

**BUNCOMBE COUNTY
BUDGET ORDINANCE
FISCAL YEAR 2016 – 2017**

BE IT ORDAINED by the Board of County Commissioners of Buncombe County, North Carolina this the 21st day of June, 2016:

Section 1: The following amounts are hereby appropriated and revenues estimated to be available in the General Fund for the operation of the County government and its activities for the fiscal year beginning July 1, 2016 and ending June 30, 2017:

APPROPRIATION

| | |
|---------------------------------|-----------------------------|
| General Government | \$29,838,930 |
| Public Safety | 66,226,857 |
| Human Services | 96,925,224 |
| Economic & Physical Development | 9,819,703 |
| Culture & Recreation | 8,470,976 |
| Education | 73,919,815 |
| Debt Service | 20,671,686 |
| Transfers to Other Funds | 2,355,698 |
| Total Appropriation | <u>\$308,228,889</u> |

REVENUE

| | |
|----------------------------|-----------------------------|
| Ad Valorem Taxes | \$180,002,531 |
| Sales Tax | 27,395,245 |
| Other Taxes and Licenses | 6,037,520 |
| Intergovernmental | 50,545,104 |
| Permits and Fees | 3,361,855 |
| Sales and Services | 13,892,880 |
| Other | 8,432,243 |
| Transfers from Other Funds | 12,522,426 |
| Appropriated Fund Balance | 6,039,085 |
| Total Appropriation | <u>\$308,228,889</u> |

Section 2: The following is hereby appropriated and revenues estimated to be available for the indicated funds for the fiscal year beginning July 1, 2016 and ending June 30, 2017:

| FUND | APPROPRIATION | REVENUE |
|---------------------------------------------------|----------------------|---------------------|
| <i>Occupancy Tax Special Revenue Fund:</i> | | |
| Transfers to Other Funds | <u>\$15,914,005</u> | |
| Other Taxes & Licenses | | <u>\$15,914,005</u> |

| FUND | APPROPRIATION | REVENUE |
|------------------------------------------------------------------|---------------------|----------------------------|
| <i>911 Special Revenue Fund:</i> | | |
| Public Safety | <u>\$2,102,500</u> | |
| Intergovernmental | | \$930,578 |
| Other | | 10,000 |
| Appropriated Fund Balance | | <u>1,161,922</u> |
| | | <u>\$2,102,500</u> |
| <i>ROD Automation Special Revenue Fund:</i> | | |
| General Government | <u>\$283,230</u> | |
| Permits & Fees | | \$151,695 |
| Other | | 3,305 |
| Appropriated Fund Balance | | <u>128,230</u> |
| | | <u>\$283,230</u> |
| <i>Fire & Service Districts Special Revenue Fund:</i> | | |
| Public Safety | <u>\$25,144,016</u> | |
| Ad Valorem | | \$19,432,329 |
| Sales Tax | | <u>5,711,687</u> |
| | | <u>\$25,144,016</u> |
| <i>Mountain Mobility Special Revenue Fund:</i> | | |
| Human Services | <u>\$4,387,071</u> | |
| Intergovernmental | | 2,730,623 |
| Other | | 30,000 |
| Transfers from Other Funds | | <u>1,626,448</u> |
| | | <u>\$4,387,071</u> |
| <i>PDF Woodfin Special Revenue Fund</i> | | |
| Economic & Physical Development | <u>\$576,950</u> | |
| Ad Valorem | | <u>\$576,950</u> |
| <i>Solid Waste Enterprise Fund:</i> | | |
| Enterprises – Landfill | <u>\$6,547,287</u> | |
| Other Taxes & Licenses | | \$257,487 |
| Intergovernmental | | 10,000 |
| Sales & Services | | 6,239,800 |
| Other | | <u>40,000</u> |
| | | <u>\$6,547,287</u> |

| FUND | APPROPRIATION | REVENUE |
|---------------------------------------------------|----------------------|-------------------------|
| <i>Inmate Commissary and Welfare Fund:</i> | | |
| Enterprises – Public Safety | <u>\$510,439</u> | |
| Sales & Services | | \$341,000 |
| Appropriated Fund Balance | | <u>169,439</u> |
| | | <u>\$510,439</u> |
| <i>BCAT Federal Forfeitures:</i> | | |
| Enterprises – Public Safety | <u>\$226,055</u> | |
| Intergovernmental | | <u>\$226,055</u> |
| <i>Sheriff Federal Forfeitures:</i> | | |
| Enterprises – Public Safety | <u>\$39,073</u> | |
| Intergovernmental | | <u>\$39,073</u> |
| <i>BCAT State Forfeitures:</i> | | |
| Enterprises – Public Safety | <u>\$196,100</u> | |
| Intergovernmental | | <u>\$196,100</u> |
| <i>Sheriff State Forfeitures:</i> | | |
| Enterprises – Public Safety | <u>\$25,175</u> | |
| Intergovernmental | | <u>\$25,175</u> |
| <i>Insurance Internal Service Fund:</i> | | |
| Enterprises – Insurance | <u>\$33,074,090</u> | |
| Sales & Services | | <u>\$33,074,090</u> |

Section 3: ***Tax Levy***

A tax rate of 60.4 cents per \$100 of assessed valuation is hereby levied for fiscal year 2016-2017, all of which is levied in the General Fund. This rate is based on an estimated total assessed, taxable property value of \$29.95 billion, and an estimated collection rate of 99.50 percent.

The tax rate of 15.0 cents per \$100 of assessed, taxable valuation is hereby levied for fiscal year 2016-2017 for the Asheville Local Tax School District.

The following tax rates are levied, for fiscal year 2016-2017, for Fire Districts per \$100 of assessed, taxable valuation which include the services contracted in a Rural Fire District known as West Buncombe Fire District pursuant to Article 3A of NCGS Chapter 69, and in

an Ambulance and/or Rescue Service District known as the West Buncombe Ambulance and Rescue Service District pursuant to Article 16 of NCGS 153A:

| CODE | DISTRICT | TAX RATE (in cents) |
|---------------------------------|---------------------------|----------------------------|
| DAS | Skyland – Biltmore Forest | 8.5 |
| FBA, DBA | Barnardsville | 15.0 |
| FBR | Broad River | 14.0 |
| FEB | East Buncombe | 9.9 |
| FEC | Enka | 9.0 |
| FFA | Fairview | 10.5 |
| FFB | French Broad | 14.0 |
| FGC | Garren Creek | 15.0 |
| DHA | Asheville Special | 9.7 |
| FJU | Jupiter | 12.0 |
| FLE, DLE | Leicester | 14.0 |
| FNB, DNN, DNB | N. Buncombe | 11.2 |
| FRC, DNR, DRC, DBE, FBE, DHC | Reems Creek/Beaverdam | 13.0 |
| FRE | Reynolds | 11.3 |
| FRI, DHI | Riceville | 11.0 |
| FSK, FFL, DSK | Skyland | 9.1 |
| FSW | Swannanoa | 12.9 |
| FUH, DUH | Upper Hominy | 12.5 |
| FWO, DWO | Woodfin | 10.0 |
| FWB, DWB | W. Buncombe | 12.0 |

Section 4: Compensation for the Chairman, Vice-Chairman, and Commissioners will be \$37,650, \$32,548, and \$28,916 respectively. Travel for official activities will be reimbursed under the same plan used for county employees.

Section 5: Subject to a pre-audit certificate thereon by the Finance Director, if applicable, and approval as to form and legality by County Legal Services, the County Manager and the Clerk to the Board are hereby authorized to sign all contracts where money has been appropriated in this fiscal budget, to execute contracts as well as the necessary documents and agreements and any amendments thereto which are not required to be bid, and those contracts needed to properly document budgeted appropriations, on behalf of Buncombe County within funds included in the Budget Ordinance. The County Manager shall further be authorized to reject any and/or all bids received if it is in the best interest of the County. The County Manager is authorized to transfer appropriations between functional areas within a fund up to \$75,000 per expenditure; however, any revisions that alter total expenditures of any fund must be approved by the Governing Board.

Section 6: The County Manager may transfer salary and wage appropriations to fund balance or contingency for each position vacated during fiscal year 2017. The intent is to reduce the fund balance appropriation and save all available funds as the savings opportunity arises.

- Section 7: The County Manager is hereby authorized to submit to the State of North Carolina a list of County requirements of apparatus, supplies, materials, or equipment and to make purchases for the County in any amount by participating in State Contracts under the rules established by the Department of Administration through its Division of Purchase and Contract from items bid by the State of North Carolina in accordance with the laws of this State, subject to budget limits approved by the Board of County Commissioners with no further bidding by County staff or award by the Commissioners, to the extent authorized by law.
- Section 8: The County Manager is authorized to use contracts established by the State of North Carolina, in accordance with statutes, policies, and rules of the Office of Information Technology Services, to make purchases of information technology equipment for the County in any amount at the same prices, terms, and conditions as the State contracts, without further compliance by the County with otherwise applicable competitive bidding requirements as authorized by the N.C.G.S. 147-33.82(b), subject to budget limits approved by the Board of Commissioners.
- Section 9: Pursuant to NCGS 153A-82, the County Manager shall appoint a Deputy Finance Officer with the full power and authority to act in the place and stead of the Buncombe County Finance Officer.
- Section 10: The position classification and pay plan listed in Exhibit A are hereby approved effective July 1, 2016.
- Section 11: *Official Declaration of Intent to Reimburse.* The County presently intends, and reasonably expects, to reimburse itself for expenditures (the “*Original Expenditures*”) related to (1) a new enterprise resource planning (ERP) software system and other information technology upgrades and (2) improvements to and, potentially, construction of school facilities (collectively, the “*Project*”) prior to the date of execution and delivery of certain tax-exempt obligations (the “*Obligations*”) that the County intends to use to finance the Project. The Original Expenditures have been incurred and paid by the County on or after the date occurring 60 days prior to the date of adoption of this Budget Ordinance. The County reasonably expects to execute and deliver the Obligations to finance all or a portion of the costs of the Project during fiscal year 2017 and the maximum principal amount of Obligations expected to be executed and delivered by the County to pay for all or a portion of the costs of the Project is \$44,200,000.

The County adopts this as a declaration of official intent under Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the County’s intent to reimburse itself for the Original Expenditures from proceeds of the Obligations.

The Finance Officer of the County, with advice from special counsel, is hereby authorized, directed and designated to act on behalf of the County in determining and itemizing all of the Original Expenditures incurred and paid by the County in connection with the Project during the period commencing on the date occurring 60 days prior to the date of adoption of this Budget Ordinance and ending on the date of execution and delivery of the Obligations.

- Section 12: Pursuant to the authority provided in N.C.G.S. 153A-13, and subject to budget limits approved by the Board of Commissioners, the Chairman of the Board of Commissioners and County Manager, or either of them, are authorized to execute on behalf of Buncombe County, continuing contracts, some portion or all of which are to be performed in ensuing fiscal years, provided sufficient funds are appropriated to meet any amount to be paid under the contract in the current fiscal year and further provided, in each future year, sufficient funds are to be included in the appropriations to meet the amounts to be paid under continuing contracts previously entered into.
- Section 13: Small Claims Committee. The small claims committee, consisting of the County Legal Services, County Manager, and Finance Director, is hereby given authority to settle matters up to \$30,000.
- Section 14: Pursuant to N.C. Gen. Stat. §159-30(g) and the June 21, 2011 Trust Agreement Establishing an Other Post-Employment Benefits Fund (“OPEB Fund”), it is hereby ordained that the Finance Director of Buncombe shall be appointed “Plan Administrator” for that Trust Agreement Establishing an OPEB Fund.
- Section 15: Pursuant to NCGS § 159-32, which requires each officer and employee of the County whose duty it is to collect or receive any monies to deposit these collections and receipts daily unless the governing board authorizes that deposits shall be required only when the monies on hand amount to as much as two hundred fifty dollars (\$250.00), each and every separate cash collection site of the County is hereby authorized to retain funds overnight and are not required to make daily deposits so long as no site has on hand collected cash exceeding \$250.00 in total. Each cash collection site must, however, deposit all funds on the last business day of each month even if that amount is less than \$250.00.
- Section 16: The County Manager is hereby authorized to amend and revise, as needed, the Buncombe County Purchasing Card Policy and Procedures and the County Travel Policy, subject to budget limits approved by the Board of Commissioners.
- Section 17: The asset capitalization threshold as established in Buncombe County Resolution # 14-09-07 is hereby increased to \$25,000 with the following exceptions: 1) All vehicles acquired by the County shall continue to be recorded as capital assets regardless of the cost; and 2) All assets acquired with award/grant monies, in part or in whole, required to be recorded as capital assets in order to fulfill the requirements set out in the Code of Federal Regulations or other applicable award/grant contracts.
- Section 18: Pursuant to NCGS § 143-64.32, the County Manager, or her authorized designee, is hereby authorized to make written exemption of the provisions of Article 3D, Chapter 143 on behalf of the County to particular projects in the case of proposed projects where an estimated professional fee is in an amount less than fifty thousand dollars (\$50,000).
- Section 19: As required by the Payment Card Industry Data Security Standard (PCI DSS) Program, Buncombe County shall adopt a formalized Payment Card Industry (PCI) Compliance

Policy to ensure reduced risk and improved security for citizens making credit/debit card payments to the county. As found in Exhibit B this policy reflects the County's new security designation of SAQ B-IP, which regulates the level of oversight required to maintain PCI compliance.

Section 20: Article III, Section 10.P of the Buncombe County Personnel Ordinance is amended by deleting the existing section and adding the following:

“P. Thru December 31, 2019, all exempt employees shall receive the equivalent of one week of compensatory time on July 1 of each year. Exempt compensatory time not taken may be rolled over to the following fiscal year. Exempt compensatory time over 100 hours can be sold with Department Director approval.”

Section 21: Any salary increase personnel action shall require County Manager approval. All reclassifications of positions require County Manager approval before submitting a Personnel Action Form.

Section 22: To make commensurate with City of Asheville budget action, included in the base budget is a compensation increase of 3.5%. 2.0% of that amount shall go to all employees effective July 1, 2016. The County Manager retains discretion in dispersing the remaining 1.5%.

Section 23: The Planning and Development fee schedule detailed in Exhibit C is hereby approved effective July 1, 2016.

Section 24: The Permits and Inspection fee schedule detailed in Exhibit D is hereby approved effective July 1, 2016.

Section 25: The County Manager is hereby authorized to approve and adjust annual rates for Mountain Mobility services.

Section 26: Restrict county departments from applying for regional grants that involve more than Buncombe County, municipalities inside the county, and county based partner agencies.

Section 27: The 2014 Buncombe County Employee Retirement Incentive Plan attached as Exhibit M of the Buncombe County Personnel Ordinance is amended as follows:

Section I: By deleting Section I.A in its entirety and replacing it with the following:

“A. The 2014 Buncombe County Employee Retirement Incentive Plan includes:

1. One year of the employee's annual salary to be paid out on a bi-weekly basis over three years or may be advanced for retention purposes as approved by the Board Chairman or County Manager. Any remaining payments shall terminate upon the retiree's death and any remainder shall not be paid out to the retiree's beneficiary or estate.

2. Consistent with the Buncombe County Personnel Ordinance, Employees may choose one of the two options as follows:

- a. Medicare Supplement Payment Plan: Upon the attainment of age 65 and eligibility for Medicare, the County of Buncombe shall pay a monthly sum of \$268.00 (minus taxes) for the purpose of purchasing a Medicare Supplement and assisting in prescription drug costs. This amount shall be paid to the retiree for the remainder of the retiree's life. The amount of \$268.00 shall not be decreased or increased as future Medicare reforms and revisions take effect. Any and all payments shall terminate upon the retiree's death.
- b. Lump Sum Payment Plan. At the time of retirement the retiree is entitled to a one-time payment of one-half of the retiree's annual salary. (As specified in Article VII Section 4.H.2.c of the Buncombe County Personnel Ordinance.)”

Section II: By deleting Section II in its entirety and replacing it with the following:

“II. In lieu of severance pay as provided in Article VIII of the Buncombe County Personnel Ordinance, the 2014 Buncombe County Employee Retirement Incentive Plan shall be offered to any employee whose position is eliminated due to a Reduction-In-Force in through September 1, 2016 if such employee is eligible to receive an early (reduced) or service (unreduced) retirement benefit from the North Carolina Local Governmental Employees' Retirement System as of the effective date of such Reduction-In-Force.”

Section III: By adding the following section:

“III. Effective July 1, 2016, any employee who files a letter of retirement with the Human Resources Department by September 1, 2016 specifying a specific date of retirement between July 1, 2016 and January 1, 2020 and retires from the County no later than to January 1, 2020, shall only need to complete 18 years of service with Buncombe County and qualify for an unreduced retirement under the Local Government Employee Retirement System (LGERS) on his or her selected date of retirement to be eligible for the early retirement benefits as set forth in Paragraph I of this Policy. Employees who fail to retire by the date set out in their letter of retirement must requalify for eligibility under Paragraph I of this Policy. Employees may be able to retire earlier than the date set forth in their letter of retirement so long as the employee meets the eligibility retirement set forth in Paragraph III on their new date of retirement.”

Section 28: Article I, Section 3.B.1.e of the Buncombe County Personnel Ordinance is amended to read as follows by deleting the existing Section 3.B.1.e and replacing it with the following section:

“e. Granted “Covered Employee” status after the first twelve months of consecutive service.”

Section 29: Article I, Section 3.B.2.e of the Buncombe County Personnel Ordinance is amended to read as follows by deleting the existing Section 3.B.2.e and replacing it with the following section:

“e. Granted “Covered Employee” status after the first twelve months of consecutive service.”

Section 30: Article I, Section 3.B.6 of the Buncombe County Personnel Ordinance is amended to read as follows by deleting the words “twenty-four” in the first sentence and replacing it with the word “twelve”.

Section 31: Article I, Section 4 of the Buncombe County Personnel Ordinance is amended to read as follows by deleting the words “twenty-four” in the first sentence of the definition of Covered Employee and replacing it with the word “twelve”.

Section 32: Article IV, Section 13.A, of the Buncombe County Personnel Ordinance is amended to read as follows by deleting the existing Sec. 13.A and replacing it with the following section:

“Section 13. At-Will Periods of Employment

A. An employee appointed to a regular position will be an employee at-will with no property interest in his or her position from the time of appointment to the position until the employee has successfully completed twelve months of continuous service. For employee hired prior to July 1, 2016, this section applies retroactively and the twelve month period shall be counted from the employee’s time of appointment.

If the employee meets the requirements after twelve months of continuous service, the employee will achieve Covered Employee status.”

Section 33: Article IV, Section 13.B, of the Buncombe County Personnel Ordinance is amended to read as follows by deleting the existing Section 13.B and replacing it with the following:

“B. The work of a new employee shall receive a special performance rating at six months and twelve months. An overall rating of “Meets Expectations” or better must be received to continue employment. Should an employee receive a rating below a “Meets Expectations” in any portion of the six- or twelve- month appraisal, continued employment must be approved by the Department Head and a timeframe must be set to reassess the employee’s performance not to exceed three months so that a final decision of continued employment may be made.”

Section 34: Article VI, Section 30, of the Buncombe County Personnel Ordinance is amended to read as follows by deleting the existing Section 30 and replacing it with the following:

“If employees are unable to report to work, or feel it necessary to leave work due to severely inclement weather, road conditions and natural or manmade disasters, they may elect to take the day off as a day of vacation, compensatory time or if all applicable leave

balances have been exhausted a day off without pay. This section shall not be applicable to Emergency Services personnel or other personnel in key positions needed to maintain County services.”

Section 35: Article III, Section 4 of the Buncombe County Personnel Ordinance is amended to read as follows by deleting the existing Section 4 and replacing it with the following:

“Section 4. Hiring Rate/Starting Salary

- A. The minimum rate established for the class is the lowest rate of the first quartile on the salary scheduled.
- B. Appointment may be made anywhere within the first or second quartile upon recommendation of the Department Head and approval of the Human Resources Director.
- C. Appointment in the third quartile and above may be made upon the recommendation of the Department Director and Human Resources Director and approval by the County Manager.
- D. Above the second quartile, appointment shall be based on such factors as the qualifications of the applicant being hiring than the minimum education and/or training for the class, and/or shortage of qualified applicants to accept employment within the first or second quartile on the salary schedule.”

Section 36: Article VI, Section 6.D.1 of the Buncombe County Personnel Ordinance is amended to read as follows by deleting the existing Section 6.D.1 and replacing it with the following:

“1. Any employee with more than two years of annual leave at their existing accrual rate shall have the excess accumulation converted to sick leave once per year.”

Section 37: The County Manager’s Employment Agreement recorded in the Clerk Minutes Book 107, Page 761 Section 3.A is amended by deleting phrase “six (6) months” and replacing it with “Twelve (12) months”, and adding “Two thirds of extra hours worked without pay will convert to exempt compensatory time.”

Section 38: All non-elected appointed officials shall be awarded 300 hours of exempt compensation time as of July 1, 2016.

Section 39: Article III, Section 5 of the Buncombe County Personnel Ordinance is amended to read as follows by adding subsection E to read as follows:

“E. The County Manager and Chairman for appointed positions have authority to award bonuses and incentive payments to employees subject to availability of funds in the departmental appropriations.” This action retroactively approves any incentive payments.

Section 40: Article VIII, Section 7.C.3 of the Buncombe County Personnel Ordinance is amended to read as follows by deleting the existing Article VIII, Section 7.C.3 and replacing it with the following:

“3. Disciplinary actions remain active for 18 months unless further disciplinary action occurs prior to the action becoming inactive. Should further disciplinary action occur within the active 18 month period, then all active disciplinary actions will be extended for the time period of the most recently issued actions.”

Section 41: Appendix B, Section 9 of the Buncombe County Personnel Ordinance is amended by adding the following:

“E. If an employee has more than one current FMLA circumstance which requires intermittent or reduced schedule leave, the employee should indicate on his or her timecard the circumstance necessitating the leave.”

Section 42: Article I, Section 4 of the Buncombe County Personnel Ordinance shall be amended to read as follows by adding the following after the last sentence in the definition of “Aggregate Service”:

“For an employee rehired on or after July 1, 2016, this definition is not applicable for annual leave and longevity accrual rates and said accrual rates shall be calculated based on the date of rehire.”

Section 43: Article VII, Section 4.D.1.f of the Buncombe County Personnel Ordinance is amended by adding the following sentence to the end of the paragraph:

“For an employee hired on or after July 1, 2016, the employee shall not be eligible for a pro-rated longevity payment upon separation by retirement if the employee retires before December 1.”

Section 44: Article VII, Section 4.D.3. of the Buncombe County Personnel Ordinance is amended by adding the following subparagraph:

“e. For persons rehired after July 1, 2016, the individual’s total aggregate longevity county service shall be calculated from the date of rehire.”

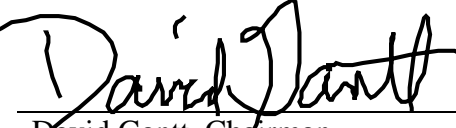
Section 45: Copies of this Budget Ordinance will be furnished to the County Manager, Assistant County Managers, Finance Director, Budget & Management Services Director, Human Resources Director, and Tax Director for direction in fulfilling the responsibilities of their offices.

Adopted this the 21st day of June, 2016.

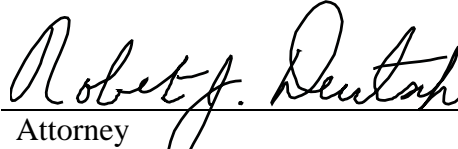
Attest:


Clerk to the Board

Buncombe County Board of Commissioners:


David Gantt, Chairman

Approval as to form:


Attorney