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Clerk to the Board

KELLIE BEAM
Deputy Clerk

CUMBERLAND
★ **COUNTY** ★
NORTH CAROLINA

BOARD OF COMMISSIONERS

MEMORANDUM

TO: Finance Committee Members (Commissioners Council, Faircloth and Keefe)

FROM: Candice H. White, Clerk to the Board

DATE: September 1, 2017

SUBJECT: Finance Committee Regular Meeting – Thursday, September 7, 2017

There will be a regular meeting of the Finance Committee on Thursday, September 7, 2017 at 9:30 AM in Room 564 of the Cumberland County Courthouse.

AGENDA

1. Approval of Minutes – August 3, 2017 Regular Meeting of Finance/Audit Committee **(Pg. 2)**
2. Update on the Health Department Notification Process by Interim Health Director Rodney Jenkins **(Pg. 27)**
3. Consideration of Centerplate Contract Extension through February 28, 2018 **(Pg. 28)**
4. Audit Contract Items with Cherry Bekaert
 - A. Consideration of Engagement with Cherry Bekaert for Census Data Testing for the Local Government Employee Retirement System (LGERS) Employer Participants **(Pg. 30)**
 - B. Consideration of Audit Contract Amendment with Cherry Bekaert **(Pg. 39)**
5. Update on RFP Process for Employee Benefits/Insurance Broker and Consultant Services **(Pg. 44)**
6. Monthly Financial Report **(Pg. 45)**
7. Monthly Health Insurance Report **(Pg. 50)**
8. Other Items of Business **(NO MATERIALS)**

cc: Board of Commissioners; County Administration; Vicki Evans, Finance Director; Tammy Gillis, Director of Internal Audit and Wellness Services; County Legal; County Department Head(s); Sunshine List

CUMBERLAND COUNTY FINANCE/AUDIT COMMITTEE
COURTHOUSE, 117 DICK STREET, 5TH FLOOR, ROOM 564
AUGUST 3, 2017 – 9:30 AM
REGULAR MEETING MINUTES

MEMBERS PRESENT: Commissioner Marshall Faircloth, Chairman
Commissioner Jeannette Council
Commissioner Jimmy Keefe

OTHER COMMISSIONERS
PRESENT:

Commissioner Glenn Adams
Commissioner Charles Evans
Commissioner Larry Lancaster

OTHERS:

Amy Cannon, County Manager
Melissa Cardinali, Assistant County Manager
Tracy Jackson, Assistant County Manager
Sally Shutt, Assistant County Manager
Rick Moorefield, County Attorney
Rob Hasty, Assistant County Attorney
Deborah Shaw, Budget Analyst
Heather Harris, Budget Analyst
Ivonne Mendez, Financial Specialist
Tammy Gillis, Director of Internal Audit and Wellness Services
Renee Gleaton, Internal Auditor
Jeffrey Brown, Engineering and Infrastructure Director
Brenda Jackson, Social Services Director
Rod Jenkins, Health Department Interim Director
Geneve Mankel, Communications and Outreach Coordinator
Candice H. White, Clerk to the Board

Commissioner Faircloth called the meeting to order.

MOTION: Commissioner Council moved to bring Item 7. forward to become Item 2. and to renumber the remaining items accordingly.

SECOND: Commissioner Keefe

VOTE: UNANIMOUS (3-0)

1. APPROVAL OF MINUTES – FINANCE /AUDIT COMMITTEE
 - A. JUNE 8, 2017 SPECIAL MEETING OF FINANCE COMMITTEE
 - B. JUNE 12, 2017 EMERGENCY MEETING OF AUDIT COMMITTEE

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MOTION: Commissioner Keefe moved to approve the June 8, 2017 Finance Committee special meeting minutes and the June 12, 2017 Audit Committee emergency meeting minutes.

SECOND: Commissioner Council

VOTE: UNANIMOUS (3-0)

2. UPDATE FROM INTERNAL AUDIT ON THE HEALTH DEPARTMENT NOTIFICATION PROCESS

Tammy Gillis, Director of Internal Audit and Wellness Services, stated the week after the audit was issued the Health Department utilized a data base to attempt to locate current addresses for the patients and on July 28, letters were mailed to all 160 patients identified in the audit. Ms. Gillis stated any returned mailings will now be easier to identify due to a specially designed envelop. Ms. Gillis stated as of this week, patients have received the letters and have begun calling the Health Department. Ms. Gillis stated any follow up or further notification with these patients will be handled by the Health Department.

Rod Jenkins, Interim Health Director, stated as of 9:00 a.m., twenty-one responses had been received and the Health Department will err on the side of expediency and allow two to three weeks before going to the next phase.

Commissioner Faircloth reiterated these letters cover a period from 2011-2015, this is not something that just happened and whatever the cause, it has been corrected long ago. Commissioner Faircloth stated because concerns were brought to the Board of Commissioners, a review was conducted on things that happened some time ago in order to be diligent. Commissioner Faircloth stated follow up on the 140 not yet heard from will take place at the September 7 meeting of the Finance/Audit Committee. Questions and comments followed.

3. UPDATE ON DEBT FINANCING

A. SAVINGS RESULTS FROM THE REFUNDING OF 2009A CERTIFICATES OF PARTICIPATION AND 2011B LIMITED OBLIGATION BONDS

BACKGROUND:

In June, the advance refunding analysis of the Series 2009A COPs and 2011B LOBs showed that based on the market at that time, the County had the potential to generate over \$1.5 million in interest rate savings by refunding the 2009A COPs and 2011B LOBs in the public market. The public sale took place on July 19 and achieved better-than expected results of a total net present value savings of just over \$2 million. That savings equates to an average annual interest savings over the next twelve years of approximately \$166,000.

RECOMMENDATION/PROPOSED ACTION:

No action needed – for information purposes only.

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Melissa Cardinali, Assistant County Manager, reviewed the background information recorded above and stated the July 19 public sale generated a lot of interest in the market.

B. CAPITAL IMPROVEMENTS PLAN FINANCING UPDATE

BACKGROUND:

An update regarding financing of the capital improvements plan last occurred during the finance committee meeting held on April 6. The financing calendar provided at that time was revised to accommodate a meeting with the staff of the Local Government Commission (LGC) that took place during June.

LGC approval and a banking RFP are required in year one and upon project completion. Funds will be drawn from the bank as invoices become due. Upon completion of the projects within the three years, the total amount utilized will be financed and re-payment will begin in the fourth year (fiscal year 2021).

The revised financing calendar is recorded below. To summarize:

- August 7 - Board approves findings resolution and authorization for LGC filing and calls for a public hearing
- August 21 – Board adoption of the approving resolution and the public hearing
- September 12 - LGC approval

The amount to be financed in the fiscal year 2018 transaction will not exceed \$11,220,000. The purpose is to finance capital improvements of roofs, parking lots and external buildings of various governmental properties and the Crown Complex as outlined on the schedule recorded below.

In addition, a portion of the funds will be used to replace the Coliseum’s ice floor and a center-hung scoreboard along with enhanced LED lighting. Neither of those projects were originally included in the proposed financing but were added to the CIP in the spring of 2017. Therefore, approval of a budget revision totaling \$2,750,000 is requested to cover the estimated cost of those items.

RECOMMENDATION/PROPOSED ACTION:

Management recommends the Finance Committee approve and forward to the Board of Commissioners the following action:

Approve Budget Ordinance Amendment B180746 to increase the Crown Capital Project Budget by \$2,750,000 with a revenue source of installment financing proceeds.

Please note: This amendment requires no additional County funds.

CIP Projects – To Be Financed in FY18

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	FY2018	FY2019	FY2020	Total of Projects Financed FY18
<u>General Fund Projects</u>				
Parking lot repair / resurfacing	\$ 1,147,130	\$ 341,330	\$ 92,800	\$ 1,581,260
Building exterior improvements	1,251,640	96,512	416,440	1,764,592
Roof repair / replacement	312,461	1,652,615	71,288	2,036,364
	\$	\$	\$	\$
Subtotal General Fund	<u>2,711,231</u>	<u>2,090,457</u>	<u>580,528</u>	<u>5,382,216</u>
<u>Crown Complex Projects</u>				
Parking lot repair / resurfacing	\$ 570,952	\$ 641,480	\$ 481,381	\$ 1,693,813
Building exterior improvements	-	165,300	153,700	319,000
Roof repair / replacement	1,483,060	141,288	284,200	1,908,548
Center hung scoreboard	1,500,000	-	-	1,500,000
Coliseum ice floor	1,250,000	-	-	1,250,000
	\$	\$	\$	\$
Subtotal Crown Complex	<u>4,804,012</u>	<u>948,068</u>	<u>919,281</u>	<u>4,658,548</u>
	\$	\$	\$	\$
Total Projects - Financing	<u><u>7,515,243</u></u>	<u><u>3,038,525</u></u>	<u><u>1,499,809</u></u>	<u><u>10,040,764</u></u>

COUNTY OF CUMBERLAND, NORTH CAROLINA
2017 GENERAL GOVERNMENT DRAW PROGRAM

REVISED FINANCING SCHEDULE

<u>DATE</u>	<u>EVENT</u>	<u>PARTICIPANTS</u>
April 7	Send Complete Financing Package Information to LGC	FA
June 9	Follow Up in Person Meeting with LGC – 10:30am LGC Offices	All
July 19	Update Financing Proposals	FA/County
July 28	Send Joint Legislative Committee Letter (on or before)	County/BC
August 1	County Commission Items Due for August 7th Meeting	County/BC

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August 3	Meeting with Finance Committee	County
August 4	Award Financing Proposal Subject to Approvals	County/FA
August 7	Distribute First Draft of Documents	BC/PC
August 7	County Adopts Findings Resolution and Authorize LGC Filing; County Calls for Public Hearing	County/BC
August 8	Publish Notice of Public Hearing (on or before)	County/BC
August TBD	Document Review Meeting	All
August 11	Submit Application to LGC	County
August 15	County Commission Items Due for August 21st Meeting	County/BC
August 21	County Adopts Approving Resolution and Holds Public Hearing	County/BC
September 12	LGC Approval (Executive Committee)	LGC
September 13	Discuss Closing Requirements	All
September 20 (est) Closing		All

Ms. Cardinali reviewed the background information recorded above and stated because the LGC and County calendars do not align, all action items cannot be brought to committee. Ms. Cardinali stated the revised schedule is being provided so commissioners will be aware of what will be coming forward for action on Board agendas. Ms. Cardinali referenced the revised financing schedule recorded above and stated the August 7 resolution will authorize the Finance Director to make an application for the installment financing with the LGC, will state this is the preferred method to obtain the funds as it is the least expensive, will identify that the County had good debt practices and policies and contain a not-to-exceed amount of \$11,220,000. Ms. Cardinali stated this means less may be spent but more cannot be financed. Ms. Cardinali stated additions to the list brought before the board in 2016 will be replacement of the Coliseum’s ice floor and a center-hung scoreboard along with enhanced LED lighting, which need to be added to the Crown project via a budget amendment for \$2,750,000. Ms. Cardinali stated this will be added to the financing and no additional funds will be used.

4. CONSIDERATION OF ENGAGING OUTSIDE LEGAL COUNSEL FOR DSS INDEPENDENT CONTRACTOR FOR CHILDREN’S SERVICES

BACKGROUND:

Due to the increased number of children in foster care, the number of cases held by the DSS Attorneys exceed twice the amount of cases recommended by the American Bar Association at 100 plus cases per attorney. In the past, this has caused a delay in the drafting of Termination of Parental Rights (TPR) petitions. This delay keeps the children in foster care longer, slows the process toward permanency for these children and increases the cost to the county. Margaret Russ is responsible for drafting many of the TPR petitions. Having one person draft these petitions provides a consistency which the judges and other attorneys appreciate as well as providing the DSS attorneys with the information they need to move the cases through the court. Ms. Russ is also responsible for cases involving the RIL – Responsible Individuals List,

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coordinates cases between DSS and Fort Bragg and is the liaison with the District Attorney office.

RECOMMENDATION/PROPOSED ACTION:

The Department of Social Services respectfully requests approval to contract with Margaret Russ in FY 17-18 in the amount of \$104,000 per year.

Brenda Jackson, Social Services Director, reviewed the background information recorded above and stated that a delay in the drafting of Termination of Parental Rights (TPR) petitions not only keeps children in foster care longer and prevents them from being adopted which can create permanency for these children and a forever loving alternative parent or care giver. Ms. Jackson stated DSS is seeing more and more of the Termination of Parental Rights being appealed, going to the Court of Appeals and the Supreme Court. Ms. Jackson explained the Responsible Individuals List and how the system is utilized to research findings of abuse and neglect of children, and the rights of appeal for individuals on the list. Ms. Jackson stated DSS has worked with Margaret Russ, who is a skilled retired Assistant District Attorney, and asks for consideration to contract with Ms. Russ to assist with this work.

Commissioner Adams stated although he did not have a problem with an outside attorney, he thought the cost was high and there would be a number of attorneys in the community that would bid on an RFP if one was issued. Questions and discussion followed. Ms. Jackson stated her concern about an RFP would be whether respondents would have the knowledge base and experience, and whether there would be a full time commitment versus a part-time commitment of another legal practice. Ms. Jackson spoke to Ms. Russ's qualifications and experience. Discussion continued. Commissioner Faircloth confirmed the proposed contract would contain an hourly rate and not a blanket payment. Ms. Jackson stated the contract would contain a not-to-exceed total amount and payment would be based on hours expended. Commissioner Keefe spoke about the increase in foster care over the past five years and the increased expense involved, and stated joint efforts are needed between the Administrative Office of the Courts, state legislature and Cumberland County DSS to protect the children and parents in the County, both individually and collectively. Ms. Jackson stated social determinants in the community that place children in crisis also need to be taken into consideration; these include such things as the explosion of opiate abuse, increase in human trafficking, job loss, location on the major I-95 corridor and families suffering from mental health and post-traumatic stress issues. Ms. Jackson also stated high numbers in foster care do not mean the system is failing, to the contrary, they mean the system is working and the County is doing its job to protect at-risk children. Ms. Jackson stated it is equally important that when children come into the County's care, they are either united with their parents or provided alternative care.

Commissioner Faircloth stated he was leaning towards approving the contract with the thought that work needs to continue for a more permanent solution. Commissioner Council stated she was also leaning that way because an RFP could be considered at the same time a possible consolidation is discussed.

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- MOTION: Commissioner Council moved to approve the contract with Margaret Russ in FY 17-18 in an amount not to exceed \$104,000 per year.
- SECOND: Commissioner Keefe
- VOTE: UNANIMOUS (3-0)

5. CONSIDERATION OF REQUEST FOR PROPOSALS (RFP) FOR EMPLOYEE BENEFITS/INSURANCE BROKER & CONSULTANT SERVICES

BACKGROUND:

One of the most significant expenditure categories for the County is the area of employee health. With a combined budget of over \$27 million for health insurance, employee pharmacy, employee clinic and wellness programs; employee health costs are a sizeable share of annual County costs.

To ensure the County is properly addressing the needs of employees while balancing the cost of these needs, the County has historically utilized the services of an independent broker / consultant. The County has maintained a positive relationship with Mark III Employee Benefits for the past two decades.

Despite the relationship with the current broker/consultant, it is good practice to reach out to other firms providing these services and affirm the County is receiving the maximum benefit for the dollars invested in employee health.

Therefore, Management and Finance seeks to issue an RFP for employee benefits/insurance broker and consultant services. The RFP will be issued the week of August 8. Responses to the RFP will be reviewed by a committee consisting of Management, Finance and Benefits, Human Resources and the Internal Audit/ Wellness Director. It is anticipated a recommendation will be brought forward to the Finance Committee at its meeting on October 5, 2017.

RECOMMENDATION/PROPOSED ACTION:

Management recommends approval to move forward with the RFP process for employee benefits/insurance broker and consultant services.

**NOTICE OF REQUEST FOR PROPOSALS
CUMBERLAND COUNTY, NORTH CAROLINA
FOR
EMPLOYEE BENEFITS/INSURANCE BROKER
& CONSULTANT SERVICES**

ISSUE DATE: AUGUST 8, 2017
PROPOSAL NUMBER: 18-3-CTY

Cumberland County is seeking proposals from qualified brokers/ consultants to assist with strategically planning, designing and negotiating the best coverage and cost for employee benefits programs that include but not limited to: group medical, life and dental, supplemental employee insurance, flexible spending accounts, and ACA compliance.

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All submittals must be received at the location listed below by 3:00 PM on August 31, 2017

Cumberland County
Purchasing Division- Attention Amanda Bullard/Purchasing Manager
117 Dick St.
4th Floor Room 451
Fayetteville, NC 28301

IMPORTANT NOTE: All proposals must be sent in hard copy. Submit one (1) original and seven (7) copies of the proposal. Indicate firm on the front of each sealed proposal envelope. Electronically submitted (email/fax) proposals will not be accepted.

Direct all inquiries concerning this RFP by email to:

Amanda Bullard/Purchasing Manager
CumberlandPurchasing@co.cumberland.nc.us

Questions concerning the RFP requirements must be submitted in writing.

They may be e-mailed (Questions will not be answered by phone).

Questions must be submitted no later than 3:00 PM on August 16, 2017. All questions submitted in writing will be answered in the form of an addendum to this Request for Proposals.

Notice to Bidders

- 1) Proposals will be evaluated according to completeness, content, experience with similar projects, ability of the broker and its staff. The award of a contract to one broker does not mean that the other proposals lacked merit, but that, all factors considered, the selected proposal was deemed to provide the best value to the County.
- 2) Brokers are cautioned that this is a request for offers, not a request to contract and the County reserves the unqualified right to reject any and all offers when such rejection is deemed to be in the best interest of the County. The County retains the right, in its sole discretion, at any time to reject any or all proposals, in whole or in part, and to cancel or cancel and reissue this RFP, before or after receipt and opening of proposals in response thereto, or take any other actions.
- 3) Any costs incurred by broker in preparing or submitting offers are the broker's sole responsibility; Cumberland County will not reimburse any broker for any costs incurred prior to award.
- 4) No contact with County Departments will be allowed during the proposal process. Any proposers contacting a department(s) directly may subject their proposal to rejection.
- 5) Proposals should only be submitted from companies with at least five (5) continuous years of experience.
- 6) Information that is not defined as proprietary by North Carolina General Statute 132-1.2 must not be marked as such.
- 7) Any options that would be an additional cost must be clearly stated.

General Proposal Instructions

- 1) All proposals must be received no later than the date and time listed on the cover sheet of this proposal in sealed envelopes. The Purchasing Office is not responsible for delays in the delivery of mail by the U.S. Postal Services or private couriers or those rejected by the County email filtering system. It is the sole responsibility of the proposer to ensure that the bid reaches the Purchasing Office by the designed time and hour. Proposals received after the specified date and time will be rejected.
- 2) Envelopes must be clearly marked with the proposal number and delivered date on the outside of the envelope.
- 3) Eight (8) hard copies of the proposal must be received from each proposer (one (1) original, seven (7) copies). Electronic proposals (fax, e-mail, etc.) will not be considered.
- 4) Each proposal must be signed and dated by an official authorized to bind the firm.

1. Purpose

Proposals must be submitted in accordance with the requirements of the RFP. **All questions/request for information in Section 4 of this RFP must be addressed, answered, indexed properly and listed in the same order as listed in RFP.** In addition, all required forms and checklist identified must be included with submission. Failure to include any required information may cause rejection of the proposal.

The purpose of this Request for Proposal (RFP) is to solicit proposals from qualified insurance broker/benefits consulting firm to assist the County with strategically planning, designing and negotiating the best coverage and cost for employee benefits programs that include but not limited to: group medical, life and dental, supplemental employee insurance, flexible spending accounts, and ACA compliance.

The County seeks a benefit plan that can be adjusted annually based on experience as well as one that can easily adapt to changes in market conditions and regulations. Therefore, the County is interested in a firm with a demonstrated record of taking a creative, innovative approach to maneuver through the health reform changes and the rising costs of healthcare and employee benefits while maintaining fiscal responsibility and providing an unbiased perspective to the process.

As of June 2017, the County has approximately 2,300 employees of which 2,017 are full-time employees. Of the County's employees, 68% are female and 32% are male. The County also has approximately 850 retirees receiving healthcare benefits.

Cumberland County is constantly competing to recruit and retain the best employees possible. Our leadership is looking to ensure we have financially competitive and affordable benefit programs to offer our employees.

Cumberland County offers its employees self-funded medical (PPO and HSA) administered by Blue Cross and Blue Shield of North Carolina, dental, vision, term/whole life insurance, short/long term disability, flexible spending plan and supplemental insurance such as cancer, and AD&D insurance. The County also operates an employee pharmacy, wellness center clinic, and wellness program.

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The County's fiscal year begins July 1. The County's health plan year is July 1 to June 30. The budget planning process for the next fiscal year begins in the preceding December. Projected benefit costs provided by the broker in a timely manner are imperative in the budgeting process. Providing quarterly (minimally) updates to management and the Board regarding current trends are expected.

2. Contract

This request for proposals and the proposer's response will be part of the final contract terms and conditions between the proposer and the County, unless otherwise negotiated.

The proposer must be willing to sign a contract within 10 days of contract award date and be ready to begin services within 30 days from the contract award date or by November 1, 2017. In addition to providing benefit assistance, the proposer will begin to assist the County with budget preparation and open enrollment for the benefits plan year beginning July 2018. **Employees participate in an annual open enrollment period in April.**

The term of the contract will be effective upon full execution of the agreement for an initial term commencing upon award of the contract and ending one year from date of award. Thereafter, the County reserves the right, at its sole option, to renew the contract for additional one-year terms or terminate the contract.

The contract will be subject to termination for cause or convenience by the County with written notice thirty (30) days prior to the effective date. The contractor will give the County written notice of its intention to terminate the contract, or not to renew the contract, at least sixty (60) days prior to the proposed termination date or renewal date of the contract.

3. Scope of Work

As the County's benefit broker, you would need to be knowledgeable and able to manage or to contract with a Third Party to administer Cumberland County's self-funded health insurance (PPO, HSA). Currently, the County has \$150,000 stop-loss reinsurance on our medical insurance.

Cumberland County requires a North Carolina licensed Broker that is independent and is not affiliated with any insurance company, third party administrative agency or provider network. The proposer must have experience (at least 5 years) in providing brokerage services in the public sector and in a County environment with a minimum of 500 benefited employees.

Cumberland County also requires the following:

- A) Audit resulting contract(s) for accuracy of coverage, terms and conditions.
- B) Assistance with annual benefits renewals, including negotiation of changes in contracts including stop/loss.
- C) When employee benefits are marketed, prepare bid specifications, identify appropriate markets, analyze proposals, make recommendations, and assist in the negotiation of (preferably multi-year) contracts.
- D) Annual reviews of selected employee benefit package for quality of benefits provided, cost

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- effectiveness, competitiveness and plan administration.
- E) Monitor ongoing contracts, including provider plan administration, plan performance, provider compliance with contract, and incurred claims.
 - F) Assist with compliance of Affordable Care Act including consulting and reporting services.
 - G) Be available to meet with the Benefits staff and County Management as needed.
 - H) Assist in the design of employee benefit communications. Participate in Benefit Fairs and annual enrollment process.
 - I) Provide a key contact person to be available to answer questions and resolve issues that arise during the year regarding employee benefits, contract administration, and service provisions.
 - J) Evaluate various insurance products submitted by carriers, agents and brokers; provide comparisons and make recommendations if requested
 - K) Perform other related consultation services as needed or requested.
 - L) Assist in projecting year-end cost and provide an estimate of incurred but not reported claims for budgeting and audit purposes.
 - M) Assist with the coordination of the County's Employee Wellness Program with incentives and measurable objectives.
 - N) Provide information with the understanding that the County operates an employee pharmacy, wellness clinic, and wellness program and make the County aware of any impact this may have on employee benefit changes.
 - O) Assist with the coordination of the County's Health Risk Assessment with incentives and measurable objectives.
 - P) Assist and advise the County in annual renewal negotiations with benefit plan providers on matters including, but not limited to, premium rates, benefit levels, performance standards and guarantees, contractual terms and conditions, quality assurance standards, utilization and performance reports, statistical and/or financial reports, and plan specific data such as medical conditions, prescription drugs, high cost procedures, in patient data, etc.
 - Q) Provide timely notification of and assistance with understanding and implementing new, updated or revised benefits, laws, regulations and programs including alerting the County regarding any employee communication deadlines or communication issues, and provide sample documents that may be used to notify employees and/or retirees of any of these changes.
 - R) Provide timely notification of and assistance with understanding and implementing new, updated or revised benefits, laws, regulations and programs as they relate to plan documents or contracts.
 - S) Provide information on employee benefit issues, trends and proposed or new legislation especially in regard to the Affordable Care Act (ACA).

4. Proposal Requirements

The proposal response must clearly demonstrate the required qualifications, expertise, competence and capability of the vendor. Provide a concise description of your firm's ability to provide the services required in the *Scope* of this document. Costs incurred by firms responding to this RFP are solely their responsibility.

Cumberland County requires the successful proposer to procure and maintain during the life of the contract the following insurance coverage:

Professional Liability Insurance

Contractor shall maintain in force for the duration of this contract professional liability or errors and omissions liability insurance appropriate to the contractor's profession. Coverage as required in this paragraph shall apply to liability for a professional error, act, or omission arising out of the scope of the contractor's services as defined in this contract. Coverage shall be written subject to limits of not less than \$1,000,000 per loss.

Fidelity Coverage (Employee Dishonesty)

Contractor shall maintain Fidelity Coverage providing employee dishonesty, forgery or alteration, theft, disappearance, destruction, and computer fraud coverage covering Contractors, employees, officials, and agents for Fidelity in the amount of \$1,000,000. This requirement may be met with Commercial Crime insurance or a Fidelity Bond.

Commercial General Liability

Contractor shall maintain Commercial General Liability and if necessary Commercial Umbrella Liability insurance with a total limit of not less than \$1,000,000 each occurrence for bodily injury and property damage. If such CGL insurance contains a general aggregate limit, it shall apply separately to this project/location or the general aggregate shall be twice the required limit.

County of Cumberland, its officers, officials, agents, and employees are to be covered as additional insureds under the CGL by endorsement providing equivalent coverage as respects to liability arising out of activities performed by or on behalf of the contractor; products and completed operations of the contractor, premises owned, leased or used by the contractor; and under the commercial umbrella, if any. The coverage shall contain no special limitations on the scope of protection afforded to Cumberland County, its officers, officials, agents and employees.

Workers' Compensation and Employer's Liability

Contractor shall maintain Workers' Compensation as required by the general statutes of the State of North Carolina and Employer's Liability Insurance. The Employer's Liability shall not be less than \$500,000 each accident for bodily injury by accident, \$500,000 each employee for bodily injury by disease and \$500,000 policy limit.

Business Auto Liability

Contractor shall maintain Business Auto Liability and if necessary, Commercial Umbrella Liability insurance with a limit of not less than \$1,000,000 each accident.

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Evidence of Insurance

The Contractor shall furnish Cumberland County with a certificate of insurance, executed by a duly authorized representative of each insurer showing compliance with the insurance requirements prior to commencing the work and upon renewal or replacement of each certified coverage throughout the term of this contract. Evidence of additional insured status shall be noted on the certificate of insurance.

Contractor shall maintain cyber liability to cover any breach involving data belonging to Cumberland County. Contractor will notify Cumberland County immediately of any suspected or actual breach of data in the custody or control of Contractor or any of its third party service providers. Contractor will defend, indemnify and hold harmless Cumberland County from and against any liability, loss, claim, damage, cost or expense (including reasonable attorney's fees) arising out of or in connection with Contractor's or its third party service providers) failure to implement and maintain appropriate security measures.

Indemnity

Contractor shall indemnify and hold Cumberland County, its officers, official agents and employees, harmless against any and all claims, demands, causes of action or other liability including attorney fees, on account of personal injuries or death or on account of property damages arising out of or relating to the work to be performed by Contractor hereunder, resulting from the negligence of or the willful act or omission of Contractor, his agents, employees, and subcontractors.

Additionally, include the answers to the following questions (address by number):

- 1) Describe your organizational structure (i.e. publicly held corporation, partnership, etc.) How many employees are there in your company?
- 2) Describe your company's organization, philosophy, and management structure.
- 3) Describe the organizational structure of the brokers who would provide services to the County (i.e. individual broker, individual broker with supporting back up, team of brokers). Include a brief professional history for each individual and how they are qualified to provide services to the County.
 - a. Who would be working directly with Cumberland County administrative issues, questions, or problem solving?
 - b. Provide the roles and qualifications of each person.
- 4) Describe your contractual relationships, including subcontractors and joint ventures with organizations necessary to your proposal's implementation in regards to medical, dental, disability, life, supplemental, etc.
- 5) How long has your organization been providing broker and benefit consulting services?
- 6) How many clients does your organization presently have? Typically, how many clients does each broker manage?
- 7) How many public-sector clients do you manage? Provide a list of all North Carolina local

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government clients, preferably county, to which your firm has provided employee benefits consulting services within the past five (5) years.

- 8) Describe your involvement in claims and billing advocacy?
 - a. What is your average response time to questions posed from your clients?
 - b. How do you handle follow up to outstanding items?
 - c. What is your preferred method of communicating with your clients (i.e. voicemail, e-mail, and fax)?
- 9) Provide a detailed description of your expertise in providing benefits communication and enrollment programs. Do you provide the same services for core benefit programs as you would for the voluntary benefits you offer? **This description must include your recommendation for benefits communication and/or enrollment process.**
- 10) Proposers shall submit as a part of their proposal a preliminary implementation plan for a plan year beginning July 1 through June 30th for the requirements listed in Section 3 Scope of Work. The plan must consist of a sequential listing of all steps necessary to provide the requested services and which party is responsible. **This information must be on a separate sheet, titled Plan of Services.**
- 11) Describe how the enrollment will be organized and managed. Describe the resources necessary to accomplish the purpose of the benefits enrollment, including but not limited to local insurer support staff, timeframes, negotiation of rates and vendor selection.
- 12) The individuals performing the enrollment must conduct themselves in an informational manner effectively communicating all aspects of the benefits to properly inform and educate employees.
 - a. Describe the enrollers who would be meeting with the employees.
 - b. Do they have experience with public sector enrollments?
- 13) The County prefers a Broker who can help show employees what we provide for them in the area of benefits, so they can better appreciate those benefits offered to them. What communication and/or enrollment services make your company's proposal uniquely attractive in this regard?
- 14) Describe the communication pieces your company provides to assist in the enrollment process. Specifically, we are interested in providing each employee a benefits statement, an election form indicating employee deduction, benefits booklet, customized benefits website, educational videos, etc.
- 15) Include a sample communication plan and samples of the communication material you will provide for employees.
- 16) Proposers are required to provide in their proposals a description of the proposer's internet based uses and any recommendations for electronic enrollment services including recommendations concerning appropriate uses of internet based enrollment or enrollment support activities. Describe your firm's experience with Munis Employee Self Service.
- 17) Describe your enrollment system including any costs associated with supporting your system.
 - a. Provide details regarding managing and maintaining electronic enrollment services.
 - b. How do you maintain data security and confidentiality?

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- c. What other fees are charged for those services?
- 18) What steps does your organization take to ensure each broker is educated on current market trends and legislative developments? How is this information communicated to your clients?
- 19) Describe how you propose to build an understanding of the direction and priorities of the County and how you would utilize this information to anticipate our needs in relation to benefits.
- 20) Describe the process of how your organization would assist the County in selecting a new insurance vendor.
- 21) What makes your organization unique from other organizations that may submit proposals for the County's consideration?
- 22) Present your plan proposal to include plan cost per employee for medical, dental, vision, short term disability, life and AD&D.
- 23) Provide us sample reports of how your present data to the client. Is there a cost for customization or ad hoc reports?
- 24) How will you help with the management of insurance, including monthly (or quarterly) supervision and/or preparation of claims activity reports from carriers; executive summary reports; underwriting analysis for annual renewals; annual financial projections for budgeting purposes; and alternative funding analyses?
- 25) Do you have an in-house benefits attorney? If yes, provide his or her credentials and the number of years he or she has provided counsel on benefits issues. If no, do you use an external benefits attorney, and which firm do you use?
- 26) Will your firm notify Cumberland County of changes in federal, state and/or local laws that would affect us?
- 27) Explain what steps you have taken to become HIPAA compliant.
- 28) Clearly outline your proposed form of compensation on a separate compensation addendum (e.g., commission, annual retainer, and fee-for-service). Specify for healthcare versus other benefit options.
 - a. If you are proposing a fee, include your fee schedule/hourly rates.
 - b. If your form of compensation is commissions, provide a list of all eligible commissions or those you are able to receive and of those commissions, the commissions that you collect in a monetary amount and associated percentages.
 - c. If you charge fees for consulting and employee communication, indicate the basis of your charges (hourly, by project, etc.) and what typical charges might be.
- 29) Submit a completed W-9.
- 30) The Provide copies of insurance policies applicable under this contract. County is to be named as additional insured under the comprehensive general liability.
- 31) Use the attached References sheet to provide a list of four (4) verifiable client references of

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similar scope and industry, all of whom are able to comment on your organization's relevant experience. This list must include at least three active client references that are similar in nature and size to Cumberland County. Include company name, contact name, telephone number, and size of company's workforce and length of time associated with your organization. It is the vendor's responsibility to provide valid reference information and the County reserves the right to use reference checks in its evaluation of proposals.

5. Criteria for Evaluation

Consideration will be given to factors such as experience, service reputation, service quality, and financial integrity. All proposals will be evaluated according to, but not necessarily limited to, the following:

- The proposal's Plan of Services for implementing the Scope of Work as listed in Section 3 and responses to the Vendor Proposal Requirements as listed in Section 4.
- Experience – Extent and success of previous work provided to organizations similar in nature and size to those required herein. References provided verifying the required experience and level of service needed by County.
- The proposal itself as an example of the potential vendor's work.
- Qualifications/experience of key personnel to be assigned to the project.
- All required forms completed and returned as part of the proposal package.
- Service Reputation – Ability to meet expectations, carry out a defined work plan and meet deadlines. Provide references.
- Service Quality – Ability to provide outstanding customer service, access the health insurance market, and effectively manage accounts.
- Financial Integrity – Demonstrate sound financial status, including a consistent trend of meeting all financial liabilities.
- Service Cost – Identify the commission based percentage that will be required to effectively deliver the defined scope of services.

6. Funding

This RFP is conditional upon the availability of federal, state, or local funds that are appropriated or allocated for payment of the proposed purchase. If, during any stage of this RFP process, funds are not allocated and available for the proposed purchase, the RFP process will be canceled. Cumberland County will notify all known vendors at the earliest possible time if this occurs.

7. Oral Presentations

During the evaluation process, Cumberland County may, at its discretion, request any one or all

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proposers to make an oral presentation for the purpose of clarification or to amplify the materials presented in any part of the proposal. However, brokers are cautioned that the County is not required to request clarification; therefore, all proposals must be complete and reflect the most favorable terms available from the broker. Not all brokers may be asked to make such oral presentations. **The anticipated time frame for presentations is the third week of September, 2017.**

8. Final Selection

A recommendation will be made by the County Manager at the earliest possible time.

The right is reserved to accept the responses the County determines to be in the best interest of the County and its employees. The County reserves the right to reject any and/or all proposals.

9. Proposals Subject to Public Records Laws:

All Proposals, data, materials and documentation originated, prepared and submitted to the County pursuant to this RFP shall belong exclusively to the County and may become available to the public in accordance with the North Carolina Public Records Act as provided in N.C.G.S. §132-1 et. seq. County will make reasonable attempts to maintain, in accordance with the Public Records Laws and the Act, the confidentiality of any trade secrets or confidential information that meets the requirements of N.C.G.S. §132-1.2 of the Public Records Laws if such Potential Contractors properly and conspicuously identify the particular data or other materials which are Confidential Information in accordance with the Public Records Laws.

10. Negotiation and Execution of Contract

A Successful Potential Contractor under this RFP shall negotiate and execute a Contract containing such terms and conditions as shall be satisfactory to the County. The occurrence of negotiations with any Potential Contractor conveys no right or status on such Potential Contractor. By submitting a Proposal, each Potential Contractor acknowledges and agrees that the County may negotiate with one or more Potential Contractors, under such circumstances, at such times and in such a manner as it determines to be in the best interest of the County.

11. Governing Law

This Procurement and any Contract resulting from this RFP shall be governed by and constructed in accordance with the laws of the State of North Carolina. Any and all claims or disputes arising under or in connection with this RFP or the Contract shall be exclusively governed by the laws of the State of North Carolina, and venue shall be exclusively within Cumberland County, North Carolina.

12. Indemnity and Insurance

Contractors will indemnify and hold harmless the County, its officers, agents, and employees from and against all loss, cost, damages, expense and liability caused by accident or other occurrence resulting in

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bodily injury, including death and disease to any person, or damage or destruction to property, real or personal, arising directly or indirectly from operations, products, or services rendered or purchased under the contract.

13. Transfer, Assignment, or Subcontract

The covenants and agreements contained within the awarded proposal are specifically binding and the County will not allow the awarded proposal to be transferred, assigned or subcontracted to any other party or parties without the express written consent from the County.

14. Certification of Independent Price Determination

By submission of this Proposal, the Potential Contractor certifies and, in the case of a joint Proposal, each party thereto certifies as to its own organization, that in connection with this Procurement:

- a. The price in this Proposal has been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such prices with any other Potential Contractor or with any competitor.
- b. Unless otherwise required by law, the prices which have been quoted in this Proposal have not and will not be knowingly disclosed by the Potential Contractor prior to the Proposal opening, directly or indirectly, to any other Potential Contractor or to any competition.
- c. No attempt has been made or will be made by the Potential Contractor to induce any other person or firm to submit or not to submit a Proposal for the purpose of restricting competition.

15. E-Verify Compliance

By submission of this Proposal, the Potential Contractor certifies that it and any subcontractors complies with the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes.

16. Iran Divestment Compliance

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.

17. Equal Opportunity Employer

County is an equal employment opportunity employer. The County is a federal contractor, and therefore the provisions and affirmative action obligations of 41 CFR §601.4(a), 41 CFR 60- 741.5(a), and 41 CFR 60-250.4 are incorporated herein by reference, where applicable.

COMPANY NAME _____

REFERENCES

PROPOSALS MUST LIST FOUR (4) REFERENCES IN COMPLIANCE WITH THE REQUIREMENTS SET FORTH IN SECTION 4.31.

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EXECUTION OF PROPOSAL

DATE: _____

The potential Contractor certifies the following by placing an "X" in all blank spaces:

- _____ That the potential Contractor is a North Carolina licensed Broker that is independent and is not affiliated with any insurance company, third party administrative agency or provider network.
- _____ That the potential Contractor has at least 5 years in providing brokerage services in the public sector and in a County environment with a minimum of 500 benefited employees.
- _____ That this proposal was signed by an authorized representative of the firm.
- _____ That the potential Contractor has determined the cost and availability of all materials and supplies associated with performing the services outlined herein.
- _____ That all labor costs associated with this project have been determined, including all direct and indirect costs.
- _____ That the potential Contractor agrees to the conditions as set forth in this Request for Proposal with no exceptions.

Therefore, in compliance with the foregoing Request for Proposal, and subject to all terms and conditions thereof, the undersigned offers and agrees, if this proposal is accepted within thirty (30) days from the date of the opening, to furnish the services for the prices quoted within the timeframe required.

COMPANY NAME _____

ADDRESS _____

CITY, STATE & ZIP _____

PHONE _____ FAX _____

BY _____

(Signature and Title)

Type or Printed Name _____ Federal Identification Number _____

THIS PAGE MUST BE COMPLETED AND SUBMITTED AS A PART OF YOUR PROPOSAL.

PROPOSAL CHECK LIST

(Completed checklist must be submitted with proposal)

- Proposal Submitted by 3 PM on August 31, 2017.
- Includes (1) original and (7) hard copies
- Envelope Properly Marked
- All Section 4 questions, information request are addressed, indexed properly and listed in the same order as listed in RFP

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- Plan of Services is on a separate sheet and properly titled, as required in Section 4
- Compensation Addendum included and properly titled, as required in Section 4
- Insurance Policies are included and the general liability policy shows the County as additional insured, as required.
- Reference sheet completed, in compliance with the requirements of Section 4.31
- Company W9 form included
- Execution of Proposal is completed and signed by and authorized rep

COMPANY NAME _____

Ms. Cardinali reviewed the background information recorded above and stated management is seeking to issue an RFP the week of August 8 with a recommendation to be brought forward to the Finance Committee at the October 5 meeting. Ms. Cardinali stated the request of the committee is to approve moving forward with the RFP process for employee benefits/insurance broker and consultant services. Ms. Cardinali stated there are over twenty-five different brokers who provide the service to other local governments across the state who will receive the RFP directly and the RFP will also be published on the County’s website.

Commissioner Keefe stated the combined budget of over \$27 million is such a large part of the County’s overall budget that in addition to the RFP, he would ask that other alternatives for health insurance also be explored that may solve the benefit and cost issue that goes with it. Commissioner Keefe asked if the timeline could be the next fiscal year budget. Ms. Cannon stated the renewal is July 1 and working backwards, the notice has to be given to BCBS in March. Ms. Cardinali stated if recommendations are brought to the committee in October and should the committee choose to go another route that is in place by November, there will need to be time for a new person to analyze the County’s program to make the appropriate recommendation to the committee.

Commissioner Keefe asked whether there would be any benefit to combining local government agencies and stated nothing should be taken off the table with the cost of insurance benefits continuing to escalate. Questions and discussion followed.

- MOTION: Commissioner Keefe moved to move forward with the RFP process for employee benefits/insurance broker and consultant services with monthly reports on health insurance brought to the Finance Committee.
- SECOND: Commissioner Faircloth
- VOTE: UNANIMOUS (3-0)

DRAFT

6. CONSIDERATION OF AMENDMENT TO KELLY HILLS RATE STRUCTURE

BACKGROUND:

In recent months, the Public Utilities Division has had an increase in the number of past due utility accounts. The Public Utilities Division mails out several letters to customers and then eventually takes the customer to Small Claims Court, in an attempt to get the customer to pay their bill. This process is lengthy and costly and the Public Utilities Division does not recoup any fees.

Currently customers do not pay any additional fees to Kelly Hills for being delinquent. Public Utilities is requesting a processing fee and administrative filing fee be added to the amount owed by the customer to help recoup the collection cost. Additionally, the fee will help stop the same customers from continuing to be late without consequences. The processing fee would cover the preparing, printing and mailing of the collections letters and the administrative filing fee would cover the preparation of the Small Claims documents.

The Public Utilities Division is also requesting to change the fee for the installation of an elder valve to the actual cost of installation plus ten percent (10%). The current fee is \$1,000.00 and does not cover any unforeseen issues that may occur during installation of the valve. PWC installs the elder valves at the County's request and then invoices the County for the cost of installation.

The cost of installation varies dependent on the depth of the sewer line, soil conditions, location of the elder valve, etc. Once the elder valve is installed and the customer brings their account up to date; the service is restored. However, there remains a possibility of the customer becoming delinquent in the future. If that occurs, the customer will be disconnected from the system. Therefore, the Public Utilities Division is requesting to add a \$25.00 disconnect fee to the rate structure for Kelly Hills to recover costs associated with this disconnection.

It should be noted that these proposed changes to the Kelly Hills / Slocomb Road Water and Sewer District rate structure will create uniformity between all the County water and sewer districts.

Kelly Hills Requested Rate Changes:

Add Processing Fee per Collection Action of \$30.00

Add Administrative Filing Fee per Collection Action of \$100.00

Change Elder Valve installation cost from \$1,000.00 to Actual Cost plus 10%

Add Disconnect Fee of \$25.00

RECOMMENDATION/PROPOSED ACTION:

The Engineering and Infrastructure Director and County Management recommend that the Finance Committee approve the rate structure for Kelly Hills and place the item on the agenda of the August 21, 2017 Kelly Hills/Slocomb Road Water and Sewer District meeting for approval.

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Kelly Hills/Slocomb Road Sanitary Sewer Rate Schedule

MONTHLY RATE

The monthly rate shall be the sum of the Availability Fee and the Administration Fee.

AVAILABILITY FEE

Availability Fee – Non-connected customers (As referenced in the Cumberland County Water & Sewer Ordinance)	\$10.00
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ADMINISTRATION FEE

Administration Fee	\$2.00
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FLAT RATE SANITARY SEWER SERVICE

The monthly flat rate shall be the sum of the Flat Monthly Charge, Availability Fee and the Administration Fee.

Flat Monthly Charge	\$39.74
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OTHER FEES

Deposit	\$100.00
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Late Penalty	\$10.00
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Processing Fee per Collection Action	\$30.00
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Administrative Filing Fee per Collection Action	\$100.00
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Disconnect Fee (Administrative charge to discontinue service for non-payment)	\$25.00
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Reconnect Fee- Business hours (Administrative charge to re-establish service after discontinuance for non-payment)	\$25.00
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After-Hours Reconnect Fee (Available until 9:00 pm)	\$75.00
--	---------

*Returned Check Fee (Amount of check plus return fee - CASH, MONEY ORDER OR CERTIFIED CHECK ONLY)	\$25.00
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Court Costs	Actual
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Elder Valve

Actual plus 10%

CONNECTION FEES AND CHARGES

1. Facility Investment Fee:

The Facility Investment Fee will be based on the customer's water meter size and will provide Kelly Hills/Slocomb Road Water and Sewer District with funds for long-term system replacement and upgrade.

<u>Size of Water Meter</u>	<u>Facility Investment Fee</u>
5/8"	\$720.00
1"	\$1,800.00
1-1/2"	\$3,600.00
2"	\$5,760.00

Facility Investment Fees for water meter sizes 3" or larger shall be determined by an engineering estimate.

2. Sewer Laterals:

An estimate shall be given to the applicant prior to installation and shall be paid by the applicant prior to any installation of laterals to be connected to the sewer system. All charges include labor, equipment and materials required for the installation of the specified pipe size or sizes.

3. Main Extension Charges:

An estimate shall be given to the applicant prior to installation and shall be paid by the applicant prior to extending the main in the sewer district. All charges include labor, equipment and materials required for the installation of the specified pipe size or sizes.

Jeffery Brown, Engineering and Infrastructure Director, reviewed the background information recorded above and called attention to the changes to the rate structure highlighted in red. Mr. Brown stated more and more customers are being delinquent with their utility bills so approval of a \$30 fee for collections is being requested as is an administrative filing fee per collection action of \$100. Mr. Brown stated the current fee structure only allows the collection of \$1,000 to change the elder valve installation but based on the amount of time and the depth of the sewer, sometimes the cost is \$1,400 to \$1,500. Mr. Brown stated the request is to approve the actual cost plus 10%. Mr. Brown stated the request to add a disconnect fee of \$25 is to cover staff time associated with the disconnection. Mr. Brown pointed out that the requested changes would match other water and sewer rate structures that have already been approved by the Board. Questions followed.

Ms. Cannon asked if all Finance Committee and other committee items could move forward to the August 7 agenda. Consensus followed.

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- MOTION: Commissioner Council moved to approve the rate structure for Kelly Hills and place the item on the agenda of the August 7, 2017 Kelly Hills/Slocumb Road Water and Sewer District meeting for approval.
- SECOND: Commissioner Faircloth
- VOTE: UNANIMOUS (3-0)

7. MONTHLY FINANCIAL REPORT

BACKGROUND:

The financial report is included as of June 2017.

Highlights of the general fund include:

- Revenues
 - Current real and personal property tax collections are strong but are slightly below the percentage of budget of the prior year.
 - Motor vehicle tax revenues are strong. The FY17 total for the line is lacking the 12th payment for the year in comparison to the total for FY16.
 - Sales tax is in-line with budget.
- Expenditures
 - Overall general fund expenditures are in-line with budget and prior year amounts.

Crown center expense summary/prepared food and beverage and motel tax

- Spectra is reporting income and operating expenses in amounts consistent with the same timeframe last fiscal year.
- Prepared food & beverage taxes and motel tax are strong and reflect final totals for the fiscal year.

RECOMMENDATION/PROPOSED ACTION:

No action needed – for information purposes only.

Ms. Cardinali stated although the report is as of June 2017, it is not all inclusive of the fiscal year. Ms. Cardinali stated motor vehicle and tax collections are strong, real and personal property collections lag behind last year possibly due to Hurricane Matthew at the 98% of collection mark, sales tax is not flat with budget and the Crown numbers show a loss \$40,000 less than the prior fiscal year. Questions and discussion followed.

8. CLOSED SESSION FOR ATTORNEY CLIENT MATTER(S) PURSUANT TO NCGS 143-318.11(A)(3) (IF NEEDED)

There was no closed session.

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9. OTHER ITEMS OF BUSINESS

Chairman Adams stated he had discussions with representatives of Cumberland Healthnet and Stedman Wade about the opportunity to provide adult health and dental services at the Health Department. Chairman Adams stated Cumberland Healthnet serves as a portal for the uninsured and Stedman Wade is a federal qualified health center that sees uninsured individuals. Chairman Adams stated Stedman Wade presented a proposal to provide adult health and dental services on a limited basis through December 31, 2017 and they are looking for a solution to provide those services on a long term basis after December 31. Chairman Adams stated this will be at no cost to the County because Stedman Wade receives funding for the uninsured and believes they can drawdown funds to utilize the Health Department as a satellite clinic. Chairman Adams stated they will provide adult and pediatric dental services in the clinic. Chairman Adams recalled the budget contained \$70,000 for Cumberland Healthnet and stated individuals released from the hospital or ER can receive follow up care through the portal provided by Cumberland Healthnet. Chairman Adams stated he envisions detainees who are released being able to receive follow up care at Stedman Wade's satellite clinic at the Health Department. Chairman Adams stated Stedman Wade is building a facility on Murchison Road with doctors, dentists and behavioral health. Ms. Cannon stated Interim Health Director Rod Jenkins is working on a contractual agreement with Cumberland Healthnet as well as Stedman Wade for the period until December 31, 2017.

Ms. Cannon stated the Health Department was notified in June of a grant for \$150,000 for three years which will be utilized for the Stedman Wade cost through December 31 and with the committee's consensus, a budget amendment to recognize that grant will be placed on the August 21 meeting agenda along with the contract agreement. Consensus followed.

There being no further business, the meeting adjourned at 10:44 a.m.



ITEM NO. 2

CUMBERLAND
★ **COUNTY** ★
NORTH CAROLINA

DEPARTMENT OF PUBLIC HEALTH

**MEMO FOR THE AGENDA OF THE SEPTEMBER 7, 2017
MEETING OF THE FINANCE COMMITTEE**

TO: FINANCE COMMITTEE
FROM: RODNEY E. JENKINS, SR., INTERIM HEALTH DIRECTOR
DATE: AUGUST 30, 2017
SUBJECT: UPDATE ON HEALTH DEPARTMENT NOTIFICATION PROCESS

Presenter: Rodney E. Jenkins, Sr., Interim Health Director

Estimate of Committee Time Needed: 10 Minutes

BACKGROUND:

The Cumberland County Health Department has made progress in our notification efforts. I will provide an update on the status of the Health Department's notification process.

RECOMMENDED ACTION:

No action is required. This update is for information purposes only.

RICKEY L. MOOREFIELD
County Attorney



PHYLLIS P. JONES
Assistant County Attorney

ROBERT A. HASTY, JR.
Assistant County Attorney

OFFICE OF THE COUNTY ATTORNEY

5th Floor, New Courthouse • P.O. Box 1829 • Suite 551 • Fayetteville, North Carolina 28302-1829
(910) 678-7762

**MEMO FOR THE AGENDA OF THE SEPTEMBER 7, 2017
MEETING OF THE BOC FINANCE COMMITTEE**

TO: BOC Finance Committee, Co. Manager

FROM: Phyllis P. Jones, Assistant County Attorney, *Phyllis P. Jones*

SUBJECT: Amendment of Centerplate Contract

BACKGROUND:

The Board of Commissioners (BOC) is party to a ten-year contract with Service American Corporation d/b/a Centerplate for food and beverage catering and concessions at the Crown Complex. The contract expires by its own terms on September 30, 2017. The Civic Center Commission issued a request for proposals for the services provided by Centerplate; however, no new contract will be entered prior to September 30, 2017.

The Civic Center Commission recommends continuation of the current contract through February 28, 2018 to ensure continued smooth operation of the food and beverage catering and concessions at the Crown.

RECOMENDATION

Approve the attached contract amendment for continued food and beverage catering and concession at the Crown Complex by Centerplate through February 28, 2018.

**FIRST AMENDMENT TO
FOOD AND BEVERAGE SERVICES AGREEMENT**

The First Amendment ("Amendment") is entered into as of September 1, 2017 and is by and between The Cumberland County Board of Commissioners ("Board") and Service America Corporation d/b/a Centerplate ("Centerplate").

WHEREAS, pursuant to that certain Food and Beverage Services Agreement made as of August, 2007 (with this Amendment, the "Agreement"), Centerplate provides certain food/beverage catering services and other related services for and on behalf of the Board at the Cumberland County Civic Center ("Crown Center") or "Facility"); and

WHEREAS, the Board and Centerplate now desire to amend the Agreement to extend the term thereof;

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements set forth below and for good and valuable consideration, the receipt and sufficiency of which are expressly acknowledged by the Board and Centerplate, the parties agree as follows:

1. Unless the context otherwise requires, the capitalized terms used herein shall have the respective meanings assigned thereto in the Agreement (such definitions to be equally applicable to both the singular and plural forms of the terms defined).
2. The Term is extended for a five (5) month period, such that now the Term shall expire on February 28, 2018.
3. Except as expressly set forth in this First Amendment, all other terms and conditions set forth in the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, Centerplate and the Board have duly executed this First Amendment on the date last below written.

**THE CUMBERLAND COUNTY BOARD
OF COMMISSIONERS**

**SERVICE AMERICAN CORPORATION
D/B/A CENTERPLATE**

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

VICKI EVANS
Finance Director



ITEM NO. 4.A.
ROBERT TUCKER
Accounting Supervisor

IVONNE MENDEZ
Accounting Supervisor

FINANCE OFFICE

4th Floor, Room No. 451, Courthouse • PO Box 1829 • Fayetteville, North Carolina 28302-1829

**MEMO FOR THE AGENDA OF THE SEPTEMBER 7, 2017
MEETING OF THE FINANCE COMMITTEE**

TO: FINANCE COMMITTEE
FROM: VICKI EVANS, FINANCE DIRECTOR
DATE: AUGUST 30, 2017
SUBJECT: **CONSIDERATION OF ENGAGEMENT WITH CHERRY
BEKAERT FOR CENSUS DATA TESTING FOR THE LOCAL
GOVERNMENT EMPLOYEE RETIREMENT SYSTEM (LGERS)
EMPLOYER PARTICIPANTS**

Requested by: Vicki Evans, Finance Director
Presenter(s): Vicki Evans, Finance Director

Estimate of Committee Time Needed: 5 Minutes

BACKGROUND

The Office of State Auditor (OSA) selected a sample of employer participants of the LGERS and has asked those units and their independent auditors to provide assurance to OSA on the accuracy of certain elements of the census data. This is the third year of testing for the state but the first encounter for the County with this process. The objective of the engagement is to provide assurance to OSA and the Department of State Treasurer that the census data being provided by employers is materially correct. This is a separate engagement from the contract to audit accounts at a cost of \$5,000.

RECOMMENDATION/PROPOSED ACTION

Management recommends the Finance Committee approve and forward to the Board of Commissioners the following action:

Approve the engagement letter with Cherry Bekaert for a fee of \$5,000 for examination services of the data reported to the LGERS related to employees.

Attachment – Engagement Letter dated August 18, 2017

August 18, 2017

The Board of County Commissioners
Cumberland County, North Carolina
PO Box 1829
Fayetteville, North Carolina 28302-1829

Ladies and Gentlemen:

This engagement letter between Cumberland County (hereafter referred to as the "County") and Cherry Bekaert LLP (the "Firm") sets forth the nature and scope of the services we will provide, the County's required involvement and assistance in support of our services, the related fee arrangements and other Terms and Conditions, which are attached hereto and incorporated by reference, designed to facilitate the performance of our professional services and to achieve the mutually agreed upon objectives of the County.

SUMMARY OF SERVICES

We will examine data reported to the Local Governmental Employees' Retirement System ("LGERS") in ORBIT related to members who were employees of the County during the year ended December 31, 2016. The objectives of our examination are to (1) obtain reasonable assurance about whether the criteria or assertions below are free from material misstatement based on the criteria and (2) to express an opinion as to whether determination of eligibility, reporting of demographic data required by ORBIT, completeness of reporting of eligible members, timing of contribution payments to LGERS, and accuracy of calculation of member and employer contributions are presented in all material respects in accordance with State law or appropriate records maintained by the employer applicable to required input fields in ORBIT OR whether the assertions listed below are fairly stated in all material respects.

Assertions

1. Employees reported to LGERS are eligible (as General or Law Enforcement Officer, and correctly identified as such) in accordance with requirements of State law.
2. Data reported in ORBIT on eligible members (e.g., Date of Birth and gender) is complete in accordance with required fields identified in ORBIT input screens and accurate in accordance with information provided by the respective employees as documented in their personnel files or other appropriate records maintained by the employer.
3. All employees eligible for participation in LGERS (including re-hired retirees) are reported to LGERS in accordance with requirements of State law.
4. Member and employer contributions are paid timely to LGERS in accordance with requirements of State law.
5. Member and employer contributions paid to LGERS are accurately calculated in accordance with requirements of State law.

Cumberland County, North Carolina

August 18, 2017

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Our examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Accordingly, it will include examining, on a test basis, your records and other procedures to obtain evidence necessary to enable us to express our opinion. We will issue a written report upon completion of our examination. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the examination or are unable to form or have not formed an opinion, we may decline to express an opinion or may withdraw from the engagement.

Because of the inherent limitations of an examination engagement, together with the inherent limitations of internal control, an unavoidable risk exists that some material misstatements may not be detected, even though the examination is properly planned and performed in accordance with attestation standards.

We will plan and perform an examination to obtain reasonable assurance about whether data reported to the Local Governmental Employees' Retirement System in ORBIT related to members who were employees is free from material misstatement based on State law or appropriate records maintained by the employer applicable to required input fields in ORBIT. Our engagement will not include a detailed inspection of every item supporting the assertion and cannot be relied upon to disclose all material errors, or known and suspected fraud or noncompliance with laws or regulations, or internal control deficiencies that may exist. However, we will inform you of any known or suspected fraud and noncompliance with the laws and regulations, internal control deficiencies identified during the engagement and uncorrected misstatements that come to our attention unless clearly trivial.

We understand that you provide us with the information required for our examination and that you are responsible for the accuracy and completeness of that information. We may advise you about appropriate criteria, but the responsibility for the subject matter remains with you.

You are responsible for the presentation of data reported to the Local Governmental Employees' Retirement System in ORBIT related to members who were employees in accordance with the criteria or assertions described above; and for selecting the criteria and determining that such criteria are appropriate for your purposes. You are also responsible for, and agree to provide us with, written assertions about whether determination of eligibility, reporting of demographic data required by ORBIT, completeness of reporting of eligible members, timing of contribution payments to LGERS, and accuracy of calculation of member and employer contributions are presented in accordance with State law or appropriate records maintained by the employer applicable to required input fields in ORBIT. Failure to provide such assertions will result in our withdrawal from the engagement.

You are also responsible for making all management decisions and performing all management functions; for designating an individual who possesses suitable skill, knowledge, or experience to oversee the services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

You are also responsible for making all management decisions and performing all management functions; for designating an individual who possesses suitable skill, knowledge, or experience to oversee the services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

YOUR EXPECTATIONS

The County recognizes that our professional standards require that we be independent from you in our examination and our accompanying report in order to ensure that our objectivity and professional skepticism have not been compromised. As a result, we cannot enter into a fiduciary relationship with you and you should not expect that we will act only with due regard to your interest in the performance of this examination and you should not impose on us special confidence that we will conduct this examination with only your interest in mind. Because of our obligation to be independent of you, no fiduciary relationship will be created by this engagement or examination.

The engagement will be led by April Adams, who will be responsible for assuring the overall quality, value, and timeliness of the services provided to you.

THE COUNTY'S MANAGEMENT'S RESPONSIBILITIES RELATED TO THE EXAMINATION

The County's management is responsible for:

- Providing us with the basic information required for our examination and for the accuracy and completeness of that information.
- If applicable, the fair presentation of the financial information included in the report in conformity with the acceptable financial framework or the criteria or assertions described on page one of the engagement letter.
- If applicable, the selection and application of accounting principles and the consistent application of those principles.
- Making all financial or other applicable records and related information available to us.
- Ensuring that all material information is disclosed to us.
- Granting unrestricted access to persons within the entity from whom we determine it necessary to obtain sufficient evidence to complete our examination.
- Identifying and ensuring that the County complies with the laws and regulations applicable to the criteria or assertions described on page one of the engagement letter.

The County's management is responsible for informing us of its views regarding the risk of fraud impacting the report at the County. The County's management must inform us of their knowledge of any allegations of fraud or suspected fraud affecting the County received in communications from employees, former employees, regulators, or others and for informing us about all known or suspected fraud affecting the County involving (a) Management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the report.

The County's management is responsible for the design, implementation and maintenance of programs and controls over the report and to prevent and detect fraud. Appropriate supervisory review procedures are necessary to provide reasonable assurance that adopted policies and prescribed procedures are adhered to and to identify errors and fraud or illegal acts.

At the conclusion of the engagement, the County's management will provide to us a representation letter that, among other things, addresses (1) the County's management's responsibilities related to the examination and confirms certain representations made to us during the examination, including, the County's management's acknowledgement of its responsibility for the design and implementation of programs and controls to prevent and detect fraud; (2) the County's management's responsibilities related to the monitoring of internal control over financial reporting; and (3) the County's management's knowledge,

directly or from allegations by others, of fraud or suspected fraud affecting the County. The Firm will rely on the County's management providing these representations to us, both in the planning and performance of the examination, and in considering the fees that we will charge to perform the examination. Because we will be relying on the County's management's representations, you agree to indemnify the Firm, and its partners and employees, and hold them harmless from all claims, liabilities, losses, and costs arising in circumstances where there has been a known misrepresentation by an officer or employee of the County regardless of whether such officer or employee was acting in the County's interest, and even if the Firm acted negligently or wrongfully in failing to uncover or detect such misrepresentation. This indemnification will survive termination of this letter.

CONDITIONS SUPPORTING FEE

As a result of our preliminary discussions, the County and the Firm have agreed to a fee, subject to the following conditions:

The estimated fee contemplates only the services described in the Summary of Services section of this letter. If Management requests additional services not listed above, we will provide an estimate of those fees prior to commencing additional work.

FEES

The following summarizes the fees for the services described above:

<u>Description of Services</u>	<u>Estimated Fee</u>
Examination services	
Examination of the data reported to the Local Governmental Employees' Retirement System (LGERS) in ORBIT related to members who were employees:	
1. Employees reported to LGERS are eligible (as General or Law Enforcement Officer, and correctly identified as such) in accordance with requirements of State law.	
2. Data reported in ORBIT on eligible members (e.g., Date of Birth and gender) is complete in accordance with required fields identified in ORBIT input screens and accurate in accordance with information provided by the respective employees as documented in their personnel files or other appropriate records maintained by the employer.	
3. All employees eligible for participation in LGERS (including re-hired retirees) are reported to LGERS in accordance with requirements of State law.	
4. Member and employer contributions are paid timely to LGERS in accordance with requirements of State law.	
5. Member and employer contributions paid to LGERS are accurately calculated in accordance with requirements of State law.	
Total	<u>\$ 5,000</u>

Cumberland County, North Carolina

August 18, 2017

Page 5

The fees will be billed periodically. Invoices are due on presentation. A service charge will be added to past due accounts equal to 1½% per month (18% annually) on the previous month's balance less payments received during the month, with a minimum charge of \$2.00 per month.

If the foregoing is in accordance with your understanding, please sign a copy of this letter in the space provided and return it to us. If you have any questions, please call April Adams at 919.782.1040.

Sincerely,

CHERRY BEKAERT LLP

Cherry Bekaert LLP

ATTACHMENT – Engagement Letter Terms and Conditions

CUMBERLAND COUNTY

ACCEPTED BY: _____

TITLE: _____ DATE: _____

Date approved by the Board of County Commissioners: _____

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

Cherry Bekaert LLP
Engagement Letter Terms and Conditions

The following terms and conditions are an integral part of the attached engagement letter and should be read in their entirety in conjunction with your review of the letter.

RESPONSIBILITIES OF CHERRY BEKAERT LLP

In performing our examination we will be aware of the possibility that illegal acts may have occurred. However, it should be recognized that our examination will not include a detailed test of every item supporting the assertion or subject matter and provides no assurance that illegal acts generally will be detected, and only reasonable assurance that illegal acts having a direct and material effect on the assertion (or subject matter) will be detected. We will inform you with respect to errors and fraud, or illegal acts that come to our attention during the course of our examination unless clearly inconsequential. In the event that we have to consult with the County's counsel or counsel of our choosing regarding any illegal acts we identify, additional fees incurred may be billed to the County. You agree to cooperate fully with any procedures we deem necessary to perform with respect to these matters.

Our examination will include procedures designed to obtain reasonable assurance that the assertion is in conformity with the criteria described above. Absolute assurance is not attainable because of the nature of evidence and the characteristics of fraud. For example, examinations performed in accordance with attestation standards are based on the concept of selective testing of the data being examined and are, therefore, subject to the limitation that errors or fraud, if they exist, may not be detected.

OTHER MATTERS

Access to working papers

The working papers and related documentation for the engagement are the property of the Firm and constitute confidential information. We have a responsibility to retain the documentation for a period of time to satisfy legal or regulatory requirements for records retention. It is our policy to retain all workpapers and client information for seven years from the date of issuance of the report. It is our policy to retain emails and attachments to emails for a period of six months, except as required by any governmental regulation. Except as discussed below, any requests for access to our working papers will be discussed with you prior to making them available to requesting parties.

We may be requested to make certain documentation available to regulators, governmental agencies (e.g., SEC, PCAOB, HUD, DOL, etc.) or their representatives ("Regulators") pursuant to law or regulations. If requested, access to the documentation will be provided to the Regulators. The Regulators may intend to distribute to others, including other governmental agencies, our working papers and related documentation without our knowledge or express permission. You hereby acknowledge and authorize us to allow Regulators access to and copies of documentation as requested. In addition, our Firm, as well as all other major accounting firms, participates in a "peer review" program covering our examination and accounting practices as required by the American Institute of Certified Public Accountants. This program requires that once every three years we subject our quality assurance practices to an examination by another accounting firm. As part of the process, the other firm will review a sample of our work. It is possible that the work we perform for you may be selected by the other firm for their review. If it is, they are bound by professional standards to keep all information confidential. If you object to having the work we do for you reviewed by our peer reviewer, please notify us in writing.

Electronic transmittals

During the course of our engagement, we may need to electronically transmit confidential information to each other, within the Firm, and to other entities engaged by either party. Although email is an efficient way to communicate, it is not always a secure means of communication and thus, confidentiality may be compromised. You agree to the use of email and other electronic methods to transmit and receive information, including confidential information between the Firm, the County and other third party providers utilized by either party in connection with the engagement.

Subpoenas

In the event we are requested or authorized by you or required by government regulation, subpoena, or other legal process to produce our working papers or our personnel as witnesses with respect to our engagement for you, you will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expense, as well as the fees and expenses of our counsel, incurred in responding to such a request at standard billing rates.

Dispute resolution procedures

If any dispute, controversy or claim arises in connection with the performance or breach of this agreement, either party may, on written notice to the other party, request that the matter be mediated. Such mediation would be conducted by a mediator acceptable to both parties. Both parties would exert their best efforts to discuss with each other in good faith their respective positions in an attempt to finally resolve such dispute, controversy, or claim.

Waiver of Trial by Jury

In the event the parties are unable to successfully mediate any dispute, controversy or claim, the parties agree to WAIVE TRIAL BY JURY and agree that the court will hear any matter without a jury.

TERMS AND CONDITIONS SUPPORTING FEE

The estimated fees set forth in the attached engagement letter are based on anticipated full cooperation from your personnel, timely delivery of requested examination schedules and supporting information, timely communication of all significant information, the assumption that unexpected circumstances will not be encountered during the examination, as well as working space and clerical assistance as mutually agreed upon and as is normal and reasonable in the circumstances. We strive to ensure that we have the right professionals scheduled on each engagement. As a result, sudden County requested scheduling changes or scheduling changes necessitated by the agreed information not being ready on the agreed upon dates can result in expensive downtime for our professionals. Any last minute schedule changes that result in downtime for our professionals could result in additional fees. Our estimated fee does not include assistance in bookkeeping or other accounting services not previously described. If for any reason the County is unable to provide such schedules, information and assistance, the Firm and the County will mutually revise the fee to reflect additional services, if any, required of us to achieve these objectives.

The estimated fees are based on attestation standards effective as of the date of this engagement letter and known to apply to the County at this time, but do not include any time related to the application of new attestation standards that impact the County for the first time. If new attestation standards are issued subsequent to the date of this letter and are effective for the period under examination, we will estimate the impact of any such standard on the nature, timing and extent of our planned examination procedures and will communicate with you concerning the scope of the additional procedures and the estimated fees.

The County agrees to pay all costs of collection (including reasonable attorneys' fees) that the Firm may incur in connection with the collection of unpaid invoices. In the event of nonpayment of any invoice rendered by us, we retain the right to (a) suspend the performance of our services, (b) change the payment conditions under this engagement letter, or (c) terminate our services. If we elect to suspend our services, such services will not be resumed until your account is paid. If we elect to terminate our services for nonpayment, the County will be obligated to compensate us for all time expended and reimburse us for all expenses through the date of termination.

This engagement letter sets forth the entire understanding between the County and the Firm regarding the services described herein and supersedes any previous proposals, correspondence, and understandings whether written or oral. Any subsequent changes to the terms of this letter, other than additional billings, will be rendered in writing and shall be executed by both parties. Should any portion of this engagement letter be ruled invalid, it is agreed that such invalidity will not affect any of the remaining portions.

VICKI EVANS
Finance Director



ITEM NO. 4.B.

ROBERT TUCKER
Accounting Supervisor

IVONNE MENDEZ
Accounting Supervisor

FINANCE OFFICE

4th Floor, Room No. 45I, Courthouse • PO Box 1829 • Fayetteville, North Carolina 28302-1829

**MEMO FOR THE AGENDA OF THE SEPTEMBER 7, 2017
MEETING OF THE FINANCE COMMITTEE**

TO: FINANCE COMMITTEE
FROM: VICKI EVANS, FINANCE DIRECTOR
DATE: AUGUST 29, 2017
SUBJECT: **CONSIDERATION OF AUDIT CONTRACT AMENDMENT WITH
CHERRY BEKAERT**

Requested by: Vicki Evans, Finance Director
Presenter(s): Vicki Evans, Finance Director

Estimate of Committee Time Needed: 5 Minutes

BACKGROUND

One goal with financial system conversion was for the Finance Department to be able to complete the Comprehensive Annual Financial Report (CAFR) internally. However, the final set up is not yet complete.

The report writing function of CAFR completion has historically been completed by Cherry Bekaert. Cherry Bekaert has agreed to perform the report writing function for the fiscal year 2017 CAFR at the previously proposed cost of \$15,000, which brings the revised contract total to \$91,625.

Finance staff will continue to move forward in completing this project and an update will be provided to the finance committee before the fiscal year 2018 contract is presented for approval.

RECOMMENDATION/PROPOSED ACTION

Management recommends the Finance Committee approve and forward to the Board of Commissioners the following action:

Approve the Amendment to Contract to Audit Accounts with Cherry Bekaert to now include the provision of Cherry Bekaert LLP preparing the financial statements for the FY2017 audit along with a fee increase of \$15,000.

Attachment – Amendment to Contract to Audit Accounts

AMENDMENT TO CONTRACT TO AUDIT ACCOUNTS

Whereas, Cherry Bekaert LLP and County of Cumberland, North Carolina
Audit Firm Primary Governmental Unit

and Cumberland County Tourism Development Authority entered into a contract dated May 26, 2017,
Discretely Presented Component Unit (DPCU) if applicable

in which the auditor agreed to audit the accounts of County of Cumberland, North Carolina and
Primary Governmental Unit

Cumberland County Tourism Development Authority for fiscal year ended June 30, 2017
Discretely Presented Component Unit (DPCU) if applicable

and to render its audit report on or before October 31, 2017. It is now necessary that the audit completion and report submission be delayed past this date for the following reason (s):

The County is requesting that Cherry Bekaert LLP prepare the draft financial statement schedules for the FY 2017 audit. The fee for this service will be \$15,000.

The auditor, the Governmental Unit, and DPCU if applicable, agree that the time for completion of the audit and submission of the audit Report by the auditor to the Governmental Unit and the Local Government Commission is extended to

October 31, 2017.

Contract to Audit Accounts (cont.) County of Cumberland, North Carolina
Governmental Unit
Cumberland County Tourism Development Authority
Discretely Presented Component Units (DPCU) if applicable

Audit Firm Signature:

Cherry Bekaert LLP
Name of Audit Firm
By April Adams
Authorized Audit firm representative name: Type or print
April Adams
Signature of authorized audit firm representative
Signature Date August 17, 2017
aadams@cbh.com
Email Address of Audit Firm

By W. Marshall Faircloth
Chair of Audit Committee - Type or print name
**Signature of Audit Committee Chairperson
Signature Date _____
** *If Governmental Unit has no audit committee, mark this section "N/A"*
N/A

Governmental Unit Signatures:
County of Cumberland, North Carolina
Name of Primary Government
By Glenn B. Adams, Chairman, Board of Commissioners
Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board
Signature Date _____

Date Primary Government Governing Body Approved
Amended Audit Contract - G.S. 159-34(a)

Pre-Audit Certificate to be completed if the Primary Government audit fee is changed in the Amended Contract:

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)
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. Additionally, the following date is the date this audit contract was approved by the governing body.

By Vicki Evans
Primary Governmental Unit Finance Officer:
Type or print name

Primary Government Finance Officer Signature
Date _____
(Pre-audit Certificate must be dated.)
vevans@co.cumberland.nc.us
Email Address of Finance Officer

Contract to Audit Accounts (cont.) County of Cumberland, North Carolina
Governmental Unit
Cumberland County Tourism Development Authority
Discretely Presented Component Units (DPCU) if applicable

**** This page to be completed by Discretely Presented Component Unit named in this Audit contract****

DPCU Governmental Unit Signatures:

Cumberland County Tourism Development Authority
Name of Discretely Presented Government

By Vivek Tandon, Chairman TDA
DPCU Board Chairperson: Type or print name and title

Signature of Chairperson of DPCU governing board

Signature Date _____

By N/A
Chair of Audit Committee - Type or print name

Signature of Audit Committee Chairperson **

Signature Date _____

**** If Discretely Presented Government Unit has no audit committee, mark this section "N/A"**

Date DPCU Governing Body Approved Audit Contract - G.S. 159-34(a)

Pre-Audit Certificate to be completed if the DPCU audit fee is changed in the Amended Contract:

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)

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.

By Vicki Evans
DPCU Finance Officer:
Type or print name

DPCU Finance Officer Signature

Date _____
(Pre-audit Certificate must be dated.)

vevans@co.cumberland.nc.us
Email Address of Finance Officer

Steps to Completing the Amended Audit Contract

1. **Complete all parts of the Header Information** – Include the audit firm name, Unit name, Discretely Presented Component Unit (DPCU) name if applicable (indicate N/A if not applicable), original contract date, fiscal year end date, and original audit report due date.
2. **Explanation for Amending Audit contract** - Previously we required a separate letter of explanation to accompany amended audit contracts. The explanation is now to be included in the body of the amended audit contract detailing the reason for the extension of time request and the steps the unit and auditor will take to prevent a recurrence of lateness with subsequent year's audits.
3. **Signature Area** – The same people that signed the original audit contract must also sign the amended audit contract. If there has been a change in staff of the person(s) who signed the original audit contract, indicate this in the explanation area of the amended contract. Make sure all applicable signatures are evident and properly dated. NOTE - If the original audit contract named and included auditing a DPCU that is a *Public Authority under the Local Government Budget and Fiscal Control Act*, the Board chairperson (and finance officer if there is a fee change) of the DPCU **must also sign** the amended audit contract in the areas indicated on Page 3.
4. **Governing Board Approval** - Amended audit contracts must ALSO be approved by the Unit's governing board pursuant to G.S. 159-34(a). Indicate this new date on the amended contract under the signatures on Page 2. This includes the date the DPCU governing board approved the amended audit contract (if applicable) on page 3.
5. **Pre-Audit Certificate** is to be completed by the finance officers if there is a change in fee. This should be noted in the explanation.
6. **Reminders:**
 - a. Provide correct email addresses for the audit firm and Unit finance officer as these will be used to communicate official approval of the audit contract.
 - b. Has the name and title of the Mayor or Chairperson of the Unit's Governing Board and the DPCU's Chairperson (if applicable) been typed or legibly printed on the contract and has he/she signed in the correct area directly under the Auditor's signature?
7. **Sending amended audit contract** - After all the signatures have been obtained and the amended audit contract and is complete, please convert the signed contract into PDF form and submit it for LGC approval. Send the amended audit contract using the most current audit contract submission process. The current process will be found at the NC Treasurer's web site at the following link – <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>.

VICKI EVANS
Finance Director



ITEM NO. 5.
ROBERT TUCKER
Accounting Supervisor

IVONNE MENDEZ
Accounting Supervisor

FINANCE OFFICE

4th Floor, Room No. 45I, Courthouse • PO Box 1829 • Fayetteville, North Carolina 28302-1829

**MEMO FOR THE AGENDA OF THE SEPTEMBER 7, 2017
MEETING OF THE FINANCE COMMITTEE**

TO: FINANCE COMMITTEE
FROM: VICKI EVANS, FINANCE DIRECTOR
DATE: AUGUST 31, 2017
SUBJECT: **UPDATE ON REQUEST FOR PROPOSAL (RFP) PROCESS FOR
EMPLOYEE BENEFITS/INSURANCE BROKER AND
CONSULTANT SERVICES**

Requested by: Commissioner Keefe
Presenter(s): Vicki Evans, Finance Director

Estimate of Committee Time Needed: 5 Minutes

BACKGROUND

The RFP for employee benefits/insurance broker and consultant services was approved by the Board of Commissioners on August 7, 2017.

The RFP was issued on August 8 through:

- Advertisement in the Fayetteville Observer
- Direct emails to vendors with 33 confirmed receipts (covering 20 potential vendors)
- Posting on the County's vendor self-service site

The deadline for questions was August 16 at 3 PM

- Questions were received from three separate vendors before the deadline
- Questions were received from one vendor after the deadline
- Answers to questions received before the deadline were responded to by August 18

One local vendor emailed, stating they were declining to offer a quote because the timeline was not adequate to truly evaluate.

Responses were due by 3 PM on August 31 and six responses were received. Evaluators are scheduled to review proposals on September 8. The top proposers will be asked to make an oral presentation on September 18. It is anticipated a recommendation will be brought forward to the Finance Committee at its meeting on October 5, 2017.

RECOMMENDATION/PROPOSED ACTION

No action needed – for information purposes only.

VICKI EVANS
Finance Director



ITEM NO. 6.
ROBERT TUCKER
Accounting Supervisor

IVONNE MENDEZ
Accounting Supervisor

FINANCE OFFICE

4th Floor, Room No. 451, Courthouse • PO Box 1829 • Fayetteville, North Carolina 28302-1829

**MEMO FOR THE AGENDA OF THE SEPTEMBER 7, 2017
MEETING OF THE FINANCE COMMITTEE**

TO: FINANCE COMMITTEE
FROM: VICKI EVANS, FINANCE DIRECTOR *(VE)*
DATE: AUGUST 30, 2017
SUBJECT: MONTHLY FINANCIAL REPORT – 13TH PERIOD YTD FY17

Presenter(s): Vicki Evans, Finance Director

Estimate of Committee Time Needed: 5 Minutes

BACKGROUND

The financial report is included as of the 13th period of fiscal year 2017.

Highlights of the general fund include:

- Revenues
 - Ad valorem taxes in total exceed budget by 1.78%, or just over \$3 million.
 - Sales tax total reflects only ten months of collections as shown for FY17; the year-end projection is in line with the budgeted total.
- Expenditures
 - Overall general fund expenditures continue to be in-line with budget and prior year amounts.

Crown center expense summary/prepared food and beverage and motel tax

- Spectra figures have not changed from last month's summary.

RECOMMENDATION/PROPOSED ACTION

No action needed – for information purposes only.

Celebrating Our Past...Embracing Our Future

CUMBERLAND COUNTY REVENUE SUMMARY

GENERAL FUND	FY2017							FY2016						
	Actual			% Recognized				Actual			% Recognized			
	Jul-May	June	13th	14th	Total	Budget	Jul-May	June	13th	14th	Total	Budget	Recognized	
Category 10: Ad Valorem Tax														
Real, Personal, Public - Current	155,682,101	452,382	(2,956)		156,131,527	154,776,517	100.88%	153,470,030	432,595	0		153,902,625	152,104,412	101.18%
Motor Vehicles - Current	46,523	2,332	0		48,855	0	0.00%	20,479	1,624	(262)		21,841	0	0.00%
Motor Vehicle - Tax & Tag	14,342,742	1,560,508	1,671,792		17,575,042	15,773,637	111.42%	13,907,823	3,146,739	0		17,054,562	15,771,299	108.14%
Prior Years & Other	2,615,299	160,332	0		2,775,631	2,892,492	95.96%	2,794,895	189,831	0		2,984,726	3,321,000	89.87%
Total	172,686,665	2,175,554	1,668,836	0	176,531,055	173,442,642	101.78%	170,193,227	3,770,789	(262)	0	173,963,754	171,196,711	101.62%
Category 20: Other Taxes														
Sales Tax (1¢ + Art 40 + 42+ 44+ 46)	27,079,237	3,694,677	3,573,453		34,347,367	41,002,280	83.77%	26,757,230	7,094,115	3,506,596		37,357,941	39,702,971	94.09%
Pet Registration Fees	180,473	27,081	1,377		208,931	209,880	99.55%	192,954	20,538	0		213,492	284,837	74.95%
Sales Tax Video & Telecommunications	388,863	124,570	0		513,433	556,500	92.26%	378,166	130,859	0		509,025	556,500	91.47%
Other Taxes	1,368,387	97,680	17,338		1,483,405	1,011,300	146.68%	1,159,655	101,138	(1)		1,260,792	1,011,300	124.67%
Total	29,016,960	3,944,008	3,592,168	0	36,553,136	42,779,960	85.44%	28,488,005	7,346,650	3,506,595	0	39,341,250	41,555,608	94.67%
Category 30: Unrestricted Intergovernmental														
ABC Store 3.5%	740,070	0	245,809		985,879	690,000	142.88%	693,115	231,000	0		924,115	600,000	154.02%
ABC Store Profit	1,840,403	0	0		1,840,403	1,400,000	131.46%	2,149,272	0	0		2,149,272	1,100,000	195.39%
Fay Sales Tax Equalization-Original	1,176,482	556,379	0		1,732,861	2,290,000	75.67%	1,143,575	539,314	0		1,682,889	2,218,318	75.86%
Fay Sales Tax Equalization	2,417,737	1,143,389	0		3,561,126	4,578,000	77.79%	2,292,926	1,081,353	0		3,374,279	4,501,358	74.96%
Wade Sales Tax Equalization	566	268	0		834	1,000	83.40%	550	260	0		810	500	162.00%
Eastover Sales Tax Equalization	0	0	0		0	0	0.00%	0	0	0		0	0	0.00%
Stedman Sales Tax Equalization	77	37	0		114	132	86.36%	75	36	0		111	100	111.00%
Spring Lake Sales Tax Equalization	89,626	98,011	88,737		276,374	358,800	77.46%	89,210	96,014	87,352		272,576	100,000	272.58%
Godwin Sales Tax Equalization	1,229	0	582		1,811	2,300	78.74%	1,195	0	563		1,758	1,500	117.20%
Other	1,060,024	26,616	139,217		1,225,857	1,186,793	103.29%	1,317,138	196,892	27,491		1,541,521	1,484,177	103.86%
Total	7,326,214	1,824,700	474,345	0	9,625,259	10,505,025	91.63%	7,687,056	2,144,869	115,406	0	9,947,331	10,005,953	99.41%
Category 40: Restricted Intergovernmental														
Health	4,582,417	452,605	531,140		5,566,162	6,183,984	90.01%	4,996,297	(641,341)	273,852		4,628,808	5,446,257	84.99%
Mental Health Consolidation	330,378	8,931	27,187		366,496	338,345	108.32%	335,700	31,410	0		367,110	327,176	112.21%
Social Services	39,355,994	4,640,507	3,569,736		47,566,237	52,173,033	91.17%	35,830,955	10,837,962	1,390,352		48,059,269	50,299,975	95.55%
Library	379,753	25,711	35,498		440,962	568,984	77.50%	569,071	63,231	5,000		637,302	638,618	99.79%
Child Support Enforcement	3,217,869	662,010	238,968		4,118,847	3,677,472	112.00%	2,864,819	1,261,914	0		4,126,733	3,862,607	106.84%
Other	1,712,714	216,021	573,974		2,502,706	2,954,109	84.72%	1,971,194	335,959	0		2,307,153	2,325,752	99.20%
Total	49,579,125	6,005,785	4,976,503	0	60,561,410	65,895,927	91.90%	46,568,036	11,889,135	1,669,204	0	60,126,375	62,900,385	95.59%
Category 50: Licenses & Permits														
Register of Deeds	1,441,367	124,020	18,240		1,583,627	1,212,050	130.66%	1,366,030	141,043	0		1,507,073	1,163,232	129.56%
Inspections	587,468	64,473	5,277		657,218	487,500	134.81%	703,776	38,036	0		741,812	634,500	116.91%
Total	2,028,835	64,473	23,517	0	2,240,845	1,699,550	131.85%	2,069,806	179,079	0	0	2,248,885	1,797,732	125.10%
Category 60: Sales & Service														
Animal Control	326,608	32,988	6,850		366,446	268,923	136.26%	254,405	29,920	0		284,325	259,885	109.40%
Health Department	5,034,626	341,704	10,521		5,386,851	4,517,737	119.24%	3,825,451	1,484,656	0		5,310,107	4,722,124	112.45%
Library Fees	164,600	15,783	897		181,280	194,200	93.35%	188,332	17,503	195		206,030	248,117	83.04%
Sheriff Fees	2,944,133	680,267	113,452		3,737,852	3,873,000	96.51%	2,914,081	651,981	158,255		3,724,317	3,743,114	99.50%
Social Services Fees	66,025	16,160	9,406		91,591	107,903	84.88%	64,481	29,755	6,605		100,841	154,587	65.23%
Other	965,554	37,425	101,069		1,104,048	1,429,358	77.24%	931,828	569,007	228		1,501,063	1,370,473	109.53%
Total	9,501,546	1,124,327	242,195	0	10,868,068	10,391,121	104.59%	8,178,578	2,782,822	165,283	0	11,126,683	10,498,300	105.99%
Category 70: Miscellaneous														
Interest Income	337,923	35,797	43,168		416,888	218,741	190.59%	212,986	(4,843)	(311)		207,832	227,993	91.16%
CFVMC	3,714,637	0	0		3,714,637	3,721,673	99.81%	3,690,982	0	0		3,690,982	3,721,673	99.18%
Other	1,708,249	27,328	640,961		2,376,538	1,723,880	137.86%	872,676	149,289	(689)		1,021,296	794,729	128.51%
Total	5,760,809	63,125	684,129	0	6,508,063	5,664,294	114.90%	4,776,644	144,446	(980)	0	4,920,110	4,744,395	103.70%
Subtotal Category 10-70	275,900,154	15,201,972	11,661,693	0	302,887,836	310,378,523	97.59%	267,961,352	28,257,790	5,455,246	0	301,674,388	302,699,084	99.66%
Category 90: Other Financing Sources														
Sale of Land & Buildings	32,696	27,491	0		60,187	0	0.00%	37,198	117	0		37,315	0	0.00%
Gain/Loss	0	0	0		0	0	0.00%	0	0	0		0	0	0.00%
Sale of Fixed Assets/Cash Proceeds	223,907	17,596	0		241,503	137,700	175.38%	213,320	22,804	0		236,124	51,727	0.00%
Transfers	3,644,227	2,175,557	24,000		5,843,784	5,906,640	0.00%	4,063,682	2,723,292	0		6,786,974	6,796,728	99.86%
Installment /Purchase Revenue	0	0	0		0	0	0.00%	0	0	0		0	0	0.00%
Fund Balance - Former Health	0	0	0		0	0	0.00%	0	0	0		0	0	0.00%
Fund Balance - Property Revaluations	0	0	0		0	0	0.00%	0	0	0		0	147,696	0.00%
Fund Balance Maintenance/Renovations	0	0	0		0	0	0.00%	0	0	0		0	783,400	0.00%
Fund Balance - Health	0	0	0		0	937,324	0.00%	0	0	0		0	767,714	0.00%
Fund Balance - Special	0	0	0		0	0	0.00%	0	0	0		0	0	0.00%
Fund Balance - Mental Health Transfer	0	0	0		0	3,019,050	0.00%	0	0	0		0	3,066,985	0.00%
Fund Balance -Economic Incentives	0	0	0		0	531,159	0.00%	0	0	0		0	233,711	0.00%
Fund Balance - Water & Sewer	0	0	0		0	250,000	0.00%	0	0	0		0	530,000	0.00%
Fund Balance Appropriated	0	0	0		0	18,417,719	0.00%	0	0	0		0	21,023,456	0.00%
Total	3,900,830	2,220,644	24,000	0	6,145,474	29,199,592		4,314,200	2,746,213	0	0	7,060,413	33,401,417	
Total General Fund	279,800,984	17,422,616	11,685,693	0	309,033,308	339,578,115	91.01%	272,275,552	31,004,003	5,455,246	0	308,734,801	336,100,501	91.86%

GENERAL FUND SUMMARY OF OBLIGATIONS

GENERAL FUND	FY2017							FY2016						
	Actual			14th	Total	Budget	% Obligated	Actual			14th	Total	Budget	% Obligated
	Jul-May	June	13th					Jul-May	June	13th				
General Administration	16,145,179	1,767,480	156,924		18,069,583	20,970,368	86.17%	16,141,159	1,713,503	(150,450)		17,704,212	19,956,574	88.71%
Buildings & Grounds	5,860,749	498,476	(36,142)		6,323,083	7,220,881	87.57%	7,416,804	767,507	3,061		8,187,372	8,910,238	91.89%
General Government														
Debt Service	22,276,410	1,124,259	0		23,400,669	24,127,231	96.99%	22,926,520	1,200,244	0		24,126,764	24,877,001	96.98%
General Government Other	6,195,781	153,296	57,096		6,406,173	9,769,383	65.57%	6,304,980	476,812	2,439,907		9,221,699	10,164,539	90.72%
Total General Government	28,472,191	1,277,555	57,096	0	29,806,842	33,896,614	87.93%	29,231,500	1,677,056	2,439,907	0	33,348,463	35,041,540	95.17%
Law Enforcement														
Sheriff	23,050,320	2,821,645	137,620		26,009,585	27,168,443	95.73%	22,810,310	2,321,638	(4,922)		25,127,026	26,175,440	95.99%
Jail	18,978,038	2,234,027	195,209		21,407,274	23,761,175	90.09%	20,358,288	2,002,290	(2,195)		22,358,383	23,404,959	95.53%
Total Law Enforcement	42,028,358	5,055,672	332,829	0	47,416,859	50,929,618	93.10%	43,168,598	4,323,928	(7,117)	0	47,485,409	49,580,399	95.77%
Public Safety	6,634,483	792,536	146,991		7,574,010	7,981,564	94.89%	6,556,726	724,551	253		7,281,530	7,930,518	91.82%
Health														
Health All Other	20,251,488	2,207,311	138,105		22,596,904	24,674,661	91.58%	19,429,094	1,723,752	149,919		21,302,765	22,935,709	92.88%
Total Health Department	20,251,488	2,207,311	138,105	0	22,596,904	24,674,661	91.58%	19,429,094	1,723,752	149,919	0	21,302,765	22,935,709	92.88%
Mental Health														
Mental Health Other (County)	3,128,329	24,212	15,860		3,168,401	3,197,187	99.10%	5,322,267	74,448	198		5,396,913	5,814,287	92.82%
Social Services														
Social Services	37,896,923	3,754,869	364,375		42,016,167	44,830,504	93.72%	36,630,288	3,600,994	8,535		40,239,817	43,609,293	92.27%
Other DSS Programs	24,772,443	4,198,113	787,003		29,757,559	29,865,335	99.64%	23,555,752	4,563,230	137,029		28,256,011	28,396,518	99.51%
Total Social Services	62,669,366	7,952,982	1,151,378	0	71,773,726	74,695,839	96.09%	60,186,040	8,164,224	145,564	0	68,495,828	72,005,811	95.13%
Other Human Services														
Child Support Enforcement	4,385,592	529,336	13,352		4,928,280	5,034,751	97.89%	4,302,376	439,528	23		4,741,927	4,869,649	97.38%
Other HS Programs	351,294	43,927	7,492		402,713	424,380	94.89%	343,039	39,130	0		382,169	405,519	94.24%
Total Human Services	4,736,886	573,263	20,844	0	5,330,993	5,459,131	97.65%	4,645,415	478,658	23	0	5,124,096	5,275,168	97.14%
Library														
Library	9,887,968	1,069,216	11,539		10,968,723	11,279,075	97.25%	9,763,654	866,950	(25,089)		10,605,515	10,896,141	97.33%
Library Other	169,786	12,541	7,230		189,557	429,018	44.18%	328,274	25,045	(235)		353,084	481,081	73.39%
Total Library	10,057,754	1,081,757	18,769	0	11,158,280	11,708,093	95.30%	10,091,928	891,995	(25,324)	0	10,958,599	11,377,222	96.32%
Culture & Recreation	409,251	13,603	5,570		428,424	435,612	98.35%	399,949	16,912	0		416,861	466,129	89.43%
Economic Development	4,504,551	567,478	58,552		5,130,581	6,049,238	84.81%	4,667,009	490,509	(27,943)		5,129,575	6,317,310	81.20%
Subtotal	204,898,585	21,788,113	2,050,916	0	228,777,686	247,218,806	92.54%	207,256,489	21,047,043	2,528,091	0	230,831,616	245,610,905	93.98%
Education														
County School Current Exp	72,168,492	6,286,278	1,008,339		79,463,109	79,604,271	99.82%	77,894,329	342,584	0		78,236,913	78,347,329	99.86%
Goodyear Incentive	274,494	0	0		274,494	243,613	0.00%	241,651	0	0		241,651	243,613	99.19%
Sales Tax Equalization	0	0	0		0	934,628	0.00%	0	0	0		0	845,128	0.00%
FTCC Current Expense	9,742,139	885,648	0		10,627,787	10,627,787	100.00%	10,104,516	0	0		10,104,516	10,104,516	100.00%
FTCC PEG	27,779	0	0		27,779	47,397	0.00%	13,986	28,219	0		42,205	47,397	89.05%
FTCC Capital Outlay	26,372	0	54,680		81,052	901,613	0.00%	32,766	0	0		32,766	901,613	3.63%
Total Education	82,239,276	7,171,926	1,063,019	0	90,474,221	92,359,309	97.96%	88,267,248	370,803	0	0	88,658,051	90,489,596	97.98%
Total General Fund	287,137,861	28,960,039	3,113,935	0	319,251,908	339,578,115	94.01%	295,543,737	21,417,846	2,528,091	0	319,489,667	336,100,501	95.06%

CUMBERLAND COUNTY REVENUE SUMMARY

PREPARED FOOD & BEVERAGE	FY2017							FY2016						
	Actual				Total	Budget	% Recognized	Actual				Total	Budget	% Recognized
	Jul-May	June	13th	14th				Jul-May	June	13th	14th			
Category 10: Ad Valorem Tax														
1225 Interest & Penalty - Food & Occupancy	41,088	6,986	-		48,074	50,000	96.15%	49,371	4,801	-		54,172	50,000	108.34%
Category 20: Other Taxes														
1015 Food & Beverage Tax	5,994,858	571,883	-		6,566,741	5,818,385	112.86%	5,851,161	544,843	-		6,396,004	5,507,413	116.13%
1120 Food & Beverage Tax - All Prior	63,525	1,466	-		64,991	50,000	129.98%	46,975	1,107	-		48,082	50,000	96.16%
Total	6,058,383	573,349	-	-	6,631,732	5,868,385	113.01%	5,898,136	545,950	-	-	6,444,086	5,557,413	115.95%
Category 70: Miscellaneous														
7002 Interest Income	9,941	1,987	2,684		14,612	350	4174.86%	5,917	-	4,161		10,078	350	2879.43%
Total	9,941	1,987	2,684	-	14,612	350	4174.86%	5,917	-	4,161	-	10,078	350	2879.43%
Category 90: Other Financing Sources														
9901 Fund Balance Appropriated	-	-	-	-	-	1,664,067	0.00%	-	-	-	-	-	2,434,780	0.00%
Total Prepared Food & Beverage	6,109,412	582,322	2,684	-	6,694,418	7,582,802	113.11%	5,953,424	550,751	4,161	-	6,508,336	8,042,543	116.06%

CIVIC CENTER MOTEL TAX	FY2017							FY2016						
	Actual				Total	Budget	% Recognized	Actual				Total	Budget	% Recognized
	Jul-May	June	13th	14th				Jul-May	June	13th	14th			
Category 10: Ad Valorem Tax														
1225 Interest & Penalty - Food & Occupancy	-	-	-	-	-	-	0.00%	-	-	-	-	-	-	0.00%
Category 20: Other Taxes														
2600 Room Occupancy Tax - Auditorium	1,406,010	123,640	-		1,529,650	1,308,686	116.88%	1,256,845	113,511	-		1,370,356	1,190,340	115.12%
2605 Room Occupancy Tax - All Prior	-	-	-		-	-	0.00%	-	-	-		-	-	0.00%
Total	1,406,010	123,640	-	-	1,529,650	1,308,686	116.88%	1,256,845	113,511	-	-	1,370,356	1,190,340	115.12%
Category 70: Miscellaneous														
7002 Interest Income	3,106	757	953		4,816	-	0.00%	2,412	-	1,797		4,209	-	0.00%
Category 90: Other Financing Sources														
9901 Fund Balance Appropriated	-	-	-	-	-	-	0.00%	-	-	-	-	-	27,767	0.00%
Total Civic Center Motel Tax	1,409,116	124,397	953	-	1,534,466	1,308,686	117.25%	1,259,257	113,511	1,797	-	1,374,565	1,218,107	115.48%

AMY H. CANNON
County Manager

SALLY S. SHUTT
Assistant County Manager



CUMBERLAND
★ **COUNTY** ★
NORTH CAROLINA

ITEM NO. 7.
MELISSA C. CARDINALI
Assistant County Manager

W. TRACY JACKSON
Assistant County Manager

OFFICE OF THE COUNTY MANAGER

**MEMO FOR THE AGENDA OF THE SEPTEMBER 7, 2017
MEETING OF THE FINANCE COMMITTEE**

TO: FINANCE COMMITTEE
FROM: MELISSA C. CARDINALI, ASSISTANT COUNTY MANAGER
DATE: AUGUST 29, 2017
SUBJECT: MONTHLY HEALTH INSURANCE REPORT
Presenter: Melissa C. Cardinali, Assistant County Manager

Estimate of Committee Time Needed: 5 Minutes

BACKGROUND:

Each month an update on health insurance trends will be provided to the Finance Committee.

Claims hit their highest mark of the past five years in Fiscal Year 2016. Since that time, claims have started to decline and are currently just below the average for Fiscal Year 2015.

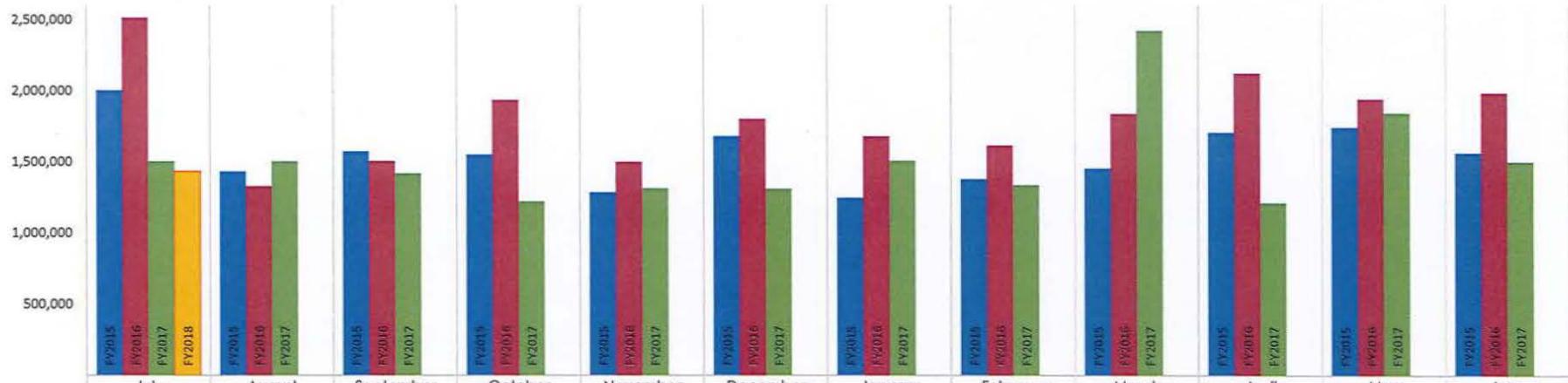
The attached graphs are provided as an aid to the analysis.

RECOMMENDATION/PROPOSED ACTION:

No action needed – for information only.

Sum of Claims

Monthly Insurance Claims FY15-FY18



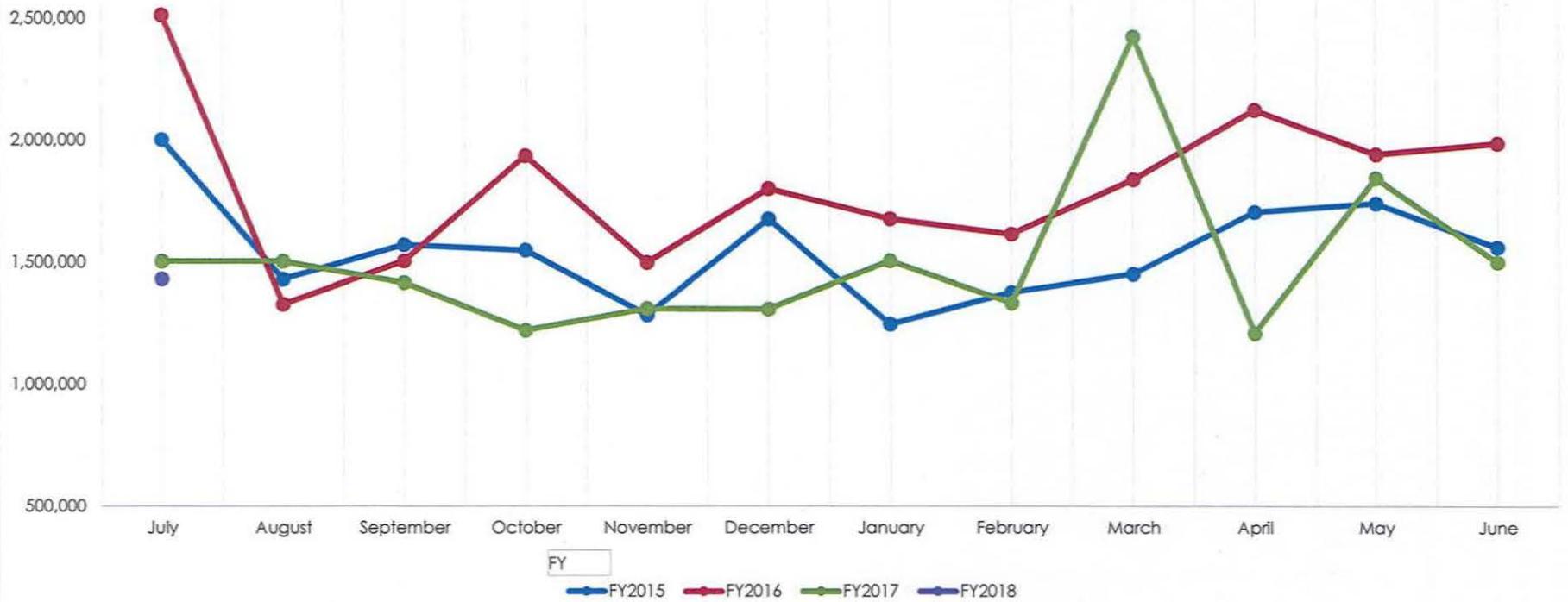
	July	August	September	October	November	December	January	February	March	April	May	June
FY2015	2,001,709	1,430,688	1,570,361	1,547,457	1,282,776	1,676,600	1,245,198	1,376,117	1,451,105	1,704,566	1,740,715	1,560,590
FY2016	2,512,805	1,326,568	1,504,524	1,935,455	1,498,503	1,800,802	1,677,200	1,614,741	1,838,243	2,124,396	1,941,598	1,986,905
FY2017	1,503,129	1,503,277	1,415,725	1,220,521	1,309,619	1,307,385	1,505,526	1,333,245	2,423,253	1,209,685	1,845,289	1,499,592
FY2018	1,431,414											

FY
■ FY2015 ■ FY2016 ■ FY2017 ■ FY2018

Month

Sum of Claims

Monthly Insurance Claims FY15 - FY18



Month