

CUMBERLAND COUNTY FINANCE COMMITTEE
COURTHOUSE, 117 DICK STREET, 5TH FLOOR, ROOM 564
OCTOBER 2, 2014 - 9:30 AM
MINUTES

MEMBERS PRESENT: Commissioner Marshall Faircloth, Chairman
Commissioner Billy King

MEMBERS

ABSENT: Commissioner Kenneth Edge

OTHERS:

Amy Cannon, County Manager
James Lawson, Deputy County Manager
Melissa Cardinali, Assistant County Manager
Rick Moorefield, County Attorney
Vicki Evans, Accounting Manager
Sally Shutt, Government Affairs Officer
Betty Clark, Information Services Director
Greg Taylor, Fort Bragg Regional Alliance Executive Director
Candice White, Clerk to the Board
Press

Commissioner Faircloth called the meeting to order.

1. APPROVAL OF MINUTES – SEPTEMBER 4, 2014 REGULAR MEETING

MOTION: Commissioner King moved to approve the minutes.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (2-0)

2. CONSIDERATION OF FORT BRAGG REGIONAL ALLIANCE FUNDING REQUEST

BACKGROUND:

Historically the County has funded the Fort Bragg Regional Alliance through the annual budget process as part of community funding. Fort Bragg Regional Alliance (FBRA) requested funding in the amount of \$20,500 again in the fiscal year (FY) 2015 budget process. This request was not included in the recommended budget and was not funded as part of FY 2015.

Mr. Greg Taylor of FBRA has again approached the County for funding. Mr. Taylor requests the county remain a member of the FBRA. Membership dues are \$20,500 annually. In lieu of the County paying the dues, Mr. Taylor asks that the rent currently paid for FBRA office space be applied as payment of dues. Annual rent is \$18,000. Applying the rent toward the dues would leave a balance owed by the County of \$2,500.

RECOMMENDATION/PROPOSED ACTION:

Recommend the County continue its partnership with the City of Fayetteville and the Chamber of Commerce and to adhere to the adopted budget for FY 2015 which does not provide funding to the Fort Bragg Regional Alliance.

Amy Cannon, County Manager, reviewed the background information as recorded above. Ms. Cannon advised the first year's lease with the Alliance was for one year beginning July 1, 2012 and then the lease went to a month-to-month basis. Ms. Cannon stated rental payments were received for five months, July through November, and in February 2013, Mr. Taylor met with the previous county manager and in lieu of rent, offered to give the county furniture, fixtures and equipment because the Alliance was financially unable to make the lease payment. At that time, Mr. Taylor also indicated the Alliance would like to remain in the building should the state or federal government provide funding in FY15. Ms. Cannon stated she did not include funding for the Alliance in the FY15 recommended budget; however, Mr. Taylor again approached the county with a request to exchange the \$18,000 rent for membership dues in the amount of \$20,500 which would leave a balance owed by the County of \$2,500.

Ms. Cannon also advised there may be a duplication of efforts because there are several organized efforts devoted to military and federal issues. Ms. Cannon shared an example of an email she received from Major Bobby Lumsden, who is representing the Governor on the BRAC, and from Mr. Taylor, both requesting the same information from the county. Ms. Cannon stated according to Colonel Sanborn, there has not been another round of BRAC commissioned although there is some anticipation there may be. Ms. Cannon suggested caution moving forward when considering the dislocation of efforts in the areas of economic development, business recruitment and workforce development. Ms. Cannon stated she felt the county's efforts need to be more aligned with the federal partnership and the recommended FY15 budget.

Commissioner Faircloth recognized Greg Taylor, Fort Bragg Regional Alliance Executive Director, who stated he disagreed with some of Ms. Cannon's assessment because the Fort Bragg Regional Alliance is involved with things others have not taken to task such as the Mental Health Alliance. Mr. Taylor stated the Fort Bragg Regional Alliance has made attempts to get the state to take on a Defense Industry Adjustment (DIA) grant through the Office of Economic Adjustment, which was the Fort Bragg Regional Alliance's federal partner until last year, but the state was not interested in pursuing the grant. Mr. Taylor stated he has a meeting with Tony Rand of Workforce Development to talk about pursuing the grant in other ways.

Mr. Taylor also stated legislation was just passed so that some of the things in the new BRAC planning process do not have to be made public and this in the area in which he has been tasked with garnering information.

Mr. Taylor stated if his request is not funded, he will have to move out and his request is a small price for what the Fort Bragg Regional Alliance has been delivering.

Commissioner Faircloth asked how many of the original eleven counties were still participating in the Alliance. Mr. Taylor responded four category-one counties will remain if Cumberland County does not join; all category-two counties have dropped out.

Commissioner Keefe stated what initially started out as BRAC morphed into the Alliance and asked Mr. Taylor to explain the mission of the Alliance. Mr. Taylor stated the mission of the Alliance is to work with the counties and the installation on issues that are important to both. Commissioner Keefe stated the county is paying \$410,000 to the Economic Development Alliance who should be doing those things.

Discussion followed. Commissioner Faircloth suggested that the county's membership fee be the rent and that the county not pay the \$2,500 difference to the Alliance. Mr. Taylor stated he would need to secure approval from the Alliance's board. Commissioner King inquired regarding the Alliance's funding sources. Mr. Taylor stated at present, the Alliance is only receiving local monies to support its efforts.

Rick Moorefield, County Attorney, asked the Finance Committee to consider a closed session for attorney/client matters.

MOTION: Commissioner King moved to go into closed session for Attorney Client Matter(s) pursuant to NCGS 143-318.11(a)(3).
SECOND: Commissioner Faircloth
VOTE: UNANIMOUS (2-0)

MOTION: Commissioner Faircloth moved to reconvene in open session.
SECOND: Commissioner King
VOTE: UNANIMOUS (2-0)

MOTION: Commissioner Faircloth moved to recommend to the full Board that the month-to-month rent agreement be extended for an annual amount of \$20,500.
SECOND: Commissioner King
VOTE: UNANIMOUS (2-0)

Mr. Moorefield suggested that the recommendation be placed on the Board's October 20 agenda as the October 6 agenda had already been published.

3. CONSIDERATION OF FINANCE, HUMAN RESOURCES AND BENEFITS SOFTWARE CONTRACT

BACKGROUND:

As part of the strategic plan, the Board of Commissioners identified several goals related to technology. These goals include advancing the County's automation and technology capabilities and optimizing service delivery through innovation, automation and technology. To that end, funds were identified to upgrade and enhance software systems for the finance, human resources, benefits and tax departments.

Led by the information systems (IS) department, staff has been working on fulfilling the first phase of new software implementation which includes the finance, human resources and benefits

departments. To that end, a steering committee was formed with representatives from all three departments. Requests for Information (RFI) were sent to 11 software vendors. The list was narrowed to three vendors based on current relationships with similar size counties in North Carolina. The selected vendors (Lawson, Tyler Technologies and CGI) were invited to provide demonstrations of their software and Cumberland County staff participated in site visits to other counties.

After a thorough review of these vendors, the steering committee unanimously agreed upon the software product – Tyler Technologies’ Munis. Munis is currently utilized in 49 NC counties as well as 85 NC municipalities. Munis will fulfill County requirements of full integration between finance, budget, payroll, benefits and human resources. The software will provide greater functionality and automated workflows between all County departments.

Munis software is available through the National Joint Powers Alliance (NJPA) which is the national equivalent to a state contract. This means the contract has been through a competitive bid process on the national level. The contract price for software and implementation is \$1,592,844. The steering committee is confident that Munis is the software with the lowest initial and ongoing costs as well as providing the County with the best technology for our needs.

RECOMMENDATION/PROPOSED ACTION:

Approval of the software and implementation contract with Tyler Technologies in the amount of \$1,592,844 and approval of \$355,156 for project costs to include associated audit fees, temporary staff and system hardware requirements.

Melissa Cardinali, Assistant County Manager, reviewed the background information and recommendation as recorded above. Betty Clark, Information Services Director, and Ms. Cardinali responded to questions. Ms. Cardinali pointed out that the \$200,000 annual maintenance contract would be \$100,000 less than the current contract. Ms. Clark explained efficiencies that would be derived from the Munis software to include automation of routine processes such as employee timesheets, electronic signatures, purchase orders/requisitions, human resource actions, and county benefits. Ms. Cannon extended appreciation to the staff involved with identifying and implementing the software and stated this is a huge step for the county and a significant reduction in the movement/involvement of paper. Ms. Cannon stated this software will create efficiencies in the core functions of finance, benefits, human resources and in other county departments.

MOTION: Commissioner King moved to recommend to the full board approval of the software and implementation contract with Tyler Technologies in the amount of \$1,592,844 and approval of \$355,156 for project costs to include associated audit fees, temporary staff and system hardware requirements.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (2-0)

4. CONSIDERATION OF AMENDMENT TO ANNUAL AUDIT CONTRACT

BACKGROUND:

Earlier this year, the Board of Commissioners approved a contract for Cherry Bekaert, LLP to perform the annual audit. Since that time, the N.C. Office of the State Auditor has made revisions to the work required of audit firms.

Within the past 8 weeks, the Office of the State Auditor has issued new required procedures as well as additional reporting requirements related to specific programs in the Health Department and Department of Social Services. The goal of the additional procedures is to provide reliable data to the State Auditor who will use the data in their audit of major federal programs. The requirement for the auditors contracted by the County to perform additional procedures for the State is clearly an unfunded mandate. The cost of the additional procedures is \$2,000 annually.

RECOMMENDATION/PROPOSED RECOMMENDATION:

Approve a \$2,000 amendment to the annual audit contract with Cherry Bekaert, LLP for the fiscal year 2014 audit.

Ms. Cardinali reviewed the background information and recommendation as recorded above. Ms. Cardinali stated the cost to the county for this year and probably for next year just to perform the additional procedures and reports required by the State Auditor is \$2,000. Ms. Cardinali stated the Local Government Commission (LGC) has been involved but this is primarily coming through the LGC from the State Auditor's office. Mr. Moorefield stated there is no statutory change.

MOTION: Commissioner King moved to recommend to the full Board approval of a \$2,000 amendment to the annual audit contract with Cherry Bekaert, LLP for the fiscal year 2014 audit.

SECOND: Commissioner Faircloth

VOTE: UNANIMOUS (2-0)

5. MONTHLY FINANCIAL REPORT

BACKGROUND:

The financial report is included as of June 30, 2014 (13th Period). Highlights include:

- Revenues
 - Sales taxes: All 12 months of sales tax have been received and are reflected in the report. FY14 total collections are slightly higher than the final FY13 total collections.

- Expenditures
 - Expenditures for all departments remain in line with previous years and show no significant variances.

RECOMMENDATION/PROPOSED ACTION:
No action needed – for information purposes only.

Vicki Evans, Accounting Manager, reviewed the financial information as recorded above and stated there have not been a lot of changes from the prior month. Ms. Evans stated sales tax numbers are equal to what was reported in the prior year, are about \$200,000 above actual last year, but are still less than budget or 95.8% of budget this year. Ms. Evans stated expenditures trended the same with no unusual patterns. Ms. Evans also stated the Finance Department is working on closing out FY14 and getting ready for the audit. Ms. Evans further stated next month's report will be for the first quarter of FY15 and the Crown Coliseum.

6. OTHER MATTERS OF BUSINESS

There being no further business, the meeting adjourned at 10:30 a.m.