

**AGENDA**  
**UNION COUNTY BOARD OF COMMISSIONERS**  
**Regular Meeting**  
**Tuesday, January 20, 2009**  
**7:00 P.M.**  
**Board Room, First Floor**  
**Union County Government Center**  
**500 North Main Street**  
**Monroe, North Carolina**

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[www.co.union.nc.us](http://www.co.union.nc.us)

1. **Opening of Meeting**
  - a. Invocation
  - b. Pledge of Allegiance
  
2. **Public Hearing - Proposed Economic Development Incentive**  
**Re: BAE Systems Tensylon High Performance Materials, Inc. in a Total Amount Not to Exceed \$53,717.77**  
**ACTION REQUESTED:** Conduct public hearing
  
3. **Informal Comments**
  
4. **Additions, Deletions and/or Adoption of Agenda**  
**ACTION REQUESTED:** Adoption of Agenda
  
5. **Consent Agenda**  
**ACTION REQUESTED:** Approve items listed on the Consent Agenda
  
6. **Public Information Officer's Comments**

**Old Business**

7. **Resolution of the Board of Commissioners of the County of Union, North Carolina Providing for the Issuance of \$64,500,000 General Obligation School Bonds, Series 2009A of the County of Union, North Carolina**  
**ACTION REQUESTED:** Adopt Resolution
  
8. **A Resolution of the Board of Commissioners of the County of Union, North Carolina Providing for the Issuance of Not to Exceed \$80,000,000 General Obligation Refunding Bonds, Series 2009B of the County of Union, North Carolina**  
**ACTION REQUESTED:** Adopt Resolution
  
9. **Reconsideration of Amendment to Scope of PARTF Grant Application**  
**ACTION REQUESTED:** Authorize staff to reduce the scope of the grant application to allow for the maximum potential points within a budget for the local match of approximately \$500,000

10. **Update on Water Allocation Policy**  
**ACTION REQUESTED:** Direction to staff

**New Business**

11. **Consideration of Economic Incentive Grant Award - BAE Systems Tensylon High Performance Materials, Inc. in a Total Amount Not to Exceed \$53,717.77**  
**ACTION REQUESTED:** Consider grant award contingent upon successful negotiation of an agreement specifying the obligations of the parties
12. **Discussion of Proposed Rate Increase for Union County Customers Served by Aqua Utilities, Inc.**  
**ACTION REQUESTED:** Adopt Resolution in Support of a Usage Based Fee Schedule for Users of Aqua North Carolina, Inc.
13. **Tax Administrator - 2008 Untimely Use Value Application Appeals**  
a. Sarah Niven Spillman (Parcel #05-171-002 and #05-174-006)  
b. Gary Gene Rollins and wife, Barbara (Parcel #04-249-018)  
c. Mary G. Horne Trustee (Parcel #03-042-005, #06-192-003C, and #06-192-003D)  
**ACTION REQUESTED:** Approve Tax Administrator's recommendation to deny
14. **Amendments to Union County Personnel Resolution Regarding Reduction in Force**  
**ACTION REQUESTED:** Consider adoption of Amendment to Personnel Resolution
15. **Federal Assistance to Firefighters' Grants (FAFG) - Volunteer Fire Department (VFD) Communications Equipment**  
**ACTION REQUESTED:** Amend the Board of Commissioners' Action of March 24, 2008, increasing the local match from \$200,000 to \$251,659
16. **Request for Appointment of a Commissioner to Serve on the Family Drug Treatment Court Advisory Committee**  
**ACTION REQUESTED:** Consider appointment
17. **Discussion on Formation of Finance Subcommittee**  
**ACTION REQUESTED:** Discussion
18. **Union County Fire Service Study**  
**ACTION REQUESTED:** Direct staff to create an RFP for an outside consultant to conduct a fire study for Union County to answer the following questions:  
(1) Define "adequate fire protection" for the County as a whole and for each of the 18 volunteer fire departments; (2) How fire protection should be funded; and (3) What, if any, changes to the various fire district lines should be made to accomplish the adequate fire protection definition and goals. County staff shall invite up to two (2) representatives from the Fire Chief's Association to provide input to the staff on preparation of the RFP; however, the staff has final responsibility for drafting the RFP. RFP shall be completed and presented to the BOCC by March 2, 2009 for further recommendation.

19. **Discussion on The Union County Commissioner Governance Advisory Committee**  
**ACTION REQUESTED:** Discussion and direction to staff
20. **Announcements of Vacancies on Boards and Committees**
- a. Juvenile Crime Prevention Council (JCPC): 1) District Attorney or Designee; 2) Substance Abuse Professional; 3) Two Persons Under Age of 18; and 4) Juvenile Defense Attorney
  - b. Adult Care Home Community Advisory Committee
  - c. Board of Equalization and Review (1 Vacancy)
  - d. Historic Preservation Commission (2 Vacancies)
  - e. Parks and Recreation Advisory Board (5 Vacancies)
  - f. Nursing Home Advisory Committee
  - g. Fire Commission (3 Vacancies)
  - h. Board of Health (Vacancies for a Licensed Optometrist and an Engineer)
- ACTION REQUESTED:** Announce vacancies
21. **Appointments to Boards and Committees**
- a. Adult Care Home Community Advisory Committee
  - b. Nursing Home Advisory Committee
  - c. Board of Health (Vacancy for a Licensed Optometrist; Nurse, Engineer, and Citizen Representative)
  - d. Union County Home and Community Care Block Grant Advisory Committee
  - e. Farmers Market Committee (Vacancy for a member at Large)
  - f. Library (Vacancies Representing: Marshville (1); Waxhaw (1); Weddington (1) and One Member at Large)
- ACTION REQUESTED:** Consider appointments
22. **Manager's Comments**
23. **Commissioners' Comments**

**CONSENT AGENDA**  
**Tuesday, January 20, 2009**

1. **Minutes**  
**ACTION REQUESTED:** Approve minutes
  
2. **Tax Administrator**
  - a. Seventh Motor Vehicle Billing in the Grand Total Amount of \$1,128,084.62
  - b. Sixth Motor Vehicle Release Register for the Period of December 1, 2008 - December 31, 2008, in the Net Grand Total Amount of \$12,356.23-
  - c. Sixth Motor Vehicle Refund Register for the Period of December 1, 2008 - December 31, 2008, in the Net Grand Total Amount of \$1,374.65-**ACTION REQUESTED:** Approve a-c
  
3. **Juvenile Crime Prevention Council - Additional Funding**
  - a. Budget Ordinance Amendment #18 to Approve \$7,600 in Additional State Grant Funding (No Additional County Dollars Requested)  
**ACTION REQUESTED:** Adopt Budget Amendment #18
  - b. Budget Ordinance Amendment #19 to Approve \$8,620 in Additional State Grant Funding for the Union County Shelter Care Grant Program  
**ACTION REQUESTED:** Adopt Budget Amendment #19
  
4. **Finance Department**
  - a. Motor Vehicle Refund Overpayments for December 2008 in the Amount of \$3,810.33  
**ACTION REQUESTED:** Approve overpayments in the amount of \$3,810.33
  - b. Budget Transfers Report for December 2008  
**ACTION REQUESTED:** Approve
  - c. Report of Contracts Exceeding \$50,000 which Require Report to Board of Commissioners for December 2008 Pursuant to Manager Delegation Authority  
**ACTION REQUESTED:** Approve
  - d. Purchase Orders Greater than \$50,000 for December 2008  
**ACTION REQUESTED:** Approve
  
5. **FY 2009 Surplus Property Sale**  
**ACTION REQUESTED:** Adopt Resolution Requesting Surplus Property Sale
  
6. **Amendments to the County Pay and Classification Plan**  
**ACTION REQUESTED:** Approve the Addition of Sheriff's Dispatcher II (Pay Grade 62) and Sheriff's Dispatcher Master (Pay Grade 63) Job Classifications to the 2008-2009 Union County Pay and Classification Plan

7. **Contracts Over \$90,000**
  - a. Memorandum of Understanding with the Union County Public Schools for Basic Cooperation Between Union County Public Schools and the Union County Health Department (Payment Terms: N/A)
  - b. Amendment to Agreement with Robert S. Segal, CPA, CP, to Provide Services Related to the Discovery and Collection of Sales and Use Tax Refunds (Payment Terms: Amount NTE \$39,681.00)

**ACTION REQUESTED:** Authorize Manager to approve contracts pending final legal approval
  
8. **Union County Public Schools**

**ACTION REQUESTED:** Adopt Capital Project Ordinance #111 which Provides Funding for Site Maintenance and Stabilization for Middle School/High School "D" and Architect and Engineering Services Funds for Piedmont High School Additions/Renovations (Comprehensive Facility Study Project)
  
9. **Amendment to Water Conservation Ordinance**

**ACTION REQUESTED:** Adopt Amendment to Ordinance
  
10. **Voluntary Agricultural District and Enhanced Voluntary Agricultural District Ordinance**

**ACTION REQUESTED:** Adopt Amendment to extend effective date of the Ordinance from February 1 to March 1

INFORMATION ONLY  
NO ACTION REQUIRED

1. Water Allocation Policy - UCPW Appeal Responses (Report)
2. Department of Inspections' Monthly Report for December 2008
3. Personnel Department's Monthly Report for December 2008



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## OFFICE OF THE COMMISSIONERS AND MANAGER

500 N. Main St., Room 921 • Monroe, NC 28112 • Phone (704) 283-3810 • Fax (704) 282-0121

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### PUBLIC NOTICE

**NOTICE IS HEREBY GIVEN** that the Union County Board of Commissioners will hold a special meeting on Thursday, January 22, 2009, at 10:00 a.m. in the Commissioners' Board Room, first floor, Union County Government Center, 500 North Main Street, Monroe, North Carolina, for the purpose of considering budgetary reduction actions and taking such action as it deems appropriate during the special meeting in connection with these matters.

*Lanny Openshaw*

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Lanny Openshaw, Chairman  
Union County Board of Commissioners

**PUBLIC NOTICE**

NOTICE IS HEREBY GIVEN that the Union County Board of Commissioners will hold a public hearing on Tuesday, January 20, 2009, beginning at 7:00 p.m. in the Commissioners Board Room located on the first floor of the Union County Government Center, 500 North Main Street, Monroe, North Carolina, to consider the provision of economic development incentives pursuant to G.S. 158-7.1. The Board of Commissioners intends to consider an incentive grant to BAE Systems Tensylon High Performance Materials, Inc. in a total amount not to exceed \$62,926.53 to be paid in three annual payments as follows: 2011 - \$23,021.90; 2012 - \$20,975.51; and 2013 - \$18,929.12, based on the company's total capital investment for machinery and equipment of \$5,700,000 to be expended in 2009. The company is a manufacturer of ballistic fibers and it proposes to invest in the additional equipment for use at its current plant location. Based on its projected investment in Union County, the company will pay estimated property taxes on its new taxable investment over the three-year grant period of \$99,710.44 based on the current tax rate. The proposed grant recipients acknowledge that the incentive grants, if awarded by the Board, will serve as inducements to make the indicated capital investments in Union County. The source of funding for the proposed grants is general fund revenues. All interested persons are invited to attend the hearing and present their views. Any person requiring a sign language interpreter, please call (704) 225-8554 and make request at least 96 hours in advance. Any other special assistance needed by an individual due to disability under the Americans with Disabilities Act should call (704) 283-3810 and make a request at least 96 hours in advance. Lynn G. West  
County Clerk  
Union County Board of Commissioners  
January 2, 2009

NORTH CAROLINA,  
UNION COUNTY.

**AFFIDAVIT OF PUBLICATION**

Before the undersigned, a Notary Public of said County and State, duly commissioned, qualified, and authorized by law to administer oaths,

personally appeared Pat Deese

who being first duly sworn, deposes and says: that he is

Principal Clerk engaged in the publication of a newspaper known as The Enquirer-Journal, published, issued, and entered as second class mail in the City of Monroe in said County and State; that he is authorized to make this affidavit and sworn statement; that the notice or other legal advertisement, a true copy of which is attached hereto, was published in The Enquirer-Journal on the following dates:

Jan 2, 2009

and that the said newspaper in which such notice, paper, document, or legal advertisement was published was, at the time of each and every such publication, a newspaper meeting all the requirements and qualifications of Section 1-597 of the General Statutes of North Carolina and was a qualified newspaper within the meaning of Section 1-597 of the General Statutes of North Carolina.

This 6 day of Jan 2009  
Pat Deese

Sworn to and subscribed before me, this 6 day of Jan 2009.

Rich. O. Chetz Notary Public  
My Commission expires: May 11, 2013

Inches: 8 1/4  
MONROE, N.C. Jan 6 2009

U.C. Bd of Commissioners Ad# 02100167  
ACCOUNT #:

COST: \$ 82.40

BAE System Incentive Grant

—IN ACCOUNT WITH—

**The Enquirer-Journal**

P.O. Box 5040  
500 W. Jefferson St.  
Monroe, N.C. 28111-5040

Important Legal Document, Please Retain





AGENDA ITEM

# 2 & 11  
MEETING DATE \_\_\_\_\_

**UNION COUNTY INCENTIVE QUESTIONNAIRE**

Company Name:.....BAE Systems Tensylon High Performance Materials Inc.

Representative:.....Lisa Owen, VP & GM

State of Incorporation:.....North Carolina

Nature of Business:.....Manufacture Ballistic Materials

Current Operations in Union:.....Yes  
1901 Piedmont Dr.  
Monroe, NC

Current Employment in Union County:                   36 full- time permanent;  
  3 temporary / contractors

**Real Estate:**

Proposed Location:.....Current Location

Additional Square Feet:.....None

Total Value of Additional real estate Investment:.....N/A

**Machinery and Equipment**

Attach equipment list. If not available describe:

Additional Tensylon manufacturing line and ancillary supporting equipment.

Phase I would put this line at 33%, while  
Phase II would increase output to 100%.

Total Value of New Equipment:.....\$5.7 Million

Total Value of Eliminated Equipment:.....N/A

**Jobs:**

# of new full time jobs:.....+17  
Average Wage.....+\$16.11 Avg.  
Total new full time annual payroll:.....+\$533,006

# of new contract labor jobs:.....None  
Total new contract labor annual payroll:.....N/A

Total new payroll:.....+\$533,006

**Total New Investment:**

New Real Estate Investment.....\$ 0  
New Equipment Investment.....\$5,700,000  
Total New Investment.....\$5,700,000

**Schedule of Investment:**

<b>Year</b>	<b>Real Estate</b>	<b>M &amp; E</b>	<b>Total</b>
2009	\$ 0	\$ 5,700,000	\$ 5,700,000
2010	\$ 0	\$ 0	\$ 0
2011	\$ 0	\$ 0	\$ 0
2012	\$ 0	\$ 0	\$ 0
2013	\$ 0	\$ 0	\$ 0
Total	\$ 0	\$ 5,700,000	\$ 5,700,000

**“But For” declaration:**

BAE is considering other existing BAE sites to host these manufacturing lines including: Aiken, SC; Fairfield, OH; York, PA; Sealy, TX and the State of Michigan

**ILLUSTRATION OF PROJECT’S CASH TAX VALUE TO COUNTY**

Projected New Revenues to County.....\$ 85,118.67  
Less Projected Grant Payments ..... 53,717.77  
Projected Net Tax Revenues during grant period.....\$ 31,400.90

**Crucial Dates and Deadlines:**

<b><u>DATE</u></b>	<b><u>DEADLINE</u></b>
<b>1/20/09</b>	<b>Incentive Request Response From Us</b>
<b>1<sup>st</sup> Qtr. 2009**</b>	<b>Begin Construction/Installation</b>
<b>3<sup>rd</sup> Qtr. 2009**</b>	<b>Occupancy</b>
<b>2<sup>nd</sup> Qtr. 2009**</b>	<b>Begin Hiring</b>
<b>3<sup>rd</sup> Qtr. 2009**</b>	<b>Start Up Operation</b>

\* The High Performance Materials Division needs to make a decision soon or loose the capital allocation associated with this expansion. They are asking for a decision as soon as possible so that they can meet their corporate deadline.

\*\* Estimated

**Addendum**

City of Monroe incentive grant (estimated).....\$	<u>N/A</u>	over 5 years
Union County incentive grant (estimated).....\$	<u>\$53,717.77</u>	over 3 years
JDIG (estimated).....\$	<u>Not yet known</u>	
Community College Training (estimated value)....\$	<u>Not yet known</u>	
Bill Lee ACT (3J) Tax Credits (estimated value).....\$	<u>Not yet known</u>	
One NC Fund.....\$	<u>N/A</u>	
Total value of incentives from all sources....\$	<u>\$53,717.77</u>	

**BAE SYSTEMS**

# COMPANY STRUCTURE

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## Our Organisation

Our organisation is designed to enable us to deliver the cost, capability and overall financial performance to meet customers' needs.

BAE Systems has strong positions in each of our six home markets – Australia, Saudi Arabia, South Africa, Sweden, UK, US – and have organised the business to reflect this. The UK and Rest of the World business is responsible for delivering and growing our home markets, optimising our ability to deliver through-life military capability to the front line.

BAE Systems Inc. is the US subsidiary of BAE Systems plc. Headquartered in Rockville, Maryland, BAE Systems, BAE Systems Inc. consists of three Operating Groups that provide support and service solutions for current and future defense, intelligence, and civilian systems; design, develop and manufacture a wide range of electronic systems and subsystems for both military and commercial applications; and design, develop, produce, and provide service support of armored combat vehicles, artillery systems and intelligent munitions.

### Company Details

BAE Systems plc  
A company registered in England and Wales  
Company Number: 1470151

### Registered Office:

6 Carlton Gardens  
London  
SW1Y 5AD  
United Kingdom

## RELATED INFORMATION

### Related links

[Organisation Charts](#)  
[Leadership Biographies](#)

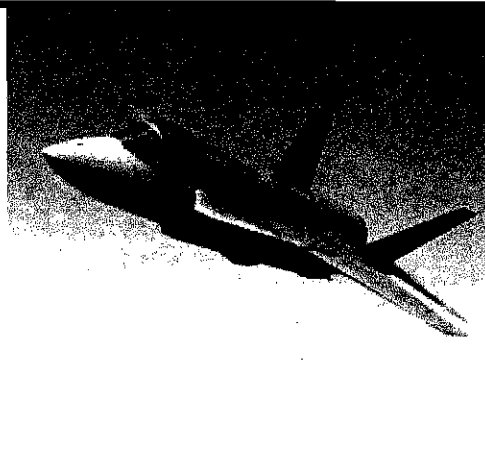
**BAE SYSTEMS**

# CORPORATE RESPONSIBILITY

## Setting new standards in Corporate Responsibility

"I firmly believe that Corporate Responsibility is part of the everyday management of a responsible business and I expect all our employees to make it an integral part of all that they do."

Mike Turner, CEO



## RELATED INFORMATION

### Related links

[Woolf Report](#)

## FEEDBACK

We welcome feedback, both positive and negative, on any aspect of our corporate responsibility, performance and reporting.

CR Contacts:

[crfeedback@baesystems.com](mailto:crfeedback@baesystems.com)

**BAE Systems recognises its responsibilities to the people it employs, its customers and suppliers, its shareholders, the wider community and to the environment. We are a well-managed, responsible and ethical company and are determined to be widely recognised for our world-class technology, the skills of our people and the seriousness with which we take our corporate responsibilities.**

**We are proud of the role we play as one of the leaders in the defence sector and as part of this we recognise our specific responsibility to understand the concerns of others. We aim through this website and our corporate reporting to provide information and demonstrate through our performance that BAE Systems is both a responsible corporate citizen and a responsible defence company.**

**We publish an annual CR report showing our progress and detailing highlights from our Corporate Responsibility agenda. Click below to read our latest Report.**

BAE Systems plc is a member of Business in the Community and is also included in both the Dow Jones Sustainability World Index and the pan European Dow Jones STOXX Sustainability Index.

### Disclaimer

Ian King, former Chief Operating Officer, UK and Rest of World, replaced Mike Turner as Chief Executive on 1 September 2008. This page is currently being updated and reviewed.

## LATEST NEWS

There are currently no News Releases in this section

**BAE SYSTEMS**

# LEADERSHIP

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Please click on the leaders' names below to read their biography

**Non-Executive Chairman**

Dick Olver, Chairman

**RELATED INFORMATION****Executive Directors**

Ian King, Chief Executive

Walt Havenstein, Chief Operating Officer BAE Systems plc, President and CEO BAE Systems Inc

George Rose, Group Finance Director

**Non-Executive Directors**

Philip Carroll

Michael Hartnall

Andy Inglis

Sir Peter Mason

Sir Nigel Rudd

Carl Symon

Roberto Quarta

Ravi Uppal

**Executive Committee**

Philip Bramwell, Group General Counsel

Andrew Davies, Group Strategy Director

Alan Garwood, Group Business Development Director

Walt Havenstein, President, BAE Systems Inc

Alastair Imrie, Group HR Director

Ian King, Chief Executive

Charlotte Lambkin, Group Communications Director

Guy Griffiths, Group MD, International

Mike Heffron, President, Electronics, Intelligence & Support

Linda Hudson, President, Land & Armaments

George Rose, Group Finance Director

Nigel Whitehead, Group Managing Director Programmes & Support

**Other Corporate Leaders**

Fiona Davies, Chief of Staff

Peter Fielder, MD Performance Excellence

Grenville Hodge, Audit Director

Raj Rajagopal, MD Corporate Responsibility

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BAE Systems is the premier global defence and aerospace company

# Real Protection Real Advantage

## LATEST NEWS

Mahindra & Mahindra And BAE Systems Joint Venture Approved  
7 Jan

BAE Systems Awarded \$115 Million for Caiman Spare Parts  
5 Jan

BAE Systems Completes Acquisition Of Tenix Toll Defence Logistics  
22 Dec

**Share Price:** 391.00 ↑ 2.00  
**08/01/2009 at 16:29 GMT**



Charity Challenge Global Christmas Activity  
Nov 26th 2008



The Big Bang - inspiring the next generation of engineers  
Nov 13th 2008



BAE Systems Interim results for six months ended June 2008  
Aug 1st 2008

## CAPABILITIES

- |                                   |                                    |
|-----------------------------------|------------------------------------|
| Land                              | Through-life Support               |
| Air                               | Technology & Innovation            |
| Sea                               | Homeland Security                  |
| Systems Integration & Electronics | Information Technology             |
|                                   | Intelligence Security & Resilience |

## RESOURCES FOR

- |             |           |
|-------------|-----------|
| Journalists | Investors |
| Job Seekers |           |

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Investment	\$ 5,700,000.00						
Tax Rate:	0.7111						
Grant Level	2			Incentive Grant #'s	Company Tax Due	Excess of Taxes	Tax Revenue
Grant Factor	0.0044877	Year	Tax Value (Personal)	Grant Payment	Tax Payments	over Grant Pmts.	for 1st 3 years
Grant Term	3	2010	\$5,700,000.00				
		2011	\$4,617,000.00	\$20,719.71	\$32,831.49		
		2012	\$3,990,000.00	\$17,905.92	\$28,372.89		
		2013	\$3,363,000.00	\$15,092.14	\$23,914.29	\$31,400.90	\$85,118.67
		2014	\$2,850,000.00		\$20,266.35		
		2015	\$2,280,000.00		\$16,213.08	\$67,880.33	
		2016	\$1,710,000.00		\$12,159.81		
		2017	\$1,197,000.00		\$8,511.87		
		2018	\$741,000.00		\$5,269.25		
		2019	\$342,000.00		\$2,431.96		
		2020	\$285,000.00		\$2,026.64		
Totals				\$53,717.77	\$151,997.63	\$98,279.86	

**ASSUMPTIONS:**

1. Equipment investment of \$5.7 million will be made in the year 2009
2. Equipment will be of similar type as already installed and will be 10-year depreciable equipment
3. Depreciation schedule used is Schedule A10T, page 17 of the NC DOR's 2008 Cost Index & Depreciation Schedules
4. Incentive grant multiplier used is based on the investment being a level one (1) investment
5. Tax revenues are based upon the current tax rate (.7111)
6. The effects of any tax revaluations by the County are not figured into any of the calculations
7. Assumes that the equipment value is as valued by the Union County Tax Administrator's Office



**UNION COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date: January 20, 2009**

**Action Agenda Item No. 7**

(Central Admin. use only)

**SUBJECT:** New Money GO Issue - UCPS Capital Construction

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**DEPARTMENT:** Finance

**PUBLIC HEARING:** No

**ATTACHMENT(S):**  
Resolution

**INFORMATION CONTACT:**  
Kai Nelson

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**TELEPHONE NUMBERS:**  
704.292.2522

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**DEPARTMENT'S RECOMMENDED ACTION:** Adopt Resolution Providing for the Issuance of \$64,500,000 General Obligation School Bonds, Series 2009A of the County of Union, North Carolina

**BACKGROUND:** In September 2007, Union County sold general obligation bonds for school capital construction. Those bonds were sold to finance the UCPS capital construction program through the Fall 2008. Several months ago when it came time to replenish the bond capital construction account, the capital markets were in disarray. The County elected to defer the issuance of any additional debt and use the County's working capital to fund school capital construction pending reimbursement from a future bond sale. On November 3, the County adopted a reimbursement resolution establishing the legal standard for it to spend money from non-bond proceeds with their subsequent reimbursement from tax-exempt bond proceeds.

Currently, the County has provided the school system with about \$14MM - the majority coming from property tax proceeds received over the past several months.

The capital markets have improved from the September - November period. The proposed \$64.5 million sale will exhaust funding from the prior referendums and provide resources to reimburse the County for 'upfronting' money over the past several months, complete Cuthbertson Middle & High, Poplin Road ES and several other school capital projects.

**FINANCIAL IMPACT:** Issuance of \$64.5MM will add \$3.4 million in annual debt service costs to the FY2010 budget. Operation and maintenance costs associated with the opening of the 3 schools will add another \$2.6 million.

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**Legal Dept. Comments if applicable:** \_\_\_\_\_

\_\_\_\_\_

**Finance Dept. Comments if applicable:** \_\_\_\_\_

\_\_\_\_\_

**Manager Recommendation:** \_\_\_\_\_

\_\_\_\_\_

Extract of Minutes of a special meeting of the Board of Commissioners of the County of Union, North Carolina, held in the Commissioners' Boardroom, 1st floor, Union County Courthouse, Monroe, North Carolina, at 7:00 p.m. on January 20, 2009.

\* \* \*

A special meeting of the Board of Commissioners of the County of Union, North Carolina (the "Board of Commissioners") was held in the Government Center, Board of Commissioners' Room, Room 118, Monroe, North Carolina, at 7:00 p.m. on January 20, 2009 (the "Meeting"), after proper notice, and was called to order by the Chairman, and on the roll being called, the following members of the Board of Commissioners answered present:

The following members of the Board of Commissioners were absent

Also present:

Commissioners \_\_\_\_\_ moved that the following resolution, copies of which having been made available to the Board of Commissioners, be adopted:

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF UNION, NORTH CAROLINA PROVIDING FOR THE ISSUANCE OF \$64,500,000 GENERAL OBLIGATION SCHOOL BONDS, SERIES 2009A OF THE COUNTY OF UNION, NORTH CAROLINA**

*WHEREAS*, the Bond Order hereinafter-described has been adopted, and it is desirable to make provision for the issuance of the Bonds authorized by said Bond Order;

*NOW, THEREFORE, BE IT RESOLVED* by the Board of Commissioners (the "Board") of the County of Union, North Carolina (the "County"), as follows:

1. For purposes of this Resolution, the following words have the meanings ascribed to them below:

"Bond Order" means the Bond Order relating to the School Projects (as defined herein), which was adopted by the Board on August 14, 2006 and approved by the vote of a majority of the voters who voted thereon at a referendum duly called and held.

"Federal Securities" means (a) direct obligations of the United States of America for the timely payment of which the full faith and credit of the United States of America is pledged; (b) obligations issued by any agency controlled or supervised by and acting as an instrumentality of the United States of America, the timely payment of the principal of and interest on which is fully guaranteed as full faith and

credit obligations of the United States of America (including any securities described in (a) or (b) issued or held in the name of the Trustee in book-entry form on the books of the Department of Treasury of the United States of America), which obligations, in either case, are held in the name of a trustee and are not subject to redemption or purchase prior to maturity at the option of anyone other than the holder; (c) any bonds or other obligations of the State of North Carolina or of any agency, instrumentality or local governmental unit of the State of North Carolina which are (1) not callable prior to maturity or (2) as to which irrevocable instructions have been given to the trustee or escrow agent with respect to such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified, and which are rated by Moody's, if the 2009A Bonds are rated by Moody's, and S&P, if the 2009A Bonds are rated by S&P, within the highest rating category and which are secured as to principal, redemption premium, if any, and interest by a fund consisting only of cash or bonds or other obligations of the character described in clause (a) or (b) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; or (d) direct evidences of ownership of proportionate interests in future interest and principal payments on specified obligations described in (a) held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the underlying obligations described in (a), and which underlying obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated.

"*Moody's*" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns and, if such corporation for any reason no longer performs the functions of a securities rating agency, "*Moody's*" will be deemed to refer to any other nationally recognized rating agency other than S&P designed by the County.

"*S&P*" means Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc., its successors and their assigns and, if such corporation for any reason no longer performs the functions of a securities rating agency, "*S&P*" will be deemed to refer to any other nationally recognized rating agency other than Moody's designed by the County.

"*2009A Bonds*" means the County's General Obligation School Bonds, Series 2009A authorized under the Bonds Orders.

2. The County shall issue \$64,500,000 in total aggregate principal amount of its 2009A Bonds.

3. The 2009A Bonds shall be dated their date of issuance and pay interest semiannually on March 1 and September 1, beginning September 1, 2009. The 2009A Bonds are being issued to provide funds to pay the capital costs incurred in connection with the construction, renovation, improvement, equipping and furnishing of public school facilities within the County, including the acquisition of land or rights-of-way therefor (the "*School Projects*"), pursuant to and in accordance with the Bond Order.

4. The Board has ascertained and hereby determines that the average period of usefulness of the School Projects being financed by the proceeds of the 2009A Bonds is not less than 25 years computed from the date of issuance of the 2009A Bonds.

5. The 2009A Bonds are payable in annual installments on March 1 in each year, as follows:

<u>YEAR</u>	<u>AMOUNT</u>	<u>YEAR</u>	<u>AMOUNT</u>
2010	\$1,000,000	2020	\$4,165,000
2011	1,000,000	2021	4,390,000
2012	3,340,000	2022	4,425,000
2013	3,330,000	2023	4,465,000
2014	3,320,000	2024	4,510,000
2015	3,315,000	2025	4,555,000
2016	3,305,000	2026	4,000,000
2017	3,295,000	2027	2,400,000
2018	3,285,000	2028	2,000,000
2019	3,400,000	2029	1,000,000

6. The 2009A Bonds are to be numbered from “RA-1” consecutively and upward. All 2009A Bonds shall bear interest from their date at a rate or rates which are determined on the sale thereof, computed on the basis of a 360-day year of twelve 30-day months.

7. The 2009A Bonds are to be registered as to principal and interest, and the Finance Director of the County is directed to maintain the registration records with respect thereto. The 2009A Bonds shall bear the original or facsimile signatures of the Chairman and Clerk to the Board of the County. An original or facsimile of the seal of the County is to be imprinted on each of the 2009A Bonds.

8. The 2009A Bonds will initially be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. One bond certificate for each maturity of each series will be issued to The Depository Trust Company, New York, New York (“DTC”), and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the 2009A Bonds in principal amounts of \$5,000 or integral multiples thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC. Interest on the 2009A Bonds will be payable to DTC or its nominee as registered owner of the 2009A Bonds in immediately available funds. The principal of and interest on the 2009A Bonds will be payable to owners of 2009A Bonds shown on the records of DTC at the close of business on the 15th day of the month preceding an interest payment date or a bond payment date. The County will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

If (a) DTC determines not to continue to act as securities depository for the 2009A Bonds or (b) the Finance Director for the County determines that the continuation of the book-entry system of evidence and transfer of ownership of the 2009A Bonds would adversely affect the interests of the beneficial owners of the 2009A Bonds, the County will discontinue the book-entry system with DTC. If the County fails to identify another qualified securities depository to replace DTC, the County will authenticate and deliver replacement bonds in accordance with the rules and procedures of DTC.

9. The 2009A Bonds maturing on or before March 1, 2019 will not be subject to redemption prior to maturity. The 2009A Bonds maturing after March 1, 2019 will be subject to redemption prior to maturity, at the option of the County, from any moneys that may be made available for such purpose, either in whole or in part on any date on or after March 1, 2019, at the redemption price of the principal amount of 2009A Bonds to be so redeemed, plus accrued interest to the redemption date.

If less than all of the 2009A Bonds are called for redemption, the County shall select the maturity or maturities of the 2009A Bonds to be redeemed in such manner as the County in its discretion may

determine and DTC and its participants shall determine which of the 2009A Bonds within a maturity are to be redeemed by lot; provided, however, that the portion of any 2009A Bonds to be redeemed shall be in principal amount of \$5,000 or integral multiples thereof and that, in selecting 2009A Bonds for redemption, each 2009A Bonds shall be considered as representing that number of 2009A Bonds which is obtained by dividing the principal amount of such 2009A Bonds by \$5,000. Whenever the County elects to redeem 2009A Bonds, notice of such redemption of 2009A Bonds, stating the redemption date, redemption price and identifying the 2009A Bonds or portions thereof to be redeemed by reference to their numbers and further stating that on such redemption date there shall become due and payable on each 2009A Bonds or portion thereof so to be redeemed, the principal thereof, and interest accrued to the redemption date and that from and after such date interest thereon shall cease to accrue, shall be given not less than 30 days nor more than 60 days before the redemption date in writing to DTC or its nominee as the registered owner of the 2009A Bonds, by prepaid certified or registered United States mail, at the address provided to the County by DTC, but any failure or defect in respect of such mailing will not affect the validity of the redemption. If DTC is not the registered owner of the 2009A Bonds, the County will give notice at the time set forth above by prepaid first class United States mail, to the then-registered owners of the 2009A Bonds or portions thereof to be redeemed at the last address shown on the registration books kept by the County. The County will also mail or transmit by facsimile a copy of the notice of redemption within the time set forth above (1) to the Local Government Commission of North Carolina (the "*Local Government Commission*"), (2) to each of the then-existing securities depositories and (3) to at least two of the then-existing national information services.

10. The 2009A Bonds and the provisions for the registration of the 2009A Bonds and for the approval of the 2009A Bonds by the Secretary of the Local Government Commission are to be in substantially the form set forth in Exhibit A hereto.

11. The County covenants to take such action as may be required in the opinion of nationally recognized bond counsel to cause the 2009A Bonds and all actions of the County with respect to the proceeds thereof to comply with Internal Revenue Code of 1986, as amended (the "*Code*"). In particular, the County covenants as follows:

(a) At least one of the following two conditions will be satisfied for the 2009A Bonds: (1) less than 10% of the proceeds of the 2009A Bonds, reduced by costs of issuance, will be used directly or indirectly in the business of a person other than a state or local governmental unit or (2) less than 10% of the principal or interest on the 2009A Bonds will be (under the terms of such issue or any underlying arrangement) directly or indirectly (A) secured by an interest in property used or to be used in a private business or any interest in payments made with respect to such property or (B) to be derived from payments made with respect to property, or borrowed money, used or to be used in a private business;

(b) At least one of the following two conditions will be satisfied: (i) less than 5% of the proceeds of the 2009A Bonds reduced by costs of issuance will be used by nongovernmental persons for a use unrelated or disproportionate to the purposes for which the 2009A Bonds were issued or (ii) less than 5% of the principal or interest on the 2009A Bonds will be (under the terms of such issue or any underlying arrangement) directly or indirectly (A) secured by an interest in property used or to be used in a private business described in (i) or by any interest in payments made with respect to such property or (B) derived from payments made with respect to property the use of which is described in (i), or borrowed money, used or to be used in a private business;

(c) It will not loan directly or indirectly more than 5% of the proceeds of the 2009A Bonds to nongovernmental persons;

(d) It will not enter into any management contract with respect to the School Projects financed with the proceeds of the 2009A Bonds unless it obtains an opinion of nationally recognized bond counsel that such management contract will not impair the exclusion from a recipient's gross income for federal income tax purposes of the interest on the 2009A Bonds;

(e) The County acknowledges that the continued exclusion of interest on the 2009A Bonds from a recipient's gross income for federal income tax purposes depends, in part, on compliance with the arbitrage limitations imposed by Section 148 of the Code. The County covenants to comply with all the requirements of Section 148 of the Code, including the rebate requirements, and it shall not permit at any time any of the proceeds of the 2009A Bonds or other funds of the County to be used, directly or indirectly, to acquire any asset or obligation, the acquisition of which would cause the 2009A Bonds to be "*arbitrage bonds*" for purposes of Section 148 of the Code;

(f) The 2009A Bonds shall not be "*federally guaranteed*" as defined in Section 149(b) of the Code;

(g) The County covenants to file or cause to be filed Form 8038G in accordance with Section 149(e) of the Code.

12. The Finance Director is hereby directed to create and establish a special fund to be designated "*County of Union, North Carolina General Obligation School Bonds, Series 2009A Project Fund*" (the "*Project Fund*"). The Finance Director shall deposit the proceeds from the sale of the 2009A Bonds in the Project Fund. The Finance Director shall invest and reinvest any moneys held in the Project Fund as permitted by the laws of the State of North Carolina and the income, to the extent permitted by the Code, is to be retained in the Project Fund and applied with the proceeds of the 2009A Bonds to pay the costs of the School Projects, as directed by the Finance Director. The Finance Director shall keep and maintain adequate records pertaining to the Project Fund and all disbursements therefrom so as to satisfy the requirements of the laws of the State of North Carolina and to assure that the County maintains its covenants with respect to the exclusion of the interest on the 2009A Bonds from gross income for purposes of federal income taxation.

13. Actions taken by officials of the County to select paying and transfer agents, and a bond registrar, or alternate or successor agents and registrars pursuant to Section 159E-8 of the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, are hereby authorized and approved.

14. The Local Government Commission is hereby requested to sell the 2009A Bonds through a competitive sale to the bidder whose bid results in the lowest interest cost to the County, determined on the basis of the net interest cost method.

15. The Chairman, the County Manager, the Clerk to the Board and the Finance Director of the County are hereby authorized and directed to cause the 2009A Bonds to be prepared and, when they shall have been duly sold by the Local Government Commission, to execute the 2009A Bonds and to turn the 2009A Bonds over to the registrar and transfer agent of the County for delivery through the facilities of DTC to the purchaser or purchasers to whom they may be sold by the Local Government Commission.

16. The form and content of the Preliminary Official Statement to be dated on or about February 6, 2009 together with the final Official Statement to be dated on or about February 17, 2009 and the Notice of Sale with respect to the 2009A Bonds are in all respects authorized, approved and confirmed,

and the Chairman, the County Manager, the Clerk to the Board and the Finance Director of the County are authorized, empowered and directed to execute and deliver the Official Statement in substantially the form and content presented to the Board, but with such changes, modifications, additions or deletions therein as shall to the Chairman, the County Manager, the Clerk to the Board and the Finance Director of the County seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the approval of the Board of any and all changes, modifications, additions or deletions therein from the form and content of the Official Statement presented to the Board.

17. The Chairman, the County Manager, the Clerk to the Board and the Finance Director of the County are authorized and directed to execute and deliver for and on behalf of the County any and all additional certificates, documents, opinions or other papers and perform all other acts as may be required by the documents contemplated hereinabove or as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

18. The County agrees, in accordance with Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission (the "SEC") and for the benefit of the Registered Owners and beneficial owners of the 2009A Bonds, as follows:

(1) by not later than seven months after the end of each Fiscal Year to the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format as prescribed by the MSRB, the audited financial statements of the County for the preceding Fiscal Year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or if such audited financial statements are not then available, unaudited financial statements of the County for such Fiscal Year to be replaced subsequently by audited financial statements of the County to be delivered within 15 days after such audited financial statements become available for distribution;

(2) by not later than seven months after the end of each Fiscal Year to the MSRB, (a) the financial and statistical data as of a date not earlier than the end of the preceding Fiscal Year for the type of information included under the captions "THE COUNTY--DEBT INFORMATION" and "--TAX INFORMATION" (excluding information on overlapping units) in the Official Statement referred to in Section 16 and (b) the combined budget of the County for the current Fiscal Year to the extent such items are not included in the audited financial statements referred to in clause (1) above;

(3) in a timely manner to provide (i) before July 1, 2009, to each nationally recognized municipal securities repository ("NRMSIR") and to the state information depository ("SID"), if any, for the State, in each case as designated by the SEC, or to the MSRB and to the SID, if any, or (ii) on and after July 1, 2009, in a timely manner to the MSRB, notice of the occurrence of any of the following events with respect to the 2009A Bonds, if material:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements for the 2009A Bonds reflecting financial difficulties;
- (e) substitution of any credit or liquidity providers, or their failure to perform;



- (f) adverse tax opinions or events affecting the tax-exempt status of the 2009A Bonds;
  - (g) modification to the rights of the beneficial owners of the 2009A Bonds;
  - (h) call of any of the 2009A Bonds for redemption, other than sinking fund redemptions;
  - (i) defeasance of any of the 2009A Bonds;
  - (j) release, substitution or sale of any property securing repayment of the 2009A Bonds;
  - (k) rating changes on the 2009A Bonds; and
- (4) in a timely manner to the MSRB, notice of the failure by the County to provide the required annual financial information described in (1) and (2) above on or before the date specified.

The County agrees that its undertaking under this Paragraph is intended to be for the benefit of the registered owners and the beneficial owners of the 2009A Bonds and is enforceable by any of the registered owners and the beneficial owners of the 2009A Bonds, including an action for specific performance of the County's obligations under this Paragraph, but a failure to comply will not be an event of default and will not result in acceleration of the payment of the 2009A Bonds. An action must be instituted, had and maintained in the manner provided in this Paragraph for the benefit of all of the registered owners and beneficial owners of the 2009A Bonds.

The County may discharge its undertaking described above by transmitting those documents or notices in a manner subsequently required by the U. S. Securities and Exchange Commission in lieu of the manner described above.

The County may modify from time to time, consistent with the Rule, the information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the County, but:

- (1) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the County;
- (2) the information to be provided, as modified, would have complied with the requirements of the Rule as of the date of the Official Statement, after taking into account any amendments or interpretations of the Rule as well as any changes in circumstances;
- (3) any such modification does not materially impair the interest of the registered owners or the beneficial owners, as determined by nationally recognized bond counsel or by the approving vote of the registered owners of a majority in principal amount of the 2009A Bonds.

Any annual financial information containing modified operating data or financial information will explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The provisions of this Paragraph terminate on payment, or provision having been made for payment in a manner consistent with the Rule, in full of the principal of and interest on the 2009A Bonds.

19. Those portions of this Resolution other than Paragraph 18 may be amended or supplemented, from time to time, without the consent of the owners of the 2009A Bonds if in the opinion of nationally recognized bond counsel, such amendment or supplement would not adversely affect the interests of the owners of the 2009A Bonds and would not cause the interest on the 2009A Bonds to be included in the gross income of a recipient thereof for federal income tax purposes. This Resolution may be amended or supplemented with the consent of the owners of a majority in aggregate principal amount of the outstanding 2009A Bonds, exclusive of 2009A Bonds, if any, owned by the County, but a modification or amendment (1) may not, without the express consent of any owner of 2009A Bonds, reduce the principal amount of any 2009A Bonds, reduce the interest rate payable on it, extend its maturity or the times for paying interest, change the monetary medium in which principal and interest is payable, or reduce the percentage of consent required for amendment or modification and (2) as to an amendment to Paragraph 18, must be limited as described therein.

Any act done pursuant to a modification or amendment consented to by the owners of the 2009A Bonds is binding on all owners of the 2009A Bonds and will not be deemed an infringement of any of the provisions of this Resolution, whatever the character of the act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent has been given, no owner of a 2009A Bonds has any right or interest to object to the action, to question its propriety or to enjoin or restrain the County from taking any action pursuant to a modification or amendment.

If the County proposes an amendment or supplemental resolution to this Resolution requiring the consent of the owners of the 2009A Bonds, the Registrar shall, on being satisfactorily indemnified with respect to expenses, cause notice of the proposed amendment to be sent to each owner of the 2009A Bonds then outstanding by first-class mail, postage prepaid, to the address of such owner as it appears on the registration books; but the failure to receive such notice by mailing by any owner, or any defect in the mailing thereof, will not affect the validity of any proceedings pursuant hereto. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies thereof are on file at the principal office of the Registrar for inspection by all owners of the 2009A Bonds. If, within 60 days or such longer period as shall be prescribed by the County following the giving of such notice, the owners of a majority in aggregate principal amount of 2009A Bonds then outstanding have consented to the proposed amendment, the amendment will be effective as of the date stated in the notice.

20. Nothing in this Resolution precludes (a) the payment of the 2009A Bonds from the proceeds of refunding bonds or (b) the payment of the 2009A Bonds from any legally available funds.

If the County causes to be paid, or has made provisions to pay, on maturity or on redemption before maturity, to the owners of the 2009A Bonds the principal of the 2009A Bonds (including interest to become due thereon), through setting aside trust funds or setting apart in a reserve fund or special trust account created pursuant to this Resolution or otherwise, or through the irrevocable segregation for that purpose in some sinking fund or other fund or trust account with an escrow agent or otherwise, moneys sufficient therefor, including, but not limited to, interest earned or to be earned on Federal Securities, the County shall so notify Moody's and S&P, and then the such 2009A Bonds shall be considered to have been discharged and satisfied, and the principal of the 2009A Bonds (including and interest thereon) shall no longer be deemed to be outstanding and unpaid; provided, however, that nothing in this Resolution requires the deposit of more than such Federal Securities as may be sufficient, taking into account both the principal amount of such Federal Securities and the interest to become due thereon, to implement any such defeasance.

If such a defeasance occurs and after the County receives an opinion of a nationally recognized accounting firm that the segregated moneys or Federal Securities together with interest earnings thereon are sufficient to effect a defeasance, the County shall execute and deliver all such instruments as may be necessary to effect such a defeasance and desirable to evidence such release, discharge and satisfaction. The County shall make provisions for the mailing of a notice to the owners of the 2009A Bonds that such moneys are so available for such payment.

Upon motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, the foregoing order entitled: **“RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF UNION, NORTH CAROLINA PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION SCHOOL BONDS, SERIES 2009A OF THE COUNTY OF UNION, NORTH CAROLINA”** was adopted by the following vote:

AYES:

NAYS:

***PASSED, ADOPTED AND APPROVED*** this 20<sup>th</sup> day of January, 2009.

APPENDIX A

FORM OF 2009A BONDS

No. RD-

\$

UNITED STATES OF AMERICA  
STATE OF NORTH CAROLINA  
COUNTY OF UNION

INTEREST  
RATE

MATURITY DATE  
MARCH 1,

DATED DATE  
MARCH 10, 2009

CUSIP  
906395[ ]

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

GENERAL OBLIGATION SCHOOL BOND, SERIES 2009A

*THE COUNTY OF UNION, NORTH CAROLINA* (the "County") acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner named above, on the Maturity Date specified above, on surrender hereof, the Principal Sum shown above and to pay to the Registered Owner hereof interest thereon from the date of this 2009A Bonds until it shall mature at the Interest Rate per annum specified above, payable on September 1, 2009 and semiannually thereafter on March 1 and September 1 of each year. Principal of and interest on this 2009A Bonds are payable in immediately available funds to The Depository Trust Company ("DTC") or its nominee as registered owner of the 2009A Bonds and is payable to the owner of the 2009A Bonds shown on the records of DTC at the close of business on the 15<sup>th</sup> day of the month preceding an interest payment date or a bond payment date. The County is not responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

This 2009A Bonds is issued in accordance with the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, and pursuant to The Local Government Finance Act, the Bond Order adopted by the Board of Commissioners of the County on August 14, 2006 which was approved by the vote of a majority of the voters who voted thereon at a referendum duly called and held. The 2009A Bonds are being issued to provide funds to pay the capital costs incurred in connection with construction, renovation, improvement, equipping and furnishing of public school facilities within the County, including the acquisition of land or rights-of-way therefor.

The 2009A Bonds maturing on or before March 1, 2019 will not be subject to redemption prior to maturity. The 2009A Bonds maturing after March 1, 2019 will be subject to redemption prior to maturity, at the option of the County, from any moneys that may be made available for such purpose, either in whole or in part on any date on or after March 1, 2019. 2009A Bonds called for redemption will be redeemed at the redemption price of the principal amount of 2009A Bonds to be so redeemed, plus accrued interest to the redemption date.

If less than all of the 2009A Bonds are called for redemption, the County shall select the maturity or maturities of the 2009A Bonds to be redeemed in such manner as the County in its discretion may

determine and DTC and its participants shall determine which of the 2009A Bonds within a maturity are to be redeemed by lot; provided, however, that the portion of any 2009A Bonds to be redeemed shall be in principal amount of \$5,000 or integral multiples thereof and that, in selecting 2009A Bonds for redemption, each 2009A Bonds shall be considered as representing that number of 2009A Bonds which is obtained by dividing the principal amount of such 2009A Bonds by \$5,000. Whenever the County elects to redeem 2009A Bonds, notice of such redemption of 2009A Bonds, stating the redemption date, redemption price and identifying the 2009A Bonds or portions thereof to be redeemed by reference to their numbers and further stating that on such redemption date there shall become due and payable on each 2009A Bonds or portion thereof so to be redeemed, the principal thereof and interest accrued to the redemption date and that from and after such date interest thereon shall cease to accrue, shall be given not less than 30 days nor more than 60 days before the redemption date in writing to DTC or its nominee as the registered owner of the 2009A Bonds, by prepaid certified or register United States mail, at the address provided to the County by DTC, but any failure or defect in respect of such mailing will not affect the validity of the redemption. If DTC is not the registered owner of the 2009A Bonds, the County will give notice at the time set forth above by prepaid first class United States mail to the then-registered owners of the 2009A Bonds or portions thereof to be redeemed at the last address shown on the registration books kept by the County.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of North Carolina to exist, be performed or happen precedent to or in the issuance of this 2009A Bonds, exist, have been performed and have happened, and that the amount of this 2009A Bonds, together with all other indebtedness of the County, is within every debt and other limit prescribed by said Constitution or statutes. The faith and credit of the County are hereby pledged to the punctual payment of the principal of and interest on this 2009A Bonds in accordance with its terms.

This 2009A Bonds is not valid or obligatory for any purpose until the certification hereon has been signed by an authorized representative of the Local Government Commission.

*IN WITNESS WHEREOF*, the County has caused this 2009A Bonds to bear the original or facsimile of the signatures of the Chairman of the Board of the County and the Clerk to the Board of the County and an original or facsimile of the seal of the County to be imprinted hereon and this 2009A Bonds to be dated their date of issuance.

(SEAL)

\_\_\_\_\_  
Clerk to the Board

\_\_\_\_\_  
Chairman of the Board

Date of Execution: March 10, 2009

The issue hereof has been approved under the provisions of The Local Government Bond Act.

\_\_\_\_\_  
Secretary of the Local Government Commission

**FORM OF ASSIGNMENT**

**ASSIGNMENT**

*FOR VALUE RECEIVED* the undersigned hereby sells, assigns and transfers unto

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(Please print or typewrite Name and Address,  
including Zip Code, and Federal Taxpayer Identification or  
Social Security Number of Assignee)

---

the within 2009A Bonds and all rights thereunder, and hereby irrevocably constitutes and appoints

---

Attorney to register the transfer of the within 2009A Bonds on the books kept for registration thereof,  
with full power of substitution in the premises.

Dated: \_\_\_\_\_  
Signature guaranteed by:

---

NOTICE: Signature must be guaranteed by  
a Participant in the Securities Transfer  
Agent Medallion Program ("*Stamp*") or  
similar program.

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NOTICE: The signature to this assignment must  
correspond with the name as it appears on the  
face of the within Bond in every particular,  
without alteration, enlargement or any change  
whatever.

**TRANSFER FEE MAY BE REQUIRED**

STATE OF NORTH CAROLINA            )  
  )  
COUNTY OF UNION                    )        SS:

*I, Lynn West*, Clerk to the Board of the County of Union, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of a resolution entitled “**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF UNION, NORTH CAROLINA PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION SCHOOL BONDS, SERIES 2009A OF THE COUNTY OF UNION, NORTH CAROLINA**” adopted by the Board of Commissioners of the County of Union, North Carolina in special session convened on the 20<sup>th</sup> day of January, 2009, as recorded in the minutes of the Board of Commissioners of the County of Union, North Carolina.

***WITNESS*** my hand and the seal of the County of Union, North Carolina, this the \_\_\_\_ day of January, 2009.

(SEAL)

\_\_\_\_\_  
Lynn West, Clerk to the Board of Commissioners  
County of Union, North Carolina

**UNION COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date: January 20, 2009**

**Action Agenda Item No. 8**  
(Central Admin. use only)

**SUBJECT:** Debt Restructuring - Refunding Bonds

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**DEPARTMENT:** Finance

**PUBLIC HEARING:** No

**ATTACHMENT(S):**  
Bond Resolution

**INFORMATION CONTACT:**  
Kai Nelson

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**TELEPHONE NUMBERS:**

704.292.2522

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**DEPARTMENT'S RECOMMENDED ACTION:** Adopt Resolution Providing for the Issuance of Not to Exceed \$80,000,000 General Obligation Refunding Bonds, Series 2009B of the County of Union, North Carolina

**BACKGROUND:** At the Commission's November 17 meeting, the Board authorized the County Manager to proceed with the restructuring of the County's 2004, 2005 and 2007 Variable Rate General Obligation Bonds. The Plan contains two components. The first component is the replacement of various liquidity providers and remarketing agents (Series 2004 and Series 2007C) with BB&T. The second component is the refunding of the 2005 Bonds with a fixed rate refunding.

At the Commission's special meeting of November 26, the Board took action to complete the first component of the plan. The County completed the transfer of the remarketing and liquidity to BB&T on December 17 and 18 and is currently enjoying weekly variable rates in the range of 0.50% to 1.0%.

Also at the November 26 meeting, the Board took action to begin a series of steps in connection with the refunding of the 2005 variable rate bonds. At that meeting, the Board called for a public hearing (a requirement of the statutes) and introduced the Bond Order. At the December 15 meeting, the Commission conducted the public hearing (no comments received) and adopted the Bond Order.

The final action requested for January 20, is the adoption of the Bond Resolution. The Resolution contains the terms of the sale (setting the maximum interest rate and par amount of



bonds, conditions for negotiated/competitive), approval of the offering document, maturity schedule, call/redemption provisions, etc. appear in the Resolution that the Board is being requested to consider. LGC approval is scheduled for February 3 with the sale taking place several weeks thereafter.

**FINANCIAL IMPACT:** Since the commencement of the market turmoil in mid-September, the County has been incurring about \$4K in unbudgeted higher interest costs each day on the 2005 VRDB series. The restructuring of the debt will substantially reduce the County's currently unbudgeted high interest costs. The debt restructuring plan will be implemented in a manner to minimize the impact on 2009, 2010 and 2011 budgets (through the deferral of some limited principal) with marginal additional interest costs beginning in 2012.

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**Legal Dept. Comments if applicable:** \_\_\_\_\_

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**Finance Dept. Comments if applicable:** \_\_\_\_\_

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**Manager Recommendation:** \_\_\_\_\_

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Extract of Minutes of a special meeting of the Board of Commissioner of the County of Union, North Carolina held at the Union County Government Center, First Floor, Board Room, Monroe, North Carolina, at 7:00 p.m. on January 20, 2009.

A special meeting of the Board of Commissioners of the County of Union, North Carolina (the "*Board of Commissioners*") was held in the Government Center, Board of Commissioners' Room, Room 118, Monroe, North Carolina, at 7:00 p.m. on January 20, 2009 (the "*Meeting*"), after proper notice, and was called to order by the Chairman, and on the roll being called, the following members of the Board of Commissioners answered present:

The following members of the Board of Commissioners were absent

Also present:

Commissioners \_\_\_\_\_ moved that the following resolution, copies of which having been made available to the Board of Commissioners, be adopted:

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF UNION, NORTH CAROLINA PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$80,000,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2009B OF THE COUNTY OF UNION, NORTH CAROLINA**

*WHEREAS*, the Bond Order hereinafter-described has been adopted, and it is desirable to make provision for the issuance of the Bonds authorized by said Bond Order;

*WHEREAS*, the County of Union, North Carolina (the "*County*") desires to issue its General Obligation Refunding Bonds, Series 2009B (the "*Bonds*") and, having been advised by its Finance Director and its Financial Advisor that the national credit crisis has made competitive sales of local government debt more expensive and at times impossible to complete, desires to request that the Local Government Commission (the "*Commission*") sell the Bonds either (1) through a negotiated sale to one or more financial institutions (collectively, the "*Underwriters*") determined by the County Manager and the County Finance Director, in accordance with the terms and conditions set forth in a Bond Purchase Agreement to be dated on or about February 24, 2009 (the "*Bond Purchase Agreement*") among the County, the Commission and the Underwriters or (2) through competitive sale, as set forth below;

*WHEREAS*, copies of the forms of the following documents relating to the transactions described above have been filed with the County and have been made available to the Board of Commissioners of

the County (the “*Board of Commissioners*”):

1. the Bond Purchase Agreement; and
2. the Preliminary Official Statement with respect to the Bonds to be dated on or about February 11, 2009, together with the Official Statement with respect to the Bonds to be dated on or about February 24, 2009 (collectively, the “*Official Statement*”);

*NOW, THEREFORE, BE IT RESOLVED* by the Board of Commissioners as follows:

**Section 1.** For purposes of this Resolution, the following words have the meanings ascribed to them below:

“*Bond Order*” means the Bond Order authorizing the General Obligation Refunding Bonds adopted by the Board of Commissioners on December 1, 2008 and effective on its adoption.

“*Bonds*” means the County’s General Obligation Refunding Bonds, Series 2009B, authorized under the Bond Order.

“*Code*” means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein will be deemed to include the United States Treasury Regulations proposed or in effect with respect thereto.

“*Federal Securities*” means (a) direct obligations of the United States of America for the timely payment of which the full faith and credit of the United States of America is pledged; (b) obligations issued by any agency controlled or supervised by and acting as an instrumentality of the United States of America, the timely payment of the principal of and interest on which is fully guaranteed as full faith and credit obligations of the United States of America (including any securities described in (a) or (b) issued or held in the name of the Trustee in book-entry form on the books of the Department of Treasury of the United States of America), which obligations, in either case, are held in the name of a trustee and are not subject to redemption or purchase prior to maturity at the option of anyone other than the holder; (c) any bonds or other obligations of the State of North Carolina or of any agency, instrumentality or local governmental unit of the State of North Carolina which are (i) not callable prior to maturity or (ii) as to which irrevocable instructions have been given to the trustee or escrow agent with respect to such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified, and which are rated by Moody’s, if the Bonds are rated by Moody’s, and S&P, if the Bonds are rated by S&P, within the highest rating category and which are secured as to principal, redemption premium, if any, and interest by a fund consisting only of cash or bonds or other obligations of the character described in clause (a) or (b) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; or (d) direct evidences of ownership of proportionate interests in future interest and principal payments on specified obligations described in (a) held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the underlying obligations described in (a), and which underlying obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated.

"*Moody's*" means Moody's Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns and, if such corporation for any reason no longer performs the functions of a securities rating agency, "*Moody's*" will be deemed to refer to any other nationally recognized rating agency other than S&P designed by the County.

"*2005 Bonds*" means, collectively, the 2005A Bonds, the 2005B Bonds and the 2005C Bonds.

"*2005A Bonds*" means \$50,000,000 aggregate principal amount of the County's Variable Rate General Obligation Bonds, Series 2005A, of which \$44,000,000 is currently outstanding.

"*2005B Bonds*" means \$20,000,000 aggregate principal amount of the County's Variable Rate General Obligation Bonds, Series 2005B, of which \$17,600,000 is currently outstanding.

"*2005C Bonds*" means \$20,000,000 aggregate principal amount of the County's Variable Rate General Obligation Bonds, Series 2005C, of which \$17,600,000 is currently outstanding.

"*Pricing Certificate*" means the certificate of the County's Finance Director delivered in connection with the issuance of the Bonds which establishes, with respect to the Bonds, the final maturity amounts, the interest payment dates and the provisions for redemption, all as agreed on in the Bond Purchase Agreement if the Bonds are sold to the Underwriters or as set forth in the successful bid if the Bonds are sold competitively.

"*S&P*" means Standard & Poor's Ratings Services, a Division of The McGraw-Hill Companies, Inc., its successors and their assigns and, if such corporation for any reason no longer performs the functions of a securities rating agency, "*S&P*" will be deemed to refer to any other nationally recognized rating agency other than Moody's designed by the County.

**Section 2.** The County shall issue its Bonds in an aggregate principal amount not to exceed \$80,000,000.

**Section 3.** The Bonds shall be dated as of their date of issuance. The Bonds shall pay interest semiannually on March 1 and September 1, beginning September 1, 2009, unless the County Finance Director establishes different dates in his Pricing Certificate. The Bonds are being issued to refund the 2005 Bonds pursuant to and in accordance with the Bond Order.

**Section 4.** The Bonds are payable in annual installments on March 1 in each year, unless the County Finance Director establishes different a date in his Pricing Certificate. The maturities of the Bonds will be as set forth in the Pricing Certificate.

**Section 5.** The Bonds are to be numbered from "RB-1" consecutively and upward and shall bear interest from their date at a rate or rates which will be hereafter determined on the sale thereof computed on the basis of a 360-day year of twelve 30-day months.

**Section 6.** The Bonds are to be registered as to principal and interest, and the Finance Director of the County is directed to maintain the registration records with respect thereto. The Bonds shall bear the original or facsimile signatures of the Chairman of the Board of Commissioners or County Manager of the County and the Clerk to the Board of Commissioners of the County. An original or facsimile of the seal of the County is to be imprinted on each of the Bonds.

**Section 7.** The Bonds will initially be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. One bond certificate for each maturity will be issued to The Depository Trust Company, New York, New York (“DTC”), and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or integral multiples thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC. Interest on the Bonds will be payable to DTC or its nominee as registered owner of the Bonds in immediately available funds. The principal of and interest on the Bonds will be payable to owners of Bonds shown on the records of DTC at the close of business on the 15th day of the month preceding an interest payment date or a bond payment date. The County will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

If (a) DTC determines not to continue to act as securities depository for the Bonds or (b) the Finance Director for the County determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the County will discontinue the book-entry system with DTC. If the County fails to identify another qualified securities depository to replace DTC, the County will authenticate and deliver replacement bonds in accordance with DTC’s rules and procedures.

**Section 8.** If the Pricing Certificate designates a date for the Bonds on and after which the Bonds are subject to redemption, then such Bonds are subject to redemption before maturity, at the option of the County, from any money that may be made available for such purpose, either in whole or in part on any date on or after the date set forth in the Pricing Certificate, at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, with such redemption premium, if any, designated for the Bonds in the Pricing Certificate.

If the Bonds are subject to optional redemption and if less than all the Bonds are called for redemption, the County shall select the maturity or maturities of the Bonds to be redeemed in such manner as the County in its discretion may determine, and DTC and its participants shall determine which Bonds within a maturity are to be redeemed by lot; *provided, however*, that the portion of any Bond to be redeemed must be in principal amount of \$5,000 or integral multiples thereof and that, in selecting Bonds for redemption, each Bond is to be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. When the County elects to redeem any Bonds, notice of such redemption of such Bonds, stating the redemption date, redemption price and identifying the Bonds or portions thereof to be redeemed by reference to their numbers and further stating that on such redemption date there are due and payable on each Bond or portion thereof so to be redeemed, the principal thereof and interest accrued to the redemption date and that from and after such date interest thereon shall cease to accrue, is to be given not less than 30 days nor more than 60 days before the redemption date in writing to DTC or its nominee as the registered owner of such Bonds, by prepaid certified or registered United States mail, at the address provided to the County by DTC, but any failure or defect in respect of such mailing will not affect the validity of the redemption. If DTC is not the registered owner of such Bonds, the County will give notice at the time set forth above by prepaid first class United States mail, to the then-registered owners of such Bonds or portions thereof to be redeemed at the last address shown on the registration books kept by the County. The County will also mail or transmit by facsimile a copy of the notice of redemption within the time set forth above (1) to the Commission, (2) to each of the then-existing securities depositories and (3) to at least two of the then-existing national information services.

**Section 9.** The Bonds and the provisions for the registration of the Bonds and for the approval of the Bonds by the Secretary of the Local Government Commission are to be in substantially the form set forth in the Appendix A hereto.

**Section 10.** The County covenants to take such action as may be required in the opinion of nationally recognized bond counsel to cause the Bonds and all actions of the County with respect to the proceeds thereof to comply with Code. In particular, the County covenants as follows:

(a) At least one of the following two conditions will be satisfied for the Bonds: (1) less than 10% of the proceeds of the Bonds, reduced by costs of issuance, will be used directly or indirectly in the business of a person other than a state or local governmental unit or (2) less than 10% of the principal or interest on the Bonds will be (under the terms of such issue or any underlying arrangement) directly or indirectly (A) secured by an interest in property used or to be used in a private business or any interest in payments made with respect to such property or (B) to be derived from payments made with respect to property, or borrowed money, used or to be used in a private business;

(b) At least one of the following two conditions will be satisfied: (i) less than 5% of the proceeds of the Bonds, reduced by costs of issuance, will be used by nongovernmental persons for a use unrelated or disproportionate to the purposes for which the Bonds were issued or (ii) less than 5% of the principal or interest on the Bonds will be (under the terms of such issue or any underlying arrangement) directly or indirectly (A) secured by an interest in property used or to be used in a private business described in (i) or by any interest in payments made with respect to such property or (B) derived from payments made with respect to property the use of which is described in (i), or borrowed money, used or to be used in a private business

(c) It will not loan directly or indirectly more than 5% of the proceeds of the Bonds to nongovernmental persons;

(d) It will not enter into any management contract with respect to the facilities refinanced with the proceeds of the Bonds unless it obtains an opinion of nationally recognized bond counsel that such management contract will not impair the exclusion from a recipient's gross income for federal income tax purposes of the interest on the Bonds;

(e) The County acknowledges that the continued exclusion of interest on the Bonds from a recipient's gross income for federal income tax purposes depends, in part, on compliance with the arbitrage limitations imposed by Section 148 of the Code. The County covenants to comply with all the requirements of Section 148 of the Code, including the rebate requirements, and it shall not permit at any time any of the proceeds of the Bonds or other funds of the County to be used, directly or indirectly, to acquire any asset or obligation, the acquisition of which would cause the Bonds to be "*arbitrage bonds*" for purposes of Section 148 of the Code;

(f) The Bonds shall not be "*federally guaranteed*" as defined in Section 149(b) of the Code;

(g) The County covenants to file or cause to be filed Form 8038G with respect to the Bonds in accordance with Section 149(e) of the Code.

**Section 11.** The Finance Director shall cause a portion of the proceeds of the sale of the Bonds to be applied to redeem the 2005 Bonds on the date that the Bonds are issued. The Finance Director shall deposit the balance of the proceeds of the sale of the Bonds in a special account to be designated "*County of Union, North Carolina General Obligation Refunding Bonds, Series 2009B Cost of Issuance Account*" (the "*Cost of Issuance Account*") and apply such funds to pay the costs of issuance of the Bonds. The Finance Director shall transfer any money remaining in the Cost of Issuance Account on May 31, 2009 to pay the interest on the Bonds on the next interest payment date therefor.

**Section 12.** Actions taken by officials of the County to select paying and transfer agents, and a bond registrar, or alternate or successor agents and registrars pursuant to Section 159E-8 of the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, are hereby authorized and approved.

**Section 13.**

(a) On the basis of the recommendation of the County's Financial Advisor and subject to the approval of the Commission, the County Manager and the Finance Director shall determine whether the Bonds are to be (1) sold to the Underwriters through a negotiated sale or (2) sold through a competitive sale.

(b) If the County Manager and the Finance Director determine to proceed under clause (a)(1) above, the Commission is hereby requested to sell the Bonds through a negotiated sale to the Underwriters pursuant to the terms of the Bond Purchase Agreement at a true interest cost not to exceed 5.50%. The County Manager and the Finance Director shall select the Underwriters, subject to the approval of the Secretary of the Commission, from among Banc of America Securities LLC, BB&T Capital Markets, a division of Scott & Stringfellow, Inc., Morgan Keegan & Company Inc. and Wachovia Bank, National Association. The form and content of the Bond Purchase Agreement is in all respects approved and confirmed, and the Chairman of the Board of Commissioners, the County Manager or the Finance Director of the County is hereby authorized, empowered and directed to execute and deliver the Bond Purchase Agreement for and on behalf of the County, including necessary counterparts, in substantially the form and content presented to the County, but with such changes, modifications, additions or deletions therein as he may deem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of the Board of Commissioners' approval of any and all such changes, modifications, additions or deletions therein, and that from and after the execution and delivery of the Bond Purchase Agreement, the Chairman of the Board of Commissioners, the County Manager and the Finance Director of the County are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Bond Purchase Agreement as executed.

(c) If the County Manager and the Finance Director determine to proceed under clause (a)(2) above, the Commission is hereby requested to sell the 2009B Bonds through a competitive sale to the bidder whose bid results in the lowest interest cost to the County, determined on the basis of the true interest cost method.

**Section 14.** The Chairman of the Board of Commissioners, the County Manager, the Finance Director and the Clerk to the Board of Commissioners of the County are hereby authorized and directed to cause the Bonds to be prepared and, when they shall have been duly sold by the Commission, to

execute the Bonds and to turn the Bonds over to the registrar and transfer agent of the County for delivery through the facilities of DTC to the Underwriters.

**Section 15.** The form and content of the Official Statement are in all respects authorized, approved and confirmed, and the Chairman of the Board of Commissioners, the County Manager, the Finance Director and the Clerk to the Board of Commissioners of the County are authorized, empowered and directed to execute and deliver the Official Statement in substantially the form and content presented to the Board of Commissioners, but with such changes, modifications, additions or deletions therein as the Chairman of the Board of Commissioners, County Manager or the Finance Director of the County may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the approval of the Board of Commissioners of any and all changes, modifications, additions or deletions therein from the form and content of the Official Statement presented to the Board of Commissioners.

**Section 17.** The Chairman of the Board of Commissioners, the County Manager, the Finance Director and the Clerk to the Board of Commissioners of the County are authorized and directed to execute and deliver for and on behalf of the County any and all additional certificates, documents, opinions or other papers and perform all other acts as may be required by the documents contemplated hereinabove or as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

**Section 18.** The County agrees, in accordance with Rule 15c2-12 (the "*Rule*") promulgated by the Securities and Exchange Commission (the "*SEC*") and for the benefit of the Registered Owners and beneficial owners of the Bonds, as follows:

(1) by not later than seven months after the end of each Fiscal Year to the Municipal Securities Rulemaking Board (the "*MSRB*") in an electronic format as prescribed by the MSRB, the audited financial statements of the County for the preceding Fiscal Year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or if such audited financial statements are not then available, unaudited financial statements of the County for such Fiscal Year to be replaced subsequently by audited financial statements of the County to be delivered within 15 days after such audited financial statements become available for distribution;

(2) by not later than seven months after the end of each Fiscal Year to the MSRB, (a) the financial and statistical data as of a date not earlier than the end of the preceding Fiscal Year for the type of information included under the captions "**THE COUNTY--DEBT INFORMATION**" and "**--TAX INFORMATION**" (excluding information on overlapping units) in the Official Statement referred to in Section 16 and (b) the combined budget of the County for the current Fiscal Year to the extent such items are not included in the audited financial statements referred to in clause (1) above;

(3) in a timely manner to provide (i) before July 1, 2009, to each nationally recognized municipal securities repository ("*NRMSIR*") and to the state information depository ("*SID*"), if any, for the State, in each case as designated by the SEC, or to the MSRB and to the SID, if any, or (ii) on and after July 1, 2009, in a timely manner to the MSRB, notice of the occurrence of any of the following events with respect to the Bonds, if material:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults;



- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
  - (d) unscheduled draws on credit enhancements for the Bonds reflecting financial difficulties;
  - (e) substitution of any credit or liquidity providers, or their failure to perform;
  - (f) adverse tax opinions or events affecting the tax-exempt status of the Bonds;
  - (g) modification to the rights of the beneficial owners of the Bonds;
  - (h) call of any of the Bonds for redemption, other than sinking fund redemptions;
  - (i) defeasance of any of the Bonds;
  - (j) release, substitution or sale of any property securing repayment of the Bonds;
  - (k) rating changes on the Bonds; and
- (4) in a timely manner to the MSRB, notice of the failure by the County to provide the required annual financial information described in (1) and (2) above on or before the date specified.

The County agrees that its undertaking under this Paragraph is intended to be for the benefit of the registered owners and the beneficial owners of the Bonds and is enforceable by any of the registered owners and the beneficial owners of the Bonds, including an action for specific performance of the County's obligations under this Paragraph, but a failure to comply will not be an event of default and will not result in acceleration of the payment of the Bonds. An action must be instituted, had and maintained in the manner provided in this Paragraph for the benefit of all of the registered owners and beneficial owners of the Bonds.

The County may discharge its undertaking described above by transmitting those documents or notices in a manner subsequently required by the U. S. Securities and Exchange Commission in lieu of the manner described above.

The County may modify from time to time, consistent with the Rule, the information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the County, but:

- (1) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the County;
- (2) the information to be provided, as modified, would have complied with the requirements of the Rule as of the date of the Official Statement, after taking into account any amendments or interpretations of the Rule as well as any changes in circumstances;

(3) any such modification does not materially impair the interest of the registered owners or the beneficial owners, as determined by nationally recognized bond counsel or by the approving vote of the registered owners of a majority in principal amount of the Bonds.

Any annual financial information containing modified operating data or financial information will explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The provisions of this Paragraph terminate on payment, or provision having been made for payment in a manner consistent with the Rule, in full of the principal of and interest on the Bonds.

**Section 19.** Those portions of this Resolution other than Section 18 may be amended or supplemented, from time to time, without the consent of the owners of the Bonds if in the opinion of nationally recognized bond counsel, such amendment or supplement would not adversely affect the interests of the owners of the Bonds and would not cause the interest on the Bonds to be included in the gross income of a recipient thereof for federal income tax purposes. This Resolution may be amended or supplemented with the consent of the owners of a majority in aggregate principal amount of the outstanding Bonds, exclusive of Bonds, if any, owned by the County, but a modification or amendment (1) may not, without the express consent of any owner of Bonds, reduce the principal amount of any Bond, reduce the interest rate payable on it, extend its maturity or the times for paying interest, change the monetary medium in which principal and interest is payable, or reduce the percentage of consent required for amendment or modification and (2) as to an amendment to Section 20, must be limited as described therein.

Any act done pursuant to a modification or amendment consented to by the owners of the Bonds is binding on all owners of the Bonds and will not be deemed an infringement of any of the provisions of this Resolution, whatever the character of the act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent has been given, no owner of a Bond has any right or interest to object to the action, to question its propriety or to enjoin or restrain the County from taking any action pursuant to a modification or amendment.

If the County proposes an amendment or supplemental resolution to this Resolution requiring the consent of the owners of the Bonds, the Registrar shall, on being satisfactorily indemnified with respect to expenses, cause notice of the proposed amendment to be sent to each owner of the Bonds then outstanding by first-class mail, postage prepaid, to the address of such owner as it appears on the registration books; but the failure to receive such notice by mailing by any owner, or any defect in the mailing thereof, will not affect the validity of any proceedings pursuant hereto. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies thereof are on file at the principal office of the Registrar for inspection by all owners of the Bonds. If, within 60 days or such longer period as shall be prescribed by the County following the giving of such notice, the owners of a majority in aggregate principal amount of Bonds then outstanding have consented to the proposed amendment, the amendment will be effective as of the date stated in the notice.

**Section 20.** Nothing in this Resolution precludes (a) the payment of the Bonds from the proceeds of refunding bonds or (b) the payment of the Bonds from any legally available funds.

If the County causes to be paid, or has made provisions to pay, on maturity or on redemption before maturity, to the owners of the Bonds the principal of the Bonds (including interest to become due thereon) and, premium, if any, on the Bonds, through setting aside trust funds or setting apart in a reserve

fund or special trust account created pursuant to this Resolution or otherwise, or through the irrevocable segregation for that purpose in some sinking fund or other fund or trust account with an escrow agent or otherwise, moneys sufficient therefor, including, but not limited to, interest earned or to be earned on Federal Securities, the County shall so notify Moody's and S&P, and then such Bonds shall be considered to have been discharged and satisfied, and the principal of the Bonds (including premium, if any, and interest thereon) shall no longer be deemed to be outstanding and unpaid; provided, however, that nothing in this Resolution requires the deposit of more than such Federal Securities as may be sufficient, taking into account both the principal amount of such Federal Securities and the interest to become due thereon, to implement any such defeasance.

If such a defeasance occurs and after the County receives an opinion of a nationally recognized accounting firm that the segregated moneys or Federal Securities together with interest earnings thereon are sufficient to effect a defeasance, the County shall execute and deliver all such instruments as may be necessary to effect such a defeasance and desirable to evidence such release, discharge and satisfaction. Provisions shall be made by the County, for the mailing of a notice to the owners of the Bonds that such moneys are so available for such payment.

**Section 21.** All acts and doings of the Chairman of the Board of Commissioners, the County Manager, the Finance Director of the County and the Clerk to the Board of Commissioners of the County that are in conformity with the purposes and intents of this Resolution and in the furtherance of the issuance of the Bonds and the execution, delivery and performance of the Bond Purchase Agreement are in all respects approved and confirmed.

**Section 22.** If any one or more of the agreements or provisions herein contained is held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or for any reason whatsoever is held invalid, then such covenants, agreements or provisions are null and void and separable from the remaining agreements and provisions and will in no way affect the validity of any of the other agreements and provisions hereof or of the Bonds authorized hereunder.

**Section 23.** All resolutions or parts thereof of the Board of Commissioners in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

**Section 24.** This Bond Resolution is effective on its adoption.

On motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, the foregoing resolution entitled "**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF UNION, NORTH CAROLINA PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$80,000,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2009B OF THE COUNTY OF UNION, NORTH CAROLINA**" was duly adopted by the following vote:

AYES:

NAYS:



STATE OF NORTH CAROLINA            )  
  )  
COUNTY OF UNION                    )        ss:

I, *Lynn West*, Clerk to the Board of Commissioners of the County of Union, North Carolina, “**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF UNION, NORTH CAROLINA PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$80,000,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2009B OF THE COUNTY OF UNION, NORTH CAROLINA**” adopted by the Board of Commissioners of the County of Union, North Carolina, at a meeting held on the 20<sup>th</sup> day of January, 2009.

*WITNESS* my hand and the corporate seal of the County of Union, North Carolina, this the 20<sup>th</sup> day of January, 2009.

\_\_\_\_\_  
Lynn West  
Clerk to the Board  
County of Union, North Carolina

**APPENDIX A**

Form of Bond

No. RB-

\$

**UNITED STATES OF AMERICA  
STATE OF NORTH CAROLINA  
COUNTY OF UNION**

**INTEREST**

<u>RATE</u>	<u>MATURITY DATE</u>	<u>DATED DATE</u>	<u>CUSIP</u>
	MARCH 1, _____	[DATE OF ISSUE], 2009	906395[ ]

**REGISTERED OWNER: CEDE & CO.**

**PRINCIPAL SUM: DOLLARS**

**GENERAL OBLIGATION REFUNDING BOND, SERIES 2009B**

*THE COUNTY OF UNION, NORTH CAROLINA* (the "County") acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner named above, on the Maturity Date specified above, on surrender hereof, the Principal Sum shown above and to pay to the Registered Owner hereof interest thereon from the date of this Bond until it shall mature at the Interest Rate per annum specified above, payable on September 1, 2009 and semiannually thereafter on March 1 and September 1 of each year. Principal of and interest on this Bond are payable in immediately available funds to The Depository Trust Company ("DTC") or its nominee as registered owner of the Bonds and is payable to the owner of the Bonds shown on the records of DTC at the close of business on the 15<sup>th</sup> day of the month preceding an interest payment date or a bond payment date. The County is not responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

his Bond is issued in accordance with the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, and pursuant to The Local Government Finance Act, a bond order adopted by the Board of Commissioners of the County on December 1, 2008 and effective on the date of its adoption. The Bonds are issued to provide funds to refund in advance of their maturities (1) the \$50,000,000 aggregate principal amount of the County's Variable Rate General Obligation Bonds, Series 2005A, of which \$44,000,000 is currently outstanding; (2) the \$20,000,000 aggregate principal amount of the County's Variable Rate General Obligation Bonds, Series 2005B, of which \$17,600,000 is currently outstanding; and (3) the \$20,000,000 aggregate principal amount of the County's Variable Rate General Obligation Bonds, Series 2005C, of which \$17,600,000 is currently outstanding.

The Bonds maturing on or before [Call Date] are not subject to redemption before maturity. The Bonds maturing after [Call Date] are subject to redemption before maturity, at the option of the County, from any moneys that may be made available for such purpose, either in whole or in part on any date on or after [Call Date], at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, [without premium].

If less than all of the Bonds are called for redemption, the County shall select the maturity or maturities of the Bonds to be redeemed in such manner as the County in its discretion may determine and

DTC and its participants shall determine which of the Bonds within a maturity are to be redeemed by lot; *provided, however*, that the portion of any Bond to be redeemed is to be in principal amount of \$5,000 or integral multiples thereof and that, in selecting Bonds for redemption, each Bond is to be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. Whenever the County elects to redeem Bonds, notice of such redemption of Bonds, stating the redemption date, redemption price and identifying the Bonds or portions thereof to be redeemed by reference to their numbers and further stating that on such redemption date there shall become due and payable on each Bond or portion thereof so to be redeemed, the principal thereof, redemption premium and interest accrued to the redemption date and that from and after such date interest thereon shall cease to accrue, is to be given not less than 30 days nor more than 60 days before the redemption date in writing to DTC or its nominee as the registered owner of the Bonds, by prepaid certified or registered United States mail, at the address provided to the County by DTC, but any failure or defect in respect of such mailing will not affect the validity of the redemption. If DTC is not the registered owner of the Bonds, the County will give notice at the time set forth above by prepaid first class United States mail to the then-registered owners of the Bonds or portions thereof to be redeemed at the last address shown on the registration books kept by the County.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of North Carolina to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, and that the amount of this Bond, together with all other indebtedness of the County, is within every debt and other limit prescribed by said Constitution or statutes. The faith and credit of the County are hereby pledged to the punctual payment of the principal of and interest on this Bond in accordance with its terms.

This Bond is not valid or obligatory for any purpose until the certification hereon has been signed by an authorized representative of the Local Government Commission.

*IN WITNESS WHEREOF*, the County has caused this Bond to bear the original or facsimile of the signatures of the Chairman of the Board of Commissioners of the County and the Clerk to the Board of Commissioners of the County and an original or facsimile of the seal of the County to be imprinted hereon and this Bond to be dated as of the Dated Date above.

(SEAL)

---

Clerk to the  
Board of Commissioners

---

Chairman,  
Board of Commissioners

Date of Execution: [Date of Issue], 2009

The issue hereof has been approved under the  
provisions of The Local Government Bond Act.

---

T. VANCE HOLLOWMAN  
Secretary of the Local Government Commission

**FORM OF ASSIGNMENT**

**ASSIGNMENT**

*FOR VALUE RECEIVED* the undersigned hereby sells, assigns and transfers unto

---

(Please print or typewrite Name and Address,  
including Zip Code, and Federal Taxpayer Identification or  
Social Security Number of Assignee)

---

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

---

Attorney to register the transfer of the within Bond on the books kept for registration thereof,  
with full power of substitution in the premises.

Dated: \_\_\_\_\_  
Signature guaranteed by:

---

NOTICE: Signature must be guaranteed by  
a Participant in the Securities Transfer  
Agent Medallion Program ("*Stamp*") or  
similar program.

---

NOTICE: The signature to this assignment must  
correspond with the name as it appears on the  
face of the within Bond in every particular,  
without alteration, enlargement or any change  
whatever.

**TRANSFER FEE MAY BE REQUIRE**





PARKER POE DRAFT -- 01/09/09

**PRELIMINARY OFFICIAL STATEMENT DATED FEBRUARY 13, 2009**

**Ratings:**  
**Moody's:**  
**S&P:**  
**Fitch:**  
(See "Ratings" herein)

**NEW ISSUE—Book-Entry Only**

*This Official Statement has been prepared by the Local Government Commission of North Carolina and the County of Union, North Carolina to provide information in connection with the sale and issuance of the Bonds described herein. Selected information is presented on this cover page for the convenience of the user. To make an informed decision regarding the Bonds, a prospective investor should read this Official Statement in its entirety. Unless indicated, capitalized terms used on this cover page have the meanings given in this Official Statement.*

**[\$Amount]\***

**County of Union, North Carolina**

**General Obligation Refunding Bonds, Series 2009B**

**Dated: Date of Delivery**

**Due: As shown on inside cover page**

*Tax Treatment*

In the opinion of Bond Counsel, under existing law, the interest on the Bonds (1) is excludable from gross income for federal income tax purpose, (2) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations and (3) is exempt from State of North Carolina income taxation. See "TAX TREATMENT" herein.

*Redemption*

The Bonds are subject to optional redemption prior to maturity at the times and prices set forth herein.

*Security*

The Bonds constitute general obligations of the County, secured by a pledge of the faith and credit and taxing power of the County.

*Interest Payment Dates*

March 1 and September 1, commencing September 1, 2009.

*Denominations*

\$5,000 or any integral multiple thereof.

*Expected Closing/Settlement on or about*

March 10, 2009.

*Bond Counsel*

Parker Poe Adams & Bernstein LLP

*Counsel to the County*

Perry, Bundy, Plyler & Long LLP

*Underwriter's Counsel*

Robinson, Bradshaw & Hinson, P.A.

*Financial Advisor*

First Southwest Company

*The date of this Official Statement is February \_\_, 2009*

**[Senior Manager]**

**[Co-Manager]**

\*Preliminary; Subject to Change.

**MATURITY SCHEDULE\***

**[\$Amount] General Obligation Refunding Bonds, Series 2009B**

**Due March 1 of the Year Indicated**

<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>	<u>Year</u>	<u>Amount</u>	<u>Rate</u>	<u>Yield</u>
2010				2019			
2011				2020			
2012				2021			
2013				2022			
2014				2023			
2015				2024			
2016				2025			
2017				2026			
2018				2027			

\*Preliminar; Subject to Change.

**COUNTY OF UNION, NORTH CAROLINA**

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**BOARD OF COMMISSIONERS**

Lanny Openshaw ..... Chairman

Kim Rogers ..... Vice Chairman

Allan Baucom  
Tracy Kuehler  
Lanny Openshaw

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**COUNTY STAFF**

Al Greene ..... County Manager

Kai Nelson ..... Director of Finance

Perry, Bundy, Plyler & Long LLP ..... County Attorney

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**BOND COUNSEL**

Parker Poe Adams & Bernstein LLP  
Charlotte, North Carolina

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**FINANCIAL ADVISOR**

First Southwest Company  
Charlotte, North Carolina

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# State of North Carolina Department of State Treasurer

RICHARD H. MOORE  
TREASURER

*State and Local Government Finance Division  
and the Local Government Commission*

T. VANCE HOLLOMAN  
DEPUTY TREASURER

## INTRODUCTION

This Official Statement, including the cover page and the appendices hereto, is intended to furnish information in connection with the public invitation for bids for the purchase of \$[Amount]\* General Obligation Refunding Bonds, Series 2009B (the "Bonds"), of the County of Union, North Carolina (the "County").

The information furnished herein includes a brief description of the County and its economic condition, government, debt management, tax structure, financial operations, budget, pension plans and contingent liabilities. The County has assisted the Local Government Commission in gathering and assembling the information contained herein.

This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities other than the Bonds offered hereby, nor shall there be any offer or solicitation of such offer or sale of the Bonds in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. Neither the delivery of this Official Statement nor the sale of any of the Bonds implies that the information herein is correct as of any date subsequent to the date hereof. The information contained herein is subject to change after the date of this Official Statement, and this Official Statement speaks only as of its date.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

## THE LOCAL GOVERNMENT COMMISSION OF NORTH CAROLINA

The Local Government Commission of North Carolina (the "Commission"), a division of the Department of State Treasurer, State of North Carolina (the "State"), is a State agency that supervises the issuance of the bonded indebtedness of all units of local government and assists these units in the area of fiscal management. Appendix A to this Official Statement contains additional information concerning the Commission and its functions.

## THE BONDS

### Description

The Bonds will be dated as of their date of delivery and will bear interest from their date. Interest on the Bonds will be payable semiannually on each March 1 and September 1, commencing September 1, 2009. The Bonds will mature, subject to the optional redemption provisions set forth below, on the dates set forth on the inside cover page of this Official Statement.

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\*Preliminary; Subject to Change.

The Bonds will be issuable as fully registered bonds in a book-entry system maintained by The Depository Trust Company ("DTC"). DTC will act as securities depository for the Bonds. Purchases and transfers of the Bonds may be made only in denominations of \$5,000 and in accordance with the practices and procedures of DTC. See Appendix E hereto for a description of the book-entry system and DTC.

### **Redemption Provisions**

The Bonds maturing on or before March 1, 2019 are not subject to redemption before maturity. The Bonds maturing on or after March 1, 2020 are subject to redemption before maturity, at the option of the County, from any moneys that may be made available for such purpose, either in whole or in part on any date on or after March 1, 2019, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, without premium. If less than all of the Bonds are called for redemption, the County will select the maturity or maturities of the Bonds to be redeemed in such manner as the County in its discretion may determine and DTC and its participants will determine which of the Bonds within a maturity are to be redeemed by lot; provided, however, that the portion of any Bond to be redeemed will be in the principal amount of \$5,000 or integral multiples thereof and that, in selecting Bonds for redemption, each Bond is to be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

Notice of redemption will be given by the County, not less than 30 days nor more than 60 days before the redemption date by certified or registered United States mail to DTC. The County will not be responsible for sending or mailing notices of redemption to anyone other than DTC, its nominee or another securities depository unless there is no qualified securities depository acting as the registered owner of the Bonds.

### **Authorization and Purposes**

The Bonds are being issued pursuant to the provisions of The Local Government Bond Act, as amended, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina. The Bonds are to be issued pursuant to a bond order adopted by the Board of Commissioners of the County (the "Board") on December 1, 2008 and effective on its adoption. Terms of the Bonds were established in a resolution duly adopted by the Board on January 20, 2009 (the "Bond Resolution").

The proceeds of the Bonds, less the costs of issuance being paid from the proceeds of the Bonds, will be used to refund in advance of their maturities (1) the \$50,000,000 aggregate principal amount of the County's Variable Rate General Obligation Bonds, Series 2005A, of which \$44,000,000 is currently outstanding; (2) the \$20,000,000 aggregate principal amount of the County's Variable Rate General Obligation Bonds, Series 2005B, of which \$17,600,000 is currently outstanding; and (3) the \$20,000,000 aggregate principal amount of the County's Variable Rate General Obligation Bonds, Series 2005C, of which \$17,600,000 is currently outstanding (collectively, the "Refunded Bonds"). See the caption "**THE PLAN OF REFUNDING**" herein.

### **Security**

The County is authorized and required by law to levy on all property taxable by the County such *ad valorem* taxes, without limitation as to rate or amount, as may be necessary to pay the Bonds and the interest thereon.

### **Professionals**

[Name of Underwriter] and [Name of Co-Manager] (the "Underwriters") are underwriting the Bonds. First Southwest Company, Charlotte, North Carolina is serving as Financial Advisor to the County. Parker Poe Adams & Bernstein LLP, Charlotte, North Carolina, is serving as Bond Counsel to the County. Robinson, Bradshaw & Hinson, P.A., Charlotte, North Carolina, is serving as counsel to the Underwriters. Perry, Bundy, Plyler & Long LLP, Monroe, North Carolina, is counsel to the County.

## THE PLAN OF REFUNDING

The proceeds of the Bonds are being issued to refund in advance of their maturities and redeem the Refunded Bonds. \$\_\_\_\_\_ from the proceeds of the Bonds will be used to redeem the Refunded Bonds on the date that the Bonds are issued (the "Redemption Date") at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the Redemption Date, without premium.

## ESTIMATED SOURCES AND USES OF FUNDS

The following table presents estimated information as to sources and uses of funds and the plan of finance:

### *Sources of Funds:*

Par Amount of Bonds  
Net Original Issue Premium

Total

### *Uses of Funds:*

Refunding of Refunded Bonds  
Costs of Issuance<sup>1</sup>

Total

<sup>1</sup> Includes various professional fees, other financing costs and underwriters' discount.

## THE COUNTY OF UNION

[to be inserted]

### **Pension Plans**

The following information on the pension plans is presented on the calendar year basis, whereas the information in the independent auditor's footnote was presented on the fiscal year basis.

The County participates in the North Carolina Local Governmental Employees' Retirement System.

*North Carolina Local Governmental Employees' Retirement System* – The North Carolina Local Governmental Employees' Retirement System (the "System") is a service agency administered through a board of trustees by the State for public employees of counties, cities, boards, commissions and other similar governmental entities. While the State Treasurer is the custodian of System funds, administrative costs are borne by the participating employer governmental entities. The State makes no contributions to the System.

The System provides, on a uniform System-wide basis, retirement and, at each employer's option, death benefits from contributions made by employers and employees. Employee members contribute six percent of their individual compensation. Each new employer makes a normal contribution plus, where applicable, a contribution to fund any accrued liability over a 24-year period. The normal contribution rate, uniform for all employers, is currently 4.80 percent of eligible payroll for general employees and 5.27 percent of eligible payroll for law enforcement officers. The accrued liability contribution rate is determined separately for each employer and covers the liability of the employer for benefits based on employees' service rendered prior to the date the employer joins the system.

Members qualify for a vested deferred benefit at age 50 with at least 20 years of service or at age 60 after at least five years of creditable service to the unit of local government. Unreduced benefits are available: at age 65,



with at least five years of creditable service; at age 60, with at least 25 years of creditable service; or after 30 years of creditable service, regardless of age. Benefit payments are computed by taking an average of the annual compensation for the four consecutive years of membership service yielding the highest average. This average is then adjusted by a percentage formula, by a total years of service factor, and by an age service factor if the individual is not eligible for unreduced benefits.

Contributions to the System are determined on an actuarial basis.

For information concerning the County's participation in the North Carolina Local Governmental Employee's Retirement System and the Supplemental Retirement Income Plan of North Carolina see the Notes to the County's audited financial statements included in Appendix D.

Financial statements and required supplementary information for the North Carolina Local Governmental Employees' Retirement System are included in the Comprehensive Annual Financial Report ("CAFR") for the State. Please refer to the State's CAFR for additional information.

#### **Health and Life Benefits**

[to be provided]

#### **Other Post-Employment Benefits**

[to be provided]

#### **Contingent Liabilities**

It is the opinion of counsel to the County that there is no litigation involving the County that will materially affect the ability of the County to meet its financial obligations.

#### **Financial Information**

The financial statements of the County have been audited by certified public accountants for the fiscal years ended June 30, 2005 through 2008. Copies of these financial statements containing the unqualified report of the independent certified public accountants are available in the office of Mr. Kai D. Nelson, Director of Finance (704-292-2522), County of Union, 500 North Main Street, Suite 901, Monroe, North Carolina 28122.

The Government Finance Officers Association ("GFOA") has awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report for the fiscal years ended June 30, 19\_\_ through 2007. To receive this award, the highest form of recognition in governmental financial reporting, a governmental unit must publish a financial report that complies with both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. The County anticipates that it will continue to meet the requirements under the Certificate of Achievement Program and has submitted its Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2008 to the GFOA for review.

### **CONTINUING DISCLOSURE**

In the Bond Resolution adopted by the County, the County has undertaken, for the benefit of the beneficial owners of the Bonds, to provide:

- (1) by not later than seven months after the end of each Fiscal Year to the Municipal Securities Rulemaking Board (the "MSRB") in an electronic format as prescribed by the MSRB, the audited financial statements of the County for the preceding Fiscal Year, if available, prepared in accordance with Section

159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or if such audited financial statements are not then available, unaudited financial statements of the County for such Fiscal Year to be replaced subsequently by audited financial statements of the County to be delivered within 15 days after such audited financial statements become available for distribution;

(2) by not later than seven months after the end of each Fiscal Year to the MSRB, (a) the financial and statistical data as of a date not earlier than the end of the preceding Fiscal Year for the type of information included under the captions "THE COUNTY--DEBT INFORMATION" and "--TAX INFORMATION" (excluding information on overlapping units) in this Official Statement and (b) the combined budget of the County for the current Fiscal Year to the extent such items are not included in the audited financial statements referred to in clause (1) above;

(3) in a timely manner to provide (i) before July 1, 2009, to each nationally recognized municipal securities repository ("NRMSIR") and to the state information depository ("SID"), if any, for the State, in each case as designated by the SEC, or to the MSRB and to the SID, if any, or (ii) on and after July 1, 2009, in a timely manner to the MSRB, notice of the occurrence of any of the following events with respect to the Bonds, if material:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements for the Bonds reflecting financial difficulties;
- (e) substitution of any credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- (g) modification to the rights of the beneficial owners of the Bonds;
- (h) call of any of the Bonds for redemption, other than sinking fund redemptions;
- (i) defeasance of any of the Bonds;
- (j) release, substitution or sale of any property securing repayment of the Bonds;
- (k) rating changes on the Bonds; and

(4) in a timely manner to the MSRB, notice of the failure by the County to provide the required annual financial information described in (1) and (2) above on or before the date specified.

At present, Section 159-34 of the General Statutes of North Carolina requires the County's financial statements to be prepared in accordance with generally accepted accounting principles and to be audited in accordance with generally accepted auditing standards.

The Bond Resolution also provide that if the County fails to comply with the undertaking described above, any beneficial owner of the Bonds may take action to protect and enforce the rights of all beneficial owners with respect to such undertaking, including an action for specific performance; provided, however, that failure to comply with such undertaking shall not be an event of default and shall not result in any acceleration of payment of the Bonds. All actions shall be instituted, had and maintained in the manner provided in this paragraph for the benefit of all beneficial owners of the Bonds.

Pursuant to the Bond Resolution, the County reserves the right to modify from time to time the information to be provided to the extent necessary or appropriate in the judgment of the County, provided that:

(a) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the County;

(b) the information to be provided, as modified, would have complied with the requirements of Rule 15c2-12 issued under the Securities Exchange Act of 1934 ("Rule 15c2-12") as of the date of this Official Statement, after taking into account any amendments or interpretations of Rule 15c2-12, as well as any changes in circumstances; and

(c) any such modification does not materially impair the interests of the beneficial owners, as determined either by parties unaffiliated with the County (such as bond counsel), or by the approving vote of the registered owners of a majority in principal amount of the Bonds pursuant to the terms of such resolution, as it may be amended from time to time, at the time of the amendment.

Any annual financial information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The County may discharge its undertaking described above by transmitting those documents or notices in a manner subsequently required by the U. S. Securities and Exchange Commission in lieu of the manner described above.

The undertaking described above will terminate upon payment, or provision having been made for payment in a manner consistent with Rule 15c2-12, in full of the principal of and interest on all of the Bonds.

The County has not failed to provide any information required to be provided by any undertaking previously made by the County pursuant to the requirements of Rule 15c2-12.

#### **APPROVAL OF LEGAL PROCEEDINGS**

Certain legal matters incident to the authorization and issuance of the Bonds are subject to the approval of Parker Poe Adams & Bernstein LLP, Charlotte, North Carolina, Bond Counsel, whose approving legal opinion will be available at the time of the delivery of the Bonds. The proposed form of such opinion is attached hereto as Appendix E.

Parker Poe Adams & Bernstein LLP serves as bond counsel for the County and, from time to time it and Robinson, Bradshaw & Hinson, P.A., counsel to the Underwriters, have represented the Underwriters as counsel in other financing transactions. Neither the County nor the Underwriters have conditioned the future employment of either of these firms in connection with any proposed financing issues for the County or for the Underwriters on the successful issuance of the Bonds.

#### **RATINGS**

Moody's Investors Service, Standard & Poor's Ratings Services and Fitch Ratings have given the Bonds ratings of " ", " " and " ," respectively. Those ratings reflect only the respective views of such organizations, and an explanation of the significance of such ratings may be obtained only from the respective organization providing such rating. Certain information and materials not included in the Official Statement were furnished to such organizations. There is no assurance that such ratings will remain in effect for any given period of time or that any or all will not be revised downward or withdrawn entirely. Any downward revision or withdrawal of a rating may have an adverse effect on the market prices of the Bonds.

## TAX TREATMENT

### General

On the date of the issuance of the Bonds, Parker Poe Adams & Bernstein LLP, Charlotte, North Carolina (“*Bond Counsel*”), will render an opinion that, under existing law and assuming compliance by the County with certain provisions of the Internal Revenue Code of 1986, as amended (the “*Code*”), the interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations.

The interest on the Bonds will be taken into account in determining adjusted current earnings of certain corporations (as defined for federal income tax purposes) and such corporations are required to include in the calculation of federal alternative minimum taxable income 75% of the excess of such corporation's adjusted current earnings over its federal alternative minimum taxable income (determined without regard to this adjustment and prior to reduction for certain net operating losses).

The Code imposes various restriction, conditions and requirements relating to the exclusion of interest on obligations, such as the Bonds, from gross income for federal income tax purposes, including, but not limited to, the requirement that the County rebate certain excess earnings on proceeds and amounts treated as proceeds of the Bonds to the United States Treasury, restrictions on the investment of such proceeds and other amounts, and restrictions on the ownership and use of the facilities financed or refinanced with proceeds of the Bonds. The foregoing is not intended to be an exhaustive listing of the post-issuance tax compliance requirements of the Code, but is illustrative of the requirements that must be satisfied by the County subsequent to issuance of the Bonds to maintain the excludability of the interest on the Bonds from gross income for federal income tax purposes. Bond Counsel's opinion is given in reliance on certifications by representatives of the County as to certain facts material to the opinion and the requirements of the Code. The County has covenanted in the Bond Resolution to comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that the interest on the Bonds be, or continue to be, excludable from gross income for federal income tax purposes. The opinion of Bond Counsel assumes compliance by the County with such covenants, and Bond Counsel has not been retained to monitor compliance by the County with such covenants subsequent to the date of issuance of the Bonds. Failure to comply with certain of such requirements may cause the interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of the issuance of the Bonds. No other opinion is expressed by Bond Counsel regarding the federal tax consequences of the ownership of or the receipt or accrual of interest with respect to the Bonds.

If the interest on the Bonds subsequently becomes included in gross income for federal income tax purposes due to a failure by the County to comply with any requirements described above, the Bond Resolution does not require the County to redeem the Bonds or to pay any additional interest or penalty.

The Internal Revenue Service has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations is includible in gross income for federal income tax purposes. Bond Counsel cannot predict whether the Internal Revenue Service will commence an audit of the Bonds. Prospective purchasers and owners of the Bonds are advised that, if the Internal Revenue Service does audit the Bonds, under current Internal Revenue Service procedures, at least during the early stages of an audit, the Internal Revenue Service will treat the County as the taxpayer, and the owners of the Bonds may have limited rights, if any, to participate in such audit. The commencement of an audit could adversely affect the market value and liquidity of the Bonds until the audit is concluded, regardless of the ultimate outcome.

Prospective purchasers of the Bonds should be aware that ownership of the Bonds and the accrual or receipt of interest with respect to the Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, financial institutions, property or casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain Subchapter S Corporations with “*excess net passive income*,” foreign corporations subject to the branch profits tax, life insurance companies and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry the Bonds. Bond Counsel does not express any opinion as to any such collateral tax consequences. Prospective purchasers of the Bonds should consult their own tax advisors as to the collateral tax consequences.

Proposed legislation is considered from time to time by the United States Congress that, if enacted, would affect the tax consequences of owning the Bonds. No assurance can be given that any future legislation, or clarifications or amendments to the Code, if enacted into law, will not contain provisions which could cause the interest on the Bonds to be subject directly or indirectly to federal or State of North Carolina income taxation, adversely affect the market price or marketability of the Bonds or otherwise prevent the owners of the Bonds from realizing the full current benefit of the status of the interest on the Bonds.

Bond Counsel is further of the opinion that, under existing law, the interest on the Bonds is exempt from State of North Carolina income taxation.

Bond Counsel's opinion is based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date thereof. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinion is not a guarantee of a particular result, and is not binding on the Internal Revenue Service or the courts; rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that Bond Counsel deems relevant to such opinions. Bond Counsel's opinion expresses the professional judgment of the attorneys rendering the opinion regarding the legal issues expressly addressed therein. By rendering its opinion, Bond Counsel does not become an insurer or guarantor of the result indicated by that expression of professional judgment, of the transaction on which the opinions are rendered, or of the future performance of the County, nor does the rendering of such opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

#### **Original Issue Discount**

The Bonds maturing on March 1, 20\_\_ have been sold at initial public offering prices which are less than the amount payable at maturity (the "Discount Bonds"). In the opinion of Bond Counsel, under existing law, the original issue discount in the selling price of any Discount Bond, to the extent properly allocable to each owner of such Discount Bond, is excludable from gross income for federal income tax purposes with respect to such owner. The original issue discount is the excess of the stated redemption price at maturity of such Discount Bond over its initial offering price to the public, excluding bond houses, brokers, other intermediaries or similar persons acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bonds of such maturity were sold.

Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Discount Bond during any accrual period generally equals (1) the issue price of such Discount Bond plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity of such Discount Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on such Discount Bond during such accrual period. The amount of original issue discount so accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase such owner's tax basis in such Discount Bond. Any gain realized by an owner from a sale, exchange, payment or redemption of a Discount Bond will be treated as gain from the sale or exchange of such Discount Bond.

Purchasers of any Bond at an original issue discount should consult their own tax advisors regarding the determination and treatment of original issue discount for federal income tax purposes and with respect to the state and local tax consequences of owning such Bonds.

#### **Original Issue Premium**

The Bonds maturing on March 1, 20\_\_ have been sold at initial public offering prices which are in excess of the amount payable at maturity (the "Premium Bonds"). The amount equal to the excess, if any, of the purchase price paid (excluding accrued interest) by the first owner of any Premium Bond over its stated redemption price at maturity constitutes original issue premium on such Premium Bond. A purchaser of a Premium Bond must amortize

any original issue premium over such Premium Bond's term using constant yield principles, based on the Premium Bond's yield to maturity to such owner. As original issue premium is amortized, such owner's basis in such Premium Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to such owner. Such treatment will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of such Premium Bond prior to its maturity. Even though such owner's basis in such Premium Bond is reduced, no federal income tax deduction is allowed.

Purchasers of any Bond at a premium, whether at the time of initial issuance or subsequent thereto, should consult their own tax advisors with respect to the determination and treatment of premium for federal income tax purposes and with respect to state and local tax consequences of owning such Bonds.

**FINANCIAL ADVISOR**

First Southwest Company, Charlotte, North Carolina, has served as financial advisor to the County in connection with the issuance and sale of the Bonds.

**UNDERWRITING**

The underwriters for the Bonds are [Name of Underwriter] and [Name of Co-Manager].

The Underwriters have agreed under the terms of a Bond Purchase Agreement to purchase all of the Bonds, if any of the Bonds are to be purchased, at a purchase price equal to 100% of the principal amount of the Bonds, less an underwriter's discount of \$ \_\_\_\_\_. The Underwriters' obligation to purchase the Bonds is subject to certain terms and conditions set forth in such Bond Purchase Agreement.

**MISCELLANEOUS**

Any statements in the Official Statement involving matters of opinion or estimates, whether or not expressly so stated, are intended as such and not as representations of fact.

Reference herein to the State Constitution and legislative enactments are only brief outlines of certain provisions thereof and do not purport to summarize or describe all provisions thereof.

The execution of this Official Statement has been duly authorized by the Local Government Commission of North Carolina and the Board of Commissioners of the County.

**LOCAL GOVERNMENT COMMISSION  
OF NORTH CAROLINA**

By \_\_\_\_\_  
T. Vance Holloman  
*Secretary of the Commission*

**COUNTY OF UNION, NORTH CAROLINA**

By \_\_\_\_\_  
Lanny Openshaw  
*Chairman, Board of Commissioners*

By \_\_\_\_\_

Al Greene  
*County Manager*

By \_\_\_\_\_  
Kai D. Nelson  
*Director of Finance*

**APPENDIX A**

**THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION**



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### APPENDIX A

#### THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION

The Local Government Commission (the "Commission") is composed of nine members: the State Treasurer, the Secretary of State, the State Auditor, the Secretary of Revenue and five others by appointment (three by the Governor, one by the General Assembly upon recommendation of the President Pro Tempore of the Senate and one by the General Assembly upon recommendation of the Speaker of the House of Representatives). The State Treasurer serves as Chairman and selects the Secretary of the Commission, who heads the administrative staff serving the Commission.

A major function of the Commission is the approval, sale and delivery of substantially all North Carolina local government bonds and notes. A second key function is monitoring certain fiscal and accounting standards prescribed for units of local government by The Local Government Budget and Fiscal Control Act. In addition, the Commission furnishes, upon request, on-site assistance to units of local government concerning existing financial and accounting systems as well as aid in establishing new systems. Further, educational programs and materials are provided for local officials concerning finance and cash management.

Before any unit of local government can incur bonded indebtedness, the proposed bond issue must be approved by the Commission. In determining whether to give such approval the Commission may consider, among other things, the unit's debt management procedures and policies, its compliance with The Local Government Budget and Fiscal Control Act and its ability to service the proposed debt. All general obligation issues are customarily sold on the basis of formal sealed bids submitted at the Commission's offices in Raleigh and are subsequently delivered to the successful bidder by the Commission. The Commission maintains records for all units of local government of principal and interest payments coming due on bonded indebtedness in the current and future years and monitors the payment by the units of local government of debt service through a system of monthly reports.

As a part of its role in assisting and monitoring the fiscal programs of units of local government, the Commission attempts to ensure that the units of local government follow generally accepted accounting principles, systems and practices. The Commission's staff also counsels the units of local government in treasury and cash management, budget preparation and investment policies and procedures. Educational programs, in the form of seminars or classes, are also provided by the Commission in order to accomplish these tasks. The monitoring of the financial systems of units of local government is accomplished through the examination and analysis of the annual audited financial statements and other required reports. The Local Government Budget and Fiscal Control Act requires each unit of local government to have its accounts audited annually by a certified public accountant or by an accountant certified by the Commission as qualified to audit local government accounts. A written contract must be submitted to the Secretary of the Commission for his approval prior to the commencement of the audit.

The Commission has the statutory authority to impound the books and records of any unit of local government and assume full control of all its financial affairs (a) when the unit defaults on any debt service payment or, in the opinion of the Commission, will default on a future debt service payment if the financial policies and practices of the unit are not improved or (b) when the unit persists, after notice and warning from the Commission, in willfully or negligently failing or refusing to comply with the provisions of The Local Government Finance Act. When the Commission takes action under this authority, the Commission is vested with all of the powers of the governing board of the unit of local government as to the levy of taxes, expenditure of money, adoption of budgets and all other financial powers conferred upon such governing board by law.

In addition, if a unit of local government fails to pay any installment of principal or interest on its outstanding debt on or before its due date and remains in default for 90 days, the Commission may take such action as it deems advisable to investigate the unit's fiscal affairs, consult with its governing board and negotiate with its creditors in order to assist the unit in working out a plan for refinancing, adjusting or compromising such debt. When a plan is developed that the Commission finds to be fair and equitable and reasonably within the ability of the unit of local government to meet, the Commission will enter an order finding that the plan is fair, equitable and within the ability of the unit to meet and will advise the unit to take the necessary steps to implement such plan. If the governing

board of the unit declines or refuses to do so within 90 days after receiving the Commission's advice, the Commission may enter an order directing the unit to implement such plan and may apply for a court order to enforce such order. When a refinancing plan has been put into effect, the Commission has the authority (a) to require any periodic financial reports on the unit's financial affairs that the Secretary deems necessary and (b) to approve or reject the unit's annual budget ordinance. The governing board of the unit of local government must also obtain the approval of the Secretary of the Commission before adopting any annual budget ordinance. The power and authority granted to the Commission as described in this paragraph will continue with respect to a defaulting unit of local government until the Commission is satisfied that the unit has performed or will perform the duties required of it in the refinancing plan and until agreements made with the unit's creditors have been performed in accordance with such plan.

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**APPENDIX B**

**CERTAIN CONSTITUTIONAL, STATUTORY AND ADMINISTRATIVE PROVISIONS GOVERNING  
OR RELEVANT TO THE INCURRENCE OF GENERAL OBLIGATION BONDED INDEBTEDNESS BY  
UNITS OF LOCAL GOVERNMENT OF THE STATE OF NORTH CAROLINA**

**CERTAIN CONSTITUTIONAL, STATUTORY AND ADMINISTRATIVE PROVISIONS GOVERNING  
OR RELEVANT TO THE INCURRENCE OF GENERAL OBLIGATION BONDED INDEBTEDNESS BY  
UNITS OF LOCAL GOVERNMENT OF THE STATE OF NORTH CAROLINA**

**Constitutional Provisions**

The North Carolina Constitution (the "Constitution") requires the General Assembly to enact general laws relating to the borrowing of money secured by a pledge of the faith and credit and the contracting of other debts by counties, cities and towns, special districts and other units, authorities and agencies of local government and prohibits enactment of special or local acts on this subject. These general laws may be enacted for classes defined by population or other criteria.

The General Assembly has no power under the Constitution to authorize any unit of local government to contract debts secured by a pledge of its faith and credit unless approved by a majority of the qualified voters of the unit who vote thereon, except for the following purposes:

- (a) to fund or refund a valid existing debt;
- (b) to supply an unforeseen deficiency in the revenue;
- (c) to borrow in anticipation of the collection of taxes due and payable within the current fiscal year to an amount not exceeding 50% of such taxes;
- (d) to suppress riots or insurrections;
- (e) to meet emergencies immediately threatening the public health or safety, as conclusively determined in writing by the Governor; and
- (f) for purposes authorized by general laws uniformly applicable throughout the State, to the extent of two-thirds of the amount by which the issuing unit's outstanding indebtedness was reduced during the next preceding fiscal year.

The Constitution requires that the power of taxation be exercised in a just and equitable manner, for public purposes only, and never be surrendered, suspended or contracted away. Since general obligation bonded indebtedness pledges the taxing power, it may therefore be incurred only for "public purposes." The North Carolina Supreme Court determines what is and is not a public purpose within the meaning of the Constitution.

The Constitution requires voter approval for any unit of local government to give or lend its credit in aid of any person, association or corporation, and such lending of credit must be for public purposes as authorized by general law. A loan of credit is defined by the Constitution as occurring when a unit of local government exchanges its obligations with or in any way guarantees the debts of an individual, association or private corporation.

The Constitution does not impose a limit on the total indebtedness of a unit of local government.

Of the sources of revenue available to units of local government, only the property tax is subject to special Constitutional regulation. The Constitution does not mandate a general property tax; rather, it authorizes the General Assembly to classify property for taxation under two conditions: (1) each class of property selected for taxation must be taxed by uniform rule and (2) every classification must be made by general law uniformly applicable to every unit of local government. No class of property is accorded exemption from ad valorem taxation by the Constitution except property belonging to the State, counties and municipal corporations. The General Assembly may exempt cemeteries and property held for educational, scientific, literary, cultural, charitable or religious purposes and, to a value not exceeding \$300, any personal property. The General Assembly may also exempt from taxation not exceeding \$1,000 in value of property used as the place of residence of the owner. Property of the United States is exempt by virtue of the supremacy clause of the United States Constitution.

The Constitution requires that any property tax must be levied for purposes authorized by general law uniformly applicable throughout the State, unless approved by a majority of the qualified voters of the unit of local government who vote thereon.

Under the Constitution, property taxes levied for unit--wide purposes must be levied uniformly throughout the territorial jurisdiction of the taxing unit, but the General Assembly may enact general laws authorizing the governing body of any county, County or town to define territorial areas and to levy taxes within those areas in order to finance, provide or maintain services, facilities and functions in addition to or to a greater extent than those financed, provided or maintained for the entire county, County or town.

### **The Local Government Bond Act**

No unit of local government has authority to incur general obligation bonded indebtedness otherwise than in accordance with the limitations and procedures prescribed in The Local Government Bond Act, G.S. Ch. 159, Art. 4 (the "Act") and G.S. Ch. 159, Art. 7 or to issue short-term general obligation notes otherwise than in accordance with G.S. Ch. 159, Art. 9.

By statute, the faith and credit of the issuing unit are pledged for the payment of the principal of and interest on all bonds issued under the Act according to their terms, and the power and obligation of the issuing unit to levy taxes and raise other revenues for the prompt payment of installments of principal and interest or for the maintenance of sinking funds is unrestricted as to rate or amount.

The revenues of each utility or public service enterprise owned or leased by a unit of local government are required by statute to be applied in accordance with the following priorities: (1) to pay the operating, maintenance and capital outlay expenses of the utility or enterprise; (2) to pay when due the interest on and principal of outstanding bonds issued for capital projects that are or were a part of the utility or enterprise; and (3) for any other lawful purpose. In its discretion, an issuing unit may pledge the revenues (or any portion thereof) of a utility or enterprise for the payment of the interest on and principal of bonds issued under the Act to finance capital projects that are to become a part of the utility or enterprise.

Bonds may be issued only for purposes specifically authorized by the Act.

No bonds may be issued under the Act without the approval of the Local Government Commission. The criteria for approval have been summarized in the description of the powers of the Commission in Appendix D to this Official Statement.

The Act provides that, subject to certain exceptions, no bond order may be adopted by the governing body of a unit of local government unless it appears from a sworn statement of debt filed in connection therewith that the net debt of the unit does not exceed 8% of the assessed value of property subject to taxation by the issuing unit. Under current law, the mandated assessment ratio is 100% of appraised value. This limitation does not apply to funding and refunding bonds, bonds issued for water, gas or electric power purposes, or two or more of such purposes, certain sanitary sewer, sewage disposal or sewage purification plant bonds, bonds or notes issued for erosion control purposes or bonds or notes issued for the purposes of erecting jetties or other protective works to prevent encroachment by certain bodies of water.

"Net debt" is defined as gross debt less certain statutory exclusions and deductions. Gross debt, excluding therefrom debt incurred or to be incurred in anticipation of tax or other revenue collections or in anticipation of the sale of bonds other than funding or refunding bonds, is the sum of (i) outstanding debt evidenced by bonds, (ii) bonds authorized by orders introduced but not yet adopted, (iii) unissued bonds authorized by adopted orders and (iv) outstanding debt not evidenced by bonds. From gross debt are deducted (a) funding and refunding bonds (both those authorized by orders introduced but not yet adopted and those authorized but not yet issued), (b) the amount of money held in sinking funds or otherwise for the payment of any part of the principal of gross debt other than debt incurred for the purposes set forth in clause (e) below, (e) the amount of bonded debt included in gross debt and incurred, or to be incurred, for water, gas or electric light or power purposes, or two or more of such purposes, and certain bonded debt for sanitary sewer purposes, and (d) the amount of uncollected special assessments theretofore

levied or estimated to be levied for local improvements for which any part of the gross debt (that is not otherwise deducted) was or is to be incurred, to the extent that the special assessments, when collected, will be applied to the payment of any part of the gross debt. Revenue bond indebtedness is not included in, nor deducted from, gross debt.

Bonds may be issued under an approved bond order at any time within seven years after the bond order takes effect. The effective date of the bond order is the date of formal passage of the bond order in the case of bonds that do not require voter approval and the date of voter approval in all other cases. If the issuance of bonds is prevented or prohibited by any order of any court or certain litigation, the period of time is extended by the length of time elapsing between the date of institution of the action or litigation and the date of its final disposition. The General Assembly may, prior to the expiration of the maximum period, also extend such period. In addition, such period may be extended from seven to ten years by the governing body of a unit of local government under certain circumstances with approval by the Commission. In any such case, no further voter approval is required.

The Commission has by regulation established the maximum useful lives of capital projects that may be financed by bonds. The maturity dates of any bonds issued for any project may not exceed the maximum useful life of the project, measured from the date of the bonds.

All bonds must mature in annual installments, the first of which must be payable not more than three years after the date of the bonds and the last of which must be payable within the maximum useful life of the project. Payment of an installment of principal may be provided for by the maturity of a bond, mandatory redemption of principal prior to maturity, a sinking fund, a credit facility or any other means satisfactory to the Commission. In addition, the Act prohibits "balloon installments" in that it requires that no installment of any issue may be greater than four times as large in amount as the smallest prior installment of the same issue. Bonds authorized by two or more bond orders may be consolidated into a single issue, and bonds of each issue may be issued from time to time in series with different provisions for each series. Each series is deemed a separate issue for the purposes of the limitations discussed in this paragraph. Bonds may be made payable from time to time on demand or tender for purchase as provided in the Act, and bonds may be made subject to redemption prior to maturity, with or without premium. The requirement that the bonds must mature in annual installments and the prohibition against balloon installments as described above does not apply to (a) refunding bonds, (b) bonds purchased by a State or federal agency or (c) bonds the interest on which is or may be includable in gross income for purposes of federal income tax, provided that the dates on which such bonds are stated to mature are approved by the Commission and the Commission may require that payment of all or any part of the principal of any interest and any premium on such bond be provided for by mandatory sinking fund redemption.

### **Short--Term Obligations**

*Bond Anticipation Notes* -- Units of local government are authorized to issue short-term notes in anticipation of the sale of bonds validly authorized for issuance within the maximum authorized amount of the bonds. General obligation bond anticipation notes must be payable not later than seven years after the effective date of the bond order and shall not be renewed or extended beyond that time unless the period of time within which the bonds may be issued has been extended as mentioned above. The faith and credit of the issuing unit are pledged for the payment of general obligation bond anticipation notes, and the power and obligation of the issuing unit to levy taxes and raise other revenues for the prompt payment of such notes is unrestricted as to rate or amount. The proceeds of each general obligation bond issue are also pledged for the payment of any notes issued in anticipation of the sale thereof, and any such notes shall be retired from the proceeds of the bonds as a first priority.

*Tax Anticipation Notes* -- Units of local government having the power to levy taxes are authorized to borrow money for the purpose of paying appropriations made for the current fiscal year in anticipation of the collection of taxes due and payable within the current fiscal year, and to issue negotiable notes in evidence thereof. Any tax anticipation note must mature not later than 30 days after the close of the fiscal year in which it is issued and may not be renewed beyond that time. No tax anticipation note shall be issued by the unit of local government if the amount thereof, together with the amount of all authorized or outstanding tax anticipation notes on the date the note is authorized, would exceed 50% of the amount of taxes uncollected as of the date of the proposed note authorization. The faith and credit of the issuing unit are pledged for the payment of tax anticipation notes, and the power and obligation of the issuing unit to levy taxes and raise other revenues for the prompt payment of such notes is unrestricted as to rate or amount.

*Revenue Anticipation Notes* -- Units of local government are authorized to borrow money for the purpose of paying appropriations made for the current fiscal year in anticipation of the receipt of the revenues, other than taxes, estimated in their budgets to be realized in cash during such fiscal year, and to issue negotiable notes in evidence thereof. Any revenue anticipation note must mature not later than 30 days after the close of the fiscal year in which it is issued and may not be renewed beyond that time. No revenue anticipation note shall be issued if the amount thereof, together with the amount of all revenue anticipation notes authorized or outstanding on the date the note is authorized, would exceed 80% of the revenues of the issuing unit, other than taxes, estimated in its budget to be realized in cash during such fiscal year. Revenue anticipation notes are special obligations of the issuing unit, and neither the credit nor the taxing power of the issuing unit may be pledged for the payment of revenue anticipation notes.

*Grant Anticipation Notes* -- Units of local government are authorized to borrow money for the purpose of paying appropriations made for capital projects in anticipation of the receipt of moneys from grant commitments for such capital projects from the State or the United States or any agencies of either, and to issue negotiable notes in evidence thereof. Grant anticipation notes must mature not later than 12 months after the estimated completion date of such capital project and may be renewed from time to time, but no such renewal shall mature later than 12 months after the estimated completion date of such capital project. No grant anticipation note may be issued if the amount thereof, together with the amount of all other notes authorized or issued in anticipation of the same grant commitment, exceeds 90% of the unpaid amount of said grant commitment. Grant anticipation notes are special obligations of the issuing unit, and neither the credit nor the taxing power of the issuing unit may be pledged for the payment of grant anticipation notes.

### **The Local Government Budget and Fiscal Control Act**

The Local Government Budget and Fiscal Control Act, G.S. Ch. 159, Art. 3 (the "Fiscal Control Act"), sets forth procedures for the adoption and administration of budgets of units of local government. The Fiscal Control Act also prescribes certain accounting and auditing requirements. The Fiscal Control Act attempts to achieve close conformity with the accounting principles contained in the American Institute of Certified Public Accountants' Industry Audit Guide, Audits of State and Local Government Units.

*Budget* -- The Fiscal Control Act requires the adoption of an annual balanced budget, which includes all appropriations required for debt service and for eliminating any deficit. Any deficit is required to be eliminated by the imposition of a property tax at a rate which will produce the revenue necessary to balance revenues and appropriations in the budget. The Secretary of the Commission is required to notify each local government unit by May 1 of each year of its debt service obligations for the coming fiscal year, including sums to be paid into sinking funds. At least 30 days prior to the due date of each installment of principal or interest on outstanding debt, the Secretary must notify each unit of the payment due, the due date, the place which the payments should be sent, and a summary of the legal penalties for failing to meet debt service obligations.

The Fiscal Control Act directs that the budget ordinance be adopted by the governing board of the unit of local government by July 1 of the fiscal year to which it applies. There is no penalty for failure to meet this deadline. The fiscal year begins July 1 and ends the following June 30. The governing board is required to hold a public hearing concerning the budget prior to its adoption. A project ordinance authorizing all appropriations necessary for the completion of a capital project or a grant project may be adopted in lieu of annual appropriations for each project and need not be readopted in any subsequent fiscal year.

*Fiscal Control* -- The Fiscal Control Act sets forth certain fiscal control requirements concerning the duties of the finance officer; the system of accounting; budgetary accounting for appropriations; investment of idle funds; semiannual reports of financial information to the Commission; and an annual independent audit.

Except as otherwise provided by regulation of the Commission, the Fiscal Control Act requires a unit of local government to use the modified accrual basis of accounting in recording transactions. The Commission is empowered to prescribe regulations as to (a) features of accounting systems; (b) bases of accounting, including identifying in detail the characteristics of a modified accrual basis, identifying what revenues are susceptible to

accrual, and permitting or requiring the use of a basis other than modified accrual in a fund that does not account for the receipt of a tax; and (c) definitions of terms not clearly defined in the Fiscal Control Act.

The Fiscal Control Act requires each unit of local government to have its accounts audited annually by an independent certified public accountant or by an independent accountant certified by the Commission as qualified to audit local government accounts. The audit must be conducted pursuant to a written contract containing the form, terms and fees for the audit. The Secretary of the Commission must approve this contract before the audit may begin and must approve invoices for the audit fee. Approval of final payment is not given until the audit report is rendered in accordance with the requirements of the contract. All audits are to be performed in conformity with generally accepted auditing standards.

### **Major General Fund Revenue Sources**

*Ad Valorem Tax* -- Each unit of local government having authority to incur general obligation bonded indebtedness also has authority to levy ad valorem taxes on property having a situs within the unit. The ad valorem tax is levied on classes of property selected for taxation by the General Assembly through laws that are uniform throughout the State. The statute governing the listing, appraisal and assessment of property for taxation and the collection of taxes levied is the Machinery Act, G.S. Ch. 105, Subchapter II.

*Tax Base* -- The basic class of property selected for taxation comprises all real and tangible personal property. Thus, unless a class of property is specifically excluded from the property tax base, exempted from taxation or specifically accorded some kind of preferential tax treatment, it must be taxed by each unit of local government exercising its authority to levy property taxes. Several classes of property have been selected for exclusion from the property tax base, exemption from taxation or taxation at reduced valuation or for special appraisal standards. The most significant of these classes are:

- (1) Tangible household personal property is excluded from the property tax base.
- (2) Stocks and bonds, accounts receivable and certain other types of intangible personal property are excluded from the property tax base.
- (3) Property belonging to certain qualified owners and used wholly and exclusively for religious, educational, charitable, cultural, fraternal or civic purposes is wholly exempted from taxation. Property belonging to the United States, the State and units of local government is also exempt from taxation.
- (4) Real and personal property owned by certain nonprofit homes for the aged, sick or infirm are excluded from property taxation, provided such homes are exempt from the State income tax.
- (5) Certain kinds of tangible personal property held for business purposes are excluded from taxation, the most important of which are:
  - (a) Manufacturers' inventories (raw materials, goods in process, finished goods, materials or supplies consumed in processing, crops, livestock, poultry, feed used in production of livestock and poultry, and other agricultural or horticultural products held for sale) and inventories of retail and wholesale merchants (tangible personal property held for sale and not manufactured, processed or produced by the merchant).
  - (b) Property imported through a North Carolina seaport terminal and stored at such terminal for less than 12 months awaiting further shipment.
  - (c) Certain pollution abatement and resource recovery equipment.
  - (d) "Bill and hold" goods manufactured in North Carolina and held by the manufacturer for shipment to a nonresident customer.



- (e) Nuclear materials held for or in the process of manufacture or processing or held by the manufacturer for delivery.
- (f) Motor vehicle frames that belong to nonresidents and enter the State temporarily for the purpose of having a body mounted thereon.

(6)A homestead exemption of the greater of \$20,000 and 50% of the appraised value of the residence is allowed if the property owner is age 65 or over or is totally and permanently disabled, and the owner's income (and spouse's) does not exceed the current income eligibility limit. This exemption is applicable only to the owner's permanent residence.

(7)Certain agricultural, horticultural and forest land is eligible for taxation at its value for agricultural, horticultural or forest use.

*Appraisal Standard* -- All property must be appraised at its true value in money, except agricultural, horticultural and forest land eligible for appraisal at its present--use value. Property must be assessed for taxation at 100% of its appraised value.

*Frequency of Appraisal* -- Real property must be appraised at least once in every eight years. The requirement of octennial real property revaluations has been enforced since 1965, and no taxing unit has been permitted to postpone a scheduled revaluation since that time. Personal property is appraised annually.

*Tax Day* -- All real and tangible personal property (other than most motor vehicles) subject to ad valorem taxation must be listed for taxation as of January 1 each year. Motor vehicles, with certain exceptions, must be listed annually in the name of the record owner on the day on which the current vehicle registration is renewed or the day on which the application is submitted for a new vehicle registration.

*Tax Levy* -- Property taxes are levied in conjunction with the adoption of a budget which covers a July 1 to June 30 fiscal year. The property tax levy must be sufficient to raise during the fiscal year a sum of money equal to the difference between total appropriations and the total estimated receipts of all other revenues. In estimating the percentage of the levy that will be collected during the fiscal year, the taxing unit is prohibited from estimating a greater collection percentage than that of the prior fiscal year.

The tax rate may not exceed \$1.50 per \$100 assessed valuation unless the voters approve a higher rate. Tax levies by counties for the following purposes are not counted against the rate limit: courts, debt service, deficits, elections, jails, schools, mandated social services programs and joint undertakings with any other taxing unit with respect to any of these. Tax levies by cities for the following purposes are not counted against the rate limit: debt service, deficits and civil disorders.

*Tax Collection* -- The taxing unit has a lien by operation of law on all real property within its jurisdiction that attaches as of January 1 for all taxes levied for the fiscal year beginning on the following July 1. Taxes levied on a parcel of real property are a lien on that parcel but not on other real property owned by the taxpayer. Taxes levied on personal property are a lien on all real property owned by the taxpayer within the taxing unit. The tax lien enjoys absolute priority against all other liens and claims whatsoever except, in limited circumstances, federal tax liens and certain other prior liens and perfected security interests.

Except for motor vehicles, taxes fall due on September 1 following the date of levy and are payable at par until January 6. For the period January 6 to February 1, interest accrues at the rate of 2%, and for the period February 1 until the principal amount of the taxes, the accrued interest, and any penalties are paid, interest accrues at the rate of 3/4% per month or fraction thereof. Each taxing unit may enforce collection of its tax levy by (a) foreclosure of the lien on real property, (b) levy and sale of tangible personal property and (c) garnishment and attachment of intangible personal property. There is no right of redemption of real property sold in a tax foreclosure action.

Discounts for early payment of property taxes are allowed by some taxing units. To allow such discounts, the unit must adopt a discount schedule which must then be approved by the Ad Valorem Tax Division of the Department of Revenue.

No taxing unit has authority to release or refund any valid tax claim. The members of any governing board voting to make an unlawful release or refund of property taxes are personally liable for the amount unlawfully released or refunded.

The Commission periodically publishes statistics on the percentage of property tax levies collected before the close of the fiscal year for which levied. These statistics are available upon request.

Although the State has not levied a general property tax in more than forty years, it does continue general oversight of property tax administration by units of local government through the Ad Valorem Tax Division of the Department of Revenue. The Division has three main functions: (1) it appraises the property of electric power, gas, telephone and telegraph companies, the rolling stock of bus companies and motor freight carriers and the flight equipment of airlines; (2) it oversees local property tax administration; and (3) it provides staff assistance to the Property Tax Commission, an administrative appellate agency hearing listing and valuation appeals from local taxing units.

### **State Reimbursement Due to Repeal of Intangibles Tax**

Prior to 1995, the State levied a tax on intangible personal property. This tax was repealed for taxable years beginning on or after January 1, 1995. Historically, the intangibles tax proceeds, net of the cost of collection and certain administrative costs, were distributed to counties and municipalities throughout the State. In order to replace this lost stream of revenue to counties and municipalities due to the repeal of the intangibles tax, State law requires the State to reimburse counties and municipalities from other State moneys in the amount of \$95,331,927 annually, plus approximately \$33,600,000 in order to replace lost revenues due to the exemption in prior years of some types of intangible property. On and after July 1, 2003, the State will no longer reimburse the counties and municipalities due to the repeal of the intangibles tax.

### **Local Government Sales and Use Taxes**

The one percent local sales and use tax authorized by the Local Government Sales and Use Tax Act is levied by 99 of the 100 counties of the State (Mecklenburg County levies a virtually identical tax under a 1967 local act). The local sales tax base is the same as the State general sales tax base except for goods sold to out-of-county purchasers for delivery out-of-county and sales of certain utility services. The situs of a transaction is the location of the retailer's place of business. Sales of tangible personal property delivered to out-of-county purchasers will be subject to sales tax in the county in which the retailer's place of business is located and will not be subject to the use tax of the destination county. The tax is collected by the State on behalf of local government, and the net proceeds, after deduction of the cost of collection and administration, are returned to the county of collection. The county governing board selects one of two formulas for allocation of the tax among the county and the municipalities therein. One formula calls for allocation on the basis of population and the other on the basis of ad valorem tax levy.

Counties are also authorized under the Supplemental Local Government Sales and Use Tax Act to levy a one-half percent sales tax. This sales tax is collected by the State, allocated to counties on a per capita basis and divided among each county and the municipalities located therein in accordance with the method by which the one percent sales and use taxes are distributed. An adjustment factor is applied to the per capita allocation for each county. All 100 counties levy this one-half percent supplemental sales tax.

Counties are also authorized under the Additional Supplemental Local Government Sales and Use Tax Act to levy an additional one-half percent sales tax. This additional supplemental sales tax is collected and distributed on the same basis as the supplemental one-half percent tax. During the first 16 fiscal years in which this tax is in effect, 60% of the revenue derived by counties from this tax is required to be used for public school capital outlay purposes or to retire any indebtedness incurred by the county for these purposes during the period beginning five years prior to the date the taxes took effect. Counties may be relieved of the percentage restriction if it can

demonstrate to the satisfaction of the Local Government Commission that it is able to meet the aforementioned capital outlay needs without resorting to proceeds of such tax. All 100 counties levy this additional supplemental one-half percent sales tax.

Effective December 1, 2002, counties are also authorized, under the Third One-Half Cent Local Government Sales and Use Tax Act, to levy an additional one-half cent local option sales tax. Reimbursements from the State to local governmental units for the intangibles tax, inventory tax, homestead exemption and sales tax on food stamp purchases also ended effective July 1, 2003. This additional sales tax will be collected by the State on behalf of the local governmental units, with half of the proceeds of the additional local option sales tax to be distributed to the taxing counties on a per capita basis and the other half to be distributed to the taxing counties on a point of origin basis. Distribution of the additional local option sales tax between a taxing county and the municipalities located therein will be in accordance with the same method by which the existing one percent local sales and use taxes are distributed. The Third One-Half Cent Local Government Sales and Use Tax Act also includes a "hold-harmless" provision which, in September 2003 and September 2004, requires the Secretary of Revenue to make an annual payment funded from the State's sales and use tax collections to those local governmental units whose gain from the levy of this additional one-half cent local option sales tax is less than 100% of their loss from the repealed reimbursements.

#### **Alcoholic Beverage Control Store Profits**

The sale of liquor in the State is a government monopoly. Stores are operated by counties and municipalities that have been authorized and have chosen to establish them. The net profits of these stores are distributed to the units of local government in which they operate. The General Assembly has enacted numerous local acts prescribing different formulas for the distribution of profits. Local elections are authorized to permit sales of liquor by the drink by qualified restaurants and clubs. An additional tax of \$20 per four liters is levied on liquor purchased by restaurants or clubs for resale as mixed beverages, and \$10 of the \$20 is paid to the State's General Fund.

#### **Intragovernmental Shared Revenues**

The excise tax levied by the State on beer, fortified and unfortified wine is shared with counties and municipalities in which the sale of these beverages is lawful. Counties and cities where beer and wine are sold receive on a per capita basis an annual distribution equal to the following percentages of the net amount of excise taxes collected on the sale of malt beverages and wine during the 12-month period ending March 31 each year: 23.75% of beer tax revenue, 62% of unfortified wine tax revenue and 22% of fortified wine tax revenue. 94% of net proceeds of the excise tax on unfortified wine bottled in North Carolina and 95% of net proceeds of the excise tax on fortified wine bottled in North Carolina is appropriated to the Department of Agriculture to be used to promote the North Carolina grape and wine industry (not to exceed \$150,000 per year). The local share of these collections is computed on the net proceeds after deducting the transfer to the Department of Agriculture. Some counties and municipalities do not permit the sale of either beer or wine and thus do not receive any share of this revenue.

Under the franchise tax law, the State levies a gross receipts tax on certain public utilities at rates of 3.22% to 6%. Cities receive quarterly distributions equal to 3.09% of taxable gross receipts from sales within municipalities of electric power, gas, and local telephone service during the preceding calendar quarter, minus one-fourth of the increase in the computed distribution amounts in fiscal year 1994-95 from fiscal year 1990-91.

Cities and towns receive annually an allocation equal to the amount produced during the year by a 1.75 cents tax on each gallon of motor fuel. Payments are made from the collections of the prior fiscal year. Under the present distribution formula, the funds are allocated 75% on the basis of population of eligible municipalities and 25% on the basis of mileage of public streets not a part of the State highway system.

#### **State and Local Fiscal Relations**

The State finances from State revenues (primarily individual income taxes, corporate income taxes and sales taxes) several governmental programs that are largely financed from local revenues in other states, thus decreasing reliance on the property tax for these purposes. The major programs of this nature are as follows:

*Public Schools and Community Colleges* -- The State provides approximately 70% of the funds required for current operating costs of the public school and community college systems, while county government finances the greater portion of the capital costs of these systems. North Carolina school administrative units do not have independent tax--levying authority. The local share of the costs of the public school and community college systems are raised primarily by county government from its general revenues.

*Court System* -- The State finances virtually all of the current operating costs of the General Court of Justice. County government is required to provide courthouses, certain jails and related judicial facilities.

*Correctional System* -- The State finances all of the cost of correctional facilities used for confinement of convicted felons and long--term (more than 30 days) misdemeanants. Counties and some municipalities furnish jails for short--term misdemeanants and prisoners awaiting trial.

*Highway System* -- The State finances the entire cost of public roads and highways outside the corporate limits of cities and towns. Within cities and towns, the State finances the cost of major thoroughfares and streets connecting elements of the State highway system.

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**MANAGEMENT DISCUSSION AND ANALYSIS**

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### APPENDIX F

THE FOLLOWING DESCRIPTION OF DTC, OF PROCEDURES AND RECORD KEEPING ON BENEFICIAL OWNERSHIP INTERESTS IN THE BONDS, PAYMENT OF INTEREST AND OTHER PAYMENTS ON THE BONDS TO DTC PARTICIPANTS OR TO BENEFICIAL OWNERS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE BONDS, AND OR OTHER TRANSACTIONS BY AND BETWEEN DTC, DTC PARTICIPANTS AND BENEFICIAL OWNERS IS BASED ON INFORMATION FURNISHED BY DTC.

The Depository Trust Company  
a subsidiary of The Depository Trust & Clearing Corporation

1. The Depository Trust Company (“DTC”), New York, NY, will act as securities depository for the Bonds. The Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for the Bonds, in the aggregate principal amount of the issue, and will be deposited with DTC.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of the Bonds. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has Standard & Poor’s highest rating: AAA. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

3. Purchases of Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Bonds on DTC’s records. The ownership interest of each actual purchaser of the Bonds (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive bonds representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Bonds is discontinued.

4. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC’s partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Bonds; DTC’s records reflect only the identity of the Direct Participants to whose accounts such Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of Bonds may wish to ascertain that the nominee holding the Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the County as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

BECAUSE DTC IS TREATED AS THE OWNER OF THE BONDS FOR SUBSTANTIALLY ALL PURPOSES UNDER THE BOND RESOLUTION, BENEFICIAL OWNERS MAY HAVE A RESTRICTED ABILITY TO INFLUENCE IN A TIMELY FASHION REMEDIAL ACTION OR THE GIVING OR WITHHOLDING OF REQUESTED CONSENTS OR OTHER DIRECTIONS. IN ADDITION, BECAUSE THE IDENTITY OF BENEFICIAL OWNERS IS UNKNOWN TO THE COMMISSION, TO THE COUNTY OR TO DTC, IT MAY BE DIFFICULT TO TRANSMIT INFORMATION OF POTENTIAL INTEREST TO BENEFICIAL OWNERS IN AN EFFECTIVE AND TIMELY MANNER. BENEFICIAL OWNERS SHOULD MAKE APPROPRIATE ARRANGEMENTS WITH THEIR BROKER OR DEALER REGARDING DISTRIBUTION OF INFORMATION REGARDING THE BONDS THAT MAY BE TRANSMITTED BY OR THROUGH DTC.

8. Redemption proceeds, distributions, and dividend payments on the Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the County, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the County or the Commission, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the County's responsibility, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants. THE COMMISSION AND THE COUNTY CANNOT AND DO NOT GIVE ASSURANCE THAT DIRECT AND INDIRECT PARTICIPANTS WILL PROMPTLY TRANSFER PAYMENTS TO BENEFICIAL OWNERS.

9. A Beneficial Owner shall give notice to elect to have its Bonds purchased or tendered, through its Participant, to the Remarketing Agent, and shall effect delivery of such Bonds by causing the Direct Participant to transfer the Participant's interest in the Bonds, on DTC's records, to the Remarketing Agent. The requirement for physical delivery of Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Bonds to the Remarketing Agent's DTC account.

10. DTC may discontinue providing its services as depository with respect to the Bonds at any time by giving reasonable notice to the Commission and the County. Under such circumstances, in the event that a successor depository is not obtained, physical certificates are required to be printed and delivered.

11. The Commission or the County may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources the Commission and the County believe to be reliable, but the Commission and the County take no responsibility for the accuracy thereof.

THE COMMISSION AND THE COUNTY HAVE NO RESPONSIBILITY OR OBLIGATION TO DTC, THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS WITH RESPECT TO (1) THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY PARTICIPANT, OR THE MAINTENANCE OF ANY RECORDS; (2) THE PAYMENT BY DTC OR ANY PARTICIPANT OF ANY AMOUNT DUE TO ANY BENEFICIAL OWNER IN RESPECT OF THE BONDS, OR THE SENDING OF ANY TRANSACTION STATEMENTS; (3) THE DELIVERY OR TIMELINESS OF DELIVERY BY DTC OR ANY PARTICIPANT OF ANY NOTICE TO ANY BENEFICIAL OWNER WHICH IS REQUIRED OR PERMITTED UNDER THE BOND RESOLUTION TO BE GIVEN TO OWNERS; (4) THE SELECTION OF THE BENEFICIAL OWNERS TO RECEIVE PAYMENTS UPON ANY PARTIAL REDEMPTION OF THE BONDS; OR (5) ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC OR ITS NOMINEE AS THE REGISTERED OWNER OF THE BONDS, INCLUDING ANY ACTION TAKEN PURSUANT TO AN OMNIBUS PROXY.

**BOND PURCHASE AGREEMENT**

February 24, 2009

County of Union, North Carolina  
Monroe, North Carolina

Local Government Commission of North Carolina  
Raleigh, North Carolina

***\$/Amount/  
County of Union, North Carolina  
General Obligation Refunding Bonds, Series 2009B***

Ladies and Gentlemen:

The undersigned, [Name of Underwriter], on its own behalf and as representative of [co-managers](collectively, the “*Underwriters*”), hereby offers to enter into this Bond Purchase Agreement (this “*Purchase Agreement*”) with the Local Government Commission of North Carolina (the “*LGC*”), subject to the approval of the County of Union, North Carolina (the “*County*”), for the purchase and sale by the Underwriters of the above-referenced bonds (the “*Bonds*”).

This offer is made subject to the terms and provisions of this Purchase Agreement and your acceptance of this Purchase Agreement on or before 5:00 p.m. on February 24, 2009. On satisfaction of the foregoing conditions, this Purchase Agreement will be in full force and effect in accordance with its terms and will be binding on the LGC, the County and the Underwriters. If the foregoing conditions are not satisfied as provided above, this offer is subject to withdrawal by the Underwriters upon written notice delivered to the LGC and the County at any time prior to acceptance.

All terms not otherwise defined herein have the same meanings as set forth in the Resolution described below.

**1. *Purchase and Sale of Bonds.***

(a) On the terms and conditions and in reliance on the respective representations, warranties and covenants herein, the Underwriters hereby agree to purchase from the LGC, and the LGC hereby agrees to sell to the Underwriters, all (but not less than all) of the Bonds at the aggregate purchase price of \$\_\_\_\_\_ (equal to the par amount of the Bonds, less an underwriters’ discount of \$\_\_\_\_\_, plus an original issue premium of \$\_\_\_\_\_).

The Bonds will be executed and delivered pursuant to a bond order adopted by the Board of Commissioners of the County on December 1, 2008 (the “*Bond Order*”) and a resolution adopted by the Board of Commissioners of the County on January 20, 2009 (the “*Resolution*”). The Bonds will be general obligation bonds of the County, and the full faith and credit of the County will be pledged for the payment of principal and interest on the Bonds. The Bonds are subject to optional redemption provisions,

as more fully described in the Resolution. The Bonds will bear interest from their date at the rates, will be payable as to principal and interest and will have such other terms and provisions, as described in the Official Statement (as hereinafter defined), and as set forth on Schedule 1 attached hereto.

The Bonds are being issued to provide funds to (a) refund in advance of their maturities (1) the \$50,000,000 aggregate principal amount of the County's Variable Rate General Obligation Bonds, Series 2005A, of which \$44,000,000 is currently outstanding; (2) the \$20,000,000 aggregate principal amount of the County's Variable Rate General Obligation Bonds, Series 2005B, of which \$17,600,000 is currently outstanding; and (3) the \$20,000,000 aggregate principal amount of the County's Variable Rate General Obligation Bonds, Series 2005C, of which \$17,600,000 is currently outstanding (collectively the "Refunded Bonds") and (b) pay the costs related to the issuance of the Bonds.

(b) The Underwriters agree to make, prior to the Closing Date (as defined herein), a bona fide public offering of all of the Bonds at the offering prices or yields set forth on the cover of the Official Statement dated February 24, 2009 relating to the Bonds (the "Official Statement"). The Underwriters, however, reserve the right to change such initial offering prices or yields as the Underwriters deem necessary in connection with the marketing of the Bonds and to offer and sell the Bonds to certain dealers (including dealers depositing the Bonds into investment trusts, including investment trusts managed by the Underwriters) and others at prices lower than the initial offering prices or yields set forth in the Official Statement. The Underwriters also reserve the right to over-allot or effect transactions which stabilize or maintain the market price of the Bonds at a level above that which might otherwise prevail in the open market and to discontinue such stabilizing, if commenced, at any time. The Underwriters will provide to Parker Poe Adams & Bernstein LLP, Charlotte, North Carolina ("Bond Counsel"), and others such evidence of the initial public sale price of the Bonds as the County may request and will supplement such information as may be necessary to continue its accuracy. The Underwriters represent and warrant that the Bonds will be offered only pursuant to the Official Statement and only in states where the offer and sale of the Bonds are legal, either as exempt securities, as exempt transactions or as a result of registration of the Bonds for sale in any such state.

## **2. *The Official Statement.***

(a) The County will deliver to the Underwriters, at such addresses as the Underwriters specify, as many copies of the Official Statement, as the Underwriters reasonably request as necessary to comply with paragraph (b)(4) of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended (the "Rule") and with Rule G-32 and all other applicable rules of the Municipal Securities Rulemaking Board.

(b) The County will authorize and approve the Preliminary Official Statement dated on or about February 13, 2009 and the Official Statement, will consent to their distribution and use by the Underwriters and will authorize the execution of the Official Statement by a duly authorized officer of the County.

(c) The Underwriters will give notice to the County of the date after which no participating underwriter, as such term is defined in the Rule, remains obligated to deliver Official Statements pursuant to paragraph (b)(4) of the Rule.

(d) If between the date of this Purchase Agreement and the date that is 25 days after the “*end of the underwriting period*,” as defined hereinafter, any event occurs that might or would cause the Official Statement, as then supplemented or amended, to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, the County shall promptly notify the Underwriters and the LGC. If, in the opinion of the Underwriters or the LGC, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the County, at the County’s expense, shall supplement or amend the Official Statement in a form and in a manner approved by the Underwriters and the LGC. For the purposes of this Purchase Agreement, the “*end of the underwriting period*” will mean the date 60 days after the Closing Date.

**3. County’s Representations, Warranties, Covenants and Agreements.** The County hereby represents, warrants, covenants and agrees with the Underwriters as follows:

(a) the County is a political subdivision, validly organized and existing under the laws of the State of North Carolina;

(b) on the date hereof and the Closing Date, respectively, the information contained in the Official Statement, with respect to the affairs of the County, including the information contained under the captions “**THE COUNTY OF UNION**” and “**THE PLAN OF REFUNDING**” and in Appendices C and D thereto, is and will be true, correct and complete in all material respects and does not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(c) the audited financial reports of the County for the year ended June 30, 2008 included in Appendix D to the Official Statement present fairly the financial position of the County for the period specified, and the audited financial reports and statements for the year ended June 30, 2008 have been prepared in conformity with generally accepted accounting principles consistently applied in all material respects to the period involved, except as otherwise stated in the notes thereto;

(d) except as otherwise set forth in or contemplated by the Official Statement, since June 30, 2008, there has been no material adverse change in the general affairs, financial position, results of operations or condition, financial or otherwise, of the County, and the County has not incurred any liabilities that would materially affect the ability of the County to discharge its obligations under this Purchase Agreement, the Bond order or the Resolution, direct or contingent;

(e) the County has received and there remain currently in full force and effect, or will receive prior to the delivery of the Bonds, all governmental consents and approvals that would constitute a condition precedent to, or the absence of which would materially adversely affect, the performance by the County of its obligations under this Purchase Agreement, the Bond Order and the Resolution;

(f) at a meeting of the Board of Commissioners of the County that was duly called and at which a quorum was present and acting throughout, the County duly approved the execution and delivery by the County of this Purchase Agreement;

(g) the approval, adoption, execution or delivery of this Purchase Agreement, the Bond Order and the Resolution and compliance with the provisions thereof, under the circumstances contemplated thereby and hereby, do not and will not conflict with, constitute a breach of or default under, or result in the creation of a lien on any property of the County (except as contemplated therein) pursuant to applicable law or any indenture, bond orders, deed of trust, mortgage, agreement or other instrument to which the County is a party or by which the County is bound, or conflict with or violate any applicable law, administrative rule, regulation, judgment, court order or consent decree to which the County is subject;

(h) to the best of its knowledge, after due and reasonable investigation, there is no claim, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, or public board or body, pending or threatened (1) contesting the corporate existence or powers of the County or the titles of the officers of the County to their respective offices, (2) seeking to prohibit, restrain or enjoin the collection of revenues by the County or the application of the proceeds of the Bonds wherein an unfavorable decision, ruling or finding would materially adversely affect the financial position of the County or the operation of its facilities or the validity or enforceability of this Purchase Agreement, the Bond Orders the Resolution, or the Escrow Agreement, (3) contesting, questioning or affecting the validity of this Purchase Agreement, the Bond Order or the Resolution, (iv) contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement (nor, to the best knowledge of the County, is there any basis therefor);

(i) the County is not in default in the payment of the principal of or interest on any indebtedness for borrowed money or under any instrument relating to such indebtedness and, to the best of its knowledge, no event has occurred and is continuing which, with the lapse of time or the giving of notice or both, would constitute a material event of default under any such instrument, and, to the best of its knowledge, no event has occurred which with the passage of time or the giving of notice, or both, would constitute a material event of default under any such instrument;

(j) the County will furnish such information and will cooperate with the Underwriters in taking such actions as the Underwriters may reasonably request to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of any state and other jurisdictions of the United States which the Underwriters may reasonably designate; provided, however, that the County will not be required to execute a special or general consent to service of process or qualify as a foreign corporation in connection with such qualification;

(k) on the Closing Date, this Purchase Agreement, the Bond Order and the Resolution will have been duly adopted, authorized, executed and delivered and will constitute valid and binding obligations of the County enforceable in accordance with their terms (except insofar as the enforcement thereof may be limited by bankruptcy, insolvency or similar laws relating to the enforcement of creditors' rights); and

(l) the County will comply with the information reporting requirements adopted by the Securities and Exchange Commission (the “SEC”) or the Municipal Securities Rulemaking Board with respect to tax-exempt obligations such as the Bonds; and

(m) any certificate signed by any official of the County and delivered to the Underwriters will be deemed to be a representation by the County to the Underwriters as to the statements made therein.

**4. LGC’s Representations and Warranties.** The LGC represents and warrants to and covenants with the Underwriters as follows, all of which survive the delivery of the Bonds:

(a) The LGC is duly organized and validly existing as a division of the Department of the State Treasurer of the State, vested with the rights and powers conferred on it pursuant to Chapter 159 of the General Statutes of North Carolina, as amended.

(b) The LGC has full power and authority to approve the issuance and provide for the sale of the Bonds as provided in this Purchase Agreement, and the LGC has taken or will take all action required by applicable laws in connection therewith.

(c) The LGC has duly authorized the execution and delivery of this Purchase Agreement and has taken or will take all action necessary or appropriate to carry out the sale and delivery of the Bonds to the Underwriters.

(d) The execution and delivery of this Purchase Agreement and the performance by the LGC of its obligations hereunder are within the powers of the LGC and, to the best of the LGC’s knowledge, will not conflict with or constitute a breach or result in a violation of (1) any federal or State constitutional provision, (2) any agreement or other instrument to which the LGC is a party or by which it is bound, or (3) any order, rule, regulation, decree or ordinance of any court, government or governmental authority having jurisdiction over the LGC.

(e) The LGC has duly approved and authorized the distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement in connection with the public offering and sale of the Bonds.

(f) No consent, approval, authorization or order of any governmental or regulatory authority is required to be obtained by the LGC as a condition precedent to its approval of the issuance or sale of the Bonds or the execution and delivery of the Official Statement or this Purchase Agreement or the performance by the LGC of its obligations under this Purchase Agreement; provided, however, that no representation or warranty is expressed as to any action required under federal or North Carolina or other state securities or “Blue Sky” laws in connection with the offering or sale of the Bonds by the Underwriters.

(g) There is no litigation or any other proceeding before any court or governmental body or agency pending or, to the knowledge of the LGC, threatened, against or involving the LGC to restrain or enjoin the issuance or delivery of the Bonds or the execution or delivery by the LGC of this Purchase Agreement and the performance of its obligations hereunder.



**5. Closing Date.** At 10:00 a.m. (North Carolina time) on March 10, 2009, or at such other time or date as the County and the Underwriters mutually agreed on (the "*Closing Date*"), the County will deliver, or cause to be delivered, to the Underwriters, at the offices of The Depository Trust Company ("*DTC*"), 55 Water Street, New York, New York 10041, or at such other place as the Underwriters and the County may mutually agree on, the Bonds in definitive form, duly executed and authenticated and registered in the name of Cede & Co., as nominee of DTC, together with the other documents hereinafter mentioned; and the Underwriters will accept such delivery and pay the Purchase Price of the Bonds with bank wire transfer in federal funds payable to the order of the LGC on behalf of the County.

The activities relating to the final execution and delivery of the Bonds and the payment therefor and the delivery of all certificates, opinions and other instruments described in Section 6 of this Purchase Agreement will occur at the offices of Parker Poe Adams & Bernstein LLP, Three Wachovia Center, 401 South Tryon Street, Charlotte, North Carolina. The payment for the Bonds and simultaneous delivery of the Bonds to the Underwriters is herein referred to as the "*Closing*." The Bonds will be delivered in book-entry form as definitive Bonds initially as one bond for each maturity, registered in the name of Cede & Co., as nominee of DTC, as registered owner of all of the Bonds, duly executed and authenticated, with CUSIP identification numbers typed thereon. Neither the failure to type such numbers on any Bond nor any error in them will constitute cause for a failure or refusal by the Underwriters to accept delivery of the Bonds and pay the Purchase Price of the Bonds. The Bonds will be made available for checking and packaging by the Underwriters at DTC's facilities in New York, New York, as the Underwriters and the Trustee agree not less than 24 hours before the Closing.

**6. Closing Conditions.** The Underwriters are entering into this Purchase Agreement in reliance on the representations, warranties, covenants and agreements of the LGC and the County contained herein, and in reliance on the representations, warranties, covenants and agreements to be contained in the documents and instruments to be delivered at the Closing Date. Accordingly, the Underwriters' obligations under this Purchase Agreement to purchase, to accept delivery of and to pay for the Bonds on the Closing Date shall be subject to the following conditions:

(a) the performance by the County of all obligations to be performed hereunder by the County on or before the Closing Date;

(b) the accuracy of the representations and warranties of the County herein as of the date hereof and as of the Closing Date;

(c) on both the date of execution hereof and the Closing Date, the County has duly adopted and there are in full force and effect such resolutions as, in the opinion of Parker Poe Adams & Bernstein LLP, Bond Counsel to the County, are necessary and appropriate in connection with the transactions contemplated hereby, which resolutions have not been amended, modified or supplemented, except to the extent to which the Underwriters have given their prior written consent;

(d) on both the date of execution hereof and the Closing Date, the Official Statement, this Purchase Agreement, the Bond Order and the Resolution are in full force and effect, and have not been amended, modified or supplemented, except to the extent to which the Underwriters have given their prior written consent;

(e) the proceeds of the sale of the Bonds are deposited and applied as described in the Official Statement;

(f) the terms of the Bonds, as delivered, are in all instances as described in this Purchase Agreement and the Official Statement;

(g) except as otherwise described in the Preliminary Official Statement and the Official Statement, on both the date of execution hereof and the Closing Date there is no pending or threatened litigation or proceeding of any nature seeking to restrain or enjoin the execution, sale or delivery of the Bonds, the payment of principal or interest on the Bonds or in any way contesting or affecting the validity or enforceability of the Bonds, the Bond Order, the Resolution or this Purchase Agreement, or contesting in any way the proceedings of the County taken with respect thereto, or contesting in any way the due existence or powers of the County or the title of any of the members of the Board of Commissioners or officials of the County to their respective offices (or if such litigation or proceeding does exist, the Underwriters will receive an opinion of Perry, Bundy, Plyler & Long LLP, counsel for the County, that any such litigation or proceeding is without merit); and

(h) Except as otherwise described in the Preliminary Official Statement and the Official Statement, there has been no material adverse change in the financial condition of the County since June 30, 2008.

(i) At the Closing, the Underwriters receive the following documents:

(1) certified copies of the Bond Order and the Resolution and an executed counterpart of the Purchase Agreement, each of which is in full force and effect on the Closing Date and shall not have been amended, modified or supplemented from the date of this Purchase Agreement except as may have been agreed to in writing by the Underwriters;

(2) an approving opinion of Bond Counsel, in substantially the form set forth in Exhibit E to the Official Statement;

(3) an opinion of Bond Counsel, addressed to the Underwriters and dated the Closing Date, in substantially the form attached hereto as Exhibit B;

(4) an opinion of Perry, Bundy, Plyler & Long LLP, counsel for the County, dated the Closing Date and addressed to the Underwriters, in form and substance satisfactory to the Underwriters and their Counsel;

(5) an opinion of Counsel to the Underwriters, dated the Closing Date, in form and substance satisfactory to the Underwriters;

(6) the Official Statement executed on behalf of the LGC and the County by duly authorized officers thereof;

(7) certified copies of all resolutions of the County relating to the Bonds described in the foregoing subparagraph (c) of this Section 6;

(8) a letter from Moody's Investors Service to the effect that the Bonds have been assigned a rating of no less than "\_\_\_," which rating shall be in effect as of the Closing Date;

(9) a letter from Standard and Poor's to the effect that the Bonds have been assigned a rating of no less than "\_\_\_," which rating shall be in effect as of the Closing Date;

(10) a letter from Fitch to the effect that the Bonds have been assigned a rating of no less than "\_\_\_," which rating shall be in effect as of the Closing Date;

(11) a certificate, in form and substance satisfactory to the Underwriters and their Counsel, dated as of the Closing Date, executed by an appropriate official of the County to the effect that (a) each of the County's representations, warranties and covenants contained herein are true and correct as of the date of execution hereof and as of the Closing Date and (b) the Bond Order, the Resolution and this Purchase Agreement have been adopted or entered into by the County and are in full force and effect;

(12) A certificate signed by the County Manager to the effect that to the best of his knowledge: (a) the representations of the County in this Purchase Agreement are true and correct in all material respects as of the Closing Date; (b) the County has performed all obligations to be performed hereunder on or before the Closing Date; (c) except as otherwise disclosed in the Official Statement, there is no litigation pending or threatened (I) to restrain or enjoin the execution and delivery of any of the Bonds, (II) in any way contesting or affecting any authority for the adoption, execution or delivery of the Bonds, the Bond order, the Resolution, the Escrow Agreement or this Purchase Agreement, or the validity thereof, (III) in any way contesting the existence or powers of the County, (IV) to restrain or enjoin the collection of any revenues pledged or to be pledged to pay the principal of, premium, if any, or interest on the Bonds, (V) which may result in any material adverse change in the business, properties, assets or financial condition of the County taken as a whole, or (VI) asserting that the Official Statement, contains any untrue statement of a material fact or omits any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; (d) since June 30, 2008, no material adverse change has occurred in the financial position or results of operations of the County, except as otherwise set forth in or contemplated by the Official Statement; (e) the County has not, since June 30, 2008, incurred any material liabilities other than in the ordinary course of business or as otherwise set forth in or contemplated by the Official Statement; and (f) the information contained in the Official Statement, as applicable, pertaining to the County (except for The Depository Trust Company book-entry only system for which no opinion need be expressed) did not as of its date, and does not as of the Closing Date contain any untrue statement of a material fact or omit to state a material fact required to be included therein or necessary in order to make the statements contained therein, in light of the circumstances in which they were made, not misleading;

(13) a specimen Bond;

(14) executed copies of the County's certificate as to non-arbitrage and other matters relative to the tax status of the Bonds under Section 148 of the Internal Revenue Code of 1986, as amended;

(15) such additional legal opinions, certificates, instruments and other documents as the Counsel to the Underwriters, Bond Counsel or Counsel to the County may reasonably request to evidence compliance by the County with legal requirements, the truth and accuracy, as of the date hereof or as of the Closing Date, as applicable, of the representations of the County herein contained and the due performance or satisfaction by the County on or prior to such Closing Date of all covenants and agreements then to be performed and all conditions then to be satisfied by the County.

All of the opinions, letters, certificates, instruments and other documents mentioned in this Purchase Agreement to be delivered on the Closing Date will be deemed to be in compliance with the provisions of this Purchase Agreement if, but only if, in the reasonable judgment of the Underwriters and Counsel to the Underwriters, they are satisfactory in both form and substance. The Underwriters hereby reserve the right to waive any of the conditions set forth in this Section 6.

If, however, the County is unable to satisfy the conditions to the obligations of the Underwriters contained in this Purchase Agreement, or if the obligations of the Underwriters under this Purchase Agreement to purchase and accept delivery of the Bonds are terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and neither the Underwriters nor the LGC and the County is under further obligation hereunder; except that the respective obligations to pay expenses, as provided in Section 11, continues in full force and effect.

**7. Termination of Purchase Agreement.** The Underwriters have the right to cancel their obligations to purchase the Bonds by notifying the County of their election to do so, if between the date of execution of this Purchase Agreement and the Closing Date any of the following occur:

(a) a tentative decision with respect to legislation is reached by a committee of the House of Representatives or the Senate of the Congress of the United States, or legislation is favorably reported or rereported by such a committee or introduced, by amendment or otherwise, in or passed by the House of Representatives or the Senate, or recommended to the Congress of the United States for passage by the President of the United States or enacted or a decision by a federal court of the United States or the United States Tax Court is rendered, or a ruling, release, order, regulation or official statement by or on behalf of the United States Treasury Department, the Internal Revenue Service or other governmental agency is or proposed to be made having the purpose or effect, or any legislation is enacted, adopted or favorably reported by passage by any legislative body, its chambers or any committee, or a decision rendered by any judicial body, or a ruling made or regulation proposed by any regulatory authority, or any other action or event has occurred which has the purpose or effect, directly or indirectly, of adversely affecting the federal income tax consequences or State of North Carolina income tax consequences of owning the Bonds or of any of the transactions contemplated in connection herewith, including causing the interest portion of the Installment Payments to be included in gross income for purposes of federal income taxation or State of North Carolina income taxation, or imposing federal income

taxation or State of North Carolina income taxation on revenues or other income of the general character to be derived under the Resolution or similar documents or on interest received on obligations of the general character of the Bonds, which, in the opinion of the Underwriters, materially adversely affects (1) the market price of or the marketability of the Bonds or the market generally for obligations of the general character of the Bonds or (2) the ability of the Underwriters to enforce contracts or orders for the sale of the Bonds at the contemplated offering prices; or

(b) legislation is enacted, or actively considered for enactment with an effective date prior to the Closing, or a decision by a court of the United States is rendered, the effect of which is that the Bonds, including any underlying obligations, or the Resolution, as the case may be, are not exempt from the registration, qualification or other requirements of the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, the Trust Indenture Act of 1939, as amended and as then in effect, or the Investment Company Act of 1940, as amended, or

(c) a decision, stop order, ruling, regulation, proposed regulation or official statement by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter is issued or made or any other event occurs, the effect of which is that the initial execution and delivery, offering and sale of the Bonds, including any underlying obligations, or the delivery of the Resolution as contemplated hereby or by the Official Statement, is or would be in violation of any provision of the federal securities laws, including the Securities Act of 1933, as amended and as then in effect, the Securities Exchange Act of 1934, as amended and as then in effect, or the Trust Indenture Act of 1939, as amended and as then in effect; or

(d) any event has occurred or any information has become known to the Underwriters which causes the Underwriters to reasonably believe that the Official Statement, as then amended or supplemented, includes an untrue statement of a material fact, or omits to state any material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; or

(e) there occurs any outbreak or escalation of hostilities or any national or international calamity or crisis, including a financial crisis, or any escalation of activities, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Underwriters, would materially adversely affect (1) the market price of or the marketability of the Bonds or the market generally for obligations of the general character of the Bonds or (2) the ability of the Underwriters to enforce contracts or orders for the sale of the Bonds at the contemplated offering prices; or

(f) a decision, ruling or finding is entered by any court or governmental authority since the date of this Purchase Agreement (and not reversed or appealed or otherwise set aside) which has any of the effects described in Section 3(h) of this Purchase Agreement; or

(g) there is in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading fixed and in force, or maximum ranges for prices of securities required and in force on the New York Stock Exchange, whether by virtue of

a determination by the New York Stock Exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction, the effect of which on the financial markets of the United States is such as, in the reasonable judgment of the Underwriters, would materially adversely affect (1) the market price of or the marketability of the Bonds or the market generally for obligations of the general character of the Bonds or (2) the ability of the Underwriters to enforce contracts or orders for the sale of the Bonds at the contemplated offering prices; or

(h) a general banking moratorium is declared by federal, New York or State of North Carolina authorities; or

(i) any proceeding is pending or threatened by the Securities and Exchange Commission against the County; or

(j) additional material restrictions not in force as of the date hereof are imposed on trading in securities generally by any governmental authority or by any national securities exchange; or

(k) the New York Stock Exchange or other national securities exchange or any governmental authority, imposes, as to the Bonds or obligations of the general character of the Bonds, any material restrictions not now in force, or increases materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of, the Underwriters; or

(l) federal or North Carolina legislation or a decision by a court of the United States or any action taken by the Securities and Exchange Commission or other federal or North Carolina governmental agency occurs which, in the opinion of counsel to the Underwriters, has the effect of requiring the Bonds or any related instrument to be registered under the Securities Act of 1933, as amended, or the Investment Company Act of 1940, as amended, or requiring the Resolution or any related instrument to be qualified under the Trust Indenture Act of 1939, as amended; or

(m) any material adverse change in the affairs of the County occurs making it impracticable to market the Bonds on the terms and in the manner contemplated in this Purchase Agreement as determined by the reasonable judgment of the Underwriters; or

(n) a supplement or amendment is made to the Official Statement subsequent to the date of this Purchase Agreement which, in the reasonable judgment of the Underwriters, materially and adversely affects (1) the market price or the marketability of the Bonds, or (2) the ability of the Underwriters to enforce contracts or orders for the sale of the Bonds at the contemplated offering prices; or

(o) there exists any material default (or event which would become a material default unless cured) with respect to any indebtedness of the County, or proceedings under any federal or North Carolina laws instituted by or against the County, in either case the effect of which, in the reasonable judgment of the Underwriters, is to materially and adversely affect (1) the market

price or the marketability of the Bonds, or (2) the ability of the Underwriters to enforce contracts or orders for the sale of the Bonds at the contemplated offering prices; or

(p) any proceedings are instituted under federal bankruptcy laws by or against any state of the United States or any County or county in the United States having a population over 1,000,000, the effect of which on the financial markets of the United States, in the reasonable judgment of the Underwriters, is to materially adversely affect (1) the market price or the marketability of the Bonds or the market for obligations having the general character of the Bonds, or (2) the ability of the Underwriters to enforce contracts or orders for the sale of the Bonds at the contemplated offering prices; or

(q) the withholding of registration, exemption or clearance by the "Blue Sky" or securities authorities of any state because of a change in or new interpretation of law occurring after the date of this Purchase Agreement, the effect of which, in the reasonable judgment of the Underwriters, is to materially adversely affect (i) the market price or marketability of a substantial portion of the Bonds or the market for obligations having the general character of the Bonds, or (ii) the ability of the Underwriters to enforce contracts or orders for the sale of a substantial portion of the Bonds at the contemplated offering prices.

## **8. *Indemnification.***

(a) To the fullest extent permitted by applicable law, the County agrees to indemnify and hold harmless the LGC and the Underwriters against any and all losses, damages, expenses (including reasonable legal and other fees and expenses), liabilities or claims (or actions in respect thereof), to which the LGC, the Underwriters or the other persons described in subsection (b) of this Section may become subject under any federal or state securities laws or other statutory law or at common law or otherwise, caused by or arising out of or based upon any untrue statement or misleading statement or alleged untrue statement or alleged misleading statement of a material fact contained in the Official Statement, or caused by any omission or alleged omission from the Official Statement, of any material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

(b) The indemnity provided under this Section will extend to the fullest extent permitted by applicable law upon the same terms and conditions to each officer, director, employee or agent of the LGC and the Underwriters, and each person, if any, who controls the LGC or the Underwriters within the meaning of Section 15 of the Securities Act of 1933, as amended, or Section 20 of the Securities Exchange Act of 1934, as amended. Such indemnity will also extend, without limitation, to any and all expenses whatsoever reasonably incurred by any indemnified party in connection with investigation, preparing for or defending against, or providing evidence, producing documents or taking any other reasonable action in respect of, any such loss, damage, expense, liability, or claim (or action in respect thereof), whether or not resulting in any liability, and will include the aggregate amount paid in settlement of any litigation, commenced or threatened, or of any claim whatsoever as set forth herein if such settlement is effected with the written consent of the County.

(c) Within a reasonable time after an indemnified party under subsections (a) and (b) of this Section has been served with the summons or other first legal process or has received written notice of the threat of a claim in respect of which an indemnity may be claimed, such indemnified party must, if a claim for indemnity in respect thereof is to be made against the County under this Section, notify the County in writing of the commencement thereof; but the omission to so notify the County will not relieve it from any liability that it may have to any indemnified party other than pursuant to subsections (a) and (b) of this Section. The County will be entitled to participate at its own expense in the defense, and if the County so elects within a reasonable time after receipt of such notice, or if all indemnified parties seeking indemnification in such notice so direct, the County must, to the fullest extent permitted by applicable law, assume the defense of any suit brought to enforce any such claim, and such defense will be conducted by counsel chosen promptly by the County and reasonably satisfactory to the indemnified party; provided, however, that, if the defendants in any such action include such an indemnified party and the County, or include more than one indemnified party, and any such indemnified party has been advised by its counsel that there may be legal defenses available to such indemnified party that are different from or additional to those available to the County or another indemnified party, and that in the reasonable opinion of such counsel are sufficient to make it undesirable for the same counsel to represent such indemnified party and the County, or another defendant indemnified party, such indemnified party will have the right to employ separate counsel in such action (and the County will not be entitled to assume the defense thereof on behalf of such indemnified party), and in such event the reasonable fees and expenses of such counsel (but not more than one) will, to the fullest extent permitted by applicable law, be borne by the County. Nothing contained in this subsection (c) will preclude any indemnified party, at its own expense, from retaining additional counsel to represent such party in any action with respect to which indemnity may be sought from the County hereunder. In no event shall the County be liable for the fees and expenses of more than one counsel for the indemnified parties in connection with any action or separate but similar or related actions in the same jurisdiction arising out of the same or similar allegations or circumstances.

(d) If the indemnification provided for in subsections (a) and (b) of this Section is unavailable to or insufficient to hold harmless and indemnify any indemnified party in respect of any losses, damages, expenses, liabilities, or claims (or actions in respect thereof) referred to therein, then the County, to the fullest extent permitted by applicable law, on the one hand, and the Underwriters, on the other hand, will contribute to the amount paid or payable by the indemnified party as a result of such losses, damages, expenses, liability or claims (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the County on the one hand and the Underwriters on the other hand from the offering of the Bonds. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law, or if the indemnified party failed to give the notice required under subsection (c) above, then the County, to the fullest extent permitted by applicable law, on the one hand and the Underwriters on the other hand will contribute to such amount paid or payable by the indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the County on the one hand and the Underwriters on the other in connection with the statements or omissions that resulted in such losses, damages, expenses, liabilities or claims (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the County on the one hand and the Underwriters on the other hand will be deemed to be in such proportion so that the Underwriters are responsible for that portion



represented by the percentage that the underwriting discount payable to the Underwriters hereunder (i.e., the excess of the aggregate public offering price for the Bonds as set forth on the cover page of the Official Statement, over the price to be paid by the Underwriters to the County upon delivery of the Bonds as specified in Section 1 of the Purchase Agreement) bears to the aggregate public offering price as described above, and the County is responsible for the balance. The relative fault will be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the County on the one hand or the Underwriters on the other hand and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

If the Underwriters have knowledge of a claim subject to the contribution provided by this subsection (d), the Underwriters agree, within a reasonable time after obtaining such knowledge, to convey notice of such claim to the County. It is agreed and understood that if the Underwriters fail, under the circumstances set forth in the preceding sentence, to convey the above referenced notice to the County, then the County will not be obligated to provide contribution pursuant to this subsection (d).

The County and the Underwriters agree that it would not be just and equitable if contribution pursuant to this subsection (d) were determined by any method of allocation that does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, damages, expenses, liabilities or claims (or actions in respect thereof) referred to in this subsection (d) will be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim.

(e) The indemnity and contribution provided by this Section will be in addition to any other liability that the County may otherwise have hereunder, at common law or otherwise, and is provided solely for the benefit of the Underwriters and each director, officer, employee, agent, attorney and controlling person referred to therein, and their respective successors, assigns and legal representatives, and no other person will acquire or have any right under or by virtue of such provisions of this Purchase Agreement.

**9. Mutual Performance.** The obligations of the County and the LGC hereunder are subject to the performance by the Underwriters of their obligations hereunder.

**10. Continuation of Obligations.** All representations, warranties and agreements of the County and LGC remain operative and in full force and effect, regardless of any investigations made by or on behalf of the Underwriters, the LGC or the County and will survive the Closing. The obligations of the County under Section 13 will survive any termination of this Purchase Agreement by the Underwriters pursuant to the terms hereof.

**11. Expenses.** The County acknowledges that the underwriting fee provided for in Section 1 represents compensation and reimbursement to the Underwriters only for their professional services and direct expenses (for such items as travel and postage). The Underwriters shall pay their out-of-pocket expenses advertising expenses in connection with a public offering of the Bonds, fees of the CUSIP Bureau, the North Carolina Municipal Council fee, the fees and expenses of Underwriters' counsel (including the cost

of performing any blue sky and legal investment surverys), and any fees of the Municipal Securities Rulemaking Board or the Public Securities Association. The County shall reimburse the Underwriters for all such expenses.

The County shall pay all expenses and costs to effect the authorization, preparation, execution, delivery and sale of the Bonds, including, without limitation, the LGC's fees and expenses (before closing), the fees and expenses of Bond Counsel and of counsel to the County, rating agency fees and expenses, any registration or similar fees for qualifying the Bonds for sale in various jurisdictions chosen by the Underwriters and the expenses and costs for the preparation, printing, photocopying, execution and delivery of the Bonds and the Preliminary Official Statement and the Official Statement and all other agreements and documents contemplated by this Agreement.

**12. Notices.** Any notice or other communication to be given to the County under this Purchase Agreement may be given by delivering the same in writing to County of Union, 500 North Main Street, Suite 901, Monroe, North Carolina 27603, Attention: Director of Finance. Any notice or other communication to be given to the Underwriters under this Purchase Agreement may be given by delivering the same in writing to [Name of Underwriter], \_\_\_\_\_, \_\_\_\_\_, North Carolina \_\_\_\_\_ Attn: \_\_\_\_\_.

**13. Benefits of Purchase Agreement.** This Purchase Agreement is made solely for the benefit of the Underwriters, the LGC and the County (including any successors or assigns), and no other person, including any purchaser of the Bonds, shall acquire or have any right hereunder or by virtue hereof.

**14. Governing Law.** This Purchase Agreement is governed by and is to be construed in accordance with the laws of the State of North Carolina.

**15. Effective Date; Counterparts.** This Purchase Agreement is effective on your mutual acceptance hereof. This Purchase Agreement may be simultaneously executed in several counterparts, each of which is an original and all of which constitute but one and the same instrument.

**16. *Survival of Representations and Warranties.*** All representations, warranties and agreements in this Purchase Agreement will survive regardless of (a) any investigation or any statement in respect thereof made by or on behalf of the Underwriters, (b) delivery of any payment by the Underwriters for the Bonds hereunder and (c) any termination of this Purchase Agreement.

Very truly yours,

**[NAME OF UNDERWRITER]**, on its own behalf  
and as representative of **[NAME OF CO-  
MANAGER]**

By: \_\_\_\_\_

[SIGNATURES CONTINUED ON THE FOLLOWING PAGE]

[COUNTERPART SIGNATURE PAGE TO THE COUNTY OF UNION, NORTH CAROLINA  
GENERAL OBLIGATION BONDS, SERIES 2009B GO PURCHASE AGREEMENT]

Accepted and agreed to:

**COUNTY OF UNION, NORTH CAROLINA**

By: \_\_\_\_\_  
Kai D. Nelson  
Director of Finance

[SIGNATURES CONTINUED ON THE FOLLOWING PAGE]

[COUNTERPART SIGNATURE PAGE TO THE COUNTY OF UNION, NORTH CAROLINA  
GENERAL OBLIGATION BONDS, SERIES 2009B GO PURCHASE AGREEMENT]

**LOCAL GOVERNMENT COMMISSION OF NORTH CAROLINA**

By: \_\_\_\_\_  
T. Vance Holloman  
Secretary

## SCHEDULE 1

### RATE AND MATURITY SCHEDULE

#### AMOUNTS, MATURITIES, INTEREST RATES AND PRICES OR YIELDS



Principal is payable on March 1 in the years and amounts set forth above. Interest is payable on March 1 and September 1, beginning September 1, 2009.

***Optional Redemption of Bonds.*** The Bonds maturing on or before March 1, 20\_\_ are not subject to redemption before maturity. The Bonds maturing on or after March 1, 20\_\_ are subject to redemption before maturity, at the option of the County, from any moneys that may be made available for purpose, either in whole or in part on any date on or after March 1, 20\_\_, at the principal amount of the Bonds to be redeemed at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, {without a premium.} If less than all of the Bonds are called for redemption, the County will select the maturity or maturities of the Bonds to be redeemed in such manner as the County in its discretion may determine and DTC and its participants will determine which of the Bonds within a maturity are to be redeemed by lot; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or integral multiples thereof and that, in selecting Bonds for redemption, each Bond is to be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000.

**EXHIBIT A**  
**[FORM OF BOND COUNSEL OPINION TO BE**  
**DELIVERED ON THE CLOSING DATE]**

March 10, 2009

County of Union, North Carolina  
Monroe, North Carolina

*[\$Amount]*  
*County of Union, North Carolina*  
*General Obligation Refunding Bonds, Series 2009B*

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance and sale by the County of Union, North Carolina (the "*County*") of *[\$Amount]* aggregate principal amount of its General Obligation Refunding Bonds, Series 2009B (the "*Bonds*").

The Bonds are issuable as fully registered obligations and will mature and bear interest at the rates and at the times, all as provided in the Bond Resolution adopted by the Board of Commissioners of the County (the "*Board of Commissioners*") on January 20, 2009 (the "*Bond Resolution*").

In connection with the issuance of the Bonds, we have examined the following, and we have assumed the truth and accuracy of the representations, covenants and warranties set forth therein:

- a. Certified copies of (1) the bond order adopted by the Board of Commissioners of the County (the "*Board of Commissioners*") on December 1, 2008 effective on the adoption thereof and (2) the Bond Resolution;
- b. A specimen Bond; and
- c. Such other documents as we deemed relevant and necessary in rendering this opinion.

From such examination we are of the opinion, under existing law, that:

1. The Bonds have been duly authorized under the provisions of the Constitution and laws of the State of North Carolina (the "*State*"), including The Local Government Bond Act, Section 159-43 *et seq.*, of the General Statutes of North Carolina.
2. The Bonds are legal, valid and binding general obligations of the County. The rights of the owners of the Bonds and the enforceability of the Bonds may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted to the extent constitutionally applicable, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.
3. The County has pledged its faith and credit for the payment of the principal of and the interest on the Bonds, and the County is authorized to levy on all real property taxable by the County such

A-1

6180723.4

Active\6180723.5

PPAB 1521208v1

*ad valorem* taxes as may be necessary to pay the Bonds and the interest thereon without limitation as to rate or amount.

4. Interest on the Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, such interest is taken into account in determining adjusted current earnings for the purpose of computing federal alternative minimum tax imposed on certain corporations. The opinion set forth in the preceding sentence is subject to the condition that the County comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The County has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bonds. We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

5. The interest on the Bonds is exempt from State of North Carolina income taxation.

In rendering the foregoing opinions, we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, and documents and proceedings.

We express no opinion herein as to the accuracy, adequacy or completeness of the Preliminary Official Statement or the Official Statement relating to the Bonds.

Respectfully submitted,

**PARKER POE ADAMS & BERNSTEIN LLP**



EXHIBIT B

[LETTERHEAD OF PARKER POE ADAMS & BERNSTEIN LLP]

March 10, 2009

[Underwriters]

*§[Amount]*  
*County of Union, North Carolina*  
*General Obligation Refunding Bonds, Series 2009B*

Ladies and Gentlemen:

We have acted as Bond Counsel to the County of Union, North Carolina (the "*County*") in connection with the issuance and delivery of the General Obligation Refunding Bonds, Series 2009B (the "*Bonds*"). Unless defined herein, all terms used herein are as defined in the Bond Purchase Agreement dated as of February 24, 2009 (the "*Purchase Agreement*") among the County, the Local Government Commission of North Carolina and the Underwriters named in the Purchase Agreement.

In our capacity as Bond Counsel, we have on this date delivered our principal opinions relating to (1) the legality of the authorization and issuance of the Bonds and (2) certain other matters, which opinions may be relied on by you to the same extent as if addressed to you.

We have examined and are familiar with originals or copies, certified or otherwise identified to our satisfaction, of various documents, certificates and opinions of counsel, including the Official Statement dated February 13, 2009 with respect to the Bonds (the "*Official Statement*"), and have examined such other documents, certificates, opinions of counsel, instruments and records, and have made such investigations of law, as we have deemed necessary and appropriate as a basis for the opinions hereinafter expressed. In our examination, we have assumed the genuineness of all signatures, the legal capacity of natural persons, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies, and the authenticity of originals of such copies. As to any facts material to this opinion letter which we did not independently establish or verify, we have relied on statements and representations of officers and other representatives of the County and others.

On the basis of and in reliance on the foregoing, we are of the opinion that (1) the information contained in the Official Statement under the captions "**INTRODUCTION,**" "**THE BONDS,**" "**THE PLAN OF REFUNDING**" and "**CONTINUING DISCLOSURE**" and in Appendix E, insofar as such statements purport to summarize certain provisions of the Bond Order, the Resolution and the Bonds, and the anticipated uses of the proceeds of the Bonds and the opinions of this firm, presents a fair and accurate summary of such provisions, uses and opinions, (2) the information under the caption "**TAX TREATMENT**" fairly and accurately summarizes the matters referred to therein, and (3) without having undertaken to verify independently the accuracy or completeness of the statements contained in the Official Statement nothing has come to our attention which would lead us to believe that the Official Statement (except for financial and statistical data included in the Official Statement, as to which no view is expressed) contains an untrue statement of a material fact or omits to state a material fact required to be

stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

We are further of the opinion that, in connection with the offering and sale of the Bonds, the Bonds are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Bond Resolution is not subject to qualification under the Trust Indenture Act of 1939, as amended.

This opinion is furnished to you solely for your benefit and may not be used, circulated, quoted or otherwise referred to without our prior written consent.

Respectfully submitted,

**PARKER POE ADAMS & BERNSTEIN LLP**



**AMENDED PUBLIC NOTICE IS HEREBY GIVEN** that on Friday, January 2, 2009, a Notice of Public Hearing was published that the Union County Board of Commissioners will hold a public hearing on Tuesday, January 20, 2009, beginning at 7:00 p.m. in the Commissioners' Board Room located on the first floor of the Union County Government Center, 500 North Main Street, Monroe, North Carolina, to consider the provision of economic development incentives pursuant to G.S. 150-7.4. The purpose of this Amended Public Notice is to correct the proposed grant amount and the estimated revenues from property taxes to be paid by the company on its new taxable investment over the three-year grant period. The corrected amount of the incentive grant that the Board of Commissioners intends to consider is BAE Systems Tension High Performance Materials, Inc. is a total amount not to exceed \$53,717.77 to be paid in three annual payments as follows: 2011 - \$20,719.71; 2012 - \$17,605.92; and 2013 - \$15,392.14, based on the company's total capital investment for machinery and equipment estimated to be \$5,700,000 to be expended in 2009. The company is a

manufacturer of ballistic vests in the additional amount of \$1,000,000 in current plant location. Based on the corrected income tax liability for Union County, the corrected estimated property taxes to be paid by the company on its new taxable investment over the three-year grant period is \$53,717.77 based on the current estimate of the proposed grant amount. All interested persons are invited to attend the hearing and present their views. Any person requiring a sign language interpreter, please call (704) 225-8554 and make request at least 96 hours in advance. Any other special assistance needed by an individual due to disability under the Americans with Disabilities Act should call (704) 283-3810 and make a request at least 96 hours in advance.  
Lynn G. West  
County Clerk  
Union County  
Board of Commissioners  
January 7, 2009

**AGENDA ITEM**

# 2411  
MEETING DATE \_\_\_\_\_

NORTH CAROLINA,  
UNION COUNTY.

**AFFIDAVIT OF PUBLICATION**

Before the undersigned, a Notary Public of said County and State, duly commissioned, qualified, and authorized by law to administer oaths,

personally appeared Pat Deese

who being first duly sworn, deposes and says: that he is Principal Clerk

engaged in the publication of a newspaper known as The Enquirer-Journal, published, issued, and entered as second class mail in the City of Monroe in said County and State; that he is authorized to make this affidavit and sworn statement; that the notice or other legal advertisement, a true copy of which is attached hereto, was published in The Enquirer-Journal on the following dates:

Jan 7, 2009

and that the said newspaper in which such notice, paper, document, or legal advertisement was published was, at the time of each and every such publication, a newspaper meeting all the requirements and qualifications of Section 1-597 of the General Statutes of North Carolina and was a qualified newspaper within the meaning of Section 1-597 of the General Statutes of North Carolina.

This 7 day of Jan 2009  
Pat Deese

Sworn to and subscribed before me, this 7 day of Jan 2009.

Arac P. Clutz Notary Public  
My Commission expires: May 11, 2013

M BAE Systems  
U.C. Bd of Commissioners

Inches: 9 3/4  
MONROE, N.C. Jan 7 2009

Ad#  
ACCOUNT #: 02100167

COST: \$ 97.32

—IN ACCOUNT WITH—  
**The Enquirer-Journal**  
P.O. Box 5040  
500 W. Jefferson St.  
Monroe, N.C. 28111-5040

Important Legal Document, Please Retain



AGENDA ITEM # 2811  
MEETING DATE \_\_\_\_\_

**UNION COUNTY INCENTIVE QUESTIONNAIRE**

Company Name:.....BAE Systems Tensylon High Performance Materials Inc.

Representative:.....Lisa Owen, VP & GM

State of Incorporation:.....North Carolina

Nature of Business:.....Manufacture Ballistic Materials

Current Operations in Union:.....Yes  
1901 Piedmont Dr.  
Monroe, NC

Current Employment in Union County: 36 full- time permanent;  
3 temporary / contractors

**Real Estate:**

Proposed Location:.....Current Location

Additional Square Feet:.....None

Total Value of Additional real estate Investment:.....N/A

**Machinery and Equipment**

Attach equipment list. If not available describe:  
Additional Tensylon manufacturing line and ancillary supporting equipment.  
Phase I would put this line at 33%, while  
Phase II would increase output to 100%.

Total Value of New Equipment:.....\$5.7 Million

Total Value of Eliminated Equipment:.....N/A

**Jobs:**

# of new full time jobs:.....+17  
Average Wage.....+\$16.11 Avg.  
Total new full time annual payroll:.....+\$533,006

# of new contract labor jobs:.....None  
Total new contract labor annual payroll:.....N/A

Total new payroll:.....+\$533,006

**Total New Investment:**

New Real Estate Investment.....\$ 0  
New Equipment Investment.....\$5,700,000  
Total New Investment.....\$5,700,000

**Schedule of Investment:**

<b>Year</b>	<b>Real Estate</b>	<b>M &amp; E</b>	<b>Total</b>
2009	\$ 0	\$ 5,700,000	\$ 5,700,000
2010	\$ 0	\$ 0	\$ 0
2011	\$ 0	\$ 0	\$ 0
2012	\$ 0	\$ 0	\$ 0
2013	\$ 0	\$ 0	\$ 0
Total	\$ 0	\$ 5,700,000	\$ 5,700,000

**“But For” declaration:**

BAE is considering other existing BAE sites to host these manufacturing lines including: Aiken, SC; Fairfield, OH; York, PA; Sealy, TX and the State of Michigan

**ILLUSTRATION OF PROJECT’S CASH TAX VALUE TO COUNTY**

Projected New Revenues to County.....\$ 85,118.67  
Less Projected Grant Payments ..... 53,717.77  
Projected Net Tax Revenues during grant period.....\$ 31,400.90

**Crucial Dates and Deadlines:**

<b>DATE</b>	<b>DEADLINE</b>
<b>1/20/09</b>	<b>Incentive Request Response From Us</b>
<b>1<sup>st</sup> Qtr. 2009**</b>	<b>Begin Construction/Installation</b>
<b>3<sup>rd</sup> Qtr. 2009**</b>	<b>Occupancy</b>
<b>2<sup>nd</sup> Qtr. 2009**</b>	<b>Begin Hiring</b>
<b>3<sup>rd</sup> Qtr. 2009**</b>	<b>Start Up Operation</b>

\* The High Performance Materials Division needs to make a decision soon or loose the capital allocation associated with this expansion. They are asking for a decision as soon as possible so that they can meet their corporate deadline.

\*\* Estimated

**Addendum**

City of Monroe incentive grant (estimated).....\$	<u>N/A</u>	over 5 years
Union County incentive grant (estimated).....\$	<u>\$53,717.77</u>	over 3 years
JDIG (estimated).....\$	<u>Not yet known</u>	
Community College Training (estimated value)....\$	<u>Not yet known</u>	
Bill Lee ACT (3J) Tax Credits (estimated value).....\$	<u>Not yet known</u>	
One NC Fund.....\$	<u>N/A</u>	
 Total value of incentives from all sources....\$	 <u>\$53,717.77</u>	

**BAE SYSTEMS**

# COMPANY STRUCTURE

---

## Our Organisation

Our organisation is designed to enable us to deliver the cost, capability and overall financial performance to meet customers' needs.

BAE Systems has strong positions in each of our six home markets – Australia, Saudi Arabia, South Africa, Sweden, UK, US – and have organised the business to reflect this. The UK and Rest of the World business is responsible for delivering and growing our home markets, optimising our ability to deliver through-life military capability to the front line.

BAE Systems Inc. is the US subsidiary of BAE Systems plc. Headquartered in Rockville, Maryland, BAE Systems, BAE Systems Inc. consists of three Operating Groups that provide support and service solutions for current and future defense, intelligence, and civilian systems; design, develop and manufacture a wide range of electronic systems and subsystems for both military and commercial applications; and design, develop, produce, and provide service support of armored combat vehicles, artillery systems and intelligent munitions.

### Company Details

BAE Systems plc  
A company registered in England and Wales  
Company Number: 1470151

### Registered Office:

6 Carlton Gardens  
London  
SW1Y 5AD  
United Kingdom

## RELATED INFORMATION

### Related links

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[Organisation Charts](#)  
[Leadership Biographies](#)

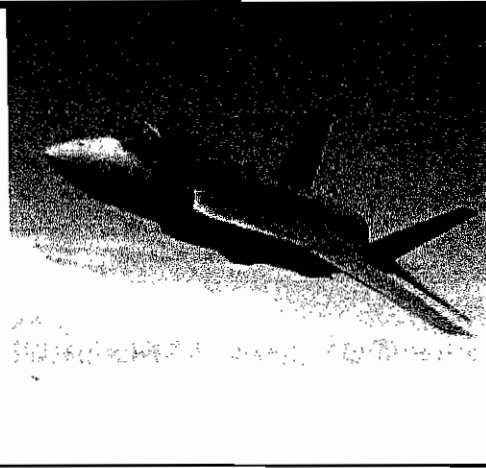


**BAE SYSTEMS**

# CORPORATE RESPONSIBILITY

## Setting new standards in Corporate Responsibility

"I firmly believe that Corporate Responsibility is part of the everyday management of a responsible business and I expect all our employees to make it an integral part of all that they do."  
Mike Turner, CEO



## RELATED INFORMATION

### Related links

[Woolf Report](#)

### FEEDBACK

We welcome feedback, both positive and negative, on any aspect of our corporate responsibility, performance and reporting.

CR Contacts:

[crfeedback@baesystems.com](mailto:crfeedback@baesystems.com)

**BAE Systems recognises its responsibilities to the people it employs, its customers and suppliers, its shareholders, the wider community and to the environment. We are a well-managed, responsible and ethical company and are determined to be widely recognised for our world-class technology, the skills of our people and the seriousness with which we take our corporate responsibilities.**

**We are proud of the role we play as one of the leaders in the defence sector and as part of this we recognise our specific responsibility to understand the concerns of others. We aim through this website and our corporate reporting to provide information and demonstrate through our performance that BAE Systems is both a responsible corporate citizen and a responsible defence company.**

**We publish an annual CR report showing our progress and detailing highlights from our Corporate Responsibility agenda. Click below to read our latest Report.**

BAE Systems plc is a member of Business in the Community and is also included in both the Dow Jones Sustainability World Index and the pan European Dow Jones STOXX Sustainability Index.

#### Disclaimer

Ian King, former Chief Operating Officer, UK and Rest of World, replaced Mike Turner as Chief Executive on 1 September 2008. This page is currently being updated and reviewed.

## LATEST NEWS

There are currently no News Releases in this section

**BAE SYSTEMS**

# LEADERSHIP

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Please click on the leaders' names below to read their biography

**Non-Executive Chairman**

Dick Olver, Chairman

**RELATED INFORMATION****Executive Directors**

Ian King, Chief Executive

Walt Havenstein, Chief Operating Officer BAE Systems plc, President and CEO BAE Systems

Inc

George Rose, Group Finance Director

**Non-Executive Directors**

Philip Carroll

Michael Hartnall

Andy Inglis

Sir Peter Mason

Sir Nigel Rudd

Carl Symon

Roberto Quarta

Ravi Uppal

**Executive Committee**

Philip Bramwell, Group General Counsel

Andrew Davies, Group Strategy Director

Alan Garwood, Group Business Development Director

Walt Havenstein, President, BAE Systems Inc

Alastair Imrie, Group HR Director

Ian King, Chief Executive

Charlotte Lambkin, Group Communications Director

Guy Griffiths, Group MD, International

Mike Heffron, President, Electronics, Intelligence & Support

Linda Hudson, President, Land & Armaments

George Rose, Group Finance Director

Nigel Whitehead, Group Managing Director Programmes & Support

**Other Corporate Leaders**

Fiona Davies, Chief of Staff

Peter Fielder, MD Performance Excellence

Grenville Hodge, Audit Director

Raj Rajagopal, MD Corporate Responsibility

---

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**BAE SYSTEMS**

# LEADERSHIP

---

Please click on the leaders' names below to read their biography

## Non-Executive Chairman

Dick Olver, Chairman

**RELATED INFORMATION**

## Executive Directors

Ian King, Chief Executive

Walt Havenstein, Chief Operating Officer BAE Systems plc, President and CEO BAE Systems Inc

George Rose, Group Finance Director

## Non-Executive Directors

Philip Carroll

Michael Hartnall

Andy Inglis

Sir Peter Mason

Sir Nigel Rudd

Carl Symon

Roberto Quarta

Ravi Uppal

## Executive Committee

Philip Bramwell, Group General Counsel

Andrew Davies, Group Strategy Director

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Alastair Imrie, Group HR Director

Ian King, Chief Executive

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Guy Griffiths, Group MD, International

Mike Heffron, President, Electronics, Intelligence & Support

Linda Hudson, President, Land & Armaments

George Rose, Group Finance Director

Nigel Whitehead, Group Managing Director Programmes & Support

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Fiona Davies, Chief of Staff

Peter Fielder, MD Performance Excellence

Grenville Hodge, Audit Director

Raj Rajagopal, MD Corporate Responsibility

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BAE Systems is the premier global defence and aerospace company

## Real Protection Real Advantage

### LATEST NEWS

Mahindra & Mahindra And BAE Systems Joint Venture Approved  
7 Jan

BAE Systems Awarded \$115 Million for Caiman Spare Parts  
5 Jan

BAE Systems Completes Acquisition Of Tenix Toll Defence Logistics  
22 Dec

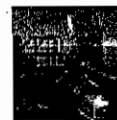
**Share Price:** 391.00 ↑ 2.00  
**08/01/2009 at 16:29 GMT**



Charity Challenge Global Christmas Activity  
Nov 26th 2008



The Big Bang - inspiring the next generation of engineers  
Nov 13th 2008



BAE Systems Interim results for six months ended June 2008  
Aug 1st 2008

### CAPABILITIES

- |                                   |                                    |
|-----------------------------------|------------------------------------|
| Land                              | Through-life Support               |
| Air                               | Technology & Innovation            |
| Sea                               | Homeland Security                  |
| Systems Integration & Electronics | Information Technology             |
|                                   | Intelligence Security & Resilience |

### RESOURCES FOR

- |             |           |
|-------------|-----------|
| Journalists | Investors |
| Job Seekers |           |

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**PUBLIC NOTICE**

NOTICE IS HEREBY GIVEN that the Union County Board of Commissioners will hold a public hearing on Tuesday, January 20, 2009, beginning at 7:00 p.m. in the Commissioners Board Room located on the first floor of the Union County Government Center, 500 North Main Street, Monroe, North Carolina, to consider the provision of economic development incentives pursuant to G.S. 158-7-1. The Board of Commissioners intends to consider an incentive grant to BAE Systems Tension High Performance Materials, Inc. in a total amount not to exceed \$62,925.53 to be paid in three annual payments as follows: 2011 - \$23,021.90; 2012 - \$20,975.51; and 2013 - \$18,929.12, based on the company's total capital investment for machinery and equipment of \$5,700,000 to be expended in 2009. The company is a manufacturer of ballistic fibers and it proposes to invest in the additional equipment for use at its current plant location. Based on its projected investment in Union County, the company will pay estimated property taxes on its new taxable investment over the three-year grant period of \$99,710.44 based on the current tax rate. The proposed grant recipients acknowledge that the incentive grants, if awarded by the Board, will serve as inducements to make the indicated capital investments in Union County. The source of funding for the proposed grants is general fund revenues. All interested persons are invited to attend the hearing and present their views. Any person requiring a sign language interpreter please call (704) 225-8554 and make request at least 96 hours in advance. Any other special assistance needed by an individual due to disability under the Americans with Disabilities Act should call (704) 293-3810 and make a request at least 96 hours in advance.  
Lynn G. West  
County Clerk  
Union County Board of Commissioners  
January 2, 2009

**NORTH CAROLINA,  
UNION COUNTY.**

**AFFIDAVIT OF PUBLICATION**

Before the undersigned, a Notary Public of said County and State, duly commissioned, qualified, and authorized by law to administer oaths,

personally appeared Pat Deese

who being first duly sworn, deposes and says: that he is

Principal Clerk engaged in the publication of a newspaper known as The Enquirer-Journal, published, issued, and entered as second class mail in the City of Monroe in said County and State; that he is authorized to make this affidavit and sworn statement; that the notice or other legal advertisement, a true copy of which is attached hereto, was published in The Enquirer-Journal on the following dates:

Jan 2, 2009

and that the said newspaper in which such notice, paper, document, or legal advertisement was published was, at the time of each and every such publication, a newspaper meeting all the requirements and qualifications of Section 1-597 of the General Statutes of North Carolina and was a qualified newspaper within the meaning of Section 1-597 of the General Statutes of North Carolina.

This 6 day of Jan 2009  
Pat Deese

Sworn to and subscribed before me, this 6 day of Jan 2009.

Beck P. Clutz Notary Public  
My Commission expires: May 11, 2013

Inches: 8 1/4  
MONROE, N.C. Jan 6 2009

u.c. Bd of Commissioners Ad# 02100167

COST: \$ 82.40

BAE System Incentive Grant

—IN ACCOUNT WITH—

**The Enquirer-Journal**

P.O. Box 5040  
500 W. Jefferson St.  
Monroe, N.C. 28111-5040

Important Legal Document, Please Retain

**Resolution in Support of a Usage Based Fee Schedule  
For Aqua North Carolina Inc. Users**

**Whereas**, Aqua North Carolina, Inc. has made a request to the NC Utilities Commission for a 20% rate increase for their residential customers in Union County from \$58.35 to \$70; and

**Whereas**, this follows a 36% increase that was implemented in October, 2000; and

**Whereas**, NC General Statutes 62-130 through 62-139 requires that the “Commission shall fix such rates as shall be fair to both the public utilities and to the consumer”; and

**Whereas**, Union County currently has approximately 1650 homes in the neighborhoods of Country Woods East, Emerald Lakes, Creekside, Buckingham, Crismark, Beacon Hills, and Hemby Acres which are served by Aqua North Carolina, Inc. with service pending for 500 more homes; and

**Whereas**, residents of the county and region have been placed under restrictions for water use due to severe drought conditions and limited water capacity from existing sources since May 29, 2008; and

**Whereas**, the most recent update of the NC Drought Management Advisory Council “strongly urges the implementation of drought response actions” for all water users located in areas of the state experiencing drought levels of D0, D1, D2, or D3 until further notice; and

**Whereas**, the flat rate fee structure used by Aqua inadvertently discourages water conservation and is deemed to unfairly penalize low consumption customers by charging higher than average monthly sewer rates; and

**Whereas**, the Aqua residential customers are provided metered water service by the Union County Public Works Department with rates based upon usage; and

**Whereas**, NC Utility Commission Rule 10-18 prescribes that sewer service be based on the amount of water metered except where impractical to do so,

**NOW THEREFORE BE IT RESOLVED** that the Union County Board of Commissioners supports and encourages the NC Utilities Commission to take any and all necessary steps to require Aqua North Carolina, Inc. to implement a fair and reasonable fee schedule determined by metered water usage which can be acquired from Union County Public Works.

Adopted this 20th day of January, 2009

ATTEST:

\_\_\_\_\_  
Lynn G. West, Clerk to the Board

\_\_\_\_\_  
Lanny Openshaw, Chairman



**UNION COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

Meeting Date: January 20, 2009

Action Agenda Item No. 13  
(Central Admin. use only)

**SUBJECT:** Late Farm Present Use Value Applications

---

**DEPARTMENT:** Tax Administration      **PUBLIC HEARING:** No

---

**ATTACHMENT(S):**  
Initial denial form, appeal denial letter  
and additional taxpayer provided  
information

**INFORMATION CONTACT:**  
John Petoskey

---

**TELEPHONE NUMBERS:**  
704-283-3748

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**DEPARTMENT'S RECOMMENDED ACTION:** Deny said applications for 2008.

**BACKGROUND:** The tax office has received the attached late applications for farm present use value for 2008.

North Carolina tax Law contains provisions for the Board of County Commissioners to consider such late applications for just cause after the Board of Equalization and Review has adjourned.

The property owners have been informed that their applications are untimely for 2008 and that the criteria for acceptance of a late application would be based on a medical or military reason. None of the attached fall into that category therefore the Tax Administrator's recommendation is to deny for 2008 (said applications will be considered for 2009).

The Tax Administrator's Office has denied 20 untimely applications for 2008 of a similar nature that were late and these are the only 3 that have requested further consideration.

**FINANCIAL IMPACT:** NA

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**Legal Dept. Comments if applicable:** \_\_\_\_\_

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**Finance Dept. Comments if applicable:** \_\_\_\_\_

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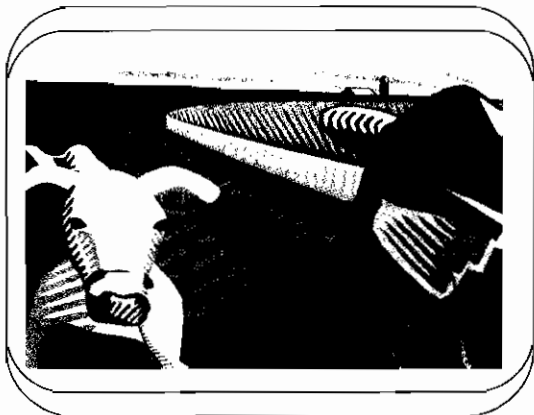
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**“What happens if I sell the property?”**

The property is taken out of the use value program and deferred taxes are billed. The deferred tax will become due unless the property was transferred to a relative and the relative applies for use value within sixty days of the date of transfer and is accepted into the program.

**“What happens in a periodic review?”**

The Union County Assessor’s Office will periodically review your application for use value assessment and update our records, Agricultural and horticultural applications may require income verification as a part of our quality assurance program. Any modifications in the forestry management plan should be documented and copies forwarded to the County Assessor’s Office. A field visit may be necessary after the review of the completed forms. The removal of a tract from the use value program may be appeal to the Board of Equalization and Review at the next session.



**New applications are accepted only during the regular listing period each year.**

**Union County Assessor’s Office  
Post Office Box 97  
Monroe, NC 28111-0097**

# **PRESENT USE VALUATION**



## **“IS IT FOR ME?”**

**UNION COUNTY  
ASSESSOR’S OFFICE  
PO BOX 97  
MONROE, NC 28111  
704-283-3746**

The land use program is a state mandated program designed to give relief to specific landowners and their property that is being sound managed in the production of agricultural, horticultural, or forestry commodity. To qualify there are ownership, acreage, income and sound management requirements that have to be met. There are also penalties for removal from the program. This brochure was designed to help you better understand the purpose of the program and whether you may be interested in making application.

The North Carolina General Assembly enacted registration on 1973 enabling county tax departments to consider the "use value" of specific properties rather than the "market value" in determining a tax assessment. The intent of the law was to give relief to farm and forest tracts held by families and protect these tracts from being sold because of higher taxes brought by appreciating land values and higher market assessments. Changes have been made to the law since 1973, but the intent has not changed.

Application into the program must be made by the owner(s) during the listing period (normally the month of January) and must specify the program classification or application must be made within 30 days of receipt of the change of assessment. The classification is based in the use of the property. An agricultural classification pertains to crops such as corn, soybeans, and wheat. It also pertains to land being used to produce livestock such as cattle, poultry or hay that is sold to feed cattle. A horticulture application typically applies to orchards or Christmas trees. A forestry application applies to property growing timber. There is a separate application for forest classification due to differences in sound management verification.

### **There are four requirements that must be met in order to qualify for the program.**

**Ownership:** You must have owned the property for four full years, prior to the application being filed in January. If you received it from a relative\* you may qualify immediately if the land was in the program or would have qualified for the program. If you live on the property, and meet the other qualifications you may qualify immediately. If you have property in the program, you can add acquired tract(s) during the next listing period. If property transfers to another non relative and the new owner continues to meet the Use Value Requirements, the property may continue to qualify if an approved new application is filed in the Tax Office and an affidavit signed assuming full liability for the previous use value deferment within 60 days from the deed being recorded.

**Land:** There must be at least one tract that meets the qualifying requirements of five acres for horticulture applications, ten acres for agricultural applications, or twenty acres for forestry. This amount is the minimum of land in actual use for the respective classes.

**Income:** Property must produce a minimum of \$1,000 of gross income for the previous three years. This requirement is not applicable to forest applications. This income requirement only applies to the qualifying tract.

\*A relative can be spouse, yours or a spouse's lineal ancestors or descendants, brother or sister and their lineal descendants, aunt or uncle. It also includes stepbrothers and sisters, adoptive parents or adopted children, and a surviving spouse.

**Sound Management:** The property must be producing its maximum income potential. In order to determine whether this has occurred, the Union County Assessor may request income verification on agricultural and horticultural applications. Income information for three years prior to the application is required. For forestry applications, a copy of an approved forestry management plan is mandatory. The plan must include a map of the property, with stand delineation, owner's boundaries, access roads, and any major physical features such as ridgelines, creeks, rivers, swamps, and rocky bluffs. A detailed description of the different stands as references on the map should include name of the species, age of stand, last harvest date, herbicide and insecticide programs, current growth rate, projected harvest date and method of harvest and reforestation.

To become a participant in the program, you will need to complete an application. If you should have any questions or need any assistance please contact our office at **(704) 283-3746**.

A question concerning the denial of an application may be appealed to the Board of Equalization and Review. The Union County Assessor's Office is dedicated to fair treatment to all and will do everything possible to insure that qualified applications are included in the program. An equally stringent effort will be made to exclude those applications that do not meet the criteria.

### **FAQ'S**

#### **"How much can I save if my property is assessed for Use Value?"**

Typically, land assessed for use value will be 25-40% of the market value. The savings can be significant.

#### **"Is there any reason why I would not want to be included in the program if I qualify?"**

Yes. When property enters the program the County Assessor begins keeping record of taxes owed at both the use and market assessments. The taxpayer receives a bill based on the lower use value assessment. The difference between taxes at use value and market value is called deferred tax. As long as the property qualifies for the program, the deferred tax will never become due and payable. Whenever it is removed from the program, the deferred tax for the current year and the previous three years will become due with interest. This is simple interest, the same that is charged on delinquent taxes\*.

\*There is 2% interest added for the first January that taxes would have been due if the property had not been in the use value program. Three fourth of one percent is added each month until the taxes have been paid.

#### **"Once accepted into the use value program, is there anything that I am obligated to do?"**

In essence, when you sign the application you are signing a contract with the county. This contract states that you intend to use your property as stated in the application and you understand the consequences of the deferred taxes. In the case of forest applications you agree to manage the forest tract as outlined in your management plan. If, for whatever reason you change the use, you are required to notify the assessor's office. Failure to notify the office of this change will result in penalties. It must be understood that your application will be periodically reviewed and that additional information may be needed to remain in the program. If your property continues to qualify for this program the county will continue to bill you at the lowered assessment. Proper notification will be given in the event that this property is removed from the program.



**UNION COUNTY**  
**Office of the Tax Administrator**

300 N. Main Street  
P.O. Box 97  
Monroe, NC 28111-0097

704-283-3746  
704-283-3616 Fax

John Petoskey  
Tax Administrator

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**INTEROFFICE MEMORANDUM**

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**TO:** Al Greene, County Manager  
**FROM:** John Petoskey, Tax Administrator  
**SUBJECT:** Late Farm Use Value Applications  
**DATE:** January 7, 2009  
cc Jeff Crook, County Attorney

---

The North Carolina General Assembly in 1973 enacted legislation to enable the county tax office to consider the "use value" of a parcel rather than the "market value" of the property. The intent of the law is to give relief to farm and forest tracts held by families and protect these tracts from being sold because of higher taxes caused by appreciating land values. Union County has over 3000 properties enrolled in the Use Value program.

In a revaluation year, with large increases in market value some farm property owners did not realize the full impact on their taxes until after the tax bill was received in late August, consequently they have filed the attached late use value applications. It is likely that said applicants will be approved for 2009 by the tax office, but due to late receipt of the application for 2008 the tax office can not approve them for 2008.

Application into the program must be made by the owner normally in a non-revaluation year during the month of January or in a revaluation year, prior to the adjournment of the Board of Equalization (which was at the end of June this year).

Attached, please find a list of several (3 owners, 6 parcels) late applications for Farm Use Valuation. Under GS. 105-277.4 (a-1) there is a provision for the Board of County Commissioners to consider late applications. Although the tax office does not have jurisdiction to approve said applications at this point, the Board of County Commissioners has the authority to approve late applications for just cause. The tax law does not specify what constitutes just cause, but the Property Tax Division of the State Department of Revenue generally recognizes absence due to military duty or medical reasons as just cause. None of the attached applications fall into that category.



**UNION COUNTY**  
**Office of the Tax Administrator**  
300 N. Main Street  
P.O. Box 97  
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704-283-3746  
704-283-3616 Fax

*John Petoskey*  
*Tax Administrator*

---

**INTEROFFICE MEMORANDUM**

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The Board of Equalization and Review, when it was in session approved applications that met the qualifications. Since the Board of Review has adjourned, the tax office has denied 20 untimely applications for 2008 of a similar nature that were late and these are the only three owners who have requested further consideration.

## ELIGIBILITY REQUIREMENTS FOR USE VALUE ASSESSMENT

Every owner of property claiming exemption or exclusion from property taxes has the burden of establishing that the property is entitled to the exemption or exclusion. G.S. 105-282.1(a)

Sound Management is defined in G.S. 105-277.2(6) as: "A program of production designed to obtain the greatest net return from the land consistent with its conservation and long-term improvement."

*To be eligible for Use Value Assessment and Taxation, a farm unit must meet the following requirements per North Carolina General Statutes 105-277.2 through 105-277.7.*

### APPLICATION REQUIREMENTS

- New applications must be filed during the January listing period.
- Or, within sixty (60) days of ownership transfer either by deed or will.
- Or, by date on letter of notification to reapply.

### OWNERSHIP REQUIREMENTS

- The farm tract must be the owner's place of residence.
- Or, must have been owned by the current owner or a qualifying relative for the four (4) years preceding January 1.
- Or, the present owner had other land in the Use Value Assessment and Taxation and this is a tract which was acquired during the past year and the tract was in the Use Value Assessment and Taxation or was eligible to have been in this program under the prior owner. The tract must have met the size, income and other requirements under the prior owner.
- Or, purchased tract in Present Use Value Program and made application within 60 days of change of ownership. Have signed the affidavit of accepting liability for all deferred taxes and interest. Plans to continue the present use of the land.
- Corporations, businesses, and other partnerships must have been owned by the corporation, business, partnership or one or more of its principal shareholders for the four (4) years immediately preceding January 1 of the year applying. The corporation, business or partnership must show documented proof that its principal business is actively engaged in the business of farming.

### SIZE REQUIREMENTS

- The farm unit for agricultural land must have at least ten (10) acres actively engaged in the commercial production of growing crops or slaughter animals, under a sound management program. For other tracts in the unit to be eligible, each tract must include agricultural land which is actively engaged in commercial production under sound management. Tracts with woods 20 acres and more should include a forestry management plan in order for the additional acreage in woods to receive use value assessment and taxation classification, unless it is determined that the highest and best use of the wooded portion is to diminish wind erosion or protect the water quality of adjacent agricultural or horticultural land, or to serve as a buffer for livestock or poultry operations on adjacent agricultural land.
- The farm unit for horticultural land must have at least one five (5) acre tract in the unit that is actively engaged in the commercial production of growing of fruits, vegetables, nursery, or floral products under a sound management program. For other tracts in the unit to be eligible, each tract must include horticultural land in actual production. Tracts with woods 20 acres and more should include a forestry management plan in order for the additional acreage in woods to receive use value assessment and taxation classification unless it is determined that the highest and best use of the wooded portion is to diminish wind erosion or protect the water quality of adjacent agricultural or horticultural land, or to serve as a buffer for livestock or poultry operations on adjacent agricultural land.
- The farm unit of forestland must have at least one twenty (20) acre tract in the unit that is actively engaged in the commercial growing of trees under a sound management program. For other tracts in the unit to be eligible, each tract must include forestland that is being used in production and be under sound management. A sound management forestry plan developed by a State certified Forester is required with the submitted application.

### INCOME REQUIREMENTS

- Agricultural land and horticultural land must have produced an average **GROSS** income for the past three (3) years of \$ 1,000.00 per year. Gross income includes income from the sale of all agricultural and/or horticultural products produced from the land and any payments received under a governmental soil conservation program or governmental subsidies. Proof of income is requested with application.
- Forestland does not have income requirements.

## **SOUND MANAGEMENT REQUIREMENTS**

- Sound management means a program of production designed to obtain the greatest net return from the land consistent with its conservation and long-term improvements.
- Union County has established a sound management per acre amount for agricultural tracts in row crops and/or grain production and horticultural. These tracts must produce an average gross income of at least \$ 75.00 per open acre (including government payments) for the past three (3) years.
- Union County has established a sound management per acre amount for agricultural tracts in slaughter animal production. These tracts must produce an average gross income of at least \$ 50.00 per open acre for the past three (3) years.
- The State has defined the following as proof of sound management. Evidence can be provided for one of the following:
  1. Land is enrolled in and complies with an agency-administered and approved farm management plan.
  2. Land complies with a set of best management practices.
  3. Land complies with the minimum gross income per acre test. (As stated above.)
  4. Land yields net income from farm operations.
  5. Farming is the principal source of income from farm operator.
  6. A recognized agricultural or horticultural agency certifies that the land is operated under a sound management program.
  7. Similar factors that support the conclusion that the land is under a sound management program.
- Forestland tracts must include a sound management plan prepared by a North Carolina State Forester or a Certified Forestry Consultant. The plan must be actively followed.

## **FARM UNITS**

- Eligible owners who own at least one agricultural, horticultural or forestry tract that meets the minimum size requirements may include smaller tracts if all of the smaller tracts are collectively operating as a single production unit.
- Farm units tracts must be within 50 miles of one another and share either the same type of classification or use of the same equipment or labor force.

## **FEDERAL CONSERVATION RESERVE PROGRAM**

- Land enrolled in the Federal Conservation Reserve Program (CRP) shall be listed as in actual production and must meet all other requirements. The income from CRP must meet the income requirements. Land not included in CRP must meet the all other requirements for use value assessment and taxation classification.
- A copy of the Federal Conservation Reserve Program plan must be included with the application for Use Value Assessment and Taxation.

## **CONSERVATION EASEMENTS**

- Property in the use value program continues to qualify as long as it is subject to an enforceable conservation easement that qualifies for the conservation tax credit.
- Income and production is not required as long as the property continues to qualify for conservation tax credit.
- Subsequent transfer of the property does not extinguish use value eligibility of such property as long as the conservation easement is in effect.

## **PAYMENT OF DEFERRED TAXES**

- If at any time, a tract or part of a tract becomes ineligible for Use Value Assessment and Taxation, under the requirements of General Statute 105-277, the deferred taxes and interest on the tract become due for the current year and the past three (3) years (a total of four (4) years).

## **CHANGES**

**Eligibility requirements are subject to change in accordance with the North Carolina General Statutes. Any change in acreage, use or ownership during the year will constitute the need for a new application to be filed.**



**UNION COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**  
Meeting Date: 1/20/09

Action Agenda Item No. 14  
(Central Admin. use only)

**SUBJECT:** Amendments to Union County Personnel Resolution Regarding Reduction in Force

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**DEPARTMENT:** Personnel, Legal                      **PUBLIC HEARING:** No

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**ATTACHMENT(S):**  
Proposed Amendment  
[including (i) new Section 5 to Article VII regarding Reduction in Force; (ii) Severance Addendum; and (iii) technical modification to Article I, Section 2(6)]

**INFORMATION CONTACT:**  
Al Greene, Mark Watson, Jeff Crook

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**TELEPHONE NUMBERS:**  
704-292-2625  
704-283-3869  
704-283-3673

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**DEPARTMENT'S RECOMMENDED ACTION:** Adopt Proposed Amendments

**BACKGROUND:** The staff is in the process of developing a proposal for further reductions in budgeted expenditures for the current fiscal year in light of our revenue projections. Staff's goal in developing the plan is to take reasonable steps to ensure that the current year's budget is balanced. The plan will regrettably call for the elimination of some positions that are currently filled, and the staff has developed recommended amendments to the Personnel Resolution that would outline the process for a Reduction in Force and that would also provide for a severance package for affected employees.

**FINANCIAL IMPACT:**

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**Legal Dept. Comments if applicable:** \_\_\_\_\_

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\_\_\_\_\_

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**Finance Dept. Comments if applicable:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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**Manager Recommendation:**

## **AMENDMENTS TO UNION COUNTY PERSONNEL RESOLUTION**

1. Add a new Section 5 to Article VII (Separation) to read as follows:

### **SECTION 5**

#### **Reduction in Force**

For reasons of budgetary constraints, organizational needs, or decreased work load, the County Manager has the authority to separate employees and to eliminate position classifications within a department on the basis of reduction in force. The County Manager will base retention of employees in classes affected on (i) the type of appointment, (ii) the relative efficiency, skills, knowledge, productivity, and value to the department, and (iii) the length of service. The relative weight to be accorded each of these considerations will be determined by the County Manager.

In implementing a reduction in force, the County Manager will endeavor to provide employees with such notice of separation as may be reasonable under the circumstances, provided that the County Manager may give notice of immediate separation in the event severance compensation is made available to such employees. Union County is under no obligation to provide severance compensation to employees separated by a reduction in force, but if provided, such severance shall be in accordance with, and pursuant to, an Addendum to this Resolution. If an employee separated pursuant to a reduction in force is rehired by the County within twelve (12) months of the separation date, it will be deemed that no break in service occurred for purposes of the continuity of service requirements in Article XI, Section 5 of this Resolution; provided, however, that only time actually worked shall count toward the required number of years of creditable service. The scope of any grievance filed pursuant to Article IX, Section 3 of this Resolution for separation due to a reduction in force shall be limited to whether the County Manager or his designee followed the requirements of this Section. To the extent that the provisions of this Section conflict with the State Personnel Act, such provisions shall be deemed inapplicable to employees of Union County subject to the Act. Department Directors and/or County Officers who are solely responsible for the discharge of their employees are encouraged to follow the provisions of this Section when implementing a reduction in force.

2. Add a new Addendum # 1 to the Union County Personnel Resolution to read as follows:

**ADDENDUM # 1**

**SEVERANCE COMPENSATION FOR EMPLOYEES SEPARATED  
DUE TO REDUCTION IN FORCE  
AFTER JANUARY 20, 2009, BUT BEFORE JULY 1, 2009**

An employee who meets the following criteria shall be eligible for a severance payment in accordance with the terms of this Addendum to the Union County Personnel Resolution:

- (1) The employee is involuntarily separated from employment with the County after January 20, 2009, but before July 1, 2009, due to a reduction in force; and
- (2) The employee is (i) a full-time, permanent employee or (ii) a regular part-time employee; and
- (3) The employee is not on probationary status pursuant to Article IV, Section 10 of the Union County Personnel Resolution. (Employees subject to the State Personnel Act who have not reached career status pursuant to N.C.G.S. § 126-1.1 shall be eligible for a severance payment in accordance with the terms of this Addendum provided that they are not on probationary status pursuant to Article IV, Section 10 of the Union County Personnel Resolution and that they otherwise satisfy the eligibility criteria of this Addendum.)

The amount of severance to be provided under this Addendum shall be calculated as set forth on the following page. The County will deduct from such severance payments all applicable withholding taxes and any other mandatory deductions.

[The remainder of this page intentionally left blank]

ADDENDUM # 1 (cont.)

<u>Hours Worked Annually</u>	<u>% of Standard</u>	<u>Years of Service Based on Most recent Date of Hire</u>	<u>Severance Hours to be Paid</u>	<u>Severance Health Insurance Stipend</u>
2080	Standard	Less than 2 years	96	\$500.00
2080	Standard	2 but less than 5 years	112	\$1,000.00
2080	Standard	5 but less than 10 years	136	\$1,500.00
2080	Standard	10 but less than 15 years	160	\$2,000.00
2080	Standard	15 but less than 20 years	184	\$2,500.00
2080	Standard	20 years or more	208	\$3,000.00
2184	105%	Less than 2 years	101	\$500.00
2184	105%	2 but less than 5 years	118	\$1,000.00
2184	105%	5 but less than 10 years	143	\$1,500.00
2184	105%	10 but less than 15 years	168	\$2,000.00
2184	105%	15 but less than 20 years	193	\$2,500.00
2184	105%	20 years or more	219	\$3,000.00
1768	85%	Less than 2 years	82	0
1768	85%	2 but less than 5 years	95	0
1768	85%	5 but less than 10 years	116	0
1768	85%	10 but less than 15 years	136	0
1768	85%	15 but less than 20 years	156	0
1768	85%	20 years or more	177	0
1560	75%	Less than 2 years	72	0
1560	75%	2 but less than 5 years	84	0
1560	75%	5 but less than 10 years	102	0
1560	75%	10 but less than 15 years	120	0
1560	75%	15 but less than 20 years	138	0
1560	75%	20 years or more	156	0
1325	65%	Less than 2 years	62	0
1325	65%	2 but less than 5 years	73	0
1325	65%	5 but less than 10 years	88	0
1325	65%	10 but less than 15 years	104	0
1325	65%	15 but less than 20 years	120	0
1325	65%	20 years or more	136	0
1144	55%	Less than 2 years	53	0
1144	55%	2 but less than 5 years	60	0
1144	55%	5 but less than 10 years	75	0
1144	55%	10 but less than 15 years	88	0
1144	55%	15 but less than 20 years	101	0
1144	55%	20 years or more	114	0

3. Amend Article I, Section 2(6) as follows:

Except for Articles I, II, III, IV, V, VI Sections 2, 7, 9, 10, 12, X, and XIII these regulations shall not apply to part-time employees, which includes temporary and seasonal employees as defined in Article III, Section 8; provided, however, that Article VII, Section 5, shall apply to regular part-time employees.

4. Except as herein amended, the provisions of the Union County Personnel Resolution shall remain in full force and effect.

**Resolution in Support of a Usage Based Fee Schedule  
For Aqua North Carolina Inc. Users**

**Whereas**, Aqua North Carolina, Inc. has made a request to the NC Utilities Commission for a 20% rate increase for their residential customers in Union County from \$58.35 to \$70; and

**Whereas**, this follows a 36% increase that was implemented in October, 2000; and

**Whereas**, NC General Statutes 62-130 through 62-139 requires that the “Commission shall fix such rates as shall be fair to both the public utilities and to the consumer”; and

**Whereas**, Union County currently has approximately 1650 homes in the neighborhoods of Country Woods East, Emerald Lakes, Creekside, Buckingham, Crismark, Beacon Hills, and Hemby Acres which are served by Aqua North Carolina, Inc. with service pending for 500 more homes; and

**Whereas**, residents of the county and region have been placed under restrictions for water use due to severe drought conditions and limited water capacity from existing sources since May 29, 2008; and

**Whereas**, the most recent update of the NC Drought Management Advisory Council “strongly urges the implementation of drought response actions” for all water users located in areas of the state experiencing drought levels of D0, D1, D2, or D3 until further notice; and

**Whereas**, the flat rate fee structure used by Aqua inadvertently discourages water conservation and is deemed to unfairly penalize low consumption customers by charging higher than average monthly sewer rates; and

**Whereas**, the Aqua residential customers are provided metered water service by the Union County Public Works Department with rates based upon usage; and

**Whereas**, NC Utility Commission Rule 10-18 prescribes that sewer service be based on the amount of water metered except where impractical to do so,

**NOW THEREFORE BE IT RESOLVED** that the Union County Board of Commissioners supports and encourages the NC Utilities Commission to take any and all necessary steps to require Aqua North Carolina, Inc. to implement a fair and reasonable fee schedule determined by metered water usage which can be acquired from Union County Public Works.

Adopted this 20th day of January, 2009

ATTEST:

\_\_\_\_\_  
Lynn G. West, Clerk to the Board

\_\_\_\_\_  
Lanny Openshaw, Chairman

**UNION COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date: 01-20-2009**

**Action Agenda Item No. 15**  
(Central Admin. use only)

**SUBJECT:** Federal Assistance to Firefighters Grants (FAFG)

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**DEPARTMENT:** Communications                      **PUBLIC HEARING:** No

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**ATTACHMENT(S):**    **INFORMATION CONTACT:**  
Gary J. Thomas  
Pat Beekman

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**TELEPHONE NUMBERS:**  
704-283-3550  
704-292-2670

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**DEPARTMENT'S RECOMMENDED ACTION:** Amend the BOCC action of March 24, 2008 to increase the local match from \$200,000 to \$ 251,659

**BACKGROUND:** Over a period of several months in 2007, concluding on October 1, 2007, the Commission reviewed various operational and funding models in connection with the deployment of the 800MHz system. The options revolved around the allocation of costs associated with the backbone infrastructure (towers, generators, microwaves, communication equipment at tower sites) capital and maintenance as well as the subscriber units (both portables and mobiles). The options were complicated by the potential for multiple partners - municipalities, VFDs, State agencies, UCPS, Public Works, EMS and County agencies. The Commission ultimately adopted a model that, in part, provided for General Fund funding of backbone infrastructure as well as certain "basic" subscriber units for VFDs.

The most updated "basic" subscriber equipment for VFDs provides for one (1) mobile radio for 101 of the Volunteer Departments apparatus inventory, 1 mobile radio for each Department's Chief vehicle, 18 portable radios (1 for each Department Chief) and 237 portable radios to be prorated to the 18 Departments. The current cost estimate for deployment of the model is \$1,251,659.

On March 24, 2008 the BOCC authorized County staff to provide grant writing assistance to Beaver Lane Fire Company (on behalf of the Union County Volunteer Fire Departments) for the Assistance to Firefighter Grants (AFG) in an amount not to exceed \$1,000,000 for the purchase of radio subscriber units (portable/mobile) and provide County matching funds, if grant is awarded, in an amount not to exceed \$200,000. Beaver Lane is the conduit department



seeking the financial assistance ... the County is not a permitted applicant.

The actual cost of the subscriber equipment, based on the current inventory and "basic" funding model \$1,251,659. The maximum Federal Grant remains at \$1 million dollars and the local match would increase from \$200,000 to \$251,659.

**FINANCIAL IMPACT:** Local match of \$251,659 may be provided from the FY10 budget operating budget and/or currently available capital reserve resources. In the absence of the AFG grant, based on the approved funding model, the General Fund would be responsible for the entire cost.

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**Legal Dept. Comments if applicable:** \_\_\_\_\_

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**Finance Dept. Comments if applicable:** \_\_\_\_\_

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**Manager Recommendation:**



State of North Carolina  
General Court of Justice

20B Judicial District

Union County District Court  
P.O. Box 305  
Monroe, North Carolina 28111

January 6, 2009

AGENDA ITEM

# 16 MEETING  
MEETING DATE 1-20-09

CHIEF DISTRICT COURT JUDGE  
CHRISTOPHER W. BRAGG

DISTRICT COURT JUDGES  
JOSEPH J. WILLIAMS  
N. HUNT GWYN  
WILLIAM F. HELMS III

TELEPHONE: 704-296-6000

FAMILY COURT STAFF  
MARTHA SUE HALL - ADMINISTRATOR  
VALERIE LANET - CASE COORDINATOR  
KRISTEN RORIE - CUSTODY MEDIATOR  
CAROLYN GREEN - VISITATION COORDINATOR  
MICHELLE PHIPPS - JUDICIAL ASSISTANT  
JESSICA MANGUM - DRUG COURT COORDINATOR

FACSIMILE: 704-228-1803

Ms. Lynn West, Clerk to the Board  
County of Union  
500 Main Street Street  
Monroe, NC 28110

Dear Lynn,

Union County has one of ten Family Drug Treatment Courts in North Carolina. We have had an Advisory Committee since our inception and Roger Lane served as the County's representative. Since Roger did not seek re-election and is now no longer on the Board, there is a County Commissioner vacancy on the Advisory Board.

Our next Family Drug Treatment Court Advisory Board meeting is to be held on Thursday, January 22, 2009 in the Grand Jury Room on the Fourth Floor of the Judicial Center at 12:30pm. Lunch will be served.

Please place this request on the agenda for the next County Commissioner's meeting. When someone is appointed, please call Katie Walter at 704-296-6016 to give her the name and address.

Please call Martha Sue Hall at 704-296-6006 if you have any questions.

Thanks for all that you and the County of Union do for the District Court.

Sincerely,

  
Chris Bragg  
Chief District Court Judge

UNION COUNTY  
BOARD OF COMMISSIONERS

AGENDA ITEM

# 18  
MEETING DATE 1-20-09

ACTION AGENDA ITEM ABSTRACT  
Meeting Date: 1/20/08

Action Agenda Item No. \_\_\_\_\_  
(Central Admin. use only)

SUBJECT: Union County Fire Service Study

DEPARTMENT: Homeland Security PUBLIC HEARING: No

ATTACHMENT(S): INFORMATION CONTACT:  
Pat Beekman

TELEPHONE NUMBERS:  
704-292-2670

**DEPARTMENT'S RECOMMENDED ACTION:** Direct staff to create an RFP for an outside consultant to conduct a fire study for Union County to answer the following questions: (1) Define "adequate fire protection" for the County as a whole and for each of the 18 volunteer fire departments; (2) How fire protection should be funded; and (3) What, if any, changes to the various fire district lines should be made to accomplish the adequate fire protection definition and goals. County staff shall invite up to two (2) representatives from the Fire Chief's Association to provide input to the staff on preparation of the RFP; however, the staff has final responsibility for drafting the RFP. RFP shall be completed and presented to the BOCC by March 2, 2009 for further recommendation.

**BACKGROUND:** Fire protection across Union County varies dramatically with regard to funding, apparatus, types of stations, training, and personnel issues. Due to the increased growth in Union County, additional funding for volunteer fire departments has become the responsibility of the county. As a result, it is also the county's responsibility to understand and oversee the assurance of adequate fire protection for its citizens, the best funding strategies for said protection, and the most feasible districts to ensure that protection. This study is complex and requires an objective, expert inquiry into the needs of Union County's fire protection needs.

**FINANCIAL IMPACT:** RFP will be put out for bid; therefore, financial impact cannot be determined at this time.

Legal Dept. Comments if applicable: \_\_\_\_\_

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**Finance Dept. Comments if applicable:** \_\_\_\_\_

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**Manager Recommendation:**

AGENDA ITEM

#

19

MEETING DATE

1-20-09

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# Proposal

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The Union County  
Commissioner Governance  
Advisory Committee

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# Union County

## Board of County Commissioners Governance Structure

### Proposal:

The purpose of the Commissioner Governance Advisory Committee (CGAC) is to focus the diverse demographic interests from every region of Union County to address the best ways to represent the interests of the citizens of Union County as it pertains to the Board of Commissioners.

### Mission

The mission of the Commissioner Governance Advisory Committee is to research and craft a proposal(s) that will offer an alternative or recommendation that representation stay the same as it pertains to the Governance structure of the Union County Board of Commissioners. Upon Commissioner acceptance, said proposal, if any, may be placed on the ballot as a referendum before the voters of Union County.

### Instructions to the CGAC

The CGAC is charged to undertake its task by completing the following stages:

- **DISCOVERY:** To examine and review the Board of County Commissioners (BOCC) Governance structure of other North Carolina counties. The committee should investigate all applicable Federal and State laws that apply to county Governance and take the impending 2010 census data into consideration.
- **CLASSIFY:** To identify, explore and critique various types and styles of Governance, but not necessarily limited to types and styles used in other North Carolina counties. Critique shall include pros and cons for all scenarios with references of any statistical data and/or comparable practices in other areas similar in geographical makeup, growth patterns, demographics, etc. to Union County.
- **SURVEY:** Seek and accept comments, opinion and testimony from Union County citizens on the style and type of government they would prefer.
- **ASSEMBLY:** After the assemblage of data, material and opinion, the CGAC should seek to identify and narrow the number of Governance options seen as feasible choices for Union County, meeting the mission statement of the committee as specified by the BOCC.

RECOMMENDATIONS: The CGAC should endeavor to provide to the BOCC at least two or more recommendations of Governance, which may include a recommendation to maintain the current structure. The recommendations should provide detail of how changes would be implemented and the datasets used, if applicable to justify the structure.

### The CGAC Structure

The Governance Advisory Committee will consist of the mayor or designee of each of the fourteen Union County municipalities, 5 members appointed by the County Commissioners from citizens of unincorporated Union County and a County Commissioner as a non-voting Chairperson and meeting leader.

- Staff members:

It is recommended that CGAC have county staff personnel available, including secretarial, audio/visual, IT services, GIS services and website space.

(Staffing expense will be charged to TBD account)

- Other advisory personnel:

It is recommended that a Meeting Facilitator be hired as/if the need arises

Demographic consultants (as they pertain to viable district options) may be hired as/if the need arises.

### Further Recommendations

In addition to the committee structure, we make the following recommendations.

- Meetings to be held monthly.
- Meeting places should vary between school auditoriums/gyms in different locations throughout the county.
- The "Suggested Rules of Procedure for Small Government Boards" by Fleming Bell be adopted for meetings of the CGAC and agendas should be used to structure meetings.
- Audio Minutes shall be kept of every meeting. A meeting summary document or minutes shall be kept and available for review.
- Citizen comments prior to a meeting shall be allowed (limited to 30 minutes total and 3 minutes for each speaker)

## Demographic Information for Union County Commissioner Governance Advisory Committee

	<u>* July 2007 Population</u>	<u>%</u>
<b>Municipalities Total</b>	<b>120623</b>	66.2
<b>Unincorporated</b>	<b>61721</b>	33.8
<b>Union County Total</b>	<b>182344</b>	

\* Source of data from website [www.osbm.state.nc.us](http://www.osbm.state.nc.us).  
North Carolina Office of State Budget and Management

<u>**2000 Census Races</u>	<u>2000 Census Populations</u>	<u>%</u>
White	102391	82.8
Black	15381	12.4
American Indian	508	0.41
Asian	586	0.47
Pacific Islander/Hawaiian	17	0.01
Some other	3621	2.93
Two or more	1173	0.95
<b>Union County Total</b>	<b>123677</b>	
Hispanic Total	7637	6.17

\*\*Source of data from U.S. Department of Commerce  
U.S. Census Bureau

<u>***2008 Races</u>	<u>2008 Estimated Populations</u>	<u>%</u>
White	152298	82.6
Black	20983	11.4
American Indian	801	0.43
Asian	1638	0.89
Pacific Islander	91	0.05
Other Race	6656	3.61
Two or more races	1898	1.03
<b>Union County Total</b>	<b>184365</b>	
Hispanic Total	15122	8.2

\*\*\*Source of data from Environmental Systems Research Institute (ESRI)  
2008 projected demographic data.





**UNION COUNTY**  
**Office of the Tax Administrator**  
500 N. Main Street, Suite 236  
P.O. Box 97  
Monroe, NC 28111-0097

AGENDA ITEM  
# 5/2a  
MEETING DATE 704-283-246-09  
~~704-292-2588 Fax~~

John C. Petoskey  
Tax Administrator

**MEMORANDUM**

**TO:** Lynn West  
Central Administration

**FROM:** John C. Petoskey  
Tax Administrator

**DATE:** December 31, 2008

**RE:** **Seventh** Motor Vehicle Billing

I hereby certify the **Seventh** Motor Vehicle Billing Motor Vehicle Valuation under the staggered program as required by N.C.G.S.105-330. Attached hereto is a list of the values, rates and taxes for each taxing unit.

JCP: jw

Motor Vehicle Billing Summary for the period 12/01/2008 to 12/31/2008

NOTE: Information for this report is taken from original billing records only and DOES NOT include any subsequent changes or adjustments to vehicle situs or value.

---Bdg No---	-----Description-----	--Key--	Bill Year	Rate Year	Count	-----Total----- ---Value---	-----Tax-----
10	County.....	CN99999	2008	2002	1	564,975	2,658.21
10	County.....	CN99999	2008	2004	1	456,317	2,395.66
10	County.....	CN99999	2008	2005	3	431,435	2,416.04
10	County.....	CN99999	2008	2006	4	434,986	2,769.56
10	County.....	CN99999	2008	2007	348	4,005,955	25,648.89
10	County.....	CN99999	2008	2008	14,454	133,749,052	889,434.32
Totals.....					14,811	139,642,720	925,322.68
77	School dist - County.....	SC999	2008	2002	1	564,975	395.48
77	School dist - County.....	SC999	2008	2004	1	456,317	319.42
77	School dist - County.....	SC999	2008	2005	3	431,435	302.01
Totals.....					5	1,452,727	1,016.91
32	Fire Dist - Springs.....	FR015	2008	2007	16	137,666	40.98
32	Fire Dist - Springs.....	FR015	2008	2008	795	6,646,079	2,033.67
39	Fire Dist - Stallings.....	FR020	2008	2006	2	39,310	17.45
39	Fire Dist - Stallings.....	FR020	2008	2007	37	332,226	86.16
39	Fire Dist - Stallings.....	FR020	2008	2008	1,442	13,869,588	5,630.99
38	Fire dist - Hemby Bridge..	FR023	2008	2007	42	424,970	152.96
38	Fire dist - Hemby Bridge..	FR023	2008	2008	1,658	15,748,151	7,764.05
37	Fire dist - Wesley Chapel:	FR026	2008	2007	46	663,234	110.76
37	Fire dist - Wesley Chapel:	FR026	2008	2008	2,049	26,679,223	5,095.62
34	Fire Dist - Waxhaw.....	FR028	2008	2007	24	271,700	137.33
34	Fire Dist - Waxhaw.....	FR028	2008	2008	999	9,455,536	2,344.92
Totals.....					7,110	74,267,683	23,414.89
78	220125 Taxes Payable - Marvin.....	MN01000	2008	2007	5	70,810	35.42
78	220125 Taxes Payable - Marvin.....	MN01000	2008	2008	259	3,859,111	1,930.11
78	220130 Taxes Payable - Monroe.....	MN02000	2008	2004	1	456,317	2,195.32
78	220130 Taxes Payable - Monroe.....	MN02000	2008	2007	64	521,885	3,058.45
78	220130 Taxes Payable - Monroe.....	MN02000	2008	2008	2,087	15,064,183	84,643.41
78	220170 Taxes Payable - Wingate.....	MN03000	2008	2007	6	59,600	206.57
78	220170 Taxes Payable - Wingate.....	MN03000	2008	2008	157	922,925	3,599.45
78	220120 Taxes Payable - Marshville...	MN04000	2008	2007	3	5,190	19.72
78	220120 Taxes Payable - Marshville...	MN04000	2008	2008	137	796,075	3,025.08
78	220150 Taxes Payable - Waxhaw.....	MN05000	2008	2007	16	224,920	764.72
78	220150 Taxes Payable - Waxhaw.....	MN05000	2008	2008	518	5,651,119	19,213.72
78	220110 Taxes Payable - Indian Trail..	MN06000	2008	2006	1	15,430	15.43
78	220110 Taxes Payable - Indian Trail..	MN06000	2008	2007	50	460,980	704.34
78	220110 Taxes Payable - Indian Trail..	MN06000	2008	2008	2,074	20,188,978	29,274.83

--- M O T O R V E H I C L E S Y S T E M ---

Motor Vehicle Billing Summary for the period 12/01/2008 to 12/31/2008

NOTE: Information for this report is taken from original billing records only  
 and DOES NOT include any subsequent changes or adjustments to vehicle  
 situs or value.

---Bdg No---	-----Description-----	--Key--	Bili Year	Rate Year	Count	-----Total----- ---Value---	----Tax----
78 220140	Taxes Payable - Stallings....	MN07000	2008	2006	2	39,310	98.28
78 220140	Taxes Payable - Stallings....	MN07000	2008	2007	23	225,830	564.63
78 220140	Taxes Payable - Stallings....	MN07000	2008	2008	926	9,103,444	19,936.62
78 220160	Taxes Payable - Weddington...	MN08000	2008	2005	1	11,370	3.41
78 220160	Taxes Payable - Weddington...	MN08000	2008	2007	14	159,580	47.88
78 220160	Taxes Payable - Weddington...	MN08000	2008	2008	654	7,731,961	2,320.02
78 220115	Taxes Payable - Lake Park....	MN09000	2008	2007	5	43,500	104.40
78 220115	Taxes Payable - Lake Park....	MN09000	2008	2008	220	2,133,777	4,481.07
78 220175	Taxes Payable - Fairview.....	MN09300	2008	2007	3	37,711	7.54
78 220175	Taxes Payable - Fairview.....	MN09300	2008	2008	147	1,363,470	272.67
78 220145	Taxes Payable - Hemby Bridge..	MN09500	2008	2007	2	11,240	3.38
78 220145	Taxes Payable - Hemby Bridge..	MN09500	2008	2008	67	506,445	127.66
78 220165	Taxes Payable - Wesley Chapel:	MN09700	2008	2007	8	103,160	20.64
78 220165	Taxes Payable - Wesley Chapel:	MN09700	2008	2008	392	4,282,958	706.82
78 220135	Taxes Payable - Unionville...	MN09800	2008	2007	8	56,570	11.32
78 220135	Taxes Payable - Unionville...	MN09800	2008	2008	318	2,792,955	558.67
78 220155	Taxes Payable - Mnrl Sprngs...	MN09900	2008	2008	183	1,513,385	378.56
Totals.....					8,351	78,414,189	178,330.14
Grand Totals.....							1,128,084.62

--- M O T O R V E H I C L E S Y S T E M ---

- Motor Vehicle Special Charge Summary -  
For the period: 12/01/2008 to 12/31/2008

Mn Cd	Text	Count	Value	Spc Tax
02000	Monroe Vehicle Tax \$5.00	2,110	16,097,790	10,550.00
- - - E N D - - -				



**UNION COUNTY**  
**Office of the Tax Administrator**  
300 N. Main Street  
P.O. Box 97  
Monroe, NC 28111-0097

AGENDA ITEM  
# 5/26  
MEETING DATE 1-20-09

704-283-3746  
704-283-3616 Fax

John C. Petoskey  
Tax Administrator

**MEMORANDUM**

**TO:** Lynn West  
Central Administration

**FROM:** John C. Petoskey  
Tax Administrator

**DATE:** Wednesday, December 31, 2008

**RE:** **Sixth** Motor Vehicle Release Register

I hereby certify the following releases that were made during the period of 12/1/2008 – 12/31/2008. The releases represent both monthly and annual vehicle values and taxes. Should you have any questions, please call.

JCP:jw

(Finance)

Assessor Release Register for the period 12/01/2008 to 12/31/2008

(Summary)

---Bdg No---	-----Description-----	Key--	Bill Year	Rate Year	-----Value-----	-----Total----- ---Tax---	-----Int-----
10	County.....	CN99999	2006	2005	19,040	106.62-	24.53-
10	County.....	CN99999	2006	2006	20,000	127.34-	22.71-
10	County.....	CN99999	2007	2006	63,457	620.26-	63.81-
10	County.....	CN99999	2007	2007	136,276	1,005.79-	74.48-
10	County.....	CN99999	2008	2005	19,700	110.32-	.00
10	County.....	CN99999	2008	2007	288,677	2,173.63-	67.01-
10	County.....	CN99999	2008	2008	839,843	5,645.93-	11.64-
Net Totals.....					1,386,993	9,789.89-	264.18-
77	School dist - County.....	SC999	2006	2005	19,040	13.33-	3.07-
77	School dist - County.....	SC999	2008	2005	19,700	13.79-	.00
Net Totals.....					38,740	27.12-	3.07-
32	Fire Dist - Springs.....	FR015	2007	2007	8,700	2.71-	.21-
32	Fire Dist - Springs.....	FR015	2008	2007	5,170-	1.62	.05
32	Fire Dist - Springs.....	FR015	2008	2008	68,290	20.89-	.21-
39	Fire Dist - Stallings.....	FR020	2007	2006	0	2.43-	.17-
39	Fire Dist - Stallings.....	FR020	2008	2007	25,705	6.74-	.18-
39	Fire Dist - Stallings.....	FR020	2008	2008	86,306	35.05-	.00
38	Fire dist - Hemby Bridge.: FR023	FR023	2007	2006	14,402	6.68-	.68-
38	Fire dist - Hemby Bridge.: FR023	FR023	2007	2007	20,000	8.73-	.96-
38	Fire dist - Hemby Bridge.: FR023	FR023	2008	2007	33,770	12.73-	.35-
38	Fire dist - Hemby Bridge.: FR023	FR023	2008	2008	27,225	13.41-	.00
37	Fire dist - Wesley Chapel: FR026	FR026	2007	2007	11,908	2.33-	.10-
37	Fire dist - Wesley Chapel: FR026	FR026	2008	2007	21,205	3.54-	.17-
37	Fire dist - Wesley Chapel: FR026	FR026	2008	2008	106,257	20.28-	.01-
34	Fire Dist - Waxhaw.....	FR028	2008	2007	20,000	10.26-	.29-
34	Fire Dist - Waxhaw.....	FR028	2008	2008	44,336	10.99-	.01-
Net Totals.....					482,934	155.15-	3.29-
78	220125 Taxes Payable - Marvin.....	MN01000	2007	2007	8,700	4.35-	.33-
78	220125 Taxes Payable - Marvin.....	MN01000	2008	2008	57,078	28.54-	.02-
78	220130 Taxes Payable - Monroe.....	MN02000	2007	2006	0	50.66-	3.67-
78	220130 Taxes Payable - Monroe.....	MN02000	2007	2007	28,038	154.21-	11.60-
78	220130 Taxes Payable - Monroe.....	MN02000	2008	2007	49,622	351.83-	10.87-
78	220130 Taxes Payable - Monroe.....	MN02000	2008	2008	192,932	1,082.00-	1.00-
78	220170 Taxes Payable - Wingate.....	MN03000	2007	2006	0	32.50-	2.33-
78	220170 Taxes Payable - Wingate.....	MN03000	2008	2008	2,530	9.87-	.00
78	220120 Taxes Payable - Marshville...	MN04000	2008	2007	9,570	36.37-	1.81-
78	220120 Taxes Payable - Marshville...	MN04000	2008	2008	20,000	76.00-	1.52-
78	220150 Taxes Payable - Waxhaw.....	MN05000	2008	2008	42,426	144.26-	.00

(Finance)

Assessor Release Register for the period 12/01/2008 to 12/31/2008

(Summary)

78	220110	Taxes Payable - Indian Trail.:	MN06000	2007	2006	4,160	4.16-	.50-
78	220110	Taxes Payable - Indian Trail.:	MN06000	2007	2007	0	4.73-	.28-
78	220110	Taxes Payable - Indian Trail.:	MN06000	2008	2007	48,680	73.03-	2.08-
78	220110	Taxes Payable - Indian Trail.:	MN06000	2008	2008	25,044	39.56-	.00
78	220140	Taxes Payable - Stallings....:	MN07000	2007	2006	0	13.67-	.88-
78	220140	Taxes Payable - Stallings....:	MN07000	2008	2007	5,705	14.26-	.36-
78	220140	Taxes Payable - Stallings....:	MN07000	2008	2008	50,617	111.98-	.00
78	220160	Taxes Payable - Weddington...:	MN08000	2007	2007	11,908	3.57-	.21-
78	220160	Taxes Payable - Weddington...:	MN08000	2008	2008	38,050	11.41-	.00
78	220115	Taxes Payable - Lake Park....:	MN09000	2007	2007	20,000	46.00-	5.12-
78	220115	Taxes Payable - Lake Park....:	MN09000	2008	2007	28,240	64.95-	1.79-
78	220115	Taxes Payable - Lake Park....:	MN09000	2008	2008	20,030	4.21-	.00
78	220165	Taxes Payable - Wesley Chapel:	MN09700	2007	2007	0	.41-	.00
78	220135	Taxes Payable - Unionville...:	MN09800	2007	2007	20,000	4.00-	.29-
78	220135	Taxes Payable - Unionville...:	MN09800	2008	2007	18,000	4.91-	.14-
78	220135	Taxes Payable - Unionville...:	MN09800	2008	2008	46,338	9.26-	.00
78	220155	Taxes Payable - Mnrl Sprngs...:	MN09900	2008	2008	13,450	3.37-	.00
Net Totals.....:						761,118	2,384.07-	44.80-
84	220000	NC State Interest.....:	NC00000	2006	2005	0	.00	3.60-
84	220000	NC State Interest.....:	NC00000	2006	2006	0	.00	3.82-
84	220000	NC State Interest.....:	NC00000	2007	2006	0	.00	21.90-
84	220000	NC State Interest.....:	NC00000	2007	2007	0	.00	37.48-
84	220000	NC State Interest.....:	NC00000	2008	2007	0	.00	80.28-
84	220000	NC State Interest.....:	NC00000	2008	2008	0	.00	21.64-
Net Totals.....:						0	.00	168.72-
Net Grand Totals.....:							12,356.23-	484.06-



**UNION COUNTY**  
**Office of the Tax Administrator**  
300 N. Main Street  
P.O. Box 97  
Monroe, NC 28111-0097

AGENDA ITEM  
# 5/2c  
MEETING DATE 1-20-09

704-283-3746  
704-283-3616 Fax

John C. Petoskey  
Tax Administrator

**MEMORANDUM**

**TO:** Lynn West  
Central Administration

**FROM:** John C. Petoskey  
Tax Administrator

**DATE:** Wednesday, December 31, 2008

**RE:** Sixth Motor Vehicle Refund Register

I hereby certify the following refunds that were made during the period of 12/1/2008 – 12/31/2008. The refunds represent both monthly and annual vehicle values and taxes. Should you have any questions, please call.

JCP:jw



Assessor Refund Register for the period 12/01/2008 to 12/31/2008

(Summary)

---Bdg No---	-----Description-----	--Key--	Bill Rate		--Value--	Total		---Int---
			Year	Year		---Tax---		
10	County.....	CN999999	2007	2006	19,200	140.34-		.00
10	County.....	CN999999	2007	2007	20,000	213.43-		4.98-
10	County.....	CN999999	2008	2007	23,510	176.39-		.39-
10	County.....	CN999999	2008	2008	82,535	545.20-		.00
Net Totals.....					145,245	1,075.36-		5.37-
Net Totals.....					0	.00		.00
39	Fire Dist - Stallings....	FR020	2008	2007	2,750	.72-		.01-
39	Fire Dist - Stallings....	FR020	2008	2008	0	1.09-		.00
34	Fire Dist - Waxhaw.....	FR028	2007	2006	19,200	9.10-		.00
Net Totals.....					21,950	10.91-		.01-
78	220130 Taxes Payable - Monroe.....	MN02000	2007	2007	0	57.16-		.00
78	220130 Taxes Payable - Monroe.....	MN02000	2008	2007	20,760	128.81-		.00
78	220130 Taxes Payable - Monroe.....	MN02000	2008	2008	2,950	19.75-		.00
78	220110 Taxes Payable - Indian Trail..	MN06000	2008	2008	25,860	42.01-		.00
78	220140 Taxes Payable - Stallings....	MN07000	2008	2007	2,750	6.88-		.14-
78	220160 Taxes Payable - Weddington...	MN08000	2008	2008	17,225	5.12-		.00
78	220165 Taxes Payable - Wesley Chapel	MN09700	2008	2008	18,500	24.65-		.00
78	220135 Taxes Payable - Unionville...	MN09800	2007	2007	20,000	4.00-		.14-
Net Totals.....					108,045	288.38-		.28-
84	220000 NC State Interest.....	NC00000	2007	2006	0	.00		.00
84	220000 NC State Interest.....	NC00000	2007	2007	0	.00		4.39-
84	220000 NC State Interest.....	NC00000	2008	2007	0	.00		.81-
Net Totals.....					0	.00		5.20-
Net Grand Totals.....						1,374.65-		10.86-

(Finance) Assessor Refund Register for the period 12/01/2008 to 12/31/2008

---Bil No---	-----Name-----	---Rls No--	Tr	---Date---	Typ	Fld--	--Vlu--	---Cn--	---Sc--	---Fr--	---Mn--	---NC--	---Tl--	
2007-V035940	HATHWAY / MICHAEL DONAVA	M/V0054986												
00000	PER TXPYR/ BOS JW 120108		20	12/01/2008	CHG TX		20000-	127.34-	.00	8.26-	.00	.00	135.60-	
00000	PER TXPYR/ BOS JW 120108		21	12/01/2008	CHG IN			15.03-	.00	.95-	.00	4.07-	20.05-	
00000	PER TXPYR/ BOS JW 120108		22	12/01/2008	PMT TX			127.34	.00	8.26	.00	.00	135.60	
00000	PER TXPYR/ BOS JW 120108		23	12/01/2008	PMT 1N			15.03	.00	.95	.00	4.07	20.05	
00000	PER TXPYR/ BOS JW 120108		24	12/01/2008	CHG TX	800		5.09	.00	.33	.00	.00	5.42	
00000	Corrected Int (14 mnths)		25	12/01/2008	CHG IN			.62	.00	.01	.00	.16	.79	
00000	Reapply pmt of Int		26	12/01/2008	PMT 1N			.62-	.00	.01-	.00	.16-	.79-	
00000	Reapply pmt of Tax		27	12/01/2008	PMT TX			145.43-	.00	9.43-	.00	.00	154.86-	
								-----	-----	-----	-----	-----	-----	
							Net:	19200-	140.34-	.00	9.10-	.00	.00	149.44-
2008-V070196	KAWAMURA / MELVYN MAMORU	M/V0054992												
06000	PLT TURNED 1N <6 MOS TM 120208		03	12/02/2008	CHG TX		5400-	35.91-	.00	2.19-	8.10-	.00	46.20-	
06000	PLT TURNED 1N <6 MOS TM 120208		04	12/02/2008	PMT TX			35.91	.00	2.19	8.10	.00	46.20	
06000	PLT TURNED 1N <6 MOS TM 120208		05	12/02/2008	CHG TX		5400	17.95	.00	1.09	4.05	.00	23.09	
06000	Reapply pmt of Tax		06	12/02/2008	PMT TX			35.92-	.00	2.18-	8.10-	.00	46.20-	
								-----	-----	-----	-----	-----	-----	
							Net:	0	17.97-	.00	1.09-	4.05-	.00	23.11-
2008-V086819	LATHE PLUMBING /	M/V0055075												
09700	PER TAXPAYER INFO TM 120908		03	12/09/2008	CHG TX		20000-	133.00-	.00	.00	3.30-	.00	136.30-	
09700	PER TAXPAYER INFO TM 120908		04	12/09/2008	PMT TX			133.00	.00	.00	3.30	.00	136.30	
09700	PER TAXPAYER INFO TM 120908		05	12/09/2008	CHG TX		1500	9.98	.00	.00	2.48	.00	12.46	
09700	Reapply pmt of Tax		06	12/09/2008	PMT TX			109.17-	.00	.00	27.13-	.00	136.30-	
								-----	-----	-----	-----	-----	-----	
							Net:	18500-	99.19-	.00	.00	24.65-	.00	123.84-
2008-V012571	ROLLINS / ASHLEY RAE	M/V0055114												
07000	<\$5/\$300/CRL RCVD 121208 JW		05	12/12/2008	CHG TX		2750-	19.56-	.00	.72-	6.88-	.00	27.16-	
07000	<\$5/\$300/CRL RCVD 121208 JW		06	12/12/2008	CHG 1N			.39-	.00	.01-	.14-	.81-	1.35-	
								-----	-----	-----	-----	-----	-----	
							Net:	2750-	19.95-	.00	.73-	7.02-	.81-	28.51-
2008-V080387	BUCKEYE CABLING SYSTEM I	M/V0055127												
06000	MILE 157892 TEC DATA JW 121208		03	12/12/2008	CHG TX		12930-	85.98-	.00	.00	19.40-	.00	105.38-	
06000	MILE 157892 TEC DATA JW 121208		04	12/12/2008	PMT TX			85.98	.00	.00	19.40	.00	105.38	
06000	MILE 157892 TEC DATA JW 121208		05	12/12/2008	CHG TX		6465	42.99	.00	.00	9.37	.00	52.36	
06000	Reapply pmt of Tax		06	12/12/2008	PMT TX			86.52-	.00	.00	18.86-	.00	105.38-	
								-----	-----	-----	-----	-----	-----	
							Net:	6465-	43.53-	.00	.00	9.49-	.81-	53.02-
2008-V080388	BUCKEYE CABLING SYSTEMS	M/V0055128												
06000	MILE 160828 TEC DATA JW 121208		03	12/12/2008	CHG TX		12930-	85.98-	.00	.00	19.40-	.00	105.38-	
06000	MILE 160828 TEC DATA JW 121208		04	12/12/2008	PMT TX			85.98	.00	.00	19.40	.00	105.38	
06000	MILE 160828 TEC DATA JW 121208		05	12/12/2008	CHG TX		6465	42.99	.00	.00	9.37	.00	52.36	
06000	Reapply pmt of Tax		06	12/12/2008	PMT TX			86.52-	.00	.00	18.86-	.00	105.38-	
								-----	-----	-----	-----	-----	-----	
							Net:	6465-	43.53-	.00	.00	9.49-	.81-	53.02-
2008-V080389	BUCKEYE CABLING SYSTEMS	M/V0055129												
06000	MILE 154737 TEC DATA JW 121208		03	12/12/2008	CHG TX		12930-	85.98-	.00	.00	19.40-	.00	105.38-	
06000	MILE 154737 TEC DATA JW 121208		04	12/12/2008	PMT TX			85.98	.00	.00	19.40	.00	105.38	
06000	MILE 154737 TEC DATA JW 121208		05	12/12/2008	CHG TX		6465	42.99	.00	.00	9.37	.00	52.36	
06000	Reapply pmt of Tax		06	12/12/2008	PMT TX			86.52-	.00	.00	18.86-	.00	105.38-	
								-----	-----	-----	-----	-----	-----	
							Net:	6465-	43.53-	.00	.00	9.49-	.81-	53.02-

(Finance) Assessor Refund Register for the period 12/01/2008 to 12/31/2008

---Bill No---	-----Name-----	---Rls No---	-----Text-----	Tr	---Date---	Typ	-Fld--	--Vlu--	---Cn--	---Sc--	---Fr--	---Mn--	---NC--	---Tl--
2008-V080386	BUCKEYE CABLING SYSTEM 1	M/V0055130												
06000	MILE 163119 TEC DATA JW121208	03	12/12/2008	CHG TX	12930-	85.98-	.00	.00	19.40-	.00	105.38-			
06000	MILE 163119 TEC DATA JW121208	04	12/12/2008	PMT TX		85.98	.00	.00	19.40	.00	105.38			
06000	MILE 163119 TEC DATA JW121208	05	12/12/2008	CHG TX	6465	42.99	.00	.00	9.37	.00	52.36			
06000	Reapply pmt of Tax	06	12/12/2008	PMT TX		86.52-	.00	.00	18.86-	.00	105.38-			
						Net:	6465-	43.53-	.00	.00	9.49-	.81-	53.02-	
2008-V081463	COLEMAN / KEITH A	M/V0055164												
08000	PER HISTORY	03	12/16/2008	CHG TX	18000-	119.70-	.00	.00	5.40-	.00	125.10-			
08000	PER HISTORY	04	12/16/2008	PMT TX		110.14	.00	.00	4.97	.00	115.11			
08000	PER HISTORY	05	12/16/2008	CHG TX	775	5.15	.00	.00	.23	.00	5.38			
08000	Reapply pmt of Tax	06	12/16/2008	PMT TX		110.19-	.00	.00	4.92-	.00	115.11-			
						Net:	17225-	114.60-	.00	.00	5.12-	.81-	119.72-	
2008-V098032	DAMRAU / JOHN WILLIAM	M/V0055173												
00000	INACTIVE 100708 JW 121608	03	12/16/2008	CHG TX	18000-	119.70-	.00	.00	.00	.00	119.70-			
						Net:	18000-	119.70-	.00	.00	.00	.81-	119.70-	
2008-V044308	STONE / LYDIA RENEE	M/V0055190												
02000	PLT TRN1N 071808<1MO.JW 121708	03	12/17/2008	CHG TX	20760-	147.62-	.00	.00	119.18-	.00	266.80-			
						Net:	20760-	147.62-	.00	.00	119.18-	.81-	266.80-	
2008-V088986	NAVARRO / IVAN JOSE RAMO	M/V0055217												
02000	TAG TRN1N 091208<1M. JW121808	03	12/18/2008	CHG TX	2950-	19.62-	.00	.00	19.75-	.00	39.37-			
						Net:	2950-	19.62-	.00	.00	19.75-	.81-	39.37-	
2008-V027245	RICHARDSON / MARY ELIZAB	M/V0055236												
02000	OVERLAP 8V090593/6M.JW 121808	03	12/18/2008	CHG TX	2590-	18.42-	.00	.00	19.25-	.00	37.67-			
02000	OVERLAP 8V090593/6M.JW 121808	04	12/18/2008	PMT TX		18.42	.00	.00	19.25	.00	37.67			
02000	OVERLAP 8V090593/6M.JW 121808	05	12/18/2008	CHG TX	2590	9.21	.00	.00	9.62	.00	18.83			
02000	Reapply pmt of Tax	06	12/18/2008	PMT TX		18.42-	.00	.00	19.25-	.00	37.67-			
						Net:	0	9.21-	.00	.00	9.63-	.81-	18.84-	
2007-V144700	RUSHING / ROCKY CANNON	M/V0055338												
09800	<\$5/\$300 /CRL RCVD 123008 JW	10	12/30/2008	CHG TX	20000-	142.22-	.00	.00	4.00-	.00	146.22-			
09800	<\$5/\$300 /CRL RCVD 123008 JW	11	12/30/2008	CHG IN		4.98-	.00	.00	.14-	4.39-	9.51-			
						Net:	20000-	147.20-	.00	.00	4.14-	5.20-	155.73-	
2007-V156691	MURCIA / MARCELINA CONTR	M/V0055356												
02000	ADJ FS44 07/11/08 LM 123008	03	12/30/2008	CHG TX	24030-	170.88-	.00	.00	137.17-	.00	308.05-			
02000	ADJ FS44 07/11/08 LM 123008	04	12/30/2008	PMT TX		170.88	.00	.00	137.17	.00	308.05			
02000	ADJ FS44 07/11/08 LM 123008	05	12/30/2008	CHG TX	24030	99.67	.00	.00	80.01	.00	179.68			
02000	Reapply pmt of Tax	06	12/30/2008	PMT TX		170.88-	.00	.00	137.17-	.00	308.05-			
						Net:	0	71.21-	.00	.00	57.16-	5.20-	128.37-	
						Net Grand Totals:	145,245-	1,080.73-	.00	10.92-	288.66-	5.20-	1,385.51-	

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**UNION COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

Meeting Date: 01-20-09

Action Agenda Item No. 5/3a  
(Central Admin. use only)

**SUBJECT:** State Grant Funding Budget Amendment

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**DEPARTMENT:** JCPC

**PUBLIC HEARING:** No

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**ATTACHMENT(S):**  
Program Agreement Revision  
Budget Amendment #18

**INFORMATION CONTACT:**  
Jim Bention, Sr.

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**TELEPHONE NUMBERS:**  
704-282-0471

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**DEPARTMENT'S RECOMMENDED ACTION:** Adopt Budget Ordinance Amendment #18

**BACKGROUND:** The Department of Juvenile Justice and Delinquency Prevention has approved additional funding of \$7600 for FY2008-2009 for Union County. The funds will be used for office supplies, advertising, and support services.

**FINANCIAL IMPACT:** No county cost. All funding is provided through State Grant funding and passes through Union County.

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**Legal Dept. Comments if applicable:** \_\_\_\_\_

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**Finance Dept. Comments if applicable:** \_\_\_\_\_

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**Manager Recommendation:** \_\_\_\_\_

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**BUDGET AMENDMENT**

BUDGET JCPC REQUESTED BY Kai Nelson  
 FISCAL YEAR FY2009 DATE January 20, 2009

**INCREASE**

<u>Description</u>	<u>Amount</u>
Operating Expenses	7,600
State Grant	7,600

**DECREASE**

<u>Description</u>	<u>Amount</u>

Explanation: Appropriate additional State grant funding for Juvenile Crime Prevention

DATE \_\_\_\_\_ APPROVED BY \_\_\_\_\_

Bd of Comm/County Manager  
Lynn West/Clerk to the Board

FOR POSTING PURPOSES ONLY

**DEBIT**

<u>Code</u>	<u>Account</u>	<u>Amount</u>
10557000-5260-1600	Office Supplies	110
10557000-5370-1600	Advertising	280
10557000-5381-1600	Professional Services	7,210

**CREDIT**

<u>Code</u>	<u>Account</u>	<u>Amount</u>
10457000-4496-1600	State Grant - JCPC	7,600

Total 7,600

Total 7,600

Prepared By bl  
 Posted By \_\_\_\_\_  
 Date \_\_\_\_\_

Number 18

*10/20*

**UNION COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

Meeting Date: 01-20-09

Action Agenda Item No. 5/36

(Central Admin. use only)

**SUBJECT:** State Grant Funding Budget Amendment

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**DEPARTMENT:** DJJDP -Union County      **PUBLIC HEARING:** No  
Shelter Care

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**ATTACHMENT(S):**  
Program Agreement Revision  
Budget Amendment #19

**INFORMATION CONTACT:**  
Becky Smith

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**TELEPHONE NUMBERS:**  
704-289-4169

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**DEPARTMENT'S RECOMMENDED ACTION:** Adopt Budget Ordinance Amendment #19

**BACKGROUND:** The Department of Juvenile Justice and Delinquency Prevention has approved additional funding of \$8620 for FY2008-2009 for Union County. The funds will be used for payments to the UC Group Home for Shelter Care.

**FINANCIAL IMPACT:** No county cost. All funding is provided through State Grant funding and passes through Union County.

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**Legal Dept. Comments if applicable:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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**Finance Dept. Comments if applicable:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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**Manager Recommendation:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## BUDGET AMENDMENT

BUDGET DJJD- UC Shelter Care REQUESTED BY Kai Nelson  
 FISCAL YEAR FY2009 DATE January 20, 2009

**INCREASE**

Description

Other Agency Payments 8,620

State Grant 8,620

\_\_\_\_\_

\_\_\_\_\_

**DECREASE**

Description

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Explanation: Appropriate additional State grant funding for DJJD- Shelter Care Program

DATE \_\_\_\_\_

APPROVED BY \_\_\_\_\_

Bd of Comm/County Manager  
Lynn West/Clerk to the Board

FOR POSTING PURPOSES ONLY
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<b><u>DEBIT</u></b>			<b><u>CREDIT</u></b>		
<u>Code</u>	<u>Account</u>	<u>Amount</u>	<u>Code</u>	<u>Account</u>	
10557000-5699-1604	Payment to other Agencies	8,620	10457000-4496-1604	State Grant - DJJD	8,620
	Total	8,620		Total	8,620

Prepared By bl

Posted By \_\_\_\_\_

Date \_\_\_\_\_

MOTOR VEHICLE TAX REFUNDS  
for DECEMBER 2008

AGENDA ITEM  
# 5/4a  
MEETING DATE 1/20/09

Approval of Board of County Commissioners not required:

Collector Refunds for DECEMBER 2008	2,047.63
(adjustment to DECEMBER collector refund register)	(356.65)

To be approved by Board of County Commissioners on 1-20-09  
(to be submitted by Assessor's Office)

Assessor Refunds for DECEMBER 2008	1,385.51
(adjustment to December assessor release register)	(671.09)

Approval requested for overpayments:

Overpayments for DECEMBER 2008	<u>3,810.33</u>
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Total to be refunded for DECEMBER 2008	<u><u>6,215.73</u></u>
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Debbie Cox  
1-6-09



**December 2008 Budget Transfer Report**

01/12/2009 14:11 | \* \* Union County \* \*  
 aaustin | JOURNAL INQUIRY

PG 1  
 | glcjeinq

YEAR	PER	JOURNAL	SRC	EFF DATE	ENT DATE	JNL DESC	CLERK	ENTITY	AUTO-REV	STATUS	BUD YEAR	JNL TYPE
2009	04	1005	BUA	10/31/2008	12/11/2008	LIT		williams	1N	J/E	2009	

LN	ORG	OBJECT	PROJ	REF1	REF2	REF3	LINE DESCRIPTION	DEBIT	CREDIT	OB
1	10540100	5382				LIT41	FOR ROSPITAL LEASE	70,000.00		
10	-10-5-401-00	5382					LEGAL SERVICES			
2	10540500	5121				LIT41	FOR HOSPITAL LEASE		70,000.00	
10	-10-5-405-00	5121					SALARIES & WAGES			
** JOURNAL TOTAL								0.00	0.00	

General Fund - LIT to adjust budget accounts for legal services (relating to the hospital lease update) in the Board of Commissioners program budget from the Central Administration program budget.

YEAR	PER	JOURNAL	SRC	EFF DATE	ENT DATE	JNL DESC	CLERK	ENTITY	AUTO-REV	STATUS	BUD YEAR	JNL TYPE
2009	04	1006	BUA	10/31/2008	12/11/2008	LIT		williams	1N	J/E	2009	

LN	ORG	OBJECT	PROJ	REF1	REF2	REF3	LINE DESCRIPTION	DEBIT	CREDIT	OB
1	10558200	5381	1650			LIT40	FOR VET.DAY CELEBRATION	1,500.00		
10	-60-5-582-00	5381	1650				PROFESSIONAL SERVICES			
2	10558200	5220	1650			LIT40	FOR VET.DAY CELEBRATION		1,500.00	
10	-60-5-582-00	5220	1650				FOOD AND PROVISIONS			
** JOURNAL TOTAL								0.00	0.00	

General Fund - LIT to adjust budget accounts for the Veterans' Day celebration within the Veterans' Services program budget.

YEAR	PER	JOURNAL	SRC	EFF DATE	ENT DATE	JNL DESC	CLERK	ENTITY	AUTO-REV	STATUS	BUD YEAR	JNL TYPE
2009	04	1092	BUA	10/20/2008	12/04/2008	SMT START		chelms	1N	J/E	2009	

LN	ORG	OBJECT	PROJ	REF1	REF2	REF3	LINE DESCRIPTION	DEBIT	CREDIT	OB
1	10551150	5381	13341			BA10	ADD. SMART START GRANT	54,000.00		
10	-60-5-511-50	5381	13341				PROFESSIONAL SERVICES			
2	10451150	4447	13341			BA10	ADD. SMART START GRANT		54,000.00	
10	-60-4-511-50	4447	13341				ST GRANT-SMART START			
3	10	393500				BA10	BUDGET APPROPRIATIONS CONTROL		54,000.00	1
10	-393500-						BUDGET APPROPRIATIONS CONTROL			
4	10	393400				BA10	BUDGET ESTIM REVENUE CONTROL	54,000.00		1
10	-393400-						BUDGET ESTIM REVENUE CONTROL			
** JOURNAL TOTAL								54,000.00	54,000.00	

General Fund - BA to appropriate additional State funds in the Public Health, Smart Start Smiles program budget.

#  
 AGENDA ITEM  
 5/46  
 MEETING DATE 1-20-09

YEAR	PER	JOURNAL	SRC	EFF DATE	ENT DATE	JNL DESC	CLERK	ENTITY	AUTO-REV	STATUS	BUD YEAR	JNL TYPE
2009	06	309	BUA	12/09/2008	12/09/2008	LIT	chelms		1N	J/E	2009	
LN	ORG	OBJECT	PROJ	REF1	REF2	REF3	LINE DESCRIPTION	DEBIT	CREDIT	OB		
1	10553160	5381	1501	LIT52			NEIGHBORHOOD NURSES CONTRACT	5,000.00				
10	-60-5-531-60-5381			-1501			PROFESSIONAL SERVICES					
2	10553160	5121	1501	LIT52			NEIGHBORHOOD NURSES CONTRACT		4,203.00			
10	-60-5-531-60-5121			-1501			SALARIES & WAGES					
3	10553160	5132	1501	LIT52			NEIGHBORHOOD NURSES CONTRACT		60.00			
10	-60-5-531-60-5132			-1501			SEPARATION ALLOWANCE					
4	10553160	5182	1501	LIT52			NEIGHBORHOOD NURSES CONTRACT		206.00			
10	-60-5-531-60-5182			-1501			RET CONTRIB.- OTHER EMPLOYEES					
5	10553160	5181	1501	LIT52			NEIGHBORHOOD NURSES CONTRACT		321.00			
10	-60-5-531-60-5181			-1501			FICA CONTRIBUTIONS					
6	10553160	5134	1501	LIT52			NEIGHBORHOOD NURSES CONTRACT		210.00			
10	-60-5-531-60-5134			-1501			401-K SUPP RET PLAN -OTHER					
** JOURNAL TOTAL					0.00		0.00					

General Fund - LIT to adjust budget accounts for professional services / nursing contract within the Social Services, In-Home Aide program budget.

YEAR	PER	JOURNAL	SRC	EFF DATE	ENT DATE	JNL DESC	CLERK	ENTITY	AUTO-REV	STATUS	BUD YEAR	JNL TYPE
2009	06	462	BUA	12/16/2008	12/16/2008	LIT	chelms		1N	J/E	2009	
LN	ORG	OBJECT	PROJ	REF1	REF2	REF3	LINE DESCRIPTION	DEBIT	CREDIT	OB		
1	64571400	5594	WP003	LIT53			ENGR. CRWTP EXPANSION	253,444.00				
64	-90-5-714-00-5594			-WP003			ARCHITECTURAL & ENGINEERING					
2	64571400	5595	WP003	LIT53			ENGR. CRWTP EXPANSION		253,444.00			
64	-90-5-714-00-5595			-WP003			CONSTRUCTION					
** JOURNAL TOTAL					0.00		0.00					

Water and Sewer CPO Fund - LIT to adjust budget accounts for preliminary engineering services within the Catawba River Water Treatment Plant (CRWTP) Raw Water Reservoir Expansion project.

YEAR	PER	JOURNAL	SRC	EFF DATE	ENT DATE	JNL DESC	CLERK	ENTITY	AUTO-REV	STATUS	BUD YEAR	JNL TYPE
2009	06	463	BUA	12/16/2008	12/16/2008	LIT	chelms		1N	J/E	2009	
LN	ORG	OBJECT	PROJ	REF1	REF2	REF3	LINE DESCRIPTION	DEBIT	CREDIT	OB		
1	64571400	5594	SE002	LIT54			IMPROVEMENT EVALUATION/EAST SI	17,972.00				
64	-90-5-714-00-5594			-SE002			ARCHITECTURAL & ENGINEERING					
2	64571400	5595	SE002	LIT54			IMPROVEMENT EVALUATION/EAST SI		17,972.00			
64	-90-5-714-00-5595			-SE002			CONSTRUCTION					
** JOURNAL TOTAL					0.00		0.00					

Water and Sewer CPO Fund - LIT to adjust budget accounts for evaluation services within the East Side System Improvements project.

YEAR	PER	JOURNAL	SRC	EFF DATE	ENT DATE	JNL DESC	CLERK	ENTITY	AUTO-REV	STATUS	BUD YEAR	JNL TYPE
2009	06	610	BUA	12/19/2008	12/19/2008	LIT	chelms		IN	J/E	2009	

LN	ORG	OBJECT	PROJ	REF1	REF2	REF3	LINE DESCRIPTION	DEBIT	CREDIT	OB
1	10543138	5185		LIT56			MOVE \$/ AMINAL CONTROL	4,018.00		
10	-20-5-431-38	-5185	-				UNEMPLOYMENT CLAIMS			
2	10543800	5185		LIT56			MOVE \$/ AMINAL CONTROL		4,018.00	
10	-20-5-438-00	-5185	-				UNEMPLOYMENT CLAIMS			
** JOURNAL TOTAL					0.00		0.00			

General Fund - LIT to adjust budget accounts for unemployment claims from old Animal Shelter budget account to current Law Enforcement, Animal Control program budget.

YEAR	PER	JOURNAL	SRC	EFF DATE	ENT DATE	JNL DESC	CLERK	ENTITY	AUTO-REV	STATUS	BUD YEAR	JNL TYPE
2009	06	776	BUA	12/22/2008	01/05/2009	BA	chelms		IN	J/E	2009	

LN	ORG	OBJECT	PROJ	REF1	REF2	REF3	LINE DESCRIPTION	DEBIT	CREDIT	OB
1	10543800	5699		BA15			RENT AGR CTR/CRIMESTOPPERS	990.00		
10	-20-5-438-00	-5699	-				PAYMENTS TO OTHER AGENCIES			
2	10592000	5920		BA15			RENT AGR CTR/CRIMESTOPPERS		990.00	
10	-92-5-920-00	-5920	-				CONTINGENCY			
** JOURNAL TOTAL					0.00		0.00			
** GRAND TOTAL					54,000.00		54,000.00			

General Fund - BA to appropriate contingency funds for the Crimestoppers BBQ event's Ag Center rental fee within the Public Safety, Other Outside Agencies program budget.

12 Journals printed

\*\* END OF REPORT - Generated by Dept413 \*\*

Annual Operating Funds - BA to appropriate and carryover revenue and fund balance/retained earnings for outstanding contracts, purchase orders and available project/program balances for expenditures, projects and programs of fiscal year 2008 to fiscal year 2009. Approved by BOCC to increase appropriations for carryovers representing contract balances, purchase order encumbrances and designations for special projects and purposes as they are reflected in the audit report (as provided in Section D, K and L of the Resolution Governing Certain Contract, Personnel, and Fiscal Matters). Because this entry is lengthy (165 lines, 11 pages) it has not been included in this report.

Annual Operating Funds - BA to appropriate and carryover revenue and fund balance/retained earnings for outstanding contracts, purchase orders and available project/program balances for expenditures, projects and programs of fiscal year 2008 to fiscal year 2009. Approved pursuant to the County Manager's authorization to increase appropriations for carryovers representing contract balances, purchase order encumbrances and designations for special projects and purposes as they are reflected in the audit report (as provided in Section D, K and L of the Resolution Governing Certain Contract, Personnel, and Fiscal Matters). Because this entry is lengthy (171 lines, 9 pages) it has not been included in this report.

C #	Status	Dept.	Vendor	Purpose	Date Sent To Finance	Date Sent To Central Admin	Date Sent to Vendor	Date Rec'd From Vendor	Budget #	Amount	Enc #
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For the month of December 2008, there were no contracts exceeding \$50,000 which require reporting to BOCC pursuant to Manager Delegation Authority

AGENDA ITEM  
 # 542  
 MEETING DATE 1/20/09



# Purchase Orders > \$50K for the month of December

Purchase Order #	Date	Vendor	Purchase Order Description	Total Purchase Order Amt
<b>TRANSPORTATION</b>				
90262	12/16/2008	ILDERTON INC	2009 DODGE CARAVAN 2009 DODGE GRAND CARAVAN FRONT WHEEL DRIVE PER STATE CONTRACT 070G ITEM 1.1 - COLOR WHITE	\$ 70,543.80

AGENDA ITEM  
# 5/49  
MEETING DATE 12/20/09

**UNION COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

Meeting Date: January 20, 2009

Action Agenda Item No. 5/5  
(Central Admin. use only)

**SUBJECT:** FY 2009 Surplus Property Sale

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**DEPARTMENT:** General Services

**PUBLIC HEARING:** No

**ATTACHMENT(S):**  
A- Vehicles

**INFORMATION CONTACT:**  
Barry Wyatt

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**TELEPHONE NUMBERS:**  
704-283-3868

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**DEPARTMENT'S RECOMMENDED ACTION:**

1. Declare the property itemized on Attachments A as "Surplus" to the needs of Union County.
2. Authorize the sale of surplus property by the Director at public auction on GovDeals, and authorize the Director or his designated agent to execute any and all documents necessary to transfer title to said property on behalf of Union County.
3. The auction items are to be picked up at 610 Patton Ave with the following terms of sale:
  - a. Sale to the highest bidder with all sales final.
  - b. All items sold "as is" and "where is" with no warranty, express or implied, which extends beyond the description of the item.
  - c. Purchasers will have 10 ten days to pick up their items from the day of the auction.
  - d. Payment by cash or money order, no checks will be accepted.

**BACKGROUND:**

**FINANCIAL IMPACT:** Estimated revenue receipts of \$95,000.00

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**Legal Dept. Comments if applicable:** \_\_\_\_\_

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**Finance Dept. Comments if applicable:** \_\_\_\_\_

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**Manager Recommendation:**

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## Attachment A

1	23-98	2/6/2008	151,929	Inspection	Ford	Ranger
2	08-01	4/30/2008	143,631	Parks & Rec	Dodge	RAM1500
3	23-96	5/1/2008	128,449	Public Works	Ford	F-250
4	04-01	5/5/2008	127,250	Public Works	Dodge	RAM1500
5	50-01	5/5/2008	138,453	Public Works	Dodge	RAM1500
6	22-02	6/4/2008	135,078	Transporation	Dodge	RAM3500
7	21-02	6/5/2008	147,636	Transporation	Dodge	RAM3500
8	45-03	6/5/2008	131,205	Transporation	Dodge	RAM3500
9	23-02	6/11/2008	166,212	Transporation	Dodge	RAM3500
10	44-97	7/8/2008	83,139	Public Works	Ford	Ranger
11	42-01	7/14/2008	134,060	Public Works	Dodge	RAM1500
12	05-04	7/7/2008	187,483	Transporation	Dodge	Caravan
13	08-02	7/29/2008	98,442	Assessor	Ford	Crown
14	31-03	7/29/2008	129,157	Assessor	Ford	Crown
15	69-99	7/31/2008	110,273	Sheriff	GMC	1500
16	03-01	7/31/2008	133,185	Public works	Dodge	RAM1500
17	43-01	8/27/2008	127,982	Public Works	Dodge	RAM1500
18	25-03	10/1/2008	126,766	Sheriff	Ford	Crown
19	15-01	10/1/2008	96,438	Sheriff	Ford	Crown
20	34-03	10/1/2008	112,013	Sheriff	Ford	Crown
21	52-01	10/1/2008	126,200	Public Works	Dodge	RAM1500
22	75-00	10/1/2008	155,396	Personnel	Ford	Expedition
23	45-01	10/0108	113,036	Public Works	Dodge	RAM1500
24	46-01	10/1/2008	197,619	Public Works	Chev	2500
25	14-01	10/2/2008	104,648	Sheriff	Ford	Crown
26	55-98	11/22/2008	108,500	Sheriff	Chev	Lumina
27	38-01	11/22/2008	150,168	Public Works	Dodge	RAM1500
28	10-02	11/22/2008	98,976	Sheriff	Ford	Crown
29	27-01	11/22/2008	125,529	Sheriff	Ford	Crown
30	12-02	11/22/2008	91,446	Sheriff	Ford	Crown
31	35-99	11/18/2008	104,834	Social Services	Dodge	RAM2500
32	25-99	12/30/2008	163,812	Inspection	Ford	Ranger
33	35-00	12/30/2008	149,518	Assessor	Dodge	Dakota
34	33-01	12/30/2008	140,486	Inspection	Chev	S-10
35	09-03	12/30/2008	168,031	Inspection	Chev	S-10



RESOLUTION REQUESTING SURPLUS PROPERTY SALE

WHEREAS, the County has certain items of personal property that it is no longer using and is wanting to sell these items to the highest bidder; and

WHEREAS, the Purchasing Agent has developed a list of these items as shown on Attachment "A" for review by the Board of Commissioners for disposal;

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Union County Board of Commissioners that the items of personal property included on the list as presented by the Purchasing Agent be declared surplus and sold at public auction on GovDeals to the highest bidder.

BE IT FURTHER RESOLVED that the Purchasing Agent be authorized to sell said property at public auction on GovDeals and that the Purchasing Agent or his designated agent be authorized to execute any and all documents necessary to transfer title to said property on behalf of Union County.

BE IT FURTHER RESOLVED that the terms of the sale shall be as follows:

1. Sale to the highest bidder with all sales final.
2. All items sold "as is" and "where is" with no warranty, express or implied, which extends beyond the description of the item.
3. Purchasers will have ten (10) days to pick up their items from the day of the auction at 610 Patton Avenue, Monroe, North Carolina.
4. Payment by cash or money order, no checks will be accepted.

Adopted this 20th day of January, 2009.

ATTEST:

\_\_\_\_\_  
Lynn G. West, Clerk to the Board

\_\_\_\_\_  
Lanny Openshaw, Chairman

**UNION COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

Meeting Date: January 19, 2009

Action Agenda Item No. 516

(Central Admin. use only)

**SUBJECT:** Classification Plan Amendment

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**DEPARTMENT:** Personnel

**PUBLIC HEARING:** No

**ATTACHMENT(S):**

1. Memo from the Sheriff
2. New Job Descriptions

**INFORMATION CONTACT:**

Mark Watson

**TELEPHONE NUMBERS:**

(704) 283-3869

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**DEPARTMENT'S RECOMMENDED ACTION:** Approve the addition of Sheriff's Dispatcher II (pay grade 62) and Sheriff's Dispatcher Master (pay grade 63) job classifications to the 2008-2009 Union County Pay Plan.

**BACKGROUND:** This request, made on behalf of the Sheriff's Department, would add the Sheriff's Dispatcher II and Sheriff's Dispatcher Master job classifications to the Union County Pay Plan.

If approved, these new classifications will establish a career path progression for Sheriff's Department dispatchers.

This career path is based upon three (3) levels of professional Dispatcher certification set forth by the North Carolina Sheriff's Education and Training Standards Commission. They are Dispatch I, Dispatch II and Dispatch Master.

**FINANCIAL IMPACT:** None. The number of positions allocated to the department in the 2008-09 Budget is not changed by this action.

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**Legal Dept. Comments if applicable:** \_\_\_\_\_

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**Finance Dept. Comments if applicable:** \_\_\_\_\_

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**Manager Recommendation:**

# Eddie Cathey

## Sheriff of Union County



3344 Presson Road  
Monroe, North Carolina 28112

**Telephone: (704) 283-3789**  
**FAX: (704) 292-2700**

**Email: [eddiecathey@co.union.nc.us](mailto:eddiecathey@co.union.nc.us)**

December 15, 2008

I would like to submit to the Union County Board of County Commissions a request to add two additional levels to our current Dispatcher position. We currently have Dispatcher I and would like to add Dispatcher II and Dispatcher Master. All dispatchers must meet the minimum requirements for the position however, we have employees who have also mastered levels II and Master and we feel they should be compensated for such. This different level of classification coincides with the layout of the Deputy Sheriff and Detention Officer positions which are now being compensated based on their level of certification.

Below are the levels of professional certification for Dispatch I, Dispatch II, and Dispatch Master. These qualifications are set forth by the North Carolina Sheriffs' Education and Training Standards Commission. The professional certificates are awarded at three levels as follows:

#### Basic Telecommunicator Certificate

- Completed the probationary period required and demonstrated proficiency in the performance of official duties, and
- successfully completed an accredited Dispatch Certification Course or has completed a minimum of forty (40) hours of training in the field of telecommunications, and
- holds a General or Grandfather Certification

#### Intermediate Telecommunicator Certificate

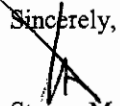
- Meets the requirements for the Basic Certificate, and
- has accumulated at least twelve (12) points (consisting of at least five (5) telecommunicator training points) and at least eight (8) years experience, or
- has accumulated at least twenty (20) points (consisting of at least ten (10) telecommunicator training points) and at least six (6) years experience, or
- has accumulated at least twenty-eight (28) points (consisting of at least fourteen (14) telecommunicator training points) and at least four (4) years experience, or
- has an Associate Degree from an accredited technical institute, technical college, community college or university; has accumulated at least twelve (12) telecommunicator training points and at least four (4) years experience, or
- has a Baccalaureate Degree from an accredited college or university; has accumulated at least ten (10) telecommunicator training points and at least two (2) years experience.

#### Advanced Telecommunicator Certificate

- Meets the requirements for the Intermediate Certificate, and
- has accumulated at least twenty (20) points (consisting of at least ten (10) telecommunicator training points) and at least twelve (12) years experience, or
- has accumulated at least twenty-three (23) points (consisting of at least twelve (12) telecommunicator training points) and at least nine (9) years experience, or

- has an Associate Degree from an accredited technical institute, technical college, community college or university; has accumulated at least seventeen (17) telecommunicator training points and at least nine (9) years experience, or
- has a Baccalaureate Degree from an accredited college or university; has accumulated at last fourteen (14) telecommunicator training points and at least six (6) years experience.
- has a Graduate or Professional Degree from an accredited college or university; has accumulated at last twelve (12) telecommunicator training points and at least four (4) years experience.

~~Sincerely,~~

~~~~  
Steven M. Simpson  
Captain, Executive Officer

**UNION COUNTY SHERIFF  
JOB DESCRIPTION**

**JOB TITLE: SHERIFF'S DISPATCHER II  
SHERIFF'S OPERATIONS**

**GENERAL STATEMENT OF JOB**

Under general supervision, performs clerical work for the Sheriff's office. Is primarily responsible for the prevention and detection of crime and the general enforcement of criminal laws of North Carolina and for the service of civil processes. Performs general law enforcement work. Work involves receiving all incoming calls, dispatching applicable personnel. Work also includes dispatching units or representatives from fire departments, rescue squads, police departments, the Sheriff's office, Highway Patrol, animal control, etc. Employee must exercise considerable tact and firmness in obtaining information from distressed persons. The employee must also exercise independent judgment and initiative in receiving messages, responding to emergency situations, and dispatching calls. Reports to the Lieutenant, Patrol.

**SPECIFIC DUTIES AND RESPONSIBILITIES**

**ESSENTIAL JOB FUNCTIONS**

Attends/operates Sheriff's radios and telephone systems

Provides information to the public in person and over the phone.

Operates DCI terminal for all types of information.

Takes all types of reports in person and/or over the phone. Follows up with assistance to callers.

Conducts follow up on reports and records required information.

Provides security for the Sheriff's Office and Jail as directed.

Works with/assists other law enforcement agencies as needed.

Enters criminal and civil papers into the computer files of the Sheriff's Office

Obtains criminal history records as required.

Obtains records and information for gun permit applications.

Receives and relates messages.

## **SHERIFFS' DISPATCHER II**

Accepts fees for the Sheriff's Office.

Records and maintains appropriate records.

Enters/deletes stolen/wanted vehicles, articles, missing/wanted persons and related or similar information into computer files.

Conducts follow-ups on entered reports.

Issues gun permits.

Responds to accident confirmations. Dispatches officers accordingly.

### **ADDITIONAL JOB FUNCTIONS**

Performs other related work as required.

### **MINIMUM TRAINING AND EXPERIENCE**

Bachelor's Degree and 1 to 2 years of experience in human relations, clerical and reception work, and training in legal aspects; or any equivalent combination of training and experience which provides the required skills, knowledge and abilities.

### **SPECIAL REQUIREMENTS**

Possess DCI certification through North Carolina State Bureau of Investigations.

Possession of an Intermediate Telecommunicator Certification from the N.C. Sheriffs' Education and Training Standards Commission.

Successfully complete the Sheriff's Telecommunicator course taught by the N.C. Justice Academy.

Possess a valid North Carolina Drivers License.

### **MINIMUM QUALIFICATIONS OR STANDARDS REQUIRED TO PERFORM ESSENTIAL JOB FUNCTIONS**

**Physical Requirements:** Must be physically able to operate a variety of machinery and equipment including computers, typewriters, telephones, radios, fax machines, copiers, printers, paper shredders, etc. Must be able to exert up to 20 pounds of force occasionally, and/or up to 5 pounds of force frequently, and/or a negligible amount of force constantly to move objects. Physical demand requirements are in excess of those for Sedentary Work. Light Work usually requires walking or standing to a significant degree. However, if the use of arm and/or leg controls requires exertion of forces greater than that for Sedentary Work and the worker sits most of the time, the job is rated for Light Work.

**Data Conception:** Requires the ability to compare and/or judge the readily observable, functional, structural or compositional characteristics (whether similar or divergent from obvious standards) of data, people or things.

## SHERIFFS' DISPATCHER II

**Interpersonal Communication:** Requires the ability of speaking and/or signaling people to convey or exchange information. Includes giving and receiving instructions, assignments or directions to subordinates or assistants, and from superiors.

**Language Ability:** Requires the ability to read a variety of reports, letters and memos, etc. Requires the ability to prepare correspondence, reports, forms, etc., using prescribed formats and conforming to all rules of punctuation, grammar, diction, and style. Requires the ability to speak with poise, voice control and confidence.

**Intelligence:** Requires the ability to apply rational systems to solve practical problems and deal with a variety of concrete variables in situations where only limited standardization exists; to interpret a variety of instructions furnished in written, oral, diagrammatic, or schedule form.

**Verbal Aptitude:** Requires the ability to record and deliver information, to explain procedures, to follow oral and written instructions. Must be able to communicate effectively and efficiently in a variety of technical and professional languages, including law enforcement terminology and emergency response codes.

**Numerical Aptitude:** Requires the ability to utilize mathematical formulas; to add and subtract; multiply and divide.

**Form/Spatial Aptitude:** Requires the ability to inspect items for proper length, width and shape.

**Motor Coordination:** Requires the ability to coordinate hands and eyes rapidly and accurately in using office equipment.

**Manual Dexterity:** Requires the ability to handle a variety of items such as office equipment. Must have minimal levels of eye/hand/foot coordination.

**Color Discrimination:** Requires the ability to differentiate between colors and shades of color.

**Interpersonal Temperament:** Requires the ability to deal with people beyond giving and receiving instructions. Must be adaptable to performing under stress and when confronted with persons acting under stress and in emergency situations.

**Physical Communication:** Requires the ability to talk and hear: (Talking: expressing or exchanging ideas by means of spoken words. Hearing: perceiving nature of sounds by ear). Must be able to communicate via a telephone and two-way radio.

## **PERFORMANCE INDICATORS**

**Knowledge of Job:** Has knowledge of the geographical layout of the County as to location of streets, important buildings and other landmarks. Has knowledge of the operation of two-way radio equipment. Has knowledge of the operation and location of law enforcement and emergency service units. Is able to elicit information necessary for proper dispatching from persons who may be distressed. Is able to exercise sound judgment in emergency situations. Is able to speak clearly, distinctly and politely. Is able to deal tactfully and courteously with the public. Is able to maintain simple but effective files, records and reports. Is able to establish and maintain effective working relationships as necessitated by work assignments.



## SHERIFFS' DISPATCHER II

**Quality of Work:** Maintains high standards of accuracy in exercising duties and responsibilities. Exercises immediate remedial action to correct any quality deficiencies that occur in areas of responsibility. Maintains high quality communication and interacts with all County agencies, co-workers and the general public.

**Quantity of Work:** Maintains effective and efficient output of all duties and responsibilities as described under "Specific Duties and Responsibilities."

**Dependability:** Assumes responsibility for doing assigned work and meeting deadlines. Completes assigned work on or before deadlines in accordance with directives, County policy, standards and prescribed procedures. Accepts accountability for meeting assigned responsibilities in the technical, human and conceptual areas.

**Attendance:** Attends work regularly and adheres to Sheriff's office policies and procedures regarding absences and tardiness. Provides adequate notice to higher management with respect to vacation time and time-off requests.

**Initiative and Enthusiasm:** Maintains an enthusiastic, self-reliant and self-starting approach to meet job responsibilities and accountabilities. Strives to anticipate work to be done and initiates proper and acceptable direction for completion of work with a minimum of supervision and instruction.

**Judgment:** Exercises analytical judgment in areas of responsibility. Identifies problems or situations as they occur and specifies decision objectives. Identifies or assists in identifying alternative solutions to problems or situations. Implements decisions in accordance with prescribed and effective policies and procedures and with a minimum of errors. Seeks expert or experienced advice and researches problems, situations and alternatives before exercising judgment.

**Cooperation:** Accepts supervisory instruction and direction and strives to meet the goals and objectives of same. Questions such instruction and direction when clarification of results or consequences are justified, i.e., poor communications, variance with Sheriff's office policy or procedures, etc. Offers suggestions and recommendations to encourage and improve cooperation between all staff persons and agencies within the County.

**Relationships with Others:** Shares knowledge with supervisors and staff for mutual and Sheriff's benefit. Contributes to maintaining high morale among all employees. Develops and maintains cooperative and courteous relationships with employees, staffers and managers in other agencies, representatives from organizations, and the general public so as to maintain good will toward the Sheriff's office and project a good professional image. Tactfully and effectively handles requests, suggestions and complaints from other agencies and persons in order to maintain good will within the County. Interacts effectively with fellow employees, supervisor, professionals and the general public.

**Coordination of Work:** Plans and organizes daily work routine. Establishes priorities for the completion of work in accordance with sound time-management methodology. Avoids duplication of effort. Estimates expected time of completion of elements of work and establishes a personal schedule accordingly. Attends meetings, planning sessions and discussions on time. Implements work activity in accordance with priorities and estimated schedules. Maintains a calendar for meetings, deadlines and events.

**Safety and Housekeeping:** Adheres to all safety and housekeeping standards established by the Sheriff and various regulatory agencies. Sees that the standards are not violated. Maintains a clean and orderly workplace.

**UNION COUNTY SHERIFF  
JOB DESCRIPTION**

**JOB TITLE: SHERIFF'S DISPATCHER MASTER  
SHERIFF'S OPERATIONS**

**GENERAL STATEMENT OF JOB**

Under general supervision, performs clerical work for the Sheriff's office. Is primarily responsible for the prevention and detection of crime and the general enforcement of criminal laws of North Carolina and for the service of civil processes. Performs general law enforcement work. Work involves receiving all incoming calls, dispatching applicable personnel. Work also includes dispatching units or representatives from fire departments, rescue squads, police departments, the Sheriff's office, Highway Patrol, animal control, etc. Employee must exercise considerable tact and firmness in obtaining information from distressed persons. The employee must also exercise independent judgment and initiative in receiving messages, responding to emergency situations, and dispatching calls. Reports to the Lieutenant, Patrol.

**SPECIFIC DUTIES AND RESPONSIBILITIES**

**ESSENTIAL JOB FUNCTIONS**

- Attends/operates Sheriff's radios and telephone systems
- Provides information to the public in person and over the phone.
- Operates DCI terminal for all types of information.
- Takes all types of reports in person and/or over the phone. Follows up with assistance to callers.
- Conducts follow up on reports and records required information.
- Provides security for the Sheriff's Office and Jail as directed.
- Works with/assists other law enforcement agencies as needed.
- Enters criminal and civil papers into the computer files of the Sheriff's Office
- Obtains criminal history records as required.
- Obtains records and information for gun permit applications.
- Receives and relates messages.
- Accepts fees for the Sheriff's Office.
- Records and maintains appropriate records.

## **SHERIFFS' DISPATCHER MASTER**

Enters/deletes stolen/wanted vehicles, articles, missing/wanted persons and related or similar information into computer files.

Conducts follow-ups on entered reports.

Issues gun permits.

Responds to accident confirmations. Dispatches officers accordingly.

### **ADDITIONAL JOB FUNCTIONS**

Performs other related work as required.

### **MINIMUM TRAINING AND EXPERIENCE**

Bachelor's Degree and 1 to 2 years of experience in human relations, clerical and reception work, and training in legal aspects; or any equivalent combination of training and experience which provides the required skills, knowledge and abilities.

### **SPECIAL REQUIREMENTS**

Possess DCI certification through North Carolina State Bureau of Investigations.

Possession of an Advanced Telecommunicator Certification from the N.C. Sheriffs' Education and Training Standards Commission.

Successfully complete the Sheriff's Telecommunicator course taught by the N.C. Justice Academy.

Possess a valid North Carolina Drivers License.

### **MINIMUM QUALIFICATIONS OR STANDARDS REQUIRED TO PERFORM ESSENTIAL JOB FUNCTIONS**

**Physical Requirements:** Must be physically able to operate a variety of machinery and equipment including computers, typewriters, telephones, radios, fax machines, copiers, printers, paper shredders, etc. Must be able to exert up to 20 pounds of force occasionally, and/or up to 5 pounds of force frequently, and/or a negligible amount of force constantly to move objects. Physical demand requirements are in excess of those for Sedentary Work. Light Work usually requires walking or standing to a significant degree. However, if the use of arm and/or leg controls requires exertion of forces greater than that for Sedentary Work and the worker sits most of the time, the job is rated for Light Work.

**Data Conception:** Requires the ability to compare and/or judge the readily observable, functional, structural or compositional characteristics (whether similar or divergent from obvious standards) of data, people or things.

**Interpersonal Communication:** Requires the ability of speaking and/or signaling people to convey or exchange information. Includes giving and receiving instructions, assignments or directions to subordinates or assistants, and from superiors.

**Language Ability:** Requires the ability to read a variety of reports, letters and memos, etc. Requires the ability to prepare correspondence, reports, forms, etc., using prescribed formats and conforming to all rules

## **SHERIFFS' DISPATCHER MASTER**

of punctuation, grammar, diction, and style. Requires the ability to speak with poise, voice control and confidence.

**Intelligence:** Requires the ability to apply rational systems to solve practical problems and deal with a variety of concrete variables in situations where only limited standardization exists; to interpret a variety of instructions furnished in written, oral, diagrammatic, or schedule form.

**Verbal Aptitude:** Requires the ability to record and deliver information, to explain procedures, to follow oral and written instructions. Must be able to communicate effectively and efficiently in a variety of technical and professional languages, including law enforcement terminology and emergency response codes.

**Numerical Aptitude:** Requires the ability to utilize mathematical formulas; to add and subtract; multiply and divide.

**Form/Spatial Aptitude:** Requires the ability to inspect items for proper length, width and shape.

**Motor Coordination:** Requires the ability to coordinate hands and eyes rapidly and accurately in using office equipment.

**Manual Dexterity:** Requires the ability to handle a variety of items such as office equipment. Must have minimal levels of eye/hand/foot coordination.

**Color Discrimination:** Requires the ability to differentiate between colors and shades of color.

**Interpersonal Temperament:** Requires the ability to deal with people beyond giving and receiving instructions. Must be adaptable to performing under stress and when confronted with persons acting under stress and in emergency situations.

**Physical Communication:** Requires the ability to talk and hear: (Talking: expressing or exchanging ideas by means of spoken words. Hearing: perceiving nature of sounds by ear). Must be able to communicate via a telephone and two-way radio.

## **PERFORMANCE INDICATORS**

**Knowledge of Job:** Has knowledge of the geographical layout of the County as to location of streets, important buildings and other landmarks. Has knowledge of the operation of two-way radio equipment. Has knowledge of the operation and location of law enforcement and emergency service units. Is able to elicit information necessary for proper dispatching from persons who may be distressed. Is able to exercise sound judgment in emergency situations. Is able to speak clearly, distinctly and politely. Is able to deal tactfully and courteously with the public. Is able to maintain simple but effective files, records and reports. Is able to establish and maintain effective working relationships as necessitated by work assignments.

**Quality of Work:** Maintains high standards of accuracy in exercising duties and responsibilities. Exercises immediate remedial action to correct any quality deficiencies that occur in areas of responsibility. Maintains high quality communication and interacts with all County agencies, co-workers and the general public.

**Quantity of Work:** Maintains effective and efficient output of all duties and responsibilities as described under "Specific Duties and Responsibilities."

**Dependability:** Assumes responsibility for doing assigned work and meeting deadlines. Completes assigned work on or before deadlines in accordance with directives, County policy, standards and prescribed

## SHERIFFS' DISPATCHER MASTER

procedures. Accepts accountability for meeting assigned responsibilities in the technical, human and conceptual areas.

**Attendance:** Attends work regularly and adheres to Sheriff's office policies and procedures regarding absences and tardiness. Provides adequate notice to higher management with respect to vacation time and time-off requests.

**Initiative and Enthusiasm:** Maintains an enthusiastic, self-reliant and self-starting approach to meet job responsibilities and accountabilities. Strives to anticipate work to be done and initiates proper and acceptable direction for completion of work with a minimum of supervision and instruction.

**Judgment:** Exercises analytical judgment in areas of responsibility. Identifies problems or situations as they occur and specifies decision objectives. Identifies or assists in identifying alternative solutions to problems or situations. Implements decisions in accordance with prescribed and effective policies and procedures and with a minimum of errors. Seeks expert or experienced advice and researches problems, situations and alternatives before exercising judgment.

**Cooperation:** Accepts supervisory instruction and direction and strives to meet the goals and objectives of same. Questions such instruction and direction when clarification of results or consequences are justified, i.e., poor communications, variance with Sheriff's office policy or procedures, etc. Offers suggestions and recommendations to encourage and improve cooperation between all staff persons and agencies within the County.

**Relationships with Others:** Shares knowledge with supervisors and staff for mutual and Sheriff's benefit. Contributes to maintaining high morale among all employees. Develops and maintains cooperative and courteous relationships with employees, staffers and managers in other agencies, representatives from organizations, and the general public so as to maintain good will toward the Sheriff's office and project a good professional image. Tactfully and effectively handles requests, suggestions and complaints from other agencies and persons in order to maintain good will within the County. Interacts effectively with fellow employees, supervisor, professionals and the general public.

**Coordination of Work:** Plans and organizes daily work routine. Establishes priorities for the completion of work in accordance with sound time-management methodology. Avoids duplication of effort. Estimates expected time of completion of elements of work and establishes a personal schedule accordingly. Attends meetings, planning sessions and discussions on time. Implements work activity in accordance with priorities and estimated schedules. Maintains a calendar for meetings, deadlines and events.

**Safety and Housekeeping:** Adheres to all safety and housekeeping standards established by the Sheriff and various regulatory agencies. Sees that the standards are not violated. Maintains a clean and orderly workplace.

Contract Summary of Major Terms and Conditions

1-20-2009

Reference	Vendor Name	Purpose	Payment Terms	Comprehensive Plans	Budget Amend.	S#
<b>Consent Agenda Item - Contracts Over \$90,000 (List)</b>						
A	Union County Public Schools	Memorandum of Understanding for basic cooperation between Union County Public Schools and the Union County Health Department.	\$ - n/a	n/a	n/a	2164
B	Robert S. Segal, CPA, CP	Amdnedment to agreement to provide services related to the discovery and collection of sales and use tax refunds.	\$ 39,681.00 Amount NTE.	Operating Budget – 2009	n/a	2171

# 57286  
AGENDA ITEM  
MEETING DATE 1-20-09

**UNION COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date: Jan. 20, 2009**

**Action Agenda Item No.** 5/7a  
(Central Admin. use only)

**SUBJECT:** MEMORANDUM OF AGREEMENT (MOA) BETWEEN UNION COUNTY  
HEALTH DEPARTMENT AND UNION COUNTY PUBLIC SCHOOLS  
FY/SY 2008-2009

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**DEPARTMENT:** HEALTH  
DEPARTMENT

**PUBLIC HEARING:** No

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**ATTACHMENT(S):**

**INFORMATION CONTACT:**  
PHILLIP TARTE

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**TELEPHONE NUMBERS:**

704-296-4800

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**DEPARTMENT'S RECOMMENDED ACTION:** Authorize Manager to approve MOA pending approval of the legal department.

**BACKGROUND:** This Memorandum of Agreement serves as an understanding between the Union County Health Department and the Union County Public Schools regarding the provision and monitoring of health services in the Union County Public Schools. This agreement establishes basic cooperative responsibilities of each entity.

The goal of this agreement is to maintain a healthy environment for students and school staff through collaboration and mutual support of the two agencies.

Objectives of the agreement include:

1. Prevention and control of outbreaks of communicable diseases.
2. Immunization compliance for both school staff and students.
3. Health promotion through education and consultation.
4. Provision of safe and sanitary school facilities.
5. Assuring that children have access to primary health/medical care.
6. Collaboration in emergency disaster preparedness and response.

**FINANCIAL IMPACT:** None.

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**Legal Dept. Comments if applicable:**

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**Finance Dept. Comments if applicable:**

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**Manager Recommendation:**



**UNION COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

Meeting Date: Jan. 20<sup>th</sup>, 2009

Action Agenda Item No. 5/7b  
(Central Admin. use only)

**SUBJECT:** Amendment to agreement for the Discovery and Collection of Sales and Use Tax Refunds.

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**DEPARTMENT:** Finance

**PUBLIC HEARING:** No

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**ATTACHMENT(S):**

**INFORMATION CONTACT:**  
Kai Nelson

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**TELEPHONE NUMBERS:**  
704-283-3813

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**DEPARTMENT'S RECOMMENDED ACTION:** Authorize Manager to approve contract amendment pending approval of the legal department.

**BACKGROUND:** The County has contracted with a firm to conduct sales tax audits of non-profits that receive sales tax refunds. These audits often result in the correction of sales tax distributions that are advantageous to the County. The original contract stated that all monies recovered by Bob Segal, CPA must be returned to the County within 30 months of the contract date in order for Mr. Segal to be paid his fee. Through no fault of Mr. Segal's, the NC Department of Revenue took over a year to credit the additional tax savings to Union County. The normal turn-around time for this is 1 to 3 months. This amendment permits Mr. Segal to be paid for his work that resulted in additional sales tax revenues of \$113,374 being credited to Union County.

**FINANCIAL IMPACT:** Cost of \$39,681.00

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**Legal Dept. Comments if applicable:** \_\_\_\_\_

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**Finance Dept. Comments if applicable:** \_\_\_\_\_

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**Manager Recommendation:**



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**Manager Recommendation:**

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# UNION COUNTY PUBLIC SCHOOLS

Department of Facilities, Planning, and Construction  
116 North Main Street Monroe, North Carolina 28112  
704-296-5960 Fax: 704-296-5973

Dr. Ed Davis  
Superintendent

L. Dean Arp, Jr., Chairman  
John Collins, Vice Chairman

John H. Crowder Carolyn J. Lowder  
Laura Minsk Kimberly Morrison-Hansley  
John Parker David Scholl  
Richard Weiner

8 January 2009

To : Kai Nelson  
UC Financial Officer

From: Donald S. Hughes, AIA  
Exec. Director – Maintenance and Facilities

RE: MS/HS “D” Phase 1, Pre-Site Package

Kai:

As a result of canceling and postponing bids for MS/HS-D Phase 2 Building Construction portion of the project we will be required by NCDWQ and NCDEHNR to provide and maintain the site to control storm water run-off until such time the site is considered and accepted as being “stable” for siltation control and storm water management. Furthermore the extra work on-site will further stabilize the site to help mitigate any deterioration to the building pad that may occur over time until we are able to begin construction of the building.

Therefore we are seeking funding to execute a Change Order to Scurry Construction for building pad stabilization, installation of a small amount of permanent storm drainage pipes and structures, and additional diversion swales. The cost of that work will be \$181,314.28. The aforementioned work is as recommended by our soils engineer and the architect. We are also seeking funding of \$30,000.00 to open a purchase order with Scurry Construction to provide monthly maintenance of the site for 6 months.

All of the work noted above would have been included in the construction contract for the building contractor if bids were accepted. We would also like to point out that when we do re-bid and construct the buildings we will need to seek additional funds for the architect to replenish the bid phase portion of their fee and for re-reprinting and replenish a portion of their construction administration fee.

The Board of Education approved this work at their regular meeting on January 6, 2009.

C: Dr. Mike Webb



# UNION COUNTY PUBLIC SCHOOLS

Department of Facilities, Planning, and Construction  
116 North Main Street Monroe, North Carolina 28112  
704-296-5960 Fax: 704-296-5973

Dr. Ed Davis  
Superintendent

L. Dean Arp, Jr., Chairman  
John Collins, Vice Chairman

John H. Crowder Carolyn J. Lowder  
Laura Minek Kimberly Morrison-Hanaley  
John Parker David Scholl  
Richard Weiner

8 January 2009

To : Kai Nelson  
UC Financial Officer

From: Donald S. Hughes, AIA  
Exec. Director – Maintenance and Facilities

RE: Piedmont High School A/R

Kai:

Changes to the Scope of the above referenced project have resulted in our need to provide for Additional Services for the architect.

Subsequent to meetings with the school representatives and UCPS staff it became necessary to provide for the design of the new cafeteria/dining building at the location of the existing Agriculture/Greenhouse buildings at the front of the campus. Consequently the Ag facility will need to be replaced and will be located at the back of the campus.

The funds required for the Additional Services is \$75,000.000 and is still with in the A/E Budget included in the 2008/2009 CIP. We would also like to note that the additional construction work required for the Ag facility will be kept within the budget included in the 2008/2009 CIP for this project.

C: Dr. Mike Webb

**UNION COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date: January 20, 2009**

**Action Agenda Item No. 519**  
(Central Admin. use only)

**SUBJECT:** Amendment to Water Conservation Ordinance

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**DEPARTMENT:** Legal, Public Works      **PUBLIC HEARING:** No

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**ATTACHMENT(S):**  
Amendment to Ordinance

**INFORMATION CONTACT:**  
Jeff Crook

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**TELEPHONE NUMBERS:**  
704-283-3673

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**DEPARTMENT'S RECOMMENDED ACTION:** Adopt Amendment to Ordinance

**BACKGROUND:** When the Water Conservation Ordinance was last amended in April and May of 2008, the Board authorized the County Manager to allow watering of lawns one day per week during a Stage III Water Shortage Condition when in the best interests of the public. This was consistent with the Low Inflow Protocol of the Duke Energy Comprehensive Relicensing Agreement (CRA), to which Union County is a party. The Drought Management Advisory Group, an entity established pursuant to the CRA, has since allowed watering two days per week during imposition of a Stage 3 Low Inflow Condition given the improvement in rainfall conditions. In order for Union County to proceed with watering twice weekly, the Water Conservation Ordinance must be amended to grant such authority to the County Manager. The Manager may then amend his Stage III declaration.

**FINANCIAL IMPACT:**

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**Legal Dept. Comments if applicable:** \_\_\_\_\_

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**Finance Dept. Comments if applicable:** \_\_\_\_\_

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**Manager Recommendation:**



AMENDMENT TO WATER CONSERVATION ORDINANCE  
AN ORDINANCE PROVIDING FOR CONSERVATION OF WATER  
AND RESTRICTIONS ON THE USE OF WATER DURING A WATER SHORTAGE  
OR IMPENDING WATER SHORTAGE

Whereas, on May 5, 2008, the Union County Board of Commissioners adopted an amended and restated version of the Water Conservation Ordinance (An Ordinance Providing for Conservation of Water and Restrictions on the Use of Water During a Water Shortage or Impending Water Shortage), hereinafter referred to as the "Conservation Ordinance"; and

Whereas, the Conservation Ordinance authorized the County Manager to allow various water uses one (1) day per week when declaring, or amending declaration of, a Stage III Mandatory Water Shortage Condition; and

Whereas, the Board of Commissioners now desires to authorize the County Manager to allow such water uses up to two (2) days per week.

NOW, THEREFORE, BE IT ORDAINED by the Union County Board of Commissioners as follows:

1. Amend Article IV, Section 2 as follows:

In the event (i) a Stage II Mandatory Water Shortage Condition is in effect and the system demand for water continues to exceed capacity of the water system or portions thereof; or (ii) Duke Power Company LLC, doing business as Duke Energy Carolinas, LLC, declares a Stage 3 Low Inflow Condition pursuant to the Comprehensive Relicensing Agreement for the Catawba-Wateree Hydro Project (FERC Project No. 2232) dated December 22, 2006, to which Union County is a party, thus compelling certain mandatory water use restrictions by Union County, then in either such event a Stage III Mandatory Water Shortage Condition may be declared. In addition to any voluntary and mandatory guidelines already in effect, it shall be unlawful to use water supplied by the Union County water system in the following manner:

- a. To water lawns; provided that shrubbery, trees, flowers and vegetable gardens may be watered by hand or by drip irrigation;
- b. To conduct residential vehicle washing;
- c. To wash public buildings, sidewalks, and streets, except as required for safety and/or to maintain regulatory compliance;
- d. To use water for dust control during construction;

- e. To conduct flushing or hydrant testing programs, except to maintain water quality or other special circumstances approved by the Director in advance;
- f. To fill new swimming pools; and
- g. To serve drinking water in restaurants, cafeterias, or other food establishments, except upon request.

Notwithstanding the prohibitions on use stated above, the County Manager, in his discretion and acting in the best interests of the health, safety, and welfare of the citizens, may allow one or more such uses ~~one (1) day on a limited basis not more frequently than~~ two (2) days per week if (i) stated in the original declaration of a Stage III Mandatory Water Shortage Condition, or in any amendment thereto; and (ii) consistent with the Stage 3 Low Inflow Condition declared by Duke Energy Carolinas, LLC, when such Condition is in effect. When allowing one or more such uses ~~one (1) day~~ or two (2) days per week, the County Manager may further regulate usage on the following bases: (i) time of day; (ii) day of week; (iii) customer type, including without limitation, residential, commercial, industrial and institutional; and (iv) physical attribute, such as address.

- 2. Except as herein amended, the provisions of the Conservation Ordinance shall remain in full force and effect.
- 3. The effective date of this Amendment shall be the date adopted by the Board of Commissioners.

Adopted this the 20<sup>th</sup> day of January, 2009.

UNION COUNTY BOARD OF COMMISSIONERS

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Chairman

**UNION COUNTY  
BOARD OF COMMISSIONERS**

**ACTION AGENDA ITEM ABSTRACT**

**Meeting Date: 1/20/08**

**Action Agenda Item No.** 5/10  
(Central Admin. use only)

**SUBJECT:** Voluntary Agricultural District & Enhanced Voluntary Agricultural District Ordinance

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**DEPARTMENT:** Legal

**PUBLIC HEARING:** No

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**ATTACHMENT(S):**  
Amendment

**INFORMATION CONTACT:**  
Jeff Crook

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**TELEPHONE NUMBERS:**  
704-283-3673

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**DEPARTMENT'S RECOMMENDED ACTION:** Adopt Amendment to extend effective date of the Ordinance from February 1 to March 1

**BACKGROUND:** The Board adopted a revised Voluntary Agricultural District & Enhanced Agricultural District Ordinance (the "Ordinance") on November 17 with the understanding that the effective date would be deferred until February 1 in order to give staff sufficient time to implement the new requirements. In addition to several issues of lesser importance, there were two primary areas of concern: (i) the requirement in Article XIII(A)(1) that the Register of Deeds provide notice reasonably calculated to alert a person researching the title of a particular tract that such tract is located within one-half aerial mile of a Voluntary Agricultural District ("VAD"); and (ii) the request by Jerry Simpson and Everett Medlin (of the Agricultural Advisory Board) that membership on the Advisory Board be limited to a representative from each township rather than from each VAD. This request was made to prevent the number of members from becoming unwieldy.

Regarding notice within the chain of title, the Staff Attorney has met twice with the County Attorney and Register of Deeds (the latter meeting included the Tax Assessor and his staff) to discuss the method by which notice can be given to those researching title. Such notice would present several major challenges to the Register of Deeds and would impose an administrative burden on both her office and the Tax Office. This issue has been the subject of much discussion and concern among attorneys and paralegals searching title in Union County. It is anticipated that staff will recommend that this provision be removed from the Ordinance.

Regarding reduction in membership on the Advisory Board, this would require consolidation of

existing VADs, given the statutory requirement that each District have a member on the Board. Work remains to be accomplished with the Advisory Board and Cooperative Extension staff before the Staff Attorney has sufficient information to prepare consolidation of Districts. The Staff Attorney is also considering whether this might be better achieved with a special act of the legislature authorizing the Board of Commissioners to appoint members from townships rather than from each VAD.

From the foregoing, this Ordinance is not yet ready for implementation on February 1, and Board action is requested to amend the Ordinance to extend the effective date to March 1. Approval of the attached amendment on the Consent Agenda will extend the effective date as requested.

**FINANCIAL IMPACT:**

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**Legal Dept. Comments if applicable:** \_\_\_\_\_  
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\_\_\_\_\_

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**Finance Dept. Comments if applicable:** \_\_\_\_\_  
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\_\_\_\_\_

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**Manager Recommendation:** \_\_\_\_\_

AMENDMENT  
TO UNION COUNTY VOLUNTARY AGRICULTURAL DISTRICT &  
ENHANCED VOLUNTARY AGRICULTURAL DISTRICT ORDINANCE

WHEREAS, the Board of Commissioners adopted the Union County Voluntary Agricultural District & Enhanced Voluntary Agricultural District Ordinance (the "Ordinance") on November 17, 2008, with an effective date of February 1, 2009; and

WHEREAS, certain provisions of the Ordinance require additional time prior to implementation; and

WHEREAS, the Board thus desires to extend the effective date.

NOW, THEREFORE, BE IT ORDAINED by the Union County Board of Commissioners as follows:

1. In Article XVII(D), delete "February 1, 2009" and replace with "March 1, 2009" such that this subsection reads as rewritten:

The Effective Date of this Ordinance shall be March 1, 2009."

2. Except as herein amended, the provisions of the Ordinance shall remain in full force and effect.

Adopted this the 20<sup>th</sup> day of January, 2009.

\_\_\_\_\_  
Lanny Openshaw, Chairman

**Mayor**  
Richard B. Allen

**Clerk**  
Lynn H. Griffin

**Public Utilities Worker**  
Nikolas B. Griffin

# Town of Peachland

32 West Passaic St. P O Box 120  
Peachland, North Carolina 28133  
Telephone & Fax 704-272-7781  
townofpeachland@windstream.net

**Mayor Pro-Tem**  
Garrett McLendon  
**Commissioners**  
Ken Rowell  
Jeff Davis  
Laura Hasty  
James Hamilton

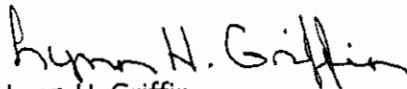
January 8, 2009

To Whom It May Concern,

As stated in the by-laws with Centralina Council of Government, any member may withdraw from the Council at the end of any fiscal year, provided written notice of intent to withdraw is given to each of the other members at least six (6) months prior to the end of the fiscal year.

This letter serves as notification that the Town of Peachland will be withdrawing their membership with Centralina Council of Government to be effective June 30<sup>th</sup>, 2009.

Thank You,



Lynn H. Griffin,  
Town Clerk

**RESOLUTION WITHDRAWING MEMBERSHIP FROM  
CENTRALINA COUNCIL OF GOVERNMENT**

**WHEREAS:** The Town of Peachland is withdrawing the membership with Centralina Council of Government, and,

**WHEREAS:** notification of intent to withdraw has been sent to each member of Centralina COG by US mail, and,

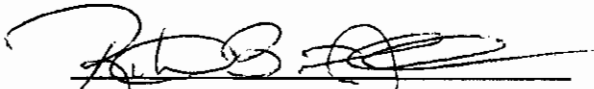
**WHEREAS:** the effective date of the withdrawal is June 30<sup>th</sup>, 2009;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS FOR THE TOWN OF PEACHLAND:**

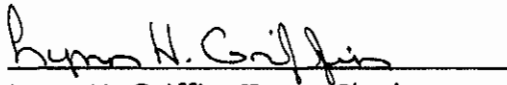
That the Town of Peachland hereby adopts the resolution to withdraw the membership with Centralina Council of Government to be effective June 30<sup>th</sup>, 2009.

**BE IT FURTHER RESOLVED** that a copy of this Resolution be recorded in the official minutes of the Town of Peachland, and a copy be given to Centralina Council of Government and all members within.

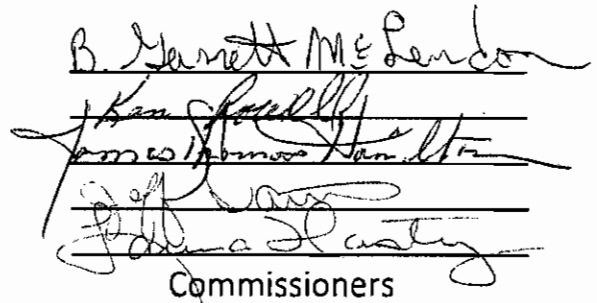
**ADOPTED** by unanimous vote of the Board of Commissioners on the 8<sup>th</sup> day of January 2009.



Richard B. Allen, Mayor



Lynn H. Griffin, Town Clerk



Commissioners