

CUMBERLAND COUNTY FINANCE COMMITTEE
COURTHOUSE, 117 DICK STREET, 5TH FLOOR, ROOM 564
FEBRUARY 2, 2017 – 8:30 AM
SPECIAL MEETING MINUTES

MEMBERS PRESENT: Commissioner Marshall Faircloth, Chairman
Commissioner Jimmy Keefe
Commissioner Jeannette Council (arrived 8:35 a.m.)

OTHER COMMISSIONERS PRESENT: Commissioner Glenn Adams
Commissioner Michael Boose
Commissioner Charles Evans
Commissioner Larry Lancaster

OTHERS: Amy Cannon, County Manager
Tracy Jackson, Assistant County Manager
Sally Shutt, Governmental Affairs Officer
Rick Moorefield, County Attorney
Vicki Evans, Finance Director
Deborah Shaw, Budget Analyst
Heather Harris, Budget Analyst
Kim Cribb, Budget Analyst and Grants Coordinator
Jeffrey Brown, Engineering and Infrastructure Director
Joe Utley, Tax Administrator
Tami Botello, Tax Department Chief of Real Estate and Mapping
Nedra Rodriguez, Workforce Development Director
Sylvia McLean, Community Development Director
Carl Mitchell, FTCC VP of Human Resources/Workforce
Development and Institutional Effectiveness
Candice H. White, Clerk to the Board
Press

Commissioner Faircloth called the meeting to order.

1. APPROVAL OF MINUTES – JANUARY 5, 2017 REGULAR MEETING

MOTION: Commissioner Faircloth moved to approve the January 5, 2017 regular meeting minutes.
SECOND: Commissioner Keefe
VOTE: UNANIMOUS (2-0)

2. SUMMARY PRESENTATION OF VALUES FOR THE 2017 TAX REAPPRAISAL

Amy Cannon, County Manager, called on Joe Utley, Tax Administrator, to provide a presentation of the revaluation process and values for informational purposes for the 2017 tax

reappraisal. Mr. Utley provided the following presentation stating the total 2017 assessed value is approximately \$19.3 billion.

Assessed Value versus Taxable Value

Total 2017 Assessed Value	\$19,355,531,016
Total Exclusions:	575,860,918
Total 2017 Beginning Taxable Value:	\$18,779,670,098

Mr. Utley explained the 2017 beginning taxable value of approximately \$18.8 billion is a moving number and can be increased/reduced by the following.

- Results of appeals
- New applications for exemptions/exclusions/deferments
 - Elderly Exclusions
 - Disabled Exclusions
 - Disabled Veterans Exclusions
 - Builder’s Inventory
 - Other Exclusion/Exemptions
- Changes in legislation (disabled veterans)

Mr. Utley stated the elderly, disabled and disabled veterans can apply for exemptions or exclusions between January 1 and June 1; the builder’s inventory and agricultural/forestry programs have a January filing date and have not yet been calculated. Mr. Utley further stated all can file with the Board of Equalization and Review to get approved with good cause. Mr. Utley stated notices of appeal were mailed January 31.

Mr. Utley stated the bottom line is that countywide, the total real property taxable value has declined 2.9%. Mr. Utley reviewed the following:

Total 2016 Taxable Value (2009 rates)	Total 2017 Beginning Taxable Value	Percent Difference
\$19,340,091,923	\$18,779,670,098	-2.9%

Estimated Net Reduction in Value: \$560,421,825

Which Equates to Loss Revenue: \$4,147,122 (at the County Tax Rate of \$0.74)

Mr. Utley explained all property is assessed but all property is not fully taxable due to exclusions. Mr. Utley reviewed the following assessed value change by property value type. Mr. Utley stated one has to begin with the assessed value to get to the taxable value and the assessed value is a better indicator of what is going on in the market. Mr. Utley explained the 4.9% drop in residential values results from a surplus of homes on the market, reduced selling prices due to the length of time homes were on the market and retirees being able to live on post in Ft. Bragg housing. Mr. Utley stated new commercial construction shoed up more than new construction in residential and industrial stayed fairly flat, so overall assessed values decreased 2.6%.

Type	2016 Value	2017 Value	% Change
Residential	\$14,706,669,871	\$13,980,882,539	- 4.9%
Commercial	\$ 5,087,454,063	\$ 5,288,652,239	+ 4.0%
Industrial	\$ 86,682,317	\$ 85,996,238	- 0.8%
Total	\$19,880,806,251	\$19,355,531,016	- 2.6%

Mr. Utley reviewed the assessed value shift in the tax base for residential and commercial/industrial properties as follows and stated the county’s tax base is still primarily residential with condominiums being older, not well maintained and changing to rental units.

2016 Real Property Tax Base (2009 Values)

Property Type	2016 Value	Percent of Tax Base
Residential	\$14,706,669,871	74%
Commercial/ Industrial	\$5,174,136,380	26%
Total	\$19,880,806,251	100%

2017 Real Property Tax Base (2017 Values)

Property Type	2017 Value	Percent of Tax Base
Residential	\$13,980,882,539	72%
Commercial/ Industrial	\$5,374,648,477	28%
Total	\$19,355,531,016	100%

Assessed Value Residential

Type	2016 Value	2017 Value	Percent Change
Single Family Residential	\$13,549,012,048	\$12,859,697,682	- 5.1%
Multi-Family	\$ 77,617,919	\$ 76,803,261	- 1%
Condominiums	\$ 342,191,138	\$ 236,166,800	- 31%
Residential Vacant Land	\$ 737,848,766	\$ 808,214,796	+ 9.5%

Assessed Value Commercial

Type	2016 Value	2017 Value	Percent Change
Apartments	\$1,460,407,573	\$1,445,571,400	- 1.0%
Shopping Centers	\$ 710,531,398	\$ 788,563,400	+ 11.0%
Mobile Home Parks	\$ 57,471,623	\$ 59,394,500	+ 3.3%
Motel/Hotels	\$ 199,388,110	\$ 210,909,400	+ 5.8%
Mini-Storage Warehouse	\$ 100,293,811	\$ 112,135,466	+ 12.0%
Industrial	\$ 86,481,160	\$ 85,808,846	- 1.0%
Commercial Vacant Land	\$ 227,095,039	\$ 255,923,983	+ 13.0%

Mr. Utley explained commercial properties from apartments to mini-storage warehouses were valued using the income approach following the schedule of values and N. C. General Statutes. Mr. Utley stated 2017 commercial values included new construction so without new construction of about \$3 million in apartments, the assessed value of apartments would have decreased even more. Mr. Utley stated nine shopping centers were constructed with a worth of about \$29 million and three motels were constructions with a value of about \$10 million; all helped boost the 2017 assessed values.

Mr. Utley reviewed the total assessed value municipality percentage changes in the table below noting that residential and commercial values are combined. Mr. Utley stated some of the rural municipalities are showing increases and analysis of market data indicated there was an increase in residential land and lot values in these rural areas, some of which could be attributed to the larger parcels in rural areas and the desirability some have to move to those areas.

Municipality	2016	2017	Difference	% Chg
Fayetteville	\$12,391,384,662	\$11,956,196,254	-\$435,188,408	-3.5%
Hope Mills	\$986,275,704	\$983,721,754	-\$2,553,950	-0.3%
Spring Lake	\$410,471,517	\$404,243,944	-\$6,227,573	-1.5%
Stedman	\$85,097,670	\$85,280,954	\$183,284	+0.2%
Wade	\$31,981,849	\$32,427,359	\$445,510	+1.4%
Falcon	\$13,140,421	\$13,386,868	\$246,447	+1.9%
Godwin	\$6,408,290	\$6,698,554	\$290,264	+4.5%
Linden	\$7,248,032	\$7,146,426	-\$101,606	-1.4%
Eastover	\$258,494,415	\$262,858,602	\$4,364,187	+1.7%

Mr. Utley reviewed the residential assessed value municipality changes below and noted the big drop in Fayetteville and Spring Lake. Mr. Utley stated growth in the Gray’s Creek and Jack Britt area helped to offset some of the drop in the residential values for Hope Mills. Mr. Utley noted condominiums are found more in the urban areas of Fayetteville, Spring Lake and Hope Mills areas as opposed to rural areas.

Municipality	2016	2017	Difference	% Chg
Fayetteville	\$8,393,655,728	\$7,789,661,877	-\$603,993,851	-7.2%
Hope Mills	\$712,321,787	\$690,017,271	-\$22,304,516	-3.1%
Spring Lake	\$146,014,232	\$134,957,443	-\$11,056,789	-7.6%
Stedman	\$70,245,621	\$71,054,603	\$808,982	+1.2%
Wade	\$28,529,945	\$28,760,809	\$230,864	+0.8%
Falcon	\$11,173,841	\$11,473,234	\$299,393	+2.7%
Godwin	\$6,104,192	\$6,376,710	\$272,518	+4.5%
Linden	\$6,767,156	\$6,662,178	-\$104,978	-1.6%
Eastover	\$236,409,170	\$239,355,371	\$2,946,201	+1.2%

Mr. Utley reviewed commercial or income property assessed value municipality changes in the chart below. Mr. Utley noted new commercial construction in Hope Mills, Spring Lake and Fayetteville and stated the decrease in rural commercial values is attributable to the demolition of commercial structures. Mr. Utley stated due to the lack of commercial structures in rural areas, it does not take much of a change to see values change. Mr. Utley stated in any revaluation, size adjustment tables are reviewed as well soil types and zoning, which could be reflected in the individual municipalities.

Municipality	2016	2017	Difference	% Chg
Fayetteville	\$3,999,633,084	\$4,168,445,982	\$168,812,898	+4.2%
Hope Mills	\$273,953,917	\$293,704,483	\$19,750,566	+7.2%
Spring Lake	\$264,457,285	\$269,286,501	\$4,829,216	+1.8%
Stedman	\$14,852,049	\$14,226,351	-\$625,698	-4.2%
Wade	\$3,451,904	\$3,666,550	\$214,646	+6.2%
Falcon	\$1,966,580	\$1,913,634	-\$52,946	-2.7%
Godwin	\$304,098	\$321,844	\$17,746	+5.8%
Linden	\$480,876	\$484,248	\$3,372	+0.7%
Eastover	\$22,085,245	\$23,503,231	\$1,417,986	+6.4%

Mr. Utley stated another way to look at it for the 2017 new value notices is that:

- 62% of properties had a value reduction
- 29% of properties had a value increase
- 9% of properties were “no value change”

Mr. Utley stated the increase in values in the 29% was due to new construction and increase in land rates, especially in commercial and residential. Mr. Utley stated the 9% which showed no value change was due to vacant lots, lack of sales or no indication of a change in lot values.

Mr. Utley reviewed the hurricane damage assessment in the chart below and stated the October hurricane event caused many delays in the revaluation process. Mr. Utley stated to date all affected properties have been visited except for five with 643 warranting some value adjustment for 2017; 614 will receive adjustments in the notices mailed on January 31. Mr. Utley noted second notices will be sent out to 29 property owners because the information was not received in time to be reflected in the first notices. Mr. Utley stated calls and information regarding damage are still being received so these numbers will continue to change.

Total Signed Out	1,291
Visited to Date	1,286
Warranted Value Adjustment	643
Adjustment in January 31 Notice	614
Adjustment will be in Second Notice (April)	29

Mr. Utley reviewed the 2017 assessment notice and also the appeal calendar below. Mr. Utley stated appeals can still be heard after May 31 until the end of the calendar year, but timely appeals end May 31.

Event	Calendar
Notices are Mailed	January 31
Notices are Dated	February 2
30-Day Informal Appeal Period Begins	February 2
Call Center is Operational (678-7800)	February 1 - 28
Appointments to meet with an Appraiser	Feb 13 – March 31
Informal Appeal Period Ends	March 3
Begin Accepting Formal Board of Equalization and Review (BER) Appeals	March 4
BER Convenes to hear appeals	April 3
BER Adjourns from accepting new appeals	5 p.m. on May 31

Mr. Utley shared information about informal appeals to include walk-ins, appeal support and what to expect from appeals using information from 2009, noting 5,000 more appeals were mailed out in 2017.

Informal Appeal

Questions about an assessed value?

- Property owners can call us at 678-7800 (Call Center Number)
- Appraisers in the Call Center will be able to:
 - Review the property record card
 - Answer questions about the assessed value
 - Explain the revaluation process
 - Schedule an appointment to meet with an appraiser
 - Explain how to submit a written informal appeal

Appeal Support

What to provide the tax office.....

- Documentation that supports a different value
- Recent fee appraisal
- Comparative Market Analysis
- Comparable sales collected by property owner
- 3 Years of Income & Expense information (income properties)
- Pictures showing the condition of the property
- Anything else property owner feels is important to the appeal
- Percent change in value alone does not justify an appeal

Appeals – What to Expect

- In 2009:
 - 128,599 parcels received notices
 - 15,000 filed informal appeals (11.7%)

- 1,573 appealed to the BER (1.2%)
- 1,414 appeals resolved with the citizens without a hearing
- 159 had hearings before the BER
- 19 appealed to the Property Tax Commission (PTC)
- 3 had hearings before the PTC
- In 2017: 133,510 parcels received notices
 - ALL CITIZENS FILING A TIMELY APPEAL WILL BE HEARD

Mr. Utley stated a blank appeal form, an instructional video about how to appeal values and phone numbers are available on the county's website. Mr. Utley stated his expectation is that most appeals will be from the nonresidential side which received increases. Mr. Utley also stated the nonresidential appeals are more complex and generally not heard quickly or before the end of May. Mr. Utley concluded his presentation and responded to questions.

Ms. Cannon thanked Mr. Utley and his staff for the work they put into the revaluation process. Ms. Cannon stated the Tax Department is currently working on the impact to the fire districts along with the county's budget division. Ms. Cannon stated Assistant County Manager Jackson is going to reach out to the Chief of the Fire Chief's Association and alert him, and she expects the fire districts will closely follow what has been presented today which creates challenges for them as well as the taxing authority. Ms. Cannon stated the \$4 million loss to the county's budget process is significant and the county will work through options to bridge the gap. Ms. Cannon stated because the county has mandated services, she is not sure the county has the ability to reduce services or reduce expenses by \$4 million which would equate to a reduction of services to citizens. Ms. Cannon stated staff will do the best possible to prepare a budget that continues services. Commissioner Council inquired regarding the impact to employees and whether community nonprofit organizations need to be notified. Ms. Cannon stated when coupled with the veterans' bill, there is a potential \$7 million loss. Ms. Cannon stated there may also be unfunded mandates from the State.

3. CONSIDERATION OF REQUEST FOR PROPOSALS FOR ONE-STOP OPERATOR FOR WORKFORCE DEVELOPMENT

BACKGROUND:

The Workforce Innovation and Opportunity Act (WIOA) and its implementing regulations require local Workforce Development Boards (WDBs) to use a competitive process for the selection of a one-stop operator for the system (known as NCWorks Career Center in North Carolina). WIOA sec. 3(41) defines the one-stop operator as one or more entities designated or certified under WIOA sec. 121(d). The basic role of a one-stop operator is to coordinate the integrated service delivery of participating one-stop partners and service providers. Program funding originates from the federal government via the Workforce Innovation and Opportunity Act (WIOA) and is passed through to the State of North Carolina to local Workforce Development Boards.

Proposers are required to provide a detailed line item budget, not to exceed \$150,000. This amount may be subject to change as it is based upon a prior estimate of available funds. It is anticipated that the exact funding amount will be known at or about the time of the final contract

negotiations. All contracts for services will be on a cost-reimbursement basis, based upon performance, and may be extended for two additional years at the discretion of the County.

RECOMMENDATION/PROPOSED ACTION:

Approval to move forward with the RFP process for a One-Stop Operator for the Cumberland County NCWorks Career Center.

Mr. Jackson introduced Nedra Rodriguez, Workforce Development Director, and recognized Carl Mitchell, FTCC VP of Human Resources/Workforce Development and Institutional Effectiveness. Mr. Jackson stated before the Finance Committee is a request for proposals to contract with an individual or entity that will oversee the N. C. Career Center, or the former Employment Security Commission. Mr. Jackson explained the Department of Labor has changed its policies and rules/regulations to require that an individual or entity be put in place by July 2017 to coordinate the different entities within the Career Center; these entities include the state entity or former employment office, the private contractor ResCare Employment Services and the county's workforce component along with other ancillary groups. Mr. Jackson stated proposers are required to provide a detailed line item budget, which has changed from the not to exceed amount of \$150,000 to \$230,000.

Ms. Rodriguez explained some of the inner workings and policies involved with the Workforce Innovation and Opportunity Act (WIOA), in particular Section 121(d) as it relates to the One-Stop Operator that will streamline services to ensure services, costs and management are not duplicated. Ms. Rodriguez stated the One-Stop Operator will have functional oversight of the Career Center to ensure regulatory goals are accomplished. Ms. Rodriguez stated this is the first time a contract has been entered into so service deliverables within the contract will be negotiated once the procurement process begins. Ms. Rodriguez stated an internal monitor reviewed the programs and suggested that the \$150,000 may be too low to provide an opportunity for several individuals to submit proposals for the contract. Questions followed.

Commissioner Keefe asked that the Business Intelligence Section conduct a review of the county's Workforce Development Department. Ms. Rodriguez pointed out that the contract is under the direction of the Cumberland County Board of Commissioners which enables Commissioners to indicate how they want things done for the county's citizens, which is a great opportunity for Cumberland County. Ms. Cannon thanked FTCC for its strong partnership in this effort and also Mr. Mitchell for his work with the county.

MOTION: Commissioner Council moved to go forward with the RFP process for a One-Stop Operator for the Cumberland County NCWorks Career Center.

SECOND: Commissioner Keefe

VOTE: UNANIMOUS (3-0)

4. **CONSIDERATION OF NORTH CAROLINA HOUSING FINANCE AGENCY ESSENTIAL SINGLE FAMILY REHABILITATION LOAN POOL FUNDING**

AGREEMENT AND ASSISTANCE, PROCUREMENT AND DISBURSEMENT POLICIES

BACKGROUND:

The North Carolina Housing Finance Agency announced the availability of funds under the Disaster Recovery cycle of the Essential Single-Family Rehabilitation Loan Pool Program (ESFRLP-DR). The ESFRLP-DR is funded through the North Carolina Housing Trust Fund. A total of fifteen million dollars is available in this cycle. The goal is to make a positive impact on the affordable housing stock by encouraging rehabilitation of existing single family owner-occupied housing units damaged by Hurricane Matthew and other storms listed in the Disaster Recovery Act of 2016.

Cumberland County is one of the designated counties and recently received notification of approval for funding for an initial amount of \$150,000. Cumberland County is considered as a Member of the “ESFR Loan Pool,” and \$150,000 has been allocated for a minimum of three eligible homeowner rehabilitation projects. As a Member, we will become eligible to reserve additional funds, on a unit-by-unit, first-come, first-served basis, from the remaining pool of funds after completing the initial three units.

Assistance can be provided to qualified households with incomes at or below 100% of the area median income for Cumberland County. The assistance provided to the eligible homeowners (owner-occupant) for funds associated with the rehabilitation of their property damaged by Hurricane Matthew will be in the form of: 1) \$5,000-\$25,000 – unsecured deferred, interest-free loan, forgiven at the rate of \$5,000 per year, until the principal balance is reduced to zero; 2) \$25,001-\$40,000 – secured deferred, interest-free loan, forgiven at the rate of \$5,000 per year, until principal balance is reduced to zero.

The Funding Agreement, Assistance Policy, Procurement and Disbursement Policy must be approved and executed as a part of the funding requirement.

RECOMMENDATION AND PROPOSED ACTION:

Staff recommends the Board of Commissioners to:

- Approve the Essential Single-Family Rehabilitation Loan Pool-Disaster Recovery Assistance Policy as well as the Procurement and Disbursement Policy; and
- Authorize the County Manager to execute the North Carolina Housing Finance Agency Essential Single -Family Rehabilitation Loan Pool-Disaster Recovery Funding Agreement and Post Approval Documentation; and
- Approval of Budget Ordinance Amendment B171057 in the amount of \$150,000 to recognize revenue from the NC Housing Finance Agency (NCFHA). These funds will be used toward the rehabilitation of at least three homes in Cumberland County that were damaged due to Hurricane Matthew.

Please note this amendment does not require additional county funds.

Mr. Jackson stated as time goes on, more and more programs are rolled out to assist those with damages or losses resulting from Hurricane Matthew. Mr. Jackson stated this loan pool program initially affords the County \$150,000 which can be used in increments up to \$50,000 for a minimum of three different owner-occupied homes that are eligible to receive the funds. Mr. Jackson stated this initial offering may open the door for access to the larger amount of money or \$15 million that will be available statewide. Mr. Jackson called on Sylvia McLean, Community Development Director, who reviewed the background information and recommendation/proposed action recorded above. Ms. McLean stated a key thing about the Housing Finance Agency is that the annual income can be up to 100% of the area median income which is beneficial to Cumberland County citizens who would otherwise fall within a gap. Ms. McLean explained the total \$150,000 does not have to be expended to complete the three different units.

Ms. McLean noted a change to the background information recorded above stating that the Housing Finance Agency changed the \$25,001-\$40,000 from a secured to an unsecured deferred, interest-free loan, forgiven at the rate of \$5,000 per year until the principal balance is reduced to zero. Ms. McLean stated homeowners who are approved for a FDA loan will be disqualified from applying for Housing Finance Agency funds. Ms. McLean stated once the funding agreement is executed, the county has six months to complete rehabilitation to the units. Ms. McLean stated the City of Fayetteville also has an opportunity to apply for these funds. In response to a question posed by Commissioner Keefe, Ms. McLean explained the verification and approval process and noted rehabilitation costs cannot exceed \$40,000 leaving up to \$10,000 for soft costs. Additional questions followed. Rick Moorefield, County Attorney, confirmed the rehabilitation projects will fall under the regular procurement process.

Ms. Cannon stated communication with the State indicates other programs will be rolled out such as CDBG Recovery Funds. Ms. Cannon stated the amount, timeframes or guidelines for the affected counties are not known at this time so as programs become better defined, they will be rolled out to the Board and county residents. Ms. Cannon stated the recovery process and programs may take another eighteen months. In response to a question posed by Commissioner Council, Ms. Cannon stated the Cumberland Disaster Recovery Team is made up of agencies, many of which are assisting homeowners. Ms. Cannon also stated DSS will have case managers work with the population still residing in hotels to build a database indicating the status of their recovery efforts. Ms. Cannon further stated additional rental assistance was requested from the Governor.

MOTION: Commissioner Council moved to approve the Essential Single-Family Rehabilitation Loan Pool-Disaster Recovery Assistance Policy as well as the Procurement and Disbursement Policy; and to authorize the county manager to execute the North Carolina Housing Finance Agency Essential Single-Family Rehabilitation Loan Pool-Disaster Recovery Funding Agreement and post approval documentation; and to approve Budget Ordinance Amendment B171057 in the amount of \$150,000 to recognize revenue from the NC Housing Finance Agency (NCFHA) with these funds to be used toward the rehabilitation of at least three homes in Cumberland County that were damaged due to Hurricane Matthew.

SECOND: Commissioner Keefe
VOTE: UNANIMOUS (3-0)

Ms. Cannon asked to add Item 3. and Item 4. to the consent agenda at the February 6 meeting. Consensus followed.

5. UPDATE ON FINANCING FOR CAPITAL IMPROVEMENTS PLAN

BACKGROUND:

In June 2016, after Board of Commissioner approval, the Local Government Commission approved the installment purchase financing of \$1.1 million which was a part of the first of a three-year capital improvement plan totaling approximately \$9.2 million. Since then, bond counsel has been selected and finance staff has resumed conversations with our financial advisor and bond counsel to secure financing for the remaining two years of projects totaling approximately \$8.1 million.

As it did last year, the County is planning to proceed with the financing utilizing a draw program which will establish credit availability over the last two years of projects. Last year, the County experienced some resistance from LGC staff over the draw program type of financing even though bond counsel legally supported it. In terms of timing on the part of the County, securing funds to replenish the general fund by fiscal year-end was at the forefront. By June 2016, the County and the LGC mutually agreed to limit the financing to the \$1.1 million for the purpose of replenishing fund balance. Since that time, the financing for the balance of the projects has been on hold.

As a reminder, the benefits to this type of financing include: permits and contracts are not required up front but instead will be required as projects approach their starting point; overall administrative costs (financial advisor, bond counsel, bank counsel and LGC fees) will be lower as there will be one financing as opposed to two.

The application process and meeting with the LGC, as well as a banking request for proposal for the bank draw will be required this year and at the end of project completion. Funds will be drawn from the bank as invoices become due. Upon completion of the projects after the two years, the total amount utilized from the draw program over the two years will be financed and re-payment will begin in the third year (fiscal year 2019).

It is anticipated that public hearings and Board of Commission approval will be requested during both meetings of the Board of Commissioners in March.

RECOMMENDATION/PROPOSED ACTION:
No action is necessary, for information purposes only.

Vicki Evans, Finance Director, reviewed the background information recorded above. In response to a question posed by Commissioner Faircloth, Ms. Evans stated the CIP total is \$9.2 million with \$1.1 million already having been received from PNC Bank. Ms. Evans stated the bank for the \$8.1 million has not been chosen but once this is done, the money will be lumped into another financing that will come back to the Board for approval. Questions followed about the LGC and bond rating.

6. MONTHLY FINANCIAL REPORT

BACKGROUND:

The financial report is included as of December 31, 2016.

Highlights of the general fund include:

- Revenues
 - Current real and personal property taxes are lagging slightly when compared with prior years
 - Motor vehicle tax revenues are slightly higher compared to last fiscal year
 - Sales tax is slightly higher compared to last fiscal year.

- Expenditures
 - Overall general fund expenditures are now slightly higher compared with the same timeframe last fiscal year

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

- Consistent with last month's report, Spectra is reporting slightly less overall operating expense compared with the same timeframe last fiscal year

RECOMMENDATION/PROPOSED ACTION:

No action needed – for information purposes only.

Ms. Evans reviewed highlights recorded above.

7. OTHER ITEMS OF BUSINESS

Ms. Cannon asked for consideration to have a preliminary budget session with the Board of Commissioners on Monday, March 6 in room 564 immediately following the regular meeting.

Ms. Cannon also asked for consideration to have the March 2 committee meetings cancelled and rescheduled as special meetings on March 9 since most of the Commissioners will return from the NACo Legislative Conference on March 1. Consensus followed.

There being no further business, the special meeting adjourned at 10:06 a.m.