

Catawba County Board of Commissioners
 Regular Session, Monday, December 15, 2008, 7:00 p.m.

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Board of Commissioners

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Western Piedmont Council of Governments

County funding of additional WPCOG staff for foreclosure counseling	271	12/15/08
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The Catawba County Board of Commissioners met in regular session on Monday, December 15, 2008 at 7:00 p.m. in the 1924 Courthouse, Robert E. Hibbitts Meeting Room, 30 North College Avenue, Newton, North Carolina.

Present were Chair Katherine W. Barnes, Vice-Chair Lynn Lail and Commissioners Dan Hunsucker, Glenn Barger and Barbara G. Beatty.

Also present were County Manager J. Thomas Lundy, Assistant County Manager Lee Worsley, Assistant County Manager Dewey Harris, County Attorney Debra Bechtel, Deputy County Attorney Anne Marie Pease and County Clerk Barbara Morris.

1. Chair Katherine W. Barnes called the meeting to order at 7:00 p.m.
2. Chair Barnes led the Pledge of Allegiance to the Flag.
3. Commissioner Glenn Barger offered the invocation.
4. Commissioner Glenn Barger made a motion to approve the minutes of the Regular and Closed Sessions of Monday, December 1, 2008. The motion carried unanimously.

Chair Barnes then took the opportunity to congratulate the Newton-Conover Red Devils for winning the State 2A Football Title and said the Coach and team would be at a future meeting to be recognized for this accomplishment.

5. Recognition of Special Guests: Chair Barnes welcomed everyone present.

6. Public Comments: None.

7. Appointments.

Vice-Chair Lynn Lail recommended the reappointment of Stuart Dewitt for a second term, Eric Shook for a third term and Rusty Lutz for a third term on the Catawba County Planning Board and the appointment Chris Rockensuess for a first term to succeed Anne Barrier who did not want to be reappointed to this Board. Mr. Dewitt's, Dr. Shook's and Mr. Lutz' terms will expire December 31, 2012 and Ms. Rockensuess' term will expire December 31, 2011. Vice-Chair Lail also recommended the reappointment of Charles Preston for a second term on the Equalization and Review Board. Mr. Preston's term will expire December 5, 2011. Chair Kitty Barnes recommended the reappointment of Chilo Forsyth to the Catawba Youth Council, representing both the Boy Scouts and St. Stephens High School, with a term expiration of January 8, 2010. Chair Barnes also recommended the appointment of Jennifer Mace, who will become Catawba County Budget Manager effective January 1, 2009, as Chair Barnes' alternate on the Juvenile Crime Prevention Council. Ms. Mace's unexpired term will end on June 30, 2009. These recommendations came in the form of a motion and the motion carried unanimously.

8. Consent Agenda:

County Manager J. Thomas Lundy presented the following four items on the consent agenda:

a. A request for the Board to consider the creation of a new position for the Register of Deeds' Office to work with scanning and indexing of vital records and an appropriation of \$18,500 to cover salary and benefits for the remainder of the current fiscal year. This position will sunset on December 31, 2011. During the County's fiscal year 2008-09 budget process, the Register of Deeds requested a full time position to complete the scanning and indexing of vital records. This work is necessary in order to ensure backup of these records and make them available in computerized format for public access. The project involves the records of births and deaths back to 1913 and marriages back to 1842. Scanning work has been completed back to 1999 for marriages and deaths and to 1945 for births. The use of temporary part-time help has created some problems with training and continuity, increasing the time needed to complete this project. A full time Deputy Register of Deeds position will cost \$37,000 annually, including benefits, and will complete the work in 2 ½ to 3 years. The following supplemental appropriation apply:

Supplemental Appropriation

Revenue:

110-190050-690100 – GF Fund Balance	\$18,750
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Expense:

110-160050-812100 – Regular Wages	\$12,500
110-160050-821100 – FICA	\$ 937
110-160050-822100 – Local Govt. Emp. Retire	\$ 597
110-160050-823100 – Group Health	\$ 3,013

110-160050-823300 – Dental	\$ 155
110-160050-823600 – Long-term Disability	\$ 11
110-160050-825500 – Short-term Disability	\$ 37
110-160050-849160 – Personnel Indirect Costs	\$ 1,500

b. A request for the Board to consider the establishment of a new classification, Deputy Sheriff-Senior Investigator. Adding this new classification will provide current Sheriff's Office investigators with a career path and give the County an avenue to retain well-trained officers. Twenty-six investigators have either transferred to other departments within the Sheriff's Office, gone into private investigations, moved on to federal or state law enforcement, or retired since 2000. Retention of these valuable investigators, and the knowledge and education they possess, will result in more successful prosecutions. Eight investigators are presently on staff and three are being considered for this promotion. Since the remaining investigators are relatively new to their positions, further promotions would not be anticipated for at least two years.

c. A request for the Board to enter into an agreement with Mental Health Partners to continue providing services for substance abuse consumers enrolled in the Criminal Justice Partnership Program (CJPP), and appropriated \$122,893 in anticipated funds for those services. The County has routinely received State dollars to fund the CJPP. These funds were previously accounted for in the Mental Health Department budget, but with the department's transition away from the County Government to become Mental Health Partners on July 1, 2008, those funds were not included in the current year County budget. The following supplemental appropriations apply:

Supplemental Appropriation

Revenue:

110-510050-635012	\$122,893
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CJPP Grant

Expense:

110-510050-915160	\$122,893
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CJPP

d. A request for the Board to consider an amendment to the Rural Planning Organization (RPO) Memorandum of Understanding between the Town of Taylorsville, Alexander County, Burke County, Caldwell County, Catawba County, the North Carolina Department of Transportation (NCDOT) and the Western Piedmont Council of Governments to help the RPO meet quorum requirements and to fulfill NCDOT requirements. The original Memorandum established an RPO in the Unifour area and specified the RPO's geographic area, mission, eligible functions, local membership, staffing, funding, level of NCDOT participation, and other procedural and operational issues. The Memorandum is amended to include a section that states: "Any member who fails to attend, or make arrangements for an alternate to attend, two (2) consecutive meetings will be designated as occupying a vacant seat which will not count towards a quorum. Attendance at future meetings will reinstate the member."

Chair Barnes asked if any Commissioner wished for an item or items to be removed from the consent agenda and considered individually. None were requested. Commissioner Barger made a motion to approve the consent agenda. The motion carried unanimously.

9. Departmental Reports:

A. Western Piedmont Council of Governments.

Dee Blackwell, Jr., Executive Director of the Western Piedmont Council of Governments, presented a request for the Board to consider Catawba County joining with other local government agencies to fund the cost of additional staff for the Western Piedmont Council of Government (WPCOG) to provide foreclosure counseling and assistance. In response to the dramatic rise in the number of foreclosures in our region, the county and city managers in Alexander, Burke, Caldwell and Catawba Counties requested the WPCOG provide a proposal for funding additional staff for a Mortgage Counseling Program. The dramatic rise in unemployment has increased the need for mortgage default counseling. Alexander, Burke, Caldwell and Catawba Counties have a larger share of subprime mortgages in danger of foreclosure than many other areas in North Carolina. Catawba County had 834 foreclosures in 2007 which equates to approximately \$2.5 million in real estate tax value.

The WPCOG is trying to assist residents with a variety of needs regarding foreclosure. In 2003, the WPCOG began implementing a Home Protection Pilot Program offered by the North Carolina

Housing Finance Agency. More than fifty homeowners have benefitted from this program, receiving assistance with mortgage payments while they return to school to learn new job skills. The WPCOG is also a HUD Certified Counseling Agency. Until 2004, staff placed most of its counseling emphasis on home ownership and reverse mortgage counseling. Because of the changing economy, the direction of the counseling program has changed. Assisting clients with delinquent mortgages is the most labor intensive form of counseling the WPCOG provides. Approximately fifteen staff hours are necessary to complete a successful workout plan or loan modification effort. Since January 1, 2008, 136 families have received foreclosure prevention counseling from WPCOG staff. Four of those families have lost their homes through foreclosure and ten other families are close to losing their homes, but are continuing to work with staff to find a positive solution. The WPCOG proposed a new housing counselor position to address the increased workload for the Mortgage Counseling Program. The position costs, including salary, benefits and indirect charges, total \$64,750. These costs, as well as a shortage of \$7742 for existing foreclosure counseling activities not covered by grants, are to be allocated to local governments based on population. Due to a recent \$100,000 contribution from Bank of America, the per share costs have been greatly reduced. The projected cost for Catawba County for the full 24 month period proposed is \$8,460.24. Commissioner Barbara Beatty made a motion to approve Catawba County joining in these foreclosure counseling and assistance efforts with a proposed cost to the County of \$8,460.24. The motion carried unanimously.

B. Information Technology

1. Terry Bledsoe, Chief Information Officer, presented a request for the Board to award a bid for a multi-jurisdictional permitting and inspection system to EnerGov Solutions, LLC in the amount of \$575,668. The County's current permitting system, made by Tidemark, has been used since 1999 to track and maintain permitting and inspection data for several County departments. The City of Hickory also uses the system for many functions. However, the vendor has no plans to update the system and, within three years, it will not function within the County's technology infrastructure.

The cost to move to Tidemark's new platform is cost prohibitive, at well over \$1 million. For this reason, staff began investigating options for system replacement. The County's Building Services Advisory Committee and a team from New Hanover County that recently reviewed the permitting process used by governments across the county recommended the County seek ways to better communicate between jurisdictional boundaries and more efficient inspection and permitting processes for construction projects. The goal is to have a shared system that covers not only permitting and inspections, but a full Land Management System that will provide services for planning departments, fire departments, and utility departments for Catawba County and the municipalities of Catawba, Claremont, Conover, Hickory, Long View, Maiden and Newton.

A project team, comprised of representatives from various County departments and the City of Hickory, was formed to develop a Request For Proposals (RFP) to define permitting and inspections system requirements. The RFP was released in June 2008 and proposals were received in July from eight vendors. The top three vendors were further evaluated. Onsite demonstrations were provided for the project team at the Government Center in Newton. After demonstrations and reference checks, the team selected two final candidates: Blue Prince and Energov. Site visits were arranged in Charleston, SC and Goldsboro, NC for the selection team to see the systems in a production environment and interview clients that use the systems daily.

After these site visits, Energov was selected unanimously as the overall best solution to meet Catawba County's goals because the product offers electronic plan review and tight integration with the County's current GIS system. Both features greatly improve efficiency by making information more readily available. A discounted licensing fee was offered by Energov to better accommodate the project budget. The total cost of the software licensing and implementation services contract with Energov is \$575,668. The project will proceed in two phases: first, the implementation of the system for County and City of Hickory offices, followed by the addition of other municipalities and electronic plan review functionality. Due to the complexity of the current system, it is estimated that the installation of a new system will require 8 to 10 months to complete. Funds are available in the existing budget from project account # 410-460100-982000-14014. Commissioner Dan Hunsucker

made a motion to award this bid to Energov in the amount of \$575,668. The motion carried unanimously.

2. Terry Bledsoe, Chief Information Officer, presented a request for the Board to approve a contract with Photo Science for \$103,673.65 to update the County's aerial photography. This project is for color orthophotography. It will benefit County departmental users and the public by updating the photos used in the County's Geospatial Information System (GIS) and in other uses.

Catawba County has entered into an agreement with the Centralina Council of Governments (COG) to participate in a joint orthophoto project with eight other area counties: Burke, Cleveland, Gaston, Iredell, Lincoln, Mecklenburg, Rutherford, and Stanly. A fly-over to capture the photos will take place in February or March 2009. The County will see a substantial cost savings by participating in this joint project due to an overlap of the counties the vendor will be flying. The participants previously decided to update orthophotography every four years and the early 2009 flyover will be consistent with the planned schedule. New color photos will be delivered in November 2009 and be available to users by the end of 2009. Partnering municipalities will fund 24.1% of the project. The County will fund the project initially, and the municipalities will reimburse the County for their portion of the project.

On August 1, 2008, Request for Qualifications (RFQ) were sent from the Centralina COG to numerous orthophotography firms. Nine qualification statements were received. On September 4, Centralina COG coordinated a conference call with representatives of the participating counties to determine which firms to interview. Four firms were selected for interviews on September 15. The participants unanimously chose Photo Science as the top ranked vendor. Catawba County included in the RFQ a request for pricing to update its land use, impervious surfaces, and transportation layers. Funds were approved in the FY 08/09 budget in capital projects account #410-460100-857900-14011, designated for aerial fly-over updates. Commissioner Glenn Barger made a motion to approve this contract with Photo Science in the amount of \$103,673.65. The motion carried unanimously.

3. Terry Bledsoe, Chief Information Officer, presented a request for the Board to approve a contract with Pictometry, in the amount of \$94,800, to acquire oblique photography. Oblique photography goes beyond the County's current orthophotography with side angle views of each structure. Emergency services and law enforcement personnel are expected to find this photography valuable because it will give them photos by which they can see buildings from several angles when responding to calls; such as the front door of a house, back door, windows and more. The Communication Center will have the ability to instantly view multiple images of a caller location at the time of call; view each address from multiple angles for entry and escape points; and provide remote guidance to first response crews on potential dangers to neighboring structures or populations. The Economic Development Corporation will be able to provide potential clients with several views and additional detail not available in traditional orthophotography. The County's Tax Office will be able to use the photography to reduce potential grievances through visual data to support evaluations and notices, and review properties for additions, new construction and permits prior to their field visits. The County's Planning Office will be able to better evaluate sites for new developments and proximity to neighborhoods, schools, and other structures and view parcels and structures from multiple directions to identify modifications to properties not recognizable from traditional ortho images.

Funding for this project will be similar to the aerial flyover project noted above. All partnering municipalities except the City of Newton have chosen to participate. In emergency situations, Newton public safety officials would have access to these oblique photos. Participating municipalities will fund 19.3% of the project. The County will fund the project initially, and the participating municipalities will reimburse the County for their portion of the project. Pictometry is a single source provider of geo-referenced oblique images and related software. Several of the counties participating in the joint orthophoto project noted above are contracting with Pictometry to capture oblique photography. Funds were approved in the FY 08/09 budget in capital projects account #410-460100-857900-14015, designated for oblique photography. Vice-Chair Lail made a

motion to approve this contract with Pictometry in the amount of \$94,800. The motion carried unanimously.

C. Finance

1. Rodney Miller, Finance Director, presented a settlement agreement with Mental Health Partners and appropriations of \$636,888 to Mental Health Partners for Board approval to finalize accounting activity for fiscal year 2007-2008 and satisfy all financial obligations associated with the divestiture of Mental Health services from the County.

In May 2007, Burke and Catawba Counties jointly contracted with Mental Health Services of Catawba County to serve as the Local Management Entity (LME) for their respective citizens regarding the delivery of mental health services. During the County's fiscal year 2007-2008, funding for these services occurred through the Catawba County Mental Health Department. On July 1, 2008, both counties merged their mental health, developmental disabilities and substance abuse programs into a new entity, Mental Health Partners, to serve as a multi-county area authority as required by North Carolina General Statute, Chapter 122C. At the end of fiscal year 2007-2008, unexpended funds in the amount of \$636,773 remained from LME administrative funds, State/Federal service dollars and miscellaneous earnings. Of that total, \$282,276 was attributed to Burke County and \$354,497 to Catawba County. These funds will be remitted to Mental Health Partners to continue to provide oversight of mental health services for each respective county. Unexpended funds in the amounts of \$115 for Burke County and \$41,191 for Catawba County also remain. Catawba County will retain its unused allocation and remit Burke's share to Mental Health Partners for the total of \$636,888. This finalizes all accounting activity for fiscal year 2007-2008 and satisfies all financial obligations associated with the divestiture of mental health services from the County. Commissioner Barger made a motion to approve the settlement agreement with Mental Health Partners and appropriate funds in the amount of \$636,888 to be paid to Mental Health Partners to finalize accounting activity for FY 07-08 and satisfy all financial obligations associated with the divestiture of Mental Health services from the County and the motion carried unanimously. The following appropriations apply:

110-510050-861025	MHP – Burke County	\$282,391
110-510050-861025	MHP – Catawba County	\$354,497
110-190050-690100	Fund Balance Appropriated	\$636,888

2. Rodney Miller, Finance Director, presented a request for Board approval of a budget revision to account for funds committed for specific projects in fiscal year 2007-08 that were unspent at the end of the fiscal year. In fiscal year 2007-08, the Board set aside two cents of the property tax rate, approximately \$2.8 million, for financing of school and community college construction over a four-year period. Projects planned for the first year were a new Snow Creek Elementary School, improvements and additions to Bunker Hill, Bandys, Hickory and Newton-Conover High Schools and improvements to Catawba Valley Community College. To pay for the first year debt service on these projects, an additional \$1.2 million was budgeted in fiscal year 2007-08 for a total of \$4,010,010. Due to some bidding delays, the projects weren't funded until late spring of 2008, which resulted in debt payments not being due until the fall, in fiscal year 2008-09. Therefore, the funds set aside in FY 2007-2008 for debt fell to fund balance on June 30, 2008. These funds need to be transferred to meet this school construction debt service.

In fiscal year 2007-08, the North Carolina General Assembly provided two new revenue options for counties, a ¼ cent sales tax or a land transfer tax. The Board decided to pursue the ¼ cent sales tax to avoid a 3.6 cent property tax increase. The additional revenue would be used to meet pressing needs in the areas of economic development, education, public safety, and water and sewer. The ¼ cent sales tax option was approved by voters on November 6, 2007, to be effective on April 1, 2008. Not knowing exactly when these funds would be distributed from the North Carolina Department of Revenue, the County decided not to budget these funds in fiscal year 2007-08. As of June 30, 2008, funds had been received totaling \$1,033,255. These funds will be apportioned in the same manner as in the 2008-09 budget, for school current expense, economic development, court and other needed expansion of the Justice Center, a Public Safety building for the 911 Center, Emergency Operations Center, Emergency Services and Newton EMS base, and

future water and sewer needs. Vice-Chair Lail made a motion to approve the budget revision to account for funds that were committed for specific projects in fiscal year 2007-08 but were unspent at the end of the fiscal year. The motion carried unanimously. The following supplemental appropriations apply:

Supplemental Appropriation:

110-190050-690100	Fund Balance Appropriated	\$4,001,010
110-190050-991423	Transfer to School Construction	\$4,001,010
423-740050-695110	Transfer from General Fund	\$4,001,010
423-740050-993600-30050-9-03	Future Debt Service	\$4,001,010
110-190050-690100	Fund Balance	
Appropriated		\$1,033,255
110-710050-863110	Catawba Co. Current Expense	\$55,788
110-710050-865110	Hickory City Current Expense	\$14,806
110-710050-864110	Newton-Conover Current Exp	\$8,967
110-190050-995515	Transfer to Water & Sewer Fund	\$315,143
110-190050-995410	Transfer to General Cap Projects	\$573,456
110-190050-995225	Transfer to General Cap Reserve	\$65,095
515-430150-695110	Transfer from General Fund	\$315,143
515-430150-993100	Water & Sewer Fund	\$315,143
410-460100-695110	Transfer from General Fund	\$573,456
410-460100-988000-12001	Justice Center Expansion	\$478,397
410-460100-988000-12029	Public Safety Center	\$95,059
225-170020-695110	Transfer from General Fund	\$65,095
225-170020-993110	Future Economic Development	\$65,095

3. Rodney Miller, Finance Director, introduced Paula Hodges from Martin Starnes & Associates to present the Annual Audit Report for the County. Ms. Hodges gave a summary of the County's independent audit for fiscal year 2007-2008 and on the County's Comprehensive Annual Finance Report for FY 2007-2008. Ms. Hodges reported the County remained in sound financial condition, as a result of its conservative approach to budgeting and spending and praised Mr. Miller and his staff for their continued excellent work. Mr. Miller recognized Jeanne Jarrett and Kenneth Maynor and his complete staff for their dedication and commitment to excellence. This presentation was informational and required no action.

4. Rodney Miller, Finance Director, then gave the Board and all present an overview of the Fiscal Year 2007-2008 Comprehensive Annual Financial Report which is posted in its entirety on the County's website at www.co.catawba.nc.us. He discussed several aspects of the County's financial report. Property tax revenues increased as the County tax rate changed on July 1, 2007 to provide funds to operate the new jail and pay for related debt service, to initiate a new four-year construction schedule for the three school systems and community college, provide additional funding for some much needed technology in the three school systems and set aside dollars for future water and sewer needs in the County as a result of population growth.

Property tax collection rates remained high at 97% and the County's tax rate of 53.5 cents per \$100 valuation for the 2007-2008 fiscal year was the sixth lowest among North Carolina counties with a population of 100,000 or more. The County continues to benefit from being a retail magnet for the region as sales tax revenues increased by 4.6%.

An additional ¼ cent was added to the sales tax rate on April 1, 2008 following a vote by Catawba County voters, which generated approximately \$1.1 million in new revenue, and which has been committed for a number of purposes:

- to attract new jobs to the county, through a multijurisdictional business park for economic development that has been discussed among County, municipal and Economic Development Corporation officials;
- to help address water and sewer needs as the County continues to face continuing septic tank failures and pressures created by increased population growth;
- for additional school funding for more teachers, leading to a better trained workforce and new job opportunities;
- for additional courtroom space at the Catawba County Justice Center, which is almost 30 years old and which has courtrooms that are no longer adequate to accommodate the growing case loads currently in our court system, and to begin funding a vitally needed new 911 Center, Emergency Operations Center, Newton-Conover Rescue Squad base and Newton EMS Base, all of which are currently operating in aging buildings with inadequate space.

On the expenditure side, when purely local funding is considered, funding for the three public school systems in Catawba County and Catawba Valley Community College received the highest percentage of County funding, at 49%. Catawba County appropriated \$38,014,454 for operating expenditures for the three school systems and CVCC, or 22% of the General Fund budget.

Human service expenditures represented the largest total operating cost of County government, 43% of total expenditures, because State and Federal funds appropriated for the County's three human service agencies are audited and reflected in the report. Human service expenditures (for Mental Health Services, Public Health and Social Services) increased by 12.9% from fiscal year 2006-2007.

County departments also used funds efficiently, as reflected by the fact that the departments collectively spent less than budgeted for fiscal year 2007-2008 due to tight internal controls and conservative spending.

Catawba County has traditionally had a goal to keep two months' worth of operating expenses in its fund balance, in part because of cash flow issues, since property tax bills are sent to taxpayers in July but revenues are very slow to come in because most taxpayers wait until near the January deadline to make payments. The reserve is also kept in case of emergency circumstances, and to insure adequate funds are available to meet urgent economic development opportunities that may arise during the course of a given year.

Mr. Miller reminded the Board that the County's fund balance, compared to its operating expenditures, is also an important benchmark used by State officials and bond rating agencies. The Board and County staff anticipated an increase in fund balance because of its conservative approach to spending, and those funds have been targeted for purposes previously discussed by the Board of Commissioners. A portion of those funds will be needed to meet the County's final financial obligations to the former Catawba County Mental Health Services as it transitioned to become a stand-alone agency, Mental Health Partners, as a result of the State's Mental Health Reform initiative.

The County's fund balance had a net increase of \$5,632,274 in fiscal year 2007-2008, compared to \$4,440,803 in the previous year because of the County's conservative budgeting and spending practices. Sales tax revenues grew by 4.6%, ambulance revenues increased by \$812,688 and investment income increased by \$418,792, accounting for approximately half of the increase in fund balance. The County's net unreserved fund balance, as a percentage of general fund expenditures, was 17.1% on June 30, 2008, which is equal to approximately two months of operating expenses, but still slightly behind the average of 19.2% for the other twenty-four urban counties in North Carolina. Commissioner Barger made a motion to accept the Fiscal Year 2007-2008 Comprehensive Annual Financial Report. The motion carried unanimously.

10. Other Items of Business: None

11. Attorneys' Report. None

12. Manager's Report.

a. Assistant County Manager Lee Worsley presented proposed 2009 State and Federal Legislative Agendas. Each year, the Board adopts State and Federal Legislative Agendas to highlight those legislative issues that have local importance. The agendas were developed in collaboration with County department heads, the Catawba County School System, Hickory Public Schools, Newton-Conover City Schools, Catawba Valley Community College, Catawba County Chamber of Commerce and the municipalities.

The proposed State Legislative Agenda for the session of the North Carolina General Assembly scheduled to begin on January 29, 2009 included: 1) support an increase to \$35,000 in the Homestead Exclusion income limit that provides property tax relief for senior citizens; 2) oppose the transfer of responsibility of North Carolina's secondary road infrastructure to counties, the elimination or decrease in current road infrastructure funding levels for municipalities, or the transfer of any State maintained roads to municipalities; 3) oppose any State efforts to force additional unfunded mandates or take away local revenues as a result of the State budget crisis; 4) oppose attempts to eliminate the prohibition on collective bargaining for public employees; 5) support flexible local revenue options to avoid future property tax increases or reduce the property tax rate; 6) support a fairer distribution method in the School Capital Fund Formula and lottery proceeds; 7) support the recruitment of data centers across the State by revising and updating the definition of an "Eligible Datacenter" resulting in the exemption of sales taxes on electricity sold to eligible datacenters; 8) support greater flexibility in the use of E-911 funds; 9) oppose attempts to reduce the property tax base, and place more burden on property taxpayers; 10) support allowing all tier 1 and 2 counties to be eligible for Industrial Development Fund (IDF) infrastructure funding and 11) support increasing IDF funding per job to \$15,000 for tier 1 counties and \$10,000 per job for all tier 2 counties and increase IDF funding ceiling to \$750,000 per project.

The proposed Federal Legislative Agenda for the upcoming session of the United State Congress included: 1) oppose efforts to require collective bargaining for public or private employees; 2) support Federal assistance in the funding of a regional wastewater re-use system which will benefit the Catawba County EcoComplex; 3) support implementation of a streamlined sales tax; 4) support increased local funding, incentives and community-based surveillance and communication systems regarding disease spread related to a pandemic flu threat; 5) support increases in Homeland Security grant funds for bricks and mortar projects (i.e. Emergency Operations Centers) and 6) oppose Federal preemption requiring changes to voting equipment, such as House Resolution 811, the "Voter Confidence and Increased Accessibility Act of 2007". Commissioner Hunsucker made a motion to adopt the above State and Federal Agendas as presented. The motion carried unanimously.

b. J. Thomas Lundy, County Manager, presented a proposed a set of goals for fiscal year 2009-2010. Following polling of individual Board members to determine which goals should be pursued, the Board developed the following goals:

1. Continue strategies to create jobs through educational opportunities to make sure the workforce is trained for tomorrow's jobs and invest in infrastructure and development of the county's quality of life. Remain aggressive in recruiting most favored businesses to the area, and developing a multi-jurisdictional business park. Continue implementation of FORESIGHT.

2. Prepare a Fiscal Year 2009-2010 budget which maintains services and momentum as much as possible in light of economic uncertainty and with no countywide property tax increase. Examine planned investments and expenditures in light of the fact that it might be a good time to

build but not a good time to borrow funds for building and make sure we have the necessary funds to run required services such as health, safety, and education.

3. Continue customer service emphasis in all departments. Focus on communications efforts with citizens so citizens know what is going on in County government.

4. Begin implementation of Court/Judicial recommendations to improve the justice system and plan for needed additional space.

5. Promote the EcoComplex for environmental and economic development purposes with special emphasis on research potential, including alternative fuels. Develop a program to market the EcoComplex to the public and region – its purpose, value, etc.

Vice-Chair Lail made a motion to adopt the above as the FY2009-10 Goals for the Board of Commissioners. The motion carried unanimously.

c. County Manager J. Thomas Lundy requested the Board consider moving into closed session pursuant to North Carolina General Statute 143-318.11 in accordance with General Statute 143.318.11(a)(3), (4) and (5) – to preserve attorney-client privilege, to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, and to establish or instruct the public body's staff or negotiating agents concerning the acquisition of real property and he stated he did not anticipate any action upon returning to open session. Commissioner Beatty made a motion to move into closed session. The motion carried unanimously. The Board moved into closed session at 9:02 p.m.

13. Adjournment: Commissioner Beatty made a motion to adjourn at 10:15 p.m. The motion carried unanimously.

Katherine W. Barnes, Chair
Board of Commissioners

Barbara E. Morris, County Clerk