

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

MEETING DATE: MONDAY, DECEMBER 5, 2005

SUBJECT: REVIEW OF PUBLIC OFFICIALS' BONDS

ATTACHMENTS:

1. Verification Certificate
2. Invoices

SUMMARY OF REQUEST:

Pursuant to NCGS 58-72-20 and the Board's Rules of Procedure, after the Chairman and Vice-Chairman have been elected, the next order of business at tonight's organizational meeting of the Board is the annual review and approval of the bonds for county public officials. The following are the county officials required to be bonded and the current bond amounts:

PUBLIC OFFICIAL	BOND AMOUNT	BOND COMPANY
George H. Erwin, Jr., Sheriff (No new bond needed)	\$25,000	Fidelity and Deposit Co.
Nedra Whitlock Moles, Register of Deeds	\$50,000	Fidelity and Deposit Co.
Terry F. Lyda, Tax Collector	\$1,000,000	Fidelity and Deposit Co.
Darlene B. Burgess, Deputy Tax Collector	\$250,000	Fidelity and Deposit Co.
J. Carey McLelland, Finance Director	\$200,000	Fidelity and Deposit Co.

The County Attorney has reviewed the previous year's bonds and reports to the Board that they appear to be valid and in order.

Staff will be available at tonight's meeting to review these bonds with the Board and to answer questions concerning the bonds and the approval process.

COUNTY MANAGER RECOMMENDATION/BOARD ACTION REQUESTED:

If the Board is satisfied with the bond amounts that are currently in place, then approval is recommended.

MARSH

Marsh USA Inc.
100 North Tryon Street
Suite 3200
Charlotte, NC 28202
Mary.A.Isenberg@Marsh.com
www.marsh.com

Fax



To:	Connie Rayfield	From:	Maryann Dark
Date:	November 02, 2005	Fax:	704 374 8853
Organization:	Henderson County	Phone:	704 374 8353
Fax:	828 697 4536	Pages:	6
Phone:	828 697 4814		
Subject:	Verification Certificate for Public Official Position Schedule Bond Fidelity and Deposit Company, Bond No. 0-8250363 Term: July 1, 2005 - 2006		

Connie,

In accordance with your request today, please find attached a copy of the executed Verification Certificate for your acknowledgement of the renewal of the captioned bond. Please review this information and should you have any questions or need further assistance, please give me a call.

Otherwise, the original will be mailed to your attention via U.S. Mail delivery.

Best regards,



document2

The documents accompanying this transmission contain confidential information, and may contain confidential health information, that is legally privileged. This information is intended only for the use of the individual or entity named above. The authorized recipient of this information is prohibited from disclosing this information to any other party unless required to do so by law or regulation and is required to destroy the information after its stated need has been fulfilled.

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 Marsh & McLennan Companies

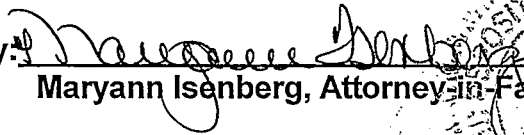
VERIFICATION CERTIFICATE

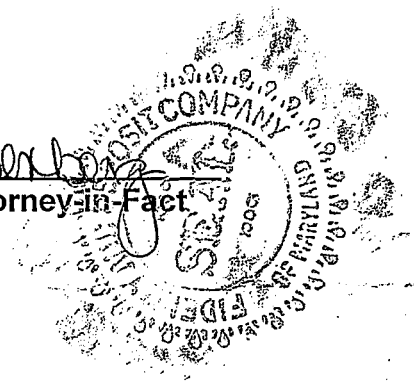
This is to certify that PUBLIC OFFICIAL POSITION SCHEDULE BOND
Bond No. 08250363, In favor of HENDERSON COUNTY, NC in the sum of
\$SEE ATTACHMENT, and dated JULY 5, 2001, remains in full force and effect,
subject to all its agreements, conditions and limitations.

Premium term: JULY 1, 2005 - 2006.

Dated this 2nd day of November, 2005.

FIDELITY AND DEPOSIT COMPANY OF
MARYLAND

By: 
Maryann Isenberg, Attorney-in-Fact



Fidelity and Deposit Company of Maryland
1400 American Lane, Tower I, 19th Floor
Schaumburg, Illinois 60196-1056

SCHEDULE

Position Schedule Coverage

<u>Individual No.</u>	<u>Title of Covered Positions</u>	<u>No. of Positions</u>	<u>Coverage Amount Each Positions</u>	<u>One Year Premium</u>
1	Tax Collector	1	\$1,000,000	\$3,500
2	Finance Director	1	\$200,000	\$700
3	Deputy Tax Collector	1	\$250,000	\$875
4	Register of Deeds	1	\$50,000	\$150

**Power of Attorney
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

KNOW ALL MEN BY THESE PRESENTS: That the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, a corporation of the State of Maryland, by THEODORE G. MARTINEZ, Vice President, and ERIC D. BARNES, Assistant Secretary, in pursuance of authority granted by Article VI, Section 2, of the By-Laws of said Company, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, does hereby nominate, constitute and appoint **H. Wayne GIBSON, Maryann ISENBURG, Martin D. PALLAZZA, Gary A. VAIL, Judie M. CHISOLM, Vickie L. PETREA, Kelly E. FOLEY and Brad W. GIBSON**, all of Charlotte, North Carolina, EACH its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver for and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings**, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Company, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Company at its office in Baltimore, Md., in their own proper persons. This power of attorney replaces that issued on behalf of H. Wayne GIBSON, Maryann ISENBURG, Martin D. PALLAZZA, Gary A. VAIL, Judie M. CHISOLM, Vickie L. PETREA, Kelly E. FOLEY, Brad W. GIBSON, dated June 18, 2004.

The said Assistant Secretary does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article VI, Section 2, of the By-Laws of said Company, and is now in force.

IN WITNESS WHEREOF, the said Vice-President and Assistant Secretary have hereunto subscribed their names and affixed the Corporate Seal of the said FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 10th day of January, A.D. 2005.

ATTEST:

FIDELITY AND DEPOSIT COMPANY OF MARYLAND



Eric D. Barnes

Eric D. Barnes

Assistant Secretary

By:

Theodore G. Martinez

Theodore G. Martinez

State of Maryland }
City of Baltimore } ss:

On this 10th day of January, A.D. 2005, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, came THEODORE G. MARTINEZ, Vice President, and ERIC D. BARNES, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and they each acknowledged the execution of the same, and being by me duly sworn, severally and each for himself depose and saith, that they are the said officers of the Company aforesaid, and that the seal affixed to the preceding instrument is the Corporate Seal of said Company, and that the said Corporate Seal and their signatures as such officers were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



Constance A. Dunn

Constance A. Dunn

Notary Public

My Commission Expires: July 14, 2007

EXTRACT FROM BY-LAWS OF FIDELITY AND DEPOSIT COMPANY OF MARYLAND

"Article VI, Section 2. The Chairman of the Board, or the President, or any Executive Vice-President, or any of the Senior Vice-Presidents or Vice-Presidents specially authorized so to do by the Board of Directors or by the Executive Committee, shall have power, by and with the concurrence of the Secretary or any one of the Assistant Secretaries, to appoint Resident Vice-Presidents, Assistant Vice-Presidents and Attorneys-in-Fact as the business of the Company may require, or to authorize any person or persons to execute on behalf of the Company any bonds, undertaking, recognizances, stipulations, policies, contracts, agreements, deeds, and releases and assignments of judgements, decrees, mortgages and instruments in the nature of mortgages,...and to affix the seal of the Company thereto."

CERTIFICATE

I, the undersigned, Assistant Secretary of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that the Vice-President who executed the said Power of Attorney was one of the additional Vice-Presidents specially authorized by the Board of Directors to appoint any Attorney-in-Fact as provided in Article VI, Section 2, of the By-Laws of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed."

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seal of the said Company,



This _____ day of _____, November _____, 2005.

Herold F. Haley
Assistant Secretary

THIS IMPORTANT DISCLOSURE NOTICE IS PART OF YOUR BOND

We are making the following informational disclosures in compliance with The Terrorism Risk Insurance Act of 2002. No action is required on your part.

Disclosure of Terrorism Premium

The premium charge for risk of loss resulting from acts of terrorism (as defined in the Act) under this bond is \$ waived. This amount is reflected in the total premium for this bond.

Disclosure of Availability of Coverage for Terrorism Losses

As required by the Terrorism Risk Insurance Act of 2002, we have made available to you coverage for losses resulting from acts of terrorism (as defined in the Act) with terms, amounts, and limitations that do not differ materially as those for losses arising from events other than acts of terrorism.

Disclosure of Federal Share of Insurance Company's Terrorism Losses

The Terrorism Risk Insurance Act of 2002 establishes a mechanism by which the United States government will share in insurance company losses resulting from acts of terrorism (as defined in the Act) after an insurance company has paid losses in excess of an annual aggregate deductible. For 2002, the insurance company deductible is 1% of direct earned premium in the prior year; for 2003, 7% of direct earned premium in the prior year; for 2004, 10% of direct earned premium in the prior year; and for 2005, 15% of direct earned premium in the prior year. The federal share of an insurance company's losses above its deductible is 90%. In the event the United States government participates in losses, the United States government may direct insurance companies to collect a terrorism surcharge from policyholders. The Act does not currently provide for insurance industry or United States government participation in terrorism losses that exceed \$100 billion in any one calendar year.

Definition of Act of Terrorism

The Terrorism Risk Insurance Act defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

But, no act shall be certified by the Secretary as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or property and casualty insurance losses resulting from the act, in the aggregate, do not exceed \$5,000,000.

These disclosures are informational only and do not modify your bond or affect your rights under the bond.

MARSH

Maryann Dark

Client Advisor

Marsh USA Inc.

100 North Tryon Street

Suite 3200

Charlotte, NC 28202

704 374 8353 Fax 704 374 8853

mary.a.isenberg@marsh.com

www.marsh.com

July 13, 2005

Mr. Charles Russell

County of Henderson

100 North King Street

Hendersonville, NC 28792

Subject:

**Renewal of Public Official Position Schedule Bond
Fidelity and Deposit Company, Bond No. 08250363**

Dear Charles:

Enclosed please find our invoice representing the renewal premium in the amount of \$5,250 on the above captioned bond for the renewal period, July 1, 2005 - 2006.

Remittance under this invoice is due upon receipt and should be forwarded to **Marsh USA Inc., Post Office Box 100536, Atlanta, Georgia 30384-0536**. For your convenience, a remittance envelope is enclosed.

Thank you for continuing this business with us. After reviewing, should you have any questions or need anything additional from us, please feel free to call.

Best regards,



Maryann Dark

Surety Department

Enclosure

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Marsh & McLennan Companies

MARSH

Marsh USA Inc.
Charlotte, NC - 225
704-374-8000

Invoice No.

298179

ORIGINAL INVOICE

Date: 7/12/05

Henderson County
100 North King Street
Hendersonville, NC 28792

Effective Date	Expiration Date	Client No.
7/01/05	7/01/06	380823

Policyholder: HENDERSON CNTY

ORIGINAL

Billing Effective Date: 7/01/05

Insurer	Policy No.	Type of Coverage / Item	Amount
FIDEL. & DEP MD	08250363	MISC SURETY PREMIUM	5,250.00
		REMIT IN: UNITED STATES DOLLARS	
		RENEWAL OF PUBLIC OFFICIAL POSITION SCHEDULE BOND	
		FINANCE DIRECTOR \$ 200,000 \$ 700 ANN PREM	
		TAX COLLECTOR \$1,000,000 \$3,500 ANN PREM	
		DEPUTY TAX COLLECTOR \$ 250,000 \$ 875 ANN PREM	
		REGISTER OF DEEDS \$ 50,000 \$ 175 ANN PREM	
Please indicate Invoice # 298179 on your remittance to:			
Marsh USA Inc. P.O. BOX 100536 Atlanta, GA 30384-0536			
TOTAL:			5,250.00

Invoice Is Payable In Full Upon Receipt

Marsh earns and retains interest income on premium payments held by Marsh on behalf of insurers during the period between receipt of such payments from clients and the time such payments are remitted to the applicable insurer, where permitted by law.

MARSH

Vickie L. Petrea
Assistant Vice President

Marsh USA Inc.
100 North Tryon Street
Suite 3200
Charlotte, NC 28202
704 343 4764 Fax 704 376 0404
vickie.l.petrea@marsh.com
www.marsh.com

February 04, 2003

Ms. Angela Becker
Henderson County
100 North King Street
Hendersonville, NC 28792

Subject:

Official Bond - Sheriff

Fidelity & Deposit Company of Maryland Bond # 08261609

Dear Angela:

Enclosed is our invoice in the amount of \$108 representing the premium due for the above captioned bond for the period of 12/2/02 - 12/4/06.

Please forward remittance in the enclosed self-addressed envelope along with a copy of the invoice.

Thank you for allowing us to be of assistance to you. After your review should you have questions or need anything further, please let me know.

Sincerely,



Vickie L. Petrea
Client Advisor
Surety

VLP

274900

Date: 1/30/03

12/02/02	12/04/06	380823
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ORIGINAL INVOICE

ORIGINAL Effective: 12/02/02

FIDEL. & DEP MD	08261609	MISC SURETY PREMIUM	108.00
		INVOICE TOTAL:	108.00
		REMIT IN: UNITED STATES DOLLARS	
	Official Bond for Sheriff George H. Erwin, Jr. Penalty - \$25,000		
RETURN ATTACHED COPY WITH REMITTANCE TO: Marsh USA Inc. P.O. BOX 100536 Atlanta, GA 30384-0536		Pd. 2-13-2003 Chk # 267466	

Invoice Is Payable In Full Upon Receipt

Marsh USA and its affiliated companies ("Marsh") may have agreements with insurers providing the coverage which is the subject of this invoice pursuant to which Marsh may derive compensation contingent upon such factors as the size, growth and/or overall profitability of an entire book of business placed by Marsh with such insurers. Such contingent compensation would be in addition to any other compensation Marsh may receive such as retail, excess and surplus lines and wholesale brokerage fees or commissions, administrative fees, etc. At your request, Marsh will provide additional information.