

CUMBERLAND COUNTY FINANCE COMMITTEE MEETING
NOVEMBER 12, 2008, 8:00AM
MINUTES

MEMBERS

PRESENT: Commissioner Kenneth Edge, Chair
Commissioner Jeannette Council
Commissioner John T. Henley, Jr.

OTHERS: James Martin, County Manager
Juanita Pilgrim, Deputy County Manager
Cliff Spiller, Asst. County Manager
Amy Cannon, Asst. County Manager
Grainger Barrett, County Attorney
Sara VanderClute, PIO
Marsha Fogle, Clerk

1. Approval of Minutes: August 18, 2008

MOTION: Commissioner Henley moved to approve.

SECOND: Commissioner Edge

VOTE: UNANIMOUS

2. Economic Update

Amy Cannon, Assistant County Manager for Finance, told the Committee that overall the County should be able to meet its revenue projections for this fiscal year. However, she noted concern that because the County will not realize significant increases in revenues, as it has in the past years, it will need to look at under-spending the projected expenditure budgets. She noted concern that the County will not have money to replenish the Fund Balance as it has in past years. It is estimated the county will need to bring in approximately \$8 million in revenue to balance the budget. She reviewed and compared FY2006 expenditures/revenues with 2007, 2008 and through November of FY2009. The trend shows a downward spiral in actual revenue collected. It is thought that because of the economy there will be no upward spiral in revenue collected and fees. Ms. Cannon also told the Committee that there are very few "high yield" instruments for investment.

Management suggested and the Finance Committee recommends the following actions to address the above concerns:

- Delay hiring for 120 days from pay out unless there will be an undue negative impact on county operations, then re-evaluate position after 120 days and

also, prohibit/restrict use of overtime and encourage the use of comp time versus paid overtime where practical;

- Discontinue budgeting departmental unrecognized discretionary revenue;
- Delay transfers from General Fund to year-end where feasible;
- Accelerate transfers to General Fund when practical;
- Restrict the use of fund balance for new initiatives;
- Delay transfer of savings from Foster Care rate change to Water & Sewer Fund;
- Freeze or reduce the number of vehicles purchased;
- Reduce/restrict travel, especially out of state;
- Reduce supplies and freeze furniture/equipment purchases to include computers;
- Explore opportunities for 4-day work week.

Commissioner Council inquired as to whether Departments will be notified of these changes and when. Management noted a department head meeting has been scheduled for today at 11:00AM to share this information with departments.

MOTION: Commissioner Council moved to ratify the Manager's proposals above and inform the Board of Commissioners.

SECOND: Commissioner Henley

VOTE: UNANIMOUS

3. Other matters

Amy Cannon briefed the Committee regarding the debt issue on the new school and library. County Management has spoken to our underwriters and financial advisors regarding the current climate for selling bonds. Best scenario at this point in time is that there may be an opportunity in mid December to go to the market. Management will continue to monitor the economic situation and unless things change will go to the market in December.

MEETING ADJOURNED.