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Steve
Russ
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MINUTES

**STATE OF NORTH CAROLINA
COUNTY OF HENDERSON**

**BOARD OF COMMISSIONERS
WEDNESDAY, JANUARY 21, 2015**

The Henderson County Board of Commissioners met for a regularly scheduled meeting/Budget Workshop at 9:00 a.m. in the Commissioners' Meeting Room of the Historic Courthouse on Main Street, Hendersonville.

Those present were: Chairman Tommy Thompson, Vice-Chairman Charlie Messer, Commissioner Grady Hawkins, Commissioner Mike Edney, Commissioner Bill Lapsley, County Manager Steve Wyatt, Assistant County Manager Amy Brantley and Clerk to the Board Teresa Wilson.

Also present were: Senior Planner Autumn Radcliff, Planner Matt Cable, Engineer Marcus Jones, Management Assistant Megan Powell, HR Director Jan Prichard, Director of Business and County Development John Mitchell, Assessor/Tax Collector Stan Duncan, Finance Director Carey McLelland, Elections Director Beverly Cunningham, Animal Services Director Brad Rayfield, Internal Auditor Darlene Burgess, Soil & Water Conservation District Director Jonathan Wallin, Chief Deputy Jerry Rice, IT Director Becky Snyder, Recreation Director Tim Hopkin, Code Enforcement Director Toby Linville, Building Services Director Tom Stauer, Environmental Health Supervisor Seth Swift, Registrar of Deeds Lee King, Library Director Trina Rushing, Purchasing Agent Randall Cox, DSS Administrative Officer Joseph Maxey, Captain Steve Carter, Sheriff Charlie McDonald, Chief Deputy Frank Stout, EMS Director Mike Barnett, Facility Services Manager Jerry Tucker, Central Services and Construction Manager David Berry, Fire Marshal Rocky Hyder, Public Health Director Steve Smith, 911 Communications Director Lesha Stanley, Lieutenant Vanessa Gilbert, Deputy County Attorney Sarah Zambon, DSS Director Eric Bush, Assistant Engineer Natalie Berry and PIO Kathryn Finotti – videotaping, and Deputy Lorie Levi as security.

Absent was: Attorney Russ Burrell

CALL TO ORDER/WELCOME

Chairman Thompson called the meeting to order and welcomed all in attendance.

INVOCATION

Pastor Marcus Haynes of Biltmore Baptist Church provided the invocation.

PLEDGE OF ALLEGIANCE

Commissioner Hawkins led the Pledge of Allegiance.

MID-YEAR FINANCIAL REPORT

County Manager Steve Wyatt introduced Patrice Rosler, Deputy Director of the North Carolina Association of County Commissioners in attendance.

County Manager Steve Wyatt stated Henderson County has had several years of success due to great leadership and staff. At this point, we are looking at a four year plan and consideration of the tax rate. Henderson County has gone four years without an increase in its tax rate.

Mr. Wyatt reviewed the FY 2014-2015 County Expenditures and revisions.

DATE APPROVED:

FY 2014-2015 County Expenditures

County Department	BOC Adopted	Revisions (as of 12.31.14)	Total Revised Budget	\$ Expended (as of 12.31.14)	% Expended (as of 12.31.14)
Governing Body	\$382,999	\$0	\$382,999	\$170,077	44.4%
Dues & Non-Profits	\$596,076	\$0	\$596,076	\$368,950	61.9%
County Administration	\$759,622	\$0	\$759,622	\$342,668	45.1%
Human Resources	\$606,280	\$0	\$606,280	\$289,739	47.8%
Elections	\$799,964	\$0	\$799,964	\$367,506	45.9%
Finance	\$794,131	\$4,632	\$798,763	\$383,451	48.0%
Assessor	\$1,769,516	\$0	\$1,769,516	\$802,359	45.3%
Tax Collections	\$448,259	\$0	\$448,259	\$195,921	43.7%
Legal	\$680,490	\$0	\$680,490	\$317,102	46.6%
Register of Deeds	\$395,210	\$20,777	\$415,987	\$216,903	52.1%
Engineering & Facility Serv.	\$3,005,689	\$0	\$3,005,689	\$1,266,062	42.1%
Court Facilities	\$190,000	\$0	\$190,000	\$60,051	31.6%
Information Technology	\$2,359,611	\$0	\$2,359,611	\$999,129	42.3%
County Department	BOC Adopted	Revisions (as of 12.31.14)	Total Revised Budget	\$ Expended (as of 12.31.14)	% Expended (as of 12.31.14)
Sheriff	\$13,835,236	\$91,243	\$13,926,479	\$6,427,741	46.2%
Detention Facility	\$3,931,029	\$33,988	\$3,965,017	\$2,002,708	50.5%
Emergency Management	\$319,063	\$0	\$319,063	\$149,774	46.9%
Fire Marshal	\$497,754	\$0	\$497,754	\$314,009	63.1%
Building Services	\$860,485	\$0	\$860,485	\$408,840	47.5%
Wellness Clinic	\$497,809	\$0	\$497,809	\$245,171	49.2%
Emergency Medical Services	\$4,532,054	\$137,690	\$4,669,744	\$2,410,274	51.6%
Animal Services	\$589,396	\$0	\$589,396	\$285,011	48.4%
Rescue Squad	\$281,360	\$0	\$281,360	\$220,570	78.4%
Forestry Services	\$52,979	\$0	\$52,979	\$15,281	28.8%
Soil & Water Conservation	\$308,382	\$0	\$308,382	\$142,467	46.2%
Planning	\$583,250	\$0	\$583,250	\$246,685	42.3%
County Department	BOC Adopted	Revisions (as of 12.31.14)	Total Revised Budget	\$ Expended (as of 12.31.14)	% Expended (as of 12.31.14)
Code Enforcement	\$266,367	\$15,248	\$281,615	\$139,485	49.5%
Cooperative Extension	\$316,205	\$0	\$316,205	\$162,334	51.3%
Economic Development	\$919,367	\$0	\$919,367	\$692,524	75.3%
AgriBusiness Henderson County	\$127,848	\$0	\$127,848	\$74,954	58.6%
Public Health	\$6,186,333	\$6,726	\$6,193,059	\$2,798,333	45.2%
Environmental Health	\$989,168	\$0	\$989,168	\$469,312	47.4%
Home & Community Care Grant	\$741,880	-\$8,232	\$733,648	\$320,286	43.7%
Medical Services	\$46,250	\$0	\$46,250	\$16,100	34.8%
Mental Health	\$528,612	\$0	\$528,612	\$264,306	50.0%
ROAP (Rural Operating Assistance)	\$211,092	-\$14,997	\$196,095	\$84,237	43.0%
Social Services	\$12,768,710	-\$1,709	\$12,767,001	\$6,136,651	48.1%
DSS – Smart Start	\$553,544	\$0	\$553,544	\$244,980	44.3%

County Department	BOC Adopted	Revisions (as of 12.31.14)	Total Revised Budget	\$ Expended (as of 12.31.14)	% Expended (as of 12.31.14)
DSS – Federal & State	\$7,221,933	\$19,303	\$7,241,236	\$3,517,787	48.6%
DSS – General Assistance	\$61,500	\$0	\$61,500	\$19,840	32.3%
Juvenile Justice Grant	\$193,745	\$0	\$193,745	\$95,414	49.2%
Veteran’s Services	\$47,650	\$0	\$47,650	\$14,442	30.3%
Public Library	\$2,924,370	\$78,471	\$3,002,841	\$1,467,285	48.9%
Recreation	\$1,576,494	\$748	\$1,577,242	\$740,044	46.9%
County Debt Service	\$3,756,267	\$0	\$3,756,267	\$1,442,573	38.4%
Non-Departmental	\$259,600	-\$61,525	\$198,075	\$0	0.0%
Transfers to Other Fund	\$1,645,425	\$0	\$1,645,425	\$822,712	50.0%
TOTAL	\$80,419,004	\$322,363	\$80,741,367	\$38,172,049	47.3%

FY 2014-2015 Education Expenditures

	BOC Adopted	Revisions (As of 12.31.14)	Total Revised Budget	\$ Expended (As of 12.31.14)	% Expended (As of 12.31.14)
HC Public School System					
• Current Expense	\$23,124,447	\$0	\$23,124,447	\$11,562,223	50.0%
• Debt Service	\$8,335,988	\$0	\$8,335,988	\$4,857,758	58.3%
• Conditional Appropriation	\$561,706	\$0	\$561,706	\$0	0%
TOTAL	\$32,022,141	\$0	\$32,022,141	\$16,419,981	51.3%

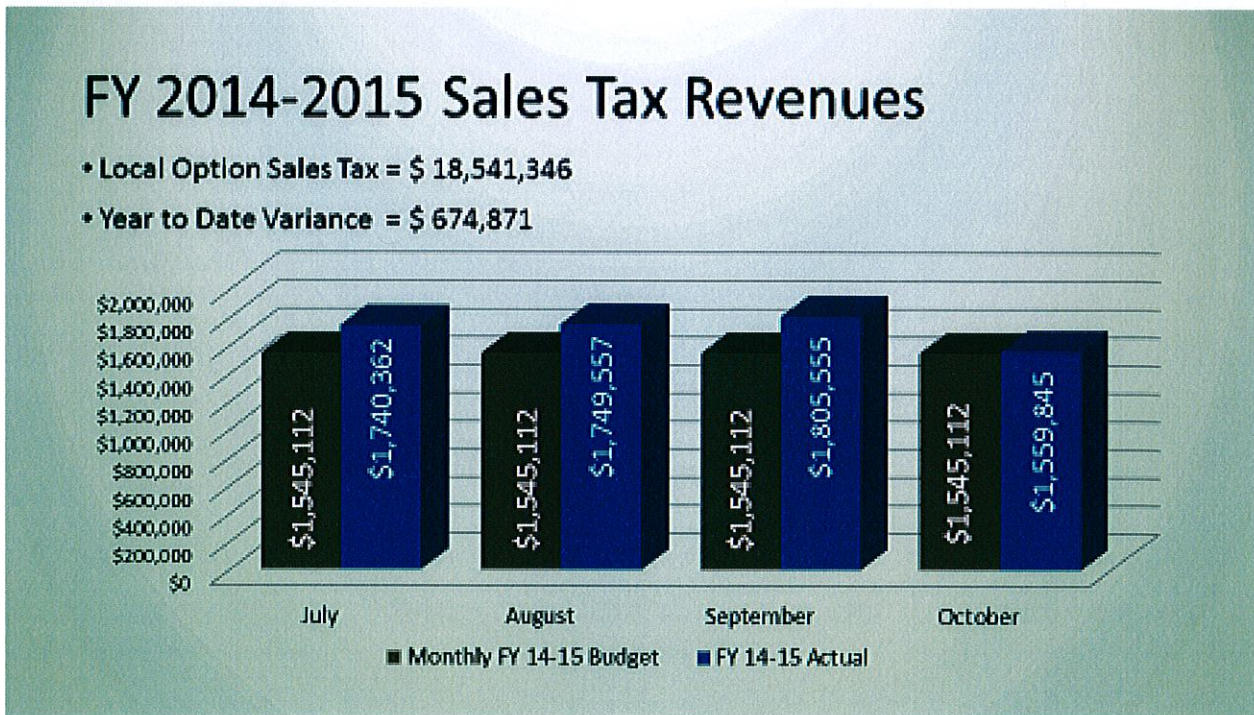
Blue Ridge Community College					
• Current Expense	\$3,157,836	\$0	\$3,157,836	\$1,578,918	50.0%
• Debt Service	\$1,477,771	\$0	\$1,477,771	\$496,111	33.6%
TOTAL	\$4,365,607	\$0	\$4,635,607	\$2,293,944	49.5%

FY 2014-2015 Total Expenditures

	BOC Adopted	Revisions (As of 12.31.14)	Total Revised Budget	\$ Expended (As of 12.31.14)	% Expended (As of 12.31.14)
GENERAL FUND TOTAL	\$117,076,752	\$322,363	\$117,399,115	\$56,855,974	48.4%

FY 2014-2015 Revenues

	BOC Adopted	Revisions (As of 12.31.14)	Total Revised	\$ Received (As of 12.31.14)	% Received (As of 12.31.14)
Ad Valorem Taxes – Current Year	\$60,768,780	\$0	\$60,768,780	\$50,864,248	83.7%
Ad Valorem Taxes – Prior Years	\$1,920,000	\$0	\$1,920,000	\$922,969	48.1%
Local Option Sales Taxes	\$18,541,346	\$0	\$18,541,346	\$6,855,319	37.0%
Other Taxes and Licenses	\$834,500	\$0	\$834,500	\$350,559	42.0%
Unrestricted Intergovernmental	\$53,000	\$0	\$53,000	\$24,568	46.4%
Restricted Intergovernmental	\$18,274,724	\$56,137	\$18,330,861	\$8,881,997	48.5%
Permits and Fees	\$1,250,800	\$0	\$1,250,800	\$603,620	48.3%
Sales and Services	\$5,354,954	\$49,025	\$5,403,979	\$2,694,820	49.9%
Investment Earnings	\$500,000	\$0	\$500,000	\$225,245	45.0%
Other Revenues	\$523,665	\$245,449	\$769,114	\$461,465	60.0%
Transfers from Other Funds	\$325,918	-\$49,025	\$276,893	\$49,959	18.0%
Total General Fund Revenues	\$117,076,752	\$322,363	\$117,399,115	\$71,934,769	61.3%
Fund Balance Appropriated	\$8,729,065	\$20,777	\$8,749,842	\$0	0.0%



The numbers for sales tax revenues are through November 30, 2014. Discussion is being made on distribution formulas.

100% of lottery funds go to school debt service.

Capital Reserve Fund

Capital Reserve Fund established in FY 2007		Deposit/ Appropriation	Running Balance
FY 2007	Deposit – Sale of Land Development Building	\$ 1,337,195	\$ 1,337,195
FY 2008	Deposit – Transfer from General Fund	\$ 1,400,000	\$ 2,737,195
FY 2009	Appropriation – Detention Center Generator	(\$ 300,000)	\$ 2,437,195
FY 2010	Deposit – Transfer from General Fund	\$ 772,677	\$ 3,209,872
	Appropriation – Compressed Natural Gas Project	(\$ 35,000)	\$ 3,174,872
FY 2011	Appropriation – Parks and Recreation projects	(\$ 156,249)	\$ 3,018,623
	Appropriation – Tuxedo Mill Demolition	(\$ 143,324)	\$ 2,875,299
	Appropriation – Law Enforcement Center	(\$ 1,058,347)	\$ 1,816,952
	Deposit – Progress Energy (Bent Creek Easement)	\$ 8,500	\$ 1,825,452
	Appropriation - Boyd Property	(\$ 750,000)	\$ 1,075,452
FY 2012	Deposit – Sale of Nuckolls Building	\$ 700,000	\$ 1,775,452
	Appropriation – Parks and Recreation projects	(\$ 535,039)	\$ 1,240,413
FY 2013	Deposit – Transfer from General Fund (Recreation)	\$ 200,000	\$ 1,440,413
	Appropriation – Parks and Recreation projects	(\$ 26,848)	\$ 1,413,565
	Appropriation – 1995 Courthouse Congressional Office	(\$ 26,899)	\$ 1,386,666
FY 2014	Appropriation – 1995 Courthouse Renovations	(\$ 1,000,000)	\$ 386,666
FY 2015	Deposit—Transfer from General Fund (Recreation)	\$400,000	\$786,666
	Deposit—Transfer from General Fund (Earmarked for Health Science Building)	\$923,463	\$1,710,129
	Deposit—P&I Software	\$75,000	\$1,785,129
	Deposit—Transfer from General Fund (Conditional School Funding Reverted)	\$166,183	\$1,951,312

Historical Budget Information

REVISED BUDGET EXPENDITURES FY 2013 - 2015			
COUNTY	FY 2012-2013	FY 2013-2014	FY 2014-2015 (As of 12.31.14)
Operational	\$76,813,896	\$74,879,520	\$76,985,100
Debt	\$3,976,272	\$3,800,106	\$3,756,267
TOTAL COUNTY	\$80,790,168	\$78,679,626	\$80,741,367

REVISED BUDGET EXPENDITURES FY 2013 - 2015			
PUBLIC SCHOOLS	FY 2012-2013	FY 2013-2014	FY 2014-2015 (As of 12.31.14)
Current	\$21,200,000	\$22,070,846	\$23,686,153
Debt	\$8,393,805	\$9,169,413	\$8,335,988
TOTAL HCPS	\$29,593,805	\$31,240,259	\$32,022,141

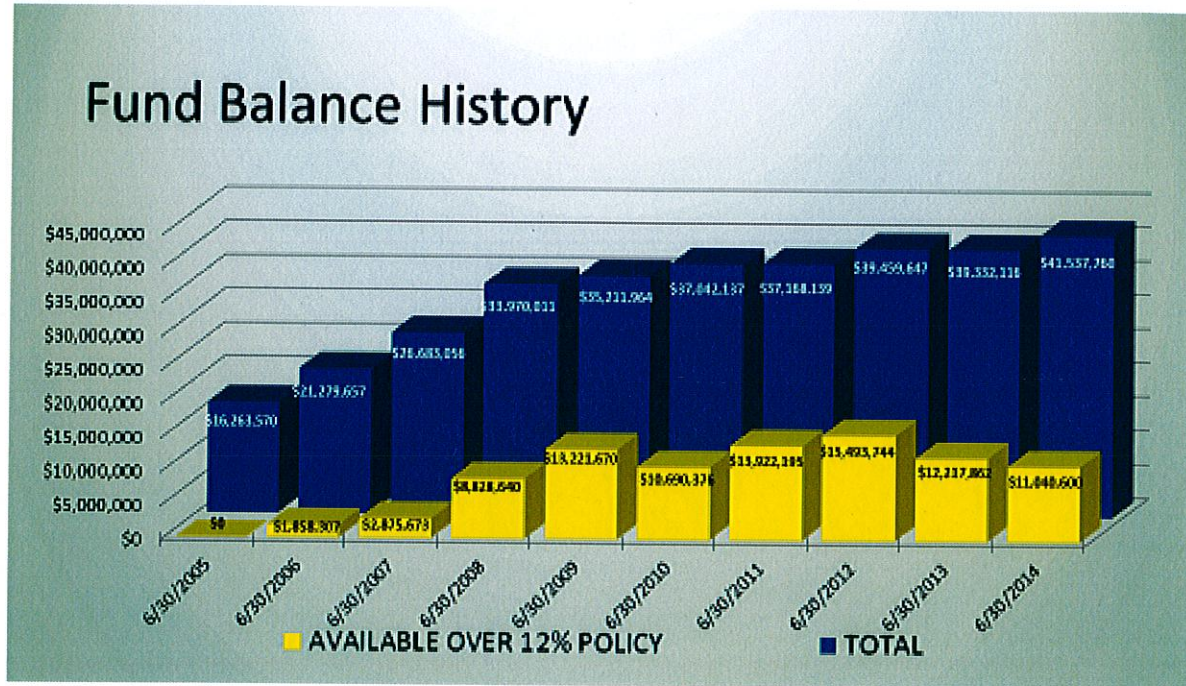
REVISED BUDGET EXPENDITURES FY 2013 - 2015			
COMMUNITY COLLEGE	FY 2012-2013	FY 2013-2014	FY 2014-2015 (As of 12.31.14)
Operational	\$2,825,977	\$3,075,977	\$3,157,836
Debt	\$1,616,429	\$1,524,036	\$1,477,771
TOTAL BRCC	\$4,442,406	\$4,600,013	\$4,635,607

REVISED BUDGET EXPENDITURES FY 2013 - 2015 VARIANCE				
COUNTY	FY 2012-2013	FY 2014-2015 (As of 12.31.14)	\$ VARIANCE	% VARIANCE
Operational	\$76,813,896	\$76,985,100	\$171,204	0.22%
Debt	\$3,976,272	\$3,756,267	(\$220,005)	(5.53%)
TOTAL COUNTY	\$80,790,168	\$80,741,367	(\$48,801)	(0.06%)

HENDERSON COUNTY PUBLIC SCHOOLS				
Current and Capital	\$21,200,000	\$23,686,153	\$2,486,153	11.73%
Debt	\$8,393,805	\$8,335,988	(\$57,817)	(0.69%)
TOTAL HCPS	\$29,593,805	\$32,022,141	\$2,428,336	8.21%

BLUE RIDGE COMMUNITY COLLEGE				
Operational and Capital	\$2,825,977	\$3,157,836	\$331,859	11.74%
Debt	\$1,616,429	\$1,477,771	(\$138,658)	(8.58%)
TOTAL BRCC	\$4,442,406	\$4,635,607	\$193,201	4.35%

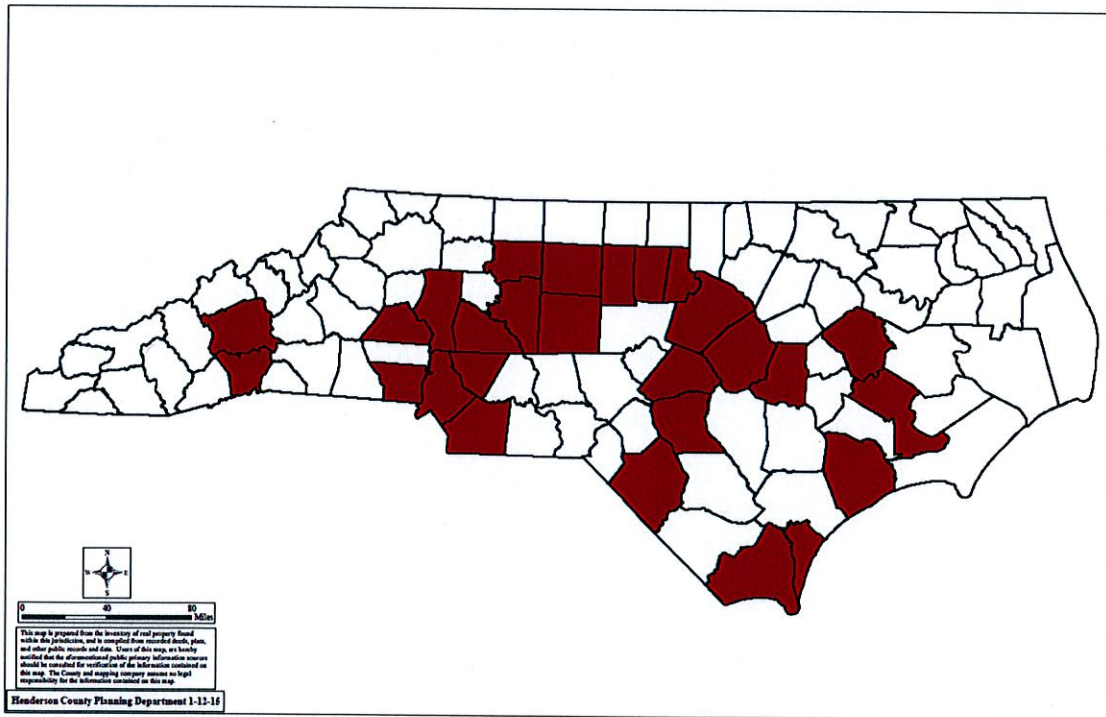
TOTAL GENERAL FUND	\$114,826,379	\$117,399,115	\$2,572,736	2.24%
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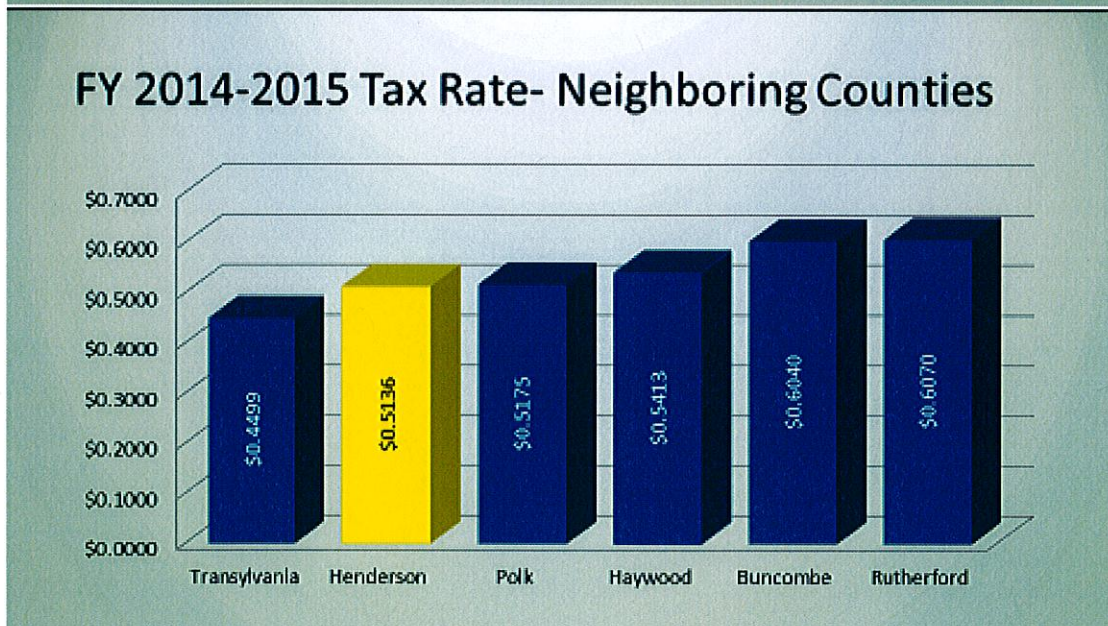
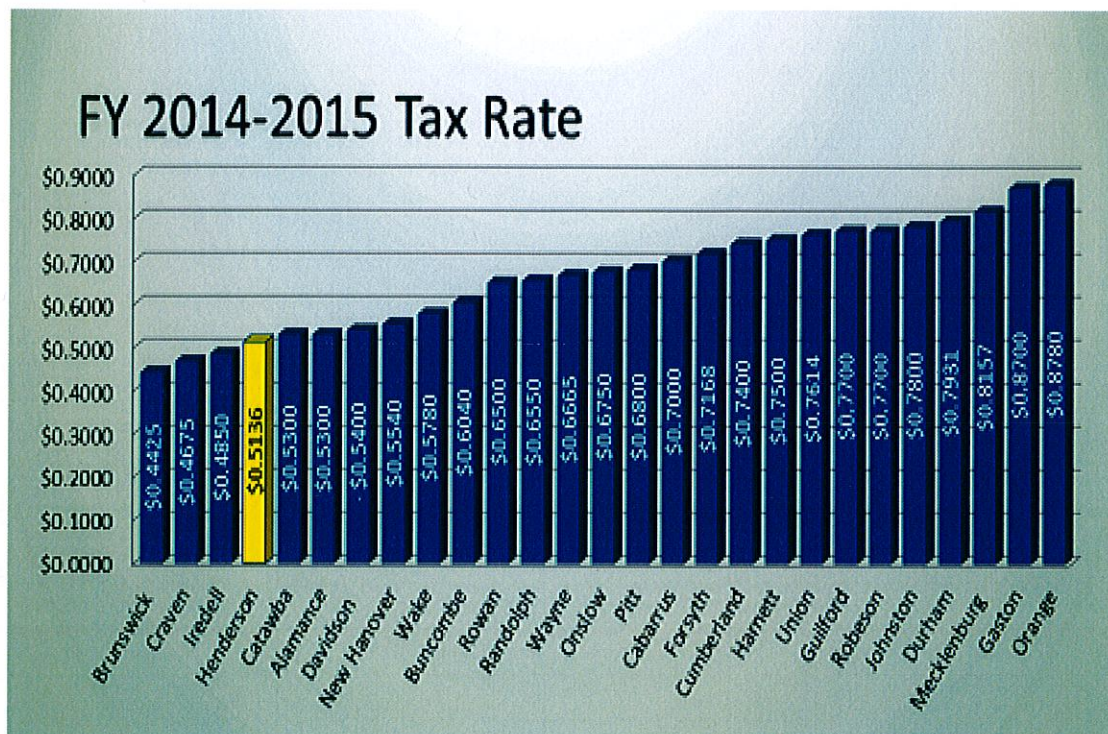


FY 2014-2015 Tax Rate

- The tax rate of \$0.5136 per \$100 of valuation is the 4th lowest tax rate of the 27 urban counties -- those with a population over 100,000 -- and the 20th lowest of all 100 counties in North Carolina.

Map of Comparison Counties





Financial Forecast

- Beginning of new 4 year cycle
- Reappraisal of all Real Property

FY 2015-2016 Financial Forecast

Projected Revenues for FY 15-16	\$ 110,900,000
Current Commitments for FY 15-16	\$ 118,850,000
Projected Fund Balance Required	\$ 7,950,000

FY 2015-2016 AD VALOREM SCENARIOS – TAX RATE OF 0.5136				
FY 13-14 ACTUAL		Plus 3%	Plus 5%	Plus 7%
Tax Rate	0.5136	0.5136	0.5136	0.5136
Total Current Year Ad Valorem Taxes	\$61,562,952	\$63,409,841	\$64,641,100	\$65,872,359
NET INCREASE		\$1,846,889	\$3,078,148	\$4,309,407

FY 2015-2016 AD VALOREM SCENARIOS – TAX RATE OF 0.51				
FY 13-14 ACTUAL		Plus 3%	Plus 5%	Plus 7%
Tax Rate	0.5136	0.5136	0.5136	0.5136
Total Current Year Ad Valorem Taxes	\$61,562,952	\$62,978,404	\$64,209,663	\$65,440,992
NET INCREASE		\$1,415,452	\$2,646,711	\$3,877,970

Total available fund balance over 12% as of July 1, 2014 \$11,040,600

Historic average net change in Total Fund Balance + \$ 1,540,000

FY 2015-2016 Current Commitments \$ 118,850,000
 1% Budget Growth Cap = \$ 1,188,500
 2% Budget Growth Cap = \$ 2,377,000
 3% Budget Growth Cap = \$ 3,565,500

1% Budget Growth Cap = \$120,038,500
 Estimated Revenue Shortfall= \$9,138,500

2% Budget Growth Cap \$121,227,000
 Estimated Revenue Shortfall= \$10,327,000

3% Budget Growth Cap = \$122,415,500
 Estimated Revenue Shortfall= \$11,515,500

AD VALOREM GROWTH AT 0.51 TAX RATE

		3%	5%	7%
		\$62,959,892	\$64,793,835	\$65,405,150
	Net Increase	\$1,415,452	\$2,646,711	\$3,877,970
1% Budget Growth Cap	\$120,038,500	\$120,038,500	\$120,038,500	\$120,038,500
Estimated Revenue Shortfall	\$9,138,500	\$7,723,048	\$6,491,789	\$5,260,530
2% Budget Growth Cap	\$121,227,000	\$121,227,000	\$121,227,000	\$121,227,000
Estimated Revenue Shortfall	\$10,327,000	\$8,911,548	\$7,680,289	\$6,449,030
3% Budget Growth Cap	\$122,415,500	\$122,415,500	\$122,415,500	\$122,415,500
Estimated Revenue Shortfall	\$11,515,500	\$10,100,048	\$8,868,789	\$7,637,530

Anticipated Available Fund Balance over 12% **\$ 11,040,600**
 Fund Balance Required at 1% **\$ 9,138,500**
 Projected Fund Balance Remaining **\$ 1,902,100**

Anticipated Available Fund Balance over 12% **\$ 11,040,600**
 Fund Balance Required at 2% **\$ 10,327,000**
 Projected Fund Balance Remaining **\$ 713,600**

Anticipated Available Fund Balance over 12% **\$ 11,040,600**
 Fund Balance Required at 3% **\$ 11,515,500**
 Projected Fund Balance Remaining **(\$474,900)**

Finance Director Carey McLelland presented the following information:

Capital Financing Debt Schedules

Outstanding Debt Principal

MC PUBLIC SCHOOLS	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
2013 Refinancing Bonds	\$3,881,620	\$1,734,980	\$7,789,200	\$6,825,030	\$5,804,400	\$5,006,100	\$4,125,150	\$3,381,900	\$2,410,840	\$1,591,000
2012 Refinancing Bonds	\$7,435,200	\$6,502,800	\$5,781,600	\$4,989,800	\$4,214,400	\$3,480,800	\$2,728,400	\$2,015,600	\$1,322,400	\$630,400
2010 Refinancing Bonds	\$4,874,845	\$1,028,341	\$3,388,170	\$2,425,128	\$1,510,493	\$88,691	\$0	\$0	\$0	\$0
2010 Apple Valley/North	\$3,336,109	\$1,694,087	\$1,868,060	\$1,332,644	\$888,022	\$0	\$0	\$0	\$0	\$0
2010 QZABs - Repairs	\$203,750	\$723,000	\$41,250	\$381,500	\$164,750	\$0	\$0	\$0	\$0	\$0
2009 QSCBs - Repairs	\$2,155,200	\$1,708,380	\$1,381,120	\$854,080	\$433,040	\$0	\$0	\$0	\$0	\$0
2008 Hillandale/Mills River	\$19,200,000	\$17,371,629	\$15,542,857	\$13,714,286	\$11,885,734	\$10,057,343	\$8,228,571	\$6,400,000	\$4,571,429	\$2,742,858
TOTAL MC PUBLIC SCHOOLS	\$48,855,814	\$42,852,807	\$38,285,938	\$33,913,628	\$28,718,815	\$24,130,734	\$15,848,101	\$11,875,930	\$8,310,840	\$4,984,258

BRCC	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
2013 Refinancing Bonds	\$9,158,680	\$8,970,668	\$7,975,240	\$7,009,488	\$6,864,040	\$5,141,400	\$4,236,120	\$3,358,080	\$2,482,160	\$1,634,880
2010 Repairs	\$1,163,889	\$969,891	\$775,913	\$581,934	\$387,956	\$193,978	\$0	\$0	\$0	\$0
Health Sciences Education Facility	\$9,148,000	\$8,822,000	\$8,581,000	\$8,248,000	\$7,893,000	\$7,538,000	\$7,170,000	\$6,787,000	\$6,390,000	\$5,978,000
TOTAL BRCC	\$19,354,349	\$18,862,551	\$17,347,153	\$15,839,414	\$14,944,996	\$12,873,378	\$11,468,620	\$10,137,080	\$8,872,160	\$7,612,880

TOTAL EDUCATION	\$68,210,163	\$61,715,358	\$55,633,092	\$49,753,042	\$43,663,811	\$37,004,112	\$27,316,721	\$22,012,990	\$17,182,999	\$12,597,138
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Outstanding Debt Principal

HC PUBLIC SCHOOLS	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
2013 Refinancing Bonds	\$9,841,820	\$1,754,199	\$7,719,260	\$6,825,639	\$5,954,420	\$5,098,100	\$4,125,159	\$3,181,920	\$1,418,840	\$1,591,600
2012 Refinancing Bonds	\$7,411,200	\$6,592,800	\$5,781,600	\$4,969,600	\$4,134,400	\$3,460,800	\$1,728,400	\$2,011,600	\$1,332,400	\$830,400
2010 Refinancing Bonds	\$6,874,845	\$1,028,343	\$3,368,178	\$1,425,129	\$1,310,492	\$606,291	\$0	\$0	\$0	\$0
2010 Apple Valley/North	\$3,330,109	\$1,684,687	\$1,898,068	\$1,332,044	\$666,022	\$0	\$0	\$0	\$0	\$0
2010 QZABs - Repairs	\$903,730	\$723,600	\$547,250	\$381,300	\$194,750	\$0	\$0	\$0	\$0	\$0
2009 QZABs - Repairs	\$2,115,200	\$1,708,180	\$1,381,120	\$854,640	\$417,040	\$0	\$0	\$0	\$0	\$0
2008 Hillandale/Mills River	\$19,200,000	\$17,371,429	\$15,542,857	\$13,714,286	\$11,885,714	\$10,057,143	\$8,228,571	\$6,400,000	\$4,571,429	\$2,742,858
TOTAL HC PUBLIC SCHOOLS	\$49,655,934	\$42,832,607	\$36,283,139	\$30,313,659	\$24,718,833	\$19,130,734	\$15,866,101	\$13,675,519	\$8,310,669	\$4,964,258

BRCC	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
2013 Refinancing Bonds	\$9,150,680	\$8,970,650	\$7,179,240	\$7,009,480	\$6,664,040	\$5,141,600	\$4,236,620	\$3,350,080	\$1,982,160	\$1,634,600
2010 Repairs	\$1,163,889	\$959,893	\$775,913	\$581,934	\$387,956	\$183,978	\$0	\$0	\$0	\$0
Health Sciences Education Facility	\$9,248,000	\$8,522,000	\$8,192,000	\$8,248,000	\$7,893,000	\$7,538,000	\$7,170,000	\$6,787,000	\$6,390,000	\$5,978,000
TOTAL BRCC	\$19,562,569	\$18,452,543	\$16,147,163	\$15,839,414	\$14,945,000	\$12,863,578	\$11,406,620	\$10,137,080	\$8,372,160	\$7,612,600

TOTAL EDUCATION	\$79,218,473	\$61,285,150	\$52,430,302	\$46,153,073	\$39,663,833	\$32,004,312	\$27,272,721	\$23,812,600	\$17,682,829	\$12,576,858
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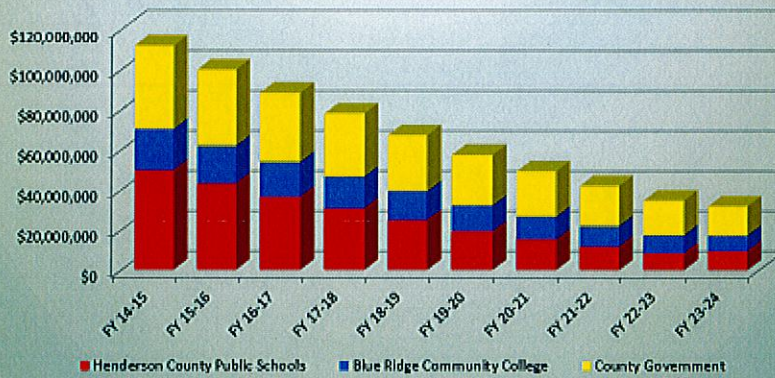
Outstanding Debt Principal

COUNTY GOVERNMENT	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
2013 Refinancing Bonds	\$6,548,500	\$5,991,750	\$5,249,500	\$4,611,500	\$3,949,500	\$3,382,500	\$2,787,250	\$2,204,000	\$1,633,000	\$1,075,000
2012 Refinancing Bonds	\$9,641,800	\$7,142,200	\$6,263,400	\$5,705,400	\$4,565,600	\$3,749,200	\$2,553,800	\$1,181,400	\$1,832,600	\$704,600
2010 Refinancing Bonds	\$546,551	\$386,395	\$263,131	\$196,820	\$118,361	\$47,561	\$0	\$0	\$0	\$0
2010 LEC/Court Services	\$5,589,000	\$5,699,000	\$4,500,000	\$4,000,000	\$3,500,000	\$3,000,000	\$2,500,000	\$2,000,000	\$1,500,000	\$1,000,000
Detention Center	\$1,789,000	\$1,325,000	\$877,000	\$434,000	\$0	\$0	\$0	\$0	\$0	\$0
Farmer 6th Avenue Clubhouse	\$28,187	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ambulances/EHS Equipment	\$670,789	\$386,245	\$162,436	\$82,719	\$0	\$0	\$0	\$0	\$0	\$0
Health Sciences Education Facility	\$18,480,000	\$17,843,000	\$17,189,000	\$16,487,000	\$15,787,000	\$14,077,000	\$14,340,000	\$13,579,000	\$12,780,000	\$11,837,000
TOTAL COUNTY GOVERNMENT	\$41,594,737	\$37,978,190	\$34,406,261	\$31,400,732	\$27,802,461	\$23,228,343	\$17,580,130	\$13,916,000	\$17,945,600	\$14,794,600

TOTAL DEBT PRINCIPAL	\$111,496,230	\$99,743,740	\$86,836,743	\$77,553,805	\$67,022,294	\$57,202,655	\$48,857,371	\$41,771,000	\$34,928,429	\$27,311,458
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FY DEBT PRINCIPAL REDUCTION	\$19,491,194	(\$11,891,466)	(\$11,384,005)	(\$10,217,828)	(\$10,807,313)	(\$9,781,820)	(\$8,182,782)	(\$7,228,371)	(\$7,242,371)	(\$7,195,371)
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General Fund Debt Principal



Retiring Debt Service

HC PUBLIC SCHOOLS	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
2013 Refinancing Bonds	\$1,212,046	\$1,171,683	\$1,131,194	\$1,090,912	\$1,048,691	\$1,008,811	\$972,739	\$937,450	\$902,151	\$866,119
2012 Refinancing Bonds	\$1,027,103	\$992,379	\$956,797	\$921,476	\$888,994	\$852,845	\$817,924	\$781,783	\$746,069	\$698,184
2010 Refinancing Bonds	\$1,225,800	\$2,149,148	\$1,851,875	\$1,036,625	\$991,060	\$942,148	\$618,824	\$ -	\$ -	\$ -
2010 Apple Valley/North	\$799,892	\$780,911	\$759,431	\$735,621	\$709,313	\$680,674	\$ -	\$ -	\$ -	\$ -
2010 QZABs - Repairs	\$239,964	\$230,895	\$220,226	\$210,357	\$200,488	\$190,619	\$ -	\$ -	\$ -	\$ -
2009 QZABs - Repairs	\$474,964	\$466,969	\$458,983	\$450,997	\$443,011	\$435,026	\$ -	\$ -	\$ -	\$ -
2008 Hillandale/Mills River	\$1,356,229	\$2,309,326	\$2,262,423	\$2,215,520	\$2,168,617	\$2,121,714	\$2,074,811	\$2,027,909	\$1,981,006	\$1,934,103
2002 School QZABs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL HC PUBLIC SCHOOLS	\$8,335,988	\$8,188,511	\$7,640,869	\$6,661,588	\$6,449,874	\$6,230,237	\$4,484,298	\$3,747,142	\$3,629,226	\$3,498,406

BRCC	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
2013 Refinancing Bonds	\$1,244,803	\$1,203,349	\$1,161,766	\$1,120,397	\$1,076,829	\$1,035,254	\$999,029	\$962,786	\$926,534	\$889,528
2010 Repairs	\$232,908	\$227,439	\$221,184	\$214,249	\$208,187	\$198,346	\$ -	\$ -	\$ -	\$ -
Health Sciences Education Facility	\$ -	\$254,380	\$664,563	\$665,521	\$664,313	\$664,593	\$665,521	\$664,479	\$664,604	\$665,833
TOTAL BRCC	\$1,477,711	\$1,685,168	\$2,047,513	\$2,000,167	\$1,947,729	\$1,897,833	\$1,664,550	\$1,627,265	\$1,591,138	\$1,555,361

TOTAL EDUCATION	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
	\$9,813,700	\$9,873,679	\$9,688,382	\$8,661,755	\$8,397,603	\$8,128,070	\$6,148,848	\$5,374,407	\$5,220,364	\$5,053,767

Retiring Debt Service

COUNTY GOVERNMENT	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
2013 Refinancing Bonds	\$818,950	\$791,678	\$764,520	\$737,103	\$708,440	\$681,089	\$653,256	\$625,412	\$597,562	\$569,715
2012 Refinancing Bonds	\$1,101,445	\$1,063,828	\$1,025,215	\$987,015	\$951,827	\$911,799	\$874,834	\$835,681	\$796,992	\$756,965
2010 Refinancing Bonds	\$174,417	\$168,411	\$145,058	\$81,252	\$77,661	\$73,828	\$48,492	\$ -	\$ -	\$ -
2010 LEC/Court Services	\$788,000	\$764,000	\$740,000	\$716,000	\$692,000	\$668,000	\$644,000	\$620,000	\$596,000	\$572,000
Detention Center	\$523,748	\$504,189	\$484,827	\$464,862	\$444,720	\$ -	\$ -	\$ -	\$ -	\$ -
Former 6 th Avenue Clubhouse	\$84,011	\$20,618	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Ambulances/EMS Equipment	\$315,696	\$294,582	\$229,690	\$123,054	\$42,710	\$ -	\$ -	\$ -	\$ -	\$ -
Health Sciences Education Facility	\$ -	\$908,750	\$1,329,125	\$1,331,042	\$1,328,625	\$1,328,667	\$1,351,042	\$1,328,950	\$1,329,100	\$1,351,667
TOTAL COUNTY GOVERNMENT	\$5,758,247	\$4,116,015	\$4,718,231	\$4,440,108	\$4,245,985	\$3,663,983	\$3,555,624	\$3,418,052	\$3,331,765	\$3,243,247

TOTAL DEBT SERVICE	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
	\$13,570,026	\$13,001,604	\$14,405,813	\$13,101,783	\$12,643,686	\$11,791,453	\$9,704,472	\$8,702,450	\$8,352,127	\$8,209,014

FY DEBT SERVICE REDUCTION	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
	(\$923,463)	\$331,668	\$504,119	(\$1,304,030)	(\$458,097)	(\$809,523)	(\$2,086,981)	(\$912,013)	(\$240,332)	(\$358,766)

Debt Service

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
County	\$3,756,267	\$4,370,395	\$5,382,794	\$5,105,629	\$4,910,296	\$4,327,716	\$4,221,145	\$4,082,531	\$3,996,367
Lease Receipts	\$0	\$0	(\$1,105,000)	(\$1,105,000)	(\$1,105,000)	(\$1,105,000)	(\$1,105,000)	(\$1,105,000)	(\$1,105,000)
Schools	\$8,335,988	\$8,100,511	\$7,640,069	\$6,661,508	\$6,449,974	\$6,230,237	\$4,484,298	\$3,747,142	\$3,629,226
BRCC	\$1,477,771	\$1,430,788	\$1,382,950	\$1,334,646	\$1,283,416	\$1,233,500	\$999,029	\$902,786	\$926,534
TOTAL	\$13,570,026	\$13,901,694	\$13,300,813	\$11,096,783	\$11,538,686	\$10,686,453	\$8,509,472	\$7,687,459	\$7,447,127
Net Change in Debt Service (Includes Lease Receipts)	\$331,608	(\$600,881)	(\$1,304,030)	(\$458,097)	(\$852,233)	(\$2,086,981)	(\$912,013)	(\$240,332)	

Debt Service Scenarios

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Series 2016 (\$25 mm)	\$0	\$0	\$1,190,475	\$1,905,475	\$2,588,300	\$2,523,950	\$2,459,600	\$2,395,250	\$2,330,900
Series 2017 (\$41.4 mm)	\$0	\$0	\$0	\$1,866,015	\$3,157,015	\$3,189,920	\$4,027,730	\$3,925,040	\$3,822,350
Series 2018 (\$56.6 mm)	\$0	\$0	\$0	\$0	\$2,547,450	\$4,077,450	\$5,538,600	\$5,400,900	\$5,263,200
Series 2019 (\$73 mm)	\$0	\$0	\$0	\$0	\$0	\$3,359,000	\$5,391,875	\$6,704,125	\$6,637,925

Debt Service Scenarios

- Option A
 - Delay projects until debt capacity becomes available
 - Amount available is dependent on the year of implementation, and other BOC decisions
 - 4 year capacity
 - FY 2016 = \$25 million
 - FY 2017 = \$41.4 million
 - FY 2018 = \$56.6 million
 - FY 2019 = \$73 million

Debt Service Scenarios

- **Option B**
 - Accelerate or add projects by adding 1 dedicated cent on the tax rate
 - Estimated revenue = \$1,200,000
 - Estimated additional borrowing capacity = \$15,725,000

Debt Service Scenarios

- **Option C**
 - Accelerate or add projects by adding 2 dedicated cents on the tax rate
 - Estimated revenue = \$2,400,000
 - Estimated additional borrowing capacity = \$31,635,000

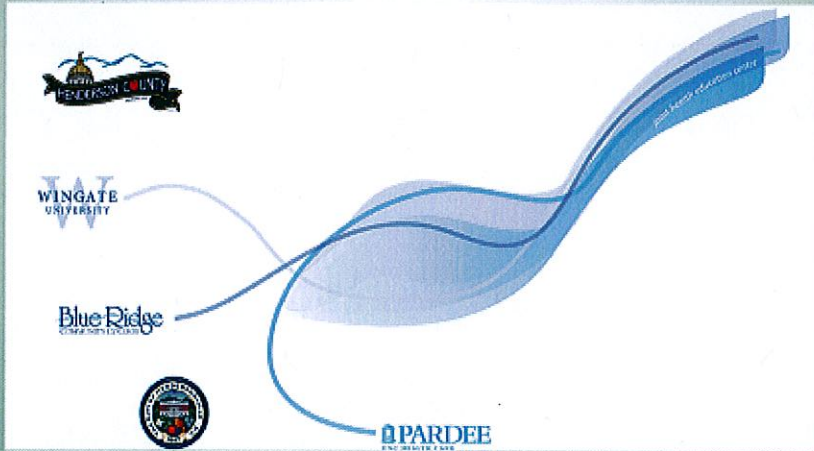
Debt Service Scenarios

- **Option D**
 - No operational cost increase
 - Utilize Fund Balance to pay for one-time capital projects

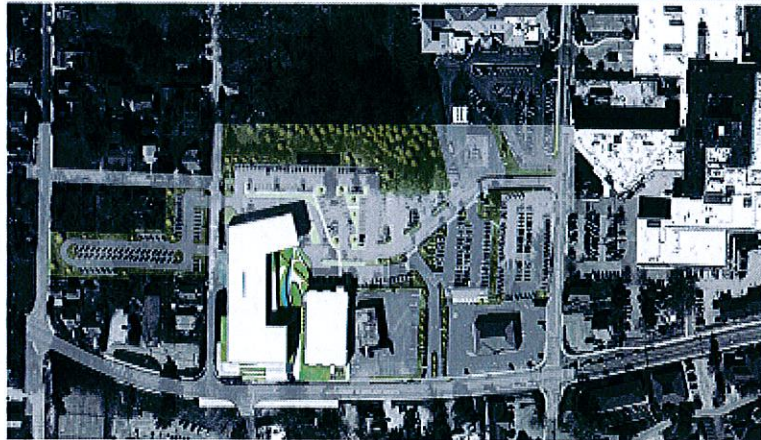


Health Sciences Center

- Update from Chad Roberson with Clark Nexsen
 - Review and Approval of Health Sciences Center Design



Henderson County Joint Medical Education Facility
VICINITY PLAN



Frederick County Joint Medical Education Facility
PARDEE CAMPUS ENTRANCE



Clute-Norton

Frederick County Joint Medical Education Facility
6TH AVENUE ENTRANCE

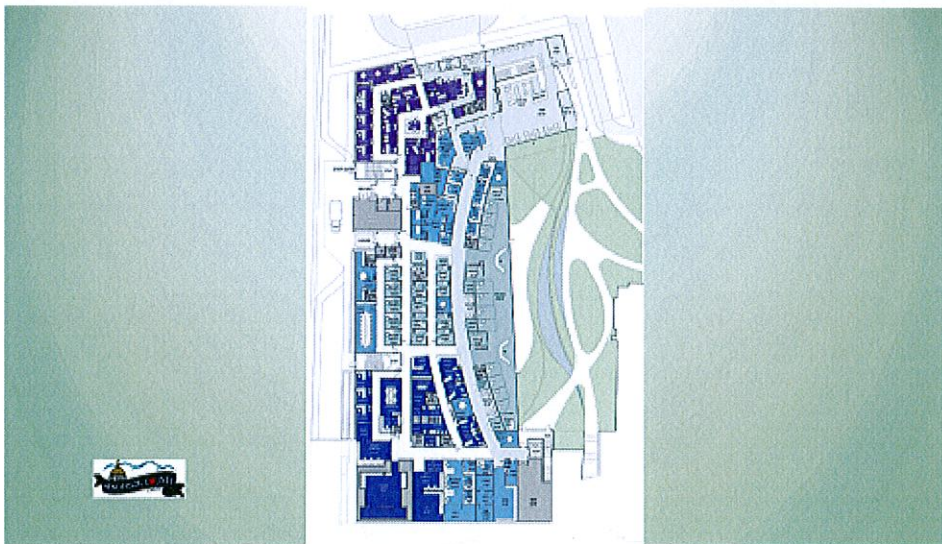
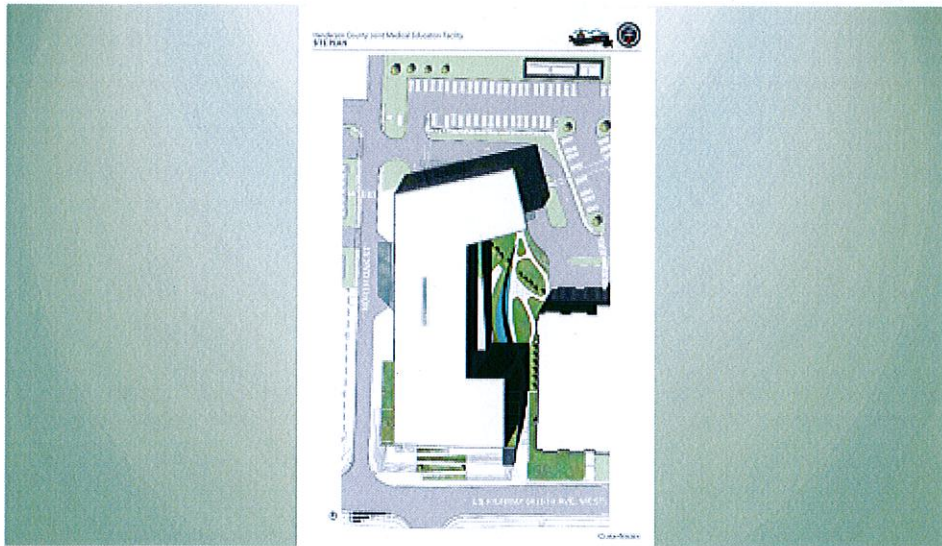
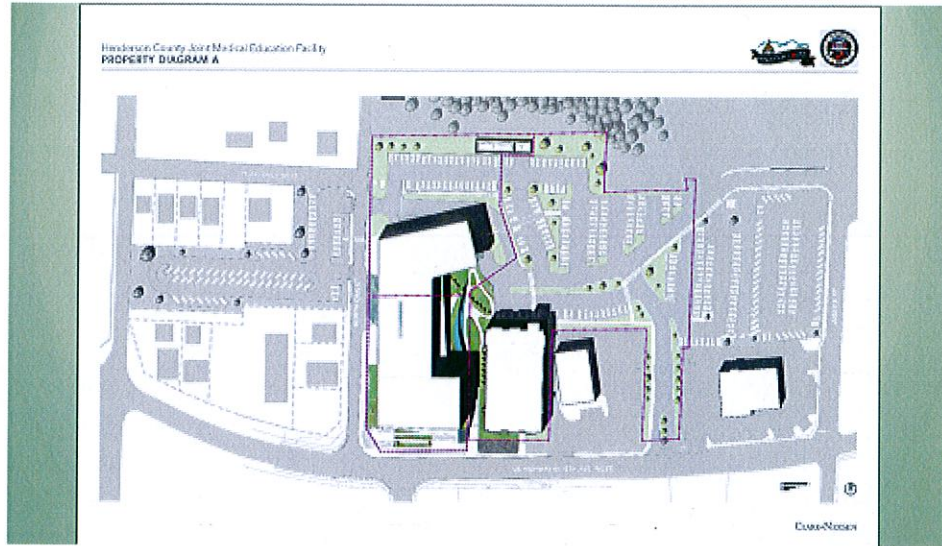


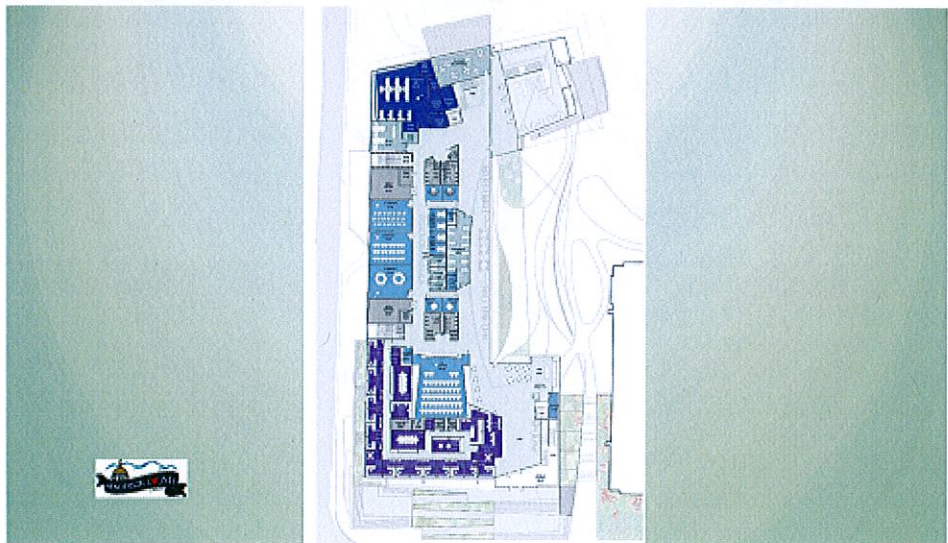
Clute-Norton

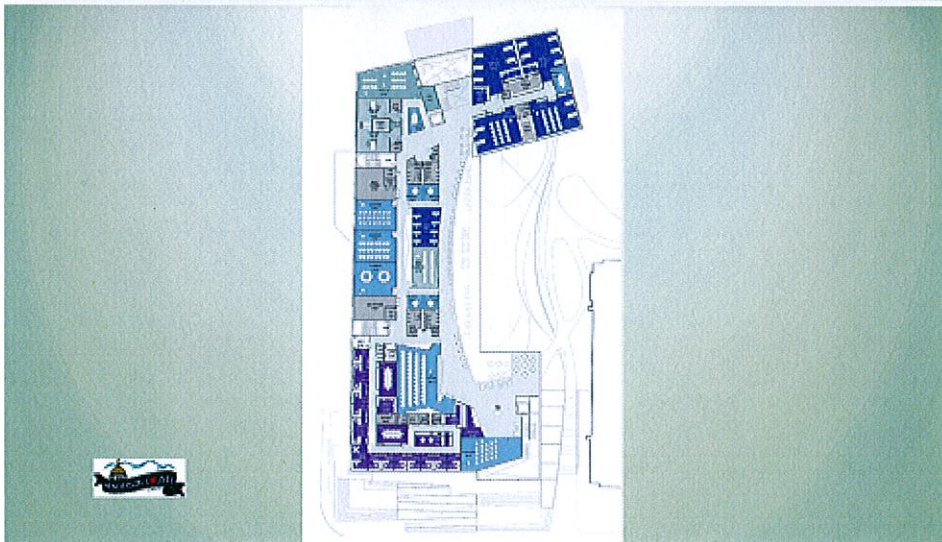
Frederick County Joint Medical Education Facility
MASTER PLAN

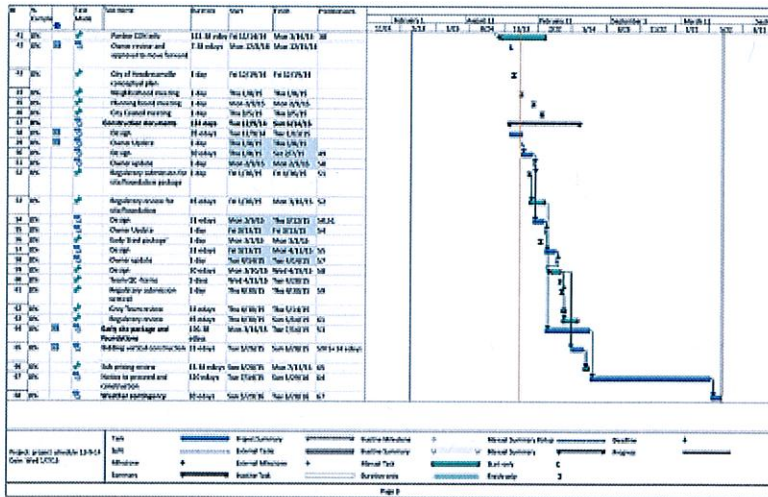


Clute-Norton









06/11/2014

Hard Costs a Construction Costings

	Construction Costs	Contingency	PIF Budget	Transparency
Costs and fixed base building	\$ 21,254,784.88	\$ 818,212.88	\$ 2,880,000.00	\$ 15,000,000.00
Technical improvements	\$ 14,041,527.15	\$ 702,278.66	\$ 433,000.00	\$ 150,000.00
Total Hard Costs	\$ 35,405,112.03	\$ 1,520,511.54	\$ 3,313,000.00	\$ 165,000.00
Soft Costs				
A/E/F Fees	\$ 2,488,778.94			
Commissioning	\$ 164,381.17			
CM fee/room	\$ 138,706.08			
Drawings	\$ 90,000.00			
Survey	\$ 10,000.00			
Special Inspections	\$ 138,706.08			
Material handling	\$ 118,706.08			
Permitting	\$ 124,800.00			
Total soft costs	\$ 3,144,879.18			
Grand Total Project Cost				\$ 167,000.00



Board Direction

- The Board is requested to approve the final design as presented, and authorize Staff to move forward with the Health Sciences Center project.

Engineer Marcus Jones has reviewed the prequalifications policy.

Commissioner Lapsley explained that it is important to make sure that the qualifications of the contractor are present.

It was consensus of the Board to approve the design and hold off on the policy until the February 2, 2015 meeting.

Commissioner Messer made the motion that the Board approves the final design as presented. All voted in favor and the motion carried.

EMS/Rescue Squad Facility Needs

Steve Allen of Solutions for Local Government, presented information on facility considerations.

Facility Programming

"The documentation of the requirements for a building program."

Space Needs

- Functionality & Purpose
- Adjacencies
- Access & Egress
- Circulation
- Efficiencies

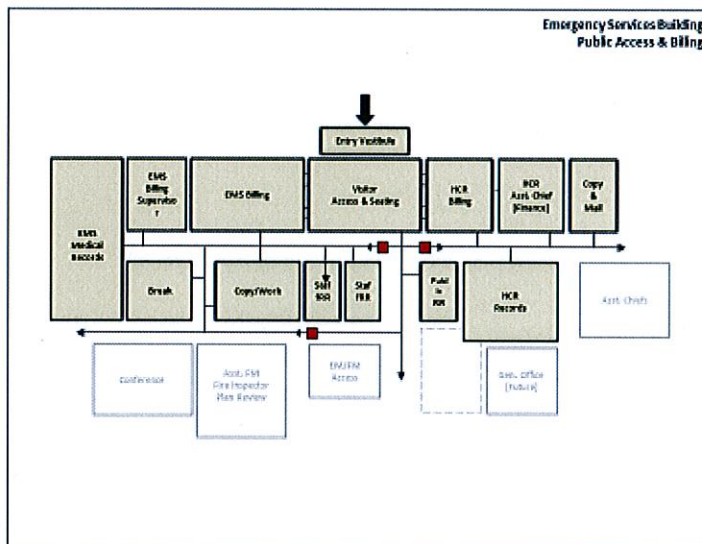
Building System Requirements

- Architectural
- Mechanical
- Plumbing
- Electrical
- Security & Communications
- Fire/Life Safety

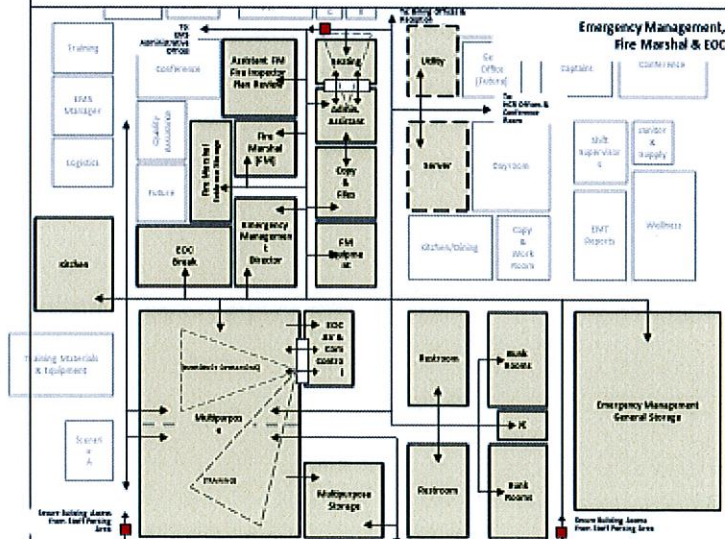
Deliverables

- Detailed Space Listings
- Facility Adjacency Concept
- Site Requirements
- Probable Costs

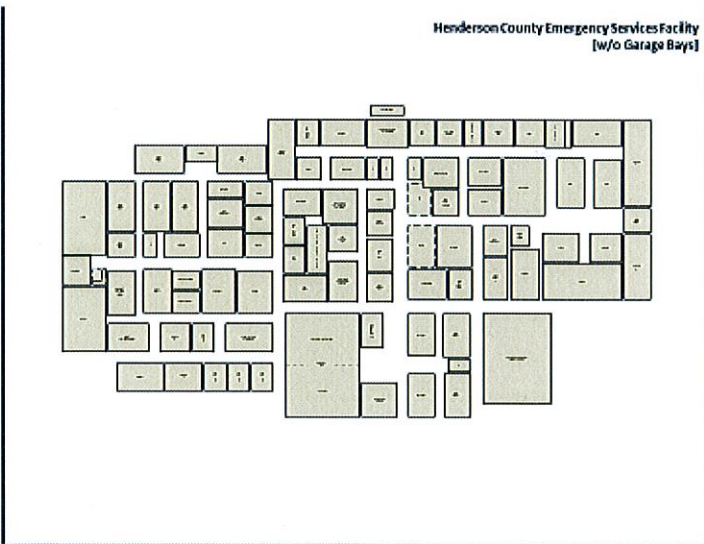
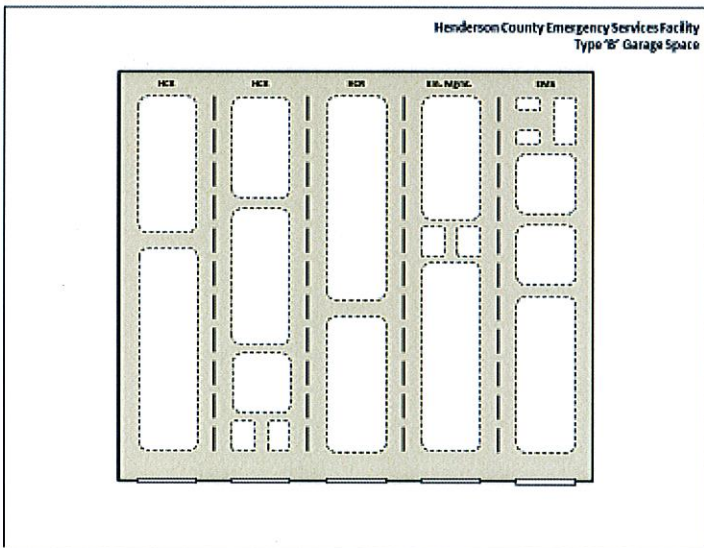
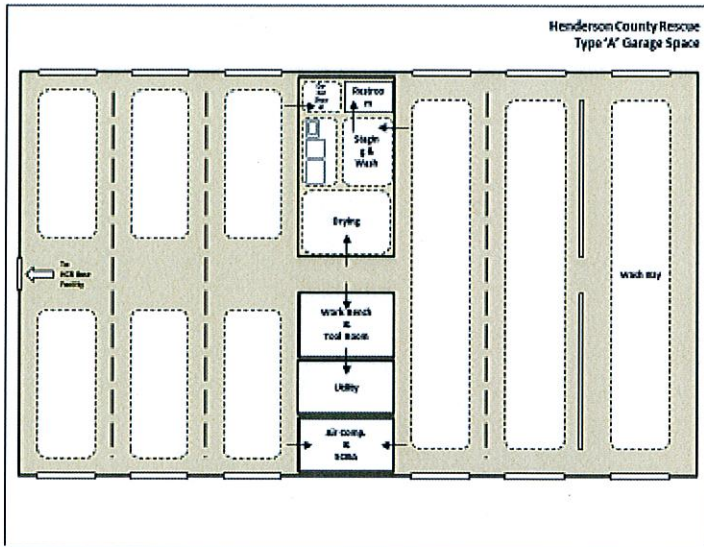
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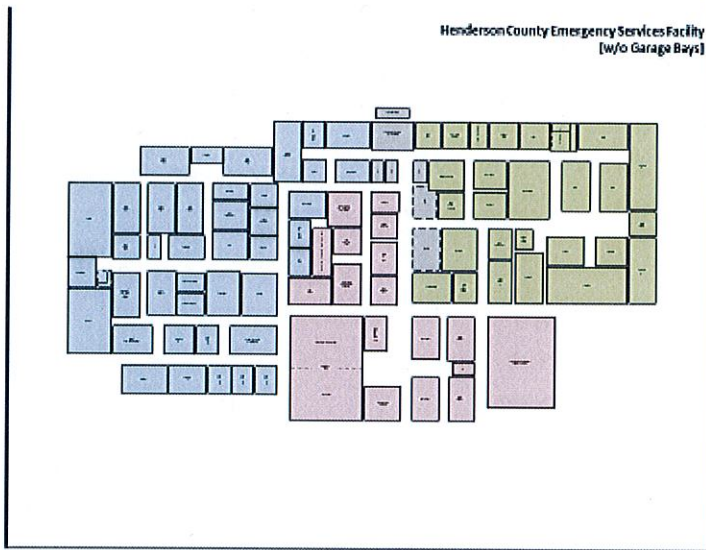


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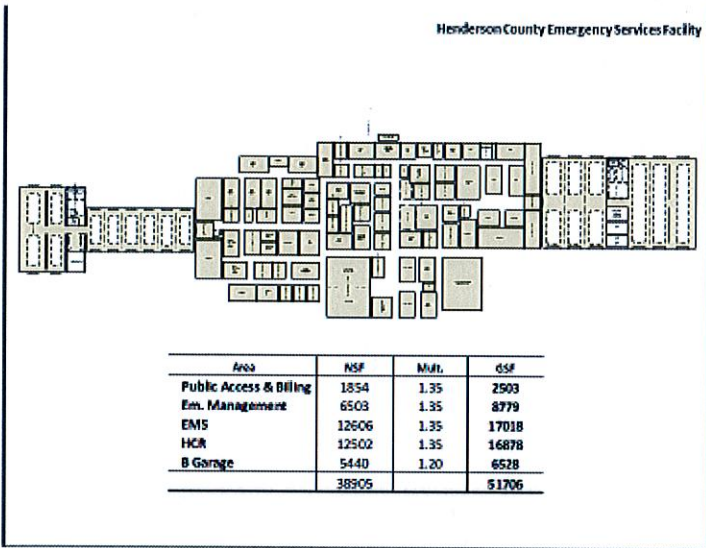


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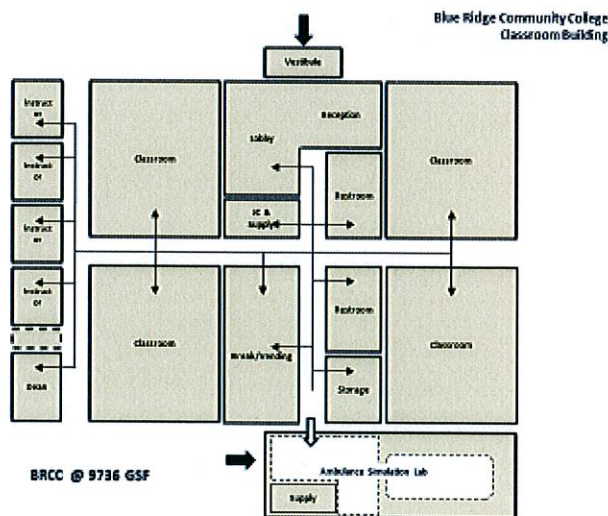




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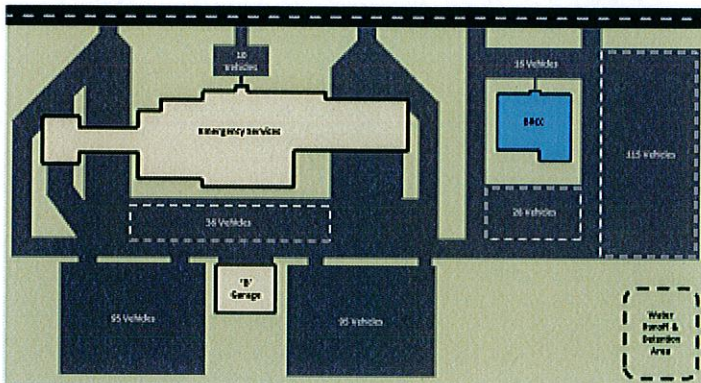


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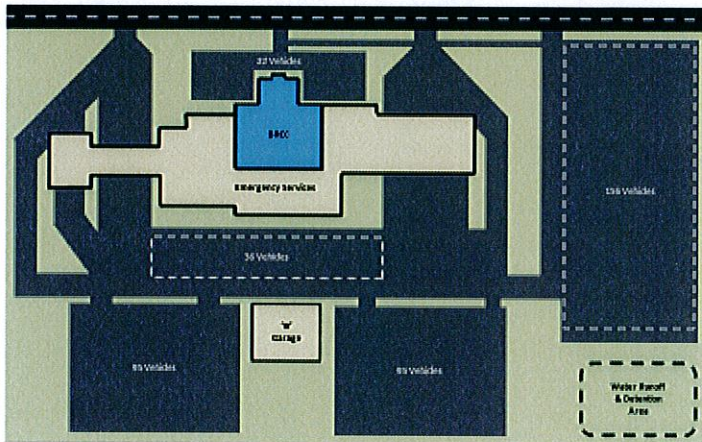
87

Building /Site Concept #1
(Est. 7.6 Acres)

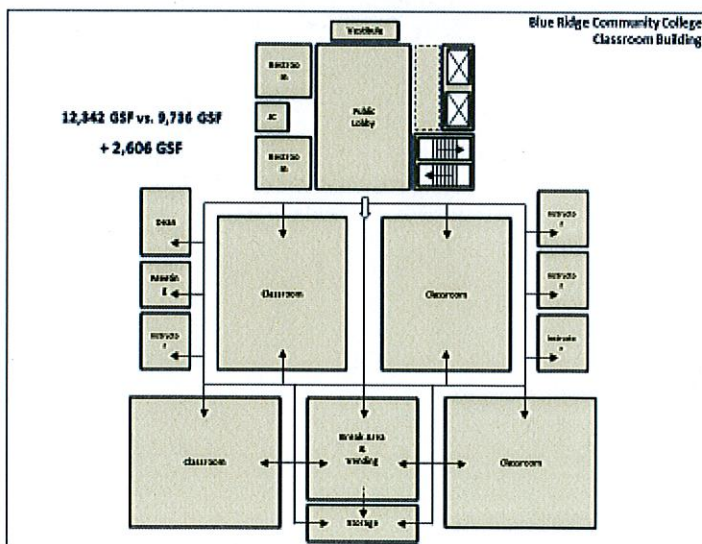


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Building /Site Concept #2

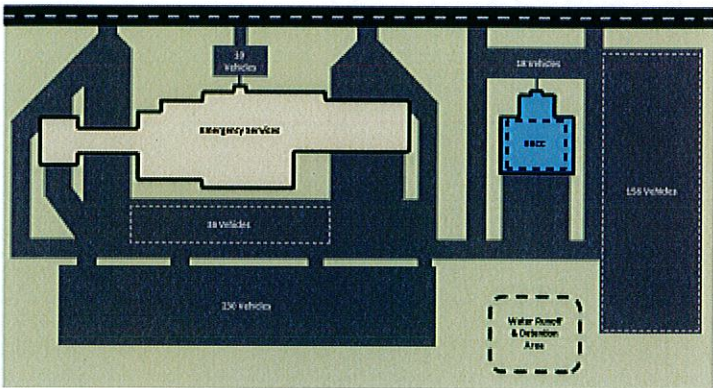


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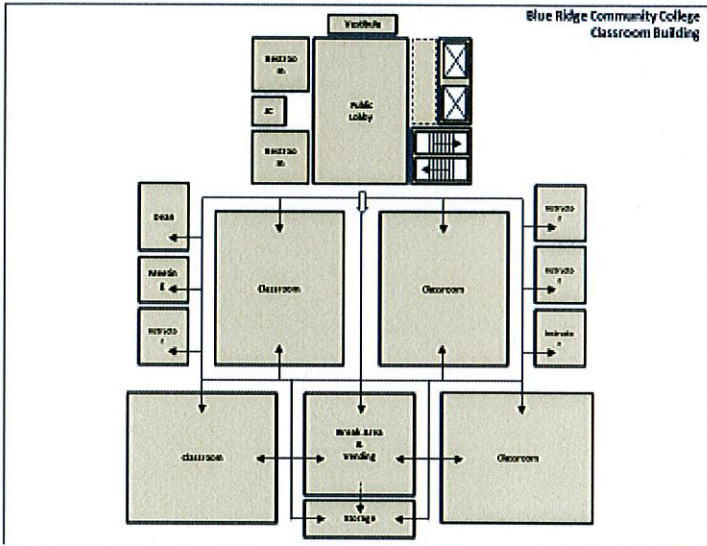
90

Building /Site Concept #3



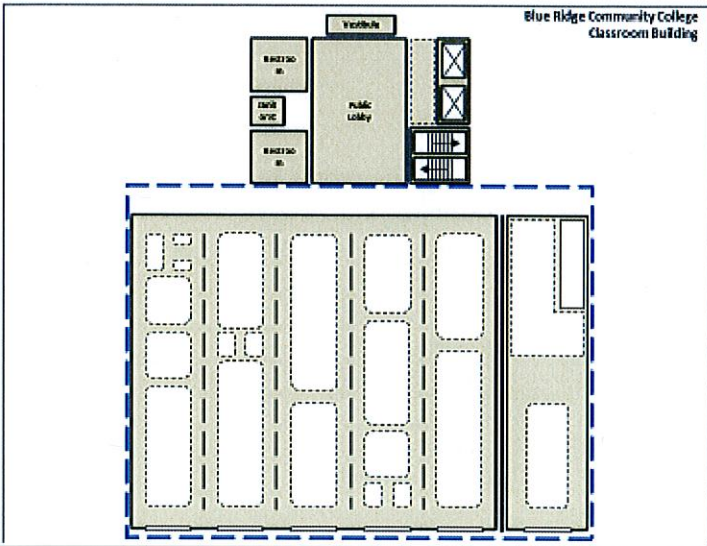
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Blue Ridge Community College Classroom Building



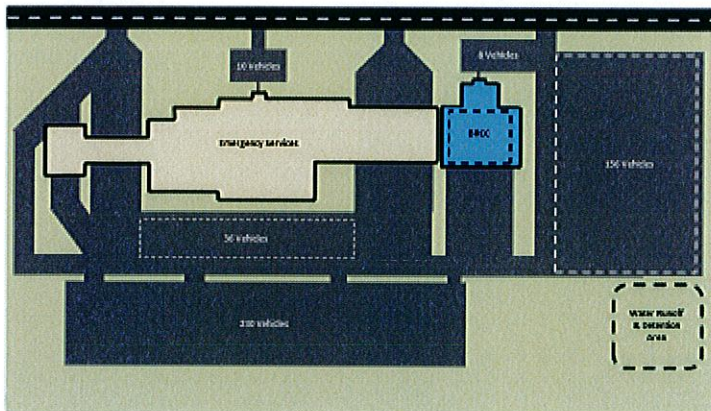
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Blue Ridge Community College Classroom Building



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Building /Site Concept #3a



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Probable Cost (Not including land)

"The documentation of the requirements for a building program."

OPTION #1

Construction	GSF	Unit Cost	Total
Main Building	51,706	\$148	\$7,652,488
BRCC-Option #1	9,736	\$165	\$1,606,440
Site Development		Estimate	\$500,000
Subtotal-Construction Costs:			\$9,758,928

OPTION #2 & #3

Construction	GSF	Unit Cost	Total
Main Building	51,706	\$148	\$7,652,488
BRCC-Option #2	12,542	\$165	\$2,070,430
Site Development		Estimate	\$500,000
Subtotal-Construction Costs:			\$10,222,918

Project Related	Unit Cost	Total
A/E Design Fees	7%	\$683,124.06
Site & Materials Testing	Lump Sum	\$20,000
Printing	Lump Sum	\$16,000
Escalation	5%	\$487,946.40
Contingencies	5%	\$487,946.40
Subtotal-Project Related Costs:		\$1,715,873

Project Related	Unit Cost	Total
A/E Design Fees	7%	\$713,224.26
Site & Materials Testing	Lump Sum	\$20,000
Printing	Lump Sum	\$16,000
Escalation	5%	\$509,445.90
Contingencies	5%	\$509,445.90
Subtotal-Project Related Costs:		\$1,715,873

Total Estimated Project Costs: \$11,474,801

Total Estimated Project Costs: \$11,904,791

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Mr. Allen noted that option 3 or 3A would require less acreage, around 7 to 7.5 acres. The site development cost is an estimate.

Steve Wyatt stated a lot depends on the site which has not been determined at this point. The project has not been approved, and the Board will need further discussion with a consensus on the concept.

Fire Marshall Rocky Hyder feels option 3 or 3A would be the best option. Dr. Molly Parkhill, Jimmy Brissie, and Rocky Hyder see a great collaborative effort that will meet needs for many years.

UPDATES AND EMERGING ISSUES

Blue Ridge Community College

Dr. Molly Parkhill, President of Blue Ridge Community College, updated the Board on upcoming projects/issues at the college.

EDUCATION

Henderson County Public Schools

David Jones, Henderson County Public Schools Superintendent, updated the Board on upcoming projects/issues with the school system.

LUNCH BREAK

The Board recessed for lunch and went into closed session before returning to open session.

CLOSED SESSION

The Board is requested to go into closed session pursuant to N.C. Gen. Stat. §143-318.11(a)(4), for the following reasons:

1. Pursuant to N.C. Gen. Stat. §143-318.11(a)(4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body.

Commissioner Edney made the motion that the Board go into closed session pursuant to N.C. Gen. Stat. §143-318.11(a)(4). All voted in favor and the motion carried.

Commissioner Edney made the motion to go out of closed session. All voted in favor and the motion carried.

ECONOMIC DEVELOPMENT UPDATE

CEO and President of the Henderson County Partnership for Economic Development Andrew Tate provided an update on current economic development projects.

Request Public Hearing for Project Granite

Commissioner Messer made the motion that the Board sets a public hearing on February 2, 2015 at 5:30 p.m. regarding "Project Granite" economic development matter. All voted in favor and the motion carried.

SHERIFF

Sheriff Charles McDonald updated the Board on departmental issues for the coming fiscal year.

After winning a full four year term in November 2014, the Henderson County Sheriff's Office embarked on a three year strategic budgeting process to determine what possible long term personnel needs could be identified. Once our needs were identified, we began a restructuring program to best utilize the personnel assets already in place to accomplish my 2015 Strategic Plan and beyond. Through the use of existing personnel we were able to:

- Restructure Criminal Investigations to create a fully staffed Domestic Violence Unit with two process servers and a full time domestic violence detective supervisor
- Reassign the tasks one member of the narcotics unit to work as a full time drug diversion detective to work on prescription drug diversion cases
- Reassign some members of the warrant/traffic unit and one member of violent crimes to patrol, increasing squad size to 9 deputies.
- Change Patrol shift assignments to a permanent day/ night shift with a flex on both that will deploy up to twelve Deputies at peak times, allowing for a better use of our resources.
- Reassign the animal enforcement resources to reduce overtime in this critical unit.
- Approve a Communications Division shift change to reduce the amount of overtime necessary each pay period due to public safety exemption rules
- Enacted a change to Detention shift assignments to a permanent day/night shift with a power shift during weekdays when Detention operations are at a peak.

The Sheriff's Department has accomplished each of these recent improvements without requesting increased manpower from the County.

Going forward they have developed a proposed three year plan for personnel/equipment that believe it will allow them to provide the level of service expected by the citizens of Henderson County, while continuing to be good stewards of their resources.

After a full evaluation of true need within the agency, Sheriff McDonald requested the following personnel increases for FY 2016, through provided justification:

- Four (4) Call Takers for Communications
 - In order to adequately staff the new 911 Center and provide the best possible customer service, they are requesting the approval of four new call taker positions. These call takers will focus exclusively on answering administrative phone lines.
 - In calendar year 2014, the Henderson County E911 Center processed over 189,000 phone calls. Of these incoming and outgoing phone calls, only 53,703 were incoming 911 calls. The vast majority of the phone calls processed in the 911 Center were received on administrative lines for non-emergency reasons.
 - NFPA guidelines state that "Ninety (90) percent of emergency 911 Calls received on emergency lines shall be answered within ten (10) seconds, and ninety-five (95) percent of emergency 911 calls received on nonemergency lines shall be answered within twenty (20) seconds."
 - 88.6% of 911 calls are currently being answered within 10 seconds.
 - NFPA guidelines also state that Eighty (80) percent of emergency fire calls should be dispatched in sixty (60) seconds, and ninety five (95) percent within 106 seconds.
 - Currently less than 50% of Emergency fire calls are being dispatched in less than 60 seconds.
 - Because tele-communicators have to devote so much of their time to processing non-emergency phone calls, they are unable to adequately devote their full attention to emergency phone calls or radio traffic from first responders.
 - More time to more efficiently and effectively handle high priority tasks such as giving life-saving EMD instructions, asking for suspect information, calming a frightened child, or answering first responders that are calling for assistance on the radio
 - Professional call takers can focus on customer service. Great way to groom future tele-communicators through decreased training time, while decreasing overtime spending and boosting morale
- One (1) Safety Compliance Officer for Detention
 - The Prison Rape Elimination Act (PREA) was passed by both houses of the U.S. Congress and subsequently signed by President George W. Bush in a White House ceremony on September 4, 2003.
 - The PREA defines "prison" quite broadly, as "any federal, state, or local confinement facility, including local jails, police lockups, juvenile facilities, and state and federal prisons."
 - All confinement facilities covered under the PREA standards must be audited at least once every three years to be considered compliant with the PREA standards.
 - Failure by local authorities and operators of local jails to comply with the provisions of PREA results in a 5% reduction in federal funding to that agency for each year they fail to comply. Facilities will be federally audited every three years for compliance.
 - We must comply because we participate in the Federal 287g Program.
 - This Safety Compliance Office will be responsible for:
 - Managing the PREA program (Policy and Procedure Compliance)
 - Training of detention staff to meet PREA requirements
 - Investigating all complaints of alleged abuse
 - Ensuring the jail meets all local, state, and federal inspection requirements
 - Collecting and reporting all required statistical data required by PREA

- Conducting internal audits of the jail to ensure compliance
- Collecting and maintaining all required documentation
- Investigating all complaints of non-compliance
- Providing oversight for the correction of any non-compliance issues
- Safety inspections of the jail and camera placement audits
- Identify outside agencies to assist in compliance with PREA
- Collection and storage of all required local, state, and federal reports
- Two (2) Administrative Assistants
 - 2010 – Henderson County Sheriff's Office lost two Administrative Assistant positions during the 7.5% budget cuts that have never been replaced
 - 2013 – Henderson County Sheriff's Office reclassified two existing Administrative Assistant positions, based on Sheriff's Strategic Plan and consultant recommendations, as Professional Standards Specialists. One of these is a full time position, the other splits that duty with duties as the Sheriff's Administrative Assistant both the Sheriff and Chief Deputy.
 - One Administrative Assistant is needed in administration to split between the Support and Operations Bureaus. Supervisors are currently working approximately 40-45% of time on administrative duties (i.e. dictation and transcription, letter writing, filing, PowerPoint design, meeting agenda/action plan creation, etc.). This keeps those supervisors out of the field where they are needed to be assisting and mentoring division leadership and subordinate personnel.
 - One Administrative Assistant is needed in the Criminal Investigations Division to assist in:
 - Transcribing audio logs/interviews;
 - Typing handwritten notes into case files;
 - Assisting in organizing, consistent filing system;
 - Delivering orders, picking up orders and other paperwork from courthouse;
 - Tabulating, calculating large amounts of files for check fraud/embezzlement cases;
 - Telephone contacts/victims, scheduling interviews with detectives;
 - Publishing via Outlook (or similar) schedules for CID, i.e., vacation training;
 - Typing dictation into search warrants, affidavits, etc.
 - Accompany transports of female arrestees, out of/back to Henderson County (if female employee).
- One (1) Courthouse Security Officer for Patrol
 - 2012 – Henderson County Board of Commissioners approved two new slots to increase the total of Courthouse Security Officers to 10. Since that time, officers have been averaging 90 hours per two week pay cycle to keep up with the demand for courtrooms, protective details, and training. The courthouse schedule has recently changed to better accommodate the need, but with an increase in Superior Court dates in the upcoming year, as well as the ever increasing daily workload, we are still unable to account for officers on vacation, training, sick, etc.
 - Based upon National Center for State Courts Best Practices 2013 calculations, revised for 2014 statistics, we should be prepared to deploy twelve officers to fully staff the courthouse during the year. Current CSO leadership believes that a good stop gap measure for this year would be one (1) additional CSO.
- One (1) Staff Attorney
 - The legal needs of a law enforcement agency are very highly specialized, involving high liability and the need for a 24/7 response. A modern Sheriff's Office has a need for legal expertise that runs the gamut from operational areas like criminal investigations, K-9 law, civil process, use of force and SWAT to support functions such as detention, recruitment and selection, and policy development. Other areas where the need for this position are great include:
 - Consulting with the Sheriff in analyzing risk management issues, employment law issues, public record requests, and proposed legislation that could affect the office.
 - Assist the Senior Command Team with preparing budget proposals and department policies and procedures; collect data and statistics for budget and grant proposals and contracts.

- Advises and assists all divisions in operations that pose particular risks of liability to the office and/or county; may be called to the scene of serious felony investigations or in deadly force situations.
 - Responds to requests from officers regarding validity of arrests, searches, interrogations, lineups, anticipated charges and other criminal law issues.
 - The Sheriff's Office is prepared to utilize an existing budget specialist position while requesting an increase in classification level to recruit into this position.
- Pay increase of 5% for employees at first line supervisor and below

What is Ahead?

Three Year Personnel Outlook

(Each of these would be justified at the time based on documented need or deleted)

FY 2017

One (1) General Investigator-Criminal Investigations

One (1) Community Resource Coordinator

Unknown number of Detention Officers- Based on current manpower study underway

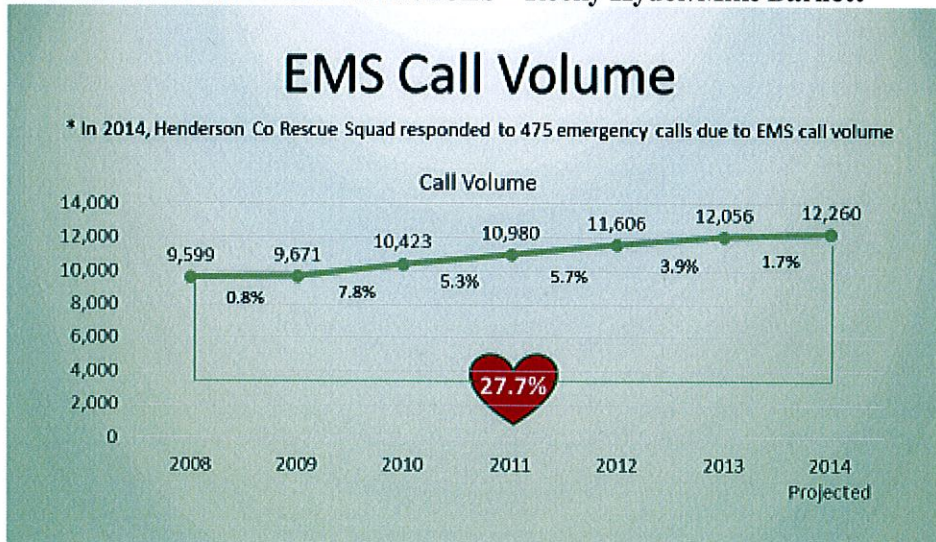
FY 2018

One (1) Drug Diversion Detective- Criminal Investigations

One (1) Quality Assurance Coordinator-Communications

One (1) Warrants Deputy

EMERGENCY MEDICAL SERVICES – Rocky Hyder/Mike Barnett



Emergency Medical Services

- With Call Volume capacity increasing, EMS Staff have identified a need to add an additional crew.

12 Hour Crew		24 Hour Crew	
Ambulance & Equipment	\$215,000	Ambulance & Equipment	\$215,000
Four Staff	\$242,500	Eight Staff	\$485,000
IT Equipment/Software	\$7,500	IT Equipment/Software	\$7,500
TOTAL	\$464,500	TOTAL	\$708,000

- Option – to upgrade EMS, adding an addition full-time crew and a part-time crew = \$1,172,500- approximately one cent TRE.
 - EMS Station #4 (Edneyville) – Full-Time Crew was added in January, 2007
 - EMS Station #1 – Peak Crew (7:00a – 7:00p) added in September, 2013

Park Ridge Hospital paid for three (3) of the outlying stations, and are willing to do another station. A location needs to be found in the Northern part of the County around Naples, and the US 25 area. Downstairs of the King Street building could possibly work, or the Valley Hill Fire Department is looking to sell their current space. The first priority would be Naples, followed by the Southern part of the County.

Steve Wyatt asked the Board to discuss the Valley Hill Fire Department as a potential site, and to consider adding another EMS crew for the Naples area, working with Park Ridge Hospital.

BULDING SERVICES – Tom Stauffer

Building Services Permits and Inspections



With the total number of inspections increasing, Building Services Staff have identified a need to add one additional full-time inspector, and one part-time permit center position.

- 1 Full-time inspector = \$76,000 (\$46,000 Salary/Benefits, \$30,000 vehicle)
- 1 Part-time Permit Specialist - \$19,800

Average daily # of inspections per inspector	2009	2010	2011	2012	2013	2014	2015 Est.	Target
	14	9.5	9.6	13.8	15.7	16.4	15.5	10

The Board requested that staff review the current fees compared to surrounding counties and bring the actual costs back to the Board in 30 days.

DEPARTMENT OF SOCIAL SERVICES – Eric Bush

- DSS is requesting consideration of 6 additional positions
 - Estimated cost to the County = \$108,750 (\$352,500 total cost – 75%/50% reimbursable)
 - Due to NCFASD workloads, Medicaid (4) and Food and Nutrition Services (1)
 - Estimated cost to the County for Medicaid employees= \$67,500 (\$270,000 total cost - 75% reimbursable)
 - Estimated cost to the County for FNS employees = \$22,500 (\$45,000 total cost – 50% reimbursable)
 - Community Social Services Assistant
 - Estimated cost to the County = \$18,750 (\$37,500 total cost - 50% reimbursable)
- Technology/Equipment
 - Estimated cost to the County = \$76,500 (\$153,000 total cost – 50% reimbursable)
 - Completion of Security System - \$45,000
 - IT Equipment - \$68,000
 - Vehicle Replacements (2) - \$40,000
- Northwoods Software (Document Management System)
 - Estimated cost to the County = \$299,176 (\$451,512 total cost – est. 33.7% reimbursable)

The Board directed staff to look at loss and change in personal and bring it back to the Board.

HEALTH DEPARTMENT – Steve Smith

- Electronic Medical Records systems are currently being evaluated by Health and IT Staff.
- Last estimated cost was \$500,000, which can be paid for utilizing available Medicaid Max funding.
- Unfunded position requests:
 - 1 School Health Nurse = \$50,000
 - 1 Communicable Disease Nurse Coordinator = \$59,000
 - Environmental Health Specialist = \$52,000
 - Office Assistant = \$38,000
- Vehicle Replacement (2) - \$40,000

ELECTIONS – Beverly Cunningham

- Pursuant to new State law, new voting equipment has to be in place by any election held after January 1, 2018.
- Staff anticipates changing the equipment after the municipal elections in November, 2017.
- Current estimated cost = \$925,000
 - Set aside funds in the Capital Reserve Fund in FY 16 and FY 17?
 - Finance the capital portion?

Mrs. Cunningham informed the Board that only one vendor in NC has the certified computer print-elect DS100, DS200, or DS200 Express.

INFORMATION TECHNOLOGY – Becky Snyder

- Replacement of existing aging wireless network system
- Associated costs to update our website platform
- 3-inch pixel upgrade of state-provided orthophotography
- GIS additions including updated version of GoMaps, ArcGIS licensing, GPS devices for tax appraisers, etc.
- Estimated cost to upgrade existing hardware systems and software packages = \$125,000
 - To cover IT depreciation costs, set aside \$125,000 annually in an IT Capital Fund?

Commissioner Lapsley suggested looking at the value of IT equipment, and budgeting 10% each year of that value.

COOPERATIVE EXTENSION – Marvin Owings

- North Carolina Cooperative Extension, as part of their Strategic Vision, has implemented a new Strategic Plan for the Extension Service.
- In FY 15 Henderson County provided \$316,000 to Cooperative Extension.
- The request from Cooperative Extension for FY 16 funding includes an increase to Henderson County of \$64,000.
- This plan involves a 20% increase over current costs being shifted from the State to the County.

AGRI-BUSINESS HENDERSON COUNTY – Mark Williams

Agribusiness Henderson County - Existing \$120,000 funding agreement ends on June 30, 2015.

OTHER

BOARD AND COMMITTEE COMMISSIONER APPOINTMENTS

It was consensus of the Board to appoint the slate of representatives as noted with exception of the Land-of-Sky, and the Hospital Board, to be discussed further at a later date.

- | | |
|--|--------------------------------|
| 1. Agriculture Advisory Board | Tommy Thompson |
| 2. Cane Creek Water and Sewer District Advisory Committee | Charlie Messer |
| 3. Fire and Rescue Advisory Committee | Grady Hawkins |
| 4. French Broad River MPO – Transportation Advisory Committee. | Bill Lapsley |
| 5. Governmental Financing Corporation | Tommy Thompson, Charlie Messer |
| 6. Henderson County Board of Health | Bill Lapsley |
| 7. Henderson County Historic Courthouse Corporation dba/ Heritage Museum | Mike Edney |
| 8. Henderson County Planning Board | Grady Hawkins |
| 9. Henderson County Transportation Advisory Committee | Bill Lapsley |
| 10. Hospital Corporation Board of Directors | Mike Edney |
| 11. Joint College Facility Committee | Tommy Thompson, Mike Edney |
| 12. Joint School Facilities | Grady Hawkins, Bill Lapsley |
| 13. Juvenile Crime Prevention Council | Tommy Thompson |
| 14. Land-of-Sky Regional Council | TBD |
| 15. Library Board of Trustees | Grady Hawkins |
| 16. Local Emergency Planning Committee (LEPC) | Mike Edney |
| 17. Local Government Committee of Cooperative Action (LGCCA) | Tommy Thompson, Charlie Messer |
| 18. Metropolitan Sewerage District of Buncombe County (MSD) | Bill Lapsley |
| 19. Nursing/Adult Care Home Community Advisory Committee | Tommy Thompson |
| 20. Recreation Advisory Board | Charlie Messer |

Commission Lapsley has shown interest in serving on the Hospital Corporation when a position opens.

Commissioner Hawkins would like to appoint John Mitchell to the Land-of-Sky. Further inquiries are to be made before making that appointment.

COMMISSIONER DISCUSSION

COMMISSIONER WILLIAM LAPSLEY

Henderson County Public Schools – Long Term Capital Improvement

The Henderson County Public Schools System Operations is 27% of the County Budget at \$31.9m.

Their Debt Service is 26% of the Public Schools Budget at \$8.3m.

Public Schools System Assets

Elementary Schools	13 at \$8 m each	\$104,000,000
Middle Schools	4 at \$12 m each	\$ 48,000,000
High Schools	4 at \$20 m each	\$ 80,000,000
Administrative Building	1 at \$2 m	\$ 2,000,000
Maintenance Building	1 at \$1 m	<u>\$ 1,000,000</u>
Total Assets		\$235,000,000

Eight or more of the buildings are core facilities over 30 years old. Eight is a significant number when dealing within a foreseeable future.

- Report on General conditions of all major building in Public School System
- Prepare long-term capital expenditure plan to preserve assets
- Set out priority for implementation of plan

The Report should be done by the School Board with a possible October timeframe, and could be used to protect the \$235 m asset. This information would be used in FY 16-17 budget.

Community Economic Assessment

Economy - The complex of human activities concerned with the production, distribution and consumption of goods and services

The management of the resources of a community especially with a view to its productivity

The careful management of resources to avoid unnecessary expenditure or waste

Mr. Lapsley is unsure if the Board has a good feel for the state of the Henderson County economy. He feels we need an unbiased assessment on the current economy in Henderson County. The study will:

- Identify strengths and unique attributes of the Henderson County economy
- Present a clear and unbiased evaluation of the components of the Henderson County economy
- Review of Henderson County demographics, employment categories, workforce, occupancy, wage rate analysis, education alignment, etc.

Mr. Lapsley stated Syneva Economics, out of Asheville, could do the report for \$25,000.00.

COMMISSIONER GRADY HAWKINS

Fund Balance Policy

Mr. Hawkins feels 12 % is a fair fund balance. Beyond that percentage he suggested adjusting the tax rate, or offering more services.

Capital Projects – Priority list and phases of implementation

Prepare a list of smaller and larger items after the re-evaluations numbers have been received.

COMMISSIONER MICHAEL EDNEY

Ecusta Trail

Commissioner Edney noted that many entities must decide if they want to take over the transportation line for a walking trail, etc. This would include Pardee, Henderson County, Transylvania County,

Hendersonville, Brevard, Etc. He suggested earmarking \$25,000 per year to be dedicated to the project.

Register of Deeds Technology

The Board continues to look at advancing the Register of Deeds into the future.

Registrar Lee King has looked at doing records on-line with redaction of social security numbers. The company he is currently looking at comes highly recommended. The older books are falling apart, and need to be preserved. Mr. King has received a quote of \$300,000 +- for the first phase, which would be done on-site during regular business hours.

Commissioner Edney would like for \$300,000 to be included in this year's budget.

Courthouse Security

Commissioners Edney and Thompson have worked together on Courthouse Security and renovations.

Mr. Thompson feels everything should be moved out of the 1995 Courthouse except court services and the Register of Deeds.

Mr. Edney feels cameras need to be added inside the Courthouse and in the parking lots, along with better lighting. Keycards entries should be installed in the doors.

It was noted by Sheriff McDonald that the cameras should be recording cameras.

VICE-CHAIRMAN CHARLIE MESSER

Commissioner Messer asked that Youth Homelessness be put on the radar.

Irrigation systems at Jackson Parks fields 1, 2 and 3

The Little League has asked for a water assessment of the irrigation system on fields 1, 2 and 3. The Lions Club is taking care of Etowah's concessions. Travel Ball will be in Henderson County.

Tuxedo Park

Tuxedo Park is almost complete. They now need restrooms.

Dana Park

Recreation Director Tim Hopkin reported that Dana Park in in Phase 2.

CHAIRMAN TOMMY THOMPSON

Courthouse Renovations

\$1 million was set aside to renovate the 1995 Courthouse. The renovations cannot be done for \$1m.

County Government Facilities and Services within Municipalities

- **Services & Functions Authorized for Counties Only**
 - Agricultural Extension
 - Community Colleges
 - County Home
 - Court System Support
 - Drainage of Land
 - Forest Protection
 - Juvenile Detention Homes
 - Medical examiner/coroner
 - Public Health

- Public Schools
- Register of Deeds
- Social Services
- Soil and Water Conservation

- **Services & Functions Authorized for both Cities and Counties**
 - Aging Programs
 - Air Pollution control
 - Airports
 - Alcoholic rehabilitation
 - Ambulance Services
 - Animal Shelters
 - Armories
 - Art Galleries and museums
 - Auditoriums and coliseums
 - Beach erosion and hurricane protection
 - Bus Lines and Public transportation
 - Civil defense and emergency management
 - Community Action
 - Community Appearance
 - Community Development
 - Drug abuse programs
 - Economic Development
 - Fire Protection
 - Historic Preservation
 - Hospitals
 - Human relations
 - Industrial promotion
 - Inspections
 - Jails
 - Law Enforcement
 - Libraries
 - Manpower
 - Mental Health
 - National Guard
 - Off-Street Parking
 - Open space
 - Parks
 - Planning
 - Ports and Harbors
 - Public Housing
 - Railroad revitalization
 - Recreation
 - Rescue Squads
 - Senior Citizen's Programs
 - Sewage Collection and disposal
 - Storm Drainage
 - Urban Development
 - Veterans' services
 - Water
 - Watershed improvement

- **Services & Functions Authorized for Cities Only**
 - Cable Television and Communication
 - Cemeteries
 - Electric Systems
 - Gas Systems
 - Sidewalks
 - Street Lighting
 - Streets
 - Traffic Engineering

Chairman Thompson feels the County is offering many services to the municipalities (Fletcher, Mills River, Laurel Park, Flat Rock, and Hendersonville) free of charge, such as libraries, animal control, and law enforcement. The municipalities have been given the authority for many of these services. Sales Tax dollars have been taken away from the County and given to the municipalities as they became municipalities, and they have the opportunity to tax the same as Henderson County.

The Henderson County Sheriff’s Department has the legal responsibility to take care of all of Henderson County. However, Fletcher and Laurel Park have their own Police Departments. Mills River contracts for someone to be there. Flat Rock is enjoying the benefits of us all, and receives the most calls.

County Manager Steve stated a request was received from Fletcher for a new library and an answer by January. The municipalities are authorized to build libraries and operate them. Mills River built their library and we operate it for them. Fletcher is seeking a new library and could go forward on their own. It was suggested several years back that Fletcher build a library when they were building their new town hall. This is a public policy issue.

Sales Tax Totals by Municipality - Sales Tax Losses for Henderson County FY 2004-2014

	Flat Rock	Mills River	Fletcher
Total FY 04-14	\$4,505,377.18	\$8,240,261.07	\$11,257,206.47
Grand Total	\$24,002,844.72		

Commissioner Hawkins feels that municipalities put our Sheriff in an awkward position. They are a taxing authority. He would like for them to step up to their responsibilities and help with law enforcement.

Commissioner Messer asked that rates be reviewed across the county including environmental health. Amy Brantley would work with staff for review of rates.

Commissioner Messer stated that several years ago the Board had just built Etowah Library and a proposal was made to Fletcher by the Chairman to go look at that library and we will consider this for Fletcher. The timing wasn’t right for Fletcher then and isn’t right for Henderson County now. Fletcher is offering the land if we build the building.

Chairman Thompson made the motion that the Board of Commissioner send a letter to Fletcher informing them that the Commissioners have no interest in building a library for the Town of Fletcher, but are willing to maintain and operate a library should Fletcher desire to build one. This has been the precedence of the Board such as in Mills River. If you are a municipality and have taxing authority the County is willing to maintain the library. All voted in favor and the motion carried.

Chairman Thompson asked Amy Brantley to compose the letter for his signature.

January 21, 2015

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Follow-up budget discussion will continue in mid-February.

ADJOURN

Commissioner Hawkins made the motion to adjourn at 5:15 p.m. All voted in favor and the motion carried.

Attest:

Teresa L. Wilson, Clerk to the Board

Thomas H. Thompson, Chairman