

JULY 7, 2009

MINUTES OF MECKLENBURG COUNTY BOARD OF COMMISSIONERS

**NORTH CAROLINA
MECKLENBURG COUNTY**

The Board of Commissioners of Mecklenburg County, North Carolina, met in Informal Session in the Meeting Chamber Conference Room of the Charlotte-Mecklenburg Government Center located at 600 East Fourth Street at 5:00 p.m. and in Formal Session in the Meeting Chamber of the Charlotte-Mecklenburg Government Center at 6:00 p.m. on Tuesday, July 7, 2009.

ATTENDANCE

Present: Chairman Jennifer Roberts and Commissioners
Karen Bentley, Dumont Clarke, Harold Cogdell, Jr.
Neil Cooksey, George Dunlap, Bill James
Wilma Leake and Daniel Murrey
County Manager Harry L. Jones, Sr.
County Attorney Marvin A. Bethune
Clerk to the Board Janice S. Paige

Absent: None

-INFORMAL SESSION-

The meeting was called to order by Chairman Roberts, after which the matters below were addressed.

(1) STAFF BRIEFINGS - NONE

(2A, 2B, 2C, 2D) CLOSED SESSION – A) TO PREVENT DISCLOSURE OF INFORMATION THAT IS CONFIDENTIAL PURSUANT TO G.S. 105-259. (G.S. 143-318.11(A) (1), B) LAND ACQUISITION, C) CONSULT WITH ATTORNEY, AND D) PERSONNEL MATTER

Prior to going into Closed Session, Attorney Bethune announced the following Land Acquisition to be discussed in Closed Session: Tax Parcels 013-041-01 and 013-181-13 (+/- 211.91 acres) on Neck Road and Tax Parcel 019-201-07 at 13240 New Haven Drive.

Motion was made by Commissioner Leake, seconded by Commissioner James and unanimously carried with Commissioners Bentley, Clarke, Cogdell, Cooksey, Dunlap, James, Leake, Murrey and Roberts voting yes, to go into Closed Session for the following purposes: A) To Prevent Disclosure of Information that is Confidential Pursuant to G.S. 105-259. (G.S. 143-318.11(a) (1), B) Land Acquisition, C) Consult with Attorney and D) Personnel Matter.

The Board went into Closed Session at 5:21 p.m. and came back into Open Session at 7:00 p.m.

(3) REMOVAL OF ITEMS FROM CONSENT

The Board identified item(s) they wanted removed from consent and voted upon separately. The

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items identified were Items 17, 18, 21, 26, and 27.

The Board then proceeded to the Meeting Chamber for the remainder of the meeting.

-FORMAL SESSION-

Invocation was given by Commissioner James, which was followed by the Pledge of Allegiance to the Flag and introductions; after which, the matters below were addressed.

CITIZEN PARTICIPATION

PROCLAMATIONS AND AWARDS

(1A) BIG BROTHERS/BIG SISTERS BIG DAY AT THE LAKE

Motion was made by Commissioner Bentley, seconded by Commissioner Dunlap and unanimously carried with Commissioners Bentley, Clarke, Cogdell, Cooksey, Dunlap, James, Leake, Murrey and Roberts voting yes, to adopt a proclamation designating July 18, 2009 as “Big Brothers Big Sisters Big Day At The Lake Day” in Mecklenburg County.

The proclamation was read by Commissioner Bentley and received by Dave Yochum, founder and organizer of Big Day At The Lake.

A copy of the proclamation is on file with the Clerk to the Board.

(1B) PARKS AND RECREATION MONTH

Motion was made by Commissioner Murrey, seconded by Commissioner Leake and unanimously carried with Commissioners Bentley, Clarke, Cogdell, Cooksey, Dunlap, James, Leake, Murrey and Roberts voting yes, to adopt a proclamation designating July as Parks and Recreation Month in Mecklenburg County.

The proclamation was read by Commissioner Murrey and received by Jim Garges, Mecklenburg County Director of Park and Recreation and mascot “RAY.”

A copy of the proclamation is on file with the Clerk to the Board.

(2) PUBLIC APPEARANCE

The following persons appeared to speak during the Public Appearance portion of the meeting:

Howard McClure informed the Board of a recent court matter involving him, which he said “may indicate a possible violation of Title II by a public entity, the Mecklenburg County Courthouse.” Mr. McClure asked the Board to urge members of the NC General Assembly within their district “to support legislation to amend Article 1, Section 18 of the Constitution of NC that citizens of NC with disabilities and living in poverty may have the right to appointment of counsel and equal access to justice in certain civil matters, such as employment, housing, healthcare, parents loss of custody and control of their children, and other rights needed in order to live and prosper.”

A copy of Mr. McClure’s handout to the Board is on file with the Clerk to the Board.

Richard Alexander addressed the English language being designated as the official language of Mecklenburg County.

(3A) APPOINTMENTS

BOARD OF MOTOR VEHICLE REVIEW

The vote was taken on the following nominees for appointment to the Board of Motor Vehicle Review:

Dietrich Brown Commissioners Clarke, Cogdell, Dunlap, James, Leake, Murrey, and Roberts

Voting Ceased

John Kral

Chairman Roberts announced the appointment of Dietrich Brown to the Board of Motor Vehicle Review for a one-year term expiring July 18, 2010.

He is replacing Charles Roberts.

JUVENILE CRIME PREVENTION COUNCIL

The vote was taken on the following nominees for appointment to the Juvenile Crime Prevention Council:

Melvin Bowie None
D’Etta Culp Commissioners Bentley, Dunlap, James, Murrey, and Roberts

Christian Friend None
Edward Jernigan Commissioners Cogdell, Cooksey, and James
Susan McCarter Commissioners Bentley, Clarke, Cooksey, Dunlap, James, Murrey, and Roberts

Simona Mitchell-Kelly Commissioners Clarke, Cooksey, Dunlap, James, and Roberts
Pamela Morris Commissioners Cogdell, Cooksey, Dunlap, Murrey, and Roberts

Voting Ceased

Susan Surles
Marc Thompkins

Chairman Roberts announced the appointment of D’Etta Culp, Susan McCarter, Simona Mitchell-Kelly, and Pamela Morris to the Juvenile Crime Prevention Council for a two-year term expiring June 30, 2011.

They are replacing Laurie Garo, Russell Price, Jerry Swindell and Alan Teitleman.

(3B) NOMINATIONS/APPOINTMENTS

CITIZEN’S CAPITAL BUDGET ADVISORY COMMITTEE

Motion was made by Commissioner Clarke, seconded by Commissioner Leake and unanimously carried with Commissioners Bentley, Clarke, Cogdell, Cooksey, Dunlap, James, Leake, Murrey and Roberts voting yes, to reappoint Aric Beals and Wilton Savage to the Citizen’s Capital Budget Advisory Committee for a two-year term expiring July 31, 2011. Secondly, to nominate all applicants for appointment consideration to the Citizen’s Capital Budget Advisory Committee:

Sarah Funkhouser
Larry Huelsman
Chad Lacy

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Ira Slomka
Edward Smith
DeShea Spurgeon
Gerald Williams

Note: An appointment will occur on August 4, 2009.

GROUNDWATER ADVISORY COMMITTEE

Motion was made by Commissioner Cogdell, seconded by Commissioner Bentley and unanimously carried with Commissioners Bentley, Clarke, Cogdell, Cooksey, Dunlap, James, Leake, Murrey and Roberts voting yes, to reappoint Ralph Roberts to the Ground Water Advisory Committee for a three-year term expiring July 18, 2012.

HISTORIC LANDMARKS COMMISSION

Motion was made by Commissioner Cogdell, seconded by Commissioner James and unanimously carried with Commissioners Bentley, Clarke, Cogdell, Cooksey, Dunlap, James, Leake, Murrey and Roberts voting yes, to reappoint William Hobbs and Yolanda Law to the Historic Landmarks Commission for a three-year term expiring July 31, 2012.

(4) PUBLIC HEARINGS – NONE

ADVISORY COMMITTEE REPORTS

(5A) EFFECTIVE & EFFICIENT GOVERNMENT COMMITTEE -- CHARITABLE FUNDRAISING CAMPAIGN POLICY

The Board received a report from the Effective & Efficient Government Committee regarding the County's Charitable Fundraising Campaign Policy.

Commissioner Dunlap, Chairman of the Board's Effective & Efficient Government Committee gave the report. He was assisted by Human Resources Director Chris Peek. The other members of the Effective & Efficient Government Committee are Commissioners Cooksey, James, and Clarke.

Note: On May 19, the Board received a report containing the following recommended changes to the County's current charitable giving campaigns:

- *Transition in September 2010 to an annual expanded campaign model that will provide employees with additional giving options and reduce the County's fundraising drives to once a year.*
- *Amend the Eligibility Criteria for Charitable Fundraising policy to support an expanded campaign. This would include requiring that participating charitable agencies meet the Better Business Bureau's (BBB) 20 Standards for Charity Accountability. The BBB provides this service at no charge to interested charitable agencies.*
- *Select a third-party managing organization to meet the operational requirements of administering an expanded campaign by conducting a formal Request for Proposal (RFP) process.*
- *Maintain involvement of County employees and the County's long time charitable partners (the United Way of Central Carolinas and the Arts and Science Council).*

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The Board referred the item to its Effective and Efficient Government Committee for further review and discussion. On June 16, 2009, The Effective and Efficient Government Committee endorsed further revisions to the recommended changes.

Motion was made by Commissioner Dunlap, seconded by Commissioner Clarke and unanimously carried with Commissioners Bentley, Clarke, Cogdell, Cooksey, Dunlap, James, Leake, Murrey and Roberts voting yes, to approve the revised Charitable Fundraising Campaign Policy as recommended by the Effective & Efficient Government Committee.

It was noted that the expansion of the County's charitable fundraising campaign would be effective the Fall of 2010.

Note: Additional Policy Revisions:

- **Modify the 95% local investment requirement**
 - Only charities that are *not* part of a Federation would be required to invest 95% locally. This provision will allow a Federation and its members to qualify regardless of where its funds are invested. This will enable employees to donate to organizations that perform research or otherwise make investments outside of the Charlotte-Mecklenburg region. However, requiring independent, non-affiliated charities to invest 95% locally is responsive to the strong preference expressed by employees that the campaign charities invest their donations locally.

- **Modify local office requirement**
 - Charities will *not* be required to maintain a local office.

- **Modify the Better Business Bureau review requirements**
 - All charities associated with a Federation will be subject to the Better Business Bureau review.

- **Modify the definition of "Federations"**
 - Federations will *not* be required to consist of 20 or more agencies.

Policy recorded in full in Minute Book 44-A, Document # _____.

(5B) ECONOMIC DEVELOPMENT COMMITTEE -- CENTRALINA ECONOMIC DEVELOPMENT COMMISSION (CEDC) SMALL BUSINESS REVOLVING LOAN FUND

The Board received a report from the Economic Development Committee regarding the Centralina Economic Development Commission (CEDC) Small Business Revolving Loan Fund.

Commissioner Harold Cogdell, Chairman of the Board's Economic Development Committee gave the report. He was assisted by John Allen, Economic Development Director. The other members of the Economic Development Committee are Commissioners Cooksey, Dunlap, and Murrey.

Note: The Centralina Economic Development Commission (CEDC) has an opportunity to apply for an \$880,000 grant from the US Department of Commerce, Economic Development Administration (EDA) to create a Revolving Loan Fund. These funds are part of the stimulus package and, as such, are only offered for a short time. To qualify for the EDA funds, the CEDC

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must provide \$220,000 in matching funds. The proposed source of this match is Community Development Block Grant (CDBG) funds from the NC Department of Commerce. The NC Department of Commerce requires a local government to be the applicant for CDBG funds. Therefore, the CEDC is asking Mecklenburg County to apply on its behalf. This is not a request for County funds and no County funding is involved. The revolving loan fund will be targeted to small manufacturers throughout CEDC's nine-county service area. On June 9, 2009, the Board's Economic Development Committee endorsed this action.

Motion was made by Commissioner Cogdell, seconded by Commissioner Dunlap and unanimously carried with Commissioners Bentley, Clarke, Cogdell, Cooksey, Dunlap, James, Leake, Murrey and Roberts voting yes, to approve the recommendation from the Economic Development Committee to apply to the NC Department of Commerce for Community Development Block Grant funds on behalf of the CEDC to fund a small business revolving loan fund.

(5C) AUDIT REVIEW COMMITTEE – DSS AUDIT

The Board received a report from the Audit Review Committee regarding the Department of Social Services (DSS) audit.

Commissioner Murrey, Chairman of the Audit Review Committee, gave the report. He was assisted by Finance Director Dena Diorio. The other members of the Audit Review Committee are Commissioner Bill James, Mr. Ward Simmons, CPA, County Manager Jones and General Manager John McGillicuddy.

Note: Background:

On March 31, 2009, Department of Social Services Director Mary Wilson called for an independent review of the financial management practices and procedures at the Department of Social Services. Wilson requested the audit after DSS staff expressed concerns about how donations to The Giving Tree program were being managed, as well as concerns surrounding the voucher program. The Giving Tree is a DSS-sponsored charity that provides gifts to children in foster care and other DSS clients during the holidays. The voucher program is used by caseworkers to provide emergency food and clothing assistance for children coming into foster care as well as for clothing for adults going on job interviews.

In addition to the concerns regarding these two programs, DSS was approached by the Good Friends program that wanted to terminate its relationship with the Department. The Good Friends program collects donations which are given to DSS for the provision of services to those in need. The funds were primarily used to assist with the payment of utility bills, prescriptions or other medical expenses and rent.

There were also concerns raised about the adequacy of policies and procedures for the overall processing of financial transactions. It was determined that DSS was using its check writing privileges to write checks from the Social Security guardianship account for non-guardianship purposes. In FY09, through March, checks for fourteen different programs were being written out of the account at DSS. The documentation for these transactions resided at DSS and did not follow the normal approval process through the County Finance Department. The expenditures were then recorded back into the general fund on a monthly basis via journal entry and the funds were wired back into the guardianship account to cover these expenses.

The County's Internal Audit Department was asked to investigate the concerns raised about the Giving Tree Program.

The County Finance Department arranged for the County's outside audit firm, Cherry, Bekaert & Holland, L.L.P (CBH), to perform audit work on the Good Friends Program, the voucher program, as well as a broader review of DSS fiscal controls and procedures. Cherry, Bekaert, &

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Holland performed approximately 425 hours of audit work over 8 weeks at a cost of \$93,000, which was paid for by budgeted funds in DSS.

On June 16, 2009, the Board received the results of audits conducted within the Department of Social Services at the request of DSS Director Mary Wilson. The Board referred this matter to the Audit Review Committee. The Audit Review Committee met on June 24, 2009 to discuss this topic.

Commissioner Murrey gave a brief overview of the audits that were conducted as noted below.

The Giving Tree

The Giving Tree serves as the primary method of providing holiday gifts to foster children and other children in the custody of DSS. Gifts and money to purchase gifts are donated to The Giving Tree, which is managed by the DSS Community Resource Office (CRO). Internal Audit found numerous episodes of altered or improper documentation that called into question the accuracy of the documentation and made it difficult to determine what had happened in terms of those cash disbursements. The amount of those disbursements was in the range of \$139,000 for which the documentation was either improper or not present. Further, that because of the nature of the altered documentation, this information was handed over to the Charlotte-Mecklenburg Police Department for investigation. No further investigation has been performed by County Internal Audit or Cherry, Bekaert & Holland, L.L.P. regarding this program.

The Good Friends Program

The Good Friends Program is an independent program that had been administered by the County, requested to resolve their relationship with the County and began to administer those funds themselves. The purpose of the audit was to determine what the remaining balance was so that a disbursement back to the program could be made. In trying to reconcile those numbers, it was found that there were frequent episodes of improper documentation, meaning the stated policies and procedures were not followed in terms of how checks were written or the way in which disbursements were carried out; the way the documentation was written to document who received the funds and for what purpose. This made it challenging to determine the exact amount. There was no evidence as of yet, however, that any malfeasance was found. However, the purpose of the audit was not to determine that, but to determine whether appropriate procedures had been followed and in most cases the written policies and procedures were not followed.

The Voucher Program

The Voucher Program is a program in which the Department of Social Services case managers/workers are able to access small amounts of funds for foster children or others who have come into the department's care in need of emergency funds for clothing, for toiletries, and other items of that nature. There were specific policies and procedures for doing this that required supervisor signatures and other levels of documentation. In the majority of cases, the policies and procedures were not carried out to the "letter." There was no documentation of malfeasance, however, the purpose of the audit was primarily to review the application of those policies and procedures.

Review Of Cash Receipts & Disbursements

This represents the specific financial function of the County in the Department of Social Services for disbursing or receiving cash. It was determined that the detailed policies and procedures were not followed. There was some mixing of funds that were meant for beneficiaries of trust that were in the trust of the County with funds that are used for other purposes. This was not correct according to NC General Statutes. The purpose of the audit was to test the internal controls environment and determine if transactions were being processed in accordance with established policies and procedures. The findings were that they were not.

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The Audit Review Committee reached the following general conclusions:

- The audits of DSS indicate insufficient internal controls, which is unacceptable and inconsistent with expectations for appropriate fiscal management of public funds.
- The audits of DSS indicate inconsistent and insufficient supervision of and use of internal controls, which is unacceptable and incongruent with expectations for appropriate fiscal management of public funds.
- At present, it is unclear why or how the lack of controls developed and how long they have existed. The Audit Review Committee is considering the feasibility of further investigations to answer these questions.
- Regarding inadequacies so far, the Audit Review Committee believes management's responses to the audit findings are appropriate and sufficient in strengthening internal controls and addressing inconsistent and insufficient supervision. This question will be reconsidered if further audits at DSS are authorized.
- Additional follow up is needed to determine and address accountability for the inconsistent and insufficient supervision in the control environment.
- Additional steps should be taken by County and DSS management to further examine additional considerations and questions below.

Additional Considerations and Questions

1. **The Giving Tree** – Should we review previous years to determine if there were similar problems or potential wrongdoing that goes back beyond one year (the extent of the audit)?
2. **Use of credit cards** -- Should we review the receipts to determine if the purchases were for appropriate and approved purposes?
3. **Vendor charges** – Should we follow up with the vendors that allowed purchases in excess of voucher amounts? **Note:** Some vendors allowed purchases for more than the amount authorized by the voucher. The County paid the actual purchase amount regardless of the amount of the voucher.
4. **Frequency of internal audits** -- How frequently are core audits conducted for each department? What is the optimal schedule based on our risk assessment model? What resources would be needed to implement this optimal schedule? **Note:** The Audit Review Committee has requested a report from the County's Internal Audit Department on the schedule of core audits by department based on its risk assessment methodology. This includes receiving recommendations from Internal Audit staff on the optimal schedule of core audits and resources needed to meet that optimal schedule.
5. **Good Friends additional review** -- Should Internal Audit conduct a similar audit to the one performed for The Giving Tree to determine if misappropriation occurred? **Note:** The audit by CBH was focused on internal controls and on closing out the account to determine the amount remaining to be disbursed to the Good Friends organization. Therefore, it did not pursue the question of potential misappropriation that characterizes part of the focus of the Internal Audit Department's review of The Giving Tree.
6. **Vouchers additional review** – Should (and could) a further review be conducted regarding the use of vouchers, similar to the Internal Audit Department's review of The Giving Tree? **Note:** Due to the lack of documentation (e.g., receipts, etc.) in the use of vouchers, it is not clear whether there is sufficient information to enable further review.
7. **Compliance program for DSS** – Is there any value in having a specific financial compliance program in DSS in addition to the annual audit, periodic core audits, and special audits called in response to questions that arise?
8. **Structure and reporting** – Does DSS and the County have the appropriate structure and reporting for fiscal administration? Should the financial management function in DSS report

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directly to the County Finance Department? **Note:** Prior to the DSS audits, the County Manager identified the topic of financial management structure and processes throughout the County organization as a priority for management review in FY 2010. Therefore, this question will be addressed as part of this review.

Commissioner Murrey also gave a brief overview of Management's responses to this issue as noted below.

The Voucher Program - Effective in May 2009, DSS discontinued all voucher programs. All program areas are now making purchases through Procurement Cards (P-Cards), standard disbursement requests, or reimbursement requests.

The Good Friends Program – This program has been discontinued and turned back over to the Good Friends Program.

The Giving Tree Program – This program is currently still under investigation.

Cash Receipts & Disbursements – This function has been shifted to County Finance. DSS no longer processes transactions through a separate bank account. All DSS transactions are processed through the County Finance Department and checks are written from the main County account.

Commissioner Murrey said the Audit Review Committee has requested that CBH provide written feedback on management's responses to date and to work with the County Finance Department and the County Internal Audit Department in providing a report and recommendations as follow up to the issues and questions raised by the Committee. Per the receipt of that report, the Audit Review Committee will report back to the Board on whether it feels additional audits are needed.

Commissioner Murrey said it's expensive to perform these types of audits, but it's a necessary function if there's information to be gained regarding accountability and to make sure these types of things do not reoccur.

Comments

Commissioner James echoed that the first steps taken by management to control and contain the problem were adequate. Commissioner James said the next "real" step has to do with the follow-up, as it relates to cash receipts and disbursements.

Commissioner James said it gets confusing from the standpoint that the County gets "all of these audit reports." For example, there's an audit report that's like an agreed upon procedures report, but it's not an evaluation of internal controls, but a CPA doing something that was asked of them by management.

Commissioner James said the significant issue for him is that the problems related to cash receipts and disbursements, which in his opinion, is larger than "missing one check, for having a check made out to an employee for \$10,000 or having issues with the Voucher Program." Commissioner James said the real question is "what was going on at DSS Finance." Commissioner James said DSS Finance should report to the County Finance Director.

Commissioner James said there are other questions with respect to the history of DSS' finance structure, and who was in charge of DSS Finance over the years. Was it a CPA or someone with an accounting background or a Social Worker. He said there are questions relating to 1) the violation of Mecklenburg County policies and procedures and violations of generally accepted accounting principles; 2) Did DSS Finance voluntarily agree to ignore policy or were they told to do something. Commissioner James said the only way this question can probably be answered is to speak with the employees who were at DSS during this time. He said it also may be necessary to review the resumes of those in DSS Finance.

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Commissioner James said it's unfortunate that "there's so much dust being thrown up in the air about the whole question of these various programs, that the good work of DSS in general, kind of gets lost in the shuffle." He said the reality, however, is that he doesn't think any of these problems or most of these problems would have occurred had DSS Finance reported to the County's Director of Finance.

Commissioner James said at a minimum, the Board needs to know who was in charge of DSS' Finance over the last few years and who did they report to; and whether the people that were suppose to be getting, for example, receipts for the voucher program or any other disbursement, why they didn't do that. Commissioner James said if they were trained as accountants they should know to do this. Commissioner James said if they didn't do it, was it because they were laxed or because someone told them it wasn't necessary and suspended the rules.

Commissioner James expressed concern also with respect to the last time an audit of DSS was conducted by the County's Internal Audit Department.

Commissioner James said he hopes the Audit Review Committee structure will be changed, such that it not only review and approve the external audit of the County, but audits conducted by Internal Audit as well.

Finance Director Dena Diorio informed the Board that included in their information was a letter from the external auditor in response to the Audit Review Committee's request of them to comment on Management's responses to the audit report, as well as, an opinion on the risk based methodology that internal audit uses. Director Diorio said the response was they feel Management's responses were adequate and that the methodology used by Internal Audit is appropriate for the work that they do.

Commissioner Dunlap said he doubts the County will ever find out all that went wrong, in light of the fact that there are no receipts. Secondly, that per his feedback from the public, with respect to someone being held accountable, what he reads "between the lines" is that the public wants to know if someone is "going to jail" for what they did.

Commissioner Dunlap said he thinks the response to this is that the Police Department is conducting a criminal investigation to determine whether or not someone in fact did violate the law.

Commissioner Dunlap said what the Board needs to really make sure of is that this doesn't happen again. Commissioner Dunlap said the County has spent \$93, 000 thus far and all its questions have not been answered and "there are still people who need "food stamps, who have all kinds of other health issues, who have all kinds of things", further, the County has had to cut staff. Commissioner Dunlap said his concern is that the County doesn't continue to spend a lot of money on this issue.

Commissioner Dunlap said he thinks what the public needs to know is that staff responded appropriately to the concerns, which are now being addressed; and "what we want to do is put mechanisms in place so that they don't happen again."

Commissioner Murrey said the cost of continuing this and whether anything additional would be found and worth the expense was discussed by the Committee. Commissioner Murrey said although the Committee listed eight additional issues to be looked into, it doesn't mean that they all will be, because the response may be that there's not enough information to move forward on.

Commissioner Murrey said the issue of accountability is real and that it's not just about the specific actions in the past because there's this immediate need to stop those things that happened, but the "bigger over arching" issue of whether the structure is right. Commissioner Murrey said he thinks that's the remaining question to be discussed. Commissioner Murrey noted that this is a question that the County Manager and his staff have been having even before this

matter came up about whether or not it's best to have DSS Finance separate from County Finance

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or would it be better together.

County Manager Jones informed the Board that next week County Finance, Internal Audit and the Manager's Office will begin to meet with respect to the additional questions raised by the Committee to determine what their scope of work should be.

County Manager Jones said additional funds may be needed, but to what extent is unknown at this time.

County Manager Jones said the Internal Audit Department's resources will be tied to the annual single audit that will begin in the next two – three weeks. Thus, they will not have the time to really put into this effort to answer these additional considerations that have been posed. County Manager Jones said one option that's under consideration is to hire other auditors to work under contract with the County's Internal Audit Department.

Commissioner Bentley asked County Manager Jones to comment on his level of confidence that other departments within the County have adequate internal controls to prevent something like this from happening in the future in other areas.

County Manager Jones said he thinks it's a two part answer. First, "I believe that based on the conversation that I've had, we do have adequate controls in place." Second, that "if we do and there are individuals who decide that they want to work outside the boundaries of established procedures, that they will find a way to do that." Further, that although there are adequate controls in place, he knows that he needs to "double check, recheck and double check again" to assure the Board that his answer is a correct answer.

County Manager Jones noted that staff had a conversation before this audit started, with respect to whether the right financial management organization was in place or should the County do what it has done for some of the other operations, to move from a decentralized function to a centralized and would this provide greater certainty that we have proper controls in place.

County Manager Jones said it's a risk for him to say that there are proper controls in place but that's what he's saying.

Commissioner Bentley asked was there a system in place where employees, if they see something that isn't "jiving" and is outside of policies and procedures, is there a culture within the County where employees feel safe to speak up and that they know where to go to report, in an anonymous fashion, things that are going on that aren't right.

County Manager Jones said overall he thinks most employees will feel that they can share information and not be retaliated against, but that there are employees that do not feel that way.

County Manager Jones said staff is close to executing the "whistle blower" contract, which management feels will help and will allow employees or citizens to voice concerns that they have.

County Manager Jones said he wanted to give the Board and the public some assurance that staff is going to do all that it can to work with this Board and collectively as a staff to ensure that, "our mission, which is to be the best local government service provider" is carried out.

County Manager Jones said he wants to continue to give the Board the assurance that staff is going to do all that it can to "fix that which is broken and to give the public some assurance that we're incorporating good management practices and principles in all that we do."

Commissioner Murrey said one of the reasons the committee raised the question about the frequency of Internal Audit in departments was to get at the question of whether these same problems could exist in other places.

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Commissioner Murrey acknowledged the work of County Internal Audit and of the external auditor and thanked them for their work.

Commissioner Cogdell said he sees three issues with respect to this matter, an accountability issue, an organizational structure issue, and a personnel issue. Commissioner Cogdell said he agrees with Commissioner Dunlap with respect to this matter being pursued by the CMPD, who he feels are in a much better position to pursue this matter to determine if there are any potential criminal charges. Commissioner Cogdell said he believes that considering who has been “harmed” as a result of the actions that occurred, he certainly hopes that and he’s comfortable that law enforcement officials will continue to investigate. Commissioner Cogdell said the CMPD has the legal authority to continue to obtain documentation that the audit committee may not be in a position to obtain.

Commissioner Cogdell said, with respect to the organizational structure/internal control mechanisms, he’s glad those mechanisms are in place and that those policies and practices are developed to ensure that this is not an on-going issue in DSS or any other department.

Commissioner Cogdell said, with respect to the personnel issue, he does have some concern that there still seems to be an issue about making sure as a board, that the Board feels comfortable in saying that “any employment policies or guidelines that have been violated by any employees of the County, that those instances have been identified, those employees have been identified and that remedial measures are taken whether it’s through suspension or termination or whatever action needs to be taken.” Commissioner Cogdell said he understands that this is an on-going process but it is a process that he thinks to ensure public confidence in the Department of Social Services and in Mecklenburg County, the Board can’t “just drop the ball” on, but that the Board has to continue to look at ensuring that the County doesn’t have employees continuing to be under the County’s employ that in any way negligently or through some deliberate, willful conduct, mismanage funds for the benefit of someone else.

Commissioner Cogdell questioned the makeup of the Audit Review Committee and asked why were two persons from staff on the Committee. Commissioner Cogdell said it seems odd to him that the County Manager and a General Manager, who reports to the County Manager would be a part of a committee to make a determination about whether management responded appropriately, be it whether that management is within DSS or the County Manager’s Office. Commissioner Cogdell said it undermines to some extent the “sort of the appearance of what this committee is charged with having done.” Commissioner Cogdell said he’s not suggesting that the findings would have been different but the make-up would have instilled “a little better public confidence” if you had members of the Board in conjunction with some type of outside auditing agency and not someone that the outcome of the recommendations is in some way going to impact or show “hey you did a good job or you didn’t do a good job.” “You did it well or you didn’t do it well.” Commissioner Cogdell said he would have thought that would have been thought about in advance.

Commissioner Murrey said the structure of the committee was discussed at the first meeting of the Committee. Commissioner Murrey said according to the American Institute of CPAs guidelines for audit committees for private companies that are publicly traded companies they can be set of up either way, with or without management. However, the NY Stock Exchange doesn’t allow companies to be listed unless they have no members of management on their audit review committee. Commissioner Murrey said there’s a precedent in the publicly traded companies where that’s to be the case. Further, that it’s recognized that there are arguments to be

made for having management on the committee. Commissioner Murrey said although the County Manager and a General Manager were on the committee, neither had anything to do with the putting themselves on the committee because that’s how it was structured by a previous Board of Commissioners. They are required to be on the committee based on what was approved by a previous Board.

Commissioner Murrey said the Committee has discussed making changes to the structure of the committee, which would require Board approval.

County Manager Jones said the Committee was established in 1998.

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Commissioner James also addressed the establishment of the Committee.

Commissioner Leake asked when would the Committee be reporting back to the Board as it relates to the follow-up questions the Committee had, so that this matter can be completed and the Board can move on.

Commissioner Leake said she wants to know when will the County begin to implement the process to cease the errors that exist and where will the \$93,000 come from to pay for the audit.

Chairman Roberts noted that the recommended changes have already been implemented and that an update will be forthcoming from the Audit Review Committee with respect to other questions the committee raised.

Commissioner Clarke asked County Manager Jones if he came to the Board for approval of the \$93,000 to obtain an outside audit. *The response was that he did not come to the Board for approval, but he advised the Board that an audit would be done and that the proceeds to pay for it would come from the Department of Social Services budget.*

Commissioner Clarke asked the auditor from Cherry, Bekaert & Holland if the work they performed for the County what's known as forensic accounting. *The response was no. They looked mostly at controls and adherence to policies and procedures and controls.*

Commissioner Clarke asked the auditor if they performed any "audits" for the \$93,000. *The response was they did three procedures: 1) a review of the cash receipts and disbursements over DSS for the transactions there, 2) an actual audit of the Good Friends Fund, and 3) they did an agreed upon procedures for the voucher program.*

Commissioner Clarke asked was an opinion issued after the completion of the audit. *The response was there was an opinion expressed on the cash receipts and disbursements audit of Good Friends, which was a disclaimer.*

Commissioner Clarke questioned whether a disclaimer was an "audit opinion." *The response was that Commissioner Clarke was correct to ask this because a disclaimer is not an audit opinion, thus, they did not issue an opinion.*

Commissioner Clarke said he asked because he wanted to make sure that he had seen all of Cherry, Bekaert & Holland's work product.

Commissioner Clarke asked the auditor if they assessed management's response to this issue. *The response was they have reviewed them but not tested. However, based on what they've heard, they feel they're adequate at this time.*

Commissioner Clarke asked the auditor was there anything else the County should be doing at this point in time with respect to the controls environment at DSS based on the work that they've done. *The response was the receipts and disbursements side, the fact that it's been taken away from DSS at this point, should be adequate for that area. Further, with respect to the other side of DSS, the delivery of services, that the controls there are good for eligibility determination and those types of things. They feel very comfortable in that particular area.*

Commissioner Clarke asked the auditor to explain how disbursements are handled with respect to the eligibility determination process, which was explained. *It was noted that prior to this being terminated, there was a separate checking account that was primarily a guardianship account and that years ago it was expanded to include the Giving Tree program and the Good Friends Program.*

Commissioner Clarke said it appears from the audit report that there were times when checks were written out of the guardianship account to cover expenses of the Good Friends and Giving Tree Programs and they would be reimbursed as monies became available for the two programs. *The auditor said Commissioner Clarke's observation was correct.*

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Commissioner Clarke asked the auditor to elaborate on the meaning of a “single” audit, which he did. *It was explained the focus of a “single” audit is on compliance with federal, and in NC, compliance requirements in regards to federal and state monies sent into the County to make sure the county is complying with those guidelines.*

Commissioner Clarke asked the auditor if they performed an audit of the County’s financial statements and whether that included the Department of Social Services. *The response was yes.*

Commissioner Clarke asked the auditor how long had they been the County’s auditor. *The response was five years.*

Commissioner Clarke asked the auditor if they make any kind of assessment of the County’s internal controls and procedures when they perform the County’s audit. *The response was yes.*

Commissioner Clarke asked was an assessment made with respect to the financial results at DSS during the years when they’ve done the audit. *The response was that there focus in DSS was on the eligibility side.*

Commissioner Clarke asked was that the “single” audit and was that because there are so many dollars there and because it’s a matter of statute. *The response was yes.*

Commissioner Clarke said there’s a widespread perception that if you have an auditor that audits your financial statements that fraud is never going to occur. He asked the auditor was that perception correct. *The response was it’s not necessarily correct because “there’s always the assumption that fraud is out there and you determine and base your audit approach based on a certain level of risks;” that “you’re always looking for fraud but you don’t go in testing for fraud.”*

Commissioner Clarke referenced a requirement in the corporate arena where auditors are asked to assess Management’s assessment of its own internal controls and procedures and the effectiveness of those controls and procedures, which is done on an annual basis. Commissioner Clarke asked was there a similar requirement for the audit of the County’s financial statements, in terms of a management report on the effectiveness of their internal controls and procedures, *The response was no, not at this time.*

Commissioner Clarke asked if the auditor thought this is something the County should consider adopting. *The response was that this is something that’s being discussed in the industry currently on a national level, that the General Accounting Office is looking at this.*

Commissioner Clarke said the structural question raised by the Committee is a valid one, but the real question is whether you’re allocating sufficient financial resources to the financial management function, so that you have high quality people who are going to stay with you and you don’t have a lot of turnover and they have the support they need within an organization (“the money”).

Commissioner Clarke said financial management is an expensive process and that if the County decides to keep this function in DSS, consideration needs to be given as to whether adequate resources are being provided to attract the talent and number of people needed.

Commissioner Clarke thanked the auditor for their work. He said he thought it was money well spent.

Commissioner Clarke asked Internal Audit Director Spears about her tenure and background with the County, which she addressed.

Commissioner Clarke asked how many people were in the Internal Audit Department. *The response was five. Director Spears said the department has lost staff over the years because of budget cuts.*

Commissioner Clarke asked how does the size of the County’s Internal Audit Department compare to other governments the size of Mecklenburg County. *The response was this has not been benchmarked in quite a while. Director Spears said she believes the City of Charlotte has eight or nine on staff.*

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Commissioner Clarke said he was familiar with the size of audit departments for some of his corporate clients and the number far exceed what the County has.

Commissioner Clarke suggested it be benchmarked again and that the Audit Review Committee pursue having this done.

Commissioner Murrey said it was on the Committee's list of things to do.

Commissioner Clarke asked Director Spears about her letter dated June 4, 2009 and asked for an explanation of what the Giving Tree Program was, which was done.

Commissioner Clarke said it was reported in the newspaper that the County couldn't account for \$160,000+, he said the average person will say "it's gone." "We have no idea what happened to it." He asked director Spears to comment.

Director Spears said she wouldn't say that it can't be accounted for but that the way the controls were within the inventory process, there's no way to determine and guarantee that the items purchased were actually put into inventory. She said she could not provide that assurance. Director Spears said with respect to the receipts and the way that they were presented, there were many where information was omitted and you could not tell how the actual payment was made, which is why CMPD was brought into the fold in order to try and get those extra receipts. Director Spears said she cannot provide any real assurance that the monies were actually not accounted for or are accounted for through the inventory process.

Commissioner Clarke said that's important because what Director Spears was saying was that she can't give assurances. Commissioner Clarke said that's not the same as saying "it got stolen or totally misspent." *Director Spears said that was correct.*

Commissioner Clarke said he wants the public to know that some of what they've read is misleading because of the way it's been reported.

Commissioner Clarke said there are people who say the \$162,000 is just gone, but he knows there is a portion of that, which is a concern in the amount of \$10,000, which staff found no receipts for. Commissioner Clarke said that still doesn't mean it was misspent, only that it's nothing there to indicate how it was spent.

Director Spears said that was correct and that she has to go with what the evidence proves and that if she doesn't have the evidence to say that money was misspent, then she won't make that statement.

Commissioner Cooksey said it sounds like from all of the discussion that the prerequisite for all of this to happen had to do with the fact that DSS had its own separate bank accounts.

Commissioner Cooksey asked whether the auditor would agree with his statement. *The response was yes.*

Commissioner Cooksey asked the auditor if he felt it was appropriate for a County department to have its own separate bank account or situations where that might be appropriate. *The response was it's standard across the state to have a guardianship account in a DSS. Further that it's very rare and very unusual to have it being used for other purposes, other than guardianship purposes.*

The auditor stated that for a county it's typical for there to be checking accounts in two places outside of the Finance dept, in DSS for the guardianship, and checking accounts, at times, in the Sheriff's department.

Commissioner Cooksey asked was it correct that currently there are no separate bank accounts in DSS. *The response was as of right now that's correct, however, there's an account, but it's being controlled by County Finance.*

Commissioner Cooksey asked if the auditor was aware of any other separate bank accounts in Any other county departments. *The response was in the Sheriff's Office*

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Commissioner Cooksey asked what was it for. *The response was for commissary.*

Commissioner Cooksey asked had similar controls been set up for those accounts.

Finance Director Diorio said the Sheriff's Office has four checking accounts, a trust account, a vending machine account, a commissary account, and one other (the name of it could not be recalled).

Director Diorio said those checks are signed by staff at the Sheriff's Office and are for very specific purposes. The funds do not run through County Finance. Director Diorio said those accounts are in the process of being looked at to determine if the controls in place are adequate.

This concluded the discussion. No action was taken. The report was provided for information purposes. A follow-up report will be forthcoming from the Audit Review Committee.

A copy of the Summary Fiscal Audits report is on file with the Clerk to the Board.

MANAGER'S REPORT

(6A) MECKLENBURG COUNTY FACILITY NAMING POLICY

Nyki Hardy, Assistant to the County Manager presented a proposed Mecklenburg County Facility Naming Policy.

Note: At its April 7, 2009 meeting, the Board directed the County Manager to develop a policy to guide the Board in naming and/or rename County facilities. Currently, the County has a policy and set of procedures for naming/renaming park and recreation facilities only. The proposed new policy will apply to all County facilities as described in the policy document, and includes the current policy and procedures the Board previously adopted for naming/renaming park and recreation facilities.

Comments

Commissioner Cooksey suggested the policy be amended to require a background check on the person under consideration, similar to what's done when hiring an employee. He also thinks the public should have an opportunity to voice their opinion, thus a public hearing on matter would be appropriate.

Commissioner Bentley suggested the policy be amended to require a certain length of time to have passed before consideration would be given to naming a facility after someone who has served in public office.

Commissioner Dunlap said he was glad to see where the County would avoid naming a facility the same name as some other facility to avoid any conflicts. He noted however, this won't prevent others from doing it.

Commissioner Dunlap said he understands that staff plans to change the wording where it reads "is this a living person or deceased person or neither", to say instead "or some geographic place," rather than use the word neither.

Commissioner Clarke echoed Commissioner Bentley's comments and suggested the length of time be two years.

Commissioner Clarke said there seems to be a different standard for someone that's deceased versus someone that's alive. He referenced the use of the words living persons who have made a "major" contribution to the enhancement of the quality of life in the community; and for a deceased person it reads, the person should have made a "substantial" contribution to the quality

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of life and welfare of Mecklenburg County. Commissioner Clarke suggested the two be conformed to say exactly the same thing, and in addition, to add language to both, indicating the person is or was widely recognized or well known for having made a major contribution.

Commissioner Cogdell said, like Commissioner Cooksey, he would like for there to be a public hearing requirement to give the public an opportunity to comment. He also supports the suggestions made by Commissioners Bentley and Clarke.

Commissioner Cooksey left the meeting and was absent for the remainder of the meeting.

County Manager Jones said staff would revise the proposed policy based on the Board's feedback and share those revisions with the Board, in advance of the next meeting for further feedback.

Motion was made by Commissioner Leake, seconded by Commissioner Cogdell and carried 8-0 with Commissioners Bentley, Clarke, Cogdell, Dunlap, James, Leake, Murrey and Roberts voting yes, to direct staff to revise the proposed policy for naming and/or renaming of county facilities to reflect the suggested changes by Board members and to report back at the August 4, 2009 meeting.

Commissioner Leake left the dais and was away until noted in the minutes.

(2B1) CLOSED SESSION – LAND ACQUISITION

Motion was made by Commissioner James, seconded by Commissioner Bentley and carried 6-1 with Commissioners Bentley, Clarke, Dunlap, James, Murrey and Roberts voting yes and Commissioner Cogdell voting no, to approve purchase of Tax Parcels 013-041-01 and 013-181-13 (+/- 211.91 acres) on Neck Road for \$6,600,000 from the L.G. Eakes Residuary Trust.

Note: The subject property is located on Neck Road immediately adjacent to the Cowan's Ford Wildlife Refuge and just west of the Rural Hill Nature Preserve. Since 1991, the County has made a concerted effort to protect, through acquisition, significant watershed properties along Mt. Island Lake, the major source of drinking water for Charlotte and surrounding communities. In the Neck Road corridor alone, the County has acquired more than 1,400 acres which effectively protects and buffers approximately 5.5 miles of shoreline from development and its associated pollutants found in storm water runoff. These properties have been designated as nature preserve and are managed for watershed protection, open space preservation, wildlife habitat and passive recreation. The Eakes Estate was identified as a high priority acquisition by

County staff.

Commissioner Dunlap left the dais and was away until noted in the minutes.

Motion was made by Commissioner James, seconded by Commissioner Bentley and carried 6-0 with Commissioners Bentley, Clarke, Cogdell, James, Murrey and Roberts voting yes, to approve designating Tax Parcels 013-041-01 and 013-181-13 as Nature Preserve in accordance with the 2008 Nature Preserve Master Plan Update (component of the 2008 Park & Recreation 10-Year Master Plan).

Commissioner Dunlap returned to the dais.

(2B2) CLOSED SESSION – LAND ACQUISITION

Motion was made by Commissioner Bentley, seconded by Commissioner James and carried 7-0 with Commissioners Bentley, Clarke, Cogdell, Dunlap, James, Murrey and Roberts voting yes, to authorize the County Manager to execute documents to purchase fee simple rights to land in Tax Parcel 019-201-07 at 13240 New Haven Drive from David Wood/A. H., Inc. for \$18,000.

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Note: The above single family lot is located in a small neighborhood off Holbrooks Road in Huntersville. This transaction will rectify an error dating from the year 2000 when the former County Community Development service facilitated the construction of a single-family home on Tax Parcel 019-201-07 for Mrs. Creola Henderson.

Commissioner Leake returned to the dais.

CONSENT ITEMS

Motion was made by Commissioner James, seconded by Commissioner Bentley and carried 8-0 with Commissioners Bentley, Clarke, Cogdell, Dunlap, James, Leake, Murrey and Roberts voting yes, to approve the following item(s), with the exception of items 17, 18, 21, 26, and 27 to be voted upon separately:

(7) APPROVAL OF MINUTES

Approve minutes of Regular Meeting held June 16, 2009 and Closed Sessions held June 16, 2009, May 19, 2009, April 21, 2009, and March 17, 2009.

(8) TAX REFUNDS

Approve refunds in the amount of \$5,270.05 to be made by the Finance Department as requested by the Tax Assessor resulting from clerical errors, audits and other amendments.

A list of the refund recipients is on file with the Clerk to the Board.

(9) MOWING GREEN GRANT

Recognize, receive, and appropriate \$3,000 in grant revenue from Coca-Cola Bottling Company for Mecklenburg County Air Quality to organize and hold events promoting electric lawnmowers.

Note: A gasoline powered lawnmower emits about 50 pounds of pollution each summer, while an electric lawnmower has no direct emissions and can be recharged when electricity demand is low. The funding will be used to provide discounts to residents in our region who purchase

electric lawnmowers at the event. Providing this incentive will motivate individuals to buy electric lawnmowers and recycle old gasoline mowers, reducing pollution and increasing awareness about the impact of lawn and garden equipment on local air quality.

(10) GREENWAY EASEMENTS – AVENUE E-55/MIDTOWN PARTNERS, LLC

Authorize the County Manager to negotiate and receive a permanent easement and a temporary construction easement from Avenue E-55/Midtown Partners, LLC on Tax Parcel 125-093-07 for the Little Sugar Creek Greenway.

(11) GREENWAY EASEMENTS – HOME DEPOT USA, INC. AND TARGET CORPORATION

Authorize the County Manager to negotiate and receive a permanent easement and a temporary construction easement from Home Depot USA, Inc. and Target Corporation on Tax Parcels 125-093-08 and 125-093-09 for the Little Sugar Creek Greenway.

(12) SINGLE STREAM RETROFIT

- 1) Adopt the “Metrolina Recovery Facility (MRF) Improvements Capital Reserve Project Ordinance.”
- 2) Authorize the County Manager to negotiate and execute a contract not to exceed \$8,000,000 with CP Manufacturing, Inc. for providing a single stream retrofit for the MRF.

Ordinance recorded in full in Minute Book 44-A, Document # _____.

(13) GREENWAY DONATION & TEMPORARY CONSTRUCTION EASEMENT – STEWART CREEK

Accept donation of Tax Parcel 071-041-15 from Wood Partner, Inc., and approve a temporary construction easement on County-owned Tax Parcel 071-036-91.

Note: As part of its rezoning approval process for the Wesley Village development located between Thrift and Tuckaseegee Roads in west Charlotte, Wood Partners, Inc. has agreed to donate Tax Parcel 071-041-15 to the County to add to the greenway along Stewart Creek. Additionally, Wood Partners has agreed to construct a pedestrian bridge along the creek that will connect existing Wesley Village property to existing county owned property. The bridge will be located on parcel 071-041-15 and Wood Partners has agreed to construct it to the Park and Recreation Department’s specifications. To construct the bridge and stage construction equipment, Wood Partners is requesting that the County approve a temporary construction easement on Tax Parcel 071-036-91. Wood Partners anticipates the bridge will be completed by early 2010 and parcel 071-041-15 will be deeded to the county at that time.

(14) DESTRUCTION OF DOCUMENTS – LUESA

Approve the disposal of LUESA (Code Enforcement Department) records and plans in accordance with North Carolina records retention policies.

Note: These records comprise:

- 483 commercial plans permitted March 2007
- Eight (8) boxes of permitting and inspections records. These records have been imaged, stored and migrated to an online system for secure retrieval over the Internet.
- Dead Bonds: 663 (10/19/07 – 4/25/09)
- Credit/Refunds: 1526 (1/01/08 – 5/29/08)
- Daily Audit Trail: 1621 (3/1/08 – 4/30/08)
- Daily Audit Trail: 1949 (7/1/07 – 9/30/07)
- Daily Work: 288 (2/1/08 – 3/1/30/08)
- Contractor Notification: 557 (4/1/08 – 5/30/08)

(15) HAZARD MITIGATION PROGRAM – FLOODPLAIN ACQUISITION

- 1) Accept the “Offer of Sale of Land” from William W. Tison, owner of 3726 Country Club Drive (PID: 09515111), for \$180,000.
- 2) Recognize, receive and appropriate \$174,000 for the purchase, \$6,000 for moving costs, and \$15,000 for closing and demolition costs for the 3726 Country Club Drive Property from

Charlotte-Mecklenburg Utilities.

- 3) Authorize the carry forward of unspent funds to subsequent years until completion of project.
- 4) Authorize the Charlotte-Mecklenburg Police and Fire Departments to utilize the structures for training exercises.

Note: This action is necessary for the purchase of a floodplain property under the Hazard Mitigation Program. This action will purchase and remove the above property from the Briar Creek floodplain.

(16) HORIZONTAL AUTO-TIE FIBER BALER

Approve a one-time purchase of a Harris HP-8160 Fiber Baler from Harris Waste Management Group of Peachtree City, GA for a price of \$286,566 that includes removal, freight, installation, and options.

Note: The existing baler used at the Metrolina Recycling Facility is 30 years old and is no longer efficient, safe, or easy to repair. In addition, a new single stream process will require up-to-date equipment to accommodate different operational requirements.

(19) FOUR MILE CREEK GREENWAY – TOWN OF MATTHEWS

- 1) Approve the Amended and Restated Development and Cooperation Agreement for Four Mile Creek Greenway between Mecklenburg County and the Town of Matthews; and
- 2) Adopt Four Mile Creek Greenway Capital Project Ordinance.

Agreement and Ordinance recorded in full in Minute Book 44-A, Document # _____.

(20) GRANT APPLICATION – KODAK AMERICAN GREENWAYS PROGRAM

- 1) Approve the submission of an application for funding up to \$2,500 for a grant from The Kodak American Greenways Program, for a mural at Little Sugar Creek Greenway (Belmont to 12th Street); and if awarded, recognize, receive and appropriate such funds.

(22) THE FIRST TEE OF CHARLOTTE & REVOLUTION PARK GOLF COURSE RENAMING

Approve naming the junior golf practice area and office building The First Tee of Charlotte Learning Academy at Revolution Park.

(23) APPOINTMENT OF REVIEW OFFICERS

Amend “Resolution Designating Review Officers to Review Each Map and Plat Recorded in the Register of Deeds Office Pursuant to N.C.G.S. 47-30.2” to add the name of Charles S. Anzalone as a Review Officer and to delete the names Gregory P. Kolat and Nicholas S. Bush from the resolution of October 21, 2008.

Amended Resolution recorded in full in Minute Book 44-A, Document # _____.

(24) SOUTH MINT STREET RIGHT OF WAY DEDICATION

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Authorize the County Manager to execute documents to convey to the City of Charlotte fee simple rights to +/- 249 square feet of land from Tax Parcel 073-111-04 and 1,517 square feet from Tax Parcel 073-112-05 to be included in the right of way of South Mint Street.

(25) VERHOEFF DRIVE REALIGNMENT

Authorize the County Manager to execute documents to:

1) Convey portions of Tax Parcel 019-095-02 (.6859 acre within Old Statesville Road right of way and fee simple area including .4975 acre) to the Town of Huntersville for improvements and grade separation associated with Verhoeff Drive; and

2) Permit Central Piedmont Community College to convey a portion of the North Campus Tax Parcel 017-421-07 (previously designated as 017-421-08 and 017-421-09) to the Town of Huntersville for right of way improvements to Verhoeff Drive.

THIS CONCLUDED ITEMS APPROVED BY CONSENT

Commissioner James left the meeting and was absent for the remainder of the meeting.

(17) ALEXANDER STREET PARK IMPROVEMENTS

Commissioner Murrey asked to be excused from voting on Items involving Trinity Episcopal School to avoid a conflict of interest. Commissioner Murrey noted that his children attend Trinity Episcopal School.

Motion was made by Commissioner Dunlap, seconded by Commissioner Bentley and carried 6-1 with Commissioners Bentley, Clarke, Cogdell, Dunlap, Murrey, and Roberts voting yes and Commissioner Leake voting no, to excuse Commissioner Murrey from voting on Items involving Trinity Episcopal School to avoid a conflict of interest.

Motion was made by Commissioner Cogdell, seconded by Commissioner Dunlap and carried 6-0 with Commissioners Bentley, Clarke, Cogdell, Dunlap, Leake, and Roberts voting yes, to adopt a resolution authorizing a License and Use agreement with Trinity Episcopal School to

make park improvements at Alexander Street Park.

Commissioner Leake removed this item from Consent to inquire about the County's ownership of the property. Park and Recreation Director Jim Garges addressed this issue.

Resolution recorded in full in Minute Book 44-A, Document # _____.

(18) SEIGLE POINT RECREATIONAL FACILITIES

Motion was made by Commissioner Leake, seconded by Commissioner Bentley and carried 6-0 with Commissioners Bentley, Clarke, Cogdell, Dunlap, Leake, and Roberts voting yes, to adopt a resolution authorizing a License and Use agreement with Trinity Episcopal School to develop recreational facilities at Seigle Point. Secondly, to authorize the County Manager to negotiate and execute a Reciprocal Easement agreement for access to the Seigle Point recreational facilities.

Commissioner Leake removed this item from Consent to inquire about the amenities at this site. Park and Recreation Director Jim Garges addressed this issue.

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Resolution recorded in full in Minute Book 44-A, Document # _____.

(21) RENAMING REQUEST FOR PHILLIP O. BERRY RECREATION CENTER TO “WALLACE PRUITT RECREATION CENTER”

Motion was made by Commissioner Leake, seconded by Commissioner Dunlap and carried 7-0 with Commissioners Bentley, Clarke, Cogdell, Dunlap, Leake, Murrey, and Roberts voting yes, to approve renaming request for Phillip O. Berry Recreation Center to “Wallace Pruitt Recreation Center.”

Note: Mecklenburg County Park and Recreation Department received an application from the Seversville Community Organization to rename the existing Phillip O. Berry Recreation Center to “Wallace Pruitt Recreation Center”. The neighborhood organization inquired about renaming due to community confusion with this facility and the CMS High School named Phillip O. Berry. This confusion escalated with the recent voting precinct held at Phillip O. Berry Recreation Center. Numerous people went to the CMS Phillip O. Berry High School to vote instead of the Phillip O. Berry Recreation Center, which was the actual voting location. Seversville Community Organization requested the recreation center be named in honor of the neighborhood president and community leader, Wallace Pruitt.

Commissioner Leake removed this item from Consent for more public awareness and to make sure that this naming was not in conflict with the County’s review of a future Facility Naming Policy.

(26) HOME AND COMMUNITY CARE BLOCK GRANT FUNDING PLAN - DSS

Motion was made by Commissioner Leake, seconded by Commissioner Dunlap and carried 7-0 with Commissioners Bentley, Clarke, Cogdell, Dunlap, Leake, Murrey, and Roberts voting yes, to approve the Home and Community Care Block Grant funding plan for Fiscal Year 2010.

Note: Annually, the Services for Adults Division of the Department of Social Services submits for Board approval the Home and Community Care Block Grant funding plan (also referred to as the County Aging Plan). Board approval is required prior to submitting the plan to Centralina Council of Governments, the local grant authority. The funding plan involves allocating \$3,150,479 for aging services, which includes a County match of \$315,047. The following services are provided with this grant: In-Home Aide Services; Transportation

Services; Congregate Meals; Home Delivered Meals; and Adult Day Care/Day Health.

Commissioner Leake removed this item from Consent for more public awareness.

Commissioner Bentley asked Director of Social Services Mary Wilson if any of these funds would go to the Marion Diehl Senior Center. The response was no. Further, that the senior centers operated by the County are the senior nutrition sites.

(27) NCDOT RURAL OPERATING ASSISTANCE PROGRAM GRANT APPLICATION – SET PUBLIC HEARING

Motion was made by Commissioner Leake, seconded by Commissioner Cogdell and carried 7-0 with Commissioners Bentley, Clarke, Cogdell, Dunlap, Leake, Murrey, and Roberts voting yes, to approve scheduling a public hearing at the August 4, 2009 Board of County Commissioners meeting to receive comments on the Mecklenburg County Department of Social Services’ grant application for the NC Department of Transportation’s Rural Operating Assistance Program for Fiscal Year 2009-2010, and direct the Clerk to publish notice of intent to hold a public hearing.

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Commissioner Leake removed this item from Consent for more public awareness. It was addressed by Director of Social Services Mary Wilson.

Commissioner Dunlap asked what happens when the City of Charlotte annexes an area of the County where these services had been provided. Are those residents still eligible for County transportation. The response was that persons would need to call and staff would work with via phone and do an assessment. Further, that staff tries to coordinate with Charlotte Area Transit Systems Special Transport Services, which handles some routes but is sometimes on a more discretionary basis, whereas, the County's service is more mandated by Medicaid and actually paid for by Medicaid and NC DOT rural grant dollars.

STAFF REPORTS AND REQUESTS - NONE

COUNTY COMMISSIONERS REPORTS AND REQUESTS

(29) SELECTION OF NACO VOTING DELEGATE

Motion was made by Commissioner Murrey, seconded by Commissioner Cogdell and carried 7-0 with Commissioners Bentley, Clarke, Cogdell, Dunlap, Leake, Murrey and Roberts voting yes, to select Commissioner George Dunlap as the Board's voting delegate for the 2009 National Association of Counties (NACo) Annual Conference to be held July 24-28, 2009 in Nashville, Tennessee; and in the event that Commissioner Dunlap is unable to attend, authorize the president of the NC Association of County Commissioners (or his/her designee) to pick up and cast the County's votes.

(28) MECKLENBURG COUNTY'S NON-PROFIT FUNDING APPLICATION PROCESS (COMMISSIONER LEAKE)

The Board received information regarding the County's process for seeking and evaluating applications from non-profit organizations for funding during the annual budget process.

Budget/Management Director Hyong Yi addressed this matter.

Note: The County has established a process for non-profit organizations seeking County funding for specific services offered by those organizations. In addition, the County has defined several conditions as a requirement for funding consideration. The purpose of this agenda item was to provide an overview of the process, key dates, and requirements for funding.

Commissioner Leake requested this matter be placed on the agenda. Commissioner Leake noted that the matter she had on the June 16, 2009 agenda requesting funds for outside agencies was a request for funding from unrestricted contingency and not budgeted funds for FY10.

Commissioner Leake noted during the discussion that there was not a process for allocating funds out of unrestricted contingency and that all that's required are five votes. Director Yi acknowledged that this was correct.

Director Yi said the unrestricted contingency fund was a fund that's available to the Board that's completely at the Board's discretion. Further, that there "really is no process other than that it requires five votes to approve the use of any of the funds. Director Yi said, however, that if the Board wants to have a process, that's up to the Board to decide what that process is or how it wants to use those funds.

COMMISSION COMMENTS – General comments were made at this time by various Commissioners regarding upcoming events and/or events they attended, as well as, other matters which they deemed note worthy: Commissioner Cogdell acknowledged the passing of Judge Clifton Johnson.

JULY 7, 2009

ADJOURNMENT

Motion was made by Commissioner Dunlap, seconded by Commissioner Clarke and carried 7-0 with Commissioners Bentley, Clarke, Cogdell, Dunlap, Leake, Murrey and Roberts voting yes, that there being no further business to come before the Board that the meeting be adjourned at 10:40 p.m.

Janice S. Paige, Clerk

Jennifer Roberts, Chairman