



# BUDGET & FINANCIAL UPDATE

*As of 3<sup>rd</sup> Quarter, Fiscal 2018*

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# BUDGET UPDATE

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3<sup>rd</sup> Quarter, Fiscal 2018

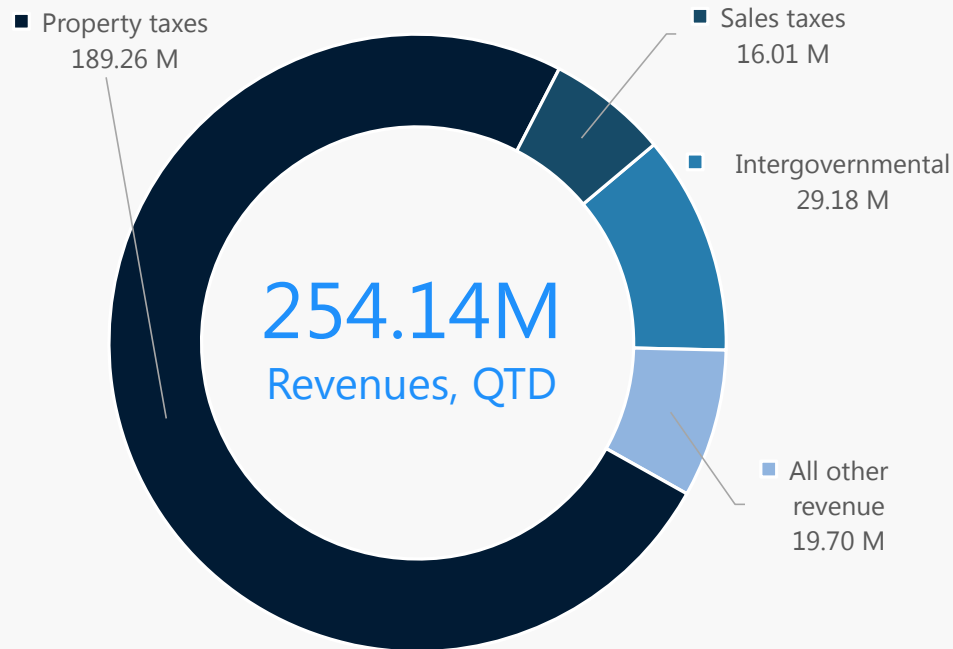


# Quarter-to-Date Overview

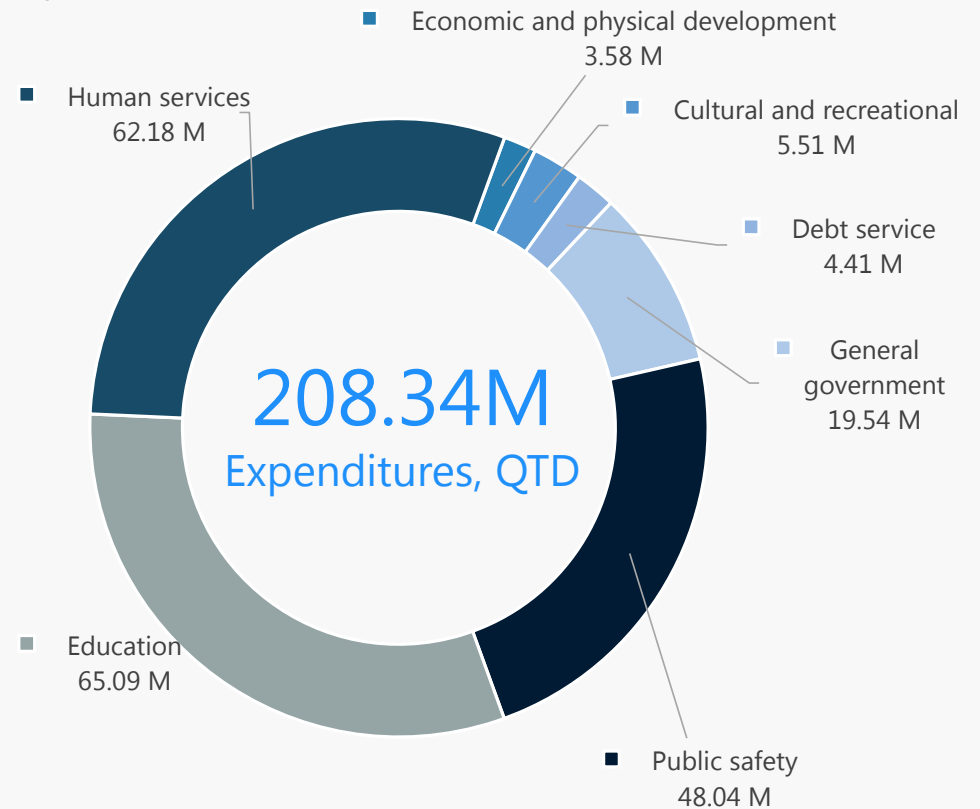
General Fund Revenues and Expenditures As of 3<sup>rd</sup> Quarter, Fiscal 2018

**\$330.9M** General Fund  
Total Budget

## Revenues, Quarter-to-Date

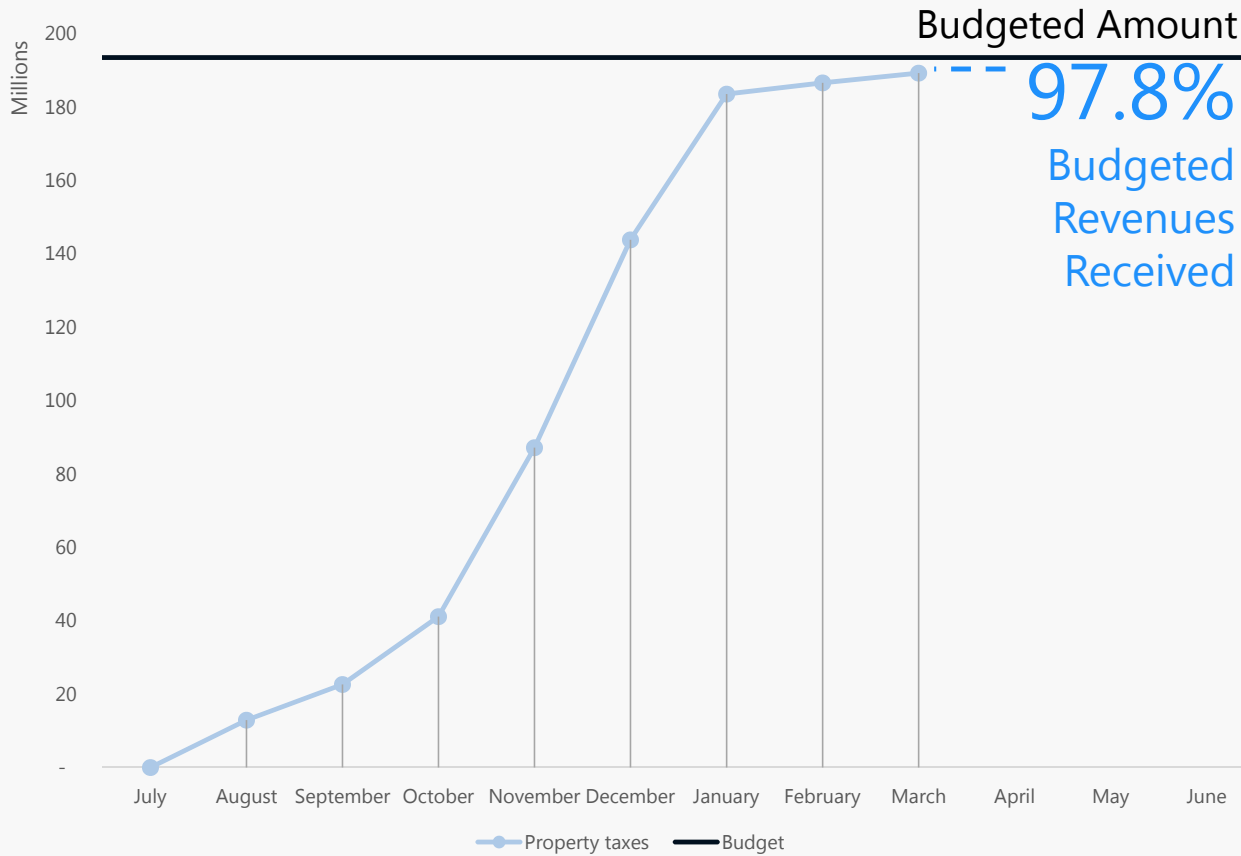


## Expenditures, Quarter-to-Date



# Property Tax Revenues

As of Q3, Fiscal 2018

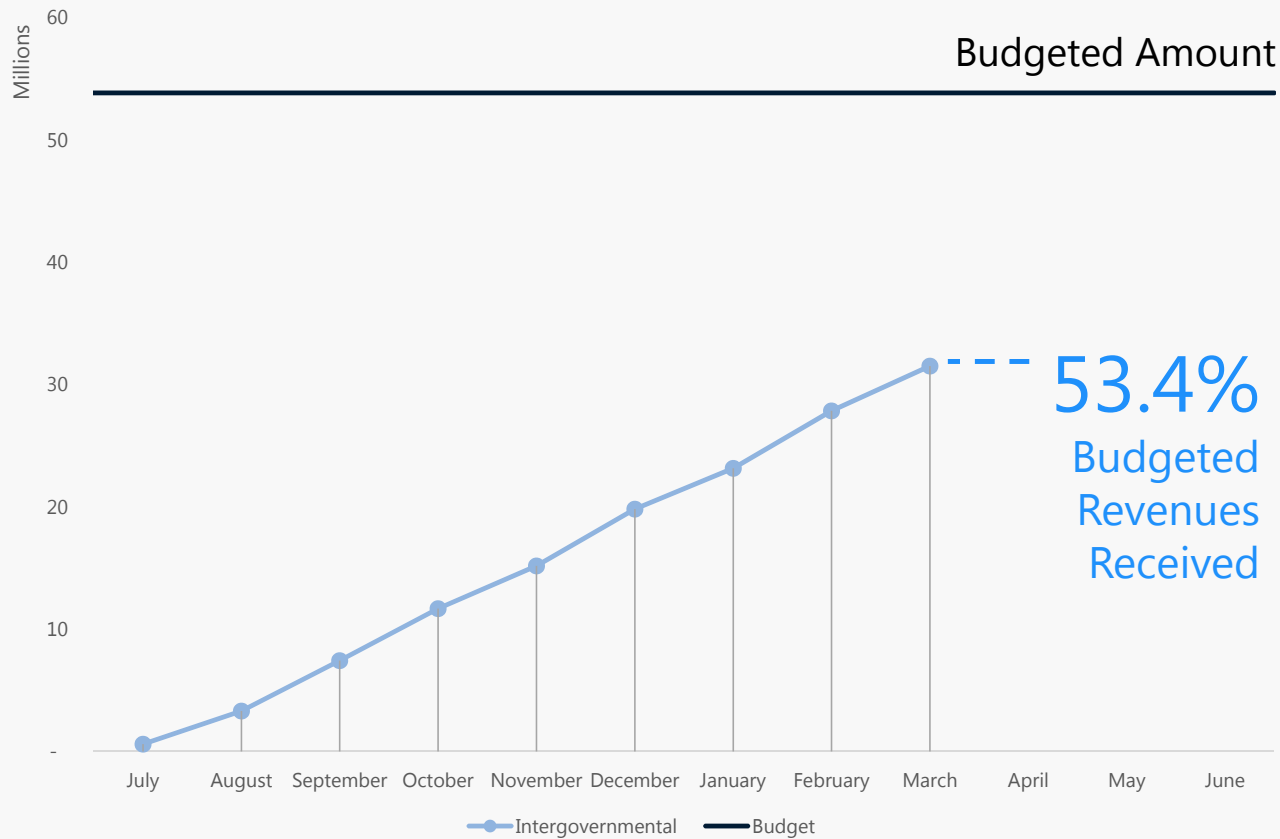


- Trend as expected with January due date for property tax bills
- Will continue to receive DMV and late payments through year end



# Intergovernmental Revenues

As of Q3, Fiscal 2018

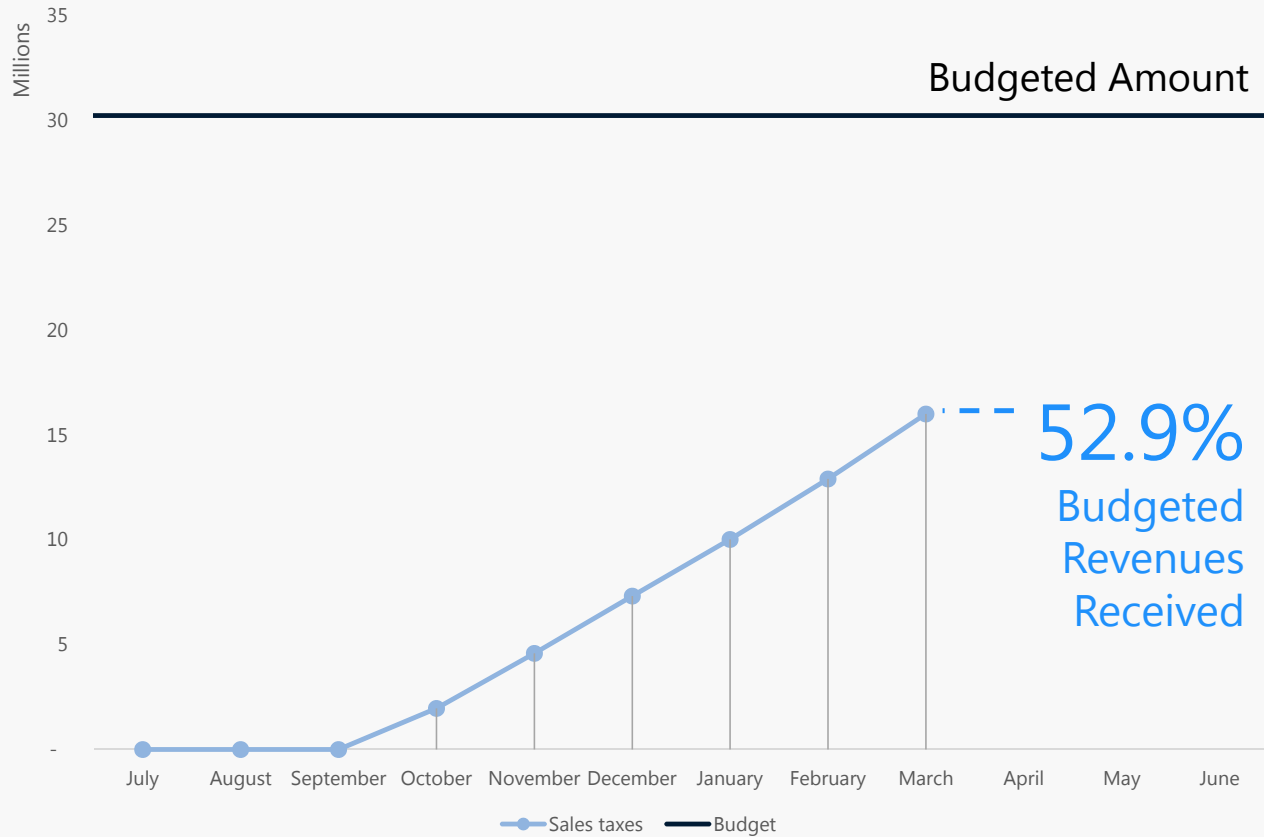


- Trend as expected given reimbursement lag and expenditures below budget
- Some state tax revenues are one-time in May or on quarterly lag



# Sales Tax Revenues

As of Q3, Fiscal 2018

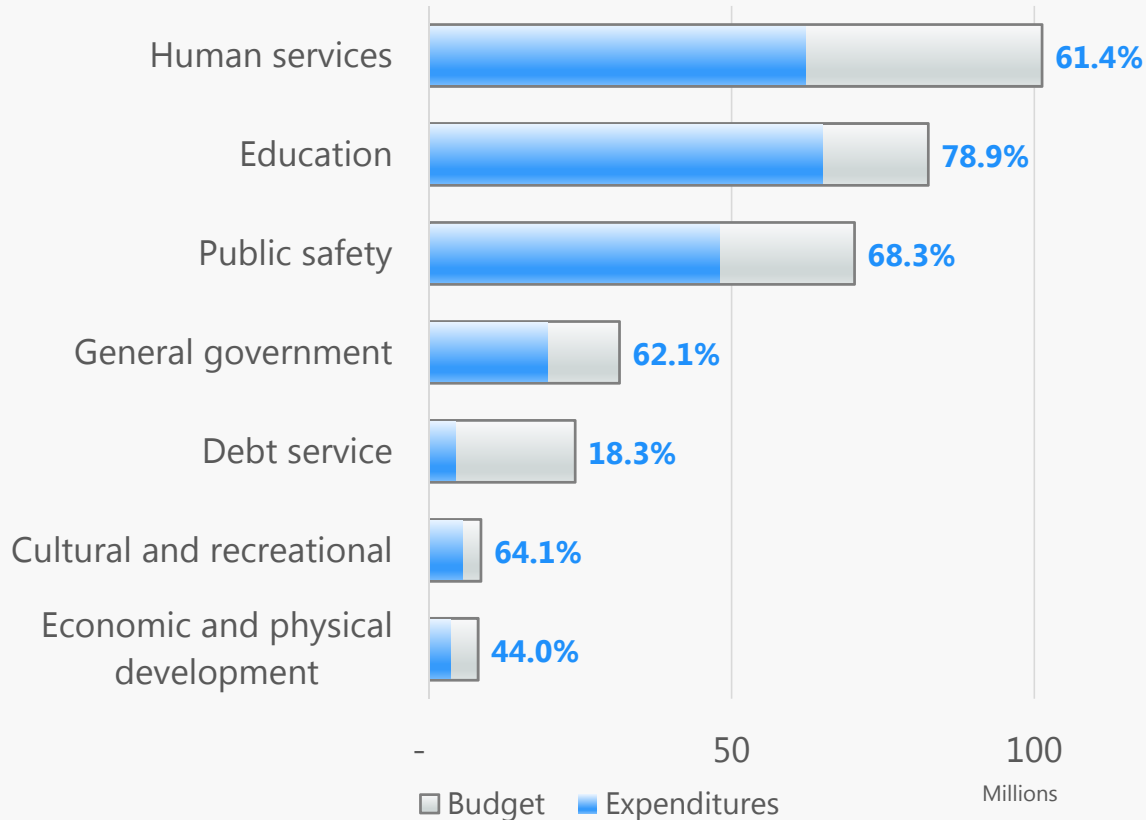


- As of the end of 3<sup>rd</sup> quarter, we have received 6 months of sales tax revenues due to 3 month lag
- Sales tax revenues received are 3% higher than estimated



# Expenditures by Function

As of Q3, Fiscal 2018



- Net county cost combines revenues with expenditures (see quarterly report)
- Large debt payments are due late in the fiscal year
- Payables post through early August

# FINANCIAL UPDATE

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3<sup>rd</sup> Quarter, Fiscal 2018





# Quarterly Financial Report Available Now!

*For the Quarter Ending March 31, 2018 (Q3)*

## Report Contents Include:

- Executive Summary
- Budget Overview
- Statement of YTD and Projected Revenues, Expenditures, and Changes in Fund Balance
- General Fund Actuals and Obligations
- General Fund Major Revenue Sources
- Net County Cost
- Fund Balance Analysis
- Long-term Debt Overview
- Investments
- Appendix A – Budget Amendments
- Appendix B – Detailed Net County Cost
- Appendix C – Rating Agency Reports
- Financial Policies



**Buncombe  
County**

BUNCOMBE COUNTY, NORTH CAROLINA

## Quarterly Financial Report

FOR THE QUARTER ENDING  
MARCH 31, 2018

### BOARD OF COMMISSIONERS

Brownie Newman, Chair  
Mike Fryar, Vice Chair  
Joe Belcher  
Ellen Frost  
Jasmine Beach-Ferrara  
Robert Pressley  
Al Whitesides

### COUNTY MANAGER

Mandy Stone, MSW

### FINANCE DIRECTOR

Tim Flora, CPA

### PREPARED BY

Jennifer Durrett, CPA  
Controller  
Blair Chamberlain  
Financial Reporting Manager  
Dustin Clark  
Financial Planning & Analysis Manager  
Autumn Lyvers  
Senior Accountant



# 2018 LOBs Issuance

During 3<sup>rd</sup> Quarter, Fiscal 2018

- \$61.1 Million Bond Sale on 3/14/2018
- Borrowed amount of \$54.7 Million (\$6.4 Million Premium)
- All bonds to be repaid from dedicated School Capital Commission Fund revenues (Article 39 Sales Taxes)
- \$5.66M for FY2019 Debt Service

## 2018 LOBs Amortization Schedule

<b>Maturity</b>	<b>Principal</b>	<b>Total Debt Service</b>
6/1/2019	2,735,000	5,663,702
6/1/2020	2,735,000	5,118,113
6/1/2021	2,735,000	4,981,363
6/1/2022	2,735,000	4,844,613
6/1/2023	2,735,000	4,707,863
6/1/2024	2,735,000	4,571,113
6/1/2025	2,735,000	4,434,363
6/1/2026	2,735,000	4,322,613
6/1/2027	2,735,000	4,185,863
6/1/2028	2,735,000	4,049,113
6/1/2029	2,735,000	3,912,363
6/1/2030	2,735,000	3,775,613
6/1/2031	2,740,000	3,643,863
6/1/2032	2,740,000	3,506,863
6/1/2033	2,740,000	3,369,863
6/1/2034	2,740,000	3,232,863
6/1/2035	2,740,000	3,123,263
6/1/2036	2,740,000	3,013,663
6/1/2037	2,735,000	2,919,613
6/1/2038	2,735,000	2,827,306
<b>Total</b>	<b>54,730,000</b>	<b>80,203,983</b>



# Credit Ratings

As of 3<sup>rd</sup> Quarter, Fiscal 2018

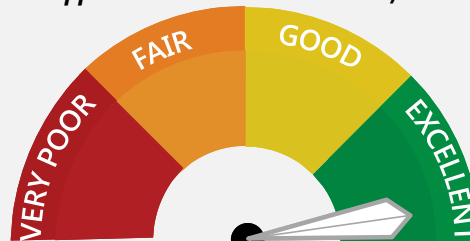
- Triple-A ratings reaffirmed in March 2018
- Very strong sign of County financial health
- Strong indicator of financial health of the community and institutional framework

**MOODY'S**  
INVESTORS SERVICE

**Aaa**

**(Highest Rating)**

*Awarded January 6, 2017  
Reaffirmed March 12, 2018*

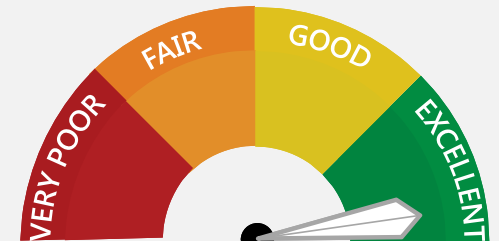


**STANDARD  
& POOR'S**

**AAA**

**(Highest Rating)**

*Awarded June 8, 2012  
Reaffirmed March 5, 2018*

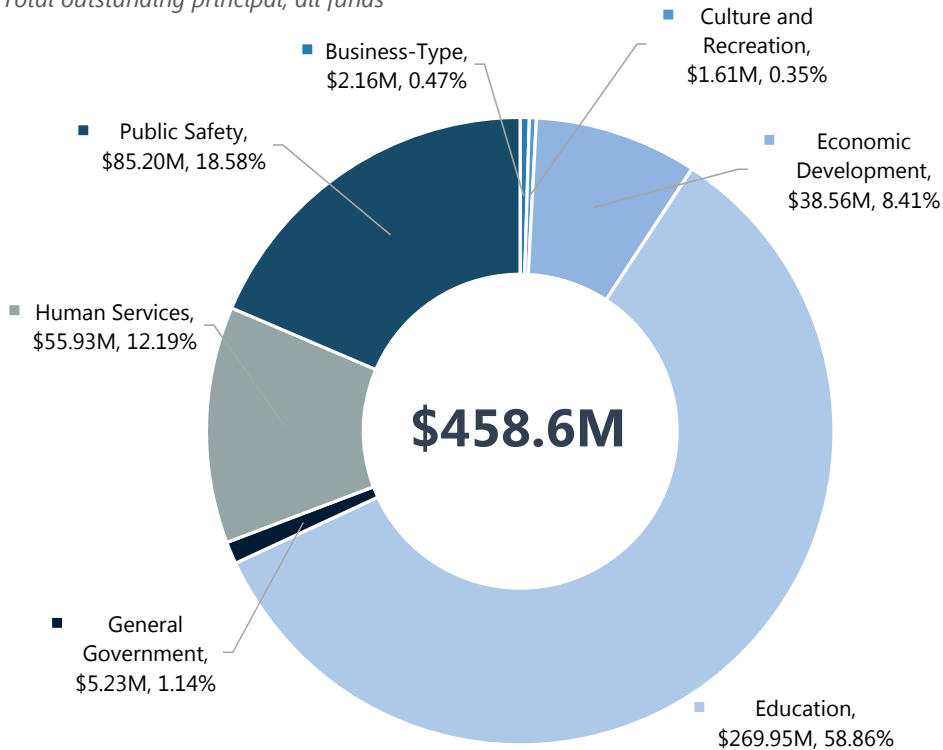


# Debt Update

As of 3<sup>rd</sup> Quarter, Fiscal 2018

## Outstanding Debt by Function

Total outstanding principal, all funds



## Long-Term Debt Schedule

Third quarter total debt outstanding and remaining FY18 budget impact

Debt Issuance	Original Loan Amount	Current Balance 03-31-18	Principal Payments Budgeted	Maturity Date
LOBS 2010A	31,500,000	\$12,780,000	\$2,555,000	06/01/2022
GO 2009B	5,685,000	2,297,000	-	09/15/2022
LOBS 2010C	3,720,000	2,006,292	260,000	06/01/2025
GO 2012	32,500,000	19,200,000	-	12/01/2025
COPS 2009A	12,065,000	5,770,000	485,000	06/01/2029
LOBS 2010B	20,420,000	20,420,000	-	06/01/2030
ARRA 2012	1,500,000	1,050,000	75,000	05/01/2031
LOBS 2012A	75,365,000	56,575,000	4,835,000	06/01/2032
LOBS 2014A	151,590,000	138,360,000	9,470,000	06/01/2034
LOBS 2014B	28,725,000	25,390,000	1,135,000	06/01/2034
CTS Loan	1,929,797	1,828,229	101,568	05/01/2035
LOBS 2015	126,635,000	118,240,000	7,510,000	06/01/2035
LOBs 2018	54,730,000	54,730,000	-	06/01/2038
<b>Total</b>	<b>\$ 546,364,797</b>	<b>\$ 458,646,521</b>	<b>\$26,426,568</b>	

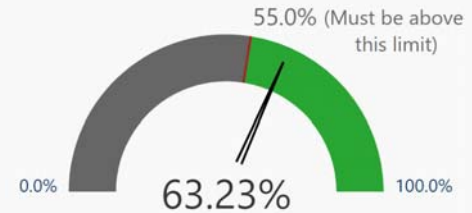
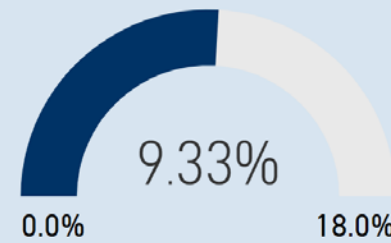
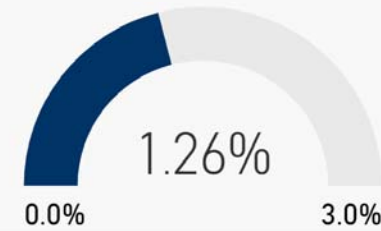


**Buncombe  
County**

# Debt Policy Review

As of 3<sup>rd</sup> Quarter, Fiscal 2018

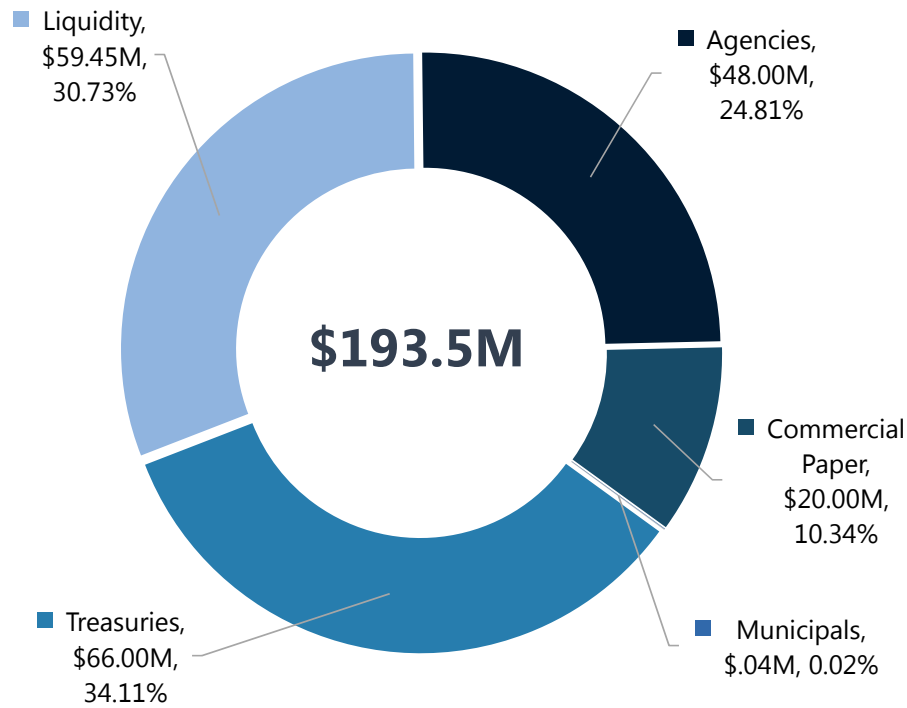
	Target	Status
<b>Debt Policies</b>		
✓ % of assessed value	< 3%	1.26%
✓ debt service to expenditures	< 18.0%	9.33%
✓ 10-year payout ratio	>= 55%	63.23%



# Investments Update

As of 3<sup>rd</sup> Quarter, Fiscal 2018

## Asset Allocations



## Current Holdings

Investment positions at end of third quarter

Asset Class	Type	Amount	Current Allocation	Prior Allocation	Quarter Change	Current Target
Liquidity	Wells Fargo (Main Cash)	17,458,886	9.02%	16.12%	43.02%	5.42%
	NCCMT Term	23,667,921	12.23%	16.54%	-13.10%	5.42%
	NCCMT Government	18,326,730	9.47%	4.55%	-0.27%	5.42%
Agencies	FHLM	5,000,000	2.58%	13.85%	-11.14%	12.18%
	FHLB	43,000,000	22.22%	8.15%	-2.72%	12.19%
	FFCB	0	0.00%	2.44%	-2.44%	12.19%
Treasuries	FNMA	0	0.00%	7.36%	-2.46%	12.19%
	TR	66,000,000	34.11%	21.18%	-10.33%	20.00%
Municipals	MUNI	35,000	0.02%	0.03%	-0.01%	5.00%
Commercial Paper	CP	20,000,000	10.34%	8.15%	-0.01%	10.00%
Banker's Acceptances/CDs	CD	0	0.00%	1.63%	-0.54%	0.00%
<b>Total</b>		<b>\$193,488,537</b>	<b>100.00%</b>	<b>100.00%</b>	<b>0.00%</b>	<b>100.00%</b>



Buncombe County

# Investment Earnings

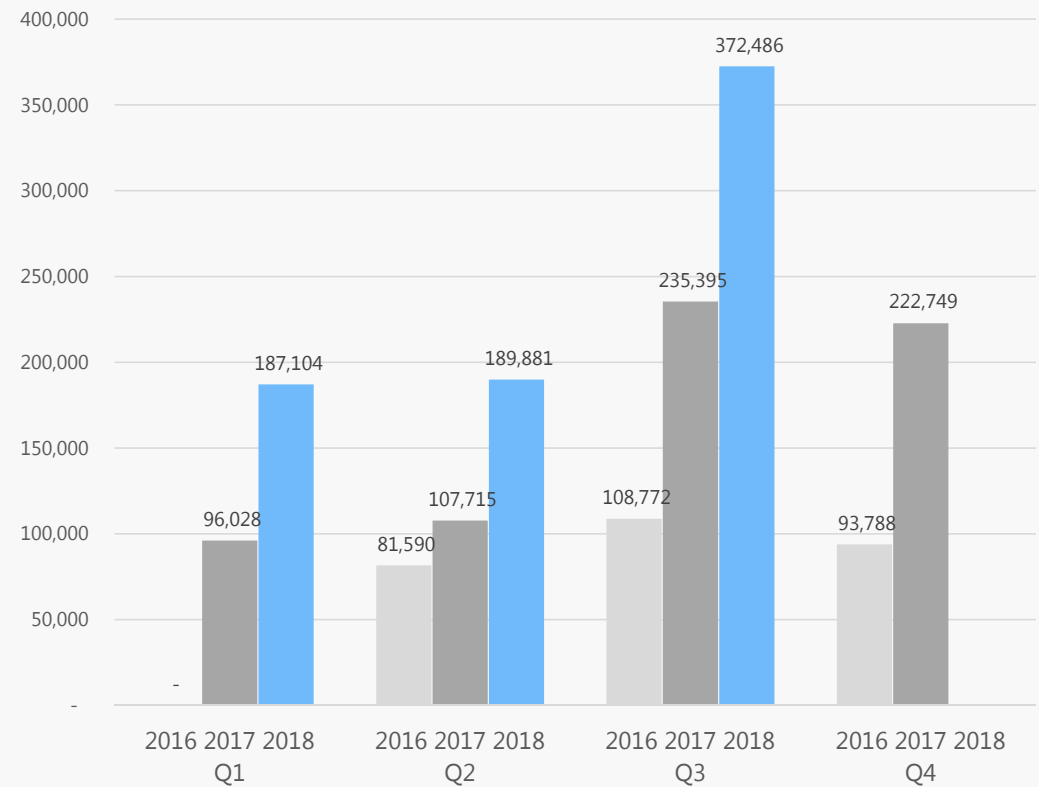
As of 3<sup>rd</sup> Quarter, Fiscal 2018

- Investing Priorities:
  1. Safety
  2. Liquidity
  3. Yield
- Policy follows requirements of State of North Carolina

	Target	Status
<b>Investment Policies</b>		
✓ % of commercial paper	< 25%	10%
✓ amount per issuer	<= %5M	\$5M

## Quarterly Investment Earnings

Security holding accruals by quarter



# QUESTIONS

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