

CUMBERLAND COUNTY BOARD OF COMMISSIONERS
MONDAY, APRIL 16, 2018 – 6:45 PM
117 DICK STREET, 1ST FLOOR, ROOM 118
REGULAR MEETING MINUTES

PRESENT: Commissioner Larry Lancaster, Chairman
Commissioner Jeannette Council, Vice Chair
Commissioner Glenn Adams
Commissioner Michael Boose
Commissioner Charles Evans (attended via conference call)
Commissioner Marshall Faircloth
Commissioner Jimmy Keefe
Amy Cannon, County Manager
Melissa Cardinali, Assistant County Manager
Tracy Jackson, Assistant County Manager
Sally Shutt, Assistant County Manager
Duane Holder, Assistant County Manager
Rick Moorefield, County Attorney
Vicki Evans, Finance Director
Deborah Shaw, Budget Analyst
Heather Harris, Budget Analyst
Jeffrey Brown, Engineering and Infrastructure Director
Candice White, Clerk to the Board
Press

Chairman Lancaster called the meeting to order and stated Commissioner Evans was attending the meeting remotely via conference call.

INVOCATION / PLEDGE OF ALLEGIANCE

Commissioner Council provided the invocation followed by the Pledge of Allegiance to the American flag led by Harvey Mitchell, fourth grader at Freedom Christian Academy.

Special Recognition of Cumberland County Commissioner Jeannette Council

Chairman Lancaster called on Ronald Crosby, Chair of the Fayetteville Technical Community College Board of Trustees, and Dr. Larry Keen, President of Fayetteville Technical Community College. Dr. Keen and Mr. Crosby presented a Resolution to Commissioner Council to honor her service and dedication to Fayetteville Technical Community College, Cumberland County and the State of North Carolina on the occasion of her designation as an Honorary Trustee. Commissioner Council expressed her appreciation and spoke to how Fayetteville Technical Community College has served the citizens of Cumberland County.

Introduction of Fayetteville-Cumberland Youth Council Members

Chairman Lancaster recognized Fayetteville Cumberland Youth Council members Melissa Smith and Jordan Clayborn, students at Pine Forest High School.

Recognition of Future Business Leaders of America (FBLA)

Chairman Lancaster recognized Stanley Ford, FBLA Advisor, and asked members of the Seventy-First High School Future Business Leaders of America to stand.

Recognition of the Cumberland County Citizens' Academy Graduates

Sally Shutt, Assistant County Manager, stated Cumberland County held its most recent Citizens' Academy February 20 through March 27. Ms. Shutt stated the academy provides citizens a better understanding of the role county government and its various departments play in the community. Ms. Shutt stated Participants met for six consecutive Tuesdays from 6:00 to 9:00 p.m. and visited various county locations such as the Ann Street Landfill, Sheriff's Training Center, Crown Complex, Judge E. Maurice Braswell Cumberland County Courthouse, Department

of Social Services and Historic Courthouse. Ms. Shutt called the names of the following individuals who completed the program and were recognized during a ceremony on March 27.

Fredrick Barber
Shedrick Bland
Tami Botello
Marie Callender
Clyde Cobb
Stanley Ford
Bradford Gaddy
Yolonda Gaylor
Bettye Glenn
Deidra Hadley
Gary Horne
Antonio Jones
Benard King
Diane King
Angela Lenard

Wanda Lewis
Charday Lewis
Cory McBryde
Tony McKinnon
Dineen Morton
Christopher Nelsen
Sonya Oates
Sharon Sanders
Barry Simmons
Larry W. Smalls
Wilbert Stokes
Westana Williams
Mark Yarboro
Luciana Yarborough

Recognition of Public Information Office Spring Intern

Ms. Shutt stated the Public Information Office partnered with Methodist University for a videographer/multimedia internship during the spring 2018 semester. Ms. Shutt stated Sherlyn Rijos, a senior graduating in May from the Mass Communications program, worked 90 hours in the Public Information Office and earned 30 internship hours through the university's Internships and Employer Relations office. Ms. Shutt stated from concept development and script writing to filming and editing, Ms. Rijos created videos for several County departments and these videos are appearing on FCETV and the County's social media platforms. A two-minute video created by Ms. Rijos was shown. Ms. Shutt introduced Robin Davenport, Methodist University Associate Director of Internships and Employer Relations.

PUBLIC COMMENT PERIOD

Amy Cannon, County Manager, read the public comment policy. Chairman Lancaster recognized the clerk to the board who called the following speakers:

Dr. Connie Lightner – Dr. Lightner provided a brief report of the United Way of Cumberland County's 2017 Community Needs Assessment and the top ten issues identified as major concerns by survey respondents.

Tom Clark – Mr. Clark provided comments related to Dominion Power and the Atlantic Coast Pipeline and stated the pipeline is not good for city, the county or the state.

Chief District Court Judge Robert Stiehl – Judge Stiehl provided an update on the number of citizens coming through the doors of the Cumberland County Courthouse, the number of hearings scheduled and heard, and the number of items seized by bailiffs, none of which were firearms. Judge Stiehl stated on the horizon is a meeting to strategize how to inform the public about E-filing for domestic violence civil orders. Judge Stiehl recognized Commissioner Adams for the Stepping Up Initiative and stated implementation is on the horizon.

Tim Kinlaw – Mr. Kinlaw appeared as the Interim Superintendent of the Cumberland County Schools and asked the Board to continue its support of the schools. Mr. Kinlaw stated the schools recognize they lost 576 students over the last five years and over 500 employees through federal and state cuts. Mr. Kinlaw stated during this time, there has been a 4.25% increase in revenue as a result of the schools' funding agreement with the county or less than 1% per year. Mr. Kinlaw stated the hope going forward with a new agreement is that an inflationary factor will be included in the per pupil expenditure. Mr. Kinlaw stated he is confident the

Board of Education and Board of Commissioners can reach an agreement that will sustain the financial sustainability of the County.

1. APPROVAL OF AGENDA

MOTION: Commissioner Adams moved to approve the agenda.

SECOND: Commissioner Council

VOTE: UNANIMOUS (7-0)

2. CONSENT AGENDA

A. Approval of April 3, 2018 Regular Meeting Minutes

B. Approval of Payment of Prior Year Invoice for the Department of Social Services

BACKGROUND

The Department of Social Services is requesting to pay two prior year invoices totaling \$1,404.00. Both invoices were presented for payment after the deadline to pay fiscal year 2017 invoices. Staff have verified the invoices were not paid and are in fact due. Sufficient funds are available in the current year budget to cover these expenditures.

RECOMMENDATION / PROPOSED ACTION

Management is requesting approval to pay two prior year invoices for the Department of Social Services totaling \$1,404.00.

C. Approval of Payment of Prior Year Invoice for Sheriff's Department

BACKGROUND

The Sheriff's Office is requesting to pay two prior year invoices from Lawmen's totaling \$364.33. Invoice SI-779268 for \$314.10 and SI-763668 for 50.23. Both invoices were presented after the deadline to pay FY 2017 invoices. Staff have verified the invoices were not paid and are in fact due. Sufficient funds are available in the current budget to cover these expenditures.

RECOMMENDATION / PROPOSED ACTION

Management is requesting to pay invoices SI-779268 and SI-763668 to Lawmen's for the Sheriff's Office totaling \$364.33.

D. Approval of Payment of Prior Year Invoice for the Engineering & Infrastructure Department

BACKGROUND

The Engineering & Infrastructure Department is requesting to pay a prior year invoice for McDonald Lumber totaling \$64.63. Per staff, the original invoice was to be credited but the credit memo was never received until after the deadline to pay fiscal year 2017 invoices. Staff has verified that a partial payment is in fact due and has not been paid. Sufficient funds are available in the current year budget to cover this expenditure.

RECOMMENDATION / PROPOSED ACTION

Management is requesting approval to pay the prior year invoice for McDonald Lumber totaling \$64.63.

E. Approval of Sole Source for Axon Enterprise, Inc.

BACKGROUND

The Sheriff's Office utilizes TASER brand conducted electrical weapons to subdue suspects. On January 2, 2007, the Board of County Commissioners approved Lawmen's Safety Supply, Inc. as a sole source vendor for these products. The County was recently notified that Lawmen's Safety Supply, Inc. is no longer an authorized seller of TASER brand products.

Axon Enterprise, Inc. now owns the TASER brand and is the only authorized seller.

RECOMMENDATION / PROPOSED ACTION

Requesting approval of sole source exception under North Carolina General Statute 143-129 (e) (6) (ii and iii), based on availability from only one source of supply and standardization or compatibility.

F. Approval of Formal Bid Award for Inmate Food Supply Items

BACKGROUND

Formal bids were solicited, received and evaluated for inmate food supply items for the Detention Center. Due to the quantity of items needed and the strict standards for inmate food items, the objective was to award to a primary and secondary vendor for one or more categories.

RECOMMENDATION / PROPOSED ACTION

Based on cost and quality of service, request to award bid as follows:

- US Foods, Inc.: Primary Vendor (Except for canned goods and correction specific meats and beverages).
- Strickland's Portion Pack: Primary Vendor for Canned Goods and Secondary Vendor for All Other Items (Except for correction specific meats and beverages).
- Good Source Solutions, Inc.: Primary Vendor for Correction Specific Meats and Beverages.

G. Approval of Formal Bid Award for Onsite Fuel Supply

BACKGROUND

County Finance, the Engineering and Infrastructure Department and the Solid Waste Department met in late 2017 to discuss the cost versus benefits of having an onsite fuel supply. The benefits included; ensuring the County is meeting disaster preparedness standards of having a sustainable fuel source for up to 72 hours and significant savings to the Solid Waste Department's monthly fuel cost. Additionally, depending on the cost savings and experience of the Solid Waste Department, the County could possibly expand onsite fuel usage to other departments in the future.

It was determined that onsite fuel was a good option for the County and formal bids were solicited and received. After two solicitation attempts, Colonial Fuel & Lubricant Services, Inc. was the only respondent.

The locked in cost to the County will be the Fayetteville OPIS (Oil Price Information Service) fuel average at market value plus .30 cents for labor and delivery, a permit fee between \$50-\$125 and an electrical hookup fee between \$500-\$700. The equipment will be provided at no cost per the vendor proposal.

RECOMMENDATION / PROPOSED ACTION

Request approval to award bid to the lowest, responsive, responsible bidder; Colonial Fuel & Lubricant Services, Inc.

H. Approval of Lease Renewal for a Foster Care Family Visitation Center

BACKGROUND

Due to the increased number of children in foster care, we are unable to accommodate the court ordered visits within our building's limited visitation space. Therefore, the private property located at 727 McGilvery Street is being used as a Family Visitation Center. The site provides a family friendly atmosphere in which court ordered visitations can occur outside of our main building. This site, that we have successfully utilized for the past two years, is staffed with DSS employees.

RECOMMENDATION / PROPOSED ACTION

Request is for approval of the commercial lease agreement for the property located at 727 McGilvery Street in the amount \$1,500 per month effective March 8, 2018 thru March 7, 2019.

I. Approval of Final Item Regarding Cumberland County Health Benefits Plan for Fiscal Year 2018-19

BACKGROUND

At the March 1, 2018 Finance Committee meeting, Chernoff Diamond provided an update to the Committee on the transition from the former broker as well as recommendations for the FY19 health plan. The Board approved the recommendations at the March 19, 2018 Board of Commissioners meeting. However, an open item still remained: Evaluate the viability of offering grandfathered smoker and non-smoker contribution tiers. We were not able to provide this update to the committee in April because the meeting was cancelled. Action is required at this time because we are quickly approaching the open enrollment period for which the deadline for documentation updates is the last week in April.

Chernoff Diamond is recommending that the County discontinue the previously grandfathered smoker/non-smoker tiers because of compliance issues. There are currently 389 employees who have the grandfathered rates. The maximum dollar impact to an individual employee is a \$.52 increase in premium cost per pay period (24 pay periods), or \$12.48 per year. If approved, the impacted employees will be transitioned to the wellness/non-wellness rates (whichever applies).

RECOMMENDATION / PROPOSED ACTION

Request the Board of Commissioners approve the recommendation to discontinue the previously grandfathered smoker/non-smoker tiers, to be effective with the other previously approved Plan changes on July 1, 2018.

- J. Approval of Proclamation Recognizing May 2018 as Existing Industry Appreciation Month

COUNTY OF CUMBERLAND

NORTH CAROLINA

PROCLAMATION

WHEREAS, the existing industries of Fayetteville and Cumberland County are an essential segment of the area's economy, providing employment for local residents, contributing revenues and greatly enhancing the area's quality of life; and

WHEREAS, the various industries existing in Fayetteville and Cumberland County have an influence either directly or indirectly upon the lives of every one of the county's citizens; and

WHEREAS, the potential for growth comes in part from within through the expansion of existing industries and the establishment of new, homegrown industries; and

WHEREAS, public awareness and understanding of the importance of industry to our local economy and quality of life are vital to the preservation of a favorable industrial climate; and

WHEREAS, a favorable industrial climate is a major factor in the decision made by officials of existing plants to expand their operations and in our area's ability to attract new industry.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of Cumberland County proclaims the month of May 2018 "EXISTING INDUSTRY APPRECIATION MONTH" in Cumberland County and urges its citizens to salute the industries located in our area and the employees of those industries for their important role in the growth and prosperity of Cumberland County.

Adopted this 16th day of April 2018.

- K. Approval of Budget Ordinance Amendments for the April 16, 2018 Board of Commissioners' Agenda

BACKGROUND

General Fund 101

1. General Fund - Budget Ordinance Amendment B180007 to transfer \$6,765,647 from the General Fund into the Capital Investment Fund (CIF)

The Board is requested to approve Budget Ordinance Amendment B180007 transferring \$6,765,647 from the General Fund into the Capital Investment Fund. During the March 15, 2018 Board of Commissioner's Special Meeting, the long-term Capital Investment Planning Model was presented. At that meeting, the Board took action to dedicate current debt, paygo, and various fund balances assignments as resources to further the development of the capital model for implementation during the FY2019 Budget. This request is to transfer the following assigned fund balances towards CIF: \$4,398,280 assigned for Water/Sewer, \$867,367 assigned for Maintenance/Renovation and \$1,500,000 assigned for technology.

Please note this amendment requires no additional county funds.

[Multi-Year] Capital Investment Fund 450

2. [Multi Year] Capital Investment Fund - Budget Ordinance Amendment B180008 to transfer \$1,324,938 into the [Annual] Capital Investment Fund (CIF)

The Board is requested to approve Budget Ordinance Amendment B180008 transferring \$1,324,938 from the Multi-Year Capital Investment Fund to the newly created Annual Capital Investment Fund. Fund 450 was established for multi-year capital projects; however, the Capital Investment Fund should be established as an annual fund. This request is to transfer the balance from fund 450 to the new CIF. Once the balance is transferred, fund 450 will be closed and the new Capital Investment Fund will be used exclusively for capital investment projects.

Please note this amendment requires no additional county funds.

Capital Investment Fund 107

3. Debt Service CIF - Budget Ordinance Amendment B180009 to transfer a total amount of \$8,090,585 into the Capital Investment Fund (CIF) for special projects

The Board is requested to approve Budget Ordinance Amendment B180009 transferring a total amount of \$8,090,585 into the Capital Investment Fund. During the March 15, 2018 Board of Commissioner's Special Meeting, the long-term Capital Investment Planning Model was presented. At the meeting, the Board took action to dedicate current debt, paygo, and various fund balance assignments as resources to further the development of the capital model for implementation during the FY2019 Budget. This request is to transfer the following amounts: \$6,765,647 from the General Fund – assigned fund balances from Water/Sewer, Maintenance/Renovation and Technology; and \$1,324,938 from the previous [multi-year] Capital Investment Fund. This funding will be used for capital projects as designated by the Board.

Please note this amendment requires no additional county funds.

Contingency Funds Report – FY18

The County Manager approved the following use of Solid Waste contingency funds:

- Solid Waste contingency funds of \$18,000 were used towards advertisement and recruitment efforts for the vacant Solid Waste Director position.

RECOMMENDATION / PROPOSED ACTION

Approve Budget Ordinance Amendments

Commissioner Boose inquired regarding the open item under Item 2.I. Amy Cannon, County Manager, stated Chernoff Diamond recommended the grandfathered nonsmoker discount rate be discontinued due to concern it may be out of compliance with federal law. Ms. Cannon stated their conclusion was that it would be in the County's best interest to eliminate that option. Ms. Cannon stated the difference in the premiums for employees grandfathered is \$.52 per pay period or \$12.48 per year. Ms. Cannon confirmed for Commissioner Boose this was the final item for the benefits plan.

MOTION: Commissioner Adams moved to approve consent agenda Items 2.A. – 2.K.
SECOND: Commissioner Boose
VOTE: UNANIMOUS (7-0)

3. PUBLIC HEARINGS

A. Public Hearing to Receive Citizen Input on the Human Services Governance Structure

BACKGROUND

Pursuant to NCGS 153A-77, which authorizes a County Board of Commissioners to select an alternate governance structure for its Human Service departments, a Public Hearing must be held prior to the selection of any of the available options. As you are aware, the Board has progressed through a very methodical due diligence process in its approach to this critical decision. To further formalize that process, Management suggests the following next steps the Public Hearing:

- April 16: Hold Public Hearing to receive citizen input
- April 17 – May 1:
 - Distribute information related to Governance Structure options
 - Distribute survey questions to the Board of Commissioners on desired outcomes and priorities from alternative governance options
 - Collect and Distribute Survey Responses
- May 7: Discussion of Governance Options and survey responses related to desired outcomes/priorities

RECOMMENDATION / PROPOSED ACTION

Hold the Public Hearing and consider endorsement of the proposed next steps in the process.

Duane Holder, Assistant County Manager/Interim Public Health Director, stated the traditional model for governance structure of Human Services departments has been separate governing boards; however, the adoption of NCGS 153A-77 allows counties to exercise authority to enact one of several alternate governance models for two or more human services departments. Mr. Holder stated since adoption, 31 of the 100 counties in North Carolina have passed resolutions adopting some alternate form of governance. Mr. Holder stated due diligence activities included county management meeting internally with the public health and social services directors, county management and DSS and public health directors meeting with representatives from the School of Government to discuss governance and consolidation options, the Board of Commissioners discussing governance and human service consolidation during its annual goal setting session and the Board of Commissioners inviting members of the DSS board and Board of Health to join in a presentation from one of the School of Government's subject experts Dr. Jill Moore on human service governance and consolidation options. Mr. Holder stated as a further step in this process and pursuant to law before being able to enact an alternate model, the Board of Commissioners must call a public hearing to receive citizen input.

Mr. Holder stated the Board of Commissioners can consider the following for its human services departments:

1. Maintain the current governance structure.
2. Dissolve the DSS board and/or Board of Health and assumes the duties and responsibilities of one or both boards.

Mr. Holder stated should 2. be selected, there is a statutory requirement for the Commissioners to appoint a health advisory committee with the membership reflective of the current Board of Health composition.

3. Establish a consolidated human services agency inclusive of two or more human services department and appoint a new consolidated human services board.
4. Establish a consolidated human services agency and assume the duties and responsibilities of that consolidated human services board.

Mr. Holder reviewed management's proposed next steps for the Board during its decision-making process as outlined the background information recorded above. Mr. Holder stated on or following May 7, the Board could make a decision to maintain the current governance structure of by adoption of a resolution change the governance model. Mr. Holder stated the public hearing is a pre-requisite to any changes.

Ms. Cannon explained the Board of Commissioners' procedures for public hearings.

Chairman Lancaster opened the public hearing

The clerk to the board called the following speakers:

Ethelyn Holden Baker – Ms. Baker stated she is aware of the various options by going online but because everyone does not have a computer, information should be publicized more in the newspaper. Ms. Baker stated she recommends abolishing the Board of Health and that Commissioners assume those responsibilities. Ms. Baker asked about the duties of the advisory committee.

Andrea Wallace-Williams – Ms. Williams stated she is a twenty-two-year employee of the public health department and asked how a change will affect employees. Ms. Williams stated this has not been discussed with employees. Ms. Williams stated if a health advisory committee is put in place, she would like it to be composed of people who have concerns about citizens' health in this county.

Chairman Lancaster closed the public hearing.

Mr. Holder responded to questions posed by Commissioner Boose and explained the health advisory committee would be reflective of the current Board of Health in discipline and size, and a consolidated board would by statute be a minimum of fifteen members and a maximum of twenty-five members. Mr. Holder stated there is also a requirement for four consumers of human services to serve on the consolidated board with all fifteen to twenty-five members being appointed by the Board of Commissioners.

Commissioner Evans expressed concern that information on the public hearing was not distributed sufficiently to the community. Mr. Holder stated in addition to online posting, the statutes require advertisement of the public hearing in a newspaper of general circulation such as the Fayetteville Observer and the public hearing was announced on WIDU radio. Commissioner Boose suggested the use of some type of network to reach out to individuals receiving services via email. Mr. Holder stated additional measures can be undertaken.

4. ITEMS OF BUSINESS

- A. Consideration of March 1, 2018 Finance Committee Recommendation on Current Expense Funding for the Cumberland County School System

BACKGROUND

The current funding agreement with the Board of Education (BOE) expires on June 30, 2018. The Finance Committee discussed current funding options at their November 2, 2017, February 15, 2018 and March 1, 2018 meetings.

A review of the current agreement may be helpful in understanding the Finance Committee recommendation. The following are key provisions in the current funding agreement with the BOE:

Current Funding Agreement

- Based upon property tax revenue and tax rate
- Provides funding to BOE at 34.06 cents of tax rate

- Funding for FY2018 would have been \$76,044,419 (without Adjustment for Revaluation Provision)

Adjustment for Revaluation Provision

- Provision which defined the current expense appropriation for the year of a revaluation
- For FY2018 the revaluation adjustment allocated \$80,362,412
- If the revaluation adjustment was extended beyond the revaluation year, the tax rate allocation would have to increase from 34.06 cents to 36 cents to produce the same dollars

A question has been raised about continuation of the current agreement in the year after revaluation. Below is the projected funding for FY2018 upon continuation.

Continuation of Current Agreement After Revaluation

- Based upon March 2018 property values
- Provides for 34.06 cents of tax rate
- Projected funding for FY2019 would be \$77,171,516

As stated earlier, the Finance Committee has discussed school funding over a period of time at several committee meetings. The committee has reviewed data such as, enrollment, county funding history, fund balance and surrounding counties per pupil contributions in considering options for future agreements. Discussion has centered around development of a basis for funding which is measurable, predictable and sustainable.

At their March 1, 2018 meeting, the Finance Committee voted to fund the BOE at \$79,463,109 for FY2019, which is the actual amount received by the BOE for FY2017, before the revaluation. This amount is \$2,291,593 above the \$77,171,516, which is the amount provided under continuation of the current agreement after revaluation.

Further, the committee recommendation included development of a three-year agreement utilizing allotted Average Daily Membership (ADM) as the basis for the annual allocation. The starting point for FY019 is:

- FY2017 Allocation to BOE \$79,463,109
- Divided by FY2017 Allotted ADM \$50,459
- Equals Annual Funding per ADM \$1,575

The Finance Committee voted 2 to 1 to forward this recommendation to the Board of Commissioners for consideration.

RECOMMENDATION / PROPOSED ACTION

Consider the Finance Committee recommendation to fund the BOE at \$79,463,109 for FY2019 and to utilize the Allotted ADM as the basis for the current expense allocation for FY2020 and FY2021.

Melissa Cardinali, Assistant County Manager, provided the following presentation as information that had been provided to the Finance Committee November 2017 – March 2018.

Annual Funding – CCSS

- ☐ Recommendation from Finance Committee
 - ☐ Fund the Cumberland County School System at a rate of \$1,575 per Allotted ADM
 - ☐ Fiscal years 2019, 2020, and 2021

Current Expense Funding – CCSS

- ☐ Current expense funding agreement expires June 30, 2018
- Consideration of current expense funding options brought to Finance Committee –
 - ☐ November 2, 2017
 - ☐ February 15, 2018
 - March 1, 2018
- ☐ Data presented for consideration follows -
- ☐ Enrollment per CCSS (K-12)

Fiscal Year	CCSS	Charter Schools	Total	% Change (Cumulative)
2012 – 13	51,890	263	52,153	
2013 – 14	51,855	410	52,265	0.21%
2014 – 15	50,939	628	51,567	(1.12%)
2015 – 16	50,662	887	51,549	(1.16%)
2016 – 17	50,558	1,019	51,577	(1.10%)

☐ Annual Current Expense Funding from Cumberland County to CCSS

Fiscal Year	County Funding	Cumulative Increase	% Change (Cumulative)
2012-13	\$76,220,676		
2013-14	\$76,220,676	\$0	
2014-15	\$76,982,883	\$ 762,207	1.00%
2015-16	\$78,345,062	\$2,124,386	2.79%
2016-17	\$79,463,109	\$3,242,433	4.25%

☐ CCSS Unassigned Fund Balance

Fiscal Year	Unassigned Fund Balance
2012-13	\$28,150,619
2013-14	\$22,640,043
2014-15	\$23,371,510
2015-16	\$28,441,184
2016-17	\$28,323,657

☐ Per Pupil Funding – Surrounding counties

County	Per Pupil Funding	State Ranking (out of 100)
Moore	\$2,291	19
Bladen	\$1,444	61
Sampson	\$1,039	84
Harnett	\$1,004	87
Hoke	\$574	96
Robeson	Unavailable	

- At the November 2 Finance Committee meeting, Interim Superintendent Tim Kinlaw stated that Cumberland County ranks 57 across the state in the ability to pay and ranks 12 in contributing which demonstrates the Board of Commissioners' commitment to education.
- ☐ Review of current agreement
 - ☐ Tied to tax rate
 - ☐ Provided 34.06 cent of tax rate to be allocated to CCSS
 - ☐ Based on this formula, funding for FY18 would have been \$76,044,419
- ☐ Review of current agreement
 - ☐ Adjustment for revaluation
 - Allocation was \$80,362,412
- ☐ If the adjustment for revaluation was extended beyond the revaluation year, the tax rate allocation would have to increase from 34.06 cents to 36 cents to produce same dollars
- ☐ Continuation of current agreement after revaluation
 - ☐ FY 2019 projected current expense allocation
 - Provides for 34.06 cent of tax rate
 - Based on March 2018 values
 - Based on this formula, projected funding for FY 2019 is \$77,171,516
- ☐ Option brought forward to Board from Finance Committee action on March 1, 2018
 - ☐ Funding based on FY17 allocation of \$79,463,109
 - ☐ Formula derived by applying Allotted ADM to the FY17 allocation
- FY17 Allocation to CCSS
- Divided by FY 17 Allotted ADM
- Equals annual funding per ADM
- ☐ Goals of future funding agreement

- Using Average Daily Membership (ADM) as a basis for funding –
 - Measurable
 - Predictable
 - Sustainable

Ms. Cardinali concluded her presentation and stated the proposed action before the Board is to consider the Finance Committee recommendation to fund the BOE at \$79,463,109 for FY2019 and to utilize the Allotted ADM as the basis for the current expense allocation for FY2020 and FY2021.

Commissioner Keefe stated as Chairman of the Finance Committee, he was prepared to offer the following motion to open discussion.

MOTION: Commissioner Keefe moved to consider the Finance Committee and staff recommendation to fund the Board of Education at \$79,463,109 for FY2019 and to utilize the Allotted ADM as the basis for the current expense allocation for FY2020 and FY2021.

SECOND: Commissioner Boose

DISCUSSION: Commissioner Boose mentioned the use of a floor and stated the formula based on ADM has merit and is easily calculable as long as the ADM number or student population can be counted. Commissioner Council stated she is concerned about the school system as well as for the needs of the court system, the Detention Center, the number of children in DSS custody, Fayetteville Technical Community College, the library system, GenX and the lack of clean water for the entire county, the Heath Department, the lack of school nurses, the 911 Center and keeping citizens safe. Commissioner Council stated she is concerned about law enforcement and keeping students safe, and not having funds to take care of everything of concern to the commissioners. Commissioner Council stated the Board needs to communicate better, collaborate more and come to consensus about future funding priorities. Commissioner Council stated the Board sits in between a rock and a hard place and there are employees who have not had a cost of living or decent raise in a number of years and some county departments have difficulty retaining staff.

SUBSTITUTE MOTION: Commissioner Council moved a substitute motion to send the funding agreement with the Board of Education back to the Finance Committee for additional information and discussion to obtain a consensus.

SECOND TO SUBSTITUTE MOTION: Commissioner Adams

DISCUSSION: Commissioner Adams stated even though he has always been a proponent of the ADM-based formula, it is not about cutting money to the school system. Commissioner Adams stated the Board had to make a tough decision to raise taxes on the backs of citizens when he was Chairman which was not a pleasant thing to have to do. Commissioner Adams stated County Administration had tough decisions to make when cutting employees and programs while at the same time many entities receiving funding from the County gave bonuses and raises to their employees which did not sit well with him. Commissioner Adams stated earlier in the day when FTCC requested additional funding, part of that was for a 3% employee increase. Commissioner Adams stated the Board needs to look at the picture for the entire County and do what is best for the entire County. Commissioner Adams stated he still favors ADM formula but consideration should be given to setting a floor to offset any decrease in students and so the school system can still budget effectively. Commissioner Adams stated he is not opposed to sending it back to the Finance Committee because it is about collaboration and working with all partners in the community.

Commissioner Faircloth stated he did not support the recommendation of the Finance Committee and although he does not have a problem with the \$79,463,109 which the ADM translates into, he does not like using the ADM to determine an amount. Commissioner Faircloth stated he advocates for determining what amount

the County can give and tying it to the tax rate so that as the tax base expands, more can be given to the schools. Commissioner Faircloth stated he will listen but is not sure what will be accomplished by sending this back to the Finance Committee

Commissioner Keefe stated balance and providing services, such as educational and public safety, are important and he hopes Commissioners can make good decisions on all upcoming issues. Commissioner Keefe stated he feels more discussion is needed and he is not opposed to withdrawing his motion.

Commissioner Keefe withdrew his motion. Commissioner Boose withdrew his second to Commissioner Keefe's motion.

VOTE ON SUBSTITUTE MOTION: UNANIMOUS (7-0)

5. NOMINATIONS

There were no nominations for this meeting.

6. APPOINTMENTS

There were no appointments for this meeting.

7. CLOSED SESSION:

A. Attorney-Client Matter(s) Pursuant to NCGS 143.318.11(a)(3)

MOTION: Commissioner Lancaster moved to go into closed session for Attorney Client Matter(s) pursuant to NCGS 143-318.11(a)(3).

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (7-0)

MOTION: Commissioner Council moved to reconvene in open session.

SECOND: Commissioner Adams

VOTE: UNANIMOUS (7-0)

MOTION: Commissioner Boose moved to adjourn.

SECOND: Commissioner Adams

VOTE: UNANIMOUS (7-0)

There being no further business, the meeting adjourned at 9:00 p.m.

Approved with/without revision:

Respectfully submitted,

Candice H. White
Clerk to the Board