

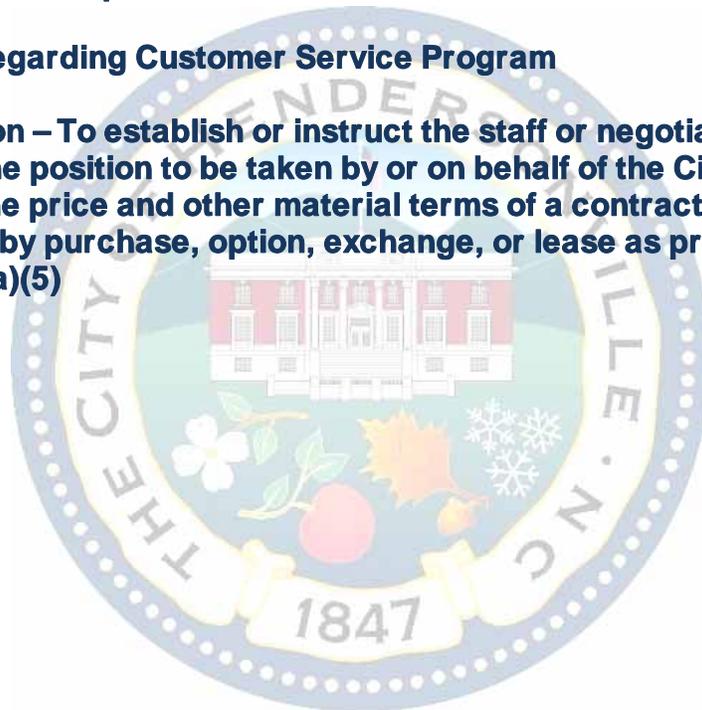
AGENDA

CITY OF HENDERSONVILLE CITY COUNCIL – SPECIAL MEETING

FEBRUARY 27, 2014 – 6:00 P.M.

Second Floor Conference Room – City Hall

- 1. Call to Order:**
- 2. Review of Capital Improvement Plan**
- 3. Discussion Regarding Customer Service Program**
- 4. Closed Session – To establish or instruct the staff or negotiating agent concerning the position to be taken by or on behalf of the City Council in negotiating the price and other material terms of a contract for the acquisition of real property by purchase, option, exchange, or lease as provided under NCGS §143-318.11(a)(5)**



CIP Workshop FY14-15

**Capital Improvement Plan
FY14-15 to FY18-19**

February 27, 2014

Agenda

CIP Purpose Review

3

Financial Condition & Peer Comparison

4

General Fund Debit Capacity Review

5

General Fund Projects- Short-Term

6

General Fund Projects- Long-Term

7

Water & Sewer Fund Debt Capacity Review

8

Water & Sewer Fund Projects- Short Term

9

Water & Sewer Fund Projects- Long Term

10

Comments & Questions

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Defining a CIP

- ▶ What is a CIP
 - Multiyear Forecast of City's Capital Needs
 - Budget Projections and Impact Tool
 - Planning Document

- ▶ What a CIP is not
 - An Adopted Budget
 - A Static Planning Tool

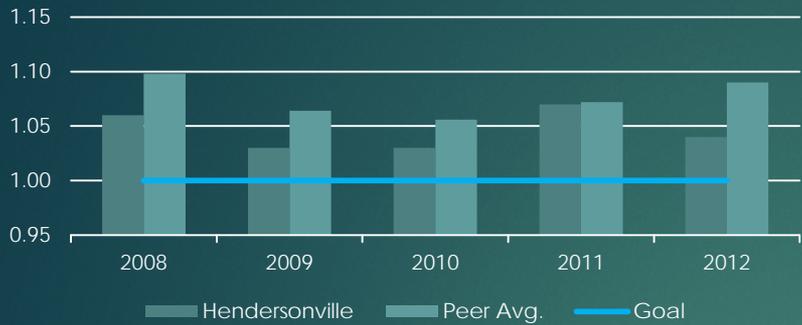
2014-2015 CIP Goals

- Establish a sustainable Capital Improvement Program
- Focus on existing facilities and infrastructure
- Develop a solid plan for new facilities
- Provide for economic development and high quality of life
- Improve service effectiveness and efficiency
- Maintain financial stability

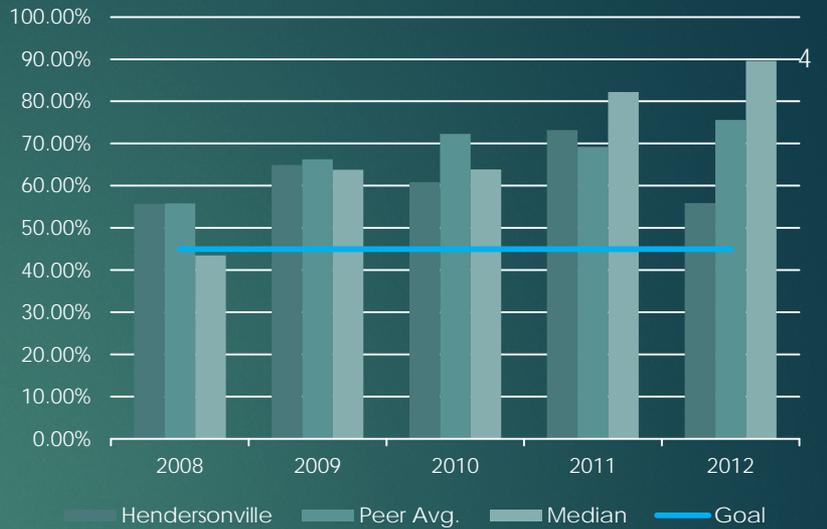
CIP Policies

- Cost greater than \$5,000 and a projected useful life greater than 5 years
- Debt issue shall not exceed the useful life of the asset
- All possible outside funding sources for CIP projects
- Borrowing limitation of the City to maintain fiscal stability
- Financial analysis will accompany the CIP
- Financial indicators within an acceptable level as compared to peer cities
- Pay-as-go financing when possible, particularly for capital assets with costs less than \$75,000
- Fund balance goal of 45% designated for capital projects

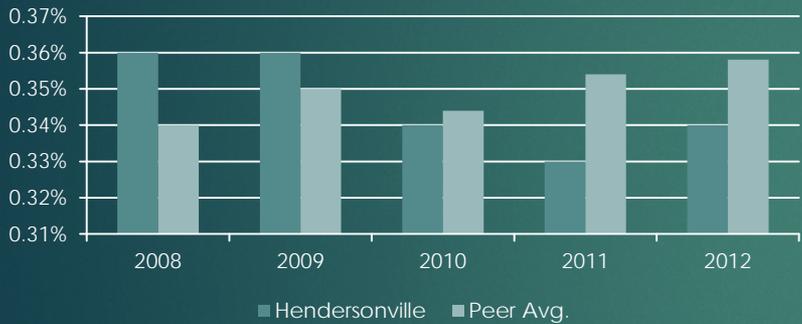
Service Obligation: Operations Ratio



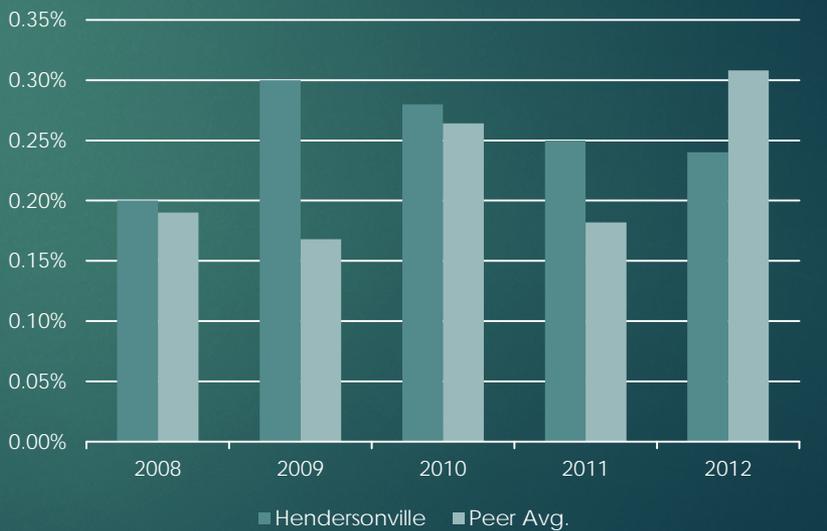
Solvency: Fund Balance



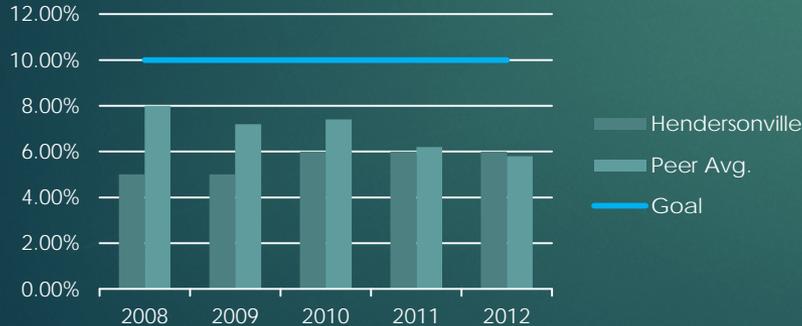
Dependency: Intergovernmental Ratio



Leverage: Debt per Assessed Value

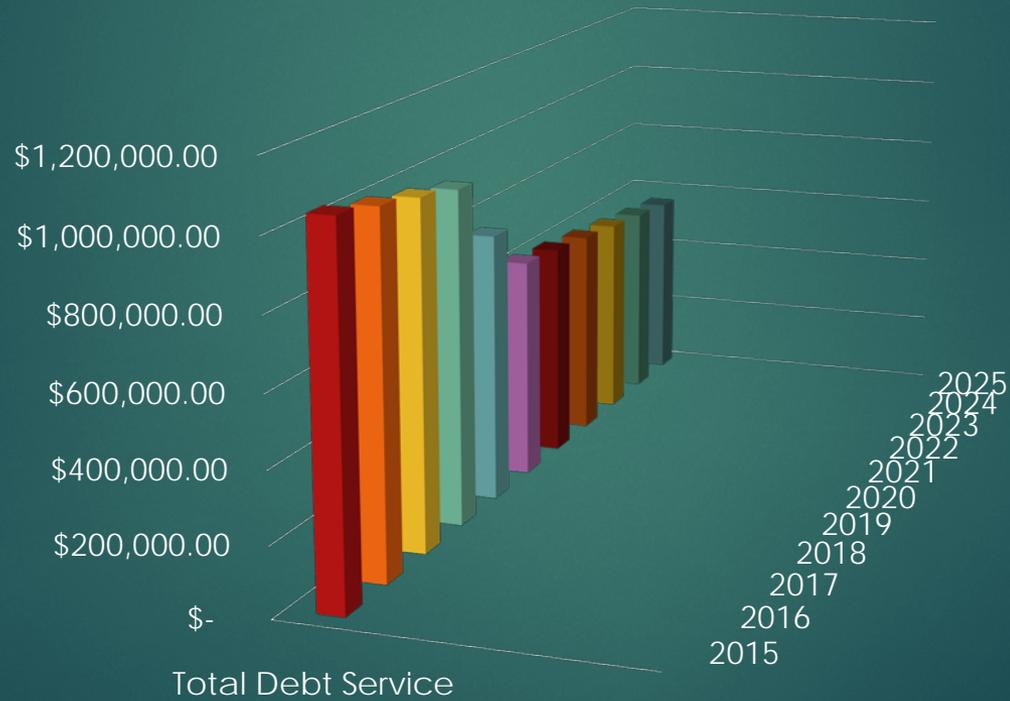


Financing Obligation: Debt Service Ratio



Debt Capacity

General Fund



Short-Term General Fund Projects (Years 1)

- Sullivan Park Improvements (\$75k)
- Maple Parking Lot Resurfacing (\$20K)
- Whitmire Center Parking Lot Resurfacing (\$16K)
- PW Dump Truck (85K)
- Sugarloaf Road Warehouse Building Improvements (\$25k)
- Sugarloaf Road Forklift (\$8K)
- Phone System Upgrade(\$75k)
- Police Radio System Upgrade(\$9K)

General Fund Programs

- Vehicles
 - Fire, Police, Public Works Planning, Police, Zoning
- Equipment
 - Property Maintenances, Engineering, IT
- Sidewalks & Street Paving

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General Fund Discussion

- Project Specific Questions?
- Are You Comfortable With Projects?
- Have Projects Been Omitted?
- Financial Impact Questions?

Long-Term General Fund Projects (Years 2-5+)

- Berkley Mills Park (\$700K) (Yrs.2-4)
- Fire Engine 4 (\$900K) (Yr. 4)
- Gateway Park (\$110K)(Yr.5)
- Southside Park (\$2.4million)(Yrs. 5+)

General Fund Programs

- Fire Apparatus
- Parking Lots (city-owned)
- Parks & Playgrounds
- Sidewalks & Greenways
- Public Buildings & Facilities

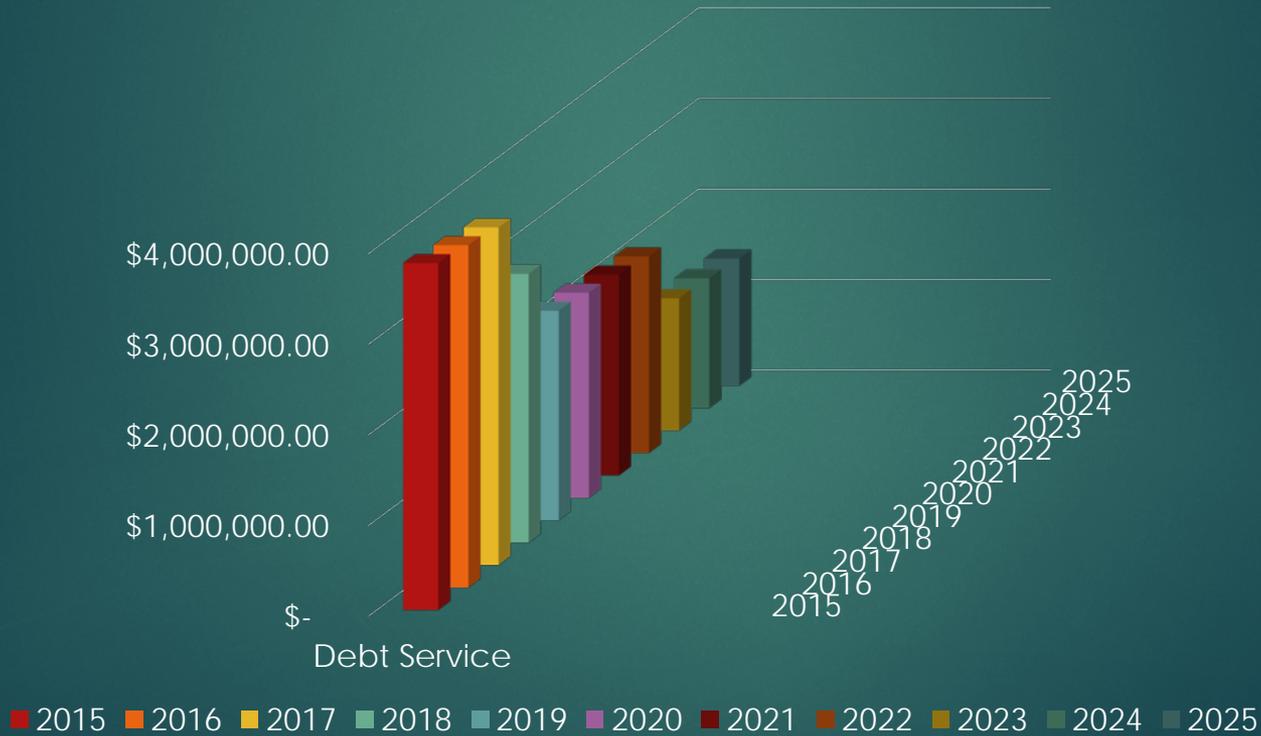
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General Fund Discussion

- Project Specific Questions?
- Are You Comfortable With Projects?
- Have Projects Been Omitted?
- Financial Impact Questions?

Debt Capacity

Water and Sewer Fund



Short-Term W&S Fund Projects (Years 1)

- Sugarloaf Roof Repair (\$75k)
- Equipment Shelter (\$100K)
- Fletcher Area Water Improvements(\$433K)
- Etowah Water System Improvements (\$2.8 mill.)
- Sewer Projects (\$10mill.)
- Raw Water Intake Screen (\$32K)
- U.S. 64 NCDOT Relocation (\$1 mill.)

Water & Sewer Fund Programs

- Vehicles
- Water and Sewer
- Line Maint. Equipment
- Generator & ATS
- Inflow & Infiltration
- Water Line Repairs
- Sewer Line Repairs

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Water & Sewer Fund Discussion

- Project Specific Questions?
- Are You Comfortable With Projects?
- Have Projects Been Omitted?
- Financial Impact Questions?

Long-Term W&S Fund Projects (Years 2-5+)

- Eastside Transmission Line (\$2 mill.) (Yrs. 3 &4)

- S. Rugby Water 12 inch Main Interconnection (\$1.25 mill.) (Yrs. 2&3)

- WWTP Sludge Drying System (\$2.6 mill.) (Yrs. 4&5)

- Upward Road NCDOT Reimbursement(\$1.15 mill.) (Yr. 3)

- SCADA Upgrade (1.4 mill.) (Yrs. 2&3)

Water & Sewer Fund Programs

- Infrastructure Repairs and Upgrades

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Water & Sewer Fund Discussion

- Project Specific Questions?

- Are You Comfortable With Projects?

- Have Projects Been Omitted?

- Financial Impact Questions?

Other Projects

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Environmental Services Fund

- ▶ Patton Park Pond (\$32K) (Yr. 1)
- ▶ Clairmont Drive Stormwater Improv. (\$400K) (Yr. 2)
- ▶ Jonesboro Stormwater Pipe (\$13K) (Yr.2)

Grant/ Bond Projects

- ▶ U.S. 64 Sidewalk Improvements (\$260K) (Yr. 1)
- ▶ North Main Street Sidewalks (\$350K) (Yr. 1)
- ▶ Oklawaha Greenway (\$1.3 mill.) (Yrs. 1&2)
- ▶ Blythe Street Sidewalk (250K) (Yr. 2)
- ▶ Academy Road Water Project (\$956K) (Yr. 1)

Questions & Comments?

CIP WORKSHOP FY14-15 TO FY18-19

City of Hendersonville
2014-2015 Capital Improvement Plan

Department	Project	Dept. Totals	Funding Source	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Future Years
Engineering	Trimble GPS		GF/ Cash	\$ 16,000.00					
		Dept. Totals		\$ 16,000.00					
Fire	Replace Engine 4		Loan				\$ 900,000.00		
	Ford Explorer		GF/ Cash	\$ 29,000.00					
	Chevy Silverado		GF/ Cash		\$ 29,000.00				
		Dept. Totals		\$ 29,000.00	\$ 29,000.00	\$ -			
Police	Radio System Upgrade		GF/Cash	\$ 9,000.00					
	Viper Radio System		GF/Cash			\$ 18,000.00			
	Police Motorcycle Replacement		GF/Cash		\$ 26,000.00				
	Police Vehicle Replacement		GF/Cash	\$ 202,000.00	\$ 202,000.00	\$ 202,000.00	\$ 202,000.00	\$ 202,000.00	
	MDT Replacements		GF/Cash	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	\$ 22,000.00	
		Dept. Totals		\$ 233,000.00	\$ 250,000.00	\$ 242,000.00	\$ 224,000.00	\$ 224,000.00	
Public Works	Fleet Maintenance Lot Resurfacing		GF/Cash		\$ 65,000.00				
	Sullivan Park Improvements		GF/Cash	\$ 75,000.00					
	Patton Park Light Replacement		GF/Cash			\$ 150,000.00			
	Patton Park Bridge Replacement		GF/Cash		\$ 50,000.00				
	Berkely Park Improvements		Grant/Cash		\$ 200,000.00	\$ 250,000.00	\$ 250,000.00		
	Hendersonville Gateway Park		GF/Cash					\$ 110,000.00	
	Southside Park Development		Grant/Loan						\$ 2,400,000.00
	Shuffle Board Court Repairs		GF/Cash		\$ 17,000.00				
	Resurface Parking Lot @ Whitmire		GF/Cash	\$ 20,000.00					
	Maple Street Improvements		GF/Cash				\$ 270,000.00		
	Maple Parking Lot Resurfacing		GF/Cash	\$ 16,000.00					
	Hanging Baskets - King Street		GF/Cash				\$ 12,000.00		
	Oakdale Columbarium		GF/Cash						\$ 18,000.00
	Patton Pool Covers		GF/Cash		\$ 18,000.00				
	Tracey Grove Road Bridge Rep.		80% NCDOT				\$ 210,000.00		
	Rotary Park Playground Upgrade		Grant						\$ 150,000.00

City of Hendersonville
2014-2015 Capital Improvement Plan

Department	Project	Dept. Totals	Funding Source	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Future Years
Information Technology	Server Upgrades		GF /Cash	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	
	Phone System		GF /Cash	\$ 75,000.00					
	Software Upgrade		GF/Cash		\$ 31,000.00				
	Computer Software		GF/Cash	\$ 9,000.00	\$ 9,000.00				
	Water Modeling Software		W/S Cash				\$ 20,000.00		
		Dept. Totals			\$ 92,000.00	\$ 48,000.00	\$ 8,000.00	\$ 28,000.00	\$ 8,000.00
Zoning	Replacement of Vehicle		GF/Cash	\$ 29,000.00					
		Dept. Totals		\$ 29,000.00					
General Fund Total				\$ 1,144,000.00	\$ 1,361,000.00	\$ 1,322,000.00	\$ 1,476,000.00	\$ 832,000.00	
Enviromental Services Fund	Clairmont Drive Stormwater Improv.		Grant/Loan		\$ 400,000.00				
	Jonesboro Stormwater Pipe Install		EF/Cash		\$ 13,000.00				
	Patton Park Pond		EF/Cash	\$ 32,000.00					
	Refuse Vehicle								
		Dept. Totals			\$ 32,000.00	\$ 413,000.00			
Environmental Service Fund Totals				\$ 32,000.00	\$ 413,000.0	\$ -	\$ -	\$ -	\$ -

City of Hendersonville
2014-2015 Capital Improvement Plan

Department	Project	Funding Source	Total Project Cost	Spent to Date	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Future Years
Water and Sewer	Eastside Transmission Main	Cash/Loan					\$ 129,000.0	\$ 2,732,000.0		
	WTP Relocate Raw Water Intake - MR	Cash					\$ 42,000.0	\$ 568,000.0		
	Highway 64 Relocation NCDOT	Cash		\$ 1,030,000.0						
	Fletcher Area Water Improvements	Cash		\$ 433,000.0						\$ 4,853,000.0
	Southside Water System Improvements	Cash			\$ 353,000.0	\$ 1,182,000.0				
	Etowah Water Sys. Improvements	Loan		\$ 2,843,000.0						
	Eastside Improvements - Phase III	Cash							\$ 89,000.0	\$ 1,721,000.0
	S. Rugby Road Water Main Intercon.	Cash					\$ 49,000.0	\$ 1,201,000.0		
	Rudgy Drive 12 Inch Interconnection	Cash				\$ 51,000.0	\$ 394,000.0			
	Upward Road W/S NCDOT	Cash						\$ 1,155,000.0		
	SCADA Upgrade	Cash				\$ 700,000.0	\$ 700,000.0			
	WTP High Service Pump	Loan/Grant				\$ 2,600,000.0				
	Jackson Pk Sewer Interceptor	Loan		\$ 4,146,000.0						
	Shepard Creek Sewer Outfall	Loan		\$ 1,733,000.0						
	Wolfpen Sewer Outfall	Loan		\$ 3,152,000.0						
	WWTP Sludge Drying System	Cash/Loan							\$ 221,000.0	\$ 2,483,000.0
	WWTP Expand. 6.0 MGD	Loan								\$ 7,566,000.0
	WTP Centrifuge	Cash					\$ 300,000.0			
	Vacuum Excavator	Cash		\$ 24,000.0						
	Excavator and Trailer	Loan		\$ 145,000.0						\$ 69,000.0
	Replace Dump Truck 22-11	Cash				\$ 69,000.0				
	Replace Dump Truck 22-12	Cash						\$ 69,000.0		
	WTP Raw Water Intake Screen	Cash		\$ 32,000.0						\$ 32,000.0
	WTP Jet Mixer for Chemical Mixing	Cash				\$ 62,000.0				
	WTP SCADA System Servers	Cash							\$ 26,000.0	\$ 78,000.0
	CCTV Sewer Inspection Vehicle	Loan								\$ 470,000.0
	Sewer Vactor Truck Replace	Loan								\$ 718,000.0
	WWTP Generator & ATS	Loan				\$ 911,000.0				
	Sewer Backhoe Replacement	Cash					\$ 69,000.0			
	Dump Truck Replace - Sewer	Cash						\$ 69,000.0		
	Dump Truck Replace - Sewer	Cash								
	9-tonTrailer - Sewer	Cash				\$ 19,000.0				
	WWTP Gravity Sand Filters Renov	Cash								
	Skid Steer ROW Clearing Equipment	Cash								
	Equipment Shed	Cash		\$ 100,000.0						
	Motor Vehicles	Cash		\$ 55,000.0	\$ 55,000.0	\$ 55,000.0	\$ 55,000.0	\$ 55,000.0	\$ 55,000.0	
	Generators and ATS	Cash		\$ 150,000.0	\$ 150,000.0	\$ 150,000.0	\$ 150,000.0	\$ 150,000.0	\$ 150,000.0	
	Inflow and Infiltration Repairs	Cash		\$ 100,000.0	\$ 100,000.0	\$ 100,000.0	\$ 100,000.0	\$ 100,000.0	\$ 100,000.0	
	Water Repair and Replacements	Cash		\$ 400,000.0	\$ 400,000.0	\$ 400,000.0	\$ 400,000.0	\$ 400,000.0	\$ 400,000.0	
	Sewer Repairs & Replacement	Cash		\$ 400,000.0	\$ 400,000.0	\$ 400,000.0	\$ 400,000.0	\$ 400,000.0	\$ 400,000.0	
Dept Totals					\$ 14,743,000.0	\$ 5,939,000.0	\$ 5,194,000.0	\$ 5,827,000.0	\$ 3,703,000.0	\$ 15,507,000.0
				Cash Totals	\$ 2,724,000.0	\$ 2,428,000.0	\$ 5,194,000.0	\$ 3,095,000.0	\$ 1,220,000.0	
				Loan Totals	\$ 12,019,000.0	\$ 3,511,000.0	\$ -	\$ 2,732,000.0	\$ 2,483,000.0	
Water and Sewer Fund Totals					\$ 14,743,000.0	\$ 5,939,000.0	\$ 5,194,000.0	\$ 5,827,000.0	\$ 3,703,000.0	

City of Hendersonville
2014-2015 Capital Improvement Plan

Total Project											
Department	Project	Dept. Totals	Funding Source	Cost	Spent to Date	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	Future Years
Engineering	Highway 64 Sidewalk Improvements		100% Grant			\$ 260,000.00					
Engineering	Greenway Trail - Phase III		100% Grant			\$ 1,300,000.00					
Engineering	N. Main Street Sidewalks		2008 Bond			\$ 350,000.00					
Engineering	Blythe Street Sidewalks		2008 Bond				\$ 250,000.0				
Water/Sewer	Academy Road (Dana)		95% Grant/5% Cash			\$ 956,000.0					
Grant / Bond Totals						\$ 2,866,000.00	\$ 250,000.00				

CITY OF HENDERSONVILLE

BUDGET & ACTUAL COMPARISON

&

PROJECTION OF SHORTAGE FOR NEXT YEAR DRAFT BUDGET

	PRIOR YEAR 2012-2013 ACTUAL	CURRENT YEAR 2013-2014 BUDGET	NEXT YEAR 2014-2015 DRAFT BUDGET	CHANGE 2014 VS 2015 NEXT YEAR DRAFT BUDGET VS. CURRENT YEAR BUDGET	% CHANGE
REVENUES	11,852,899	11,483,553	11,757,259	273,706	2.38%
Proceeds of Debt/Loan	600,000		300,000		
Appropriated Fund Balance		1,395,964	647,000		
Transfer from Capital Reserve	_____	_____	200,000		
TOTAL REVENUES & OTHER SOURCES	12,452,899	12,879,517	12,904,259		
PERSONNEL	7,963,802	8,634,675	8,952,309	317,634	3.68%
OPERATING	2,259,497	3,523,842	3,516,262	(7,580)	-0.22%
CAPITAL	1,383,829	721,000	1,000,000	279,000	38.70%
REVENUES OVER OR (UNDER)	845,771	-	(564,312)		
EXPENDITURES					

Property Tax:

Fiscal Year 2012-2013	Value	Rate	Amount of Levy	Collection Rate:
Tax Levy	1,631,243,100	0.41	6,688,097	
Penalty			4,986	
Net Levy			6,693,083	
Uncollected			139,538	
Collected			6,553,545	97.92%
Net Levy			6,693,083	
		Value per 1 cent	163,246	
		With Collection Rate		

Projection for Next Year	Value	Rate	Amount of Levy	Collection Rate:
Tax Levy	1,650,243,100	0.44	7,261,070	
Penalty			5,015	
Net Levy			7,266,085	
Uncollected			148,228	
Collected			7,117,857	97.96%
Net Levy			7,266,085	
		Value per 1 cent	165,138	
		With Collection Rate		

Increase needed **0.03** **564,312** **564,312**