

**IREDELL COUNTY BOARD OF COMMISSIONERS
REGULAR MINUTES
MAY 7, 2002**

The Iredell County Board of Commissioners met in Regular Session on Tuesday, May 7, 2002, at 7:00 p.m., in the Iredell County Government Center, 200 South Center Street, Statesville, NC.

Present: Chairman Sara Haire Tice
Vice Chairman Karen B. Ray
Tommy E. Bowles
Steve D. Johnson
R. Godfrey Williams

Staff Present: County Manager Joel Mashburn, County Attorney Bill Pope, Finance Director Susan Blumenstein, Planning Supervisor Ron Smith, and Clerk to the Board Jean Moore.

CALL TO ORDER by Chairman Tice.

INVOCATION by Commissioner Williams.

PLEDGE OF ALLEGIANCE TO THE UNITED STATES FLAG: Members of Boy Scout Troop 176, affiliated with Oakdale Baptist Church, led the pledge.

ADJUSTMENTS OF THE AGENDA: **MOTION** by Chairman Tice to adjust the agenda by the following actions.

- Deletions:
- Request from the Department of Social Services for Approval of a Six Month Pilot Project Involving Flex-Time Options (delayed until May 21, 2002)
 - Presentation from the County Manager Regarding an Impoundment Structure on Hunting Creek (see briefing minutes)
- Additions:
- Request for the Adoption of a Resolution Authorizing Susan Blumenstein or Suprenna Tabor to Purchase a Certificate of Deposit from Piedmont Bank
 - Request from Project Challenge for the Approval to Use Office Space at the Juvenile Court Counselor's Facility on Stockton Street in Statesville, NC

VOTING: Ayes – 5; Nays – 0.

PRESENTATION OF SPECIAL RECOGNITIONS & AWARDS

RECOGNITION OF THE TEACHERS IN THE IREDELL-STATESVILLE SCHOOL SYSTEM AND THE MOORESVILLE GRADED SCHOOL DISTRICT WHO RECENTLY ACHIEVED NATIONAL BOARD CERTIFICATION: **MOTION** by Chairman Tice to approve the following resolution in recognition of the teachers recently achieving the National Board certification.

VOTING: Ayes – 5; Nays – 0.

**RESOLUTION HONORING TEACHERS IN THE
IREDELL-STATESVILLE SCHOOL SYSTEM
&
MOORESVILLE GRADED SCHOOL DISTRICT
FOR ACHIEVING NATIONAL BOARD CERTIFICATION**

WHEREAS, the National Board for Professional Teaching Standards is an independent, nonprofit, nonpartisan organization dedicated to establishing high and rigorous standards for teachers and improving student learning in American schools; and

WHEREAS, all 50 states have taken action to participate in the National Board Certification program; and

WHEREAS, the National Board for Professional Teaching Standards has developed a national, voluntary system to assess and certify teachers; and

WHEREAS, 29 teachers recently achieved the national certification.

NOW, THEREFORE, BE IT RESOLVED, that the members of the Iredell County Board of Commissioners hereby congratulate Pamela Bumgarner, Paula Cress, Cathy M. Duckett, Nancy S. Gardner, Carol Hardison, Susan D. Lee, Beverly A. Stewart, Sandra Ellis, Teressa Helms, Vicki Hedrick, Pam Isenhour, Donna Johnson, Teresa Johnson, Penny Ledbetter, Donald Lourcey, Wanda McConnell, Kim Miller, Sherri Moran, Dewana Nealy, Lynn Rainwater, Robin Reeves, Vicki Romeo, Paula Sharpe, John Sherrill, Wendy Stroud, Erica Thaxton, Elaine Turner, Stacy Williams, and Patricia Wilson for achieving the national certification and for increasing their knowledge and skills.

BE IT FURTHER RESOLVED, that the members of the Iredell County Board of Commissioners honor these exemplary teachers and commend them for their tireless efforts in the pursuit of teaching excellence.

This the 7th day of May 2002.

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The teachers who were able to attend the meeting were congratulated on their accomplishments and presented a copy of the resolution. Dr. Julia Williams, the Superintendent for the Iredell-Statesville School System, and Dr. Bruce Boyles, the Superintendent for the Mooresville Graded School District, attended the meeting with the teachers.

Chairman Tice noted that May was Teacher Appreciation Month, and she thanked and praised all of the educators in the school systems.

APPOINTMENTS BEFORE THE BOARD

PRESENTATION OF THE HOME & COMMUNITY CARE BLOCK GRANT (HCCBG) FUNDING PLAN FOR FY 2002-2003 BY ANNA RICE, EXECUTIVE DIRECTOR FOR THE COUNCIL ON AGING: Mrs. Rice said May was Older Americans Month. She said the older population in Iredell County was growing at a rate faster than the state average. Rice said 23,000 people in the county were 60 years of age or older, and 11,000 of these were 70 years of age or older.

Rice then described the following services that would be funded out of the HCCBG funds during FY 02-03.

SERVICES	BLOCK GRANT FUNDING		
	Access	In-home	Other
Transportation	\$117,725		
Adult Day Care		\$ 51,977	
Senior Center		94,766	\$ 15,125
In Home Level I (Chore Services -- light housekeeping)		109,037	
In Home Level II (Certified Nurses' Assistant Care that Provides Relief Time for Unpaid Care Givers)			122,218
Congregate Meals			105,653
Home Delivered			450
Supplemental Meals			
TOTALS	\$117,725	\$255,780	\$243,446
Grand Total			\$616,951

MOTION by Commissioner Johnson to accept the FY 2002-03 Home and Community Care Block Grant Funding Plan as presented.

VOTING: Ayes – 5; Nays – 0.

PUBLIC HEARINGS

Chairman Tice declared the meeting to be in a public hearing.

Consideration of an Economic Development Incentive for an Undisclosed Industry (Incentive up to \$112,800 Over a Five-Year Period): Economic Developer Jeff McKay introduced James Lestorti, the Chairman and CEO of LesCare Kitchens, Inc., and Tim Longino (Managing Director). McKay said LesCare Kitchens was a cabinet manufacturer that desired to locate in the county and utilize the former King Arthur/Thonet site. Mr. McKay said the company proposed to have a first-phase investment of \$6 million and employ 60 to 150 individuals. He said the cabinetry work would be “high-tech,” and the county’s economic incentive policy would allow the company to receive \$112,800, over a five year period, due to the investment. McKay said the company would use the funds to renovate an existing building.

Commissioner Williams asked when the company would begin operations.

Lestorti said his company would like to target the fourth quarter of this year as the opening time. Mr. Lestorti said that in five years another 500 jobs might be added. He said the company began in 1945 as a small woodworking facility in Waterbury, Connecticut. Mr. Lestorti said the company had two major plant facilities with over 400 employees making it the largest privately held kitchen cabinet manufacturer in the United States.

No one else spoke, and Chairman Tice adjourned the hearing.

MOTION by Commissioner Bowles to approve the economic incentive grant of \$112,800, over a five year period based on a \$6 million investment, for LesCare Kitchens, Inc.

VOTING: Ayes – 5; Nays – 0.

Chairman Tice declared the meeting to be in a public hearing and invited the individuals desiring to speak in reference to Conditional Use Case No. 0204-1 to come to the dais and be sworn in.

Request for Approval of an Amendment to the Land Development Plan Regarding a Rezoning Request from Ronnie Taylor, an Applicant for the Kathleen Martin Property, (Case No. 0204-1) from Residential Agricultural to Highway Business Conditional Use District (Location: 866 W. Memorial Hwy., Harmony, NC): Planning Supervisor Ron Smith said Kathleen Martin owned property where the applicant, Ronnie Taylor, desired to operate a refrigeration equipment repair business. Mr. Smith said the proposed site was located approximately 2,400 feet east of the intersection of Eagle Mills Road and Hwy. 901 (PIN#4862-70-1966). He said the site was currently vacant, and one of the county’s solid waste transfer stations was on an adjacent property. Smith said Mr. Taylor had worked with the planning staff to create the following conditions for the business.

1. Use of the property shall be limited to that proposed (light equipment repair with outside storage and vehicle trailer parking).
2. No billboards shall be permitted on the property.
3. Signage shall be limited to one non-illuminated sign with a maximum sign face of 36 square feet.
4. Roadway landscaping on the front portion of the property will be required. This will be accomplished either by a row of shrubs or trees at a ratio of 15 per 100 linear feet.
5. Paving of the driveway from the pavement of the road to the right-of-way edge.

Smith said Mr. Taylor desired to put a steel building on the property with a driveway. He said the daily traffic count on Hwy. 901 was low, and it could accommodate the operations of the business. Smith said that, initially, the planning staff had concerns about the lack of commercial development in the area; however, he said the road was a major thoroughfare. Mr. Smith noted that the transfer station was on an adjacent site, and there was commercial node located at the intersection. He said the planning board on April 3, 2002, in a vote of 8-2, recommended approval of the request.

Commissioner Johnson asked the concerns of the two planning board members that voted against the request.

Smith said they had concerns about potential spot zoning. He said there was really “no clear cut” answer on spot zoning -- what was legal and what wasn’t.

Ronnie Taylor said his repair service involved multi-million dollar medical units or trailers used for PET (Positron Emission Tomography) CT (Computerized Tomography) and MRI (Magnetic Resonance Imaging) scans. Taylor said the site would be used for the short-term storage of the mobile units and there would be low traffic impact on the highway. He said the trailer units would be worked on one at a time, and they did not contain anything that would be harmful to the environment.

Commissioner Bowles asked, other than the air conditioning system, what would need refrigeration.

Taylor said the magnets in the MRI units had to stay at a certain temperature. He said liquid helium was involved. Mr. Taylor said the repair work was specialized and the closest facility in the southeast doing similar work was in Atlanta, Georgia.

Commissioner Williams noted the area chosen for the business was in an isolated area. He asked about security.

Mr. Taylor said an eight-foot fence would be erected with an electronic gate. He said the units would be to the backside of the property with trees lining the road frontage.

No one else spoke, and Chairman Tice adjourned the hearing.

MOTION by Commissioner Johnson to amend the Iredell County Land Development Plan as it related to Case No. 0204-1 (Specialty Refrigeration Services).

VOTING: Ayes – 5; Nays – 0.

MOTION by Commissioner Williams, after reviewing the findings of fact relating to Case No. 0204-1 (Specialty Refrigeration Services) and finding them to be in order, to grant the request and rezone the property from Residential Agricultural to Highway Business Conditional Use District with the five conditions outlined by the planning supervisor.

VOTING: Ayes – 5; Nays – 0.

Chairman Tice declared the meeting to be in a public hearing.

Request for the Approval of an Amendment to the Iredell County Zoning Ordinance Regarding Non-Profit Retreat Centers: Smith said his office had been working on a zoning violation case involving a non-profit retreat center in a Resort Residential District. Mr. Smith said the case had revealed a discrepancy in the zoning ordinance. He said non-profit retreats were allowed in Residential Agricultural (RA) Districts, Rural Residential (RU-R) Districts, and Single Family Residential (R-20) Districts, and he didn’t see why they were eliminated from Resort Residential (RR) Districts. Smith said his staff had looked at disallowing non-profit retreat centers in the R-20 districts; however, after review, it was found there wasn’t much difference between RA and R-20 with the exception of the exclusion of mobile homes.

Smith said the planning board had recommended that a definition of non-profit retreat centers be written for the ordinance. He said the following had been written.

Retreat Center, Non-Profit. A facility operated by a corporation or association of persons or churches for social and recreational purposes. The retreat center must be owned by a not-for-profit organization.

Commissioner Bowles asked the districts where Moose Clubs or Elks Lodge’s would be permissible.

Smith said these would be defined as clubs and traditionally they were located in commercial districts. He said applicants could petition in a RA district for a special use permit for these types of clubs.

No one else spoke, and Chairman Tice adjourned the hearing.

MOTION by Commissioner Bowles to (1) continue with the practice of allowing non-profit retreat centers in RA, RU-R and the R-20 Districts after a special use permit has been obtained (2) amend the zoning ordinance by allowing non-profit retreat centers as a permitted use in Resort Residential Districts and (3) amend the zoning ordinance by inserting the definition of non-profit retreat centers as defined by the planning supervisor.

VOTING: Ayes – 5; Nays – 0.

-----**CONSENT AGENDA**-----

MOTION by Chairman Tice to approve the following 12 consent agenda items.

VOTING: Ayes – 5; Nays – 0.

1. REQUEST FROM THE STATE DEPARTMENT OF TRANSPORTATION FOR APPROVAL OF THE ABANDONMENT OF PORTIONS OF SR-1100/BRAWLEY SCHOOL ROAD (0.46 MI.), SR-3005 TORRENCE CHAPEL ROAD (0.07 MI.), SR-3006 TUSKARORA TRAIL ROAD (0.01MI.) & SR-3012 GAINSWOOD ROAD (0.07 MI.) DUE TO A REALIGNMENT PROJECT: (Planning Supervisor Ron Smith said during the agenda briefing that the Division 12 Office of the State Department of Transportation had requested the abandonments due to a realignment in conjunction with an improvement project. He said the road section eliminations were done in an attempt to correct a sharp curve.)

2. REQUEST FOR APPROVAL OF A RESOLUTION AND AGREEMENT FOR THE CABARRUS/IREDELL/ROWAN CONSORTIUM FOR THE HOME INVESTMENT PARTNERSHIP ACT: (The following resolution was approved.)

RESOLUTION AUTHORIZING THE CHAIRMAN OF THE IREDELL COUNTY BOARD OF COMMISSIONERS TO ENTER INTO A JOINT COOPERATION AGREEMENT ESTABLISHING THE CABARRUS/IREDELL/ROWAN CONSORTIUM

WHEREAS, the County of Iredell, North Carolina has determined that the health and welfare of its jurisdiction may benefit from increasing the availability of safe, affordable and standard housing; and

WHEREAS, the County of Iredell has determined that providing safe, affordable housing will benefit work force productivity and area economic development; and

WHEREAS, a cooperative approach to providing housing in Iredell, Cabarrus, and Rowan Counties will avoid duplication of effort and promote more effective delivery of housing services; and

WHEREAS, a consortium of local governments may be entitled to receive funds from the U.S. Department of Housing and Urban Development and the State of North Carolina that they may be unqualified to receive individually; and

WHEREAS, the Cranston-Gonzalez National Affordable Housing Act of 1990 makes provisions whereby units of general local government may enter into cooperation agreements and form consortia to undertake or assist in undertaking affordable housing pursuant to the HOME Investment Partnership Program; and

WHEREAS, the County of Iredell, North Carolina, as a cooperating unit, along with other units of general local governments desire to form the Cabarrus/Iredell/Rowan Consortium to undertake or assist in undertaking affordable housing under the Cranston-Gonzalez National Affordable Housing Act of 1990; and

WHEREAS, Article 23 of Chapter 153A of the North Carolina General Statutes authorizes units of local government to enter into contracts or agreements with each other in order to execute any undertaking.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNTY OF IREDELL THAT:

1. The County of Iredell hereby supports the formation of the Cabarrus/Iredell/Rowan Consortium. The Chairman of the Board of Commissioners is authorized to execute an agreement with other participating units of general purpose local government in Iredell, Cabarrus, and Rowan Counties to create and sustain this Consortium.

2. The Chairman is further authorized to sign all contracts, grant agreements, including certifications, approved by the County Attorney, with the Department of Housing and Urban Development, the State of North Carolina or other Agencies as may be required to carry out activities of the Consortium.

Adopted this 7th day of May 2002 in a regular meeting of the Iredell County Board of Commissioners in Statesville, North Carolina.

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3. REQUEST FROM PROJECT CHALLENGE FOR THE APPROVAL TO USE OFFICE SPACE AT THE JUVENILE COURT COUNSELOR'S FACILITY ON STOCKTON STREET IN STATESVILLE, NC: (Project Challenge is a juvenile restitution program funded by the Governor's Crime Commission along with a small portion of funding from North Carolina Juvenile Justice Delinquency Prevention funds. The Project Challenge staff requested permission to use space at the Juvenile Court Counselor's facility. Project Challenge would then use the space as an in-kind match for juvenile justice funding. Juvenile Chief Court Counselor Carl Duncan previously sent a letter indicating that Project Challenge was a resource being used to meet the needs of juveniles and their families. The board of commissioners agreed to allow the program to use the space.)

4. REQUEST FOR APPROVAL OF A RESOLUTION AUTHORIZING THE CLOSING OF THE REGISTER OF DEEDS' OFFICE FROM 12:00 NOON ON FRIDAY, AUGUST 16, 2002 THROUGH, AND INCLUDING, WEDNESDAY, AUGUST 21, 2002, DUE TO THE RELOCATION OF THE OFFICE: (The following resolution was approved.)

RESOLUTION

WHEREAS, the Iredell County Register of Deeds' Office is relocating from its present facility in the Iredell County Hall of Justice to a new facility in August, 2002; and

WHEREAS, the relocation will take several days to complete, during which time the Register of Deeds' Office will be unable to perform its usual services.

NOW, THEREFORE, BE IT RESOLVED by the Iredell County Board of Commissioners that the:

Iredell County Register of Deeds' Office shall be closed from 12:00 noon on Friday, August 16, 2002, through and including Wednesday, August 21, 2002, and shall re-open to the public in its new facility on Thursday, August 22, 2002.

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5. REQUEST FOR APPROVAL OF BUDGET AMENDMENT #41 FOR RECOGNITION OF ADDITIONAL RECORDING FEE REVENUES AND APPROPRIATION TO THE REGISTER OF DEEDS' SPECIAL RETIREMENT ACCOUNT: (During the agenda briefing, Finance Director Blumenstein said the Register of Deeds' special retirement contribution was calculated at 4.5% of the recording fees. She said that based on the first nine months of this year, the account was under budgeted by \$14,245. Blumenstein said the amendment would recognize and appropriate the additional recording fees.)

6. REQUEST FOR APPROVAL OF BUDGET AMENDMENT #42 FOR THE TRANSFER OF FUND BALANCE (\$83,840) FOR AN ECONOMIC INCENTIVE PREVIOUSLY APPROVED FOR COMMSCOPE, INC.: (At the briefing, Blumenstein said that representatives of Commscope had applied for a reimbursement of ad valorem taxes paid in 2001, as agreed upon by an incentive agreement approved in December of 2000. She said the reimbursement was not budgeted in the 2001-02 budget, and the amendment would appropriate fund balance for the expenditure.)

7. REQUEST FOR APPROVAL OF BUDGET AMENDMENT #43 FOR THE TRANSFER OF CONTINGENCY FUNDS (\$15,000) TO THE PROFESSIONAL SERVICES – LEGAL ACCOUNT: (Mrs. Blumenstein advised during the briefing that legal fees incurred this fiscal year were approaching the total amount budgeted. She said the amendment would move the \$15,000 to the Professional Services-Legal line item for a total year cost of \$90,000. This amount [\$90,000] covers the charges for all attorneys used this year, e.g. the county attorney’s annual retainer/hourly billings and other costs, labor attorney costs, and other special counsel fees.)

8. REQUEST FOR APPROVAL OF BUDGET AMENDMENT #44 FOR THE RECOGNITION OF ADDITIONAL CHILD DAY CARE GRANT REVENUE RECEIVED FROM THE STATE AND FOR THE APPROPRIATION TO THE COMPUTER AIDED DISPATCH SYSTEM: (During the briefing, Social Services Director Don Wall said the federal government had given \$1.9 million in “new” money to North Carolina. He said the state divided the money between the counties and Iredell’s portion was \$224,854. Mr. Wall said the money would be used to reduce the child day care waiting list which would assist parents in obtaining and maintaining employment.)

9. REQUEST FROM THE EMERGENCY COMMUNICATIONS OPERATIONS MANAGEMENT DEPARTMENT FOR APPROVAL OF BUDGET AMENDMENT #45 FOR THE APPROPRIATION OF FUND BALANCE TO BE USED AS A REIMBURSEMENT TO THE TOWN OF MOORESVILLE & TO COVER THE COST OF MOVING 911 EQUIPMENT: (Finance Director Blumenstein explained during the briefing that a 43¢ charge was placed on all Southern Bell telephone lines to maintain the 911 System. She said the Town of Mooresville had requested \$11,630 to purchase console furniture out of the 911 fund. In another matter, Blumenstein said the Emergency Management Operations Director had requested \$2,215 for the purpose of rearranging equipment at the 911 base. [ESI, the contractor for 911 equipment, will remove a computer system server and add an additional rack for phone lines and cables in the 911 room.] Mrs. Blumenstein said that both requests were acceptable uses of the 911 funds.)

10. REQUEST FOR APPROVAL OF A BUDGET AMENDMENT FOR THE TRANSFER OF \$25,500 IN WHITE GOODS RETAINED EARNINGS TO THE LAND & LAND IMPROVEMENTS LINE ITEM: (At the agenda briefing, Solid Waste Administrative Manager Susan Cornell explained that the white goods facility was nearing completion and it was time to pave the driveway. She said the paving was included in the budget, and the request would be to transfer \$25,500 from retained earnings/white goods to the land/land improvements line item for the driveway costs.)

11. REQUEST FOR THE ADOPTION OF A RESOLUTION AUTHORIZING SUSAN BLUMENSTEIN OR SUPRENNA TABOR TO PURCHASE A CERTIFICATE OF DEPOSIT FROM PIEDMONT BANK: (During the agenda briefing, Mrs. Blumenstein said she recently requested bids on a \$2 million certificate of deposit. She said Piedmont Bank had the highest interest rate, and it was at two percent. Blumenstein said the bank needed a resolution from the board authorizing the county’s financial representatives to purchase the 60-day certificate.) (Note: The motion adopting the consent agenda will suffice as the resolution.)

12. REQUEST FOR APPROVAL OF THE APRIL 16, 2002 MINUTES

-----END OF CONSENT AGENDA-----

REQUEST FOR APPROVAL OF THE JUVENILE CRIME PREVENTION COUNCIL’S RECOMMENDATIONS REGARDING THE APPROPRIATION OF JUVENILE JUSTICE FUNDING FOR FY 2002-2003: **MOTION** by Commissioner Johnson to approve the FY 2002-2003 funding recommendation from the Juvenile Crime Prevention Council regarding Department of Juvenile Justice and Delinquency Prevention funds with the exception of the \$25,000 to VisionsWork Youth Services, Inc.

VOTING: Ayes – 5; Nays – 0.

(Approved amounts for the agencies are as follows.)

Agencies Requesting Funds	FY 2002-2003 Funding Recommended by JCPC
Residential Services Barium Springs Home for Children	\$134,461
The Counseling Center	35,504
SCAN (Exchange Club)	58,124
Project Challenge Restitution Program	35,000
Psychological Services	6,820
JCPC Training/Administrative	10,500

Mr. Johnson said he had expressed a concern about the level of supervision being maintained over the juveniles in the VisionsWork structured day program during the briefing session. He said that after the briefing, other issues had been brought to his attention. Johnson said further investigation needed to occur before the county approved the juvenile justice funding for VisionsWork.

CONSIDERATION OF THE PROPOSED EXCHANGE OF REAL PROPERTY BETWEEN THE COUNTY (10.27 ACRES ON HWY.150/PLAZA DRIVE, MOORESVILLE) AND TARHEEL AUCTION AND REALTY, ET AL. (23 ACRES ON EASTSIDE DRIVE, STATESVILLE): County Manager Mashburn said the county owned ten acres of surplus property in Mooresville. He said the board authorized the disposal of the property over a year ago, and the staff had tried to sell it. Mashburn said that after no potential buyers surfaced, the board authorized him to work with a Tarheel Auction & Realty auctioneer to auction off the site. He said that one of the owners of the auction company inquired about the possibility of a property swap involving a site in Statesville that was of comparable value. Mashburn said the intent to swap the two properties was approved at the last meeting, and a notice describing the exchange had been published in a local news publication.

Attorney Pope said the property exchange should be contingent upon the following stipulations:

1. environmental status,
2. marketable title conveyed by warranty deed,
3. matters revealed by survey,
4. no unpaid taxes or assessments,
5. closing expenses,
6. any use-impairing regulations (deed covenants).

Commissioner Bowles said that when the board made the decision to sell the property, a motion was made stipulating the proceeds would be placed in the capital reserve fund. He asked if the property exchange would violate the motion.

Mashburn said no. He said the county was just exchanging one asset for another one.

MOTION by Commissioner Johnson to proceed with the exchange of properties with the stipulations expressed by the county attorney.

VOTING: Ayes – 5; Nays – 0.

The two properties involved in the exchange are described as follows.

Iredell County Property:

Location: Corner of Highway 150/Plaza Drive & MacLeod Drive in Mooresville
Acreage: 10.27 acres
County Appraised Value: \$65,000 an acre
PIN# 4657-24-2309

Tarheel Auction Realty, et al., Property:

Location: Eastside Drive in Statesville (bordered on the east by Glover Street and Cornerstone Church)
Acreage: 23 acres (approximately)
County Appraised Value: \$32,500 an acre
PIN# 4744-94-1434 (a portion)

APPOINTMENTS TO BOARDS & COMMISSIONS

Adult Care Home Community Advisory Committee: Commissioner Johnson nominated Belinda M. Stewart.

Chairman Tice nominated Margaret Snelling.

Commissioner Bowles nominated Denise Judge-Brown.

Chairman Tice moved to close the nominations and appoint Stewart, Snelling and Judge-Brown to the Adult Care Home Community Advisory Committee.

VOTING: Ayes – 5; Nays – 0.

Nursing Home Advisory Committee: Commissioner Bowles nominated Glenda Boan.

Commissioner Ray nominated Jan Sills.

Chairman Tice moved to close the nominations and appoint Boan and Sills.

VOTING: Ayes – 5; Nays – 0.

UNFINISHED BUSINESS

LOCATION OF NEW LIBRARY: Commissioner Williams said many people had asked him about the location of the new library since the county was acquiring the Eastside Drive property. He said some of the Statesville city officials had asked the board of commissioners to consider other options besides the Eastside Drive site. Williams said he would like to delay a decision on the location until the Statesville representatives could let their thoughts be known.

MOTION by Commissioner Williams to delay the decision regarding the location of the library for 30 days or until the first regular meeting in June.

Commissioner Johnson said that if the citizens wanted the library to remain in downtown Statesville, they needed to know the obstacles at the Tradd Street location. He said these were:

1. There would be no room for further expansion without purchasing additional and expensive real estate.
2. The day the new library opened (downtown site) it would be without adequate parking.
3. The property has a steep grade and the patrons would have to park on the side which might make accessibility difficult for the elderly and young.
4. The ingress and egress on Tradd Street is less than ideal.
5. The county needs storage space and two county buildings being used for this would need to be demolished (former maintenance building and Bryant Supply Building). (If these are demolished something will need to be built to replace them.)

Johnson said some city officials had also called him. He said that if the City of Statesville agreed to financially contribute to the library's construction, then perhaps some of his concerns could be addressed. He said the Eastside Drive property would require practically no grading, and the Support Services Director had advised there was enough dirt on the site to level it -- none would have to be hauled in. Johnson said the site had easy access from Eastside Drive, and there would be plenty of space for parking and expansion.

Commissioner Bowles said the county had decided to build a \$5.6 million library and if Statesville wanted to participate in the cost, he would be willing to listen. Mr. Bowles asked the county manager if waiting 30 days would delay the construction schedule.

Mashburn said 30 days would be workable, but anything after this would affect the schedule.

VOTING: Ayes – 5; Nays – 0.

COUNTY MANAGER'S REPORT

Presentation of the FY 2002-2003 Iredell County Budget: The county manager read the following budget message.

Budget Message FY 2002-2003

(Submitted in accordance with the North Carolina Local Government Fiscal Control Act)

The budget, as submitted, complies with the laws of the state of North Carolina, as well as the stipulations as presented by the board of commissioners at the Winter Planning Conference on January 25, 2002. The stipulations made by the board were that the proposed budget should:

1. Maintain a fund balance of at least 10.5%;
2. Maintain the tax rate at the current level;
3. Maintain the same level of services.

The FY 2001-2002 original budget was approved by the board of commissioners in the amount of \$99,967,360 (excluding Solid Waste). The budget as proposed shows a .6% increase. This is probably the smallest increase ever. Does this budget have in it everything needed to provide quality services to the citizens of Iredell County? Not in my opinion. Are there areas that are at risk of providing reduced services to the point of being detrimental to citizen safety and welfare? Again, not in my opinion. Is this budget the very best that can be done within the parameters established by the board and considering available funding? I think so; however, if there had been more time to develop the plan, a more settled economy, a more stable state government, and a greater willingness to do what is necessary today to insure for provisions tomorrow, maybe the proposed budget plan would be a more reliable document.

Revenues

In January, the Finance Director was estimating revenues of \$100,949,982. By April, that estimate was reduced to \$100,570,450, and this included \$3.1 million in reimbursements from the state.

One area where our revenue is negatively impacted is in property taxes. We are finishing out FY 2001-2002 with about \$500,000 less than we budgeted and almost \$600,000 less in earnings on investments. The slump in the economy that started last year has carried over into this year, and all indications are that it will continue on into FY 2002-2003. For FY 2002-2003, the Director of Tax Administration estimates only a 3.45% increase in the tax base. A factor, however, that diminishes this number even further is the tax collection rate that has dropped from 96.35% to 96.08%. This accounts for \$140,000 less in revenue.

It probably needs to be stated again that property tax only accounts for about 49% of our revenue. Over 24% is received from the local sales tax. In past years we have seen a healthy growth in this revenue item. During the current year, budgeted sales taxes were reduced over \$1 million due to decreased retail sales. Because of this, our projection for FY 2002-2003 has been held to a 5.5% increase in one-cent sales tax and a 3.5% increase in the two one-half cent sales taxes over estimated actual collections for FY 2001-02. We should keep our fingers crossed that it does not become worse.

The only bright spot in the revenue picture is the Register of Deeds' recording fees. The General Assembly has nearly doubled the fee for recording documents, and it is anticipated this will bring in over \$200,000 more for this fiscal year and as much as \$600,000 more for the next year. In addition, the county should receive over \$100,000 to help with technology and preservation improvements in Iredell County. All in all, revenues for next year are projected to stay almost flat, but many of our expenses are increasing.

Expenditures

As a percentage of total expenditures, appropriations have gone up for schools, social services, and jail, but have gone down for health, EMS, and tax administration. Everything else has remained about the same.

New Employees

This year, there was a request for 25.1 new positions compared to 25.5 new positions being requested for 2001-2002. I am recommending 11.6 positions compared to 14.5 positions recommended last year. Of the 11.6 positions, 34½% are in the sheriff's department, 52½% are in human services, and 13% in tax administration and land records. Were other positions needed? I believe there was justification for some more; however, only the positions needed to provide the absolute minimum level of service, or are being funded by outside resources, are being recommended. The exception is in the tax office. By adding 1.5 more people, we can increase our revenue to more than offset the cost.

Pay Increase

Last year employee salaries were adjusted by 3% across the board, but no funds for merit increases were appropriated. A merit system is very important to the employees of the county, and as a practical matter, without such a system, we will soon build up a system that does not have internal equity, thereby leading to greater problems down the road. This year I am recommending a 4% pay package, with 1.5% provided as an across the board increase effective July 1, 2002, and the balance placed in a reserve to be awarded based on a performance appraisal.

School Funding

The budget, as presented, includes an increase for current expense funding of \$1,280,799 based entirely on increased ADM. There is no increase in the per pupil rate of \$1,107. However, I have set aside a 3% increase in the contingency fund of \$761,904, which can be appropriated as the state releases our reimbursements. A schedule is enclosed in the school section of the budget, which shows when schools will receive this money if the state doesn't hold our reimbursements. School capital outlay appropriations include the actual amounts estimated for the 7.5¢ ad valorem tax, the state restricted portions of the two one-half cent sales taxes, and the annual allotment of Public School Building Capital Funds. Fiscal year 2002-2003 will include a full year's debt service on all existing debt issued for school construction.

Other Budget Highlights

1. The DSS director estimates that Medicaid costs will increase by 18% and will cost the county over \$715,000 more in local funds.
2. \$150,000 is appropriated for operating expenses for the Harmony Library.
3. Transportation services, a new department of the general fund, has been established to account for the operating and capital costs formerly administered by the Iredell Vocational Workshop.
4. The budget includes general fund capital outlay appropriations of \$776,672 including \$214,700 in grant funds providing vehicles for transportation services. Many of the replacement items not recommended for funding in fiscal year 2002-2003 will have to be funded next fiscal year.
5. Funds are not included to renovate and operate a satellite jail (estimated to be over \$700,000); however, the Sheriff's proposal is included for your consideration.
6. The recommended funding level for most of the outside agencies included in special appropriations is at 95.50% of the 2001-02 funding level.

Conclusion

In conclusion, the requests for 2002-03 came in at \$103,552,665. I am recommending a budget of \$100,570,450 or a 2.88% reduction. However, it needs to be stated again that the proposed budget anticipates receipt of all reimbursements. I am not sure this is the wisest course of action to take, so during the budget workshops the Finance Director and I will discuss some alternatives, none that we are really excited about, but will allow for a balanced budget just in case the state pulls the same stunt again this year as it has for the last two. I also want to conclude by expressing deep appreciation for all the cooperation received from each department head. Without exception, each came to the table in a spirit of cooperation, recognizing the difficult position the county is in and willingly cooperating. I doubt, however, that this spirit can continue to spring forth as the demands for services increase and resources to provide those services become scarcer. If the board approves the budget as presented, we can make it through the year. Next year, however, the board needs to be prepared for increased requests and a recommendation that more realistically recognizes the true needs of a progressive and fast growing county.

Submitted by Joel Mashburn, County Manager and Budget Officer
May 7, 2002

CLOSED SESSION: Citing G.S. 143-318.11 (a) (5) - Property Acquisition, Chairman Tice at 8:50 p.m. moved to enter into closed session.

VOTING: Ayes – 5; Nays – 0.

(Return to Open Session at 9:10 p.m.)

ADJOURNMENT: At 9:10 p.m., Chairman Tice moved to continue the meeting to the first budget session scheduled on Monday, May 13, 2002 at 5:30 p.m., in the South Wing Conference Room of the Iredell County Government Center, 200 South Center Street, Statesville, NC.

VOTING: Ayes – 5; Nays – 0.

Approved: _____

Clerk to the Board