

DRAFT

MINUTES

STATE OF NORTH CAROLINA
COUNTY OF HENDERSON

BOARD OF COMMISSIONERS
WEDNESDAY, MAY 20, 2015

The Henderson County Board of Commissioners met for a regularly scheduled meeting 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 William Lapsley, County Manager Steve Wyatt, Assistant County Manager Amy Brantley, Attorney Russ Burrell 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, Admin. Asst. II Lisa Obermiller, Finance Director Carey McLelland, Elections Director Beverly Cunningham, Animal Services Director Brad Rayfield, Internal Auditor Darlene Burgess, Soil & Water Conservation District Director Jonathan Wallin, IT Director Becky Snyder, Recreation Director Tim Hopkin, Code Enforcement Director Toby Linville, Building Services Director Tom Staufer, Environmental Health Supervisor Seth Swift, Registrar of Deeds Lee King, Library Director Trina Rushing, Purchasing Agent Randall Cox, Captain Steve Carter, Sheriff Charlie McDonald, EMS Director Mike Barnett, Facility Services Manager Jerry Tucker, Central Services and Construction Manager David Berry, Fire Marshal Rocky Hyder, Clinic Director Jamie Gibbs, Public Health Director Steve Smith, 911 Communications Director Lisha Stanley, Cooperative Extension Director Marvin Owings, Deputy County Attorney Sarah Zambon, DSS Director Eric Bush, Assistant Engineer Natalie Berry and PIO Kathryn Finotti – videotaping, and Deputy Brent Cantrell as security

Absent: Commissioner Mike Edney (due to court)

CALL TO ORDER/WELCOME

Chairman Thompson called the meeting to order and welcomed all in attendance. He noted the primary purpose of the meeting would be a budget work session.

INVOCATION

Steve Wyatt provided the invocation.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the American Flag was led by Commissioner Hawkins.

DISCUSSION/ADJUSTMENT OF CONSENT AGENDA

Commissioner Hawkins made the motion to adopt the Consent Agenda minus Setting of a public hearing for Project Wing. All voted in favor and the motion carried.

CONSENT AGENDA consisted of the following:

Minutes

Draft minutes were presented for board review and approval of the following meeting(s):

May 4, 2015 - regularly scheduled meeting

Tax Collector's Report

Collections Specialist Luke Small had presented the Tax Collector's Report to the Commissioners dated May 4, 2015 for information only. No action was required.

May 20, 2015

Pending Releases and Refunds

The pending releases and refunds report provided has been reviewed by the County Assessor, and as a result of that review, it is the opinion of the Assessor that these findings are in order. Supporting documentation is on file in the County Assessor's Office. These pending release and refund requests are submitted for the approval by the Henderson County Board of Commissioners.

Total Taxes Released from the Charge	\$1,018.97
Total Refunds as a result of the above Releases	\$ 15.09

Motion:

I move the Board approves the Combined Release/Refund Report as presented.

Henderson County Community Transportation Service Plan (STSP)

The North Carolina Department of Transportation (NCDOT), through its Public Transportation Division, is requiring all service areas/counties have a current five-year Community Transportation Services Plan. NCDOT is the lead agency which conducts the plan. NCDOT last developed a plan for Henderson County in 1999 and this 2016 plan will be its update.

Public transportation grant funding eligibility is contingent upon recommendations from an updated plan. Western Carolina Community Action (WCCA) is the principal recipient of NCDOT public transportation grant funding in Henderson County as a result of a process initiated by NCDOT in the early 1990s. Through this process, Henderson County selected WCCA as its community transportation provider and principal recipient of funds. NCDOT public transportation grant funding supports transportation programs conducted by WCCA which serve: individuals seeking access to employment (Workfirst and other employers), the elderly, persons with disabilities, and the general public.

NCDOT has communicated they will provide 90% of the cost for conducting this plan. WCCA has agreed to contribute 5% of the plan costs (up to the anticipated maximum of \$4,500). Henderson County's willingness to match the remaining 5% of the plan costs (up to the anticipated maximum of \$4,500) will allow the plan to proceed. Henderson County has funding available in FY 2015 for transit related professional services (\$9,000) including supporting NCDOT transit/transportation planning efforts. These funds are appropriate to provide this 5% contribution.

An updated plan is needed for the County and its designated provider (WCCA) to be able to continue to receive these public transportation grant funds. NCDOT will provide the completed Community Transportation Services Plan to the Board of Commissioners to seek its support in the spring of 2016.

Revised Agreement per 05/04/2015 Board Comment - 2015 Solid Waste Hauling and Disposal Agreement

During the Board's May 4, 2015 Meeting, staff was directed to revise the proposed Agreement with Republic Services to transport and dispose of solid waste from the County's Stoney Mountain Transfer Station. The revisions are to make clear that Republic will only dispose of the County's waste in a permitted and County approved Landfill. The agreement was developed by the County Attorney and Republic Services. Also, a copy of the revised agreement with markups is attached to highlight the changes made.

Motion:

I move the Board approves the revised agreement with Republic Services of Kentucky, LLC to transport and dispose of the County's waste from the Stoney Mountain Transfer Station effective July 1, 2015.

Juvenile Justice and Delinquency Prevention Grants –Juvenile Crime Prevention Council County Plan FY 2013-2016

May 20, 2015

The Henderson County Juvenile Crime Prevention Council (JCPC) has approved funding for local juvenile crime prevention programs. These funds for Fiscal Year 2013-2014 to Fiscal Year 2015-2016 in the amount of \$193,745 are available for this purpose through the State of North Carolina. Each Program is required to provide a 30% match. The programs approved by the J.C.P.C. are as follows:

1. J.C.P.C. Administrative Expenses	\$5,100
2. Project Challenge	\$73,006
3. Hendersonville Police Department/Temp Shelter	\$5,000
4. Hendersonville Police Department/Psych Assessment	\$4,000
5. The Mediation Center	\$45,000
6. Aspire Youth & Family, Inc.	\$32,139
7. Hendersonville Boys & Girls Club	\$29,500
Total	\$193,745

These Grant applications have been recommended for approval to the Board of Commissioners by Henderson County J.C.P.C.

The Henderson County Juvenile Crime Prevention Council (J.C.P.C.) has approved the 2013-2016 County Plan for Henderson County. This County Plan has been recommended for approval to the Board of Commissioners by the J.C.P.C.

Motion:

I move that the Board approves the JCPC recommendations for both the FY 13-16 Annual Plan, and the distribution of the FY 2015 Juvenile Crime Prevention Program funds.

Set Public Hearing – Project Wing economic incentives – Pulled from the agenda.

FY 2016 BUDGET WORK SESSION

County Manager Steve Wyatt provided a budget overview.

FY 2015-2016 BUDGET

FY 15 Adopted Budget	\$117,076.752
FY 15 Fund Balance Appropriated	\$ 8,729,065
FY 15 Revised Budget	\$120,294,555
FY 15 Revised Fund Balance Appropriated	\$ 10,417,155

Credit Rating

We will get going to Credit Rating Agencies in July. Our goal is to maintain our current ratings of: AA – strong rating for a county of our size. The County has and maintains a very strong fund balance reserve position. Credit Rates look at:

- Having a strong fund balance reserve position affects how high of a rating you receive from the major rating agencies.
- A strong rating coupled with a strong reserve position translates into lower borrowing costs when issuing debt.
- A strong fund balance reserve position indicates that the County can meet unforeseen contingency items that may arise.

FY 2015 REVISIONS - \$3,217,803

Mr. Wyatt stated we only borrow money to pay capital debt service.

May 20, 2015

FY 15-16 Proposed Budget

Budget Preparation Framework

- Property Tax remains at the FY15 rate of \$.5136
- Sales tax projections increased to reflect actual receipts from FY14
- Maintains funding to meet current obligations
- Full funding of County's Debt Service obligation of \$13,902,492
- Estimated Revenue Neutral Tax Rate is \$0.49

FY 2015-2016 PROPOSED BUDGET - Projected Base Budget as presented January 21, 2015

Projected Base Budget	\$118,850,000
Tax Rate	\$ 0.5136
Projected Fund Balance	\$ 7,950,000

Projected Base Budget (May, 2015)	\$ 118,370,939
BOC Consensus Additions (March 2, 2015)	\$ 2,266,336
Blue Ridge Community College	\$ 250,000
FY 16 Budget	\$ 120,887,275
Fund Balance	\$ 8,233,528
Tax Rate Equivalent	\$0.065

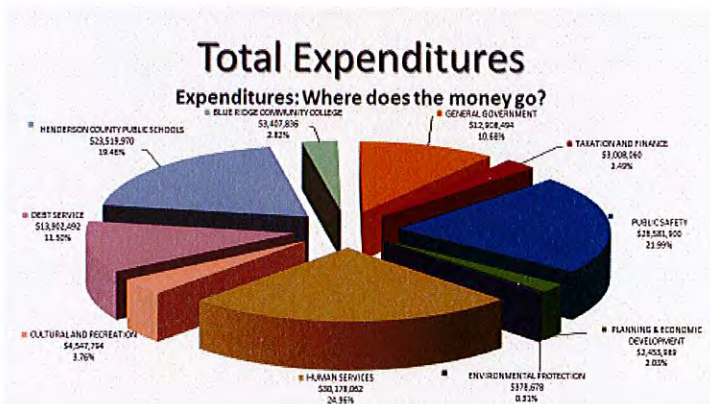
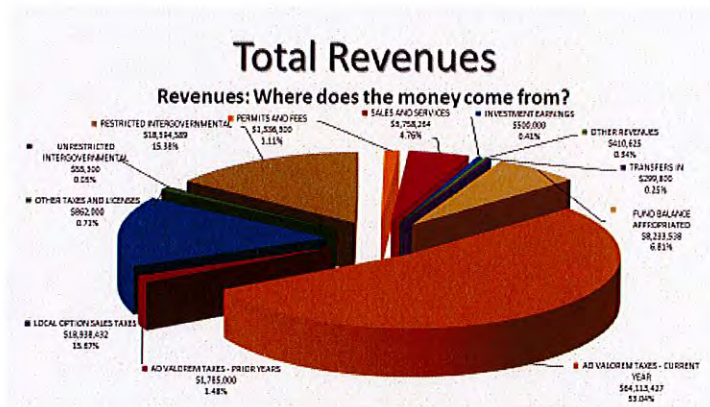
FY 15/16 Proposed Budget \$120,887,275 (0.5% increase)

FY 15-16 Proposed Budget

Henderson County Government - Operations	\$80,056,977
TOTAL COUNTY GOVERNMENT	\$80,056,977
Henderson County Public Schools - Current Expense	\$23,519,970
TOTAL HENDERSON COUNTY PUBLIC SCHOOLS	\$23,519,970
Blue Ridge Community College - Current Expense	\$3,407,836
TOTAL BLUE RIDGE COMMUNITY COLLEGE	\$3,407,836
Debt Service	
Henderson County Government	\$4,116,449
Henderson County Public Schools	\$8,100,873
Blue Ridge Community College	\$1,685,170
TOTAL BLUE RIDGE COMMUNITY COLLEGE	\$13,902,492
TOTAL	\$120,887,275

Steve Wyatt emphasized in regard to debt service, that he believes going forward in the next couple of years, capital projects are going to be extremely important. Timing is critical. Capital Projects are doable within the framework of the next several years if they are managed and allocated within the years that debt service is being drawn down.

May 20, 2015



A vast majority of those funds are restricted funds for Human Services. Local funds are pretty evenly divided between public safety and education.

Service Demand Growth

	2010	2011	2012	2013	2014	% Growth
Env. Health Inspections	1,456	1,286	1,508	1,608	1,700	17% (4 yrs - '10 - '14)
Health Clients	N/A	N/A	N/A	11,337	12,447	10% (1 yrs - '13 - '14)
EMS Call Volume	10,423	10,980	11,606	12,056	12,260	18% (4 yrs - '10 - '14)
Building Services Inspections	18,642	15,799	16,121	18,918	19,742	6% (4 yrs - '10 - '14)
Sheriff Calls for Service	N/A	N/A	92,409	98,679	98,160	6% (2 yrs - '12 - '14)
Recreation Youth Soccer	N/A	N/A	1,065	1,104	1,178	11% (2 yrs - '12 - '14)
DSS - Coded Medicaid Min	N/A	N/A	245,530	386,102	400,333	63% (2 yrs - '12 - '14)

The growth in the tax base is not keeping up with the demand on services, and this is alarming to Mr. Wyatt.

Fund Balance Available over 12 %

Fund Balance Available as of May 4, 2015 \$9,352,510

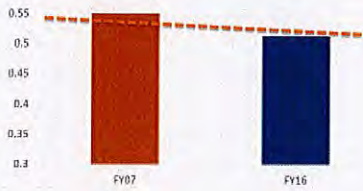
Proposed Fund Balance for FY 16 - \$8,233,528

Remaining Fund Balance \$1,118,982

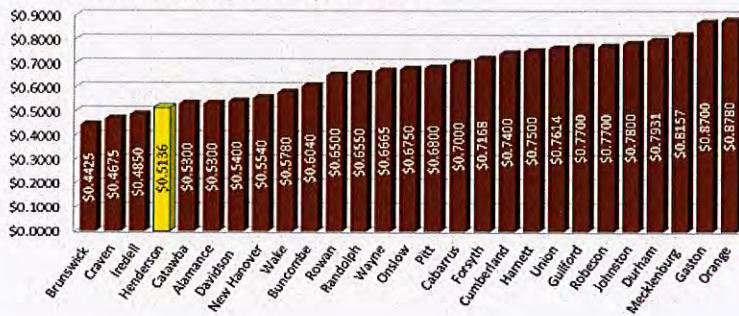
May 20, 2015

Historical Tax Rate

Fiscal Year	FY07	FY16	% Change
Tax Rate	0.565	0.5136	9.1%



FY 2014-2015 Tax Rate



Revenue Neutral Tax Rate

A revenue-neutral rate provides taxpayers a benchmark against which they can compare a pro-posed post-revaluation tax rate. The Rate is revenue-neutral for the county as a whole but may not be neutral for individual taxpayers. Revenue Neutral Tax Rate should be adjusted for unusual events that occurred within the reappraisal cycle.

Tax & Tag system in FY 14 resulted in an extra 4 months of vehicle tax revenue. Staff has treated this as an unusual event and has estimated the value of these 4 months, and from the equation has removed those 4 months from consideration.

The Revenue Neutral Tax rate for FY 16 is \$0.49.

FY 2015-2016 BUDGET

HENDERSON COUNTY PUBLIC SCHOOLS - budget was received May 14th for FY16.

Ervin Bazzle stated the Charter Increase of \$216,199 is affected even by children who are not in our schools. The Capital Outlay Technology Request is expensive but necessary.

David Jones noted this as a continuation budget with salary and benefits at their best guess without state numbers.

2015-16 Appropriation Request	2015-16 Preliminary	2014-15 Current	Increase
County Appropriation – Current	\$22,519,970	\$22,519,970	
Continuation Budget:			
Charter Increase	\$216,190		
Anticipated legislated salary increases	\$437,945		

May 20, 2015

Anticipated legislated payroll benefit increases	\$120,945		
Local Current Expense Total	\$23,295,050		\$775,080
Capital Outlay:			
Maintenance	\$1,000,000		
Technology Plan	\$1,508,700		
Local Capital Outlay Total	\$2,508,700	\$1,000,000	\$1,508,700
Total County Appropriation Request	\$25,803,750	\$23,519,970	\$2,283,780

Salary and Benefit Increases

Both the General Assembly and the Governor have discussed salary increases to the teachers with 0 to 5 years of experience. The chart indicates the impact of a local match to the proposed increases along with a year of experience step for all employees.

For the past several years, hospitalization and retirement rates have increased. Projections are made based on that trend.

Capital Outlay Technology Request

The 1:1 digital device plan is to provide a Chromebook to each high school student. The two scenarios listed show options for either a one-time purchase of all the devices, or a four year lease-to own.

<u>Equipment</u>	<u>Number</u>	<u>Unit Cost</u>	<u>Total Cost</u> 2015-2016
Purchase Dell Chromebooks (with 4 year warranty and Google Management license) for all high school students and teachers	4700	\$321	\$1,508,700

Total PURCHASE COST of Equipment: \$1,508,700

LEASE PAYMENTS

<u>Equipment</u>	<u>Unit Number</u>	<u>Unit Cost</u>	<u>Annual Cost</u> 2015-2016
Lease Cell Chromebooks (with year warranty and Google Management License) for all high school students	4700	\$321	\$400,002
			2016-2017
			\$400,002
			2017-2018
Total LEASE COST of Equipment: \$1,600,008			\$400,002
			2018-2019
			\$400,002

It was consensus of the Board to table discussion about the HC Public Schools request.

COOPERATIVE EXTENSION

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 224,208	\$ 243,302	\$ 250,656	3.0%
Operating	\$ 60,991	\$ 72,903	\$ 71,778	-1.5%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 285,199	\$ 316,205	\$ 322,434	2.0%
Total Revenue	\$ -	\$ -	\$ -	0.0%
Revenue % of Expenditure	0%	0%	0%	

May 20, 2015

SIGIFICANT ISSUES

See unfunded budget requests. The State has proposed a change in the funding structure for Cooperative Extension, resulting in unfunded additional salaries.

UNFUNDED BUDGET REQUESTS		\$ REQUEST	TRE
1	Additional Salary	\$65,695	\$0.0005
2	WNC Communities - Non-Profit Grant	\$1,875	\$0.0000
3	Community Development Council - Non-Profit Grant	\$250	\$0.0000

Amy Brantley stated the main issue for the Cooperative Extension is unfunded budget requests for additional salary. If the Board is inclined, the state will not be making the majority of the shift until 2017. While we are showing this request, the cost for 2016 will be \$16,000 versus \$65,695.

Steve Wyatt is concerned that the County will be paying the majority of costs with no more authority or product.

Total Unfunded Requests - \$67,820

- Additional Salary request due to State Cost Shift - \$65,695 more than FY 15
 - ♦ State cost shift eliminates funding for one Administrative Support Specialist, increases the County's % for the Extension Agent by 26% and increases the County's % for Vegetable Agent by 45%
- Community Development Council - \$250
- WNC Communities - \$1,875

Ms. Brantley noted that WNC Communities and Community Development Council are funded through the Cooperative Extension. As we've done with other departments, we have cut them 25% from their FY15 funding level.

Commissioner Hawkins made the motion that the Board approves the addition of \$16,000 for the Cooperative Extension to fund a Support Specialist position. All voted in favor and the motion carried.

BLUE RIDGE COMMUNITY COLLEGE

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Operating/Capital Expense	\$ 3,075,977	\$ 3,157,836	\$ 3,407,836	7.9%
Debt Service	\$ 1,521,036	\$ 1,477,771	\$ 1,685,170	14.0%
Total Expenditures	\$ 4,597,013	\$ 4,635,607	\$ 5,093,006	9.9%
Total Revenue	\$ -	\$ -	\$ -	0.0%
Revenue % of Expenditure	0%	0%	0%	

SIGNIFICANT ISSUES

The proposed Budget includes an increase of \$250,000 in Current/Capital Expenditures from FY 15 Revised levels. Additional Operating and Capital Request = \$310,575

Dr. Molly Parkhill stated the 2% increase in operating in for salary increases, and increases in campus security, and a full time added director. They are currently working with the Sheriff's Department for an on-campus police, which would be at less cost. The \$560,575 is to replace the liner on the roof on the Sink Building. It is now leaking and no longer under warranty.

May 20, 2015

NON-PROFIT ORGANIZATIONS**Expenditures by Category**

	FY 2015 BUDGET	FY 2016 REQUESTED	FY 2016 PROPOSED	% CHANGE
--	---------------------------	------------------------------	-----------------------------	-----------------

Dues and Memberships

Land of Sky Regional Council	\$ 38,426	\$ 38,426	\$ 38,426	0.0%
NCACC	\$ 10,167	\$ 10,491	\$ 10,491	0.01%
National Institute of Counties	\$ 1,966	\$ 1,966	\$ 1,966	0.0%
School of Government	\$ 12,383	\$ 12,841	\$ 12,841	3.7%
Local Government Transit Match	\$ 9,000	\$ 9,000	\$ 9,000	0.0%
Land of Sky Regional Council MPO Match	\$ 20,000	\$ 20,000	\$ 20,000	0.0%
SUB-TOTAL	\$ 91,942	\$ 92,400	\$ 92,400	0.5%

Non-Profits

Arts Council of Henderson County	\$ 9,250	\$ 9,250	\$ 6,938	-25.0%
Carolina Mountain Land Conservancy	\$ -	\$ 40,000	\$ -	0.0%
Mountain True/VWIN (Formerly ECO)	\$ 8,325	\$ 10,000	\$ 6,244	-25.0%
Flat Rock Playhouse	\$ 100,000	\$ 50,000	\$ 37,500	-62.5%
Henderson County Education History Initiative	\$ 2,000	\$ 8,000	\$ 1,500	-25.0%
Hendersonville Little Theater	\$ 20,000	\$ 25,000	\$ 15,000	-25.0%
Mineral and Lapidary Museum	\$ -	\$ 10,000	\$ -	0.0%
SUB-TOTAL	\$ 139,575	\$ 152,250	\$ 67,181	-51.9%

Human Service Non-Profits

Blue Ridge Literacy Council	\$ 10,000	\$ 13,225	\$ 9,000	-10.0%
Boys and Girls Club	\$ 10,000	\$ 14,500	\$ 9,000	-10.0%
Children & Family Resource Center (CFRC)	\$ 17,340	\$ 20,000	\$ 15,606	-10.0%
Council on Aging	\$ 36,075	\$ 40,600	\$ 32,468	-10.0%
The Free Clinics - Medifind	\$ 21,645	\$ 25,000	\$ 19,481	-10.0%
The Free Clinics - Volunteer Program	\$ 6,000	\$ 6,000	\$ 5,400	-10.0%
Healing Place	\$ 35,000	\$ 35,000	\$ 31,500	-10.0%
Helping Hand Developmental Center	\$ -	\$ 20,000	\$ -	0.0%
Housing Assistance Corporation	\$ 11,750	\$ 19,000	\$ 10,575	-10.0%
Interfaith Assistance Ministry Mainstay	\$ -	\$ 50,000	\$ -	0.0%
Mainstay-Family Justice Center	\$ 12,500	\$ 12,500	\$ 11,250	-10.0%
Mediation Center (Formerly Dispute Settlement)	\$ -	\$ 30,000	\$ -	0.0%
Mediation Center (Formerly Dispute Settlement)	\$ 10,500	\$ 10,500	\$ 9,450	-10.0%
Medical Loan Closet	\$ 4,625	\$ 15,444	\$ 4,163	-10.0%
Pisgah Legal Services	\$ 35,000	\$ 50,000	\$ 31,500	-10.0%
Special Needs Baseball	\$ 5,000	\$ 5,000	\$ 4,500	-10.0%
United Way 211 Program	\$ 10,000	\$ 20,000	\$ 9,000	-10.0%
Vocational Solutions	\$ 41,625	\$ 55,000	\$ 37,463	-10.0%
WCCA: Medical Transportation	\$ 11,100	\$ 11,100	\$ 11,100	0.0%
WCCA: Community Transportation Grant Match	\$ 36,399	\$ 38,905	\$ 38,905	6.9%
SUB-TOTAL	\$ 314,559	\$ 491,774	\$ 290,359	-7.7%

Total Expenditures

	\$ 546,076	\$ 736,424	\$ 449,940	-17.6%
--	-------------------	-------------------	-------------------	---------------

SIGNIFICANT ISSUES

See Unfunded Expansion Budget Requests.

UNFUNDED EXPANSION BUDGET REQUESTS

		\$ REQUEST	TRE
1	Arts Council of Henderson County has requested \$9,250 for FY 16.	\$ 2,313	\$0.00002
2	Blue Ridge Literacy Council has requested \$13,225 for FY 16.	\$ 4,225	\$0.00003
3	Boys and Girls Club has requested \$14,500 for FY 16.	\$ 5,500	\$0.00004
4	Carolina Mountain Land Conservancy has requested \$40,000 for FY 16	\$ 40,000	\$0.00032
5	Children and Family Resources Center requested \$20,000 for FY 16.	\$ 4,394	\$0.00003
8	Council on Aging has requested \$40,600 for FY 16.	\$ 8,133	\$0.00006
9	Flat Rock Playhouse has requested \$50,000 for FY 16.	\$ 12,500	\$0.00010
10	The Free Clinic has requested \$31,000 for FY 16.	\$ 6,119	\$0.00005
11	Healing Place has requested \$35,000 for FY 16.	\$ 3,500	\$0.00003
12	Helping Hand Developmental Center has requested \$20,000 for FY 16.	\$ 20,000	\$0.00016
13	Henderson County Education History Initiative has requested \$8,000 for FY 16.	\$ 6,500	\$0.00005
14	Hendersonville Little Theater has requested \$25,000 for FY 16.	\$ 10,000	\$0.00008
15	Housing Assistance Corporation has requested \$19,000 for FY 16.	\$ 8,425	\$0.00007
16	Interfaith Assistance Ministry has requested \$50,000 for FY 16.	\$ 50,000	\$0.00039
17	Mainstay has requested \$12,500 for FY 16.	\$ 1,250	\$0.00001
18	Mainstay has requested \$30,000 for FY 16 for the Family Justice Center.	\$ 30,000	\$0.00024
19	Mediation Center has requested \$10,500 for FY 16.	\$ 1,050	\$0.00001
20	Medical Loan Closet has requested \$15,444 for FY 16.	\$ 11,282	\$0.00009
21	Mineral & Lapidary Museum has requested \$10,000 for FY 16.	\$ 10,000	\$0.00008
22	Mountain True (Formally ECO) has requested \$10,000 for FY 16.	\$ 3,756	\$0.00003
23	Pisgah Legal Services has requested \$50,000 for FY 16.	\$ 18,500	\$0.00015
24	Special Needs Sports has requested \$5,000 for FY 16,	\$ 500	\$0.00000
25	United Way has requested \$20,000 for FY 16.	\$ 11,000	\$0.00009
26	Vocational Solutions has requested \$55,000 for FY 16.	\$ 17,538	\$0.00014

Steve Wyatt stated that non-profit requests came in at record level and continue to grow. The roll of County Government in funding non-profits is a policy issue that the Board must determine during this process. We are looking at the potential to phase out non-human service non-profits over a period of time. Each of the non-profits add a value to the quality of life for citizens, but we need to determine the role of the tax-payer in funding those issues.

Amy Brantley explained that a letter was received from NCACC (North Carolina Association of County Commissioners) dated Friday informing the County that dues have increased to \$10,491.

It was the consensus of the Board to approve the \$327.00 increase for NCACC dues.

May 20, 2015

Ms. Brantley noted any entity that did not receive funding in FY15 will not be included in the proposed budget. For those who did receive funding in FY15, as with the Cooperative Extension, we have reduced funding by 25% with the thought of a possible phase out in a four year period.

Flat Rock Playhouse looks different because the adopted budget for FRPH was \$50,000 and a budget amendment was done for \$50,000 a couple of months ago for mold abatement.

Human Services Non-Profits who have been funded in the past will continue to be funded at 90% with exception to WCCA, which are matches and requirements.

Commissioner Hawkins doesn't propose another \$37,500 to FRPH as they are doing well. He would rather see it go to Interfaith or Vocational Solutions.

SHERIFF

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	149	154	158	2.6%
Part Time	0	0	0	0.0%
Project	1	1	1	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 10,843,525	\$ 11,808,155	\$ 12,271,153	3.9%
Operating	\$ 1,798,835	\$ 1,917,643	\$ 1,757,280	-8.4%
Capital	\$ 356,370	\$ 387,584	\$ 306,800	-20.8%
Total Expenditures	\$ 12,998,730	\$ 14,113,382	\$ 14,335,233	1.6%
Total Revenue	\$ 1,039,578	\$ 1,050,395	\$ 830,105	-21.0%
Revenue % of Expenditure	8%	7%	6%	

SIGNIFICANT ISSUES

- The FY 16 Proposed Budget includes one (1) position transferred from the Legal Department and one (1) position transferred from ICE.
- The FY 16 Proposed Budget includes the replacement of 25 ballistic vests and the addition of 10 ballistic
- The FY 16 Proposed Budget includes the replacement of 10 vehicles.
- The FY 16 Proposed Budget includes an increase to overtime of \$14,300.
- The FY 16 Proposed Budget reflects a decrease in revenues with contracts currently being re-negotiated for Sheriff
- The FY 16 Proposed Budget includes two (2) additional call taker positions.

UNFUNDED BUDGET REQUESTS

		\$ REQUEST	TRE
1	Security Door Card Reader	\$6,44	\$0.0000
2	One (1) Dodge Charger	\$28,791	\$0.0002
3	One (1) Liberty Light Bar for Charger	\$2,20	\$0.0000
4	One (1) Kenwood Mobile Radio for Charger	\$660	\$0.0000
5	One (1) Courthouse Security Deputy	\$50,752	\$0.0004
6	Fuel Costs	\$13,850	\$0.0001
7	Legal Services	\$13,500	\$0.0001

May 20, 2015

Amy Brantley stated this is a large budget. Our discussion during the March 2nd meeting involved the addition of two call takers. A budget amendment was done to go ahead with the process. There are two additional call takers positions in this budget in order to bring those two on during 2016. The additional two are the attorney that the Board voted to move from the County Attorney's office over to the Sheriff, and the fourth one is a position that was moved from ICE. ICE was a program that started about seven years ago, and said we would fund it as long as long as it funds itself. It is no longer funding itself and has finished. A few positions were transitioned within the general fund. There are three that will be seen in the Detention budget that we have not recommended for funding.

The Sheriff is renegotiating a couple of his contracts with the Housing Authority and Mills River. We have not included money in the budget for these at this time.

Steve Wyatt stated this is a lingering issue. Staff has provided information about the true cost of providing a sergeant in Mills River. Steve Carter and Darlene Burgess worked together to true up the real cost to provide the deputy and look at the dollar value of the services provided.

Sheriff McDonald stated that the agreement of the contract that was entered into by the Sheriff's Office with the Town of Mills River was before he took office. The revenues brought in from Mills River do not actually cover the cost of the service provided to Mills River by the Sheriff's Office.

Steve Wyatt stated it is not a statutory or a constitutional mandate. The School of Government and the NCACC have explained there is no constitutional requirement for the Sheriff's Department to provide law enforcement within a municipality. There is no statutory requirement either. However, there is case law that says that if you get a call, you respond. There is no responsibility to patrol. The question at hand is if the Sheriff's Department is being properly reimbursed for services provided.

Sheriff's Deputy Cost

FY 15-16 Estimated Sheriff's Deputy Costs	
Deputy Salary and Benefits	\$70,446.45
Expenses Associated with a Deputy	\$32,767.67
Allocated Costs Associated with a Deputy	\$17,578.29
TOTAL COST OF PROVIDING A DEPUTY 1,944 HOURS PER YEAR	\$120,792.41
TOTAL COST PER HOUR	\$62.14

* 1,944 hours = 40 hour week x 52 weeks less 2 weeks vacation (80 hours), less 7 sick days (56 hours)

Captain Steve Carter explained this is the current cost for an officer serving in Mills River.

Sheriff's Deputy Cost

FY 15-16 Estimated Sheriff's Deputy Costs		
Deputy Salary & Benefits	Notes	FY 16 Projected Pay
Regular Hourly	FY 2016 projected pay is based on current pay of \$22.69 per hour. Regular pay includes vacation, sick, and holiday.	47,195.00
Retention and Bonus		1,405.00
Employers Portion of:		
FICA	6.15%	2,988.90
Medicare	1.50%	729.00
401(k)	2%	943.90
401(k) LE	5%	2,359.75
LEOBRS	7.15%	3,474.90
Medical Insurance		10,775.00
Dental Insurance		575.00
Subtotal Deputy Salary & Benefits:		\$ 70,446.45

May 20, 2015

Sheriff's Deputy Cost

FY 15-16 Estimated Sheriff's Deputy Costs		
Expenses Associated with a Deputy:	Notes	FY 16 Projected Cost
Dodge Charger	pro-rated over a 3-year period	9,387.00
Taser X-26	pro-rated over a 3-year period	430.00
Ballistic Vest	pro-rated over a 3-year period	143.00
Uniforms & Boots		1,800.00
Leather Gear	pro-rated over a 3-year period	133.33
Stop Sticks	pro-rated over a 3-year period	146.67
Alcanset/ PST	pro-rated over a 3-year period	175.00
Cell Phone / Service		1,980.00
Computer & Licenses	pro-rated over a 3-year period	3,150.00
In-Car Printer	pro-rated over a 3-year period	116.67
Watchguard in Car Camera		4,999.00
Golden Eagle Pader	pro-rated over a 3-year period	600.00
Vehicle Maintenance (Tires, oil, etc.)		3,150.00
Training / Overtime		2,000.00
Ammunition		250.00
Fuel (28 gal/term / week @ \$3.50 per gallon)		4,355.00
Subtotal Expenses Assoc w/ Deputy:		\$ 32,767.67

Sheriff's Deputy Cost

FY 15-16 Estimated Sheriff's Deputy Costs		
Allocated Costs Associated with a Deputy:	Notes	FY 16 Projected Cost
All Indirect Costs		15,793.29
Insurance & Bonding		675.00
Workers Compensation		1,150.00
Subtotal Allocated Costs:		\$ 17,578.29

Steve Wyatt noted that we are in the first year of the vehicle and this may be reduced for two years since we will not need a new vehicle. A cost of reduction of around \$18,000 total, or \$9,387 per year.

Mr. Wyatt noted that statistics were shared in January that talked about the number of calls for Mills River and Flat Rock. Flat Rock has a similar situation but does not pay any of the costs for law enforcement. Flat Rock is patrolled without reimbursement to the County. The police budget in Fletcher is roughly the same cost as it is to the Sheriff to provide call services to Mills River. The cost that Laurel Park taxpayers pay for their own police department is very much comparable to the number of calls provided to Flat Rock.

Sheriff McDonald stated he met with different Commissioners over the last month over the proposal for a PREA officer, someone to maintain PREA standards within the Sheriff's Office. This is not in the proposed budget at this point and time, but needs to be on the radar for consideration.

Commissioner Grady Hawkins had recently conducted a rather extensive visit to the Detention Center, and he asked staff to look into the unfunded mandate coming down from the Federal Government on some training and bookkeeping, in reference to rapes (PREA). The Federal Government has an option of docking you 5% of your Federal Funding. He requested additional information.

Sheriff McDonald reminded the Board about consideration for the jail roof.

Steve Wyatt explained that the Board is aware of the roof problem, and we have received an estimate in the amount of \$966,000. It is an issue that is out there over the next couple of years. Options have been discussed and this will need to be addressed very soon.

May 20, 2015

Commissioner Lapsley feels the Town of Mills River and the Village of Flat Rock have a responsibility to choose from options and provide a service to it's citizens in the municipality. The Town of Mills River has chosen to provide an enhanced level of law enforcement. The most economical approach to do that at the moment is through the Sheriff's Department. The Sheriff's Department, via the County, has offered to provide that enhanced level of service to Mills River, parking a deputy in that zone for a determined specific amount of time. There is a cost associated with that and the County has chosen to provide that enhanced level, beyond what is normally provided, for a specific cost. He feels that fee should be reflection of the cost to the County. With the help of staff, he suggested coming up with the cost calculation and offer that to the Town of Mills River or the Village of Flat Rock if they have an interest.

Chairman Thompson noted the other option is for the Sheriff to answer calls but not necessarily be there patrolling. This would be at no additional cost to a municipality.

The Board determined that basic law enforcement services will continue to be provided to municipalities at no charge, but enhanced services would be offered by contract or an interlocal agreement at a cost, and notify the municipalities to see if they want basic law enforcement services or enhanced services.

Steve Wyatt stated staff would have the numbers shortly, but in the case of Mills River, 2/3 of the cost of the vehicle would be deducted for this cycle. The schedules and requests will be worked out between the Sheriff and the municipality.

Amy Brantley said based on conversations in regard to Mills River, because there is already a vehicle, cost for a vehicle has been backed out for the next two years. The per hour cost for Mills River would be \$52.47. For 40 hour coverage, 52 weeks per year, that total comes to \$109,137.00. In regard to Flat Rock, because there currently is not a vehicle, the charge would be \$62.14 per hour and \$129,251.00 per year, at 52 weeks per year.

Chairman Thompson shared values of the Town of Fletcher and Town of Mills River as per the Tax Assessor. Fletcher is value at \$722,500,000 and Mills River at \$775,000,000. Looking at those values, recognize that Fletcher provides law enforcement and Mills River does not.

Chairman Thompson emphasized again that municipalities should be contacted and informed on the decision in this matter. The enhanced services will only be offered at cost.

Commissioner Lapsley made the motion that the Board directs the Sheriff to offer contractual services for enhanced law enforcement services at a cost to Mills River of \$109,137 and a cost to Flat Rock of \$129,251. Chairman Thompson did not vote and the motion passed unanimously.

Chairman Thompson directed staff to contact Mills River and Flat Rock, via letter, regarding the offer to provide of enhanced law enforcement services within the municipal limits.

May 20, 2015

DETENTION

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	44	44	45	2.3%
Part Time	0	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 2,687,180	\$ 2,968,944	\$ 2,990,451	0.7%
Operating	\$ 965,774	\$ 1,031,180	\$ 1,009,626	-2.1%
Capital	\$ 5,275	\$ 33,988	\$ 56,642	66.7%
Total Expenditures	\$ 3,658,229	\$ 4,034,112	\$ 4,056,719	0.6%
Total Revenue	\$ 413,518	\$ 164,750	\$ 145,950	-11.4%
Revenue % of Expenditure	11%	4%	4%	

SIGNIFICANT ISSUES

1. The FY 16 Proposed Budget includes an increase to the Medical Supplies line item. A change in service providers has allowed for a higher level of in-house care, and a reduction in outside medical costs.
2. The FY 16 Proposed Budget includes an increase to Maintenance of Buildings and Grounds, to cover expenditures previously funded with Inmate Commissary funds.
3. The FY 16 Proposed Budget includes One (1) position transferred from ICE.

UNFUNDED BUDGET REQUESTS

		\$ REQUEST	TRE
1	One (1) Safety Compliance Deputy	\$60,606	\$0.0004
2	Overtime	\$5,300	\$0.0000
3	Former ICE Frozen Positions	\$162,493	\$0.0012

Amy Brantley noted the Detention Center budget contains the cost of the PREA (Prison Rape Elimination Act) Officer. According to the NC Coalition Against Sexual Assault, "The North Carolina Approach", April, 2015, PREA noncompliance makes states liable to lose 5% of any US Department of Justice funds that may be used for prison purposes USC 15607(3). Funding sources that are specifically identified in this publication applicable to Henderson County funding received in FY15 are: Federal Jail Revenue - \$35,000 received in FY15 - 5% = \$1,750.

EMERGENCY COMMUNICATIONS (E-911)

Amy Brantley explained that the large reduction from FY 15 to FY 16 is due to a grant received to do the 911 Center.

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ -	\$ -	\$ -	0.0%
Operating	\$ 1,197,708	\$ 3,527,010	\$ 639,064	-81.9%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 1,197,708	\$ 3,527,010	\$ 639,064	-81.9%
Total Revenue	\$ 1,198,378	\$ 3,527,010	\$ 639,064	-81.9%
Revenue % of Expenditure	100%	100%	100%	

SIGNIFICANT ISSUES

1. No significant issues for FY 16. E-911 Revenues cover 100% of project costs, with no local funds required.
2. FY15 included a grant that funded the new 911 Center.

UNFUNDED BUDGET REQUESTS

	\$ REQUEST	TRE
1 SAN (Storage Area Network) Replacement (prorated between Sheriff and 911	\$75,400	\$0.0006

SOCIAL SERVICES

STAFFING LEVELS

	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	177	178	184	3.4%
Part Time	3	2	3	50.0%
Project	0	0	0	0.0%

COST CENTER

	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 10,132,605	\$ 11,036,785	\$ 11,246,524	1.9%
Operating	\$ 8,398,424	\$ 9,190,264	\$ 8,950,588	-2.6%
Capital	\$ 44,211	\$ 41,200	\$ 85,000	106.3%
Total Expenditures	\$ 18,575,240	\$ 20,268,249	\$ 20,282,112	0.1%
Total Revenue	\$ 11,670,900	\$ 12,252,218	\$ 12,643,873	3.2%
Revenue % of Expenditure	63%	60%	62%	

SIGNIFICANT ISSUES

1. The FY 16 Proposed Budget includes one half of a position (.5) being reallocated from the Smart Start budget to DSS due to funding decreases for Smart Start from the State.
2. The FY 16 Proposed Budget includes one (1) Community Social Services Assistant.
3. The FY 16 Proposed Budget includes five (5) Income Maintenance Caseworkers.
4. The FY 16 Proposed Budget includes the replacement of two (2) vehicles.
5. The FY 16 Proposed Budget includes new tablets and scanners for the Department.
6. The FY 16 Proposed Budget includes Phase II of the Security Camera upgrade.

UNFUNDED BUDGET REQUESTS

	\$ REQUEST	TRE
1 Northwood's Software	\$497,219	\$0.0039
2 Training Room Addition	\$240,000	\$0.0019
3 Overtime	\$10,000	\$0.0000
4 General Assistance - Food and Provisions	\$500	\$0.0000
5 General Assistance - Medical Supplies and Equipment	\$500	\$0.0000
6 General Assistance - Foster Care Supplement & Clothing	\$7,000	\$0.0000
7 General Assistance - Burials	\$2,000	\$0.0000

May 20, 2015

Director Eric Bush noted that the Northwood's Software was his highest priority. He also noted the training room could be used for the Health Department also. Their current training room could only hold fifty people and was tight at that level.

HEALTH DEPARTMENT

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	63	64	67	4.7%
Part Time	5	4	3	-25.0%
Project	13	13	12	-7.7%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 4,553,464	\$ 5,206,154	\$ 5,310,099	2.0%
Operating	\$ 884,755	\$ 1,113,026	\$ 1,150,760	3.4%
Capital	\$ -	\$ -	\$ 33,000	0.0%
Total Expenditures	\$ 5,438,219	\$ 6,319,180	\$ 6,493,859	2.8%
Total Revenue	\$ 2,673,971	\$ 2,534,856	\$ 2,598,751	2.5%
Revenue % of Expenditure	49%	40%	40%	

SIGNIFICANT ISSUES

1. The FY 16 Proposed Budget includes the transfer of one (1) position from the Health Department to Information Technology. The primary function of this position will be support for the Department's upcoming Electronic Health Records System.
2. The FY 16 Proposed Budget includes the addition of one (1) Public Health Nurse.
3. The FY 16 Proposed Budget includes the addition of one (1) School Nurse.
4. The FY 16 Proposed Budget includes the addition of one (1) part time Office Assistant.
5. The FY 16 Proposed Budget includes the replacement of One (1) Vehicle,

UNFUNDED BUDGET REQUESTS		\$ REQUEST	TRE
1	One (1) Vehicle *	\$6,000	\$0.0000
2	Professional Services	\$20,000	\$0.0001
3	Capital Project Planning for Unfinished Space Build out	\$20,000	\$0.0001

* Note that Budget staff recommends that this vehicle price be set at \$22,000; \$28,000 was requested

Amy Brantley stated there is currently a full time position shared half time between the Health Department and Environmental Health. This part time person would become full time within the Health Department.

An IT position has been taken from Health to our IT department but dedicated to the Health Department. This provides continuity of service.

Chairman Thompson would like to add two nurses per year until we reach the staffing levels needed.

Commissioner Thompson made the motion that the Board approves adding an additional school nurse at an additional cost of \$54,471.00. All voted in favor and the motion carried.

ENVIRONMENTAL HEALTH

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	10	10	12	20.0%
Part Time	1	1	0	-100.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 848,603	\$ 887,494	\$ 980,709	10.5%
Operating	\$ 53,596	\$ 113,720	\$ 114,520	0.7%
Capital	\$ -	\$ -	\$ 25,313	0.0%
Total Expenditures	\$ 902,199	\$ 1,001,214	\$ 1,120,542	11.9%
Total Revenue	\$ 249,844	\$ 205,000	\$ 315,000	53.7%
Revenue % of Expenditure	28%	20%	28%	

SIGNIFICANT ISSUES

1. The FY 16 Proposed Budget includes the addition of one (1) Environmental Health Specialist.
2. The FY 16 Proposed Budget includes the addition of one (1) part time Office Assistant.
3. The FY 16 Proposed Budget includes the replacement of One (1) vehicle.

UNFUNDED BUDGET REQUESTS - None

GOVERNING BODY

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	1	1	1	0.0%
Part Time	5	5	5	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 203,823	\$ 233,119	\$ 229,525	-1.5%
Operating	\$ 128,921	\$ 156,410	\$ 157,160	0.5%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 332,744	\$ 389,529	\$ 386,685	-0.7%
Total Revenue	\$ -	\$ -	\$ -	0.0%
Revenue % of Expenditure	0%	0%	0%	

SIGNIFICANT ISSUES

No significant issues for FY 16. Operating expenses essentially remain consistent with FY 15 levels.

UNFUNDED BUDGET REQUESTS - None

COUNTY ADMINISTRATION

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	4	5	5	0.0
Part Time	0	0	0	0.0
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 609,595	\$ 769,677	\$ 798,279	3.7%
Operating	\$ 42,287	\$ 85,620	\$ 85,620	0.0%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 651,882	\$ 855,297	\$ 883,899	3.3
Total Revenue	\$ -	\$ -	\$ -	0.0
Revenue % of Expenditure	0%	0%	0%	

SIGNIFICANT ISSUES

1. In FY15, one (1) FTE was transferred from the Human Resources Department to Administrative
2. No significant issues for FY16. Operating expenses remain consistent with FY15 levels.

UNFUNDED BUDGET REQUESTS - None

HUMAN RESOURCES

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	6	6	6	0.0%
Part Time	1	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 527,282	\$ 519,029	\$ 545,784	5.2%
Operating	\$ 56,716	\$ 93,756	\$ 99,656	6.3%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 583,998	\$ 612,785	\$ 645,440	5.3%
Total Revenue	\$ -	\$ -	\$ -	0.0%
Revenue % of Expenditure	0%	0%	0%	

SIGNIFICANT ISSUES

1. In FY15, one (1) PT Position was made FT, and one (1) FT Position was transferred from HRD to Administrative Services.
2. Operating levels increased slightly due to an increase in professional and contracted services.

UNFUNDED BUDGET REQUESTS - NONE

ELECTIONS

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	5	5	5	0.0%
Part Time	0	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 382,201	\$ 467,919	\$ 512,693	9.6%
Operating	\$ 298,938	\$ 337,781	\$ 406,631	20.4%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 681,139	\$ 805,700	\$ 919,324	14.1%
Total Revenue	\$ 43,637	\$ 10	\$ 16,000	159900.0%
Revenue % of Expenditure	6%	0%	2%	

SIGNIFICANT ISSUES

1. The FY 16 Proposed Budget includes operational increases due to a Presidential Primary election in FY 16.
2. New State mandated elections equipment is not included in the FY 16 budget.
3. Increase in Revenues, related to filing fees in an election year.

UNFUNDED BUDGET REQUESTS

	\$ REQUEST	TRE
1 Overtime	\$25,000	\$0.00020
2 Departmental Supplies	\$8,150	\$0.00006

Amy Brantley explained there is a mandated Presidential Primary election in FY 16. Additional funding has been included for funding. There is a possibility of a Statewide Bond Referendum which could require us to open all the precincts in the fall. The Board will be notified if this happens.

Steve Wyatt stated the Governor is proposing that the State pick up the cost.

LEGAL

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	6	6	5	-16.7%
Part Time	1	1	1	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 611,293	\$ 624,299	\$ 545,525	-12.6%
Operating	\$ 29,274	\$ 64,160	\$ 64,660	0.8%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 640,567	\$ 688,459	\$ 610,185	-11.4%
Total Revenue	\$ 313,357	\$ 297,925	\$ 349,601	17.3%
Revenue % of Expenditure	49%	43%	57%	

SIGNIFICANT ISSUES

The FY 16 Proposed Budget includes a personnel decrease due to a position transfer to the Sheriff's Department.

UNFUNDED BUDGET REQUESTS

	\$ REQUEST	TRE
1 One (1) Deputy County Attorney position.	\$71,458	\$0.00056

Commissioner Lapsley was concerned about the quick action the Board took to remove this person from Legal over to the Sheriff's Department at such short notice. This should be reconsidered.

Commissioner Lapsley made the motion that the Board approves moving back the attorney to the legal Department and the Sherriff's Department acquire legal counsel. Chairman Thompson did not vote therefore the motion passed unanimously.

REGISTER OF DEEDS

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	5	5	5	0.0%
Part Time	1	1	1	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 311,907	\$ 359,032	\$ 401,829	11.9%
Operating	\$ 127,583	\$ 91,591	\$ 251,959	175.1%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 439,490	\$ 450,623	\$ 653,788	45.1%
Total Revenue	\$ 597,841	\$ 608,660	\$ 549,600	-9.7%
Revenue % of Expenditure	136%	135%	84%	

SIGNIFICANT ISSUES

- The FY 16 Proposed Budget includes personnel increases due to additional overtime requested for the Digitation Project.
- The FY 16 Proposed Budget includes operational increases to better reflect the needs within the Department.
- The FY 16 Proposed Budget includes \$135,000 for Phase 1 of the Digitization Project that will be paid for with AEPF Funds.

UNFUNDED BUDGET REQUESTS

	\$ REQUEST	TRE
1 Printing & Binding	\$8,000	\$0.0000
2 Capital Outlay-Plat Cabinets	\$3,000	\$0.0000

FACILITY SERVICES

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	25	25	25	0.0%
Part Time	0	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 1,345,860	\$ 1,413,747	\$ 1,409,806	-0.3%
Operating	\$ 1,354,239	\$ 1,621,195	\$ 1,964,290	21.2%
Capital	\$ 101,820	\$ 241,200	\$ -	-100.0%
Total Expenditures	\$ 2,801,919	\$ 3,276,142	\$ 3,374,096	3.0%
Total Revenue	\$ 78,726	\$ 75,000	\$ 90,000	20.0%
Revenue % of Expenditure	3%	2%	3%	

SIGNIFICANT ISSUES

1. \$241,200 of the FY15 Budget was for the completion of the '95 Courthouse Chiller Project, a nonrecurring expenditure.
2. Facility Services/Garage revenues are derived from CNG sales to the public.
3. The FY 16 Proposed Budget includes door controls for the Detention Center.
4. The FY 16 Proposed Budget includes restrooms for Tuxedo Park.

UNFUNDED BUDGET REQUESTS

	\$ REQUEST	TRE
1 Detention Center Roof Replacement	\$966,900	\$0.0076
2 Fletcher Library Parking Lot Replacement	\$13,700	\$0.0001
3 95 Courthouse Parking Lot Replacement	\$80,630	\$0.0006

COURT FACILITIES

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ -	\$ -	\$ -	0.0%
Operating	\$ 160,414	\$ 190,000	\$ 190,000	0.0%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 160,414	\$ 190,000	\$ 190,000	0.0%
Total Revenue	\$ 137,677	\$ 190,000	\$ 190,000	0.0%
Revenue % of Expenditures	86%	100%	100%	

SIGNIFICANT ISSUES

No significant issues for FY 16. Operating levels essentially remain the same at FY 15 levels.

UNFUNDED BUDGET REQUESTS – NONE

INFORMATION TECHNOLOGY

STAFFING LEVELS	FY 2014	FY 2015	FY 2016	% CHANGE
Full Time	9	10	11	10.0%
Part Time	0	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 697,579	\$ 792,913	\$ 892,803	12.6%
Operating	\$ 1,417,274	\$ 1,489,023	\$ 1,720,050	15.5%
Capital	\$ 42,035	\$ 88,000	\$ 270,100	206.9%
Total Expenditures	\$ 2,156,888	\$ 2,369,936	\$ 2,882,953	21.6%
Total Revenue	\$ -	\$ -	\$ -	0.0%
Revenue % of Expenditure	0%	0%	0%	

SIGNIFICANT ISSUES

1. The FY 16 Proposed Budget includes the addition of a transferred position from the Health Department to assist in keeping up with the ever-increasing use of technology.
2. The FY 16 Budget includes planned increases in Non-Capital Technology and Contracted Services to address the increasing demands for technology services.
3. The FY 16 Proposed Budget includes replacement cameras for the Detention Center.

UNFUNDED BUDGET REQUESTS

		\$ REQUEST	TRE
1	Technology associated with Courthouse Security Position	\$12,775	\$0.00010
2	SAN (Storage Area Network) Replacement (prorated between Sheriff and 911)	\$184,600	\$0.00146
3	GeoComm Maintenance (not needed with Nixle funding)	\$4,700	\$0.00004

WELLNESS CLINIC

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	3	4	4	0.0%
Part Time	0	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 290,963	\$ 382,579	\$ 385,588	0.8%
Operating	\$ 162,278	\$ 119,165	\$ 153,637	28.9%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 453,241	\$ 501,744	\$ 539,225	7.5%
Total Revenue	\$ -	\$ -	\$ -	0.0%
Revenue % of Expenditure	0%	0%	0%	

SIGNIFICANT ISSUES

The FY 16 Proposed Budget allows for increases due to rising medical costs and expansion of services at the Wellness Clinic. Clinic expansions are in compliance with Affordable Care Act requirements.

UNFUNDED BUDGET REQUESTS - None

DEBT SERVICE

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
2015 Series LOBs	\$ -	\$ -	\$ 508,759	0.0%
2013 Refinancing Bonds	\$ 846,354	\$ 818,950	\$ 791,678	-3.3%
2012 Refinancing Bonds	\$ 1,130,292	\$ 1,096,445	\$ 1,058,828	-3.4%
2010 Refinancing Bonds	\$ 180,187	\$ 174,417	\$ 168,411	-3.4%
2010 LEC/Court Services	\$ 812,000	\$ 788,000	\$ 764,000	-3.0%
Detention Center	\$ 540,431	\$ 523,748	\$ 504,189	-3.7%
Sixth Avenue Clubhouse	\$ 34,011	\$ 34,011	\$ 21,051	-38.1%
E911 Communication Center	\$ 16,478	\$ -	\$ -	0.0%
Ambulances/EMS Equipment	\$ -	\$ -	\$ -	0.0%
Professional Services	\$ 235,353	\$ 315,696	\$ 294,533	-6.7%
	\$ 5,000	\$ 5,000	\$ 5,000	0.0%
Total Expenditures	\$ 3,800,106	\$ 3,756,267	\$ 4,116,449	9.6%
Total Revenue	\$ -	\$ -	\$ -	0.0%
Revenue % of Expenditure	0%	0%	0%	

SIGNIFICANT ISSUES

The FY 16 Proposed Budget includes the first payment for the Health Sciences Education Center. Other debt is scheduled to be paid down at prescribed levels.

UNFUNDED BUDGET REQUESTS - None

NON-DEPARTMENTAL

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 309,568	\$ 108,075	\$ 260,000	140.6%
Operating	\$ (309,568)	\$ -	\$ -	0.0%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ -	\$ 108,075	\$ 260,000	140.6%
Total Revenue	\$ -	\$ -	\$ -	0.0%
Revenue % of Expenditure	0%	0%	0%	

SIGNIFICANT ISSUES

Funding for worker’s compensation and unemployment insurance claims that arise during the fiscal year are budgeted Non-Departmental.

UNFUNDED BUDGET REQUESTS – None

TRANSFERS FROM GENERAL FUND

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Capital Reserve Fund	\$ 225,000	\$ 1,564,646	\$ 75,000	-95.2%
(Fund 21) Transit Fund	\$ 156,320	\$ 192,962	\$ 192,962	0.0%
(Fund 38) Capital	\$ -	\$ 592,470	\$ 200,000	0.0%
Project Fund (Fund 40)		\$ -	\$ 590,997	0.0%
Debt Service (Fund 50)	\$ 54,000	\$ 54,000	\$ 54,000	0.0%
Solid Waste Fund (Fund 60)				
Total Expenditures	\$ 435,320	\$ 2,404,078	\$ 1,112,959	-53.7%
Total Revenue	\$ 136,658	\$ 328,423	\$ 200,000	-39.1%
Revenue % of Expenditure	31%	14%	18%	

SIGNIFICANT ISSUES

The FY 16 Proposed Budget includes a transfer of \$75,000 for P&I software, \$200,000 for IT Depreciation Fund and \$590,997 of rolling-off debt service to be transferred to the Debt Service Fund for future projects.

FINANCE

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	10	10	10	0.0%
Part Time	1	1	1	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 638,838	\$ 802,933	\$ 764,789	-4.8%
Operating	\$ 68,904	\$ 59,865	\$ 61,365	2.5%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 707,742	\$ 862,798	\$ 826,154	-4.2%
Total Revenue	\$ -	\$ -	\$ -	0.0%
Revenue % of Expenditure	0%	0%	0%	

SIGNIFICANT ISSUES

1. A reduction in personnel costs is due to an auditing change, which shows how personnel costs for a Cane Creek Billing Clerk in Finance are reflected for budget purposes.
2. No other significant issues for FY16. Operating levels essentially remain consistent with FY15 levels.

UNFUNDED BUDGET REQUESTS - None

Steve Wyatt reiterated the fact that the \$590,997 has historically been a part of debt service capital and it is a recommendation, but the Boards decision, that we continue to segregate those funds in that way. If not earmarked they will be used up for operational. When later looking at capital planning, the funds will be unavailable.

TAX DEPARTMENT

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	24	23	23	0.0%
Part Time	0	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 1,405,255	\$ 1,636,022	\$ 1,564,067	-4.4%
Operating	\$ 391,408	\$ 605,844	\$ 617,839	2.0%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 1,796,663	\$ 2,241,866	\$ 2,181,906	-2.7%
Total Revenue	\$ 1,271	\$ 750	\$ 750	0.0%
Revenue % of Expenditure	0%	0%	0%	

SIGNIFICANT ISSUES

1. The FY 16 Proposed Budget reflects a personnel decreases due to transferring an employee to the Revaluation Reserve Fund.
2. The budget does include an increase in Legal Services, resulting from probable reappraisal appeals in FY16.

UNFUNDED BUDGET REQUESTS

	\$ REQUEST	TRE
1 Telephone & Communications for additional Revaluation Employees	\$2,500	\$0.0000
2 Fuel Costs	\$2,000	\$0.0000
3 Planned Projects	\$1,000	\$0.0000

REVALUATION RESERVE FUND

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	10	11	11	0.0%
Part Time	0	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 591,831	\$ 640,991	\$ 683,179	6.6%
Operating	\$ 49,292	\$ 148,900	\$ 211,880	42.3%
Capital	\$ -	\$ 5,570	\$ 5,570	0.0%
Total Expenditures	\$ 641,123	\$ 795,461	\$ 900,629	13.2%
Total Revenue	\$ 682,691	\$ 795,461	\$ 900,629	13.2%
Revenue % of Expenditure	106%	100%	100%	

SIGNIFICANT ISSUES

1. The Fund gained a position in FY 15 that was transferred from the Tax Appraiser Department.
2. The beginning of a three year project to migrate to a new software system is included in the Proposed Budget. The project will cost \$80,000 for each of the three years

UNFUNDED BUDGET REQUESTS

		\$ REQUEST	TRE
1	Two (2) Property Appraisers	\$93,967	\$0.0007
2	One (1) Data Entry Specialist	\$35,922	\$0.0002
3	Two (2) SUV's	\$50,000	\$0.0003
4	Technology for New Positions	\$4,524	\$0.0000

EMERGENCY MANAGEMENT

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	4	4	4	0.0%
Part Time	0	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 482,358	\$ 538,573	\$ 571,410	6.1%
Operating	\$ 161,990	\$ 261,104	\$ 237,789	-8.9%
Capital	\$ -	\$ 21,728	\$ 35,000	0.0%
Total Expenditures	\$ 644,348	\$ 821,405	\$ 844,199	2.8%
Total Revenue	\$ 128,929	\$ 184,450	\$ 88,450	-52.0%
Revenue % of Expenditure	20%	22%	10%	

SIGNIFICANT ISSUES

1. The FY 16 Proposed Budget for Emergency Management is reduced due a one-time grant received in FY 15.
2. The FY 16 Proposed Budget includes one (1) truck replacement.
3. The FY 16 Proposed Budget for Fire Services is higher due to ongoing costs associated with the Communications Tower Upgrade Project.

UNFUNDED BUDGET REQUESTS

		\$ REQUEST	TRE
1	Fuel Costs	\$1,000	\$0.0000

EMERGENCY MEDICAL SERVICES

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	52	53	57	7.5%
Part Time	0	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 3,718,760	\$ 4,040,113	\$ 4,251,657	5.2%
Operating	\$ 497,510	\$ 544,296	\$ 518,790	-4.7%
Capital	\$ 210,464	\$ 144,990	\$ 479,510	230.7%
Total Expenditures	\$ 4,426,734	\$ 4,729,399	\$ 5,249,957	11.0%
Total Revenue	\$ 2,905,861	\$ 2,857,700	\$ 2,875,000	0.6%
Revenue % of Expenditure	66%	60%	55%	

SIGNIFICANT ISSUES

1. The FY16 Proposed Budget includes the replacement of two (2) ambulances.
2. The FY16 Proposed Budget includes the addition of one (1) ambulance and equipment.
3. The FY16 Proposed Budget includes the addition of four (4) paramedic positions (one crew).

UNFUNDED BUDGET REQUESTS

	\$ REQUEST	TRE
1 Four (4) Paramedics (January, 2016 Start Date)	\$86,984	\$0.0006
2 Two (2) Paramedics (July, 2015 Start Date) Relief Positions	\$92,058	\$0.0007
3 Four (4) Position Reclassifications	\$26,614	\$0.0002
4 Overtime	\$22,700	\$0.0001

It was the consensus of the Board to add \$26,614 to reclassify four positions to training officers.

Building Services Fees

Inspection Type	Number of permits per year	Cost per Permit	Estimated revenue per permit type	Notes
Manufactured (Mobile) Homes	111	\$75	\$8,325	
Straight Trade Permits	3358	\$40	\$134,320	
Zoning Permit - Residential	590	\$0	\$0	Nearly all Counties have a zoning fee
Zoning Permit - Commercial	280	\$0	\$0	
Proposed Revisions				
Manufactured (Mobile) Homes	111	\$100	\$11,100	Increases each level by \$25
Straight Trade Permits	3358	\$50	\$167,900	Increases each level by \$10
Zoning Permit - Residential	590	\$50	\$29,500	New Fee (Reinstatement)
Zoning Permit - Commercial	280	\$115	\$32,200	New Fee (Reinstatement)
TOTAL			\$98,055	

BUILDING SERVICES

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	8	9	11	22.2%
Part Time	1	1	0	-100.0%
Project	1	1	1	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 598,025	\$ 707,302	\$ 785,744	11.1%
Operating	\$ 85,358	\$ 134,610	\$ 129,950	-3.5%
Capital	\$ 47,876	\$ 30,000	\$ 32,852	9.5%
Total Expenditures	\$ 731,259	\$ 871,912	\$ 948,546	8.8%
Total Revenue	\$ 966,906	\$ 850,000	\$ 900,000	5.9%
Revenue % of Expenditure	132%	97%	95%	

SIGNIFICANT ISSUES

1. The FY 16 Proposed Budget includes the addition of one (1) new Building Inspector.
2. The FY 16 Proposed Budget includes the reclassification of a Permit Specialist from PT to FT.
3. The FY 16 Proposed Budget Includes the addition of one (1) new vehicle.

UNFUNDED BUDGET REQUESTS

	\$ REQUEST	TRE
1 Fuel Costs	\$4,660	\$0.0000

ANIMAL SERVICES

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	7	7	7	0.0%
Part Time	0	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 358,190	\$ 393,404	\$ 393,093	-0.1%
Operating	\$ 155,742	\$ 204,022	\$ 200,589	-1.7%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 513,932	\$ 597,426	\$ 593,682	-0.6%
Total Revenue	\$ 56,320	\$ 65,000	\$ 55,000	-15.4%
Revenue % of Expenditure	11%	11%	9%	

SIGNIFICANT ISSUES

No significant issues for FY 16. Operating levels are essentially consistent with FY 15 levels.

UNFUNDED BUDGET REQUESTS – None

RESCUE SQUAD

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ -	\$ -	\$ -	0.0%
Operating	\$ 337,805	\$ 281,360	\$ 281,360	0.0%
Capital	\$ 181,000	\$ -	\$ -	0.0%
Total Expenditures	\$ 518,805	\$ 281,360	\$ 281,360	0.0%
Total Revenue	\$ -	\$ -	\$ -	0.0%
Revenue % of Expenditure	0%	0%	0%	

SIGNIFICANT ISSUES

1. In FY 14 the Henderson County Rescue Squad took over non-emergency transport services for Henderson County. During that year, the Board approved a \$100,000 budget amendment to assist the Rescue Squad with start-up costs associated with this new service.
2. The FY 16 Budget includes an operational budget consistent with FY15 funding.

UNFUNDED BUDGET REQUESTS

	\$ REQUEST	TRE
1 Expansion Request	\$100,000	\$0.0007

It was the consensus of the Board to add \$17,250 to provide a 3% COLA to salary of Rescue Squad employees.

CODE ENFORCEMENT SERVICES

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	3	3	3	0.0%
Part Time	0	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 209,553	\$ 232,253	\$ 233,480	0.5%
Operating	\$ 13,542	\$ 52,874	\$ 38,724	-26.8%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 223,095	\$ 285,127	\$ 272,204	-4.5%
Total Revenue	\$ 100	\$ 14,400	\$ 50,000	247.2%
Revenue % of Expenditure	0%	5%	18%	

SIGNIFICANT ISSUES

FY 15 operating expenditures included a one-time \$14,400 Abandoned Manufactured Home Removal Grant.

UNFUNDED BUDGET REQUESTS – None

SOIL & WATER CONSERVATION

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	3	4	4	0.0%
Part Time	1	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 270,106	\$ 286,557	\$ 298,250	4.1%
Operating	\$ 18,742	\$ 26,404	\$ 27,404	3.8%
Capital	\$ 21,976	\$ -	\$ -	0.0%
Total Expenditures	\$ 310,824	\$ 312,961	\$ 325,654	4.1%
Total Revenue	\$ 67,634	\$ 46,575	\$ 45,575	-2.1%
Revenue % of Expenditure	22%	15%	14%	

SIGNIFICANT ISSUES

The FY 16 Proposed Budget includes the reclassification of one employee from Watershed Coordinator to Conservation Engineer.

UNFUNDED BUDGET REQUESTS- None

PLANNING

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	6	7	7	0.0%
Part Time	0	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 465,244	\$ 515,582	\$ 631,508	22.5%
Operating	\$ 32,362	\$ 74,551	\$ 76,063	2.0%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 497,606	\$ 590,133	\$ 707,571	19.9%
Total Revenue	\$ 62,746	\$ 74,000	\$ 58,500	-20.9%
Revenue % of Expenditure	13%	13%	8%	

SIGNIFICANT ISSUES

The FY 16 Proposed Budget includes one (1) project management position transferred from Solid Waste during FY15.

UNFUNDED BUDGET REQUESTS

	\$ REQUEST	TRE
1 Fuel Costs	\$1,520	\$0.0000

PUBLIC TRANSIT

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 88,498	\$ 91,153	\$ 93,888	3.0%
Operating	\$ 593,109	\$ 808,935	\$ 839,417	3.8%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 681,607	\$ 900,088	\$ 933,305	3.7%
Total Revenue	\$ 773,559	\$ 900,088	\$ 933,305	3.7%
Revenue % of Expenditure	113%	100%	100%	

SIGNIFICANT ISSUES

The proposed budget includes lease payments for a Paratransit ADA Van, and a 28' (17 Passenger) Bus. Both vehicles will be leased, rather than purchased.

UNFUNDED BUDGET REQUESTS - None

ECONOMIC DEVELOPMENT

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Borg Warner	\$ 46,463	\$ 46,463	\$ 46,463	0.0%
CL Henderson Produce	\$ 8,000	\$ -	\$ -	0.0%
Chamber of Commerce	\$ 37,500	\$ -	\$ -	0.0%
Clement Pappas	\$ -	\$ 8,838	\$ -	-100.0%
Continental Teves	\$ 123,834	\$ 111,334	\$ 170,000	52.7%
Empire Distributors	\$ -	\$ 71,904	\$ -	-100.0%
Graham Packaging	\$ -	\$ 12,688	\$ -	-100.0%
Historic 7th Avenue	\$ 460	\$ -	\$ -	0.0%
KDS	\$ -	\$ -	\$ 4,479	0.0%
Legacy Paddlesports	\$ 18,711	\$ 18,711	\$ 18,711	0.0%
Mona Lisa Foods	\$ -	\$ 15,100	\$ 15,100	0.0%
PMA (Elkamet)	\$ 1,079	\$ 16,178	\$ 9,924	-38.7%
Partnership for Econ Dev.	\$ 274,750	\$ 336,750	\$ 336,750	0.0%
Prince Manufacturing	\$ 2,400	\$ -	\$ -	0.0%
Putsch	\$ 9,867	\$ 9,867	\$ 9,867	0.0%
Raflatac	\$ -	\$ -	\$ 37,330	0.0%
Raumedic	\$ -	\$ -	\$ 261,208	0.0%
Sierra Nevada	\$ 267,673	\$ 1,292,673	\$ 267,673	-79.3%
Vocational Sol. Grant Match	\$ 2,750	\$ -	\$ -	0.0%
Wilson Art	\$ 3,861	\$ 3,861	\$ -	-100.0%
Wirtz Wire	\$ -	\$ -	\$ 2,008	0.0%
Total Expenditures	\$ 797,348	\$ 1,944,367	\$ 1,179,513	-39.3%
Total Revenue	\$ 70,665	\$ 1,025,000	\$ -	0.0%
Revenue % of Expenditure	9%	53%	0%	

SIGNIFICANT ISSUES

1. FY15 Revised Budget includes a \$1,025,000 One North Carolina Grant awarded to Sierra Nevada
2. FY16 Budget includes \$261,208 for Raumedic, as approved on February 2, 2015.

UNFUNDED BUDGET REQUESTS - None

HERITAGE MUSEUM

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ -	\$ -	\$ -	0.0%
Operating	\$ 125,000	\$ 100,000	\$ 100,000	0.0%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 125,000	\$ 100,000	\$ 100,000	0.0%
Total Revenue	\$ -	\$ 90,000	\$ 90,000	0.0%
Revenue % of Expenditure	0%	90%	90%	

SIGNIFICANT ISSUES

FY 14 funding was distributed directly from the Tourism Development Authority.

UNFUNDED BUDGET REQUESTS – None

AGRIBUSINESS

STAFFING LEVELS

	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	1	1	1	0.0%
Part Time	0	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER

	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 120,603	\$ 128,188	\$ 140,444	9.6%
Operating	\$ 68,492	\$ 807	\$ 807	0.0%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 189,095	\$ 128,995	\$ 141,251	9.5%
Total Revenue	\$ -	\$ 8,995	\$ 21,251	136.3%
Revenue % of Expenditure	0%	7%	15%	

SIGNIFICANT ISSUES

1. The FY 16 Proposed Budget includes expenditures of the department that are not funded by Henderson County. Funding remains at the agreed level of \$120,000. Additional revenues are derived from the non-profit's dues and donations.
2. FY 14 Actual Budget includes a one-time grant of \$58,644.

UNFUNDED BUDGET REQUESTS – none

FORESTRY SERVICES

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ -	\$ -	\$ -	0.0%
Operating	\$ 41,944	\$ 52,979	\$ 56,244	6.2%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 41,944	\$ 52,979	\$ 56,244	6.2%
Total Revenue	\$ -	\$ -	\$ -	0.0%
Revenue % of Expenditure	0%	0%	0%	

SIGNIFICANT ISSUES

1. Expenses are slightly higher than FY 15 due to personnel expenses associated with salaries, insurance and retirement costs. The State covers 60% of these costs, and Henderson County covers 40%.
2. No operational increases were requested from the NC Forest Service.

UNFUNDED BUDGET REQUESTS – None

HOME & COMMUNITY CARE BLOCK GRANT

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ -	\$ -	\$ -	0.0%
Operating	\$ 762,976	\$ 733,648	\$ 733,648	0.0%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 762,976	\$ 733,648	\$ 733,648	0.0%
Total Revenue	\$ 762,976	\$ 733,648	\$ 733,648	0.0%
Revenue % of Expenditure	100%	100%	100%	

SIGNIFICANT ISSUES

No significant issues for FY 16. Funding decreased from FY14 levels. The program is 100% grant funded using no county dollars.

UNFUNDED BUDGET REQUESTS –None

MEDICAL SERVICES

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ -	\$ -	\$ -	0.0%
Operating	\$ 46,250	\$ 46,250	\$ 50,000	8.1%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 46,250	\$ 46,250	\$ 50,000	8.1%
Total Revenue	\$ -	\$ -	\$ -	0.0%
Revenue % of Expenditure	0%	0%	0%	

SIGNIFICANT ISSUES

Operating levels increased slightly over FY 15 due to new rates being imposed at the State level.

UNFUNDED BUDGET REQUESTS- None

MENTAL HEALTH

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ -	\$ -	\$ -	0.0%
Operating	\$ 528,612	\$ 528,612	\$ 528,612	0.0%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 528,612	\$ 528,612	\$ 528,612	0.0%
Total Revenue	\$ 71,707	\$ 72,000	\$ 72,000	0.0%
Revenue % of Expenditure	14%	14%	14%	

SIGNIFICANT ISSUES

No significant issues for FY 16. Funding remains flat, at FY 15 levels.

UNFUNDED BUDGET REQUESTS - None

RURAL OPERATING ASSISTANCE PROGRAM

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ -	\$ -	\$ -	0.0%
Operating	\$ 231,018	\$ 196,095	\$ 196,095	0.0%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 231,018	\$ 196,095	\$ 196,095	0.0%
Total Revenue	\$ 231,019	\$ 196,095	\$ 196,095	0.0%
Revenue % of Expenditure	100%	100%	100%	

SIGNIFICANT ISSUES

No significant issues for FY 16. The Program is 100% grant funded using no County dollars.

UNFUNDED BUDGET REQUESTS - None

VETERAN'S SERVICES

STAFFING LEVELS

	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	0	0	0	0.0%
Part Time	2	2	2	0.0%
Project	0	0	0	0.0%

COST CENTER

	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 24,843	\$ 45,615	\$ 59,044	29.4%
Operating	\$ 2,430	\$ 2,632	\$ 2,482	-5.7%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 27,273	\$ 48,247	\$ 61,526	27.5%
Total Revenue	\$ 1,452	\$ 1,452	\$ 1,452	0.0%
Revenue % of Expenditure	5%	3%	2%	

SIGNIFICANT ISSUES

No significant issues for FY16. Operational funding levels remain consistent with FY15.

UNFUNDED BUDGET REQUESTS - None

LIBRARY

STAFFING LEVELS

	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	35	36	36	0.0%
Part Time	4	5	5	0.0%
Project	0	0	0	0.0%

COST CENTER

	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 2,111,952	\$ 2,292,563	\$ 2,250,257	-1.8%
Operating	\$ 688,039	\$ 778,230	\$ 677,257	-13.0%
Capital	\$ 688,039	\$ 12,120	\$ -	-100.0%
Total Expenditures	\$ 3,488,030	\$ 3,082,913	\$ 2,927,514	-5.0%
Total Revenue	\$ 287,897	\$ 318,976	\$ 205,894	-35.5%
Revenue % of Expenditure	8%	10%	7%	

SIGNIFICANT ISSUES

The FY 15 Revised Budget includes \$115,660 in donations and e-rate refunds used for publications, non-expendable supplies, and maintenance and repair of buildings and grounds.

UNFUNDED BUDGET REQUESTS - None

RECREATION

STAFFING LEVELS

	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	12	12	12	0.0%
Part Time	0	0	0	0.0%
Project	0	0	0	0.0%

COST CENTER

	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 880,310	\$ 919,124	\$ 923,537	0.5%
Operating	\$ 609,453	\$ 622,884	\$ 643,044	3.2%
Capital	\$ 54,080	\$ 49,000	\$ 53,699	9.6%
Total Expenditures	\$ 1,543,843	\$ 1,591,008	\$ 1,620,280	1.8%
Total Revenue	\$ 195,842	\$ 175,200	\$ 188,800	7.8%
Revenue % of Expenditure	13%	11%	12%	

SIGNIFICANT ISSUES

1. The FY16 Proposed Budget includes capital funding for an infield groomer and maintenance equipment.
2. The FY16 Proposed Budget includes Capital funding for an irrigation system.

UNFUNDED BUDGET REQUESTS

	\$ REQUEST	TRE
1 Fuel Costs	\$1,000	\$0.0000

FIRE DISTRICT FUNDS

Fire District/Department

	FY 2015 RATE	FY 2016 REQUESTED RATE	FY 2016 FRAC Recommendation
Bat Cave	\$0.100	\$0.120	\$0.120
Blue Ridge	\$0.095	\$0.120	\$0.120
Dana	\$0.110	\$0.130	\$0.130
Edneyville	\$0.095	\$0.105	\$0.105
Etowah-Horseshoe	\$0.095	\$0.105	\$0.105
Fletcher	\$0.100	\$0.115	\$0.115
Gerton	\$0.125	\$0.125	\$0.125
Green River	\$0.070	\$0.080	\$0.080
Mills River	\$0.075	\$0.090	\$0.090
Mountain Home	\$0.105	\$0.120	\$0.120
Raven Rock	\$0.085	\$0.100	\$0.100
(Saluda)	\$0.085	\$0.095	\$0.095
Valley Hill	\$0.085	\$0.095	\$0.095
Valley Hill II	\$0.085	\$0.095	\$0.095

SIGNIFICANT ISSUES

The Board sets the rate for Valley Hill II as part of the Budget Ordinance, since it was established separately under NCGS §69.25. All funding though, is budgeted in combination with Valley Hill I.

UNFUNDED BUDGET REQUESTS - None

It was the consensus of the Board to approve fire rates as requested and recommended by the Fire and Rescue Advisory Committee.

CAPITAL RESERVE FUND

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
P & I Software	\$ -	\$ 75,000	\$ 75,000	0.0%
Tuxedo Park	\$ 225,000	\$ -	\$ -	0.0%
1995 Courthouse Renovations	\$ 1,000,000	\$ -	\$ -	0.0%
Recreation Projects	\$ -	\$ 400,000	\$ -	-100.0%
Future Capital Building Projects	\$ -	\$ 1,089,646	\$ -	-100.0%
Total Expenditures	\$ 1,225,000	\$ 1,564,646	\$ 75,000	-95.2%
Total Revenue	\$ 225,000	\$ 1,564,646	\$ 75,000	-95.2%
Revenue % of Expenditure	18%	100%	100%	

SIGNIFICANT ISSUES

FY 16 Proposed Budget includes funding for P&I Software for the Inspections and Planning Department.

UNFUNDED BUDGET REQUESTS - None

DODD MEADOWS CDBG

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ -	\$ -	\$ -	0.0%
Operating	\$ 15,185	\$ 454,960	\$ 447,360	-1.7%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 15,185	\$ 454,960	\$ 447,360	-1.7%
Total Revenue	\$ 15,185	\$ 454,960	\$ 447,360	-1.7%
Revenue % of Expenditure	100%	100%	100%	

SIGNIFICANT ISSUES

No significant issues for FY 16. CDBG Grant covers 100% of project costs, with no local funds required for this grant.

UNFUNDED BUDGET REQUESTS – None

SOLID WASTE FUND

STAFFING LEVELS	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Full Time	18	18	17	-5.6%
Part Time	0	0	0	0.0%
Project	0	0	0	0.0%
COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ 819,749	\$ 955,663	\$ 1,219,058	27.6%
Operating	\$ 4,200,214	\$ 4,158,237	\$ 3,999,525	-3.8%
Capital	\$ -	\$ 218,000	\$ 210,000	-3.7%
Total Expenditures	\$ 5,019,963	\$ 5,331,900	\$ 5,428,583	1.8%
Total Revenue	\$ 4,709,043	\$ 5,331,900	\$ 5,428,583	1.8%
Revenue % of Expenditure	94%	100%	100%	

SIGNIFICANT ISSUES

1. The FY16 Proposed Budget includes \$210,000 in Capital Outlay - Equipment for a new slope mower and generator for the scale house.
2. No other significant issues in FY16. Program is 100% funded with user fees.
3. One position transferred to General Fund in FY 15.

UNFUNDED BUDGET REQUESTS- None

Steve Wyatt felt there was need for discussion on how we pay for the transfer of solid waste, and the operation of our solid waste system. It is approximately \$111,000 annually in operation cost. There are other costs related to solid waste. We have an infinite obligation to maintain the old landfill, which includes the surface and everything underneath. This Board has taken the ground water issues out there very seriously and has made investments in maintaining the contaminated ground water on County property. Prior to the late 1980's, landfills in North Carolina were permitted to be constructed without liners. That means all old landfills leach substances into the ground water. The liners are designed to prevent that. All closed landfills have issues.

Operational costs are ongoing with the operation of a convenience center, a recycling center, and a transfer station. There is also debt on the upgrades that have gone into the facility. The costs are substantial. We are the only county in the region, other than Buncombe County, that does not have either a general fund transfer or an across the board type of availability fee for something other than a tipping fee that operates the Solid Waste operation of the County. A \$3 tipping fee increase is recommended that will need to be continued over multiple years, unless the Board makes a decision as a public policy of another way to pay for the operations of solid waste.

From an economy standpoint, we've gone in and shared some of the things we've done including the contract. Its staff believe that at some point and time an escalating tipping fee will start costing us money in that if the cost to dispose of the solid waste becomes too high, people start taking their garbage elsewhere. Sometime in the near future, the Board will need to discuss options for financing these operations that you are going to have to finance ongoing forever. A Flow Ordinance was discussed which requires haulers to bring their waste to Henderson Conty or they cannot get a permit.

Option 1 – Tipping Fee Increase

DATE APPROVED:

- ◆ Increase the Tipping fee \$3 per ton each year, over a 3 year period. Net increase over time period = \$9 additional per ton.
 - Trash Flow may go down due to lower prices in surrounding counties
 - A mid-year transfer from the General Fund may be necessary depending on trash flow rates and fuel costs.

Option 2 - General Fund Allocation

- ◆ Add a transfer from the General Fund - \$850,000
- ◆ TRE \$0.0067

Option 3 – Flow Control

- ◆ Approve an ordinance requiring all haulers to bring trash picked up in Henderson County to the Henderson County Transfer Facility.
- ◆ The latest reports from the State is over 20,000 tons; \$1,100 in gross revenue; or \$350,000 net revenue is leaving Henderson County each year.
- ◆ A Solid Waste Enforcement Officer will need to be added to the budget, and the ordinance may require time to generate the additional revenue.

Solid Waste Reductions

\$149,219	Hauling Contract Reductions
\$ 62,808	Staff Reductions
\$ 30,000	Reduce Contract Services
\$ 20,000	Reduce Professional Services
\$ 10,000	Over Time Salaries (reduce staff at Center)
\$ 40,000	Maintenance Plan Improvements (Per DENR Plan)
\$ 10,000	Advertising
\$ 5,000	Household Hazardous Waste Program
\$ 5,000	Internal Fuel Reduction
\$332,027	Total

It was the consensus of the Board to raise the tipping fee by \$3 per ton effective July 1, 2015.

CANE CREEK WATER & SEWER FUND

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ -	\$ -	\$ -	0.0%
Operating	\$ 2,034,944	\$ 3,801,802	\$ 4,587,559	20.7%
Capital	\$ -	\$ -	\$ 55,000	0.0%
Total Expenditures	\$ 2,034,944	\$ 3,801,802	\$ 4,642,559	22.1%
Total Revenue	\$ 1,560,073	\$ 3,801,802	\$ 4,642,559	22.1%
Revenue % of Expenditure	77%	100%	100%	

SIGNIFICANT ISSUES

1. In FY 16 there are four major capital projects: Tri-Hishtil, Mill Pond Creek, Snowball Lift Station and Mud Creek
2. Revenues cover expenditures for Cane Creek Water and Sewer.

UNFUNDED BUDGET REQUESTS - None

JUSTICE ACADEMY SEWER FUND

COST CENTER	FY 2014 ACTUAL	FY 2015 BUDGET	FY 2016 PROPOSED	% CHANGE
Personnel	\$ -	\$ -	\$ -	0.0%
Operating	\$ 36,232	\$ 134,375	\$ 44,548	-66.8%
Capital	\$ -	\$ -	\$ -	0.0%
Total Expenditures	\$ 36,232	\$ 134,375	\$ 44,548	-66.8%
Total Revenue	\$ 45,187	\$ 134,375	\$ 44,548	-66.8%
Revenue % of Expenditure	125%	100%	100%	

SIGNIFICANT ISSUES

No Significant Issues, revenues cover all expenses for the Justice Academy Fund.

UNFUNDED BUDGET REQUEST – none

ECONOMIC DEVELOPMENT

Fairgrounds property

Henderson County Partnership for Economic Development President Andrew Tate stated the first issue is the Fairgrounds Property. This is a 17 acre tract of Henderson County land zoned industrial. A portion of the property (8.92 acres) was conveyed to Elkamet in 2007. A number of years was spent working through environmental concerns on the Fairgrounds site. One issue was that it was previously used as a volunteer training facility and the other issue was an unknown of material that was leftover after it served as WNC Fairgrounds. After going through a lengthy environmental review process, we received two letters of no further action from NCDENR. These are important letters because they convey to you as owners and any prospective business that those environmental issues have been resolved.

Soon after we resolved the environmental issues, we pursued a grant from the Appalachian Regional Commission. It changed the components and perimeters for their grant and allowed us to pursue that grant for essentially a construction projects. They determined that site development and grading work was a eligible use for those grant funds. We applied for \$175,000 that required a \$75,000 match. Henderson County currently has the \$75,000 in the FY15 budget. There is no way it would be utilized between now and the end of June.

These are Federal funds administered through the USDA. With Federal funds there are strings attached to the dollars. One of those strings is the bid process associated with it. Ultimately it came back with the lowest qualified bidder at \$412,000. Significantly higher than the \$250,000 which was the grant maximum that we could pursue with ARC. This left us in a position where we now need to decide to continue with the pursuit and look for additional funds, or put on hold and turn the grant dollars away.

The Partnership for Economic Development Board has discussed this and have a proposal they would like to make to the County to bring this project to conclusion. Essentially we have determined if we apply for an additional \$100,000 from ARC, it is likely that those funds would be awarded to this project. It is acceptable for us to go back to them after you get hard bids in on a project like this. The Board voted to use \$50,000 of HCPED funds, a bold decision by the Board, because we are not an organization that reserves funds. Those funds represent more than 20% of our total assets as an organization. Our request is that Henderson County consider contributing another \$50,000 to this project, which would put us in position

where we cover the lowest qualified bidder plus an additional contingency, and allow us to move forward on the project.

The request is to carryover the \$75,000 and add an additional \$50,000 to it for this project. The entire \$50,000 may not be needed or necessary, they are just asking for the final gap up to \$50,000.

Product Development Strategy for Economic Development Fundraiser

As an organization, HCPED sells product. Our product is the community at large and the workforce, tax rate, all the things that make a community attractive for increased investment from an existing company. Primarily their primary product is industrial sites and buildings.

The goal of this meeting is to follow up to their request on January 21, 2015, where we expressed an interest in developing a long term product development strategy of industrial sites and buildings. Specifically we are requesting timely engagement from this Board to meet a critical need. In 2002 the Lockwood Green Economic Development study was completed for Henderson County. The study included a marketing plan, a labor study, target industry analysis and a competitive assessment. The competitive assessment ranked HCPED on twenty-four different factors related to economic development. Primarily how an outside business would view our area from a competitive standpoint. Just last year, the HCPED Board looked at reassessing those twenty-four factors, and at the conclusion of the process, determined that two things were primary weaknesses for our ability to create quality jobs and compete in economic development going forward. Those two issues are workforce and product development.

The workforce development has not kept pace with the needs of Henderson County companies, sparking serious concerns for both existing and prospective companies considering Henderson County as a location. We define product as commercial sites and buildings, and HCPED has been successful with product development initiatives historically. For the most part those have included:

- Building relationships with private landowners.
- Improving and marketing sites with Industrial Development potential
- Grant dollars accessed to encourage building reuse projects (i.e. UPM Raflatac, Legacy Paddlesports)
- Continue to maintain a sites and buildings data base for Henderson County
- Work with partners in infrastructure to encourage strategic extensions to service companies that have committed to creating quality jobs in our community.
- Written grants which have awarded funds to extend water to Elkemet, water and waste water to Sierra Nevada
- ARC grading project for the Fairgrounds site
- Partnered with NCDOT on transportation improvements for Empire Distributors, Sierra Nevada, and Kiln Drying Systems

Our success has led to a depleted inventory and this will present a challenge in the near term. Henderson County has exceeded expectations for economic development success and much of that can be attributed to the HCPED Board, The Board of Commissioners, and the County's interest in growing a strong local economy and quality jobs.

There is currently no single tenant industrial building, greater than 12,000 sq. ft. with full utilities available in Henderson County. The next opportunities will require parcel assemblage. The next opportunities will have infrastructure limitations, requiring either extensions or improvements in pressure or capacity.

To move forward and engage more seriously in addressing challenges a Creative Economic Development Consulting Study has been provided. The study shows best practices in funding product development. The consultant was asked not to make a recommendation, but to provide a broad spectrum, a menu of ways that other communities have engaged and tried to solve the issue.

The HCPED Board of Directors has also initiated the formation of a new 501(c) (3) entity, which would focus specifically on workforce and product development challenges. The C3 entity will not have dedicated staff, but will operate with the shared resources agreement with the partnership primarily serving as a vehicle to identify an improve real property with industrial development potential.

Today the Partnership asks for the Board of Commissioners consideration of investment in this work, and to ask for feedback on advancing this initiative. It is expected that other local governments will participate. The City of Hendersonville has indicated their interest but not been specific about details. The C3 would allow the Partnership to act as a tax exempt, charitable organization, so contributions financially or even real estate contributions would be tax deductible.

Steve Wyatt, in regard to the Fairground property, asked if the Partnership had given any thought to approaching the City of Hendersonville for a portion of the \$50,000 additional money. Mr. Wyatt offered his assistance. He noted the County has invested in many economic development projects and this needs to be done with municipalities and more equity offered.

Mr. Tate responded the Partnership could certainly make that approach. They have met with representatives from the Town of Laurel Park, Mills River, and the City of Hendersonville. They meet with the Town of Flat Rock next week, and Fletcher soon. The response received so far is primarily “ it’s a little late in the budget cycle to hear about this...come see us next year.” The City of Hendersonville said absolutely as they recognize the value of growing tax base and they expect to be a partner. We do not know in what way or how at this point.

Steve Wyatt asked the Board to consider saying that the County is willing to put up to \$125,000 in this initiative, however it is on a matching basis as an incentive to the municipalities.

Chairman Thompson made the motion that the Board add the additional funding for the Fairgrounds property up to \$50,000, and offer up to \$125,000 to match municipal contributions for site development/acquisition. All voted in favor and the motion carried.

FEE SCHEDULE

Amy Brantley discussed proposed changes in fees.

Register Deeds – Recording Uniform Commercial Code (UCC) documents (These are set by State Statute)

First two (2) pages	\$38
Three (3) to ten (1) pages	\$45
Each additional page after 10 pages	\$2

The Register of Deeds are being rewritten to make them easier to understand.

It was consensus of the Board to approve the rewritten fees.

PUBLIC SAFETY

Detention Facility

Inmate Housing – Other local governments \$55 per day

It was consensus of the Board to approve raising the fee for Inmate Housing to \$55 per day.

Fire Marshal – Fire Inspection Services

(Incorporated only) Recommended	Under 10,000 sq. ft.	\$100
	Over 10,000 sq. ft.	\$200

Commissioner Lapsley was not in favor of charging only the incorporated areas, he felt everyone including the unincorporated areas should be charged.

Fire Marshal Rocky Hyder stated historically they have charged the municipalities for the services provided by the Fire Marshall’s Office. We have never charged the businesses directly. The municipalities have the same requirement, G.S. § 160(a) to provide this service that Henderson County does, G.S. § 153(a). The language in both says they may do this. If the municipality chooses not to provide the service, the Department of Insurance will eventually provide that service and charge them for it. Some municipalities choose to pass the cost on through to the businesses, as in Fletcher and Flat Rock, while Laurel Park has made the chose not to pass along the cost to businesses. Hendersonville does their own inspections. The cost structure would change if Henderson County had to set up a billing operation. It would probably be handled by Finance.

William Lapsley made the motion that the Board approves the Fire Marshal offering inspection services to businesses both in unincorporated and incorporated areas of Henderson County per the following fee schedule applicable to both unincorporated and incorporated, with regard to Fire Inspection Services, and letters be sent to the municipalities offering to provide this service for them at the new fees, to be paid either by the business, or the municipality, at their choice:

Under 10,000 Sq. Ft. = \$100 per inspection
10,000 to 50,000 Sq. Ft. = \$300 per inspection
Over \$50,000 Sq. Ft. = \$500 per inspection
carried.

All voted in favor and the motion

Inspections – Manufactured Homes

Singlewide	\$100.00
Doublewide	\$125.00
Triple wide	\$125.00

It was consensus of the Board to approve the manufactured homes inspection fees as recommended.

Commercial Fees

Fees are based on dollar value of each building; project cost of building

MUST include all trades. Recommended to stay at \$7.00 per \$1,000 (\$75.00 minimum)

Commissioner Lapsley feels the rate is too high and may be affecting economic development is the cost to provide the service is higher than the actual cost.

Commissioner Lapsley made the motion to adjust the fee from \$7.00 per \$1,000 to \$5 per \$1,000.00. The motion failed 1-3 with Commissioners Messer, Thompson, and Hawkins voting nay.

Residential Straights – Electrical, Plumbing, Mechanical	\$50.00
Residential Combination permit for 2 straight trades	\$80.00

Commissioner Messer made the motion that the Board approves raising the fees as recommended. All voted in favor and the motion carried.

Emergency Medical Services

Basic Life Support – Emergency	\$410.00
Advanced Life Support – Non-Emergency	\$450.00
Advanced Life Support I (Base Fee)	\$500.00
Advance Life Support II	\$700.00

It was consensus of Board to approve fees as recommended.

Code Enforcement

Zoning Permit (New or Renewal) – Residential	\$50.00
Zoning Permit (New or Renewal) – Commercial	\$115.00
Watershed Use Permit (New or Renewal)	\$20.00
Pre-Existing Lot Determination	\$20.00
Zoning Ordinance	\$20.00

Commissioner Lapsley made the motion to increase the fees as noted above for Code Enforcement. The motion passed 3-1 with Commissioner Messer voting nay.

Health Department

Commissioner Lapsley made the motion to approve all Health Department fees as submitted. All voted in favor and the motion carried.

Environmental Health Department

Application for Septic Tank Permits	
0 – 1,000 gallons	\$250.00
1,000 – 3,000 gallons	\$450.00
Over 3,000 gallons	\$750.00
Pre-Existing (sewage only)	\$100.00
Permit changes requiring site visits for sewage	\$200.00
New Well Inspection Permits	\$200.00
Permits – Per Tattoo Artist	\$75

Single Pool	\$100.00
Multiple Pools	\$200.00

Commissioner Lapsley made the motion to change the fees as noted above and approve all other fees as recommended. The motion passed 3-1 with Commissioner Hawkins voting nay.

Library

Internet Fee for Non Card Holder	\$1.00 per week (3 1-hour sessions daily)
Color Copier Printouts	\$20 cents per copy

It was consensus of the Board to approve fees as submitted.

Parks and Recreation

Activity Spaces (per hour) – Additional Staff fee + current rate	\$20.00 - \$200.00 based on hours of operation
Ballfield Rental	\$75.00 per day
Per Game/Hour Per field (2 hour limit)	\$20.00
Instructor Fee per Month	\$25.00
Youth Soccer	\$10.00 per player/per season
Jackson Park/EFR/Etowah Park Ballfield Practice Reservation Lights	\$10.00 per hour

Commissioner Messer made the motion that the Ballfield Rental remain at \$75.00 per day and other fees approved as presented. All voted in favor and the motion carried.

Cane Creek Water and Sewer Fund

A fee of 1.5% will be charged on all overdue balance if not paid within 60 days.

It was the consensus of the Board to approve a fee of 1.5% to be charged on all overdue balances not paid within 60 days, and other fees as presented.

Solid Waste

It was the consensus of the Board to approve all fees as presented.

Soil Erosion and Sedimentation Control Ordinance

Watershed Use Permit (New or Renewal)	\$20
---------------------------------------	------

It was consensus of the Board to approve the Watershed Use Permit fee of \$20 and all others as presented.

Commissioner Hawkins asked staff to bring back issues that could possibly be readdressed in January.

ADJOURN

Commissioner Messer made the motion to adjourn at 4:05 p.m. All voted in favor and the motion carried.

Attest:

Teresa L. Wilson, Clerk to the Board

Thomas H. Thompson, Chairman

Office of the Henderson County Tax Collector

200 NORTH GROVE STREET, SUITE 66

HENDERSONVILLE, NC 28792

PH: (828) 697-5595 | FAX: (828) 698-6153

Henderson County Board of Commissioners
1 Historic Courthouse Square, Suite 1
Hendersonville, NC 28792

Thursday, May 07, 2015

Re: Tax Collector's Report to Commissioners - Meeting Date 20 May 2015

Please find outlined below collections information through 06 May 2015 for the 2014 real and personal property bills mailed out on 28 August 2014, as well as registered motor vehicles billed and collected by our office. As a point of reference, we also have included collections information as of the same date last year.

Annual Bills G01 Only:

2014 Beginning Charge: \$59,733,471.88
Discoveries & Imm. Irreg.: \$168,292.46
Releases & Refunds: (\$344,068.93)
Net Charge: \$59,557,695.41
Unpaid Taxes: \$1,292,114.21
Amount Collected: \$58,265,581.20
Percentage Collected: 97.83%
Through: 6-May-2015

2013 Beginning Charge: \$58,589,100.53
Discoveries & Imm. Irreg.: \$284,041.60
Releases & Refunds: (\$219,419.35)
Net Charge: \$58,653,722.78
Unpaid Taxes: \$1,463,091.38
Amount Collected: \$57,190,631.40
Percentage Collected: 97.51%
Through: 6-May-2014

Motor Vehicle Bills G01 Only:

2014 Beginning Charge: \$12,300.26
Discoveries & Imm. Irreg.: \$0.00
Releases & Refunds: (\$1,161.22)
Net Charge: \$11,139.04
Unpaid Taxes: \$1,700.34
Amount Collected: \$9,438.70
Percentage Collected: 84.74%
Through: 6-May-2015

2013 Beginning Charge: \$2,675,010.72
Discoveries & Imm. Irreg.: \$1,815.92
Releases & Refunds: (\$57,526.99)
Net Charge: \$2,619,299.65
Unpaid Taxes: \$256,627.58
Amount Collected: \$2,362,672.07
Percentage Collected: 90.20%
Through: 6-May-2014

Fire Districts All Bills:

2014 Beginning Charge: \$6,649,429.82
Discoveries & Imm. Irreg.: \$15,513.90
Releases & Refunds: (\$46,611.61)
Net Charge: \$6,618,332.11
Unpaid Taxes: \$172,808.63
Amount Collected: \$6,445,523.48
Percentage Collected: 97.39%
Through: 6-May-2015

2013 Beginning Charge: \$6,878,771.58
Discoveries & Imm. Irreg.: \$45,334.18
Releases & Refunds: (\$34,413.92)
Net Charge: \$6,889,691.84
Unpaid Taxes: \$229,276.01
Amount Collected: \$6,660,415.83
Percentage Collected: 96.67%
Through: 6-May-2014

Respectfully submitted,



Luke Small
Collections Specialist

Stan C. Duncan
Tax Collector

HENDERSON COUNTY BOARD OF COMMISSIONERS

1 Historic Courthouse Square, Suite 1
Hendersonville, North Carolina 28792
Phone: 828-697-4808 • Fax: 828-692-9855
www.hendersoncountync.org

THOMAS H. THOMPSON
Chairman
CHARLES D. MESSER
Vice-Chairman

J. MICHAEL EDNEY
GRADY H. HAWKINS
WILLIAM G. LAPSLEY

May 20, 2015

Mr. Stan Duncan, Tax Assessor
HENDERSON COUNTY ASSESSOR'S OFFICE
200 N. Grove Street, Suite 102
Hendersonville, N. C. 28792

Dear Mr. Duncan:

Attached please find tax release requests in the amount of \$1,018.97, and tax refund requests in the amount of \$15.09 reviewed at the Henderson County Board of Commissioners' Meeting on Wednesday, May 20, 2015. All refunds and releases were approved.

Sincerely,

A handwritten signature in black ink that reads "Thomas H. Thompson". The signature is written in a cursive style and is enclosed within a large, loopy oval shape.

Thomas Thompson, Chairman
Henderson County
Board of Commissioners

THT/tlw

enclosures

REQUEST FOR BOARD ACTION

**HENDERSON COUNTY
BOARD OF COMMISSIONERS**

MEETING DATE: May 20, 2015
SUBJECT: Pending Releases & Refunds
PRESENTER: Assessor
ATTACHMENT: Pending Release/Refund Combined Report

SUMMARY OF REQUEST:

The attached pending releases and refunds have been reviewed by the County Assessor and as a result of that review, it is the opinion of the Assessor that these findings are in order. Supporting documentation is on file in the County Assessor's Office.

These pending release and refund requests are submitted for the approval by the Henderson County Board of Commissioners.

Type	Amount:
Total Taxes Released from the Charge	\$ 1,018.97
Total Refunds as a Result of the Above Releases	\$ 15.09

Faithfully Submitted,



Stan C. Duncan

County Assessor

BOARD ACTION REQUEST: Consent Approval Requested

Suggested Motion: "I move the Board approve the Combined Release/Refund Report as presented."

TRANSPORTATION AND DISPOSAL AGREEMENT

THIS TRANSPORTATION AND DISPOSAL AGREEMENT (this "Agreement") is entered into effective as of July 1, 2015, by and between the County of Henderson, a political subdivision, organized and existing under the laws of the State of North Carolina ("County"), and Republic Services of Kentucky, LLC, a Kentucky limited liability company ("Republic").

RECITALS

WHEREAS, the County owns the Transfer Station (as defined below);

WHEREAS, the County has a need for certain waste delivered to the Transfer Station to be transported and disposed of in a disposal facility;

WHEREAS, the County issued a Request for Proposals for Hauling and Disposal Services for Solid Waste with responses due April 2, 2015;

WHEREAS, Republic is a provider of solid waste transportation and disposal services and operates a disposal facility, and Republic responded to the County's Request for Proposals;

WHEREAS, the County, after evaluating responses to its Request for Proposals, selected Republic to transport and dispose of certain waste delivered to the Transfer Station upon the terms and conditions set forth below.

AGREEMENT

NOW, THEREFORE, in consideration of these premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, each intending to be legally bound, agree as follows:

1. Definitions. For the purpose of this Agreement, the following terms shall have the meanings set forth below:

(a) "Affiliate" shall have the meaning set forth in Rule 12b-2 of the General Rules and Regulations under the Securities and Exchange Act of 1934, as amended, and shall additionally include successors, designees, and assigns,

(b) "Agreement" means this Transportation and Disposal Agreement between Republic and the County, as modified, supplemented or restated from time to time, together with any exhibits, schedules or attachments hereto.

(c) "Construction or Demolition Waste" means solid waste resulting solely from construction, remodeling, repair, or demolition operations on buildings, or other structures, but does not include inert debris, land-clearing debris or yard debris.

(d) "County Area" means the geographic jurisdiction of the County and each municipality within the County,

(e) “CPI” means the Consumer Price Index for All Urban Consumers (Water, Sewer and Trash Collection Services) U.S. City Average, as published by United States Department of Labor, Bureau of Statistics.

(f) “Disposal Facility” means the disposal facility known as the Upstate Regional MSW Landfill, located at 868 Wildcat Road, Enoree, South Carolina, 29331 and owned by Republic or any other disposal facility designated by Republic. A ten (10) day notice shall be given to the County prior to any change in the landfill used for disposal.

(g) “Effective Date” means July 1, 2015.

(h) “Environmental Laws” means all applicable laws, directives, rules, ordinances, codes, guidelines, regulations, governmental, administrative or judicial orders or decrees or other legal requirements of any kind, including, without limitation, common law, whether currently in existence or hereafter promulgated, enacted, adopted or amended, relating to safety, preservation or protection of human health and the environment (including, without limitation, ambient air, surface water, groundwater, land, or subsurface strata) and/or relating to the handling, treatment, transportation or disposal of waste, substances or materials, including, without limitation, any matters related to Releases and threatened Releases of materials and substances,

(i) “Fees and Taxes” means any federal, state, local or other taxes, assessments, fees, host charges, surcharges or similar charges directly or indirectly related to the acceptance, transportation, or disposal of Waste which are imposed on the Disposal Facility or Republic by law, ordinance, rule, regulation and/or agreement with a governmental authority at any time during the term of this Agreement, whether imposed retroactively or prospectively as such may be increased from time to time.

(j) “Force Majeure” means any event relied upon by Republic as justification for delay in or excuse from complying with any obligation required of Republic under this Agreement, including, without limitation: (i) an act of God, landslide, lightning, earthquake, fire, explosion, storm, flood or similar occurrence; (ii) any act of any federal, state, county or local court, administrative agency or governmental office or body that stays, invalidates, or otherwise affects this Agreement, the operation of, or any permits or licenses associated with or related to, the Disposal Facility with respect to the acceptance, transportation and/or disposal of Waste; (iii) (a) the denial, loss, suspension, expiration, termination, failure of renewal or (b) the attainment of any maximum disposal amounts within any applicable time period, of any permit, license or other governmental approval required to accept, transport and/or dispose of Waste; (iv) the adoption or change (including a change in interpretation or enforcement) of any federal, state, county, or local law, rule, permit, regulation or ordinance after the Effective Date hereof, applicable to the obligations hereunder, including, without limitation, such changes that have a substantial, material and adverse effect on the cost of performing the contractual obligations herein; (v) the institution of a legal or administrative action, or similar proceeding, by any person or entity which delays or prevents any aspect of the acceptance, transport and/or disposal of Waste; or (vi) the failure of Republic to obtain an expansion of the Disposal Facility for the acceptance and disposal of waste.

(k) "Hazardous Materials" means any pollutant, contaminant, hazardous or toxic substance, constituent or material, including, without limitation, petroleum products and their derivatives, or other substances, regulated under or pursuant to any Environmental Laws. The term "Hazardous Materials" also includes Hazardous Waste and any pollutant, contaminant, hazardous or toxic substance, constituent or material, including, without limitation, petroleum products and their derivatives, or other substance that is, on or after the Effective Date of this Agreement, deemed hazardous by any judicial or governmental entity, body or agency having jurisdiction to make that determination.

(l) "Hazardous Waste" means any waste regulated as hazardous under or pursuant to any Environmental Laws. The term "Hazardous Waste" also includes any waste that is, on or after the Effective Date of this Agreement, deemed hazardous by any judicial or governmental entity, body or agency having jurisdiction to make that determination.

(m) "Release" means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration into the indoor or outdoor environment, including, without limitation, the movement of Hazardous Materials through the ambient air, soil, subsurface water, groundwater, wetlands, lands or subsurface strata.

(n) "Special Waste" means non-hazardous waste that requires special handling or management due to its composition or volume. All such waste must comply with Republic's Special Waste procedures prior to acceptance.

(o) "Ton" means 2,000 pounds.

(p) "Transfer Station" means the transfer station owned by the County and located at 802 Stoney Mountain Road, Hendersonville, North Carolina,

(q) "Unacceptable Waste" means any and all solid waste which the Disposal Facility is not authorized to accept for disposal pursuant to its permits and licenses, including, without limitation, yard waste, highly inflammable substances, Hazardous Materials, Hazardous Waste, liquid wastes, certain pathological and biological wastes, explosives, radioactive materials, and other materials deemed by local, state, or federal law, or in the reasonable discretion of Republic, to be dangerous or threatening to human health or the environment, to the transport of Waste, or to the operations conducted at the Disposal Facility.

(r) "Waste" means any and all non-hazardous solid waste, including construction and demolition materials but excluding Unacceptable Waste, transported from the Transfer Station and delivered to the Disposal Facility by Republic on behalf of the County which Republic is authorized to transport and which the Disposal Facility is authorized to accept pursuant to its permits and licenses in existence at such time.

2. Term. Subject to the terms and conditions of this Agreement, the term of this Agreement shall commence on the Effective Date and shall continue for five years (the "Initial Term"). Upon the mutual agreement of the parties at the end of the Initial Term, this Agreement may be renewed for additional one year periods (each, a "Renewal Term", and collectively with the Initial Term, the "Term").

3. Disposal Fees.

3.1 The County shall pay Republic disposal fees of \$35.24 per Ton for the transportation of Waste, including Construction or Demolition Waste, from the Transfer Station to the Disposal Facility and the disposal of Waste at the Disposal Facility, plus any (i) Fees and Taxes and (ii) increased operational costs or expenses incurred by Republic caused by the adoption or change (including a change in interpretation or enforcement) of any Environmental Laws or regulations, whether imposed retroactively or prospectively (such amount as adjusted by (i) and (ii) is referred to herein as the "Disposal Fees"). The Disposal Fees, specified in this Section 3 shall be increased in accordance with any increases to the CPI as follows: effective on July 1 of each year during the Term (commencing on July 1, 2016), the Disposal Fees shall be increased by 90% of the increase in the CPI. If the CPI does not increase, then no adjustments shall be made to the Disposal Fees in such year. The change in the CPI shall be measured by comparing the CPI of April of the current year to the CPI of April of the previous year not to exceed 5% each year. The term "Disposal Fees" as used in this Agreement shall include any adjustments made pursuant to the immediately preceding sentence. The parties hereto agree that the Disposal Fees only apply to Waste delivered to the Disposal Facility if such Waste is collected from the Transfer Station and delivered to the Disposal Facility by long-haul transfer trailers. The CPI adjustment shall be automatic.

3.2 The Disposal Fee is based upon diesel fuel cost of \$3.00 per gallon. Each \$0.10 increase or decrease above or below this range will result in a 1% fuel surcharge or credit per Department of Energy published price for Lower Atlantic Region. The price posted on the last Monday of each month shall be used to determine the fuel surcharge or credit applicable for the upcoming month's billing.

3.3 The Disposal Fee is also based on a minimum average load weight of Waste transported from the Transfer Station hereunder of 19 tons (the "Minimum Average"). If the monthly average load is less than the Minimum Average, the parties agree that all of the loads for the month will be billed at the Minimum Average. Republic or its subcontractor may request to haul a load less than the Minimum Average for trailer logistical purposes, and in such event, such load would be disregarded in calculating the average load weight for purposes under this Section 3.3.

3.4 If Republic performs disposal services outside its regular business hours or any additional services due to special circumstances concerning the services hereunder not caused by Republic (including, without limitation, as requested by the County), Republic may adjust the Disposal Fees to offset the additional costs in performing such services.

3.5 Republic shall send the County an invoice for the Disposal Fees. The County shall pay Republic the full amount within one month of receipt of the invoice via check, electronic fund transfer (EFT) or automated clearing house (ACH), without offset. Unpaid invoices shall carry interest at the lesser of (i) of one and one half percent (1.5%) per month or (ii) the maximum amount permitted under applicable law. The obligations of the County to pay the Disposal Fees and other amounts payable hereunder shall be absolute and unconditional. In the event that the County fails to timely pay any outstanding amount that is not being contested by the County in good faith, Republic may, in addition to any other remedies available to

Republic, suspend the County's right of transport and disposal of Waste at the Disposal Facility pursuant to this Agreement and/or terminate this Agreement, by giving thirty (30) days written notice to the County.

3.6 Republic may increase the Disposal Fees as a result of any of the following acts which occur outside of Republic's control (i) any increases in taxes, fees and other governmental charges, and (ii) certain increases in costs incurred by Republic due to (a) any third party or municipal disposal facility being used, (b) changes in local, state, or federal rules, ordinances or regulations, or (c) changes in taxes, fees or other governmental charges (other than income or real property taxes). Notwithstanding anything to the contrary in Section 3.6(ii), neither party anticipates using any third party or municipal disposal facility, and none will be used in the absence of governmental regulation requiring the same.

3.7 In the event that (i) any Waste requires special handling or management due to its composition or volume or (ii) Republic agrees to dispose of any Unacceptable Waste, the County and Republic shall determine in advance, on a case by case basis, the charge to the County for Republic's transportation and disposal of such wastes. Payment for such transportation and disposal shall be upon the same terms as the payment of other Disposal Fees.

4. Delivery and Acceptance of Waste.

4.1 The County agrees that all of the Waste delivered to the Transfer Station shall be loaded by the County onto Republic's transportation vehicles and transported and delivered by Republic to the Disposal Facility. All trailers, trucks and any other equipment that Republic furnishes under this Agreement shall remain Republic's property. The County shall use the equipment only for its proper and intended purpose and shall not overload (by weight or volume), move or alter the equipment.

4.2 Republic shall have the right to weigh all vehicles delivering Waste to the Disposal Facility. At any time, Republic or the County may confirm the tare weight of any vehicle delivering Waste to the Disposal Facility on behalf of the County.

4.3 The County acknowledges that Republic intends to reject waste that, in Republic's sole determination, contains Unacceptable Waste, would be in violation of this Agreement, Republic's then existing licenses or permits, or would result in a violation of applicable federal, state or local laws, statutes, orders, rules, regulations or ordinances. The operator of the Transfer Station shall visually inspect Waste delivered to the Transfer Station. If, following Republic's acceptance of a load of waste hereunder, Republic determines that Unacceptable Waste has been loaded onto its vehicles or included in such waste, Republic shall provide telephonic notice to the County as soon as reasonably practicable to the County manager or his designee (who has been so designated in writing to Republic) of such Unacceptable Waste, and Republic shall provide written follow-up notice to the County manager of such Unacceptable Waste within two (2) business days after the date of such determination, Republic can reject such waste at any time during the execution of services under this Agreement, including after such waste has been delivered to the Disposal Facility.

4.4 Ownership of Waste delivered to the Disposal Facility on behalf of the County shall pass to and be accepted by Republic when the vehicle transporting the Waste leaves the Transfer Station. Ownership of Unacceptable Waste loaded onto Republic's vehicles or delivered to the Disposal Facility by or on behalf of the County shall not pass to Republic at any time unless Republic specifically agrees in writing in advance to accept such Unacceptable Waste.

4.5 Republic may detain and inspect the contents of all vehicles delivering Waste on behalf of the County that are delivering Waste to the Disposal Facility.

4.6 The County shall not load onto Republic's vehicles Unacceptable Waste or cause Unacceptable Waste to be delivered or disposed of at the Disposal Facility. If any Unacceptable Waste is loaded onto Republic's vehicles or delivered to the Disposal Facility by or on behalf of the County, Republic shall have the right to refuse or reject such waste or, if not detected prior to loading onto Republic's vehicles or acceptance at the Disposal Facility, Republic may remove such waste and assure its proper disposal, all at the County's expense, which expense the County agrees to promptly pay upon presentation by Republic of an invoice setting forth the actual costs in reasonable detail.

4.7 If Republic's trucks receive Unacceptable Waste at the Transfer Station, or deliver such waste to the Disposal Facility, and that delivery disrupts or otherwise affects the normal operations of the transportation of Waste or the Disposal Facility, or if Republic incurs any liabilities, obligations, costs, expenses (including reasonable attorneys' fees and costs) or damages as a result of the transportation or delivery of such waste, the County shall be liable to Republic, and upon presentation by Republic of an accounting in reasonable detail, the County shall promptly pay, perform and discharge Republic for and indemnify and hold Republic harmless against all such liabilities, obligations, costs, expenses or damages that Republic incurs as a result of the transportation or delivery of Unacceptable Waste.

4.8 In addition to other remedies provided in this Agreement, Republic may suspend the services it is required to provide pursuant to this Agreement and/or terminate this Agreement upon repeated loadings or deliveries or the one-time intentional loading or delivery of Unacceptable Waste by the County, as such are determined by Republic. In such event, Republic shall notify the County in writing of its intention to suspend services and/or terminate this Agreement, and such suspension and/or termination shall become effective one hundred twenty (120) days following delivery of such notice (provided, however, if during such one hundred twenty (120) day period, Unacceptable Waste is loaded or delivered to Republic, then Republic may suspend and/or terminate this Agreement immediately).

4.9 Republic shall only be responsible for transportation of Waste from the Transfer Station to the Disposal Facility. Republic shall not be responsible or liable for any other transportation, including redelivery to the County, of any waste, including Unacceptable Waste. Republic may, in its sole discretion, deem a violation by the County of any applicable law, statutes, ordinances, rules, regulations, or orders relating to the transportation and handling of solid waste a breach of this Agreement.

4.10 Republic agrees to comply in all material respects with all applicable federal, state, and local laws, statutes, ordinances, rules, regulations, operational plans and orders concerning the transportation and handling of solid waste.

4.11 Republic shall not be responsible for injuries, damages, or fines, including, without limitation, overweight penalties or losses, excluding overweight axles, damage to driveways, parking areas, loading areas, or other surfaces at the Transfer Station, arising directly or indirectly from or connected in any manner with overload. Republic shall also be responsible for tarping and untarping the trailers upon receipt and disposal of Waste and shall not negligently allow any Waste to fall out of its trailers during the hauling and transportation of Waste to and from the Disposal Facility. The County shall be responsible for damage to Republic's trailers, including damage to trailers belonging to any of Republic's subcontractors, resulting from negligent or willful acts or omissions of the County or any of its officers or employees.

4.12 The County shall operate the Transfer Station during the following hours: Monday through Saturday — 8:00 AM to 5:00 PM, excluding holidays as established by the County. Republic will supply an adequate number of spare trailers to be used to load and store all solid waste to assure that the waste is never left on the tipping floor overnight. The County will provide a vehicle to move spare trailers at the solid waste transfer station. Republic will be allowed to operate outside of operating hours and will be issued a key to gain access to the Solid Waste Transfer Station. If at any time the County has to leave Waste on the tipping floor overnight due to Republic's inability to transport the Waste in a timely manner on the terms and conditions of this Agreement, Republic will forfeit the disposal fee for this load. Republic would also be responsible for half (1/2) of any fines levied against the County by the State as a result of its inability to transport such Waste, subject in all cases to the terms and conditions of this Agreement (including without limitation, Section 5).

4.13 Republic shall have the right, in its sole discretion, to subcontract the transportation of Waste from the Transfer Station to the Disposal Facility without the consent of the County. Republic shall continue to be responsible for its transportation obligations in the event transportation of waste is subcontracted. Republic, and not the County, shall be liable for any obligations between Republic and any subcontractor.

5. Suspension and/or Termination. In the event of an event of Force Majeure, either party hereunder may suspend its obligations hereunder and such party shall not have any liability to the other party due to such Force Majeure or such suspension. It is mutually understood and agreed that the obligation of Republic to transport and dispose of Waste for the Disposal Fees provided in Section 3, as adjusted, for a period of not less than forty-two (42) months is fixed and non-terminable, provided, however, that Republic may terminate this Agreement upon (i) an event of Force Majeure which continues unabated for a period of thirty (30) days and which, in Republic's reasonable discretion, renders the transportation of Waste or operation or maintenance of the Disposal Facility infeasible for any reason; or (ii) any breach or default of this Agreement by the County, pursuant to Section 11 hereof.

6. Covenants, Representations and Warranties of the County. The County agrees and represents and warrants to Republic as follows:

6.1 Existence and Good Standing. The County is and will continue to be throughout the term hereof) validly existing as a political subdivision and is in good standing under the laws of the State of North Carolina.

6.2 Approval and Authorization. The County has full power and authority to enter into this Agreement and to fully perform all of its duties and obligations hereunder pursuant to various and other enabling sections of the North Carolina General Statutes. The Board has duly authorized and the applicable North Carolina statutes so authorize the following: the execution and delivery of this Agreement, the County's performance of all of its duties and obligations contained herein, the County's collection of all necessary fees and charges, the County's making of all necessary expenditures, and the County's taking of all other necessary actions to meet these obligations, including, but not limited to, to the extent allowed by law and the North Carolina and United States Constitutions, and adopting solid waste management plans. This Agreement constitutes a valid and legally binding obligation of the County during the term of this Agreement, is binding upon all future Boards, and is enforceable in accordance with its terms.

6.3 No Litigation. There is no action, suit, or proceeding pending or, to the best of County's knowledge and belief, threatened against or affecting the County, at law or in equity or before or by any federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality wherein any decision, ruling or finding would adversely affect the transactions contemplated herein.

6.4 Non-discretionary Functions. This Agreement pertains solely to non-discretionary, proprietary functions. The County's continuing obligations under this Agreement bind all future County Boards or other governing bodies, during the term of this Agreement, to make all necessary appropriations and take all necessary actions to meet these obligations.

6.5 County Support. The County fully supports the operation of the Transfer Station and the transport and disposal by Republic of Waste at the Disposal Facility and is committed to fully supporting the performance of this Agreement.

6.6 Covenant for Delivery of Waste. The County, shall: (i) exclusively use the Transfer Station and the Disposal Facility for disposal of all Waste delivered to the Transfer Station from within the County; (ii) not contract with any other Person for services which are the same or similar to those provided by Republic in this Agreement; and (iii) not establish or operate a solid waste management facility within the County Area offering the same or similar services as those provided by Republic in this Agreement; provided, however, that nothing herein shall prevent the County and municipalities within the County from implementing waste recycling and waste reduction programs.

7. Covenants, Representations and Warranties of Republic. Republic represents and warrants as follows:

7.1 Existence and Good Standing. Republic is duly organized under the laws of Kentucky and is authorized to do business in North Carolina and will continue to be,

throughout the term hereof validly existing in good standing under the laws of the State of Kentucky and authorized to do business in the State of North Carolina.

7.2 Approval and Authorization. Republic has all requisite power and authority to enter into and fully perform this Agreement. Republic's execution and delivery of this Agreement and Republic's performance of all of their duties and obligations contained herein have been duly authorized by all necessary action on the part of Republic, and this Agreement of Republic is enforceable against Republic in accordance with its terms.

7.3 No Litigation. There is no action, suit or proceeding pending or, to the best knowledge and belief of Republic, threatened against or affecting Republic, or any of its affiliates, at law or in equity or before or by any federal, state, municipal, or other governmental department wherein any decision would materially, adversely affect the transactions contemplated herein.

7.4 Compliance with Laws. Republic covenants and agrees that, in the operation of the Disposal Facility, Republic will comply, in all material respects, with any and all federal, state, and local laws, including all Environmental Laws applicable to Republic concerning the operation of the Disposal Facility subject to Republic's right to contest in good faith the interpretation, application and enforcement of any such laws.

8. Indemnification.

8.1 Indemnification by Republic. Republic agrees to indemnify and save harmless the County, its officers and employees from any loss, claim, liability, penalty, fine, forfeiture, demand, cause of action, damages, suit and costs and expenses incidental thereto (including cost of defense, settlement and reasonable attorney's fees including any of the preceding relating to liability under the Environmental Laws or to investigation and cleanup under the Environmental Laws) ("Indemnified Costs"), arising out of or in connection with Republic's negligent performance of this Agreement; provided, however, that Republic shall not indemnify the County or any of its officers or employees from any Indemnified Costs to the extent caused by or resulting from any negligent or willful act or omission of the County or any of its officers, employees, agents or contractors, or any breach by the County of any agreement, representation or warranty of the County contained in this Agreement. Further, Republic agrees to indemnify and save harmless the County, its officers and employees from any loss, claim, liability, penalty, fine, forfeiture, demand, cause of action, damages, suit and costs and expenses incidental thereto (including cost of defense, settlement and reasonable attorneys' fees) incurred by the County to the extent caused by the loss of any required permits or authority to do business by Republic (or any of its affiliates providing services under this Agreement) that materially affect Republic's ability to provide the services under this Agreement. The indemnity obligation of Republic under this Section 8.1 shall survive the expiration or termination of this Agreement, for any reason whatsoever, subject to any applicable statute of limitation.

8.2 Indemnification by the County. The County agrees to indemnify, defend and save harmless Republic, its officers and employees, from any Indemnified Costs caused by or resulting from any negligent or willful act or omission of the County, its officers, employees, agents or contractors, or resulting from the breach by the County of any of the agreements,

representations, or warranties of the County contained in this Agreement: provided, however, that the County shall not indemnify Republic from Indemnified Costs to the extent caused by or resulting from any negligent or willful act or omission of Republic, its officers, employees, agents or contractors including, without limitation, any such act or omission in connection with Republic's transport and disposal of Waste, or any breach by Republic of any agreement, representation or warranty of Republic contained in this Agreement. The indemnity obligations of the County under this Section 8.2 shall survive the expiration or termination of this Agreement for any reason whatsoever, subject to any applicable statute of limitation. The County agrees not to contest by action or defense the enforceability of its indemnity obligations herein.

9. Insurance. Republic shall at all times, during the term of this Agreement, maintain in full force and effect coverage in the amounts shown below. Before commencement of work hereunder, Republic agrees to furnish the County certificates of insurance to the effect that such insurance has been procured and is in force. The certificates shall contain the following express obligations: "This is to certify that the policies of insurance described herein have been issued to the insured for which this certificate is executed and are in force at this time." Additionally, the insurance will include a Notice of Endorsement that will provide the County with thirty (30) days prior notice of a cancellation or material change in policy affecting Republic.

For purposes of this Agreement, Republic shall carry the following types of insurance in at least the limits specified below:

<u>Coverage</u>	<u>Limits of Liability</u>
Worker's Compensation	Statutory Limits
Employer's Liability	\$1,000,000 \$1,000,000 Aggregate
Commercial General Liability (Bodily Injury and Property Damage)	\$1,000,000 each occurrence \$3,000,000 aggregate
Commercial Automobile Liability (Bodily Injury and Property Damage)	\$1,000,000 each occurrence \$3,000,000 aggregate
Excess/Umbrella Liability	\$3,000,000 each occurrence

10. Notices. All notices or other communications to be given hereunder shall be in writing and shall be sent by overnight delivery or registered or certified United States mail, return receipt requested, properly addressed as follows:

To Republic:

Area President and General Manager
 Republic Services of South Carolina, LLC
 684 Mauldin Road

Greenville, SC 29607

With copies to:

Republic Services, Inc.
18500 North Allied Way
Phoenix, AZ 85054
ATTN: Deputy General Counsel, East Region

To The County:

Henderson County
1 Historic Courthouse Square, Suite 2
Hendersonville, NC 28792
Attn: County Manager

With copy to:

Henderson County
1 Historic Courthouse Square, Suite 5
Hendersonville, NC 28792
Attn: County Attorney

11. Default; Remedies.

11.1 Breaches. A breach of this Agreement shall mean a material failure to comply with any of the material provisions of this Agreement.

11.2 Events of Default. An event of default shall include, but not be limited to, the following:

(a) Republic voluntarily commencing any proceeding or filing any petition seeking relief under the United States Bankruptcy Code or any federal, state or foreign bankruptcy, insolvency or similar law; (ii) consenting to the institution of, or failing to controvert in a timely and appropriate manner, any such proceeding or filing of any such petition; (iii) applying for or consenting to the appointment of a receiver, trustee, custodian, sequestrator or similar official for a substantial part of its property; (iv) filing an answer admitting the material allegations of a petition filed against it in any such proceeding; or (v) making a general assignment for the benefit of creditors;

(b) the commencement of an involuntary proceeding or the filing of an involuntary petition in a court of competent jurisdiction seeking (i) relief in respect of Republic, or of a substantial part of Republic's property, under the United States Bankruptcy Code or any other federal, state or foreign bankruptcy, insolvency or similar law, which petition shall remain undismissed for 120 days; (ii) the appointment of a receiver, trustee, custodian, sequestrator or similar official for Republic or for a substantial part of Republic's property and such petition shall continue undismissed for 120 days; or (iii) an order or decree approving or ordering any of the foregoing shall continue and stay in effect for 60 days;

(c) a breach of this Agreement by Republic or the County, which breach is not cured pursuant to Section 11.3 hereof;

(d) failure to maintain the insurance required under Section 10. Notwithstanding any other provision, the County may terminate this Agreement if Republic does not reinstate coverage within fifteen (15) days after receipt of written notice from the County; or

(e) failure of the County to fulfill its cooperation obligations in Section 12.

(f) failure of Republic to transport the waste in a timely manner, as discussed in Section 4.12

11.3 Obligation to Cure Breaches. Each party shall in the case of any breach of its obligations under this Agreement either (i) cure the breach within 30 days of receipt of written notice from the non-breaching party, or (ii) continuously demonstrate within such cure period that it is actively and continuously pursuing a course of action which reasonably be expected to lead to a curing of the breach (the 30-day period will be extended for so long as the breaching party is actively and continuously pursuing such a course); provided, however, that if any party to this Agreement fails to pay the other party or parties any sum or dollar amount required to be paid when due hereunder, cure shall consist of payment which shall be made within 15 days of written demand from the non-breaching party, together with interest accruing at the legal rate from the date the payment was due.

11.4 Remedies for Default.

(a) In the event of a default under this Agreement, the non-defaulting party shall, upon 5 days prior written notice to the defaulting party, have the right, but not the obligation or duty, to cure such default, including the right to offset the costs of curing the default against any sums due which become due to the defaulting party under this Agreement. In any event, such costs shall be considered Indemnified Costs. The non-defaulting party shall use its commercially reasonable efforts to employ an economically reasonable method of curing any such default.

(b) If an event of default occurs and is not cured in the manner allowed hereunder, then the non-defaulting party shall have the right to (i) take whatever action at law or in equity that it deems necessary or desirable to collect any amounts then due or thereafter to become due under this Agreement or to enforce performance of any covenant or obligation of the breaching party under this Agreement; and/or (ii) suspended services provided pursuant to this agreement or terminate this Agreement.

(c) Notwithstanding any other provision in this Section in recognition of the gravity and scope of the subject matter of this Agreement, the parties agree that, notwithstanding the provisions for breach, cure and default hereunder, no party to this Agreement may elect to terminate this Agreement upon a default by the other party until the party seeking termination has first sent 90 days prior written notice of termination to the defaulting party, provided, however, that (i) only 60 days notice of termination is required if a default is based on a failure to pay fees when due under this Agreement, and (ii) termination is effective upon the County's receipt of notice where the default is the repeated or one-time intentional loading or delivery of Unacceptable Waste, as provided in Section 4.08. Notwithstanding anything to the contrary in this Agreement, for purposes of termination, unless otherwise specified therein, the written notice of breach and Obligation to cure contemplated in Section 11.3 shall be deemed the written notice of termination contemplated in this Subsection, and the cure period required under Section 11.3 shall be included within, and not in addition to,

the notice period requirements in this Subsection. Provided, however, that there shall be no cure for repeated violations of the same or similar nature which have been the subject of default and cure in the past.

(d) Subject to the terms and conditions of Section 11 hereof, all rights and remedies under this Section are cumulative and the exercise of any one remedy does not preclude the exercise of one or more of any other available remedies, including any remedies not specified herein.

12. County Cooperation In Maintaining Waste Disposal. The County shall fully and actively support the transport of Waste from the Transfer Station and disposal of Waste at the Disposal Facility, cooperate fully with Republic in order to assist Republic in maintaining approvals and permits for such transport and disposal that are contemplated by this Agreement (including, without limitation, cooperation related to permits and amendments), and shall supply to Republic in a timely manner such information as Republic may reasonably request which is necessary or useful to Republic in fulfilling such obligations and which the County has in its possession or control.

13. Independent Contractor; No Agency. Republic will act hereunder as an independent contractor and not as an agent of the County. Similarly, the County is neither an agent of Republic nor empowered or authorized to Obligate Republic in any way.

14. Assignment. Neither party shall assign, transfer or delegate, or permit the assignment, transfer or delegation of, this Agreement or any right or duty hereunder, without the prior written consent of the other party, which shall not be unreasonably withheld, provided, however, for purposes of this section, neither the transfer or assignment of this Agreement to corporate affiliates of Republic, nor the change of control of Republic, will be deemed an assignment, transfer or delegation.

15. Severability. In the event any one or more of the provisions contained in this Agreement shall, for any reason, be held to be invalid, illegal, unconstitutional, or unenforceable in any respect, such invalidity, illegality, unconstitutionality or unenforceability shall not affect any other provision of this Agreement and this Agreement shall be construed as if such invalid, illegal, unconstitutional or unenforceable provision had never been contained herein; provided, however, that it is the intention of the parties hereto that in lieu of each term, clause, or provision that is held to be invalid, illegal or unenforceable, there shall be added by mutual agreement as part of this Agreement a term, clause or provision as similar in terms to such invalid, illegal or unenforceable term, clause or provision as may be possible and valid, legal or enforceable. Notwithstanding the above, if the term of this Agreement is held to be invalid, illegal, or unenforceable in any respect, then the term of this Agreement shall automatically be the maximum valid and legal term allowed by applicable common or statutory law.

16. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina.

17. Binding Effect. This Agreement shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns. Specifically, this Agreement shall

bind the successors and assigns of the County, including, but not limited to, any transferee of the Transfer Station, as if such successors and assigns had executed this Agreement on the date hereof, and such shall inure to the benefit of Republic and its successors and assigns.

18. Construction. Words importing the singular number shall include the plural in each case and vice versa, and words importing persons shall include firms, corporations, or other entities. The terms "herein", "hereunder", "hereto", "hereof" and any similar terms, shall refer to this Agreement; the term "heretofore" shall mean before the date of adoption of this Agreement; and the term "hereafter" shall mean after the date of this Agreement, This Agreement is the result of joint negotiations and authorship and no part of this Agreement shall be construed as the product of any one of the parties hereto.

19. Entire Agreement. This Agreement constitutes the entire understanding between the County and Republic, and cancels and supersedes all prior negotiations, representations, understandings and agreements, either written or oral, between such parties with respect to the subject matter hereof. No changes, amendments, alterations, or modifications to this Agreement will be effective unless in writing and signed by the parties hereto.

20. Counterparts. This Agreement may be executed in two counterparts, each of which will be considered an original.

21. Court Jurisdiction. The parties mutually consent and agree that the court of competent jurisdiction with respect to any legal actions related to this Agreement shall be the United States District Court for the Western District of North Carolina.

[Signature page to follow]

IN WITNESS WHEREOF, the County and Republic have caused their respective duly authorized officers or representatives to execute this Agreement, as of the day and year first above written.

ATTEST:

HENDERSON COUNTY, NORTH CAROLINA

By: Mesa H. Welton
Clerk to the Board

By: [Signature]
County Manager

[Seal]

APPROVED AS TO FORM:

By: [Signature]
County Attorney

This instrument has been pre-audited in the Manner required by the Local Government Budget and Fiscal Control Act

By: [Signature]
County Finance Officer

ATTEST:

REPUBLIC SERVICES OF KENTUCKY, LLC

By: _____

By: [Signature]
Name: SHANE WALKER
Title: GM

County of Henderson

Fuel Surcharge Chart

UPSTATE REGIONAL LANDFILL.

[Need to insert]