

Regular Session, October 7, 2013, 9:30 a.m.
Catawba County Board of Commissioners

Appointments

Jury Commission	72	10/07/13
Alcohol Beverage Control Board	72	10/07/13

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Leadership Academy

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Presentations

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Proclamations

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Public Health

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Tax

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The Catawba County Board of Commissioners met in regular session on Monday, October 7, 2013, at 9:30 a.m. in the Robert E. Hibbitts Meeting Room of the 1924 Courthouse, 30 North College Avenue, Newton, North Carolina.

Present were Chair Katherine W. Barnes, Vice-Chair Barbara G. Beatty and Commissioners Lynn M. Lail, Dan Hunsucker and Randy Isenhower.

Also present were County Manager J. Thomas Lundy, Assistant County Managers Dewey Harris and Mary Furtado, County Attorney Debra Bechtel and County Clerk Barbara Morris.

1. Chair Katherine W. Barnes called the meeting to order at 9:30 a.m.
2. Commissioner Randy Isenhower led the Pledge of Allegiance to the Flag.
3. Chair Barnes offered the invocation.
4. Commissioner Dan Hunsucker made a motion to approve the minutes from the Board's Regular Meeting of September 16, 2013.
5. Recognition of Special Guests: Chair Barnes welcomed everyone present and specifically recognized Leadership Academy Graduates, Leroy Lail who serves on the Board of Governors for the State University System, and Nolan Foster, a student in the Honors Civics Class at St. Stephens High School.

6. Public Comments for Items Not on the Agenda: None.
7. Presentations:
 - A. Pam Cook from the NCDOT Transportation Planning Branch made a presentation to the Board regarding the North Carolina Department of Transportation's new Strategic Transportation Investment (STI) legislation and a new Strategic Mobility Formula. This presentation provided the Board with an overview of how the Formula will address how traditional Equity-eligible funds, Urban Loop funds, Mobility Funds, Powell Bill and Secondary Roads paving funds will be allocated, based on a prioritization criteria using a 0-100 point scale.
 - B. Human Resource Director Cynthia Eades and Assistant Human Resources Director Nancy Rockett came forward to recognize eleven County employees who are the first to graduate from the County's new Leadership Academy. These employees were identified to have leadership potential and, over the last year, have developed their skills by expanding their understanding of leadership and management responsibilities through participation in professional development opportunities, book studies, networking and team-building opportunities, development and completion of a team project and the successful completion of six County-sponsored academic modules. The Academy graduates are: Regina Arrowood, Social Services; Cari Burns, County Manager's Office; Julie Byrd, Public Health; Steve Lackey, Technology; Chantae Lail, Public Health; Phillip Overholtzer, Library; Stephanie Pannell, Technology; Paulette Smyre, Human Resources; Angie Triplett, Human Resources; Dawn Wilson, Social Services and Lori Wray, Tax.
 - C. Commissioner Hunsucker presented a proclamation celebrating the 75th anniversary of Catawba County Public Health to Public Health Director Doug Urland. The proclamation commended Catawba County Public Health for 75 remarkable years of serving the people of Catawba County by promoting health, preventing disease and assuring access to vital health services.
8. Appointments.

Commissioner Isenhower recommended the reappointment of Wayne Martin for a second term on the Jury Commission. Mr. Martin's term will expire June 30, 2015. Chair Barnes recommended the reappointment of Ann Davis for a second term as Chair and Jeff Bronnenberg for a fourth term on the Alcohol Beverage Control Board. Ms. Davis' term will expire October 5, 2016 and Mr. Bronnenberg's term will expire September 30, 2016. Chair Barnes stated that these recommendations came in the form of a motion which carried unanimously.
10. Departmental Reports:
 - Tax
 - a. Tax Administrator Mark Logan requested the Board grant the County Tax Administrator authority, on an individual basis, to allow extensions for listing personal property. Businesses and corporations whose business year ends on December 31 of each year, as well as some individuals, can have difficulty completing their listing abstracts by January 31 of each year. This is due to the fact that they are unable to calculate an inventory taken on December 31 and submit this figure to the Tax Administrator by the January 31 deadline. North Carolina General Statute 105-307 allows the Board to grant individual extensions of time for the listing of personal property, upon written request and for good cause shown. The request must be filed with the Tax Administrator no later than the ending date of the regular listing period. This means a letter must be written and postmarked no later than January 31, 2014, and this letter must provide the reason the extension is being requested. Extensions granted on an individual basis cannot extend beyond April 15, 2014. Commissioner Lail made a motion to grant this authority. The motion carried unanimously.
 - b. In accordance with North Carolina General Statutes, the Board approved the Fiscal Report and Settlement of taxes for the fiscal year beginning July 1, 2012 and ending June 30, 2013. The report reflected that \$80,516,247 (96.95%) in real estate and personal property tax has been collected as of June 30, 2013, with \$2,537,459 outstanding in real estate and personal property tax.

Commissioner Hunsucker made a motion to accept the report and the motion carried unanimously. The settlement report is as follows:

**FISCAL YEAR JULY 1, 2012 TO JUNE 30, 2013
CATAWBA COUNTY 2012 TAX YEAR
REAL ESTATE / PERSONAL PROPERTY TAXES – COUNTY AND FIRE DISTRICTS**

ADJUSTED LEVY as of 6/30/2013	-----	83,053,706
BALANCE OF A/R as of 6/30/2013	-----	2,537,459
COLLECTIONS as of 6/30/2013	-----	80,516,247
PERCENTAGE COLLECTED AS OF 6/30/2013	-----	96.95%

I, Lori Mathes, do hereby affirm that this is a true and accurate report concerning the tax levy of Catawba County, North Carolina, for Fiscal Year 2012/2013, 2012 tax year.

This is the _____ day of _____ 20_____

Lori Mathes
Tax Collector, Catawba County

NORTH CAROLINA, CATAWBA COUNTY

I, _____, Notary Public, do hereby certify that Lori Mathes personally appeared before me this day and acknowledge the due execution of the foregoing instrument.

Witness my hand and official seal, this the _____ day of _____, _____

Notary Public:

COLLECTIONS FROM OTHER SOURCES

Real and Personal Property Taxes

Collected 2012---County and Fire Districts	80,519,566.10
Prior Years 1999-2011 Principal - County & Fire	1,734,368.39
Interest-----2012 and Prior Years	428,589.95

Vehicle Tax

Collected 2012---County and Fire Districts	5,520,402.43
Prior Years 1999-2011 - County and Fire Districts	828,467.92
Interest on Vehicle Tax - 2011 and Prior Years	111,682.00

Prepaid Tax Distribution on 2013 County Tax (REPP)	82,220.18
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Prepaid Tax Distribution on 2013 County Tax (RMV)	243,665.12
NSF Check Charges	4,621.31
Garnishment & Attachment Fees	21,644.84
Privilege Licenses	37,560.00
Gross Receipts Tax (Tax on Rental Vehicles)	68,965.54
Gross Receipts Tax (Tax on Heavy Equipment)	4,604.86
Feed for Deed and Map Copies	4,663.14
Foreclosure & Legal Fees	5,954.08

***Municipal Collection Charges**

Cities @ 3.64/bill and 3.17/bill Out of County	150,944.52
Cities Fees of 1 1/2% on Auto Tax Collected	38,972.71

***MUNICIPAL COLLECTION CHARGES**

Brookford	315	bills	3.64	1,146.60
Catawba	620	bills	3.64	2,256.80
Claremont	1137	bills	3.64	4,138.68
Conover	5249	bills	3.64	19,106.36
Hickory	21601	bills	3.64	78,627.64
Hickory - Burke County Bills	96	bills	3.17	304.32
Longview	2564	bills	3.64	9,332.96
Longview - Burke County Bills	444	bills	3.17	1,407.48
Maiden	2276	bills	3.64	8,284.64
Newton	<u>7236</u>	bills	3.64	<u>26,339.04</u>
Totals	<u>41538</u>			<u>150,944.52</u>

- 3.17 represents the cost of collection for each bill
- 0.47 represents the cost of IT data processing for each bill
- No data process was done by Catawba County's ITC for these Burke County Bills

2012 COLLECTIONS INFORMATION BY CITY AND TOWN
Real Estate and Personal Property

	LEVY	COLLECTED	OUTSTANDING BALANCE	PERCENT
Brookford	95,203	88,162	7,041	92.60%
Catawba	296,478	285,501	10,977	96.30%
Claremont	1,657,613	1,630,368	27,245	98.36%

Conover	3,939,483	3,874,226	65,257	98.34%
Hickory	21,272,493	20,657,303	615,190	97.11%
Hickory/ Burke County	200,626	192,477	8,149	95.94%
Long View	915,696	870,288	45,408	95.04%
Long View/ Burke County	142,018	133,059	8,959	93.69%
Maiden	3,764,432	3,731,224	33,208	99.12%
Newton	4,796,190	4,615,271	180,919	96.23%

	Vehicle Collections		
	PRINCIPAL	INTEREST	TOTAL
Brookford	39,582	281	39,863
Catawba	16,189	191	16,380
Claremont	50,839	311	50,150
Conover	225,552	1,619	227,171
Hickory	1,252,685	9,432	1,262,117
City tag fees	122,662		122,662
Long View	56,131	488	56,619
Maiden	59,227	651	59,878
Newton	244,502	2,664	247,166

STATUS OF COLLECTION PERCENTAGE AS OF JUNE 30, 2013

**Fiscal year 07/01/11 thru 06/30/12
Tax Year 2011**

Adjusted Levy	80,513,306
Collections	79,158,221
Outstanding Balance (Real Estate & Personal Property)	1,355,085
Percentage Collected	98.32%

**Fiscal Year 07/01/10 thru 06/30/11
Tax Year 2010**

Adjusted Levy	79,379,172
Collections	78,595,048
Outstanding Balance (Real Estate & Personal Property)	784,124
Percentage Collected	99.01%

As of 06/30/13 99.30% of the 2009 levy was collected

As of 06/30/13 99.54% of the 2008 levy was collected
 As of 06/30/13 99.74% of the 2007 levy was collected

PRIOR YEARS COLLECTION RESULTS

FISCAL YEAR	TAX YEAR	LEVY	PERCENTAGE COLLECTED
1979/80	1979	11,062,367	91.92
1980/81	1980	11,723,000	97.01
1981/82	1981	12,341,738	97.98
1982/83	1982	12,769,270	98.85
1983/84	1983	14,364,144	99.43
1984/85	1984	15,016,524	99.46
1985/86	1985	15,023,711	99.30
1986/87	1986	17,970,927	99.12
1987/88	1987	17,385,223	99.31
1988/89	1988	17,812,972	99.35
1989/90	1989	21,676,434	99.34
1990/91	1990	22,611,620	99.19
1991/92	1991	27,682,982	99.30
1992/93	1992	28,240,644	99.20
1993/94	1993	28,280,279	99.64
1994/95	1994	29,570,920	99.61
1995/96	1995	33,664,697	99.61
1996/97	1996	34,868,643	99.57
1997/98	1997	37,850,343	99.50
1998/99	1998	39,189,655	98.98
1999/00	1999	47,323,073	98.76
2000/01	2000	49,092,961	98.53
2001/02	2001	51,214,653	98.52
2002/03	2002	53,182,726	98.47
2003/04	2003	57,179,727	98.30
2004/05	2004	57,597,987	98.24
2005/06	2005	59,926,161	98.14
2006/07	2006	61,893,002	98.04
2007/08	2007	74,971,643	97.92
2008/09	2008	77,832,429	97.34
2009/10	2009	78,921,143	97.30
2010/11	2010	79,384,478	97.27
2011/12	2011	80,525,105	96.98
2012/13	2012	83,053,706	96.95

Addition to agenda:

County Manager J. Thomas Lundy then asked the Directors of Social Services and Public Health to update the Board and the public on the impact of the federal government shutdown:

Social Services Director John Eller presented an update to the Board regarding the impact of the federal government shutdown on Catawba County Social Services. Mr. Eller clarified that, for now, Social Security, SNAP (Food Stamps), Medicaid, Medicare, IV-E Foster Care and Adoptions and Child Support benefits will continue as usual. If no resolution is reached, there could be long-term implications. The County has been advised by North Carolina state leadership that there will be no additional funding as of October 1, 2013 from the following federal block grants: Temporary Assistance for Needy Families (TANF), Social Services Block Grant (SSBG), Child Care Development Fund (CCDF), Community Service Block Grant (CSBG), Home and Community Care Block Grant and Low Income Home Energy Assistance Program (LIHEAP). These grant funds support Child Protective Services, Foster Care Services, Work First, Child Welfare Services, which

includes foster care and adoptions, Adult Day Care, Child Care Subsidy, Teen Up, In Home Aid, Senior Nutrition and Transportation and Energy Assistance. Another serious impact would be the shutdown of our area public transit system – Greenway, which provides transportation services for many of Social Services/Public Health’s Services. Mr. Eller stated that Social Services would continue to maintain its current level of services if at all possible with the use of reinventing/surplus dollars through October 17, 2013, when it is hoped that the debt ceiling/Federal budget issues are resolved.

Public Health Director Doug Urland joined Social Services Director John Eller to update the Board regarding the impact of the federal government shutdown. He advised that the WIC Program (Special Supplemental Nutrition Program for Women, Infants and Children) will continue to enroll new participants through October 8, 2013. Existing federal funding will allow enrolled clients to keep their nutrition appointments and continue to redeem their vouchers for now. If there are insufficient funds to continue to serve eligible participants, a waiting list will be implemented. Limited grant funds are currently available to be drawn down to support a Maternity partnership with Catawba Valley Medical Center, the School Nurse Program and the Family Planning Program.

Commissioner Hunsucker suggested requesting assistance for transportation and childcare from our faith-based partners and Mr. Eller advised that required licensing was a hurdle in those requests but no options were off the table.

At the request of Chair Barnes, Mr. Lundy explained the concept of reinventing to those present.

12. Other Items of Business:

Chair Barnes presented the following report regarding the actions taken by the Board to meet its FY2012/13 Goals:

1) Support a coordinated effort to create jobs and property tax base by investing in infrastructure, the development of the County’s quality of life, and educational opportunities. Participate with the private sector in determining a long-term vision. Specific strategies include:

- a. **Aggressive recruitment of most favored industries;**
- b. **Support of and participation in a multi-jurisdictional business park;**
- c. **Advocating for the widening and completion of Highway 16;**
- d. **Insuring that County regulations support orderly growth and business development;**
- e. **Supporting an environment for entrepreneurship, emphasizing the development of small business;**
- f. **Continued support of public education, Economic Development Corporation, Convention and Visitor Bureau, CVCC and the Chamber of Commerce.**

2) Prepare a fiscal year 2012-13 budget which provides needed County services within available revenues, including no property tax increase, ensuring that the County addresses its short term needs while planning for long term growth and maintaining the Board of Commissioners’ policy of two months of operating expenses.

OUTCOME REPORT:

Goal 1:

In keeping with the County’s broad and long-term approach to funding water and sewer infrastructure needs countywide, Board action resulted in: an agreement between the County and the City of Hickory for the Hickory-Catawba Wastewater Treatment Plant expansion which will increase treatment capacity to service areas including the Town of Catawba and the commercial and industrial areas along Highway 150, as well as providing needed service provisions in the southeast Catawba County service area in anticipation of growth; an interlocal agreement with the City of Newton for a water project to service Highway 16 South, Balls Creeks Road and Buffalo

Shoals Road; and the utilization of grant funds to extend the Old Shelby Road Water Line to provide water to 131 persons and 63 households, the majority of which have severe water needs.

The Board also entered into a new exclusive solid waste management franchise agreement with Republic Services of NC, LLC to ensure a substantial increase in the number of items collected for recycling and the initiation of "single stream" collection of recyclable commodities so recycled materials would no longer have to be separated at curbside. This agreement increased Republic Services' investment in Catawba County by \$13 million and protected over 150 local jobs. The County also entered into agreements with the Cities of Hickory, Newton, Conover and the Town of Long View for the continued acceptance, management, and disposal of municipal solid waste collected with the municipalities' jurisdictions.

With an eye on all aspects of services which impact the County's quality of life, the Board addressed the need to increase the capacity of the Animal Shelter which receives animals from both the incorporated and unincorporated areas of the County by awarding a bid for construction of a new shelter.

Further Board actions taken to improve the quality of life of county citizens included: appropriation of existing fund balance in the amount of \$30,000 to assist Bandys Crossroads Volunteer Fire Department in construction costs for replacing one station and building one new fire station; action which enabled Propst Crossroads Volunteer Fire Department to acquire a more favorable interest rate when financing the purchase of a new pumper-tanker and self-contained breathing apparatus; donation of a surplus county vehicle to the Western North Carolina Epilepsy Association to assist with use at their HOPE (Help Our People Eat) Garden; amending the Unified Development Ordinance regarding setbacks for principal structures on corner lots, thus allowing homeowners more flexibility in placement of structures on these lots; revision of the Unified Development Ordinance to address setbacks from gravesite's crypts, vault or grave markers in cemeteries in unincorporated areas of the County.

When floods in May 2013 threatened the quality of life of the northern and eastern parts of the County, the Board's action to waive solid waste, building permit, zoning and flood plain development permit fees associated with the affected property eased some of the burden caused by this natural disaster.

During the Board's retreat in December 2012, the Board received an interim report from the Southern Growth Policy Board on the ongoing joint effort of the areas' public and private sectors to identify opportunities for economic competitiveness. This effort has resulted in a public/private project named Innovate Catawba that has identified six work areas: Inspiring Communities, Reinventing Spaces, Workforce Connectivity, Entrepreneurship, Building for Jobs, and Leading and Communicating. The Board also adopted the Farm & Food Sustainability Plan to sustain agricultural land in the County, recruit younger farmers and provide tools for farm transitioning, focus on agricultural economic development and agri-tourism and ensure local food sustainability by developing and marketing a "Farm-to-Fork" initiative.

Further actions taken toward the specific strategies of this goal were:

Aggressive recruitment of most favored industries;

The Board approved incentives, along with the City of Claremont, for Bed, Bath and Beyond to locate a disaster recovery facility/backup data center (later to become their primary data Center) in Claremont's CenterPoint Shell Building. The new investments, equal or greater than \$36,800,000, and a minimum of seven new jobs created by 2018 paying substantially above Catawba County average wages, will add this Fortune 500 company to our base.

Included in the Board's 2013 Legislative Agenda was support to abolish the existing guidelines specific to State incentives, grants, and assistance programming. The existing system ranks North Carolina's 100 counties based on economic well-being and assigns each a tier designation. Catawba County, with higher than average the State unemployment rate, is not well supported as

the result of the tiering structure's eligibility factors. Continued in the Legislative Agenda was emphasis on completion of the widening of Hwy. 16 from Newton to Tower Road in SE Catawba County to better facilitate transportation to and from Charlotte.

Support of and participation in a multi-jurisdictional business park;

The Board entered into a joint development agreement with the Town of Catawba, the City of Conover, the City of Hickory and the Town of Maiden to acquire, develop and operate a business park on a 70 acre tract of land off of US Interstate 40, Exit 132 at Highway 16 in Conover.

Insuring that County regulations support orderly growth and business development;

The Board revised the demolition/rehab program it adopted in the last fiscal year to make the program less restrictive regarding the type of development and the minimum acreage required. This program will waive for one year certain landfill fees and erosion control permit fees to encourage development of pre-graded sites, demolition and removal of dilapidated buildings and rehabilitation of historic buildings in order to promote economic development. Based on the waiver program producing significant re-investment through improved aesthetics, positive net tax income, and re-investment by private developers which spurred new job creation and new businesses, the Board acted to extend this waiver program for an additional 24 months.

Supporting an environment for entrepreneurship, emphasizing the development of small business;

The County's continued support of the Chamber of Commerce's Edison Project focuses on the need to identify and foster new small businesses.

Continued support of public education, Economic Development Corporation, Convention and Visitor Bureau, CVCC and the Chamber of Commerce.

The Fiscal Year 2012/13 budget authorized \$25 million in school construction projects: a new Longview Elementary School, a major renovation to South Newton Elementary and Newton-Conover Middle Schools and renovations for Catawba Valley Community College (CVCC). The County's funding of CVCC increased 2.6 percent to \$3,712,188 in the FY 2012/13 budget which should maintain the County's ranking in community college funding at 15th out of 58 community colleges. In support of the capital needs of public education, the Board appropriated an additional \$824,670 to ensure the completion of the Longview Elementary School Project.

The adopted budget continued to support the Convention and Visitors Bureau, the Chamber of Commerce Visitor Information Center and the Chamber of Commerce's Edison Project. For the 10th year of the Greater Hickory Classic at Rock Barn, the Board again waived applicable permit fees for the event. The impact of this event on the local economy is estimated at \$15 million, with more than 65,000 spectator, volunteers and vendors as well as over 15 hours of live and replay coverage on the Golf Channel.

Goal #2 (prepare a Fiscal Year 2012-13 budget which provides needed County services within available revenues, including no property tax increase, ensuring that the County addresses its short term needs while planning for long term growth and maintaining the Board of Commissioners' policy of two months of operating expenses.

The Fiscal Year 2012/13 budget was adopted with no countywide property tax increase and maintains the tax rate at \$0.53 per \$100 of valuation, which is the 8th lowest tax rate of the 27 urban counties (populations over 100,000) and the 28th lowest of all 100 counties in North Carolina. This is the sixth year without a property tax increase. The budget reflected a 1.2 percent increase in County operations and maintained the Board of Commissioners' policy of two month operating expenses. The County continues to examine the way it does business and meet service needs within available revenue.

With a sound and fiscally responsible budget in place, the Board continued to take action which benefited the financial security of the County, such as refinancing of a portion of the County's installment payment obligations to take advantage of lower interest rates and realizing more than

\$850,000 over the next thirteen years as well as approving installment purchase financing in the amount of \$31 million at a low 1.96% interest rate over 15 years for the construction of two new elementary schools, renovations to existing school facilities, improvements to Catawba Valley Community College and a new animal shelter. When the construction of the Highway 150 sewer lines was excluded by the bank from the above financing, separate installment purchase financing was identified for this remaining \$8 million construction project at a rate of 1.81% for twelve years.

13. Attorney's Report: None.
14. Manager's Report: None.
15. Adjournment. Commissioner Hunsucker made a motion to adjourn at 11:12 a.m.

Katherine W. Barnes, Chair
Catawba County Board of Commissioners

Barbara E. Morris
County Clerk