

**CUMBERLAND COUNTY  
FINANCE COMMITTEE MEETING  
THURSDAY, AUGUST 5, 1999, 8:30 AM**

**Present:** H. Mac Tyson II, Chairman  
Billy R. King, Commissioner  
Ed G. Melvin, Commissioner  
Cliff Strassenburg, County Manager  
James Martin, Deputy County Manager  
Garrett Alexander, Tax Administrator  
Grainger Barrett, County Attorney  
Amy H. Cannon, Finance Director  
Tonya Harris-Council, Public Information Officer  
Howard Smith, Information Services Director  
Pat Wade, Tax Administration  
Don Duncan, Griffin Grant Writing & Consulting  
Greg Staderman, SCS Direct Marketing  
Rhonda C. Raynor, Deputy Clerk to the Board

**Others:** Press

**INVOCATION:** Grainger Barrett

**1. Approval of Minutes: July 1, 1999**

**MOTION:** Commissioner Melvin offered a motion to approve the July 1, 1999 Finance Committee meeting minutes.  
**SECOND:** Commissioner King  
**VOTE:** UNANIMOUS

Commissioner Tyson noted a request had been made to change the order of the agenda. He asked that the Committee hear Item 3 before Item 2 as Mr. Staderman has an appointment in Greensboro.

**It was the consensus of the Committee members to change the order of the agenda to hear Item 3 before Item 2.**

**3. Presentation by SCS Direct Marketing.**

Garrett Alexander, Tax Administrator noted SCS Direct Marketing currently assists the County in its tax billing. He then introduced Mr. Greg Staderman of SCS Direct Marketing. Mr. Staderman will make a presentation concerning the establishment of a service allowing persons to pay via the Internet by direct draft from their bank.

Mr. Staderman made a presentation to the Committee and Staff members. He noted this process would help speed up the collection of taxes by use of the Internet. Electronic bill presentment and payment needs to be presented because technology has and will change the way billing of all types are done. Within the next 3-5 years 105 million households will be on-line. SCS Direct Marketing currently does the tax notices for 35% of the counties in the State. SCS handles both postal and E-billings. They provide one stream of information and improve customer service and satisfaction. Currently, Cumberland County provides a data file to SCS and it is merged with electronic forms. This new form of billing will allow the customer to select the type of billing

method. Currently, most select postal billing. The County's current process involves the bill and payment being sent to a bank. The new way would be done on the computer. Billing and payment would be made on the computer.

Mr. Staderman then showed a sample bill as it would appear on the computer and how the customer would pay the bill. Payment of the bill by the computer would be done through on-line banking. The bill shown on the computer will give the customer different options. The customer can ask questions, and be advised of how to contact the Tax Office. The County will also be able to decide what other information to present to the customer at the time they are paying their tax bill. First, the customer would be notified they have e-mail. They will then be able to look at the bill through this mail or look at their banking information if their bills are sent directly to their bank. When payment is made, the customer will receive a payment confirmation number.

Mr. Staderman noted SCS Direct Marketing is based in North Carolina. They are currently working with Wachovia and BB&T Banks to out-source their billing.

If the County chooses to offer on-line billing and payment to its customers through SCS, it will not need to purchase any equipment as SCS has all the equipment to operate the on-line services. He noted a number of County functions could be operated on-line.

Mr. Staderman advised he would be happy to make a more detailed presentation at a later time.

Commissioner Melvin noted the question he has is how much money this venture will save or cost the County.

Mr. Alexander stated a full presentation would be made at a later date. The purpose for the presentation today was to present the idea to the Finance Committee. The costs of the system will depend on whether or not the whole County participates or the Tax Department only. SCS has advised they will need 1,000 on-line users for the service to pay for itself. He noted this type of operation would help streamline the tax payment transaction.

Commissioner Melvin noted Cumberland County is a low wealth county. How many homes have computers and will be able to use this type of service? Also, how many bills will need to be forwarded and payment received by mail? Can payment of tax bills be done both ways?

Mr. Staderman noted citizens can pay both on-line and through the mail. He noted the costs to handle a bill all the way through including the paper check is approximately .78 cents each. The costs to Cumberland County to process with the lock box system is approximately .52 cents each. With an electrical bill presentment the cost would be approximately .30 cents each.

Commissioner Melvin stated he feels they need to move forward with a full presentation.

Mr. Alexander stated the time a paper bill is sent until the time the money is received is approximately 10 days. If the billing and payment is done electronically, the time frame could be reduced to 24 hours. This reduction in time will increase the interest the County can earn on its deposits. This program will also speed up the payments received from mortgage companies.

Howard Smith, Information Services Director asked questions concerning the updating of the tax system and how partial payments would be handled.

Mr. Staderman advised he could explain that to Mr. Smith in detail.

Mr. Smith noted the 1,000 users needed to pay for the cost of the system only pays SCS. Those users do not pay for the work to be performed by County I.S. employees.

Chairman Tyson asked the County Attorney to prepare a contract with SCS to ensure the names and addresses on the accounts would not be given to anyone else. This type of contract would also be needed should the County contract with another vendor for these services in the future.

Grainger Barrett noted the information on tax records is highly restricted by law.

Mr. Staderman noted integrity of the information is crucial. SCS understands the importance of confidentiality.

**It was the consensus of the Committee to allow management to move forward on this matter.**

Mr. Strassenburg stated he wants to look at using other departments in this on-line service. Mr. Staderman can speak with Mrs. Cannon to obtain more information.

**2. Grants Project – Presentation by Don Duncan with Griffin Grant Writing & Consulting.**

**BACKGROUND:** On June 15, 1999, the day after the FY-00 Budget was adopted which included a Grants Coordinator position, James Martin, Deputy County Manager was contacted by GGW&C about their grant services.

On June 22, 1999, Howard Abner, James Lawson and Mr. Martin met with Don Duncan of GGW&C. Mr. Abner, Mr. Lawson and Mr. Martin believe GGW&C has a fully developed grant service that Cumberland County should consider prior to moving forward in developing the County's grants program.

James Martin then introduced Mr. Don Duncan with Griffin Grant Writing & Consulting.

Mr. Duncan made a presentation on the services offered by Griffin Grant Writing & Consulting. He noted GGW&C would research, consult, write and win competitive grants for Cumberland County. Their focus is on a pro-active look at programs, resources and gaps. They will look at where Cumberland County wants to move as a community and write grants to help reach those goals.

Mr. Duncan noted the COPS More grants recently received by the Cumberland County Sheriff's Office. The County received approximately \$1 million in funding through this grant. This amount was high compared to other areas. Additional funding through this grant in the amount

of \$2 million was also available. Cumberland County did not get those additional funds. COPS More grant funds were provided to fund police technology issues.

Chairman Tyson asked Mr. Duncan how much money was actually "out there" that Cumberland County could obtain.

Mr. Duncan stated he could not give a specific number on the amount of funding available. He noted GGW&C's areas of expertise included: Technology, Criminal Justice, Housing, Transportation, Infrastructure, Economic Development, Social Services, Health Services, Youth Programs, Recreation, Jobs Training, Environment and Education. He noted GGW&C would first conduct a needs assessment meeting and develop priority areas. The Company would then do research to look through the competitive grants available in the federal area. He noted GGW&C does not go after formula or block grants. They will look at three areas: projects funded, projects underfunded and projects not funded. They would first look at the capital expenditure projects where the money has not yet been spent. A needs assessment would be done and then an initial priority funding report would be prepared. The County would then "red-line" the priorities. These "red-line" priorities would be the funding program.

Mr. Duncan advised the County would be required to enter into a two-year contract with GGW&C. He noted the company would submit three drafts of a grant for review by the County. This would be done to ensure accuracy. If the company does not deliver what they have promised the retainer would be returned in full. The retainer fee is \$95,000. GGW&C guarantees \$1 million in new grant funding over what the County won last year on its own. GGW&C would ask for authorization to write \$3.5 million in grant applications. Once the \$1 million goal is met, anything over the goal, GGW&C would receive 10%. GGW&C would only go after the programs the County wants them to. The retainer is payable in two years.

Commissioner Melvin stated he would need management to explore this matter further before he would be completely comfortable with the idea.

Mr. Strassenburg stated management wants to do more research on this matter as well. He noted the County had budgeted the first year's cost to hire GGW&C in the current budget.

Commissioner King asked Mr. Duncan how long GGW&C had been in business and whom they have worked for in North Carolina.

Mr. Duncan advised GGW&C has been in business for 9 years and has worked for Guilford County. He noted a list of references had been given to Mr. Martin.

Mr. Martin noted he, James Lawson and Howard Abner met with Mr. Duncan and has checked the references. Guilford County and all the other references had positive comments.

Mr. Duncan advised GGW&C has won over \$2 million in grants to date for Guilford County.

Chairman Tyson stated he would like the County to move forward on this matter.

**It was the consensus of the Committee to have management review this matter further and make a presentation to them at their next meeting.**

**3. Other Committee Concerns.**

Chairman Tyson noted a letter he had received from the Cloverfield Club, Inc. in the Eastover Community asking the Board of Commissioners to purchase a pool for \$150,000. He noted the County Parks & Recreation Board at their next meeting on Monday, August 9, 1999 at 6:00 PM is considering this matter. He noted he would make sure this letter is forwarded to the County Parks and Recreation Director.

**MOTION: Commissioner Melvin offered a motion to adjourn.**  
**SECOND: Commissioner King**  
**VOTE: UNANIMOUS**

Meeting adjourned at 9:35 AM.