

CUMBERLAND COUNTY FINANCE COMMITTEE  
NEW COURTHOUSE, 117 DICK STREET, 5TH FLOOR, ROOM 564  
SEPTEMBER 6, 2012 - 9:30AM  
MINUTES

MEMBERS PRESENT: Commissioner Kenneth Edge, Chairman  
Commissioner Ed Melvin

OTHER COMMISSIONERS

PRESENT: Commissioner Jimmy Keefe  
Commissioner Marshall Faircloth

OTHERS:

James Martin, County Manager  
Amy Cannon, Deputy County Manager  
James Lawson, Assistant County Manager  
Rick Moorefield, County Attorney  
Howard Abner, Assistant Finance Director  
Thelma Matthews, Purchasing/Accounts Manager  
Tom Lloyd, Planning and Inspections Director  
Kristine Wagner, Transportation Program Planner  
Sally Shutt, Chief Public Information Director  
Candice H. White, Clerk to the Board  
Press

MEMBER ABSENT: Commissioner Jeannette Council

Commissioner Edge called the meeting to order and advised that Commissioner Council was attending the Democratic National Convention in Charlotte, North Carolina.

1. APPROVAL OF MINUTES – JUNE 7, 2012 REGULAR MEETING

MOTION: Commissioner Melvin moved to approve the minutes.

SECOND: Commissioner Edge

VOTE: UNANIMOUS (2-0)

2. UPDATE ON CEDAR CREEK PILOT TRANSPORTATION PROGRAM

BACKGROUND:

After the community meeting at the Savannah Missionary Baptist Church, Tom Lloyd and I met with Randy Hume, FAST Director.

We determined that the shuttle service would pick up at the corner of Tabor Church Road and would drop riders off at the FAST transfer center on Old Wilmington Road where they could access multiple FAST bus routes.

The hourly FAST rate is \$65.72; therefore, I requested that our current county contractors submit hourly bids as well, for a comparison. We requested bids be submitted based upon the use of a 15 passenger van. Majestic Luxury Tours submitted a bid of \$55.00 per hour, and FAMIKS Transport submitted a bid of \$56.00 per hour.

We recommend going with the lowest rate of \$55.00 per hour with Majestic Luxury Tours.

If we ran the shuttle service twice in the morning (pick up in Cedar Creek at 5am and 6am to be at the transfer center by 6am and 7am) and twice in the evening (leave the transfer center by 6pm and 7pm to be at in Cedar Creek by 7pm and 8pm), Monday thru Friday, the cost per day would be \$220 daily. An estimated cost for three months of service would be \$14,400, assuming 22 days of service for each month. We also suggest that a \$1 fare per one-way trip be collected in order to offset the cost of service. Riders then would then pay an additional \$1 fare when using the FAST bus service from the transfer center.

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Kristine Wagner, Transportation Program Planner, referenced the above July 6, 2012 memorandum and reviewed the information contained therein.

Commissioner Melvin asked Ms. Wagner how many requests she had received as a result of the fifty magnets she handed out during the meeting. Ms. Wagner stated out of the fifty magnets distributed during the meeting, she has only received one application from the Cedar Creek area requesting transportation services and there has not been much of a response for a need of service from that area.

Commissioner Keefe stated he would be surprised if the service could be provided for three months at \$14,400 and still break even, and three months may not be a realistic timeframe in which to make a decision about a pilot program. Commissioner Keefe asked whether an actuarial study had been conducted regarding transportation to the hospital. Tom Lloyd, Planning and Inspections Director, stated when staff met with Mr. Hume, discussion centered on getting to/from work and there had not been any discussion about service from the hub to other locations.

Ms. Wagner explained the county's demand-response service runs from 5:00 a.m. through 8:00 p.m. and with pick up from a residence, transportation can be provided anywhere in Cumberland County for \$2.25. Ms. Wagner stated this eliminates the need for residents to walk to the corner store, wait for the service to pick them up, drop them off at the transfer center, and then board another bus. Commissioner Keefe asked whether both programs would run concurrently. Mr. Lloyd responded in the affirmative. Commissioner Keefe stated he doubted the county would get a good look if both programs run concurrently and rather than residents worrying about how to get to the corner store, they can make a call and receive direct service from their residence.

Mr. Lloyd stated Pastor Rowden had also expressed concern during the meeting about individuals under the age of eighteen being able to secure transportation to jobs, recreation and other activities without an adult. Mr. Lloyd stated this will not remedy that concern.

Commissioner Keefe asked what measurement would be used after three months to determine whether it would pass or fail. Mr. Lloyd stated staff was tasked to come up with the facts and the pass/fail decision would be left to the Board of Commissioners. Commissioner Keefe asked where the money would come from for the program. Amy Cannon, Deputy County Manager, stated it would probably have to come from Fund Balance or redirected currently budgeted funds. Ms. Wagner explained grant funds received by the county for the demand-response service can not be utilized due to funding guidelines.

Commissioner Edge stated he did not doubt there was a need for transportation in certain areas of the county but this would just be the tip of the iceberg. Commissioner Edge stated if transportation was provided to one area of the county, it would also have to be provided to other areas of the county because the Board could not say no. Commissioner Edge also stated the county's contracted transportation currently provides an avenue of transportation that is less costly and more efficient. Commissioner Edge stated there is nothing in the general statutes that states counties are to provide transportation for their citizens.

### 3. DISCUSSION REGARDING COUNTY CELLULAR PHONE OPTIONS

Ms. Cannon introduced Thelma Matthews, Purchasing/Accounts Manager, and stated Ms. Matthews has responsibility for the county's cell phone program. Ms. Cannon advised over time, the county's use of cell phones has grown dramatically, cell phone plans have changed quite frequently and cell phones have become rather unwieldy for the county to deal with. Ms. Cannon stated because of these and other cell phone associated issues, she would like to explore a stipend program. Ms. Cannon stated at this point, most employees have cell phones and she has heard from many of them that they do not want to carry both a county-issued cell phone and a personal cell phone.

Ms. Cannon stated she would like to begin with a pilot program in the Animal Control Department and depending on the outcome, would like to develop a fair stipend for employees to use their personal cell phones; there would also be a lower-cost means to purchase cells phones for employees without cell phones who need them for work. Ms. Cannon stated she would then like to gradually phase out all county-issued cell phones. Ms. Cannon requested feedback from the Finance Committee about moving in that direction.

Commissioner Edge advised the North Carolina Association of County Commissioners (NCACC) made the change to personal cell phone usage and suggested that Ms. Cannon contact the NCACC's finance office. A brief discussion followed. Consensus supported Ms. Cannon's proposal. Mr. Moorefield advised personal cell phone business text

messages and business emails would be subject to public records law as would cell phone records.

4. UPDATE REGARDING THE BID AWARD FOR THE TREATMENT FOR EFFECTIVE COMMUNITY SUPERVISION (TECS) PROGRAM

James Lawson, Assistant County Manager, recalled effective July 1, 2011, general statutes concerning the Criminal Justice Partnership Program (CJPP) were abolished and the Treatment for Effective Community Supervision (TECS) Program was created in place of the CJPP. Mr. Lawson further recalled that for the current fiscal year, programs already providing services under the CJPP were allowed to continue providing services through June 30, 2012. Mr. Lawson stated the Cumberland County Day Reporting Center (DRC) was funded through CJPP funding and it was initially believed that based on the bid criteria at that time, the DRC did not meet the program eligibility requirements and therefore did not submit a bid.

Mr. Lawson reported the state ended up pulling back the bid due to low participation and revised the criteria at which time the DRC submitted a bid. Mr. Lawson further reported on August 25, 2012, the DRC received correspondence from the Department of Public Safety (DPS) that it had been awarded the bid so the Cumberland County DRC will continue. Mr. Lawson advised the DRC submitted a bid for \$241,234; however, the bid award was \$101,542. Mr. Lawson stated staff is working on plans to administer the program with the amount of funds that have been awarded. In response to a question posed by Commissioner Edge, Mr. Lawson stated the bid award runs through June 30, 2014, and services have to be started as soon as possible but no later than sixty days.

5. REVIEW OF MONTHLY FINANCIAL REPORT

Howard Abner, Assistant Finance Director, advised his report would be for the 13th period because transactions were still being recorded for FY 2012.

Mr. Abner stated half of the 13<sup>th</sup> period report in spending is at 93.5% compared to 95.8% for this time last year. Mr. Abner stated the closeout of the 13<sup>th</sup> period is scheduled for late this month and next month's reports should include virtually all transactions except final audit entries. Mr. Abner stated there are still several million dollars of expenditures and revenue to record.

For expenditures and obligations, Mr. Abner reported functional areas are well in the 90% spending range; emergency and protective services is low due to \$1.2 million of unspent Viper grant funds, and for the current year, these funds have already been re-appropriated in FY 2013 as part of the funding for the detention center expansion; and in economic development, the water and sewer fund is under spent by \$1 million due to the Vander water and sewer project for which contracts have not been encumbered and there is \$700,000 of contingency funds budgeted for FY 2013.

For revenues, Mr. Abner reported for Category 10, ad valorem taxes ended at 101.00% of budget which is equal to \$1.4 million; motor vehicle tax collections ended well above budget and the downturn in motor vehicle values never materialized. Mr. Abner stated in

total, Category 10 realized \$3.8 million more than budgeted. Mr. Abner explained how motor vehicle taxes would be handled July 1, 2013, with the Department of Motor Vehicles (DMV) and how the transition period would be handled. Ms. Cannon advised this was the result of Senate Bill 1779 and the tax office would begin running simultaneous systems beginning March 2013. Ms. Cannon stated the county would also have to pay fees to the DMV. Staff responded to questions posed by Commissioner Keefe regarding Animal Control fees.

Mr. Abner reported for Category 20, the \$30.3 million of sales taxes represents ten months of collections and next month's report will include the remaining two months which he estimates will be another \$6.5 million combined for those months.

Mr. Abner reported for Category 30, ABC store 3.5% required distribution and store profits have caught up and are on target to hit the budgeted amount. Mr. Abner stated since sales tax equalization payments are tied to collections, they should also exceed the budgeted amounts.

Mr. Abner reported for Category 40, there is \$2+ million of revenue to be recognized and most of that will be in Social Services.

For Category 50 Mr. Abner reported all revenue is fully accounted for and although the Register of Deeds exceeded last year's collections, Inspections, while above budget, has collections below last years.

For Category 60 Mr. Abner reported once all revenue for Social Services is posted, the percentage should be at or above 100%.

Mr. Abner stated it is important to keep the dollars as reported in perspective because while revenue collection is higher than last year, the budget is also \$5 million more.

Mr. Abner concluded his report by stating operating revenue over operating expenditures for the Crown, which does not take into consideration any transfers or outside funding, showed a deficit for operating expenditures of \$2.7 million. Mr. Abner stated this year the Crown is showing a lesser loss than last year and is moving in the right direction. Mr. Abner advised when transfers are taken into consideration, the Crown ended up with \$1 million revenue over expenditures compared to only \$81,000 for FY 2011.

Mr. Abner stated with the Board's concurrence, he would continue to report on FY 2012 in October and in November would report on four months of revenue and expenditures for FY 2013.

## 6. OTHER MATTERS OF BUSINESS

Commissioner Faircloth stated during a meeting he and Mental Health Director Hank Debnam attended, Mr. Debnam announced there were some state and federal cutbacks

that mental health would normally have covered from its Fund Balance. Commissioner Faircloth stated he told Mr. Debnam there would probably be a budget amendment on the September 17, 2012 meeting agenda for \$200,000. Commissioner Faircloth encouraged the Board to support the budget amendment and stated the funds are for clients who will be cut if they do not receive funding.

A brief discussion followed regarding the tax agreement that expires in June 2013 and the temporary annexation by the city of Fayetteville.

There were no other matters of business.

There being no further business, the meeting adjourned at 10:18 a.m.