

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

MEMBERS PRESENT: Commissioner Kenneth Edge, Chairman
Commissioner Jeannette Council (arrived at 9:43 a.m.)
Commissioner Ed Melvin

OTHER COMMISSIONERS
PRESENT: Commissioner Charles Evans (arrived at 9:50 a.m.)
Commissioner Jimmy Keefe
Commissioner Billy King (departed at 9:42 a.m.)

OTHERS: James Martin, County Manager
Amy Cannon, Deputy County Manager
James Lawson, Assistant County Manager
Rick Moorefield, County Attorney
Howard Abner, Assistant Finance Director
Sally Shutt, Communication and Strategic Initiatives
Manager
Candice H. White, Clerk to the Board
Press

Commissioner Edge called the meeting to order at 9:30 a.m.

1. ELECTION OF FINANCE COMMITTEE CHAIRMAN

MOTION: Commissioner Melvin moved to elect Commissioner Edge as the Finance
Committee Chairman.
SECOND: Commissioner Edge
VOTE: UNANIMOUS (2-0)

2. APPROVAL OF MINUTES – DECEMBER 1, 2011 REGULAR MEETING

MOTION: Commissioner Edge moved to approve the minutes.
SECOND: Commissioner Melvin
VOTE: UNANIMOUS (2-0)

3. REVIEW OF MONTHLY FINANCIAL REPORT

Howard Abner, Assistant Finance Director, provided highlights of the monthly financial report. With regard to expenses, Mr. Abner reported five months into the fiscal year general fund obligations were at 37.81% compared to 35.88% last year. Mr. Abner also reported the total for general government debt service was at \$5.4 million paid to date compared to \$2.2

million this time last year. Mr. Abner explained in June bonds for the Health Department and Gray's Creek Middle School were refunded and there was a debt payment due in November of \$2.1 million. Mr. Abner further explained the total debt service of \$26 million compared to \$25.6 million last year indicates these figures are in line.

With regard to revenues, Mr. Abner called attention to ad valorem tax revenues and stated November is typically the highest month for collections with \$60.3 million collected this year compared to \$58.8 last year. Mr. Abner also stated once December collections are reported, the figure will represent the vast majority of collections. Mr. Abner advised based on the first five months of the fiscal year, the county will meet budget and will be slightly over, so there will not be a lot of dollars gained.

Mr. Abner reported sales tax revenues were \$5.7 million this year compared to \$5.1 million last year. Mr. Abner explained sales tax is extremely variable and the first distribution of sales tax in October is based on sales in July. Mr. Abner further explained sales tax runs October 2011 through September 2012, so December 2011 sales will be reflected in March 2012.

Mr. Abner referenced category 50-license and permits, and explained this category is another indicator of the economy; both the Register of Deeds and inspections subcategories are lower than the prior year, which is an indicator of the rental and construction business.

Mr. Abner responded to questions regarding the ABC quarterly distribution and advised that category 30-unrestricted intergovernmental sales tax equalizations are the result of various agreements made in 2004 with the municipalities to hold the county 50% harmless for the sales tax losses due to annexations. Mr. Martin advised that all municipalities within Cumberland County approved the sales tax equalization agreement.

Mr. Abner referenced the Crown Center financial summary and stated the zero operating revenues/expenses in December were due to timing issues; November totals will be shown in the December report. Mr. Abner and Ms. Cannon responded to questions from Commissioner Keefe regarding the prepared food and beverage non-operating revenues and appropriated fund balance.

4. OTHER MATTERS OF BUSINESS

Rick Moorefield, County Attorney, advised December 22, 2011 had been the time to file a response to the City of Fayetteville's case against the Cumberland County Board of Elections; however, the city filed an amended complaint with additional allegations a day or two before that date. Mr. Moorefield further advised he has been communicating with the other counties involved and has not yet filed a response.

There being no further business, the meeting adjourned at 9:55 a.m.