

REQUEST FOR BOARD ACTION

**HENDERSON COUNTY
BOARD OF COMMISSIONERS**

MEETING DATE: Friday, May 19, 2006

SUBJECT: Resolution Regarding the Fair Distribution of
Lottery Proceeds

ATTACHMENTS: Draft Resolution

SUMMARY OF REQUEST:

Per the Board of Commissioners' direction at your May 1, 2006 regular meeting, staff has drafted the attached Resolution Regarding the Fair Distribution of Lottery Proceeds.

BOARD ACTION REQUESTED:

The County Manager recommends approval of the attached resolution.

**HENDERSON COUNTY GOVERNMENT
OFFICE OF THE COUNTY MANAGER**

100 North King Street – Hendersonville, North Carolina 28792
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RESOLUTION REGARDING THE FAIR DISTRIBUTION OF LOTTERY PROCEEDS

WHEREAS, the current formula for the distribution of the net proceeds of the lottery fund is as follows: 50% of the net proceeds goest to pre-school/kindergarten and reduction of class-size, 10% of the net proceeds goes toward scholarship programs, and the remaining 40% of the net proceeds goes toward school construction, and 65% of the 40% of net proceeds is distributed to counties on an ADM basis and the remaining 35% of the 40% is distributed to counties that have an effective tax rate that is higher than the statewide effective tax rate; and

WHEREAS, this current formula will exclude 49 counties from the distribution of the 35% of the 40% net proceeds of the lottery fund due to their effective tax rate being below the statewide effective average tax rate; and

WHEREAS, Henderson County is one of those counties adversely impacted by the current formula, and the Board of Commissioners of Henderson County does not believe that the formula is equitable.

NOW THEREFORE, the Board of Commissioners of Henderson County does hereby respectfully request that the North Carolina General Assembly review the current formula and develop a more fair and equitable formula for the distribution of the net proceeds of the lottery so that all children in the state will benefit equally.

FURTHERMORE, be it resolved that this resolution be distributed to all county governments and members of the North Carolina General Assembly.

APPROVED this 19th day of May, 2006.

draft
FOUNDED 1877

William L. Moyer, Chairman
Henderson County Board of Commissioners

ATTEST:

Elizabeth Corn, Clerk to the Board