.S. 106-581.1
- One member representing the Cumberland County Soil and Water Conservation, Board of Supervisors or NC Forest Service.
- One member of the Farm Bureau Board of Directors
- One member of the Cumberland County Joint Planning Board

Additional members may be appointed to the Board in an ex officio capacity representing staff from Cumberland County Cooperative Extension, Cumberland County Soil and Water Conservation, Farm Service Agency, Cumberland County Planning Department, and other agencies, as deemed necessary by the Board of Commissioners. Members serving in an ex officio capacity shall neither vote nor count toward quorum.

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3. Encourage the economic and financial health of agriculture.
4. Protect rural character and agricultural culture.
5. Insure that development does not negatively impact farming and farming operations;

**Cumberland County
Farm Advisory Board**

Bylaws

6. Make recommendations to the Cumberland County Joint Planning Board and the Board of Commissioners regarding issues involving farmland in Cumberland County.
7. Review and approve or disapprove applications for inclusion in, the establishment of, and modification of Voluntary Agricultural Districts;
8. Review and make recommendations concerning any ordinance or amendment adopted or proposed for adoption pursuant to N.C.G.S. 106, Article 61;
9. Hold public hearings on public projects likely to have an impact on agricultural operations, particularly if such projects involve condemnation of all or part of a qualifying farm in a Voluntary Agricultural District; and
10. Approve and submit an annual report to the North Carolina Commissioner of Agriculture (required by N.C.G.S. 106-743), prepared by the Cooperative Extension Director, giving the status, progress and activities of the County's Voluntary Agricultural District Program.

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Any member of the Farm Advisory Board may be removed by the Board of Commissioners upon a majority vote. No cause for removal shall be required.

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Officer Duties

Chairman – The Chairman shall preside at all meetings, shall vote, and may participate in the discussion of matters, rule on all procedural questions, establish and appoint members to sub-committees, serve as ex-officio voting member of all sub-committees, and perform other duties as may be delegated to him/her by the Farm Advisory Board.

**Cumberland County
Farm Advisory Board**

§ Bylaws §

Vice-Chairman – The Vice-Chairman shall serve as Chairman in his/her absence and performs other duties as assigned by the Chairman. The Vice-Chairman shall serve as ex-officio voting member of all sub-committees.

Secretary – The Secretary shall execute such documents as authorized by the Farm Advisory Board, on behalf of the Board, shall cause full and accurate minutes to be kept of meetings of the Farm Advisory Board and its sub-committees, and shall perform such other duties as the Farm Advisory Board may designate. The administrative staff of Cumberland County Cooperative Extension shall perform or may cause to be performed on behalf of a Board member designated administrative duties, such as record keeping, correspondence, and application procedures of the Voluntary Agricultural District Ordinance.

ARTICLE VII – PROCEDURES

Conducting Business

Business shall be conducted in accordance with generally accepted rules of Parliamentary Procedure. In any case where there is a conflict between these Bylaws and Parliamentary Procedure, these Bylaws shall control. A quorum must be present to vote or make any decisions or take any official action.

Voting

The presiding Chairman shall vote on all issues. For the purposes of the Farm Advisory Board, a quorum shall be established when (4) or more Board members have convened to conduct business. A quorum once established may not be broken by the departure of a member. When a quorum is present the affirmative vote of a majority of the Farm Advisory Board present shall be required to take any action.

Conflict of Interest

Any Farm Advisory Board member who has a substantial personal or financial conflict of interest in the outcome of any matter brought before the Farm Advisory Board shall make that interest known and the minutes of that meeting shall record that the member made such fact known. The member shall refrain from voting and in any way participating in that matter.

Meetings

The Farm Advisory Board shall meet the 2nd Tuesday of the first month of each quarter at the Cumberland County Agriculture Center, 8:30 am. The schedule shall be set for the year by resolution at the January meeting. The Farm Advisory Board shall conduct meetings in compliance with the Open Meetings Law and the Public Records Law. Special meetings may be called at the request of the Chairman or a simple majority of the Farm Advisory Board. Notice of such special meeting shall be given by the Secretary to all members of the Farm Advisory Board at least 48 hours prior to such meeting and shall state the purpose, time and place of the meeting.

Administration

Cumberland County Cooperative Extension will serve the Advisory Board for record keeping, correspondence, and whatever services the Board needs to complete its duties.

**Cumberland County
Farm Advisory Board
§ Bylaws §**

Order of Business

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Roll Call
Recognition of Guests
Approval of Agenda and Minutes
Unfinished Business
New Business
Adjournment

Cooperation with Interested Private and Public Groups

The Chairman may request the Secretary to invite any interested parties to appear before the Farm Advisory Board or any sub-committee thereof. The Chairman may invite Department Heads from those governmental jurisdictions which may be directly or indirectly concerned with matters to be conducted by the Farm Advisory Board.

Sub-committees

The Farm Advisory Board may create sub-committee(s) from its membership to provide for thorough study and consideration of matters, within the purview of the Farm Advisory Board, and in order to provide for its efficient operation. Sub-committees may be comprised of as many members as the Chairman may deem necessary provided that in no case shall a sub-committee be composed of less than three members. The elected Farm Advisory Board officers shall serve as ex-officio members of all sub-committees. The Chairman shall appoint all sub-committee members and shall designate one sub-committee member to serve as moderator to serve until his successor has been appointed and qualified. Sub-committee meetings shall meet at the call of the moderator. The Chairman may request the moderator to call a special meeting. A majority of the members of a sub-committee shall constitute a quorum.

ARTICLE VIII – AMENDMENTS

These Bylaws may be amended, supplemented or superseded by an affirmative vote of a two-thirds (2/3) majority of the total membership of the Farm Advisory Board.

ARTICLE VIII – EFFECTIVE DATE

These Bylaws shall be in full force and effect from and after the date of their approval by the Farm Advisory Board.

Adopted by the Farm Advisory Board this _____ day of _____, 2023.

**Cumberland County
Farm Advisory Board** §
Bylaws §

Ryan Kennedy, Chairman
Farm Advisory Board

Joe Gillis, Vice- Chairman
Farm Advisory Board

Lisa Childers, Director Cumberland County Cooperative Extension

Final approval by the Cumberland County Board of Commissioners was granted on this
_____ day of _____, 2023.

Commissioner Glenn Adams
Chairman

Andrea Tebbe
Clerk to the Board of Commissioners

Approved for Legal Sufficiency

Rick Moorefield,
County Attorney



FINANCE DEPARTMENT

**MEMORANDUM FOR THE AGENDA OF THE DECEMBER 14, 2023
AGENDA SESSION**

TO: BOARD OF COUNTY COMMISSIONERS

FROM: IVONNE MENDEZ, DEPUTY FINANCE DIRECTOR

DATE: 11/27/2023

SUBJECT: FINANCIAL REPORT

Requested by: CLARENCE GRIER, COUNTY MANAGER

Presenter(s): N/A

BACKGROUND

The financial report included shows results of the general fund for fiscal year 2024, October year-to date. Results of fiscal year 2023 will be added upon approval of the audit. Additional detail has been provided on a separate page explaining any percentages that may appear inconsistent with year-to-date budget expectations.

RECOMMENDATION / PROPOSED ACTION

For information and discussion purposes only.

ATTACHMENTS:

Description	Type
Monthly Financial Report	Backup Material

**County of Cumberland
General Fund Revenues**

REVENUES	FY23-24 ADOPTED BUDGET	FY23-24 REVISED BUDGET	YTD ACTUAL (unaudited) AS OF October 31, 2023	PERCENT OF BUDGET TO DATE	*
Ad Valorem Taxes					
Current Year	\$ 174,316,451	\$ 174,316,451	\$ 27,760,411	15.9%	(1)
Prior Years	1,274,781	1,274,781	437,162	34.3%	
Motor Vehicles	27,054,585	27,054,585	6,654,750	24.6%	(2)
Penalties and Interest	732,162	732,162	155,224	21.2%	
Other	1,150,355	1,150,355	436,661	38.0%	
Total Ad Valorem Taxes	204,528,334	204,528,334	35,444,208	17.3%	
Other Taxes					
Sales	66,330,475	66,330,475	4,464,194	6.7%	(3)
Real Estate Transfer	2,200,000	2,200,000	644,500	29.3%	
Other	832,262	832,262	101,296	12.2%	
Total Other Taxes	69,362,737	69,362,737	5,209,989	7.5%	
Unrestricted & Restricted Intergovernmental Revenues	72,884,504	78,666,362	12,505,795	15.9%	(4)
Charges for Services	13,391,478	13,436,603	4,396,188	32.7%	(5)
Other Sources (includes Transfers In)	10,738,371	2,660,117	332,508	12.5%	
Lease Land CFVMC	4,532,728	4,532,728	4,318,863	95.3%	
Total Other	15,271,099	7,192,845	4,651,371	64.7%	
Total Revenue	\$ 375,438,152	\$ 373,186,881	\$ 62,207,552	16.7%	
Fund Balance Appropriation	6,454,775	24,143,786	-	0.0%	
Total Funding Sources	\$ 381,892,927	\$ 397,330,667	\$ 62,207,552	15.7%	

County of Cumberland
General Fund Expenditures

DEPARTMENTS	YTD ACTUAL				PERCENT OF BUDGET TO DATE	**
	FY23-24 ADOPTED BUDGET	FY23-24 REVISED BUDGET	(unaudited) AS OF October 31, 2023			
Governing Body	\$ 737,485	\$ 748,620	\$ 236,183		31.5%	
Administration	2,981,741	2,981,741	734,112		24.6%	
Public Information	1,789,756	1,829,490	409,213		22.4%	
Human Resources	1,350,074	1,350,074	429,339		31.8%	
Court Facilities	144,720	144,720	21,374		14.8%	(1)
Facilities Maintenance	1,261,435	1,282,549	281,679		22.0%	
Landscaping & Grounds	789,040	789,040	196,331		24.9%	
Carpentry	234,055	234,055	66,377		28.4%	
Facilities Management	1,595,264	1,595,264	476,008		29.8%	
Public Buildings Janitorial	1,276,630	1,276,630	355,800		27.9%	
Central Maintenance	4,423,015	5,579,743	1,536,056		27.5%	
Innovation & Technology Services	9,229,693	9,430,063	2,677,286		28.4%	
Board of Elections	1,885,321	1,885,321	354,895		18.8%	(2)
Financial Services	1,568,394	1,568,394	402,227		25.6%	
Legal	1,321,291	1,321,291	384,275		29.1%	
Register of Deeds	2,799,411	3,240,177	694,666		21.4%	
Tax	7,325,216	7,365,716	2,125,868		28.9%	
General Government Other	6,489,381	10,680,566	1,257,120		11.8%	(3)
Sheriff	59,905,448	62,858,739	14,913,826		23.7%	
Emergency Services	5,076,820	5,266,527	1,187,355		22.5%	
DWI Court	-	149,845	4,352		2.9%	(4)
Justice Services	742,383	742,383	206,218		27.8%	
Youth Diversion	37,691	37,691	10,876		28.9%	
Animal Services	4,493,335	4,524,885	1,166,421		25.8%	
Public Safety Other (Medical Examiners, NC Detention Subsidy)	2,034,642	2,589,442	363,177		14.0%	(5)
Health	33,250,408	35,279,273	8,884,959		25.2%	
Mental Health	5,717,199	5,717,199	2,599,121		45.5%	

County of Cumberland
General Fund Expenditures

DEPARTMENTS	FY23-24		YTD ACTUAL	PERCENT OF BUDGET TO DATE	**
	ADOPTED BUDGET	REVISED BUDGET	(unaudited) AS OF October 31, 2023		
Social Services	70,087,126	71,563,457	16,108,250	22.5%	
Veteran Services	603,701	603,701	187,478	31.1%	
Child Support	6,227,054	6,227,054	1,573,815	25.3%	
Spring Lake Resource Administration	61,649	81,649	2,067	2.5%	(6)
Library	11,605,594	11,999,770	3,280,463	27.3%	
Culture Recreation Other (Some of the Community Funding)	459,923	459,923	6,875	1.5%	(7)
Planning	3,606,363	3,626,903	929,679	25.6%	
Engineering	2,422,932	2,431,021	166,963	6.9%	(8)
Cooperative Extension	865,386	865,386	194,570	22.5%	
Location Services	237,473	237,473	77,084	32.5%	
Soil Conservation	590,634	1,750,485	100,665	5.8%	(9)
Public Utilities	104,723	104,723	31,012	29.6%	
Economic Physical Development Other	20,000	20,000	20,000	100.0%	
Economic Incentive	468,126	468,126	30,126	6.4%	(10)
Water and Sewer	100,000	200,843	49,676	24.7%	
Education	104,595,132	104,595,132	34,331,711	32.8%	
Other Uses:					
Transfers Out	21,377,263	21,625,583	50,378	0.2%	(11)
TOTAL	\$ 381,892,927	\$ 397,330,667	\$ 99,115,922	24.9%	

Expenditures by Category	YTD ACTUAL			
	FY23-24 ADOPTED BUDGET	FY23-24 REVISED BUDGET	(unaudited) AS OF October 31, 2023	PERCENT OF BUDGET TO DATE
Personnel Expenditures	\$ 174,893,528	\$ 175,007,012	\$ 45,415,164	26.0%
Operating Expenditures	181,714,774	189,730,508	52,688,264	27.8%
Capital Outlay	3,907,362	10,967,564	962,117	8.8% ⁽¹²⁾
Transfers To Other Funds	21,377,263	21,625,583	50,378	0.2% ⁽¹¹⁾
TOTAL	\$ 381,892,927	\$ 397,330,667	\$ 99,115,922	24.9%

COUNTY OF CUMBERLAND

Fiscal Year 2024 - October Year-to-Date Actuals (Report Run Date: November 27, 2023)

Additional Detail

General Fund Revenues

*

- (1) **Current Year Ad Valorem 15.9%** - The bulk of revenues are typically recorded between November - January.
- (2) **Motor Vehicles 24.6%** - YTD Actual reflects 3 months of collections.
- (3) **Sales Tax 6.7%** - YTD Actual reflects 1 month of collections. Collections for the fiscal year are first recorded in October.
- (4) **Unrestricted/Restricted Intergovernmental 15.9%** - There is typically a one to two month lag in receipt of this funding.
- (5) **Charges for Services 32.7%** - The largest component of charges for services is revenue from the Board of Ed for security at 21% of budget. 13% of that revenue has been billed/collected to date.

General Fund Expenditures

**

- (1) **Court Facilities 14.8%** - Expenditures are for repairs, supplies, and furniture/equipment on an as needed basis and spending has been low so far this fiscal year.
- (2) **Board of Elections 18.8%** - Expenditures are low at this time as many budgeted expenses are related to upcoming elections.
- (3) **General Government Other 11.8%** - Over half of the unexpended amount is from the ARP Freed-Up Capacity funds with the majority belonging to unexpended amounts for upfitting the Employee Daycare and for Non-Profit Assistance contracts.
- (4) **DWI Court 2.9%** - Expenditures for this DOJ grant began 10/1/23.
- (5) **Public Safety Other 14.0%** - Approximately \$681K for an interlocal agreement with the City of Fayetteville is unexpended.
- (6) **Spring Lake Resource Administration 2.5%** - New custodial position is being paid from incorrect organization. Staff have been notified and the correction is in process.
- (7) **Culture Recreation Other 1.5%** - Community funding contracts and payments are still being processed resulting in very few payments being made so far.
- (8) **Engineering 6.9%** - Approximately \$1.7M budgeted for generators is unexpended.
- (9) **Soil Conservation 5.8%** - Approximately \$1.4M in USDA Grant funds were budgeted and are unexpended.
- (10) **Economic Incentive 6.4%** - Economic incentives are paid when the company complies.
- (11) **Transfers Out 0.2%** - Transfers are often prepared toward the end of the fiscal year.
- (12) **Capital Outlay 8.8%** - These capital outlay items are typically purchased in the second and third quarters of the fiscal year.



RISK MANAGEMENT

MEMORANDUM FOR THE AGENDA OF THE DECEMBER 14, 2023 AGENDA SESSION

TO: BOARD OF COUNTY COMMISSIONERS

FROM: JULIE A. CRAWFORD, BENEFITS CONSULTANT

DATE: 11/22/2023

SUBJECT: HEALTH INSURANCE UPDATE

Requested by: CLARENCE GRIER, COUNTY MANAGER

Presenter(s): N/A

BACKGROUND

As of July 1, 2019, retirees who are 65 and older became covered by a County funded fully insured plan through AmWINS. All other covered members remained insured by the County's self-funded plan through BCBS. The information provided below and within the graphs has been updated to include the monthly premium amount paid to fund the fully insured plan and the actual monthly claims amounts for all other covered members. Combining these amounts for FY20 and beyond is necessary to ensure a complete picture when comparing the claims results to prior years.

Total health insurance claims plus the fully insured premium amount for FY24 are up 5.32% for the month of October as compared to the same month in FY23. To provide some perspective, below is the four-month average for the past five fiscal years. This average represents the average monthly year-to-date claims for each fiscal year and includes the fully insured premium for fiscal years 21, 22, 23 and 24. Additionally, graphs are provided in the attachment to aid in the analysis.

Year to date claims and premium payment through October	\$8,299,398
Less year to date stop loss credits	(\$116,401)
Net year to date claims and premium payment through October	\$8,182,997

Average monthly claims and fully insured premium (before stop loss) per fiscal year through October:

FY19 \$1,486,066

FY20 \$1,542,395

FY21 \$2,285,947

FY22 \$1,826,865

FY23 \$2,074,849

RECOMMENDATION / PROPOSED ACTION

Information only – no action needed.

ATTACHMENTS:

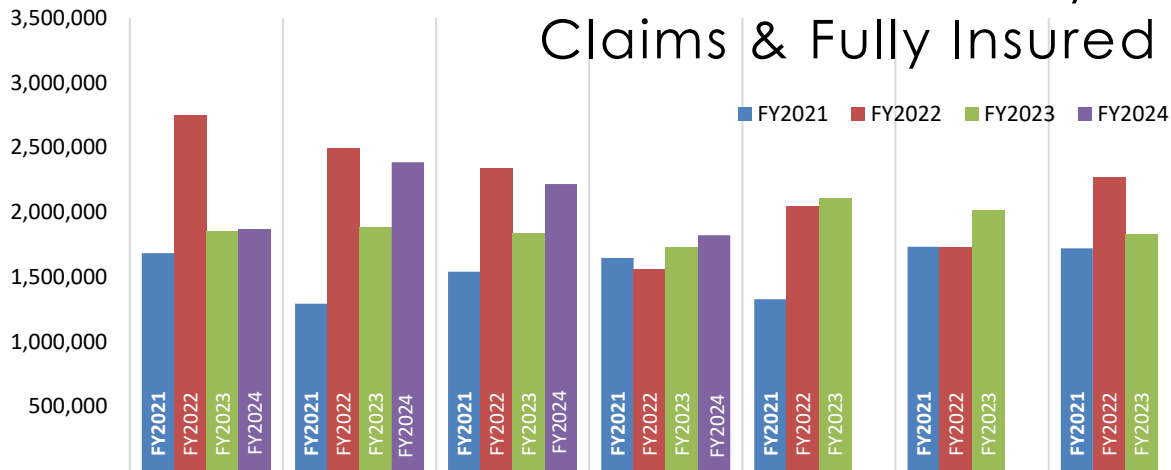
Description

Health Insurance Graphs

Type

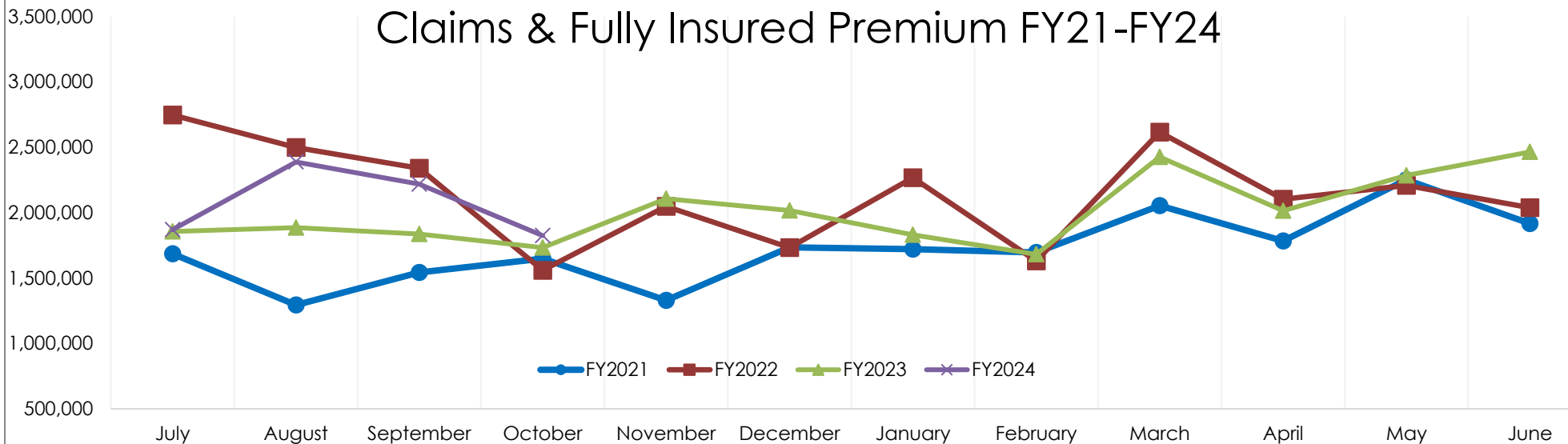
Backup Material

Monthly Insurance Claims & Fully Insured Premium FY21-FY24



	July	August	September	October	November	December	January	February	March	April	May	June
FY2021	1,685,626	1,293,687	1,542,466	1,647,800	1,328,511	1,734,763	1,720,848	1,694,397	2,054,311	1,784,064	2,251,315	1,915,606
FY2022	2,746,420	2,498,518	2,339,584	1,559,265	2,047,295	1,732,957	2,267,344	1,629,805	2,614,514	2,102,763	2,207,685	2,038,563
FY2023	1,855,596	1,884,199	1,835,828	1,731,837	2,107,112	2,015,612	1,830,151	1,681,016	2,425,105	2,014,970	2,285,306	2,464,009
FY2024	1,869,673	2,387,241	2,218,441	1,824,042								

Monthly Insurance Claims & Fully Insured Premium FY21-FY24





ENGINEERING AND INFRASTRUCTURE DEPARTMENT

**MEMORANDUM FOR THE AGENDA OF THE DECEMBER 14, 2023
AGENDA SESSION**

TO: BOARD OF COUNTY COMMISSIONERS

**FROM: JERMAINE WALKER, DIRECTOR OF ENGINEERING AND
INFRASTRUCTURE**

DATE: 12/6/2023

SUBJECT: PROJECT UPDATES

Requested by: BOARD OF COMMISSIONERS

**Presenter(s): JERMAINE WALKER, DIRECTOR OF ENGINEERING AND
INFRASTRUCTURE**

BACKGROUND

Please find attached the monthly project report update for your review.

RECOMMENDATION / PROPOSED ACTION

This monthly report is provided for informational purposes.

ATTACHMENTS:

Description

Project Updates

Type

Backup Material

MONTHLY PROGRESS REPORT				
Project Location	Contract Amount	Project Status	Contract Start Date	Contract Duration
500 Executive Place - Cumberland County Emergency Services Center	\$16.8M	99% complete. Punch list items are 99% complete. Video wall components, ballistic glass, and generator exhaust have been installed. Awaiting installation of proxy card reader on communications shelter, replacement door hardware and minor window trim and drywall repairs to closeout project.	3/8/2021	360 days
DSS Elevators	\$1M	Project is complete.	6/6/2022	180 days
Judge Maurice E. Braswell Courthouse Bathroom Updates	\$200K	Project awarded on September 14, 2023. Pre-construction conference held on October 12, 2023. Awaiting Purchase Order to issue Notice to Proceed.	N/A	N/A
Law Enforcement Center Switchgear Replacement	\$350K	Awaiting arrival of equipment. Completed review of shop drawing submittals. Pre-construction conference held on October 12, 2023. Estimated completion is July 15th , 2024.	TBD	180 days
Historic Courthouse Switchgear Replacement	\$350K	Awaiting arrival of equipment. Completed review of shop drawing submittals. Pre-construction conference held on October 12, 2023. Estimated completion is August 19th , 2024.	TBD	180 days
Judge Maurice E. Braswell Courthouse Elevator Upgrade	\$111K	Soliciting for 2nd Quarter FY24 due to previous vendor's lack of Omnia agreement verification.	TBD	180 days
Recovery Shelter Generators	\$3M	Design for Westover Recreation Center complete. Developing solicitation.	N/A	N/A
Headquarters Library Boiler Replacement	\$150K	Project complete.	3/20/2023	180 days
Corporation Drive Sewer Outfall	\$98.5K	30% complete. Installing under drain and have begun trenching toward I-95. Have verified bore grades and will start installation of first section of sewer line December 11, 2023.	9/18/2023	180 days
		Changes annotated in red		