

**STATE OF NORTH CAROLINA  
COUNTY OF CUMBERLAND**

**2025 AMENDMENT TO  
THE SALES TAX DISTRIBUTION INTERLOCAL AGREEMENT**

**THIS AMENDMENT TO THE SALES TAX DISTRIBUTION INTERLOCAL AGREEMENT** is entered into on the date shown for the last party to execute it, by and among the City of Fayetteville (hereinafter “Fayetteville”), the Town of Hope Mills (hereinafter “Hope Mills”), the Town of Spring Lake (hereinafter “Spring Lake”), the Town of Stedman (hereinafter “Stedman”), the Town of Wade (hereinafter “Wade”), the Town of Falcon (hereinafter “Falcon”), the Town of Godwin (hereinafter “Godwin”), the Town of Linden (hereinafter “Linden”), the Town of Eastover (hereinafter “Eastover”), (hereinafter referred to collectively as the “Municipalities”), and the County of Cumberland (hereinafter the “County”).

**RECITALS:**

**Whereas**, the County and the Municipalities (hereinafter the “Parties”) entered into an interlocal agreement in 2003 for the County to continue to elect the per capita method of sales tax distribution conditioned upon certain reimbursements by the Municipalities to mitigate the re-allocation of sales tax revenue as a result of municipal annexations (the “Sales Tax Distribution Interlocal Agreement”); and

**Whereas**, the Parties have maintained the Sales Tax Distribution Interlocal Agreement through certain amendments and extensions to a term that was to end June 30, 2025, which together constitute the current Sales Tax Distribution Interlocal Agreement; and

**Whereas**, the last such amendment to the Sales Tax Distribution Interlocal agreement was approved by the Parties in 2023 (hereinafter the “2023 Amendment”).

**Now therefore**, the Parties wish to amend the 2023 Amendment to the Sales Tax Distribution Interlocal Agreement as follows:

**I. Section 3(a) of the 2023 Amendment is amended to read as follows:**

3. Base Year and Apportionment of Growth or Decline in Sales Tax Revenue. The sales tax distribution for FY2022 shall be the basis for the distribution in FY2024 and FY2025 as follows:

(a) Any increase in the sales tax revenue for FY2024 over the amount distributed for FY2022 shall be fully apportioned to the County. Any increase in the sales tax revenue for FY2025 over the amount distributed for FY2022 shall be apportioned fifty percent (50%) to the County and fifty percent (50%) to the Municipalities, with each Municipality's share of the increase being its percentage of the total distribution for FY2022.

(b) Any decline in the sales tax revenue for FY2024 below the amount distributed for FY2022 shall be apportioned to the parties with each party's share of the decline being its percentage of the total distribution for FY2022. Any decline in the sales tax revenue for FY2025 below the amount distributed for FY2022 shall be apportioned fifty percent (50%) to the County and fifty percent (50%) to the Municipalities, with each Municipality's share of the decline being its percentage of the total distribution for FY2022.

**II. Section 4, Notice of County's Intent to Elect Ad Valorem Method, of the 2023 Amendment is amended to read as follows:**

4. County's Election of Ad Valorem Method.

County's Board of Commissioners elected the ad valorem method for the distribution of sales tax in April 2024 in accordance with N.C.G.S. § 105-472.

**III. Section 5 of the 2023 Amendment is amended to read as follows:**

5. Effect of this Amendment. The other terms of the current Sales Tax Distribution Interlocal Agreement, as amended and in effect until June 30, 2025, to include the adjustments for reimbursements to mitigate annexations, infill development, and the supplemental reimbursement from Fayetteville, which are not inconsistent with this amendment shall continue in full force and effect. The terms of this 2025 amendment shall supersede any inconsistent terms in the current Sales Tax Distribution Interlocal Agreement, as amended and in effect until June 30, 2025, to the end that the terms of this amendment are the controlling terms.

**IV. Additional terms – new Section 7 to be added as follows:**

7. Conditions Precedent. This amendment shall not become effective until the City of Fayetteville pays the County \$1,624,427.25 still outstanding under the Sales Tax Distribution Interlocal Agreement for FY2024.

**IN WITNESS WHEREOF,** the parties, intending this to be a continuing interlocal agreement, have caused it to be approved by the governing body of each party, entered into the minutes of the meeting at which it is approved, and signed by their appropriate officials, the day and year designated by each.

ATTEST:

**COUNTY OF CUMBERLAND**

\_\_\_\_\_  
Andrea Tebbe, Clerk to the Board

BY: \_\_\_\_\_  
Kirk J. deViere, Chairman  
Board of Commissioners

Date Signed: \_\_\_\_\_

Approved for Legal Sufficiency

\_\_\_\_\_  
County Attorney

[Signature Pages for the Municipalities Follow]

ATTEST:

**CITY OF FAYETTEVILLE**

\_\_\_\_\_  
Jennifer L. Ayre, City Clerk

BY: \_\_\_\_\_  
Mitch Colvin, Mayor

Date Signed: \_\_\_\_\_

Approved for Legal Sufficiency

\_\_\_\_\_  
Lachelle H. Pulliam, City Attorney

ATTEST:

**TOWN OF HOPE MILLS**

\_\_\_\_\_  
Town Clerk

BY: \_\_\_\_\_  
Mayor

Date Signed: \_\_\_\_\_

Approved for Legal Sufficiency

\_\_\_\_\_  
Town Attorney

ATTEST:

**TOWN OF SPRING LAKE**

\_\_\_\_\_  
Town Clerk

BY: \_\_\_\_\_

Mayor

Date Signed: \_\_\_\_\_

Approved for Legal Sufficiency

\_\_\_\_\_  
Town Attorney

ATTEST:

**TOWN OF WADE**

\_\_\_\_\_  
Town Clerk

BY: \_\_\_\_\_  
Mayor

Date Signed: \_\_\_\_\_

Approved for Legal Sufficiency

\_\_\_\_\_  
Town Attorney

ATTEST:

**TOWN OF FALCON**

\_\_\_\_\_  
Town Clerk

BY: \_\_\_\_\_

Mayor

Date Signed: \_\_\_\_\_

Approved for Legal Sufficiency

\_\_\_\_\_  
Town Attorney



ATTEST:

**TOWN OF GODWIN**

\_\_\_\_\_  
Town Clerk

BY: \_\_\_\_\_

Mayor

Date Signed: \_\_\_\_\_

Approved for Legal Sufficiency

\_\_\_\_\_  
Town Attorney

ATTEST:

**TOWN OF LINDEN**

\_\_\_\_\_  
Town Clerk

BY: \_\_\_\_\_

Mayor

Date Signed: \_\_\_\_\_

Approved for Legal Sufficiency

\_\_\_\_\_  
Town Attorney

ATTEST:

**TOWN OF STEDMAN**

\_\_\_\_\_  
Town Clerk

BY: \_\_\_\_\_  
Mayor

Date Signed: \_\_\_\_\_

Approved for Legal Sufficiency

\_\_\_\_\_  
Town Attorney

ATTEST:

**TOWN OF EASTOVER**

\_\_\_\_\_  
Town Clerk

BY: \_\_\_\_\_  
Mayor

Date Signed: \_\_\_\_\_

Approved for Legal Sufficiency

\_\_\_\_\_  
Town Attorney