CITY OF HENDERSONVILLE CITY COUNCIL REGULAR MEETING

City Hall-2nd Floor Meeting Room | 160 Sixth Ave. E. | Hendersonville, NC 28792 Wednesday, January 08, 2025 – 5:45 PM

AGENDA

- 1. CALL TO ORDER
- 2. INVOCATION AND PLEDGE OF ALLEGIANCE TO THE FLAG
- **3. PUBLIC COMMENT** Up to 15 minutes is reserved for comments from the public not listed on the agenda.
- 4. CONSIDERATION OF AGENDA
- **5. CONSENT AGENDA** Items are considered routine, noncontroversial in nature and are considered approved by a single motion and vote.
 - A. Adoption of City Council Minutes Jill Murray, City Clerk
 - B. Henderson County Tax Adjustments -Amanda Lofton, Deputy Tax Collector
 - C. Amendment 1 Construction Phase Services to support the WWTF Biosolids Thermal Dryer Project— Adam Steurer, Utilities Director
 - <u>D.</u> Acceptance of an Emergency Bridge Loan for Hurricane Helene Utility Damages *Adam Steurer, Utilities Director*
 - E. GIS division career ladder revisions— Jennifer Harrell, HR Director
 - F. Annexation: Certificate of Sufficiency- Old Sunset Hill Road (Taylor & Albea) (C24-56-ANX)

 Tyler Morrow, Current Planning Manager
 - G. Annexation: Certificate of Sufficiency- Upward Road (LBH Property Holdings LLC) (C24-91-ANX) *Tyler Morrow, Current Planning Manager*
 - H. Amendment to FY24 Audit Contract Krystal Powell, Finance Director
 - L. January 2025 Budget Amendments—Jennifer Floyd, Management Analyst II
 - J. Resolution to Accept Grant Funds Sam Hayes, Planner II
 - K. SECOND READING: Amendments to City Code regarding regulation of Consumable Hemp Derived Products to specify criminal liability *Angela Beeker, City Attorney*

6. PRESENTATIONS

A. Fiscal Year 2024 Audit Presentation – Krystal Powell, Finance Director

B. Love & Respect Community for Recovery & Wellness - Ron Davis, NC Peer Support Specialist

7. NEW BUSINESS

- A. Appointment of Finance Director Brian Pahle, Assistant City Manager
- B. City Council approval to re-establishment of utility late fees and disconnections on March 1, 2025 *John Connet, City Manager*
- C. Resolution for the City of Hendersonville to Apply for a USDOT RAISE Grant for the Above the Mud Project *Brent Detwiler, Public Services Director*
- D. Appointment of Mayor Volk as Voting Delegate for NCLM Legislative Priorities *John Connet, City Manager*
- E. 2025 Legislative Priorities Resolution John Connet, City Manager
- F. Review of the January 22, 2025 Floodplain Workshop John Connet, City Manager

8. CITY COUNCIL COMMENTS

- 9. CITY MANAGER REPORT John F. Connet, City Manager
 - A. December 2024 Contingency and Adjustment Report John Connet, City Manager

10. ADJOURN

The City of Hendersonville is committed to providing accessible facilities, programs and services for all people in compliance with the Americans with Disabilities Act (ADA). Should you need assistance or an accommodation for this meeting please contact the City Clerk no later than 24 hours prior to the meeting at 697-3005.



December 5, 2024

REGULAR MEETING OF THE CITY COUNCIL

CITY HALL- 2^{ND} FLOOR MEETING ROOM | 1606^{TH} AVE. E. | 5:45 p.m.

<u>Present:</u> Mayor Barbara G. Volk, Mayor Pro Tem Lyndsey Simpson and Council Members: Dr.

Jennifer Hensley, Jeff Miller and Melinda Lowrance

Staff Present: City Manager John Connet, Assistant City Manager Brian Pahle, City Clerk Jill Murray,

City Attorney Angela Beeker, Budget & Evaluation Director Adam Murr,

Communications Director Allison Justus and others

1. CALL TO ORDER

Mayor Volk called the meeting to order at 5:45 p.m. and welcomed those in attendance. A quorum was established with all members in attendance.

2. INVOCATION AND PLEDGE OF ALLEGIANCE TO THE FLAG

The City Council observed a moment of silence for prayer or reflection followed by the Pledge of Allegiance to the Flag.

3. PUBLIC COMMENT Up to 15 minutes is reserved for comments from the public not listed on the agenda.

In Person:

Barbara Chamberlain of 1749 Clairmont Drive, Hendersonville, spoke about the easement behind her property. Back in the 80's they used to get a group from the correctional facility to clean up the ditch that goes up the hill. The ditch has presented a problem now since the hurricane. The ditch is filled so now the water has nowhere to go so it comes down to our houses. If you could look into that while you're going through the neighborhood, I would appreciate it.

Lynne Williams congratulated former City Council Member Debbie O'Neal-Roundtree's appointment to Josh Stein's Hurricane Recovery Task Force; mentioned the shirt she was wearing that said "Justice for Elijah". There was a memorial service this past weekend and an article in the Times News and they are still looking for justice. Also, recognized that once Gina Baxter takes her seat on the City Council, it will be the first all-women City Council in the history of Hendersonville. Said she was not clear on the ordinance about hemp and where that stood on pornography and tobacco and some other high risk things like car dealerships and fast food.

Brett Werner of 706 Goldfinch Drive, Hendersonville (Green Meadows), spoke about possibly connecting Main Street with the newly redesigned 7th Avenue downtown via 4th Avenue and also anchor my community, Green Meadows and Ashe Street. We have an enormous opportunity and possible funds available in the wake of Hurricane Helene and Frank (from the UNC School of Government) and his team have provided the data and tools to ensure our community can meet the needs of our current residents. I urge the city to be aggressive in ensuring that these properties are community focused and ideally locally owned. I also wanted to mention that those of you who voted against the 1st Avenue projects, the developer made every remedy as requested and got an additional 25 parking spots that was not required. This type of infill is greatly needed for success and Frank will highlight this throughout his presentation. Limiting developments to only two stories going forward will not work long term.

4. CONSIDERATION OF AGENDA

Council Member Lyndsey Simpson moved that City Council approve the agenda as presented. A unanimous vote of the Council followed. Motion carried.

5. UNFINISHED BUSINESS

A. Amendments to City Code Regarding Regulation of Consumable Hemp Derived Products – Angela Beeker, City Attorney

City Attorney Angela Beeker explained that City staff was directed to present proposed regulations regarding the sale or possession of cannabis and consumable hemp-derived products within the City, and particularly to minors within close proximity to schools and public property. Presently, there are no state or local regulations applicable to the sale of consumable hemp-derived products other than those generally applicable to retail establishments in the City. She presented the following PowerPoint presentation and proposed an ordinance regulating the sale or possession of consumable hemp-derived products to minors within 1,000 ft. of a public or private school, or public park. N.C.G.S. § 160A-175 requires two readings for any ordinance specifying a criminal penalty, therefore, the proposed ordinance specifying civil penalties only is offered for consideration as a separate item.

An Ordinance to Regulate the Sales Hemp Derived Consummable Products Near



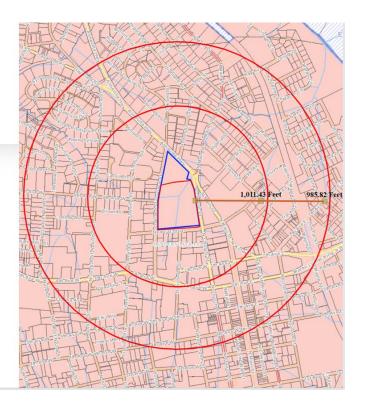
*Pictures from Presentation at UNC SOG by Phil Dixon, Fall, 2019

What is a Hemp Derived Consumable Product?

- Hemp: the plant Cannabis sativa (L.) and any part of that plant, including the seeds thereof and all derivatives, extracts, cannabinoids, isomers, acids, salts, and salts of isomers, whether growing or not, with a delta-9 THC concentration of not more than three-tenths of one percent (0.3%) on a dry weight basis. N.C. Gen. Stat. § 90-87
- Hemp-derived consumable products means a hemp product that is a finished good intended for human ingestion or inhalation that contains less than 0.3% of delta-9 THC concentration on a dry weight basis, but which contain concentrations of any other hemp-derived cannabinoid(s), in excess of that amount. This term does not include hemp products intended for topical application in which transdermal absorption does not occur, or seeds or seed derived ingredients that are generally recognized as safe by the United States Food and Drug Administration (FDA).
- Hemp-dervied cannabinoid means any phytocannabinoid found in hemp, including but not limited to delta-9 tetrahydrocannabinol (delta-9 THC), tetrahydrocannabinolic acid (THCA), cannabidiol (CBD), cannabidiolic acid (CBDA), cannabinol (CBN), cannabigerol (CBG), cannabichromene (CBC), cannabicyclol (CBL), 9 cannabivarin (CBV), tetrahydrocannabivarin (THCV), cannabidivarin (CBDV), cannabicitran (CBT), delta-7 tetrahydrocannabinol (delta-7 THC), delta-8 tetrahydrocannibinol (delta-8 THC), or delta-10 tetrahydrocannibinol (delta-10 THC). This term also includes any synthetic cannabinoid derived from hemp and contained in a hemp-derived consumable product.
- Ingestion means the process of consuming a substance in any of the following manners:
 - Through the mouth, by swallowing the substance into the gastrointestinal system;
 - Through tissue absorption by transdermal delivery, or any other method of delivery in which the substance or any of its components is absorbed beneath the skin and into the body or into the blood stream;
 - Subcutaneously through injection beneath the skin; or
 - By needle injection into the blood stream.
- Inhalation means the process of consuming hemp into the respiratory system through the mouth or nasal passages.

Proposed ordinance makes it unlawful to...

- Sell or give a hemp derived consumable product to a person under the age of 21 at any of the following locations:
 - Within 1000 feet of the property line of any public or private school.
 - · In any public park.
- If under the age of 21, to possess, purchase or attempt to purchase any hemp derived consumable product in these same locations.



Why Regulate?

- There are many hemp-derived products containing legal cannabinoids that can have the same psychoactive effects as marijuana; and
- Approval by the Food and Drug Administration of hemp-derived consumable products is not required, and therefore presence of contaminants and the amount of THC present in a product is not subject to quality control, placing the consuming public at risk; and
- The City Council finds that many retail establishments, including but not limited to hemp shops or vape products sell hemp derived consumable products, and there is no law or ordinance prohibiting the sale or distribution of hemp derived consumable products to persons under the age of 21 within a certain distance from a public or private school, making these products readily accessible to students; and
- The City Council wishes protect the public health and safety of persons under the age of 21 by making hemp-derived consumable products less readily available by prohibiting the sale or distribution of hemp derived consumable products to persons under the age of 21 years in close proximity to schools.

Remedies

- Civil Penalties:
 - 1st violation: \$500.00
 - 2nd or more within <u>3 year</u> period: \$1,000
- Criminal Penalty (separate ordinance requires 2 readings):
 - Class 3 Misdemeanor (fine up to \$500)

City Council Member Lyndsey Simpson moved that City Council adopt an Ordinance to Impose Civil Penalties for the Sale or Possession of Cannabis Near Schools as presented. A unanimous vote of the Council followed. Motion carried.

Ordinance #O-24-45

AN ORDINANCE TO IMPOSE CIVIL PENALTIES FOR THE SALE OR POSSESSION OF CANNABIS NEAR SCHOOLS

WHEREAS, the sale of certain hemp-derived products to persons under the age of 21 years old is currently not regulated by the State of North Carolina; and

WHEREAS, there are many hemp-derived products containing legal cannabinoids that can have the psychoactive effects as marijuana; and

WHEREAS, approval by the Food and Drug Administration of hemp-derived consumable products is not required, and therefore presence of contaminants and the amount of THC present in a product is not subject to quality control, placing the consuming public at risk; and

WHEREAS, the City Council finds that many retail establishments, including but not limited to hemp shops or vape products sell hemp derived consumable products, and there is no law or ordinance prohibiting the sale or distribution of hemp derived consumable products to persons under the age of 21 within a certain distance from a public or private school, making these products readily accessible to students; and

WHEREAS, the City Council wishes protect the public health and safety of persons under the age of 21 by making hemp-derived consumable products less readily available by prohibiting the sale or distribution of hemp derived consumable products to persons under the age of 21 years in close proximity to schools.

NOW, THEREFORE, BE IT ORDAINED by City Council of the City of Hendersonville, North Carolina as follows:

SECTION 1. The title of Chapter 6 of the City of Hendersonville City Code shall be amended as follows:

Chapter 6 – ALCOHOLIC BEVERAGES <u>AND CONSUMABLE HEMP DERIVED PRODUCTS</u>

SECTION 2. The of Section 6-7 of the City of Hendersonville City Code shall be amended as follows:

Sec. 6-7 – Sale <u>of alcohol</u> near schools

SECTION 3. Sections 6-1 through 6-7 of Chapter 6 of the City of Hendersonville City Code shall be reorganized into a new Article I of Chapter 6 of the City of Hendersonville Code of Ordinances entitled, "ALCOHOLIC BEVERAGES."

SECTION 4. There shall be enacted a new Article II of Chapter 6 of the City of Hendersonville Code of Ordinances entitled, "HEMP-DERIVED CONSUMABLE PRODUCTS," to read as follows:

ARTICLE II – HEMP DERIVED CONSUMABLE PRODUCTS

Sec. 6-8 Definitions. The following words, terms, and phrases, when used in this Chapter, shall have the meanings stated below, except where the context clearly indicates a different meaning:

- (1) <u>Hemp</u> has the same meaning as defined in N.C.G.S. § 90-87 of the North Carolina Controlled Substances Act, as the same may be amended.
- (2) Hemp-derived cannabinoid means any phytocannabinoid found in hemp, including but not limited to delta-9 tetrahydrocannabinol (delta-9 THC), tetrahydrocannabinolic acid (THCA), cannabidiol (CBD), cannabidiolic acid (CBDA), cannabinol (CBN), cannabigerol (CBG), cannabichromene (CBC), cannabicyclol (CBL), 9 cannabivarin (CBV), tetrahydrocannabivarin (THCV), cannabidivarin (CBDV), cannabicitran (CBT), delta-7 tetrahydrocannabinol (delta-7 THC), delta-8 tetrahydrocannibinol (delta-8 THC), or delta-10 tetrahydrocannibinol (delta-10 THC). This term also includes any synthetic cannabinoid derived from hemp and contained in a hemp-derived consumable product.
- (3) Hemp-derived consumable products means a hemp product that is a finished good intended for human ingestion or inhalation that contains less than 0.3% of delta-9 THC concentration on a dry weight basis, but which contain concentrations of any other hemp-derived cannabinoid(s), in excess of that amount. This term does not include hemp products intended for topical application in which transdermal absorption does not occur, or seeds or seed derived ingredients that are generally recognized as safe by the United States Food and Drug

Administration (FDA).

(4) <u>Hemp product</u> has the same meaning as defined in N.C.G.S. § 90-87 of the North Carolina Controlled Substances Act, as the same may be amended.

- (5) *Ingestion* means the process of consuming a substance in any of the following manners:
 - a. Through the mouth, by swallowing the substance into the gastrointestinal system;
 - b. Through tissue absorption by transdermal delivery, or any other method of delivery in which the substance or any of its components is absorbed beneath the skin and into the body or into the blood stream;
 - c. Subcutaneously through injection beneath the skin; or
 - d. By needle injection into the blood stream.
- (6) <u>Inhalation</u> means the process of consuming hemp into the respiratory system through the mouth or nasal passages.
- (7) <u>School means any public or private school providing elementary and/or secondary education pursuant to Chapter 115C of the North Carolina General Statutes, but excluding home schools as defined in N.C.G.S. § 115C-563.</u>
- (8) <u>Seller means any person or entity who sells a hemp-derived consumable product to the consumer of the product, or who sells a hemp-derived consumable product at retail.</u>

Sec. 6-9 Restriction on hemp-derived consumable products for persons under the age of 21.

It shall be unlawful of any person or entity to do any of the following:

- (1) <u>Knowingly, or having reason to know, sell or give a hemp-derived consumable product to a person who is under 21 years of age at any of the following prohibited locations:</u>
 - a. Within 1,000 feet of the property line of any public or private school.
 - b. In any public park.

Any seller or giver of hemp-derived consumable products at any of these prohibited locations shall demand proof of age from a prospective purchaser or recipient of hemp-derived consumable products before the hemp-derived consumable product(s) are released to the purchaser or recipient if the seller or giver has reasonable grounds to believe that the prospective purchaser or recipient is under 30 years of age.

- (2) <u>Knowingly, or having reason to know, distribute samples of hemp-derived consumable products in any location where sales to a person under the age of 21 are prohibited.</u>
- (3) If a person is under the age of twenty-one (21), to possess, purchase, or attempt to purchase any hemp-derived consumable product at any location where the sale of hemp-derived consumable products to persons under the age of twenty-one (21) is prohibited.
- (4) If a person is under the age of twenty-one (21), to use any type of fraudulent or altered identification, or any identification belonging to another person, to attempt to possess or purchase a hemp-derived consumable product in violation of this Section.

Sec. 6-10 Civil Penalties for Violation

<u>Violations of Section 6-9 of the City of Hendersonville City Code shall subject the offender to the following penalties:</u>

- (1) For the first violation, a civil penalty of \$500.00 shall be assessed.
- (2) For a second and any additional violation within a three (3) year period, a civil penalty of \$1,000 shall be assessed.

SECTION 5. If any provision of this ordinance or its application is held invalid, the invalidity does not affect other provisions or applications of this ordinance that can be given effect without the invalid provisions or application, and to this end the provisions of this ordinance are severable.

SECTION 6. It is the intention of the City Council and it is hereby ordained, that the provisions of this ordinance shall become and be made part of the Code of Ordinances, City of Hendersonville, North Carolina, and the sections of this ordinance may be renumbered to accomplish such intention.

SECTION 7. This Ordinance shall be effective upon its adoption.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 5th day of December, 2024.

Barbara G. Volk, Mayor

Attest: /s/Jill Murray, City Clerk

Approved as to form: /s/Angela S. Beeker, City Attorney

B. Amendments to City Code Regarding Regulation of Consumable Hemp Derived Products to Specify Criminal Liability – Angela Beeker, City Attorney

City Attorney Angela Beeker explained that City staff was directed to present proposed regulations regarding the sale or possession of cannabis and consumable hemp-derived products within the City, and particularly to minors within close proximity to schools and public property. Presently, there are no state or local regulations applicable to the sale of consumable hemp-derived products other than those generally applicable to retail establishments in the City. The proposed ordinance provides for criminal enforcement of the regulations regarding sale or possession of consumable hemp-derived products within the City. N.C.G.S. § 160A-175 requires two readings for any ordinance specifying a criminal penalty.

City Council Member Melinda Lowrance moved that City Council adopt an Ordinance to Impose Criminal Penalties for the Sale or Possession of Cannabis Near Schools as presented. A unanimous vote of the Council followed. Motion carried.

Ordinance #O-24-46

AN ORDINANCE TO IMPOSE CRIMINAL PENALTIES FOR THE SALE OR POSSESSION OF CANNABIS NEAR SCHOOLS

WHEREAS, the sale of certain hemp-derived products to persons under the age of 21 years old is currently not regulated by the State of North Carolina; and

WHEREAS, there are many hemp-derived products containing legal cannabinoids that can have the psychoactive effects as marijuana; and

WHEREAS, approval by the Food and Drug Administration of hemp-derived consumable products is not required, and therefore presence of contaminants and the amount of THC present in a product is not subject to quality control, placing the consuming public at risk; and

WHEREAS, the City Council finds that many retail establishments, including but not limited to hemp shops or vape products sell hemp derived consumable products, and there is no law or ordinance prohibiting the sale or distribution of hemp derived consumable products to persons under the age of 21 within a certain distance from a public or private school, make these products readily accessible to students; and

WHEREAS, the City Council wishes protect the public health and safety of persons under the age of 21 by making hemp-derived consumable products less readily available by prohibiting the sale or distribution of hemp derived consumable products to persons under the age of 21 years in close proximity to schools.

NOW, THEREFORE, BE IT ORDAINED by City Council of the City of Hendersonville, North Carolina as follows:

SECTION 4. Article II of Chapter 6 of the City of Hendersonville Code of Ordinances shall be amended to add a new Section 6-11 as follows:

Sec. 6-11 Criminal Penalties for Violation

In addition to any other remedy available, violation of this Article II of Chapter 6 of the City of Hendersonville Code of Ordinances is a misdemeanor as provided in Section 1-6 of the City of Hendersonville Code of Ordinances.

SECTION 5. If any provision of this ordinance or its application is held invalid, the invalidity does not affect other provisions or applications of this ordinance that can be given effect without the invalid provisions or application, and to this end the provisions of this ordinance are severable.

SECTION 6. It is the intention of the City Council and it is hereby ordained, that the provisions of this ordinance shall become and be made part of the Code of Ordinances, City of Hendersonville, North Carolina, and the sections of this ordinance may be renumbered to accomplish such intention.

SECTION 7. This Ordinance shall be effective upon passing two readings.

Adopted at first reading by the City C December, 2024.	ouncil of the City of Hendersonville, North Carolina on this 5 th day of
Attest:	Barbara G. Volk, Mayor, City of Hendersonville
Jill Murray, City Clerk	

Approved as to form:

Angela S. Beeker, City Attorney

Adopted at second reading by the City Council of the City of Hendersonville, North Carolina on this 8^{th} day of January, 2025.

Barbara G. Volk, Mayor Attest: /s/Jill Murray, City Clerk

Approved as to form: /s/Angela S. Beeker, City Attorney

C. 2024 Bonuses – John Connet, City Manager

City Manager John Connet explained that a member of City Council brought it to our attention that based on how hard our team worked during Hurricane Helene that it may be appropriate to offer a bonus in appreciation of their efforts so staff went into action and put forth a proposal that we would offer a one-time \$1,000 bonus for all full-time staff and \$500 for permanent part-time staff. The total budgetary cost will be \$330,000 give or take a little. We will fund it through contingency and fund balance appropriation or the various funds.

Council Member Jeff Miller said thinking back on his second tenure on City Council a couple of really cool things have happened. The hurricane was not one of them. Seeing the Laura Corn Mini-Golf opened back up and how well it's been received and used and the Fire Station One and how well that has worked out. Thinking about it, we built this firehouse but it actually became a beacon of hope when the hurricane visited us. In a very short time after it hit, City Manager Connet turned it into an Emergency Operations Center second to none and the firefighters shared their space with a bunch of us and made room for firefighters from other areas that came in to help. People were working 12 hour shifts every day, sometimes longer than that. Some people didn't go home. I watched John and Brian tag team these briefings in the morning and at night. They each had their strong points and they each got the absolute best out of everybody. The department heads and staff were nothing short of incredible given the hard conditions and communications failing. A lot of things we learned that we couldn't have been ready for but are more ready for them now. I saw the way staff just jumped right in, didn't complain, they were exhausted from going out and taking care of people. I saw people walk up that had nowhere else to go, they had lost everything and I watched how law enforcement helped find families for them or take them to shelters and every day was an experience. Really tough times but watching how everybody stepped up and how that firehouse became an absolute beacon of hope for so many and took us to a bright side. We had water before anyone else really had water and how we had a certain calm come over us. Hendersonville literally became like an oasis and that's because of the people that were doing everything within the city so when this came up, I asked John and Brian to look for the absolute maximum we could do without presenting a problem and they did some digging and I talked to other council members and the best thing we can always do is show support for our employees because they're the ones delivering the services. John leads a great team and they're all so young and they can just get it done. So, I think we've got them for a long time, but I think we need to do things to show them how much we appreciate them. I've been fortunate to serve with Councils and the Mayor who are willing to do that. I would like that to be my exiting motion, to see the full-timers get \$1000 each and permanent part timers get \$500 each.

Council Member Jeff Miller moved to authorize the City Manager to provide a one-time appreciation bonus in the amount of \$1000 for all full-time employees and \$500 to all permanent part-time employees. A unanimous vote of the Council followed. Motion carried.

6. PRESENTATIONS

A. CALEA Accreditation Presentation – Blair Myhand, Chief of Police

Police Chief Blair Myhand gave the following PowerPoint presentation explaining CALEA and City Council congratulated the Police Department on this accomplishment.

Hendersonville Police Department



City Council
Accreditation Presentation
December 5, 2024



Commission on Accreditation for Law Enforcement Agencies (CALEA)



What is accreditation?

- Comprehensive and uniform policies that define authority, performance, and responsibilities.
- Reports and analyses to inform evidence-based decisions.
- Preparedness to address natural or man-made critical incidents.
- Community relationship-building and maintenance.
- Independent review by subject matter experts.
- Continuous pursuit of excellence.

CALEA Multi-step process

- 1. Enroll
- 2. Enter self-assessment (36 months)
- Web-based and on-site assessments
- 4. Commission review and decision
- 5. Maintaining compliance and reaccreditation

Cost

Initial: \$11,450 (grant)

Annual: \$4,065

 Discounts available for multiple accreditation programs (i.e., law enforcement and public safety

communications)

What does being an accredited agency mean?

- Increased community advocacy.
- Stronger defense against civil lawsuits.
- Reduced risk and liability exposure.
- Greater accountability within the agency.
- Support from elected leaders.

Fun facts

- 184 standards
- 15 months to complete our self assessment
- 0 deficiencies (rare)
- 20% discount through NCLM
- 1,303 accredited agencies
- 83 agencies in North Carolina
- 3 agencies Western North Carolina
- B. Service Weapon & Badge Blair Myhand, Chief of Police

Police Chief Blair Myhand explained that the City of Hendersonville recognizes and appreciates the service provided to the citizens of our community by the commitment of sworn law enforcement officers of the Hendersonville Police Department. North Carolina General Statute 20-187.2 and City of Hendersonville Policy Granting of Badges and Service Side Arms for Sworn Law Enforcement Officers enables the City Council to award a retiring member or surviving relatives, the badge and service side arm of law enforcement

officers. The attached resolution will allow the Hendersonville Police Department to award retiring Captain Rich Olsen with his badge and service side arm for a cost of \$1.00.

Resolution #R-24-100

RESOLUTION TO RECOGNIZE DISTINGUISHED SERVICE TO THE CITY OF HENDERSONVILLE AND AWARDING OF SERVICE SIDE ARM

WHEREAS, North Carolina General Statutes 20-187.2 provides that retiring members of law enforcement agencies may receive, at the time of their retirement, the badge worn or carried by them during their service; and

WHEREAS, NCGS 20-187.2 further provides that the governing body of the governing law enforcement agency may, at its discretion, award to a retiring member their service side arm, at a price determined by such governing body, upon determining that the person receiving the weapon is not ineligible to own, possess, or receive a firearm under the provisions of State or federal law; and

WHEREAS, the City of Hendersonville hereby recognizes 30 years of distinguished service by Captain Richard Scott Olsen for the City of Hendersonville and its residents; and

WHEREAS, the City of Hendersonville wishes to recognize **Captain Rich Olsen's** service in a manner that is customary for persons retiring from distinguished law enforcement service; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville that the City of Hendersonville hereby awards to Captain Richard Scott Olsen his service side arm, Sig Sauer model P320, 9 mm, serial number 58H097424, for a cost of \$1.00 as determined in the Policy for the Granting of Badges and Service Side Arms for Sworn Law Enforcement Officers, as a token of appreciation for his many years of service and dedication to the City of Hendersonville and its residents.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 5th day of December, 2024.

Barbara G. Volk, Mayor Attest: /s/Jill Murray, City Clerk Approved as to form: /s/Angela S. Beeker, City Attorney

Council Member Jeff Miller moved that City Council approve the resolution to award retiring Captain Rich Olsen with his badge and service side arm for a cost of \$1.00. A unanimous vote of the Council followed. Motion carried.

C. Special Presentation to Council Member Jeff Miller – John Connet, City Manager

City Manager John Connet said how much this team appreciates your leadership in this community. If something needs to get done, we know who to go to. We sent you out last time with a rocking chair and a nice resolution but this time, Allison put a nice scrapbook together for you with pictures and comments to you and I hope you take the time to read it. You brought stability and experience and we were able to get through a tough time. I can't imagine going through Helene without you five. I think the community saw it too, the stabilization. I really appreciated working with you.

Council Member Lyndsey Simpson said this isn't goodbye, you just get to come and go as you please now. But seriously, it has been wonderful to serve with you and when I came to you and had questions, you always helped me.

Mayor Volk said we appreciate your willingness to come back and help us out at a very difficult time. Your connections especially during Helene in and out of the community meant a great deal to everybody and the support you gave to all of the folks working at that time is invaluable, so thank you.

Council Member Melinda Lowrance said that she wanted to thank him as well. You and I have been friends for forever. We grew up together and I will miss you but I know you'll text me. Because of you I have learned so much in such a short period of time and I expect you to continue to groom me to be the best council woman in Hendersonville. I just want you to stay true to who you are. Anytime that I can support you in any endeavor, you know my number and my address.

7. BRIEF RECESS

A brief recess was taken from 6:46 p.m. to 6:54 p.m.

8. ORGANIZATIONAL MEETING

A. Administration of Oath of Office and Presentation of Certificate of Election to Mayor Pro Tem Lyndsey Simpson by the Honorable Mayor Barbara G. Volk.

Mayor Barbara Volk performed the Oath of Office.

State of North Carolina County of Henderson

In the Matter of City of Hendersonville, City Council Member

- I, **Lyndsey Simpson**, do solemnly swear that I will support the Constitution and laws of the United States, that I will be faithful and bear true allegiance to the State of North Carolina, and to the Constitutional powers and authorities which are or may be established for the government thereof; and that I will endeavor to support, maintain and defend the Constitution of said State, not inconsistent with the Constitution of the United States, to the best of my knowledge and ability, so help me God.
- I, **Lyndsey Simpson,** do swear that I will well and truly execute the duties of the office of City of Hendersonville City Council Member according to the best of my skill and ability, according to law, so help me God.

This 5 th day December, 2024.	
	/s/ Lyndsey Simpson

B. Administration of Oath of Office and Presentation of Certificate of Election to Council Member Dr. Jennifer Hensley by the Honorable Mayor Barbara G. Volk.

Mayor Barbara Volk performed the Oath of Office.

State of North Carolina County of Henderson

In the Matter of City of Hendersonville, City Council Member

- I, **Jennifer Hensley**, do solemnly swear that I will support the Constitution and laws of the United States, that I will be faithful and bear true allegiance to the State of North Carolina, and to the Constitutional powers and authorities which are or may be established for the government thereof; and that I will endeavor to support, maintain and defend the Constitution of said State, not inconsistent with the Constitution of the United States, to the best of my knowledge and ability, so help me God.
- I, **Jennifer Hensley**, do swear that I will well and truly execute the duties of the office of City of Hendersonville City Council Member according to the best of my skill and ability, according to law, so help me God.

This 5 th day December, 2024.		
	/s/ Jennifer Hensley	

C. Administration of Oath of Office and Presentation of Certificate of Election to Council Member Margina M. Baxter by the Honorable Mayor Barbara G. Volk.

Mayor Barbara Volk performed the Oath of Office.

State of North Carolina County of Henderson

In the Matter of City of Hendersonville, City Council Member

I, Margina Baxter, do solemnly swear that I will support the Constitution and laws of the United States, that I will be faithful and bear true allegiance to the State of North Carolina, and to the Constitutional powers and authorities which are or may be established for the government thereof; and that I will endeavor to support, maintain

Section 5, Item A. REGULAR MEETING **DECEMBER 5, 2024** VOLUME 28 PAGE

and defend the Constitution of said State, not inconsistent with the Constitution of the United States, to the best of my knowledge and ability, so help me God.

I, Margina Baxter, do swear that I will well and truly execute the duties of the office of City of Hendersonville City Council Member according to the best of my skill and ability, according to law, so help me God.

This 5th day December, 2024.

I,

/s/ Barbara G. Volk, Mayor

/s/ Margina Baxter

D. Remarks by Mayor Pro Tem Simpson, Council Members Jennifer Hensley, Gina **Baxter and Others**

Council Member Lyndsey Simpson said that Jennifer and I were fortunate enough to get an extra year in our terms so it's been five years since we sat on this board and it's really hard to believe that's its been five years because I feel like we were just in this room and we just did this and it's really been an honor to be able to serve the city in this way and to be able to work with all of the staff members that make the city look so great. They're the reason we all look so good. They're the ones doing the hard work every day so I'm just really excited that the residents decided that I get to do this for another four years because it really is a joy and even though it is tough sometimes, I really love being able to be a part of my community in this way so thank you very much.

Council Member Jennifer Hensley echoed what Lindsay said and said it's an honor and a privilege to be here and I really love what I do and I just really enjoy being here. Thank you.

Council Member Gina Baxter said that she is so incredibly proud to be a member of this community. This community raised me, it is my home. I am so honored to get to serve in this way and I am grateful that I get to serve along such an amazing Council and such an incredible city staff and I am grateful to Jeff Miller and all of the great work he has done.

E. Election of Mayor Pro Tempore and Administration of Oath of Office by the Honorable Barbara G. volk, Mayor

Council Member Lyndsey Simpson nominated Council Member Jennifer Hensley to be the new Mayor Pro Tempore. A unanimous vote of the Council followed. Motion carried. Mayor

Barbara Volk performed the	Oath of Office.
	Oath of Office City of Hendersonville Mayor Pro Tempore
	I will support and maintain the Constitution and laws of the United States, and the inconsistent therewith, and that I will faithfully discharge the duties of my office ore, so help me God.
• • • • • • • • • • • • • • • • • • • •	I will well and truly execute the duties of the office of City of Hendersonville and ability, according to law, so help me God.
	December 5, 2024
(signature)	Date
State of North Carolina	
County of Henderson	
In the Matter of	
City of Hendersonville Mayor Pro Tempore	
On December 5, 2024, Jennifer Hensley, per Office of City of Hendersonville Mayor Pro	sonally appeared before me and swore to and subscribed before me the Oath of Tempore.

F. 2025 Annual Schedule of Meetings – Jill Murray, City Clerk

NOTICE

City of Hendersonville City Council

160 6th Avenue E., Hendersonville, NC 28792

NOTICE OF CITY COUNCIL REGULAR MEETINGS 2025

<u>The Regular Meetings</u> of the City of Hendersonville City Council will be held on the <u>first Thursday</u> of each month beginning at <u>5:45 p.m.</u> in the 2nd Floor Meeting Room inside City Hall located at 160 6th Avenue E., Hendersonville, NC.

January 8, 2025 (Wednesday)
February 12, 2025 (Wednesday)
March 6, 2025
April 3, 2025
May 1, 2025
June 5, 2025

June 5, 2025 (Wednesday)

July 3, 2025
August 7, 2025
September 4, 2025
October 2, 2025
November 6, 2025
December 4, 2025

<u>The Second Monthly Meetings</u> will be held on the <u>fourth Wednesday</u> of each month beginning at <u>4:00 p.m</u>. in the 2nd Floor Meeting Room inside of City Hall located at 160 6th Avenue E., Hendersonville NC.

 January 22, 2025
 July 23, 2025

 February 26, 2025
 August 27, 2025

 March 26, 2025
 September 24, 2025

 April 23, 2025
 October 22, 2025

 May 28, 2025
 November 26, 2025

 June 25, 2025
 December 24, 2025

 Canceled

- G. Appointment of Council Representatives to Boards Barbara G. Volk, Mayor
- <u>Business Advisory Committee</u> Council Member Lyndsay Simpson nominated Council Member Melinda Lowrance. A unanimous vote of the Council followed. Motion carried.
- <u>Diversity & Inclusion</u> Council Member Lyndsay Simpson nominated Council Member Melinda Lowrance to serve along with Mayor Barbara Volk as designated in the charter. A unanimous vote of the Council followed. Motion carried.
- <u>Downtown Advisory Board</u> Council Member Melinda Lowrance nominated Council Member Lyndsey Simpson. A unanimous vote of the Council followed. Motion carried.
- Environmental Sustainability Board Council Member Lyndsay Simpson nominated Council Member Gina Baxter. A unanimous vote of the Council followed. Motion carried.
- <u>Strategic Housing Plan Steering Committee</u> Council Member Lyndsay Simpson nominated Council Member Jennifer Hensley. Council Member Jennifer Hensley nominated Lyndsey Simpson. A unanimous vote of the Council followed. Motion carried.
- <u>Tree Board</u> Council Member Melinda Lowrance nominated Council Member Lyndsey Simpson. A unanimous vote of the Council followed. Motion carried.
- Water & Sewer Advisory Committee Council Member Lyndsay Simpson nominated Council Member Jennifer Hensley. A unanimous vote of the Council followed. Motion carried.

^{**}Council/Staff Retreat - February 27-28, 2025 - Location TBD

^{**}City Council Budget Workshop – May 2, 2025

• Henderson County Transportation Advisory Committee - Council Member Melinda Lowrance nominated Council Member Jennifer Hensley. A unanimous vote of the Council followed. Motion carried.

- French Broad River Metropolitan Planning Organization Council Member Lyndsay Simpson nominated Council Member Jennifer Hensley. A unanimous vote of the Council followed. Motion carried. Also congratulations to Jennifer on your award for serving on this board.
- <u>Mills River Partnership</u> Council Member Lyndsay Simpson nominated Council Member Gina Baxter. A unanimous vote of the Council followed. Motion carried.
- <u>Land of Sky Council of Governments</u> Council Member Lyndsay Simpson nominated Mayor Barbara Volk and Melinda Lowrance (Alternate). A unanimous vote of the Council followed. Motion carried.
- Henderson County Partnership for Economic Development Council Member Lyndsay Simpson nominated Mayor Barbara Volk. A unanimous vote of the Council followed. Motion carried.
- Local Government Committee for Cooperative Action Council Member Lyndsay Simpson nominated Mayor Barbara Volk and Council Member Melinda Lowrance. A unanimous vote of the Council followed. Motion carried.

9. CONSENT AGENDA

Council Member Jennifer Hensley moved that City Council approve the consent agenda as presented. A unanimous vote of the Council followed. Motion carried.

- **A. Adoption of City Council Minutes** *Jill Murray, City Clerk* **November 7 Regular Meeting**
- **B.** Resolution to Accept Hurricane Helene Disaster Recovery Grant Caitlyn Gendusa, Public Works Superintendent-Sustainability Manager

Resolution #R-24-101

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL ACCEPTING A GRANT FROM THE COMMUNITY FOUNDATION OF WESTERN NORTH CAROLINA FOR HURRICANE HELENE DISASTER FUNDS FOR WATER & SEWER VEHICLES

WHEREAS, The Community Foundation of Western North Carolina has established a grant to provide funding to communities impacted by Hurricane Helene; and

WHEREAS, the City of Hendersonville has ten (10) Water & Sewer vehicles that were flooded as a result of Hurricane Helene;

WHEREAS, the City of Hendersonville, in particular its Public Works Department, Sustainability Division applied for a grant from the Community Foundation of Western North Carolina to secure funds to offset the cost of paying for deductibles to replace the ten (10) Water & Sewer vehicles thus enabling the City of Hendersonville to continue providing quality and efficient public services to our community; and

WHEREAS, the City has been awarded \$25,000.00 by the Community Foundation of Western North Carolina to be used for the Allowable Purposes; and

WHEREAS, the City of Hendersonville desires to accept the grant funds, and authorize the execution of the grant funding agreement;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that:

- 1. The City hereby accepts the grant from the Community Foundation of Western North Carolina to be used for the Allowable Purposes; and
- 2. The City Manager is authorized to execute the Grant Agreement, with such changes as he deems appropriate, provide they are consistent with the terms of this Resolution;

3. City Staff are authorized and directed to proceed with utilizing the grant funds to pay for the deductibles for the Water & Sewer vehicles for the Allowable Purposes.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 5th day of December, 2024.

Barbara G. Volk, Mayor Attest: /s/Jill Murray, City Clerk

Approved as to form: /s/Angela S. Beeker, City Attorney

C. Utility Extension Agreement for the Sheehan Townhomes Subdivision— Adele Gutierrez-Ramirez, Utilities Engineer

Resolution #R-24-102

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL TO AUTHORIZE THE CITY MANAGER TO ENTER INTO A UTILITY EXTENSION AGREEMENT WITH SHEEHAN ROAD, LLC FOR THE SHEEHAN TOWNHOMES

WHEREAS, the City of Hendersonville owns, operates and maintains water system to serve customers throughout Henderson County; and

WHEREAS, residential, commercial, and industrial developments often require public water service as a part of their development projects; and

WHEREAS, the Developer extends public water to their site, which upon completion and acceptance, are provided to the City to own, operate, and maintain; and

WHEREAS, the City requires a Utility Extension Agreement to be executed to establish requirements of both the Developer and the City for the water line extension process; and

WHEREAS, Sheehan Road, LLC, the "Developer" and "Owner", will enter into a Utility Extension Agreement with the City to provide water service to the Sheehan Townhomes.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that:

- 1. The Utility Extension Agreement with Sheehan Road, LLC, the "Developer" and "Owner" to provide water service to the Sheehan Townhomes is approved, as presented.
- 2. City Manager is authorized to execute the Utility Extension Agreement, and to approve and execute amendments to the Utility Extension Agreement in the future provided such amendments do not impose a financial obligation upon the City.
- 3. City Manager is authorized to acquire easements, rights-of-way, and other interests in real property consistent with the terms of the Utility Extension Agreement, provided that such acquisition does not impose a financial obligation upon the City.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 5th day of December, 2024.

Barbara G. Volk, Mayor Attest: /s/Jill Murray, City Clerk

Approved as to form: /s/Angela S. Beeker, City Attorney

D. Utility Extension Agreement for the Enclave on West Park Subdivision – Adele Gutierrez-Ramirez, Utilities Engineer

Resolution #R-24-103

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL TO AUTHORIZE THE CITY MANAGER TO ENTER INTO A UTILITY EXTENSION AGREEMENT WITH OURCO CONSTRUCTION COMPANY, LLC FOR THE ENCLAVE ON WEST PARK

WHEREAS, the City of Hendersonville owns, operates and maintains a sewer system to serve customers throughout the City of Hendersonville; and

WHEREAS, residential, commercial, and industrial developments often require gravity sewer service as a part of their development projects; and

WHEREAS, the Developer extends gravity sewer lines to their site, which upon completion and acceptance, are provided to the City to own, operate, and maintain; and

WHEREAS, the City requires a Utility Extension Agreement to be executed to establish requirements of both the Developer and the City for the sewer line extension process; and

WHEREAS, Ourco Construction Company, LLC, the "Developer" and "Owner", will enter into a Utility Extension Agreement with the City to provide sewer services to the Enclave on West Park.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that:

- 1. The Utility Extension Agreement with Ourco Construction Company, LLC, the "Developer" and "Owner" to provide sewer service to the Enclave on West Park is approved, as presented.
- 2. City Manager is authorized to execute the Utility Extension Agreement, and to approve and execute amendments to the Utility Extension Agreement in the future provided such amendments do not impose a financial obligation upon the City.
- 3. City Manager is authorized to acquire easements, rights-of-way, and other interests in real property consistent with the terms of the Utility Extension Agreement, provided that such acquisition does not impose a financial obligation upon the City.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 5th day of December, 2024.

Barbara G. Volk, Mayor Attest: /s/Jill Murray, City Clerk

Approved as to form: /s/Angela S. Beeker, City Attorney

E. Utility Extension Agreement for Apple Ridge Development – Brendan Shanahan

Resolution #R-24-104

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL TO AUTHORIZE THE CITY MANAGER TO ENTER INTO A UTILITY EXTENSION AGREEMENT WITH HOUSING ASSISTANCE CORPORATION FOR THE APPLE RIDGE DEVELOPMENT

WHEREAS, the City of Hendersonville owns, operates and maintains a water and sewer system to serve customers throughout Henderson County; and

WHEREAS, residential, commercial, and industrial developments often require public water service as a part of their development projects; and

WHEREAS, the Housing Assistance Corporation ("HAC") is constructing water and sewer infrastructure (the "New Infrastructure") to serve Apple Ridge Development, a development that will provide affordable housing to low to moderate income households;

WHEREAS, upon completion and acceptance, the New Infrastructure will be conveyed to the City to own, operate, and maintain, and to become a part of the water and sewer system of the City in exchange for a payment by the City of \$800,000; and

WHEREAS, the City requires a Utility Extension Agreement to be executed to establish requirements of both the HAC and the City for the construction and conveyance of the New Infrastructure to the City; and

WHEREAS, a draft Utility Extension Agreement has been prepared for consideration by the City Council

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that:

- 1. The Utility Extension Agreement with "HAC" is approved as presented.
- 2. Payment of the sum of \$800,000 for the conveyance of the New Infrastructure is approved.
- 3. City Manager is authorized to execute the Utility Extension Agreement, and to approve and execute amendments to the Utility Extension Agreement in the future provided such amendments do not impose a new financial obligation upon the City beyond that approved by this Resolution.
- 4. City Manager is authorized to acquire easements, rights-of-way, and other interests in real property consistent with the terms of the Utility Extension Agreement, provided that such acquisition does not impose a financial obligation upon the City beyond that approved by this Resolution.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 5th day of December, 2024.

Barbara G. Volk, Mayor Attest: /s/Jill Murray, City Clerk

Approved as to form: /s/Angela S. Beeker, City Attorney

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F. December 2024 Budget Amendments - Jennifer Floyd, Budget & Management Analyst

TO MAYOR & COUNCIL FISCAL YEAR 2025 APPROVAL: December 5, 2024 FORM: 12052024-01

BUDGET AMENDMENT

FUND 459/460					
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE	REVISED BUDGET
459-0000-470900	Fund Balance Appropriation	-	2,561	-	2,561
459-0000-598901	Transfer Out (to 460)	100,000	2,561	-	102,561
FUND 459	TOTAL REVENUES	-	2,561	-	2,561
WS Capital Reserve	TOTAL EXPENDITURES	100,000	2,561	-	105,122
460-0000-470010-19025	Debt Proceeds ('22 Revenue Bond)	750,000	-	-	750,000
460-0000-470100-19025	Transfer In (From 459)	-	2,561	-	2,561
460-7055-550103-19025	Capital Outlay - CIP	739,450	2,561	-	742,011
460-0000-598901-19025	Transfer Out (to 460, #23018)	10,550	-	-	10,550
FUND 460	TOTAL REVENUES	750,000	2,561	-	752,561
WS Capital Projects	TOTAL EXPENDITURES	750,000	2,561	-	752,561

An amendment increasing the budget for project #19025 Ewart Hill Reservoir project to prepare for closing.

TO MAYOR & COUNCIL APPROVAL:December 5, 2024

FISCAL YEAR 2025 FORM: 12052024-02

BUDGET AMENDMENT

FUND 199/301					
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE	REVISED BUDGET
199-0000-470900-00410	Fund Balance Appropriations	35,000	9,600	-	44,600
199-0000-598901-00410	Transfer Out (301)	-	9,600	-	9,600
FUND 199	TOTAL REVENUES	35,000	9,600	-	44,600
Gov. Special Revenue	TOTAL EXPENDITURES	-	9,600	-	9,600
301-0000-420050-G2206	Grant Revenue	24,500	-	-	24,500
301-0000-470100-G2206	Transfer In (From 199)	9,600	-	-	9,600
301-1300-550103-G2206	Capital Outlay CIP	34,100	-	-	34,100
FUND 301	TOTAL REVENUES	34,100	-	-	34,100
Grant Project	TOTAL EXPENDITURES	34,100	-	-	34,100
An amandment increasing th	a budget for project #G2206 Governor's Co	ima Cammissian Virt	ra Praisat ta pranara	for alosing (EV22)	

The City Manager and City Clerk certify budget ordinance amendment was approved by City Council on .

TO MAYOR & COUNCIL APPROVAL:December 5, 2024

FISCAL YEAR 2025 FORM: 12052024-03

BUDGET AMENDMENT

FUND 010/301					
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE	REVISED BUDGET
010-1002-539005	Health & Welfare Expenditures	137,525	1	185	137,340
010-0000-598901	Transfer Out (301)	1,348,245	185	-	1,348,430
FUND 010	TOTAL REVENUES	•	-	-	137,340
General Fund	TOTAL EXPENDITURES	1,485,770	185	185	1,485,770
301-0000-420050-GC210	Grant Revenue	34,999	-	-	34,999
301-0000-470100-GC210	Transfer In (From 010)	1	185	-	185
301-1300-519200-GC210	Non-Capital Equipment	34,999	185	-	35,184
FUND 301	TOTAL REVENUES	34,999	185	-	35,184
Grant Project	TOTAL EXPENDITURES	34,999	185	-	35,184
A					

An amendment increasing the budget for project #GC210 Governor's Crime Safer Schools Grant project to prepare for closing.

10. PRESENTATIONS

A. Presentation of Housing Needs Assessment – UNC School of Government Development Finance Initiative

Frank Muraca from the UNC School of Government Development Finance Initiative gave the following PowerPoint presentation.

The City Manager and City Clerk certify budget ordinance amendment was approved by City Council on .

The City Manager and City Clerk certify budget ordinance amendment was approved by City Council on .

Development Finance Initiative

DFI, a program of UNC Chapel Hill's School of Government (SOG), partners with local governments to attract private investment for transformative projects by providing specialized finance and development expertise.

SOG is the largest university-based local government training, advisory, and research organization in the United States, and serves more than 12,000 public officials each year.

Values: Nonpartisan, policy-neutral, responsive



Project Team
Project Lead: Frank Muraca
Associate Director: Sarah Odio
DFI Director: Marcia Perritt

Opportunity Site ID Scope

1. Set housing priorities for site identification

- Community scan
- · Stakeholder engagement
- · Housing needs assessment

2. Identify suitable sites

- Mapping and identification of sites that meet City's housing priorities and are competitive for potential funding sources
- · Assessment of path to site control
- · Parcel analysis

3. Compare development potential of sites

- · High-level site analysis of up to 4 sites
- · High-level financial analysis to estimate potential funding gap for each scenario

DFI Opportunity Site Identification Process



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Examples of housing priorities

Household Type?

- Families ↔ Seniors
- Renters ↔ Owners
- Income Levels



Geographic focus?

- Neighborhood
- Downtown
- Commercial corridor



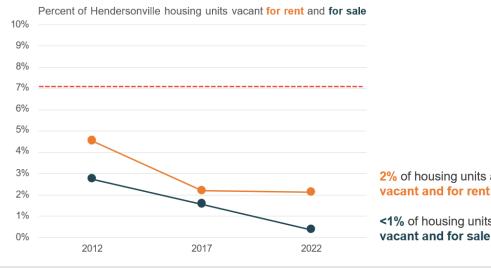
Others?

- · Maximize number of units or diversify impact
- Prioritize potential partnerships
- Repurpose underutilized land owned by city



Housing Needs Assessment

Population growth and limited new supply has pushed down vacancy rates

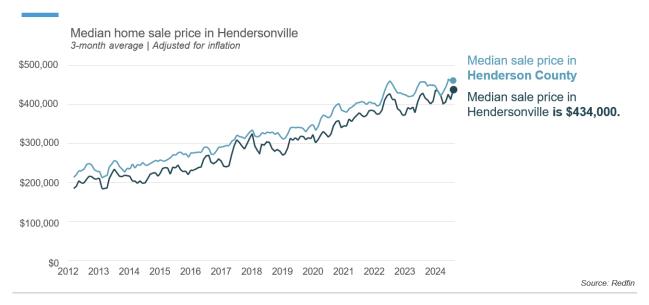


2% of housing units are

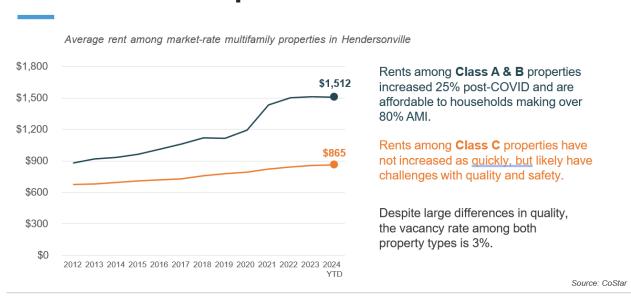
<1% of housing units are

Source: ACS (5-Year Estimates)

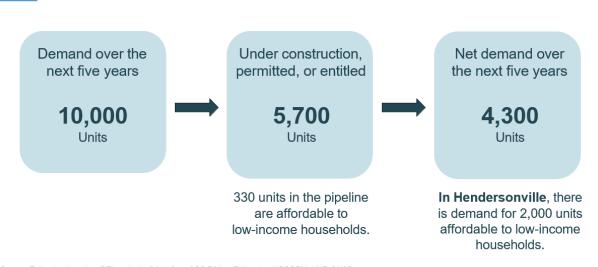
For the past year, median home prices in Hendersonville exceeded \$400,000



Rents among Class A & B properties increased 25% post-COVID



Henderson County has demand for an estimated 4,300 housing units over the next five years



Source: Estimates based on DFI analysis of data from ACS 5-Year Estimates, NCOSBM, HUD CHAS, and projects tracked by the City of Hendersonville and Henderson County.

Who is "Low-Income" in Hendersonville?

AMI for Four-Person Household: \$86,100

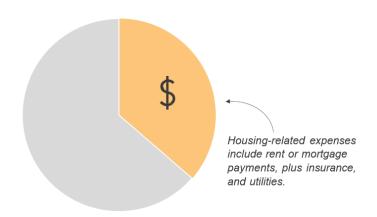
AMI	One Person	Two Person	Three Person	Four Person
100%	\$65,400	\$74,800	\$84,100	\$86,100
80% Low-Income	\$52,320	\$59,840	\$67,280	\$74,800
50% Very Low-Income	\$32,700	\$37,400	\$42,050	\$46,750
30% Extremely Low-Income	\$19,620	\$22,440	\$25,230	\$28,050

Source: HUD 2024 for Asheville MSA

Housing need is both cost and quality

Households have housing need if housing-related expenses are more than 30% of the household's income.

Households have housing needs if they live in **poor quality** or **overcrowded** housing.





At least 2,000 renters and 600 homeowners have housing needs in Hendersonville today

Number of Hendersonville households that are cost burdened or living in substandard or overcrowded housing



Source: HUD CHAS 2021

LMI household types with housing needs

Individuals over 62

825

Households with housing needs

64% Renters

Families younger than 62

550

Households with housing needs

92% Renters

Individuals younger than 62

500

Households with housing needs

92% Renters

Approx. 20% of LMI households with unmet housing needs include at least one member with an ambulatory disability or challenges living independently.

Source: HUD CHAS 2021

Hurricane Helene

- According to state estimates, approximately 126,000 housing units in western NC were damaged by Hurricane Helene
- As of October 21, 4,600 homeowners and 2,500 renters have been approved for FEMA Individual Assistance in Hendersonville ZIP Codes



Discussion about housing priorities

Household Type

- Families \leftrightarrow Seniors
- Income Levels



Geographic

- Neighborhood
- Downtown
- · Commercial corridor

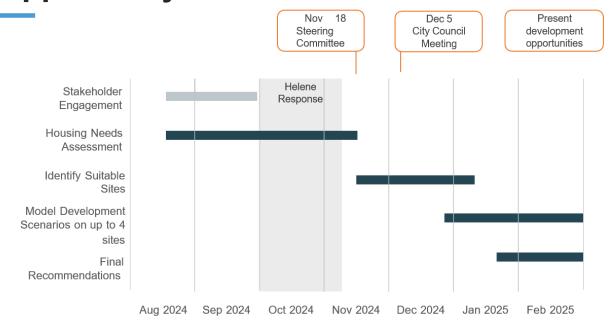


Other

- Maximize number of units or diversify impact
- Prioritize potential partnerships
- Repurpose underutilized land owned by city



Opportunity Site ID Timeline



Stakeholder engagement before Helene

- Looking Glass Realty
- Henderson County Public Schools
- Interfaith Assistance Ministry
- Hendersonville Housing Authority
- UNC Health Pardee
- WNCSource

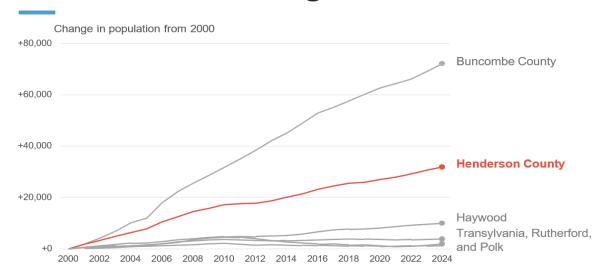
- Kimberly Clark Corp
- Elkamet Inc
- Demmel Inc
- Habitat for Humanity
- Providence Construction
- Housing Assistance Corp

Summary

- To meet current and future housing demand, Henderson County needs an estimated 10,000 new housing units within the next five years. At least 2,000 of these units are needed in Hendersonville for low-to-moderate income households.
- Hendersonville's housing supply was constrained even before Hurricane
 Helene. Over the past decade, household growth in Hendersonville outpaced
 new housing construction by about 2 to 1, and rental and for-sale vacancies
 dropped below 2%.
- Various household types in Hendersonville live in unaffordable or low-quality housing, over 80% of which are low-to-moderate income.
- According to state estimates, approximately 126,000 housing units were damaged by Hurricane Helene across western North Carolina. And as of October 21, over 7,000 households living in Hendersonville area zip codes have applied for FEMA Individual Assistance.

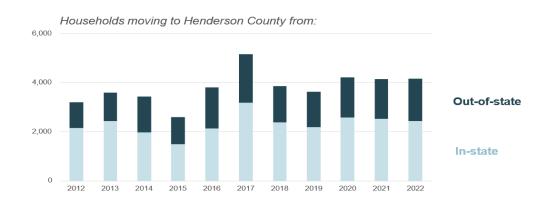
Hendersonville in regional context

Hendersonville in regional context



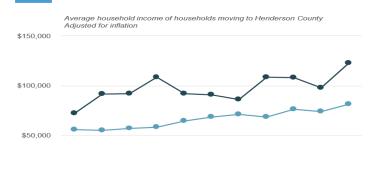
Source: NC OSBM

In recent years, 40% of households moving to Henderson County are from <u>out-of-state</u>



Source: IRS SOI

Households moving from out-of-state have higher incomes than in-state households



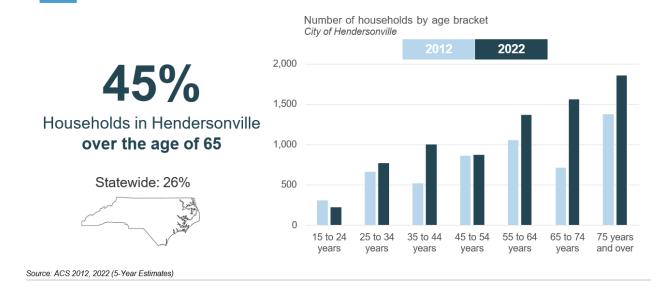
2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022

The average household income of households moving from out-of-state in 2022 was over \$120,000.

Households moving from in-state have average household incomes of \$80,000.

Source: IRS SOI

Nearly half of Hendersonville households are over 65 years old

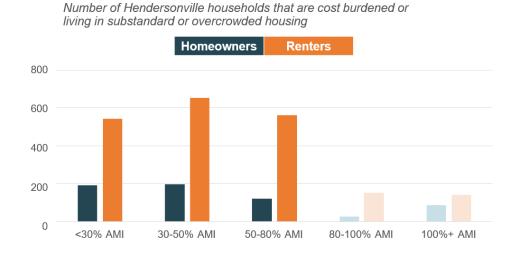


Affordable Housing Costs by AMI

AMI	Studio	1 Bedroom	2 Bedroom	3 Bedroom
100%	\$1,635	\$1,753	\$2,103	\$2,430
80% Low-Income	\$1,308	\$1,402	\$1,682	\$1,944
60%	\$981	\$1,051	\$1,261	\$1,458
50% Very Low-Income	\$817	\$876	\$1,051	\$1,215
30% Extremely Low- Income	\$490	\$525	\$630	\$729

Source: HUD 2024 for Asheville MSA

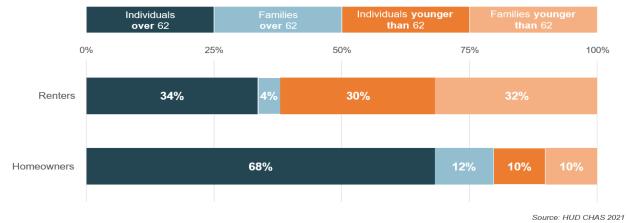
1,750 renters and 500 homeowners with housing needs are low-to-moderate income



Source: HUD CHAS 2021

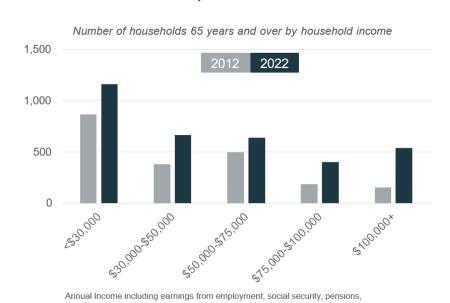
Various household types in Hendersonville have housing needs

LMI households with housing need by household type



A third of Hendersonville households over 65 have incomes of \$30,000 or less

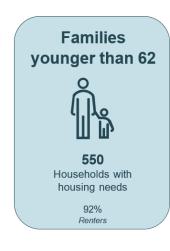


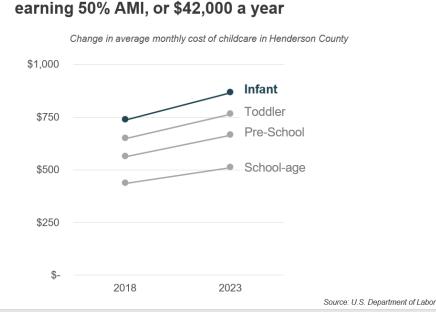


Source: HUD CHAS & ACS 5-Year Estimates

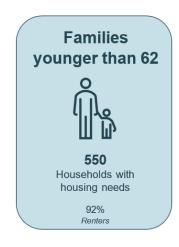
Average cost of childcare in Henderson County is about ¼ of the monthly budget for a household

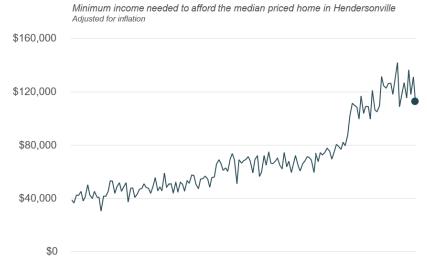
retirement income, public assistance, and interest from esta





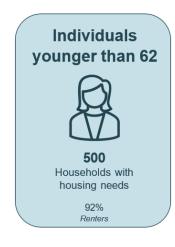
Prospective homebuyers need to make at least \$120,000 to afford the median home for sale in Hendersonville

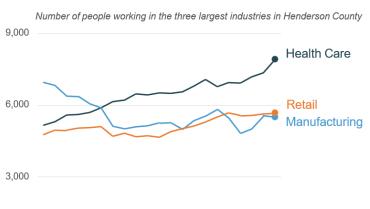




Source: DFI analysis. Redfin. St. Louis Federal Reserve. BLS.

The average wage of Henderson County's largest industries is less than 80% AMI for a one-person household





0 2003 2005 2007 2009 2011 2013 2015 2017 2019 2021 2023

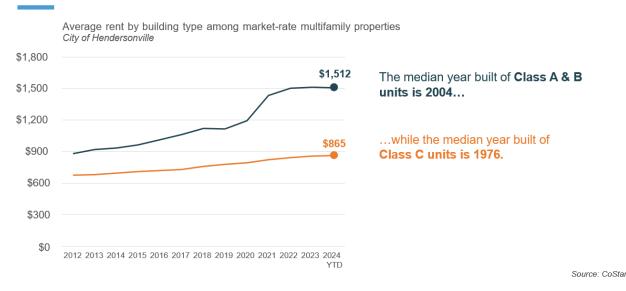
Source: NC Commerce

New construction in the City is not keeping up with household growth



Source: ACS (5-Year Estimates)

The median Class C rental unit is nearly 50 years old



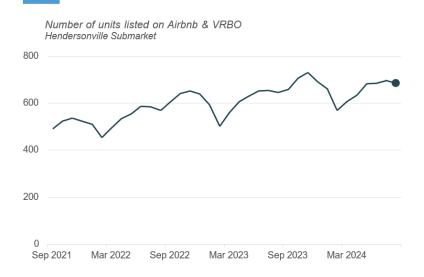
Henderson County has demand for nearly 10,000 housing units over the next five years



Need for at least 2,200 units affordable to LMI households in City of Hendersonville

Source: DFI analysis of ACS 5-Year Estimates and NCOSBM population projections

Short-term rentals make up an estimated 5% of Hendersonville's housing stock



Source: AirDNA

An estimated 5,700 housing units are in the Henderson County pipeline

Туре	For Sale	For Rent
Affordable	169	163
Market Rate	3,066	2,333
Total	3,235	2,496
% in Hendersonville	35%	83%

Source: Henderson County Planning Department & Hendersonville Housing Dashboard. Projects recently completed, under construction, entitled, or in pre-entitlement.

An estimated 5,700 housing units are in the Henderson County pipeline

Туре	For Sale	For Rent
Affordable	169	163
Market Rate	3,066	2,333
Total	3,235	2,496
% in Hendersonville	35%	83%



Cantrell Hills

Affordable at households earning 130% AMI or \$110,000
\$450,000+ / 3-bedroom

Source: Henderson County Planning Department & Hendersonville Housing Dashboard. Projects recently completed, under construction, entitled, or in pre-entitlement. Zillow.

An estimated 5,700 housing units are in the Henderson County pipeline

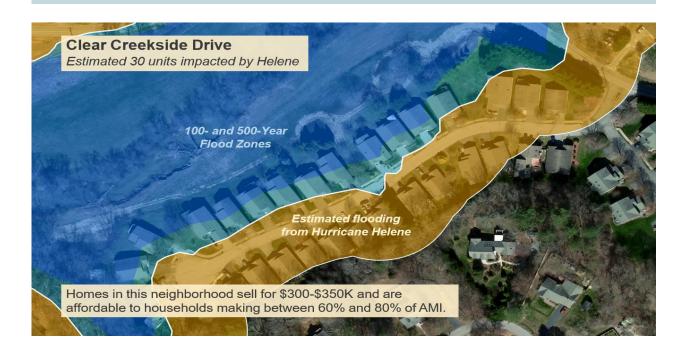
Туре	For Sale	For Rent
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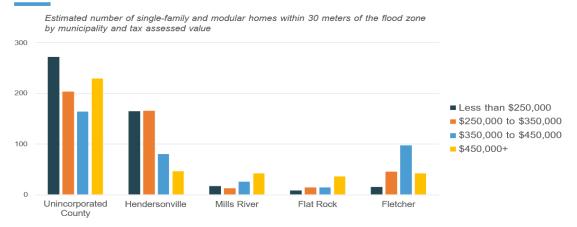
The Summit at Hendersonville
Affordable to households earning 80% AMI or \$65,400
\$1,350 / 1-bedroom
\$1,650 / 2-bedroom
\$2,000 / 3-bedroom

Source: Henderson County Planning Department & Hendersonville Housing Dashboard. Projects recently completed, under construction, entitled, or in pre-entitlement. CoStar.

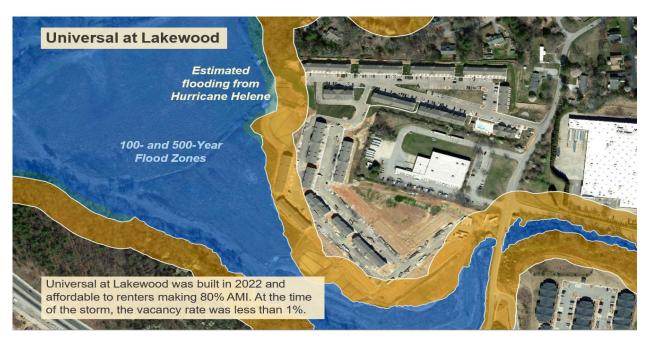
Estimated impact from Hurricane Helene



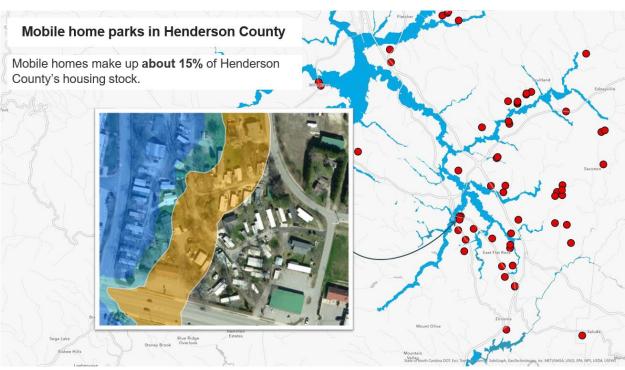
An estimated 1,700 single-family homes were exposed to Helene flooding

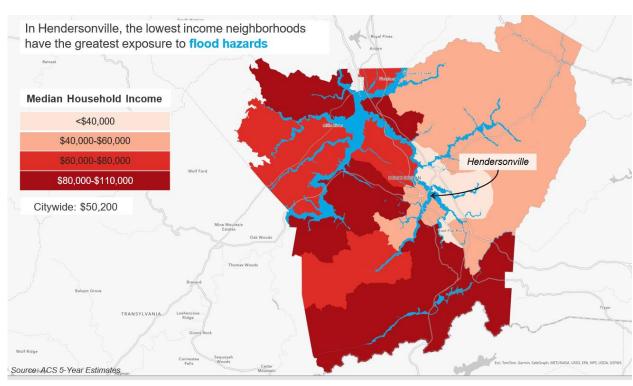


Source: DFI analysis of data from NC FRIS & Henderson County Tax Assessor









11. PUBLIC HEARINGS -

Council Member Jennifer Hensley asked if we could move this public hearing up to be the first one since there were children in the audience for this one. A unanimous vote of the Council followed. Motion carried.

A. Rezoning: Conditional Zoning District – Brooklyn Townhomes (P24-62-CZD) – *Matthew Manley, AICP-Long Range Planning Manager*

Matt Manley explained that the City of Hendersonville is in receipt of a Conditional Zoning District application from Zach Grogan of MGP Shelby, LLC for 3 parcels (PINs listed on left) totaling 6.33 Acres located along Brooklyn Ave at Old Spartanburg Rd. The properties are currently zoned R-15 and were the former site of a mobile home park with some single-family homes still present on the site. The petitioner is requesting that the parcels be rezoned to Urban Residential for a townhome development.

The development proposes 60 townhomes with new public streets, above ground stormwater facility, open space, common space and tree preservation area. The proposed density is 8.6 units per acre.

If approved, the project is proposed to be subdivided and would be processed under the City's Subdivision Ordinance as a Major Subdivision.

The Planning Board voted unanimously to recommend approval of the project with the inclusion of 5 additional proposed conditions:

- 1. Developer shall remove bamboo stand at/near the corner of Old Spartanburg Rd and Brooklyn Ave to improve sight visibility, reduce future maintenance impacts on new sidewalks, and to reduce stress on other existing mature vegetation in that area (that shall be preserved).
- 2. The Mabry name remain on the internal street.
- 3. A Type A buffer be used on the property line between single family residential homes and the townhome project. [Staff Amendment as discussed: In lieu of a Type A buffer at the portion of the property boundary where the street stub out is located, a privacy fence shall be constructed across the width of the ROW and a sign shall be placed on the fence which states "FUTURE ROAD CONNECTION" as is required per the Subdivision Ordinance.]
- 4. Delineate on-street parking as negotiated with Public Works requirements.
- 5. Recessed garages are required to ensure secondary parking spaces do not conflict with sidewalks and improve safety.

The developer has countered these proposed conditions. The developer-proposed counter language is included in the motion.

Mabry Woods

A Brooklyn Avenue Townhome Project

Generation H

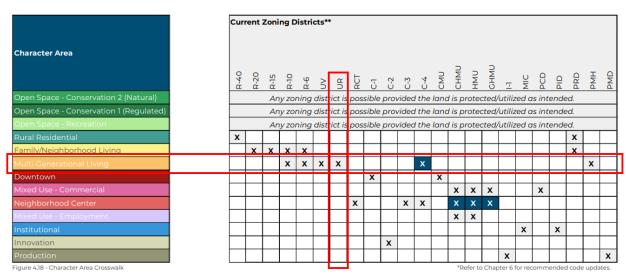


Generation H



Generation H

Land Use



Generation H

Focus Area #2 – Spartanburg Highway

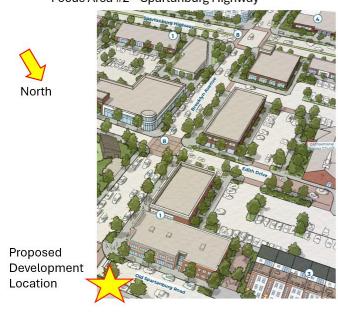
Proposed Development Location

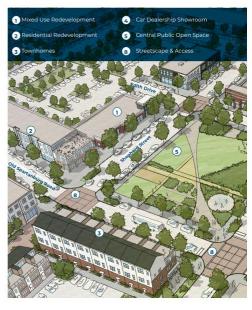


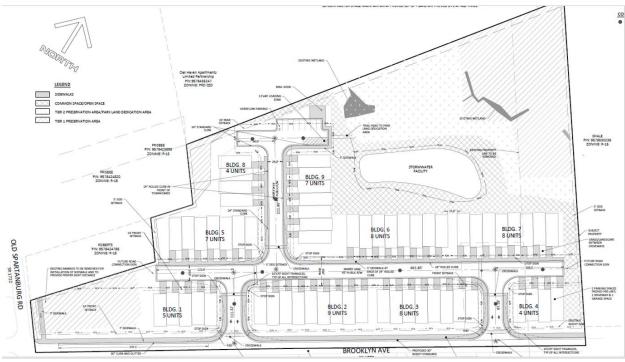


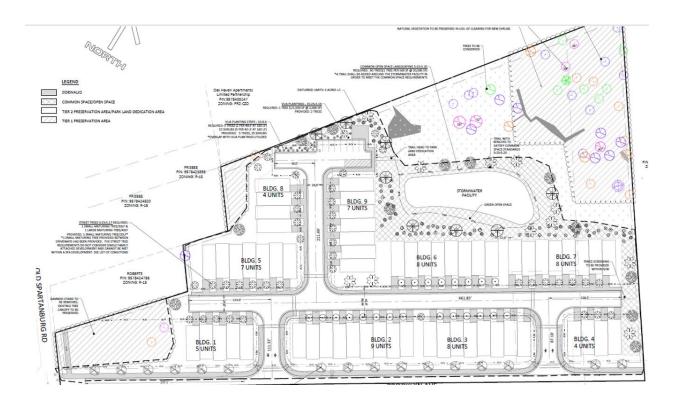
Generation H

Focus Area #2 – Spartanburg Highway









CONDITION COMPARISON #1

PLANNING COMMISSION MOTION

 Developer shall remove bamboo stand at/near the corner of Old Spartanburg Rd and Brooklyn Ave to improve sight visibility, reduce future maintenance impacts and to reduce stress on existing mature vegetation.....

DEVELOPER PROPOSED COUNTERS

 Developer shall remove bamboo stand at/near the corner of Old Spartanburg Rd and Brooklyn Ave. The removal shall not adversely affect canopy preservation calculations.

CONDITION COMPARISON #1



- Subject area is shown as 100% canopy coverage on the <u>Tree</u> <u>Canopy Coverage Map</u>.
- Area is considered in the tree canopy calculations
- Unable to tell if the map coverage is bamboo or other mature trees.
- Bamboo not listed on invasive species list.

CONDITION COMPARISON #2

PLANNING COMMISSION MOTION

• The Mabry name remain on the internal street.

DEVELOPER PROPOSED COUNTERS

- The Mabry name shall be represented on internal street.
- Internal Streets are both named <u>Mabry</u> and the community has been named Mabry Woods.

CONDITION COMPARISON #3

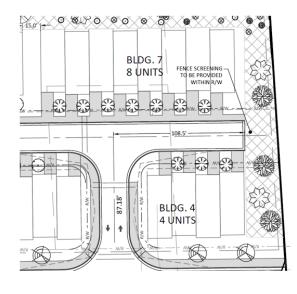
PLANNING COMMISSION MOTION

 A type A buffer be used on the property line between single family residential homes and the townhome project.

DEVELOPER PROPOSED COUNTERS

 Developer shall construct a privacy fence across the width of the street at the portion of the property boundary where the street stub out is located. A sign stating "FUTURE ROAD CONNECTION" shall be placed on the fence in accordance with the Subdivision Ordinance.

CONDITION COMPARISON #3



- Specific concern was vehicle headlights pointing toward the house.
- Six-foot, opaque privacy fence best addresses this concern.
- Trees planned in the area in excess of Type A buffer
- Fence across entire ROW blocks sidewalk access to Open Space

CONDITION COMPARISON #4

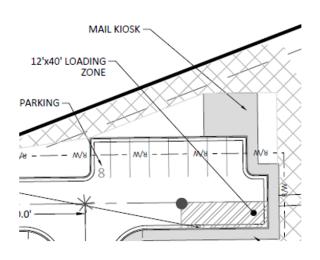
PLANNING COMMISSION MOTION

 Delineate on-street parking as negotiated with Public Works requirements.

DEVELOPER PROPOSED COUNTERS

 Developer agrees to provide on-street parking as shown on the northern portion of the site near the mail kiosk.

CONDITION COMPARISON #4



- 5-25-5.16(b): On-street parking is required for all local streets, and for collector streets when determined by council and shall count toward meeting the off-street parking requirements for the District. On-street parking may take the form of parallel or angle parking and shall be built according to city or state standards as applicable.
- Need for on-street parking is at the discretion of City Council.
- Only opportunity for parallel spaces is near the three-way stop, conflicting with MUTCD spacing requirements (referenced in Planning Commission Condition).
- Alternatively, Council could allow perpendicular spaces to count as on-street parking.

CONDITION COMPARISON #5

PLANNING COMMISSION MOTION

 Recessed garages are required to ensure secondary parking spaces do not conflict with sidewalks and improve safety.

DEVELOPER PROPOSED COUNTERS

 Developer shall design secondary parking spaces (driveway) to meet or exceed Section 6-5-5.1 and 6-5-5.3, motor vehicle parking space design requirements.

CONDITION COMPARISON #5

- 6-5-5.1: Motor vehicle parking spaces shall measure nine feet by 18 feet.
- 6-5-5.3: Parking spaces shall be designed to prevent a vehicle from protruding or overhanging a sidewalk.
- Arbitrary building design requirement should not be added when specific design standards already exist within the City's Zoning Ordinance.

CONDITION #6

 Developer shall be allowed to plant one medium tree (instead of large canopy tree) every 40' to meet street tree requirements along Brooklyn Ave due to NCDOT requirements, topography and public sewer considerations.

CONDITION #6

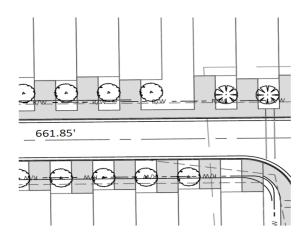
- Proposed Tree: Okame Cherry
- Categorized by NCDOT as a Large Tree vs. Medium Tree by City of Hendersonville.
- Uninterrupted row of Okame Cherry is classic statement plantings in urban streetscapes.



CONDITION #7

- Developer proposes one small tree between driveways and large maturing trees as shown where feasible.
- The current street tree requirement does not consider attached single family with driveways and utility connections along the street frontage.

CONDITION #7



- Small trees placed into the ten-foot grass area between driveways
- This area will also have water and sewer service lines for each townhome
- Planned mix of Sugar Tyme Crabapple and Kousa Dogwood

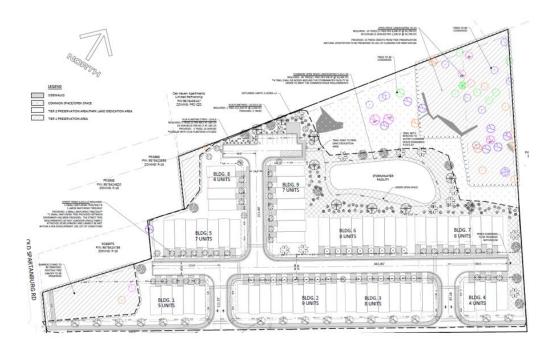
CONDITION #7

SUGAR TYME CRABAPPLE





CONDITION #7



The public hearing opened at 8:33 p.m.

Public comments:

Ken Fitch felt that buffering is a very important issue and he had a problem with a sign that reads "Future Road Connection".

Lauren Chale spoke against the rezoning as it will have a large impact on traffic. This will ruin us and is not compatible with other houses on our street. Heavy construction will be going on 60 feet from my living room.

Martha Chale spoke against the rezoning. Can they at least put up a fence to hide us from the construction.

Natalie Rice spoke against the rezoning. She is 14 years old and said the construction will heavily impact the rest of her high school years.

Lynne Williams spoke against the rezoning. The tree canopy will be lessened which is no good. The setbacks are ridiculous and there has to be buffers.

The public hearing closed at 8:55 p.m.

Council Member Lyndsey Simpson moved that City Council adopt an ordinance amending the official zoning map of the City of Hendersonville changing the zoning -designation of the subject property (PINs: 9578-43-7077, 9578-53-0013, and 9578-43-9238) from R-15 (Medium Density Residential Zoning District) to UR-CZD (Urban Residential - Conditional Zoning District) based on the site plan and list of conditions submitted by and agreed to by the applicant [dated September 19, 2024] and presented at this meeting and subject to the following:

- 1. The development shall be consistent with the following permitted uses:
 - a. Residential, Single-Family
 - i. 60 Townhomes
- 2. The development shall be consistent with the site plan, including the list of applicable conditions contained therein.
- 2. Permitted uses and applicable conditions presented on the site plan shall be amended to include:

Developer-Proposed Conditions and Counters to Planning Board-Proposed Conditions:

- 1) Developer shall remove bamboo stand at/near the corner of Old Spartanburg Rd and Brooklyn Ave.. Existing hardwood and evergreen trees intermixed within bamboo area shall be preserved. If the existing trees are removed, the tree canopy preservation calculation shall be updated accordingly..
- 2) The Mabry name shall be represented on internal streets.
- 3) Developer shall construct an 8 foot privacy fence and type A buffer from the front of the building facing Brooklyn to the back of the building to the North.
- 4) Developer agrees to provide on-street parking as shown on the northern portion of the site near the mail kiosk.
- 5) Developer shall design secondary parking spaces (driveway) to meet or exceed Section 6-5-5.1 and 6-5-5.3, motor vehicle parking space design requirements.
- 6) Developer shall be allowed to plant one medium tree (instead of large canopy tree) every 40' to meet street tree requirements along Brooklyn Ave due to NCDOT requirements, topography and public sewer considerations. See landscaping plan. [5-25-5.17]
- 7) Developer agrees to plant one small tree between driveways and large maturing trees where feasible.
- 3. The petition is found to be <u>consistent</u> with the City of Hendersonville Gen H 2045 Comprehensive Plan based on the information from the staff analysis and because:

The requested rezoning to Urban Residential Conditional Zoning District and the associated proposed development align with the Gen H 2045 Comprehensive Plan Future Land Use & Conservation Map and the Character Area Description for 'Muti-Generational Living'.

- 4. We find this petition to be reasonable and in the public interest based on the information from the staff analysis, public hearing and because:
 - 1. The proposed development would improve an underutilized property in close proximity to a major commercial corridor.
 - 2. The proposed development would provide additional needed housing.
 - 3. The proposed development is clustered to reduce pressure on environmentally-sensitive areas at the rear of the site.

A unanimous vote of the Council followed. Motion carried.

Ordinance #O-24-50

AN ORDINANCE OF THE CITY OF HENDERSONVILLE CITY COUNCIL TO AMEND THE OFFICIAL ZONING MAP OF THE CITY OF HENDERSONVILLE FOR PARCELS POSSESSING PIN NUMBER: 9578-43-7077, 9578-53-0013, 9578-43-9238 BY CHANGING THE ZONING DESIGNATION FROM R-15 (MEDIUM DENSITY RESIDENTIAL ZONING DISTRICT) TO UR (URBAN RESIDENTIAL - CONDITIONAL ZONING DISTRICT)

IN RE: Parcel Numbers: 9578-43-7077, 9578-53-0013, 9578-43-9238

Addresses: 914 & 924 Brooklyn Ave

Brooklyn Townhomes: (File # P24-62-CZD)

WHEREAS, the City is in receipt of a Conditional Rezoning application from applicant Zach Grogan of MPG Shelby, LLC. and property owners Eugene Holbert, John Holbert, Edgar Holbert, & Wanda Ponder, for the development of 60 single-family attached residential units on Brooklyn Ave; and

WHEREAS, the Planning Board took up this application at its regular meeting on November 14, 2024; voting 7-0 to recommend City Council approve an ordinance amending the official zoning map of the City of Hendersonville, and

WHEREAS, City Council took up this application at its regular meeting on December 5, 2024 and

WHEREAS, City Council has found that this zoning map amendment is consistent with the City's comprehensive plan, and that it is reasonable and in the public interest for the reasons stated, and

WHEREAS, City Council has conducted a public hearing as required by the North Carolina General Statutes on December 5th, 2024,

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Hendersonville, North Carolina:

- 1. Pursuant to Article XI of the Zoning Ordinance of the City of Hendersonville, North Carolina, the Zoning Map is hereby amended by changing the zoning designation of the following: Parcel Numbers: 9578-43-7077, 9578-53-0013, 9578-43-9238, changing the zoning designation from R-15 (Medium Density Residential Zoning District) to UR (Urban Residential Conditional Zoning District)
- 2. Development of the parcel pursuant to this Ordinance is subject to the following.
 - a. Development shall comply with the site plan submitted by the applicant dated September 19, 2024, including the conditions listed therein, [and/or as modified and presented to City Council][and/or including modifications approved by City Council which shall be added to the site plan. The updated site shall be submitted to the City at or before the applicant's execution of this Ordinance].
 - b. Permitted uses shall include:
 - i. Residential, Single-Family 60 Units
 - c. Additional conditions that shall be satisfied prior to final site plan approval include:
 - i. Developer shall remove bamboo stand at/near the corner of Old Spartanburg Rd and Brooklyn Ave. Existing hardwood and evergreen trees intermixed within bamboo area shall be preserved. If existing trees are removed, the tree canopy preservation calculation shall be updated accordingly.
 - ii. The Mabry name shall be represented on internal streets.
 - iii. Developer shall construct an 8' privacy fence and Type A Buffer [across the width of the portion of the eastern property boundary extending] from the front of the building facing Brooklyn Ave to the back of building to the north.
 - iv. Developer agrees to provide on-street parking as shown on the northern portion of the site near the mail kiosk.
 - v. Developer shall design secondary parking spaces (driveway) to meet or exceed Section 6-5-5.1 and 6-5-5.3, motor vehicle parking space design requirements.
 - vi. Developer shall be allowed to plant one medium tree (instead of large canopy tree) every 40' to meet street tree requirements along Brooklyn Ave due to NCDOT requirements, topography and public sewer considerations. See landscaping plan. [5-25-5.17]
 - vii. Developer agrees to plant one small tree between driveways and large maturing trees where feasible.
- 3. Except where modified by the terms of this Ordinance, development of the parcel(s) shall occur in accordance with the final site plan requirements of Article VII of the Zoning Ordinance of the City of Hendersonville, North Carolina.
- 4. Except where explicit relief is granted by the terms of this Ordinance, the development of the parcel(s) shall occur in accordance with all applicable standards within local ordinances and policies.

This ordinance shall be not be effective until the list of use(s) and conditions, established herein, is consented to in writing by the applicant and all owners of the subject property. Upon such written consent, this ordinance shall be effective retroactive to the date of its adoption.

Adopted this 5th day of December 2024.

Barbara G. Volk, Mayor Attest: /s/Jill Murray, City Clerk

Approved as to form: /s/Angela S. Beeker, City Attorney

B. Zoning Text Amendment: Alignment of Urban Village and Urban Residential with Gen H Comprehensive Plan (P24-66-ZTA) – Matthew Manley, Long-Range Planning Manager

Matt Manley explained that the City of Hendersonville is initiating an amendment to the City's

Zoning Ordinance and Subdivision Ordinance to make updates which align with the City's newly adopted Gen H 2045 Comprehensive Plan. The proposed changes would update the Future Land Use designations referenced in two zoning districts - Section 5-24 (Urban Village) and Section 5-25 (Urban Residential). Currently, these two zoning districts make reference to Future Land Use designations outlined in the 2030 Comprehensive Plan. The proposed amendment would update the Future Land Use designations to align with the Gen H 2045 Comprehensive Plan. The Future Land Use designations are used as a tool within these two zoning districts to guide the appropriate locations for this type of zoning. Three other changes are also proposed for the Urban Residential CZD: add single-family residential as a limited use, expand MGL distance from commercial from 100' to 350', and make single-family/two-family uses exempt from the limitation of two driveways per block. Additionally, the 2030 Comprehensive Plan is specifically referenced in the City's Subdivision Ordinance. This update will make the Subdivision reference the currently adopted Comprehensive Plan, generally, rather than reference a specific plan by year or title. The Planning Board voted unanimously to recommend approval of the proposed text amendment.

URBAN RESIDENTIAL + URBAN VILLAGE ALIGNMENT WITH GEN H

(P24-66-ZTA)

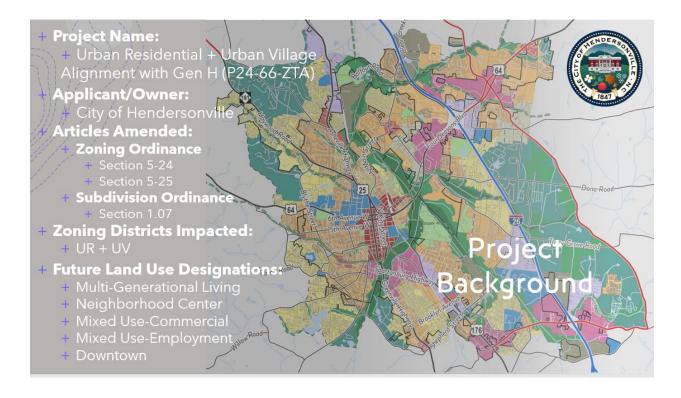
Zoning Text Amendment

City of Hendersonville City Council December 5th, 2024

Community Development | Planning Division

Matthew Manley | Long-Range Planning Manager





Proposed Amendment: Urban Village

Sec. 5-24. - UV Urban Village Conditional Zoning District Classification

5-24-1 Procedure.

The reclassification of property to UVCZD Urban Village Conditional Zoning District shall constitute an amendment of the zoning map which may be initiated only by all of the owner(s) of a legal interest in the affected property. UVCZD Urban Village Conditional Zoning Districts shall be created only in locales designated in the Comprehensive Plan as Multi-Generational Living, Neighborhood Center, Mixed Use-Commercial, Mixed Use-Employment, and Downtown and may be considered in Focused Intensity Nodes regardless of Character Area Designation. Medium Intensity Neighborhood, High Intensity Neighborhood, Neighborhood Activity Center, Regional Activity Center, and Business Center. Notwithstanding the foregoing, an Urban Village District may be located on a lot(s) all or part of which fall within locales designated as Multi-Generational Living Medium Intensity Neighborhood in the comprehensive plan only if any part of the boundary of the Urban Village Conditional Zoning District is located no more 100-350 feet from the boundary of a zoning district having a non-residential zoning designation.

Sec. 5-25. - UR Urban Residential Conditional Zoning District Classification.

5-25-2 Procedure.

The reclassification of property to Urban Residential Conditional Zoning District shall constitute an amendment of the zoning map which may be initiated only by all of the owner(s) of a legal interest in the affected property. Urban Residential Conditional Zoning Districts shall be created only in locales designated in the comprehensive plan as Multi-Generational Living, Neighborhood Center, Mixed Use-Commercial, Mixed Use-Employment, and Downtown and may be considered in Focused Intensity Nodes regardless of Character Area Designation. Medium Intensity Neighborhood, High Intensity Neighborhood, Neighborhood Activity Center, Regional Activity Center, and Business Center. Notwithstanding the foregoing, an Urban Residential Conditional Zoning District may be located on a lot(s) all or part of which fall within locales designated as Multi-Generational Living Medium Intensity Neighborhood in the comprehensive plan only if any part of the boundary of the Urban Residential Conditional Zoning District is located no more than 100 350 feet from the boundary of a zoning district having a non-residential zoning designation.

Proposed Amendment: Urban

Urban Residential

5-25-3 Permitted uses

The following uses are permitted within the UR Urban Residential Zoning District Classification. Residential dwellings, multi-family

Residential dwellings, single-family, subject to the standards in Section 5-25-6

Residential dwellings, two-family

5-25-6 Limitations to Single-Family Detached Dwellings

5-25-6.1 Single-Family Detached. Single-Family detached dwellings shall comprise no more than 50% of the total units of any development. The remaining balance of residential units may be any combination of single-family attached, two-family and multi-family residential dwellings.

5-25-6.2 Single-Family Attached. Single-family attached dwellings are permitted to comprise 100% of the total units of any

Proposed Amendment: Urban Residential

5-25-5 - Design considerations.

5-25-5.13 Internal access and connectivity. The site shall be traversed by a network of internal streets built according to city standards. Internal streets should seek to avoid cul-de-sacs and dead-end roads and other features that hamper connectivity. However, roads may terminate at a monumental structure or green space. In such cases a sidewalk or other connection shall be provided to ensure the goals of connectivity. In addition, internal streets shall have sidewalks and street trees. If a bus line serves, or is expected to serve, the district, a bus shelter is required. Larger projects may require more shelters as determined by traffic impact analysis. Connectivity is a goal of the internal street system and external connections to areas outside and adjacent to the Urban Residential Conditional Zoning development should be created where possible. Only two driveways per block face are allowed. single-family and two-family housing are exempt from the driveway restriction.

Relationship to Previous Comp Plan

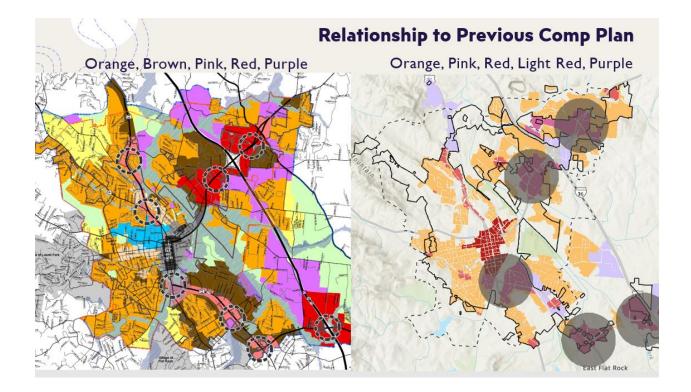
2030 FLUM

Medium Intensity Neighborhood High Intensity Neighborhood Neighborhood Activity Center Regional Activity Center Business Center

Gen H FLUM

- > Multi-Generational Living
- > Neighborhood Center
- > Mixed-Use Employment
- > Mixed-Use Commercial
- > Downtown

+ Focused Intensity Nodes



Proposed Amendment: Subdivision Ordinance

SUBDIVISION ORDINANCE

Sec. 1.07. Relationship to other laws and policies.

- A. Adopted policy guidance. The administration, enforcement, and amendment of this ordinance shall be accomplished in accordance with the city's most-recently adopted policy guidance. The city's adopted policy guidance includes, but is not limited to:
 - 1. The 2030 Comprehensive Plan;
 - 2. The Parks and Greenspace Plan;
 - 3. The Pedestrian Plan:
 - 4. The Bicycle Plan; and
 - 5. Any other applicable city-adopted policy language

General Rezoning Standards: 1) COMPREHENSIVE PLAN CONSISTENCY	LAND SUPPLY, SUITABILITY & INTENSITY	• N/A
	FUTURE LAND USE & CONSERVATION MAP	 Designation: Multi-Generational Living, Mixed Use-Commercial, Mixed Use-Employment, Downtown Character Area Description: Consistent Focused Intensity Node: Consistent Zoning Crosswalk: Somewhat Consistent Focus Area Map: N/A
	COMMITTEE RECOMMENDATION	The Legislative Committee has not reviewed this item to date.

Relationship to Gen H Comp Plan Character Areas

MULTI-GENERATIONAL LIVING (MGL)

This area is characterized by mixed residential development and a limited amount of small scaled neighborhood-serving commercial. It is comprised of a variety of homes, mixing detached and attached (e.g., townhomes and duplexes) units with a lesser amount of multi-family units. The combination of housing types are intended to create intergenerational neighborhoods.

Standards:	EXISTING CONDITIONS	The proposed amendments update the City's Zoning Code to align with the City's new Gen H Comprehensive Plan. The addition of single-family uses to the Urban Residential Zoning District will assist in providing a mix of housing types which are compatible with existing land uses in areas of the City identified in the Future Land Use Map. Additionally, the development standards of the Urban Residential and Urban Village zoning districts help to promote pedestrian-friendly design, mixed uses, interconnectivity, and architectural standards that support compatible site and building design.
General Rezoning S 2) COMPATIBI	RELEVANT GEN H GOALS	Vibrant Neighborhoods: [Consistent] Abundant Housing Choices: [Consistent] Healthy and Accessible Natural Environment: [Consistent] Authentic Community Character: [Consistent] Safe Streets and Trails: [Consistent] Satisfying Work Opportunities: [Consistent] Welcoming & Inclusive Community: [Consistent]
Gene	GEN H GUIDING PRINCIPLES	Mix of Uses: [Consistent] Compact Development: [Consistent] Sense of Place: [Consistent] Conserved & Integrated Open Spaces: [Consistent] Desirable & Affordable Housing: [Consistent] Connectivity: [Consistent] Efficient & Accessible Infrastructure: [Consistent]

Relationship to Gen H Comp Plan Guiding Principles

COMPACT DEVELOPMENT Along with the mix of land

uses, the intensity of development in a community can have a significant impact on its ability to provide affordable housing options, reduce traffic congestion, make efficient use of infrastructure, deliver services, and generally create livable communities.

Building up with taller buildings in the appropriate places is one way to accommodate more uses in fewer locations

MISSING MIDDLE HOUSING

"Missing middle" housing refers to small- to medium-sized homes that are available at various price points and are compatible in scale and character with the surrounding neighborhood. These homes can be built as part of infill development projects or used to transition between land uses and densities in a new activity center. Examples of missing middle housing include duplexes, triplexes, quadplexes, courtyard apartments, live-work units, cottage courtyards, townhomes, and small-scale apartments.

DESIRABLE AND AFFORDABLE HOUSING

The preferences for different types of housing vary depending on the locality within the community, and are influenced by factors such as income, age, household size, and available financing. Single-family homes on large lots are simply one of many products demanded in today's market. Housing diversity can address housing prices and differences in lifestyles. It is accomplished first by recognizing the varying needs and preferences of the existing and future population, and finding ways to facilitate the expansion of the housing supply (types and quantity) to satisfy current and anticipated

General Rezoning Standards: 2) COMPATIBILITY

DESIGN GUIDELINES ASSESSMENT (Chapter V)

Public Realm - [Consistent]

Site Design - [Consistent]

Building Design - [Consistent]

General Rezoning Standards

3) CHANGED CONDITIONS

 The City's Gen H Comprehensive Plan was recently adopted on August 1, 2024 making references from the 2030 Comprehensive Plan in the Zoning Code and Subdivision Ordinance out of date.

4) PUBLIC INTEREST

 The proposed amendment would allow for a compatible infill development with a mix of housing types and higher density, walkable developments in key locations across the City.

General Rezoning Standards	5) PUBLIC FACILITIES	- N/A
General Rezo	6) EFFECT ON NATURAL ENVIRONMENT	• N/A

PLANNING BOARD: Comprehensive Plan Consistency Statement

The petition is found to be <u>consistent</u> with the *City of Hendersonville Gen H Comprehensive Plan* based on the information from the staff analysis and the public hearing, and because:

The proposed text amendment aligns with the Gen H 2045 Comprehensive Plan Future Land Use & Conservation Map and the Character Area Descriptions

PLANNING BOARD: Reasonableness Statement

We find this petition to be reasonable and in the public interest based on the information from the staff analysis and the public hearing, and because:

[Rationale for Approval]

- Urban Residential and Urban Village Zoning Districts were outdated
- The Zoning Text Amendment updates the language in the Zoning Code to align with the newly adopted Gen H Comprehensive plan.
- The Subdivision Text Amendment updates outdated language referencing the 2030 Comprehensive Plan

DRAFT: Reasonableness Statement

We <u>do not</u> find this petition to be **reasonable** and in the public interest based on the information from the staff analysis and the public hearing, and because:

[Rationale for Denial]

 Urban Residential and Urban Village zoning districts are incompatible with the list of permitted Character Areas

The public hearing opened at 9:28 p.m.

Public comments:

Lynne Williams spoke about concerns with the zoning text amendment, such as not enough oversight to protect historic uses and historic neighborhoods. Higher housing costs, loss of greenspace, noise and air pollution etc.

The public hearing closed at 9:31 p.m.

Council Member Jennifer Hensley moved that City Council adopt an ordinance amending the official City of Hendersonville Zoning Ordinance, Article V. – Zoning District Classifications, Section 5-24. 'Urban Village Conditional Zoning District Classification (UV)' and Section 5-25. 'Urban Residential Conditional Zoning District Classification (UR)', and City of Hendersonville Subdivision Ordinance, Section 1.07 - 'Relationship to other laws and policies' as presented by staff and based on the following:

1. The petition is found to be consistent with the City of Hendersonville Gen H Comprehensive Plan based on the information from the staff analysis and the public hearing, and because:

The proposed text amendment aligns with the Gen H 2045 Comprehensive Plan Future Land Use & Conservation Map and the Character Area Descriptions.

- 2. We [find] this petition to be reasonable and in the public interest based on the information from the staff analysis and the public hearing, and because:
 - 1. Urban Residential and Urban Village Zoning Districts were outdated
 - 2. The Zoning Text Amendment updates the language in the Zoning Code to align with the newly adopted Gen H Comprehensive plan.
 - 3. The Subdivision Text Amendment updates outdated language referencing the 2030 Comprehensive Plan.
 - A unanimous vote of the Council followed. Motion carried.

Ordinance #O-24-47

AN ORDINANCE OF THE CITY OF HENDERSONVILLE CITY COUNCIL TO AMEND CITY OF HENDERSONVILLE ZONING ORDINANCE, ARTICLE V. – ZONING DISTRICT CLASSIFICATIONS, SECTION 5-24. 'URBAN VILLAGE CONDITIONAL ZONING DISTRICT CLASSIFICATION (UV)' AND SECTION 5-25. 'URBAN RESIDENTIAL CONDITIONAL ZONING DISTRICT CLASSIFICATION (UR)', AND CITY OF HENDERSONVILLE SUBDIVISION ORDINANCE, SECTION 1.07 - 'RELATIONSHIP TO OTHER LAWS AND POLICIES'

WHEREAS, the Planning Board reviewed this petition for a zoning text amendment at its regular meeting on November 14, 2024; voting 7-0 to recommend City Council adopt an ordinance amending the City of Hendersonville Zoning Ordinance, and

WHEREAS, City Council took up this application at its regular meeting on December 5, 2024, and

WHEREAS, City Council has found that this zoning text amendment is consistent with the City's comprehensive plan, and that it is reasonable and in the public interest for the reasons stated, and

WHEREAS, City Council has conducted a public hearing as required by the North Carolina General Statutes on December 5, 2024,

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Hendersonville to amend City of Hendersonville Zoning Ordinance, Article V. – Zoning District Classifications, Section 5-24. 'Urban Village Conditional Zoning District Classification (UV)' and Section 5-25. 'Urban Residential Conditional Zoning District Classification (UR)', and City of Hendersonville Subdivision Ordinance, Section 1.07 - 'Relationship to Other Laws and Policies'.

ZONING ORDINANCE

Sec. 5-24. - UV Urban Village Conditional Zoning District Classification

5-24-1 Procedure.

The reclassification of property to UVCZD Urban Village Conditional Zoning District shall constitute an amendment of the zoning map which may be initiated only by all of the owner(s) of a legal interest in the affected property. UVCZD Urban Village Conditional Zoning Districts shall be created only in locales designated in the

Comprehensive Plan as Multi-Generational Living, Neighborhood Center, Mixed Use-Commercial, Mixed Use-Employment, and Downtown and may be considered in Focused Intensity Nodes regardless of Character Area Designation. Medium Intensity Neighborhood, High Intensity Neighborhood, Neighborhood Activity Center, Regional Activity Center, and Business Center. Notwithstanding the foregoing, an Urban Village District may be located on a lot(s) all or part of which fall within locales designated as Multi-Generational Living Medium Intensity Neighborhood in the comprehensive plan only if any part of the boundary of the Urban Village Conditional Zoning District is located no more 100-350 feet from the boundary of a zoning district having a non-residential zoning designation.

Sec. 5-25. - UR Urban Residential Conditional Zoning District Classification.

5-25-2 Procedure.

The reclassification of property to Urban Residential Conditional Zoning District shall constitute an amendment of the zoning map which may be initiated only by all of the owner(s) of a legal interest in the affected property. Urban Residential Conditional Zoning Districts shall be created only in locales designated in the comprehensive plan as Multi-Generational Living, Neighborhood Center, Mixed Use-Commercial, Mixed Use-Employment, and Downtown and may be considered in Focused Intensity Nodes regardless of Character Area Designation. Medium Intensity Neighborhood, High Intensity Neighborhood, Neighborhood Activity Center, Regional Activity Center, and Business Center. Notwithstanding the foregoing, an Urban Residential Conditional Zoning District may be located on a lot(s) all or part of which fall within locales designated as Multi-Generational Living Medium Intensity Neighborhood in the comprehensive plan only if any part of the boundary of the Urban Residential Conditional Zoning District is located no more than 100 350 feet from the boundary of a zoning district having a non-residential zoning designation.

5-25-3 Permitted uses.

The following uses are permitted within the UR Urban Residential Zoning District Classification. Residential dwellings, multi-family

Residential dwellings, single-family subject to the stipulations provided in Section 5-25-6, below Residential dwellings, two-family

5-25-5 - Design considerations.

5-25-5.13 Internal access and connectivity. The site shall be traversed by a network of internal streets built according to city standards. Internal streets should seek to avoid cul-de-sacs and dead end roads and other features that hamper connectivity. However, roads may terminate at a monumental structure or green space. In such cases a sidewalk or other connection shall be provided to ensure the goals of connectivity. In addition, internal streets shall have sidewalks and street trees. If a bus line serves, or is expected to serve, the district, a bus shelter is required. Larger projects may require more shelters as determined by traffic impact analysis. Connectivity is a goal of the internal street system and external connections to areas outside and adjacent to the Urban Residential Conditional Zoning development should be created where possible. Only two driveways per block face are allowed. Single-family and two-family housing are exempt from the driveway restriction.

5-25-6 Limitations to Single-Family Detached Dwellings

<u>5-25-6.1 Single-Family Detached.</u> Single-Family detached dwellings shall comprise no more than 50% of the total units of any development. The remaining balance of residential units may be any combination of single-family attached, two-family and multi-family residential dwellings.

<u>5-25-6.2 Single-Family Attached.</u> Single-family attached dwellings are permitted to comprise 100% of the total units of any development.

SUBDIVISION ORDINANCE

Sec. 1.07. Relationship to other laws and policies.

- A. **Adopted policy guidance.** The administration, enforcement, and amendment of this ordinance shall be accomplished in accordance with the city's <u>most-recently</u> adopted policy guidance. The city's adopted policy guidance includes, but is not limited to:
 - 1. The 2030 Comprehensive Plan;
 - 2. The Parks and Greenspace Plan;
 - 3. The Pedestrian Plan;
 - 4. The Bicycle Plan; and
 - 5. Any other applicable city-adopted policy language

Adopted by the City Council of the City of Hendersonville, North Carolina on this 5th day of December, 2024.

Barbara G. Volk, Mayor Attest: /s/Jill Murray, City Clerk

Approved as to form: /s/Angela S. Beeker, City Attorney

C. Rezoning: Standard Rezoning-329 Signal Hill Road (Givens) (P24-71-RZO) – *Matthew Manley, Long-Range Planning Manager*

Matt Manley explained that the City of Hendersonville is in receipt of a Zoning Map Amendment application from Sean & Helen Givens (owners) for 329 Signal Hill Rd (PIN: 9579-06-4126) totaling 0.42 Acres located at the corner of Signal Hill Road and Lafolette St. The properties are currently zoned RCT, Residential-Commercial Transition. The petitioner is requesting that the property be rezoned to C-2, Secondary Business. Development/redevelopment under the C-2 zoning is much more permissive than under RCT in terms of the intensity of uses permitted and the dimensional requirements. C-2 allows for more than 30 additional uses compared to RCT. Dimensional standards under C-2 are also relaxed relative to those required under RCT. If rezoned, there will not be a binding site plan, list of uses, nor conditions placed on the approval. All permitted uses within the C-2 district would be allowed on the site. The City of Hendersonville Zoning Ordinance states that, during a standard rezoning process, an applicant is prohibited from discussing the specific manner in which they intend to develop or use a site. The Planning Board had a split vote 4 to 2 recommending approval of the rezoning.

329 SIGNAL HILL RD (GIVENS) RCT to C-2

(P24-58-RZO)

Standard Rezoning

City of Hendersonville City Council

December 5, 2024

Community Development | Planning Division

Matthew Manley | Long-Range Planning Manager

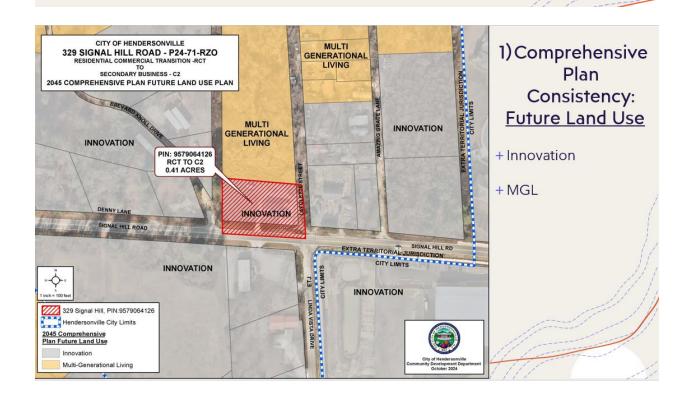




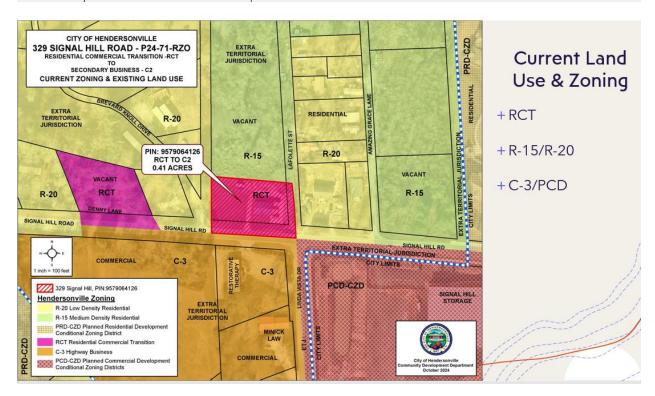


District Comparison - C-2 vs RCT

- √Two districts share 13 Permitted Uses
- + 9 Permitted Uses are similar but have different "caveats" i.e. limitations within RCT
- + RCT permits 2 uses that C-2 does not permit (Child Care & Adult Care <u>Homes</u>)
- + C-2 allows an additional <u>33 Permitted Uses</u> + <u>4 Special Uses</u> that RCT does not permit
- + Most significant difference in Dimensional Standard is Height + RCT = 35' C-2 = 48'



The subject property is located on a developed parcel and therefore 1) COMPREHENSIVE PLAN CONSISTENCY not highlighted in the Land Supply Map. L'AND SUPPLY, It is also not ranked in the Suitability Assessment maps. **SUITABILITY &** The subject property is located in an area designated as "Moderate" General Rezoning Standards: for Development Intensity. **INTENSITY** The subject property is not located in one of the 5 Focus Areas. The subject property is located in a Focused Intensity Node clustered around Four Seasons Blvd @ I-26 **Designation:** Innovation **FUTURE LAND USE & Character Area Description:** Consistent **CONSERVATION MAP** Zoning Crosswalk: Consistent Focus Area Map: N/A **COMMITTEE** The Current Planning Committee reviewed this item prior to today's RECOMMENDATION meeting.



ng Standards:	EXISTING CONDITIONS	The subject property is a .042 acre parcel, which is smaller than the larger properties throughout the immediate area. Most properties in the area are greater than 1 acres in size with many over 5 acres in size. The properties fronting along Signal Hill Rd are primarily vacant or contain residential uses. Most residential uses are single-family homes and not part of a Planned Development, however Signal Ridge Apartments and the proposed Duncan Terrace Apartments are in vicinity of the subject property. Five of the properties fronting Signal Hill Rd contain commercial uses, including the subject property. This lack of intense development in this area can be attributed to the lack of City sewer service in the immediate vicinity. Sewer is located near the intersection of Thompson St and Signal Hill Rd, along Four Season Blvd and at Berkely Rd at Halford Estates.
General Rezoning 2) COMPATIE	RELEVANT GEN H GOALS	Vibrant Neighborhoods: [Inconsistent] Abundant Housing Choices: [Inconsistent] Healthy and Accessible Natural Environment: [Inconsistent] Authentic Community Character: [Inconsistent] Safe Streets and Trails: [Inconsistent] Reliable & Accessible Utility Services: [Inconsistent] Satisfying Work Opportunities: [Consistent] Welcoming & Inclusive Community: [Inconsistent]
g	GEN H GUIDING PRINCIPLES	Mix of Uses: [Inconsistent] Compact Development: [Inconsistent] Sense of Place: [Inconsistent] Conserved & Integrated Open Spaces: [Inconsistent] Desirable & Affordable Housing: [Inconsistent] Connectivity: [Inconsistent] Efficient & Accessible Infrastructure: [Inconsistent]

General Rezoning Standards: 2) COMPATIBILITY

DESIGN GUIDELINES ASSESSMENT (Chapter V)



ds	3) CHANGED	 Two commercial uses were recently constructed on the Signal Hill Rd corridor. Signal Hill Storage was constructed across the street from the subject property First Aid Collision body shop was recently constructed about ¼ mile from the subject property.
Rezoning Standards	CONDITIONS	NCDOT has performed an Express Design of the Thompson St/Signal Hill/Berkley Rd corridor as an alternative to US64 and in light of the Balfour Parkway project's demise. //
General Rezo	4) PUBLIC INTEREST	Expansion of C-2 zoning increases potential use of the property for various commercial uses. Alternatively, expansion of commercial uses along Signal Hill Rd could be detrimental to traffic congestion and residential uses in the area if not constructed in a manner that is compatible with the surroundings and future transportation improvements.

Public FACILITIES In its current configuration, the subject property would only be served by City water. Signal Hill is an NCDOT-maintained Secondary Road. Oher Feet on Natural Environmental Environmental Proposed on the subject properties. There are no existing trees nor environmentally-sensitive areas within the area proposed for rezoning. To the rear of the subject property is a large undeveloped tract which features some streams that feed Cherry Branch.

PLANNING BOARD: Comprehensive Plan Consistency Statemen

The petition is found to be **consistent** with the City of Hendersonville Gen H Comprehensive Plan based on the information from the staff analysis and the public hearing, and because:

The proposed zoning of C-2 aligns with the Gen H 2045 Comprehensive Plan Future Land Use & Conservation Map and the Character Area Description for 'Innovation'.

The public hearing opened at 9:43 p.m.

Public Comments: - None

The public hearing closed at 9:43 p.m.

Council Member Melinda Lowrance moved that City Council adopt an ordinance amending the official zoning map of the City of Hendersonville changing the zoning designation of the subject property (PIN: 9579-06-4126) from RCT, Residential-Commercial Transition to C-2, Secondary Business, based on the following:

1. The petition is found to be consistent with the City of Hendersonville Gen H Comprehensive Plan based on the information from the staff analysis and because:

The proposed zoning of C-2 aligns with the Gen H 2045 Comprehensive Plan Future Land Use & Conservation Map and the Character Area Description for 'Innovation'.

- 2. Furthermore, we find this petition to be reasonable and in the public interest based on the information from the staff analysis, public hearing and because:
 - 1. C-2 Zoning would allow for greater economic use of the subject property [Recommended by Planning Board]
 - 2. Introduction of C-2 Zoning along this corridor could lead to further expansion of commercial opportunities in this area [Added by Staff]

A unanimous vote of the Council followed. Motion carried.

Ordinance #O-24-48

AN ORDINANCE OF THE CITY OF HENDERSONVILLE CITY COUNCIL TO AMEND THE OFFICIAL ZONING MAP OF THE CITY OF HENDERSONVILLE FOR CERTAIN PARCELS (POSSESSING PIN NUMBER 9579-06-4126) BY CHANGING THE ZONING DESIGNATION FROM RCT, RESIDENTIAL-COMMERCIAL TRANSITION TO C-2, SECONDARY BUSINESS

IN RE: Parcel Numbers: 9579-06-4126

329 Signal Hill Rd (Givens) | File # P24-71-RZO

WHEREAS, the Planning Board took up this application at its regular meeting on November 14th, 2024; voting 4-2 to recommend City Council adopt an ordinance amending the official zoning map of the City of Hendersonville, and

WHEREAS, City Council took up this application at its regular meeting on December 5th, 2024, and

WHEREAS, City Council has found that this zoning map amendment is consistent with the City's comprehensive plan, and that it is reasonable and in the public interest for the reasons stated, and

WHEREAS, City Council has conducted a public hearing as required by the North Carolina General Statutes on December 5th, 2024,

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Hendersonville, North Carolina:

1. Pursuant to Article XI of the Zoning Ordinance of the City of Hendersonville, North Carolina, the Zoning Map is hereby amended by changing the zoning designation of the following: Parcel Numbers: 9579-06-4126, by changing the zoning designation from RCT, Residential-Commercial Transition to C-2, Secondary Business

2. Any development of this parcel shall occur in accordance with the Zoning Ordinance of the City of Hendersonville, North Carolina.

3. This ordinance shall be in full force and effect from and after the date of its adoption.

Adopted this 5th day of December 2024.

Barbara G. Volk, Mayor Attest: /s/Jill Murray, City Clerk

Approved as to form: /s/Angela S. Beeker, City Attorney

D. Subdivision Text Amendment: Changes to Double Frontage Lots (P24-048-STA) – Sam Hayes, Planner II

Sam Hayes explained that Zachary Grogan initiated a text amendment to the City's Double Frontage requirements after talking with City staff about a proposed development. Mr. Grogan initiated this text amendment to support his development, which would establish lots with frontage on two streets – one existing street (Brooklyn Avenue) and one that is established by the developer. This is classified as double frontage, which is currently limited in the subdivision ordinance to major roadways (expressway and boulevard). Mr. Grogan's proposed text amendment would create a waiver that would enable double frontage lots in more instances and waive the requirements for a 25-foot non-access buffer. In Mr. Grogan's development, Brooklyn Ave is classified as a local street, therefore is not able to establish double frontage. Due to the site layout and confines of the property, a large portion of the proposed lots would have double frontage along Brooklyn Avenue. From a broader perspective, Planning staff identified Double Frontage Lots as a top priority for a text amendment in 2022. Staff has seen several instances where double frontage lots would be a preferred outcome due to topography, traffic volumes, and improved congestion management. Planning staff proposed several revisions to the subdivision ordinance that align with the applicant's request while also addressing legal requirements to enable the revisions are permissible under the law.

Changes to Double Frontage Lots in New Subdivision

(P24-048-STA)

Subdivision Text Amendment

City of Hendersonville City Council December 5th, 2024

Community Development | Planning Division Sam Hayes | Planner II

Project Background

Applicant: Zachary Grogan

Proposed Changes: The applicant's petition proposes a waiver for the requirements in section 3.03 (D) and section 3.04 (C) of the Subdivision Ordinance to allow for double frontage lots in more instances.

Applicant Reasoning:

+ Enables more urban site design options while also aligning with NCDOT requirements.

Staff Reasoning:

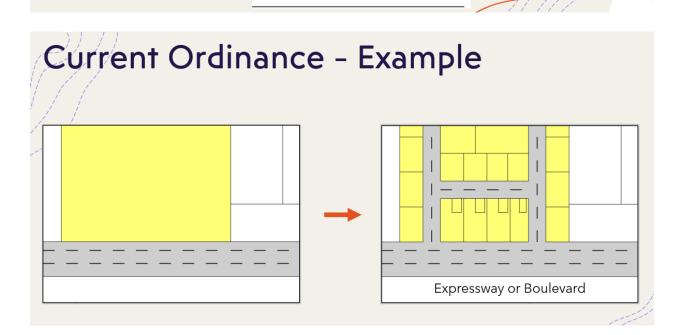
- + Increase the ability of property owners to establish double frontage lots when subdividing properties
- + Enable staff to classify more streets to enable double frontage lots while also assisting in managing street access.

	TEXT AMENDMENT PRIORITIES								
	Preliminary Rankings		Preliminary Rankings		Alignment wi	Alignment with Stated Goals			
<u>Topic</u>	Comm. Avg	Staff	<u>Total Average</u>	<u>Description</u>	City Council Core Values	City Council Focus Areas	Comprehensive Plan	Planning Board Thoughts	Status
Housing Strategies - Short Term	1.3	4	1.3	"District Team" refers to less complex/contentions that amendments. District Team" refers to less complex/contentions that amendments. District Ord 4 - Found Selected Adm. (2" or 50" 2" risks for loss for large grapes. Selected	"Must pursue and provide apportunity for responsible growth." "Promotion of diversity, equity and inclusion"	Economic Vita By	Goal PH-2; Goal LU-1	Reduce cost of develoment to attract more local builders.	Partial (MIC Grily)
СНМИ	2.3	2	2.3	Require Access Management for Upward Rd (CHNU), Mirror HNU Standards and Implement Comp Plan Goals	"Must pursue and provide opportunity for responsible growth" "Values the lives of all community members"	Sound Infrastructure Strong Partnerships	Goal TC-3	Getting developed quickly. Should be high priority.	Complete
"Accessory" Outdoor Retail Sales/Display	5.7	6	5.7	Carlly language. Address "principal" confloor retail sales.	"Open, transparent communication"	Great Public Service	Goal LU-3	Needed for customer service/transparency, Reconsider current exemptions.	
Greenway/Park Dedication in Zoning Ord	5.0	10	5.0	Mirror Sub Ord so that see only a Subdivision triggers this provision.	"Must parsa and provide apportunity for responsible growth." Values the level of all community members. "Environmental austainability is ortical for future generations."	Numerous Amenities Second Infrastructure	Geal FH-3; Goal TC-1; Geal TC-2; Geal CF-6; Geal CF-7	Touches a lot of the City's goals. Strong support for this.	
Tree Board Ideas	6.7	5	67	(cold in Sunderdi that are predictable and remove CEP review process "Ordinand Steering Ceremitter" recently equilibrium (or Council)	Tabust pursue and provide apportunity for responsible growth." "Environmental austainability is critical for future generations."	Namerous Amenities	Goal NR-2; Goal LU-2; Goal TC-5	Committee formed to study this. Would new rules apply across the city? Planning Board would make recommendation as part of adoption process.	Complete
Food Trucks	8.0	1	8.0	Make are Standard compliment requirements of other ordersoment agencies: Make are founded by the Standard Standard Make and Standard Make are standard Standard Make are standard standard Standard Make are mits discatters beauted stather What found track Standard Make are mits discatters beauted stather What found track Standard Make are mits discatters beauted stather What found track Standard Make are standard standard Make are standard standard Make are standard standard Make are standard s	"Sarvices delivered at a high level"	Great Public Service	N/A	Lengthy discussion. Supportive of revising. Would have ranked higher having known the extent of issues.	Complete
Housing Strategies - Long Term	6.3	7	63	Time from the new company protection vectors are a menderous. Make Send Goak Made Ferrit was with Design Standards or Tay right permitted as a neutral district, 190 Made Send Goak Made Ferrit was with Design Standards or Tay right permitted as in neutral district, 190 Made Send Goak Made Ferrit was the Send Send Send Send Send Send Send Sen	"Must pursue and provide opportunity for responsible growth" "Promotion of diversity, equity and inclusion"	Economic Vita By Strong Partnerships	Goal P#-2; Goal UJ-1	Need to improve design standards to prevent "vanilla" projects. How will traffic be addressed alongside increased desistly. Codify definitions of "affordable housing"	Fartial (MIC Grily)
Chapter 7 Overhaul	8.7	3	8.7	Modifications of timelines and review triggers and alignment of "She Plan" language with City Code	"Open, transparent communication"	Great Public Service	N/A	Seems simple and helpful for staff. Non- controversial.	
Code Audit	8.3	8	83	See "Potential Updates to Zoning Code" and "Proposed ZTA for Code Audit" docs under "Code Audit" folder	"Must pursue and provide opportunity for responsible growth"	Great Public Service	Goal LU-1	No Comments	Partial / In Process (Definitions & Uses)
Update Fee Schedule	8.3	11	83	Boudy Peer Communities. Understand cost of staff time per application type	"Values employees and high-quality services"	Great Public Service Financial Sustainability	N/A	No Comments	Complete
Double Frontage Lots	9.0	13	9.0	Extablish definition and address how they are treated	"Must pursue and provide opportunity for responsible growth"	Sound Infrastructure	Goal LU-1	No Comments	In Process

Definitions

Double Frontage Lot: A lot which fronts upon two parallel streets, and/or which fronts upon two streets which do not intersect at the boundaries of the lot.

*Marginal Access Street: A street meeting public street standards that provides access solely to lots inaccessible to abutting higher order streets.



Staff Recommended Code Revision

Sec. 3.04. Access to Lots

- B. Access on lots abutting expressways, or boulevards streets, thoroughfares, or other streets.
 - 4 1. All subdivisions abutting an expressway, boulevard, thoroughfare, or any street with an Average Annualized Daily Traffic ("AADT") of greater than or equal to 300 are required to provide access in compliance with this Sec. 3.04.B
 - + a. AADT shall refer to the City's most recent data collection performed by the Public Works Department. If no data is available at the time of subdivision application, the City shall cause a measure of AADT to be performed.
 - + b. A subdivider may cause their own measure of AADT to be performed by a licensed traffic engineer or other properly qualified professional. If there is a conflict between the City's measure of AADT and the subdivider's, the City shall seek the opinion of a licensed traffic engineer, whose decision shall be binding.
 - + 1. 2. In cases where a tract or site abutting an expressway, or boulevard streets, thoroughfare, or any street with an AADT of greater than or equal to 300 is proposed for subdivision (whether residential or otherwise), then all lots created shall maintain sufficient frontage on a different street or alley, either pre-existing or created as part of the subdivision, so that direct access to lots need not be provided by an expressway, or boulevard streets, thoroughfares, or any street with an AADT of greater than or equal to 300 (see Figure 3.04.B, Lots Abutting expressway, or boulevard streets, thoroughfare, or any street with an AADT of greater than or equal to 300).
 - + 3. Where a tract of land to be subdivided adjoins an expressway, or boulevard streets, thoroughfare, or any street with an AADT of greater than or equal to 300, the subdivider may be required to provide a marginal access street parallel to the expressway, or boulevard streets, thoroughfare, or any street with an AADT of greater than or equal to 300 or reverse frontage where access is obtained solely by a different street for the lots to be developed adjacent to the expressway, or boulevards streets, thoroughfares, or any street with an AADT of greater than or equal to 300.
 - +— 2. 4. The final plat creating the subdivision shall indicate a notation that driveway access to an expressway, or boulevards streets, thoroughfare, or any street with an AADT of greater than or equal to 300 is limited and shall be provided by a different street or alley.
 - + 3.5. In the event a site or tract is unable to comply with the access limitations in this subsection, an applicant may seek a variance in accordance with section 2.04.J, subdivision variance.

Staff Recommended Code Revisions

- D. Double or reverse frontage lots.
- + 1. Double frontage or reverse frontage lots shall be avoided, except when used in conjunction with the provisions for marginal access streets in section 3.04.B, Access on lots abutting expressways, boulevards, thorough
- + 2. Double frontage or reverse frontage lots shall require a non-access buffer of 25 feet on one side of the lot bounded by a street, in addition to other dimensional requirements. a 12.5-foot-wide non-access buffer zone from the edge of pavement on the side of any lot bounded by an expressway, boulevard, thoroughfare, or any street with an Average Annual Daily Traffic of greater than or equal to 300.



Staff Recommended Code Revisions

Sec. 3.04. Access to Lots

- + D. C. Driveway consolidation along expressway, boulevard, and thoroughfare streets thoroughfares, or other streets. While a lawfully established access to an individual lot from an expressway, boulevard, or thoroughfare street thoroughfare, or any street with an AADT of greater than or equal to 300 created prior to March 5, 2020 may remain, it is the intent of this ordinance to consolidate or eliminate these driveways to help ensure public safety and to preserve the traffic-carrying capacity of the street. In order to encourage the beneficial removal of existing driveways or shared driveways serving two or more lots, the required side setbacks and any perimeter landscaping buffers required between lots may be reduced by up to ten percent by the City Manager, if all of the following requirements are met:
 - + 1. NCDOT confirms the shared access can still achieve a satisfactory level of access control;
 - + 2. A cross-access easement between all parties sharing access is approved by the City Manager and recorded with the Henderson County Register of Deeds;
 - + 3. All Fire Code regulations are met;
 - + 4. Adequate utility and drainage easements are provided, if necessary; and
 - + 5. Minimum side setbacks or perimeter landscaping buffer requirements are reduced by the smallest amount necessary to accommodate the shared access.

Section 5, Item A. REGULAR MEETING **DECEMBER 5, 2024** VOLUME 28 PAGE

Staff Recommended Code Revisions

Sec. 4.03. Streets.

+ 3. General layout.

- + a. Streets shall be related appropriately to the topography and designed to facilitate the drainage and stormwater runoff.
- + b. Street grades shall be governed by NCDOT requirements and shall conform as closely as practicable to the original topography.
- + c. Half streets (such as streets of less than the full required right-of-way and pavement width) shall not be permitted, except where the streets, when combined with a similar street, developed previously or simultaneously, on property adjacent to the subdivision, creates or comprises a street that meets the right-ofway and pavement requirements of this ordinance.
- + d. When a development abuts or contains an existing or proposed freeway, expressway, or boulevard, expressway, boulevard, thoroughfare, or any street with an AADT of greater than or equal to 300 the city manager may require frontage streets, reverse frontage with landscape plantings, or other treatment as may be necessary for adequate protection of residential properties and to ensure separation of through and local
- + e. Reserve strips or parcels controlling access to streets shall be prohibited, except where required as part of development on a double-frontage lot.

COMPREHENSIVE PLAN CONSISTENCY

GEN H FUTURE LAND USE & CONSERVATION MAP

Designation: N/A
Character Area Description: N/A
Zoning Crosswalk: N/A
Focus Area Map: N/A

2018 BICYCLE PLAN
The 2018 Bicycle Plan calls for the City to regularly update local street design standards to reflect national best practices and to regularly update the City's traffic calming policies. These two recommendations go <a href="https://hand.com/hand

1) Adopted Plan Consistency

2023 WALK HENDO PEDESTRIAN PLAN
The Walk Hendo Plan's recommendations on policies makes reference to the City needing to develop street typologies to support a variety of residential uses. The Plan goes on to say:

People who walk need community design features that support walking. A city's zoning and other land use regulations I planning documents are some of the most effective tools a community can use to promote community <u>walkability</u> and many communities intentionally use zoning [and subdivision] regulations to foster walkable communities. While weighing future land use and policy options during the Gen H process, Hendersonville can consider how to code pedestrian environment elements into their regulatory codes.

In particular, the focus of walkability in and around downtown Hendersonville is a key consideration.

COMPREHENSIVE PLAN CONSISTENCY

EXISTING CONDITIONS
The revision of the Subdivision Ordinance assists in promoting the preservation of existing streets because it deters subdivisions from creating additional curb cuts and driveways along the street. Instead, it promotes the creation of a new marginal access streets.

GEN H COMPREHENSIVE PLAN GOALS (Chapter IV)

Vibrant Neighborhoods: Consistent
Abundant Housing Choices: N/A
Healthy and Accessible Natural Environment: N/A
Authentic Community Character: Consistent
Safe Streets and Trails: Consistent
Reliable & Accessible Utility Services: Consistent
Satisfying Work Opportunities: N/A
Welcoming & Inclusive Community: Consistent
Accessible & Available Community Uses and Services: N/A
Resilient Community: N/A

2) Compatibility

GEN H COMPREHENSIVE PLAN GUIDING PRINCIPLES (Chapter IV) Mix of Uses: N/A

GEN H COMPTNATION
Mix of Uses: N/A
Compact Development: Consistent
Sense of Place: N/A
Conserved & Integrated Open Spaces: N/A
Desirable & Affordable Housing: Consistent Connectivity: Consistent Efficient & Accessible Infrastructure: N/A

>		Whether and the extent to which there are changed conditions, trends or facts that require an amendment -
1) COMPREHENSIVE PLAN CONSISTENC	3) Changed Conditions	As the City continues to develop, there are more opportunities for subdivisions to occur that may result in double frontage lots. The aim of this ordinance revision is to allow these subdivisions to occur but manage the access to these lots in an appropriate way so that existing streets are not negatively impacted.
	A) Dublic Interest	Whether and the extent to which the proposed amendment would result in a logical and orderly development pattern that benefits the surrounding neighborhood, is in the public interest and promotes public health, safety and general welfare -
	4) Public Interest	The proposed text amendment will allow the City to require marginal access streets in more subdivisions, thereby reducing the number of driveways entering onto existing roadways throughout the City. Creating marginal access streets is best practice to avoid traffic collisions, and car/cyclist/pedestrian collisions.
	5) D. H F 1141	Whether and the extent to which adequate public facilities and services such as water supply, wastewater treatment, fire and police protection and transportation are available to support the proposed amendment
	5) Public Facilities	This amendment will assist with removing the possibility of encroachment into sidewalks by driveways, thereby mitigating the negative impacts on the public by lessening the possibility of accidents.
	6) Effect on Natural	Whether and the extent to which the proposed amendment would result in significantly adverse impacts on the natural environment including but not limited to water, air, noise, storm water management, streams, vegetation, wetlands and wildlife -
	Environment	There are not any direct connections between this text amendment and the environment/natural resources. However, even if subdivided, the subject properties will have to meet any applicable zoning, natural resource, stormwater, floodplain, etc. requirements.

Planning Board - Legislative Committee

H August 20th, 2024

- */3 Member in attendance + Staff
- Antroduced proposed text amendment
 - + Discussed clarifying the role the Community Development Director would have in making changes (has since been changed to the City Manager).
 - +Also discussed including something in the ordinance to clarify which street building entrances should front onto.
 - + No motion was made. Committee members voiced support for the changes.

Planning Board

- +September 12th, 2024
- + Reviewed recommendations
- +Unanimously voted to recommend approval



Draft Consistency Statement

The petition is found to be [consistent] with the City of Hendersonville Gen H 2045 Comprehensive Plan, 2018 Bicycle Plan and 2023 Walk Hendo Pedestrian Plan based on the information from the staff analysis and the public hearing, and because:

The petition aligns with the City's adopted plan's policy guidance to promote vibrant neighborhoods, create compact development, establish connectivity and improve walkability/bikeability throughout the community.

The public hearing opened at 9:52 p.m.

Public Comments: None

The public hearing closed at 9:52 p.m.

Council Member Gina Baxter moved that City Council adopt an ordinance amending the official City of Hendersonville Subdivision Ordinance, Section 3.03. Lots, Section 3.04. Access to Lots, and Section 4.03. Streets based on the following:

1. The petition is found to be consistent with the City of Hendersonville Gen H 2045 Comprehensive Plan, 2018 Bicycle Plan, and 2023 Walk Hendo Pedestrian Plan based on the information from the staff analysis and the public hearing, and because:

The petition aligns with the City's adopted plan's policy guidance to promote vibrant neighborhoods, create compact development, establish connectivity and improve walkability/bikeability throughout the community.

- 2. We [find] this petition, in conjunction with the recommendations presented by staff, to be reasonable and in the public interest based on the information from the staff analysis and the public hearing, and because:
- 1. The proposed text amendment creates flexibility for property owners while still limiting potential impacts to the greater community which include congestion management through driveway consolidation and reduction of conflict points for pedestrians, cyclists, and vehicles.
- 2. The proposed text amendment expands the number of streets that will allow double frontage lots, while also imposing more requirements to ensure that these lots do not negatively impact the community.
- 3. The proposed text amendment will assist in redeveloping smaller lots in areas targeted for infill.

A unanimous vote of the Council followed. Motion carried.

Ordinance #O-24-49

AN ORDINANCE OF THE CITY OF HENDERSONVILLE CITY COUNCIL TO AMEND CITY OF HENDERSONVILLE SUBDIVISION ORDINANCE, ARTICLE III. – CONFIGURATION, SECTION 3.03. 'LOTS' AND SECTION 3.04. 'ACCESS TO LOTS', AND ARTICLE IV. – INFRASTRUCTURE, SECTION 4.03. 'STREETS'

WHEREAS, the Planning Board reviewed this petition for a subdivision text amendment at its regular meeting on September 12th, 2024; voting 5-0 to recommend City Council adopt an ordinance amending the City of Hendersonville Zoning Ordinance, and

WHEREAS, City Council took up this application at its regular meeting on December 5, 2024, and

WHEREAS, City Council has found that this subdivision text amendment is consistent with the City's comprehensive plan, and that it is reasonable and in the public interest for the reasons stated, and

WHEREAS, City Council conducted a public hearing as required by the North Carolina General Statutes on December 5, 2024,

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Hendersonville to amend City of Hendersonville Subdivision Ordinance, Article III. – Configuration, Section 3.03. 'Lots and Section 3.04. 'Access to Lots', and Article IV. – Infrastructure, Section 4.03. 'Streets'

SUBDIVISION ORDINANCE

Appendix B - Subdivisions, Article 3. - Configuration

Sec. 3.03. Lots.

- A. Dimensional requirements.
 - 1. **Generally.**
 - a. The size, shape, and orientation of lots shall be appropriate for the location of the proposed subdivision and for the type of development contemplated to allow the lots to meet the standards contained in this ordinance.
 - b. A lot shall have sufficient area, dimensions, and street access to allow a principal building to be erected on it in compliance with the requirements of this ordinance and the zoning ordinance.
 - c. Lot sizes, shapes, and locations shall be made with due regard to topographic conditions, contemplated use, and the surrounding area in accordance with the standards of this ordinance.
 - d. The area of standing bodies of water shall not be included in determining minimum

lot area requirements.

2. Single-family residential lots.

a. Within the corporate limits. Lots intended for single-family residential development within the city's corporate limits shall comply with the minimum dimensional standards for the zoning district where located.

b. Outside the corporate limits.

- i. Lots intended for single-family residential development outside the city's corporate limit that are served by both public water and sewage systems shall comply with the minimum dimensional standards for the zoning district where located.
- ii. Lots intended for single-family development outside the city's corporate limits that are not served by public water or by public sewer shall comply with the applicable dimensional standards in the zoning ordinance.

3. Multi-family residential lots.

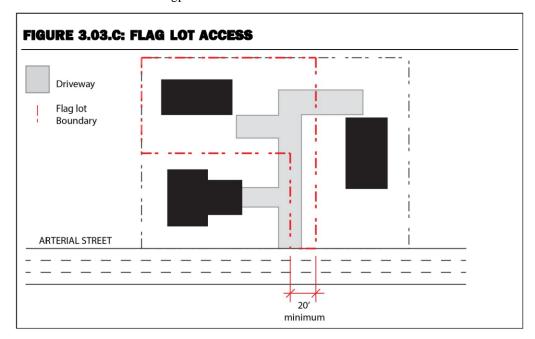
- a. Lots intended for multi-family residential development shall comply with the minimum dimensional standards for the zoning district where located.
- b. Prior approval from Henderson County Environmental Health must be obtained for lots containing multi-family development that are not served by both public water and sewer.
- 4. **Nonresidential and mixed-use lots.** Lots intended for non-residential and mixed-use development shall comply with the minimum dimensional standards for the zoning district where located.

B. Side lot lines.

- 1. Side lines of lots should be at or near right angles or radial to street lines.
- 2. Where side lot lines intersect at the rear of the lot, the angle of intersection shall not be less than 60 degrees.

C. Flag lots. New flag lots may be established, subject to the following requirements:

- 1. Except where topographic conditions or environmental constraints make lot access impractical, no more than five percent of the lots within a subdivision (or individual phase of a subdivision) may be configured as flag lots.
- 2. New flag lots may be established along an expressway or boulevard street only in cases where access to the street is shared with an adjacent lot (see Figure 3.03.C, Flag Lot Access).
- 3. The "pole," arm," or "pan handle" portion of a flag lot shall maintain a minimum width of at least 20 feet
- 4. Use of a single driveway to serve an adjoining flag lot or to serve a flag lot and an adjoining conventional lot is encouraged. In the case of a driveway shared with a conventional lot, the preferred location for the driveway is on the flagpole portion of the flag lot, with the conventional lot granted an access easement over the flagpole.



D. Double or reverse frontage lots.

- 1. Double frontage or reverse frontage lots shall be avoided, except when used in conjunction with the provisions for marginal access streets in section 3.04.B, Access on lots abutting expressways, boulevards, thoroughfares, or other streets.
- 2. Double frontage or reverse frontage lots shall require a non-access buffer of 25 feet on one side of the lot bounded by a street, in addition to other dimensional requirements. a 12.5-foot-wide non-access buffer zone from the edge of pavement on the side of any lot bounded by an expressway, boulevard, thoroughfare, or any street with an Average Annual Daily Traffic of greater than or equal to 300.

E. **Corner lots.** Corner lots shall be of sufficient size to ensure development may be configured to avoid required sight distance triangles.

F. **Drainage and flood prevention.** New subdivisions shall comply with all applicable requirements for stormwater management (see section 5.01, stormwater management), drainage (see section 5.02, sedimentation and erosion control), and all applicable standards for flood damage prevention from sections 24-31 through 24-117 of the city's Code of Ordinances, when located within a special flood hazard area.

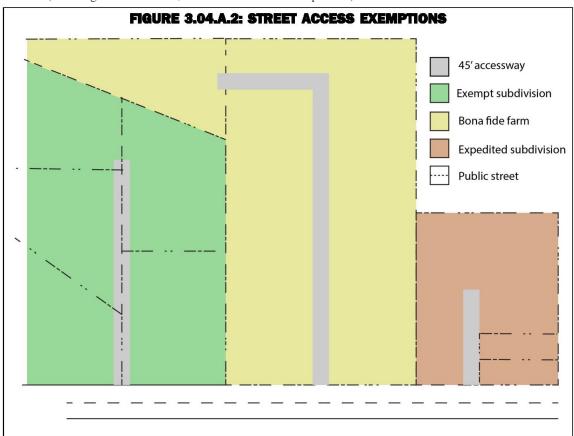
Sec. 3.04. Access to lots.

A. Every lot must maintain access.

1. **Generally.** Except for lots within bona fide farms, exempt subdivisions, or in accordance with section 3.04.A.2, street access exemptions, all lots intended to contain a building or structure shall abut a street designed, built, and maintained to city or state standards, as applicable.

2. Street access exemptions.

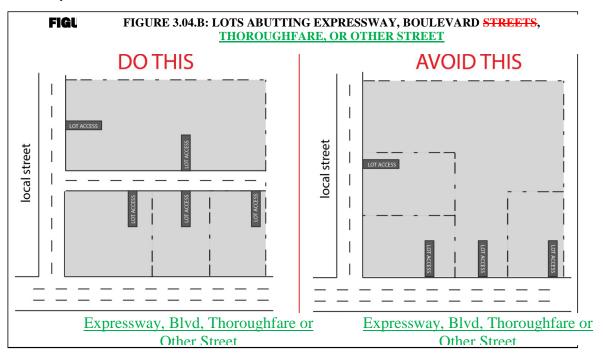
- a. Lots in any of the following forms of development are not required to be served by a street meeting city or state standards:
 - i. Up to three lots in an expedited subdivision; or
 - ii. Up to three lots without roadway frontage that are served by a single, shared accessway.
- b. Any lots not required to abut a street designed, built, and maintained to city or state standards shall maintain an access with a minimum width of 45 feet that is adequately maintained to afford a reasonable means of ingress and egress for emergency vehicles (see Figure 3.04.A.2, Street Access Exemptions).



- 3. **Access serving more than three lots.** Accessways serving more than three lots outside a bona fide farm or exempt subdivision shall be designed, built, and maintained to public street standards.
- B. Access on lots abutting expressways, or boulevards streets, thoroughfares, or other streets.
 - 1. All subdivisions abutting an expressway, boulevard, thoroughfare, or any street with an Average Annualized Daily Traffic ("AADT") of greater than or equal to 300 are required to provide access in compliance with this Sec. 3.04.B
 - a. AADT shall refer to the City's most recent data collection performed by the Public Works Department.
 If no data is available at the time of subdivision application, the City shall cause a measure of AADT to be performed.
 - b. A subdivider may cause their own measure of AADT to be performed by a licensed traffic engineer or other properly qualified professional. If there is a conflict between the City's measure of AADT and the subdivider's, the City shall seek the opinion of a licensed traffic engineer, whose decision shall be binding.
 - 4. 2. In cases where a tract or site abutting an expressway, or boulevard streets, thoroughfare, or any street with an AADT of greater than or equal to 300 is proposed for subdivision (whether residential or otherwise), then all lots created shall maintain sufficient frontage on a different street or alley., either pre-existing or created as part of the subdivision, so that direct access to lots need not be provided by an expressway, or boulevard streets, thoroughfares, or any street with an AADT of greater than or equal to

300 (see Figure 3.04.B, Lots Abutting expressway, or boulevard streets, thoroughfare, or any street with an AADT of greater than or equal to 300).

- 3. Where a tract of land to be subdivided adjoins an expressway or boulevard streets, thoroughfare, or any street with an AADT of greater than or equal to 300, the subdivider may be required to provide a marginal access street parallel to the expressway or boulevard streets, thoroughfare, or any street with an AADT of greater than or equal to 300 or reverse frontage where access is obtained solely by a different street for the lots to be developed adjacent to the expressway or boulevard streets, thoroughfares, or any street with an AADT of greater than or equal to 300.
- 2. 4. The final plat creating the subdivision shall indicate a notation that driveway access to an expressway, or boulevards streets, thoroughfare, or any street with an AADT of greater than or equal to 300 is limited and shall be provided by a different street or alley.
- 3. 5. In the event a site or tract is unable to comply with the access limitations in this subsection, an applicant may seek a variance in accordance with section 2.04.J, subdivision variance.



C. Marginal access streets.

- 1. Where a tract of land to be subdivided adjoins an expressway, or boulevard streets, the subdivider may be required to provide a marginal access street parallel to the expressway, or boulevard streets or reverse frontage where access is obtained solely by a different street for the lots to be developed adjacent to the expressway, or boulevards streets.
- 2. Where reverse frontage is established, private driveways shall not have direct access to expressway, or boulevard streets, and a 25 foot wide non access buffer zone on the side of the lot abutting the expressway, or boulevards streets, thoroughfares, or other designated streets shall be provided.
- D. C. Driveway consolidation along expressway, boulevard, and thoroughfare streets thoroughfares, or other streets. While a lawfully established access to an individual lot from an expressway, boulevard, or thoroughfare street thoroughfare, or any street with an AADT of greater than or equal to 300 created prior to March 5, 2020 may remain, it is the intent of this ordinance to consolidate or eliminate these driveways to help ensure public safety and to preserve the traffic-carrying capacity of the street. In order to encourage the beneficial removal of existing driveways or shared driveways serving two or more lots, the required side setbacks and any perimeter landscaping buffers required between lots may be reduced by up to ten percent by the City Manager, if all of the following requirements are met:
 - 1. NCDOT confirms the shared access can still achieve a satisfactory level of access control;
 - 2. A cross-access easement between all parties sharing access is approved by the City Manager and recorded with the Henderson County Register of Deeds;
 - 3. All Fire Code regulations are met;
 - 4. Adequate utility and drainage easements are provided, if necessary; and
 - 5. Minimum side setbacks or perimeter landscaping buffer requirements are reduced by the smallest amount necessary to accommodate the shared access.

Sec. 4.03. Streets.

A. Generally.

- 1. **Streets distinguished.** All streets, roads, and alleys within the city's planning jurisdiction shall be designated as one of the following street types, based on maintenance responsibility:
 - State-maintained, or NCDOT streets (this includes roadways in the federal highway system):
 - b. City streets that will be owned, maintained or operated by the City of Hendersonville;

or

c. Private streets that will be owned and maintained by individuals or owner associations.

2. Types of streets.

- a. **Public streets.** Streets that are owned, operated, or maintained by the NCDOT, the city, or the federal government shall be considered as public streets.
- b. **Private streets.** Streets that are owned, operated, or maintained by an individual or an owner's association shall be considered private streets.

3. Street classification.

a. All new and existing streets in the city's planning jurisdiction shall be identified in the city's adopted policy guidance as one of the following street classifications:

TABLE 4.03.3: STREET CI	LASSIFICATION
STREET TYPE	DESCRIPTION
Freeway	Freeways are the highest classification of streets and are designed and constructed with mobility and long-distance travel in mind. Access is controlled, intersections are grade- separated, driveways serving individual lots are prohibited, and roadways are designed for high-speed travel of 55 mph or greater. Roadways in this functional classification category connect the city to other destinations in the state and connect major activity centers in the city to one another. Freeways carry the highest traffic volumes.
Expressway	These streets provide a high degree of mobility both within the city's urban areas as well as through neighboring rural areas. Vehicles move at high-to-moderate speeds and four-way intersections are often signal-controlled. These streets include at-grade intersections with other streets typically spaced 2,000 feet apart, but driveways to individual lots are typically limited to right-in/right-out or grade separated left turns. The average number of vehicles trips can vary widely based on the urban or rural location of an expressway.
Boulevards	Boulevards connect major streets to one another and provide for vehicle trips of moderate length at medium speeds. The road is typically two or more lanes with a median with median breaks provided for U-turns. Full-movement driveways may be provided when alternative forms of access are not available.
Major Thoroughfare	Major thoroughfares provide a balance of mobility and access with moderate traffic volumes and low-to-medium speeds between 25 and 55 mph. Streets may be up to four lanes wide with no median and no requirements for access control. Access management may be provided in the form of continuous left turn lanes, shared driveways, full movement driveways are permitted on two-lane streets with a center turn lane. Cross-parcel connectivity between adjacent lots is strongly encouraged.
Minor Thoroughfare	Minor thoroughfares provide balanced mobility and access with moderate traffic volumes and lot-to-medium design speeds of up to 45 mph. Streets may have up to three lanes with no more than one lane per direction. Access management may be provided in the form of continuous left turn lanes, shared driveways, full movement driveways are permitted on two-lane streets with a center turn lane. Cross-parcel connectivity between adjacent lots is strongly encouraged.
Local	Local streets occupy the largest percentage of lane miles across all types of streets and primarily provide direct access to individual lots. Local streets are often configured to discourage through traffic, though local streets can also effectively disperse local traffic when configured as part of a highly connected network offering multiple routes.
Cul-de-Sac	A dead-end local street that terminates in a vehicular turnaround.
Alley	A secondary street that provides direct access to a limited number of individual lots or land uses. In most cases,

access is provided to the side or rear of the lot served by
the alley.

- b. Nothing shall prohibit a change in street classification based on traffic volumes or anticipated needs.
- c. In no instance shall a private street be classified as a freeway, expressway, boulevard, or thoroughfare street.

4. Compliance with policy guidance.

- a. All streets. Except where otherwise allowed in accordance with section 3.04.A.2, street access exemptions, all streets and rights-of-way within the city's planning jurisdiction shall be designed, constructed, and maintained in accordance with the following:
 - i. Streets maintained by the state shall comply with the standards established for the particular classification of street in question by the NCDOT.
 - ii. Streets dedicated to or maintained by the city shall comply with all applicable standards established by this ordinance or the city's Code of Ordinances, whichever is higher or more restrictive.

b. Additional standards for state-maintained streets.

- i. All streets intended for dedication to the state shall have rights-of-way and construction meeting the standards contained in the *Subdivision Roads, Minimum Construction Standards Handbook*, as revised, published by the NCDOT.
- ii. The district highway engineer shall approve the plat with respect to road construction, road width, and right-of-way prior to recording. Without the approval, the plat cannot be recorded.
- iii. Once the development meets the minimum housing requirements for state road acceptance, the developer shall petition NCDOT for state road acceptance.
- iv. After inspection and upon receipt of outcome of the inspection, the developer shall have 12 months to turn over roads to NCDOT.

B. Street design.

1. **Dedication and construction.**

- a. All lands associated with a new or modified street right-of-way shall be dedicated to the city or the state as a part of the development process in accordance with G.S. 136-66 10
- b. All streets shall be improved to the full width, cross section, and profile, including paving and drainage, as specified in the development approval, this ordinance, the city's adopted policy guidance, state or federal law, and any other applicable provisions.
- c. The subdivider or developer shall be responsible for the construction and installation of all streets and infrastructure in accordance with the applicable development approval, NCDOT standards, the standards in this ordinance, and any applicable state or federal requirements.
- d. No road construction or improvements shall commence until a plan showing the proposed roadway improvements and a construction plan demonstrating compliance with the standards of this ordinance is approved by the city manager.

2. Private streets.

a. New streets.

- i. Except where otherwise allowed in accordance with section 3.04.A.2, street access exemptions, all streets constructed, extended, or modified after March 5, 2020 shall be constructed, maintained, and operated in accordance with the standards for public streets.
- ii. Private streets shall not be constructed as part of development within the city's corporate limits.
- iii. Existing streets associated with land or subdivisions proposed for voluntary annexation shall meet applicable city requirements prior to or concurrent with annexation.

b. Existing private streets.

- i. Neither the City of Hendersonville or NCDOT shall be responsible for maintenance of private streets existing on or after March 5, 2020.
- ii. The city shall not accept maintenance responsibility for any private streets that do not meet the city's standards for street configuration and construction.

3. General layout.

- a. Streets shall be related appropriately to the topography and designed to facilitate the drainage and stormwater runoff.
- b. Street grades shall be governed by NCDOT requirements and shall conform as closely as practicable to the original topography.
- c. Half streets (such as streets of less than the full required right-of-way and pavement width) shall not be permitted, except where the streets, when combined with a similar street, developed previously or simultaneously, on property adjacent to the subdivision, creates or comprises a street that meets the right-of-way and pavement requirements of this ordinance.
- d. When a development abuts or contains an existing or proposed freeway, expressway,

or boulevard, expressway, boulevard, thoroughfare, or any street with an AADT of greater than or equal to 300 the city manager may require frontage streets, reverse frontage with landscape plantings, or other treatment as may be necessary for adequate protection of residential properties and to ensure separation of through and local traffic.

e. Reserve strips or parcels controlling access to streets shall be prohibited, except where required as part of development on a double-frontage lot.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 5th day of December, 2024.

Barbara G. Volk, Mayor Attest: /s/Jill Murray, City Clerk Approved as to form: /s/Angela S. Beeker, City Attorney

E. CANCELLED: Rezoning Conditional Zoning District-715 Greenville Highway Multi-Family (P24-39-CZD) – Tyler Morrow, Current Planning Manager

12. NEW BUSINESS

A. Fire Department Staffing Budget Amendment – Jennifer Floyd, Budget & Management Analyst II

In the absence of Jenny Floyd, Assistant City Manager Brian Pahle gave the following PowerPoint presentation.



CITY OF HENDERSONVILLE

Fire Department Overtime and Staffing



CURRENT LANDSCAPE

Current Staffing Level

Minimum Staffing Level Per Shift – 13

Current Staffing Per Shift
Shift A – 11 FTEs
Shift B – 12 FTEs
Shift C – 12 FTES

Current Vacancies - 3

FY25 Overtime Budget: \$270,000

Recent Hiring Process

29 Applicants

6 Eligible Candidates Identified
2 – Firefighter & EMT Certified
2 – Firefighter Certified
2 – No Certification

SCENARIO 1

Current staffing numbers are maintained, and vacancies are filled

End-of-Year Overtime Forecast: \$302,078

• \$32,078 over budget

Contributing Factors

Below minimum staffing due to:

- Vacation
- FMLA
- · Paid Family Leave

Shift Staffing Level			
Shift	Min. Staffing	Current	Vacancies Filled
Α	13	11	12
В	13	12	13
С	13	12	13

*Shift A – FMLA use

SCENARIO 2

Quarter 1 Actuals are Maintained

End-of-Year Overtime Forecast: \$192,396

- \$48,100 per quarter
- \$77,604 under budget

Does not consider changes in:

- Vacation
- FMLA
- Paid Family Leave

SCENARIO 3

Adding 3 New Firefighter/EMTs

End-of-Year Overtime Forecast: \$175,706

• \$94,294 under budget

Includes

2 anticipated FMLA uses

This scenario considers putting 4 FTEs into service in December

- 2 Vacancies Filled
- 2 Additional FTEs

RECOMMENDATION

After considering the scenarios presented, we recommend adding 3 FTEs to the Fire Department in FY25.

FY25 Salary & Benefits - \$110,662 Overtime Cost Savings - \$94,294 Needed for Salary & Benefits - \$16,367

Shift Staffing Level				
Shift	Min. Staffing	Vacancies Filled	EOY	
A	13	13	14	
В	13	13	14	
С	13	12	14	

*Shift C - FMLA use

Funding Opportunity

LUCAS Chest Compression System - \$20,000

FY26 Considerations

Anticipated FY26 Overtime Budget: \$100,000

Year-over-Year Overtime Cost Savings: \$170,000

Salary & Benefits		
FF/EMT I Total Cost		
3	\$221,323	

Remaining Salary & Benefit Costs: \$51,000

Additional Costs to Consider:

EMT Certifications- \$1,500

Ancillary Benefits:

Mental Health Staff Retention Quick Response Vehicle (QRV) Diversity and Inclusion

Salary and Benefit Breakdown



Position	Starting Salary	5% probation	Salary after Probation	Hourly	Half-Time
FF/EMT I	47,492	2,375	49,867	18.09	3,002
Holiday Pay	FICA Tax Expense	Retirement Expense	Med/Life Ins	Worker's Comp	Total
Banked	3,815	6,782	8,832	1,476	73,773

Council Member Melinda Lowrance moved that City Council adopt budget amendment 12052024-04 as presented. A unanimous vote of the Council followed. Motion carried.

TO MAYOR & COUNCIL APPROVAL:December 5, 2024 FISCAL YEAR 2025 FORM: 12052024-04

BUDGET AMENDMENT

FUND 010									
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE	REVISED BUDGET				
010-1400-501010	Salaries-Overtime	270,000		94,294	175,70				
010-1400-554001	Capital Outlay- Equipment Other Than	105,000		16,368	88,632				
010-1400-501001	Salaries-Regular	-	74,802	-	74,802				
010-1400-501013	Halftime	-	4,503	-	4,503				
010-1400-502001	Fica Tax Expense	-	5,722	-	5,722				
010-1400-502005	Group Med & Life Ins.	-	13,248	-	13,248				
010-1400-502050	Retirement Expense	-	10,173	-	10,173				
010-1400-502091	Worker's Comp Ins	-	2,214	-	2,214				
FUND 010	TOTAL REVENUES	-		-	74,802				
	TOTAL EXPENDITURES	375,000	110,662	110,662	375,000				

The City Manager and City Clerk certify budget ordinance amendment was approved by City Council on .

B. City Council Discussion Regarding Floodplain Development – *John Connet, City Manager*

City Manager John Connet explained that several City Council members have expressed concerns regarding the impacts of flooding immediately following Hurricane Helene. City staff wanted to provide City Council with an opportunity to share their concerns publicly and provide direction to staff.

City Council Member Lyndsey Simpson moved that City Council direct staff to schedule a floodplain development workshop for January 22, 2025. A unanimous vote of the Council followed. Motion carried.

13. BOARDS/COMMISSIONS/COMMITTEE APPOINTMENTS

Board of Adjustment

Council Member Jennifer Hensley moved that City Council appoint Rhona Reagen to the Board of Adjustment. She will be filling the vacancy of Melinda Lowrance and her term will expire on June 30, 2027. A unanimous vote of the Council followed. Motion carried.

Diversity & Inclusion Advisory Committee

Council Member Melinda Lowrance moved that City Council appoint Penny Pearson to the Diversity & Inclusion Advisory Committee. She will be filling the vacancy of Melinda Lowrance and her term will expire on June 30, 2027. A unanimous vote of the Council followed. Motion carried.

Environmental Sustainability Committee

Council Member Lyndsey Simpson moved that City Council appoint Scott Harmon to the Environmental Sustainability Committee. He will be filling the vacancy of Gina Baxter and his term will expire on June 30, 2027. After that, he will be eligible for his first full three-year term. A unanimous vote of the Council followed. Motion carried.

Historic Preservation Committee

Council Member Lyndsey Simpson moved that City Council reappoint Cheryl Jones to the Historic Preservation Committee for a three-year term expiring on December 31, 2027. A unanimous vote of the Council followed. Motion carried.

Council Member Jennifer Hensley moved that City Council reappoint James Welter to the Historic Preservation Committee for a three-year term expiring on December 31, 2027. A unanimous vote of the Council followed. Motion carried.

Council Member Lyndsey Simpson moved that City Council appoint Edward Sine to the Historic Preservation Committee for a three-year term expiring on December 31, 2027. A unanimous vote of the Council followed. Motion carried.

Planning Board

Council Member Jennifer Hensley moved that City Council reappoint Donna Waters to the Planning Board for a three-year term expiring on December 31, 2027. A unanimous vote of the Council followed. Motion carried.

Council Member Jennifer Hensley moved that City Council appoint David McKinley to the Planning Board with his term expiring on December 31, 2025. He is filling the vacancy of Beth Robertson. After that, he will be eligible for his first full three-year term. A unanimous vote of the Council followed. Motion carried.

Tree Board

Council Member Lyndsey Simpson moved that City Council appoint Richard Bowerman to the Tree Board for a three-year term expiring on December 31, 2027. A unanimous vote of the Council followed. Motion carried.

Council Member Lyndsey Simpson moved that City Council appoint Mark Madsen to the Tree Board for a three-year term expiring on December 31, 2027. A unanimous vote of the Council followed. Motion carried.

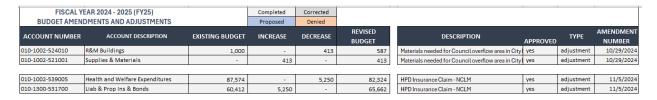
14. CITY MANAGER REPORT

A. November 2024 Contingency and Adjustment Report – *John Connet, City Manager*

In accordance with North Carolina General Statute (NCGS) 159-13(b) it is required that all expenditures resulting from a contingency appropriation budget be reported to the governing board at its next regular meeting and recorded in the minutes.

NCGS 159-15 permits the Budget Officer (City Manager), to transfer budget from one appropriation to another within the same fund, provided any such transfers are reported to the Governing Board. The City of Hendersonville refers to transfers of budget from one appropriation to another within the same fund as a "budget adjustment". City Council authorizes budget adjustments each year with the adoption of the annual budget ordinance (SECTION 4).

This agenda item serves to fulfill the reporting requirements of both NCGS 159-13(b) and 159-15 by providing City Council a summary of all amendments and adjustments occurring thus far in the fiscal year.



15. <u>CITY COUNCIL COMMENTS</u> –

Lyndsey Simpson wanted to say that at the last housing session, Allison Justus did awesome and she also speaks Spanish and led the meeting which blew me away It was an amazing meeting and I don't think I've seen that sort of engagement with the Spanish-speaking community with anything that we've done so thank you.

16. <u>CLOSED SESSION</u>

The closed session was cancelled.

				Castian F Hans A
RECHIAD MEETING	DECEMBER 5 9094	VOLUME 98	PACE	Section 5, Item A.

17. ADJOURN

There being the Council.		ourned at 10:13 p.m. upon unanimous assent of
		Barbara G. Volk, Mayor
ATTEST:	Jill Murray, City Clerk	



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: Amanda Lofton **MEETING DATE:** 01/08/2024

AGENDA SECTION: CONSENT DEPARTMENT: Finance

TITLE OF ITEM, Henderson County Tax Adjustments -Amanda Lofton, Deputy Tax

Presenter Name, Title: Collector

SUGGESTED MOTION(S): I move that City Council resolve to direct and authorize the tax releases

submitted by Henderson County Tax Collector as presented and relieve the Henderson County Tax Collector and the Deputy Tax Collectors of

the charges owed.

SUMMARY:

The Deputy Tax Collector, Amanda Lofton, would like to submit for your approval the tax bill adjustments occurring between November 1, 2024 and November 30, 2024. These adjustments include all Discoveries, Releases, Refunds, and Forgiven Interest. These adjustments were provided by Henderson County Tax Department. Documentation is available in the Tax Office.

BUDGET IMPACT: \$ 0.00

Is this expenditure approved in the current fiscal year budget? YES

If no, describe how it will be funded.

PROJECT NUMBER: N/A **PETITION NUMBER:** N/A

ADDITIONAL PETITION NUMBER: N/A

PETITIONER NAME: N/A

ATTACHMENTS:

Summary Total of Tax Adjustments

Section 5, Item B.

NCPTS Pending Release/Refund Report. Friday, November 15, 2024*

Nor 15 I chang Release, Reland Reports - Friday, November 15, 2021										
					ADJ.	DISTRICT				
TAX DISTRICT	OWNER	ABSTRACT	NOTE	VALUE CHANGE	NUMBER	CODE	LEVY TYPE	BILLED	PAID	RELEASE
CITY OF	HENDERSONVILLE AUTO	0002334932-2024-2024-0000	VOIDED ABSTRACT PER NEW LEASE	(\$51,693)	9174	JURSC10	TAX	\$268.80	\$0.00	\$268.80
HENDERSONVILLE	COLLISION LLC		AGREEMENT FOR NEW BUSINESS OPERATING AT SITUS 110 TRACY GROVE				LATE LIST FEE	\$26.88	\$0.00	\$26.88
			RD HENDERSONVILLE NC 28792				TOTAL:			\$295.68
									ABSTRACT TOTAL:	\$295.68
		OWNER TOTAL:		\$0						\$295.68
	DISTRICT TOTAL:			(\$51,693)						\$295.68
GRAND				\$0						\$295.68
TOTALS:										



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: Adam Steurer **MEETING DATE:** January 8, 2025

AGENDA SECTION: Consent Agenda DEPARTMENT: Utilities

TITLE OF ITEM: Amendment 1 - Construction Phase Services to support the WWTF Biosolids

Thermal Dryer Project- Adam Steurer, Utilities Director

SUGGESTED MOTION(S):

I move City Council to adopt the Resolution By the City Council authorize the City Manager approve Amendment 1 of the Engineering Services Contract for Construction Phase Services related to the WWTF Biosolid Thermal Dryer Project.

SUMMARY:

The Wastewater Treatment Facility (WWTF) Biosolids Thermal Dryer project will produce a high-quality, thermally dried product that is safe for beneficial reuse through distribution or land application. The thermal dryer equipment, once operational after completion of the project, will reduce the utility's current solids hauling and disposal costs and reduce the utility's vulnerability on reliance of the volatile private hauling and landfills disposal markets.

The engineering services included in this Amendment 1 generally include construction administration, construction observation, and materials testing.

Staff previously completed a qualifications-based selection for engineering services and selected engineering firm McKim and Creed as most qualified to provide the services. These services are consistent with the previous professional services.

BUDGET IMPACT: \$877,538.00

Is this expenditure approved in the current fiscal year budget? YES

If no, describe how it will be funded. Funds are allocated through a CPO. Project #16036.

ATTACHMENTS:

- 1. Amendment1 Scope of Services
- 2. Resolution

EXHIBIT A

PROFESSIONAL ENGINEERING SERVICES for the CITY OF HENDERSONVILLE WWTF BIOSOLIDS THERMAL DRYER PROJECT

This Amendment No. 1 to the WWTF Biosolids Thermal Dryer professional engineering services contract, dated June 25, 2023 between the City of Hendersonville, North Carolina (Owner) and McKim & Creed, Inc. (Engineer) is as outlined below:

AMENDMENT NO. 1

I. PROJECT UNDERSTANDING AND PURPOSE

The following presents the scope of work to provide professional engineering services for the Wastewater Treatment Facility (WWTF) Biosolids Thermal Dryer Project, including additional services performed under Phase 1 associated with Final Design and Bidding and Award services, and Phase 2 services associated with contracting assistance, construction phase services, and post-construction phase services. Per Exhibit B – Firm's Scope of Services to the original contract, the professional engineering services for the WWTF Biosolids Thermal Dryer project is composed of the following phases and tasks:

PHASE 1:

- 1. Funding Assistance
- 2. Preliminary Engineering
- 3. Final Design
- 4. Permitting
- 5. Bidder Prequalification Assistance
- 6. Bidding and Award Phase
- 7. Unallocated Project Budget (Phase 1)

PHASE 2:

- 8. Solids Management Program Contracting Assistance
- 9. Construction Phase Services
- 10. Post-Construction Phase Services
- 11. Unallocated Project Budget (Phase 2)

This scope of services is to provide additional Phase 1 services and Phase 2 services. The additional Phase 1 services provided by this Amendment No. 1 includes the following:

 Additional Final Design services to accommodate unanticipated changes in the dryer equipment layout that were provided by the dryer equipment manufacturer on July 24, 2024, less than 30 days prior to the contractual deadline for project bid advertisement.
 These additional services were performed from July 24, 2024 through August 20, 2024. Additional Bid and Award Phase services to address extensive questions and requests from bidders, suppliers, and subcontractors.

Phase 2 services provided by this Amendment No. 1 includes tasks 9, 10, and 11 from the original contract scope of services as listed above. The City has elected to eliminate task 8 for Solids Management Program Contracting Assistance from this scope of services, therefore this task is excluded from this Amendment No. 1.

II. SCOPE OF SERVICES

The tasks listed in the scope of services below are numbered based on the task numbering included in Exhibit B to the original professional engineering services contract dated June 25, 2023. This scope of services only includes the tasks listed below, as described in Exhibit B to the original contract, and as amended below.

PHASE 1 – Additional Services

TASK 3 – FINAL DESIGN

Additional final design services provided includes revisions to the final Issued for Bids design drawings and construction documents based on the revised final biosolids thermal dryer "feed table" arrangement. On July 24, 2024, Gryphon Environmental issued a new dryer "feed table" arrangement and requested modifications to the design documents to accommodate the new arrangement to eliminate potential issues related to feeding dewatered cake to the dryer equipment. The revised dryer feed table arrangement extended the dryer system footprint by 21-inches, therefore requiring all dryer equipment to be relocated 21-inches to the west to maintain the original dryer feed location which could not be relocated due to site constraints. The unanticipated design revisions were completed by McKim & Creed prior to the issuance of the "Issued for Bid – Not for Construction" documents and the advertisement for bids on 8/20/2024. This required unanticipated design revisions to most major discipline drawings including:

- Mechanical drawings revisions to relocate the dryer equipment 21-inches to the west.
- 2. Building and Structural drawings revisions to relocate the interior dividing wall and equipment support pads 21-inches to the west.
- 3. HVAC drawings revisions to relocate unit heaters and natural gas lines to accommodate the relocation of the interior dividing wall.
- 4. Plumbing drawings revisions to relocate drains to align with the revised equipment layout and accommodate the relocation of the interior dividing wall.
- 5. Electrical drawings revisions to update NFPA area classifications associated with the revised equipment layout and relocation of the interior dividing wall.

TASK 6 – BIDDING AND AWARD PHASE

Additional bidding and award phase services provided includes the review of and provision of responses via addenda to extensive questions and requests from bidders, suppliers, and subcontractors during the bid advertisement period. During the bid advertisement period, McKim & Creed received approximately 67 total questions and requests from bidders, suppliers, and subcontractors. The effort required to provide adequate responses to the questions and requests received from bidders exceeded the original estimated labor budget by approximately 60 labor hours. This amendment provides for the additional labor effort required to provide

adequate responses to all questions and requests received during the bid advertisement period that exceeded the original estimated labor budget.

PHASE 2

TASK 9 – CONSTRUCTION PHASE SERVICES

Construction Administration

Our scope of work for Construction Administration services is premised on administering one (1) single-prime construction contract over a construction contract period of 720 consecutive calendar days. The construction contract period is based on 660 consecutive calendar days to reach substantial completion and an additional 60 consecutive calendar days to reach final completion. If the construction contract duration extends beyond this period, or is delayed, McKim & Creed shall be entitled to adjustment of the scope and fee associated with this task. If required, additional services associated with construction administration will be provided utilizing the Unallocated Project Budget phase upon written authorization from the City.

Our construction administration services will include:

- 1. Conduct the pre-construction meeting on-site at the WWTF, and issue meeting minutes.
- 2. Schedule and hold regular monthly construction progress meetings with the City and contractor. These meetings are assumed to be held on-site at the WWTF, or virtually via Microsoft Teams during periods of inactivity onsite. Prepare and distribute monthly construction progress meeting minutes to document discussions and responsibilities.
- 3. Receive, log, track and perform shop drawing and submittal reviews. Compare shop drawings and submittals to the plans and technical specifications, note deficiencies or compliance issues, and issue comments to the contractor within 10 business days of receipt. This task includes review of factory equipment testing report submittals.
- 4. Receive, log, track, & respond to contractor's written requests for information or clarification of the contract documents.
- 5. Provide clarification of requirements as indicated on the construction plans and specifications if/when questions arise during construction.
- 6. Receive, log, track, & respond to notifications from contractor of changes to work conditions and requests for change orders. Prepare change orders as required to document changes to the contract price or contract times. Draft change orders will be prepared and distributed to the City and NCDEQ Division of Water Infrastructure for approval prior to issuance. It is assumed up to four (4) change orders will be prepared and distributed for execution.
- 7. Review materials testing for conformance to the specifications.

- 8. Receive, log, track, & review contractor's monthly invoices and make recommendations for payment.
- Conduct site visits with City staff as often as necessary to review project status, and confirm/certify that work is progressing in accordance with the approved construction documents.
- 10. Attend system startup and commissioning and provide technical guidance and assistance to the City in support of the startup and commissioning process. This task includes coordination with the City, the Contractor, and equipment manufacturers to ensure proper operator training is provided by equipment manufacturers on all new major equipment.
- 11. Schedule and conduct the substantial completion evaluation. Prepare the substantial completion punch list and submit to the City for concurrence, and work with the Contractor to ensure outstanding work is completed.
- 12. Upon satisfactory completion of the substantial completion punch list and after reviewing test results from the Contractor, prepare the Engineer's Substantial Completion Certification.
- 13. Schedule and conduct the final completion evaluation. Prepare the final completion punch list and submit to the City for concurrence, and work with the Contractor to ensure work is fully complete.
- 14. After the Contractor has satisfactorily completed the final punch list, submitted all test results, as-built redlined drawings, O&M manuals, and release of waivers and claims, McKim & Creed will prepare the Engineer's Final Completion Certification.

Construction Administration Services will also include the following:

1. <u>Limited Operation and Maintenance Plan Update</u>

- McKim & Creed will prepare a limited update to the current facility O&M plan to include compiling the vendor provided individual equipment O&M manuals and written description of new processes that differ from the current facility. Our scope of work for this task is premised on condition I.2 of the City's latest Distribution of Class A Residuals permit No. WQ0011381, issued on November 8, 2024. The amended Operation and Maintenance Plan will include the following:
 - Update O&M Plan to include a brief description of new unit treatment processes.
 - b. Update the O&M Plan for startup, shut down, or normal operational procedures specific to the new facility configuration.
 - c. Add a list of new vendor-supplied O&M Manuals.
 - d. Submittal of the amended O&M Plan to the City for review and comments.

e. Finalize the amended O&M Plan per the City's comments and submit to the NCDEQ Non-Discharge Branch online portal.

2. <u>Construction Materials Testing</u>

McKim & Creed will provide for construction materials testing as required by the Issued for Construction contract documents. Construction materials testing will be performed in general accordance with the applicable ASTM, AASHTO, and/or other industry testing standards, unless noted otherwise. These services will include the following major project components:

- a. Subgrade evaluations
- b. Engineered fill testing
- c. Foundation bearing material evaluation
- d. Reinforcing steel observations
- e. Cast-in-place concrete sampling, testing, and observations
- f. Structural steel observations
- g. Structural masonry evaluations
- h. ABC stone testing
- i. Asphalt pavement testing

Reporting & Meetings:

- **Daily Reports:** Daily reports of the observations and tests performed will be distributed electronically according to the project distribution list after review.
- **Interim Reports/Test Results:** Compressive strength test reports and other laboratory results will be issued in electronic format via email, as applicable.
- **Pre-Installation Meetings:** Attend pre-installation meetings which will be held for various scopes of work (concrete, steel, etc.) where requested and/or required.

Construction Observation

McKim & Creed will provide a Resident Project Representative (RPR) who is well-qualified and experienced in constructing municipal water and wastewater treatment facilities. The RPR will perform periodic observations of the work for general conformance with the plans and specifications. McKim & Creed's construction observation services are not intended to manage, monitor, or supervise the Contractor's work, nor alleviate the Contractor's responsibility to perform the work in accordance with the plans and specifications. The scope of work assumes an average of 12 hours per week for the agreed upon construction period. If the contract duration extends beyond the agreed upon construction period or is delayed, McKim & Creed shall be entitled to adjustment of the scope and fee associated with this task. If required, additional services associated with construction observation will be provided utilizing the Unallocated Project Budget phase upon written authorization from the City. McKim & Creed will provide the following services:

Preparation of daily reports for each day construction observation services are provided.

- 2. Maintain a photographic record during construction to document aspects of the construction process.
- 3. Document field conditions and maintain a record of the weather, Contractor's personnel on-site, Contractor's equipment on-site, and the specific work task(s) completed since the last site visit.
- 4. The RPR shall confirm that Contractor as-built documents are continuously being kept up-to-date and being completed to the minimum standards of care.
- 5. The RPR shall review the Contractor's monthly pay requests to confirm that quantities are accurate and that lump sum percentages are representative of the current progress of lump sum work.
- 6. The RPR shall participate in monthly construction meetings and will represent the Engineer in responding to technical questions.
- 7. The RPR will participate in the substantial completion and final completion evaluations.

TASK 10 – POST-CONSTRUCTION SERVICES

Upon authorization from the OWNER, the ENGINEER shall perform the following post-construction services:

Record Drawings

Our effort for Record Drawing preparation services is premised on the understanding that the contractor will be responsible for continuously maintaining the red-lined "asbuilt" markups on the approved construction drawings. McKim & Creed will utilize the red-lined markups provided by the contractor to prepare the final Record Drawings. Record Drawings will be submitted to the City upon completion. After City review and approval, digital copies (AutoCAD and PDF format) of the Record Drawings will be delivered to the City.

2. One Year Assistance

McKim & Creed will assist the City with operational and warranty assistance on a time and materials basis as may be needed. Generally, the services will be as follows:

- a. Provide for a mid-year warranty inspection with the City and the contractor to develop a warranty punch list and then review the completed work of the contractor to verify items have been corrected.
- b. Provide for final warranty inspection with the City and the contractor at 11 months after substantial certification to develop a warranty punch list and then review the completed work of the contractor to verify items have been corrected.
- c. Provide process support assistance and associated administrative support to assist with operational questions and optimization of the plant process.

TASK 11 – UNALLOCATED PROJECT BUDGET (PHASE 2)

Task 11 is included as a contingency for unforeseen conditions or changes in the scope of work. McKim & Creed will not utilize or expend effort on Task 11 without prior written authorization from the City of Hendersonville.

III. COMPENSATION

McKim & Creed will perform the services outlined in this Exhibit A as indicated below. Services will be billed monthly on an hourly time and expense basis in accordance with the hourly rate schedule included as an attachment to this Exhibit A.

Item	Fee
PHASE 1 – Additional Services [†]	
Task 3: Final Design – Additional Services	\$10,705.00
Task 6: Bidding and Award Phase – Additional Services	\$10,750.00
PHASE 2 [‡]	
Task 9: Construction Phase Services	\$741,277.00
Task 10: Post-Construction Services	\$64,806.00
Task 11: Unallocated Project Budget (Phase 2)	\$50,000.00
Total Estimated Fee, Not To Exceed	\$877,538.00

Not To Exceed = To be billed on an hourly time and expense basis

IV. ANTICIPATED PROJECT SCHEDULE

The following is the estimated schedule for the scope outlined above:

Task	Anticipated Duration from NTP (Calendar Days)	Anticipated Task Duration (Calendar Days)
PHASE 2		
Construction Contract NTP	0	0
Construction Substantially Complete/ Equipment Start-up	660	660
Construction Final Completion	720	60
Record Drawings Submittal	780	60
Warranty Period Complete	1,085	365

Note: The schedule provided is approximate and may vary depending on City review, regulatory approval, equipment and material lead times, and unforeseen conditions.

V. ADDITIONAL SERVICES

If authorized in writing by the City, McKim & Creed shall furnish or obtain from others Additional Services of the types listed below. These services will be paid for by the City on an hourly rate basis in accordance with the current Hourly Rate Schedule. If required, additional services will be provided utilizing the Unallocated Project Budget phase upon written authorization from the City.

[†]Phase 1 additional services are to be billed in accordance with the rate schedule included in the original professional engineering services contract dated June 25, 2023.

[‡]Phase 2 services are to be billed in accordance with the rate schedule attached to this Amendment No. 1.

- 1. Expert witness or technical support concerning property surveying or engineering matters for which the Engineer has no direct liability.
- 2. Providing for determining, evaluating, and assistance with contaminated soils for the project area.
- 3. Preparing for, coordinating with, participating in and responding to structured independent review processes for construction management, cost estimating, value engineering and constructability reviews requested by the City and performing or furnishing services required to revise studies, reports, drawings, specifications, or other bidding documents as a result of such review processes.
- 4. Providing for any re-designs requested by the City after final design drawings have been approved.
- 5. Providing for design of any residuals dewatering facilities or dewatered residuals storage facilities.
- 6. Construction survey and staking.
- 7. Engineer-led operator training on equipment, processes, or other miscellaneous training related to the existing or proposed facilities.
- 8. Providing for Special Inspections (North Carolina State Building Code) if required by the Local Inspections Departments.
- 9. Providing for a detailed Operation and Maintenance Plan above and beyond what is detailed and outlined in this Amendment No. 1.
- 10. As-built surveys or as-built 3D scanning and Building Information Modeling (BIM) using Autodesk Revit.
- 11. Preparing to serve or serving as a consultant or witness for the City in any litigation, arbitration or other dispute resolution process related to the project.
- 12. Other services performed or furnished by McKim & Creed not otherwise provided for in this Agreement. These services are to be identified as additional services for City approval prior to McKim & Creed performing the service.

VI. OWNER'S RESPONSIBILITIES

The following items shall be the responsibility of the City:

1. Provide McKim & Creed with all criteria and full information as to the City's requirements for the project, including design objectives and constraints, space, capacity and performance requirements, flexibility and expandability, and any budgetary limitations; and furnish copies of all design and construction standards which the City will require to be included in the Drawings and Specifications; and furnish copies of the City's standard forms, conditions and related documents for McKim & Creed to include in the Bidding Documents, when applicable.

- 2. The timely provision of all available information, data, reports, records, and maps to which the City has access and which are needed by McKim & Creed for the performance of the services provided herein.
- 3. Providing assistance and cooperation for McKim & Creed in obtaining any other needed material which the City does not have in its possession.
- 4. Making available the services of the City as may be necessary to obtain information as needed to perform the work program set forth in the Scope of Services.
- 5. The designation of a single representative who will be authorized to make necessary decisions required on behalf of the City and will serve to provide the necessary direction and coordination for the project.
- 6. Advise McKim & Creed of the identity and scope of services of any independent consultants employed by the City to perform or furnish services in regard to the project, including, but not limited to, cost estimating, project peer review, value engineering and constructability review.
- 7. Attend the pre-bid conference, bid opening, pre-construction conferences, construction progress and other job-related meetings and Substantial Completion, final payment, and warranty reviews.

VII. MISCELLANEOUS PROVISIONS

1. McKim & Creed's current hourly rate schedule is attached. Hourly rates are subject to adjustment on January 1st of each calendar year.

END OF EXHIBIT A

Resolution #	
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Angela S. Beeker, City Attorney

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL TO APPROVE AMENDMENT 1 OF THE ENGINEERING SERVICES CONTRACT FOR CONSTRUCTION PHASE SERVICES TO SUPPORT THE WWTF BIOSOLIDS THERMAL DRYER PROJECT

WHEREAS, the City owns and operates a water treatment facility (WWTF) that has a current permitted capacity of 4.8 million gallons per day that produces a solid residual effluent as part of the treatment process; and

WHEREAS, the City intends to construct biosolids thermal dryer process equipment that will produce a high-quality, thermally dried product that is safe for beneficial reuse through distribution or land application; and

WHEREAS, the engineering services included in this Amendment 1 generally include construction administration, construction observation, and materials testing; and

WHEREAS, McKim & Creed, Inc. was previous selected as most qualified to provide professional engineering services for the project, as recommended by Staff. The services in Amendment 1 are consistent with these professional services.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that:

- 1. Amendment 1 of the Contract for Engineering Services from McKim & Creed, Inc. is approved in the amount of \$877,538.00.
- 2. The City Manager is authorized to execute Amendment 1 of the Contract with McKim & Creed, Inc. consistent with the terms of this Resolution, as approved by the City Attorney.

Adopted by the City Council of th	e City of Hendersonville, North Carolina on this	day of
Attest:	Barbara G. Volk, Mayor, City of Henderson	nville
Jill Murray, City Clerk		
Approved as to form:		



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: Adam Steurer **MEETING DATE:** January 8, 2025

AGENDA SECTION: Consent Agenda DEPARTMENT: Utilities

TITLE OF ITEM: Acceptance of an Emergency Bridge Loan for Hurricane Helene Utility

Damages – Adam Steurer, Utilities Director

SUGGESTED MOTION(S):

I move City Council to adopt the Resolution By the City Council to Accept an Offer of Funding for Solids Management Improvements.

SUMMARY:

City staff applied for and has been offered an emergency bridge loan through the North Carolina Department of Environmental Quality Division of Water Infrastructure (NCDEQ-DWI) to repair damage to water and wastewater infrastructure arising from Hurricane Helene. NCDEQ-DWI is offering the City up to \$3,000,000 repayable at 0% interest. The City may request additional funding through this program if needed in the future. The City will be responsible for paying the full balance of the loan by June 30, 2030 or upon receipt of federal disaster relief, whichever comes first.

Staff are recommending acceptance of this funding to maintain a healthy utility fund balance until federal disaster relief is received and to assist with the repair of damaged infrastructure or direct storm costs that may not be covered under insurance or federal disaster relief. The attached resolution serves as formal acceptance of the funding offer.

BUDGET IMPACT: \$3,000,000, 0% interest, debt service

Is this expenditure approved in the current fiscal year budget? N/A

If no, describe how it will be funded. N/A

ATTACHMENTS:

- 1. Resolution By the City Council to Accept an Offer of Emergency Bridge Loan Funding
- 2. Funding Offer Letter

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RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL TO ACCEPT AN OFFER OF EMERGENCY BRIDGE LOAN FUNDING

WHEREAS, the North Carolina General Assembly has enacted Session Law 2024-53 to assist eligible units of government in meeting their Hurricane Helene disaster-related water infrastructure needs, and

WHEREAS, the North Carolina Department of Environmental Quality has offered a State Emergency Bridge Loan in the amount of \$3,000,000 to repair a wastewater and/or drinking water system, and

WHEREAS, the City of Hendersonville intends to perform said project in accordance with the terms of the Agreement with the NC Department of Environmental Quality.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that:

- 1. The City of Hendersonville does hereby accept the State Emergency Bridge Loan offer of \$3,000,000.
- 2. That the City of Hendersonville does hereby give assurance to the North Carolina Department of Environmental Quality that any Conditions or Assurances contained in the Award Offer will be adhered to.
- 3. That Adam A. Steurer, Utilities Director, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with this project; to make the assurances as contained above; and to execute such other documents as may be required by the Division of Water Infrastructure.

Adopted by the City Council of the Land 20	ne City of Hendersonville, North Carolina on this day of
Attest:	Barbara G. Volk, Mayor, City of Hendersonville
Jill Murray, City Clerk	
Approved as to form:	Angela S. Beeker, City Attorney



ROY COOPER Governor MARY PENNY KELLEY Secretary

December 9, 2024

Adam Steurer, Utilities Director City of Hendersonville 305 Williams Street Hendersonville, NC 28792

Subject: Emergency Loan Award for Hurricane Helene Water Infrastructure Damage

Dear Mr. Steurer:

I am very pleased to award you interest-free financing that should act as a cash flow bridge between your immediate needs and federal reimbursement of disaster expenses.

I have never seen such severe and extensive damage in the western part of our state. The force of water it took to sweep away infrastructure, carve out river channels, and deposit silt across our riverside streets and buildings was astounding. I am similarly amazed by the hard work and dedication that you and your community demonstrated in the aftermath to take care of each other and begin to put things right again.

For our part, as soon as the reports came in on the devastation, I directed my staff to do everything we could to support you in rebuilding. Upon their recommendation, I activated emergency loan funding and waived program fees. The Legislature authorized and Governor Cooper signed into law the disaster relief package that provided additional funding to the program.

As a loan that bridges the time gap between your current expenses and federal reimbursement, you will not repay the loan until the earlier of June 2030 or receipt of federal disaster relief. You may also ease cash flow demands by submitting invoices to us for your incurred costs prior to paying your contractors. Federal agencies may reimburse emergency loans, including this loan. I and my staff will continue to partner with you and with federal agencies to ensure this works seamlessly for you and eases the burden of rebuilding public infrastructure.

Your partner in natural disaster recovery,

lang Penny Kel

Mary Penny Kelley

Secretary



ROY COOPER Governor MARY PENNY KELLEY Secretary SHADI ESKAF Director



December 9, 2024

Adam Steurer, Utilities Director City of Hendersonville 305 Williams Street Hendersonville, North Carolina 28792

Subject: Letter of Intent to Fund and Funding Offer Transmittal

Emergency Bridge Loan for Hurricane Helene Damages

DWI Project No.: HEL-0017

Dear Adam Steurer:

The Division of Water Infrastructure (Division) has received your local government unit's (Recipient's) *Request for Emergency Loan Funding* to repair damages to your drinking water and/or wastewater infrastructure resulting from Hurricane Helene. The Division is offering up to \$3,000,000, repayable at 0% interest from the DEQ Water Infrastructure Emergency Bridge Loan Program as established in Session Law (S.L.) 2024-53 Section 4C.7. Projects must meet applicable State laws, rules and guidance for the expenditure of these funds. If additional emergency loan funds are needed, please submit another *Request for Emergency Loan Funding* to the Division with a project scope and project budget demonstrating the need for additional funds.

Eligible Costs:

DEQ Water Infrastructure Emergency Bridge Loan (Emergency Loan) funds can only be used to cover eligible costs arising from damage caused by Hurricane Helene to the drinking water and/or wastewater system of the Recipient. Eligible costs under the Emergency Loan are limited to those allowed under Session Law 2024-53, Section 4C.7, to conduct emergency repairs to restore operational capacity until receipt of federal disaster relief and for any other purpose specifically provided by an act of the General Assembly. If there are questions about the eligibility of potential costs, please contact the Division's project manager for discussion prior to incurring the costs.

Emergency Loan Terms:

There is no fee for the Emergency Loan. Per S.L. 2024-53, Section 4C.6, this Emergency Loan does not require the approval of the Local Government Commission that is required under NC G.S. 159G-40.

Per S.L. 2024-53, Section 4C.7.(a), the Emergency Loan costs must be encumbered by the Division by October 31, 2028. The Recipient must submit all requests for Emergency Loan disbursements for eligible costs to the Division by October 31, 2028. The Division will not make any disbursements on the Emergency Loan for which eligible disbursement requests were not received from the Recipient by that date.



Page 2 of 3

Section 5. Item D.

Per S.L. 2024-53, Section 4C.7.(j)(2), the Emergency Loan matures upon the earlier of the receipt of federal disaster relief by the Receipt or June 30, 2030. The Emergency Loan repayments are not amortized for the Recipient by the Division. The Recipient is responsible for repaying the full balance of the Emergency Loan to the Division by June 30, 2030 or upon receipt of federal disaster relief, whichever comes first.

Alternative Funding:

<u>The Recipient should and is encouraged to obtain alternative funds</u> to cover the losses or needs for which the Emergency Loan funds are provided, including any available federal disaster aid (e.g., FEMA Public Assistance). Alternative funds, including federal disaster relief funds, received by the Recipient to cover the same losses or needs for which this Emergency Loan was issued must be used to repay the Emergency Loan.

Project Scope and Budget:

Upon acceptance and execution of the Emergency Loan offer, the Recipient must submit a preliminary scope and budget to the Division via the Laserfiche link below. The preliminary scope and budget must be received by the Division at the time or prior to the request for first disbursement of Emergency Loan funds. The preliminary scope and budget can be amended by the Recipient as the repairs and project progresses. Documented, eligible costs incurred by the Recipient prior to the execution of the funding offer can be included in the preliminary scope and budget and in the disbursement requests. Please note that the accompanying funding offer is being issued before the Division has received a preliminary scope and budget from the Recipient.

Disbursement of Emergency Loan Funds:

These funds will be disbursed to the Recipient after relevant costs are incurred and invoices are submitted to the Division. Funds will be disbursed as invoices for incurred pre-construction and construction costs are submitted by the Recipient during construction/repairs, which may be submitted prior to or after paying the contractors for the incurred costs. Only costs eligible under Session Law 2024-53 may be covered by these funds.

Electronic Document Submittal through Laserfiche:

Recipients should submit all project documents via the supporting documentation submittal form located at https://edocs.deq.nc.gov/Forms/DW-Document-Upload-Form. The link and a list of frequently asked questions can also be accessed from the Division's I Have Funding page, https://www.deq.nc.gov/about/divisions/water-infrastructure/i-have-funding.

Upon detailed review of the project during the funding process, it may be determined that portions of your project are not eligible for funding.

Acceptance of the Emergency Loan Offer:

To accept this Emergency Loan funding offer, please email the Division project manager within two weeks of receipt of this letter with a statement accepting this offer. Upon acceptance, please submit the items below via the Laserfiche link:

- 1) One (1) copy of the original Offer and Acceptance Document executed by the Authorized Representative of the project, along with the Conditions and Assurances. **Please retain a copy for your files.**
- 2) A Resolution adopted by the governing body accepting the funding offer and making the applicable Conditions and Assurances contained therein. (Sample copy attached).
- 3) Federal Identification Number and Unique Entity ID Number of the Recipient.



Page 3 of 3 Section 5, Item D.

- 4) Sales Tax Certification (attached).
- 5) Preliminary project scope and project budget.

The Site Certification and a Capital Project Ordinance (or budget ordinance covering the project) and the items above are due before disbursements begin.

Declination of the Emergency Loan Offer:

To decline this Emergency Loan funding offer, please email the Division project manager within two weeks of receipt of this letter with a statement declining this offer. An email from the Authorized Representative declining the loan will result in the rescission of the Emergency Loan funding offer.

Division's Project Manager:

If you have any questions concerning this matter or require general assistance, please contact the Division's project manager assigned to your project: Renee Parkman either by telephone at (704) 235-2203 or by email at renee.parkman@deq.nc.gov.

Sincerely,

DocuSigned by:

6300A872077B4C5

Shadi Eskaf, Director Division of Water Infrastructure

Enclosures: Offer and Acceptance Document

Assurances & Conditions

Federal ID and UEID Number Request Memo

Resolution to Accept Funding Offer (suggested format)

Sales Tax Certification Form Disbursement Request Form

Site Certification

Capital Project Ordinance (sample)

cc: Adam Steurer, Utilities Director (asteurer@hvlnc.gov)

Renee Parkman, P.E. (DWI, via DocuSign) Mark Hubbard, P.E. (DWI, via DocuSign) DWI Administrative Unit (DWI, via DocuSign)

Teresa Tripp (DWI, via DocuSign)
DEQ.DWI.FundingOffer@deq.nc.gov

LF Project File (COM – LOIF) DWI Agreement ID: 2000080595



Signature

Section 5, Item D.

878STATE OF NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY DIVISION OF WATER INFRASTRUCTURE

Funding Offer and Acceptance				
Legal Name and Address of Award Recipient		Project Number(s): HEL-00)17	
City of Hendersonville 305 Williams Street Hendersonville, North Carolina 28792	ı	Unique Entity ID Number:	PNGBNJ8ALA81	
Funding Program				
Drinking Water Stormwater Wastewater		Additional Amount for Funding Increases	Previous Total	Total Offered
DEQ Water Infrastructure Emergency Bridge Loan – Hurricane Helene State Emergency Loan State Reserve Grant State Reserve Earmark (S.L. 2023-134) American Rescue Plan Act—Choose an item.				\$3,000,000
Project Description: Emergency Bridge Loan for Hurricane Helene D	amages	Total Financial Ass Closing Fee:	istance Offer:	\$3,000,000 \$0
		•	ne 30, 2030 or Upor saster relief, whiche	•
 Pursuant to North Carolina Session Law 2024-53 The applicant is eligible under State law, at the project is eligible under State law, at the project has been approved by the Dear County declared as a disaster county at the Department of Environmental Quality, acting assistance described in this document. 	nd epartme s a result	t of Hurricane Helene, and	eligible under Sessi	on Law 2024-53.
DocuSigned by: North Ca	-	ector, Division of Water In Department of Environme		
Dradi Eslas		12	/9/2024	
Signature		Da	te	
On Behalf of: Name of Representative in Resolution÷ Title (Type or Print)÷	City of H	lendersonville		
I, the undersigned, being duly authorized to AUTHORIZATION BY THE APPLICANT'S GOVERNI with the attached Assurances and the Standard (NG BOD	Y, do hereby accept this F	•	

Date

STANDARD CONDITIONS & ASSURANCES FOR EMERGENCY LOAN - Hurricane Helene Emergency

Section 5. Item D.

Project Recipient: City of Hendersonville Project Number(s): HEL-0017

Conditions

- 1. Any funds received from the Emergency Loan shall only be used to cover eligible costs arising from damage caused by Hurricane Helene to drinking water or wastewater systems located in the affected area.
- **2.** Eligible costs under the Emergency Loan are limited to those allowed under Session Law 2024-53, Section 4C.7(e).
- **3.** The Recipient is responsible for paying for the costs ineligible for Division of Water Infrastructure funding.
- **4.** All funds awarded to the Recipient from the Emergency Loan must be expended or encumbered by October 31, 2028.
- **5.** The Recipient agrees to repay the full amount disbursed in this Emergency Loan to DEQ when due in accordance with this Agreement. Per Section 4C.7.(j)(2) of Session Law 2024-53, the total balance of this loan shall be due upon the earlier of:
 - a. Receipt of federal disaster relief by the Recipient; or
 - b. June 30, 2030.
- **6.** The Recipient agrees to establish and maintain a financial management system that adequately accounts for revenues and expenditures. Adequate accounting and fiscal records will be maintained during the construction of the project and these records will be retained and made available for a period of at least three years following completion of the project.
- 7. The Recipient shall provide any documentation requested by DEQ to show that (1) funds requested by Recipient are necessary to repair damages caused by Hurricane Helene and (2) Emergency Loan funds are used for an authorized purpose.
- **8.** Partial disbursements on this loan will be made promptly upon request, subject to adequate documentation of incurred eligible costs. The Recipient will expend all of the requisitioned funds for the purpose of paying the costs of the project within three (3) banking days following the receipt of the funds from the State. Please note that the State is not a party to the construction contract(s) and the Recipient is expected to uphold its contract obligations including those regarding timely payment.
- **9.** Failure to comply with local government audit requirements may result in delays in disbursement of the funds to the Recipient.
- **10.** Pursuant to Session Law 2024-53, Section 3.1(b), the Recipient is required to use best efforts and take all reasonable steps to obtain alternative funds to cover the losses or needs for which Emergency Loan funds are provided, including any available federal disaster aid.
- 11. The Recipient will promptly notify DEQ of the existence and status of any award for federal disaster aid to cover the costs for which this loan was issued.
- 12. Pursuant to Session Law 2024-53, Section 3.1.(c), if the Recipient receives federal disaster aid to cover the same losses or needs for which this Emergency Loan was issued, the Recipient shall use the federal funds to promptly repay the Emergency Loan.

Section 5, Item D.

- **13.** Recipient shall assist and fully cooperate with DEQ in meeting its reporting obligations to Section 3.1(g) of Session Law 2024-53.
- 14. The Recipient will strive to acquire goods and services from historically underutilized business vendors.

Assurances

- **15.** The construction of the project, including the letting of contracts in connection therewith, conforms to the applicable requirements of State and local laws and ordinances.
- **16.** The Recipient will provide and maintain adequate engineering supervision and inspection.



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: Jennifer Harrell **MEETING DATE:** January 8,2025

AGENDA SECTION: CONSENT DEPARTMENT: Human Resources

TITLE OF ITEM: GIS division career ladder revisions—Jennifer Harrell, HR Director

SUGGESTED MOTION(S):

I move City Council adopt the GIS division career ladder revisions as presented.

SUMMARY: As part of the GIS division career ladder, it has been determined by industry, state and regional GIS standards that the current GIS Technician III position should be replaced by GIS Specialist I position and a GIS Specialist II position should be added. The division positions will be as follows.

Grade 24 GIS Manager

Career ladder positions

Grade 20	GIS Specialist II
Grade 19	GIS Specialist I
Grade 17	GIS Technician II
Grade 15	GIS Technician I

BUDGET IMPACT: \$0.00

Is this expenditure approved in the current fiscal year budget?

If no, describe how it will be funded.

ATTACHMENTS:

GIS Specialist I and GIS Specialist II job descriptions

FY25 Pay and Classification Schedule with revisions

Section 5, Item E.

City of Hendersonville, NC



JOB DESCRIPTION

To perform this job successfully, an individual must be able to perform the essential job functions satisfactorily. Reasonable accommodations may be made to enable individuals with disabilities to perform the primary job functions herein described. Since every duty associated with this position may not be described herein, employees may be required to perform duties not specifically spelled out in the job description, but which may be reasonably considered to be incidental in the performing of their duties just as though they were actually written out in this job description.

GIS Specialist I

Department: Engineering

Pay Grade: 19

FLSA Status: Non-Exempt

JOB SUMMARY

Responsible for performing analytical/technical work and providing support for Geographic Information System (GIS) project implementation and operation, creating, testing and enhancing GIS applications, developing and administering web-based GIS applications, preparing GIS datasets, and maps Providing GIS analytical/technical skills to support good decision making in the City of Hendersonville.

An employee in this class is required to be a professional in both a GIS and customer service capacity. Work involves extensive knowledge and ability to perform a diverse array of technical GIS related work. Employee must have considerable knowledge of Esri GIS software and be able to work with GIS data effectively. Employee must have knowledge with Trimble Survey Grade Global Positioning Systems (GPS) unit and software. Work involves strong technical knowledge and public contact and requires tact, courtesy, customer service orientation, and teamwork to accomplish the duties. Makes routine decisions independently and exercises judgment within established guidelines; contributes to customer satisfaction by delivering timely and quality services. Accuracy and attention to detail in creating data is critical in performing the work. Exercises time management skills when receiving multiple projects from outside departments within a short time span. Work is performed under minimal supervision. Work is performed under the general supervision of the GIS Division Manager and performance is evaluated based on attainment of specific performance objectives, personal observation, feedback from department managers and employees.

ESSENTIAL JOB FUNCTIONS

- Creates tests and enhances GIS operations; develops and administers web-based applications.
- Provides analytical/technical support for the implementation and operation of GIS projects.

GIS Specialist I Section 5, Item E.

 Prepares GIS databases, maps, database reports and specialized queries in support of various projects.

- Performs GIS work to support good decision making.
- Generates, maintains and disseminates GIS data.
- Performs quality control and quality assurance on GIS data.
- Operates and maintains GIS software and web-based applications.
- Creates and manages online applications that require consistent updates as new data is received.
- Occasionally assists in operation of GPS unit and software.
- Produces complex maps for departments and outside agencies.
- Updates jurisdiction boundaries, zoning districts, fire & police districts, utility service areas, etc.
- Pursues continuing education for technical and professional development.
- Creates presentations, guides, and tools to trains users on new and existing GIS and Esri products.
- Performs other related job duties as assigned.

QUALIFICATIONS

Education and Experience:

Bachelor's degree in GIS, geography, planning or related area; and five (5) years of experience in GIS and/or mapping; or an equivalent combination of education and experience.

Special Qualifications:

- Possession of a valid driver's license to operate a motor vehicle. Requirement exists at the time of hire and as a condition of continued employment.
- Certification as a Geographic Information Systems Professional (GISP).

Knowledge, Skills and Abilities:

- Knowledge of ESRI GIS software (ArcGIS Online, ArcPro, ArcGIS Portal).
- Knowledge of other online ESRI tools (Solutions, Survey123, etc.) ArcGIS Online Suite
- Knowledge with Trimble Survey Grade GPS unit and software.
- Knowledge of cartographic principles, mapping, GIS database design and structure.
- Knowledge of GIS hardware and software components, data communication and network methods and techniques.
- Knowledge of associated software (i.e., Microsoft Access, Excel, Word, etc.).
- Ability to deal tactfully and courteously with the public.
- Ability to prepare written and oral presentations.
- Ability to establish and maintain effective working relationships with other staff, management, the general public, and others encountered in the course of work.

PHYSICAL DEMANDS

Work in this classification is defined as light work requiring the physical exertion of up to 50 pounds of force occasionally and/or up to 20 pounds of force constantly to move objects. Physical demands require climbing, crouching, crawling, standing, walking and lifting. Vocal

Updated: 12/2024

GIS Specialist I Section 5, Item E.

communication is required for responding to inquiries, expressing or exchanging ideas by means of the spoken word; hearing is required to perceive information at normal spoken word levels. Visual acuity is required for extensive reading, to prepare and analyze written or computer data, determine the accuracy and thoroughness of work, and observe general surroundings and activities.

WORK ENVIRONMENT

Work is performed primarily in an environmentally controlled office environment but requires exposure to outside environmental conditions including extreme heat, cold and noise requiring employee to shout in order to be heard above the ambient noise level; workplace hazards which may include proximity to moving mechanical parts, moving vehicles and atmospheric conditions that may affect the respiratory system including fumes, odors, dust, mists and gases.

The City of Hendersonville has the right to revise this job description at any time. This description does not represent in any way a contract of employment.



Updated: 12/2024 101

City of Hendersonville Pay and Classification Schedule					
Grade	Market Increase = 5.00% - July 1, 20 Position Title	024 to June 30, 2025 (FY25) Minimum	Midpoint	Maximum	
1	Not Assigned	25,186.26	31,759.39	38,326.94	
2	Not Assigned	26,445.57	33,347.36	40,243.28	
	•	,	•		
3	Not Assigned	27,767.85	35,014.73	42,255.44	
4	Not Assigned	29,156.24	36,765.46	44,368.22	
5	Not Assigned	30,614.06	38,603.73	46,586.62	
	Not Assigned	30,014.00	30,003.73	40,300.02	
6	Not Assigned	32,144.76	40,533.93	48,915.96	
7	Not Assigned	33,752.00	42,560.61	51,361.75	
8	Not Assigned	35,439.59	44,688.64	53,929.84	
0	Not Assigned	35,439.59	44,000.04	55,929.64	
9	Administrative Assistant I	37,211.58	46,923.08	56,626.33	
9	Customer Service Representative I Police Support Specialist I	37,211.58 37,211.58	46,923.08 46,923.08	56,626.33 56,626.33	
10	Building Maintenance Apprentice Customer Service Representative II	39,072.15 39,072.15	49,269.23 49,269.23	59,457.66 59,457.66	
10	Downtown Services Worker I	39,072.15	49,269.23	59,457.66	
10	Environmental Services Worker I	39,072.15	49,269.23	59,457.66 59,457.66	
10	Facilities Maintenance Apprentice Fleet Maintenance Technician	39,072.15 39,072.15	49,269.23 49,269.23	59,457.66 59,457.66	
10	Line Maintenance Mechanic I	39,072.15	49,269.23	59,457.66	
10 10	Meter Maintenance Technician I Parking Services Ambassador	39,072.15 39,072.15	49,269.23 49,269.23	59,457.66 59,457.66	
10	Police Support Specialist II	39,072.15	49,269.23	59,457.66	
10	Property Maintenance Worker I	39,072.15	49,269.23	59,457.66	
10 10	Street Maintenance Worker I Traffic Engineering Apprentice	39,072.15 39,072.15	49,269.23 49,269.23	59,457.66 59,457.66	
10	WTP Operator I	39,072.15	49,269.23	59,457.66	
10	WWTP Operator I	39,072.15	49,269.23	59,457.66	
11	Customer Service Representative III	41,025.76	51,732.69	62,430.53	
11 11	Equipment Operator I - CCTV Equipment Operator I - Sewer Cleaning	41,025.76 41,025.76	51,732.69 51,732.69	62,430.53 62,430.53	
11	Operations Support Specialist I	41,025.76	51,732.69	62,430.53	
11	Police Operations Specialist	41,025.76	51,732.69	62,430.53	
11	Utility Billing Specialist I	41,025.76	51,732.69	62,430.53	
12	Administrative Assistant II	43,077.05	54,319.32	65,552.06	
12 12	Building Maintenance Technician I Civilian Animal Control Officer	43,077.05 43,077.05	54,319.32 54,319.32	65,552.06 65,552.06	
12	Downtown Services Worker II	43,077.05	54,319.32	65,552.06	
12	Environmental Services Worker II	43,077.05	54,319.32	65,552.06	
12 12	Equipment Operator II - CCTV Equipment Operator II - Sewer Cleaning	43,077.05 43,077.05	54,319.32 54,319.32	65,552.06 65,552.06	
12	Events & Marketing Assistant	43,077.05	54,319.32	65,552.06	
12 12	Evidence Technician Facilities Maintenance Mechanic I	43,077.05 43,077.05	54,319.32 54,319.32	65,552.06 65,552.06	
12	Firefighter in Training	43,077.05	54,319.32	65,552.06	
12 12	Fleet Technician I Inflow and Infiltration Technician I	43,077.05 43,077.05	54,319.32 54,319.32	65,552.06 65,552.06	
12	Leak Detection Technician I	43,077.05	54,319.32	65,552.06	
12	Line Maintenance Mechanic II	43,077.05	54,319.32	65,552.06	
12 12	Meter Maintenance Technician II Operations Support Specialist II	43,077.05 43,077.05	54,319.32 54,319.32	65,552.06 65,552.06	
12	Payment Posting Specialist	43,077.05	54,319.32	65,552.06	
12 12	Police Telecommunicator I Property Maintenance Worker II	43,077.05 43,077.05	54,319.32 54,319.32	65,552.06 65,552.06	
12	Street Maintenance Worker II	43,077.05	54,319.32	65,552.06	
12	Traffic Engineering Technician I	43,077.05	54,319.32	65,552.06	
12 12	Utilities Compliance Technician I Utility Billing Specialist II	43,077.05 43,077.05	54,319.32 54,319.32	65,552.06 65,552.06	
12	Utility Location Specialist I	43,077.05	54,319.32	65,552.06	
12 12	Utility Production Specialist Warehouse Specialist	43,077.05 43,077.05	54,319.32 54,319.32	65,552.06 65,552.06	
12	WTP Laboratory Technician I	43,077.05	54,319.32	65,552.06	
12	WTP Operator II	43,077.05	54,319.32	65,552.06	
12 12	WWTP Laboratory Technician I WWTP Operator II	43,077.05 43,077.05	54,319.32 54,319.32	65,552.06 65,552.06	
			<u> </u>		
13 13	Building Maintenance Technician II Code Enforcement Officer I	45,230.90 45,230.90	57,035.29 57,035.29	68,829.66 68,829.66	
13	Downtown Services Worker III	45,230.90	57,035.29	68,829.66	
13	Environmental Services Worker III	45,230.90	57,035.29	68,829.66	
13 13	Equipment Operator III - CCTV Equipment Operator III - Sewer Cleaning	45,230.90 45,230.90	57,035.29 57,035.29	68,829.66 68,829.66	
13	Facilities Maintenance Mechanic II	45,230.90	57,035.29	68,829.66	
13 13	Firefighter/EMT In Training Fleet Technician II	45,230.90 45,230.90	57,035.29 57,035.29	68,829.66 68,829.66	
13	Generator Maintenance Technician I	45,230.90	57,035.29	68,829.66	
13	Inflow and Infiltration Technician II	45,230.90	57,035.29	68,829.66	

City of Hendersonville Pay and Classification Schedule

Pay and Classification Schedule

Market Increase = 5.00% - July 1, 2024 to June 30, 2025 (FY25)

Grade 13 13 13 13 13 13 13 13 13 1	Position Title Leak Detection Technician II	Minimum	Midpoint	Maximum
13 13 13 13 13 13 13 13 13		45,230.90	57,035.29	68,829.6
13 13 13 13 13 13 13 13	Line Maintenance Mechanic III	45,230.90	57,035.29	68,829.6
13 13 13 13 13	Meter Maintenance Technician III	45,230.90	57,035.29	68,829.6
13 13 13 13	Operations Support Specialist III	45,230.90	57,035.29	68,829.6
13 13 13	Police Officer In Training	45,230.90	57,035.29	68,829.6
13 13	Police Telecommunicator II	45,230.90	57,035.29	68,829.6
13	Property Maintenance Worker III	45,230.90	57,035.29	68,829.6
	Senior Utility Production Specialist	45,230.90	57,035.29	68,829.6
13	Senior Warehouse Specialist	45,230.90	57,035.29	68,829.6
	Street Maintenance Worker III	45,230.90	57,035.29	68,829.6
13	Traffic Engineering Technician II	45,230.90	57,035.29	68,829.6
13	Utilities Compliance Technician II	45,230.90	57,035.29	68,829.6
13	Utility Billing Analyst	45,230.90	57,035.29	68,829.6
13	Utility Location Specialist II	45,230.90	57,035.29	68,829.6
13	WTP Laboratory Technician II	45,230.90	57,035.29	68,829.6
13	WWTP Laboratory Technician II	45,230.90	57,035.29	68,829.6
14	Accounting Coordinator I	47,492.45	59,887.05	72,271.
14	Administrative Assistant III	47,492.45	59,887.05	72,271.
14	Building Maintenance Technician III	47,492.45	59,887.05	72,271.
	Downtown Event Coordinator		· · · · · · · · · · · · · · · · · · ·	•
14		47,492.45	59,887.05	72,271.
14	Facilities Maintenance Mechanic III	47,492.45	59,887.05	72,271.
14	Fire and Life Safety Educator	47,492.45	59,887.05	72,271.
14	Fire Inspector I	47,492.45	59,887.05	72,271.
14	Firefighter/EMT I	47,492.45	59,887.05	72,271.
14	Fleet Technician III	47,492.45	59,887.05	72,271.
14	Generator Maintenance Technician II	47,492.45	59,887.05	72,271.
14	Inflow and Infiltration Technician III	47,492.45	59,887.05	72,271.
14	Leak Detection Technician III	47,492.45	59,887.05	72,271.
14	Parking Services Supervisor	47,492.45	59,887.05	72,271.
14	Police Telecommunicator III	47,492.45	59,887.05	72,271.
14	Project Coordinator I	47,492.45	59,887.05	72,271.
14	Utilities Compliance Technician III	47,492.45	59,887.05	72,271.
14	Utility Location Specialist III	47,492.45	59,887.05	72,271.
14	WTP Laboratory Technician III	47,492.45	59,887.05	72,271.
14	WTP Operator III	47,492.45	59,887.05	72,271.
14	WWTP Laboratory Technician III	47,492.45	59,887.05	72,271.
14	WWTP Operator III	47,492.45	59,887.05	72,271.
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15	Accounting Coordinator II	49,867.06	62,881.41	75,884.
15	Asset Management Coordinator I	49,867.06	62,881.41	75,884.
15	Assistant Fire Marshal	49,867.06	62,881.41	75,884.
15	Building Maintenance Crew Leader	49,867.06	62,881.41	75,884.
15	Code Enforcement Officer II	49,867.06	62,881.41	75,884.
15	Crew Leader CCTV	49,867.06	62,881.41	75,884.
15	Crew Leader Sewer Cleaning	49,867.06	62,881.41	75,884.
15	Downtown Services Crew Leader	49,867.06	62,881.41	75,884.
15	Environmental Services Crew Leader	49,867.06	62,881.41	75,884.
15	Facilities Maintenance Crew Leader	49,867.06	62,881.41	75,884.
15	GIS Technician I	49,867.06	62,881.41	75,884.
15	Instrumentation & Electrical Technician I	49,867.06	62,881.41	75,884.
	Line Maintenance Crew Leader	49,867.06	62,881.41	75,884.
15	Police Investigator	49,867.06	62,881.41	
15 15	Police Officer I	40.007.00		
		49,867.06	62,881.41	75,884.
15	Police Telecommunications Supervisor	49,867.06	62,881.41 62,881.41	75,884. 75,884.
15 15	Police Telecommunications Supervisor Property Maintenance Crew Leader			75,884. 75,884. 75,884.
15 15 15	•	49,867.06	62,881.41	75,884. 75,884. 75,884. 75,884.
15 15 15 15	Property Maintenance Crew Leader	49,867.06 49,867.06	62,881.41 62,881.41	75,884. 75,884. 75,884. 75,884. 75,884.
15 15 15 15 15	Property Maintenance Crew Leader Senior Firefighter	49,867.06 49,867.06 49,867.06	62,881.41 62,881.41 62,881.41	75,884. 75,884. 75,884. 75,884. 75,884. 75,884.
15 15 15 15 15 15 15 15	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884.
15 15 15 15 15 15 15 15 15	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884.
15 15 15 15 15 15 15 15 15 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678.
15 15 15 15 15 15 15 15 16 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41 52,360.41 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678.
15 15 15 15 15 15 15 15 16 16 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41 52,360.41 52,360.41 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678.
15 15 15 15 15 15 15 15 16 16 16 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678.
15 15 15 15 15 15 15 15 16 16 16 16 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678.
15 15 15 15 15 15 15 15 16 16 16 16 16 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678.
15 15 15 15 15 15 15 15 16 16 16 16 16 16 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678.
15 15 15 15 15 15 15 15 16 16 16 16 16 16 16 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678.
15 15 15 15 15 15 15 16 16 16 16 16 16 16 16 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget Management Analyst I - Strategy & Performance	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678.
15 15 15 15 15 15 15 15 16 16 16 16 16 16 16 16 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget Management Analyst I - Strategy & Performance Planner I	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678.
15 15 15 15 15 15 15 15 16 16 16 16 16 16 16 16 16 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget Management Analyst I - Strategy & Performance Planner I Police Detective I	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678.
15 15 15 15 15 15 15 15 16 16 16 16 16 16 16 16 16 16 16 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget Management Analyst I - Strategy & Performance Planner I Police Detective I Police Officer II	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678.
15 15 15 15 15 15 15 15 16 16 16 16 16 16 16 16 16 16 16 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget Management Analyst I - Strategy & Performance Planner I Police Detective I Police Officer II Project Coordinator II	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678.
15 15 15 15 15 15 15 15 16 16 16 16 16 16 16 16 16 16 16 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget Management Analyst I - Strategy & Performance Planner I Police Detective I Police Officer II	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678.
15 15 15 15 15 15 15 16 16 16 16 16 16 16 16 16 16 16 16 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget Management Analyst I - Strategy & Performance Planner I Police Detective I Police Officer II Project Coordinator II Traffic Signal Bench/Electronics Technician III	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678.
15 15 15 15 15 15 15 16 16 16 16 16 16 16 16 16 16 16 16 16	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget Management Analyst I - Strategy & Performance Planner I Police Detective I Police Officer II Project Coordinator II Traffic Signal Bench/Electronics Technician III Accountant II	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 83,662.
15 15 15 15 15 15 15 16 16 16 16 16 16 16 16 16 16 16 17 17	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget Management Analyst I - Strategy & Performance Planner I Police Detective I Police Officer II Project Coordinator II Traffic Signal Bench/Electronics Technician III Accountant II Asset Management Coordinator II	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 83,662. 83,662.
15 15 15 15 15 15 15 15 16 16 16 16 16 16 16 16 16 16 17 17 17	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget Management Analyst I - Strategy & Performance Planner I Police Detective I Police Officer II Project Coordinator II Traffic Signal Bench/Electronics Technician III Accountant II Asset Management Coordinator II Code Enforcement Officer III	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 83,662. 83,662. 83,662.
15 15 15 15 15 15 15 16 16 16 16 16 16 16 16 16 16 17 17 17	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget Management Analyst I - Strategy & Performance Planner I Police Detective I Police Officer II Project Coordinator II Traffic Signal Bench/Electronics Technician III Accountant II Asset Management Coordinator II Code Enforcement Officer III Construction Inspector I	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 83,662. 83,662. 83,662.
15 15 15 15 15 15 15 15 16 16 16 16 16 16 16 16 16 16 17 17 17	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget Management Analyst I - Strategy & Performance Planner I Police Detective I Police Officer II Project Coordinator II Traffic Signal Bench/Electronics Technician III Accountant II Asset Management Coordinator II Code Enforcement Officer III Construction Inspector I Downtown Coordinator II	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 83,662. 83,662. 83,662. 83,662.
15 15 15 15 15 15 15 15 16 16 16 16 16 16 16 16 16 16 17 17 17 17	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget Management Analyst I - Strategy & Performance Planner I Police Detective I Police Officer II Project Coordinator II Traffic Signal Bench/Electronics Technician III Accountant II Asset Management Coordinator II Code Enforcement Officer III Construction Inspector I Downtown Coordinator II Engineering Technician III	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 83,662. 83,662. 83,662. 83,662. 83,662.
15 15 15 15 15 15 15 15 16 16 16 16 16 16 16 16 16 16 17 17 17 17 17	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget Management Analyst I - Strategy & Performance Planner I Police Detective I Police Officer II Project Coordinator II Traffic Signal Bench/Electronics Technician III Accountant II Asset Management Coordinator II Code Enforcement Officer III Construction Inspector I Downtown Coordinator II Engineering Technician II GIS Technician III	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 83,662. 83,662. 83,662. 83,662. 83,662.
15 15 15 15 15 15 15 16 16 16 16 16 16 16 16 16 16 17 17 17 17	Property Maintenance Crew Leader Senior Firefighter Senior Generator Maintenance Technician Street Maintenance Crew Leader Accountant I Communications Coordinator I Downtown Coordinator I Engineering Technician I Fire Engineer Fleet Coordinator Human Resources Coordinator I Instrumentation & Electrical Technician II Management Analyst I - Budget Management Analyst I - Strategy & Performance Planner I Police Detective I Police Officer II Project Coordinator II Traffic Signal Bench/Electronics Technician III Accountant II Asset Management Coordinator II Code Enforcement Officer III Construction Inspector I Downtown Coordinator II Engineering Technician III	49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 49,867.06 52,360.41	62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 62,881.41 66,025.48	75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 75,884. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 79,678. 83,662. 83,662. 83,662. 83,662.

	City of Henders Pay and Classification Market Increase = 5.00% - July 1, 202	on Schedule			
Grade	Position Title	Minimum	Midpoint	Maximum	
17	Utilities Compliance Coordinator	54,978.44	69,326.75	83,662.88	
17	Utilities Inventory & Purchasing Coordinator	54,978.44	69,326.75	83,662.88	
			•		
18	Building Maintenance Supervisor	57,727.36	72,793.09	87,846.02	
18	Communications Coordinator II	57,727.36	72,793.09	87,846.02	
18	Construction Inspector II	57,727.36	72,793.09	87,846.02	
18	Engineering Technician III	57,727.36	72,793.09	87,846.02	
18	Environmental Services Supervisor	57,727.36	72,793.09	87,846.02	
18	Facilities Maintenance Supervisor	57,727.36	72,793.09	87,846.02	
18	Fire Lieutenant	57,727.36	72,793.09	87,846.02	
18	Fleet Shop Foreman	57,727.36	72,793.09	87,846.02	
18	Human Resources Coordinator II	57,727.36	72,793.09	87,846.02	
18	Management Analyst II - Budget	57,727.36	72,793.09	87,846.02	
18	Management Analyst II - Strategy & Performance	57,727.36	72,793.09	87,846.02	
18	Meter Services Supervisor	57,727.36	72,793.09	87,846.02	
18	Planner II	57,727.36	72,793.09	87,846.02	
18	Police Detective III	57,727.36	72,793.09	87,846.02	
18	Police Officer IV	57,727.36	72,793.09	87,846.02	
18	Property Maintenance Supervisor	57,727.36	72,793.09	87,846.02	
18	Stormwater Technician	57,727.36	72,793.09	87,846.02	
18	Street Maintenance Supervisor	57,727.36	72,793.09	87,846.02	
18	Traffic Engineering Supervisor	57,727.36	72,793.09	87,846.02	
18	Utility Systems Supervisor	57,727.36	72,793.09	87,846.02	
18	WTP Chief Operator	57,727.36	72,793.09	87,846.02	
18	WTP Laboratory Supervisor	57,727.36	72,793.09	87,846.02	
18	WWTP Chief Operator	57,727.36	72,793.09	87,846.02	
18	WWTP Laboratory Supervisor	57,727.36	72,793.09	87,846.02	
		<u> </u>	_		
19	Asset Management Coordinator III	60,613.72	76,432.74	92,238.33	
19	Billing Supervisor	60,613.72	76,432.74	92,238.33	
19	Construction Inspector III	60,613.72	76,432.74	92,238.33	
19	Customer Service Supervisor	60,613.72	76,432.74	92,238.33	
19	ERP Business Analyst	60,613.72	76,432.74	92,238.33	
19	GIS Specialist I	60,613.72	76,432.74	92,238.33	
19	GIS Technician III	60,613.72	76,432.74	92,238.33	
19	IT System Administrator	60,613.72	76,432.74	92,238.33	
19	Police Sergeant	60,613.72	76,432.74	92,238.33	
19	Purchasing Administrator	60,613.72	76,432.74	92,238.33	
	_				
20	Civil/Utilities Engineer I	63,644.41	80,254.38	96,850.25	
20	Communications Coordinator III	63,644.41	80,254.38	96,850.25	
20	Deputy Fire Marshal	63,644.41	80,254.38	96,850.25	
20	Human Resources Coordinator III	63,644.41	80,254.38	96,850.25	
20	GIS Specialist II	63,644.41	80,254.38	96,850.25	
20	Management Analyst III - Budget	63,644.41	80,254.38	96,850.25	
20	Management Analyst III - Strategy & Performance	63,644.41	80,254.38	96,850.25	
20	Planner III	63,644.41	80,254.38	96,850.25	
	T =				
21	Fire Captain	66,826.64	84,267.10	101,692.76	
21	Fire Training Officer	66,826.64	84,267.10	101,692.76	
21	Fleet Manager	66,826.64	84,267.10	101,692.76	
21	Wastewater Treatment Manager	66,826.64	84,267.10	101,692.76	
21	Water Treatment Manager	66,826.64	84,267.10	101,692.76	
	T 2. 112 112 11		1		
22	Civil/Utilities Engineer II	70,167.96	88,480.46	106,777.39	
22	Police Lieutenant	70,167.96	88,480.46	106,777.39	
22	Senior Accountant	70,167.96	88,480.46	106,777.39	
22	Utilities Technology Manager	70,167.96	88,480.46	106,777.39	
	L Fin British Ott /		20 22 : :- 1	440 4 :=	
23	Fire Battalion Chief	73,676.36	92,904.48	112,116.26	
23	Fire Marshal	73,676.36	92,904.48	112,116.26	
23	Public Works Superintendent	73,676.36	92,904.48	112,116.26	
0.4	Aggistant Finance Director	77.000.40	07 5 40 70 1	447 700 07	
24	Assistant Finance Director	77,360.18	97,549.70	117,722.07	
24	City Clerk	77,360.18	97,549.70	117,722.07	
24	Civil/Utilities Engineer III	77,360.18	97,549.70	117,722.07	
24	Construction Division Manager	77,360.18	97,549.70	117,722.07	
24	Downtown Division Manager	77,360.18	97,549.70	117,722.07	
24	GIS Division Manager	77,360.18	97,549.70	117,722.07	
24	Information Technology (IT) Manager	77,360.18	97,549.70	117,722.07	
24	Planning Division Manager	77,360.18	97,549.70	117,722.07	
24	Police Captain	77,360.18	97,549.70	117,722.07	
2-	Assistant Delice Of the	04.000 :- 1	400 40= 4= 1	400 000 :=	
25	Assistant Police Chief	81,228.19	102,427.19	123,608.17	
	Assistant Utilities Director	81,228.19	102,427.19	123,608.17	
25	Deputy Fire Chief	81,228.19	102,427.19	123,608.17	
25 25				400 705 75	
25	Chaff Attaman	05 000 00	407 540 55		
	Staff Attorney	85,289.60	107,548.55	129,788.59	
25 26					
25	Staff Attorney Not Assigned	85,289.60 89,554.08	107,548.55	136,278.01	
25 26 27	Not Assigned	89,554.08	112,925.98		
25 26 27 28	Not Assigned Budget & Evaluation Director	89,554.08 94,031.78	112,925.98	136,278.01 143,091.92	
25 26 27 28 28	Not Assigned Budget & Evaluation Director City Engineer	94,031.78 94,031.78	112,925.98 118,572.27 118,572.27	136,278.01 143,091.92 143,091.92	
25 26 27 28 28 28	Not Assigned Budget & Evaluation Director City Engineer Communications Director	94,031.78 94,031.78 94,031.78	112,925.98 118,572.27 118,572.27 118,572.27	136,278.01 143,091.92 143,091.92 143,091.92	
25 26 27 28 28	Not Assigned Budget & Evaluation Director City Engineer	94,031.78 94,031.78	112,925.98 118,572.27 118,572.27	136,278.01 143,091.92 143,091.92	

City of Hendersonville
Pay and Classification Schedule

Market Increase = 5.00% - July 1, 2024 to June 30, 2025 (FY25)

	Market Increase = 5.00% - July 1, 2024 to			
Grade	Position Title	Minimum	Midpoint	Maximum
28	Fire Chief	94,031.78	118,572.27	143,091.92
28	Human Resources Director	94,031.78	118,572.27	143,091.92
28	Police Chief	94,031.78	118,572.27	143,091.92
28	Public Works Director	94,031.78	118,572.27	143,091.92
28	Stormwater Director	94,031.78	118,572.27	143,091.92
28	Utilities Director	94,031.78	118,572.27	143,091.92
		•		
29	Not Assigned	98,733.37	124,500.88	150,246.51
30	Not Assigned	103,670.04	130,725.92	157,758.84
31	Director of Public Services	108,853.54	137,262.23	165,646.77
		1		
32	Assistant City Manager	114,296.22	144,125.33	173,929.12
			, <u>,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,</u>	
33	Not Assigned	120,011.02	151,331.60	182,625.57
		100044 == 1	4=0 000 40 T	1
34	Not Assigned	126,011.57	158,898.18	191,756.85
0.5	Net Accional	100 040 45 1	400 040 00 1	004 044 00
35	Not Assigned	132,312.15	166,843.09	201,344.69
26	Not Assigned	120 027 77	175 105 04	244 444 02
36	Not Assigned	138,927.77	175,185.24	211,411.92

City of Hendersonville

Pay and Classification Schedule

Market Increase = 5.00% - July 1, 2024 to June 30, 2025 (FY25)

	Probation Completion		
Grade	Minimum	(Minimum + 5.0%)	Midpoint
1	25,186.26	26,445.57	31,759.39
2	26,445.57	27,767.85	33,347.36
3	27,767.85	29,156.24	35,014.73
4	29,156.24	30,614.05	36,765.46
5	30,614.06	32,144.76	38,603.73
6	32,144.76	33,752.00	40,533.93
7	33,752.00	35,439.60	42,560.61
8	35,439.59	37,211.57	44,688.64
9	37,211.58	39,072.16	46,923.08
10	39,072.15	41,025.75	49,269.23
11	41,025.76	43,077.05	51,732.69
12	43,077.05	45,230.90	54,319.32
13	45,230.90	47,492.45	57,035.29
14	47,492.45	49,867.06	59,887.05
15	49,867.06	52,360.41	62,881.41
16	52,360.41	54,978.44	66,025.48
17	54,978.44	57,727.36	69,326.75
18	57,727.36	60,613.73	72,793.09
19	60,613.72	63,644.41	76,432.74
20	63,644.41	66,826.63	80,254.38
21	66,826.64	70,167.97	84,267.10
22	70,167.96	73,676.36	88,480.46
23	73,676.36	77,360.18	92,904.48
24	77,360.18	81,228.19	97,549.70
25	81,228.19	85,289.60	102,427.19
26	85,289.60	89,554.08	107,548.55
27	89,554.08	94,031.78	112,925.98
28	94,031.78	98,733.37	118,572.27
29	98,733.37	103,670.04	124,500.88
30	103,670.04	108,853.54	130,725.92
31	108,853.54	114,296.22	137,262.23
32	114,296.22	120,011.02	144,125.33
33	120,011.02	126,011.57	151,331.60
34	126,011.57	132,312.15	158,898.18
35	132,312.15	138,927.76	166,843.09
36	138,927.77	145,874.15	175,185.24

Maximum
38,326.94
40,243.28
42,255.44
44,368.22
46,586.62
48,915.96
51,361.75
53,929.84
56,626.33
59,457.66
62,430.53
65,552.06
68,829.66
72,271.14
75,884.70
79,678.94
83,662.88
87,846.02
92,238.33
96,850.25
101,692.76
106,777.39
112,116.26
117,722.07
123,608.17
129,788.59
136,278.01
143,091.92
150,246.51
157,758.84
165,646.77
173,929.12
182,625.57
191,756.85
201,344.69
211,411.92

Section 5, Item E.

City of Hendersonville, NC



JOB DESCRIPTION

To perform this job successfully, an individual must be able to perform the essential job functions satisfactorily. Reasonable accommodations may be made to enable individuals with disabilities to perform the primary job functions herein described. Since every duty associated with this position may not be described herein, employees may be required to perform duties not specifically spelled out in the job description, but which may be reasonably considered to be incidental in the performing of their duties just as though they were actually written out in this job description.

GIS Specialist II

Department: Engineering

Pay Grade: 19

FLSA Status: Non-Exempt

JOB SUMMARY

Responsible for performing analytical/technical work and providing support for Geographic Information System (GIS) project implementation and operation, creating, testing and enhancing GIS applications, developing and administering web-based GIS applications, preparing GIS datasets, and maps Providing GIS analytical/technical skills to support good decision making in the City of Hendersonville.

An employee in this class is required to be a professional in both a GIS and customer service capacity. Work involves extensive knowledge and ability to perform a diverse array of technical GIS related work. Employee must have considerable knowledge of Esri GIS software and be able to work with GIS data effectively. Employee must have knowledge with Trimble Survey Grade Global Positioning Systems (GPS) unit and software. Work involves strong technical knowledge and public contact and requires tact, courtesy, customer service orientation, and teamwork to accomplish the duties. Makes routine decisions independently and exercises judgment within established guidelines; contributes to customer satisfaction by delivering timely and quality services. Accuracy and attention to detail in creating data is critical in performing the work. Exercises time management skills when receiving multiple projects from outside departments within a short time span. Work is performed under minimal supervision. Work is performed under the general supervision of the GIS Division Manager and performance is evaluated based on attainment of specific performance objectives, personal observation, feedback from department managers and employees.

ESSENTIAL JOB FUNCTIONS

 Creates tests and enhances GIS operations; develops and administers web-based applications.

- Provides analytical/technical support for the implementation and operation of GIS projects.
- Prepares GIS databases, maps, database reports and specialized queries in support of various projects.
- Performs GIS work to support good decision making.
- Generates, maintains and disseminates GIS data.
- Performs quality control and quality assurance on GIS data.
- Operates and maintains GIS software and web-based applications.
- Creates and manages online applications that require consistent updates as new data is received.
- Occasionally assists in operation of GPS unit and software.
- Produces complex maps for departments and outside agencies.
- Updates jurisdiction boundaries, zoning districts, fire & police districts, utility service areas, etc.
- Pursues continuing education for technical and professional development.
- Creates presentations, guides, and tools to trains users on new and existing GIS and Esri products.
- Performs other related job duties as assigned.

QUALIFICATIONS

Education and Experience:

Bachelor's degree in GIS, geography, planning or related area; and seven (7) years of experience in GIS and/or mapping; or an equivalent combination of education and experience.

Special Qualifications:

- Possession of a valid driver's license to operate a motor vehicle. Requirement exists at the time of hire and as a condition of continued employment.
- Certification as a Geographic Information Systems Professional (GISP).

Knowledge, Skills and Abilities:

- Knowledge of ESRI GIS software (ArcGIS Online, ArcPro, ArcGIS Portal).
- Knowledge of other online ESRI tools (Solutions, Survey123, etc.) ArcGIS Online Suite
- Knowledge with Trimble Survey Grade GPS unit and software.
- Knowledge of cartographic principles, mapping, GIS database design and structure.
- Knowledge of GIS hardware and software components, data communication and network methods and techniques.
- Knowledge of associated software (i.e., Microsoft Access, Excel, Word, etc.).
- Ability to deal tactfully and courteously with the public.
- Ability to prepare written and oral presentations.
- Ability to establish and maintain effective working relationships with other staff, management, the general public, and others encountered in the course of work.

PHYSICAL DEMANDS

Updated: 12/2024 109

Work in this classification is defined as light work requiring the physical exertion of up to 50 pounds of force occasionally and/or up to 20 pounds of force constantly to move objects. Physical demands require climbing, crouching, crawling, standing, walking and lifting. Vocal communication is required for responding to inquiries, expressing or exchanging ideas by means of the spoken word; hearing is required to perceive information at normal spoken word levels. Visual acuity is required for extensive reading, to prepare and analyze written or computer data, determine the accuracy and thoroughness of work, and observe general surroundings and activities.

WORK ENVIRONMENT

Work is performed primarily in an environmentally controlled office environment but requires exposure to outside environmental conditions including extreme heat, cold and noise requiring employee to shout in order to be heard above the ambient noise level; workplace hazards which may include proximity to moving mechanical parts, moving vehicles and atmospheric conditions that may affect the respiratory system including fumes, odors, dust, mists and gases.

The City of Hendersonville has the right to revise this job description at any time. This description does not represent in any way a contract of employment.

Updated: 12/2024 110



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: Tyler Morrow **MEETING DATE:** January 8th, 2025

AGENDA SECTION: Consent DEPARTMENT: Community

Development

TITLE OF ITEM: Annexation: Certificate of Sufficiency- Old Sunset Hill Road (Taylor & Albea)

(C24-56-ANX) – Tyler Morrow, Current Planning Manager

SUGGESTED MOTION(S):

I move Council to accept the City Clerk's Certificate of Sufficiency for the petition submitted by Gregory Albea, Julianne Albea, Joseph Taylor, and Laura Taylor and set February 12th, 2025, as the date for public hearing.

SUMMARY: File # C24-56-ANX

The City of Hendersonville has received a petition from Gregory Albea, Julianne Albea, Joseph Taylor, and Laura Taylor for contiguous annexation of PINs 9579-98-0375, 9579-98-3527, 9579-99-4115, and 9579-99-8724 and located on Old Sunset Hill Road that is approximately 21.32 acres. Please refer to the attached maps for additional information.

Attached is the Clerk's Certificate of Sufficiency finding that the petition is valid. The next step in the annexation process is to accept the Clerk's certificate and set a date for the public hearing on the question of adoption of an ordinance of annexation.

PROJECT/PETITIONER NUMBER:	• C24-56-ANX	
PETITIONER NAME:	 Gregory Albea Julianne Albea	
	Joseph Taylor Layra Taylor	
	Laura Taylor1. Certificate of Sufficiency	
ATTACHMENTS:	2. Resolution setting public hearing	
	3. Annexation Plat	
	4. Typed legal description	
	5. GIS map	
	6. Annexation Application	
	7. Deeds	

CERTIFICATE OF SUFFICIENCY

Re: Petition for Contiguous Annexation

Petitioner: Gregory Albea, Julianne Albea, Joseph Taylor, and Laura Taylor File No. C24-56-ANX

To the Honorable Mayor and members of the City Council of Hendersonville, North Carolina: I, Jill Murray, City Clerk, being first duly sworn, hereby certify that:

- 1. A petition has been received for contiguous annexation of property consisting of +/-21.32 acres located on Old Sunset Hill Road in Hendersonville, NC, being tax parcels PIN 9579-98-0375, 9579-98-3527, 9579-99-4115, 9579-99-8724 and being more particularly described on Exhibit A, attached hereto and incorporated by reference, hereinafter "Petition."
- 2. An investigation has been completed as required by N.C.G.S. § 160A-31 of the Petition for compliance with the requirements of N.C.G.S. § 160A-31.

Based upon this investigation, I find that

- 1. The Petition includes the names and addresses and signatures of all owners of real property lying in the area described therein.
- 2. The Petition was prepared in substantially the form prescribed by 160A-31(b).
- 3. The area described in the petition is contiguous to the City of Hendersonville's primary corporate limits, as defined by N.C.G.S. 160A-31(f).
- 4. The area for annexation meets all other requirements defined in NC 160A-31 regarding the character of the area to be annexed.

Having made the findings stated above, I hereby c	certify the Petition appears to be valid.
In witness hereof, I have set my hand and the City, 2025.	Seal on this the day of
(City Seal)	
	Jill Murray, City Clerk

EXHIBIT A LEGAL DESCRIPTION

Being all of that real property consisting of PINs 9579-98-0375, 9579-98-3527, 9579-99-4115, 9579-99-8724 described in the plat recorded in Book 2025- ____ [to be inserted at recording of the plat] of the Henderson County Registry, said PINs 9579-98-0375, 9579-98-3527, 9579-99-4115, 9579-99-8724 being described by metes and bounds as follows:

Being all of those certain parcels of land lying and being in Clear Creek and Blue Ridge Townships, Henderson County, North Carolina; being the same properties described in the "Tract 2" subsection of "Exhibit A" in Deed Book 4026, Page 272; being a portion of that property as described in DB 3664, Page 522; and being more particularly described as follows:

BEGINNING at a 3/4" open top pipe lying on the southern line of the Triangle Ballantyne Hendersonville, Inc. (hereinafter "Triangle") property as described in DB 1601, Page 205; said pipe also lying on the existing CITY LIMITS of the City of Hendersonville; and said pipe having "NAD 83 (2011)" coordinates of N: 599,590.75 feet and E: 979,199.05 feet and lying a grid bearing and distance of North 67°17'22" East 3954.96 feet from NGS Monument "Hendersonville AZ MK" (with coordinates of N: 598,063.83 feet and E: 975,550.74 feet); thence from said POINT OF BEGINNING with the CITY LIMITS and with the southern Triangle line the following 5 (five) calls:

North 83°25'32" East 179.86 feet to a 1/2" open top pipe;

North 83°27'35" East 132.08 feet to a 1/2" open top pipe;

North 83°26'11" East 128.78 feet to a 1/2" open top pipe;

North 83°44'09" East 140.14 feet to a 1/2" open top pipe;

North 10°38'23" West 155.24 feet to a 3/4" open top pipe lying on the southern line of the Forestar (USA) Real Estate Group, Inc. (hereinafter "Forestar") property as described in DB 4112, Page 700;

Thence continuing with the CITY LIMITS and with said Forestar line North 78°10'47" East 134.76 feet to a 5/8" rebar with cap lying at the northwest corner of the remaining Taylor property as described in DB 3664, Page 522; thence leaving the CITY LIMITS with the western Taylor line South 10°38'23" East 168.07 feet to a 5/8" rebar with cap; thence North 83°37'35" East (passing a 5/8" rebar with cap at 82.41 feet) a total distance of 112.41 feet to a planted stone; thence continuing with the Taylor line and with the Runk line as described in DB 1398, Page 390 on a bearing of South 26°24'47" West (passing a 5/8" rebar with cap at 30.00 feet) a total distance of 1038.40 feet to a 1/2" crimped top pipe lying at the northwest corner of another Runk property as described in DB 991, Page 228; thence with the second Runk line South 05°50'01" West (passing a 5/8" rebar with cap at 19.23 feet) a total distance of 199.69 feet to a 1/2" open top pipe lying at the northwestern corner of the Nolen line as described in Will Book 86E, Page 9, and also lying at the northwestern corner of another Runk property as described in DB 991, Page 228; thence with said Nolen line South 88°34'58" West 225.92 feet to a 1/2" open

top pipe; thence South 01°53'55" West 111.35 feet to a 3/4" open top pipe; thence South 44°45'29" East 66.33 feet to a 1/2" open top pipe lying at the northern corner of the Albea property as described in DB 4026, Page 269; thence with said Albea line South 45°17'09" West 114.15 feet to a 1/2" open top pipe lying at the northern corner of the "1.00 acre" Albea property as described in DB 4026, Page 272; thence with said Albea line South 43°20'24" West (passing a 1/2" open top pipe at 276.12 feet) a total distance of 306.17 feet to an unmarked point lying in the center of Old Sunset Hill Road (S.R. 1744); thence with the centerline of Old Sunset Hill Road the following 2 (two) calls:

North 66°27'25" West 200.96 feet to an unmarked point;

On a curve to the left having a radius of 731.14 feet, an arc length of 79.49 feet, a chord bearing of North 69°34'17" West, and a chord distance of 79.45 feet to an unmarked point lying at the southeast corner of the Newell property as described in DB 3372, Page 421;

Thence leaving Old Sunset Hill Road with the Newell line, and with the eastern line of the Conner Creek MHP, LLC line as described in DB 4052, Page 640, and with said southern Triangle line on a bearing of North 15°41'44" East (passing a 3/4" open top pipe at 30.47 feet, passing a 1/2" open top pipe at 177.56 feet, passing a 1/2" open top pipe at 279.12 feet, passing a 1/2" open top pipe at 356.53 feet, passing a 3/4" open top pipe at 894.02 feet, and passing a 3/4" open top pipe at 1140.25 feet) a total distance of 1448.52 feet (the last 308.27 feet running with the CITY LIMITS) to the POINT AND PLACE OF BEGINNING, containing 21.32 acres, more or less.

D 1	14:	
Reso	lution #	-

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL FIXING DATE OF PUBLIC HEARING ON QUESTION OF ANNEXATION PURSUANT TO G.S. 160A-31

WHEREAS, a petition requesting annexation of the contiguous area described herein has been received; and

WHEREAS, certification by the City Clerk as to the sufficiency of the petition has been made;

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Hendersonville, North Carolina that:

Section 1. A public hearing on the question of annexation of the contiguous area described herein will be held at City Hall located at 160 Sixth Avenue E. Hendersonville NC, 28792 at 5:45 p.m. February 12th, 2025, or as soon thereafter as it may be heard.

Section 2. The area proposed for annexation is described as follows:

Being all of that real property consisting of PINs 9579-98-0375, 9579-98-3527, 9579-99-4115, 9579-99-8724 described in the plat recorded in Book 2025- ____ [to be inserted at recording of the plat] of the Henderson County Registry, said PINs 9579-98-0375, 9579-98-3527, 9579-99-4115, 9579-99-8724 being described by metes and bounds as follows:

Being all of those certain parcels of land lying and being in Clear Creek and Blue Ridge Townships, Henderson County, North Carolina; being the same properties described in the "Tract 2" subsection of "Exhibit A" in Deed Book 4026, Page 272; being a portion of that property as described in DB 3664, Page 522; and being more particularly described as follows:

BEGINNING at a 3/4" open top pipe lying on the southern line of the Triangle Ballantyne Hendersonville, Inc. (hereinafter "Triangle") property as described in DB 1601, Page 205; said pipe also lying on the existing CITY LIMITS of the City of Hendersonville; and said pipe having "NAD 83 (2011)" coordinates of N: 599,590.75 feet and E: 979,199.05 feet and lying a grid bearing and distance of North 67°17'22" East 3954.96 feet from NGS Monument "Hendersonville AZ MK" (with coordinates of N: 598,063.83 feet and E: 975,550.74 feet); thence from said POINT OF BEGINNING with the CITY LIMITS and with the southern Triangle line the following 5 (five) calls:

North 83°25'32" East 179.86 feet to a 1/2" open top pipe;

North 83°27'35" East 132.08 feet to a 1/2" open top pipe;

North 83°26'11" East 128.78 feet to a 1/2" open top pipe;

North 83°44'09" East 140.14 feet to a 1/2" open top pipe;

North 10°38'23" West 155.24 feet to a 3/4" open top pipe lying on the southern line of the Forestar (USA) Real Estate Group, Inc. (hereinafter "Forestar") property as described in DB 4112, Page 700;

Thence continuing with the CITY LIMITS and with said Forestar line North 78°10'47" East 134.76 feet to a 5/8" rebar with cap lying at the northwest corner of the remaining Taylor property as described in DB 3664, Page 522; thence leaving the CITY LIMITS with the western Taylor line South 10°38'23" East 168.07 feet to a 5/8" rebar with cap; thence North 83°37'35" East (passing a 5/8" rebar with cap at 82.41 feet) a total distance of 112.41 feet to a planted stone; thence continuing with the Taylor line and with the Runk line as described in DB 1398, Page 390 on a bearing of South 26°24'47" West (passing a 5/8" rebar with cap at 30.00 feet) a total distance of 1038.40 feet to a 1/2" crimped top pipe lying at the northwest corner of another Runk property as described in DB 991, Page 228; thence with the second Runk line South 05°50'01" West (passing a 5/8" rebar with cap at 19.23 feet) a total distance of 199.69 feet to a 1/2" open top pipe lying at the northeastern corner of the Nolen line as described in Will Book 86E, Page 9, and also lying at the northwestern corner of another Runk property as described in DB 991, Page 228; thence with said Nolen line South 88°34'58" West 225.92 feet to a 1/2" open top pipe; thence South 01°53'55" West 111.35 feet to a 3/4" open top pipe; thence South 44°45'29" East 66.33 feet to a 1/2" open top pipe lying at the northern corner of the Albea property as described in DB 4026, Page 269; thence with said Albea line South 45°17'09" West 114.15 feet to a 1/2" open top pipe lying at the northern corner of the "1.00 acre" Albea property as described in DB 4026, Page 272; thence with said Albea line South 43°20'24" West (passing a 1/2" open top pipe at 276.12 feet) a total distance of 306.17 feet to an unmarked point lying in the center of Old Sunset Hill Road (S.R. 1744); thence with the centerline of Old Sunset Hill Road the following 2 (two) calls:

North 66°27'25" West 200.96 feet to an unmarked point;

On a curve to the left having a radius of 731.14 feet, an arc length of 79.49 feet, a chord bearing of North 69°34'17" West, and a chord distance of 79.45 feet to an unmarked point lying at the southeast corner of the Newell property as described in DB 3372, Page 421;

Thence leaving Old Sunset Hill Road with the Newell line, and with the eastern line of the Conner Creek MHP, LLC line as described in DB 4052, Page 640, and with said southern Triangle line on a bearing of North 15°41'44" East (passing a 3/4" open top pipe at 30.47 feet, passing a 1/2" open top pipe at 177.56 feet, passing a 1/2" open top pipe at 279.12 feet, passing a 1/2" open top pipe at 356.53 feet, passing a 3/4" open top pipe at 894.02 feet, and passing a 3/4" open top pipe at 1140.25 feet) a total distance of 1448.52 feet (the last 308.27 feet running with the CITY LIMITS) to the POINT AND PLACE OF BEGINNING, containing 21.32 acres, more or less.

Re: Petition for Contiguous Annexation

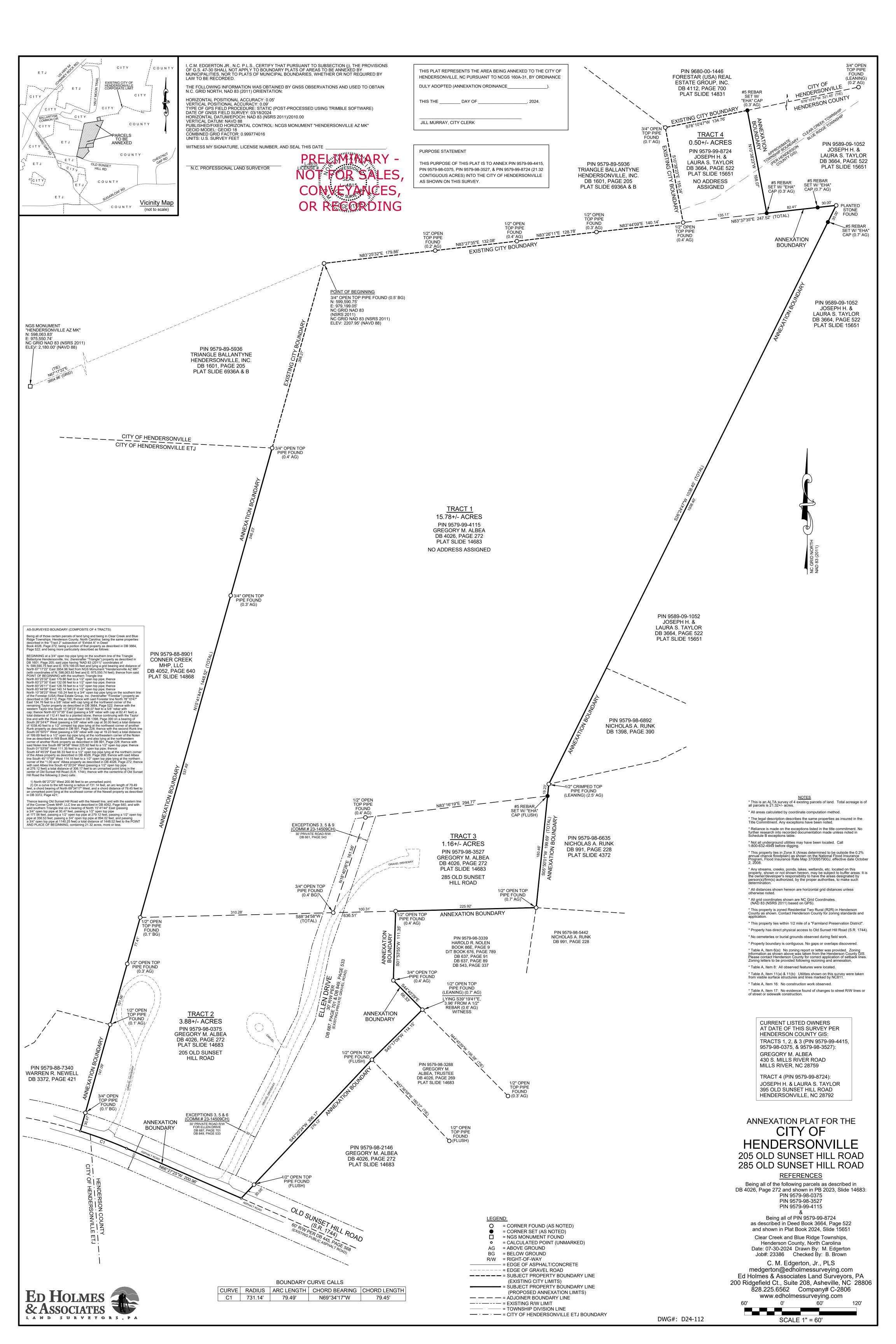
Petitioner: Gregory Albea, Julianne Albea, Joseph Taylor, and Laura Taylor

File No. C24-56-ANX

Angela S. Beeker, City Attorney

Section 3. Notice of the public hearing shall be published once in The Hendersonville Times-News, a newspaper having general circulation in the City of Hendersonville, at least 10 days prior to the date of the public hearing.

Attest:	Barbara G. Volk, Mayor, City of Hendersonv
Jill Murray, City Clerk	
Approved as to form:	



OLD SUNSET HILL ANNEXATION BOUNDARY (COMPOSITE OF 4 TRACTS)

Being all of those certain parcels of land lying and being in Clear Creek and Blue Ridge Townships, Henderson County, North Carolina; being the same properties described in the "Tract 2" subsection of "Exhibit A" in Deed Book 4026, Page 272; being a portion of that property as described in DB 3664, Page 522; and being more particularly described as follows:

BEGINNING at a 3/4" open top pipe lying on the southern line of the Triangle Ballantyne Hendersonville, Inc. (hereinafter "Triangle") property as described in DB 1601, Page 205; said pipe also lying on the existing CITY LIMITS of the City of Hendersonville; and said pipe having "NAD 83 (2011)" coordinates of N: 599,590.75 feet and E: 979,199.05 feet and lying a grid bearing and distance of North 67°17'22" East 3954.96 feet from NGS Monument "Hendersonville AZ MK" (with coordinates of N: 598,063.83 feet and E: 975,550.74 feet); thence from said POINT OF BEGINNING with the CITY LIMITS and with the southern Triangle line the following 5 (five) calls:

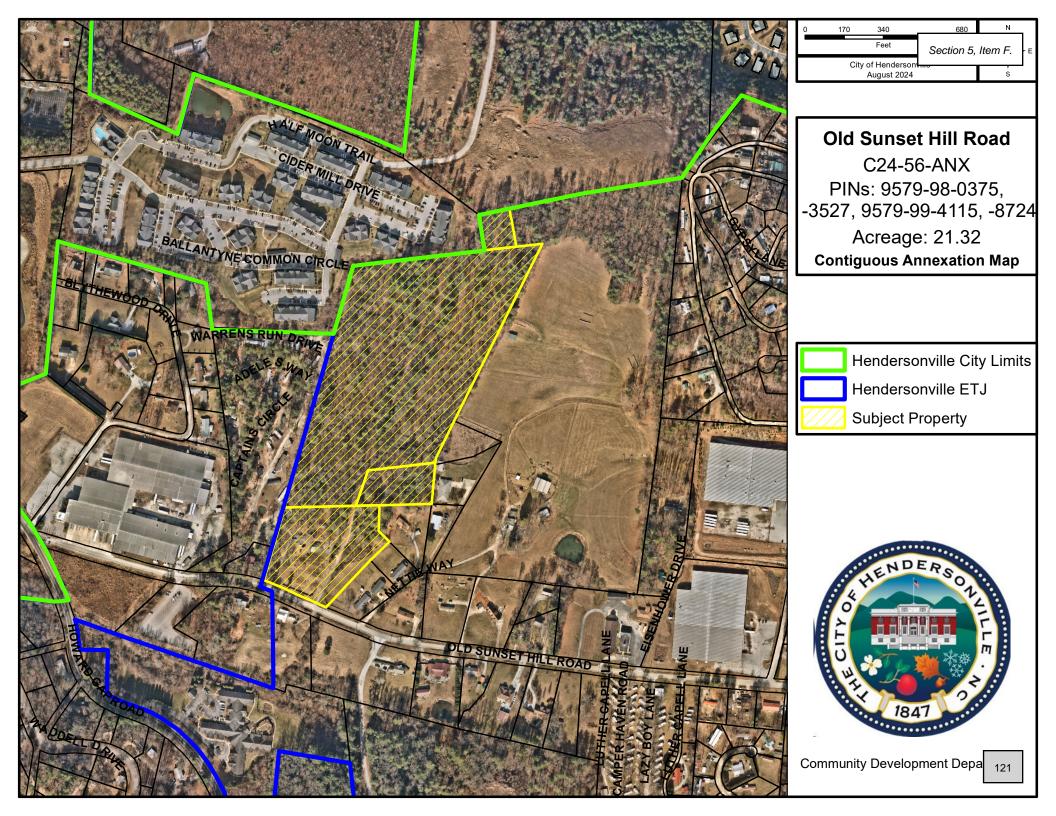
- 1) North 83°25'32" East 179.86 feet to a 1/2" open top pipe;
- 2) North 83°27'35" East 132.08 feet to a 1/2" open top pipe;
- 3) North 83°26'11" East 128.78 feet to a 1/2" open top pipe;
- 4) North 83°44'09" East 140.14 feet to a 1/2" open top pipe;
- 5) North 10°38'23" West 155.24 feet to a 3/4" open top pipe lying on the southern line of the Forestar (USA) Real Estate Group, Inc. (hereinafter "Forestar") property as described in DB 4112, Page 700;

Thence continuing with the CITY LIMITS and with said Forestar line North 78°10'47" East 134.76 feet to a 5/8" rebar with cap lying at the northwest corner of the remaining Taylor property as described in DB 3664, Page 522; thence leaving the CITY LIMITS with the western Taylor line South 10°38'23" East 168.07 feet to a 5/8" rebar with cap; thence North 83°37'35" East (passing a 5/8" rebar with cap at 82.41 feet) a total distance of 112.41 feet to a planted stone; thence continuing with the Taylor line and with the Runk line as described in DB 1398. Page 390 on a bearing of South 26°24'47" West (passing a 5/8" rebar with cap at 30.00 feet) a total distance of 1038.40 feet to a 1/2" crimped top pipe lying at the northwest corner of another Runk property as described in DB 991, Page 228; thence with the second Runk line South 05°50'01" West (passing a 5/8" rebar with cap at 19.23 feet) a total distance of 199.69 feet to a 1/2" open top pipe lying at the northeastern corner of the Nolen line as described in Will Book 86E, Page 9, and also lying at the northwestern corner of another Runk property as described in DB 991, Page 228; thence with said Nolen line South 88°34'58" West 225.92 feet to a 1/2" open top pipe; thence South 01°53'55" West 111.35 feet to a 3/4" open top pipe; thence South 44°45'29" East 66.33 feet to a 1/2" open top pipe lying at the northern corner of the Albea property as described in DB 4026, Page 269; thence with said Albea line South 45°17'09" West 114.15 feet to a 1/2" open top pipe lying at the northern corner of the "1.00 acre" Albea property as described in DB 4026, Page 272; thence with said Albea line South 43°20'24" West (passing a 1/2" open top pipe at 276.12 feet) a total distance of 306.17 feet to an unmarked point lying in the center of Old Sunset Hill Road (S.R. 1744); thence with the centerline of Old Sunset Hill Road the following 2 (two) calls:

- 1) North 66°27'25" West 200.96 feet to an unmarked point:
- 2) On a curve to the left having a radius of 731.14 feet, an arc length of 79.49 feet, a chord bearing of North 69°34'17" West, and a chord distance of 79.45 feet to an unmarked

point lying at the southeast corner of the Newell property as described in DB 3372, Page 421;

Thence leaving Old Sunset Hill Road with the Newell line, and with the eastern line of the Conner Creek MHP, LLC line as described in DB 4052, Page 640, and with said southern Triangle line on a bearing of North 15°41'44" East (passing a 3/4" open top pipe at 30.47 feet, passing a 1/2" open top pipe at 177.56 feet, passing a 1/2" open top pipe at 279.12 feet, passing a 1/2" open top pipe at 356.53 feet, passing a 3/4" open top pipe at 894.02 feet, and passing a 3/4" open top pipe at 1140.25 feet) a total distance of 1448.52 feet (the last 308.27 feet running with the CITY LIMITS) to the POINT AND PLACE OF BEGINNING, containing 21.32 acres, more or less.





1. Completed Application Form

CITY OF HENDERSONVILLE COMMUNITY DEVELOPMENT DEPARTMENT

100 N. King Street, Hendersonville, NC 28792 Phone (828) 697-3010|Fax (828) 698-6185 www.hendersonvillenc.gov

Petition Requesting Annexation

The following are the <u>required</u> submittals for a complete application for a Voluntary Annexation. Staff will not review applications until each item has been submitted and determined complete. By placing a check mark by each of the following items, you are certifying that you have performed that task.

'	2. A copy of the deed indica	ting ownership of the	e property.		
3. A Survey Plat of the property prepared by a <u>registered</u> surveyor licensed to practice in					ctice in
	the state of North Carolina.				
4. A typed boundary description of the property.					
A. Pr	operty Information				
PIN(s)): 9579-99-8724; 957	9-98-0375, 95	79-98-3527	7, 9579-99-4	115
Addre	ess(es) / Location of Property	y: 205 Old Sunset H	Hill Rd, Hende	rsonville, NC 287	792 &
		95 Old Sunset H			
Does t	this property adjoin the pres	ent City Limits?	X Yes	No	
Is the	property within the ETJ?		Yes	X No	
Reaso	n for Annexation:				
Conn	ection to sanitary sewer				

O CC.	T T
()tt100	100.
Office	USC.

B. Property Owner Contact Information (if different from Applicant)
Joseph Harley Taylor Laura Suzanne Taylor
*Printed Owner Name (Authorized Representative for entities other than individuals)
N/A
Printed Company Name (if applicable, check corresponding box below)
Corporation Limited Liability Company Trust Partnership
Other:
X Joseph He Trylor Laura & Taylor
Property Owner/Authorized Representative Signature
Authorized Representative Title (if applicable - i.e. Member/Manager, President, etc.)
84 Nettie Way, Hendersonville, NC 28792
City, State, and Zip Code
828-674-0551
Telephone
taylorjh66@gmail.com
Email

^{*} Property owner hereby grants permission to the City of Hendersonville personnel to enter the subject property for any purpose required in processing this application.

^{*} If signed by an agent on behalf of the Owner, this petition MUST be accompanied by a Limited Power of Attorney signed by the property owner (s) and notarized, specifically authorizing the agent to act on the owner (s) behalf in signing this application. Failure of each owner, or their duly authorized agent, to sign, or failure to include the authority of the agent signed by the property owner, will result in an INVALID APPLICATION.

C. Additional Property Owner Contact Information
Julianne D. Albea
Gregory Martin Albea
* Printed Applicant Name Date
Represented by (Hayes Albea, Broker/Seller Representative)
Printed Company Name (if applicable)
☐ Corporation ☐ Limited Liability Company ☐ Trust ☐ Partnership
□ Other:
Gregory M. Albea, dottoop verified 07/19/24 9:07 PM EDT UXV1-PBYK-W2UZ-BJ60 Gottoop verified 08/07/24 9:24 AM EDT FKXP-8ESY-2QEK-10UI
Property Owner Signature
Owner
Property Owner Title (if applicable)
430 S. Mills River Rd
Address of Property Owner
Mills River, NC 28759
City, State, and Zip Code
(828) 606-8007
Telephone
hayesalbea@kw.com
Email

Section 5, Item F.

BK 4026 PG 272 - 274 (3)

This Document eRecorded:

DOC# 1000995389 03/28/2023 10:37:29 AM

Fee: \$26.00

Henderson County, North Carolina William Lee King, Register of Deeds

NORTH CAROLINA SPECIAL WARRANTY DEED

Excise Tax \$0.00

Parcel Identifier No. 9589273428, 9589279069, 9579983527, a portion of 9579982846 Prepared by and return to: Van Winkle Law Firm (JDV), PO Box 7376, Asheville, NC 28802-7376 Brief description for the Index: various lots Southern Visions Drive and Nettie Way

THIS DEED made this 27th day of March, 2023, by and between:

GRANTOR

Gregory Martin Albea, as Executor of the Estate of Donnie A. Williams

430 South Mills River Road Mills River, NC 28759

GRANTEE

Gregory Martin Albea

430 South Mills River Road Mills River, NC 28759

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

WITNESSETH, that Grantor, for a valuable consideration paid by Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto Grantee in fee simple, all that certain lot or parcel of land situated in Henderson County, North Carolina, and more particularly described as follows (the "Property"):

See EXHIBIT A attached hereto and incorporated herein by reference.

NO TITLE EXAMINATION WAS PERFORMED BY THE PREPARER OF THIS DEED.

THIS PROPERTY Does/ENot (check one) INCLUDE THE GRANTOR'S PRINCIPAL RESIDENCE.

TO HAVE AND TO HOLD the Property and all privileges and appurtenances thereto belonging to Grantee in fee simple.

Submitted electronically by "Van Winkle Law Firm" in compliance with North Carolina statutes governing recordable documents and the terms of the submitter agreement with the Henderson County Register of Deeds.

BK 4026 PG 272 - 274 (3) DOC# 1000995389

And the Grantor covenants with the Grantee, that Grantor has done nothing to impair such title as Grantor received, and Grantor will warrant and defend the title against the lawful claims of all persons claiming by, and under or through Grantor, except for the exceptions hereinafter stated.

The property hereinabove described was acquired by Grantor via the Last Will and Testament of Donnie A. Williams of record in Henderson County Estate file number 22-E-870.

The undersigned Gregory Martin Albea is also serving as the Executor of the Estate of Donnie A. Williams and signs this deed also in his capacity as Executor to release any claim that the Estate might have with respect to the Property.

Title to the Property is subject to the following exceptions:

Utilities physically located on the Property, ad valorem taxes for the current year and subsequent years, easements and restrictions of record, and any local, county, state, or federal laws, ordinances, or regulations relating to zoning, environment, subdivision, occupancy, use, construction, or development of the subject property, including existing violations of said laws, ordinances, or regulations.

IN WITNESS WHEREOF, Grantor has hereunto set their hands and seals, day and year first above written.

By:	Martu	2000	(SEAL)

Polk

County

My Comm. Exp.

Gregory Martin Albea, as Executor of the Estate of Donnie A. Williams

STATE OF North Carolina	
COUNTY OF <u>Henderson</u>	

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she voluntarily signed the foregoing document for the purpose state therein and in the capacity indicated: **Gregory Martin Albea**

PLACE NOTARY SEAL INSIDE THIS BOX ONLY!

PLACE NOTARY SEAL INSIDE THIS BOX ONLY!

(Printed Name of Notary)

My Commission Expires: 6/6/2026

BK 4026 PG 272 - 274 (3) DOC# 1000995389

EXHIBIT A

Tract 1:

BEING ALL OF LOT 2R, consisting of 1.09 acres, and LOT D, consisting of 10.62 acres, as shown on Plat Slide 14682, Henderson County Registry (the "Plat").

TOGETHER WITH AND SUBJECT TO the right of way for ingress, egress, regress, and utilities over Southern Visions Drive as shown on said Plat for the benefit of Lot D, Lot 2R, Lot A, Lot B, and Lot C shown on said Plat.

Tract 2:

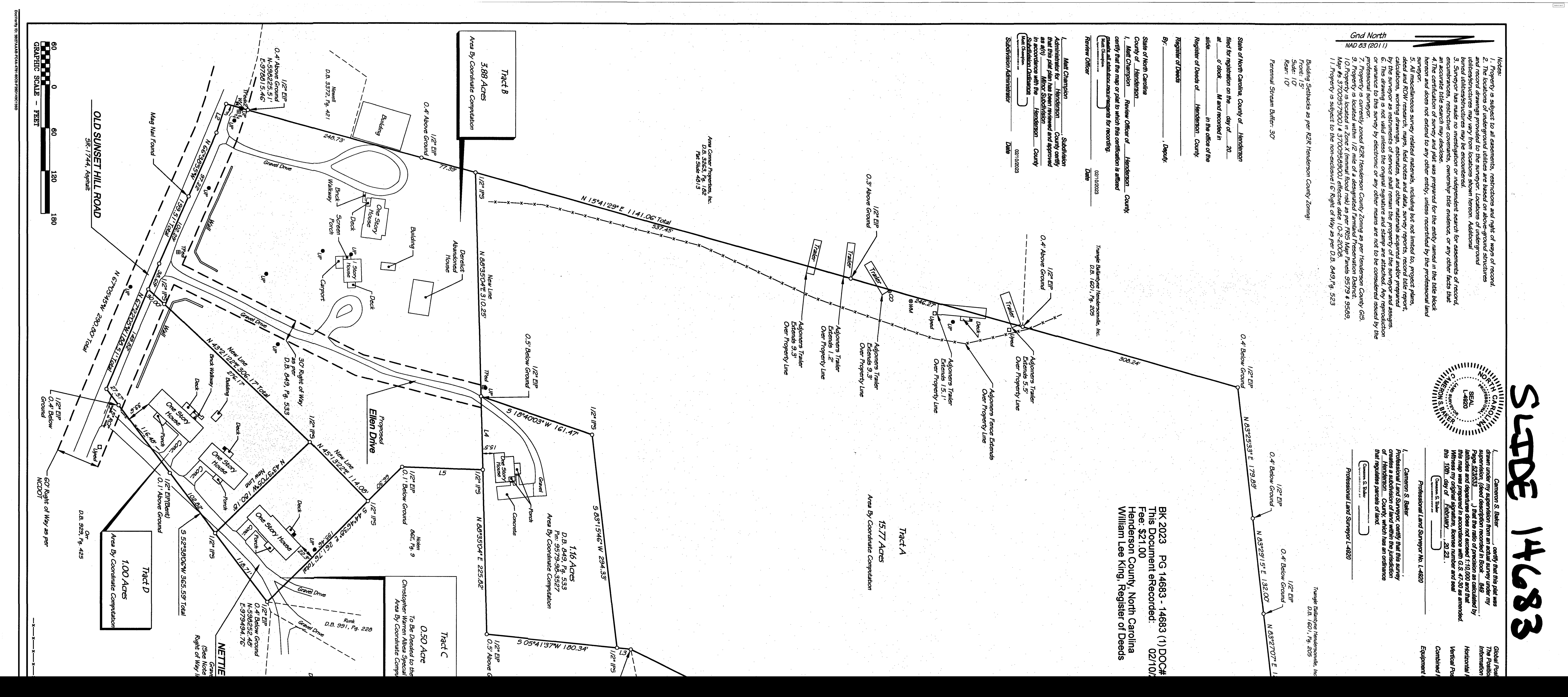
BEING ALL OF that 1.16 acre parcel, and Tract A, consisting of 15.77 acres, and Tract B, consisting of 3.88 acres, as shown on Plat Slide 14683 of the Henderson County Registry (the "Plat")

TOGETHER WITH AND SUBJECT TO a right of way for ingress, egress, regress, and utilities over that 30' Right of Way labeled "Proposed Ellen Drive" as shown on the Plat and described in Book 849, Page 533.

Tract 3:

BEING ALL OF that Tract D, consisting of 1.00 acres, as shown on Plat Slide 14683 of the Henderson County Registry.

TOGETHER WITH AND SUBJECT TO a right of way for ingress, egress, regress, and utilities over Nettie Way, as shown on the Plat and described in Book 849, Page 523.



BOOK 3664 PAGE 522 (3)

946434

This document presented and filed: 03/05/2021 03:49:05 PM

WILLIAM LEE KING, Henderson COUNTY, NC

Transfer Tax: \$0.00

Doc Stamps \$

Prepared by: Sharon B. Alexander Deed Preparation Only

STATE OF NORTH CAROLINA

DEED OF RECOMBINATION

COUNTY OF HENDERSON

-> P4M THIS DEED, made and entered into this 3 day of March, 2021, by and between JOSEPH HARLEY TAYLOR and wife, LAURA SUZANNE TAYLOR, (herein referred to as the "party of the first part" and having a mailing address of 395 Old Sunset Hill Road; Hendersonville, NC 28792) and JOSEPH HARLEY TAYLOR and wife, LAURA SUZANNE TAYLOR, (the "party of the second part" and having a mailing address of 395 Old Sunset Hill Road; Hendersonville, NC 28792);

WHEREAS, the Joseph Harley Taylor is the owner of all of the property described herein below and identified by different real estate identification numbers within the tax records for Henderson County, North Carolina, as follows: 201879; 9926544 and 1012107;

WHEREAS, the party of the first part wishes to combine all of the property described herein below into one tax parcel and executes this Deed of Recombination for that purpose;

WHEREAS, the property described herein below was previously owned by Emanuel Taylor and Elizabeth Agatha Taylor as tenants by the entirety;

WHEREAS, Emanuel Taylor died on March 24, 2006;

WHEREAS, the property described herein below was owned by Elizabeth Agatha Taylor a/k/a Elizabeth G. Taylor a/k/a Elizabeth Guice Taylor a/k/a Agatha Elizabeth Guice Taylor at the time of her death on October 22, 2020;

WHEREAS, the Last Will and Testament of Elizabeth Agatha Taylor was admitted to probate on November 12, 2020, as reflected in File No. 20 E 1019 in the office of the Clerk of Superior Court for Henderson County, North Carolina; and

WHEREAS, the party of the first part wishes to hold said property as tenants by the entirety and executes this deed also for that purpose.

WITNESSETH:

The said party of the first part, for and in consideration of the sum of Ten Dollars (\$10.00) and Other Valuable Consideration to them in hand paid by the said party of the second part, the receipt of which is hereby acknowledged, has bargained and sold, and by these presents does bargain, sell, and convey in fee simple unto said party of the second part, their heirs and assigns, certain tracts or parcels of land to be recombined as one parcel, lying and being in Blue Ridge Township, Henderson County, North Carolina, more particularly described as follows:

PARCEL ONE

BEGINNING at a stake in the J.D. Searcy line, the northeast corner of Tract #4 of the J. B. Guice division, as surveyed and platted by G. W. Justice, Surveyor, July 3, 1935, and running thence with the Searcy line North 82 deg East (v.1 ½ deg.) 35-3/4 poles to Searcy's corner in the John D. Corn old line; thence with said Corn line South 5 Deg. West 43 ½ poles to a stake, the northeast corner of Tract #6 of said division; thence with the northern boundary line of Tract #6, and which said line is described in a deed dated July 12, 1935 from the said J. B. Guice and wife Nettie Guice, to Ralph Guice, North 83 ½ deg West 32-3/4 poles to a stake, the northwest corner of Tract #6; thence with the line of Tract #6, South 29 Deg West 18 poles to a stake, corner of Tract #4; thence with the line of Tract #4, South 62 deg. West 8 poles to a stake; thence still with the line of said Tract South 76 ½ deg. West 11 poles to a white oak; thence still with the line of Tract #4, 25 1/4 deg East 63-1/5 Poles to the Beginning; containing 11.75 acres more or less, and being Tract #5 of said division, and being the same property conveyed from T. F. Orr and wife, Milda Orr to Ralph E. Guice and wife, Velma S. Guice, recorded in Book 267, page 114.

And excepting and reserving as a right of way for the benefit of Tracts 4, 5, 5-A, and 6 of said division a strip of land 16 feet wide extending from the public road above mentioned Northward along the Western boundary lines of Tracts 5-A and 6, to the point where the above call "North 62 deg, East 8 poles to a stake intersects with the Western boundary line of Lot #6, which right of way is granted in deed from J. B. Guice and wife, Nettie Guice, to Mary Guice, July 12, 1935, and recorded in Deed Book 215, page 151, Records of Deeds for Henderson County, North Carolina.

ALSO BEING all of that real property described in deed of record in Deed Book 364, Page 239 in the office of the Register of Deeds for Henderson County, North Carolina.

PARCEL TWO

BEGINNING at a post oak, the northeast corner of the division of the John D. Searcy Estate, as will be shown by reference to plat recorded in Plat Book 5, at page 63, in the office of the Register of Deed for Henderson County, North Carolina, and runs thence South 79 deg West 445 feet to a stone; thence South 76 deg. 45 min West 457 feet to an iron pin; thence a new line, South 5 deg. 30 min. East 153 feet to an iron pin; thence North 83 deg. 30 min East, partly along the north line of property previously owned by Harley Manuel Taylor, et ux, 816.5 feet to a stake; thence North 5 deg East 231 feet to the point of BEGINNING, and containing 3.5 acres, and being a portion of the Robert G. Searcy tract labeled "6-F" on the above mentioned plat.

ALSO BEING all of that real property described in deed of record in Deed Book 379, Page 355 in the office of the Register of Deeds for Henderson County, North Carolina.

PARCEL THREE

BEGINNING at a stone, Southwest corner of the Logan Cagle Heirs tract in the H. M. Russ line; and running thence with the Russ line North 86 deg. 30 min. West 57 poles to a stake, Russ' corner of the South margin of the J. B. Guice private road; thence North 29 deg. East 19.5 poles to a Pine; thence same course 40 poles to at stake; thence South 75 poles 30 min. East 33.3 poles to a stake in the Triblett line; thence with said Triblett line and continuing with the said Logan Cagle Heirs line South 5 deg. 15 min. West 47.3 poles to the BEGINNING, containing 14.33 acres, more or less, and being a part of the J. B. Guice Home Place originally conveyed to him by Margaret Guice, by deed now of record in Henderson County as recorded in Deed Book 210, page 236.

ALSO including a tract of land consisting of approximately .47 acres as recorded in Deed Book 213, page 12, reference to same being made hereby for a more complete and accurate description.

ALSO BEING all of that real property described in deed of record in Deed Book 690, Page 695 in the office of the Register of Deeds for Henderson County, North Carolina.

TO HAVE AND TO HOLD the aforesaid tract or parcel of land, together with all privileges and appurtenances thereunto belonging, to the said party of the second part, their heirs, successors and assigns in fee simple forever.

AND the party of the first part covenants with the party of the second part that the party of the first part has done nothing to impair such title as the party of the first part received, and the party of the first part will warrant and defend the title against the lawful claims of all persons claiming by, under or through the party of the first part, except this conveyance is made subject to the rights-of-way for Old Sunset Hill Road and Nettie Way to their full legal widths, deeds of trust, restrictions and utility easements of record and 2021 ad valorem taxes.

The real property conveyed herein does not include the primary residence of the party of the first part.

IN TESTIMONY WHEREOF, the party of the first part has hereunto has hereunto set their hands and seals, the day and year first above written.

JOSEPH HARLEY TAYLOR

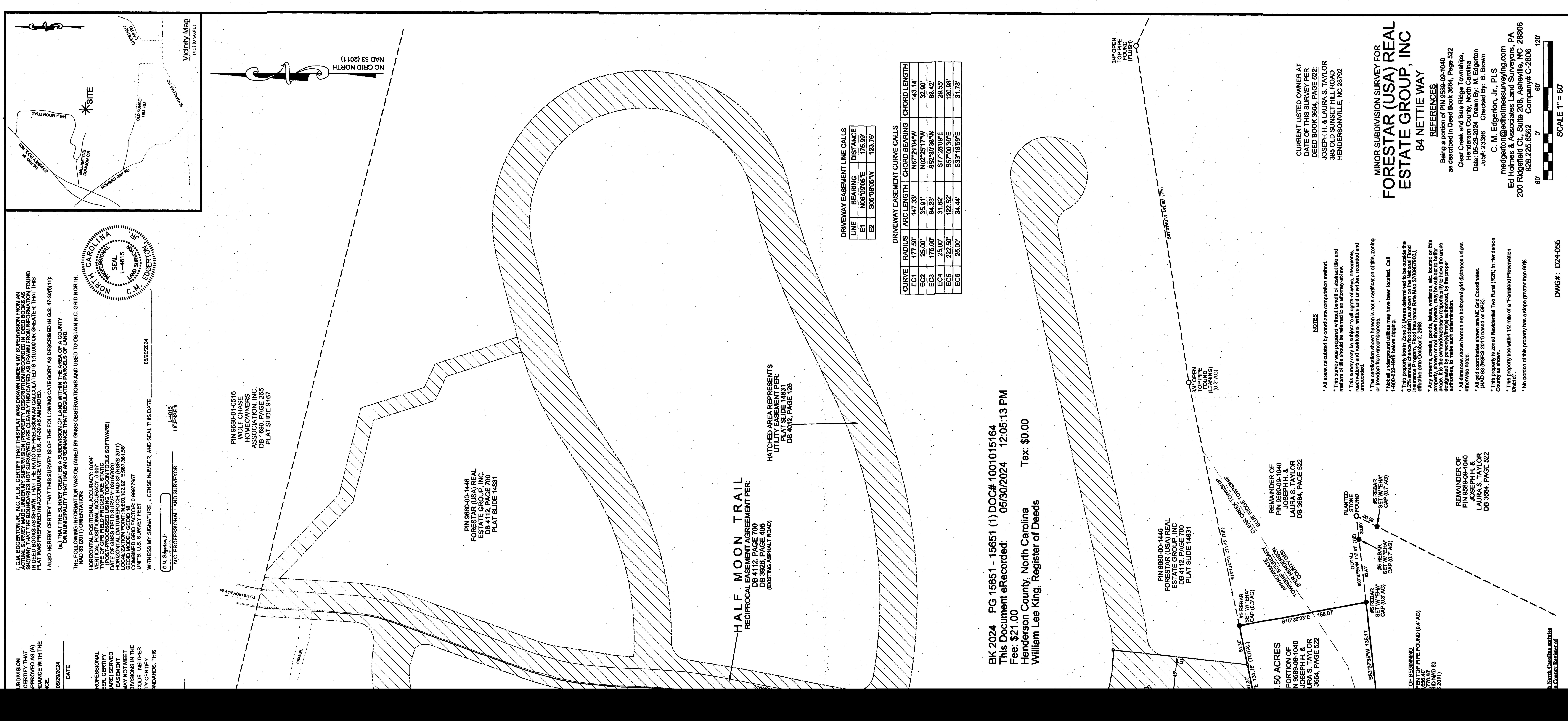
LAURA SUZANNETAYLOR

STATE OF NORTH CAROLINA COUNTY OF HENDERSON

I, a Notary Public of the County and State aforesaid, certify that JOSEPH HARLEY TAYLOR and wife, LAURA SUZANNE TAYLOR, personally appeared before me this day and acknowledged the voluntary execution of the foregoing instrument for the purpose stated therein. Witness my hand and official stamp or seal, this 3 day of March, 2021.

My commission expires: 9-17-3035

PLIC. WE COUNTY





CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: Tyler Morrow **MEETING DATE:** January 8th, 2025

AGENDA SECTION: CONSENT DEPARTMENT: Community

Development

TITLE OF ITEM: Annexation: Certificate of Sufficiency- Upward Road (LBH Property Holdings

LLC) (C24-91-ANX) – Tyler Morrow, Current Planning Manager

SUGGESTED MOTION(S):

I move Council to accept the City Clerk's Certificate of Sufficiency for the petition submitted by LBH Property Holdings LLC and set February 12th, 2025, as the date for public hearing.

SUMMARY: File # C24-91-ANX

The City of Hendersonville has received a petition from LBH Property Holdings for satellite annexation of PIN 9577-89-9886 located on Upward Road that is approximately 0.08 acres. Please refer to the attached maps for additional information.

Attached is the Clerk's Certificate of Sufficiency finding that the petition is valid. The next step in the annexation process is to accept the Clerk's certificate and set a date for the public hearing on the question of adoption of an ordinance of annexation.

PROJECT/PETITIONER NUMBER: PETITIONER NAME:	•	C24-91-ANX LBH Property Holdings LLC (Lyndon Hill, Manager)
ATTACHMENTS:		 Certificate of Sufficiency Resolution setting public hearing Annexation Plat Typed legal description GIS map Deed Annexation Application

CERTIFICATE OF SUFFICIENCY

Re: Petition for Satellite Annexation

Petitioners: LBH Property Holdings LLC (Lyndon Hill, Manager)

File No. C24-91-ANX

To the Honorable Mayor and members of the City Council of Hendersonville, North Carolina: I, Jill Murray, City Clerk, being first duly sworn, hereby certify that:

- A petition has been received for satellite annexation of properties consisting of +/- 0.08 acres located on Upward Road in Hendersonville, NC, being tax parcel PIN 9577-89-9886, and being more particularly described on Exhibit A, attached hereto and incorporated by reference, hereinafter "Petition."
- 2. An investigation has been completed as required by N.C.G.S. § 160A-58.2 of the Petition for compliance with the requirements of N.C.G.S. § 160A-58.1.

Based upon this investigation, I find that

- 1. The Petition includes a metes and bounds description of the area proposed for annexation and has attached a map showing the proposed satellite area.
- 2. The nearest point on the proposed satellite corporate limit is approximately 2450' from the primary corporate limits of the City of Hendersonville, which is less than 3 miles.
- 3. The Petition includes the names and addresses and signatures of all owners of real property lying in the area described therein, except those not required to sign by G.S.160A-58.1 (a).
- 4. No point on the proposed satellite corporate limits is closer to the primary corporate limits of another city than to the primary corporate limits of Hendersonville (Village of Flat Rock approximately 3400').
- 5. The area is situated so the City will be able to provide the same services within the proposed corporate limits that is provided within the primary corporate limits.
- 6. The area proposed for annexation is not subject to subdivision regulation as described N.C.G.S. § 160D-802
- 7. The total area within the proposed satellite corporate limits, when added to the area within all the other satellite corporate limits of the City, does not exceed ten (10%) of the area within the primary corporate limits of the City.
- 8. The area for annexation meets all other requirements defined in NC 160A-58.54 regarding the character of the area to be annexed.

Having made the findings stated above, I hereby certify the Petition appears to be valid.
In witness hereof, I have set my hand and the City Seal on this the day of, 2025.

(City Seal)	
	Jill Murray, City Clerk

EXHIBIT A LEGAL DESCRIPTION

Being all of that real property consisting of PIN 9577-89-9886 described in the plat recorded in Book 2025- ____ [to be inserted at recording of the plat] of the Henderson County Registry, said PIN 9577-89-9886 being described by metes and bounds as follows:

Portion of right of way for Upward Road, S.R. 1783, Project Reference No. R-4430, Project 6.806223 and Project 6.952418. Right of Way found in Deed Book 799, Page 509.

Beginning at an Aluminum Cap Right of Way Monument standing 61.65 feet right of Line "L" at station 45+50.42. Thence a New Line North 60 degrees 01 minutes 21 seconds East a distance of 78.92 feet to a #5 Rebar with Aluminum Right of Way Cap set. Standing South 60 degrees 01 minutes 21 seconds West a distance of 49.69 feet from an Aluminum Cap Right of Way Monument standing 58.09 feet right of Line "L" at station 46+85.85. Thence a New Line South 55 degrees 01 minutes 44 seconds East a distance of 23.37 feet to a #5 Rebar with Aluminum Right of Way Cap set. Thence with existing Right of Way South 32 degrees 00 minutes 33 seconds West a distance of 92.76 feet to an Aluminum Cap Right of Way Monument standing 126.55 feet right of Line "L" at station 45+56.09. Thence with existing Right of Way North 36 degrees 05 minutes 01 seconds West a distance of 65.11 feet to the Point and Place of Beginning. Containing 3637 square feet.

Resolution	#
------------	---

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL FIXING DATE OF PUBLIC HEARING ON QUESTION OF ANNEXATION PURSUANT TO G.S. 160A-58.2

WHEREAS, a petition requesting annexation of the satellite area described herein has been received; and

WHEREAS, certification by the City Clerk as to the sufficiency of the petition has been made;

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Hendersonville, North Carolina that:

Section 1. A public hearing on the question of annexation of the satellite area described herein will be held at City Hall located at 160 Sixth Avenue E. Hendersonville NC, 28792 at 5:45 p.m. February 12th, 2025, or as soon thereafter as it may be heard.

Section 2. The area proposed for annexation is described as follows:

Being all of that real property consisting of PIN 9577-89-9886 described in the plat recorded in Book 2025- ____ [to be inserted at recording of the plat] of the Henderson County Registry, said PIN 9577-89-9886 being described by metes and bounds as follows:

Portion of right of way for Upward Road, S.R. 1783, Project Reference No. R-4430, Project 6.806223 and Project 6.952418. Right of Way found in Deed Book 799, Page 509.

Beginning at an Aluminum Cap Right of Way Monument standing 61.65 feet right of Line "L" at station 45+50.42. Thence a New Line North 60 degrees 01 minutes 21 seconds East a distance of 78.92 feet to a #5 Rebar with Aluminum Right of Way Cap set. Standing South 60 degrees 01 minutes 21 seconds West a distance of 49.69 feet from an Aluminum Cap Right of Way Monument standing 58.09 feet right of Line "L" at station 46+85.85. Thence a New Line South 55 degrees 01 minutes 44 seconds East a distance of 23.37 feet to a #5 Rebar with Aluminum Right of Way Cap set. Thence with existing Right of Way South 32 degrees 00 minutes 33 seconds West a distance of 92.76 feet to an Aluminum Cap Right of Way Monument standing 126.55 feet right of Line "L" at station 45+56.09. Thence with existing Right of Way North 36 degrees 05 minutes 01 seconds West a distance of 65.11 feet to the Point and Place of Beginning. Containing 3637 square feet.

Re: Petition for Satellite Annexation

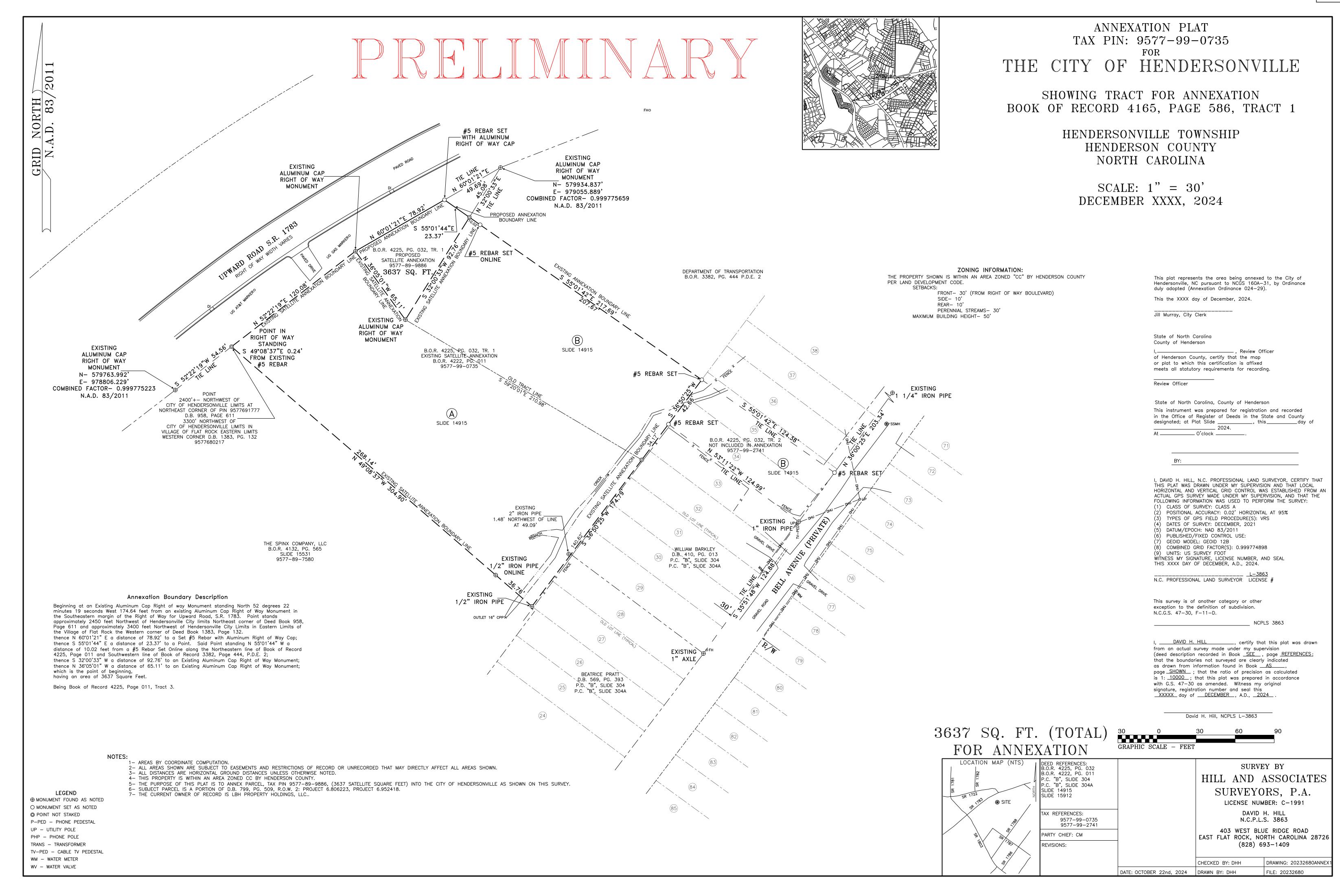
Petitioners: LBH Property Holdings LLC (Lyndon Hill, Manager)

File No. C24-91-ANX

Section 3. Notice of the public hearing shall be published once in The Hendersonville Times-News, a newspaper having general circulation in the City of Hendersonville, at least 10 days prior to the date of the public hearing.

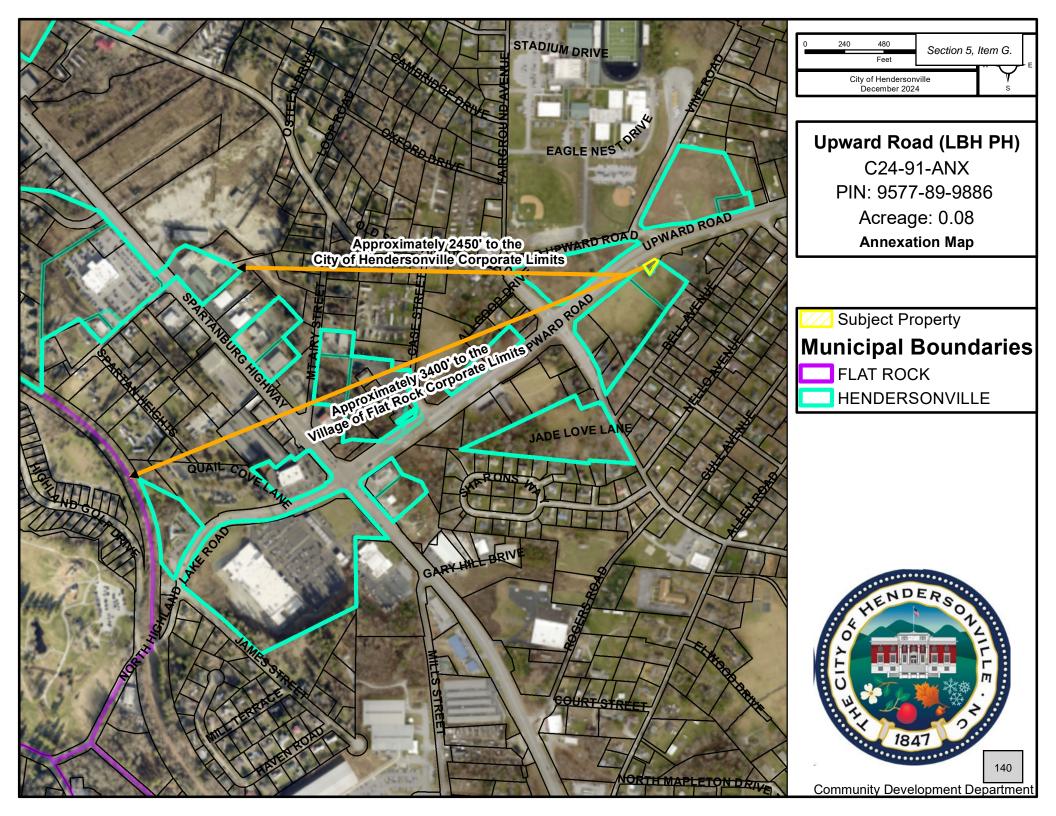
Adopted by the City Council of the City of Hendersonville, North Carolina on this	_day of
20 .	

Attest:	Barbara G. Volk, Mayor, City of Hendersonville
Jill Murray, City Clerk	
Approved as to form:	
Angela S. Beeker, City Attorney	



Portion of right of way for Upward Road, S.R. 1783, Project Reference No. R-4430, Project 6.806223 and Project 6.952418. Right of Way found in Deed Book 799, Page 509.

Beginning at an Aluminum Cap Right of Way Monument standing 61.65 feet right of Line "L" at station 45+50.42. Thence a New Line North 60 degrees 01 minutes 21 seconds East a distance of 78.92 feet to a #5 Rebar with Aluminum Right of Way Cap set. Standing South 60 degrees 01 minutes 21 seconds West a distance of 49.69 feet from an Aluminum Cap Right of Way Monument standing 58.09 feet right of Line "L" at station 46+85.85. Thence a New Line South 55 degrees 01 minutes 44 seconds East a distance of 23.37 feet to a #5 Rebar with Aluminum Right of Way Cap set. Thence with existing Right of Way South 32 degrees 00 minutes 33 seconds West a distance of 92.76 feet to an Aluminum Cap Right of Way Monument standing 126.55 feet right of Line "L" at station 45+56.09. Thence with existing Right of Way North 36 degrees 05 minutes 01 seconds West a distance of 65.11 feet to the Point and Place of Beginning. Containing 3637 square feet.



BK 4225 PG 32 - 35 (4)

This Document eRecorded: 11/08/2024 11:38:19 AM

Fee: \$26.00

Henderson County, North Carolina

William Lee King, Register of Deeds

Tax: \$0.00

DOC# 100102244

<u>Please do not place anything in the 3" margin above – for recording information only)</u>

NORTH CAROLINA GENERAL WARRANTY DEED

Excise Tax \$ 0.00

Parcel Identifier No.: 9577-99-0735, 9577-99-2741, 9577-99-1738, 9577-89-9659

Mail after recording to: The Van Winkle Law Firm

422 S. Main St., Hendersonville, NC 28792

This instrument was prepared by: Van Winkle, Buck, Wall, Starnes & Davis, P.A. (Michael M. Thompson)

Brief description for the Index: Tract on Upward Road, Flat Rock, 28731 THIS DEED made this day of November, 2024, by and between:

GRANTOR

Lyndon B. Hill and wife, Lynn G. Hill and
and
LBH PROPERTY HOLDINGS, LLC,
A North Carolina Limited Liability
Company

168 Daffodil Cove Lane, Flat Rock, NC 28731

GRANTEE

LBH PROPERTY HOLDINGS, LLC, A North Carolina Limited Liability Company

168 Daffodil Cove Lane, Flat Rock, NC 28731

Enter in appropriate block for each Grantor and Grantee: name, mailing address, and, if appropriate, character of entity, e. g. corporation or partnership.

The designation Grantor and Grantee as used herein shall include said parties, their heirs, successors, and assigns, and shall include singular, plural, masculine, feminine or neuter as required by context.

This instrument was prepared by Michael M. Thompson, a licensed North Carolina attorney. Delinquent taxes, if any, to be paid by the closing attorney to the county tax collector upon disbursement of closing proceeds.

WITNESSETH, that Grantor, for a valuable consideration paid by Grantee, the receipt of which is hereby acknowledged, has and by these presents does grant, bargain, sell and convey unto Grantee in fee simple, all that certain lot or parcel of land situated in the Hendersonville Township, County of Henderson, North Carolina, and more particularly described as follows:

SEE EXHIBIT A ATTACHED HERETO AND INCORPORATED HEREIN BY REFERENCE

The property hereinabove described was acquired by Grantor by instrument recorded in Deed Book 4058, Page 360, Henderson County Registry.

BK 4225 PG 32 - 35 (4)

DOC# 1001022244

All or a portion of the property herein conveyed ____ includes or XXX does not include the primary residence of a Grantor.

TO HAVE AND TO HOLD the aforesaid lot or parcel of land and all privileges and appurtenances thereto belonging to Grantee in fee simple.

And Grantor covenants with Grantee, that Grantor is seized of the premises in fee simple, has the right to convey the same in fee simple, that title is marketable and free and clear of all encumbrances, and Grantor will warrant and defend the title against the lawful claims of all persons whomsoever except for the exceptions hereinafter stated.

Title to the property hereinabove described is subject to the following exceptions:

Easements, covenants, conditions, and restrictions of record; 2024 ad valorem taxes; and utilities physically located on the property.

IN WITNESS WHEREOF, the Grantor has duly executed the foregoing as of the day and year first above

written.

_{Seal)

(Seal)

_{Seal)

Lyndon B. Hill

Lynn G. Hill

STATE OF NORTH CAROLINA COUNTY OF HENDERSON

I, Gealean Murray Roeters, a Notary Public of the County and State aforesaid, certify that Lyndon B. Hill and wife, Lynn G. Hill personally appeared before me this day and acknowledged the execution of the foregoing instrument for the purposes therein expressed. Sworn and subscribed to before me. Witness my hand and official stamp or seal, this 16th day of November, 2024.

SEAL/STAMP

Notary Public

My Commission Expires: September 22, 2029

GEALEAN MURRAY ROETERS
NOTARY PUBLIC
Henderson County
North Carolina

My Commission Expires September 22, 2029

LBH PROPERTY HOLDINGS, LLC

Lyndon B. Hill, Managing Member

STATE OF NORTH CAROLINA COUNTY OF HENDERSON

I, Gealean Murray Roeters, a Notary Public of the County and State aforesaid, certify that Lyndon B. Hill, Managing Membre of LBH Property Holdings, LLC, a North Carolina Limited Liability Company, personally appeared before me this day and acknowledged the execution of the foregoing instrument for the purposes therein expressed. Sworn and subscribed to before me. Witness my hand and official stamp or seal, this 16th day of November, 2024.

SEAL/STAMP

Notary Public

My Commission Expires: September 22, 2029

GEALEAN MURRAY ROETERS
NOTARY PUBLIC
Henderson County
North Carolina
My Commission Expires September 22, 2029

BK 4225 PG 32 - 35 (4)

DOC# 100102244 EXHIBIT A

TRACT ONE

EGINNING at an existing 1/2" iron pipe located in the westernmost corner of Lot 27, Lawndale Park Subdivision as shown on a plat thereof recorded in Plat Cabinet B Slide 304, Henderson County Registry, thence from said beginning point and with the boundary of the Spinx Company tract described in Book 4132 Page 565, Henderson County Registry, North 49 degrees 08 minutes 37 seconds West passing an existing iron pipe on the line at 36. 76 feet for a total distance of 304.90 feet, to a point located in the right of way of Upward Road (SR 1783) said point also being located South 49 degrees 08 minutes 37 seconds East 0.24 feet from an existing #5 rebar, thence with the southern margin of the right of way of Upward Road North 52 degrees 22 minutes 19 seconds East 120.08 feet to an exiting aluminum cap right of way monument, thence South 36 degrees 05 minutes 01 second East 65.11 feet to an existing aluminum cap right of way monument, thence North 32 degrees 00 minutes 33 seconds East 92.76 feet, thence South 55 degrees 01 minutes 42 seconds East 217.69 feet to a #5 rebar set on the western boundary of Lot 35, thence South 36 degrees 50 minutes 25 seconds West 42.66 feet to a #5 rebar set, thence South 36 degrees 50 minutes 25 seconds West 174.79 feet to the POINT AND PLACE OF BEGINNING and being 1.20 acres, more or less, and being all of that property designated as TRACT 1 as shown on that plat entitled "Plat of Survey for Lyndon Hill and wife, Lynn Hill" by Hill and Associates Surveyors, P.A. and being Drawing No. 2023258001, reference to which is hereby made and incorporated herein for greater certainty of description.

Being all of that same real property as conveyed by deed recorded in Deed Book 1104 Page 416, Henderson County Registry and being a portion of that same real property conveyed by deeds recorded in Book 648 Page 409, Henderson County Registry and being a portion of Deed Book 4058, Page 360, Henderson County Registry

TRACT TWO

Subdivision as shown on plat thereof recorded in Plat Cabinet B Slide 304, Henderson County Registry and located within the margin of the right of way of Bell Avenue, thence South 36 degrees 00 minutes 25 seconds West 46.66 feet to an existing 1" iron pipe, thence North 53 degrees 11 minutes 22 seconds West 124.99 feet to a #5rebar set, thence North 36 degrees 50 minutes 25 seconds East 42.66 feet to a #3 rebar set, thence South 55 degrees 01 minute 42 seconds East 124.38 feet to the POINT AND PLACE OF BEGINNING and being 0.13 acres, more or less, and being all of that property designated as TRACT 2 as shown on that plat entitled "Plat of Survey for Lyndon Hill and wife, Lynn Hill" by Hill and Associates Surveyors, P.A. and being Drawing No. 2023258001, reference to which is hereby made and incorporated herein for greater certainty of description.

Being a portion of that same real property conveyed by deeds recorded in Book 648 Page 409, Henderson County Registry and a portion of Deed Book 4058, Page 360, Henderson County Registry.

Tracts One and Two being all of that property described in Deed Book 4165, Page 586, Henderson County Registry.

TRACT THREE

Portion of right of way for Upward Road, S.R. 1783, Project Reference No. R-4430, Project 6.806223 and Project 6.952418. Right of Way found in Deed Book 799, Page 509.

Beginning at an Aluminum Cap Right of Way Monument standing 61.65 feet right of Line "L" at station 45+50.42. Thence a New Line North 60 degrees 01 minutes 21 seconds East a distance of 78.92 feet to a #5 Rebar with Aluminum Right of Way Cap set. Standing South 60 degrees 01 minutes 21 seconds West a distance of 49.69

feet from an Aluminum Cap Right of Way Monument standing 50.09 feet right of Line "L" at station 46+85.05. Thence a New Line South 55 degrees OL minutes 44 seconds East a distance of 23.37 feet to a #5 Rebar with Aluminum Right of Way Cap set. Thence with existing Right of Way South 32 degrees OO minutes 33 seconds West a distance of 92.76 feet to an Aluminum Cap Right of Way Monument standing 126.55 feet right of Line "L" at station 45+56.09. Thence with existing Right of Way North 36 degrees O5 minutes O1 seconds West a distance of 65.13 feet to the Point and Place of Beginning. Containing 3637 square feet.

Tract Three being all of that property as described in Deed Book 4221, Page 412, Henderson County Registry.

IT IS THE INTENTION OF THE GRANTORS AND GRANTEES HEREIN TO COMBINE THE SUBJECT PROPERTIES (PIN 9577-99-7035, PIN 9577-99-2741, PIN 9577-99-1738, AND PIN 9577-89-9659), INTO ONE CONTIGUOUS PARCEL FOR HENDERSON COUNTY AD VALOREM TAX PURPOSES.



CITY OF HENDERSONVILLE COMMUNITY DEVELOPMENT DEPARTMENT

100 N. King Street, Hendersonville, NC 28792 Phone (828) 697-3010|Fax (828) 698-6185 www.hendersonvillenc.gov

www.hendersonvillenc.gov
Petition Requesting Annexation
The following are the <u>required</u> submittals for a complete application for a Voluntary Annexation. Staff will not review applications until each item has been submitted and
determined complete. By placing a check mark by each of the following items, you are certifying that you have performed that task.
1. Completed Application Form
2. A copy of the deed indicating ownership of the property.
3. An Annexation Survey Plat of the property prepared by a <u>registered</u> surveyor licensed to practice in the state of North Carolina.
4. A typed boundary description of the property.
A. Property Information
PIN(s): 9577899886
Address(es) / Location of Property: Approximately 660 feet Northeast of Old
Spartanburg Highway on the South Side of Upward Road
Does this property adjoin the present City Limits? X Yes No
Is the property within the ETJ? Yes Yes No
Reason for Annexation:
Obtained a piece of NCDOT right-of-way. This is adjacent to and in association with annexation C24-35-ANX.

Office Use:		
	D	Fee Received? Y/N
Date Received:	By:	ree vereiven: i/i/

B. Property Owner Contact Information
Lyndon Hill (Manager) * Printed Applicant Name Date
LBH Property Holdings, LLC
Printed Company Name (if applicable)
☐ Corporation ☐ Limited Liability Company ☐ Trust ☐ Partnership
Other:
Property Owner Signature
Property Owner Title (if applicable)
168 Daffodil Cove Ln
Address of Property Owner
Flat Rock, NC 28731
City, State, and Zip Code
Telephone
Email

State of North Carolina Department of the Secretary of State

SOSID: 1074/70
Date Filed: 9/23/2
Elaine F. North Carolina Secretary of State
C2024 264 02172

Limited Liability Company AMENDMENT OF ARTICLES OF ORGANIZATION

Pursuant to §57D-2-22 of the General Statutes of North Carolina, the undersigned limited liability company hereby submits the following Articles of Amendment for the purpose of amending its Articles of Organization.

	The name of the limited liability company is: Hill Grandchildren, LLC
	The text of each amendment adopted is as follows (attach additional pages if necessary):
	Section 1 of the Articles of Organization shall be replaced with the following:
	The name of the limited liability company is: LBH Property Holdings LLC
	(Check either a or b, whichever is applicable)
	AThe amendment(s) was (were) duly adopted by the majority vote of the organizers of the limited liability company prior to the identification of initial members of the limited liability company.
	B. The amendment(s) was (were) duly adopted by the unanimous vote of the members of the limited liability company or was (were) adopted as otherwise provided in the limited liability company's Articles of Organization or a written operating agreement.
	These articles will be effective upon filing, unless a date and/or time is specified:
he_	day of September, 20 24
	Hill Grandchildren, LLC
	Name of Limited Liability Company Signature
	Lyndon Hill, Manager Type or Print Name and Title, Company Official
	**

NOTES:

1. Filing fee is \$50. This document must be filed with the Secretary of State.

BUSINESS REGISTRATION DIVISION (Revised July 2017)

P.O. BOX 29622

RALEIGH, NC 27626-0622 (Form L-17)



LIMITED LIABILITY COMPANY ANNUAL REPORT

Section 5, Item G.

NAME OF LIMITED LIABILITY COMPANY:	Hill Grandchild	ren, LLC	
SECRETARY OF STATE ID NUMBER: 1074	679 STA	ATE OF FORMATION: NC	Filing Office Use Only E - Filed Annual Report 1074679
REPORT FOR THE CALENDAR YEAR: 202	23		CA202411301387 4/22/2024 11:45
SECTION A: REGISTERED AGENT'S INFORM	<u>IATION</u>		Changes
1. NAME OF REGISTERED AGENT: Hil	l, Lyndon		
2. SIGNATURE OF THE NEW REGISTER	ED AGENT:		
2 DECISTEDED ACENT OFFICE STREET	TADDDECC & COUL	SIGNATURE CONSTITUTES CONSENT TO	
3. REGISTERED AGENT OFFICE STREET	ADDRESS & COUN		FICE MAILING ADDRESS
2028 Spartanburg Highway		168 Daffodil Cove Lane	
East Flat Rock, NC 28726-2133 Her	iderson County	Flat Rock, NC 28731	
SECTION B: PRINCIPAL OFFICE INFORMATI	ON		
1. DESCRIPTION OF NATURE OF BUSIN			
	ronaio		
2. PRINCIPAL OFFICE PHONE NUMBER	(828) 606-995	9 3. PRINCIPAL OFFICE EMA	L: Privacy Redaction
4. PRINCIPAL OFFICE STREET ADDRESS	6	5. PRINCIPAL OFFICE MAILI	NG ADDRESS
168 Daffodil Cove Lane		168 Daffodil Cove Lane	
Flat Rock, NC 28731		Flat Rock, NC 28731	
6. Select one of the following if applied The company is a veteran-one The company is a service-dis	wned small busines	s	
SECTION C: COMPANY OFFICIALS (Enter add	ditional company offic	ials in Section E.)	
NAME: Lyndon Hill	NAME:	NAME:	
TITLE: Manager	TITLE:	TITLE:	
ADDRESS:	ADDRESS:	ADDRE	ESS:
168 Daffodil Cove Lane			
Flat Rock, NC 28731			
SECTION D: CERTIFICATION OF ANNUAL	REPORT. Section D	must be completed in its entirety by	a person/business entity.
Lyndon Hill		4/22/2024	
SIGNATURE Form must be signed by a Company Official listed under	Section C of This form.		DATE
Lyndon Hill		Manager	
Print or Type Name of Com	pany Official	Print or Type	Fitle of Company Official



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: Krystal Powell **MEETING DATE:** 1/8/2025

AGENDA SECTION: Consent DEPARTMENT: Finance

TITLE OF ITEM: Amendment to FY24 Audit Contract

SUGGESTED MOTION(S):

I move City Council to approve the amendment to the FY2024 Audit Contract.

SUMMARY:

FY2024 Audit Contract is being amended due to Modification of Date of Submission of Annual Comprehensive Financial Report (ACFR) from 10/31/2024 to 12/20/2024. It is also being amended due to Modification of Fee due to 3 additional programs that were required to be audited.

BUDGET IMPACT: \$11,850

Is this expenditure approved in the current fiscal year budget? Yes

If no, describe how it will be funded.

ATTACHMENTS:

LGC-205 Amended Audit Contract

LGC-205 Amendment

AMENDMENT TO CONTRACT TO AUDIT ACCOUNTS

Section 5, Item H.

Whereas	Prima	ary Government Unit				
	City of Hendersonville					
and	Disci	Discretely Presented Component Unit (DPCU) (if applicable)				
and	Audit	tor				
	Goul	d Killian CPA Group,	PA			
entered i and DPC			litor agreed to audit the accounts	of the Primary Government Unit		
•	Fisca	al Year Ending	and a delegal to be	Date		
for	06/30	0/24	and originally to be submitted to the LGC on	10/31/24		
hereby ag	ree that i	it is now necessary tha	—— at the contract be modified as follo	ows.		
_		·	Original date	Modified date		
✓ Modific	cation to	date submitted to LGC	10/31/24	12/20/24		
		_	Original fee	Modified fee		
✓ Modific	cation to 1	lee	57,850	69,700		
Primary	Other		son(s) for Contract Amendme	nt		
(choose 1)(c	choose 0-2	2)				
0		Change in scope				
0		Issue with unit staff/t				
0		Issue with auditor sta				
0		• •	statements not prepared by agre	•		
0			nk reconciliations complete for the	•		
0				ledgers and general ledger comple		
0		·		tries resulting in incorrect beginning		
		balances in the general ledger				
0		Unit did not have information required for audit complete by the agreed-upon time				
0		•	□ Delay in component unit reports□ Software - implementation issue			
			itation iccus			
0		•				
0		Software - system fa	ilure			
-	_	•	ilure are/cyberattack			

Plan to Prevent Future Late Submissions

If the amendment is submitted to modify the date the audit will be submitted to the LGC, please indicate the steps the unit and auditor will take to prevent late filing of audits in subsequent years. Audits are due to the LGC four months after fiscal year end. Indicate NA if this is an amendment due to a change in cost only.

Client and audit firm were both impacted by Hurricane Helene. Should not impact timing of the completion of subsequent year audits. Client also experienced turnover at the Finance Director position in November 2024.

Additional Information

Please provide any additional explanation or details regarding the contract modification.

Fee modification is due to a greater number of major programs than expected. The not to exceed amount on the original contract included 2 major programs. 5 major programs were audited. As per the terms of the original contract, these 3 additional programs were audited at a fee of \$3,950 each.

By their signatures on the following pages, the Auditor, the Primary Government Unit, and the DPCU (if applicable), agree to these modified terms.

SIGNATURE PAGE

AUDIT FIRM

Audit Firm*	
Gould Killian CPA Group, PA	2 1
Authorized Firm Representative* (typed or printed) Travis S. Keever	Low D. J. wir
Date*	Email Address
12/17/24	tkeever@gk-cpa.com

GOVERNMENTAL UNIT

d Approved Amended	
Signature*	
Email Address	
bvolk@hvlnc.gov	
	Signature* Email Address

Chair of Audit Committee (typed or printed, or "NA") NA	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE *ONLY REQUIRED IF FEES ARE MODIFIED IN THE AMENDED CONTRACT*

(Pre-audit certificate not required for hospitals)

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

Pri	mary Governmental Unit Finance Officer*	Signature*
Kr	ystal Powell	Laural Powell
Da	te of Pre-Audit Certificate*	Email Address*
1/8	8/2025	kpowell@hvlnc.gov



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: Jennifer Floyd **MEETING DATE:** 01/08/2025

AGENDA SECTION: CONSENT DEPARTMENT: Administration

TITLE OF ITEM: January 2025 Budget Amendments—Jennifer Floyd, Management Analyst II

SUGGESTED MOTION(S):

I move City Council adopt budget amendments 01082025-01, 01082025-02, 01082025-03, 01082025-04, 01082025-05, and 01082025-06 as presented.

SUMMARY:

01082025-01: An amendment increasing insurance proceeds in the General Fund by \$7,132 and increasing R&M Vehicles appropriations to repair HPD vehicle #15-26.

01082025-02: An amendment moving 2024 State Appropriation Grant Revenues out of project #G2402 and placing them directly in the Biosolids Dryer Project, #16036. This amendment does not change the bottom line of the WTP Residuals project or the Biosolids Dryer project.

01082025-03: An amendment reducing the project budget for the 2022 NCDEQ Grant Project Ordinance #G2204. Funds received from this grant will instead be applied directly to the capital project ordinances: WWTP Aeration, #21045 (\$1,378,216) and WWTP UV, #16023 (\$3,621,784). This amendment does not change the total project appropriation for the WWTP Aeration project, or the WWTP UV project.

01082025-04: An amendment to the 2023 installment financing projects: City Hall and Operations Improvements #21017, City Hall 3rd Floor Improvements #23021, and City Hall Exterior Phase II Improvements #23022. The amendment moves bond proceed revenues from the 2023 installment financing directly to the City Hall and Ops Improvement Project, #21017. The amendment also increases the City Hall 3rd Floor Project appropriation to \$158,500 and decreases the City Hall Exterior Phase II Project to \$895,500.

01082025-05: An amendment to the Strategic Affordable Housing Project, #G2404. City Council adopted the original grant project ordinance for the project on June 06, 2024. This amendment increases the project appropriation by transferring \$X in from the General Fund. The revised project appropriation is \$Y.

01082025-06: An amendment increasing the FY23 Vehicle and Equipment Project, #VE023 by \$2,000 via transfer in from the General Fund to cover the increased cost of the Pothole Patcher.

BUDGET IMPACT: Summarized above.

Is this expenditure approved in the current fiscal year budget? N/A

If no, describe how it will be funded. N/A

ATTACHMENTS:

1. Budget Amendments 01082025-01 through 01082025-06

Section 5, Item I.

TO MAYOR & COUNCIL APPROVAL: January 08, 2025

FISC FORI

BUDGET AMENDMENT

FUND 010				
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE
010-0000-470030	Insurance Proceeds	-	7,132	-
010-1300-524030	R&M Trucks	121,000	7,132	-
FUND 010	TOTAL REVENUES	-	7,132	-
General Fund	TOTAL EXPENDITURES	121,000	7,132	-

An amendment increasing insurance proceeds by \$7,132 to cover the cost of repairs to vehicle 15-26.

The City Manager and City Clerk certify budget ordinance amendment 01082025-01 was approved by City Council on January 08, 2025.

City Manager
City Clerk

;AL YEAR 2025 И: 01082025-01

REVISED BUDGET
7,132
128,132
7,132
128,132

Date

Date

TO MAYOR & COUNCIL APPROVAL: January 08, 2025

FISCAL YEAR 2025 FORM: 01082025-02

BUDGET AMENDMENT

FUND 301 459 460					
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE	REVISED BUDGET
301-0000-420050-G2402	Contributions/Donations	14,307,500	-	14,307,500	-
301-0000-598901-G2402	Transfer Out (to 460, #22013)	-	-	-	-
301-0000-598901-G2402	Transfer Out (to 460, #16036)	14,307,500	-	14,307,500	-
FUND 301 (#G2402)	TOTAL REVENUES	14,307,500	-	14,307,500	-
FY24 State Approp.	TOTAL EXPENDITURES	14,307,500	-	14,307,500	-
459-0000-470900	Fund Balance Appropriated	300,000	-	-	300,000
459-0000-598901	Transfer Out (to 460, #22013)	300,000	-	-	300,000
FUND 459	TOTAL REVENUES	300,000	-	-	300,000
W&S Capital Reserve Fund	TOTAL EXPENDITURES	300,000	-	-	300,000
460-0000-470010-22013	Debt Proceeds ('26 Revenue Bond)	2,342,000	-	-	2,342,000
460-0000-470100-22013	Transfer In (from 459)	300,000	-	-	300,000
460-7035-550103-22013	Capital Outlay-CIP	2,642,000	-	-	2,642,000
FUND 460 (#22013)	TOTAL REVENUES	2,342,000	-	-	2,642,000
WTP Residuals	TOTAL EXPENDITURES	2,342,000	-	-	2,642,000
460-0000-470100-16036	Transfer In (from 301, #G2402)	14,307,500	-	14,307,500	-
460-0000-420050-16036	Grant Revenue (FY24 State Appropriation)	14,528,750	-	-	14,528,750
460-0000-470010-16036	Debt Proceeds ('25 Revenue Bond)	3,184,500	310,288	-	3,494,788
460-7135-550103-16036	Capital Outlay-CIP	17,492,000	531,538		18,023,538
FUND 460 (#16036)	TOTAL REVENUES	17,492,000	310,288	14,307,500	18,023,538
Biosolids Dryer	TOTAL EXPENDITURES	17,492,000	531,538	-	18,023,538

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This amendment moving 2024 State Appropriation Grant Revenues out of project #G2402 and placing the does not change the bottom line of the WTP Residuals project or the Biosolids Dryer project as noted above	• • • • • • • • • • • • • • • • • • • •
The City Manager and City Clerk certify budget ordinance amendment 01082025-02 was approved by City	Council on January 08, 2025.
City Manager	Date
City Clerk	Date

TO MAYOR & COUNCIL APPROVAL: January 08, 2025

FISCAL YEAR 2025 FORM: 01082025-03

BUDGET AMENDMENT

FUND 301 460					
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE	REVISED BUDGET
301-0000-420050-G2204	Grant Revenue (NCDEQ 2022)	5,000,000		5,000,000	-
301-1002-598901-G2204	Transfer Out (to 460, #16023)	3,621,784	-	3,621,784	-
301-1002-598901-G2204	Transfer Out (to 460, #21045)	1,378,216	-	1,378,216	-
FUND 301, #G2204	TOTAL REVENUES	5,000,000	-	5,000,000	-
2022 NCDEQ Grant	TOTAL EXPENDITURES	5,000,000	-	5,000,000	-
460-0000-420050-21045	Grant Revenue (NCDEQ 2022)	-	1,378,216	-	1,378,216
460-0000-470100-21045	Transfer In (from #G2204)	1,378,216	-	1,378,216	-
460-1014-550103-21045	Capital Outlay CIP	1,378,216	-	-	1,378,216
FUND 460	TOTAL REVENUES	1,378,216	1,378,216	1,378,216	1,378,216
WWTP Aeration, #21045	TOTAL EXPENDITURES	1,378,216	-	-	1,378,216
460-0000-420050-16023	Grant Revenue (NCDEQ 2022)	-	3,621,784	-	3,621,784
460-0000-470100-16023	Transfer In (from 22 NCDEQ, #G2204)	3,621,784	-	3,621,784	-
460-0000-470100-16023	Transfer In (from 459)	400,000	-	-	400,000
460-1014-550103-16023	Capital Outlay CIP	3,621,784	-	-	3,621,784
460-1014-550102-16023	Capital Outlay Services and Fees	400,000	-	-	400,000
FUND 460	TOTAL REVENUES	4,021,784	3,621,784	3,621,784	4,021,784
WWTP UV Project, #16023	TOTAL EXPENDITURES	4,021,784	-	-	4,021,784

An amendment reducing the project budget for the 2022 NCDEQ Grant Project Ordinance #G2204. Funds received from this grant will instead be applied directly to the capital project ordinances: WWTP Aeration, #21045 (\$1,378,216) and WWTP UV, #16023 (\$3,621,784). This amendment does not change the total project appropriation for the WWTP Aeration project, or the WWTP UV project.

The City Manager and City Clerk c	ertify budget ordinance amendment 01082025-03 was approved by City Council on January 08, 2025.	
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City Manager		Date
City Clerk		Date
- 9		

TO MAYOR & COUNCIL APPROVAL: January 08, 2025

FISCAL YEAR 2025 FORM: 01082025-04

BUDGET AMENDMENT

FUND 060 067 410					
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE	REVISED BUDGET
060-0000-470020	Bond Proceeds (2023 IFC)	4,016,000	-	4,016,000	-
060-0000-470900	Fund Balance Appropriated	10,000	-	10,000	-
060-0000-598901	Transfer Out (to 410, #21017)	4,026,000	-	4,026,000	-
FUND 060	TOTAL REVENUES	4,026,000	-	4,026,000	-
Water & Sewer Fund	TOTAL EXPENDITURES	4,026,000	-	4,026,000	-
067-0000-470020	Bond Proceeds (2023 IFC)	377,000	-	377,000	-
067-0000-598901	Transfer Out (to 410, #21017)	377,000	-	377,000	-
FUND 067	TOTAL REVENUES	377,000	-	377,000	-
Stormwater Fund	TOTAL EXPENDITURES	377,000	-	377,000	-
410-0000-470010-21017	Debt Proceeds (2023 IFC)	2,032,000	4,393,000	-	6,425,000
410-0000-470100-21017	Transfer In (from 060 & 067, FY23)	4,393,000	-	4,393,000	-
410-0000-470100-21017	Transfer In (from 060 FY24)	10,000	-	10,000	-
410-1002-550103-21017	Capital Outlay - CIP	5,271,000	92,000	-	5,363,000
410-1002-560900-21017	Cost of Issuance	80,000	-	72,000	8,000
410-1002-598901-21017	Transfer Out (to #23021)	90,000	68,500	-	158,500
410-1002-598901-21017	Transfer Out (to #23022)	994,000	-	98,500	895,500
FUND 410 #21017	TOTAL REVENUES	6,435,000	4,393,000	4,403,000	6,425,000
City Hall & Ops Imprv.	TOTAL EXPENDITURES	6,435,000	160,500	170,500	6,425,000
410-0000-470100-23021	Transfer In (from #21017)	90,000	68,500	-	158,500
410-1002-550103-23021	Capital Outlay - CIP	90,000	68,500	-	158,500
FUND 410 #23021	TOTAL REVENUES	90,000	68,500	-	158,500
City Hall 3rd Floor	TOTAL EXPENDITURES	90,000	68,500	-	158,500
410-0000-470100-23022	Transfer In (from #21017)	994,000	-	98,500	895,500
410-1002-550103-23022	Capital Outlay - CIP	994,000	-	98,500	895,500
FUND 410 #23022	TOTAL REVENUES	994,000	-	98,500	895,500
City Hall Ext. Phase II	TOTAL EXPENDITURES	994,000	-	98,500	895,500

Section	5.	Item	1
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Date

mprovements. The amendment moves bond proceed revenues from the 2023 installment financing directly to the City Hall and Ops Improvement Project, amendment also increases the City Hall 3rd Floor Project appropriation to \$158,500 and decreases the City Hall Exterior Phase II Project to \$895,500.	#21017. The
The City Manager and City Clerk certify budget ordinance amendment 01082025-04 was approved by City Council on January 08, 2025.	
Nite Manager	Data
City Manager	Date

An amendment to the 2023 installment financing projects, City Hall and Operations Improvements, City Hall 3rd Floor Improvements, and City Hall Exterior Phase II

City Clerk

Section 5, Item I.

TO MAYOR & COUNCIL APPROVAL: January 08, 2025

FISCAL YEAR 2025 FORM: 01082025-05

BUDGET AMENDMENT

FUND 010 301					
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE	REVISED BUDGET
010-1002-519200	Contracted Services	30,056	-	2,600	27,456
010-0000-598901	Transfer Out (to 301, #G2404)	821,840	2,600	-	824,440
FUND 010	TOTAL REVENUES	30,056	-	2,600	27,456
General Fund	TOTAL EXPENDITURES	821,840	2,600	-	824,440
301-0000-420050-G2404	Grant Revenue (Dogwood HR, 2024)	100,000	-	-	100,000
301-0000-470010-G2404	Transfer In (from 010 - Legal)	-	2,600	-	2,600
301-1200-519200-G2404	Contracted Services	100,000	2,600	-	102,600
FUND 301	TOTAL REVENUES	100,000	2,600	-	102,600
Affordable Housing #G2404	TOTAL EXPENDITURES	100,000	2,600	-	102,600

An amendment to the Strategic Affordable Housing Project, #G2404. City Council adopted the original grant project ordinance for the project on June 06, 2024. This amendment increases the project appropriation by transferring \$2,600 in from the General Fund. The revised project appropriation is \$102,600.

The City Manager and City Clerk certify budget ordinance amendment 01082025-05 was approved by City Council on January 08, 2025.	
City Manager	Date
City Clerk	Date

Section 5, Item I.

TO MAYOR & COUNCIL APPROVAL: January 08, 2025

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BUDGET AMENDMENT

	10 410			
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE
010-1521-524030	R&M Trucks	50,000	-	2,000
010-0000-598901	Transfer Out (to 410, #VE023)	1,348,430	2,000	-
FUND 010	TOTAL REVENUES	1,348,430	2,000	-
General Fund	TOTAL EXPENDITURES	50,000	-	2,000
410-1502-470100-VE023	Transfer In (From 010)	-	2,000	-
410-1502-544001-VE023	Capital Outlay- Equipment	258,260	2,000	-
FUND 410, #VE023	TOTAL REVENUES	-	2,000	-
FY23 Vehicles and Equip.	TOTAL EXPENDITURES	258,260	2,000	-

An amendment increasing the FY23 Vehicle and Equipment Project, #VE023 by \$2,000 via transfer in from the General Fund to cover the increased cost of

The City Manager and City Clerk certify budget ordinance amendment 01082025-06 was approved by City Council on January 08, 2025.

City Manager

City Clerk

;AL YEAR 2025 И: 01082025-06

REVISED BUDGET
48,000
1,350,430
1,350,430
48,000
2,000
260,260
2,000
260,260
the Pothole Patcher.

Date

Date



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: Sam Hayes **MEETING DATE:** January 8, 2024

AGENDA SECTION: Consent Agenda DEPARTMENT: Community

Development

TITLE OF ITEM: Resolution to Accept Grant Funds – Sam Hayes, Planner II

SUGGESTED MOTION(S):

For Approval:

I move that City Council adopt a resolution accepting the funds of the National Preservation Fund grant awarded to the City by the National Trust for Historic Preservation.

[DISCUSS & VOTE]

For Denial:

I move that City Council deny a resolution accepting the funds of the National Preservation Fund grant awarded to the City by the National Trust for Historic Preservation.

[DISCUSS & VOTE]

SUMMARY:

The City has applied for a grant from the National Trust for Historic Preservation to begin the process of documenting our historically Black neighborhoods. The grant funds will be used to hire a consultant to create a study list of historic properties and partner with Blue Ridge Community College to collect oral histories. This resolution will authorize the City Manager to enter into a grant agreement with the National Trust for Historic Preservation and will allocate \$3,000 from the special revenue fund of the Historic Preservation Commission as matching funds for the grant.

BUDGET IMPACT: \$3,000 (from the Historic Preservation Commission special revenue fund approved for FY24)

ATTACHMENTS:	
	 Resolution to Accept Grant Funds Grant Application



City of Hendersonville

100 N King Street Hendersonville, NC 28792

shayes@hvlnc.gov 0: 8282030307

Form

Application Instructions

This grant application is for the National Trust Preservation Fund grant program which provides matching fund grants to support planning and education projects. Please read our guidelines and eligibility requirements before completing the application.

For the February 3, 2025 grant round, the National Trust Preservation Funds grant program has dedicated funding to award in the following states: Alabama, Alaska, Arkansas, California, Colorado, Delaware, Idaho, Iowa, Kansas, Kentucky*, Louisiana, Maryland (Annapolis), Massachusetts, Michigan, Minnesota, Missouri, Montana, Oklahoma, Oregon, South Dakota, Texas, Washington, and Washington, D.C.

*Please note that the Linda and Jerry Bruckheimer Preservation Fund for Kentucky is not currently accepting applications. However, applications for projects in Kentucky that do not involve bricks and mortars are eligible.

If you have any questions while completing your application, contact our grants office at grants@savingplaces.org.

Please add administrator@grantinterface.com and grants@savingplaces.org to your address book to ensure you receive all email messages related to your grant application.

Project and Applicant Overview

Project Name*

The project name should illustrate the type of work to be done and the name of the place where the work will happen, if applicable. *Example: "Historic Structures Report for City Hall"*

City of Hendersonville, NC Underrepresented Communities Preservation Project

Brief Project Description*

Provide a brief description of your project. Think of this as your "elevator pitch." You will have an opportunity to include a more detailed project narrative below.

This project aims to document and preserve Hendersonville, NC minority communities. In Phase I, we will hire a consultant to map boundaries and establish a preliminary study list, and oral histories gathered through community engagement.

Applicant Overview*

Tell us about your organization/agency. What is your mission and who is your audience? If you work with the public, please quantify the number of people reached through your work on an annual basis.

The Hendersonville Historic Preservation Commission safeguards the city's heritage by preserving significant properties, designating historic landmarks, and promoting their conservation for public education and enjoyment. Annually, the historic preservation commission reaches 1000-1500 people annually through the various programs and initiatives conducted by the group including both regulatory programs and educational events for the general public, business community, and school age children.

Applicant's Tax Status*

Is the applicant a nonprofit organization or a public agency?

Federal, state, or local public agency

IRS Letter of Determination

If you are a nonprofit, please upload your IRS letter of determination here.

Project State*

Tell us in what state or territory your project will take place. This may be different from where your organization is located.

North Carolina

Historic Resource*

Does your project involve a historic resource? This can be a building, landscape, neighborhood or other physical location.

Yes

Historic Resource Information

This section only needs to be completed if the proposed project involves a historic resource or resources. The location information requested in this section will be used for mapping purposes. If the project involves multiple resources or a historic district, please skip the street address question and provide only the city, state, and zip code details below.

Name of Historic Resource

Hendersonville Historic Minority Neighborhoods

Historic Resource Details

If the project involves a historic resource such as a building, landscape, or neighborhood, provide information on its history and its current use. If the resource holds a historic designation, please note that in this section.

The Hendersonville Underrepresented Community Preservation Project aims to document and preserve the histories of five significant Black neighborhoods in Hendersonville: Peacock Town, Black Bottom, Harris Street, Brooklyn, and the West End. Some of these neighborhoods experienced mid-20th century urban renewal and all are facing gentrification. None of these neighborhoods currently hold historic designation, though the goal of this project is to determine what may be eligible for designation.

Who is the owner of the property?

If the project involves a historic resource and the applicant does not own the property then describe the owner's involvement with the project below. Use the file upload box below to upload a letter of consent from the owner indicating that they consent to this project taking place.

City of Hendersonville 3

166

Given these are residential neighborhoods, all of the properties being looked at are privately owned. This project seeks to engage the property owners and residents of these neighborhoods, while also educating on the varying preservation tools available to them. In engaging, we hope to establish community buy in as we proceed with preservation efforts.

Historic Resource: Street Address Historic Resource: City

Hendersonville

Historic Resource: State (Two Letter Abbreviation)

NC

Historic Resource: Zip Code

28792

Additional Location Information

If the project involves multiple resources, involves resources in multiple cities or states, or if the resource does not have a street address, please provide relevant location information here.

Project Budget

Amount Requested*

Total amount requested from the National Trust for Historic Preservation.

\$3.000.00

Total Project Expenses*

Please list your total project expenses here.

\$6.000.00

Budget*

Please upload a project budget that details income and expenses related to the proposed grant-funded project. Please use our grant proposal budget template which you can download here.

The project budget pertains to the proposed NTPF grant-funded activity only. Please be sure to note if sources of income are secured, anticipated, or in-kind in the appropriate column. In-kind matches are defined as non-cash contributions, such as donated materials or services. Total income and expenses must match.

PLEASE NOTE: You must use the budget template linked to above.

NTHP-Grants-Budget_Hendersonville_NorthCarolina.xlsx

Detailed Project Description

Project Description & Timeline*

Tell us about your proposed project and how grant funds will be used:

- Tell us what our funds would be used for. Include a proposed scope of work and information on how the scope of work relates to a larger project (if applicable).
- Tell us who will carry out this work. If you will be hiring a consultant, detail the type of expertise you need. If staff will be carrying out the work, include information on their qualifications.
- Tell us about who else is involved. Provide information on if or how any partners or community members will be involved in this project.
- Tell us when this project will happen by including an estimated timeline.
- Tell us about other sources of funding for the project.
- Tell us about the expected outcomes for the project and who will benefit once the project is complete.

Project Overview

The Hendersonville Underrepresented Community Preservation Project aims to document and preserve the histories of five significant Black neighborhoods in the City of Hendersonville: Peacock Town, Black Bottom, Harris Street, Brooklyn, and the West End. The project will utilize grant funds for Phase I of this project, which focuses on hiring a consultant to research and document the historical boundaries and significance of these neighborhoods and compile a preliminary study list. Phase I also includes public engagement activities led by the City of Hendersonville's Historic Preservation Commission (HPC) staff and an archivist from Blue Ridge Community College. Activities will include digitizing photos and primary documents from the community to create an archive for ongoing research, gathering oral histories, and identifying significant sites. Phase II, planned to start in late 2025, will formalize the study list and begin comprehensive documentation of historic properties within these neighborhoods.

Use of Funds

Consultant Fees: Hiring an expert in African American history and community research to map historical boundaries, document neighborhood narratives and compile a preliminary study list for each neighborhood.

Community Education and Engagement Materials: The HPC will facilitate public gatherings to educate residents on the project. Funds will be used to print materials such as signs and handouts for these events, as well as to print draft and final reports.

Project Leadership and Expertise

The project will be managed by HPC staff liaison Sam Hayes, who possesses experience in community engagement, historic preservation, and grant management. Sam will coordinate the consultant's work and public input sessions. The archivist from Blue Ridge Community College will collect oral histories and digitize photos and primary source documents, bringing valuable experience from previously working with Hendersonville's Black communities.

Community Involvement

Community engagement is a cornerstone of this project. Residents will be involved through:

Public Education and Input Sessions: Educating communities on the project goals and gathering stories, photos, and other primary sources from community members, particularly elders, to enrich the historical narrative. These sessions will take place in each of the five target neighborhoods mentioned above. Blue Ridge Community College will assist in collecting oral histories and digitizing photos and primary source materials from these communities, prioritizing older members whose memories are vital to preserve.

Walking Tours: Local volunteers and residents will lead tours to showcase important sites, fostering community pride and involvement in the preservation process.

Timeline

January 2025: Project kickoff, including consultant engagement.

February - April 2025: Conduct community engagement sessions, including oral history interviews and walking tours.

May 2025: Compile findings into a comprehensive report.

June 2025: Finalize the report to support the application for a Certified Local Government grant.

Additional Funding Sources

The HPC is dedicated to this initiative and will allocate matching funds from its annual budget.

Expected Outcomes

The primary outcome will be a detailed report documenting the historical boundaries and narrative overviews of the five neighborhoods. The consultant will provide a preliminary study list to use as a starting point for future phases of this project. This report will:

Serve as a foundation for a competitive application for a subsequent Certified Local Government grant to conduct a more in-depth study of historic Black communities.

Enhance community awareness and appreciation of local Black history.

Identify historic resources eligible for various preservation tactics, including both National Register and Local landmarking and historic districting and/or the creation of a cultural district(s) and the placement of historic markers at significant sites.

This report will support historic preservation initiatives and also enhance other City initiatives such as the Affordable Housing Plan, which is currently being written and is expected to be completed by fall 2025. By examining this history, we aim to inform a comprehensive approach to addressing current housing challenges, prioritizing historically marginalized communities in both the planning process and proposed solutions.

In light of the devastating impacts of Hurricane Helene, this grant will also assist in the documentation of these neighborhoods to asses the post-storm damage.

This project seeks not only to celebrate the rich histories of these neighborhoods but also to address the complexities of their past and present, including segregation, urban renewal and gentrification. By elevating the voices and stories of these communities, we hope to foster a deeper understanding and connection to Hendersonville's diverse heritage.

Photos

Please upload up to three photos of your project below. JPEG format is preferable, only JPEG, PNG, DOC, and PDF files will be accepted. Both historic and high quality contemporary images will be accepted. Photos must include at least one exterior view of the property or resource that is the focus of your grant request. Most images should be in a horizontal format.

PLEASE NOTE: WE RECOMMEND YOU SAVE A DRAFT OF YOUR APPLICATION BEFORE YOU UPLOAD PHOTOS. Click the "save as draft" button at the bottom of this page to save.

Photo #1*

Please list the photographer credits and a description of the photo below.

Landina Guest House.jpg

Historic marker at the Landina Guest House, the only Green Book site in the City.

Credit - Sam Hayes

Photo #2

Please list the photographer credits and a description of the photo below.

Pilgrims Funeral Home.jpg

Current photo of the former Pilgrim's Funeral Home, a prominent Black owned business in the West End neighborhood.

Credit - Sam Haves

Photo #3

[Unanswered]

Photo #4

Please list the photographer credits and a description of the photo below.

[Unanswered]

Certification

Provide the name and title of the authorized official submitting this application for a National Trust Preservation Fund grant. The authorized official must be a representative of the applicant organization who has the authority to sign legally binding documents on behalf of the organization e.g., an executive board officer (i.e. President) or an executive staff member with signatory authority (i.e. Executive Director or CFO).

By entering in their name below, the authorized official gives the National Trust for Historic Preservation (the Funder) the absolute and unqualified right to use in whole or in part, in whatever manner the National Trust may desire, including (but not limited to) use for publicity, audio-visual presentation, and/or promotion, all photographs, video, and other materials submitted as part of this grant application, and certifies that the information contained in this application is true and correct to the best of their knowledge.

By submitting photographs, films, or recordings (works) to the Funder you agree to the following terms and conditions:

- 1. You retain the copyright to all work(s) submitted to the Funder.
- 2. You grant to the Funder a perpetual, irrevocable, royalty-free, fully transferable, unconditional, non-exclusive, worldwide right to reproduce all or a portion of the work(s) an unlimited number of times in any and all media for any editorial, commercial, promotional, trade, or other corporate purposes.
- 3. You hereby waive your right to inspect or approved any copy that is used in connection with the work(s) in any existing or subsequently developed medium, and you agree to release and discharge the Funder, including their affiliates and licensees, from any and all claims arising out of such use for the purposes described above, including any claims for libel and invasion of privacy.
- 4. You represent and warrant that: a. you are the sole owner of, or otherwise have the authority to grant, all rights herein granted to the Funder and b. the work(s) submitted does not infringe upon any copyright, trademark, or other proprietary right, violate any right of privacy, or contain libelous, scandalous, or unlawful material.

Applicant Certification*

Are you a duly authorized representative of the applicant?

Yes

Name*

Sam Hayes

Title*

Planner II

File Attachment Summary

Applicant File Uploads

- NTHP-Grants-Budget_Hendersonville_NorthCarolina.xlsx
- Landina Guest House.jpgPilgrims Funeral Home.jpg

National Trust Grant Request Budget Sheet

ORGANIZATION NAME: City of Hendersonville - Historic Preservation Commission

PROJECT NAME: Hendersonville Black Neighborhood Preservation Project

DATE: 11-Oct-24

Instructions: Enter descriptions and amounts in the appropriate columns. For "Help," click on a cell with a red triangle in the corner.

INCOME EXPENSES

Source of Income	Please Specify if the funds are Secured, Anticipated, or In-Kind	Amount	Grant Amount Requested from NTHP	Detailed Expenses	Amount		
Grant amount requested from NTHP			\$ 3,000.00	Consultant fees for conducting the research and report wri	\$ 3,000.00		
Income from other sources					\$ -		
Hendersonville Historic Preservation Commission Annual	Secured	\$ 3,000.00		Consultant fees for conducting the research and report wri	\$ 2,175.00		
Hendersonville Historic Preservation Commission Annual	Secured	\$ -		Materials printing including signs, draft, and final reports	\$ 825.00		
		\$ -			\$ -		
		\$ -			\$ -		
		\$ -			\$ -		
		\$ -			\$ -		
		\$ -			\$ -		
		\$ -			\$ -		
		\$ -			\$ -		
Amount requested from National Trust for Historic Preservation			\$ 3,000.00				
Total Income from Other Sources			\$ 3,000.00				
Total Project Income (must equal your project expenses)			\$ 6,000.00	Total Project Expenses (must equal project income)	\$ 6,000.00		





RESOULTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL ACCEPTING A GRANT FROM THE NATIONAL TRUST FOR HISTORIC PRESERVATION FOR THE PURPOSE OF DOCUMENTING THE CITY'S HISTORICALLY BLACK NEIGHBORHOODS

WHEREAS, the National Trust for Historic Preservation has established a grant to encourage preservation at the local level by supporting ongoing preservation work and by providing seed money for preservation projects; and

WHEREAS, the Community Development Department applied for and was awarded a National Trust Preservation Funds grant in the amount of \$3,000; and

WHEREAS, the City of Hendersonville desires to accept the grant funds, and authorize the execution of the grant funding agreement (the "Grant Agreement"); and

WHEREAS, the Grant Agreement provides that the City will undertake activities to promote the historic preservation of underrepresented communities in Hendersonville; and

WHEREAS, the City will allocate \$3,000 as matching funds towards the grant from the Historic Preservation Commission's budget;

NOW, THEREFORE, BE IT RESOLVED by the City council of the city of Hendersonville, North Carolina that:

- 1. The City hereby accepts the \$3,000 National Trust Preservation Funds grant from the National Trust for Historic Preservation for the purposes as set out in the Grant Agreement; and
- 2. The City Manager is authorized to execute the Grant Agreement, with such changes as he deems appropriate, provided they are consistent with the terms of this Resolution;
- 3. City Staff are authorized and directed to proceed with the performance and implementation of the National Trust Preservation Funds grant as outlined in the Grant Agreement.

Adopted by City Council of the City of Hendersonville, North Carolina on this 8th day of January, 2025.



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: Angela Beeker, City Attorney **MEETING DATE:** January 8, 2025

AGENDA SECTION: UNFINISHED BUSINESS DEPARTMENT: Legal

TITLE OF ITEM: SECOND READING: Amendments to City Code regarding regulation of

Consumable Hemp Derived Products to specify criminal liability - Angela

Beeker, City Attorney

SUGGESTED MOTION(S):

I move City Council adopt an Ordinance to Impose Criminal Penalties for the Sale or Possession of Cannabis Near Schools for the second reading as presented.

SUMMARY: City staff was directed to present proposed regulations regarding the sale or possession of cannabis and consumable hemp-derived products within the City, and particularly to minors within close proximity to schools and public property. Presently, there are no state or local regulations applicable to the sale of consumable hemp-derived products other than those generally applicable to retail establishments in the City.

The proposed ordinance provides for criminal enforcement of the regulations regarding sale or possession of consumable hemp-derived products within the City. N.C.G.S. § 160A-175 requires two readings for any ordinance specifying a criminal penalty. This ordinance passed the first reading at the December 5, 2024 meeting.

ATTACHMENTS:

PROPOSED ORDINANCE

Ordinance #

AN ORDINANCE TO IMPOSE CRIMINAL PENALTIES FOR THE SALE OR POSSESSION OF CANNABIS NEAR SCHOOLS

WHEREAS, the sale of certain hemp-derived products to persons under the age of 21 years old is currently not regulated by the State of North Carolina; and

WHEREAS, there are many hemp-derived products containing legal cannabinoids that can have the psychoactive effects as marijuana; and

WHEREAS, approval by the Food and Drug Administration of hemp-derived consumable products is not required, and therefore presence of contaminants and the amount of THC present in a product is not subject to quality control, placing the consuming public at risk; and

WHEREAS, the City Council finds that many retail establishments, including but not limited to hemp shops or vape products sell hemp derived consumable products, and there is no law or ordinance prohibiting the sale or distribution of hemp derived consumable products to persons under the age of 21 within a certain distance from a public or private school, make these products readily accessible to students; and

WHEREAS, the City Council wishes protect the public health and safety of persons under the age of 21 by making hemp-derived consumable products less readily available by prohibiting the sale or distribution of hemp derived consumable products to persons under the age of 21 years in close proximity to schools.

NOW, THEREFORE, BE IT ORDAINED by City Council of the City of Hendersonville, North Carolina as follows:

SECTION 4. Article II of Chapter 6 of the City of Hendersonville Code of Ordinances shall be amended to add a new Section 6-11 as follows:

Sec. 6-11 Criminal Penalties for Violation

In addition to any other remedy available, violation of this Article II of Chapter 6 of the City of Hendersonville Code of Ordinances is a misdemeanor as provided in Section 1-6 of the City of Hendersonville Code of Ordinances.

SECTION 5. If any provision of this ordinance or its application is held invalid, the invalidity does not affect other provisions or applications of this ordinance that can be given effect without the invalid provisions or application, and to this end the provisions of this ordinance are severable.

SECTION 6. It is the intention of the City Council and it is hereby ordained, that the provisions of this ordinance shall become and be made part of the Code of Ordinances, City of Hendersonville, North Carolina, and the sections of this ordinance may be renumbered to accomplish such intention.

SECTION 7. This Ordinance shall be effective upon passing two readings.

Adopted at first reading by the City Co	ouncil of the City of Hendersonville, North Carolina on 202
Attest:	Barbara G. Volk, Mayor, City of Hendersonville
Jill Murray, City Clerk	
Approved as to form:	
Angela S. Beeker, City Attorney	
Adopted at second reading by the City this day of	Council of the City of Hendersonville, North Carolina o
Attest:	Barbara G. Volk, Mayor, City of Hendersonville
Jill Murray, City Clerk	
Approved as to form:	
Angela S. Beeker, City Attorney	



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: Krystal Powell **MEETING DATE:** 1/8/2025

AGENDA SECTION: Presentations DEPARTMENT: Finance

TITLE OF ITEM: Fiscal Year 2024 Audit Presentation – *Krystal Powell, Finance Director*

SUGGESTED MOTION(S):

NA

SUMMARY:

Travis Keever with Gould Killian CPA Group will present the Fiscal Year 2024 Audit.

BUDGET IMPACT: \$

Is this expenditure approved in the current fiscal year budget? NA

If no, describe how it will be funded. NA

ATTACHMENTS:

FY2024 Annual Comprehensive Financial Report (ACFR)

City of Hendersonville North Carolina



ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2024

Prepared by: Finance Department

Submitted by:
Krystal Powell, CLGFO
Interim Finance Director

CITY OF HENDERSONVILLE, NORTH CAROLINA ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE YEAR ENDED JUNE 30, 2024

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INTRODUCTORY SECTION

CITY COUNCIL:

BARBARA G. VOLK
Mayor
LYNDSEY SIMPSON
Mayor Pro Tem
DR. JENNIFER HENSLEY
MELINDA P. LOWRANCE
JEFFERY L. MILLER

CITY OF HENDERSONVILLE

The City of Four Seasons



Section 6, Item A.

OFFICERS:

JOHN F. CONNET
City Manager
ANGELA S. BEEKER
City Attorney
JILL MURRAY
City Clerk

December 12, 2024

Honorable Mayor, Members of City Council, City Manager and Citizens of the City of Hendersonville, North Carolina,

It is our pleasure to present the Annual Comprehensive Financial Report (ACFR) for the fiscal year ended June 30, 2024. North Carolina General Statute 159-34 states that "each unit of local government and public authority shall have its accounts audited as soon as possible after the close of each fiscal year by a certified public accountant or by an accountant certified by the Commission as qualified to audit local government accounts. A complete set of financial statements shall be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards.

This report consists of management's representations concerning the finances of the City of Hendersonville. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the City of Hendersonville has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Hendersonville's financial statements in conformity with GAAP. Because the costs of internal controls should not outweigh their benefits, the City of Hendersonville's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Hendersonville's financial statements have been audited by Gould Killian CPA Group, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Hendersonville for the fiscal year ended June 30, 2024 are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the City of Hendersonville's financial statements for the fiscal year ended June 30, 2024 are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Hendersonville was part of a broader, federally mandated compliance audit designed to meet the special needs of federal and state grantor agencies. The standards governing compliance audits, in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States, require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special requirements involving the administration of federal grants and awards. These documents are available in the Compliance Report Section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Hendersonville's MD&A can be found immediately following the independent auditor's report.

Profile of the Government

The City of Hendersonville is the county seat of Henderson County North Carolina and was incorporated January 7, 1847. Significant economic growth occurred with the completion of the railroad from Charleston, South Carolina to Hendersonville in 1879. Popular as a summer resort and health center for more than a century, the City today has an economic base of industry, agriculture and tourism, and

is a growing retirement center. The City is the County seat of Henderson County and the largest among five municipalities located within the County. The City is recognized for its vibrant Historic Downtown which boasts quality dining, shopping, parks and a viable business district. A short walk from the heart of downtown is the revitalized Historic Seventh Avenue District. Downtown Hendersonville was registered in the National Register of Historic Places in March of 1988 for its historical significance and its efforts in restoring historic homes. It is also the stage for the North Carolina Apple Festival. The City continues to see population growth as the most recent, final certified estimate of the July 1, 2024 population of the City of Hendersonville, as provided by the North Carolina Office of State Budget and Management is 16,830.

The City encompasses an area of 7.4 square miles and is located on a mountain plateau 2,200 feet above sea level. It is 185 miles north of Atlanta and 450 miles south of Washington, D.C. The City is located at the base of the Blue Ridge Mountains with easy access to I-26, I-40, U.S. Highway 64, and the Blue Ridge Parkway.

Hendersonville's moderate climate and beautiful scenery attract many visitors from all over the United States. With an average rainfall of 56 inches, average high summer temperature of 83 degrees, average high winter temperature of 49 degrees and average snowfall of 9 inches, Hendersonville is known as the "City of Four Seasons." This moniker was given to the City more than 50 years ago by a local weatherman, the late Kermit Edney.

The City has operated under the "Manager-Council" form of government since January 1994. Policy making and legislative authority are vested in the City Council, which consists of a mayor and a four-member council. The governing council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees, and hiring the City Manager, City Clerk and City Attorney. The City Manager is responsible for carrying out the policies and ordinances of the governing council, for overseeing the day-to-day operations of the government, and for appointing heads of the City's departments. The Council is elected on a nonpartisan basis.

The City is authorized by the *Machinery Act of North Carolina* to levy a property tax on both real and personal property located within its legal boundaries. A full range of services, including police and fire protection, construction and maintenance of highways, streets and other infrastructure, certain sanitation services, and a stormwater program are provided by the City. The City also provides water and sewer service, both inside and outside the City limits.

The Council is required to adopt an initial budget for the fiscal year no later than June 30 preceding the beginning of the fiscal year on July 1. This annual budget serves as the foundation for the City of Hendersonville's financial planning and control. The budget is prepared by fund, function and department. Department heads may transfer budget resources within a department as they find necessary. Transfers between departments may be approved by the City Manager, however transfers between funds need special approval from the governing council.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the City of Hendersonville operates. The City and county as whole continue to see interest from manufacturing and industrial companies in moving operations to the area or expanding existing facilities. The area continues to see increased activity in housing developments. The continued business and residential growth provide a positive outlook for both ad valorem and sales tax revenues.

Local Economy

The City continues to have a strong and growing economy with a solid residential, commercial and industrial tax base. The economy of the area is sustained by the local employment markets, agriculture, healthcare, summer camps, community college system, and industries located within the County. Henderson County has a strong and diversified industrial employment environment, including headquarters and office locations, production and assembly operations as well as logistics and distribution facilities. It is a priority of City Council to develop strong partnerships with residents, businesses, other local governments, non-profits and visitors to ensure there is effective two-way communication and effective interaction with City Departments.

Hendersonville remains a North Carolina Main Street Community, designated by the NC Department of Commerce and Main Street & Rural Planning Center. As a Main Street AmericaTM Accredited program, the City has met a set of National Accreditation Standards of Performance as outlined by the National Main Street Center and is a recognized leading program among the national network.

Economic vitality remains a focus area for the City Council, and they continue to promote policies that encourage growth in all areas of our City, establishing Hendersonville as a good place for all types of business. A key component to continued economic growth is The Henderson County Partnership for Economic Development (The Partnership). The Partnership is a non-profit organization that serves as the professional economic development entity for the County and the five municipalities located within it, managing existing industry,

marketing, product development and advocacy programs while positively impacting the employment and investment in the local economy.

Henderson County has a labor force of approximately 56,000. Unemployment in Henderson County was 3.4 % in June 2024, up 0.4% from the year prior. North Carolina is a right-to-work state and is the number two least unionized state in the nation.

Long-term Financial Planning

The City of Hendersonville prepares a ten-year Capital Improvement Plan (CIP) to function as a planning tool for capital improvements and major capital equipment purchases. The CIP represents a multi-year forecast of the capital needs but only the current year schedule is adopted annually by the City Council and becomes part of the operating budget. The CIP not only identifies capital projects but also the financing required for the projects and their impact on the operating budget. Capital projects differ from annual operating expenses in that they involve large dollar amounts, often require special financing, occur at irregular intervals, and involve development of assets expected to last several years. Future forecast in the CIP serves the City by helping plan for capital repairs, replacements, and acquisitions, which aides in financial planning to ensure the City's fiscal health and credit. The capital improvement program for the water and sewer system is reviewed annually during the budget process to determine the system's capital needs.

Relevant Financial Policies

The Hendersonville City Council supports fiscal policies and controls that ensure the long-term financial health of the City and enable it to respond to unforeseen challenges and opportunities. The City has implemented policies and practices to promote responsible management of public resources to ensure efficient and effective delivery of quality services.

The City Council has adopted an Investment and Cash Management Policy to provide parameters within which the City's funds should be managed to provide for sound, efficient and professional investments to achieve primary objectives, in order of importance, of safety of principal, liquidity for operations and return on investment. The policy follows best practices of the Government Finance Officers Association and incorporates the NC State Statue G.S. 159-30 Investment of Idle Funds.

The City of Hendersonville's budget process, as with other municipalities, is regulated by North Carolina General Statute 159, Article 3-The Local Government Budget and Fiscal Control Act. This comprehensive set of financial policies dictates what a municipality can and cannot do during the course of the budgeting period which typically runs from July 1 to June 30 of the following year.

The City follows the purchasing procedures as required by NC state statutes and Federal Uniform Guidance when required. The City has additionally adopted a Purchasing Policy which through competitive pricing, planning and efficient procurement, strives to secure the lowest, most responsible cost for the City in order to provide our citizens and customers with the quality services that they expect.

The City established an Available Fund Balance policy with a goal that available fund balance for the General Fund be at a minimum of 25% of the City's expenditure group as determined by the Local Government Commission. The City is classified by the LGC as a municipality with General Fund expenditures above \$10,000,000. The City will adjust these goals as appropriate based upon the recommendation from the LGC, modifications in North Carolina law, and potential changes in the City's financial outlook.

The City of Hendersonville recognizes the importance of protecting the City, its taxpayers, its employees, and its assets against financial risks, operational breaches and unethical activities. Therefore, City Council adopted a Fraud and Whistleblower Policy to establish guidelines to enforce controls to aid in the prevention and detection of fraud and for responding to allegations of embezzlement, theft, misappropriations of public funds or property, and other types of fraud related to the business of the City of Hendersonville.

Governmental Initiatives and Projects

Sound infrastructure is one of the top priorities of the City. A major goal for the City of Hendersonville is to construct and maintain efficient and accessible roadway, sidewalk, and greenway systems to extend internal and regional connectivity. As an element of this goal, street maintenance continues to be a high priority as City Council again committed one cent of the property tax to be allocated to the expenditure budget for street resurfacing in addition to the amounts received from the state for street repairs and maintenance. The Clear Creek Greenway Project has started, and the City is pursuing a greenway project entitled "Above the Mud" that could connect the Ecusta Trail to the Oklawaha Greenway and 7th Avenue. The Ecusta Trail is a 19.4 mile greenway along an unused rail corridor that runs from Hendersonville to Brevard.

During the fiscal year the work was continued on streetscape improvements of the Historic Seventh Avenue District. This project is nearing completion and is an investment in pedestrian, water, sewer and stormwater infrastructure, lighting and landscaping in the

business district. It aims to improve walkability, improve connections to the Main Street Municipal Service District, and highlight the character of the historic district.

The City's construction of a new fire station was substantially complete at year-end. Following a space study and building assessment, it was determined that Fire Station One was no longer adequate for the growing Hendersonville Fire Department. Following demolition of the old fire station, the new fire station was constructed in its space. The new fire station is nearly double in size at approximately 19,750 square feet. The station includes a one-story portion to house three companies and their Battalion Chiefs along with corresponding living quarters, kitchen, restroom and shower facilities. Apparatus bays with attached turnout gear storage and decon areas will allow access to both Main Street and Church Street. A two-story portion of the building will house the administrative offices, life safety division, and training room for the Fire Department.

Construction on the new mini golf facility at Edwards Park was completed this fiscal year. Mini golf is the primary feature of the new Edwards Park. In addition to the mini golf, a new concession stand, pavilion, and playground have been added. The City exchanged property with the Henderson County School Board to build the new mini golf facility and park.

Water & Sewer Initiatives and Projects

The City of Hendersonville provides high quality water services to approximately 78,000 people and wastewater services to approximately 21,000 while protecting natural resources and ensuring capacity for sustainable growth. The system also operates and maintains over 653 miles of water mains (ranging in size from 2-inches to 24-inches), 60 water pumping stations, 32 water storage tanks (ranging in size from 80,000-gallons to 5,000,000-gallons), over 200 miles of sewer mains (ranging in size from 3-inches to 42-inches) and 31 sewer pumping stations.

Several major construction projects were started, continued, or completed during the fiscal year ended June 30, 2024, including the following:

French Broad River Raw Water Intake construction is nearing completion. The City has determined that Mills River tends to be more drought sensitive than the larger French Broad River. The purpose of this project is to design, permit, and construct a new raw water intake and pump station along the French Broad River to increase the redundancy, resiliency, and reliability of source water for the Water Treatment Plant during drought conditions and other water supply needs, and eliminate water scarcity concerns currently experienced during drought conditions. This new intake will have an initial firm pumping capacity of 12 MGD with expansion to 21 MGD. The new pump station will discharge into the existing 30-inch raw water line which extends from the intake site to the Water Treatment Plant.

The Etowah Water System Improvement project was completed this fiscal year. This project included the installation of approximately 14,800-ft. of 12 and 8-inch water mains, a 500,000-gallon ground level water storage tank, construction of a booster pumping station and access road. It also included demolition of an existing elevated water storage tank and three existing booster pumping stations. This new pump station will lift water up to the 500,000-gallon storage tank to be located on Little Mountain off of Drexel Rd.

The City of Hendersonville's existing water and sewer infrastructure in the Ashe Street Neighborhood and 4th Ave area is aging and in need of replacement. City forces spend significant resources maintaining this aging infrastructure. This area of downtown Hendersonville is ripe with commercial and residential revitalization with existing water and sewer infrastructure installed in the 1920s. To stimulate the revitalization of these districts, the City of Hendersonville has planned future streetscape/roadway projects. Through a variety of construction methods, this project will replace or rehabilitate existing water and sewer infrastructure.

The Wastewater Treatment Ultraviolet (UV) Disinfection Improvements project consists of the replacement of aging UV disinfection equipment nearing the end of its useful life at the City's Wastewater Treatment Facility (WWTF). UV disinfection is the final stage of the treatment process where wastewater is disinfected before being discharged into Mud Creek. The project will consist of an additional concrete disinfection channel and new UV equipment to provide redundancy and additional capacity within this stage of the treatment process. In addition, the newer UV equipment is much more energy-efficient, saving the City an estimated \$70,000 per year through reduced electrical costs at the WWTF.

The Wastewater Treatment Biosolids Thermal Dryer will produce a high-quality, nutrient-rich biosolid product produced from the wastewater treatment process that will be beneficially re-used as a fertilizer or soil amendment. The project will reduce current operational costs for treatment solids disposal and reduce the City's vulnerability from relying on private haulers and landfill for disposal of treatment solids. In addition, the project includes a rooftop photovoltaic solar energy stem that will generally offset the new equipment's electrical demands by 70%-100%.

Stormwater Initiatives and Projects

The City of Hendersonville is a federally designated National Pollutant Discharge Elimination System (NPDES) Phase II community and operates under the authority of the Stormwater Management Program which became effective in August of 2007 after being drafted into the city's Code of Ordinances and operates as a division of the Engineering Department. NPDES Phase II is a federal and state mandated program under the Clean Water Act to address non-point source pollution or stormwater runoff. The City's NPDES Permit consists of six management areas that reduce stormwater pollution and assures clean water is maintained in our city's water bodies:

- Public Outreach and Education
- Public Involvement
- Illicit Discharge Detection and Elimination
- Construction Site Runoff Control
- Post-Construction Runoff Control
- Pollution Prevention and Good Housekeeping

The Lower Mud Creek Project began planning and design. The project will provide stream restoration, along Mud Creek, 8.5 acres of wetland restoration, and an additional 9.2 acres of riparian floodplain restoration to provide ecological enhancement and stormwater treatment and implementation of complimentary flood reduction activities and additional land acquisition to further improve climate resiliency and stormwater management in the flood prone and impaired Mud Creek and Johnson Ditch watersheds. The project will be funded by federal and state grants.

Awards and Acknowledgments

The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Hendersonville for its Comprehensive Annual Financial Report for the Fiscal Year Ended June 30, 2023. This was the 34th consecutive year the City of Hendersonville received this prestigious award. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to GFOA for review.

The preparation of the Annual Comprehensive Financial Report could not have been possible without the combined effort of Gould Killian CPA Group and the staff of the Hendersonville Finance and City Administration Departments. Credit must also be given to the Mayor, City Council, City Manager and Assistant City Manager for their unfailing support for maintaining the highest standards of professionalism in the management of the City of Hendersonville.

Sincerely.

Krystal Powell, CLGFO Interim Finance Director

CITY OF HENDERSONVILLE, NORTH CAROLINA LISTING OF PRINCIPAL OFFICIALS AND CITY STAFF YEAR ENDED JUNE 30, 2024

Established

1847

CITY COUNCIL

Mayor – Barbara Volk

Mayor Pro-Tem – Lyndsey Simpson

Jeffery L. Miller

Dr. Jennifer Hensley

Melinda P. Lowrance

CITY STAFF

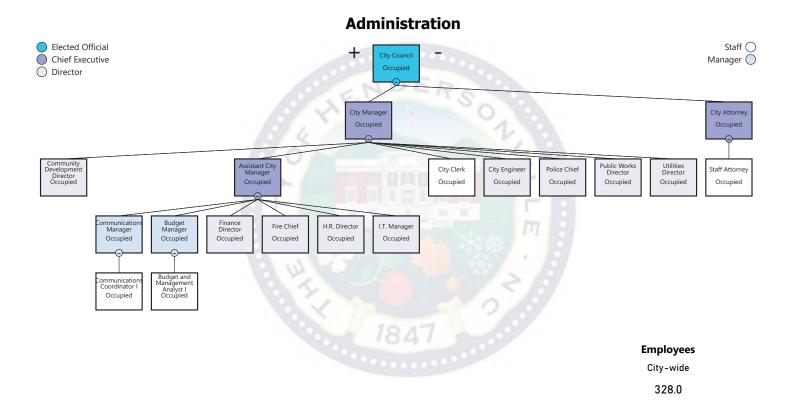
City Manager – John F. Connet

Assistant City Manager – Brian Pahle

City Clerk – Jill Murray

City Attorney – Angela S. Beeker

Finance Director – John P. Buchanan, CPA, CLGFO





Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Hendersonville North Carolina

For its Annual Comprehensive Financial Report For the Fiscal Year Ended

June 30, 2023

Christopher P. Morrill

Executive Director/CEO

FINANCIAL SECTION



Independent Auditors' Report

To the Honorable Mayor and Members of the City Council Hendersonville, North Carolina

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Hendersonville as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Hendersonville, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof, and the general fund and fire department fund budgetary comparison for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Hendersonville and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures
 that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the
 effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Law Enforcement Officers' Special Separation Allowance Schedules of Changes in Total Pension Liability and Total Pension Liability as a Percentage of Covered Payroll, the Local Governmental Employees' Retirement System's schedules of the City's Proportionate Share of the Net Pension Liability (Asset) and Contributions, and the Other Postemployment Benefits Schedule of the City's Proportionate Share of the Net OPEB Liability and Contributions be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion

or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The individual fund financial statements, budgetary schedules, other schedules, and the schedule of expenditures of federal and state awards are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, based on our audit, the individual fund financial statements, budgetary schedules, other schedules, and the schedule of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2024 on our consideration of the City of Hendersonville's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, and other matters. The purpose of the report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Hendersonville's internal control over financial reporting and compliance.

Asheville, North Carolina December 12, 2024

Hould Killiam CPA Group, P.A.

YEAR ENDED JUNE 30, 2024

As management of the City of Hendersonville ("City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended June 30, 2024 ("2024", "FY24" or "FY 2024") compared to the year ended June 30, 2023 ("2023", "FY23" or "FY 2023") The intent of this management's discussion and analysis ("MD&A") is to look at the City's financial performance as a whole, with an emphasis on the Primary Government (which excludes the City's discretely presented component unit – the ABC Board). We would encourage readers to not only consider the information presented here, but also the information provided in the letter of transmittal, the financial statements, and the notes to the financial statements to enhance their understanding of the City's overall financial performance.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at the close of the current fiscal year by \$128,615,320 (total net position for the Primary Government).
- The City's total net position for FY 2024 increased by \$13,129,873 over the prior year balance primarily due to increase in service revenue, increase of grants received, and first full year of parking garage and kiosks revenue.
- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$18,100,368, a decrease of \$18,558,119 from the prior year. The decrease is largely attributed to the construction of the Fire Station, Edwards Park, 7th Avenue Streetscape project, and City Hall and Operations Renovation.
- At the end of the current fiscal year, unassigned fund balance for the General Fund is \$3,678,011 which is 14% of total General Fund expenditures and transfers out for the fiscal year.
- The City's total debt, excluding compensated absences, pension, and other post-employment benefits, increased by \$2,040,488 in FY24. The increase included installment financing for Vehicle and Equipment loan and increase in State Revolving Loan funds for the French Broad River Intake project.

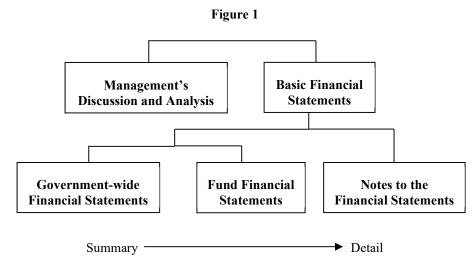
OVERVIEW OF THE FINANCIAL STATEMENTS

The City's annual financial statements consist of four parts – Introductory Section, the Financial Section (which includes MD&A, the financial statements, the required supplementary information, and the supplementary information), the Statistical Section, and the Compliance Section.

Financial Statements

This MD&A is intended to serve as an introduction to the City's financial statements. The City's financial statements consist of three components; 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements (see Figure 1). The financial statements present two different views of the City through the use of government-wide statements and fund financial statements. In addition to the basic financial statements, this report contains other supplemental information that will enhance the reader's understanding of the financial condition of the City.

Required Components of Annual Financial Report



YEAR ENDED JUNE 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Statements (Continued)

The first two statements in the basic financial statements are the *Government-wide Financial Statements*. They provide both short and long-term information about the City's financial status.

The next set of statements are *Fund Financial Statements*. These statements focus on the activities of the individual parts of the City's government. These statements provide more detail than the government-wide statements. There are four parts to the Fund Financial Statements: 1) the governmental funds statements, 2) the budgetary comparison statement, 3) the proprietary fund statements, and 4) the fiduciary fund statements.

The next section of the basic financial statements is the **notes**. The notes to the financial statements explain in detail some of the data contained in those statements. After the notes, **required supplementary information** and **supplementary information** are provided to show details about the City's retirement plans, other postemployment benefit plans, and individual funds. Budgetary information required by the North Carolina General Statutes also can be found in this part of the statements.

Government-wide Financial Statements

The government-wide financial statements are designed to provide the reader with a broad overview of the City's finances, similar in format to a financial statement of a private-sector business. The government-wide statements provide short and long-term information about the City's financial status as a whole.

The two government-wide statements report the City's net position and how it has changed. Net position is the difference between the City's total assets and deferred outflows of resources and total liabilities and deferred inflows of resources. Measuring net position is one way to gauge the City's financial condition.

The government-wide statements are divided into three categories: (1) governmental activities, (2) business-type activities, and (3) component units. The governmental activities program revenues and general revenues finance most of these activities. The business-type activities are those that the City charges customers to provide. These include the water and sewer, environmental service, and stormwater activities offered by the City. The final category is the component unit. Although legally separate from the City, the Hendersonville ABC Board ("ABC Board") is important to the City because the City exercises control over the ABC Board by appointing its members. The ABC Board is required by North Carolina General Statute 18B to distribute 50 percent of its profits to the City.

Fund Financial Statements

The fund financial statements provide a more detailed look at the City's most significant activities. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like all other governmental entities in North Carolina, uses fund accounting to ensure and reflect compliance (or noncompliance) with finance-related legal requirements, such as the general statutes or the City's budget ordinance. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Most of the City's basic services are accounted for in governmental funds. These fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements. Governmental funds are reported using an accounting method called *modified accrual accounting* that provides a short-term spending focus. As a result, the governmental fund financial statements give the reader a detailed short-term view that helps him or her determine if there are more or less financial resources available to finance the City's programs. The relationship between government activities (reported in the **Statement of Net Position** and the **Statement of Activities**) and governmental funds is described in a reconciliation that is an integral part of the fund financial statements.

YEAR ENDED JUNE 30, 2024

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund Financial Statements (Continued)

The City adopts an annual budget for its General Fund, as required by the general statutes. The budget is a legally adopted document that incorporates input from the citizens of the City, the management of the City and the decisions of the Council about which services to provide and how to pay for them. It also authorizes the City to obtain funds from identified sources to finance these current period activities. The budgetary statement provided for in the General Fund demonstrates how well the City complied with the budget ordinance and whether or not the City succeeded in providing the services as planned when the budget was adopted. The budgetary comparison statement uses the budgetary basis of accounting and is presented using the same format, language and classifications as the legal budget document. The statement shows four columns: 1) the original budget as adopted by the Council; 2) the final budget as amended by the Council; 3) the actual resources, charges to appropriations, and ending balances in the General Fund; and 4) the difference or variance between the final budget and the actual resources and charges. To account for any differences between the budgetary basis of accounting and the modified accrual basis, a reconciliation showing the differences in the reported activities would be shown at the end of the budgetary statement.

Proprietary Funds – The City utilizes one type of proprietary fund known as an enterprise fund. *Enterprise Funds* are used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The City uses enterprise funds to account for its water and sewer activity, its environmental service operations, its stormwater operations, and its parking services. These funds are the same as those functions shown in the business-type activities in the *Statement of Net Position and the Statement of Activities*.

The City uses another type of proprietary fund known as an internal service fund. **Internal Service Funds** are an accounting device used to accumulate and allocate costs internally to the City's various functions. The City uses an internal service fund to account for the management of its retained risks associated with a modified type of self-insurance fund for medical insurance that the City provides for its employees. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of these funds are not available to support the City's own programs. Furthermore, fiduciary funds are properly used only for resources over which the government maintains some meaningful degree of ongoing responsibility. The accounting used for fiduciary funds is much like that used for proprietary funds. The City uses one fiduciary fund type which is a custodial fund. The fund is used to record the sewer and stormwater billing provided to other entities.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. Note disclosure requirements apply only to material items and should focus on the primary government – specifically its governmental and business-type activities, major funds and nonmajor funds in the aggregate. The *Notes to the Financial Statements* can be found as listed in the table of contents of this report.

Other Information – In addition to the basic financial statements and accompanying notes, this report includes certain required supplementary information concerning the City's progress in funding its obligation to provide pension and other postemployment benefits to its employees. Required Supplementary Information ("RSI") is mandated by the Governmental Accounting Standards Board ("GASB") and can be found as listed in the table of contents of this report.

Interdependence with Other Entities – The City depends on financial resources flowing from, or associated with, both the federal government and the State of North Carolina. Because of this dependency, the City is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and state laws and federal and state appropriations. It is also subject to changes in investment earnings and asset values associated with U.S. Treasury securities because of actions by foreign governments and other holders of publicly held U.S. Treasury securities.

YEAR ENDED JUNE 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS

City's Net Position Figure 2

	Govern	nme	ental	Busines	ss-Type		
	Acti	viti	es	Activ	ities	To	tal
	2024		2023	2024 2023		2024	2023
Current and other							
assets	\$ 22,482,174	\$	39,219,017	\$ 22,899,928	\$ 26,714,572	\$ 45,382,102	\$ 65,933,589
Capital assets, net	63,318,451		45,353,897	157,269,668	135,003,875	220,588,119	180,357,772
Total assets	85,800,625	_	84,572,914	180,169,596	161,718,447	265,970,221	246,291,361
Total deferred outflows	S						
of resources	6,615,964		6,162,984	4,630,674	4,283,420	11,246,638	10,446,404
Long-term liabilities							
outstanding	54,781,796		54,937,802	80,556,330	75,651,090	135,338,126	130,588,892
Other liabilities	4,433,215		2,525,553	6,342,002	6,304,812	10,775,217	8,830,365
Total liabilities	59,215,011		57,463,355	86,898,332	81,955,902	146,113,343	139,419,257
Total deferred inflows							
of resources	1,132,192		772,385	1,356,004	1,060,676	2,488,196	1,833,061
Net Position:							
Net investment in							
capital assets	28,976,948		24,328,314	85,732,280	71,668,399	114,709,228	95,996,713
Restricted	7,676,645		7,783,564	-	-	7,676,645	7,783,564
Unrestricted	(4,584,207)		388,280	10,813,654	11,316,890	6,229,447	11,705,170
Total net position	\$ 32,069,386	\$	32,500,158	\$ 96,545,934	\$ 82,985,289	\$128,615,320	\$115,485,447

As noted earlier, net position may serve over time as a useful indicator of a government's financial condition. The assets and deferred outflows of resources of the City exceeded liabilities and deferred inflows by \$128,615,320 as of June 30, 2024. The City's net position increased by \$13,129,873 for the fiscal year ended June 30, 2024. The largest portion of net position of \$114,709,228 (90%) reflects the City's investment in capital assets (e.g. land, buildings, infrastructure, machinery, equipment, and vehicles); less any related debt still outstanding that was issued to acquire those items. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's net investment in its capital assets is reported net of the outstanding related debt, the resources needed to repay that debt must be provided by other sources, since the capital assets cannot be used to liquidate these liabilities. An additional portion of the City's net position of \$7,676,645 (6%) represents resources that are subject to external restrictions on how they may be used. The unrestricted balance of \$6,229,447 (4%) is low in comparison to total net position due to unfunded pension and OPEB liabilities where a liability exists with no related asset.

YEAR ENDED JUNE 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

City's Changes in Net Position Figure 3

		Governmen	ıtal	Activities		Business-Ty _j	pe Activities	Total			
		2024		2023		2024	2023	2024	2023		
Revenues:				_							
Program revenues:											
Charges for services	\$	1,246,621	\$	626,935	\$	29,010,391	\$ 25,627,736	\$ 30,257,012	\$ 26,254,671		
Operating grants and contributions		1,840,703		6,821,829		-	19,573	1,840,703	6,841,402		
Capital grants and contributions		5,202,895		242,832		7,952,568	5,614,713	13,155,463	5,857,545		
General revenues:											
Property taxes		15,262,782		12,571,874		-	-	15,262,782	12,571,874		
Local option sales tax		6,247,325		7,752,404		-	-	6,247,325	7,752,404		
Grants and contributions,											
not restricted to specific programs		15,000		-		-	-	15,000	-		
Other		3,701,703		722,144		704,960	403,683	4,406,663	1,125,827		
Total revenues		33,517,029		28,738,018		37,667,919	31,665,705	71,184,948	60,403,723		
Expenses:											
General government		6,480,307		6,371,382		_	_	6,480,307	6,371,382		
Public safety		15,556,293		14,208,697		_	_	15,556,293	14,208,697		
Public works		3,468,027		3,395,730		_	_	3,468,027	3,395,730		
Economic and physical		2,100,00		-,-,-,				2,100,027	2,222,723		
develop ment		1,031,391		816,721		-	-	1,031,391	816,721		
Cultural and recreational		1,106,846		932,353		-	-	1,106,846	932,353		
Interest and fees		1,109,165		883,110		-	-	1,109,165	883,110		
Water and sewer		-		-		25,357,856	23,608,570	25,357,856	23,608,570		
Parking services		-		-		1,083,015	612,881	1,083,015	612,881		
Environmental services		-		-		1,785,510	1,667,333	1,785,510	1,667,333		
Stormwater		-	_	-	_	1,076,665	948,011	1,076,665	948,011		
Total expenses	_	28,752,029	_	26,607,993	_	29,303,046	26,836,795	58,055,075	53,444,788		
Change in net position before											
special item and transfers		4,765,000		2,130,025		8,364,873	4,828,910	13,129,873	6,958,935		
Transfers		(5,195,772)		3,765,747	_	5,195,772	(3,765,747)				
Change in net position		(430,772)		5,895,772		13,560,645	1,063,163	13,129,873	6,958,935		
Net position, beginning	_	32,500,158		26,604,386	_	82,985,289	81,922,126	115,485,447	108,526,512		
Net position, ending	\$	32,069,386	\$	32,500,158	\$	96,545,934	\$82,985,289	\$128,615,320	\$115,485,447		

Governmental Activities: Governmental activities decreased the City's net position by \$430,772 over the prior year. The key element of this decrease is transfer out of grant funds.

YEAR ENDED JUNE 30, 2024

GOVERNMENT-WIDE FINANCIAL ANALYSIS (CONTINUED)

Business-type Activities: Business-type activities increased the City's net position by \$13,560,645, primarily due to increases of water and sewer rates and donated assets. It is also attributed by an increase of grant revenue and transfer in of grant funds for WWTP UV Improvements and Aeration Basin Wall Repair project. The City is committed to maintain rates sufficient to meet the covenants required for revenue bonds that have been issued.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of usable resources. Such information is useful in assessing the City's financing requirements. Specifically, unassigned fund balance can be a useful measure of a government's net resources available for spending at the end of the fiscal year.

General Fund

The general fund is the chief operating fund of the City. At the end of the current fiscal year, fund balance available in the General Fund was \$6,159,237, while total fund balance reached \$11,072,165. The Governing Body has determined that the City should maintain an available fund balance for the General Fund to be at a minimum of 25% of the City's expenditure group as determined by the Local Government Commission. The City is classified by the LGC as a municipality with General Fund expenditures above \$10,000,000. The City will adjust these goals as appropriate based upon the recommendation from the LGC, modifications in North Carolina law, and potential changes in the City's financial outlook. The City's General Fund fund balance available for appropriation as a percentage of expenditures is 23.35%, and total fund balance is 41.97%.

At June 30, 2024 the governmental funds of the City reported a combined total governmental fund balance of \$18,100,368, a decrease of \$18,558,119 over last year. The decrease was primarily due to construction of the Fire Station, Edwards Park, 7th Avenue Streestscape project, and renovation of City Hall. Capital Outlay increased by \$14,428,332 over FY23.

The General Fund recorded operating revenues of \$25,341,526 during FY 2024, which was an increase of \$3,760,472, or 17.4% over the \$21,581,054 recorded in FY 2023, primarily due to the following:

- Ad Valorem Tax revenue increased approximately \$2,890,472 or 24% over FY2023 mainly due to growth.
- Local Option Sales Tax Revenue increased over the prior fiscal year by approximately \$343,282 or 6%. Sales tax
 revenues are distributed on a proportional ad valorem tax levy basis in Henderson County. Increases in sales tax were
 driven by a strong local economy and growth.
- Fire inspection/permit fees that were collected were \$72,850 more than in FY2023.

Expenditures in the General Fund, not including transfers, were \$25,955,787 for fiscal year 2024, which was an increase of approximately \$2,041,293, or 8.5% over the \$23,914,493 recorded in fiscal year 2023, primarily due to increases in personnel costs. The increase in personnel costs include the addition of six new positions along with a COLA of 3%. There was also an increase in salaries in Fire Department because grant that covered portion of salaries ended in fiscal year 2023. Another noteworthy increase was in total debt service costs which increased approximately \$1,683,440.

General Fund Budgetary Highlights:

During the fiscal year, the City revised the budget on several occasions. In general, budget amendments fall into one of three categories: (1) amendments made to adjust the estimates that are used to prepare the original budget ordinance once exact information is available; (2) amendments made to recognize new funding amounts from external sources, such as federal and state grants; and (3) increases in appropriations that become necessary to maintain services. The budget was revised several times throughout the year for reasons including to account for increased revenue projections at mid-year and adjust expenditures due to increased inflationary pressure.

YEAR ENDED JUNE 30, 2024

FINANCIAL ANALYSIS OF THE CITY'S FUNDS (CONTINUED)

Governmental Funds (Continued)

All General Fund departments stayed within the appropriated budgets for the fiscal year. In total, the General Fund actual expenditures, excluding transfers, ended the year at \$25,955,787, which was \$3,048,439 or 10.5% below the \$29,004,226 revised expenditures budget for the fiscal year 2024. Open positions contributed to the variance in salaries and benefits. There were also contracted services that were budgeted for that were not complete.

The Governmental Capital Projects Fund, a major fund, includes expenditures for Fire Station 1, Edwards Park, City Hall Renovation, and Seventh Avenue Streetscape. Edwards Park was complete in FY24 with the City Hall renovations and Fire Department substantially complete.

The Grants Fund, a major fund, includes expenditures for state, federal, and local grants. These grants include the SLFRF – American Rescue Plan, Community Development Block Grant (CDBG), North Carolina Department of Environment and Natural Resources (NCDENR), and Governor's Crime Commission (GCC).

Non-Major Governmental Funds

Non-Major Governmental Funds consist of Special Revenue Funds that are funded by specific revenue sources, including the City's two Municipal Service Districts (Main Street and Seventh Avenue). Revenues for FY24 in the non-major governmental funds increased by approximately \$266,600 and expenditures increased by approximately \$310,500 over the prior year. There was a total fund balance increase of \$174,069.

Proprietary Funds

The City's proprietary fund statements provide additional detail by fund for the information combined in the government-wide statements.

Water & Sewer Fund

The Water & Sewer Fund recorded approximately \$24,909,000 in operating revenues for fiscal year 2024. This was a \$2,396,165 or a 10.7% increase over fiscal year 2023. The primary reason for this increase is an increase in the rates for water and sewer, growth of the system.

The Water & Sewer Fund recorded approximately \$24,419,533 in operating expenditures for fiscal year 2024. This was approximately \$1,543,196 or 7% greater than fiscal year 2023. The primary reason for the increase is due to the addition of 7 new positions. Inflation was another significant factor. Total net position ended the year at \$94,964,816, an increase of \$12,755,424 with \$12,191,586 unrestricted.

Parking Services Fund

The City completed construction of a downtown parking deck and began charging for on-street parking in March of fiscal year 2023. Fiscal year 2024 was the first full year of revenue collected. Since it was the first full year there was an increase in revenue of \$538,364 or 95% increase. This also caused operating expenditures to increase by \$481,799. The total net position of the Parking Services Fund at year-end was \$379,349 with (\$562,959) unrestricted.

YEAR ENDED JUNE 30, 2024

FINANCIAL ANALYSIS OF THE CITY'S FUNDS (CONTINUED)

Proprietary Funds (Continued)

Non-major Enterprise Funds

Total net position increased in the non-major enterprise funds by \$780,201 or 185% at June 30, 2024 compared to the prior year. The primary reason for this increase is the capital contributions of \$625,772 which includes grant revenue received and donated assets. Combined operating revenues increased approximately \$447,500 or 17.5%. The operating expenditures increased by \$225,896 or about 8.7%.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's capital and right-to-use assets for its governmental and business—type activities as of June 30, 2024, totaled \$220,588,119 (net of accumulated depreciation). This was an increase of \$40,230,347 from the prior year total. These capital assets include buildings, roads and bridges, land, machinery and equipment, water and sewer lines, and vehicles.

Major capital asset transactions during the year include the following additions:

- Etowah Water System Improvements (complete)
- Edwards Park and Laura E. Corn Mini-Golf (complete)
- Northside (complete)
- Fire Station One
- French Broad River Raw Water Intake Construction
- 7th Avenue Streetscape Project
- City Hall and Operations Center Renovation
- Fire Ladder Truck Replacement
- Fire Engine

City's Net Capital Assets Figure 4

	 Government	al A	ctivities	_	Business-Type Activities				Total				
	2024		2023		2024	24 2023 2024		2024	_	2023			
Land	\$ 4,779,095	\$	5,114,207	\$	7,545,531	\$	5,601,616	\$	12,324,626	\$	10,715,823		
Construction in process	20,799,584		6,381,213		37,799,566		33,937,959		58,599,150		40,319,172		
Buildings	21,094,403		19,490,118		11,571,998		11,562,062		32,666,401		31,052,180		
Other improvemnts	3,263,014		1,045,839		553,845		153,162		3,816,859		1,199,001		
Machinery and equipment	4,847,488		4,487,624		4,785,874		4,812,022		9,633,362		9,299,646		
Software	-		-		14,400		22,235		14,400		22,235		
Infrastructure	8,285,136		8,469,636		94,635,276		78,434,772		102,920,412		86,904,408		
Lease assets	146,713		163,476		52,170		61,335		198,883		224,811		
Subscription assets	 103,018		201,784	_	311,008	_	418,712	_	414,026	_	620,496		
Total	\$ 63,318,451	\$	45,353,897	\$	157,269,668	\$1	35,003,875	\$	220,588,119	\$	180,357,772		

The chart above reflects the City's capital assets and right-to-use assets net of accumulated depreciation and amortization.

YEAR ENDED JUNE 30, 2024

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Capital asset purchases are part of the City's Ten-Year Capital Improvement Program which is reviewed and revised each year and formally adopted by the City Council. Additional information on the City's capital assets can be found in the Notes to the Financial Statements.

Long-Term Debt

As of June 30, 2024, the City had total bonded debt outstanding of \$35,228,000 (net of unamortized premiums). Of this total bonded debt, \$387,000 is backed by the full faith and credit of the City. The revenue bonds are secured by specified revenue sources, and the remainder of the City's debt represents loans secured solely by lien on the particular assets financed.

City's Outstanding Debt Figure 5

	Government	al Activities	Business-Ty	pe Activities	Total			
	2024 2023		2024	2023	2024	2023		
General obligation bonds	\$ 387,000	\$ 539,000	\$ -	\$ -	\$ 387,000	\$ 539,000		
Limited obligation bonds	2,890,000	3,115,000	10,195,000	10,590,000	13,085,000	13,705,000		
Premium on bonds	446,316	520,655	1,360,899	1,520,391	1,807,215	2,041,046		
Revenue bonds	-	-	21,756,000	23,551,000	21,756,000	23,551,000		
State revolving loans	-	-	32,731,351	26,463,673	32,731,351	26,463,673		
Direct borrowing								
installment purchases	36,533,987	37,617,673	5,080,761	5,021,014	41,614,748	42,638,687		
Financed purhcases	138,808	276,833	33,437	59,520	172,245	336,353		
Lease liabilities	134,334	163,731	53,605	62,233	187,939	225,964		
Subscription liabilities	98,014	191,259	326,335	433,377	424,349	624,636		
Compensated absences	1,552,802	1,259,381	936,073	763,166	2,488,875	2,022,547		
Total OPEB liability	1,694,166	2,241,819	1,240,979	1,642,136	2,935,145	3,883,955		
Net pension liability (LGERS)	9,337,849	7,567,257	6,841,890	5,544,580	16,179,739	13,111,837		
Total pension liability (LEOSSA)	1,568,520	1,445,194			1,568,520	1,445,194		
	\$ 54,781,796	\$ 54,937,802	\$ 80,556,330	\$ 75,651,090	\$135,338,126	\$130,588,892		

[•] Total debt increased by \$2,040,488 during fiscal year 2024. The increase included installment financing for Vehicle and Equipment loan and increase in State Revolving Loan funds for the French Broad River Intake project.

North Carolina General Statute 159-55 limits the amount of general obligation debt that a unit of government can issue to eight (8) percent of the total assessed value of taxable property located within that government's boundaries. The legal debt margin for the City is approximately \$155,000,000.

Additional information regarding the City's long-term debt can be found in the Notes to the Financial Statements.

YEAR ENDED JUNE 30, 2024

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Economic Factors

The following key economic indicators reflect the prosperity of the City:

- Henderson County's unemployment rate was 3.4% as of June 30, 2024. This was up 0.40% over FY23.
- The certified population estimate for the City of Hendersonville as of July 1, 2024 was 16,830.
- The Jabil industrial complex added over \$100 million in personal property value to the City's tax value.
- There are over 1,000 multi-family and single-family developments under construction within the City.
- A new luxury condominium complex, the Fairmont, near downtown Hendersonville continues to make progress and is expected to provide a hotel, conference center, and luxury condominiums. The estimated tax value on the property is expected to surpass \$60 million.

Budget Highlights for the Fiscal Year Ending June 30, 2025

The City continues to build and revise its strategic plan. This process includes the development of vision and mission statements along with setting priorities focusing on six main areas, including economic vitality, strong partnerships, sound infrastructure, numerous amenities, great public services, and financial sustainability.

The fiscal year ending June 30, 2025 ("2025" or "FY 2025") operating budget totals approximately \$62,820,947 for the City's budgeted operating funds. This is approximately \$6,715,011 or 12.0%, higher than the approximately \$56,105,936 original FY 2024 budget.

Governmental Activities

Property taxes total approximately \$16,487,500 of the FY2025 recommended budget for the General Fund which makes up the majority of the governmental activities. The FY25 budget includes a \$1.6M (11%) increase over the current year revised budget. In FY25, the City increased the ad valorem tax rate by \$0.03 per \$100 valuation. Property tax continues to be the most stable revenue source for local government in North Carolina and pending any major externalities should remain relatively stable.

Local option sales taxes are an elastic revenue source, totaling approximately \$6M in the FY25 budget for the General Fund. This budget amount represents an approximate \$145k (2.5%) increase over FY24. We have seen unprecedented growth in sales tax revenues in recent years, and remain conservative with our budgeted sales tax revenues in FY25 due to market conditions.

The budgeted fund balance appropriation in the General Fund is \$2,304,552.

Business-Type Activities

The Water and Sewer Fund's primary revenue source is water and sewer sales & services – fees assessed for the consumption/usage of service. Sales & services revenues are approximately (94.49)% of the total FY25 budget. Other revenues sources include but are not limited to, permits and fees (4.86%), investment earnings (0.37%), and miscellaneous sources (0.29%).

Sales & services total \$25M (94.49%) in the FY25 Water and Sewer Fund budget. The FY25 budget includes estimated revenues earned from meter-based and volumetric usage charges. The City is recognizing a pattern of residential, commercial, and industrial growth that will bring a higher demand for service adding additional connections and revenue to the utility system.

Section 6, Item A.

MANAGEMENT'S DISCUSSION AND ANALYSIS

YEAR ENDED JUNE 30, 2024

Additional Information

This report is designed to provide an overview of the City's finances for those with an interest in this area. Additional information may be found at the City website: http://www.hvlnc.gov.

Questions concerning any of the information found in this report or requests for additional information should be directed to the Finance Director, 160 6th Ave East, Hendersonville, North Carolina 28792.

STATEMENT OF NET POSITION JUNE 30, 2024

]	Co	omponent Unit				
		rnmental tivities		Business-type Activities		Total		dersonville BC Board
ASSETS								
Cash and cash equivalents	\$	6,746,693	\$	10,696,779	\$	17,443,472	\$	1,667,858
Investments		967,851		1,528,000		2,495,851		-
Restricted cash		8,580,199		1,774,081		10,354,280		-
Receivables, net		534,432		3,698,567		4,232,999		129
Due from other governments		5,112,719		2,405,322		7,518,041		-
Interfund balances		(410,621)		410,621		-		-
Prepaids		7,917		130,343		138,260		34,428
Inventories		-		1,523,305		1,523,305		802,008
Lease receivable		-		732,910		732,910		-
Noncurrent assets:								
Notes receivable		942,984		-		942,984		-
Capital assets:								
Land and construction in progress	2	25,578,679		45,345,097		70,923,776		640,091
Other capital assets, net of depreciation/amortization		37,739,772		111,924,571		149,664,343		986,291
Capital assets, net		53,318,451		157,269,668		220,588,119		1,626,382
Total assets		85,800,625	-	180,169,596		265,970,221		4,130,805
								
DEFERRED OUTFLOWS OF RESOURCES		6,615,964	-	4,630,674		11,246,638		337,751
LIABILITIES								
Accounts payable and accrued expenses		1,440,307		5,788,699		7,229,006		825,242
Payable from restricted assets								
Customer deposits		-		390,873		390,873		-
Accounts payable and accrued expenses		2,681,686		-		2,681,686		-
Accrued interest payable		311,222		162,430		473,652		-
Long-term liabilities:								
Due within one year		3,971,641		5,511,487		9,483,128		-
Due in more than one year		50,810,155		75,044,843		125,854,998		498,984
Total liabilities		59,215,011		86,898,332	-	146,113,343		1,324,226
DEFERRED INFLOWS OF RESOURCES		1,132,192	_	1,356,004		2,488,196		13,609
NET POSITION								
Net investment in capital assets	2	28,976,948		85,732,280		114,709,228		1,626,382
Restricted for:		,,		,,		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		-,,
Stabilization by State Statute		4,449,677		_		4,449,677		_
USDA debt reserve		176,674		_		176,674		_
Public safety		315,496		_		315,496		_
Capital outlay		-		_		-		30,629
Economic development		823,352		_		823,352		50,027
Working capital		-		_		-		345,677
Human services		1,594,910		_		1,594,910		5-15,077
Parks		316,536		-		316,536		-
Unrestricted (deficit)		(4,584,207)		10,813,654		6,229,447		1,128,033
Total net position		32,069,386	\$	96,545,934	\$	128,615,320	\$	3,130,721
rotar net position	ψ .	2,007,300	Φ_	70,343,934	Ψ	120,013,320	Ψ	3,130,721

STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2024

Program Revenues

Net (Expense) Revenue and Changes in Net Position

				Program Revenues					Chang	es in	Net Position	
Functions/Programs		Expenses	Charges for Services	Operating Grants and Contributions		apital Grants	G	overnmental Activities	Business-type Activities	e	Total	Hendersonville ABC Board
Governmental Activities:				•					-			
General government	\$	6,480,307	\$ -	\$ 168,082	\$	4,894	\$	(6,307,331)	\$ -		\$ (6,307,331)	\$ -
Public safety		15,556,293	1,177,077	58,749		-		(14,320,467)	-		(14,320,467)	-
Public works		3,468,027	· -	1,110,182		644,420		(1,713,425)	-		(1,713,425)	-
Economic and physical development		1,031,391	-	478,690		4,553,581		4,000,880	_		4,000,880	=
Culture and recreation		1,106,846	69,544	25,000		-		(1,012,302)	-		(1,012,302)	-
Interest on long-term debt		1,109,165	-	-		-		(1,109,165)	_		(1,109,165)	-
Total governmental activities		28,752,029	1,246,621	1,840,703		5,202,895		(20,461,810)	-		(20,461,810)	-
Business-type Activities:												
Water and sewer		25,357,856	24,909,589	-		7,326,796		_	6,878,52	29	6,878,529	-
Parking services		1,083,015	1,103,099	-		-		-	20,08	34	20,084	_
Environmental services		1,785,510	1,762,897	-		-		-	(22,61	13)	(22,613)	-
Stormwater		1,076,665	1,234,806	-		625,772		-	783,91	13	783,913	-
Total business-type activities	-	29,303,046	29,010,391		-	7,952,568		-	7,659,91	13	7,659,913	-
Total primary government		58,055,075	30,257,012	1,840,703		13,155,463		(20,461,810)	7,659,91	13	(12,801,897)	-
Component unit												
Hendersonville ABC Board	\$	11,651,595	\$ 11,684,842	\$ -	\$	-		-			<u>-</u>	33,247
			General revenues:									
			Taxes:									
				vied for general purp	ose			15,262,782	-		15,262,782	-
			Local option sale					6,247,325	-		6,247,325	-
			Other taxes and l					1,596,293	-		1,596,293	-
				itions not restricted to	spec	cific programs		15,000	-		15,000	-
			Investment earning					857,568	591,74		1,449,312	27,808
			Gain on disposal of					365,893	91,67		457,571	-
			Miscellaneous, unr	estricted				881,949	21,53	38	903,487	-
			Total general revenues							()	25,931,770	27,808
			_					25,226,810	704,96		23,931,770	27,000
			Transfers	enues				(5,195,772)	5,195,77	72		<u> </u>
			Transfers					, ,		72	25,931,770	<u> </u>
			Transfers	enues and transfers				(5,195,772)	5,195,77	7 <u>2</u> 3 <u>2</u>		
			Transfers Total general rev	enues and transfers				(5,195,772) 20,031,038	5,195,77 5,900,73	72 32 45	25,931,770	27,808

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2024

		General Fund		Grants Fund		overnmental pital Project Fund		Nonmajor vernmental Funds	Go	Total overnmental Funds
Assets		. 					_			
Cash and cash equivalents	\$	6,537,899	\$	-	\$	-	\$	144,345	\$	6,682,244
Investments		754,873		186,775		-		26,203		967,851
Accounts receivable, net		298,758		-		-		97		298,855
Ad valorem taxes receivable, net		222,798		-		-		12,779		235,577
Due from other funds		1,135,370		-		-		-		1,135,370
Due from other governments		3,015,549		1,758,888		235,514		102,768		5,112,719
Prepaids		7,767		-		-		150		7,917
Restricted cash and investments		176,674		1,721,689		6,286,956		394,880		8,580,199
Notes receivable		455,484		487,500					_	942,984
Total assets	\$	12,605,172	\$	4,154,852	\$	6,522,470	\$	681,222	\$	23,963,716
Liabilities										
Accounts payable and accrued liabilities	\$	1,310,209	\$	47,951	\$	-	\$	41,934	\$	1,400,094
Due to other funds		-		1,545,991		-		-		1,545,991
Payable from restricted assets										
Accounts payable and accrued liabilities		-		-		2,681,686		-		2,681,686
Total liabilities	_	1,310,209		1,593,942		2,681,686		41,934	_	5,627,771
Deferred inflows of resources		222,798	_					12,779		235,577
Fund balances										
Nonspendable:										
Notes receivable		455,484		-		-		-		455,484
Prepaids		7,767		-		-		150		7,917
Restricted:										
Stabilization by State statute		4,449,677		-		-		-		4,449,677
USDA debt reserve		176,674		-		-		-		176,674
Public safety		-		45,748		-		269,748		315,496
Economic development		-		603,716		-		219,636		823,352
Capital projects		-		-		3,840,784		-		3,840,784
Human services		-		1,594,910		-		-		1,594,910
Parks		-		316,536		-		-		316,536
Committed:										
General government		-		-		-		136,975		136,975
Assigned:										
Subsequent year's expenditures		2,304,552		-		-		-		2,304,552
Unassigned		3,678,011								3,678,011
Total fund balances		11,072,165		2,560,910		3,840,784		626,509		18,100,368
Total liabilities, deferred inflows of										
resources, and fund balances	\$	12,605,172	\$	4,154,852	<u>\$</u>	6,522,470	\$	681,222	\$	23,963,716

Section 6, Item A.

CITY OF HENDERSONVILLE, NORTH CAROLINA

BALANCE SHEET GOVERNMENTAL FUNDS JUNE 30, 2024

Total fund balances for governmental funds	\$	18,100,368
Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:		
Capital assets and right-to-use used in governmental activities are not financial resources and therefore are not reported in the governmental funds:		02 202 522
Original cost and/or donated value Less accumulated depreciation and amortization		93,293,523 (29,975,072)
Deferred outflows of resources are not available to satisfy current obligations in the fund statements; however, they are considered a consumption of net position that applies to a future period and are included in the statement of net position:		
Pension related deferrals OPEB related deferrals		6,034,751 581,219
Property tax revenues in the statement of activities that do not provide current financial resources are		
unavailable and therefore not recognized as revenue in the fund statements.		235,577
Deferred inflows of resources are not available to satisfy current obligations		
in the fund statements: however, they are considered economic resources		
and recognized as revenue in the government-wide statements.		(200, 120)
Pension deferrals OPEB deferrals		(299,139) (833,059)
Of ED deferrats		(655,059)
The internal service fund is used by management to allocate self-insurance		
costs to individual funds and departments. The assets and liabilities are		
included in governmental activities in the statement of net position.		24,236
Liabilities that, because they are not due and payable in the current period,		
do not require current resources to pay and are therefore not reported		
in the fund statements:		
Bond payable, net of unamortized premiums		(3,723,316)
Installment obligations		(36,533,987)
Financed purchases		(138,808)
Lease liabilities		(134,334)
SBITA liabilities		(98,014)
Compensated absences		(1,552,802)
Total pension liability - LEOSSA		(1,568,520)
Net pension liability - LGERS		(9,337,849)
Total OPEB liability		(1,694,166)
Accrued interest payable	_	(311,222)
Net position of governmental activities	\$	32,069,386

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2024

					G	overnmental	N	Vonmajor		Total
		General		Grants	Ca	apital Project	Go	vernmental	G	overnmental
		Fund		Fund		Fund		Funds		Funds
Revenues										
Ad valorem taxes	\$	14,917,563	\$	-	\$	-	\$	357,716	\$	15,275,279
Local option sales taxes		5,872,485		-		-		374,839		6,247,324
Other taxes and licenses		12,240		-		-		-		12,240
Unrestricted intergovernmental		1,990,202		-		-		-		1,990,202
Restricted intergovernmental		954,722		5,086,914		367,948		4,107		6,413,691
Permits and fees		620,567		-		-		-		620,567
Sales and services		437,006		-		-		35,022		472,028
Investment earnings		285,018		61,603		499,449		10,750		856,820
Miscellaneous		251,723		-		15,000		225,721		492,444
Total revenues	_	25,341,526	_	5,148,517	_	882,397		1,008,155		32,380,595
Expenditures										
Current:										
General government		4,233,551		31,866		142,613		213,025		4,621,055
Public safety		12,931,630		52,152		-		35,330		13,019,112
Public works		4,617,964		2,515		-		-		4,620,479
Economic and physical development		-		384,982		-		809,084		1,194,066
Capital outlay		-		-		20,244,635		-		20,244,635
Debt service:										
Principal		3,003,862		-		-		29,430		3,033,292
Interest and fees		1,168,780	_		_			15,778		1,184,558
Total expenditures	_	25,955,787		471,515	_	20,387,248	_	1,102,647	_	47,917,197
Revenues over (under) expenditures	_	(614,261)		4,677,002	_	(19,504,851)		(94,492)	_	(15,536,602)
Other Financing Sources (Uses)										
Sale of capital assets		512,316		-		350,000		-		862,316
Issuance of long-term obligations		-		-		1,306,996		-		1,306,996
Lease liabilities issued		4,943		-		-		-		4,943
Transfers from other funds		-		75,000		81,438		350,000		506,438
Transfers to other funds	_	(425,000)	_	(5,195,771)	_	-		(81,439)		(5,702,210)
Total other financing sources (uses)		92,259	_	(5,120,771)	_	1,738,434		268,561		(3,021,517)
Net changes in fund balances		(522,002)		(443,769)		(17,766,417)		174,069		(18,558,119)
Fund balances, beginning of year		11,594,167		3,004,679	_	21,607,201		452,440	_	36,658,487
Fund balances, end of year	\$	11,072,165	\$	2,560,910	<u>\$</u>	3,840,784	\$	626,509	<u>\$</u>	18,100,368

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS FOR THE YEAR ENDED JUNE 30, 2024

Amounts reported for governmental activities in the Statement of Activities are different because:

Net change in fund balancestotal governmental funds	\$ (18,558,119)
Governmental funds report capital outlays as expenditures. However, in the Statement	
of Activities, the cost of those assets is allocated over their estimated useful lives as	
depreciation expense with any residual book value expensed if the asset is disposed:	
Capital outlay expenditures	20,698,353
Depreciation expense	(2,402,504)
Amortization expense	(120,472)
Net book value of capital assets disposed	(624,623)
Donations of capital assets	413,800
Contributions to pension plans in the current fiscal year are not included on the	
Statement of Activities	(1,513,438)
	,
Benefit payments and administrative expenses for LEOSSA in the current fiscal	
year are not included on the Statement of Activities	(60,761)
Benefit payments and administrative expenses for OPEB in the current fiscal	
year are not included on the Statement of Activities	(121,054)
y 	(121,00 1)
Revenues reported in the Statement of Activities that do not provide current	
resources are not recorded as revenues in the fund statements:	
Net change in ad valorem taxes receivable	11,934
Net change in accrued interest receivable on property taxes	(24,423)
The issuance of long-term debt provides current financial resources, while the	
repayment of debt consumes the current financial resources of governmental	
funds. Neither transaction has any effect on net position. Also, governmental	
funds report the effect of premiums, discounts and similar items when debt	
is first issued, whereas these amounts are deferred and amortized in the	
Statement of Activities:	
Proceeds from the issuance of debt and lease liabilities	(1,311,939)
Amortization of bond issuance premium	74,339
Repayments	3,033,292
The internal service fund is used by management to account for the activities of	
the City's health insurance and workers' compensation plans. The net revenue	
compensation. The net expense is reported with the governmental activities	(74,944)
Expenses reported in the Statement of Activities that do not require the use of current	
resources to pay are not recorded as expenditures in the fund statements:	
Compensated absences	(293,421)
Pension expense - LGERS	294,629
Pension expense - LEOSSA	(10,742)
OPEB plan expense	158,267
Accrued interest payable	1,054
Change in not neglition, accommental estimities	\$ (430,772)
Change in net position, governmental activities	<u>\$ (430,772)</u>

Section 6, Item A.

CITY OF HENDERSONVILLE, NORTH CAROLINA

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL GENERAL FUND FOR THE YEAR ENDED JUNE 30, 2024

		Original Budget	Final Budget	Actual	F	ariance with inal Budget- Positive (Negative)
Revenues						
Ad valorem taxes	\$	13,942,500	\$ 14,883,240	\$ 14,917,563	\$	34,323
Unrestricted intergovernmental		7,571,000	7,734,000	7,862,687		128,687
Other taxes and licenses		7,500	7,500	12,240		4,740
Restricted intergovernmental		749,920	943,833	954,722		10,889
Permits and fees		444,550	483,750	620,567		136,817
Sales and services		363,600	887,090	437,006		(450,084)
Investment earnings		175,000	280,000	285,018		5,018
Miscellaneous		6,000	242,968	 251,723		8,755
Total revenues		23,260,070	 25,462,381	 25,341,526		(120,855)
Expenditures						
Current:						
General government		4,153,901	4,836,021	4,233,551		602,470
Public safety		13,048,129	14,543,356	12,931,630		1,611,726
Public works		5,053,846	5,451,876	4,617,964		833,912
Debt service:						
Principal retirement		2,581,670	3,003,930	3,003,862		68
Interest and other charges		997,043	1,169,043	 1,168,780		263
Total expenditures		25,834,589	 29,004,226	 25,955,787		3,048,439
Revenues over (under) expenditures		(2,574,519)	 (3,541,845)	 (614,261)		2,927,584
Other Financing Sources (Uses)						
Appropriated fund balance		2,614,519	3,736,545	-		(3,736,545)
Sale of capital assets		35,000	550,000	512,316		(37,684)
Lease liabilities issued		-	-	4,943		4,943
Transfers to other funds		(75,000)	 (744,700)	 (425,000)		319,700
Total other financing sources (uses)	_	2,574,519	 3,541,845	 92,259		(3,449,586)
Net change in fund balance	<u>\$</u>		\$ 	(522,002)	\$	(522,002)
Fund balance, beginning of year				 11,594,167		
Fund balance, end of year				\$ 11,072,165		

STATEMENTS OF NET POSITION PROPRIETARY FUNDS JUNE 30, 2024

	Major Ente	rprise Funds	Normaion	Total	
	Water and Sewer Fund	Parking Services Fund	Nonmajor Enterprise Funds	Enterprise Funds	Internal Service Fund
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 10,688,903	\$ -	\$ 7,876	\$ 10,696,779	\$ 64,449
Investments	1,527,020	-	980	1,528,000	-
Accounts receivable, net	3,223,624	57,229	417,714	3,698,567	-
Due from other governments	2,063,004	-	342,318	2,405,322	-
Due from other funds	1,545,991	-	-	1,545,991	-
Lease receivable	732,910	-	-	732,910	-
Inventory	1,523,305	-	-	1,523,305	-
Prepaids	41,004	29,219	60,120	130,343	-
Restricted cash and cash equivalents	1,402,043		372,038	1,774,081	
Total current assets	22,747,804	86,448	1,201,046	24,035,298	64,449
Noncurrent assets: Capital assets:					
Non-depreciable/amortizable	41,974,464	1,912,656	1,457,977	45,345,097	
Depreciable/amortizable capital assets, net	99,467,731		1,871,289		-
Total capital assets, net	141,442,195	10,585,551	3,329,266	111,924,571 157,269,668	
Total assets	164,189,999	12,584,655	4,530,312	181,304,966	64,449
DEFERRED OUTFLOWS OF RESOURCES					
Pension deferrals	3,637,506	_	567,427	4,204,933	_
OPEB deferrals	368,344	_	57,397	425,741	_
Total deferred outflows of resources	4,005,850		624,824	4,630,674	
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	4,750,928	26,426	748,943	5,526,297	40,213
Accrued salaries and benefits	217,267	2,565	42,570	262,402	-
Accrued interest payable	109,129	41,897	11,404	162,430	-
Due to the other funds	-	571,439	563,931	1,135,370	-
Compensated absences, current	455,158	3,215	48,605	506,978	-
Current portion of long-term debt	4,217,219	561,942	225,348	5,004,509	-
Payable from restricted assets:					
Customer deposits	389,798	1,075		390,873	
Total current liabilities	10,139,499	1,208,559	1,640,801	12,988,859	40,213
Noncurrent liabilities:					
Compensated absences, net of current portion	383,211	2,790	43,094	429,095	-
Net pension liability - LGERS	5,918,623	-	923,267	6,841,890	-
Total OPEB liability	1,073,676	-	167,303	1,240,979	-
Long-term debt, net of current portion	54,451,746	10,993,957	1,087,176	66,532,879	
Total noncurrent liabilities	61,827,256	10,996,747	2,220,840	75,044,843	-
Total liabilities	71,966,755	12,205,306	3,861,641	88,033,702	40,213
DEFERRED INFLOWS OF RESOURCES					
Pension deferrals	60,645	-	9,460	70,105	-
OPEB deferrals	527,951	-	82,266	610,217	-
Leases	675,682			675,682	
Total deferred inflows of resources	1,264,278		91,726	1,356,004	
Net investment in capital assets	82,773,230	942,308	2,016,742	85,732,280	-
Unrestricted (deficit)	12,191,586	(562,959)	(814,973)	10,813,654	24,236
Total net position (deficit)	\$ 94,964,816	\$ 379,349	\$ 1,201,769	\$ 96,545,934	\$ 24,236

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	Major Enter	prise Funds			
	Water and Sewer Fund	Parking Services Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
OPERATING REVENUES					
Charges for services	\$ 23,710,917	\$ 1,103,099	\$ 2,997,703	\$ 27,811,719	\$ 342,456
Other operating revenue	1,198,672			1,198,672	26,031
Total operating revenues	24,909,589	1,103,099	2,997,703	29,010,391	368,487
OPERATING EXPENSES					
Operations	20,107,179	395,028	2,627,325	23,129,532	444,182
Depreciation and amortization	4,312,354	431,902	196,594	4,940,850	-
Total operating expenses	24,419,533	826,930	2,823,919	28,070,382	444,182
Operating income (loss)	490,056	276,169	173,784	940,009	(75,695)
NONOPERATING REVENUES AND EXPENSE	S				
Interest income	575,807	4,936	11,001	591,744	751
Lease revenue	21,538	-	-	21,538	-
Sale of capital assets	83,778	-	7,900	91,678	-
Interest expense	(938,323)	(256,085)	(38,256)	(1,232,664)	
Total nonoperating revenue (expense), net	(257,200)	(251,149)	(19,355)	(527,704)	751
Income (loss) before transfers and contributions	232,856	25,020	154,429	412,305	(74,944)
TRANSFERS AND CONTRIBUTIONS					
Transfer to other funds	(1,448,686)	-	-	(1,448,686)	-
Transfers from other funds	6,644,458	-	-	6,644,458	-
Capital contributions	7,326,796	-	625,772	7,952,568	-
Total transfers and contributions, net	12,522,568		625,772	13,148,340	
Change in net position	12,755,424	25,020	780,201	13,560,645	(74,944)
Net position, beginning of year	82,209,392	354,329	421,568	82,985,289	99,180
Net position, end of year	\$ 94,964,816	\$ 379,349	\$ 1,201,769	\$ 96,545,934	\$ 24,236

STATEMENTS OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	Major Enter	prise Funds			
	Water and Sewer Fund	Parking Services Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund
Cash flows from operating activities:					
Cash received from customers	\$ 27,808,913	\$ 1,068,591	\$ 2,972,483	\$31,849,987	\$ 368,607
Cash paid for goods and services	(10,980,285)	(240,777)	(935,164)	(12,156,226)	(465,948)
Cash paid to employees	(11,166,917)	(173,328)	(1,280,470)	(12,620,715)	-
Net cash provided (used) by operating activities	5,661,711	654,486	756,849	7,073,046	(97,341)
Cash flows from noncapital financing activities:					
Interfund balances	(1,545,991)	159,310	300,843	(1,085,838)	-
Transfers to other funds, net	5,195,772	-	-	5,195,772	-
Net cash provided by noncapital financing activities	3,649,781	159,310	300,843	4,109,934	
Cash flows from capital and related financing activities:					
Proceeds on sale of assets	93,422	-	7,900	101,322	-
Capital contributions	36,917	-	418,500	455,417	-
Cash received from lease agreement	21,538	-	-	21,538	-
Acquisition and construction of capital assets	(18,341,980)	(6,530)	(1,370,624)	(19,719,134)	-
Proceeds from issuance of long-term debt	7,164,827	-	477,004	7,641,831	-
Principal retirement	(3,063,763)	(395,000)	(187,409)	(3,646,172)	-
Interest paid on long-term debt	(965,299)	(417,202)	(33,170)	(1,415,671)	-
Net cash used by capital and related financing activities	(15,054,338)	(818,732)	(687,799)	(16,560,869)	
Cash flows from investing activities:					
Proceeds from sales (purchases of) investments, net	4,419,596	-	(980)	4,418,616	87,103
Interest on investments	575,807	4,936	11,001	591,744	751
Net cash provided by investing activities	4,995,403	4,936	10,021	5,010,360	87,854
Net increase (decrease) in cash and cash equivalents	(747,443)	-	379,914	(367,529)	(9,487)
Cash and cash equivalents, beginning of year	12,838,389			12,838,389	73,936
Cash and cash equivalents, end of year	\$ 12,090,946	\$ -	\$ 379,914	\$12,470,860	\$ 64,449
Classified as:					
Cash and cash equivalents	\$ 10,688,903	\$ -	\$ 7,876	\$10,696,779	
Restricted cash and cash equivalents	1,402,043		372,038	1,774,081	
	\$ 12,090,946	\$ -	\$ 379,914	\$12,470,860	\$ -

STATEMENTS OF CASH FLOWS PROPRIETARY FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	Major Enterprise Funds									
	Water an Sewer Fu			Parking rices Fund	Eı	Nonmajor Enterprise Funds		Total Enterprise Funds		nternal vice Fund
Reconciliation of operating income to net cash provided by operating activities:										
Operating income (loss)	\$ 490,0	057	\$	276,169	\$	173,784	\$	940,010	\$	(75,695)
Adjustments to reconcile operating income to										
net cash provided (used) by operating activities:										
Depreciation	4,312,3	354		431,902		196,594		4,940,850		-
Lease adjustment	(18,7	730)		-		-		(18,730)		-
Changes in assets and liabilities:										
(Increase) decrease in accounts receivable	2,904,0			(34,508)		(25,220)		2,844,370		120
(Increase) decrease in due from other governments	(2,063,0			-		(342,318)	(2,405,322)		-
(Increase) decrease in inventories	(235,0	/		-		-		(235,043)		-
(Increase) decrease in prepaids	(3,1			(29,219)		(60,120)		(92,475)		-
(Increase) decrease in deferred outflows of resources for pensions	(344,7			-		(53,785)		(398,579)		-
(Increase) decrease in deferred outflows of resources for OPEB	44,4			-		6,919		51,325		-
Increase (decrease) in accounts payable and accrued liabilities	(645,4			4,137		688,109		46,748		(21,766)
Increase (decrease) in customer deposits	13,9			-		-		13,955		-
Increase (decrease) in compensated absences	157,7			6,005		9,187		172,907		-
Increase (decrease) in net pension liability - LGERS	1,122,2	257		-		175,065		1,297,322		-
Increase (decrease) in OPEB liability	(347,0	075)		-		(54,082)		(401,157)		-
Increase (decrease) in deferred inflows of resources - pensions	(4,9	936)		-		(771)		(5,707)		-
Increase (decrease) in deferred inflows of resources - OPEB	279,0	85		-		43,487		322,572		-
Total adjustment	5,171,6	54		378,317		583,065		6,133,036		(21,646)
Net cash provided (used) by operating activities	\$ 5,661,7	11	\$	654,486	\$	756,849	\$	7,073,046	\$	(97,341)
Noncash Capital and Related Financing Activities										
Donations of capital assets	\$ 7,289,8	379	\$	-	\$	207,272	\$	-	\$	-

Section 6, Item A.

CITY OF HENDERSONVILLE, NORTH CAROLINA

FIDUCIARY FUND STATEMENT OF FIDUCIARY NET POSITION JUNE 30, 2024

	Custodia Fund			
Assets				
Cash and cash equivalents	\$	200,134		
Accounts receivable		381,995		
Total assets		582,129		
Liabilities Due to others		582,129		
Net Position				
Restricted for:				
Individuals, organizations, and other governments		-		
Total net position	\$	-		

Section 6, Item A.

CITY OF HENDERSONVILLE, NORTH CAROLINA

FIDUCIARY FUND STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FOR THE YEAR ENDED JUNE 30, 2024

	Custodial Fund				
Additions Sewer and stormwater billing collections	\$	2,255,098			
Deductions Payments to other governments and entities		2,255,098			
Net change in fiduciary net position		-			
Net position, beginning					
Net position, ending	\$	_			

Notes to the Financial Statements For the Fiscal Year Ended June 30, 2024

1. Summary of Significant Accounting Policies

The financial statements of the City of Hendersonville, North Carolina (the "City") have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City's significant accounting policies are described below.

A. Reporting Entity

The City was originally incorporated on January 7, 1847, and operated under a Council-Mayor form of government. With the election of 1993, the City changed to a Council-Manager form of government. City Council consists of the Mayor and four (4) other members who are elected by qualified voters of the City. The Mayor and City Council, elected for four (4) year staggered terms, are vested with the legislative and policymaking powers of the City. The City Council appoints a City Manager who serves as the chief executive officer of the City and is responsible to the City Council for proper administration of all affairs of the City.

The City's major operations consist of general government, public safety (police and fire), transportation, environmental protection, economic and physical development, cultural and recreational, water and sewer, parking services and stormwater services.

The financial statements of the City include one (1) discretely presented component unit – the City of Hendersonville Alcoholic Beverage Control Board (the "ABC Board"). Members of the ABC Board's governing body are appointed by the City. In addition, the ABC Board is required by State statute to distribute 50% of its surpluses to the General Fund of the City. The remainder is distributed to Henderson County and the Henderson County Board of Public Education. The ABC Board, which has a June 30th year end, is presented as a business-type activity discretely presented component unit. Complete financial information, including separately issued financial statements, may be obtained from the ABC Board's administrative offices located at 205 South Church Street, Hendersonville, North Carolina 28792.

B. Basis of Presentation

Government-Wide Statements:

The Statement of Net Position and the Statement of Activities display information about the primary government (the "City") and its component units. These statements include the financial activities of the overall government, except for fiduciary activities. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

Fund Financial Statements:

The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category - *governmental*, *proprietary*, *and fiduciary* - are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

The City reports the following major governmental funds for the year ended June 30, 2024:

☐ General Fund

The General Fund is the City's primary operating fund and is an annually budgeted fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. All general tax revenues and other receipts that (a) are not allocated by law or contractual agreement to other funds or (b) that have not been restricted, committed, or assigned to other funds are accounted for in the General Fund. General operating expenditures and the capital improvement costs that are not paid through other funds are paid from the General Fund.

☐ Grants Fund

This fund accounts for the receipt and disbursement of Federal and State grants, excluding those for which it may be deemed necessary for a separate fund to be established due to the size or nature of the grant.

☐ Governmental Capital Projects Fund

This fund accounts for and reports funds that are restricted, committed, or assigned for capital improvements. This fund adopts a multi-year project budget.

The City reports the following major enterprise funds for the year ended June 30, 2024:

□ Water and Sewer Fund

The Water and Sewer Fund is an annually budgeted fund and accounts for the operation, maintenance and development of the City's water and sewer system.

☐ Parking Services Fund

The Parking Services Fund is an annually budgeted fund and accounts for the operation and maintenance of parking locations for residents and visitors throughout the City.

Additionally, the City reports the following fund types:

☐ Special Revenue Funds

Special revenue funds are used to account for specific revenue sources (other than Federal or State grants or major capital projects) that are legally restricted or committed to expenditures for specified purposes. The City has the following special revenue funds: the Main Street Tax District Fund, Seventh Avenue Tax District Fund, and the Special Revenue Fund.

□ Nonmajor Enterprise Funds

The non-major enterprise funds are used to account for the City's stormwater, sanitation, and recycling operations.

□ Internal Service Funds

The internal service funds is used to administer payments for employee health claims. Expenditures of benefits to City staff whose costs are reported in the City's funds are not eliminated in the preparation of the fund financial statements but are eliminated and included with governmental activities in the government-wide financial statements.

☐ Custodial Funds

The custodial fund is used to account for money collected on behalf of other municipalities and utilities for which the City provides billing services. The custodial fund does not report any net position as no further action, approval, or condition is required to be taken to release the assets in the fund as the City incurs a liability as soon as it takes control of the resources.

C. <u>Measurement Focus and Basis of Accounting</u> - In accordance with North Carolina General Statutes, all funds of the City are maintained during the year using the modified accrual basis of accounting.

Government-Wide, Proprietary, and Fiduciary Fund Financial Statements:

The government-wide, proprietary, and fiduciary fund financial statements are reported using the economic resources measurement focus, except the agency funds which have no measurement focus, and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Amounts reported as program revenues include: 1) charges to customers or applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes. The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the Statement of Activities. In addition, the government-wide statement of activities reflects depreciation and amortization expense on the City's capital assets and intangible right-to-use assets.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

Governmental Fund Financial Statements:

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured.

Long-term debt issued is reported as other financing sources. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of general long-term debt and acquisitions under leases and IT subscriptions are reported as other financing sources.

The City considers all revenues available if they are collected within 90 days after year-end, except for property taxes. Ad valorem property taxes are not accrued as a revenue because the amount is not susceptible to accrual. At June 30, taxes receivable are materially past due and are not considered to be an available resource to finance the operations of the current year. As of September 1, 2013, State law altered the procedures for the assessment and collection of property taxes on registered motor vehicles in North Carolina. Effective with this change in the law, the State of North Carolina is responsible for billing and collecting the property taxes on registered motor vehicles on behalf of all municipalities and special tax districts. Property taxes are due when vehicles are registered. The billed taxes are applicable to the fiscal year in which they are received. Uncollected taxes that were billed in periods prior to September 1, 2013 and for limited registration plates are shown as a receivable in these financial statements and are offset by deferred inflows of resources.

Sales taxes collected and held by the State at year-end on behalf of the City are recognized as revenue. Intergovernmental revenues and sales and services are not susceptible to accrual because generally they are not measurable until received in cash. All taxes, including those dedicated for specific purposes are reported as general revenues rather than program revenues. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

Under the terms of grant agreements, the City funds certain programs by a combination of specific cost-reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net position available to finance the program. It is the City's policy to first apply cost-reimbursement grant resources to such programs, followed by categorical block grants and then by general revenues.

D. <u>Budgetary Data</u> - The City's budgets are adopted as required by the North Carolina General Statutes. An annual budget is adopted for all funds, with the exception of capital projects funds and grant-related special revenue funds, for which project length budgets are adopted. In accordance with state law, the budgets adopted for the enterprise funds are adopted on the modified accrual basis of accounting, and a reconciliation is provided along with the budget schedule to reconcile from the modified accrual basis to the accrual basis. The enterprise fund capital project funds are consolidated with their respective operating fund for reporting purposes.

The City follows the following procedures in establishing its annual budgets:

- (1) Around the middle of February each year (legally required by to be completed by April 30th), all departments/activities of the City submit requests for appropriation to the Budget Officer so that a budget may be prepared. The budget is prepared by fund, function and department, and includes information on the past year, the current year budget and requested appropriations for the next fiscal year.
- (2) In March/April of each year, management reviews the budget compiled by the Budget Officer for the next year for propriety. In May of each year, the proposed budget is presented to City Council for review (legally required to be submitted by June 1st). The City adopts the budget ordinance by July 1st of each year. Otherwise, City Council must adopt an interim budget that covers that time until the annual ordinance can be adopted.

- (3) All budgets are prepared using the modified accrual basis of accounting. Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds and at the project level for the multiyear project funds. All amendments must be approved by City Council and The City Manager is authorized to transfer appropriations within a fund; however, any revisions altering salaries or total expenditures of any fund must be approved by City Council. During the fiscal year ended June 30, 2024, the original budget was amended through supplemental appropriations. These changes are reflected in the budgetary comparison schedules. Budgeted expenditure appropriations lapse at year-end.
- (4) Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting (under which purchase orders, contracts, and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation) is utilized in the governmental funds. Encumbrances outstanding at year-end lapse and are generally re-appropriated in the succeeding year's budget.
- **E.** <u>Use of Estimates</u> The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, deferred outflows of resources, deferred inflows of resources, and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

F. <u>Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources and</u> Fund Balance/Net Position

Deposits and Investments:

All deposits of the City and ABC Board are made in board-designated official depositories and are secured as required by G.S. 159-31. The City and the ABC Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. The City pools cash resources of its various funds in order to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pooled cash accounts is available to meet current operating requirements. Any deposit in excess of the federal depository insured amounts must be collateralized by an equivalent amount of state or U.S. obligations. For purposes of the statement of cash flows, all highly liquid investments with an original maturity of less than 90 days are considered to be cash equivalents. The ABC Board considers demand deposits and investments purchased with an original maturity three months or less, that are not limited to use, to be cash and cash equivalents.

State law [G.S. 159-30(c)] authorizes the City to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; and the North Carolina Capital Management Trust ("NCCMT").

The North Carolina Capital Management Trust (NCCMT), which consists of two SEC registered funds, is authorized by G.S. 159-30(c)(8). One of these funds, the Government Portfolio, is a 2a7 fund which invests in treasuries and government agencies and is rated AAAm by S&P and AAmf by Moody Investor Services. The Government Portfolio is reported at fair value.

Restricted Assets:

The City has restricted cash and cash equivalents related to (1) debt service reserves that are required to by maintained by the terms of a particular debt issuance (2) unexpended proceeds of debt that may only be expended for the purposes for which the debt was issued; and (3) unspent grant funds and contributions that may only be spent in accordance with the terms specified by the external resource provider. Customer deposits held by the City before any services are supplied are restricted to the service for which the deposit was collected. Powell Bill funds (if any) are also classified as restricted cash because they can be expended only for the purposes outlined in G.S. 136-41.1 through 136-41.4.

Restricted Cash

Governmental activities:	
General Fund - USDA loan reserve	\$ 176,674
Main Street Tax Distrist Fund	93,333
Seventh Avenue Tax Distrist Fund	46,822
Special Revenue Fund	254,725
Grant Fund - unspent grant proceeds	1,721,689
Governmental Capital Projects Fund - unspent debt proceeds	 6,286,956
Total governmental activities	8,580,199
Business-type activities:	
Water and Sewer Fund - customer deposits	389,798
Water and Sewer Fund - unspent debt proceeds	1,012,245
Parking Services Fund - customer deposits	1,075
Stormwater Fund - unspent debt proceeds	29,182
Environmental Services Fund - unspent debt proceeds	 341,781
Total business-type activities	1,774,081
Total Primary Government	\$ 10,354,280

Ad Valorem Taxes Receivable:

In accordance with State law [G.S. 105-347 and G.S. 159-13(a)], the City levies ad valorem taxes on property other than motor vehicles on July 1, the beginning of the fiscal year. The taxes are due on September 1 (lien date); however, penalties and interest do not accrue until the following January 6. These taxes are based on the assessed values as of January 1, 2023.

Allowances for Doubtful Accounts:

All receivables that historically experience uncollectible accounts are shown net of an allowance for doubtful accounts. This amount is estimated by analyzing the percentage of receivables that were written off in prior years combined with managements estimate of potential future collections.

Lease Receivable:

The City is a lessor for a noncancellable lease of real property upon which a 3rd party has developed a wireless cellular tower facility. The City recognizes a lease receivable and a deferred inflow of resources for deferred lease receipts in the Water and Sewer enterprise fund and in the government-wide financial statements.

At the commencement of a lease, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term on a straight-line basis.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The City uses the interest rate it is charging the lessee as the discount rate. When the lease agreement does not specify an interest rate to be charged, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease receivable are composed of fixed payments the City is reasonably certain to receive.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Interfund Receivables and Payables:

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year as well as all other outstanding balances between funds are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and business-type activities are reported in the government wide financial statements as "internal balances."

Advances between funds, as reported in the fund financial statements, represent long-term borrowing arrangements with established repayment schedules, and are offset by nonspendable fund balance in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Inventories and Prepaid Items:

The inventories of the City are valued at cost (first-in, first-out). The City's General Fund inventory consists of expendable supplies that are recorded as expenditures when consumed. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. Inventories and prepaid items are accounted for using the consumption method in that they are recorded as an asset when purchased and expended/expensed when consumed.

Capital Assets:

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible right-to-use assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in the respective fund in the proprietary funds' statement of net position. Capital assets are defined by the City as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of five years. Intangible right-to-use assets from leasing arrangements are defined by the City as those assets with an initial cost of more than \$100,000.

Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets received prior to June 30, 2015, are recorded at their estimated fair value at the date of donation. Donated capital assets received after June 30, 2015, are recorded at acquisition value. Public domain ("infrastructure") general capital assets acquired prior to July 1, 2003, consist of the road network (roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems), and water and sewer system assets that were acquired or received substantial improvements subsequent to July 1, 1980. These assets are reported at estimated historical cost using deflated cost replacement. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

The City's capital assets also include certain right to use assets. These right to use assets arise in association with agreements where the City reports a lease (only applies when the City is the lessee) or agreements where the City reports an Information Technology (IT) Subscription in accordance with the requirements of GASB 87 and GASB 96, respectively.

The right to use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made at or prior to the start of the lease term, less lease incentives received from the lessor at or prior to the start of the lease term, and plus ancillary charges necessary to place the lease asset into service. The right to use lease assets are amortized on a straight-line basis over the life of the related lease.

The right to use IT subscription assets are initially measured at an amount equal to the initial measurement of the subscription liability plus any subscription payments made at the start of the subscription term, if applicable, plus capitalizable initial implementation costs at the start of the subscription term, less any incentives received from the IT subscription vendor at the start of the subscription term. Subscription payments, as well as payments for capitalizable implementation costs made before the start of the subscription term should be reported as a prepayment (asset). Such prepayments should be reduced by any incentives received from the same vendor before the start of the subscription term if a right of offset exists. The net amount of the prepayments and incentives should be reported as an asset or liability, as appropriate, before the start of the subscription term at which time the amount should be included in the initial measurement of the subscription asset. The right to use subscription assets should be amortized on a straight-line basis over the subscription term.

Capital assets and intangible right-to-use assets of the City are depreciated or amortized using the straight-line method over the following estimated useful lives:

	Years
Computer equipment	5
Computer software	5
Maintenance and construction equipment	10
Trucks and autos	7 - 10
Buildings	30
Water and sewer lines	50
Infrastructure - roads, sidewalks, and gutters	25
Infrastructure - bridges	50
Right-to-use lease assets	Lease term
Subscription assets	Subscription term

Deferred Outflows of Resources and Deferred Inflows of Resources:

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period and so will not be recognized as an expense or expenditure until then. The City has several items that meet this criterion including deferred charges on refunding debt, pension and OPEB related deferrals, retiree benefits paid during the current fiscal year, and contributions made to the pension plans in the current fiscal year.

In addition to liabilities, the statement of net position can also report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net assets that applies to a future period and so will not be recognized as revenue until then. The City has several items that meet the criterion for this category - prepaid taxes and fees receivable, notes receivable, unearned grant revenue, leases, and pension and OPEB related deferrals.

Long-Term Obligations:

In the government-wide and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are accrued and amortized over the term of the bonds using the effective interest method. Bonds payable are reported net of the applicable discount or premium. Bond issuance costs are expensed in the year of issuance.

In the governmental fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Lease liabilities:

The City is a lessee for noncancellable leases of equipment. The City recognizes a lease liability and right-to-use lease assets in the government-wide and enterprise fund financial statements. The City recognizes lease liabilities and leased right to use assets in accordance with its capitalization policy of \$100,000.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the lease term.

Key estimates and judgments related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments:

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option prices that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease assets and liabilities if certain changes occur that are expected to significantly affect the amount of the lease liability.

In the statement of net position, lease assets are reported with other capital assets and lease liabilities are reported with other long-term liabilities as amounts due within one year and amounts due in more than one year.

Subscription-Based Information Technology Arrangements:

The City has executed contracts that qualify as noncancellable subscription-based information technology arrangements (SBITAs). The City recognizes a subscription liability and an intangible right-to-use subscription asset in the government-wide and enterprise fund financial statements. The City recognizes subscription assts resulting from SBITAs with an initial, individual value of \$100,000 or more. At the commencement of a SBITA, the City initially measures the subscription liability at the present value of payments expected to be made during the SBITA term. Subsequently, the subscription liability is reduced by the principal portion of payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for payments made at or before the SBITA commencement date, plus certain implementation and other costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life – which is the shorter of the SBITA term or the useful life of the underlying asset.

Key estimates and judgments related to SBITA include how the City determines (1) the discount rate it uses to discount the expected SBITA payments to present value, (2) SBITA term, and (3) SBITA payments:

- The City uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The SBITA term includes the noncancellable period of the SBITA. SBITA payments included in the measurement of the SBITA liability are composed of fixed payments and purchase option prices that the SBITA is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability.

SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the Statement of Net Position.

Compensated Absences:

The vacation policy of the City generally provides for the accumulation of up to forty (40) days earned vacation leave with such leave being fully vested when earned. For the City's

governmentwide and proprietary funds, an expense and a liability for compensated absences and the salary related payments are recorded as the leave is earned. The City has assumed a first-in, first-out method of using accumulated compensated time. The portion of that time that is estimated to be used in the next fiscal year has been designated as a current liability in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

The City's sick leave policy provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the City does not have any obligation for the accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Net Position:

Net position in government-wide and proprietary fund financial statements are classified as net investment in capital assets; restricted; and unrestricted. Restricted net position represents constraints on resources that are either a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or b) imposed by law through State Statutes.

Fund Balances:

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

☐ Non-Spendable Fund Balance

This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

- Notes receivable portion of fund balance that is not an available resource because it represents the year-end balance of notes receivable, which are not spendable resources.
- Prepaids portion of fund balance that is not an available resource because it represents the year-end balance of prepaids, which are not spendable resources.

☐ Restricted Fund Balance

This classification includes revenue sources that are restricted to specific purposes externally imposed or imposed by law.

• Restricted for Stabilization by State Statute - North Carolina G.S. 159-8 prohibits units of government from budgeting or spending a portion of their fund balance. This is one of several statutes enacted by the North Carolina State Legislature in the 1930's that were designed to improve and maintain the fiscal health of local government units. Restricted by State statute (RSS), is calculated at the end of each fiscal year for all annually budgeted funds. The calculation in G.S. 159-8(a) provides a formula for determining what portion of fund balance is available for appropriation. The amount of fund balance not available for appropriation is what is known as "restricted by State statute". Appropriated fund balance in any fund shall not exceed the sum of cash and investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash receipts, as those figures stand at the close of the fiscal

year next preceding the budget. Per GASB guidance, RSS is considered a resource upon which a restriction is "imposed by law through constitutional provisions or enabling legislation." RSS is reduced by inventories 35-J-56 and prepaids as they are classified as nonspendable. Outstanding Encumbrances are included within RSS. RSS is included as a component of Restricted Net position and Restricted fund balance on the face of the balance sheet.

- Restricted for USDA debt reserve portion of fund balance that is restricted by compliance requirements of USDA loan.
- Restricted for public safety portion of fund balance that is restricted by grant funds to pay for projects funded for public safety.
- Restricted for economic development portion of fund balance that is restricted by grant funds to pay for projects funded for economic development.
- Restricted for capital projects portion of fund balance that is restricted by the revenue source for various capital projects.
- Restricted for human services —portion of fund balance that is restricted by grant funds to pay for projects funded for human services.
- Restricted for parks portion of fund balance that is restricted by grant funds to pay for projects funded for parks and recreation.

☐ Committed Fund Balance

This classification includes the portion of fund balance that can only be used for specific purpose imposed by majority vote of City of Hendersonville's governing body (highest level of decision-making authority) by resolution. Any changes or removal of specific purposes requires majority action by the governing body.

O Committed for general government – portion of fund balance that has been committed to various special appropriations made by the governing board.

☐ Assigned Fund Balance

This classification includes the portion of total fund balance that the City of Hendersonville governing board has budgeted.

• Committed for subsequent year's expenditures – portion of the fund balance that is committed by the City council to cover costs in the subsequent year's budget.

☐ Unassigned Fund Balance

This classification includes the portion of total fund balance in the General Fund that has not been restricted, committed or assigned to specific purposes or other funds. The General Fund is the only fund that reports a positive unassigned fund balance, as all other funds report amounts for specific purposes.

When both restricted and unrestricted amounts of fund balance are available for use for expenditures incurred, it is the City's policy to use restricted amounts first and then unrestricted amounts as they are needed. For unrestricted amounts of fund balance, it is the City's policy to use fund balance in the following order: (1) Committed, (2) Assigned, and (3) Unassigned.

Defined Benefit Cost-Sharing Plans:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The City's employer contributions are recognized when due and the City has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

2. Detail Notes on All Activities and Funds

A. Assets

i. Deposits:

Total deposits and investments as of June 30, 2024 are summarized as follows:

Statement of Net Position	
Cash and cash equivalents	\$ 17,443,472
Investments	2,495,851
Restricted cash and cash equivalents	10,354,280
Statement of Fiduciary Net Position	200,134
	\$ 30,493,737
	_
Cash deposited with financial institution	\$ 15,774,405
Cash deposited with financial institution Cash equivalents held by NCCMT	\$ 15,774,405 12,218,539
•	\$, ,
Cash equivalents held by NCCMT	\$ 12,218,539

At June 30, 2024, the City's deposits had a carrying amount of \$15,774,405 and a bank balance of \$16,399,349. Of the bank balance, \$1,250,000 was covered by federal depository insurance and the remainder by collateral held under the Pooling Method.

At June 30, 2024, the City had \$4,942 cash on hand.

At June 30, 2024, the ABC Board's deposits had a carrying amount of \$1,659,658 and a bank balance of \$1,656,181. Of the bank balance, \$250,000 was covered by federal depository insurance and the remainder was covered under the pooling method.

ii. Investments:

As of June 30, 2024, the City had the following investments and maturities:

	Valuation Measurement		Fair	Maturity	
Investment Type	Method			Date	Rating
Federal Home Loan Banks (FHLB) Callable Bonds	Fair Value-Level 2	\$	469,805	3/24/2026	AA+
US Treasury Note	Fair Value-Level 1		1,019,083	9/30/2027	AAA
US Treasury Note Total investments	Fair Value-Level 1		986,620	2/15/2026	AAA
Duke Energy Stock	Fair Value-Level 1		20,343	N/A	N/A
Total investments		<u>\$</u>	2,495,851		
North Carolina Capital Management Trust Government Portfolio	- Fair Value-Level 1	\$	12,218,539	None	AAAm

Because the NCCMT Government Portfolio has a weighted average maturity of less than 90 days, it is considered a cash equivalent by the City.

The City's investments that fall within Level 1 of the fair value hierarchy are valued using directly observable, quoted prices (unadjusted) in active markets for the identical securities. The City's investments that fall within Level 2 of the fair value hierarchy are valued using quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets where there is not sufficient activity and/or where price quotations vary substantially either over time or among market makers, or in which little information is released publicly. Level 2 inputs other than quoted prices that are observable may include observable and commonly quoted interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks, default rates, inputs that are derived principally from or corroborated by observable market data, and similar information.

Interest Rate Risk:

The City has a formal investment policy that prioritizes the goals of investment activities, within compliance of North Carolina General Statutes, in the order of (1) safety, (2) liquidity, and (3) return. The Finance Director is the designated investment officer.

Custodial Credit Risk:

Deposits of the City are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage are collateralized with securities held by the City's agent in the City's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the City, these deposits are considered to be held by the City's agent in its name. The amount of the pledged collateral is based on an

approved averaging method for non-interest bearing deposits and the actual balance for interest bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the City. Because of the inability to measure the exact amount of collateral pledged for the City under the Pooling Method, the potential exists for under collateralization. This risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The City has no formal policy regarding custodial credit risk for deposits but relies on the State Treasurer to enforce standards of minimum capitalization for all Pooling Method financial institutions and to monitor them for compliance.

iii. Receivables:

Receivables at the government-wide level at June 30, 2024 were as follows:

				Capital	N	onmajor		Total
		General	Grants	Projects	Gov	ernmental	Go	vernmental
Receivables								
Taxes	\$	491,304	\$ -	\$ -	\$	28,583	\$	519,887
Notes		455,484	487,500	-		-		942,984
Accounts		298,758	-	-		97		298,855
Due from other governments		3,015,549	1,758,888	235,514		102,768		5,112,719
Less: allowance for uncollectibl	e							
accounts		(268,506)	-	-		(15,804)		(284,310)
Net receivables	\$	3,992,589	\$ 2,246,388	\$ 235,514	\$	115,644	\$	6,590,135

	Water and Sewer					onmajor	Total			
						terprise	Bu	siness-Type		
Receivables										
Accounts	\$	3,577,454	\$	212,577	\$	470,460	\$	4,260,491		
Leases		732,910		-		-		732,910		
Due from other governments		2,063,004		-		342,318		2,405,322		
Less: allowance for uncollectible										
accounts		(353,830)		(155,348)		(52,746)		(561,924)		
Net receivables	\$	6,019,538	\$	57,229	\$	760,032	\$	6,836,799		

Due from other governments that is owed to the City consists of the following:

	Go	Business-Type Activities		
Local option sales tax	\$	1,691,319	\$	-
Sales tax refunds		976,305		-
Utility sales taxes		329,167		-
SRF loan proceeds		-		2,063,004
Fed/State grants		2,005,050		339,237
Other		110,878		3,081
Total	\$	5,112,719	\$	2,405,322

Notes Receivable

The City entered into two (2) notes receivable during fiscal year 2019 relating to the redevelopment of the Grey Hosiery Mill. The first note was for \$200,000 with an interest rate of 3.5%. Monthly payments of approximately \$2,400 began in January 2020 and will continue through maturity of the note in December 2027. The balance on this note at June 30, 2024, is \$87,500. The second note was for \$500,000 and does not bear interest. A payment of \$100,000 was made during the current fiscal year and then annual installments of \$50,000 are to begin in December 2027 and continue through December 2034. The balance on this note at June 30, 2024, is \$400,000.

In November 2020, the City entered into an economic development agreement with the Economic Investment Fund of Henderson County, Inc. (the "Fund") and Henderson County, North Carolina (the "County") related to the purchase of property by the Fund. Pursuant to the economic development agreement, a total of approximately \$2.3 million was loaned to the Fund with 50% coming from the City and 50% coming from the County. The proceeds from the note are being used to finance the purchase, marketing, and development of the property for the purpose of subsequently selling the property to industries. The note bears interest at a variable rate equal to the Wall Street Journal Prime Rate as published in the Wall Street Journal at the anniversary of the date of the note. The interest rate at each anniversary will be the rate for the one (1) year until the next anniversary and the rate is reset. As of June 30, 2024, the applicable interest rate is 7.75%. There is no scheduled amortization schedule for the note with regard to principal as amounts will be repaid to the City and to the County as parcels of the property are sold by the Fund. The entire principal balance is due and payable by the Fund by February 2031. The balance on this note at June 30, 2024, is \$455,484.

Lease Receivable

During the fiscal year, the City had an active noncancelable lease agreement as lessor. The City has leased real property to a third party for the development of a cellular telecommunications tower. The City receives monthly payments in the amount of \$1,980 which includes the principal and interest components of the payment. As the lease does not contain a specific interest rate, the City determined an incremental borrowing rate for the lease of 3.07% which has been used as the discount rate for the lease. For the current year, the City recognized \$21,538 in lease revenue and \$22,571 in interest revenue related to the lease. As of June 30, 2024, the City's receivable for lease payments was \$732,910, which is recorded in the City's Water and Sewer Fund (and business-type

activities in the government-wide statement of net position). The City reports a corresponding deferred inflow of resources associated with this lease that will be recognized over the lease term that ends on November 15, 2055. This deferred inflow of resources has a balance of \$675,682 as of June 30, 2024.

iv. Capital Assets

Capital asset activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Additions	Retirements	Transfers	Ending Balance
Governmental Activities					
Non-Depreciable Assets:					
Land	\$ 5,114,207	\$ 230,488	\$ 565,600	\$ -	\$ 4,779,095
Construction in progress	6,381,213	19,139,833	-	(4,721,462)	20,799,584
Total capital assets, not being				, , , , , , , , , , , , , , , , , , , ,	
depreciated	11,495,420	19,370,321	565,600	(4,721,462)	25,578,679
Depreciable Assets:					
Buildings and improvements	26,080,600	-	-	2,433,341	28,513,941
Other improvements	5,048,070	-	-	2,288,121	7,336,191
Machinery and equipment	11,745,881	1,365,389	1,449,260	-	11,662,010
Software	129,170	-	-	-	129,170
Infrastructure	19,357,607	371,500	-	-	19,729,107
Total capital assets, being					
depreciated	62,361,328	1,736,889	1,449,260	4,721,462	67,370,419
Logg Accumulated Domicaictions					
Less Accumulated Depreciation:	6 500 400	020.056			5 410 52 0
Buildings and improvements	6,590,482	829,056	-	-	7,419,538
Other improvements	4,002,231	70,946	-	-	4,073,177
Machinery and equipment	7,258,257	946,502	1,390,237	=	6,814,522
Software	129,170	-	-	-	129,170
Infrastructure	10,887,971	556,000	-	-	11,443,971
Total accumulated depreciation	28,868,111	2,402,504	1,390,237	-	29,880,378
Amortizable Assets:					
Right-to-use lease asset (equipment)	176,053	4,943	-	=	180,996
Right-to-use subscription assets	293,039	-	129,610	-	163,429
Total capital assets, being	,		,		
amortized	469,092	4,943	129,610	<u>-</u>	344,425
Less Accumulated Amortization:					
Right-to-use lease asset (equipment)	12,577	21,706	_	_	34,283
Right-to-use subscription assets	91,255	98,766	129,610		60,411
Total accumulated amortization					
	103,832	120,472	129,610	<u>-</u>	94,694
Governmental capital asset activities,					
net	\$ 45,353,897			_	\$ 63,318,451

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental Activities:	
General government	\$ 435,806
Public safety	1,211,775
Transportation	611,083
Economic and physical development	18,050
Cultural and recreation	 125,790
Total	\$ 2,402,504

]	Beginning						
		Balance	Additions	R	Retirements	Transfers	En	ding Balance
Water and Sewer Fund								
Non-Depreciable Assets:								
Land	\$	3,366,820	\$ 1,744,401	\$	7,758	\$ -	\$	5,103,463
Construction in progress		33,913,640	16,060,620		-	(13,103,259)		36,871,001
Total capital assets, not being								
depreciated		37,280,460	17,805,021		7,758	(13,103,259)		41,974,464
Depreciable Assets:								_
Buildings		1,944,239	-		-	-		1,944,239
Plant and distribution systems		129,640,995	6,853,871		-	13,103,259		149,598,125
Machinery and equipment		21,504,081	968,024		336,496	-		22,135,609
Other improvements		217,835	-		-	-		217,835
Software		86,178	=		-	=		86,178
Total capital assets, being depreciated		153,393,328	7,821,895		336,496	13,103,259		173,981,986
Less Accumulated Depreciation:								
Buildings		999,243	65,373		_	_		1,064,616
Plant and distribution systems		51,657,288	3,305,561		_	_		54,962,849
Machinery and equipment		18,230,705	794,795		334,611	_		18,690,889
Other improvements		70,323	16,978		-	_		87,301
Software		63,943	7,835		_	_		71,778
Total accumulated depreciation		71,021,502	4,190,542		334,611	=		74,877,433
Amortizable Assets:								
Right-to-use lease asset (equipment)		67,521	4,943		-	-		72,464
Right-to-use subscription assets		552,079	-		129,609	-		422,470
Total capital assets, being amortized		619,600	4,943		129,609	-		494,934
Less Accumulated Amortization:								
Right-to-use lease asset (equipment)		6,186	14,108		-	-		20,294
Right-to-use subscription assets		133,367	107,704		129,609	-		111,462
Total accumulated amortization		139,553	121,812		129,609	-		131,756
Water and sewer capital asset								
activities, net	\$	120,132,333					\$	141,442,195
activities, net	Ψ	140,134,333					Ψ	171,772,173

		Beginning		Additions	D.	. 	т	luana Cana		Ending
Parking Services Fund		Balance		Additions	K	etirements	1	ransfers		Balance
Non-Depreciable Assets:										
Land	\$	1,912,656	\$	_	\$	_	\$	_	\$	1,912,656
Total capital assets, not being depreciated	Ψ	1,912,656	Ψ		Ψ	_	Ψ	_	Ψ	1,912,656
Depreciable Assets:		1,512,000								1,512,000
Buildings and improvements		10,736,359		-		_		_		10,736,359
Machinery and equipment		403,937		6,530		_		_		410,467
Total capital assets, being depreciated		11,140,296		6,530		-		-		11,146,826
Less Accumulated Depreciation:										
Buildings and improvements		119,293		357,879		-		-		477,172
Machinery and equipment		10,081		74,022		-		-		84,103
Total accumulated depreciation		129,374		431,901		-		-		561,275
Parking Services capital asset activities, net	\$	12,923,578							\$	12,498,207
	F	Beginning								Ending
		Balance		Additions	Re	etirements	T	ransfers		Balance
Environmental Services Fund										
Non-Depreciable Assets:										
Land	\$	11,134	\$	-	\$	-	\$	-	\$	11,134
Depreciable Assets:										
Machinery and equipment		2,365,800		320,866		105,262		-		2,791,928
Total capital assets, being depreciated		2,376,934		320,866		105,262		-		2,803,062
Less Accumulated Depreciation:										
Machinery and equipment		1,680,250		116,578		105,262		_		1,902,090
Total accumulated depreciation		1,680,250		116,578		105,262		-		1,902,090
Environmental Services capital asset										
activities, net	\$	696,684							\$	900,972

	eginning Salance	A	Additions	Reti	rements	Tı	ansfers	Ending Balance
Stormwater Fund								
Non-Depreciable Assets:								
Land	\$ 311,006	\$	207,272	\$	-	\$	-	\$ 518,278
Construction in progress	24,319		904,246		-		-	928,565
Total capital assets, not being depreciated	335,325		1,111,518		-		-	1,446,843
Depreciable Assets:								
Buildings and improvements	533,366		-		-		-	533,366
Other improvements	563,282		20,990		-		-	584,272
Machinery and equipment	29,473		124,522		-		-	153,995
Total capital assets, being depreciated	1,126,121		145,512		=		-	1,271,633
Less Accumulated Depreciation:								
Buildings and improvements	82,301		17,877		-		-	100,178
Other improvements	104,042		56,919		-		-	160,961
Machinery and equipment	23,823		5,220		-		-	29,043
Total accumulated depreciation	210,166		80,016		=		-	290,182
Stormwater capital asset activities, net	\$ 1,251,280	ı						\$ 2,428,294

Ongoing construction in progress in the City's governmental activities is primarily related to Fire Station One, City Hall and Operations Renovation, and 7th Avenue Streetscape project. The City had remaining commitments on these projects in the amount of approximately \$3,400,000 as of June 30, 2024.

Ongoing construction in progress in the City's business-type activities is primarily related to the French Broad River Intake and Fleetwood Water System Improvements in the amount of approximately \$3,000,000 as of June 30, 2024.

B. Deferred Outflows of Resources

Deferred outflows of resources at the government-wide level at June 30, 2024 were as follows:

Source	vernmental Activities	siness-Type Activities		Total
Contributions to LGERS pension in current year	\$ 1,513,438	\$ 1,108,904	\$	2,622,342
LEOSSA benefit payments and admin expenses				
paid after December 31, 2023	60,761	-		60,761
Pension deferrals (LGERS)	4,225,478	3,096,029		7,321,507
Pension deferrals (LEOSSA)	235,074	-		235,074
OPEB benefit payments and admin costs paid				
in current year	121,054	88,673		209,727
OPEB deferrals	 460,159	 337,068	_	797,227
Total	\$ 6,615,964	\$ 4,630,674	\$	11,246,638

262,402

\$ 5,788,699

C. Liabilities

i. Payables

Payables at the government-wide level at June 30, 2024 were as follows:

	Accounts Payable	Retainage Payable	laries and Benefits	Total
Governmental Activities	 1 ayabic	1 ayabic	 Deneme	Total
General Fund	\$ 837,000	\$ _	\$ 473,209	\$ 1,310,209
Grants Fund	47,951	-	-	47,951
Governmental Capital Project Fund	2,057,886	623,800	-	2,681,686
Internal Service Fund	40,213	-	-	40,213
Nonmajor Governmental Funds	31,383	-	10,551	41,934
Total governmental activities	\$ 3,014,433	\$ 623,800	\$ 483,760	\$ 4,121,993
	Accounts Payable	Retainage Payable	aries and Benefits	Total
Business-type Activities	 -	-		
Water and Sewer Fund	\$ 4,750,928	\$ -	\$ 217,267	\$ 4,968,195
Parking Services Fund	26,426	-	2,565	28,991
Nonmajor Enterprise Funds	 748,943	-	42,570	791,513

5,526,297

ii. Pension Plan Obligations:

Total governmental activities

☐ Local Governmental Employees' Retirement System

Plan Description. The City is a participating employer in the statewide Local Governmental Employees' Retirement System (LGERS), a cost-sharing multipleemployer defined benefit pension plan administered by the State of North Carolina. LGERS membership is comprised of general employees and local law enforcement officers (LEOs) of participating local governmental entities. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the LGERS Board of Trustees, which consists of 13 members – nine appointed by the Governor, one appointed by the state Senate, one appointed by the state House of Representatives, and the State Treasurer and State Superintendent, who serve as ex-officio members. The Local Governmental Employees' Retirement System is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes financial statements and required supplementary information for LGERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30

years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service (age 55 for firefighters). Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age (15 years of creditable service for firefighters and rescue squad members who are killed in the line of duty) or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

LGERS plan members who are LEOs are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible beneficiaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. City employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The City's contractually required contribution rate for the year ended June 30, 2024 was 14.04% of compensation for law enforcement officers and 12.85% for general employees and firefighters, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the City were \$2,662,342 for the year ended June 30, 2024.

Refunds of Contributions – City employees who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the City reported a liability of \$16,179,738 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. The total pension liability was then rolled forward to the measurement date of June 30, 2023 utilizing update procedures incorporating the actuarial assumptions. The City's proportion of the net pension liability was based on a projection of the City's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2024 (measured

June 30, 2023), the City's proportion was 0.24429%, which was an increase of .01187% from its proportion as of June 30, 2023 (measured as of June 30, 2022). For the year ended June 30, 2024, the City recognized pension expense of \$4,734,206.

At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

		Deferred	Γ	eferred
	Outflows of			nflows of
	I	Resources	R	esources
Differences between expected and actual experience	\$	1,802,902	\$	38,813
Changes of assumptions		687,546		-
Net difference between projected and actual				
earnings on pension plan investments		4,330,406		-
Changes in proportion and differences between				
City contributions and proportionate share of				
contributions		500,653		126,973
City contributions subsequent to the				
measurement date		2,622,342		
Total	\$	9,943,849	\$	165,786

\$2,622,342 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as an decrease of the net pension liability in the year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending	
June 30	Amount
2025	\$ 2,622,443
2026	1,414,120
2027	2,936,046
2028	 183,112
Total	\$ 7,155,721

Actuarial Assumptions. The total pension liability in the December 31, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.25 percent
Salary increases	3.25-8.25 percent
Investment rate of return	6.50 percent, net of pension plan investment
	expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The

current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2022 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2023 are summarized in the following table:

		Long-Term
Asset Class	Target Allocation	Real Rate of Return
Fixed Income	33.0%	0.9%
Global Equity	38.0%	6.5%
Real Estate	8.0%	5.9%
Alternatives	8.0%	8.2%
Credit	7.0%	5.0%
Inflation Protection	6.0%	2.7%
Total	100.0%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2021 asset, liability, and investment policy study for the North Carolina Retirement Systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.25%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments

was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's proportionate share of the net pension asset to changes in the discount rate. The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 6.50 percent, as well as what the City's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1%			Discount	1%
		Decrease Rate (5.50%) (6.50%)		Increase (7.50%)	
Ciy's proportionate share of the net					
pension liability (asset)	\$	28,030,760	\$	16,179,738	\$ 6,422,866

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Annual Comprehensive Financial Report for the State of North Carolina.

☐ Law Enforcement Officers' Special Separation Allowance

Plan Description. The City administers a public employee retirement system (the "Separation Allowance"), a single-employer defined benefit pension plan that provides retirement benefits to the City's qualified sworn law enforcement officers under the age of 62 who have completed at least 30 years of creditable service or have attained 55 years of age and have completed five or more years of creditable service. The Separation Allowance is equal to .85 percent of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The retirement benefits are not subject to any increases in salary or retirement allowances that may be authorized by the General Assembly. Article 12D of G.S. Chapter 143 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly.

All full-time City law enforcement officers are covered by the Separation Allowance. At June 30, 2023 (valuation date), the Separation Allowance's membership consisted of:

Inactive members receiving benefits	5
Terminated plan members entitled to,	
but not yet receiving, benefits	-
Active plan members	49
Total	54

Summary of Significant Accounting Policies:

Basis of Accounting. The City has chosen to fund the Separation Allowance on a pay-asyou-go basis. Pension expenditures are made from the General Fund, which is maintained on the modified accrual basis of accounting. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

The Separation Allowance has no assets accumulated in a trust that meet the criteria which are outlined in GASB Statement 73.

Actuarial Assumptions:

The entry age normal actuarial cost method was used in the June 30, 2023 valuation. The total pension liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation 2.50 percent

Salary increases 3.25 to 7.75 percent, including inflation and

productivity factor

Discount rate 3.77%

The discount rate used to measure the total pension liability is the weekly average of the Bond Buyer General Obligation 20-year Municipal Bond Index determined at the end of each month.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an experience study completed by the Actuary for the Local Government Employees' Retirement System for the five-year period ending December 31, 2019.

Mortality rates are based on the RP-2014 mortality tables base rates projected to the valuation date using MP-2015.

Contributions:

The City is required by Article 12D of G.S. Chapter 143 to provide these retirement benefits and has chosen to fund the amounts necessary to cover the benefits earned on a pay-as-you-go basis through appropriations made in the General Fund operating budget. There were no contributions made by employees. The City's obligation to contribute to this plan is established and may be amended by the North Carolina General Assembly. Administrative costs of the Separation Allowance are financed through investment earnings. The City paid \$75,285 as benefits came due for the reporting period.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2024, the City reported a total pension liability of \$1,568,520. The total pension liability was measured as of December 31, 2023 based on a June 30, 2023 actuarial valuation. The total pension liability was then rolled forward to the measurement date of December 31, 2023 utilizing update procedures incorporating the actuarial assumptions. For the year ended June 30, 2024, the City recognized pension expense of \$10,742.

	Οι	Deferred of the sources	Deferred Inflows of Resources	
Differences between expected and actual experience Changes of assumptions and other inputs	\$	41,693 193,381	\$	35,189 168,271
Benefits payments and administrative expenses made subsequent to the measurement date		60,761		
Total	\$	295,835	\$	203,460

\$60,761 reported as deferred outflows of resources related to pensions resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date, and changes of assumptions and other inputs will be recognized as a decrease of the total pension liability in the year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending		
June 30	A	Amount
2025	\$	34,455
2026		26,337
2027		(30,702)
2028		(5,677)
2029		7,201
Thereafter		
Total	\$	31,614

Sensitivity of the City's total pension liability to changes in the discount rate. The following presents the City's total pension liability calculated using the discount rate of 3.77 percent, as well as what the City's total pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.77 percent) or 1-percentage-point higher (4.77 percent) than the current rate:

	6 Decrease (2.77%)	Discount Rate (3.77%)		1% Increase (4.77%)	
Total pension liability	\$ 1,710,910	\$	1,568,520	\$	1,440,447

Schedule of Changes in Total Pension Liability Law Enforcement Officers' Special Separation Allowance

Total pension liability as of December 31, 2022	\$ 1,445,194
Service cost	63,156
Interest on the total pension liability	56,234
Changes of benefit terms	-
Difference between expected and actual experience	42,487
Changes of assumptions or other inputs	36,734
Benefit payments	 (75,285)
Total pension liability as of December 31, 2023	\$ 1,568,520

The plan currently uses mortality tables that vary by age, and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study for the period January 1, 2015 through December 31, 2019.

☐ Supplemental Retirement Income Plan for Law Enforcement Officers

Plan Description. The City contributes to the Supplemental Retirement Income Plan (the "Plan"), a defined contribution pension plan administered by the Department of State Treasurer and a Board of Trustees. The Plan provides retirement benefits to law enforcement officers employed by the City. Article 5 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Supplemental Retirement Income Plan for Law Enforcement Officers is included in the Annual Comprehensive Financial Report for the State of North Carolina. The State's Annual Comprehensive Financial Report includes the pension trust fund financial statements for the Internal Revenue Code Section 401(k) plan that includes the Supplemental Retirement Income Plan for Law Enforcement Officers. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, or by calling (919) 981-5454.

Funding Policy. Article 12E of G.S. Chapter 143 requires the City to contribute each month an amount equal to 5% of each officer's salary, and all amounts contributed are vested immediately. Also, the law enforcement officers may make voluntary contributions to the Plan. The City contributed \$143,723 for law enforcement officers for the reporting year. No amounts were forfeited.

☐ Supplemental Retirement Income Plan for Employees Not Engaged in Law Enforcement

Full-time employees not engaged in law enforcement are eligible to participate in the Supplemental Retirement Plan under Internal Revenue Code Section 401(k). Under this plan, an employee may contribute a percentage of their annual gross salary as limited by federal tax laws. City of Hendersonville made a matching contribution of an amount up to 2% of annual gross pay. The City contributed \$160,738 for general employees for the reporting year. No amounts were forfeited.

☐ Total Expense, Liabilities, and Deferred Outflows and Inflows of Resources Related to Pensions

Following is information related to the proportionate share and pension expense for all pension plans:

orans:	LGERS	LEOSSA	TOTAL
Proportionate share of net pension liability (asset)	\$16,179,738	N/A	\$16,179,738
Proportion of the net pension liability (asset)	0.2443%	N/A	N/A
Total pension liability	N/A	\$1,568,520	1,568,520
Pension expense (benefit)	4,734,206	(10,742)	4,723,464
Deferred Outflows of Resources: Differences between expected and actual			
experience	\$ 1,802,902	\$ 41,693	\$ 1,844,595
Changes of assumptions	687,546	193,381	880,927
Net difference between projected and actual earnings on pension plan investments Changes in proportion and differences between City contributions and	4,330,406	-	4,330,406
proportionate share of contributions	500,653	_	500,653
City contributions (LGERS)/	,		,
benefit payments (LEOSSA) made			
subsequent to the measurement date	2,622,342	60,761	2,683,103
Total	\$ 9,943,849	\$ 295,835	\$10,239,684
Deferred Inflows of Resources:			
Differences between expected and actual			
experience	\$ 38,813	\$ 35,189	\$ 74,002
Changes of assumptions	-	168,271	168,271
Net difference between projected and actual			
earnings on pension plan investments	-	-	-
Changes in proportion and differences			
between City contributions and			
proportionate share of contributions	126,973		126,973
Total	\$ 165,786	\$ 203,460	\$ 369,246

☐ Other Postemployment Benefits—Healthcare Benefits

Plan Description. Under the terms of a City resolution, the City administers a single employer defined benefit Healthcare Benefits Plan (the "HCB Plan" or the "OPEB Plan"). The City Council has the authority to establish and amend the benefit terms and financing requirements. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

As of June 1, 1988, the HCB Plan provides postemployment health care benefits to retirees of the City, provided they participate in LGERS and have at least thirty (30) years of creditable service with the City. The City pays the full cost of coverage for employees' benefits through private insurers. Retirees who qualify for coverage receive the same benefits as active employees. Coverage for all retirees who are eligible for Medicare will be transferred to a Medicare Supplemental Plan after qualifying for Medicare. The City Council may amend the benefit provisions. A separate report was not issued for the HCB Plan.

On August 8, 1985, the City Council unanimously approved a resolution to provide a \$5,000 life insurance benefit for all retirees since January 1, 1985 with twenty (20) or more years of service. The benefits will be provided by the City on a pay as you go basis.

Membership of the OPEB Plan consisted of the following at June 30, 2023, the date of the latest actuarial valuation:

Retirees partcipants and beneficiaries	17
Active plan members	253
Total	270

Contributions. The City pays the full cost of coverage for the healthcare benefits paid to qualified retirees. For the fiscal year ended June 30, 2024, the monthly premium for retirees was \$1,022 for the PPO plan and \$941 for the HSA plan. The City's retirees may continue with dependent coverage (and pay the full premium for this coverage) if enrolled in dependent coverage at the time of retirement. The City has chosen to fund the healthcare benefits on a pay as you go basis.

During the year ended June 30, 2024, the City made contributions/benefit payments of \$209,727. The City provides healthcare coverage by paying a premium to the North Carolina League of Municipalities Health Benefits Trust. The City's obligation to contribute to the HCB Plan is established and may be amended by City Council.

Total OPEB Liability. City of Hendersonville's total OPEB liability of \$2,935,145 as of June 30, 2024 was measured as of June 30, 2023, and was determined by an actuarial valuation as of June 30, 2023.

Actuarial Assumptions and Other Inputs. The Total OPEB liability in the June 30, 2023 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation 2.50 percent

Salary increases 3.25 to 8.25 percent, including inflation and

productivity factor

Healthcare cost trend rates 7.00 percent for 2024 decreasing

to 4.5 percent in 2031

The discount rate is based on the yield of the S&P Municipal Bond 20 Year High Grade Rate Index as of the measurement date.

Schedule of Changes in Total OPEB Liability						
Total OPEB liability as of June 30, 2022	\$	3,883,955				
Service cost		132,752				
Interest		138,401				
Changes in benefit terms		-				
Difference between expected and actual experience		(965,070)				
Changes in assumptions or other inputs		11,594				
Benefit payments		(266,487)				
Total OPEB liability as of June 30, 2023	\$	2,935,145				

Changes of assumptions and other inputs reflect a change in the discount rate from 3.69 percent to 3.86 percent.

Mortality rates were based on the RP-2014 Total Data Set for Healthy Annuitants Mortality Table.

The actuarial assumptions used in the June 30, 2023 valuation were based on the results of an actuarial experience study as of December 31, 2019.

Sensitivity of the total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.86 percent) or 1-percentage-point higher (4.86 percent) than the current discount rate:

	19	1% Decrease Discount Rate		t Rate 1% Increas		
		(2.86%)		(3.86%)		(4.86%)
Total OPEB liability	\$	3,210,514	\$	2,935,145	\$	2,694,258

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates. The following presents the total OPEB liability of the City, as well as what the City's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	19	1% Decrease Curren		Current	1% Increase	
Total OPEB liability	\$	2 669 732	\$	2 935 145	\$	3 256 282

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the City recognized OPEB expense of \$241,042. At June 30, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	0	Deferred utflows of desources	I	Deferred nflows of Resources
Differences between expected and actual experience	\$	357,396	\$	878,640
Changes of assumptions or other inputs		439,831		564,630
Benefit payments and administrative costs paid				
subsequent to the measurement date		209,727		-
Total	\$	1,006,954	\$	1,443,270

\$209,727 reported as deferred outflows of resources related to OPEB resulting from benefit payments made and administrative expenses incurred subsequent to the measurement date will be recognized as a decrease of the total OPEB liability in the year ended June 30, 2025. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending		
June 30	A	Amount
2025	\$	(32,111)
2026		(32,111)
2027		(32,111)
2028		(25,386)
2029		(97,441)
Thereafter		(426,890)
Total	\$	(646,050)

□ Other Employment Benefits

The City has elected to provide death benefits to employees through the Death Benefit Plan for members of the Local Governmental Employees' Retirement System ("Death Benefit Plan"), a multiple-employer, State-administered, cost-sharing plan funded on a one-year term cost basis. The beneficiaries of those employees who die in active service after one year of contributing membership in the System, or who die within 180 days after retirement or termination of service and have at least one year of contributing membership service in the System at the time of death are eligible for death benefits. Lump sum death benefit payments to beneficiaries are equal to the employee's 12 highest months' salary in a row during the 24 months prior to the employee's death, but no less than \$25,000 and no more than \$50,000. All death benefit payments are made from the Death Benefit Plan. Because the benefit payments are made by the Death Benefit Plan and not by the City, the City does not determine the number of eligible participants nor does the City have any liability beyond the payment of monthly contributions. The contributions to the Death Benefit Plan cannot be separated between the postemployment benefit amount and the other benefit amount. Contributions are determined

as a percentage of monthly payroll based upon rates established annually by the State. Separate rates are set for employees not engaged in law enforcement and for law enforcement officers. The City considers these contributions to be immaterial.

ii. Long-Term Obligations:

The City issues debt to provide funds for the acquisition and/or construction of major capital projects, vehicles, and equipment. These issuances were obtained/issued through direct borrowings or direct placements. General obligation refunding bonds (GORB) are direct obligations and pledge the full faith and credit of the City. Revenue bonds and limited obligation bonds are obligations of the City that are secured by certain pledged revenue streams of the City. State Revolving Fund (SRF) loans are loans from the Clean Water State Revolving Fund and Drinking Water State Revolving Fund for costs associated with water/sewer systems improvements. Debt service payments on revenue bonds and SRF loans are generally payable from the revenues of the water/sewer system and any other monies due to the City from the State may be withheld by the State and applied to payment if the City fails to pay any payment of principal or interest. The installment purchase contracts and leases are generally collateralized by the assets being financed, are not secured by the taxing power of the City, and are subject to acceleration clauses in an event of default (nonpayment, etc.).

Details on the City's outstanding long-term debt as of June 30, 2024, are as follows:

□ Leases

The City has entered into agreements to lease certain equipment. The lease agreements qualify as other than short-term leases under GASB 87 and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

In January 2023, the City entered into a 60-month lease as lessee for the right to use office equipment. An initial lease liability was recorded in the amount of \$135,042. A lease modification adjustment of \$9,887 was recorded during the year ending June 30, 2024. As of year-end, the value of the lease liability is \$107,210. The City is required to make monthly fixed payments of \$2,408. The lease has an interest rate of 2.6820%. The value of the right-to-use asset (equipment) as of year-end is \$144,929 with accumulated amortization of \$38,355. This lease was split between the City's governmental activities and the Water and Sewer Fund (business-type activities).

In March 2023, the City entered into a 60-month lease as lessee for the right to use equipment. An initial lease liability was recorded in the amount of \$108,532. As of year-end, the value of the lease liability is \$80,729. The City is required to make monthly fixed payments of \$1,922. The lease has an interest rate of 2.4890%. The value of the right-to-use asset (equipment) as of year-end is \$108,532 with accumulated amortization of \$27,193.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2024, were as follows:

		Go	vernn	nental Activiti	ies		
Year Ending June 30	P	rincipal]	Interest	Total		
2025	\$	35,738	\$	3,029	\$	38,767	
2026		36,666		2,100		38,766	
2027		37,619		1,148		38,767	
2028		24,311		224		24,535	
Total	\$	134,334	\$	6,501	\$	140,835	

		Bı	ısines	s-type Activiti	ies	
Year Ending June 30	P	rincipal		Interest		Total
2025	\$	14,446	\$	1,261	\$	15,707
2026		14,838		869		15,707
2027		15,241		466		15,707
2028		9,080		81		9,161
Total	\$	53,605	\$	2,677	\$	56,282

Aggumulated

☐ Subscription-Based Information Technology Arrangements (SBITAs)

As of June 30, 2024, City of Hendersonville, NC had 3 active subscriptions. The subscriptions have payments that range from \$34,438 to \$125,797 and interest rates that range from 2.0240% to 2.6820%. As of June 30, 2024, the total combined value of the subscription liability is \$424,349, and the total combined value of the short-term subscription liability is \$79,159. The combined value of the right to use asset, as of June 30, 2024 of \$845,118 with accumulated amortization of \$408,291.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2024, were as follows:

SBITA Term	Payment Terms	Interest Rate	Ass	et Amount	 Amortization
90 months	\$51,350 / yearly	2.1840%	\$	422,473	\$ 116,292
20 months	\$35,967 / quarterly	2.0240%		259,220	259,220
60 months	\$34,438 / yearly	2.6820%		163,425	 32,779
			\$	845,118	\$ 408,291

		Go	vern	mental Activit	ies		
Year Ending June 30	P	rincipal		Interest	Total		
2025	\$	31,809	\$	2,629	\$	34,438	
2026		32,662		1,776		34,438	
2027		33,538		900		34,438	
2028		5				5	
Total	\$	98,014	\$	5,305	\$	103,319	

Business-type Activities								
P	rincipal		Interest		Total			
\$	47,350	\$	7,121	\$	54,471			
	50,019		6,093		56,112			
	52,795		5,001		57,796			
	55,682		3,848		59,530			
	58,684		261		58,945			
	61,805		1,350		63,155			
\$	326,335	\$	23,674	\$	350,009			
	-	Principal \$ 47,350 50,019 52,795 55,682 58,684 61,805	Principal \$ 47,350 \$ 50,019 52,795 55,682 58,684 61,805	Principal Interest \$ 47,350 \$ 7,121 50,019 6,093 52,795 5,001 55,682 3,848 58,684 261 61,805 1,350	Principal Interest \$ 47,350 \$ 7,121 \$ 50,019 6,093 52,795 5,001 55,682 3,848 58,684 261 61,805 1,350			

□ Installment Purchase Contracts

The City has entered into various notes payable:

\$6,000,000 Installment Purchase Contract with Truist issued in April 2013, due in semi-annual installments of \$150,000 beginning on October 5, 2013 through April 5, 2033, plus interest at 3.49% due semi-annually. The proceeds of this issue were used for Main Street infrastructure improvements.

\$ 2,700,000

\$242,500 Installment Purchase Contract with Entegra issued in June 2017, due in semi-annual installments of \$18,036 to \$25,995 beginning July 1, 2017 through January 1, 2032, plus interest at 2.49% due semi-annually. The proceeds of this issue were used to purchase a fire truck.

375,120

\$882,000 Installment Purchase Contract with HomeTrust issued in August 2023, due in semi-annual installments of \$72,676 beginning February 28, 2024 through August 30, 2030, including interest at 3.93% due semi-annually. The proceeds of this issue were used to purchase vehicles and equipment and were shared by the City's governmental (55%) and business-type activities (45%).

826,656

\$902,000 Installment Purchase Contract with HomeTrust issued in August 2023, due in semi-annual installments of \$122,602 beginning February 28, 2024 through August 30, 2027, including interest at 3.80% due semi-annually. The proceeds of this issue were used to purchase vehicles and equipment and were shared by the City's governmental (91%) and business-type activities (9%).

796,536

\$468,439 Installment Purchase Contract with US Bank in June 2020, due in annual installments of \$45,034 to \$48,696 beginning December 19, 2020 through December 19, 2025, plus interest at 1.90% due semi-annually. The proceeds of this issue were used to purchase three freightliner street sweepers.

208,390

\$768,161 Installment Purchase Contract with Wells Fargo issued in May 2021, due in annual installments of \$61,595 beginning November 5, 2021 through May 5, 2036, plus interest at 2.47% due semi-annually. The proceeds of this issue were used to purchase a fire truck and related equipment.

636,286

\$1,019,070 Installment Purchase Contract with Santander Bank issued in February 2022, due in annual installments of \$78,570 beginning June 15, 2022 through December 15, 2025, plus interest at 1.48% due semiannually. The proceeds of this issue were used to purchase vehicles and equipment and were shared by the City's governmental (60%) and business-type activities (40%).

515,890

\$6,500,000 and \$5,000,000 Installment Purchase Contracts with the United States Department of Agriculture issued in December 2021. The IPCs provide permanent financing for the City's construction of the new police station and related public safety equipment. Both IPCs bear interest at 2.125% and are due in annual installments of principal and interest beginning in December 2022 until maturity in December 2051.

10,937,951

\$6,425,000 Installment Purchase Contract with JP Morgan issued in May 2023, due in annual installments of \$381,000 to \$497,000 beginning April 1, 2024 through April 1, 2038, plus interest at 3.29% due semi-annually. The proceeds of this issue were used to renovate City Hall and were shared by the City's governmental (32%) and business-type activities (68%).

6,044,000

\$762,000 Installment Purchase Contract with Hometrust Bank issued in April 2023, due in annual installments of \$102,004 beginning June 27, 2023 through December 27, 2026, plus interest at 3.65% due semi-annually. The proceeds of this issue were used to purchase vehicles for the City's use.

483,243

\$396,127 Installment Purchase Contract with Motorola issued in August 2022, due in annual installments of \$79,225 beginning February 1, 2023 through February 1, 2027. The proceeds of this issue were used for Police Body Cams.

237,676

\$18,802,000 Installment Purchase Contract with Truist Commercial Equity issued in October 2022, due in annual installments of \$823,000 to \$1,012,000 beginning April 1, 2024 through April 1, 2043, plus interest at 2.99% due semi-annually. The proceeds of this issue were used for the fire station construction project and Edwards Park mini golf course.

17,853,000

Total outstanding installment purchase contracts

\$ 41,614,748

Annual debt service requirements to maturity for the City's notes payable are as follows:

	Governmental Activities				Business-type Activities					
Year Ending June 30	Principal	Interest	Total	Total Principal I		Interest			Total	
2025	\$ 2,421,950	\$ 961,429	\$ 3,383,379	\$	450,737	\$	161,308	\$	612,045	
2026	2,383,972	895,677	3,279,649		461,837		147,818		609,655	
2027	2,239,556	831,110	3,070,666		473,090		133,979		607,069	
2028	1,975,866	771,736	2,747,602		401,701		120,126		521,827	
2029	1,884,191	720,251	2,604,442		399,621		107,564		507,185	
2030-2034	9,018,888	2,850,795	11,869,683		1,580,775		364,795		1,945,570	
2035-2039	7,436,929	1,716,786	9,153,715		1,313,000		109,261		1,422,261	
2040-2044	5,366,458	784,873	6,151,331		-		-		-	
2045-2049	2,303,311	308,914	2,612,225		-		-		-	
2050-2054	1,502,866	64,306	1,567,172		-		-	_	-	
Total	\$ 36,533,987	\$ 9,905,877	\$ 46,439,864	\$	5,080,761	\$	1,144,851	\$	6,225,612	

☐ General Obligation Bonds (Governmental)

\$1,352,000 General Obligation Refunding Bonds, Series 2017 issued in October 2017, due in annual installments of \$9,000 to \$166,000 beginning March 1, 2018 through March 1, 2027, plus interest of 2.02% due semiannually. The proceeds from this issue were primarily used to advance refund the General Obligation Sidewalk Bonds, Series 2008. As of June 30, 2024, the outstanding balance of these bonds is \$387,000.

☐ Limited Obligation Bonds (Governmental)

\$14,385,000 Limited Obligation Bonds, Series 2021 issued in November 2021, due in annual installments of \$85,000 to \$230,000 beginning June 1, 2022 through June 1, 2041, plus interest of 3.00% to 5.00% due semiannually. The proceeds from this issue, along with the original issue premium, were split between the City's governmental activities and the Parking Services Fund. For the City's governmental activities, the proceeds from the bonds were used to (1) retire a previously outstanding installment purchase contract and (2) provide funds for a streetscape project. As of June 30, 2024, the outstanding balance of the portion of these bonds allocated to governmental activities is \$2,890,000.

Annual debt service requirements to maturity for the City's bonds for governmental activities are as follows:

Year Ending June 30	F	Principal	I	nterest	Total
2025	\$	374,000	\$	134,317	\$ 508,317
2026		371,000		120,058	491,058
2027		317,000		105,858	422,858
2028		230,000		92,750	322,750
2029		230,000		81,250	311,250
2030-2034		1,160,000		239,500	1,399,500
2035-2039		425,000		64,600	489,600
2040-2044		170,000		7,650	177,650
Total	\$	3,277,000	\$	845,983	\$ 4,122,983

☐ Revenue Bonds (Business-type)

\$12,897,000 Water and Sewer Revenue Bond issued in December 2019, due in annual installments of \$477,000 to \$1,238,000 beginning on June 1, 2020 through June 1, 2034, plus interest at 1.87% due semiannually. The proceeds of this issue were used for water/sewer system improvements and equipment and to current refund a previously outstanding installment purchase contract. As of June 30, 2024, the outstanding balance of these bonds is \$7,230,000.

\$6,915,000 Water and Sewer Revenue Bond issued in February 2022, due in annual installments of \$299,000 to \$438,000 beginning on June 1, 2023 through June 1, 2041, plus interest at 2.15% due semiannually. The proceeds of this issue are being used for water/sewer system improvement projects and the acquisition of equipment. As of June 30, 2024, the outstanding balance of these bonds is \$6,311,000.

\$8,480,000 Water and Sewer Revenue Bond issued in February 2023, due in annual installments of \$265,000 to \$602,000 beginning on June 1, 2024 through June 1, 2043, plus interest at 4.02% due semiannually. The proceeds of this issue are being used for water/sewer system improvement projects and the acquisition of equipment. As of June 30, 2024, the outstanding balance of these bonds is \$8,215,000.

☐ Limited Obligation Bonds (Business-type)

\$14,385,000 Limited Obligation Bonds, Series 2021 issued in November 2021, due in annual installments of \$375,000 to \$780,000 beginning June 1, 2023 through June 1, 2041, plus interest of 3.00% to 5.00% due semiannually. The proceeds from this issue, along with the original issue premium, were split between the City's governmental activities and the Parking Services Fund. For the City's Parking Services Fund, the proceeds from the bonds were used for the construction of a parking deck and related facilities in downtown Hendersonville. As of June 30, 2024, the outstanding balance of the portion of these bonds allocated to the Parking Services Fund is \$10,195,000.

Annual debt service requirements to maturity for the City's bonds for business-type activities are as follows:

Year Ending					
June 30	Principal		 Interest	Total	
2025	\$	2,246,000	\$ 998,581	\$	3,244,581
2026		2,294,000	936,513		3,230,513
2027		2,339,000	872,487		3,211,487
2028		1,618,000	806,695		2,424,695
2029		1,671,000	753,460		2,424,460
2030-2034		9,216,000	2,911,318		12,127,318
2035-2039		7,882,000	1,535,256		9,417,256
2040-2044		4,685,000	330,726		5,015,726
Total	\$	31,951,000	\$ 9,145,036	\$	41,096,036

☐ Revenue Bond Rate Covenant

The City is in compliance with the rate covenant per Section 6.6 of the General Indenture, authorizing the issuance of the Revenue Bond, Series 2019. Section 6.6 of the General Indenture requires (a) revenues, together with 20% of the balance in the surplus fund at the end of the preceding fiscal year, at least equal (i) 100% of current expenses plus (ii) 120% of annual principal and interest requirements of revenue bonds plus (iii) 100% of current expenses plus (ii) 110% of annual principal and interest requirements of revenue bonds plus (iii) 100% of debt service requirements of other indebtedness. The rate covenant calculation for the year ended June 30, 2024, is shown in the table below:

Revenues (1)	\$ 24,909,589
Current expenses (2)	20,107,179
Surplus Fund (3)	9,836,679
Principal and interest on revenue bond	2,457,081
Principal and interest on other indebtedness	1,441,113
() P	26.056.025
(a) Revenues plus 20% of Surplus Fund	 26,876,925
(a)(i) 100% of current expenses	20,107,179
•	
(a)(ii) 120% of annual principal and interest on revenue bonds	2,948,497
(a)(iii) 100% of annual principal and interest on other indebtedness	 1,441,113
	 24,496,789
Convenant met	\$ 2,380,136
(b) Revenues	\$ 24,909,589
(a)(i) 100% of current expenses	20,107,179
(a)(ii) 110% of annual principal and interest on revenue bonds	2,702,789
(a)(iii) 100% of annual principal and interest on other indebtedness	1,441,113
	24,251,081
Convenant met	\$ 658,508

- (1) Operating revenues of the Water and Sewer Fund.
- (2) This does not include depreciation and amortization expense.
- (3) This is the June 30, 2023 unrestricted cash and investment balance.

☐ State Revolving Loans (Business-type)

\$571,781 State Revolving Loan finalized in May 2011, due in annual installments of \$28,589 beginning on May 1, 2012 through May 1, 2031, plus interest at 2.48% due semi-annually. The proceeds of this issue were used for water/sewer system improvements and equipment.

\$ 200,123

\$1,815,000 State Revolving Loan finalized in June 2015, due in annual installments of \$90,750 beginning on May 1, 2016 through May 1, 2035, plus interest at 2.00% due semi-annually. The proceeds of this issue were used for the Shepard Creek sewer project.

998,250

\$4,340,600 State Revolving Loan finalized in July 2015, due in annual installments of \$217,030 beginning on May 1, 2016 through May 1, 2035, plus interest at 2.00% due semi-annually. The proceeds of this issue were used for the Jackson Creek sewer project.

2,387,330

\$3,000,000 State Revolving Loan finalized in March 2016, due in annual installments of \$139,248 beginning on May 1, 2016, through May 1, 2035, plus interest at 2.00% due semi-annually. The proceeds of this issue were used for the Shepard Creek water/sewer system improvements.

1,531,729

\$2,982,484 State Revolving Loan finalized in June 2022. The loan is due in annual installments of \$149,124 beginning on May 1, 2022, through May 1, 2041, with no interest. The proceeds of this issue were used for the Streambank Restoration project.

2,516,716

\$5,370,932 State Revolving Loan finalized in June 2022. The loan is due in annual installments of \$268,547 beginning on May 1, 2022 through May 1, 2041, with no interest. The proceeds of this issue were used for the Northside Water System project.

4,558,093

\$24,514,035 approved State Revolving Loan of which only \$20,539,110 has been drawn down through June 2024. Once fully drawn down, the loan will be due in annual installments of \$268,547 beginning on May 1, 2025 through May 1, 2044, with no interest. The proceeds of this issue are being used for the French Broad project.

20,539,110

Total outstanding state revolving loans

\$ 32,731,351

Annual debt service requirements to maturity for the City's state revolving loans for business-type activities are as follows:

Year Ending			
June 30	 Principal	Interest	Total
2025	\$ 2,067,908	\$ 379,889	\$ 2,447,797
2026	1,910,883	378,828	2,289,711
2027	1,910,883	353,648	2,264,531
2028	1,910,883	328,468	2,239,351
2029	1,910,883	303,288	2,214,171
2030-2034	9,468,646	1,140,869	10,609,515
2035-2039	7,623,356	580,611	8,203,967
2040-2044	 5,927,909	193,319	6,121,228
Total	\$ 32,731,351	\$ 3,658,920	\$ 36,390,271

☐ Financed Purchases

The City has entered into agreements to finance the use of vehicles and equipment used in both governmental activities and business-type activities. These agreements qualify as financed purchases for accounting purposes as ownership of the underlying assets will transfer to the City upon final maturity and payment of balances owed. These agreements require monthly payments from the City until maturity; however, the agreements do not include a stated interest rate.

Annual debt service requirements to maturity for the City's financed purchases are as follows:

June 30	Gov	ernmental	Busi	iness-type
2025	\$	115,349	\$	26,127
2026		23,459		7,310
Total	\$	138,808	\$	33,437

☐ Changes in Long-Term Liabilities

A summary of changes in long-term liabilities follows:

	Beginnging Balance	Increases	Decreases	Ending Balance	Current Portion
Governmental Activities:	Bulance	Thereuses	Beereuses	Dulance	10111011
General obligation bonds	\$ 539,000	\$ -	\$ 152,000	\$ 387,000	\$ 149,000
Limited obligation bonds	3,115,000	_	225,000	2,890,000	225,000
Premium on bonds	520,655	_	74,339	446,316	68,245
Direct borrowing					
installment purchases	37,617,673	1,306,996	2,390,682	36,533,987	2,421,950
Financed purchases	276,833	_	138,025	138,808	115,349
Lease liabilities	163,731	4,943	34,340	134,334	35,738
Subscription liabilities	191,259	-	93,245	98,014	31,809
Compensated absences	1,259,381	293,421	-	1,552,802	924,550
Total OPEB liability	2,241,819	-	547,653	1,694,166	-
Net pension liability (LGERS)	7,567,257	1,770,592	-	9,337,849	-
Total pension liability (LEOSSA)	1,445,194	123,326	-	1,568,520	-
Total governmental activities	\$ 54,937,802	\$ 3,499,278	\$ 3,655,284	\$ 54,781,796	\$ 3,971,641
Business-Type Activities:					
Revenue bonds	\$ 23,551,000	\$ -	\$ 1,795,000	\$ 21,756,000	\$ 1,836,000
Limited obligation bonds	10,590,000	-	395,000	10,195,000	410,000
Premium on bonds	1,520,391	-	159,492	1,360,899	151,941
State revolving loans	26,463,673	7,159,884	892,206	32,731,351	2,067,908
Direct borrowing					
installment purchases	5,021,014	477,004	417,257	5,080,761	450,737
Financed purchases	59,520	-	26,083	33,437	26,127
Leases	62,233	4,943	13,571	53,605	14,446
Subscriptions	433,377	-	107,042	326,335	47,350
Compensated absences	763,166	172,907	-	936,073	506,978
Total OPEB liability	1,642,136	-	401,157	1,240,979	-
Net pension liability (LGERS)	5,544,580	1,297,310	-	6,841,890	
Total Business-Type Activities	\$ 75,651,090	\$ 9,112,048	\$ 4,206,808	\$ 80,556,330	\$ 5,511,487
					

Resources from the Water and Sewer Fund, Parking Services Fund, Environmental Services Fund, and the Stormwater Fund have generally been used to liquidate the City's business-type activities long-term obligations, depending on the fund reporting the applicable liability.

At June 30, 2024, City of Hendersonville had a legal debt margin of approximately \$155,000,000.

iii. Deferred Inflows of Resources

The balance in deferred inflows of resources on the fund statements and unearned revenues on the government-wide statements at June 30, 2024 is composed of the following elements:

Source	Governmental Activities		Business-Type Activities		Total		Go	vernmental Funds
Pension deferrals (LGERS)	\$	95,681	\$	70,105	\$	165,786	\$	-
Pension deferrals (LEOSSA)		203,460		-		203,460		-
OPEB deferrals		833,053		610,217		1,443,270		-
Lease receivable		-		675,682		675,682		-
Taxes receivable, net (General Fund)		-		-		-		222,798
Taxes receivable, net								
(special revenue funds)					_		_	12,779
Total	\$	1,132,194	\$	1,356,004	\$	2,488,198	\$	235,577

iv. Net Investment in Capital Assets

Net investment in capital assets at June 30, 2024, are computed as follows:

	Governmental Activities	Business-Type Activities
Capital assets, net of accumulated depreciation	\$ 63,318,451	\$ 157,269,668
Less: total capital debt	(40,628,459)	(71,537,388)
Add: unexpended debt proceeds	6,286,956	1,383,208
Net investment in capital assets	\$ 28,976,948	\$ 87,115,488

3. <u>Interfund Balances and Transfers</u> – The composition of interfund balances as of June 30, 2024, is as follows:

Receivable Fund	Payable Fund	Amou	ınt
General Fund	Stormwater Fund	\$	487,377
General Fund	Parking Services Fund		571,439
General Fund	Environmental Services Fund		76,554
Water and Sewer Fund	Grant Fund		1,545,991

The Parking Services Fund owes the General Fund for providing cash resources upfront to help pay the parking services fund expenditures as the new fund started. The Nonmajor Enterprise funds owe the General Fund for providing cash resources upfront for various expenditures such as Stormwater capital projects and Environmental services projects. The Grant Fund owes the Water and Sewer Fund for various grants received that are for the purpose of providing Water and Sewer services. These receivables should all be satisfied in the upcoming fiscal year.

Interfund transfers for the year ended June 30, 2024 consisted of the following:

Transfers From	Transfers To	Amou	ınt
General Fund	Special Revenue Fund	\$	350,000
General Fund	Grants Fund		75,000
7th Avenue MSD Fund	Governmental Capital Project Fund	Į.	81,438
Grants Fund	Water and Sewer Fund		5,195,771

Transfers are used to: (1) move revenues from the fund that budget requires to collect them to the fund that budget requires to expend them; and (2) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

4. Risk Management - The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City has property and casualty insurance administered by the Interlocal Risk Financing Fund of North Carolina. Through this insurance program, the City has general liability coverage of \$2 million and auto liability coverage of \$1 million per occurrence; property coverage up to \$102 million blanket coverage; Law Enforcement Liability Insurance of \$1 million and \$3 million, respectively; and Public Officials Liability Insurance of \$2 million and \$3 million, respectively. The City also carries worker's compensation coverage up to statutory limits.

The City carries commercial insurance coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years.

After updates to the GIS system floodplain mapping, several City facilities are now shown as being located in floodplain areas. Both the City and the County participate in the National Flood Insurance Program and City management is currently studying the facilities and flood mapping to consider what types of coverages are necessary.

The City provides health insurance coverage for employees and their families through a self-insurance plan, administered by MedCost Benefit Services. The plan provides for monthly payment of claims by the City, subject to certain deductible and co-payments, and a maximum annual claims exposure to the City of \$10,000 per employee. Payments of premiums for benefits above the annual maximum are treated as expenditures in the General Fund, the Environmental Services Fund, and the Water and Sewer Fund, according to the function of the employees and retirees. Payments of claim expenses up to the annual limit are accounted for the Internal Service Fund – Health and Welfare Fund, and are then reimbursed by the funds, and reported as expenditures/expenses in the funds.

In accordance with G.S. 159-29, the City's employees that have access to \$100 or more of the City's funds at any given time are performance bonded through a commercial surety bond. The Director of Finance is individually bonded for \$1,000,000. The remaining employees that have access to funds are covered under an employee dishonesty policy with a limit of \$523,000 per occurrence.

5. <u>Commitments and Contingent Liabilities</u> - At June 30, 2024, the City was a defendant to various lawsuits. In the opinion of the City's management and the City attorney, the ultimate effect of the majority of these legal matters will not have a material adverse effect on the City's financial position.

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to the disallowance of certain expenditures previously reimbursed by those agencies. Based upon prior experience, management of the City believes such disallowances, if any, will not be significant.

- **6.** Related Organizations The seven-member Board of Commissioners of the Hendersonville Housing Authority (the "Housing Authority") is appointed by the Mayor of the City. The City is accountable for the Authority because it appoints the governing board; however, the City is not financially accountable. Complete financial statements for the Housing Authority can be obtained from the Housing Authority's offices at 203 North Justice Street, Hendersonville, North Carolina 28739.
- 7. <u>Joint Ventures</u> The City has acquired and developed real property during the past few fiscal years as part of a collaborative economic development project undertaken with Henderson County, Pardee Memorial Hospital, Wingate University, and Blue Ridge Community College. These joint activities will provide a sustainable health sciences educational facility for the residents of Hendersonville, Henderson County, and the region.
- 8. <u>Jointly Governed Organization</u> Land of Sky Regional Council The City, in conjunction with Buncombe, Henderson, Madison, and Transylvania counties (and the other municipalities contained therein), established the Land of Sky Regional Council (the "Council"). The participating governments established the Council to coordinate various funding received from federal and state agencies. Each participating government appoints one member to the Council's governing board and the City pays membership and administrative fees to the Council.
- 9. Subsequent event Hurricane Helene In September 2024, Western North Carolina was severely impacted by Hurricane Helene leading to a Federal disaster area declaration which included the City of Hendersonville, as well as surrounding counties and municipalities. It caused widespread flooding and damage to the City of Hendersonville, which included significant damage to public buildings, roads, utility systems, parks, equipment, and vehicles. The City of Hendersonville is working with federal and state agencies to assess the damage and coordinate recovery efforts. As of the issuance date of these financial statements, management is unable to determine the full extent of these costs, but believe they are adequately insured and are pursuing Federal and State grant or emergency relief funding that is available.

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REQUIRED SUPPLEMENTARY INFORMATION

Law Enforcement Officers' Special Separation Allowance Required Supplementary Information Last Eight Fiscal Years

Schedule of Changes in Total Pension Liability

	2024	2023	2022	2021	2020	2019	2018	2017
Beginning balance	\$ 1,445,194	\$ 1,667,006	\$ 1,619,778	\$ 1,193,484	\$ 1,069,048	\$ 970,249	\$ 880,684	\$ 869,979
Changes for the year:								
Service cost at end of year	63,156	91,225	89,032	61,387	60,562	62,891	50,871	49,449
Interest	56,234	33,384	30,716	37,986	38,281	30,114	33,536	30,213
Difference between expected and actual experience	42,487	(17,516)	1,768	(70,177)	24,162	83,614	(39,137)	-
Changes of assumptions and other inputs	36,734	(253,620)	(17,720)	453,666	36,179	(43,296)	68,066	(21,588)
Benefit payments	(75,285)	(75,285)	(56,568)	(56,568)	(34,748)	(34,524)	(23,771)	(47,369)
Net changes	123,326	(221,812)	47,228	426,294	124,436	98,799	89,565	10,705
Ending balance	\$ 1,568,520	<u>\$ 1,445,194</u>	\$ 1,667,006	\$ 1,619,778	\$ 1,193,484	\$ 1,069,048	\$ 970,249	\$ 880,684
	Schedule of Tota	ıl Pension Liabil	ity as a Percenta	age of Covered I	Payroll			
Total pension liability	\$ 1,568,520	\$ 1,445,194	\$ 1,667,006	\$ 1,619,778	\$ 1,193,484	\$ 1,069,048	\$ 970,249	\$ 880,684
Covered-employee payroll	2,906,457	2,023,715	2,023,715	2,307,729	2,386,117	2,282,787	2,160,041	2,069,581
Total pension liability as a percentage of covered payroll	53.97%	71.41%	82.37%	70.19%	50.02%	46.83%	44.92%	42.55%

Notes to the schedule:

City of Hendersonville has no assets accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement 73 to pay related benefits.

^{*} The amounts presented for each fiscal year were determined as of the prior December 31 (measurement date).

City's Proportionate Share of the Net Pension Liability (Asset)
Required Supplementary Information
Last Ten Fiscal Years*

Local Government Employees' Retirement System

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
City's proportion of the net pension liability (asset) (%)	0.24429%	0.23242%	0.19500%	0.20052%	0.20183%	0.19549%	0.18539%	0.17432%	0.17693%	0.13025%
City's proportion of the net pension liability (asset) (\$)	\$ 16,179,738	\$ 13,111,837	\$ 3,059,525	\$ 7,165,434	\$ 5,511,820	\$ 4,637,691	\$ 2,832,246	\$3,699,654	\$ 794,051	6 (768,146)
City's covered payroll	19,451,621	15,958,730	13,776,001	12,974,903	12,439,887	11,705,774	10,505,338	10,120,748	9,515,789	8,378,808
City's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	83.18%	82.16%	22.21%	55.23%	44.31%	39.62%	26.96%	36.56%	8.34%	(9.17%)
Plan fiduciary net position as a percentage of the total pension liability (asset)	82.49%	84.14%	95.51%	88.61%	91.63%	94.18%	91.47%	98.09%	99.07%	102.64%

^{*} The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

Schedule of City's Contributions Required Supplementary Information Last Ten Fiscal Years

Local Government Employees' Retirement System

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 2,622,342	\$ 2,388,223	\$ 1,840,893	\$ 1,419,767	\$ 1,184,667	\$ 987,487	\$ 901,020	\$ 783,926	\$ 691,249	\$ 679,268
Contributions in relation to the contractually required contribution	2,622,342	2,388,223	1,840,893	1,419,767	1,184,667	987,487	901,020	783,926	691,249	679,268
Contribution deficiency (excess)	\$ -	<u> </u>	\$ -	\$ -	\$ -	\$ -	<u> </u>	\$ -	<u>-</u>	\$ -
City's covered payroll	\$20,140,100	\$ 19,451,621	\$15,958,730	\$13,776,001	\$ 12,974,903	\$12,439,887	\$11,705,774	\$ 10,505,338	\$10,120,748	\$ 9,515,789
Contributions as a percentage of covered payroll	13.02%	12.28%	11.54%	10.31%	9.13%	7.94%	7.70%	7.46%	6.83%	7.14%

Other Postemployment Benefits Required Supplementary Information Last Seven Fiscal Years

Schedule of Changes in the Total OPEB Liability and Related Ratios

	2024	2023	2022	2021	2020	2019	2018
Beginning balance	\$ 3,883,955	\$ 4,447,188	\$ 4,507,940	\$ 3,862,584	\$ 2,833,222	\$ 2,928,716	\$ 2,879,569
Changes for the year:							
Service cost	132,752	183,931	238,811	170,370	123,683	129,414	124,941
Interest	138,401	93,577	96,612	131,176	105,858	100,620	99,943
Changes of benefit terms	-	-	-	-	-	-	-
Differences between expected and actual experience	(965,070)	-	(36,747)	-	772,971	-	-
Changes of assumptions or other inputs	11,594	(610,867)	(86,726)	573,183	222,593	(89,335)	-
Benefit payments	(266,487)	(229,874)	(272,702)	(229,373)	(195,743)	(236,193)	(175,737)
Net changes	(948,810)	(563,233)	(60,752)	645,356	1,029,362	(95,494)	49,147
Ending balance	\$ 2,935,145	\$ 3,883,955	\$ 4,447,188	\$ 4,507,940	\$ 3,862,584	\$ 2,833,222	\$ 2,928,716
Covered-employee payroll	\$ 15,461,987	\$ 11,014,264	\$ 11,014,264	\$ 12,405,563	\$ 12,405,563	\$ 10,236,625	\$ 10,236,625
Total OPEB liability as a percentage of covered-employee payroll	18.98%	35.26%	40.38%	36.34%	31.14%	27.68%	28.61%

Notes to the schedule:

The schedule will present 10 years of information once it is accumulated.

The City is not accumulating assets in a trust fund that meets the criteria of paragraph 4 of GASB Statement No. 75 for payment of future OPEB benefits.

Changes of assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate of each period. The following are the discount rates used in each period:

Fiscal year	Rate
2024	3.86%
2023	3.54%
2022	2.16%
2021	2.21%
2020	3.50%
2019	3.89%
2018	3.56%

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SUPPLEMENTARY INFORMATION

	Item	

COMBINING AND INDIVIDUAL FUND FINANCIAL SCHEDULES

		Budget	Actual	Variance Positive (Negative)
Revenues:				 (· · · · · · · · /
Ad valorem taxes:				
Taxes			\$ 14,885,195	
Penalties and interest			32,368	
Total	\$	14,883,240	14,917,563	\$ 34,323
Unrestricted intergovernmental:				
Local option sales taxes			5,872,485	
Payments in lieu of taxes			67,949	
Utility sales tax			1,436,147	
Beer and wine tax			79,957	
ABC profit distribution			400,000	
Court fees			 6,149	
Total		7,734,000	 7,862,687	 128,687
Other taxes and licenses:				
Other taxes			12,240	
Total		7,500	 12,240	 4,740
Restricted intergovernmental: Powell bill allocation ABC revenue for law enforcement			515,913 40,000	
On-behalf payments - fire and rescue			338,161	
Other grant revenues Total		042 922	 60,648 954,722	10,889
Total		943,833	 934,722	 10,889
Permits and fees:				
Building permits and inspection fees			284,832	
Special project fees			21,879	
Payment in lieu of sidewalks			89,006	
Motor vehicle fees			 224,850	
Total		483,750	 620,567	 136,817
Sales and services:				
Facility rent			29,875	
Recreation fees			25,662	
Paving cut repair fees			369,419	
Cemetery fees			 12,050	(4=0.004)
Total		887,090	 437,006	 (450,084)
Investment earnings (losses)	-	280,000	 285,018	 5,018
Miscellaneous		242,968	 251,723	 8,755
Total revenues		25,462,381	 25,341,526	 (120,855)

	Budget	Actual	Variance Positive (Negative)
Expenditures:			
General government:			
Governing body:			
Salaries and employee benefits		36,720	
Operating		32,816	
Special appropriation		311,836	
Total		381,372	
Administration:			
Salaries and employee benefits		799,303	
Operating		1,063,351	
Capital outlay		59,988	
Total		1,922,642	
City engineer:			
Salaries and employee benefits		444,563	
Operating		47,297	
Capital outlay		5,000	
Total		496,860	
Finance:			
Salaries and employee benefits		381,131	
Operating		170,130	
Total		551,261	
Legal:			
Salaries and employee benefits		172,963	
Operating		34,552	
Total		207,515	
Information technology:			
Salaries and employee benefits		59,582	
Operating		609,376	
Capital outlay		4,943	
Total		673,901	
Total general government	4,836,021	4,233,551	602,470

	Budget	Actual	Variance Positive (Negative)
Expenditures (continued):	Dauger		(riegaere)
Public safety:			
Police:			
Salaries and employee benefits		5,659,236	
Operating		918,569	
Capital outlay	_	47,148	
Total	7,106,292	6,624,953	481,339
Fire:			
Salaries and employee benefits		4,597,726	
Operating		847,805	
Capital outlay		25,133	
Total	6,400,751	5,470,664	930,087
Development assistance:			
Salaries and employee benefits		607,477	
Operating		228,536	
Total	1,036,313	836,013	200,300
Total public safety	14,543,356	12,931,630	1,611,726
Public works:			
Public works administration:			
Salaries and employee benefits		507,415	
Operating		215,998	
Total	_	723,413	
Streets and highways			
Salaries and employee benefits		691,809	
Operating		376,962	
Capital outlay	_	37,965	
Total	_	1,106,736	
Traffic engineering:			
Salaries and employee benefits		272,045	
Operating		71,688	
Capital outlay		27,085	
Total	_	370,818	
State Street Aid allocation:	_	646,586	
Grounds maintenance:			
Salaries and employee benefits		590,000	
Operating	=	236,358	
Total	_	826,358	

	Budget	Actual	Variance Positive (Negative)
Expenditures (continued):			(**************************************
Building maintenance:			
Salaries and employee benefits		140,169	
Operating		286,205	
Total		426,374	
Patton Park pool:			
Operating		87,187	
Capital outlay		13,641	
Total		100,828	
Fleet maintenance			
Salaries and employee benefits		319,719	
Operating		61,604	
Capital outlay		35,528	
Total		416,851	
Total public works	5,451,876	4,617,964	833,912
Debt Service:			
Principal retirement		3,003,862	(3,003,862)
Interest and fees		1,168,780	(1,168,780)
Total debt service	4,172,973	4,172,642	331
Total expenditures	29,004,226	25,955,787	3,048,439
Revenues under expenditures	(3,541,845)	(614,261)	2,927,584
Other Financing Sources (Uses):			
Appropriated fund balance	3,736,545	-	(3,736,545)
Sale of capital assets	550,000	512,316	(37,684)
Lease liabilities issued	-	4,943	4,943
Transfers to other funds	(744,700)	(425,000)	319,700
Total other financing sources (uses)	3,541,845	92,259	(3,449,586)
Net change in fund balance	\$ -	(522,002)	\$ (522,002)
Fund balance, beginning of year		11,594,167	
Fund balance, end of year		\$ 11,072,165	

GOVERNMENTAL CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE PROJECT AUTHORIZATION AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024

		Reported	Actual		- Variance
	Project	In Prior	Current	Total	Positive
	Authorization	Years	Year	to Date	(Negative)
Revenues:					
Grant revenue	\$ 1,862,376	\$ 181,383	\$ 367,948	\$ 549,331	\$ (1,313,045)
Local contributions	2,238,531	252,500	15,000	267,500	(1,971,031)
Investment earnings	628,981	427,982	499,449	927,431	298,450
Total	4,729,888	861,865	882,397	1,744,262	(2,985,626)
Expenditures:					
General government					
NCDOT White/S Main	3,784,700	-	10,780	10,780	3,773,920
City Hall and Ops Renovation	6,377,014	356,182	3,864,661	4,220,843	2,156,171
NCDOT Blythe St Sidewalks	12,363	-	12,363	12,363	-
City Hall Exterior Improvements	246,317	102,032	-	102,032	144,285
City Hall Exterior Reno	1,032,500	-	39,723	39,723	992,777
CDBG Ashe Street Community	731,904	-	7,500	7,500	724,404
Non-capital	196,082	53,469	142,613	196,082	-
Total general government	12,380,880	511,683	4,077,640	4,589,323	7,791,557
Public safety					
Fire Station #1	17,453,559	4,207,917	9,786,096	13,994,013	3,459,546
Fire Ladder	1,500,000	39,400	1,458,021	1,497,421	2,579
Fire Engine	800,000	48,375	742,325	790,700	9,300
Fire Station #3	4,470,000	274,157	-	274,157	4,195,843
Police Vehicles	1,362,500	-	1,104,402	1,104,402	258,098
Non-capital	76,470	76,470	-	76,470	- -
Total public safety	25,662,529	4,646,319	13,090,844	17,737,163	7,925,366
Public works					
Tracey Grove Bridge	1,040,000	211,298	25,305	236,603	803,397
Clear Creek Greenway	2,470,780	237,952	261,730	499,682	1,971,098
Non-capital	1,240	-	1,240	1,240	-
Total transportation	3,512,020	449,250	288,275	737,525	2,774,495
Economic and physical development					
7th Avenue Streetscape	2,807,877	321,333	1,833,287	2,154,620	653,257
Non-capital	12,154	10,479	1,675	12,154	033,237
Total economic and physical development	2,820,031	331,812	1,834,962	2,166,774	653,257
roun economic and physical development	2,020,031	331,012	1,00 1,902	2,100,771	053,257
Cultural and recreation					
Laurel Park Generators	-	-	5,811	5,811	(5,811)
Edwards Park Development	2,704,690	1,443,382	1,089,716	2,533,098	171,592
Total cultural and recreation	2,704,690	1,443,382	1,095,527	2,538,909	165,781
Total expenditures	47,080,150	7,382,446	20,387,248	27,769,694	19,310,456
Revenues under expenditures	(42,350,262)	(6,520,581)	(19,504,851)	(26,025,432)	16,324,830

GOVERNMENTAL CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE PROJECT AUTHORIZATION AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024

			Actual		
		Reported			Variance
	Project	In Prior	Current	Total	Positive
	Authorization	Years	Year	to Date	(Negative)
Other Financing Sources:					
Issuance of long-term obligations	39,004,291	27,265,592	1,306,996	28,572,588	(10,431,703)
Sale of capital assets	350,000	-	350,000	350,000	-
Transfers from other funds	2,995,971	862,190	81,438	943,628	(2,052,343)
Total other financing sources	42,350,262	28,127,782	1,738,434	29,866,216	(12,484,046)
Net change in fund balance	\$ -	\$ 21,607,201	(17,766,417)	\$ 3,840,784	\$ 3,840,784
Fund balance, beginning of year			21,607,201		
Fund balance, end of year			\$ 3,840,784		

GRANTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE PROJECT AUTHORIZATION AND ACTUAL FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024

				Actual		
			Reported			Variance
		Project	In Prior	Current	Total	Positive
	Au	thorization	Years	Year	to Date	(Negative)
Revenues:						
Restricted intergovernmental	\$	22,771,354	\$ 3,607,845	\$ 5,086,914	\$ 8,694,759	\$ (14,076,595)
Investment earnings		-	37,893	61,603	99,496	99,496
		22,771,354	3,645,738	5,148,517	8,794,255	(13,977,099)
Expenditures:						
Current:						
General government		1,900,000	360,000	31,866	391,866	1,508,134
Public safety		127,341	77,126	52,152	129,278	(1,937)
Public works		325,000	10,535	2,515	13,050	311,950
Environmental protection		583,079	565,727	-	565,727	17,352
Economic and physical development		100,000	-	6,293	6,293	93,707
Water and sewer		400,000	130,123	210,889	341,012	58,988
Stormwater		400,000	-	167,800	167,800	232,200
Capital outlay		10,934	10,934	-	10,934	-
		3,846,354	1,154,445	471,515	1,625,960	2,220,394
Revenues over expenditures		18,925,000	2,491,293	4,677,002	7,168,295	(11,756,705)
Other Financing Sources (Uses):						
Transfers from other funds		75,000	514,911	75,000	589,911	514,911
Transfers to other funds		(19,000,000)	(1,525)	(5,195,771)	(5,197,296)	13,802,704
Total other financing sources (uses)		(18,925,000)	513,386	(5,120,771)	(4,607,385)	14,317,615
Net change in fund balance	\$	_	\$ 3,004,679	(443,769)	\$ 2,560,910	\$ 2,560,910
Fund balance, beginning of year				3,004,679		
Fund balance, end of year				\$ 2,560,910		

NONMAJOR GOVERNMENTAL FUNDS COMBINING BALANCE SHEETS JUNE 30, 2024

	Main Street Tax District Fund		Seventh Avenue Tax District Fund		Special Revenue Fund		Total Nonmajor Governmental Funds	
ASSETS:								
Cash and cash equivalents	\$	-	\$	-	\$	144,345	\$ 144,345	
Investments		10,778		5,253		10,172	26,203	
Restricted cash and cash equivalents		93,333		46,822		254,725	394,880	
Accounts receivable		-		-		97	97	
Taxes receivable, net		11,738		1,041		-	12,779	
Due from other governments		85,288		17,480		-	102,768	
Prepaids		150		-		-	150	
Total assets	\$	201,287	\$	70,596	\$	409,339	\$ 681,222	
LIABILITIES:								
Account payable and accrued liabilities	\$	26,265	\$	2,502	\$	2,616	\$ 31,383	
Accrued salaries and benefits		8,264		2,287		-	10,551	
Total liabilities		34,529		4,789		2,616	41,934	
DEFERRED INFLOWS OF RESOURCES:								
Unavailable revenue - property taxes		11,738		1,041		-	12,779	
FUND BALANCES:								
Nonspendable:								
Prepaids		150		-		-	150	
Restricted for:								
Economic development		154,870		64,766		-	219,636	
Public safety		-		-		269,748	269,748	
Committed:								
General government		-		-		136,975	136,975	
Total fund balances		155,020		64,766		406,723	626,509	
Total liabilities, deferred inflows of								
resources and fund balances	\$	201,287	\$	70,596	\$	409,339	\$ 681,222	

NONMAJOR GOVERNMENTAL FUNDS COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2024

	n Street Tax trict Fund	venth Avenue Fax District Fund	Spe	cial Revenue Fund	Fotal Nonmajor Governmental Funds
Revenues:					
Ad valorem taxes	\$ 302,133	\$ 55,583	\$	-	\$ 357,716
Local option sales taxes	312,366	62,473		-	374,839
Restricted intergovernmental	-	-		4,107	4,107
Sales and services	35,022	-		-	35,022
Miscellaneous	-	-		225,721	225,721
Investment earnings	 5,603	3,747		1,400	10,750
Total revenues	 655,124	121,803		231,228	1,008,155
Expenditures:					
Current:					
General government	-	-		213,025	213,025
Public safety	-	-		35,330	35,330
Economic and physical					
development	688,604	120,480		-	809,084
Debt service:					
Principal	29,430	-		-	29,430
Interest	15,778	-		-	15,778
Total expenditures	733,812	120,480		248,355	1,102,647
Revenues over (under) expenditures	 (78,688)	1,323		(17,127)	(94,492)
Other Financing Sources (Uses):					
Transfer to other funds	-	(81,439)		-	(81,439)
Transfer from other funds	-			350,000	350,000
Total other financing sources (uses)	-	(81,439)		350,000	268,561
Net change in fund balances	(78,688)	(80,116)		332,873	174,069
Fund balances, beginning	 233,708	144,882		73,850	452,440
Fund balances, end of year	\$ 155,020	\$ 64,766	\$	406,723	\$ 626,509

		Budget	Actual	-	/ariance Positive Negative)
Revenues:	-				, , , , , , , , , , , , , , , , , , ,
Ad valorem taxes	\$	300,615	\$ 302,133	\$	1,518
Local option sales taxes		307,400	312,366		4,966
Sales and services		35,088	35,022		(66)
Investment earnings		5,139	5,603		464
Total revenues		648,242	655,124		6,882
Expenditures:					
Current:					
Economic and physical development			241.027		
Salaries and employee benefits			341,937		
Other operating expenditures			346,667		
Debt service:			20.420		
Principal			29,430		
Interest		010.004	 15,778		05.100
Total expenditures		819,004	 733,812		85,192
Revenues under expenditures		(170,762)	(78,688)		92,074
Other Financing Sources:					
Fund balance appropriated		170,762	 		(170,762)
Net changes in fund balance	\$		(78,688)	\$	(78,688)
Fund balance, beginning of year			233,708		
Fund balance, end of year			\$ 155,020		

SEVENTH AVENUE TAX DISTRICT FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL FOR THE YEAR ENDED JUNE 30, 2024

	Budget	Actual	Variance Positive (Negative)	
Revenues:	Duuget	 1100001		(eguerve)
Ad valorem taxes	\$ 53,100	\$ 55,583	\$	2,483
Local option sales taxes	61,490	62,473		983
Sales and services	5,000	-		(5,000)
Investment earnings	3,400	3,747		347
Total revenues	122,990	121,803		(1,187)
Expenditures:				
Current:				
Economic and physical development				
Salaries and employee benefits		97,313		
Other operating expenditures		23,167		
Total expenditures	 267,872	120,480		147,392
Revenues over (under) expenditures	 (144,882)	 1,323		146,205
Other Financing Sources (uses):				
Fund balance appropriated	144,882	-		(144,882)
Transfer to other funds	 	(81,439)		(81,439)
Total other financing sources (uses)	 144,882	 (81,439)		(226,321)
Net changes in fund balance	\$ 	(80,116)	\$	(80,116)
Fund balance, beginning of year		 144,882		
Fund balance, end of year		\$ 64,766		

	Budget		Actual		Variance Positive (Negative)	
Revenues:						
Restricted intergovernmental	\$	-	\$	4,107	\$	4,107
Miscellaneous		-		225,721		225,721
Investment earnings		-		1,400		1,400
Total revenues		-		231,228		231,228
Expenditures:						
Current:						
General government		350,000		213,025		136,975
Public safety		50,500		35,330		15,170
Total expenditures		400,500		248,355		152,145
Revenues under expenditures		(400,500)		(17,127)		383,373
Other Financing Sources:						
Fund balance appropriated		50,500		-		(50,500)
Transfer from other funds		350,000		350,000		
Total other financing sources (uses)		400,500		350,000		(50,500)
Net changes in fund balance	\$			332,873	\$	332,873
Fund balance, beginning of year				73,850		
Fund balance, end of year			\$	406,723		

NONMAJOR ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the government's council is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or where the government's council has decided that periodic determination of net income is appropriate for accountability purposes.

NONMAJOR PROPRIETARY FUNDS COMBINING STATEMENT OF NET POSITION JUNE 30, 2024

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		1	_
	Environmental Services Fund	Stormwater Fund	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 7,876	\$ -	\$ 7,876
Investments	980	-	980
Accounts receivable, net	247,424	170,290	417,714
Due from other governments	3,081	339,237	342,318
Prepaids	50,000	10,120	60,120
Restricted cash and cash equivalents	341,781	30,257	372,038
Total current assets	651,142	549,904	1,201,046
Noncurrent assets:			
Capital assets:			
Non-depreciable/amortizable	11,134	1,446,843	1,457,977
Depreciable/amortizable capital assets, net	889,838	981,451	1,871,289
Total capital assets, net	900,972	2,428,294	3,329,266
Total assets	1,552,114	2,978,198	4,530,312
DEFERRED OUTFLOWS OF RESOURCES			
Pension deferrals	352,335	215,092	567,427
OPEB deferrals	35,647	21,750	57,397
Total deferred outflows of resources	387,982	236,842	624,824
LIABILITIES			
Current liabilities:			
Accounts payable	288,840	449,295	738,135
Accrued salaries and benefits	25,639	16,931	42,570
Accrued interest payable	7,534	3,870	11,404
Retainage payable	-	10,808	10,808
Due to the other funds	76,554	487,377	563,931
Compensated absences, current	24,968	23,637	48,605
Current portion of long-term debt	157,227	68,121	225,348
Total current liabilities	580,762	1,060,039	1,640,801
Noncurrent liabilities:			
Compensated absences, net of current portion	21,205	21,889	43,094
Net pension liability - LGERS	573,288	349,979	923,267
Total OPEB liability	103,904	63,399	167,303
Long-term debt, net of current portion	660,462	426,714	1,087,176
Total noncurrent liabilities	1,358,859	861,981	2,220,840
Total liabilities	1,939,621	1,922,020	3,861,641
DEFERRED INFLOWS OF RESOURCES			
Pension deferrals	5,874	3,586	9,460
OPEB deferrals	51,092	31,174	82,266
Total deferred inflows of resources	56,966	34,760	91,726
Net investment in capital assets	83,283	1,933,459	2,016,742
Unrestricted (deficit)	(139,774)	(675,199)	(814,973)
Total net position (deficit)	\$ (56,491)	\$ 1,258,260	\$ 1,201,769

NONMAJOR PROPRIETARY FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION FOR THE YEAR ENDED JUNE 30, 2024

Nonmajor Enterprise Funds

	Environmental Services Fund	Stormwater Fund	Total
OPERATING REVENUES			
Charges for services	\$ 1,762,897	\$ 1,234,806	\$ 2,997,703
Total operating revenues	1,762,897	1,234,806	2,997,703
OPERATING EXPENSES			
Waste collection	1,646,419	-	1,646,419
Stormwater management	-	980,906	980,906
Depreciation	116,578	80,016	196,594
Total operating expenses	1,762,997	1,060,922	2,823,919
Operating income (loss)	(100)	173,884	173,784
NONOPERATING REVENUES (EXPENSES)			
Investment earnings	9,830	1,171	11,001
Sale of capital assets	7,900	-	7,900
Interest expense	(22,513)	(15,743)	(38,256)
Total nonoperating revenue (expense), net	(4,783)	(14,572)	(19,355)
Income (loss) before contributions	(4,883)	159,312	154,429
CAPITAL CONTRIBUTIONS			
Capital contributions		625,772	625,772
Change in net position	(4,883)	785,084	780,201
Net position (deficit), beginning of year	(51,608)	473,176	421,568
Net position (deficit), end of year	\$ (56,491)	\$ 1,258,260	\$ 1,201,769

NONMAJOR PROPRIETARY FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2024

Nonmajor Enterprise Funds

	Environmental Services Fund	Stormwater Fund	Total
Cash flows from operating activities:			
Cash received from customers	\$ 1,761,949	\$ 1,210,534	\$ 2,972,483
Cash paid for goods and services	(427,782)	(507,382)	(935,164)
Cash paid to employees	(940,714)	(339,756)	(1,280,470)
Net cash provided by operating activities	393,453	363,396	756,849
Cash flows from noncapital financing activities:			
Due to general fund	(79,888)	380,731	300,843
Cash flows from capital and related financing activities:			
Proceeds on sale of assets	7,900	-	7,900
Capital contributions	-	418,500	418,500
Acquisition and construction of capital assets	(320,866)	(1,049,758)	(1,370,624)
Proceeds from issuance of long-term debt	477,004	-	477,004
Principal retirement	(119,464)	(67,945)	(187,409)
Interest paid on long-term debt	(17,332)	(15,838)	(33,170)
Net cash provided (used) by capital and related financing activities	27,242	(715,041)	(687,799)
Cash flows from investing activities:			
Purchases of investments, net	(980)	-	(980)
Interest on investments	9,830	1,171	11,001
Net cash provided by investing activities	8,850	1,171	10,021
Net increase in cash and cash equivalents	349,657	30,257	379,914
Cash and cash equivalents, beginning of year			
Cash and cash equivalents, end of year	\$ 349,657	\$ 30,257	\$ 379,914

NONMAJOR PROPRIETARY FUNDS COMBINING STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2024

Reconciliation of operating income to net cash provided by operating activities:		ironmental vices Fund	Stormwater Fund			Total
Operating income (loss)	_\$	(100)	\$	173,884	_\$_	173,784
Adjustments to reconcile operating income to net cash provided (used) by operating activities: Depreciation		116,578		80,016		196,594
Changes in assets and liabilities: (Increase) decrease in accounts receivable (Increase) decrease in due from other governments		(948) (3,081)		(24,272) (339,237)		(25,220) (342,318)
(Increase) decrease in prepaids (Increase) decrease in deferred outflows of resources for pensions (Increase) decrease in deferred outflows of resources for OPEB		(50,000) (33,398) 4,297		(10,120) (20,387) 2,622		(60,120) (53,785) 6,919
Increase (decrease) in accounts payable and accrued liabilities Increase (decrease) in customer deposits Increase (decrease) in compensated absences		259,346 - (886)		428,763 - 10,073		688,109 - 9,187
Increase (decrease) in net pension liability - LGERS Increase (decrease) in OPEB liability		108,704 (33,588)		66,361 (20,494)		175,065 (54,082)
Increase (decrease) in deferred inflows of resources - pensions Increase (decrease) in deferred inflows of resources - OPEB Total adjustment		(479) 27,008 393,553		(292) 16,479 189,512		(771) 43,487 583,065
Net cash provided (used) by operating activities	\$	393,453	\$	363,396	\$	756,849
Noncash Capital and Related Financing Activities Donations of capital assets	\$	<u>-</u>	\$	207,272	\$	207,272

	Item	

BUDGETARY COMPARISON SCHEDULES (NON-GAAP)

WATER AND SEWER FUND SCHEDULE OF REVENUES AND EXPENDITURES BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2024

	Budget				Variance Positive (Negative)			
Revenues:		Duuget		Actual		(Tregative)		
Operating revenues:								
Charges for services								
Water sales			\$	15,942,161				
Sewer charges			*	7,768,756				
Miscellaneous				611,300				
Water and sewer taps				587,374				
Total operating revenues	\$	24,936,910		24,909,591		(27,319)		
Non-operating revenues:								
Lease revenue				25,378				
Investment income (loss)				308,768				
Total non-operating revenues		290,200		334,146		43,946		
Total revenues		25,227,110		25,243,737		16,627		
Expenditures:								
General Business:								
Salaries and employee benefits				4,489,441				
Operating expenditures				2,943,976				
Capital outlay				25,360				
Total general business		8,374,604		7,458,777		915,827		
Water Facilities:								
Salaries and employee benefits				618,731				
Operating expenditures				524,434				
Capital outlay				76,094				
Total water facilities		1,387,531		1,219,259	_	168,272		
Water Treatment:								
Salaries and employee benefits				1,102,398				
Operating expenditures				1,098,201				
Capital outlay								
Total water treatment		2,463,836		2,200,599		263,237		
Water Operations:								
Salaries and employee benefits				615,293				
Operating expenditures				126,174				
Total water operations		800,673		741,467		59,206		

WATER AND SEWER FUND SCHEDULE OF REVENUES AND EXPENDITURES BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2024

	Budget	Actual	Variance Positive (Negative)
Expenditures (continued):		- Tictuui	(r (egaer (e)
Water Distribution:			
Salaries and employee benefits		1,934,845	
Operating expenditures		1,456,681	
Capital outlay		319,184	
Total water distribution	3,746,091	3,710,710	35,381
Wastewater Facilities Maintenance:			
Salaries and employee benefits		307,455	
Operating expenditures		5,186	
Capital outlay		129,092	
Total wastewater facilities maintenance	482,926	441,733	41,193
Wastewater Treatment:			
Salaries and employee benefits		787,692	
Operating expenditures		882,295	
Capital outlay	_	18,105	
Total wastewater treatment	1,920,691	1,688,092	232,599
Wastewater Operations Support:			
Salaries and employee benefits		313,307	
Operating expenditures		657	
Total wastewater operations support	320,965	313,964	7,001
Wastewater Collection:			
Salaries and employee benefits		948,724	
Operating expenditures		497,226	
Capital outlay		59,469	
Total wastewater collection	1,698,898	1,505,419	193,479
Debt Service:			
Principal		3,063,763	
Interest		965,296	
Total debt service	4,220,818	4,029,059	191,759
Total expenditures	25,417,033	23,309,079	2,107,954
Revenues under expenditures	(189,923)	1,934,658	2,124,581

WATER AND SEWER FUND SCHEDULE OF REVENUES AND EXPENDITURES BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2024

	Budget	Actual	Variance Positive (Negative)
Other Financing Sources (Uses):			
Fund balance appropriated	636,438	-	(636,438)
Lease liabilities issued	-	4,943	4,943
Sale of capital assets	88,000	93,422	5,422
Transfer to other funds	(839,000)	(839,000)	-
Transfer from other funds	304,485	410,078	105,593
Total other financing sources (uses)	189,923	(330,557)	(520,480)
Revenues and other sources			
over expenditures	\$ -	1,604,101	\$ 1,604,101
Reconciliation from budgetary basis			
(modified accrual) to full accrual:			
Reconciling items:			
Lease liabilities issued		(4,943)	
Principal payments on long-term debt		3,063,763	
Change in accrued interest payable		26,973	
Lease revenue		18,731	
Change in net pension liability and related			
deferred outflows of resource and deferred			
inflows of resources		(772,527)	
Change in net total OPEB liability and related deferred outflows of resource and deferred			
inflows of resources		23,584	
Change in compensated absences		(157,715)	
Purchase of capital assets		627,304	
Donated capital assets		7,289,879	
Net book value of capital asset disposals		(9,644)	
Depreciation and amortization		(4,312,354)	
Noncapitalized expenses - Water and Sewer Ca	apital Projects Fund	(547,807)	
Capital contributions - Water and Sewer Capital	-	(36,644)	
Net transfers of the Water and Sewer Capital P	5,661,338		
Investment earnings - Water and Sewer Capita	•	244,468	
Miscellaneous revenue - Water and Sewer Cap	•	36,917	
Total reconciling items	-	11,156,266	
Change in net position		\$ 12,755,424	

Section 6, Item A.

CITY OF HENDERSONVILLE, NORTH CAROLINA

WATER AND SEWER CAPITAL RESERVE FUND SCHEDULE OF REVENUES AND EXPENDITURES BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2024

	Budget Actual					Variance Positive (Negative)		
Other Financing Sources (Uses):								
Fund balance appropriated	\$	133,780	\$	-	\$	(133,780)		
Transfer to other funds		(233,780)		(143,152)		90,628		
Transfer from other funds		100,000		106,508		6,508		
Total other financing sources (uses)		-		(36,644)		(36,644)		
Net change in fund balances	\$		\$	(36,644)	\$	(36,644)		

WATER AND SEWER CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE PROJECT AUTHORIZATION AND ACTUAL (NON-GAAP) FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024

		Actual							
		Repor	ted					,	Variance
	Project	In Pri		Curre	nt	Total		Positive	
	Authorization	Years		Year		to Date		(Negative)	
Revenues:									
Grant revenue	\$ 560,000	\$ 500	5,899	\$	-	\$	506,899	\$	(53,101)
Miscellaneous	350,000	400	0,000	3	6,917		436,917		86,917
Investment earnings	338,247	10′	7,017	24	4,468		351,485		13,238
Total revenues	1,248,247	1,013	3,916	28	1,385		1,295,301		47,054
Expenditures:									
Etowah - 2019 Rev Bond	8,007,231	7,808	155	20	0,750		8,008,905		(1,674)
Northside - State SRF	6,028,700	5,525			6,421		5,531,427		497,273
French Broad - Fed SRF	23,052,935	14,514			3,166		21,548,083		1,504,852
WWTP UV Disinfection Improvements	3,910,288		3,144		8,616		3,331,760		578,528
WWTP Generator	1,650,472),472	2,52	-		1,650,472		370,320
Biosolids Dryer	17,492,000		1,666	90	5,884		1,097,550		16,394,450
WWTP Gravity Filter Replacement	2,610,000		1,869	70.	-		1,744,869		865,131
Rutledge Road Improvements	476,000),744		_		10,744		465,256
Old Airport Road - 2022 Rev Bond	650,461),461				650,461		-05,250
NCDOT I26 - 2023 Rev Bond	3,268,415		7,226	1.65	1,189		3,268,415		_
Ladson Road	270,450		7,937	1,03	1,109		287,937		(17,487)
Long John Mountain - 2023 Rev Bond	1,000,000		3,500	90	1,183		989,683		10,317
4th and Ashe St Improvements	4,524,945		1,605	90	190		84,795		4,440,150
Highland Square Sewer	178,492		3,492		190		178,492		
Mud Creek Interceptor	5,600,000		1,499		-		176,492		5,465,501
Clear Creek Interceptor - 2022 Rev Bond			2,189	7	1 206				
WWTP Master Plan	4,687,030 460,000		3,457	,	1,286		4,683,475 413,457		3,555 46,543
North Fork Dredging - 2023 Rev Bond			1,285	5.4	3,607		967,892		136,037
	1,103,929			34.	3,007				
WWTF Equalization Basin	6,000,000		5,806	60	- 4,095		86,806		5,913,194
Church and King - 22.23 Rev Bond Ewart Hill Reservoir - 2022 Rev Bond	1,192,043		5,153	094	+,093		1,079,248		112,795
	739,450		9,450		-		739,450		146 625
Hebron Zone Water Improvement	550,000		3,375		-		403,375		146,625
City Hall/Ops Renovation	446,030		7,972	2.4	-		127,972		318,058
WTP 15 MGD Expansion	2,131,500		1,297	24	9,538		270,835		1,860,665
Laurel Park Meter - Rev Bond	400,000		7,001	70	2 00 4		337,001		62,999
Fleetwood Infrastructure Imp - 2023 Rev Bond	1,557,917		7,307		2,084		829,391		728,526
Sewer Infrastructure Streambank Restoration	600,000		9,450		6,134		85,584		514,416
WWTP Aeration Basin - Federal Grant	1,623,492		5,147	1,25	5,290		1,370,437		253,055
City Hall Exterior Renovations	246,317		3,637	12	- 1 411		98,637		147,680
Laurel Park Generators	140,000		9,788	12	1,411		131,199		8,801
CCTV Truck Replacement	375,000		1,105		-		354,105		20,895
Garrison/Golden Leaf	800,000		3,505		-		618,505		181,495
FY22 Vehicle & Equipment	128,510		1,254		-		64,254		64,256
Water Dist Master Plan	200,200	10:	5,981	4.4	-		105,981		94,219
AMI Meter - 2023 Rev Bond	525,000		-		5,962		445,962		79,038
W&S Generator Project	274,000		-		6,866		6,866		267,134
Somersby	135,000		-		9,500		69,500		65,500
WTP Thickener Drive	110,000		-	9	6,440		96,440		13,560
Apple Ridge	800,000		-		-		-		800,000
Vactor Truck - 2023 Rev Bond	523,100		-		-		-		523,100 Г

WATER AND SEWER CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE PROJECT AUTHORIZATION AND ACTUAL (NON-GAAP) FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024

	_	Actual					
	_	Reported			Variance		
	Project	In Prior	Current	Total	Positive		
	Authorization	Years	Year	to Date	(Negative)		
FY24 Vehicles and Equipment	589,000	-	569,519	569,519	19,481		
FY25 Vehicles and Equipment	530,000	-	103,355	103,355	426,645		
Total expenditures	105,587,907	44,314,852	18,262,486	62,577,338	43,010,569		
Revenues under expenditures	(104,339,660)	(43,300,936)	(17,981,101)	(61,282,037)	43,057,623		
Other Financing Sources (Uses):							
Transfers from other funds	44,272,980	17,135,928	6,127,872	23,263,800	(21,009,180)		
Transfers to other funds	(7,116,000)	(8,457,484)	(466,534)	(8,924,018)	(1,808,018)		
Issuance of long-term debt	67,182,680	40,750,059	7,159,884	47,909,943	(19,272,737)		
Total other financing sources (uses)	104,339,660	49,428,503	12,821,222	62,249,725	(42,089,935)		
Net change in fund balance	\$ -	\$ 6,127,567	\$ (5,159,879)	\$ 967,688	\$ 967,688		

PARKING SERVICES FUND SCHEDULE OF REVENUES AND EXPENDITURES BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2024

	Budget	Actual	Variai Positi (Negati		
Revenues:				"	
Operating revenues:					
Charges for services		\$ 1,103,099			
Total operating revenues	\$ 1,126,600	1,103,099	\$	(23,501)	
Non-operating revenues:					
Investment income (loss)		 4,936			
Total non-operating revenues	 	4,936		4,936	
Total revenues	 1,126,600	 1,108,035		(18,565)	
Expenditures:					
Operations:					
Salaries and employee benefits		177,465			
Operating expenditures		211,558			
Capital outlay		6,530			
Total expenditures	 452,820	 395,553		57,267	
Debt Service:					
Principal		395,000			
Interest		 417,200			
Total debt service	 812,200	 812,200			
Total expenditures	 1,265,020	 1,207,753		57,267	
Revenues under expenditures	(138,420)	(99,718)		38,702	
Other Financing Sources:					
Fund balance appropriated	 138,420	 		(138,420)	
Revenues and other sources					
under expenditures	\$ -	(99,718)	\$	(99,718)	

Section 6, Item A.

CITY OF HENDERSONVILLE, NORTH CAROLINA

PARKING SERVICES FUND SCHEDULE OF REVENUES AND EXPENDITURES BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2024

	Budget	Actual	Variance Positive (Negative)
Reconciliation from budgetary basis	Duaget		(*******************************
(modified accrual) to full accrual:			
Reconciling items:			
Principal payments on long-term debt		395,0	000
Amortization of bond premiums		159,4	192
Change in accrued interest payable		1,6	523
Change in compensated absences		(6,0	005)
Purchase of capital assets		6,5	530
Depreciation and amortization		(431,9	002)
Total reconciling items		124,7	738
Change in net position		\$ 25,0	020_

ENVIRONMENTAL SERVICES FUND SCHEDULE OF REVENUES AND EXPENDITURES BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2024

	Budget	Budget Actual	
Revenues:			(Negative)
Operating revenues:			
Charges for services		\$ 1,762,897	
Total operating revenues	\$ 1,809,700	1,762,897	\$ (46,803)
Non-operating revenues:			
Investment earnings (loss)		(306)	
Total non-operating revenues	1,820	(306)	(2,126)
Total revenues	1,811,520	1,762,591	(48,929)
Expenditures:			
Operations:			
Salaries and employee benefits		1,016,503	
Operating expenditures		558,257	
Total operations	1,717,995	1,574,760	143,235
Debt Service:			
Principal		119,464	
Interest		17,332	
Total debt service	155,560	136,796	18,764
Total expenditures	1,873,555	1,711,556	161,999
Revenues over (under) expenditures	(62,035)	51,035	113,070
Other Financing Sources:			
Fund balance appropriated	62,035	-	(62,035)
Sale of capital assets		7,900	7,900
Total other financing sources	62,035	7,900	(54,135)
Revenues and other sources			
over expenditures	\$ -	58,935	\$ 58,935

ENVIRONMENTAL SERVICES FUND SCHEDULE OF REVENUES AND EXPENDITURES BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2024

			Variance Positive
_	Budget	Actual	(Negative)
Reconciliation from budgetary basis			
(modified accrual) to full accrual:			
Reconciling items:			
Principal payments on long-term debt		119,464	
Change in accrued interest payable		(5,181)	
Change in net pension liability and related deferred			
outflows of resource and deferred inflows of resources		(74,827)	
Change in net total OPEB liability and related deferred			
outflows of resource and deferred inflows of resources		2,283	
Change in compensated absences		885	
Depreciation and amortization		(116,578)	
Investment earnings - Environmental Services Capital Pro	jects Fund	10,136	
Total reconciling items		(63,818)	
Change in net position		\$ (4,883)	

ENVIRONMENTAL SERVICES CAPITAL PROJECT FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE PROJECT AUTHORIZATION AND ACTUAL (NON-GAAP) FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024

			Actual		
	Project thorization	Reported In Prior Years	Current Year	Total to Date	Variance Positive (Negative)
Revenues:					_
Investment earnings	 -	\$ -	\$ 10,136 \$	10,136	\$ 10,136
Expenditures:					
FY24 Vehicles and Equipment	 500,000	-	320,866	320,866	179,134
Revenues under expenditures	(500,000)	-	(310,730)	(310,730)	189,270
Other Financing Sources: Issuance of long-term debt	 500,000	-	477,004	477,004	22,996
Net change in fund balance	\$ -	\$ 	\$ 166,274 \$	166,274	\$ 166,274

STORMWATER FUND SCHEDULE OF REVENUES AND EXPENDITURES BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2024

	Budget	Actual	Variance Positive (Negative)
Revenues:	<u> </u>	Actual	(Negative)
Operating revenues:			
Charges for services		\$ 1,234,806	
Total operating revenues	\$ 1,232,000		\$ 2,806
Non-operating revenues:			
Investment earnings		1,171	
Total non-operating revenues	4,575	5 1,171	(3,404)
Total revenues	1,236,575	1,235,977	(598)
Expenditures:			
Operations:			
Salaries and employee benefits		812,073	
Operating expenditures		103,417	
Capital outlay		145,512	
Total operations	1,244,791	1,061,002	183,789
Debt Service:			
Principal		67,945	
Interest		15,837	
Total debt service	85,078	83,782	1,296
Total expenditures	1,329,869	1,144,784	185,085
Revenues over (under) expenditures	(93,294	91,193	184,487
Other Financing Sources (Uses):			
Fund balance appropriated	266,294	-	(266,294)
Transfer to other funds	(173,000	(153,000)	20,000
Total other financing sources (uses)	93,294	(153,000)	(246,294)
Revenues and other sources			
under expenditures and other uses	\$ -	(61,807)	\$ (61,807)

STORMWATER FUND SCHEDULE OF REVENUES AND EXPENDITURES BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2024

			Variance Positive
_	Budget	<u>Actual</u>	(Negative)
Reconciliation from budgetary basis			
(modified accrual) to full accrual:			
Reconciling items:			
Principal payments on long-term debt		67,945	
Change in accrued interest payable		95	
Change in net pension liability and related deferred			
outflows of resource and deferred inflows of resources		(45,682)	
Change in net total OPEB liability and related deferred			
outflows of resource and deferred inflows of resources		1,393	
Change in compensated absences		(10,072)	
Purchase of capital assets		145,512	
Donated capital assets		207,272	
Depreciation and amortization		(80,016)	
Noncapitalized expenses - Stormwater Capital Projects Fu	nd	(11,056)	
Transfers of the Stormwater Capital Projects Fund		153,000	
Capital contributions - Stormwater Capital Projects Fund		418,500	
Total reconciling items		846,891	
Change in net position		\$ 785,084	

STORMWATER CAPITAL PROJECTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE PROJECT AUTHORIZATION AND ACTUAL (NON-GAAP) FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2024

					Actual				
	Project Authorization		Reported In Prior Current Years Year			Total to Date			Variance Positive (Negative)
Revenues:									
Grant revenue	_\$_	3,478,165	\$ -	\$	418,500	\$	418,500	\$	(3,059,665)
Expenditures:									
Lower Mud Creek Floodplain		3,127,465	23,933		318,634		342,567		2,784,898
Sullivan Park Streambank		428,000	386		422,476		422,862		5,138
7th Avenue Streetscape		250,000	-		174,192		174,192		75,808
Total expenditures		3,805,465	24,319		915,302		939,621		2,865,844
Revenues under expenditures		(327,300)	(24,319)		(496,802)		(521,121)		(193,821)
Other Financing Sources:									
Transfers (to) from other funds		327,300	(1,077)		153,000		151,923		(175,377)
Net change in fund balance	\$	-	\$ (25,396)	\$	(343,802)	\$	(369,198)	\$	(369,198)

HEALTH AND WELFARE INTERNAL SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN NET POSITION BUDGET AND ACTUAL (NON-GAAP) FOR THE YEAR ENDED JUNE 30, 2024

	Fin	ıal Budget		Actual		Variance Positive (Negative)
Revenues:						
Charges for services	\$	457,466	\$	342,456	\$	(115,010)
Investment earnings		-		751		751
Miscellaneous		13,000		26,031		13,031
Total revenues		470,466		369,238		(101,228)
Expenditures:						
Current:						
Employee benefits		470,466		444,182		26,284
Change in net position	\$	-	:	(74,944)	\$	(74,944)
Net position, beginning of year				99,180		
Net position, end of year			\$	24,236	:	

PROPERTY TAXES

GENERAL FUND SCHEDULE OF AD VALOREM TAXES RECEIVABLE JUNE 30, 2024

Fiscal Year	I	acollected Balance ly 1, 2023		Additions		Collections nd Credits		Jncollected Balance ine 30, 2024
2023-2024	\$	_	\$	14,912,294	\$	14,807,794	\$	104,500
2022-2023	Ψ	155,065	Ψ	-	4	75,633	Ψ	79,432
2021-2022		16,239		_		12,639		3,600
2020-2021		4,896		-		1,099		3,797
2019-2020		43,052		-		1,963		41,089
2018-2019		64,256		-				64,256
2017-2018		34,093		_		-		34,093
2016-2017		19,661		_		-		19,661
2015-2016		22,580		_		_		22,580
2014-2015		17,824		_		-		17,824
2013-2014		15,392		_		_		15,392
2012-2013		9,743		_		-		9,743
2011-2012		10,235		-		-		10,235
2010-2011		9,883		_		-		9,883
2009-2010		9,448		_		-		9,448
2008-2009		14,559		-		-		14,559
2007-2008		18,604		-		-		18,604
2006-2007		10,018		-		-		10,018
2005-2006		2,590						2,590
Total	\$	478,138	<u>\$</u>	14,912,294	\$	14,899,128		491,304
Less: allowance for uncollectib	le acco	ounts						(268,506)
Ad valorem taxes receivable, n	et						<u>\$</u>	222,798
Reconcilement with Revenues: Ad valorem taxes - General F Reconciling items:	und						\$	14,917,563
Penalties and interest								(32,368)
Other adjustments								13,933
Total reconciling items								(18,435)
Total collections and credits							\$	14,899,128

GENERAL FUND ANALYSIS OF CURRENT YEAR CITY-WIDE TAX LEVY JUNE 30, 2024

	C	ity Wide	Total	Levy	
	Property Valuation	Rate	Total Levy	Property Excluding Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate Penalties	\$ 3,045,228,776	0.4900 0.4900	\$ 14,921,621 28,184	\$ 13,926,385 28,184	\$ 995,236
Total	3,045,228,776		14,949,805	13,954,569	995,236
Discoveries:					
Current year taxes	5,030,408	0.4900	24,649	24,649	-
Penalties		0.4900	2,274	2,274	
Total	5,030,408		26,923	26,923	
Abatements	(13,149,796)	0.4900	(64,434)	(64,434)	
Total property valuation	\$ 3,037,109,388				
Net levy			14,912,294	13,917,058	995,236
Uncollected taxes at June 30, 2024			104,500	104,500	
Current Year's Taxes Collected			\$ 14,807,794	\$ 13,812,558	\$ 995,236
Current Levy Collection %			99.30%	99.25%	100.00%

$\begin{array}{c} \text{MAIN STREET TAX DISTRICT} \\ \text{SCHEDULE OF AD VALOREM TAXES RECEIVABLE} \\ \text{JUNE 30, 2024} \end{array}$

Fiscal Year	Uncollected Balance July 1, 2023	Additions	Collections and Credits	Uncollected Balance June 30, 2024
2023-2024	\$ -	\$ 306,377	\$ 300,768	\$ 5,609
2022-2023	2,479	-	878	1,601
2021-2022	785	-	66	719
2020-2021	-	-	-	-
2019-2020	3,473	-	205	3,268
2018-2019	4,862	-	-	4,862
2017-2018	3,530	-	-	3,530
2016-2017	1,321	-	-	1,321
2015-2016	620	-	-	620
2014-2015	464	-	-	464
2013-2014	995	-	-	995
2012-2013	229	-	-	229
2011-2012	151	-	-	151
2010-2011	5	-	-	5
2009-2010	1,042	-	-	1,042
2008-2009	488	-	-	488
2007-2008	951	-	-	951
2006-2007	735	-	-	735
2005-2006	246			246
Total	\$ 22,376	\$ 306,377	\$ 301,917	26,836
Less: allowance for uncollectib	le accounts			(15,098)
Ad valorem taxes receivable, no	et			\$ 11,738
Reconcilement with Revenues:				
Ad valorem taxes - Main Stre	et Tax District Fund			\$ 302,133
Reconciling items:				
Penalties and interest				(216)
Total collections and credits				\$ 301,917

MAIN STREET TAX DISTRICT ANALYSIS OF CURRENT YEAR CITY-WIDE TAX LEVY JUNE 30, 2024

	C	ity Wide	Total Levy		
	Property Valuation	Rate	Total Levy	Property Excluding Motor Vehicles	Registered Motor Vehicles
Original Levy:					
Property taxed at current year's rate	\$ 145,475,238	0.2100	\$ 305,498	\$ 302,101	\$ 3,397
Penalties	- 145,455,000		5,159	5,159	- 2.207
Total	145,475,238		310,657	307,260	3,397
Discoveries:					
Current year taxes	436,190	0.2100	916	916	-
Penalties			216	216	
Total	436,189		1,132	1,132	
Abatements	(2,577,143)	0.2100	(5,412)	(5,412)	
Total property valuation	\$ 143,334,285				
Net levy			306,377	302,980	3,397
Uncollected taxes at June 30, 2024			5,609	5,609	
Current Year's Taxes Collected			\$ 300,768	\$ 297,371	\$ 3,397
Current Levy Collection %			98.17%	98.15%	100.00%

SEVENTH AVENUE TAX DISTRICT SCHEDULE OF AD VALOREM TAXES RECEIVABLE JUNE 30, 2024

Fiscal Year	Ba	ollected lance 1, 2023	A	dditions		llections l Credits	Ba	ollected alance 30, 2024
2023-2024	\$	_	\$	55,902	\$	54,908	\$	994
2023-2024 2022-2023	Φ	582	Ф	33,902	Φ	508	Ф	74
2021-2022		182		_		170		12
2020-2021		-		_		-		-
2019-2020		_		_		_		_
2018-2019		62		_		_		62
2017-2018		44		_		_		44
2016-2017		151		-		_		151
2015-2016		28		-		-		28
2014-2015		57		-		-		57
2013-2014		5		-		-		5
2012-2013		-		-		-		-
2011-2012		-		-		-		-
2010-2011		-		-		-		-
2009-2010		9		-		-		9
2008-2009		146		-		-		146
2007-2008		109		-		-		109
2006-2007		44		-		-		44
2005-2006		10						10
Total	\$	1,429	\$	55,902	\$	55,586		1,745
Less: allowance for uncollection	ble accou	ints						(704)
Ad valorem taxes receivable, r	net						\$	1,041
Reconcilement with Revenues Ad valorem taxes - Seventh A Reconciling items: Penalties and interest		ax Distric	t Fund	1			\$	55,583
							<u></u>	
Total collections and credits							\$	55,586

SEVENTH AVENUE TAX DISTRICT ANALYSIS OF CURRENT YEAR CITY-WIDE TAX LEVY JUNE 30, 2024

	City Wide						Total Levy					
		Property Valuation	Rate	To	otal Levy]	Property Excluding otor Vehicles		Registered Motor Vehicles			
Original Levy:					_							
Property taxed at current year's rate	\$	26,638,571	0.2100	\$	55,941	\$	50,285	\$	5,656			
Abatements Total property valuation	\$	(18,571) 26,620,000	0.2100		(39)		(39)		<u> </u>			
Net levy					55,902		50,246		5,656			
Uncollected taxes at June 30, 2024					994		994					
Current Year's Taxes Collected				\$	54,908	\$	49,252	\$	5,656			
Current Levy Collection %					98.22%		98.02%		100.00%			

STATISTICAL SECTION

This part of the City's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

Net Position by Component Last Ten Fiscal Years (accrual basis of accounting)

	2024		2023		2022		2021		2020		2019		2018		2017		2016		2015
Governmental activities:																			
Net investment in capital assets	\$ 28,976,948	\$	24,328,314	\$	19,891,169	\$	21,035,571	\$	20,335,763	\$	21,020,174	\$	19,926,250	\$	19,614,200	\$	18,615,092	\$	16,304,268
Restricted	7,676,645		7,783,564		6,802,743		7,139,251		3,739,753		3,285,875		4,538,469		3,045,196		3,651,785		2,309,638
Unrestricted (deficit)	(4,584,207)		388,280		(89,526)		(2,700,317)		982,519		1,110,510		1,397,633		3,971,616		4,681,884		5,423,630
Total governmental activities																			
net position	\$ 32,069,386	\$	32,500,158	\$	26,604,386	\$	25,474,505	\$	25,058,035	\$	25,416,559	\$	25,862,352	\$	26,631,012	\$	26,948,761	\$	24,037,536
Business-type activities																			
Net investment in capital assets	\$ 85,732,280	\$	71,668,399	\$	71,004,372	\$	67,043,265	\$	68,316,330	\$	63,008,624	\$	56,252,393	\$	51,388,724	\$	50,835,364	\$	52,399,169
Unrestricted	10,813,654		11,316,890		10,917,754		12,545,384		10,189,499		13,368,475		18,731,513		22,731,743		25,771,050		26,030,616
Total business-type activities net assets	\$ 96,545,934	\$	82,985,289	\$	81,922,126	\$	79,588,649	\$	78,505,829	\$	76,377,099	\$	74,983,906	\$	74,120,467	\$	76,606,414	\$	78,429,785
Primary government																			
Net investment in capital assets	\$ 114,709,228	•	95,996,713	C	90,895,541	Ф	88,078,836	•	88,652,093	•	84,028,798	C	76,178,643	Ф	71,002,924	¢	69,450,456	•	68,703,437
1		Φ		Ф		Ф		Φ		Φ		\$		Ф		Ф		Φ	
Restricted	7,676,645		7,783,564		6,802,743		7,139,251		3,739,753		3,285,875		4,538,469		3,045,196		3,651,785		2,309,638
Unrestricted	6,229,447	_	11,705,170		10,828,228		9,845,067		11,172,018		14,478,985		20,129,146		26,703,359		30,452,934		31,454,246
Total primary government activities net assets	\$ 128,615,320	\$	115,485,447	_\$_	108,526,512	_\$_	105,063,154	_\$_	103,563,864	_\$_	101,793,658	\$	100,846,258	_\$_	100,751,479	\$	103,555,175	_\$_	102,467,321

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses:										
Governmental activities:										
General government	\$ 6,480,307	\$ 6,371,382	\$ 4,530,733	\$ 3,815,963	\$ 3,798,995	\$ 3,885,983	\$ 3,054,736	\$ 3,157,971	\$ 2,583,313	\$ 2,813,625
Public safety	15,556,293	14,208,697	12,476,303	11,300,514	10,317,127	9,043,813	8,503,808	7,773,702	7,209,269	6,702,566
Public works	3,468,027	3,395,730	2,601,447	3,043,108	2,982,638	2,654,914	2,739,444	2,591,659	2,674,680	3,279,572
Economic and physical development	1,031,391	816,721	622,665	467,382	560,800	521,007	721,195	564,691	520,035	428,450
Cultural and recreation	1,106,846	932,353	809,652	848,292	913,075	864,375	960,189	1,010,569	968,892	537,955
Interest on long-term debt	1,109,165	883,110	459,091	453,291	325,760	253,558	274,831	263,137	295,850	318,140
Total governmental activities expenses	28,752,029	26,607,993	21,499,891	19,928,550	18,898,395	17,223,650	16,254,203	15,361,729	14,252,039	14,080,308
Business-type activities:										
Water and sewer	25,357,856	23,608,570	20,876,600	18,449,631	16,993,598	16,069,699	15,009,569	18,366,688	17,428,160	16,047,518
Parking services	1,083,015	612,881	454,355	-	-	-	-	-	-	-
Environmental services	1,785,510	1,667,333	1,710,016	1,479,708	1,519,238	1,428,563	1,382,440	1,456,781	1,242,213	1,178,355
Stormwater	1,076,665	948,011	1,352,826	437,571	311,497	275,402	177,649	-	-	-
Total business-type activities	29,303,046	26,836,795	24,393,797	20,366,910	18,824,333	17,773,664	16,569,658	19,823,469	18,670,373	17,225,873
71										
Total primary government expenses	\$ 58,055,075	\$ 53,444,788	\$ 45,893,688	\$ 40,295,460	\$ 37,722,728	\$ 34,997,314	\$ 32,823,861	\$ 35,185,198	\$ 32,922,412	\$ 31,306,181
Program revenues:										
Governmental activities:										
Charges for services:										
General government	\$ -	\$ 57,141	\$ 93,421	\$ 65,547	\$ 37,730	\$ 40,272	\$ 25,639	\$ 38,379	\$ 85,995	\$ 39,153
Public safety	1,177,077	271,432	-	177,686	251,510	390,797	468,933	295,562	217,039	76,401
Public works	-	-	_	-	200,070	153,295	-	-	-	- · · · · · · -
Cultural and recreation	69,544	298,362	329,893	301,004	273,800	292,418	363,692	429,214	412,311	323,572
Operating grants and contributions	1,840,703	6,821,829	3,416,622	1,860,657	1,272,272	1,338,803	703,076	807,606	722,754	680,540
Capital grants and contributions	5,202,895	242,832	-	699,285	-	271,254	561,531	565,917	1,073,002	53,783
Total governmental activities program revenues	8,290,219	7,691,596	3,839,936	3,104,179	2,035,382	2,486,839	2,122,871	2,136,678	2,511,101	1,173,449
Business-type activities:										
Charges for Services										
Water and sewer	24,909,589	22,512,835	20,681,826	17,742,080	16,196,439	16,067,138	15,248,817	15,079,674	15,485,428	14,727,783
Parking services	1,103,099	564,735	236,266	-	-	-	-	-	-	-
Environmental services	1,762,897	1,524,404	1,508,967	1,325,233	1,237,818	1,221,473	1,192,775	1,417,155	1,204,694	1,130,922
Stormwater	1,234,806	1,025,762	998,963	652,269	378,635	341,334	241,568	-	-	-
Grants and contributions	7,952,568	5,634,286	2,947,764	2,055,043	2,935,574	1,421,287	1,820,530	679,696	46,537	1,177,512
Total business-type activities program revenues	36,962,959	31,262,022	26,373,786	21,774,625	20,748,466	19,051,232	18,503,690	17,176,525	16,736,659	17,036,217
Total primary government program revenues	\$ 45,253,178	\$ 38,953,618	\$ 30,213,722	\$ 24,878,804	\$ 22,783,848	\$ 21,538,071	\$ 20,626,561	\$ 19,313,203	\$ 19,247,760	\$ 18,209,666

Changes in Net Position Last Ten Fiscal Years (accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Net (expense) revenue:										
Governmental activities	\$ (20,461,810)	\$ (18.916.397)	\$ (17,659,955)	\$ (16,824,371)	\$ (16.863.013)	\$ (14,736,811)	\$ (14,131,332)	\$ (13,225,051)	\$ (11,740,938)	\$ (12,906,859)
Business-type activities	7,659,913	4,425,227	1,979,989	1,407,715	1,924,133	1,277,568	1,934,032	(2,646,944)	(1,933,714)	(189,656)
Total government net expense	\$ (12,801,897)	\$ (14,491,170)	\$ (15,679,966)	\$ (15,416,656)	\$ (14,938,880)	\$ (13,459,243)	\$ (12,197,300)	\$ (15,871,995)		\$ (13,096,515)
General revenues and other changes in net position:										
Governmental activities:										
Taxes:										
Property taxes, levied for general purpose	\$ 15,262,782	\$ 12,571,874	\$ 12,084,859	\$ 11,319,866	\$ 10,887,215	\$ 9,108,913	\$ 8,563,585	\$ 8,302,439	\$ 8,084,440	\$ 7,745,067
Local option sales tax	6,247,325	5,882,131	5,236,194	4,597,838	3,807,868	3,427,281	3,203,984	3,198,658	3,180,632	2,783,936
Other taxes	1,596,293	1,870,273	1,750,983	1,741,706	1,502,314	1,292,933	1,281,992	1,280,389	1,308,329	1,681,049
Grants and contributions not restricted to										
specific programs	15,000	-	-	-	-	-	-	-	-	-
Permits and fees	-	-	-	-	-	264,151	239,548	245,055	261,890	177,883
Investment earnings, unrestricted	857,568	565,359	(41,011)	16,594	121,167	220,110	60,808	45,477	117,250	53,142
Gain/(loss) on disposal of asset	365,893	-	-	-	-	-	-	-	-	-
Miscellaneous, unrestricted	881,949	156,785	108,811	168,047	155,925	211,310	337,144	293,332	335,338	234,357
Transfers	(5,195,772)	3,765,747	(350,000)	-	30,000	336,250	534,955	26,474	138,947	-
Special items						(569,930)		-	-	-
Total governmental activities	20,031,038	24,812,169	18,789,836	17,844,051	16,504,489	14,291,018	14,222,016	13,391,824	13,426,826	12,675,434
Business-type activities:										
Investment earnings	591,744	403,683	(22,853)	5,038	164,081	331,817	106,643	85,509	277,173	157,767
Miscellaneous, unrestricted	21,538	_	-	· -	61,352	114,735	196,496	101,689	64,501	91,806
Gain on sale of capital assets	91,678	_	26,341	41,515	9,164	5,323	_	_	-	
Transfers	5,195,772	(3,765,747)	350,000	· -	(30,000)	(336,250)	(534,955)	(26,474)	(138,947)	_
Total business-type activities	5,900,732	(3,362,064)	353,488	46,553	204,597	115,625	(231,816)	160,724	202,727	249,573
Table	e 25.021.770	© 21.450.105	e 10.142.224	e 17.000.004	e 16.700.006	e 14.406.642	£ 12,000,200	e 12.552.549	e 12 (20 552	£ 12.025.007
Total government	\$ 25,931,770	\$ 21,450,105	\$ 19,143,324	\$ 17,890,604	\$ 16,709,086	\$ 14,406,643	\$ 13,990,200	\$ 13,552,548	\$ 13,629,553	\$ 12,925,007
Change in net position:										
Governmental activities	\$ (430,772)	\$ 5,895,772	\$ 1,129,881	\$ 1,019,680	\$ (358,524)	\$ (445,793)	\$ 90,684	\$ 166,773	\$ 1,685,888	\$ (231,425)
Business-type activities	13,560,645	1,063,163	2,333,477	1,454,268	2,128,730	1,393,193	1,702,216	(2,486,220)	(1,730,987)	59,917
Total government	\$ 13,129,873	\$ 6,958,935	\$ 3,463,358	\$ 2,473,948	\$ 1,770,206	\$ 947,400	\$ 1,792,900	\$ (2,319,447)	\$ (45,099)	\$ (171,508)

Fund Balances, Governmental Funds Last Ten Fiscal Years (modified accrual basis of accounting)

	 2024	2023	2022	 2021	2020	2019	 2018		2017	2016	2015
General Fund:											
Non-spendable	\$ 463,251	\$ 37,503	\$ 38,543	\$ 83,644	\$ 104,022	\$ 72,783	\$ 461,013	\$	474,265	\$ 63,057	\$ 8,805
Restricted	4,626,351	4,326,595	4,010,056	6,091,937	2,499,480	2,117,460	2,513,576		1,830,006	1,790,318	1,193,072
Assigned	2,304,552	2,614,518	1,666,590	1,261,744	1,257,155	713,196	612,000		1,017,696	436,981	701,672
Unassigned	 3,678,011	 4,615,551	 4,048,193	 2,199,122	 4,691,912	 4,469,087	 3,956,453		4,326,041	 5,091,043	 6,200,178
Total General Fund	 11,072,165	 11,594,167	 9,763,382	 9,636,447	8,552,569	 7,372,526	 7,543,042	_	7,648,008	 7,381,399	8,103,727
All other governmental funds:											
Non-spendable	150	150	150	368	629,506	-	1,000		12,680	491	-
Restricted	6,891,078	25,064,170	3,455,046	1,047,314	10,333,093	1,154,539	2,024,893		1,215,190	1,766,811	1,109,035
Committed	136,975	-	-	-	3,230	3,230	3,230		3,230	-	-
Assigned	-	-	-	-	132,125	135,109	89,307		585,364	1,056,567	7,531
Unassigned			<u>-</u>	 (943,457)	(531,695)	(362,698)	(827,181)		(205,128)	 (373,383)	
Total all other											
governmental funds	 7,028,203	 25,064,320	 3,455,196	 104,225	 10,566,259	 930,180	 1,291,249	_	1,611,336	 2,450,486	 1,116,566
Total fund balances	\$ 18,100,368	\$ 36,658,487	\$ 13,218,578	\$ 9,740,672	\$ 19,118,828	\$ 8,302,706	\$ 8,834,291	\$	9,259,344	\$ 9,831,885	\$ 9,220,293

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years, Continued
(modified accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues:										
Ad valorem taxes	\$ 15,275,279	\$ 12,361,223	\$ 11,872,169	\$ 11,088,668	\$ 10,883,687	\$ 9,132,571	\$ 8,573,856	\$ 8,232,001	\$ 8,096,500	\$ 7,666,438
Other taxes and licenses	12,240	12,084	10,420	9,888	10,895	11,604	11,544	12,200	13,528	402,398
Unrestricted intergovernmental	8,237,526	7,746,534	6,982,998	6,333,234	5,539,666	5,090,200	4,824,053	4,820,155	4,784,984	4,258,292
Restricted intergovernmental	6,413,691	7,034,729	3,238,715	1,858,851	889,022	1,534,819	949,686	1,303,087	1,757,512	609,063
Permits and fees	620,567	458,957	496,762	470,766	399,737	412,876	257,704	143,613	103,712	49,602
Sales and services	472,028	376,415	129,331	264,116	341,043	365,557	430,673	518,672	566,479	480,028
Investment earnings	856,820	565,359	(41,011)	16,594	121,167	220,109	60,808	45,476	117,250	53,094
Miscellaneous	492,444	 183,350	 375,545	 165,119	133,676	 223,679	548,588	301,644	 272,567	 188,331
Total revenues	32,380,595	28,738,651	23,064,929	20,207,236	18,318,893	16,991,415	15,656,912	15,376,848	15,712,532	13,707,246
Expenditures:										
Ĉurrent:										
General government	4,621,055	5,771,698	4,244,229	3,677,000	3,314,528	3,587,116	2,793,058	2,843,232	2,441,963	3,184,950
Public safety	13,019,112	13,031,731	11,826,612	10,056,460	8,981,546	8,229,430	7,907,468	7,142,045	6,780,868	6,819,585
Public works	4,620,479	2,946,620	2,014,481	2,396,047	2,129,000	2,067,196	2,095,045	1,977,627	2,034,160	2,318,610
Economic and physical developmen	1,194,066	778,605	610,171	443,416	533,430	502,947	699,373	542,179	510,737	431,801
Culture and recreation	-	892,052	766,462	879,309	642,670	644,646	737,169	818,336	803,433	715,098
Capital outlay	20,244,635	5,816,303	3,172,412	11,797,516	2,909,871	4,806,713	1,368,877	2,257,810	1,993,434	-
Debt service:										
Principal	3,033,292	1,711,271	14,616,073	887,105	793,074	631,138	836,995	832,133	830,273	723,333
Interest and other charges	1,184,558	823,525	384,105	484,965	277,965	237,879	231,874	270,328	300,938	324,613
Bond issuance costs	_	80,315	41,517		36,933	_	29,550	_	_	
Total expenditures	47,917,197	31,852,120	37,676,062	30,621,818	19,619,017	20,707,065	16,699,409	16,683,690	15,695,806	14,517,990
Revenues over (under)										
expenditures	(15 526 602)	(2 112 460)	(14 611 122)	(10.414.592)	(1.200.124)	(2.715.650)	(1.042.407)	(1.206.942)	16 726	(910.744)
expenditures -	(15,536,602)	 (3,113,469)	 (14,611,133)	 (10,414,582)	 (1,300,124)	 (3,715,650)	 (1,042,497)	 (1,306,842)	 16,726	 (810,744)

Changes in Fund Balances, Governmental Funds
Last Ten Fiscal Years, Continued
(modified accrual basis of accounting)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Other financing sources (uses): Proceeds of Debt - Bonds Proceeds of Debt - Notes Payable Inception of Leases/Subscriptions Payments of Refunded Debt to	\$ - 1,306,996 4,943	\$ 21,992,127 469,088	\$ 15,568,631 609,956	\$ 768,161 206,335	\$ 11,500,000 - 521,478	\$ - 2,965,100	\$ 1,352,000	\$ - 655,000 -	\$ - 78,533	\$ - 242,500 -
escrow agent	-	-	-	-	-	-	(1,321,397)	-	_	-
Sale of capital assets	862,316	81,216	45,080	61,930	1,515	23,207	1,700	8,972	2,125	18,090
Insurance recovery	-	-	-	-	63,617	43,780	50,186	43,855	96,383	57,073
Transfers from other funds	506,438	4,393,000	2,110,572	-	30,000	378,250	625,539	26,474	138,947	-
Transfers to other funds	(5,702,210)	(627,253)				(42,000)	(90,584)			
Total other financing sources and uses	(3,021,517)	26,308,178	18,334,239	1,036,426	12,116,610	3,368,337	617,444	734,301	315,988	317,663
Special items						(184,272)				
Net change in fund balance	\$ (18,558,119)	\$ 23,194,709	\$ 3,723,106	\$ (9,378,156)	\$ 10,816,486	\$ (531,585)	\$ (425,053)	\$ (572,541)	\$ 332,714	\$ (493,081)
Capital Asset Expenditures	\$ 20,698,353	\$ 7,495,258	\$ 3,982,136	\$ 12,528,275	\$ 1,833,501	\$ 4,804,733	\$ 1,363,198	\$ 2,298,582	\$ 2,031,608	\$ 1,333,272
Debt service as a percentage of non-capital expenditures	15.50%	10.40%	44.50%	7.60%	6.40%	5.5%	7.0%	7.7%	8.3%	7.9%

Capital outlay expenditures have been segregated here in order to calculate the percentage of non-capital expenditures.

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended	Assessed Rea	al Property Residential	Assessed Person Motor	al Property	Fiscal Year Ended	Less: Tax-Exempt	Total Taxable Assessed	Total Direct Tax	Estimated Actual	Assessed Value as a Percentage of
June 30	Property	Property	Vehicles	Other	June 30	Real Property	Value	Rate	Tax Value	Actual Value
2015	860,792,797	622,571,755	121,051,969	130,347,339	2015	10,594,200	1,724,169,660	0.84	1,733,530,726	100.0%
2016	869,531,034	628,891,720	127,865,067	126,562,294	2016	13,449,401	1,739,400,714	0.86	1,844,539,463	99.5%
2017	869,827,543	629,106,171	136,782,391	117,221,370	2017	13,914,601	1,739,022,874	0.86	2,003,482,574	94.3%
2018	881,579,895	637,606,103	134,141,102	115,895,380	2018	13,876,051	1,755,346,429	0.87	2,017,639,574	86.8%
2019	758,917,288	777,919,406	141,273,265	137,921,560	2019	13,565,701	1,802,465,818	0.89	2,025,242,492	87.0%
2020	940,032,962	920,894,622	141,532,245	154,779,155	2020	13,474,000	2,143,764,984	0.92	2,330,179,330	89.0%
2021	999,259,059	922,392,978	160,750,408	129,063,770	2021	16,504,479	2,194,961,736	0.92	2,385,827,974	92.0%
2022	1,013,616,881	935,646,352	173,936,654	118,793,002	2022	17,617,295	2,224,375,594	0.93	2,391,801,714	93.0%
2023	1,187,084,478	824,923,112	186,719,537	135,245,691	2023	18,102,180	2,315,870,638	0.93	3,146,563,367	73.6%
2024	1,498,584,845	1,226,114,873	202,981,611	149,505,972	2024	40,077,913	3,037,109,388	0.91	4,126,507,321	73.6%

Source: Henderson County Tax Assessor's Office.

Note: Property in the City was last reassessed for fiscal year 2020. Tax rates are per \$100 of assessed value.

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS

Fiscal Year	(1) Original Tax	Adjustments to Original Tax	Adjusted Tax	Collected witl Year of t		Fiscal Year	Collections in	Total Collec	ctions to Date
Ended June 30	Levy for Fiscal Year	Levy for Fiscal Year	Levy for Fiscal Year	Amount	Percentage of Levy	Ended June 30	Subsequent Years	Amount	Percentage of Levy
2015	6,931,559	4,513	6,936,072	6,788,334	97.87%	2015	107,633	\$ 6,895,967	99.42%
2016	7,890,120	106,715	7,996,835	7,837,894	98.01%	2016	105,108	\$ 7,943,002	99.33%
2017	7,997,213	11,895	8,009,108	7,862,484	98.17%	2017	126,963	\$ 7,989,447	99.75%
2018	8,294,356	(35,435)	8,258,921	8,116,296	98.27%	2018	108,531	\$ 8,224,827	99.59%
2019	8,801,346	23,980	8,825,326	8,697,385	98.55%	2019	80,189	\$ 8,777,574	99.46%
2020	10,562,551	(34,718)	10,527,833	10,384,754	98.64%	2020	101,988	\$ 10,486,742	99.61%
2021	10,790,575	(28,643)	10,761,932	10,642,972	98.89%	2021	115,165	\$ 10,758,137	98.89%
2022	11,665,844	(99,091)	11,566,753	11,465,200	99.12%	2022	97,953	\$ 11,563,153	99.12%
2023	12,004,644	37,883	12,042,527	11,887,462	98.71%	2023	75,619	\$ 11,963,081	99.86%
2024	14,949,805	(37,511)	14,912,294	14,807,794	99.30%	2024	-	\$ 14,807,794	99.30%

Source: City Tax Collector

(1) Includes Motor Vehicle Valuation.

PRINCIPAL PROPERTY TAXPAYERS

CURRENT YEAR AND NINE YEARS AGO

UNAUDITED

	2024	4 Fiscal Y	Year	201	5 Fiscal Y	l Year		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value		
Ingles	49,875,228	1	1.64%	\$ 33,069,931	1	1.91%		
Lake Point Landing	44,431,491	2	1.46%	N/A	N/A	N/A		
Triangle Ballantyne Hendesronville	31,927,308	3	1.05%	N/A	N/A	N/A		
Jabil	30,790,884	4	1.01%	N/A	N/A	N/A		
Boyd Hyder	27,059,029	5	0.89%	16,286,300	3	0.94%		
Brittany Place	25,950,101	6	0.85%	N/A	N/A	N/A		
DukeEnergyHC	24,456,393	7	0.80%	N/A	N/A	N/A		
Walmart	24,444,207	8	0.80%	18,069,700	2	1.04%		
First Citizens Bank	16,242,072	9	0.53%	12,719,997	4	0.73%		
Brookdale Senior Living	13,760,652	10	0.45%	N/A	N/A	N/A		
Totals	\$ 288,937,365		9.48%	\$ 80,145,928		4.62%		

N/A - information not available Source: Henderson County Assessor

PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS

UNAUDITED

	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
City Direct Rates:										
General Fund Rate	0.440	0.460	0.460	0.470	0.490	0.490	0.490	0.520	0.520	0.490
Downtown Tax District	0.280	0.280	0.280	0.280	0.280	0.260	0.260	0.240	0.240	0.210
Seventh Avenue District	0.120	0.120	0.120	0.120	0.120	0.170	0.170	0.170	0.170	0.210
Total Direct Rate	0.840	0.860	0.860	0.870	0.890	0.920	0.920	0.930	0.930	0.910
County Rates:										
Henderson County	0.5136	0.5136	0.5650	0.5650	0.5650	0.5610	0.5610	0.5610	0.5610	0.4310
Town of Fletcher	0.3250	0.3400	0.3400	0.3400	0.3400	0.3400	0.3400	0.3400	0.3400	0.2800
Town of Laurel Park	0.3900	0.4300	0.4300	0.4300	0.4300	0.4350	0.4350	0.4350	0.4350	0.3950
Town of Saluda	0.6050	0.6050	0.6050	0.6050	0.6450	0.6650	0.6650	0.6750	0.6800	0.6900
Town of Mills River	0.0974	0.1124	0.1800	0.1800	0.1800	0.1900	0.1900	0.1900	0.1900	0.1700
Village of Flat Rock	0.0840	0.1100	0.1100	0.1100	0.1100	0.1300	0.1300	0.1300	0.1300	0.1190
Fire (14) District Rates:										
From Lowest	0.0700	0.0800	0.0800	0.0800	0.0800	0.0900	0.0900	0.0900	0.1000	0.0900
To Highest	0.1250	0.1300	0.1300	0.1300	0.1300	0.1350	0.1400	0.1400	0.1400	0.1400
Special Purpose District Rates:										
Downtown Tax District	0.2800	0.2800	0.2800	0.2800	0.2800	0.2600	0.2600	0.2400	0.2400	0.2100
Seventh Avenue Tax District	0.1200	0.1200	0.1200	0.1200	0.1200	0.1700	0.1700	0.1700	0.1700	0.2100

Source: Henderson County Tax Assessors Office

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal		Governme	ntal Activities				Business-Type Activities						
Year Ended June 30	General Obligation Bonds	Other Bonds	Financed Purchases	Notes Payable	Leases and Subscription Assets	Revenue Bonds	Other Bonds	Financed Purchases	Notes Payable	Leases and Subscription Assets	Total Primary Government	Percentage of Personal Income	Per Capita
2015	1,870,000	-	-	6,459,167		-	-	_	27,283,746		35,612,913	0.84%	2,576
2016	1,680,000	-	-	5,897,427		-	-	-	24,262,654		31,840,081	0.71%	2,264
2017	1,490,000	-	-	5,910,294		-	-	-	21,057,370		28,457,664	0.60%	2,006
2018	1,343,000	-	-	5,272,301		-	-	-	18,515,335		25,130,636	0.47%	1,763
2019	1,177,000	-	-	7,772,261		-	-	-	16,569,675		25,518,936	0.45%	1,787
2020	1,013,000	-	497,781	18,665,896		12,100,000	12,100,000	-	10,993,348		43,270,025	0.70%	2,859
2021	852,000	-	585,283	18,829,483		10,889,000	10,889,000	109,932	14,042,340		45,308,038	0.74%	2,812
2022	694,000	3,935,950	414,802	16,709,750		16,589,000	12,652,051	84,426	16,659,408		67,739,387	1.04%	4,245
2023	539,000	3,635,654	276,833	37,617,677	354,990	23,551,000	12,110,391	59,521	31,484,686	495,610	109,274,762	*	6,847
2024	387,000	3,336,316	138,808	36,533,987	232,348	21,756,000	11,555,899	33,437	37,812,112	379,940	112,165,847	*	7,252

Note:

Details regarding the City of Hendersonville's outstanding debt can be found in the notes to the basic financial statements. See the Schedule of Demographic and Economic Statistics for personal income and population data.

* Information not available.

RATIOS OF GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year Ended June 30	General Obligation Bonds	Less: Amounts Available in Debt Service Funds	Total	Percentage of Estimated Actual Taxable Value of Property	Per Capita
2015	1,870,000	-	1,870,000	0.11%	139
2016	1,680,000	-	1,680,000	0.09%	122
2017	1,490,000	-	1,490,000	0.07%	106
2018	1,343,000	-	1,343,000	0.06%	95
2019	1,177,000	-	1,177,000	0.06%	83
2020	1,013,000	-	1,013,000	0.05%	71
2021	852,000	-	852,000	0.04%	60
2022	694,000	-	694,000	0.03%	46
2023	539,000	-	539,000	0.02%	34
2024	387,000	-	387,000	0.01%	25

Note:

Details regarding the City of Hendersonville's outstanding debt can be found in the notes to the basic financial statements. See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property value data. See the Schedule of Demographic and Economic Statistics for population data.

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF JUNE 30, 2024

UNAUDITED

Governmental Unit	Governmental Activities Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes: Henderson County	\$125,337,857	14.3%	\$ 17,923,314
Subtotal, Overlapping Debt			17,923,314
City of Hendersonville Direct			40,628,459
Total Direct and Overlapping Debt			\$ 58,551,773

Sources: Assessed value data used to estimate applicable percentages and amount of debt outstanding

Note 1: The percentage of overlapping debt applicable is estimated using taxable assessed property

Note 2: Overlapping rates are those of county and local governments that apply to property owners

387,000

CITY OF HENDERSONVILLE, NORTH CAROLINA

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

UNAUDITED

					T7*	l Year				
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt Limit	135,907,787	138,980,953	139,121,830	140,427,714	144,197,265	171,501,199	175,596,939	\$ 177,950,048	\$ 185,269,651	\$ 242,968,751
Total Net Debt Applicable to Debt Limit	35,612,913	28,457,664	28,457,664	25,130,628	25,518,936	43,092,506	45,308,038	67,739,388	85,723,762	87,818,099
Legal Debt Margin	100,294,874	110,523,289	110,664,166	115,297,086	118,678,329	128,408,693	130,288,901	\$ 110,210,660	\$ 99,545,889	\$ 155,150,652
Total Net Debt Applicable to Debt Limit as a Percentage of Debt Limit	26.2%	20.5%	20.5%	17.9%	17.7%	25.1%	25.8%	38.1%	46.3%	36.1%
	Legal Debt Margin Calculation for Fiscal Year									
						Total A	Assessed Value			\$ 3,037,109,388

Total Assessed Value \$ 3,037,109,388 Debt Limit (8% of Total Assessed Value) 242,968,751

Amount of Debt Applicable to Debt Limit:
Total Non-Bonded Debt 87,431,099

Total Bonded Debt

Total Amount of Debt Applicable to Debt Limit 87,818,099

Legal Debt Margin \$ 155,150,652

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

UNAUDITED

Fiscal Year	(1)	(2)	(3) Personal	(4) Per Capita	(5)	(6)	(7)	(8)
Ended	City	County	Income	Personal	School	Unen	nployment Rat	e
June 30	Population	Population	(000's)	Income	Enrollment	County	State	U.S.
2015	13,663	110.939	4,031,132	36,336	13,495	4.6%	5.0%	5.7%
2016	13,824	112,655	4,231,103	37,558	13,690	4.3%	4.9%	4.9%
2017	14,064	114,209	4,454,428	39,002	13,241	3.6%	4.2%	4.4%
2018	14,189	115,708	4,764,710	41,179	13,212	3.6%	4.2%	4.0%
2019	14,251	116,748	5,323,876	45,342	13,361	3.6%	4.2%	3.7%
2020	14,277	117,417	5,612,483	47,385	13,164	7.5%	7.6%	11.1%
2021	15,137	116,281	6,149,222	52,634	12,600	4.3%	4.9%	6.1%
2022	16,115	116,829	6,524,513	55,243	12,671	3.5%	4.1%	3.8%
2023	15,959	118,106	*	*	12,744	3.6%	4.0%	3.6%
2024	15,466	119,230	*	*	12,632	3.4%	4.1%	4.3%

Data Sources:

- (1) US Census (QuickFacts)
- (2) US Census (QuickFacts)
- (3) US Dept. of Commerce Bureau of Economic Analysis (Estimated results)
- (4) US Dept. of Commerce Bureau of Economic Analysis (Estimated results)
- (5) Henderson County Public Schools
- (6) Employment Security Commission(Labor & Economic Analysis Division) Local Area Unemployment Statistics
- (7) Employment Security Commission(Labor & Economic Analysis Division) Local Area Unemployment Statistics
- (8) Employment Security Commission(Labor & Economic Analysis Division) Local Area Unemployment Statistics

^{*} Information not yet available.

PRINCIPAL EMPLOYERS

CURRENT YEAR AND NINE YEARS AGO

UNAUDITED

		2024 Fiscal Y	'ear		2015 Fiscal Y	'ear
Employer	Number of Employees	Rank	Percentage of Total City Population	Number of Employees	Rank	Percentage of Total City Population
Henderson County Schools	2,000	1	12.93%	1,511	1	11.06%
Pardee Hospital	1,940	2	12.54%	1,233	3	9.02%
Park Ridge Health	1,115	3	7.21%	1,248	2	9.13%
Ingles Markets, Inc.	1,178	4	7.62%	1,183	4	8.66%
Henderson County	901	5	5.83%	781	5	5.72%
Wilsonart LLC	579	6	3.74%	580	7	4.25%
Meritor	544	7	3.52%	458	9	3.35%
Wal-Mart*	*	8	*	381	11	2.79%
Hospice of Henderson County Inc	479	9	3.10%	*	*	*
Blude Ridge Community College	242	10	1.56%	440	10	3.22%
Sierra Nevada Brewing Co	177	11	1.14%	*	*	*
*Unavailable						
Totals	9,155		59.19%	7,815		57.20%

^{*} Information not available

Source: NC Dept of Commerce

Note: We could not get the number of employees from Wal-Mart for FY24. We are using prior year information.

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION

LAST TEN FISCAL YEARS

UNAUDITED

Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
General Government:										
Administration	5	5	5	5	5	5	5	5	5	5
Finance	13	12	14	18	19	18	18	21	19	19
Support Services	15	13	14	17	17	17	19	22	23	27
Subtotal	33	30	33	40	41	40	42	48	47	51
Public Safety:										
Police	51	53	53	56	59	59	57	60	58	57
Fire	27	27	29	33	33	49	54	51	48	47
Subtotal	78	80	82	89	92	108	111	111	106	104
Public Works:								111	106	
Fleet Maintenance	6	6	6	6	6	6	6	6	6	6
Building Maintenance	3	3	4	4	4	4	4	4	4	4
Administration	3	3	3	3	3	3	3	4	5	5
Streets & Highways	7	7	7	9	9	9	9	9	14	13
Traffic Engineer	2	2	2	2	2	2	4	3	3	4
Grounds Maintenance	8	8	8	8	8	8	9	9	10	13
Subtotal	29	29	30	32	32	32	35	35	42	45
Business-Type Activities										
Water and Sewer Fund	65	68	72	73	79	82	97	100	105	106
Environmental Service Fund	14	15	15	14	14	82 14	14	100	103	14
Stormwater	14	13	13	14	14	14	14	14	14	14
Parking Service Fund									2	2
Subtotal	79	83	87	87	93	96	111	114	122	123
Total	217	219	222	232	246	258	276	299	308	323

OPERATING INDICATORS BY FUNCTION/PROGRAM

LAST TEN FISCAL YEARS

UNAUDITED

					Fisca	l Year				
Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
Building Permits Issued:										
Residential	119	130	101	221	256	309	241	188	282	430
Commercial	87	110	110	105	105	97	90	81	121	160
Public Safety - Police										
Physical Arrests	1,602	2,723	1,195	909	1,793	787	985	1,030	841	747
Traffic Violations	2,250	2,017	2,040	2,133	2,239	2,862	2,386	2,570	2,939	2,839
Parking Violations	2,216	3,029	2,462	1,790	1,415	854	689	1,226	5,325	5,870
Public Safety - Fire										
Number of Fire Calls Answered	4,121	4,352	4,761	4,638	4,499	3,855	3,825	4,099	4,224	3,956
Inspections Conducted	583	955	1,679	4,318	3,985	4,573	4,634	4,522	3,722	2,506
Water										
Number of Service Connections	26,723	30,000	27,449	28,415	29,986	29,308	30,504	30,981	31,414	31,820
Average Daily Production in Gallons	7,447,307	7,398,090	6,960,556	7,002,781	7,021,896	6,942,134	7,323,913	7,575,356	7,282,337	7,433,000
Sewer										
Number of Service Connections	9,035	9,500	9,067	9,411	9,461	9,699	10,198	10,360	10,623	15,005
Average Daily Treatment in Gallons	2,885,441	3,369,809	2,772,332	3,011,999	3,143,584	2,636,585	2,747,490	2,181,721	2,225,693	2,817,000
Solid Waste										
Refuse Collected (Tons per Year)	3,519	3,438	3,325	4,031	3,326	3,414	3,566	3,524	3,456	3,541.79
Recycling Collections (Tons per Year)	928	1,033	1,106	1,231	1,107	1,005	1,070	997	924	824.95
Scrap Metal (Tons per Year)	6	12	23	12	32	84	11	20,630	12	747.3
1 / 1 /								- /		

Sources: Various City of Hendersonville Deaprtments

CAPITAL ASSET STATISTICS BY FUNCTION

LAST TEN FISCAL YEARS

UNAUDITED

	Fiscal Year										
Function	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	
Hendersonville											
Public Facilities/Buildings	5	5	1	1	2	3	3	3	3	3	
Public Safety - Police											
Number of Police Stations	1	1	1	1	1	1	1	1	1	1	
Number of Patrol Units	39	30	30	30	42	35	40	40	40	48	
Public Safety - Fire											
Number of Fire Stations	2	2	2	2 5	2	2 5	2	2	2	2	
Number of Fire Trucks	6	5	6	5	5	5	6	6	6	6	
Public Service											
Streets (in Miles)	68.20	68.20	65.75	65.75	65.75	65.75	65.75	67.55	67.55	134.00	
Street Lights (Leased)	1,515	1,515	1,520	1,520	1,532	1,532	1,532	1,536	1,536	1,542	
Street Lights (Owned)	189	189	256	215	286	286	286	286	286	288	
Parks and Recreation											
Parks Acreage	158	158	158	158	158	158	158	184	184	147.39	
Tennis & Racquet Ball Courts	8	8	8	8	8	8	8	4	2	2	
Parks	12	12	12	12	12	12	12	12	12	12	
Shuffle Board Courts	27	27	27	27	27	27	27	14	14	27	
Swimming Pools	1	1	1	1	1	1	1	1	1	1	
Community Development											
Community Centers	3	3	3	3	3	3	3	3	3	3	
Water											
Water Mains (Miles)	640	653	623	624	633	634	664	712	721	693	
Fire Hydrants	2,626	2,648	2,662	2,692	2,694	2,751	2,921	3,035	3,147	3,209	
Sewer											
Sanitary Sewers (Miles)	178	180	182	182	182	183	183	186	190	190	
Storm Sewers (Miles)	30	30	30	30	30	30	30	30	39.8	40	
Solid Waste											
Collection/Refuse Trucks	4	4	4	4	4	6	6	6	6	7	

Sources: Various City of Hendersonville departments.

COMPLIANCE SECTION



Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards

Independent Auditors' Report

To the City Council City of Hendersonville Hendersonville, North Carolina

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the remaining fund information of City of Hendersonville, North Carolina, as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprises City of Hendersonville's basic financial statements, and have issued our report thereon dated December 12, 2024. The financial statements of the City of Hendersonville ABC Board were not audited in accordance with Government Auditing Standards.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered City of Hendersonville's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of City of Hendersonville's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether City of Hendersonville's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that is required to be reported under *Government Auditing Standards*.

Purpose of the Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Asheville, North Carolina December 12, 2024

Hould Killiam CPA Group, P.A.



Report On Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; In accordance with OMB Uniform Guidance; and the State Single Audit Implementation Act

Independent Auditors' Report

To the City Council City of Hendersonville Hendersonville, North Carolina

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited City of Hendersonville, North Carolina, compliance with the types of compliance requirements described in the OMB Compliance Supplement and Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, that could have a direct and material effect on each of City of Hendersonville's major federal programs for the year ended June 30, 2024. City of Hendersonville's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Hendersonville complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Hendersonville and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provides a reasonable basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of City of Hendersonville's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to City of Hendersonville federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Hendersonville's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Hendersonville's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding City of Hendersonville's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of City of Hendersonville's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Hendersonville's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or material weaknesses in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Asheville, North Carolina

Hould Killiam CPA Group, P.A.

December 12, 2024



Report On Compliance For Each Major State Program; Report on Internal Control Over Compliance; In accordance with OMB Uniform Guidance; and the State Single Audit Implementation Act

Independent Auditors' Report

To the City Council City of Hendersonville Hendersonville, North Carolina

Report on Compliance for Each Major State Program

Opinion on Each Major State Program

We have audited City of Hendersonville, North Carolina, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and *Audit Manual for Governmental Auditors in North Carolina*, issued by the Local Government Commission, that could have a direct and material effect on each of City of Hendersonville's major State programs for the year ended June 30, 2024. City of Hendersonville's major State programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, City of Hendersonville complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State programs for the year ended June 30, 2024.

Basis for Opinion on Each Major State Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Hendersonville and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provides a reasonable basis for our opinion on compliance for each major State program. Our audit does not provide a legal determination of City of Hendersonville's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to City of Hendersonville state programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Hendersonville's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Hendersonville's compliance with the requirements of each major state program as a whole.

In performing an audit in accordance with GAAS, Government Auditing Standards, and the Uniform Guidance, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design
 and perform audit procedures responsive to those risks. Such procedures include examining, on a
 test basis, evidence regarding City of Hendersonville's compliance with the compliance
 requirements referred to above and performing such other procedures as we considered necessary
 in the circumstances.
- obtain an understanding of City of Hendersonville's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of City of Hendersonville's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in Auditor's Responsibilities for the Audit of Compliance section and above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies or material weaknesses in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Asheville, North Carolina

Hould Killiam CPA Group, P.A.

December 12, 2024

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended June 30, 2024

I. Summary of Auditor's Results

<u>Financial Statements</u> Type of report the auditor issued on whether the financial statements audited were prepared in accordance to GAA	P: Unmodified	
Internal control over financial reporting:		
• Material weakness(es) identified?	yes	<u>X</u> no
Significant deficiency(s) identified that are not considered to be material weaknesses	yes	X none reported
Noncompliance material to financial statements noted	yes	<u>X</u> no
Federal Awards Internal control over major federal programs:		
• Material weakness(es) identified?	yes	<u>X</u> no
• Significant deficiency(s) identified that are not considered to be material weaknesses?	yes	X_none reported
Type of auditor's report issued on compliance for majo	r federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	yes	<u>X</u> no
The following were audited as major federal programs for t	he fiscal year ended	June 30, 2024:
Program Name		<u>AL #</u>
Drinking Water State Revolving Fund Community Facilities Loans and Grants American Rescue Plan Act		66.468 10.766 21.027
The threshold for determining Type A programs for City of	f Hendersonville is \$	750,000.
City of Hendersonville does not qualify as a low risk audite	ee.	

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the year ended June 30, 2024

Internal control over major State programs:		
• Material weakness identified?	yes	<u>X</u> no
 Significant deficiency identified that are not considered to be 		
material weakness	yes	X_none reported
Type of auditor's report issued on compliance for n Any audit findings disclosed that are required	najor State programs:	Unmodified
to be reported in accordance with the State		37
Single Audit Implementation Act	yes	<u>X</u> no
Major State programs for City of Hendersonville fo	r the fiscal year ended	1 June 30, 2024 are:
Program Name		
S.L. 2023-134 Appropriations Act Direct		
Powell Bill Program		

SCHEDULE OF FINDINGS AND QUESTIONED COSTS For the year ended June 30, 2024

II. **Financial Statement Findings**

None reported.

Federal Award Findings and Questioned Costs III.

None reported.

IV. **State Award Findings and Questioned Costs**

None reported.

SUMMARY SCHEDULE OF PROIR AUDIT FINDINGS For the year ended June 30, 2024

None reported.

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2024

Pederal Awards: U.S. Department of the Treasury	Grantor/Pass-Through Grantor/Program Title	Federal AL Number	State/Pass Through Grantor's Number	Federal (Direct and Pass-Through) Expenditures	State Expenditures
Example Franch of the Treasury Pass-Through Pogram - N.C. Department of Environmental Quality CW SRP ARPA Grants "At Risk" 21.027 SRPW.ARP.0031 \$3.614,830 \$ - DW AIA ARPA Grants "At Risk" 21.027 AIA-DARP.0091 210,889 - DW AIA ARPA Grants "At Risk" 21.027 SRPW.ARP.0031 167,800 - SWARP.0012 226,283 - DW AIA ARPA Created Franch of Grants 21.027 SRPW.ARP.0012 226,283 - DW AIA ARPA Created Franch of Grants 21.027 SWARP.0012 226,283 - DW AIA NC.D. Department of Environmental Quality - DW AIA She Street Community 4,219,802 - DW AIA She Street Community 4,228 19-C-3128(NR) 137,327 - DW AIA She Street Community 4,228 19-C-3128(NR) 137,327 - DW AIA She Street Community 4,228 19-C-3128(NR) 137,327 - DW AIA She Street Community 4,228 19-C-3128(NR) 137,327 - DW AIA She Street Community 4,228 19-C-3128(NR) 137,327 - DW AIA She Street Community 4,228 19-C-3128(NR) 137,327 - DW AIA She Street Community 4,228 19-C-3128(NR) 137,327 - DW AIA She Street Community 4,228 19-C-3128(NR) 137,327 - DW AIA She Street Community 4,228 19-C-3128(NR) 137,327 - DW AIA She	Fodoral Awards				
Pass—Through Program—N.C. Department of Environmental Quality 21.027 SRP-W-ARP-0031 \$ 3,614,830 \$ - DW AIA ARPA Grants* At Risk* 21.027 AIA-D-ARP-0091 21.0889 - CALL ARPA Grants* Stormwater (SW) ARPA Grants SU2021-180, Section 12.14(b) 21.027 SRP-SW-ARP-0012 226.283 - CALL ARPA GRANTS* 4.219,802 - CALL ARPA GRANTS* - CALL AR					
Columnity Colu					
Stormwater (SW) ARPA - Earmarks SL2021-180, Section 12.14(b) 21.027 SRP-SW-ARP-0034 167,800 - 226,283 - 2014 N.C. Department of Environmental Quality 14.228 19-C-3128(NR) 137,327 - 2014 N.C. Department of Housing and Urban Development 14.228 19-C-3128(NR) 137,327 - 2014 N.C. Department of Justice 2015 National Program 2016 National		21.027	SRP-W-ARP-0031	\$ 3,614,830	\$ -
Stormwater (SW) ARPA - Const Grants 21.027 SW-ARP-0012 226.283 -	DW AIA ARPA Grants	21.027	AIA-D-ARP-0091		-
Stormwater (SW) ARPA - Const Grants 21.027 SW-ARP-0012 226.283 -					
Total N.C. Department of Environmental Quality	Stormwater (SW) ARPA - Earmarks SL2021-180, Section 12.14.(b)	21.027	SRP-SW-ARP-0034	167,800	-
U.S. Department of Housing and Urban Development 14.228 19-C-3128(NR) 137,327 -	Stormwater (SW) ARPA - Const Grants	21.027	SW-ARP-0012		-
Ashe Street Community	Total N.C. Department of Environmental Quality			4,219,802	-
Ashe Street Community	HCD (CH : 1H1 D)				
U.S. Department of Justice Direct Programs: Equitable Sharing Program 16.922 4.726 -		14 220	10 C 2129(ND)	127 227	
Direct Programs: Equitable Sharing Program 16.922 4.726 - 2 -	Asne Street Community	14.228	19-C-3128(NR)	137,327	-
Direct Programs: Equitable Sharing Program 16.922 4.726 - 2 -	U.S. Department of Justice				
Equitable Sharing Program					
Pass-Through Program - Governor's Crime Commission: Edward Byrne Memorial Justice Assistance Grant Program 16.738 15PBJA-22-GG-00633-JAGX 24,996 - Edward Byrne Memorial Justice Assistance Grant Program 16.738 15PBJA-22-GG-00633-JAGX 21,150 - Edward Byrne Memorial Justice Assistance Grant Program 16.738 15PBJA-22-GG-00633-JAGX 21,150 - Edward Byrne Memorial Justice Assistance Grant Program 16.738 15PBJA-22-GG-00633-JAGX 21,150 - Edward Byrne Memorial Justice Assistance Grant Program 16.738 15PBJA-22-GG-00633-JAGX 21,150 - Edward Byrne Memorial Justice Assistance Grant Program 16.738 15PBJA-22-GG-00633-JAGX 21,150 - Edward Byrne Memorial Justice Assistance Grant Program 16.738 15PBJA-22-GG-00633-JAGX 21,150 - Edward Byrne Memorial Justice Assistance Grant Program 16.738 15PBJA-22-GG-00633-JAGX 21,150 - Edward Byrne Memorial Justice Assistance Grant Program 20.600 PT-23-06-32 261 - Edward Byrne Memorial Justice Assistance Grant Program 20.600 PT-23-06-32 261 - Edward Byrne Memorial Justice Assistance Grant Program 20.600 PT-23-06-32 261 - Edward Byrne Byrne Safety Program 20.600 PT-23-06-32 261 - Edward Byrne Memorial Justice Assistance Grant Program 20.600 PT-23-06-32 261 - Edward Byrne Memorial Justice Assistance Grant Program 20.600 PT-23-06-32 261 - Edward Byrne Memorial Justice Assistance Grant Program 20.600 PT-23-06-32 261 - Edward Byrne Memorial Justice Assistance Grant Program 20.600 PT-23-06-32 261 - Edward Byrne Memorial Justice Assistance Grant Program 20.600 PT-23-06-32 261 - Edward Byrne Memorial Justice Assistance Grant Program 20.600 PT-23-06-32 261 - Edward Byrne Memorial Justice Assistance Grant Program 20.600 PT-23-06-32 261 - Edward Byrne Memorial Justice Assistance Grant Program 20.600 PT-23-06-32 261 - Edward Byrne Memorial Justice Assistance Grant Program 20.600 PT-23-06-32 261 - E		16.922		4.726	-
Edward Byrne Memorial Justice Assistance Grant Program 16.738 15PBJA-22-GG-00633-JAGX 24,996 - 24,09				,	
Total US Dept of Justice 50,872 -	5 5	16.738	15PBJA-22-GG-00633-JAGX	24,996	_
U.S. Department of Transportation State and Community Highway Safety Governor's Highway Safety Program 20.600 PT-23-06-32 261 Governor's Highway Safety Program 6,902 7,163 - 1 Total U.S. Department of Transportation 7,163 - 2 Total U.S. Department of Transportation Total U.S. Department of Environmental Quality Pass-Through Program - N.C. Department of Environmental Quality Program - N.C. Department of Market State Revolving Fund (DWSRF) Cluster 66.468 H-SRF-F-20-1940 7,006,665 Clean Water Act. Sec. 201(g)(1)(B) Under Sec. 319(h) 66.460 CW34334 268,500 N.C. State S	Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-00633-JAGX	21,150	-
State and Community Highway Safety Program 20.600 PT-23-06-32 261	Total US Dept of Justice			50,872	-
State and Community Highway Safety Program 20.600 PT-23-06-32 261					
Covernor's Highway Safety Program 20.600 PT-23-06-32 261 6,902 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163 7,163					
Covernor's Highway Safety Program		20,600	DT 22 07 22	261	
Total U.S. Department of Transportation		20.600	P1-23-06-32		
U.S. Environmental Protection Agency Pass-Through Program - N.C. Department of Environmental Quality Drinking Water State Revolving Fund (DWSRF) Cluster 66.468 H-SRF-F-20-1940 7,006,665 Clean Water Act. Sec. 201(g)(1)(B) Under Sec. 319(h) 66.460 CW34334 268,500 NC319 66.460 8048 174,192 Total EPA - Grant and Loan 7,449,357 - U.S. Department of Transportation Pass-Through Program - NC Department of Transportation: Highway Planning and Construction 20.205 BRSTP-1932(9) 25,305 - Federal Highway Administration 20.205 BL-0008 210,376 -					
Pass-Through Program - N.C. Department of Environmental Quality	Total O.S. Department of Transportation			/,103	<u> </u>
Pass-Through Program - N.C. Department of Environmental Quality	U.S. Environmental Protection Agency				
Drinking Water State Revolving Fund (DWSRF) Cluster 66.468 H-SRF-F-20-1940 7,006,665 Clean Water Act. Sec. 201(g)(1)(B) Under Sec. 319(h) 66.460 CW34334 268,500 NC319 66.460 8048 174,192 Total EPA - Grant and Loan 7,449,357 - U.S. Department of Transportation Pass-Through Program - NC Department of Transportation: BRSTP-1932(9) 25,305 - Federal Highway Administration 20.205 BL-0008 210,376 - Total Department of Transportation 235,681 - U.S. Department of Agriculture 10.766 10,937,951					
NC319		66.468	H-SRF-F-20-1940	7,006,665	
Total EPA - Grant and Loan 7,449,357 -	Clean Water Act. Sec. 201(g)(1)(B) Under Sec. 319(h)	66.460	CW34334	268,500	
U.S. Department of Transportation Pass-Through Program - NC Department of Transportation: Highway Planning and Construction 20.205 BRSTP-1932(9) 25,305 - Federal Highway Administration 20.205 BL-0008 210,376 - Total Department of Transportation 235,681 - U.S. Department of Agriculture Community Facilities Loans and Grants (Loan Balances) 10.766 10,937,951	NC319	66.460	8048	174,192	
Pass-Through Program - NC Department of Transportation: Highway Planning and Construction 20.205 BRSTP-1932(9) 25,305 - Federal Highway Administration 20.205 BL-0008 210,376 - Total Department of Transportation U.S. Department of Agriculture Community Facilities Loans and Grants (Loan Balances) 10.766 10,937,951	Total EPA - Grant and Loan			7,449,357	-
Pass-Through Program - NC Department of Transportation: Highway Planning and Construction 20.205 BRSTP-1932(9) 25,305 - Federal Highway Administration 20.205 BL-0008 210,376 - Total Department of Transportation U.S. Department of Agriculture Community Facilities Loans and Grants (Loan Balances) 10.766 10,937,951					
Highway Planning and Construction 20.205 BRSTP-1932(9) 25,305 - Federal Highway Administration 20.205 BL-0008 210,376 - Total Department of Transportation 235,681 - U.S. Department of Agriculture Community Facilities Loans and Grants (Loan Balances) 10.766 10,937,951 -					
Federal Highway Administration 20.205 BL-0008 210,376 - Total Department of Transportation 20.205 BL-0008 235,681 - U.S. Department of Agriculture Community Facilities Loans and Grants (Loan Balances) 10.766 10,937,951		20.205	DD GTD 4000 (0)	25.205	
Total Department of Transportation 235,681 - U.S. Department of Agriculture Community Facilities Loans and Grants (Loan Balances) 10.766 10,937,951			. ,		-
U.S. Department of Agriculture Community Facilities Loans and Grants (Loan Balances) 10.766 10,937,951		20.205	BL-0008		
Community Facilities Loans and Grants (Loan Balances) 10.766 10,937,951	Total Department of Transportation			235,681	
Community Facilities Loans and Grants (Loan Balances) 10.766 10,937,951	U.S. Department of Agriculture				
· · · · · · · · · · · · · · · · · · ·		10.766		10,937.951	
Total Federal Awards 23,038,153 -	,,			-,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
			Total Federal Awards	23,038,153	-

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2024

	Federal AL		Federal (Direct and Pass-Through)	
Grantor/Pass-Through Grantor/Program Title	Number	State/Pass Through Grantor's Number	Expenditures	State Expenditures
State Awards: N.C Department of Environmental Quality Division of Water Infrastructure:				
Connect NC Bond Program		H-SRP-D-17-0132	-	169,185
S.L. 2023-134 Appropriations Act Direct Project Total Department of Envrionmental Quality		SRP-W-134-0060	<u>-</u>	939,601 1,108,786
N.C. Office of State Budget and Management SCIF Directed Grants		10161		2,515
N.C. Department of Transportation Powell Bill Program		DOT-4		536,404
N.C. Department of Natural and Cultural Resources North Carolina Land and Water Fund				124,800
		Total State Awards		1,772,505
		Total Federal and State Awards	\$ 23,038,153	\$ 1,772,505

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2024

Notes to the Schedule of Expenditures of Federal and State Financial Awards:

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards (SEFSA) includes the federal and State grant activity of the City of Hendersonville under the programs of the federal government and the State of North Carolina for the year ended June 30, 2024. The information in this SEFSA is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the State Single Audit Implementation Act. Because the Schedule presents only a selected portion of the operations of the City of Hendersonville, it is not intended to and does not present the financial position, changes in net position or cash flows of the City of Hendersonville.

2. Summary of Significant Accounting Policies

Expenditures reported in the SEFSA are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The City of Hendersonville has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

3. Balances of Federally Funded Loans

As of June 30, 2024 the City has federally funded loans outstanding as follows:

(1) United States Department of Agriculture

10,937,951

Section 6. Item B.



Love and Respect Community for Recovery and Wellness









Love and Respect

Community For Recovery & Wellness

MISSION:

To transform lives, restore families, and to help create a healthier community by providing peer support to those living with substance use disorder, mental health diagnoses, homelessness, or returning from incarceration.







Who we are: Love and Respect is a peer run recovery community organization staffed by individuals in recovery and called to serve those still struggling.

Section 6, Item B.

Our peer living room program creates a safe, non-judgemental environment allowing us to meet individuals exactly where they are.





Our services are available at no cost to anyone but we are particularly focused on reaching at-risk, underserved, and vulnerable populations including minority communities, rural and remote communities.

We create these programs for them because we ARE them.

Our Programs

- Peer one on one sessions
- Computer lab
- Workforce readiness
- Street outreach
- Training and community education
- Re-entry navigation
- Resource navigation
- Clothing closet
- Group facilitation
- Disaster relief supplies









Section 6. Item B.

Connecting to Community Resources

RECOVERY COMMUNITY CENTERS

PEER SUPPORT and COMMUNITY OUTREACH

DETOX, RESIDENTIAL RECOVERY, RECOVERY HOUSING

INTENSIVE OUTPATIENT SUPPORT

FAMILY/CAREGIVER SUPPORT GROUPS

MEDICATION ASSISTED TREATMENT

HARM REDUCTION to ENSURE SAFETY

MOBILE CRISIS RESPONSE



Free At Last **Re-entry Support** Group

Every Thursday we will hosting a support group for individuals who are previously justice involved/re-entering from incarceration

This group will be facilitated by North Carolina Peer Support Specialists who have lived experience with being incarcerated.

Come out and join us at 120 Chadwick Square Court, Suite D. Hendersonville NC 28739

No registration required, just show up!



Men's Mental Health and Wellbeing Support Group

Because mental health symptoms often present differently in men than women, it can be difficult to recognize when men are struggling. Because of societal expectations and self-stigma feelings of loneliness, anger, stress, depression or anxiety can be viewed as shortcomings and often men do not reach out for help or even recognize the need to do so.

This group will provide a safe non-clinical space to begin to recognize and move through challenging emotions and begin to break cycles of behavior.

Location: Love and Respect Community for Recovery and Wellness, 120 Chadwick Square Court Suite D Hendersonville NC.

Contact: Ron Davis NCPSS (Ron@lovenrespect.org) for more information

Dates: 2nd and 4th Thursday of every month at 6:00pm.



Section 6. Item B.

Join the Love and Respect team for Art group every Wednesday at 2:00pm!

This group will be facilitated by North Carolina Peer Support Specialists who have lived experience with mental health and/or substance misuse diagnoses.

Come out and join us at 350 Chadwick Avenue. Suite 300, Hendersonville NC 28792

No registration required. just show up!



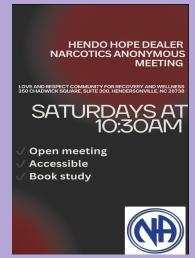




We will be offering a natural disaster support group every Tuesday at 2:00pm

This group will be facilitated by North Carolina Peer Support Specialists

Location: Love and Respect Community for Recovery and Wellness 350 Chadwick Avenue, Suite 300, Hendersonville, NC







356 Wednesday November 5th 2024 from 11am - 4pm



Support and

Resources

Section 6, Item B.

Wellness and Success

Recovery and Life Skills

Connection and Encouragement

Where we Are and Where We're Going

Section 6, Item B.

WORKFORCE READINESS (2023-Ongoing)

DISASTER
RELIEF &
RECOVERY
(2024-Ongoing)

COMMUNITY ENGAGEMENT and PARTNERSHIPS (2022-Ongoing)

AUTHENTIC PEER SUPPORT

PEER RUN RESPITE (2025)

MOBILE OUTREACH (2022-Ongoing)

COMMUNITY
RECOVERY
CENTER & PEER
LIVING ROOM
(2022-Ongoing)

AFTER HOURS/CRISIS RESPONSE SERVICES (2025)

STRATEGIC PLAN 2024-2026 OUTCOMES

Expand jail in-reach -Started Fall 2023 (Transylvania County) and Spring 2025

- County) Initiate workforce readiness support and skills training—Fall 2023-Ongoing
- Initiate life-skills based groups and 1 on 1 support—Started 2022—Ongoing
- Begin community and mobile outreach efforts—Started Fall 2023
- Identify a larger office space allowing expanded services, improved 1 on 1 and group

Obtain funding to purchase a mobile outreach van-purchased October 2024

- meeting space (September 2024) Raise the visibility and expand regional partnerships and collaborations-ongoing.

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Diversify and expand funding to support and expand current services—DHHS 2025

Community Collaborations

Section 6, Item B.



























HEALTH®

Pardee







FBCHNC Love's Kitchen







MAJOR FUNDERS





of Rutherford County

United Way



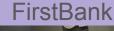
















NCDHHS





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Questions?























SUBMITTER: Brian Pahle, Assistant City **MEETING DATE:** January 8th, 2025

Manager

AGENDA SECTION: New Business **DEPARTMENT:** Administration

TITLE OF ITEM: Appointment of Finance Director – Brian Pahle, Assistant City Manager

SUGGESTED MOTION(S):

I move that City Council approve the Resolution by the City of Hendersonville City Council to authorize the appointment of Krystal Powell as City of Hendersonville Finance Director.

SUMMARY:

A resolution to consider an appointment of Krystal Powell as City of Hendersonville Finance Director.

BUDGET IMPACT: \$

Is this expenditure approved in the current fiscal year budget? N/A

If no, describe how it will be funded. N/A

ATTACHMENTS:

Resolution

Reso	lution	#	-	

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL TO APPOINT KRYSTAL POWELL AS FINANCE OFFICER FOR THE CITY OF HENDERSONVILLE

WHEREAS, North Carolina General Statutes § 159-24 requires that each local government appoint a finance officer to carry out the duties prescribed by law; and

WHEREAS, City Council has determined that Krystal Powell possesses the requisite knowledge, skills and abilities and certifications to hold the position of Finance Officer for the City of Hendersonville, having served as the Assistant Finance Director, and in various other positions within the Finance Department, and being a certified as a Local Government Finance Officer (CLGFO) through the North Carolina Government Finance Officers Association (NCGFOA); and

WHEREAS, City Council wishes to appoint Krystal Powell as Finance Officer for the City of Hendersonville

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA that:

- 1. Krystal Powell is hereby appointed Finance Officer for the City of Hendersonville with full power and authority, and direction, to carry out the duties of Finance Officer as specified in the Local Budget and Fiscal Control Act (Article 3 of Chapter 159 of the North Carolina General Statutes) and other applicable State, Federal and Local laws governing the duties of a finance officer, on behalf of the City of Hendersonville.
- 2. That Ms. Powell's appointment is contingent upon her compliance with the requirements of North Carolina General Statutes § 159-29 by posting a true accounting and faithful performance bond in the amount of \$1.0 Million.
- 3. That day-to-day supervision and administrative authority over the position of Finance Officer is vested in the City Manager. The City Manager is authorized to finalize the details of Ms. Powell's employment with the City of Hendersonville, including salary and benefits, in accordance with the City's adopted pay plan.
- 4. Ms. Powell is authorized and directed to sign all existing bank, depository and investment accounts held in the City's name, and to execute all contracts as the Finance Officer to comply with pre-audit requirements.
- 5. The naming of Ms. Powell's position as "Finance Director" or other similar terminology shall in no way detract from the authority or responsibility delegated to Ms. Powell as Finance Officer for the City of Hendersonville by this Resolution.

authorized to execute the sa		ny of
	Barbara G. Volk, Mayor, City of Hendersonvil	- lle
Jill Murray, City Clerk		

Section 7, Item A.

Gath of Office

Finance Director

I, Krystal Powell, do solemnly and sincerely swear that I will support the Constitution of
the United States; that I will be faithful and bear true allegiance to the State of North
Carolina, and to the constitutional powers and authorities which are or may be established
for the government thereof; and that I will endeavor to support, maintain and defend the
Constitution of said State, not inconsistent with the Constitution of the United States, to
the best of my knowledge and ability; so help me God.

I, $\underline{\mathbf{Krystal\ Powell}}$, do swear that I will well and truly execute the duties of the office of the
City of Hendersonville Finance Director according to the best of my skill and ability
according to law; so help me God.

anuary 8, 2025
Barbara G. Volk, Mayor
City of Hendersonville
Jill Murray, City Clerk City of Hendersonville



SUBMITTER: John Connet, City Manager **MEETING DATE:** 1/8/2025

AGENDA SECTION: NEW BUSINESS DEPARTMENT: Administration

TITLE OF ITEM: City Council approval to re-establishment of utility late fees and disconnections

on March 1, 2025 - John Connet, City Manager

SUGGESTED MOTION(S):

I move that the City Council direct staff to take necessary action to re-establish utility late fees and authorize service disconnection for non-payment effective March 1, 2025.

SUMMARY:

City Council directed staff to discontinue utility late fees and disconnections immediately following Hurricane Helene. City staff has been monitoring the number of delinquent utility accounts and is concerned about the number of individuals with large balances. Staff will present this information to the City Council and ask for permission to re-establish fees and disconnection effective March 1, 2025.

BUDGET IMPACT: \$ TBD

Is this expenditure approved in the current fiscal year budget? NA

If no, describe how it will be funded. NA

ATTACHMENTS:

None at this time



SUBMITTER: Brent Detwiler **MEETING DATE:** January 8, 2025

AGENDA SECTION: NEW BUSINESS DEPARTMENT: Public Services

TITLE OF ITEM, Resolution for the City of Hendersonville to Apply for a USDOT RAISE **Presenter Name, Title:** Grant for the Above the Mud Project – *Brent Detwiler, Public Services*

Director

SUGGESTED MOTION(S): I move that City Council approve the resolution to submit a RAISE

Grant application to USDOT for the Above the Mud project.

SUMMARY:

This is a resolution for the City to apply for a RAISE grant through the US Department of Transportation. The grant application is due January 30, 2025.

BUDGET IMPACT: N/A

Is this expenditure approved in the current fiscal year budget? N/A

If no, describe how it will be funded. N/A

ATTACHMENTS: none

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL IN SUPPORT OF AN APPLICATION FOR USDOT RAISE GRANT FUNDING TO CONSTRUCT THE ABOVE THE MUD PROJECT

WHEREAS, the City Council of the City of Hendersonville considers bicycle and pedestrian transportation to be of utmost importance to the region by providing Western North Carolina with recreation and equitable transportation opportunities as well as increased economic viability and community development; and

WHEREAS, the City Council of the City of Hendersonville adopted a resolution on April 5, 2012 supporting a regional recreational greenway to link the City of Hendersonville in Henderson County to the City of Brevard in Transylvania County and the Pisgah National Forest; and

WHEREAS, the United States Department of Transportation has established a Rebuilding American Infrastructure with Sustainability and Equity (RAISE) Grant Program that provides funding for surface transportation infrastructure projects that will have a significant local or regional impact; and

WHEREAS, the Above the Mud project will provide multimodal infrastructure that will spur small-town economic development, jobs, and tourism while rebuilding a trail segment damaged by recurring flooding and Hurricane Helene; and

WHEREAS, the project will extend the 19-mile regional Ecusta Trail that is expected to generate significant rural economic impact, bringing residents and tourists safely into Downtown Hendersonville, and reconnect to underserved neighborhoods, improving safety and access;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that:

- 1. The City of Hendersonville shall submit an application to USDOT for a RAISE Grant to fund the design and construction of the Above the Mud Project in Henderson County; and
- 2. The Mayor and/or City Manager shall hereby be authorized on behalf of the City of Hendersonville to execute any and all documents required for the City to complete and submit the grant application for up to \$25,000,000.00 in funding with commitment of \$1,600,000.00 in matching funds from the City.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 8th day of January 2025.

Attest:	Barbara G. Volk, Mayor, City of Hendersonville

Section 7	

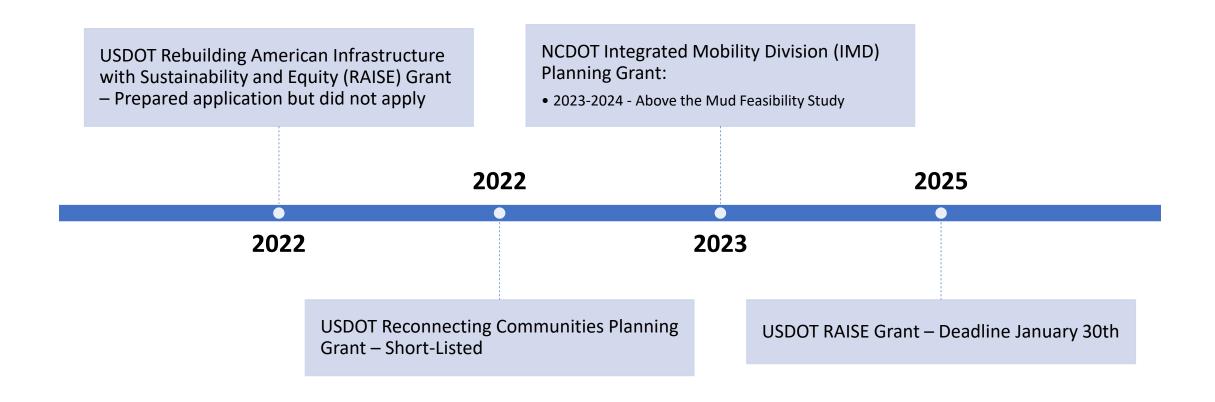
Jill Murray, City Clerk
Approved as to form:
Angela S. Beeker, City Attorney



ABOVE THE MUD

A project Connecting the Oklawaha Greenway, Ecusta Trail, Main Street, 7th Avenue, and Larger WNC regional trail network

Project Background



Project Components



ABOVE THE MUD

HENDERSONVILLE, NC

COMPONENT 4

Oklawaha Greenway

Resiliency Upgrades

JACKSON PARK

WILLIAMH

COMPONENT 1
Above the
Mud'Greenway

NCDOT EB-5963

City match: Existing cycle track improved ADA + sidewalks

COMPONENT 2
7th Ave. Streetscap

Future streetscape

improvements

LEGEND

Above the Mud Greenway

Proposed Saluda Grade Rail Trail
 Other Proposed Greenways

100-Year Floodplain

Downtown Hendersonville

Parks, Open Space, & Conserved Land Railroad Hendersonville Municipal Boundaries

DOWNTOWN

HENDERSONVILLE

COMPONENT 3
Festival Street
(South Main St.)

Oklawaha Greenway Resiliency Upgrades

COMPONENT 1

'Above the Mud' Trail

A 1.56 mile separated shared use pathway for bicyclists and pedestrians through natural areas, connecting the Oklawaha Greenway to the regional Ecusta Trail, future Saluda Grade Trail, and downtown Hendersonville.



COMPONENT 2

7th Avenue Streetscape Improvements

A safe and walkable .41 mile connection between northeastern neighborhoods and downtown with improved sidewalks, lighting, green infrastructure, pedestrian amenities, and ADA compliance.



COMPONENT 3

Festival Street

A .28 mile pedestrian-focused street and flexible event space catalyzing economic development for businesses, with limited automobile access, connecting downtown to three regional trails.



COMPONENT 4

Oklawaha Greenway Boardwalk (on existing trail)

A .33 mile elevated boardwalk, retrofitting the current trail to be a safer and stormwater resilient trail connection for pedestrians and bicyclists along the Oklawaha Greenway.





PROJECT OUTCOMES & DETAILS



A vibrant, safe, and active community, through street and trails that prioritize pedestrians and bicyclists and serve users of all ages and abilities.



Greatly improved access to downtown, disadvantaged neighborhoods, schools, food, businesses, and parks and natural areas.



More livable, resilient streets that use trees and stormwater best practices to shade, clean the air and water, and better manage flooding.



Economic revitalization by connecting a critical regional trail link and improving 7th Avenue and South Main Street.

Community Engagement



- 2022 RAISE Kick-off Public Meeting (well-attended)
- 2023-2024 Above the Mud Feasibility Study Steering Committee, Public Meetings, 2 Surveys
- 2025 RAISE:
 - Contracted Alta Planning + Design November
 6, 2024
 - Stakeholder Group Kick-off November 14, 2024
 - Community survey launch November 27, 2024
 - Promoted survey/raised awareness at Housing Listening Sessions and Turkey Trot – Nov-Dec
 - Door-to-Door outreach in Green Meadows / 7th Ave Area – December 19, 2024
 - Community survey closed December 31, 2024
 - 36 Letters of Support Received to date

RESOLUTION BY THE CITY OF HENDERSONVILLE CITY COUNCIL IN SUPPORT OF AN APPLICATION FOR USDOT RAISE GRANT FUNDING TO CONSTRUCT THE ABOVE THE MUD PROJECT

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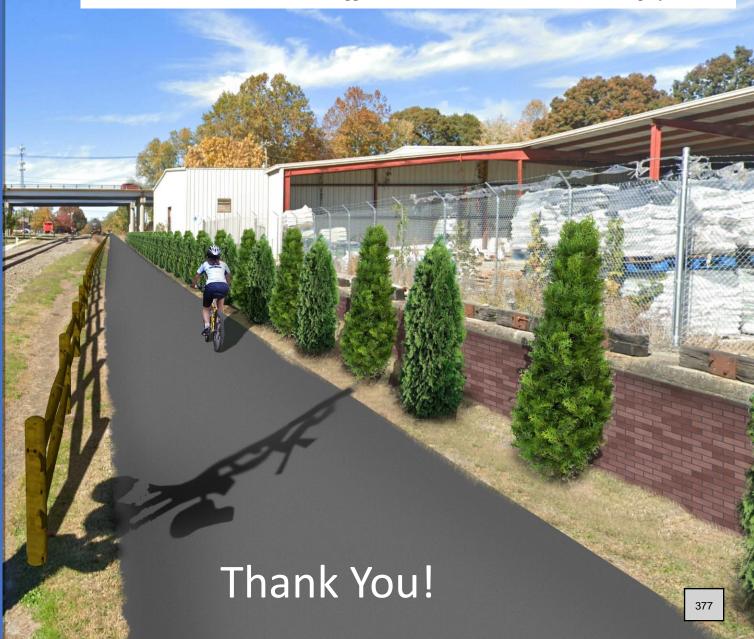
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- 2. The Mayor and/or City Manager shall hereby be authorized on behalf of the City of Hendersonville to execute any and all documents required for the City to complete and submit the grant application for up to \$25,000,000.00 in funding with commitment of \$1,600,000.00 in matching funds from the City.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 8th day of January 2025.

SUGGESTED MOTION(S): I move that City Council approve the resolution to Grant application to USDOT for the Above the M

Section 7, Item C.





SUBMITTER: John Connet, City Manager **MEETING DATE:** 1/8/2025

AGENDA SECTION: NEW BUSINESS DEPARTMENT: Administration

TITLE OF ITEM: Appointment of Mayor Volk as Voting Delegate for NCLM Legislative

Priorities - John Connet, City Manager

SUGGESTED MOTION(S):

I move that the City Council appoint Mayor Barbara Volk as the City's voting delegate for the NCLM legislative priorities process.

SUMMARY:

Mayor Volk has traditionally served as the City's voting delegate for the North Carolina League of Municipalities.

BUDGET IMPACT: \$ NA

Is this expenditure approved in the current fiscal year budget? NA

If no, describe how it will be funded. NA

ATTACHMENTS:

None



SUBMITTER: John Connet, City Manager **MEETING DATE:** 1/8/2025

AGENDA SECTION: NEW BUSINESS DEPARTMENT: Administration

TITLE OF ITEM: 2025 Legislative Priorities Resolution – *John Connet, City Manager*

SUGGESTED MOTION(S):

I move that the City Council approve the 2025 Legislative Priorities Resolution as presented by the City Manager.

SUMMARY:

The North Carolina General Assembly will convene its 2025 legislative (long) session on January 8, 2025. City staff and the North Carolina League of Municipalities have drafted proposed legislative priorities for the City Council. City staff is asking City Council to approve these priorities, authorize the Mayor to vote on their behalf, direct staff to develop draft legislation as necessary and authorize the Mayor and Mayor Pro Tem to present the priorities to our legislative delegation.

BUDGET IMPACT: \$ NA

Is this expenditure approved in the current fiscal year budget? NA

If no, describe how it will be funded. NA

ATTACHMENTS:

2025-2026 Legislative Priorities Resolution

2025-26 Legislative Priorities

Reco	lution#	<u> </u>
IZC2O	iuuon #	-

RESOLUTION BY THE HENDERSONVILLE CITY COUNCIL TO ESTABLISH LEGISLATIVE PRIORITIES FOR THE 2025 SESSION OF THE NORTH CAROLINA GENERAL ASSEMBLY

WHEREAS, the North Carolina General Assembly will convene it's 2025 Long Session on January 8, 2025; and

WHEREAS, the City Council wishes to establish its top legislative priorities for the 2025 Session of the North Carolina General Assembly; and

WHEREAS, the North Carolina League of Municipalities (NCLM) is currently developing its legislative priorities for the 2025 legislative session; and

WHEREAS, it is important that the City Council notify the Henderson County legislative delegation of these priorities prior to legislation deadlines and significant votes.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Hendersonville, North Carolina that:

- 1. The City Council establishes the 2025 City Council Legislative Priorities.
- 2. The Mayor is authorized to vote on NCLM legislative priorities as discussed by the City Council and documented in the meeting minutes.
- 3. The City staff is directed to draft (as necessary) proposed legislation to carry out the legislative priorities of the City Council.
- 4. The Mayor and Mayor Pro Tem are asked to present these legislative priorities to the Henderson County legislative delegation at the earliest possible time.

Adopted by the City Council of the City 20	e City of Hendersonville, North Carolina on this day of				
Attest:	Barbara G. Volk, Mayor, City of Hendersonville				
Jill Murray, City Clerk					
Approved as to form:					
Angela S. Beeker, City Attorney					



Top City Legislative Priorities ¼ cent sales tax authorization

Move municipal election filing period from December to July

Establish rotating name structure on ballots for Hendersonville City Council elections

Adjust municipal candidate reporting deadlines to be consistent with other elections.

NCLM Priorities – Staff Recommended



CREATE INCENTIVES THAT
ENCOURAGE AND ADEQUATELY
FUND REGIONALIZED WATER AND
SEWER SOLUTIONS.



EXPAND FUNDING OPPORTUNITIES FOR DISASTER RESILIENCY AND RECOVERY EFFORTS.



ESTABLISH LONG-TERM FUNDING STREAMS THAT ADEQUATELY ADDRESS WATER, SEWER, STORMWATER, TRANSPORTATION AND OTHER INFRASTRUCTURE NEEDS.



EXPAND STATE TRANSPORTATION
FUNDING STREAMS FOR
CONSTRUCTION AND
MAINTENANCE OF MUNICIPAL AND
STATE-OWNED SECONDARY ROADS.

NCLM Priorities – Staff Recommended



CREATE INCENTIVES TO ENCOURAGE THE DEVELOPMENT OF DIVERSE HOUSING OPTIONS.



PROVIDE RESOURCES TO REHABILITATE OR PURCHASE BLIGHTED PROPERTIES.



REDUCE REGULATORY CONFLICTS
BETWEEN STATE AGENCIES THAT
DISCOURAGE VOLUNTARY
CONSOLIDATION, MERGER AND
INTERCONNECTION OF MUNICIPAL
UTILITY SYSTEMS.



PROVIDE LOCAL REVENUE
OPTIONS BEYOND THE PROPERTY
TAX.

NCLM Priorities – Staff Recommended





UPDATE THE ANNEXATION PETITION THRESHOLDS TO MAKE VOLUNTARY ANNEXATIONS EASIER TO INITIATE.

PROTECT THE ABILITY OF MUNICIPAL ELECTED OFFICIALS, ACTING ON BEHALF OF LOCAL VOTERS, TO DETERMINE ELECTION FORMATS, DISTRICTS AND OTHER ELECTION MATTERS CURRENTLY UNDER THEIR PURVIEW.

NCLM Priorities – Other Options







INCREASE FUNDS TO REMEDIATE CONTAMINATION
IN LOCAL WATER SUPPLIES

EXPAND INCENTIVES AND FUNDING FOR LOCAL ECONOMIC DEVELOPMENT.

CREATE AN ORPHAN ROAD PROGRAM WHEREBY THE STATE IMPROVES THOSE ROADS TO N.C. DEPARTMENT OF TRANSPORTATION STANDARDS BEFORE MUNICIPALITIES ASSUME MAINTENANCE RESPONSIBILITIES.

NCLM Priorities – Other Options



SUPPORT TECHNICAL ASSISTANCE PROGRAMS TO ASSIST MUNICIPALITIES WITH SECURING OR MAINTAINING GRANTS OR OTHER NECESSARY MUNICIPAL RESOURCES.



ADDRESS THE NEEDS OF A CHANGING MUNICIPAL WORKFORCE THROUGH STATE ASSISTANCE THAT SUPPORTS EMPLOYEE RETENTION, INCLUDING TRAINING AND RECRUITMENT.



PRESERVE AUTHORITY FOR EXTRATERRITORIAL
JURISDICTION TO ENSURE THAT GROWTH IS WELLPLANNED AND INVESTMENTS BY HOMEOWNERS
AND BUSINESS OWNERS ARE PROTECTED.



LEGISLATIVE GOAL STATEMENTS

RECOMMENDED BY THE NCLM BOARD OF DIRECTORS

The following goal statements are NOT listed in any priority order.

- Expand funding opportunities for disaster resiliency and recovery efforts.
 - North Carolina has faced a number of damaging natural disasters in recent years, including the unprecedent storm that devastated western North Carolina in the fall of 2024.
 - To fully recover from these natural disasters requires a broad approach that focuses on infrastructure, housing and economic losses.
 - Federal assistance and private insurance will not be enough to address these ongoing,
 critical needs or mitigate damage when future disasters hit.
- Establish long-term funding streams that adequately address water, sewer, stormwater, transportation and other infrastructure needs.
 - Infrastructure including roads, water, sewer, stormwater, parks and beaches are critical to economic development and job creation.
 - Many cities in the state are growing, creating a constant need for investment to keep pace with population growth; many cities and towns also have aging infrastructure that must be replaced.
 - Creating long-term and more permanent funding streams for infrastructure will ensure adequate investments so that North Carolina thrives now and into the future.
- Expand state transportation funding streams for construction and maintenance of municipal and state-owned secondary roads.
 - Current Powell Bill and other state funding is not adequate to address transportation needs, particularly as they affect municipal and state-owned secondary roads.
 - In many cities and towns, major commuting corridors are not receiving the level of investment needed to keep pace with traffic.
 - More investment is needed for these roads if existing residents are to embrace business and residential growth

• Increase funds to remediate contamination in local water supplies.

- Local municipal water systems and their ratepayers increasingly are footing the costs of cleaning up PFAS and other "forever" chemicals from drinking water supplies.
- As more regulations are set at the state and federal level to limit these chemicals in water supplies, costs will escalate.
- Cities primary recourse to try to recoup the cost for utility ratepayers is through the courts.

Expand incentives and funding for local economic development.

- o Funding is simply inadequate in many cities and towns to encourage job growth.
- State grants and incentives are often targeted in ways that fail to assist the areas in greatest need of job creation.
- Maintaining or expanding funding for film tax credits, major industrial site development, downtown development and renewable energy tax credits helps cities and towns across the state.

• Create incentives to encourage the development of diverse housing options.

- Housing affordability continues to be a significant problem across many areas of North Carolina, affecting people of different income levels.
- The lack of affordable housing acts as a major impediment to business and workforce recruitment.
- State incentives to encourage the construction of housing for people of various income levels are extremely limited.

Provide resources to rehabilitate or purchase blighted properties.

- In many cities and towns, blighted properties act as an impediment to economic and business growth.
- Cities and towns have limited means to address these properties, particularly in more rural, smaller communities.
- Rehabilitating blighted properties can help address North Carolina's housing needs.

- Create incentives that encourage and adequately fund regionalized water and sewer solutions.
 - A number of municipal water and sewer systems continue to financially struggle with deferred maintenance needs.
 - These challenges came about largely due to population and job losses in rural areas, leading to an erosion of taxpayer and ratepayer bases.
 - While legislators and municipalities have begun to address these issues with the creation of the Viable Utility Reserve and the use of ARPA funding, state estimates show needs still exceed expenditures by several billion dollars.
- Reduce regulatory conflicts between state agencies that discourage voluntary consolidation, merger and interconnection of municipal utility systems.
 - Municipalities have contractually obtained older, smaller utility systems of other municipalities and private enterprises in order to provide better and more efficient services to residents and businesses.
 - Older laws and regulations impose penalties on mid-size and large municipalities due to state agencies requiring them to pay for relocation of utilities when those penalties would have been reduced or eliminated for the smaller entities they were purchased from.
 - The State should work to reduce and eliminate these conflicts which have the effect of discouraging voluntary consolidation, merger and interconnection of municipal utility systems.
- Create an orphan road program whereby the state improves those roads to N.C.
 Department of Transportation standards before municipalities assume maintenance responsibilities.
 - So-called orphan roads are typically created when a street in a subdivision is not built to state or municipal standards, and the developer walks away without an agreement for maintenance.
 - The abandoned road can leave homeowners on the hook for the cost of maintenance.
 - For cities and towns, these abandoned roads can serve as a deterrent to voluntary annexation agreements even as the residents seek municipal services.

- Provide local revenue options beyond the property tax.
 - Roughly 40 percent of municipal general fund revenue is generated by local property taxes.
 - Cities have little to no authority to raise significant revenue in other ways.
 - A lack of diverse, local tax options can affect economic growth, as well as cause large swings in revenue based on economic changes.
- Support technical assistance programs to assist municipalities with securing or maintaining grants or other necessary municipal resources.
 - Many municipalities do not have the resources to seek or administer grants, even as that source of funding could help meet the needs of residents.
 - State, federal and other grant funding offers a significant opportunity for cities and towns to improve infrastructure or enhance services.
 - Providing technical assistance to these municipalities can provide them with access to grant funding, providing resources not otherwise available to them.
- Address the needs of a changing municipal workforce through state assistance that supports employee retention, including training and recruitment.
 - Municipalities across the state are facing staffing issues as current workers age and retire.
 - Training and retention resources are limited and competing with wages offered in the private sector can be difficult.
 - The use of training and recruitment tools across state and local government boundaries can improve public sector workforce availability.

Update the annexation petition thresholds to make voluntary annexations easier to initiate.

- Voluntary annexation by petition currently requires 100 percent consent from all property owners, a threshold that can be impossible to meet even if a majority of property owners can benefit by utilizing their property for business or residential purposes.
- Lowering the threshold from 100 percent represents a middle ground that would still reflect the will of property owners but not handicap communities' ability to economically thrive.
- The ability of a city or town to grow and reflect its urban footprint is vital to it financial health; city services are relied on by residents whether they live in or near municipal boundaries.

- Preserve authority for extraterritorial jurisdiction to ensure that growth is well-planned and investments by homeowners and business owners are protected.
 - A community's land-use planning tools, including ETJ, are vital as infrastructure investments are made that pave the way for economic growth.
 - Protecting homes and businesses from incompatible uses continues to be an important feature of ETJs. As of 2022, at least 14 counties in North Carolina had no zoning restrictions, with several others being only partially zoned.
 - Protecting neighborhoods from incompatible uses ultimately protects the value of residents' homes and property.
- Protect the ability of municipal elected officials, acting on behalf of local voters, to determine election formats, districts and other election matters currently under their purview.
 - Locally-elected municipal officials are best positioned to understand the wishes of local voters and how those should be applied to local election matters.
 - In many areas, residents prefer to avoid political polarization when it comes to the practical tasks of municipal government.
 - Locally-elected municipal officials are in their communities every day and accessible to voters.



SUBMITTER: John Connet, City Manager **MEETING DATE:** 1/8/2025

AGENDA SECTION: NEW BUSINESS DEPARTMENT: Administration

TITLE OF ITEM: Review of the January 22, 2025 Floodplain Workshop – *John Connet, City*

Manager

SUGGESTED MOTION(S):

NA

SUMMARY:

City Manager John Connet will present the draft agenda for the January 22, 2025 Floodplain Workshop

BUDGET IMPACT: \$ NA

Is this expenditure approved in the current fiscal year budget? NA

If no, describe how it will be funded. NA

ATTACHMENTS:

Draft Agenda

Draft Agenda Floodplain Development Workshop January 22, 2025

- 1. Overview of Floodplain Mapping
 - a. What maps do and don't show
 - b. Updating of maps (when and how)
 - c. Letter of Map Amendment
 - d. Alternative maps
- 2. Floodplain Regulation 101
 - a. What is currently allowed?
 - b. Development vs. Redevelopment
 - c. Base Floor Elevation
 - d. No Rise
 - e. Filling of floodplain
 - f. 50% Damage Rule
- 3. What is Reasonable Development?
 - a. Considerations
 - i. Percentage of developable property in City/ETJ
 - ii. Public safety
 - iii. Affordable housing
 - iv. Private property rights
- 4. Floodplain Mitigation / Recovery Information (available for pickup)
- 5. Future Considerations (information purposes only)
 - a. Map updates
 - b. CRS participation
 - c. Ordinance amendments



SUBMITTER: Jennifer Floyd **MEETING DATE:** 01/08/2025

AGENDA SECTION: City Manager Report DEPARTMENT: Administration

TITLE OF ITEM: December 2024 Contingency and Adjustment Report – John Connet, City

Manager

SUGGESTED MOTION(S):

N/A – Presentation Only.

SUMMARY:

In accordance with North Carolina General Statute (NCGS) 159-13(b) it is required that all expenditures resulting from a contingency appropriation budget be reported to the governing board at its next regular meeting and recorded in the minutes.

NCGS 159-15 permits the Budget Officer (City Manager), to transfer budget from one appropriation to another within the same fund, provided any such transfers are reported to the Governing Board. The City of Hendersonville refers to transfers of budget from one appropriation to another within the same fund as a "budget adjustment". City Council authorizes budget adjustments each year with the adoption of the annual budget ordinance (SECTION 4).

This agenda item serves to fulfill the reporting requirements of both NCGS 159-13(b) and 159-15 by providing City Council a summary of all amendments and adjustments occurring thus far in the fiscal year.

BUDGET IMPACT: Detailed Above

Is this expenditure approved in the current fiscal year budget? N/A

If no, describe how it will be funded. N/A

ATTACHMENTS:

Contingency and Adjustment Report

	EAR 2024 - 2025 (FY25) DMENTS AND ADJUSTMENTS		Completed Proposed	Corrected Denied					
ACCOUNT NUMBER	ACCOUNT DESCRIPTION	EXISTING BUDGET	INCREASE	DECREASE	REVISED BUDGET	DESCRIPTION	APPROVED	ТҮРЕ	AMENDMENT NUMBER
010-1400-521225	Training	70,850	-	1,200	69,650	Computer Replacement	yes	adjustment	12/2/2024
010-1010-534000	Non-Capital	93,401	1,200	-	94,601	Computer Replacement	yes	adjumstnet	12/2/2024
010-1002-539005	Health & Welfare Expenditures	82,139	-	82,139	-	Caporoma Earnest Money	yes	Adjustment	12/10/2024
010-0000-534999	Contingency	137,525	-	42,861	94,664	Caporoma Earnest Money	yes	Adjustment	12/10/2024
010-1002-551000	Capital Outlay- Land, Easements, ROW	-	125,000	-	125,000	Caporoma Earnest Money	yes	Adjustment	12/10/2024
060-1002-539005	Health & Welfare Expenditures	115,723	-	115,723	-	Caporoma Earnest Money	yes	Adjustment	12/10/2024
060-0000-534999	Contingency	97,250	-	9,277	87,973	Caporoma Earnest Money	yes	Adjustment	12/10/2024
060-1002-551000	Capital Outlay-Land, Easements, ROW	-	125,000	-	125,000	Caporoma Earnest Money	yes	Adjustment	12/10/2024
060-0000-534999	Contingency	87,973	-	18,800	69,173	Call Center	yes	Adjustment	12/11/2024
060-7002-519200	Contracted Services	85,600	18,800	-	104,400	Call Center	yes	Adjustment	12/11/2024
							•		
060-7032-555003	Capital Outlay- Plants, Pump Stations	252,000	-	20,000	232,000	Engine Replacement	yes	Adjustment	12/23/2024
060-7032-524030	R&M Trucks	25,000	20,000	-	45,000	Engine Replacement	yes	Adjustment	12/23/2024