

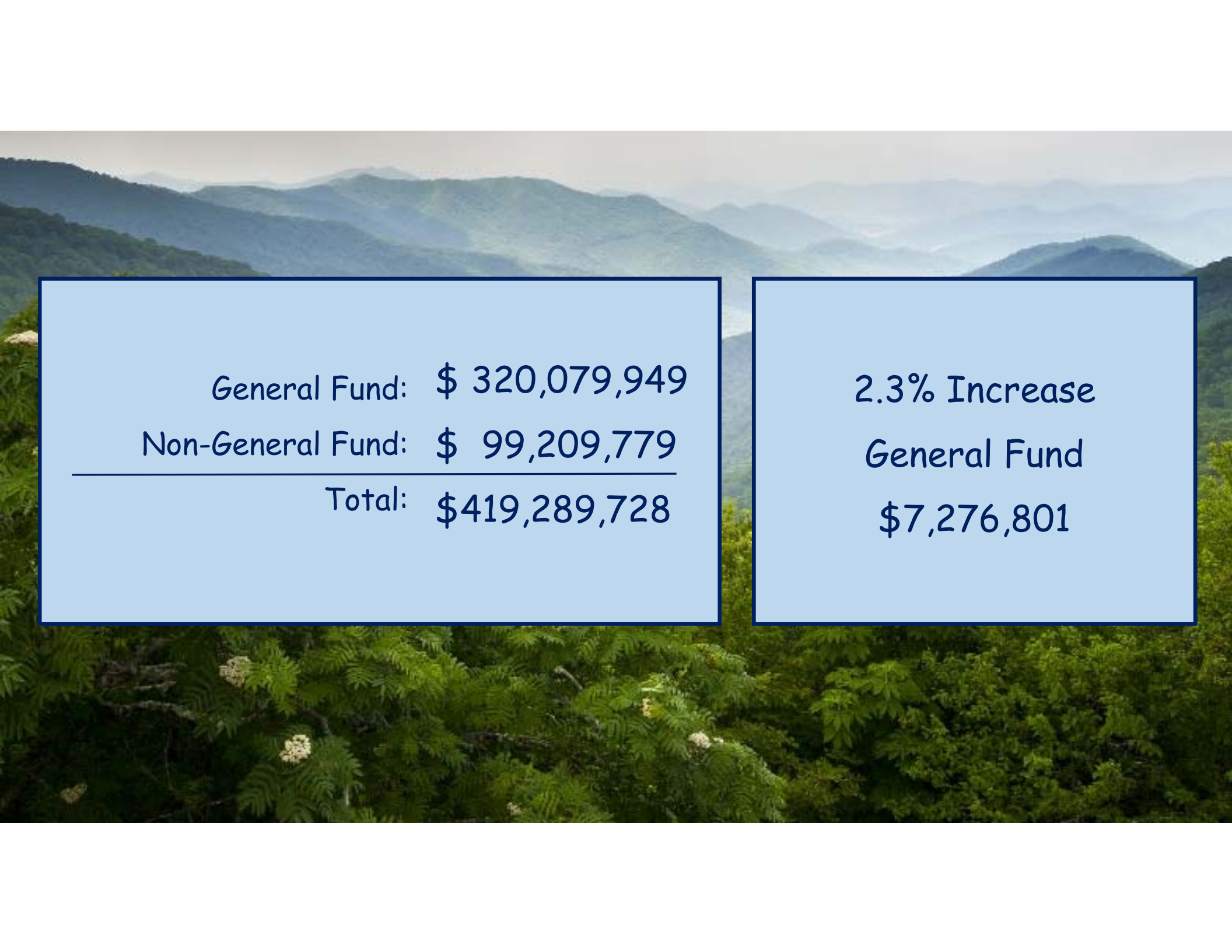
Buncombe County FY2017-18 Budget Message

Dr. Wanda Greene

County Manager

May 2, 2017





General Fund: \$ 320,079,949
Non-General Fund: \$ 99,209,779

Total: \$419,289,728

2.3% Increase
General Fund
\$7,276,801

Revenue Neutral

- 2003 - General Assembly enacted S.L. 2003-64
- Requires:
 - Each taxing unit to publish a revenue-neutral rate
 - Calculate old Real Estate Values vs. new Real Estate Values

Revenue Neutral Tax Rate

2017 Rate

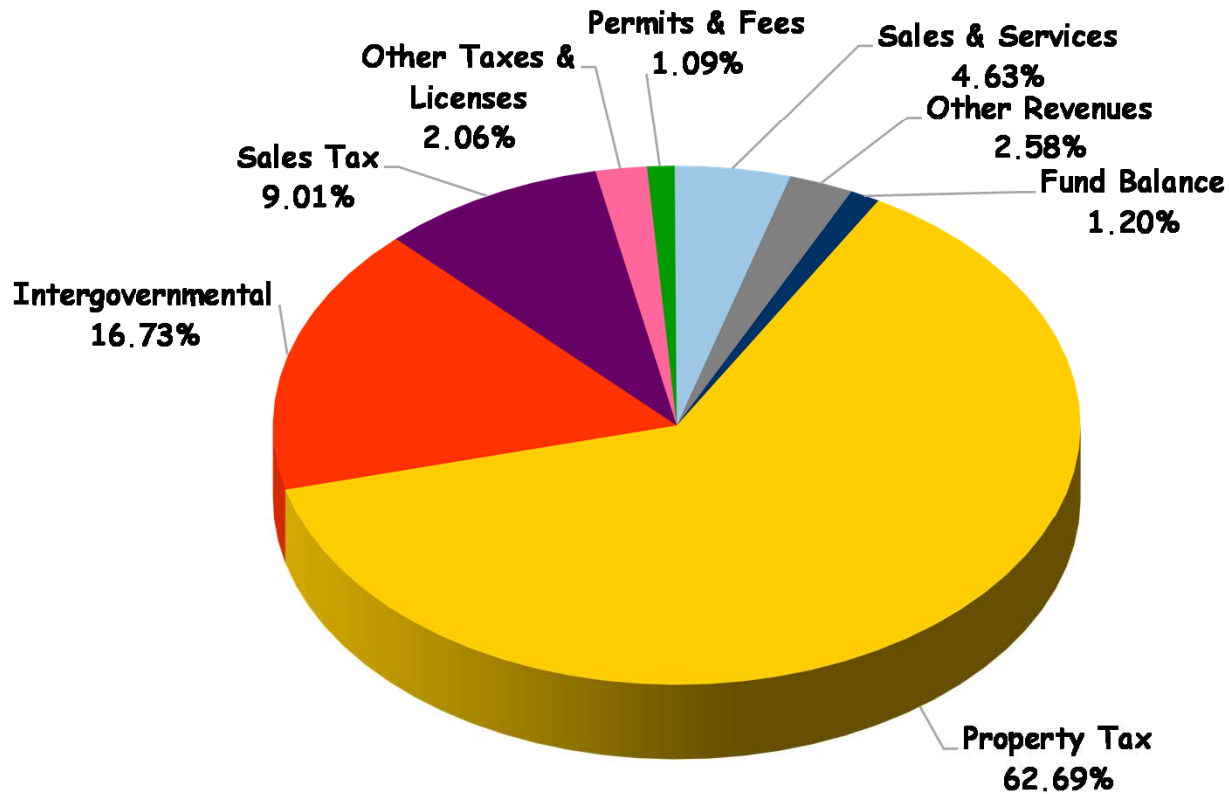
60.4 cents

Revenue Neutral Rate

51.3 cents



FY2017-2018 General Fund Revenues



FY2017-2018
General Fund Revenues

Revenue Source	Revenues	% of 2018 Budget
Property Tax	\$200,658,978	62.69%
Intergovernmental	53,555,016	16.73%
Sales Tax	28,851,375	9.01%
Other Taxes & Licenses	6,581,520	2.06%
Permits & Fees	3,501,655	1.09%
Sales & Services	14,821,204	4.63%
Other Revenues	8,270,732	2.58%
Fund Balance	3,839,469	1.20%
TOTAL	\$320,079,949	100.00%

Following Sales Tax Through Buncombe County Government

For every purchase made in Buncombe, you pay a 7% sales tax.



That 7% tax equals 7 pennies for every dollar spent.

NC D.O.R. sends 2 ¼ of those pennies to the counties and cities of sale.



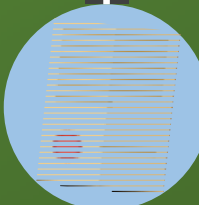
County staff allocate out based on laws and property tax values.



½ penny goes to the School Capital Fund Commission.



¼ penny is reserved per Article 46.



Buncombe County Government receives the Buncombe portion of those 2 ¼ pennies.



... and finally, Buncombe County Government.

The remaining 1 ½ pennies are distributed between...

Municipalities...



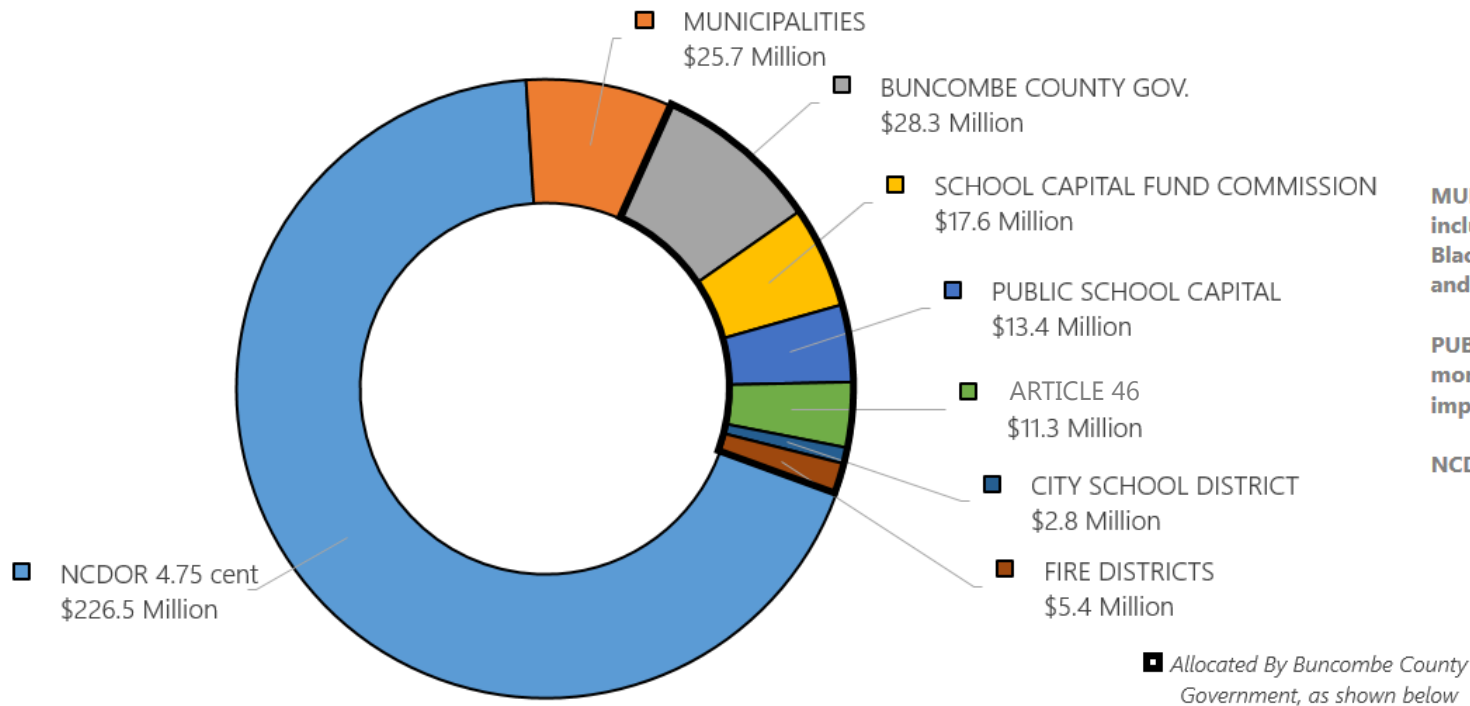
Fire Districts...



School Capital...



FY2016 Sales Tax Proceeds



TERMS USED:
MUNICIPALITIES: Incorporated areas including Asheville, Biltmore Forest, Black Mountain, Montreat, Weaverville, and Woodfin

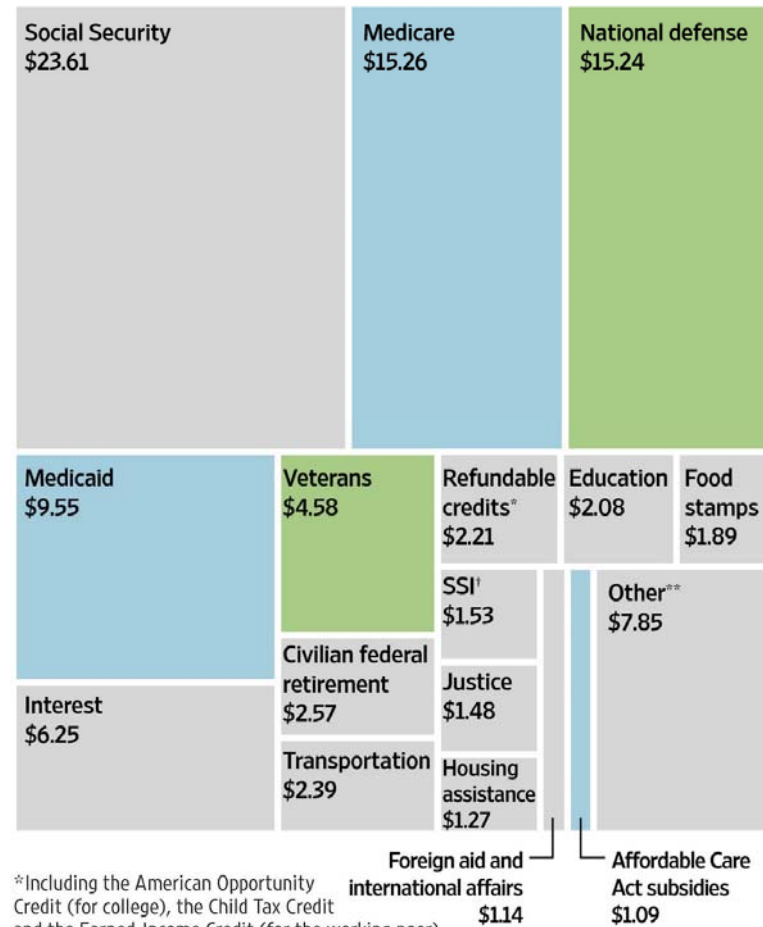
PUBLIC SCHOOL CAPITAL: Indicates monies earmarked for capital improvements for both school districts

NCDOR: NC Department of Revenue

Taxpayer Receipt: Where Your Dollars Go

Allocation of \$100 paid in federal taxes for 2016

■ Health ■ Defense and military ■ Other

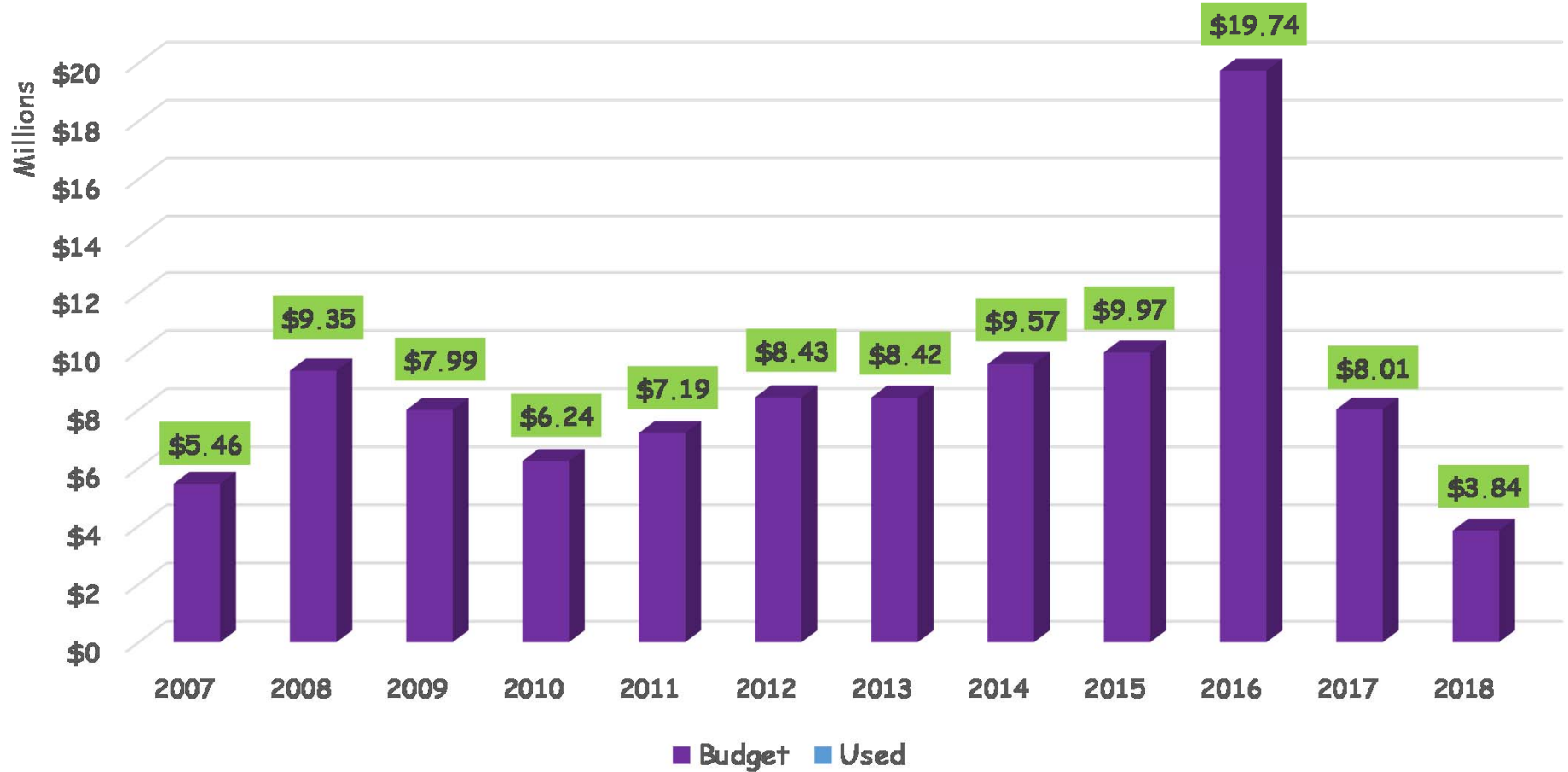


*Including the American Opportunity Credit (for college), the Child Tax Credit and the Earned-Income Credit (for the working poor)
 †Supplemental Security Income

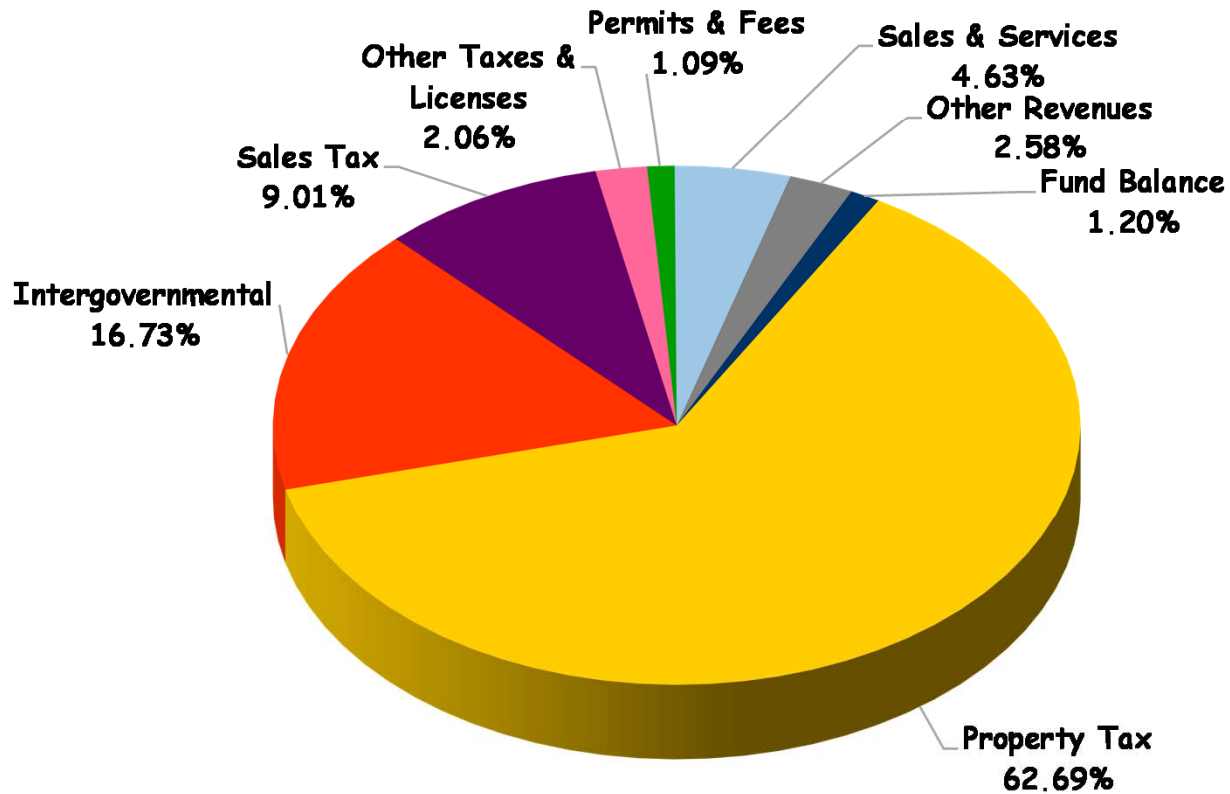
**'Other' includes 36 cents of other health-related items

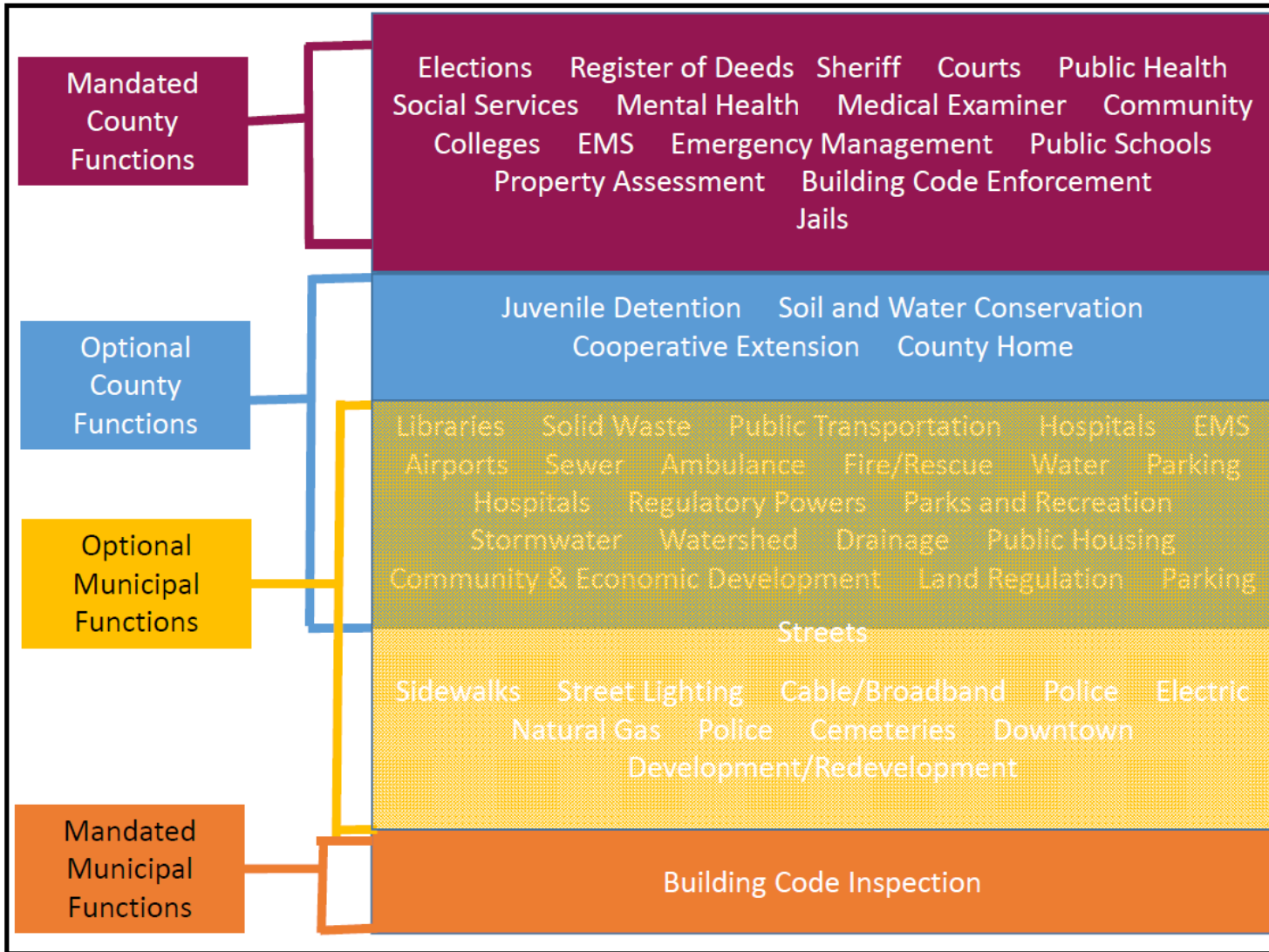
Source: Committee for a Responsible Federal Budget

Appropriated Fund Balance (in millions)

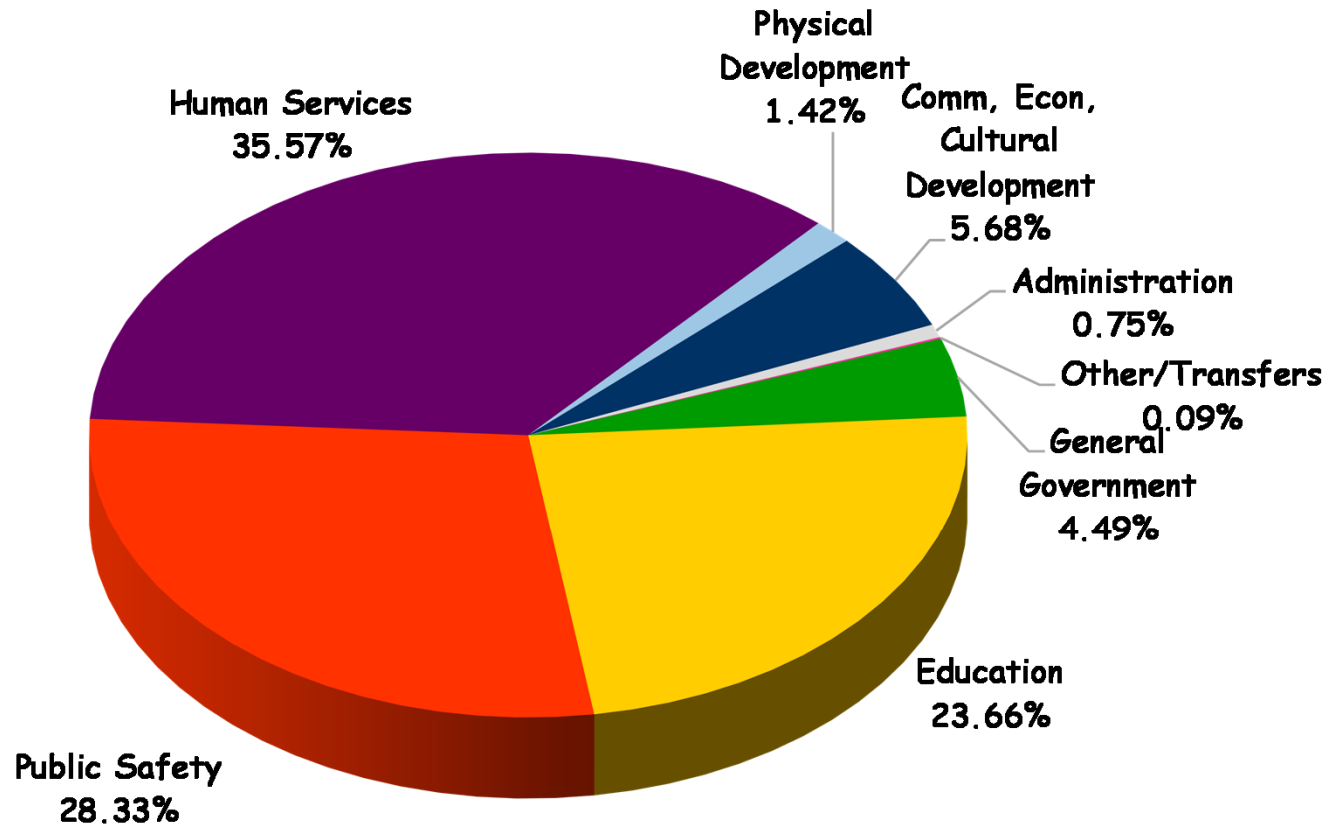


FY2017-2018 General Fund Revenues





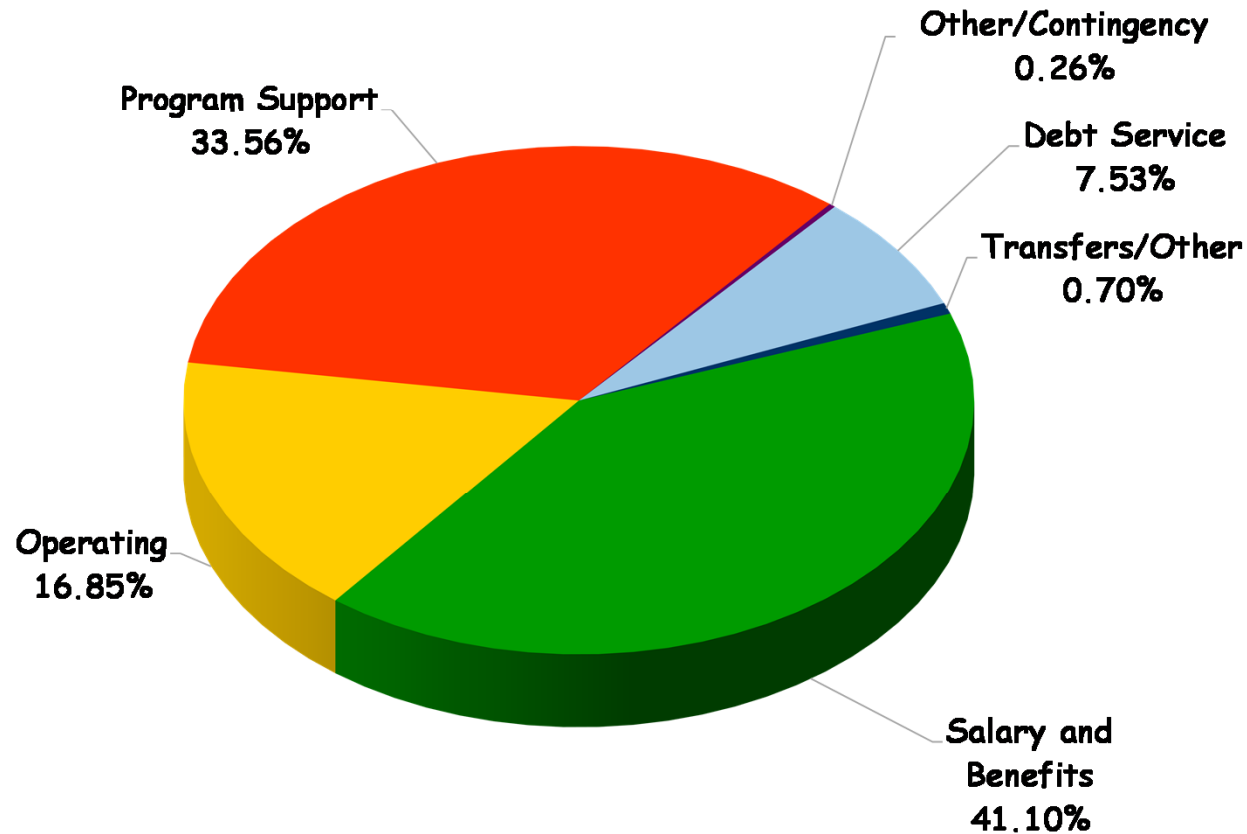
General Fund Spending FY2017-2018



General Fund Spending FY2017-2018

Function	Expenditures	% of Total Budget
General Government	14,387,471	4.49%
Education	75,732,521	23.66%
Public Safety	90,666,816	28.33%
Human Services	113,848,404	35.57%
Economic/Phys Dev	4,561,008	1.42%
Culture/Recreation	18,177,898	5.68%
Administration	2,403,831	0.75%
Other/Transfers	302,000	0.09%
TOTAL	320,079,949	100.00%

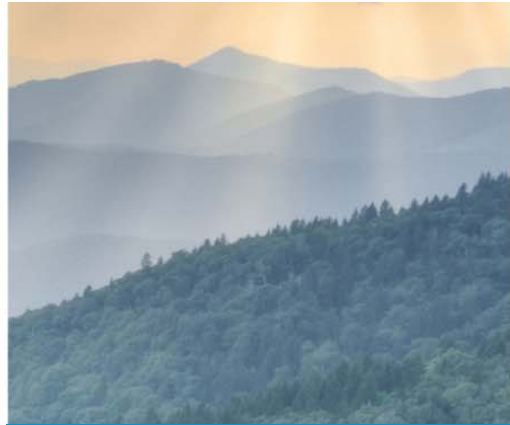
General Fund Expenditures by Type





Salary & Benefits

\$131 million
41%



Operating

\$53.9 million
17%



Program Support

\$107.4 million
34%



Debt Service

\$24.1 million
8%

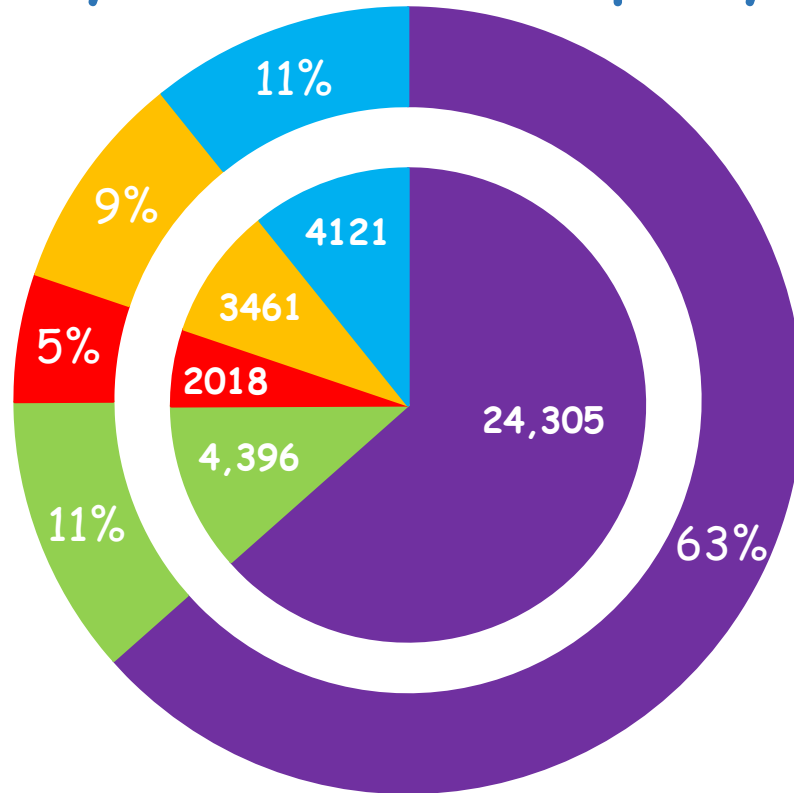


Education

- Buncombe County Schools
- Asheville City Schools
- AB Tech Community College



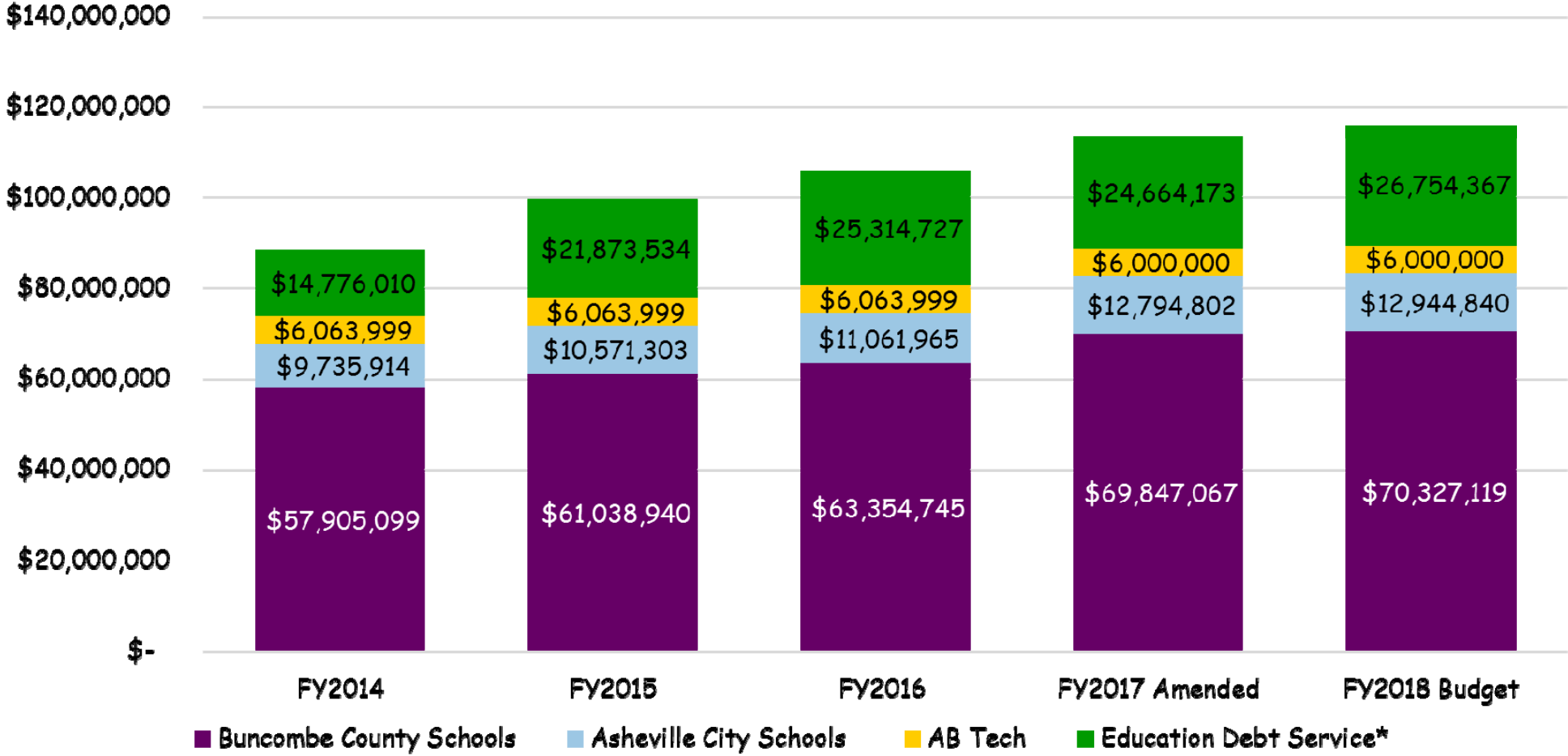
Average Daily Membership By School Type



■ Buncombe County Schools ■ Asheville City Schools ■ Charter Schools ■ Private Schools ■ Home Schools

*Data based on 2016 NC DPI/DOA Final ADM Reports

Total Education Appropriations



*Education Debt Service is all governmental funds

New Costs Included in FY2018 Budget

HS Campus & Parking Deck Debt Service	\$4,739,025
Equity Task Force Recommendations	\$ 500,000
Support for NC Fast Implementation	\$ 176,854
Mandated State Retirement Increase	\$ 173,500
Courthouse Exterior Repair Debt Service	\$ 171,446
Sustainability Office	\$ 122,179
Coxe Ave Addition & Parking Utilities	\$ 111,691

FY2018 Capital Projects

(Annual Debt Service)

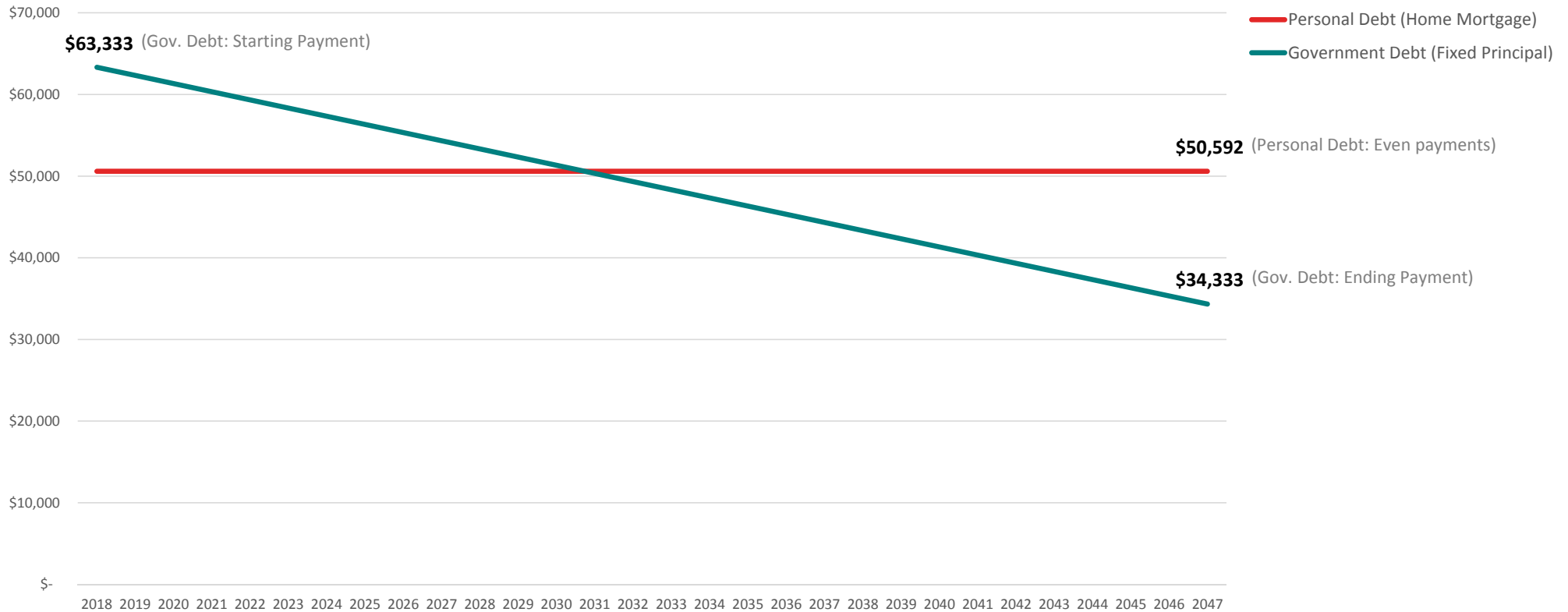
Courthouse Exterior Repair	\$171,446
Detention Center A Cooling Tower Replacement	\$ 28,793
Carbon Reduction Measures:	\$ 22,182
Interior Lighting Retrofit, Exterior LED Lighting, Chiller Pipe Insulation Replacement, Efficient Condensing Unit	

Personal vs. Governmental Debt

\$1,000,000 for **30** Years at **3.0%** Fixed Rate

Payment Amounts

(Yearly Payments, Over Life of Debt)



Personal vs. Governmental Debt

\$1,000,000 for **30** Years at **3.0%** Fixed Rate



PERSONAL DEBT (MORTGAGE STYLE)

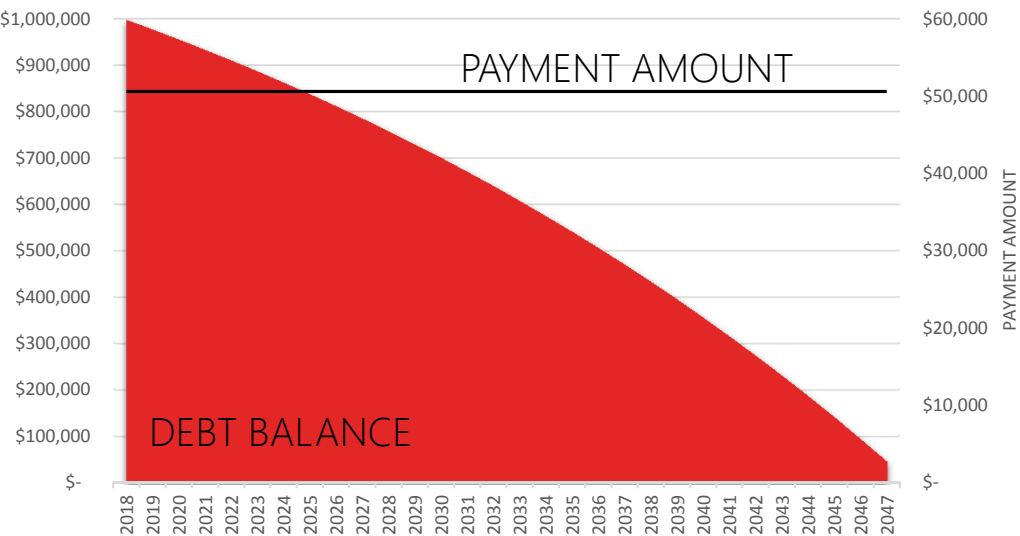
- Payment stays the same
- Interest repayment "front-loaded",
- Principal balance repaid slowly at first

First Year Payments: **\$50,592**

Total Interest: **\$517,774**

Last Year Payments: **\$50,592**

Total Cost: **\$1,517,774**



GOVERNMENTAL DEBT (STRAIGHT-LINE)

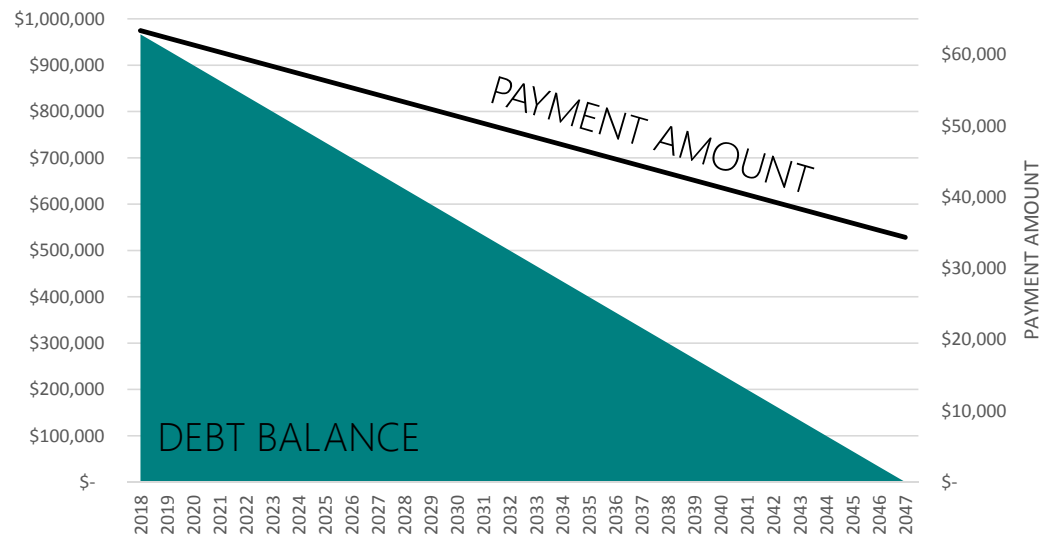
- Payments start high, decrease over time
- Less Interest Paid
- Risk-averse

First Year Payments: **\$63,333**

Total Interest: **\$465,000**

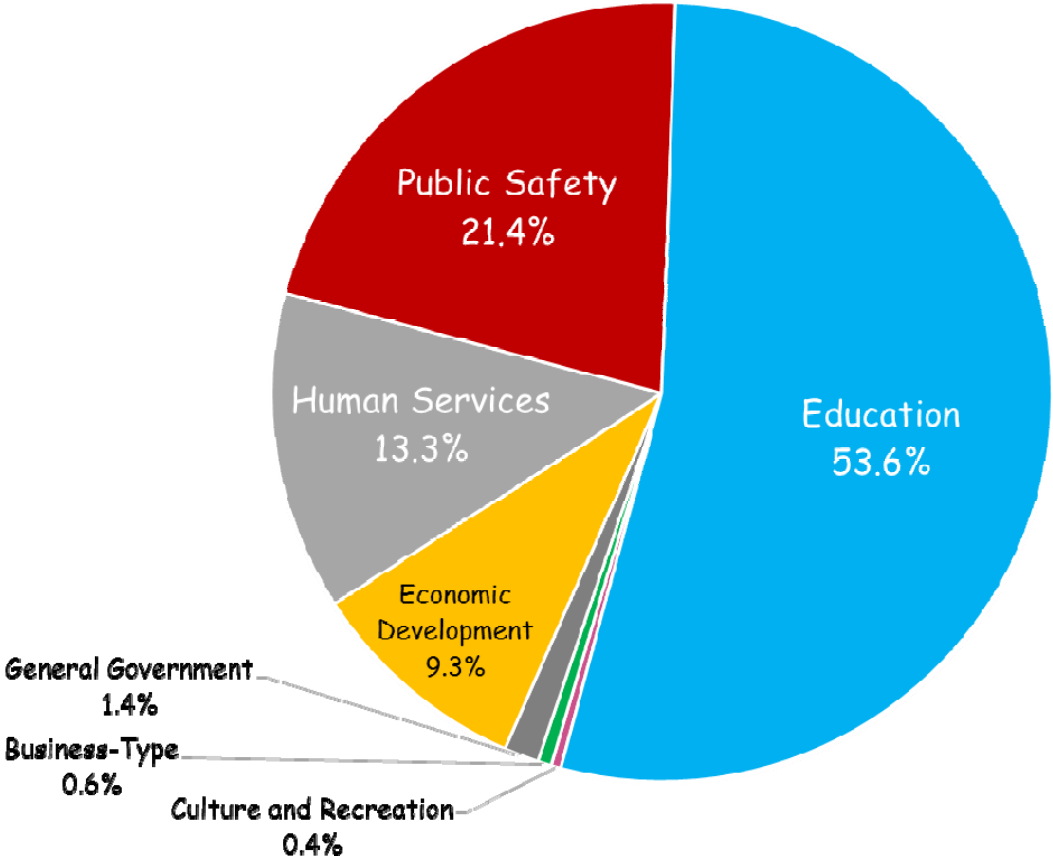
Last Year Payments: **\$34,333**

Total Cost: **\$1,465,000**

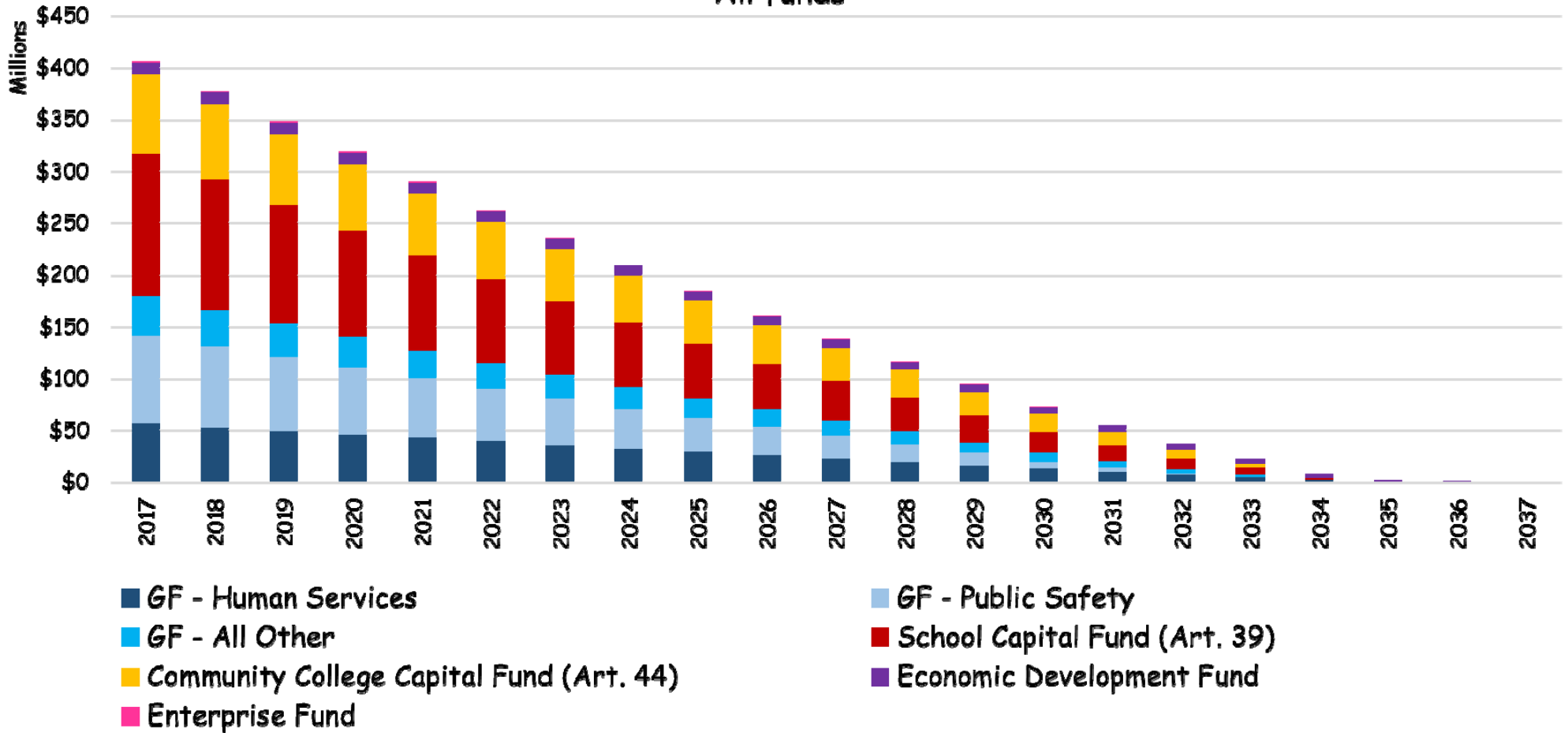


Debt by Function

All Funds

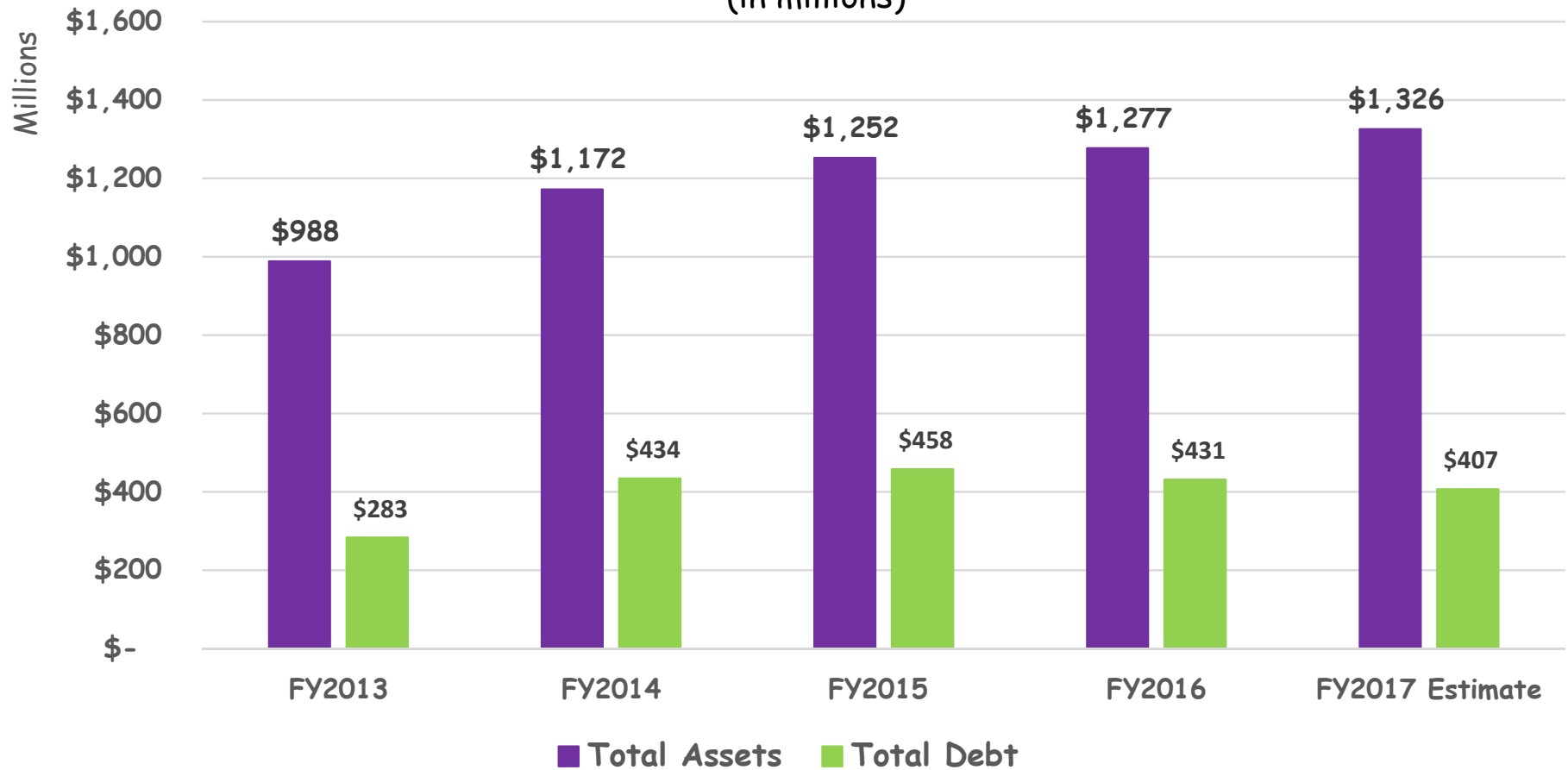


Long-term Debt Outstanding By Funding Source All funds



Debt to Assets

Assets = County, BCS, ACS, ABTCC
(in millions)



Compared to a Home Loan



Home Value
\$200,000



Mortgage
\$61,000



Legislative Concerns

- House Bill 13: K-3 Class Size
- Senate Bill 126: Sales Tax



Budget Retreat & Presentation
May 16, 2017
12:00pm



Public Hearing
June 6, 2017
5:00pm