



# RECOMMENDED ANNUAL BUDGET IN BRIEF

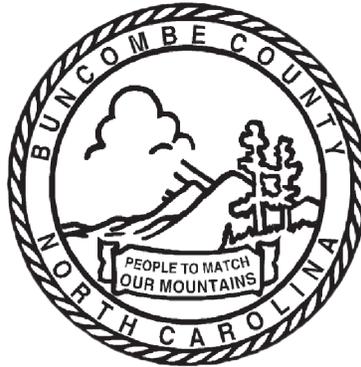
FOR THE FISCAL YEAR ENDING JUNE 30, 2020



**BUNCOMBE COUNTY**  
NORTH CAROLINA

# BUNCOMBE COUNTY, NORTH CAROLINA

## RECOMMENDED BUDGET FISCAL YEAR 2019-2020



### BOARD OF COMMISSIONERS

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

### COUNTY MANAGER

Avril M. Pinder, CPA, ICMA-CM

Prepared By:  
Buncombe County Budget Office  
Jennifer Barnette, MBA, Budget Director  
Matt Evans, Budget Analyst  
Sam Riddle, Budget Analyst

# TABLE OF CONTENTS

|   |       |
|---|-------|
| Mission Statement                                   | 4     |
| County Seal   | 5     |
| State & County Map                                  | 6     |
| County History                                      | 7-9   |
| County Commissioners                                | 10    |
| Organizational Chart                                | 11    |
| Budget Message                                      | 12-24 |
| <br>  |       |
| <u>EXECUTIVE SUMMARY</u>                            |       |
| Total County Funds                                  | 26    |
| General Fund  |       |
| Where Does the Money Come From?                     | 27-32 |
| Where Does the Money Go?                            | 33-34 |
| Other Funds   | 35-37 |
| Recommended Budget Summary All Funds                | 38    |
| Recommended Budget Summary All Funds - Revenues     | 39    |
| Recommended Budget Summary All Funds - Expenditures | 40    |
| Personnel Summary                                   | 41    |
| <br>  |       |
| Recommended Capital Improvement Plan                | 42    |
| <br>  |       |
| Glossary  | 45    |

**Buncombe County Government** takes seriously our responsibility to provide leadership in our community. And it is important that our values reflect our commitment to **S.E.R.V.E.**

Therefore, we pledge to:

***S**how pride in our work*

***E**xhibit caring in all we do*

***R**espect others*

***V**alue and practice honesty*

***E**xercise responsibility*

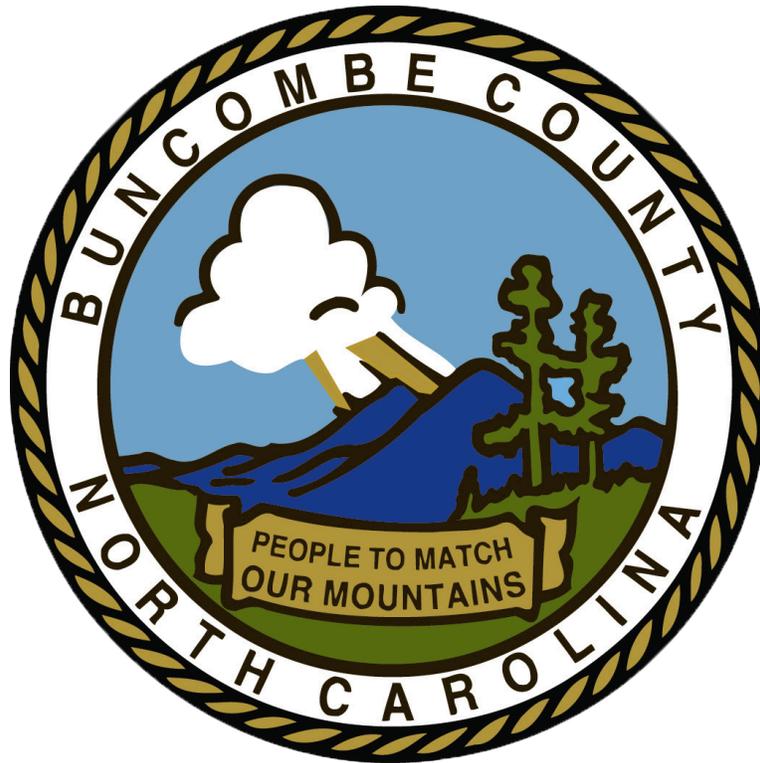
## **Our Mission:**

We promote a healthy, safe, well-educated, and thriving community with a sustainable quality of life.

We provide effective and efficient government our citizens can trust.

We deliver needed service through a responsive work force committed to excellence, integrity, and teamwork.

~ Buncombe County

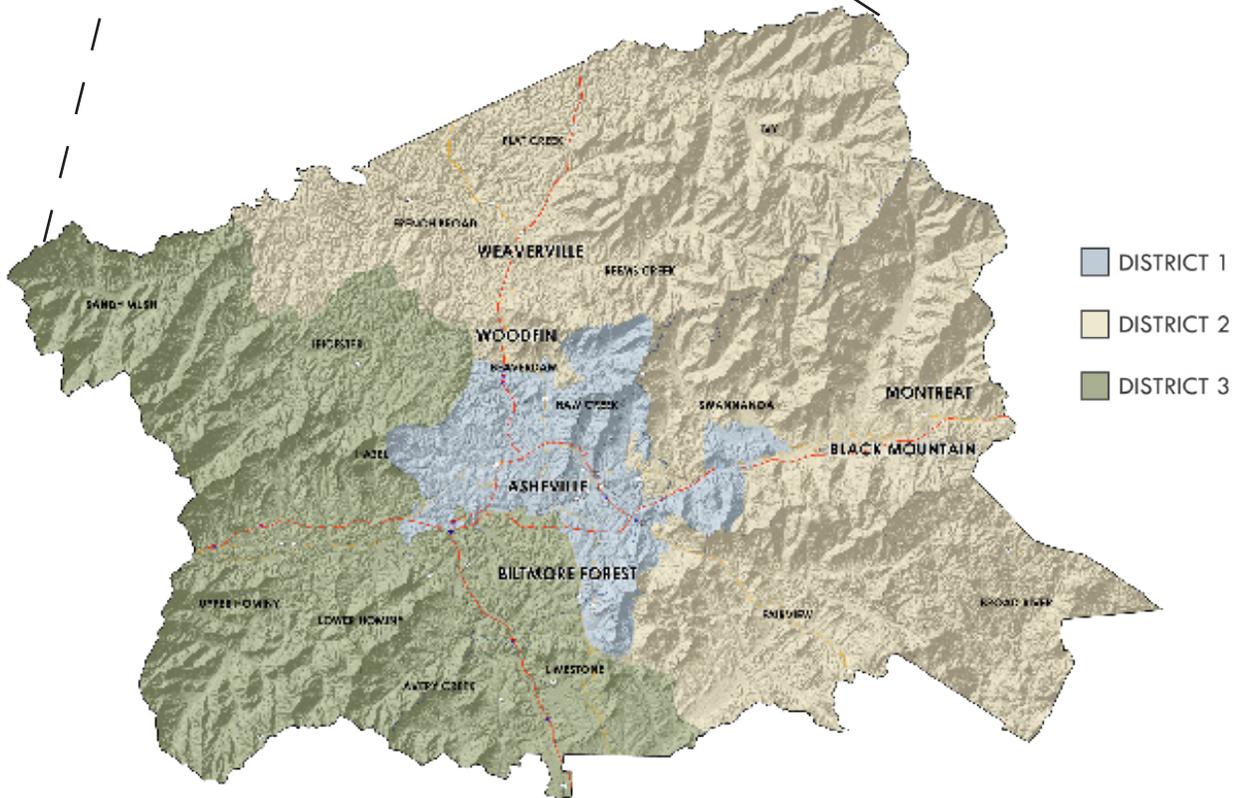


## The Buncombe County Seal

Buncombe County's Seal was designed and drawn in 1927 by the late Roy Fox, with help from his classmates. He was a sixth grade student at Woodfin School who entered a contest hoping that his design would become the Official County Seal. County officials selected his design, which featured mountains, trees and billowy clouds as most reflective of Buncombe County's beauty. The original motto, "Men to Match Our Mountains," came from a poem titled "The Country's Call." "Men" was later changed to "People" to acknowledge the contributions of all of Buncombe County's citizens.

# Buncombe County

## NORTH CAROLINA



|                         |                  |
|-------------------------|------------------|
| <i>Population</i>       | 259,103          |
| <i>Area</i>             | 656 square miles |
| <i>Date Established</i> | January 14, 1792 |
| <i>County Seat</i>      | Asheville        |

# A BRIEF HISTORY OF BUNCOMBE COUNTY

In 1791, David Vance and William Davidson presented to the North Carolina House of Commons a “petition of the inhabitants of that part of Burke County lying west of the Appalachian Mountains praying that a part of said county, and part of Rutherford County, be made into a separate and distinct county.” The original bill to create the county gave as its name “Union.” The name was changed, however, to Buncombe in honor of Col. Edward Buncombe, a Revolutionary War hero from Tyrrell County.

The Buncombe bill was ratified on January 14, 1792. The new county included most of Western North Carolina and was so large it was commonly referred to it as the “State of Buncombe.” Approximately 1,000 people lived in the county.

The Buncombe Turnpike was completed in 1827 connecting Tennessee and Kentucky to South Carolina. The turnpike ran along the French Broad River in the northern part of the county and through the heart of the county in the south. The turnpike caused an economic revolution to the region. By 1840, the first public schools had opened and by 1850 there were 57 schools enrolling more than 4,500 students.

Economic prosperity in 1850 was based on the drover trade; driving hogs, cattle, sheep and turkeys from the West to markets in South Carolina. Corn, used to feed the animals being driven to market, was the key money crop. However, new railroads running into Tennessee and Kentucky greatly diminished the drover trade, as did the Civil War.

Zebulon Vance, Buncombe native and Governor of North Carolina, reflected the views of most citizens regarding the issues that resulted in the Civil War. He was opposed to secession, nevertheless he said, “If war must come, I prefer to be with my own people.” Support for the Confederacy, however, formed quickly after the fall of Fort Sumter. The Buncombe Riflemen were the first to ride out. The war left Buncombe County’s economy drained.

Economic salvation for Buncombe County arrived on October 3, 1880 when the first train pulled into Asheville. Building the railroad across the Blue Ridge Mountains was an engineering feat only equaled by the strength of the men who built it.

During the next ten years, the County’s population increased by more than 13,000 people-- 61 percent. The most important agricultural commodity was tobacco. It replaced corn as the county’s key money crop. Fruit and dairy products continued to grow in importance as well.

In 1890, George Vanderbilt began building Biltmore House, the largest private home in America. The artisans and others he brought to build his estate brought changes in views about forestry, agriculture and handicrafts. During this era, 1890-1910, Buncombe County’s cool, crisp mountain air made the area a popular location for tuberculosis sanatorium. The area also became one of America’s best-known tourist centers.

By 1920, Buncombe County was firmly established as a transportation, manufacturing, forestry, agricultural, educational, medical and tourist center. Thomas Wolfe put Asheville on the literary map as well.

Despite the profound impact of the “great depression” that began in 1929, those same industries exist today in a vibrant metropolitan area surrounded by unsurpassed natural beauty. Our population has grown to more than 200,000. Yet, the qualities of intelligence, hard work, faith, honesty and “people to match our mountains” are prevalent today, as they have been throughout Buncombe County’s extraordinary history.

A seven-member Board of County Commissioners governs Buncombe County today. The Chair is elected separately by all the qualified voters in Buncombe County every four years. Two commissioners are elected from each of the three House of Representative Districts in Buncombe County in staggered terms for four years. Each commissioner is required to reside in and represent one of the districts, and only the qualified voters of that district will be eligible to vote for that district seat.

The Commissioners set policy, determine budgets for several agencies and set property tax rates for the entire county. The Board also appoints a County Manager. The County Manager is the chief administrative officer, and prepares and recommends the annual budget. Also, the County Manager is responsible for program development and personnel management.

The FY2020 recommended budget reflects the Commissioners’ continuing commitment to education, economic development and public safety.

The goal of this Board is to continue to provide the citizens of Buncombe County quality services and first-rate government. They will accomplish this goal through motivated professionals who are dedicated to serving all of our people. The foundation has been laid that will ensure a bright and prosperous future for our citizens and for generations yet to come.

The following visual look at Buncombe County’s history was presented in the 2013 Spring/Summer edition of *Buncombe Life* magazine.

# NORTH CAROLINA ROOM

COUNTY BUNCOMBE LOCAL HISTORY

**1791**  
The County of Buncombe was established on December 5, 1791 by an act of the legislature, initiated by William Davidson and Colonel David Vance. A log courthouse was constructed in 1793 at a point which is now Pack Square.



**1800's**  
**1797**  
Morristown was renamed Asheville after North Carolina Governor Samuel Ashe.

**1895**  
Construction of the Biltmore Estate was complete. It is the largest privately owned estate in the US.

**1896**  
Vance Monument was constructed.



Thomas Clayton Wolfe was born in Asheville, NC on October 3, 1900. He is considered North Carolina's most famous writer.

**1900's**  
**44,288**  
Population of Buncombe County in 1900.

Asheville Then  
**1902**



**1904**



In 1889 the Electric Trolley Era begins. Downtown Pack Square with electric trolleys in 1904 taken by Richard Putnam.



**1927**

The Court House was almost complete and 6th grader Roy Fox's design won the County seal design contest.

**241,419**  
Population of Buncombe County in 2011.

**2000's**



**2013**

Buncombe County elects 7 Commissioners for the first time. In previous years only 5 were elected.

Asheville Now  
**2013**



## DISCOVER NORTH CAROLINA HISTORY

Visit the North Carolina Room at Pack Memorial Public Library to explore the history of Asheville, Buncombe County, and Western North Carolina. The NC Room houses an extensive collection of books, historic photographs, postcards, maps, manuscripts, family papers, and architectural drawings. Asheville newspapers from as early as the 1840s are available on microfilm.

### NORTH CAROLINA ROOM

The NC Room is located on the lower level of the library. It is open Tuesday through Thursday, 10 a.m. to 8 p.m. Friday, 10 a.m. to 6 p.m. Saturday, 10 a.m. to 5 p.m.

Contact us at [packnc@buncombecounty.org](mailto:packnc@buncombecounty.org) call us at 828-250-4740; or check our website at [www.buncombecounty.org/library](http://www.buncombecounty.org/library) and click on NC Collection.

**1800's**  
Looking down Patton Avenue as a dirt road.



**1900's**



**1930's**



**1950's**



# Buncombe County

## BOARD OF COMMISSIONERS

### DISTRICT 1

### DISTRICT 2

### DISTRICT 3

### CHAIR



**Brownie Newman**



**Jasmine Beach-Ferarra, Vice-Chair**



**Amanda Edwards**



**Joe Belcher**



**Al Whitesides**



**Mike Fryar**



**Robert Pressley**

## COUNTY OFFICIALS

Quentin Miller  
Drew Reisinger  
Avril M. Pinder, CPA, ICMA-CM  
Jim Holland, MBA  
Lamar Joyner  
Jennifer Barnette, MBA  
Don Warn

Sheriff  
Register of Deeds  
County Manager  
Assistant County Manager  
Clerk to the Board  
Budget Director  
Finance Director



# Organizational Chart

**ELECTED** **APPOINTED** **SEPARATE BOARD**

## Citizens

### Board of Commissioners





# Buncombe County Government

*Avril M. Pinder, CPA, ICMA-CM*  
*County Manager*

*Jim Holland*  
*Assistant County Manager*



**May 21, 2019**

**Dear Chairman and Commissioners,**

I am pleased to present the recommended General Fund budget for Fiscal Year 2019-2020 (FY2020), which is prepared in accordance with The North Carolina Budget and Fiscal Control Act and provides funding to maintain Buncombe County's quality services as well as continue to advance your strategic priorities. This past fiscal year has been one of transition, creating a unique opportunity for Buncombe County staff to create a recommended budget in the midst of leadership changes. As you know, we have had three County Managers in the past 12 months. After my appointment in March, I jumped headfirst into the fiscal planning process. To that end, I met with every department to get an understanding of their available staff and resources in association with their requests for the upcoming fiscal year. Those meetings allowed me to direct our staff's priorities for the recommended FY2020 budget. This process has an eye toward ensuring departments are funded at levels that maintain high-quality service while respecting taxpayer dollars. It's a balancing act that illustrates that the burgeoning relationship between leadership and staff can deliver transparent, responsible budgeting for the Board of Commissioners and the Buncombe County community. With a renewed focus on integrity and accountability, this budgeting journey lays the foundation for how we operate and what the public can expect from us.



My recommended budget is as follows:

## **FY2020 BUDGET SUMMARY**

I am recommending the following property tax revenue rate for FY2020:

- Countywide tax rate of 52.9 cents per \$100 of assessed value; this remains flat from the FY2019 tax rate

The FY2020 recommended budget amounts are as follows:

- General Fund budget of **\$334,517,752**, an increase of 3.27 % from the FY2019 amended budget
- Occupancy Tax Special Revenue Fund budget of \$28,192,947
- 911 Special Revenue Fund budget of \$857,000
- Register of Deeds Automation (ROD) Special Revenue Fund budget of \$270,312
- Fire & Service Districts Special Revenue Fund budget of \$33,691,566
- Mountain Mobility Special Revenue Fund budget to \$4,041,933
- Project Development Financing (PDF) Woodfin Special Revenue Fund budget of \$640,950
- Tax Reappraisal Fund budget of \$890,000
- Sheriff Forfeitures Fund budget of \$339,111
- Solid Waste Enterprise Fund budget of \$9,470,174
- Inmate Commissary and Welfare Fund budget of \$612,909
- Insurance and Benefits Fund budget of \$39,906,289

## **REVENUES**

As noted, this spending plan is balanced with a proposed property tax rate of 52.9 cents per \$100 of assessed value.

General Fund Revenues, excluding appropriated fund balance, total **\$321,536,789**, this is an overall growth of 3.29% from the FY2019 amended budget.

With \$1,605,718,436 added to the tax base over the past year, the estimated tax base is \$38.977 billion, which is an annual tax valuation growth rate of 4 percent. \$646,543,334 in real property valuation related to the sale of Memorial Mission Hospital to HCA Healthcare is included. The resulting current year ad valorem tax revenue totals \$205,674,379 with a 99.75% tax collection rate.

Similarly, sales taxes for the General Fund is projected to increase over the estimated year-end actual receipts to \$33.5 million. This represents a 6.09% increase over FY2019 amended budget.

This plan proposes using \$12.98 million of fund balance whereby preserving a 15% minimum fund balance by policy.

This plan minimizes taxes and fees for local taxpayers, makes strategic investments in your priorities, supports the county's ability to deliver quality and timely services, enables the

organization to be proactive in addressing position pay and compensation inequities and continues funding for retirement obligations.

### **Board of Commissioners Strategic Priorities**

In a resolution approved in December of 2017, this Board identified six key priority areas as a guide to shape partnerships and investments of resources to insure a healthy, safe, well-educated, thriving and sustainable community:



The following sections highlight notable spending across many budget areas that are specific to each priority area, listed in alphabetical order. The dollars noted provide highlights for the primary initiatives intended to impact each priority however is not an exhaustive list.

### **AFFORDABLE HOUSING**

Our priority is ensuring comprehensive opportunities for affordable and safe housing as a foundation for healthy and thriving families and neighborhoods, with the goals to:

- Preserve and increase the stock of affordable housing including rental developments.
- Reduce substandard housing and expand opportunities for home repair.
- Support home ownership initiatives, including savings and credit building.
- Address the issues of homelessness in the County through partnership with the Asheville-Buncombe Homeless Initiative.

Proposed FY2020 program investments in Affordable Housing total **\$3,812,000**:

- Affordable Housing Services Program.....\$1,350,750
- Special Programs Funding for Lee Walker Heights Redevelopment.....\$1,200,000\*
- Mountain Housing Opportunities East Haven Apartments Loan.....\$925,000
- Homeward Bound Coordinated Assessment/AHOPE Program Support.....\$130,000

- HOME Matching Funds.....\$75,000
- Homeward Bound Project Rebound Program Support.....\$50,000
- Manufactured Home Removal Program.....\$49,250
- City of Asheville Homeless Initiative Match.....\$32,000

\*Previously appropriated and scheduled for FY2020

A new affordable housing investment for FY2020 is the Mountain Housing Opportunities (MHO) East Haven Apartments Loan. On April 2, 2019, the Board of Commissioners approved a loan agreement to support MHO in the development of East Haven Apartments in Swannanoa, NC for a total of \$2,200,000. This project meets the goal to preserve and increase the stock of affordable housing including rental developments. The loan supports the construction of 95 rental housing units that will be affordable to people with low and moderate incomes. The total cost of the project is \$16,800,000. In FY2020, Buncombe County is scheduled to disburse \$925,000 of the loan, based on project milestones.

Buncombe County's investments are informed by the work of the newly formed Affordable Housing Committee, a 3-member subcommittee of the Board of Commissioners, established to make policy and funding recommendations on housing affordability.

## **CLEAN AND RENEWABLE ENERGY**

Our priority is to implement the best fiscally and environmentally responsible energy solutions to reach the goal of 100 percent renewable energy sources for Buncombe County's operations while helping to educate, equip and move our community toward practical renewable energy solutions, with the goals to:

- Reduce cost and lower emissions by improving the energy efficiency of Buncombe County facilities and fleet.
- Promote renewable energy projects and utilize renewable energy sources such as solar and wind where feasible for Buncombe County facilities and fleet.
- Foster environmental sustainability within the community through education, resources and programs for the public and community partners.

Proposed FY2020 investments in Clean and Renewable Energy total **\$350,000**:

- Community Clean Energy Fund.....\$350,000

Other leveraged multi-year funds (FY2019-FY2020) through grants and matched investments **\$340,000**:

- Residential Weatherization Grant.....\$300,000
- City of Asheville, weatherization grant match.....\$30,000
- City of Asheville, community retrofitting.....\$10,000

In addition, Buncombe County has engaged in a lease agreement with Duke Energy Progress, LLC for the development of a solar farm at the Buncombe County landfill. Duke Energy Progress is in the process of conducting an engineering analysis of the landfill to determine site specifications as well as working through the interconnection process. The process may take at least 18-24 months. It is anticipated that site construction could begin by the end of calendar year 2020. Buncombe County will receive renewable energy certificates for the power generated.

## **DIVERSE COMMUNITY WORKFORCE**

Our priority is cultivating a robust, inclusive local economy with a diverse workforce and pipelines to jobs and education for all, with the goals to:

- Leverage economic development policy to broaden and diversify the development of new and expanded businesses and industries.
- Invest in neighborhood- and community-based jobs and education initiatives.
- Engage in partnerships for innovative workforce models such as worker owned coops, apprenticeships and job skills training.
- Support small business development with emphasis on historically underserved populations.
- Implement practices for recruiting and maintaining a diverse, qualified workforce of Buncombe County employees.

Buncombe County's proposed FY2020 investments in the priority of Diverse Community Workforce total **\$1,693,982**:

### **Investment in Community Workforce Development**

- Isaac Coleman Economic Community Investment Grants.....\$500,000
- Education Support for career-focused youth programs.....\$317,500
- Work First Transportation support.....\$100,000
- Skills Training Employment Program (STEP).....\$90,292
- Workforce support for people with justice involvement.....\$60,228
- Employment & Training (E&T) transportation support.....\$25,000
- WNC Diversity Engagement Coalition membership.....\$10,000
- Government Alliance on Race and Equity.....\$7,500

### **Investment in Buncombe County Employees**

- County wide staff development.....\$583,462

In addition to investments into our community to strengthen workforce opportunities, the recommended budget includes funding to ensure that regular full and part time Buncombe

County employees are paid a minimum of \$15 per hour. This updated living wage plan is vital for our organization to begin addressing pay inequities while helping our employees with the reality of Buncombe County's cost of living.

Further enabling the ability to address pay inequities, this budget also establishes dollars for the organization to work towards addressing pay and compensation needs within departments. This would occur following the adoption of a pay and compensation philosophy and identifying an approach for prioritizing salary adjustments or other personnel related needs.

As part of maintaining a quality workforce, this budget includes a 1.77% Cost of Living adjustment for employees as well as addresses an increase to the state required employer contribution rate.

The FY2020 recommended budget provides funding for ongoing retirement obligations as well as estimated payments for approximately 25 employees planning to retire by the end of calendar year 2019 under the 2016 Early Retirement Incentive (ERI).

For individuals that retired prior to FY 2020, lapsed salary will be utilized to absorb the ERI benefit, one-third portion of their annual salary and associated FICA.

## **EARLY CHILDHOOD EDUCATION**

Our priority is ensuring that every child in Buncombe County has an equal opportunity to thrive during their first 2,000 days including access to quality early childhood education, with the goals to:

- Collaborate with community leaders and stakeholders for a coordinated system approach.
- Increase the availability of high quality early childhood care and education with an emphasis on pre-k programs.
- Address issues of affordability, both for providers in a sustainable business model and for families in access to care.
- Support a robust career track in the field of early education, with development ladders from entry level to highly educated, credentialed, seasoned professionals.
- Cultivate a system that responds to the needs of families, such as those impacted by trauma, poverty and addiction.

Proposed FY2020 investments in Early Childhood Education total **\$3,600,000**:

- New grants for Early Childhood Education and Development .....\$1,947,894
- Asheville City Schools, Local Preschool direct services.....\$851,411
- Southwestern Child Development, Valley Child Development Center.....\$207,508
- Warren Wilson College, PEECE Program.....\$200,235
- Buncombe Partnership for Children, Professional and System Development...\$153,000

- Community Action Opportunities, Johnston Elementary Classroom.....\$131,916
- YWCA, Early Learning Program.....\$79,000
- Asheville City Schools, Christine Avery Learning Center.....\$29,036

The Board of Commissioners adopted a resolution on October 30, 2018 to invest annually \$3.6 million in Early Childhood Education beginning in the FY2020 budget. Buncombe County's investments are informed by the work of the newly formed Early Childhood Education and Development Committee, a 15-member group including 3 members of the Board of Commissioners, established to make policy and funding recommendations on the issue.

## JUSTICE RESOURCE SUPPORT

Our priority is coordinating a justice system that is efficient, effective, equitable, and protects our public safety while holistically addressing the needs of people involved in the system, with the goal to:

- Enhance the efficiency and effectiveness of the criminal justice system.
- Focus on law enforcement approaches informed by best practices for serving people impacted by mental illness, addiction, homelessness, poverty and trauma.
- Offer diversion and alternatives to incarceration for low-level, first-time nonviolent offenders and people with mental illness and substance use disorders.
- Focus on community-based pretrial justice solutions while prioritizing safety and offender accountability.
- Support people who are incarcerated and those re-entering the community from incarceration.
- Offer trauma-informed support for victims of crime, including domestic violence, sexual assault and discrimination.

Proposed FY2020 investments in justice resource support total **\$1,538,335**:

- Adult diversion programs.....\$360,123
- Specialized prosecution unit for domestic violence.....\$261,475
- Specialized prosecution unit for jail case processing.....\$176,903
- Specialty treatment courts.....\$130,682
- Jail-based case management.....\$120,717
- Batterer intervention services.....\$105,000
- Domestic violence focused deterrence.....\$91,700
- Domestic violence crisis services.....\$80,000
- Social Worker for Public Defender's Office.....\$70,266
- Juvenile diversion program.....\$63,841
- Expungement program.....\$32,628
- District Attorney case processing portal.....\$30,000
- Prison re-entry services.....\$15,000

With a goal of enhancing the efficiency and effectiveness of the criminal justice system and in alignment with the Sheriff's Office 21<sup>st</sup> Century Policing approach to have "Safe and effective policing services" I am recommending 6 Patrol Deputy positions be approved.

As outlined by Sheriff Miller, the Sheriff's Office is committed to partnering with communities to engage in neighborhood problem solving. The **Patrol Deputies** will focus on community engagement as a means to increase public safety. The current level of resources requires the Sheriff's officers to be driven by call volume and prevents them from having the opportunity to engage at a level that will have lasting impact. On average, 12-14 patrol deputies currently cover 656 square miles per shift. These positions enables coverage to 14-16 patrol deputies per shift.

Additionally in alignment with your priority and the Sheriff's focus on best practices that serve people impacted by mental illness, addiction, homelessness, poverty and trauma, I am recommending 4 Detention Officers. Adding these positions that will serve as **Intake Specialists** enables the Detention Facility staff to be able to evaluate an arrestee more comprehensively before entry into the Detention Facility. Through a questionnaire process, an Intake Specialist will assess if any force was used in an arrest, determine any level of impairment or intoxication, and the need for any medical attention including the need for overdose treatment.

## OPIOID AWARENESS

Our priority is stemming the disease of opioid addiction, a crisis that threatens the health and safety of growing numbers of people in our community, with the goal to:

- Increase public awareness about the disease of opioid addiction and ways that the community can be a part of the solution.
- Equip professionals and the public with the information and tools for prevention and response, with a focus on youth prevention.
- Limit the supply of prescription painkillers and illegal opioids in the community and hold the industry accountable that made the epidemic possible.
- Increase access to mental health and substance abuse treatment services.
- Respond and follow-up when overdoses occur to reduce harm and increase wellness.

Proposed FY2020 investments in Justice Resource Support total **\$926,642:**

- Social Work program substance abuse services.....\$661,000
- Opioid/felony drug diversion program.....\$89,600
- Partnership for Substance Free Youth/Drug free communities.....\$79,823
- Peer support specialist for overdose prevention.....\$54,219
- Naloxone.....\$32,000
- Syringe exchange.....\$10,000

Other Opioid Response funds through Public Health Agreement Addenda: **\$21,537**

## **Maintaining Quality Services and Ongoing Operations**

The following section provides an overview of significant items of funding in the recommended budget that are important to maintaining quality service delivery or are part of ongoing operations.

### **GENERAL FUND**

- **General Government**

#### **Strategic Partnerships**

Buncombe County invests in a thriving and sustainable community through annual Strategic Partnership Grants. Community-based organizations submit funding applications for consideration by the Board of Commissioners. Grants are awarded to specific projects that work toward community outcomes in alignment with county goals. For FY2020, these grants are budgeted for a total allocation of \$605,680. This is a flat amount from FY2019, with an adjustment for \$331,795 which was transferred to the Affordable Housing Services Program to be used for housing-related investments. Also included in the Strategic Partnership Grants cost center is \$500,000 for the Isaac Coleman Economic Community Investment program, investments for neighborhood-based pipelines to jobs and education. In addition, Tipping Point Grants are included at \$100,000 for small grants to amplify community efforts toward building community resilience.

The awards will be categorized by area of funding as they relate to the functions of Public Safety, Human Services, Economic & Physical Development, Cultural and Recreational and Education.

#### **General Services**

An HVAC specialist position is needed to maintain and service the Building Automation Systems (BAS) for the county's HVAC. Building Automation is an energy management system which efficiently controls the heating, ventilation, and air conditioning system. The contract for this service was eliminated.

#### **County Manager's Office**

One additional Assistant County Manager position is recommended in order to provide alignment, consistency, and support among county departments.

Also included in County Manager budget is \$75,000 for facilitation of an organizational strategic plan.

- **Education**

- **Community College and Public School Funding**

The recommended budget for Buncombe County Schools, Asheville City Schools and Asheville Buncombe Technical Community College totals \$87,454,167. Included is an increase of \$3,557,230, 4.24% over FY2019 amended.

Based on School Year 2017-18, the most recently available data, Asheville City Schools ranks #2 and Buncombe County Schools ranks #15 in the state for per pupil expenditures based on local funding. The total combined Federal, State and local per pupil expenditures for Asheville City Schools is \$12,344 and for Buncombe County Schools the total is \$9,408.

*The state average per pupil expenditure for all public schools is \$8,984.*

Additional dollars that are part of the Education function are outlined in the Strategic Priorities of Early Childhood Education and Diverse Workforce.

- **Economic & Physical Development**

The FY2020 Economic Development budget reflects a decrease of \$3,303,039 due to the natural expiration of the Jacob Holm Economic Development Agreement (EDA) and renegotiation and consolidation of two Linamar EDAs. While this decrease is significant, the future outlook for economic development remains optimistic. Economic development projects that launched in prior years will continue to grow, and the FY2020 budget includes economic incentives for 10+ industries that will create 1,000+ new jobs and 250+ million in capital investment over the next five years. These industries represent a diverse economic portfolio, including automotive (Linamar), aerospace (GE Aviation), advanced manufacturing (Haakon), and healthcare (Avadim) sectors. Additionally, the County's economic development policy has driven higher wages and, for agreements established in FY2019, the average wage of these jobs will be approximately \$22.00/hour, or \$45,760 /year with a minimum of 50% benefit coverage. For comparison, per Just Economics, the living wage for a single individual living in Western North Carolina for 2019 is \$13.65/hour (\$28,392/year) without employer provided health insurance, or \$12.15/hour (\$25,272/year) with health insurance provided by the employer.

The FY2020 budget also creates a special projects fund account that will allow the county to incrementally fund future economic development incentives overtime. In the FY2019 budget, the County will transfer \$3 million dollars of unexpended funds (due to the renegotiation of the Linamar agreements) to the special projects fund and reduce the FY2020 budgetary request. These funds will be earmarked and utilized for the payment of Linamar economic incentives in future budget years (\$6M owed between FY2020 and FY2024).

- **Debt Service**

The FY2020 recommended capital projects intended for debt financing total \$7,582,671. The debt costs for these recommended projects will not begin until FY2021. Included in the debt service budget for FY2020 are any existing debt service payments as well as the anticipated principal and interest payments for the FY2019 approved capital projects. Specific details for FY2020 recommended capital projects are outlined in the Capital Planning summary.

- **Transfers**

Transfers are comprised of dollars that are budgeted in the General Fund and are transferred to another fund in support of a specific need. Below outlines the recommended budget transfers:

- Affordable Housing.....\$2,400,000
- Transportation.....\$1,703,905
- Greenways.....\$450,000
- Conservation Easements.....\$150,000
- Tax Reappraisal Fund.....\$163,334

- **Human Services**

I am recommending the following positions for Health and Human Services; Public Health Division.

Buncombe County Health and Human Services currently contracts out the administration of two targeted case management programs to Community Care of Western North Carolina (CCWNC): Care Coordination for Children (CC4C) and Pregnancy Care Management (OBCM). This responsibility typically rests with the local health department, but the partnership with CCWNC was approved as a pilot approach in 2012. With Medicaid Transformation taking effect during Buncombe County's FY2020, the local health department will reabsorb the responsibility of directly administering the programs. The county will hire **9 Care Coordination staff members: 1 supervisor, 2 lead care coordinators, and 6 care coordinators**. The programs are proposed to be fully supported by Medicaid dollars, billed on a per member per month basis.

## CAPITAL PLANNING

For FY2020, the following Capital and Information Technology amounts are recommended:

- Capital Improvement Plan projects total **\$8,682,288**:
  - Pay as you Go projects.....\$1,099,617
  - Debt service projects.....\$7,582,671

- Information Technology needs totaling **\$479,400**

All Pay as you Go and Information Technology projects are recommended to be funded with Capital Savings. The current amount available for Capital Savings is \$1,602,452. The total savings to be used is \$1,579,017 with a remaining balance of \$23,435.

In coordination with the Interim General Services Director, the County employed a point system to determine which vehicles may be eligible for replacement during FY2020. This method factors in a vehicle's age, mileage and accumulated repair costs as measures of its overall condition. As a result of that analysis, and following consultation with Sheriff Miller, the recommendation is to replace 48 Public Safety vehicles totaling \$1,651,174. No general government vehicles met the criteria for replacement during this budget cycle. The Finance Director intends to secure short term debt to pay for the vehicles over a 59-month repayment schedule. This recommendation allows the Sheriff's office to ensure reliable and safe fleet resources.

## Other Annual Funds

- **Enterprise Funds**

### **Solid Waste Disposal Fund**

A new five-year franchise for residential waste and recycling collections in the unincorporated portions of Buncombe County is planned to be awarded and will be effective January 1, 2020. Under the proposed franchise, residents will have the option to subscribe to this service and will receive rollout carts for both waste and recycling. The new franchise format will create gains in collection efficiencies and incorporate contractor accountability measures.

- **Internal Service Fund**

### **Insurance and Benefits Fund (Health and Dental Insurance)**

Factors driving an increase of expenditures in the General Fund in association with Health Care and liability claims costs are primarily the cost of prescription drugs and an increase in professional service costs for primary care and specialist doctor visits. Another significant factor was a large increase in the County's stop-loss insurance rate. In addition, this budget assumes that employee contributions to the plan will remain at current levels.

In closing, in the coming year I will work with the board to develop a strategic plan. My desire is to focus energy and resources in a way that strengthens operations and ensures that employees and stakeholders are all working toward common goals. We will continue to assess and adjust the organization's direction to provide the highest quality service in the most efficient and cost effective manner possible. We will additionally review and implement financial policies that are designed to protect the public's finances with accountability to the taxpayers. My goal is that in everything that we do we will demonstrate the highest level of integrity as we work together to rebuild the public's trust and move our County forward.

I wish to extend my personal gratitude for the hard work and diligence of the Budget team under the leadership of Jennifer Barnette, the Performance Management team under the leadership of Eric Hardy in partnership with Department Directors and staff in the development of this budget. I also extend my appreciation to the Buncombe County Board of Commissioners for their support in preparation for the 2020 Fiscal Year.

I am grateful to each of you for your leadership and support, and I welcome your comments and suggestions as you review the attached information in the days ahead.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Avril M. Pinder". The signature is fluid and cursive, with the first name "Avril" being more prominent and the last name "Pinder" following in a similar style.

Avril M. Pinder, CPA, ICMA-CM  
County Manager

# EXECUTIVE SUMMARY

---

The following summary presents a general overview of the Fiscal Year 2019-2020 recommended budget for Buncombe County. The information explains where the money comes from (revenues) and where the money goes (expenses). Also, significant changes to the budget are highlighted. The text, charts and graphs in the following sections of this document provide a more in-depth study of the recommended budget.



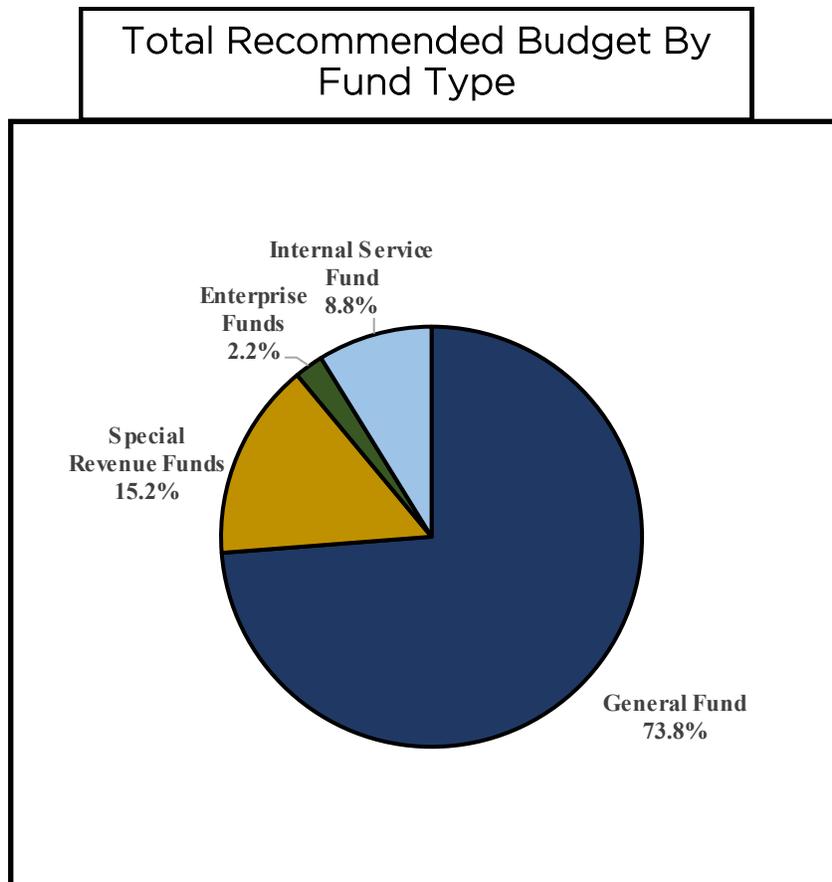
# TOTAL COUNTY FUNDS

The total recommended operating budget for Buncombe County in fiscal year 2020 is \$453,430,943. The largest fund is the **General Fund**, which is the County's main operating fund. The General Fund budget total is \$334,517,752 an increase of 3.27% from the FY2019-2020 amended budget. This increase is primarily due to aligning with Board of Commissioners strategic priorities and new positions.

The next largest group of funds is the **Special Revenue Funds**. The total operating expenditures for these funds are \$68,923,819, an increase of 9.08% from FY2019 amended budget. This increase largely stems from an increase of the assessed tax revenue within Fire Service District Revenue Fund and increased projected occupancy tax in the Occupancy Tax Revenue Fund.

The **Enterprise Funds** have recommended expenditures of \$10,083,083. This is a decrease of 5.00% from last year's amended budget, and a 3.28% decrease from last year's adopted budget primarily due to the removal of one-time expenditures related to the opening of the Transfer Station in FY2019. Enterprise Funds are self-supporting and do not rely on any contributions from the General Fund.

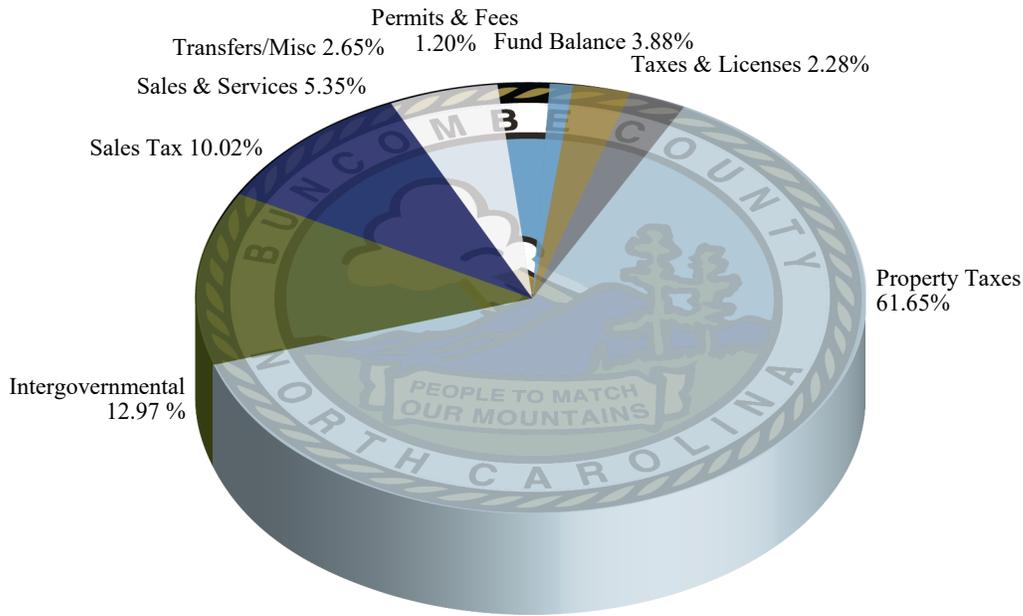
The recommended budget for the **Internal Service Fund** includes expenditures of \$39,906,289 and are for County commercial liability programs and the operations of its self-insurance, group health, dental, workers' compensation, unemployment, Local Government Employees Retirement System stabilization, and general liability programs.



# GENERAL FUND

## WHERE DOES THE MONEY COME FROM?

### FY2020 RECOMMENDED REVENUES/SOURCES – GENERAL FUND



### MAJOR REVENUE SOURCES:

| Primary Revenue Sources  | 2017/18 Actuals       | 2018/19 Adopted       | 2018/19 Amended       | 2019/20 Budget        | % Change from FY 2019 Amended |
|--------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-------------------------------|
| Property Tax             | \$ 195,822,398        | \$ 197,302,014        | \$ 197,302,014        | \$ 206,224,379        | 4.52%                         |
| Sales Tax                | \$ 31,217,622         | \$ 31,608,204         | \$ 31,608,204         | \$ 33,533,237         | 6.09%                         |
| Intergovernmental        | \$ 41,190,494         | \$ 41,400,273         | \$ 42,075,233         | \$ 43,401,919         | 3.15%                         |
| Other Taxes and Licenses | \$ 7,871,977          | \$ 7,556,520          | \$ 7,556,520          | \$ 7,613,317          | 0.75%                         |
| Permits & Fees           | \$ 4,170,529          | \$ 3,702,841          | \$ 3,702,841          | \$ 4,010,157          | 8.30%                         |
| Sales & Services         | \$ 18,228,498         | \$ 16,802,570         | \$ 16,820,509         | \$ 17,885,815         | 6.33%                         |
| <b>Total</b>             | <b>\$ 298,501,518</b> | <b>\$ 298,372,422</b> | <b>\$ 299,065,321</b> | <b>\$ 312,668,824</b> | <b>4.55%</b>                  |

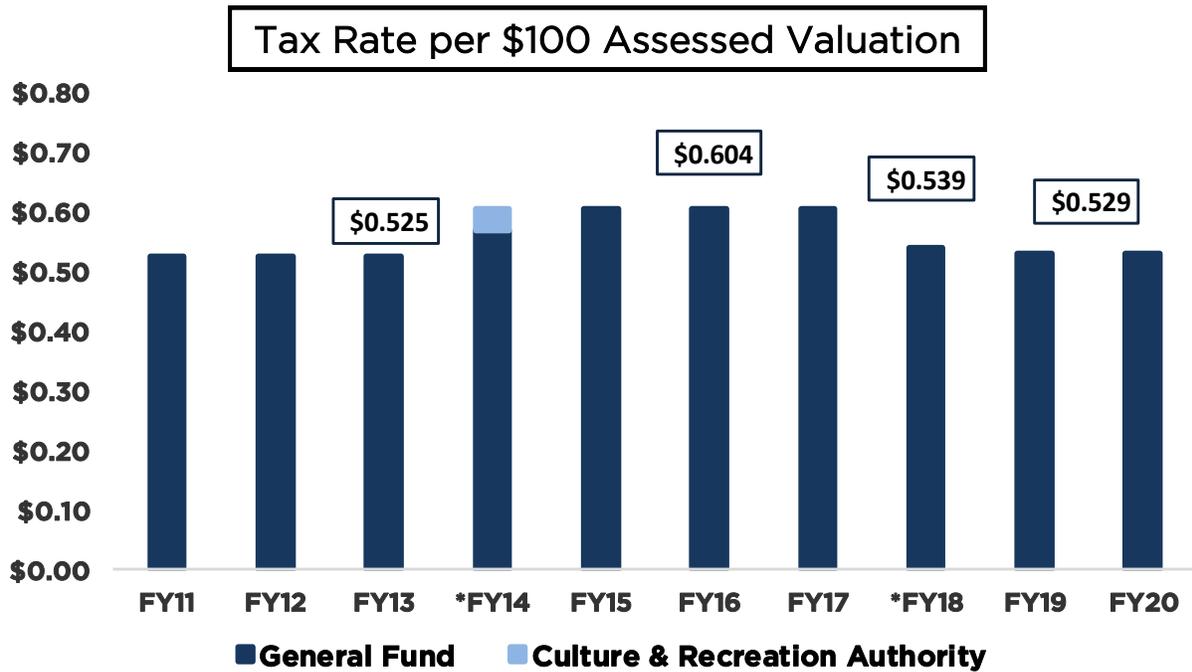
### MAJOR REVENUE SOURCE: PROPERTY TAX

The total recommended budget for the General Fund is \$334,517,752. The General Fund derives its revenue from a variety of sources. The County's largest revenue source, accounting for 62% of the General Fund is Property Tax, which totals \$206,224,379 for the FY2019 – 2020 year. This is an increase of \$8,922,365 or 4.52%, from the FY2019 adopted budget.

The FY2020 budget estimate for Property Tax is based a 99.75% collection rate. Current year Property Tax revenues are budgeted at \$205,674,379 based on the valuations below, first prior-year Property Tax revenues are budgeted at \$150,000, Property Tax revenues related to property audit discoveries are budgeted at \$350,000, and interest is budgeted at \$50,000.

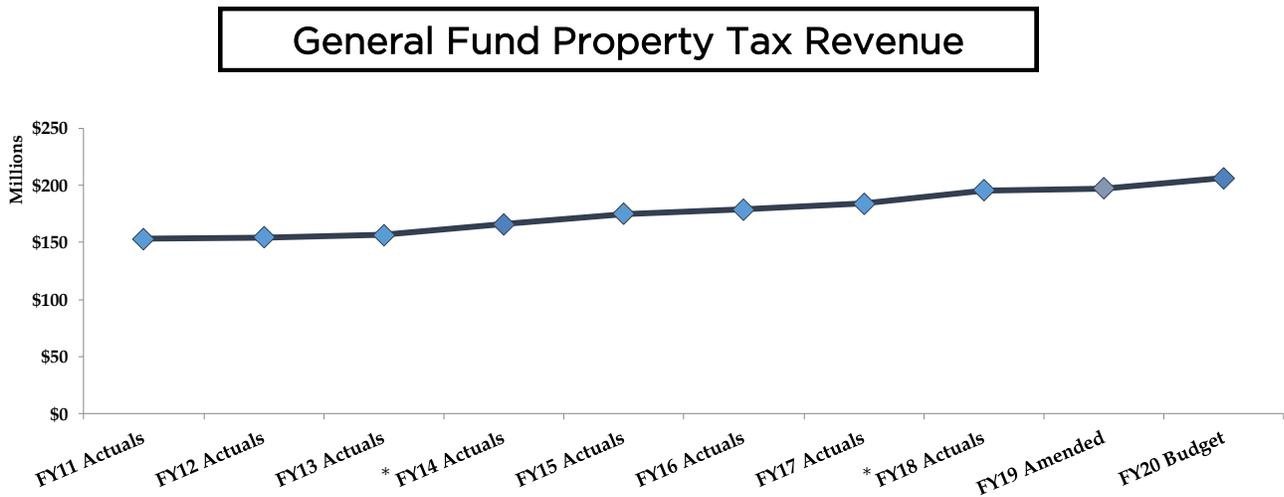
| Fiscal Year<br>Tax Year   | 2020<br>2019             |
|---------------------------|--------------------------|
| Real Property             | \$ 33,898,147,631        |
| Personal Property         | 1,987,121,897            |
| Public Service Companies  | 738,338,689              |
| Registered Motor Vehicles | 2,353,679,749            |
| <b>Total Value</b>        | <b>\$ 38,977,287,966</b> |

The tax rate for FY20 is recommended at 52.9 cents per \$100 of property value. This tax rate remains the same from FY19.



\* Reappraisal Year

\*\*In FY2015 the Culture & Recreation Authority transitioned to the General Fund Culture & Recreation



\* Reappraisal Year

| Primary Revenue Source | 2017/18 Actuals | 2018/19 Adopted | 2018/19 Amended | 2019/20 Budget | % Change from FY 2019 Amended |
|------------------------|-----------------|-----------------|-----------------|----------------|-------------------------------|
| Property Tax           | \$ 195,822,398  | \$ 197,302,014  | \$ 197,302,014  | \$ 206,224,379 | 4.52%                         |

The amount above includes current year, prior first year, interest and property audit discoveries.

## MAJOR REVENUE SOURCE: SALES TAX

The next largest source of revenue is Sales Tax. It is estimated to increase from FY2019 estimated actuals by 3.21% to \$33,533,237. Buncombe County continues to be the retail hub of western North Carolina supported by a major mall, a vibrant central business district, and several new shopping centers and mixed use developments including Asheville Outlets, a major retailer outlet mall which opened in May 2015. Sales tax is a volatile revenue source and was negatively affected by the decrease in consumer spending during the recession. In addition, in 2007 the General Assembly passed legislation to repeal the Article 44 sales tax, the third one-half percent local-option sales tax authorized in 2001. This is often referred to as the Medicaid Relief Swap as the State assumed County Medicaid costs in exchange for elimination of the local Article 44 sales tax and a commensurate increase in the State sales tax rate. The State took over one-quarter cent of the Article 44 sales tax on October 1, 2008, and the remaining one-quarter cent on October 1, 2009.

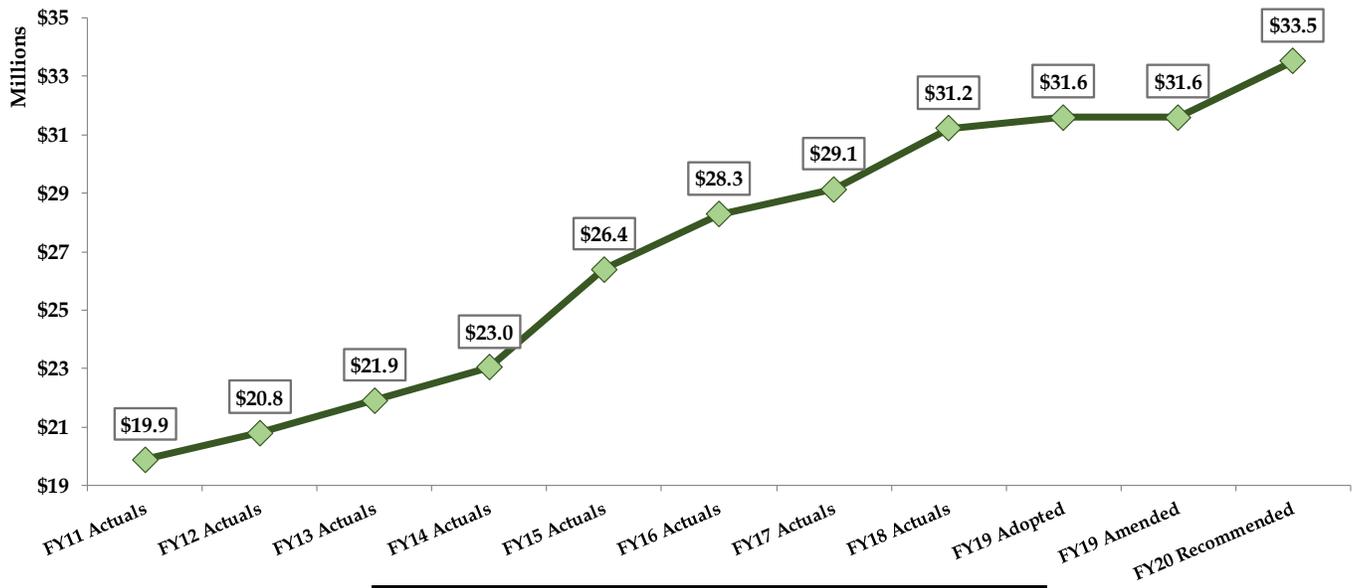
Sales tax revenue is reviewed monthly and estimates are based on actual revenue received over the last twelve months. Buncombe County levies four local-option retail sales and use taxes:

- The one percent tax authorized in 1971 (Article 39) . House Bill #507 originally designated one-half of the proceeds of Article 39 sales tax for the School Capital Commission Fund of Buncombe County. The sales tax proceeds designated for this Fund must be used to finance new public school construction or improvement and renovation projects in excess of \$100,000.
- Senate Bill 888 ratified on June 21, 2016 rewrites Chapter 134 of the 1983 Session Law creating the Buncombe County School Capital Fund Commission. The bill reinstated the Commission, established membership and meeting requirements, and created the Public School Capital Needs Fund. Prior to SB 888, one half of Article 39 sales and use tax revenue was allocated to Buncombe County Schools and Asheville City Schools pro rata according to average daily membership in the two school systems. SB 888 removed this distribution method and allocated funding based on prioritization of needs
- The one-half percent authorized in 1983 (Article 40). Thirty percent of the proceeds from this sales tax must be spent for school capital outlay or debt service on school bonds.
- The second one-half percent authorized in 1986 (Article 42). Sixty percent of the proceeds from this sales tax must be spent for school capital outlay or debt service on school bonds.
- The quarter cent authorized by referendum in 2011 (Article 46) . The proceeds of the quarter cent sales tax are designated for Asheville-Buncombe Technical Community College and are accounted for in the AB Tech Capital Projects Fund.

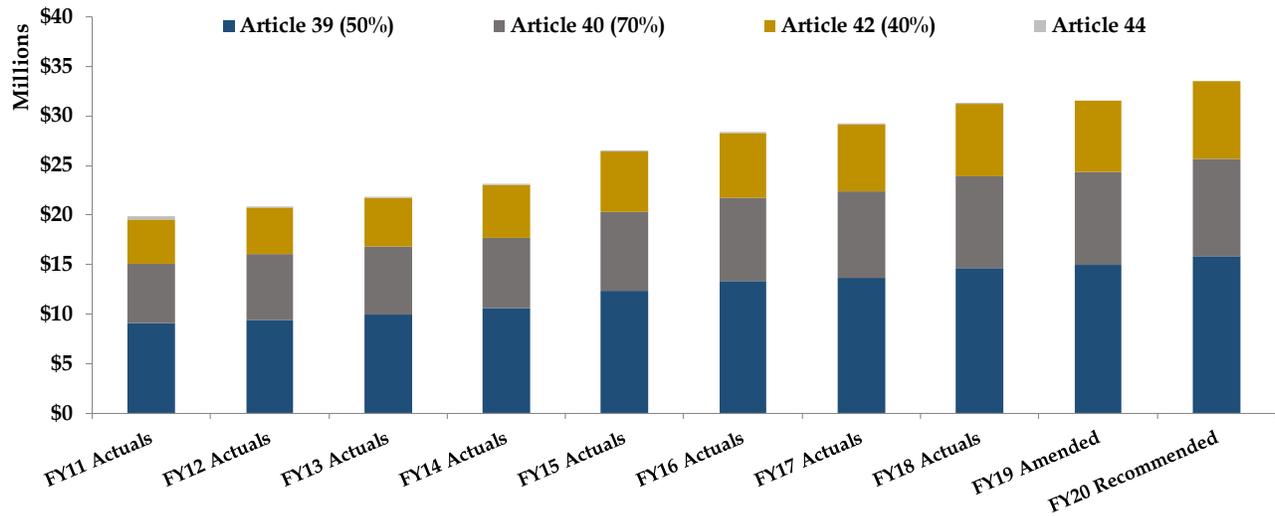
The remaining proceeds from the Article 39 (50%), Article 40 (70%), and Article 42 (40%) sales and use taxes are allocated among the municipalities, fire districts, and County on the ad valorem or tax levy basis. The ad valorem basis distributes sales tax revenues based on relative property tax levies of local government units.

Since FY2017, the portions of Article 40 (30%) and Article 42 (60%) designated for school capital outlay are accounted for in a Public Schools ADM Capital Project Fund. This fund was created to account for all public school capital funding required to be distributed to Buncombe County Schools and Asheville City Schools pro rata according to average daily membership (ADM) in the two school systems. Due to the shift in in Article 40 (30%) and Article 42 (60%) sales tax revenue from the General Fund to the Public Schools ADM Capital Project Fund, prior year sales tax data presented in this annual budget report excludes these articles. Capital projects are budgeted using Capital Project Fund Ordinances.

## General Fund Sales Tax



## General Fund Sales Tax by Article



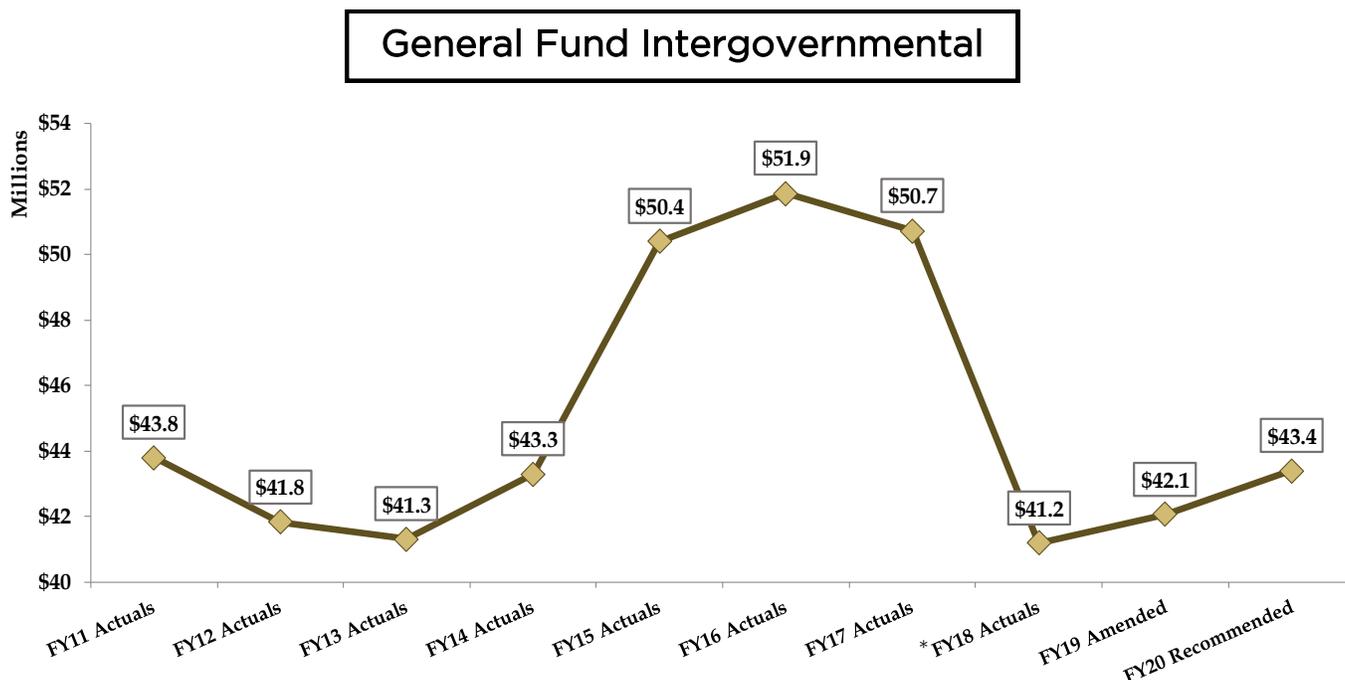
| General Fund Sales Tax | 2017/18 Actuals      | 2018/19 Adopted      | 2018/19 Amended      | 2019/20 Recommended Budget | % Change from FY 2019 Amended |
|------------------------|----------------------|----------------------|----------------------|----------------------------|-------------------------------|
| Article 39 (50%)       | \$ 14,683,818        | \$ 15,009,290        | \$ 15,009,290        | \$ 15,825,800              | 5.44%                         |
| Article 40 (70%)       | \$ 9,278,734         | \$ 9,350,743         | \$ 9,350,743         | \$ 9,903,306               | 5.91%                         |
| Article 42 (40%)       | \$ 7,242,751         | \$ 7,248,171         | \$ 7,248,171         | \$ 7,804,131               | 7.67%                         |
| Article 44             | \$ 12,318            | \$ -                 | \$ -                 | \$ -                       | -                             |
| <b>Total</b>           | <b>\$ 31,217,622</b> | <b>\$ 31,608,204</b> | <b>\$ 31,608,204</b> | <b>\$ 33,533,237</b>       | <b>6.09%</b>                  |

\*Article 44 amounts incurred are due to late filed returns, audits, and refunds that affect periods prior to October 1, 2009.

MAJOR REVENUE SOURCE: INTERGOVERNMENTAL

Intergovernmental revenues include grants and payments from federal, state, and other local governmental units. Intergovernmental revenues are recommended at \$43,401,919 and account for 12.97% of General Fund revenues in the FY2020 recommended budget.

The County expects to receive approximately \$34.97 million in federal and state funds for the Social Service Department (DSS) and Direct Assistance division in FY2019-2020. Public Health is also expected to receive \$4.5 million in state and federal revenues. Due to the level of federal and state funding Buncombe County receives, a very conservative approach is taken with regard to anticipated revenues during the budget process. As grants are realized throughout the year the budget is amended to reflect the increased revenues. We anticipate this same trend to continue in FY2020.



\*\$9.9 million decrease in FY2018 due to a state change in the processing of vendor payments for Non-Emergency Medicaid Transportation program.

| General Fund Intergovernmental Revenue | 2017/18 Actuals | 2018/19 Adopted | 2018/19 Amended | 2019/20 Recommended Budget | % Change from FY 2019 Amended |
|--|-----------------|-----------------|-----------------|----------------------------|-------------------------------|
| Intergovernmental                      | \$ 41,190,494   | \$ 41,400,273   | \$ 42,075,233   | \$ 43,401,919              | 3.15%                         |

OTHER REVENUE SOURCES:

Other Taxes & Licenses

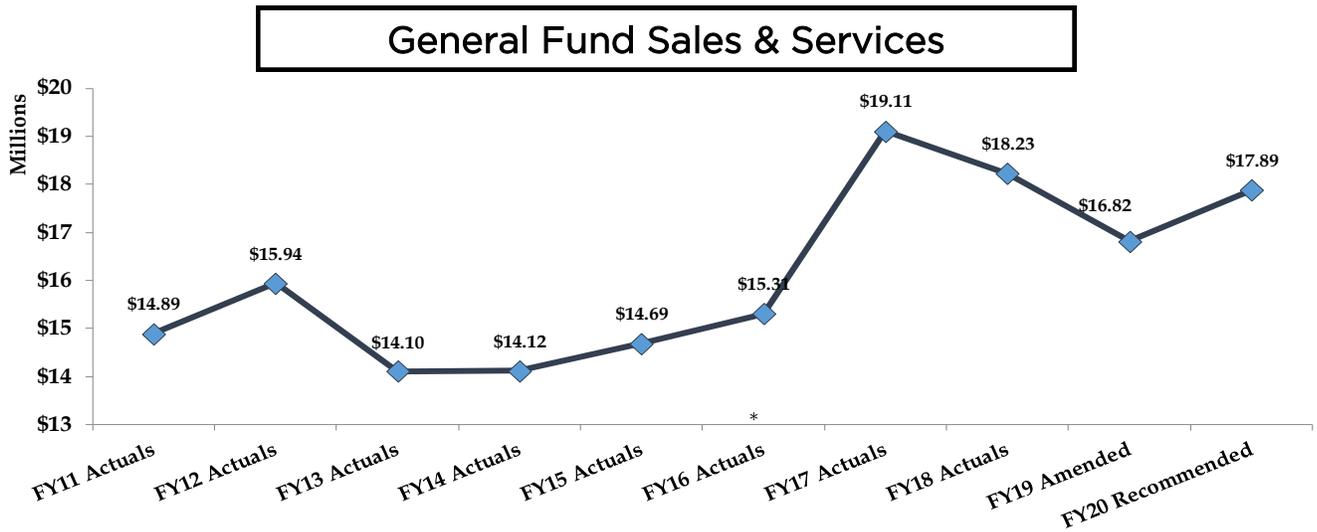
This revenue source, representing 2.28% of the recommended budget, includes \$4,800,000 for the real property transfer tax (excise tax) and \$1,426,000 for video programming taxes. The Rental Car Tax is budgeted at \$500,000, Heavy Equipment Rental Tax at \$238,317, Beer and Wine Tax at \$625,000, privilege License Tax at \$24,000 for FY2020.

Permits & Fees

The permits and fees revenues include building permits and inspection fees and Register of Deeds’ fees such as marriage licenses and recording fees. The revenue generated for licenses and permits makes up 1.20%, or \$4,010,157, of the General Fund revenue. Permits and inspections make up 63% of these total revenues.

Sales & Services

These revenues represent charges for County services that are provided by County Departments. Included in revenues for sales and services are Public Health revenues, EMS fees, and Jail revenues. For FY2020, recommended General Fund revenues for sales and services are estimated at \$17,885,815, a 6.33% increase from FY2019 amended budget. Sales and Services represent 5.35% of the total General Fund recommended budget. Revenues are estimated to be \$1.6 million for Public Health, \$6.2 million for EMS, \$3.4 million for the Jail, \$1.2 million for Tax Collections, \$2.1 million for rental income, \$677,172 for parking services, \$480,000 for the Sheriff’s Office, and \$2.3 million across other departments in the county.



\*Reflects reclassification of CJIS Licensing revenues, ID Bureau revenues, Tax Collection revenues, and IT revenues previously classified as Intergovernmental. Also includes Occupancy Tax Collection Fees and Sheriff/Behavioral Health revenues previously classified as Miscellaneous revenue.

Other Revenues

These revenues include investment earnings, indirect cost charges, proceeds of capitalized leases, donations, sale of assets which are recommended at \$1,632,515 for FY2020. Additionally, other revenues include transfers from other funds, which are recommended at \$7,235,450.

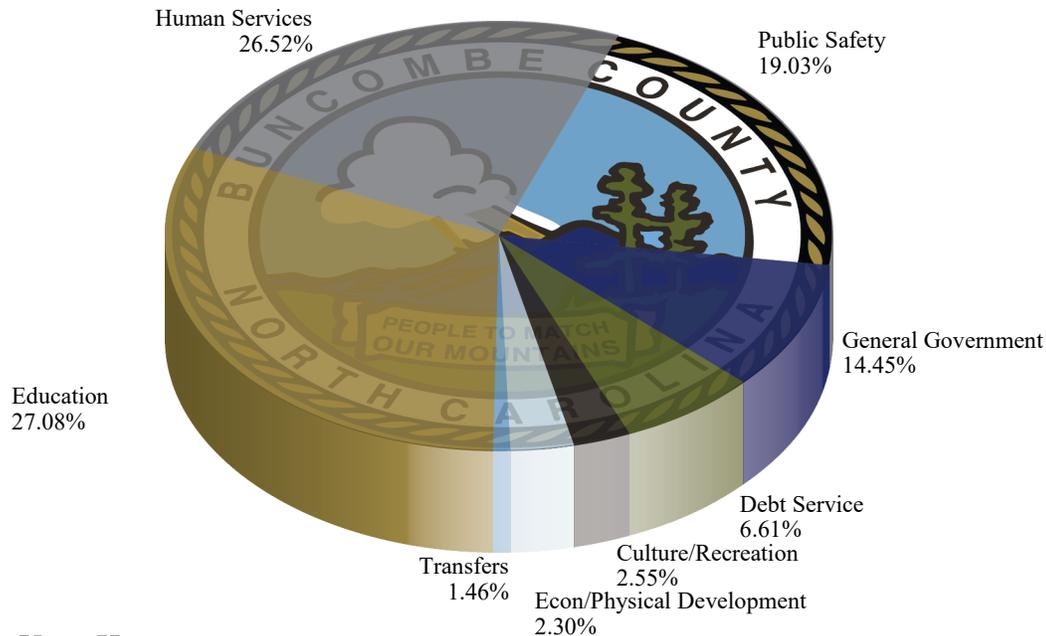
Fund Balance

In the General Fund, \$12,980,963 of fund balance is appropriated in the FY2019-2020 recommended budget. This accounts for 3.88% of General Fund appropriations. The projected fund balance assures the county will maintain its sound financial position. The Board of County Commissioners is committed to maintaining a high level of service to the citizens of Buncombe County without increasing the burden on the taxpayer.

# GENERAL FUND (CONTINUED)

## WHERE DOES THE MONEY GO?

### FY2020 RECOMMENDED EXPENDITURES/USES – GENERAL FUND



#### BUDGET YEAR HIGHLIGHTS:

For the FY2020 recommended budget, county officials continued a collaborative budget framework:

- Strengthening management through building infrastructure for financial and budget oversight with ongoing monitoring and evaluation to support transparency and accountability
- Delivering quality services through prioritizing excellence in services to the public and giving departments ownership
- Advancing Board of Commissioner strategic priorities through balancing short and long term community needs

Buncombe County's recommended budget continues to focus on core services – Education, Human Services, and Public Safety. These core services consume 72.6% (\$242.9 million) of our FY2020 General Fund recommended budget.

- Education continues to receive increased investment to recognize, retain, and recruit the best teachers and staff and to provide the support needed for our students to reach their full potential. This recommendation includes \$68,052,371 for Buncombe County Schools and \$12,626,196 for Asheville City Schools for continued investment in locally funded positions, behavioral health, and utility rate increases. \$6,775,600 is recommended for AB-Tech Community College. \$3,600,000 is recommended for Early Childhood Education to align with County Commissioner Strategic Initiatives.
- Buncombe County's Health and Human Services function primarily consists of the Social Services and Public Health divisions. The Social Services division provides mandated core services that protect the most vulnerable members of our community. The Public Health

division works to promote and protect the public’s health. This recommended budget includes significant increases to the Social Services division attributed to Foster Care Board payments due to higher level home needs and the addition of the 18-21 Foster Care Program (\$339,271) and \$877,131 in the Public Health division as a result of reassuming the direct administration of Care Coordination from Community Care of North Carolina. Each division is anticipated to receive offsetting revenues that relate to these increases.

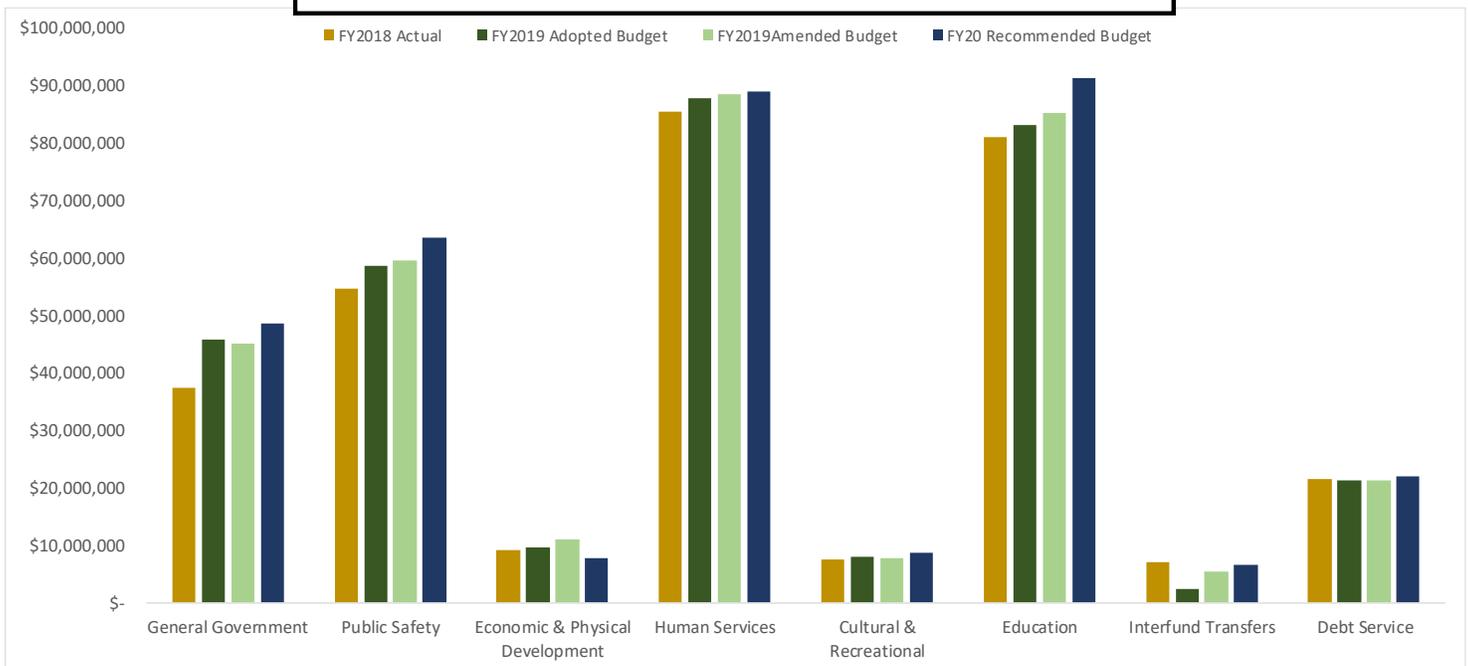
- Public Safety includes an increase of \$471,819 for six new patrol positions and an increase of \$302,982 for four new Detention Officer Intake Specialists for the Buncombe County Detention Facility. Emergency Services includes recommendations for additional training equipment (\$15,000), two new medical vending machines (\$30,000) and IV pump replacements (\$37,500).

The FY2020 recommended budget includes \$1,205,680 for Strategic Partnership grants.

The FY2020 recommended budget includes an increased retirement contribution rate mandated by the State Local Government Employees Retirement System (LGERS). In accordance with the LGERS Employer Contribution Rate Stabilization Policy, the retirement rate is expected to increase each year for the next two years. This budget includes \$7,944,158 in employer retirement contributions. Base salaries were impacted by approximately \$1.2 million due to the retirement rate increase from 7.80% to 8.95% for regular retirement and 8.50% to 9.70% for law retirement.

Other increases include \$1,693,955 in additional affordable housing investments, \$479,400 in Information Technology requests submitted through the County’s Capital Improvement Plan process, and \$630,870 from moving the Benefits and Risk cost center from an Internal Service fund into the General Fund.

### General Fund Expenditures By Function



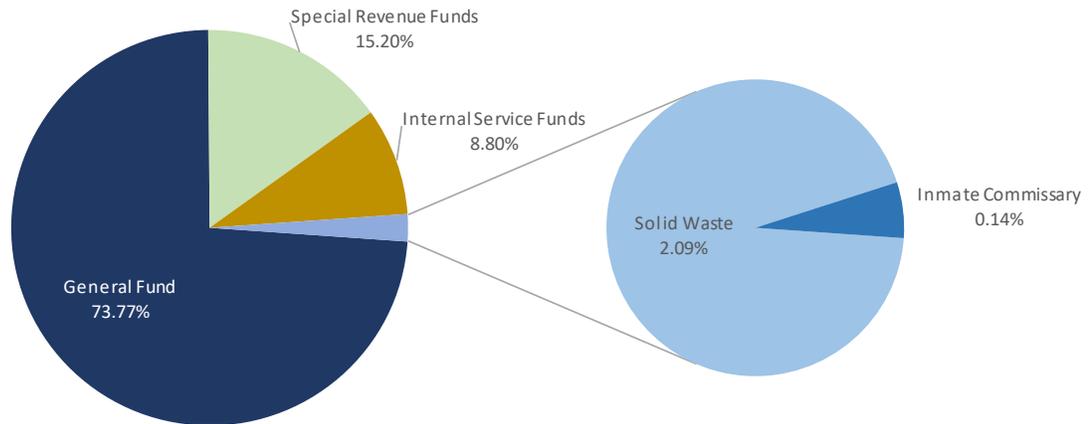
# SPECIAL REVENUE FUNDS

The total recommended budget for Special Revenue Funds is \$68,923,819. These funds represent 15.2% of the total County recommended budget. The funds that make up the group of Special Revenue Funds are the Register of Deeds Automation Fund, Tax Reappraisal Reserve Fund, Occupancy Tax Fund, 911 Fund, Fire Districts Fund, Transportation Fund, PDF Woodfin Downtown Fund, and the BCAT and Sheriff Forfeiture Fund.

- The Register of Deeds Automation Fund has a recommended budget of \$270,312 for FY2020. All of these funds are used for automating the Register of Deeds records. Per North Carolina statute, funds shall be expended on computer or imaging technology and needs associated with the preservation and storage of public records in the office of the register of deeds.
- The Tax Reappraisal Reserve Fund has a recommended budget of \$890,000. This fund was established per North Carolina General Statute §153A-150.
- The Occupancy Tax Fund has a recommended budget of \$28,192,947. This represents the revenues generated through the room occupancy tax on hotel and motel rooms. The current Occupancy Tax rate is now at 6%. These funds are used to further the development of travel, tourism and conventions in Buncombe County through state, national and international advertising promotions. A portion of these proceeds are earmarked for tourism-related public capital projects.
- The 911 Fund is recommended at \$857,000. The FY2020 recommended budget removes appropriations for major capital projects including replacement of dispatch console hardware. The NC 911 Board approved a new 911 funding method effective FY2012. The amount distributed to Buncombe County is based on data collected for the last five years of approved eligible expenditures reported to the 911 Board.
- The Fire Districts Fund has a recommended budget of \$33,691,566 for FY2020, an increase of 7.72% from FY2019. In FY2016, Buncombe County's Fire Districts were consolidated resulting in twenty districts, down from the previous twenty-six. Revenues for this fund are generated through sales taxes and ad valorem taxes. The ad valorem tax rates are recommended by each district and approved by the Board of Commissioners.
- The County's Transportation program, Mountain Mobility, provides transportation to several human service and non-profit agencies as well as general public transportation service outside the City of Asheville. During the FY2012 budget process the administration of the transportation program transitioned to outside service providers. Transportation is now administered and operated through contracts between Buncombe County, the Land of Sky Regional Council and McDonald Transit Associates, Inc. The Transportation Fund recommended budget for FY2020 is \$4,041,933. This is a decrease of 11.57% from FY2019 adopted due to budgeted one-time capital expenditures in FY2019. The County funded portion for FY2020 is budgeted at \$1,641,248.
- The FY2020 recommended budget for the Project Development Financing (PDF) Woodfin Downtown Fund is \$640,950 for debt principal and interest payments for the completed PDF Woodfin Downtown Project.
- The Forfeiture Fund accounts for monies received from federal and state forfeiture programs as well as the state unauthorized substances excise tax. These proceeds are designated for law enforcement purposes. The fund breaks out Sheriff Federal and Sheriff State into separate programs. Due to the nature of forfeiture revenues, available fund balance and revenue estimates are appropriated at the beginning of the budget year and budget amendments are completed throughout the fiscal year as federal and state revenue is received. This fund is recommended to be budgeted at \$339,111 for FY2020.

# ENTERPRISE FUNDS

The total recommended budget for the Enterprise Funds is \$10,083,083. This is a decrease of 5% from FY2019 amended. The two Enterprise Funds, Solid Waste and Inmate Commissary, are self-supporting through revenues and fees they collect.

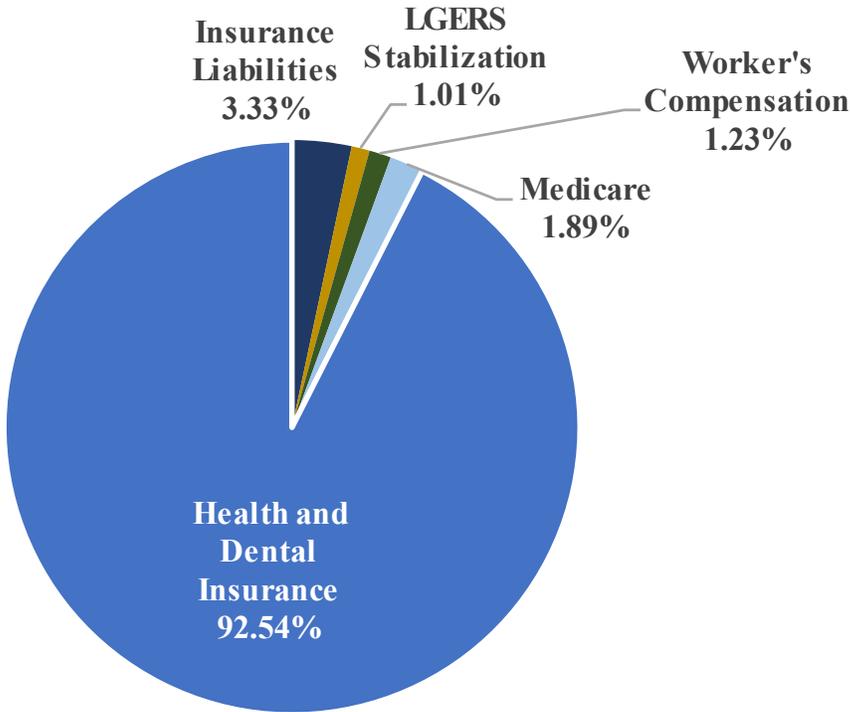


- The total recommended budget for the Solid Waste Fund is \$9,470,174 which is a 4.24% decrease from the FY2019 amended budget. In the FY2019 budget, \$630,500 was budgeted as contingency for the opening of the new Transfer Station facility. The FY2020 recommended budget removes this contingency. The new 18,000 square-foot Transfer Station sees upgrades from the previous facility:
  - Separate weigh stations for commercial haulers and residents
  - Additional drop-off lanes for commercial haulers to reduce wait times
  - Larger Trailers to reduce the amount of trips from the Transfer Station to the Landfill
  
- The total recommended budget for the Inmate Commissary & Welfare Fund is \$612,909. Revenues for this fund are generated through sales to the inmate population in the County's Detention Center.

# INTERNAL SERVICE FUND

The Internal Service Fund is recommended at \$39,906,289 and was established to account for the County’s self-insurance, group health, dental and workers’ compensation, unemployment, State Local Government Employee Retirement (LGERS) contributions, and general liability programs. The FY2020 recommended budget reflects the following appropriations:

- Health and Dental Insurance:\$36,927,841
- Insurance Liabilities: \$1,328,983
- Medicare: \$755,000
- Workers Compensation: \$489,280
- Local Governmental Employee Retirement System (LGERS) Stabilization: \$405,185



## RECOMMENDED OPERATING BUDGET SUMMARY: ALL FUNDS

|                                   | 2017/18 Actual     | 2018/19 Adopted Budget | 2018/19 Amended Budget | 2019/20 Budget     |
|-----------------------------------|--------------------|------------------------|------------------------|--------------------|
| <b>Revenues:</b>                  |                    |                        |                        |                    |
| General Fund                      | 308,668,300        | 316,861,799            | 323,916,553            | 334,517,752        |
| Special Revenue Funds:            |                    |                        |                        |                    |
| Volunteer Fire Departments Fund   | 26,666,739         | 31,276,959             | 31,276,959             | 33,691,566         |
| Transportation Fund               | 3,511,317          | 4,571,020              | 4,983,044              | 4,041,933          |
| Emergency Telephone System Fund   | 1,021,553          | 1,627,500              | 1,627,500              | 857,000            |
| Occupancy Tax Fund                | 23,324,277         | 23,000,000             | 23,000,000             | 28,192,947         |
| Register of Deeds Automation Fund | 145,216            | 270,312                | 270,312                | 270,312            |
| BCAT & Sheriff Forfeitures Fund   | 290,422            | 631,712                | 631,712                | 339,111            |
| PDF Woodfin Downtown Fund         | 522,532            | 672,950                | 672,950                | 640,950            |
| Reappraisal Reserve Fund          | -                  | -                      | 726,666                | 890,000            |
| Enterprise Funds:                 |                    |                        |                        |                    |
| Solid Waste Disposal Fund         | 9,191,857          | 9,889,434              | 9,889,434              | 9,470,174          |
| Inmate Commissary Fund            | 518,873            | 535,640                | 724,640                | 612,909            |
| Internal Service Fund             | 34,362,153         | 35,965,017             | 38,053,758             |                    |
| Insurance Liabilities Fund        |                    |                        |                        | 1,328,983          |
| LGERS Fund                        |                    |                        |                        | 405,185            |
| Workman's Comp Fund               |                    |                        |                        | 489,280            |
| Medicare Fund                     |                    |                        |                        | 755,000            |
| Health and Dental Insurance Fund  |                    |                        |                        | 36,927,841         |
| <b>Total</b>                      | <b>408,223,241</b> | <b>425,302,343</b>     | <b>435,773,528</b>     | <b>453,430,943</b> |
| <b>Expenditures</b>               |                    |                        |                        |                    |
| General Fund                      | 303,975,446        | 316,861,799            | 323,916,553            | 334,517,752        |
| Special Revenue Funds:            |                    |                        |                        |                    |
| Volunteer Fire Departments Fund   | 26,666,737         | 31,276,959             | 31,276,959             | 33,691,566         |
| Transportation Fund               | 3,511,317          | 4,571,020              | 4,983,044              | 4,041,933          |
| Emergency Telephone System Fund   | 595,063            | 1,627,500              | 1,627,500              | 857,000            |
| Occupancy Tax Fund                | 23,324,431         | 23,000,000             | 23,000,000             | 28,192,947         |
| Register of Deeds Automation Fund | 199,550            | 270,312                | 270,312                | 270,312            |
| BCAT & Sheriff Forfeitures Fund   | 158,402            | 631,712                | 631,712                | 339,111            |
| PDF Woodfin Downtown Fund         | 562,848            | 672,950                | 672,950                | 640,950            |
| Reappraisal Reserve Fund          | -                  | -                      | 726,666                | 890,000            |
| Enterprise Funds:                 |                    |                        |                        |                    |
| Solid Waste Disposal Fund         | 9,155,738          | 9,889,434              | 9,889,434              | 9,470,174          |
| Inmate Commissary Fund            | 517,061            | 535,640                | 724,640                | 612,909            |
| Internal Service Fund             | 30,997,400         | 35,965,017             | 38,053,758             |                    |
| Insurance Liabilities Fund        |                    |                        |                        | 1,328,983          |
| LGERS Fund                        |                    |                        |                        | 405,185            |
| Workman's Comp Fund               |                    |                        |                        | 489,280            |
| Medicare Fund                     |                    |                        |                        | 755,000            |
| Health and Dental Insurance Fund  |                    |                        |                        | 36,927,841         |
| <b>Total</b>                      | <b>399,663,992</b> | <b>425,302,343</b>     | <b>435,773,528</b>     | <b>453,430,943</b> |

## RECOMMENDED BUDGET SUMMARY ALL FUNDS - REVENUES

| Summary of County Funds      | 2017/18 Actual     | 2018/19 Adopted Budget | 2018/19 Amended Budget | 2019/20 Budget     |
|------------------------------|--------------------|------------------------|------------------------|--------------------|
| <b>General Fund</b>          |                    |                        |                        |                    |
| Property Tax                 | 195,822,398        | 197,302,014            | 197,302,014            | 206,224,379        |
| Local Option Sales Tax       | 31,217,622         | 31,608,204             | 31,608,204             | 33,533,237         |
| Other Taxes                  | 7,871,977          | 7,556,520              | 7,556,520              | 7,613,317          |
| Intergovernmental            | 41,190,494         | 41,400,273             | 42,075,233             | 43,401,919         |
| Permits & Fees               | 4,170,529          | 3,702,841              | 3,702,841              | 4,010,157          |
| Sales & Services             | 18,228,498         | 16,802,570             | 16,820,509             | 17,885,815         |
| Investment Earnings          | 1,201,269          | 725,000                | 725,000                | 761,250            |
| Miscellaneous                | 931,992            | 889,565                | 891,247                | 871,265            |
| Interfund Transfers          | 8,033,521          | 8,196,050              | 10,612,082             | 7,235,450          |
| Appropriated Fund Balance    | -                  | 8,678,762              | 12,622,903             | 12,980,963         |
| <b>Total</b>                 | <b>308,668,300</b> | <b>316,861,799</b>     | <b>323,916,553</b>     | <b>334,517,752</b> |
| <b>Special Revenue Funds</b> |                    |                        |                        |                    |
| Property Tax                 | 20,934,039         | 25,264,768             | 25,264,768             | 26,169,975         |
| Local Option Sales Tax       | 6,223,948          | 6,685,141              | 6,685,141              | 8,162,541          |
| Forfeitures                  | 284,311            | 631,712                | 631,712                | 339,111            |
| Other Taxes                  | 23,324,277         | 23,000,000             | 23,000,000             | 28,192,947         |
| Intergovernmental            | 2,957,712          | 3,586,343              | 3,938,887              | 2,889,301          |
| Permits & Fees               | 143,702            | 151,695                | 151,695                | 151,695            |
| Sales & Services             | -                  | -                      | -                      | -                  |
| Investment Earnings          | 30,291             | 13,305                 | 13,305                 | 13,305             |
| Miscellaneous                | 23,285             | 45,680                 | 45,680                 | 45,561             |
| Interfund Transfers          | 1,560,492          | 1,641,248              | 2,367,914              | 1,804,582          |
| Appropriated Fund Balance    | -                  | 1,030,561              | 1,090,041              | 1,154,801          |
| <b>Total</b>                 | <b>55,482,057</b>  | <b>62,050,453</b>      | <b>63,189,143</b>      | <b>68,923,819</b>  |
| <b>Enterprise Funds</b>      |                    |                        |                        |                    |
| Other Taxes                  | 631,262            | 518,000                | 518,000                | 518,000            |
| Intergovernmental            | -                  | -                      | -                      | -                  |
| Permits & Fees               | 26,226             | 22,400                 | 22,400                 | 22,400             |
| Sales & Services             | 8,681,382          | 9,591,923              | 9,591,923              | 9,172,663          |
| Investment Earnings          | 234,593            | 15,824                 | 15,824                 | 15,824             |
| Miscellaneous                | 137,267            | 100,000                | 100,000                | 100,000            |
| Other Financing Sources      | -                  | -                      | -                      | -                  |
| Interfund Transfers          | -                  | -                      | -                      | -                  |
| Appropriated Fund Balance    | -                  | 176,927                | 365,927                | 254,196            |
| <b>Total</b>                 | <b>9,710,730</b>   | <b>10,425,074</b>      | <b>10,614,074</b>      | <b>10,083,083</b>  |
| <b>Internal Service Fund</b> |                    |                        |                        |                    |
| Sales & Services             | 34,362,153         | 34,465,017             | 36,553,758             | 37,671,289         |
| Investment Earnings          | -                  | -                      | -                      | -                  |
| Interfund Transfers          | -                  | -                      | -                      | -                  |
| Appropriated Fund Balance    | -                  | 1,500,000              | 1,500,000              | 2,235,000          |
| <b>Total</b>                 | <b>34,362,153</b>  | <b>35,965,017</b>      | <b>38,053,758</b>      | <b>39,906,289</b>  |
| <b>Grand Total</b>           | <b>408,223,241</b> | <b>425,302,343</b>     | <b>435,773,528</b>     | <b>453,430,943</b> |

**RECOMMENDED BUDGET SUMMARY ALL FUNDS- EXPENDITURES**

| SERVICE AREA<br>Departments                | 2017/18 Actual     | 2018/19 Adopted Budget | 2018/19 Amended Budget | 2019/20 Budget     |
|--|--------------------|------------------------|------------------------|--------------------|
| <b>General Government</b>                  |                    |                        |                        |                    |
| Governing Body                             | 1,168,319          | 787,434                | 818,469                | 985,851            |
| County Manager                             | 1,473,429          | 1,939,683              | 2,241,073              | 2,450,669          |
| Strategic Partnership Grants               | 1,264,475          | 1,567,475              | 1,415,680              | 1,205,680          |
| Human Resources                            | 1,175,028          | 1,226,666              | 1,147,036              | 1,083,719          |
| Community Engagement                       | -                  | 781,165                | 646,516                | 748,284            |
| Communications                             | -                  | 412,330                | 412,330                | 434,609            |
| Finance                                    | 2,338,750          | 2,333,830              | 2,389,035              | 2,432,916          |
| Benefits and Risk                          | -                  | -                      | -                      | 630,870            |
| Tax Assessment                             | 2,551,975          | 3,272,772              | 4,001,623              | 4,373,094          |
| Tax Collections                            | 1,893,313          | 1,643,332              | 1,644,769              | 2,132,824          |
| Elections                                  | 1,817,509          | 2,164,754              | 2,164,754              | 2,708,026          |
| Register of Deeds                          | 3,960,402          | 3,995,143              | 3,995,143              | 4,011,295          |
| Budget                                     | 821,401            | 574,074                | 555,539                | 450,715            |
| Internal Audit                             | -                  | 284,596                | 284,596                | 289,140            |
| Information Technology                     | 10,959,369         | 12,451,000             | 12,624,533             | 14,131,449         |
| Performance Management                     | 944,773            | 1,939,491              | 1,682,382              | 1,596,878          |
| General Services                           | 6,956,636          | 7,672,243              | 7,692,636              | 7,519,416          |
| Fleet Services                             | 873,829            | 991,377                | 991,377                | 1,137,960          |
| Parking Services                           | -                  | -                      | -                      | 290,674            |
| Nondepartmental                            | 140,695            | 1,738,706              | 1,252,994              | 615,188            |
| Register of Deeds Automation Fund          | 199,550            | 270,312                | 270,312                | 270,312            |
| Internal Service Fund                      | 30,997,400         | 35,965,017             | 38,053,758             | 39,906,289         |
| <b>Public Safety</b>                       |                    |                        |                        |                    |
| Sheriff's Office                           | 21,472,074         | 22,637,289             | 19,838,445             | 21,714,808         |
| Detention Center                           | 15,499,667         | 16,462,447             | 18,324,424             | 19,410,463         |
| Justice Resource Support                   | 897,005            | 922,854                | 937,330                | 930,537            |
| Juvenile Crime Prevention Council          | -                  | -                      | 15,500                 | 15,500             |
| Emergency Services                         | 12,041,412         | 12,586,312             | 14,115,159             | 15,292,978         |
| Pre-trial Release                          | 1,085,345          | 1,120,304              | 1,130,339              | 1,092,119          |
| Identification Bureau                      | 1,542,642          | 1,743,975              | 1,743,975              | 1,812,594          |
| Public Safety Training Center              | 600,384            | 1,297,384              | 1,297,384              | 1,348,672          |
| Criminal Justice Information System        | 1,268,566          | 1,364,777              | 1,465,987              | 1,345,846          |
| Nondepartmental                            | 365,098            | 659,442                | 672,814                | 709,442            |
| Volunteer Fire Departments Fund            | 26,666,737         | 31,276,959             | 31,276,959             | 33,691,566         |
| Emergency Telephone System Fund            | 595,063            | 1,627,500              | 1,627,500              | 857,000            |
| Inmate Commissary Fund                     | 517,061            | 535,640                | 724,640                | 612,909            |
| BCAT & Sheriff Forfeitures Fund            | 158,402            | 631,712                | 631,712                | 339,111            |
| <b>Human Services</b>                      |                    |                        |                        |                    |
| Public Health                              | 16,153,667         | 19,295,839             | 20,438,891             | 21,471,933         |
| Division of Social Services                | 51,630,373         | 54,369,693             | 54,035,310             | 53,906,308         |
| Direct Assistance                          | 9,248,613          | 9,093,140              | 9,129,984              | 8,911,166          |
| Veterans Service                           | 414,253            | 492,909                | 388,392                | 395,116            |
| Animal Services                            | 1,238,652          | 1,291,792              | 1,291,792              | 1,232,242          |
| Behavioral Health                          | 970,093            | 1,604,442              | 1,594,966              | 1,589,615          |
| Family Justice Center                      | 161,893            | 351,682                | 351,682                | 348,590            |
| Community Contracts                        | 5,076,962          | -                      | -                      | -                  |
| Nondepartmental                            | 411,944            | 1,360,259              | 1,360,259              | 849,602            |
| Transportation Fund                        | 3,511,317          | 4,571,020              | 4,983,044              | 4,041,933          |
| <b>Economic &amp; Physical Development</b> |                    |                        |                        |                    |
| Planning                                   | 2,877,858          | 2,558,076              | 2,407,371              | 2,163,198          |
| Permits & Inspections                      | 2,278,781          | 2,308,326              | 2,308,326              | 2,477,482          |
| Economic Development                       | 3,166,681          | 3,684,744              | 5,223,744              | 1,965,705          |
| Cooperative Extension                      | 339,571            | 390,506                | 397,889                | 457,749            |
| Soil Conservation                          | 494,274            | 541,478                | 568,934                | 564,484            |
| Nondepartmental                            | 26,127             | 73,460                 | 73,460                 | 73,460             |
| Occupancy Tax Fund                         | 23,324,431         | 23,000,000             | 23,000,000             | 28,192,947         |
| PDF Woodfin Downtown Fund                  | 562,848            | 672,950                | 672,950                | 640,950            |
| Solid Waste Disposal Fund                  | 9,155,738          | 9,889,434              | 9,889,434              | 9,470,174          |
| <b>Cultural &amp; Recreational</b>         |                    |                        |                        |                    |
| Library                                    | 5,112,399          | 5,910,082              | 5,813,224              | 6,094,485          |
| Parks, Greenways & Recreation              | 1,683,900          | 1,826,778              | 1,782,946              | 2,087,679          |
| Nondepartmental                            | 32,123             | 217,308                | 217,308                | 352,308            |
| <b>Education</b>                           |                    |                        |                        |                    |
| Asheville City Schools                     | 11,681,164         | 11,890,592             | 12,112,621             | 12,626,196         |
| Buncombe County Schools                    | 62,526,370         | 63,642,438             | 65,284,316             | 68,052,371         |
| Pre-K                                      | 327,501            | 830,578                | 951,578                | 2,748,589          |
| Child Care Centers                         | 281,508            | 68,000                 | 68,000                 | 55,350             |
| Education Support                          | -                  | 317,500                | 317,500                | 317,500            |
| AB Tech                                    | 6,280,000          | 6,500,000              | 6,500,000              | 6,775,600          |
| Interfund Transfers                        | 6,961,472          | 2,465,498              | 5,317,060              | 4,867,239          |
| General Debt Service                       | 21,487,171         | 21,205,824             | 21,205,824             | 22,121,569         |
| <b>TOTAL</b>                               | <b>399,663,992</b> | <b>425,302,343</b>     | <b>435,773,528</b>     | <b>453,430,943</b> |

# PERSONNEL SUMMARY

## Summary of Recommended Positions by Fund:

### Personnel Summary - Budgeted Permanent Positions

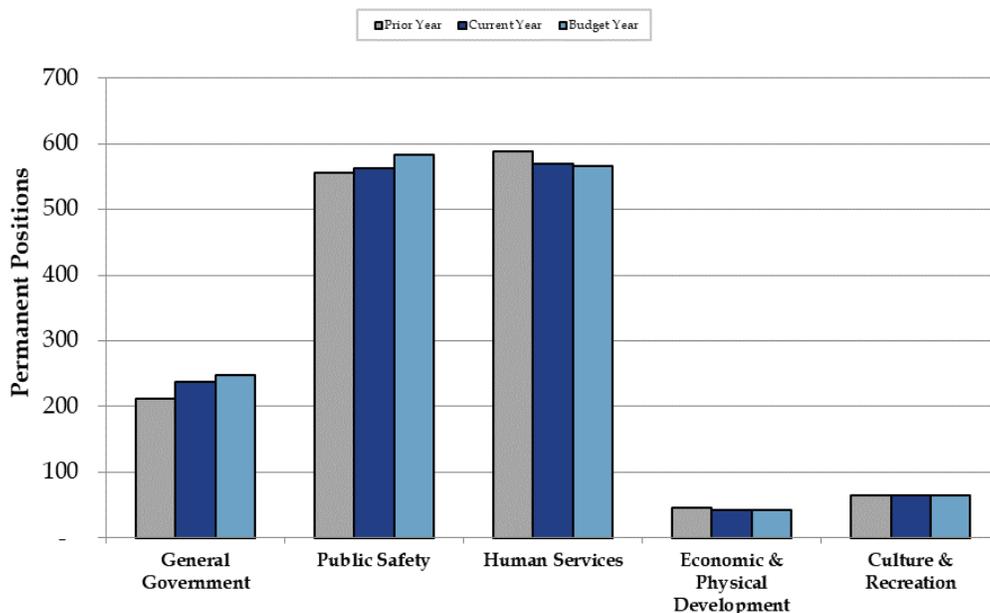
| Fund                   | Prior Year   | Current Year | Budget Year  | Percent Change |
|------------------------|--------------|--------------|--------------|----------------|
| General Fund           | 1,466        | 1,477        | 1,504        | 2%             |
| Enterprise Fund        | 26           | 34           | 34           | 0%             |
| Internal Service Fund  | 6            | 7            | 3            | -57%           |
| Grant Projects Fund    | 2            | 1            | 1            | 0%             |
| <b>Total All Funds</b> | <b>1,500</b> | <b>1,519</b> | <b>1,542</b> | <b>1.5%</b>    |

## General Fund Summary - Recommended Positions by Service Area:

### Personnel Summary - Budgeted Permanent Positions

| Service Area                    | Prior Year   | Current Year | Budget Year  | Percent Change |
|---------------------------------|--------------|--------------|--------------|----------------|
| General Government              | 212          | 238          | 247          | 4%             |
| Public Safety                   | 555          | 562          | 583          | 4%             |
| Human Services                  | 589          | 569          | 566          | -1%            |
| Economic & Physical Development | 46           | 43           | 43           | 0%             |
| Culture & Recreation            | 64           | 65           | 65           | 0%             |
| <b>Total General Fund</b>       | <b>1,466</b> | <b>1,477</b> | <b>1,504</b> | <b>2%</b>      |

### General Fund



Reflects 21 recommended positions, new positions added during FY2019 and reallocations across departments.

**Projects (General Fund)**

| Project   | 2020               | 2021               | 2022             | 2023             | 2024             | Grand Total        | Funding Source |
|---|--------------------|--------------------|------------------|------------------|------------------|--------------------|----------------|
| Board of Elections                                      | \$400,000          | \$0                | \$0              | \$3,850,000      | \$0              | \$4,250,000        |                |
| Automark ExpressVote Ballot Marking Replacement         | \$400,000          |                    |                  |                  |                  | \$400,000          | Debt           |
| Elections Complex                                       |                    |                    |                  | \$3,850,000      |                  | \$3,850,000        | Debt           |
| Emergency Management                                    | \$1,000,000        | \$0                | \$1,200,000      | \$2,660,000      | \$600,000        | \$5,460,000        |                |
| Garren Creek Tower Retrofit                             | \$1,000,000        |                    |                  |                  |                  | \$1,000,000        | Debt           |
| VHF Radio System  |                    |                    |                  |                  | \$600,000        | \$600,000          | Pay-Go         |
| Ambulance Fleet Cot Replacements (Qty 14)               |                    |                    |                  | \$280,000        |                  | \$280,000          | Pay-Go         |
| EMS Base Construction                                   |                    |                    | \$1,200,000      |                  |                  | \$1,200,000        | Debt           |
| Ambulance Fleet Replacement                             |                    |                    |                  | \$2,380,000      |                  | \$2,380,000        | Debt           |
| <b>General Services</b>                                 | <b>\$4,731,114</b> | <b>\$2,121,052</b> | <b>\$200,000</b> | <b>\$200,000</b> | <b>\$200,000</b> | <b>\$7,452,166</b> |                |
| 49 Mt. Carmel Parking Lot                               |                    | \$100,000          |                  |                  |                  | \$100,000          | Pay-Go         |
| Old Jail Doors Hardware improvement                     |                    | \$55,000           |                  |                  |                  | \$55,000           | Pay-Go         |
| Old Jail Shower Flooring Replacement                    |                    | \$207,309          |                  |                  |                  | \$207,309          | Pay-Go         |
| Pack Library Exterior Wash                              | \$192,500          |                    |                  |                  |                  | \$192,500          | Pay-Go         |
| Building Automation System - Allport Building           | \$39,600           |                    |                  |                  |                  | \$39,600           | Pay-Go         |
| 200 College Street Chiller                              |                    | \$410,305          |                  |                  |                  | \$410,305          | Pay-Go         |
| Facility Assessment - County owned buildings            |                    | \$900,000          |                  |                  |                  | \$900,000          | Pay-Go         |
| Garage - door replacement                               |                    | \$59,062           |                  |                  |                  | \$59,062           | Pay-Go         |
| Garage - Lifts Replacements & Improvements              | \$74,200           | \$23,836           |                  |                  |                  | \$98,036           | Pay-Go         |
| Grounds Equipment                                       | \$61,938           |                    |                  |                  |                  | \$61,938           | Debt           |
| HVAC for Oakley/South Asheville Library                 | \$94,377           |                    |                  |                  |                  | \$94,377           | Debt           |
| Interchange Building                                    | \$468,641          |                    |                  |                  |                  | \$468,641          | Debt           |
| Jail Mezzanine Metal Screen Partitions                  | \$318,000          |                    |                  |                  |                  | \$318,000          | Debt           |
| Leicester Patrol Office Renovation                      | \$6,948            |                    |                  |                  |                  | \$6,948            | Pay-Go         |
| Parking Lot Improvements Countywide                     | \$946,523          |                    |                  |                  |                  | \$946,523          | Debt           |
| Parks & Recreation Projects                             | \$787,665          |                    |                  |                  |                  | \$787,665          | Debt           |
| Register of Deeds Building Envelope                     | \$560,475          |                    |                  |                  |                  | \$560,475          | Debt           |
| Repairs for Libraries                                   | \$366,978          |                    |                  |                  |                  | \$366,978          | Debt           |
| Roof Replacements                                       | \$466,900          |                    |                  |                  |                  | \$466,900          | Debt           |
| Soccer Complex Improvements                             | \$155,608          | \$165,540          |                  |                  |                  | \$321,148          | Pay-Go         |
| Zeugner Center Demolition                               | \$90,761           |                    |                  |                  |                  | \$90,761           | Pay-Go         |
| Recurring Fleet - General Government                    | \$100,000          | \$200,000          | \$200,000        | \$200,000        | \$200,000        | \$900,000          | Pay-Go         |
| <b>Governing Body</b>                                   | <b>\$0</b>         | <b>\$1,000,000</b> | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       | <b>\$1,000,000</b> |                |
| I-26 Infrastructure Project - Multmodal Design Elements |                    | \$1,000,000        |                  |                  |                  | \$1,000,000        | Debt           |
| <b>Information Technology</b>                           | <b>\$479,400</b>   | <b>\$408,199</b>   | <b>\$0</b>       | <b>\$0</b>       | <b>\$0</b>       | <b>\$887,599</b>   |                |
| Information Technology Requests                         | \$479,400          | \$408,199          |                  |                  |                  | \$887,599          | Pay-Go         |

**Projects (General Fund)**

| Project   | 2020               | 2021               | 2022               | 2023               | 2024               | Grand Total         | Funding Source |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|----------------|
| Parks, Greenways and Recreation                     | \$510,000          | \$247,000          | \$674,160          | \$0                | \$0                | \$1,431,160         |                |
| Grading and Paving of Old Playground at Lake Julian | \$180,000          |                    |                    |                    |                    | \$180,000           | Debt           |
| Lake Julian Bathroom Additions                      |                    |                    | \$674,160          |                    |                    | \$674,160           | Debt           |
| Lake Julian Paddle Boat Replacement                 |                    | \$88,000           |                    |                    |                    | \$88,000            | Pay-Go         |
| Lake Julian Pontoon Boat                            | \$50,000           |                    |                    |                    |                    | \$50,000            | Pay-Go         |
| Lake Julian Shelter Replacements                    | \$100,000          |                    |                    |                    |                    | \$100,000           | Debt           |
| New Restroom Facility for Sports Park               | \$0                | \$159,000          |                    |                    |                    | \$159,000           | Pay-Go         |
| Shelter At Lake Julian Walking Trail                | \$180,000          |                    |                    |                    |                    | \$180,000           | Debt           |
| Sheriffs Office                                     | \$2,041,174        | \$1,651,174        | \$1,651,174        | \$1,651,174        | \$1,651,174        | \$8,645,870         |                |
| Buncombe County Detention Facility Needs Assessment | \$225,000          |                    |                    |                    |                    | \$225,000           | Pay-Go         |
| Court House Security Needs                          | \$165,000          |                    |                    |                    |                    | \$165,000           | Pay-Go         |
| Recurring Fleet - Sheriff                           | \$1,651,174        | \$1,651,174        | \$1,651,174        | \$1,651,174        | \$1,651,174        | \$8,255,870         | Debt           |
| <b>Total Expenditures</b>                           | <b>\$9,161,688</b> | <b>\$5,427,425</b> | <b>\$3,725,334</b> | <b>\$8,361,174</b> | <b>\$2,451,174</b> | <b>\$29,126,795</b> |                |

| Funding Sources:             | 2020               | 2021       | 2022       | 2023       | 2024       | Grand Total        |
|------------------------------|--------------------|------------|------------|------------|------------|--------------------|
| Capital Project Savings      | \$1,579,017        |            |            |            |            | \$1,579,017        |
| <b>Total Funding Sources</b> | <b>\$1,579,017</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$1,579,017</b> |

|   |              |              |              |              |              |                      |
|---|--------------|--------------|--------------|--------------|--------------|----------------------|
| *Existing Debt                                    | \$20,691,762 | \$19,024,892 | \$18,406,934 | \$17,907,223 | \$17,385,503 | <b>\$93,416,314</b>  |
| FY2018/FY2019 Debt to be Issued (Estimated)       | \$1,429,807  | \$1,416,223  | \$1,380,016  | \$1,343,809  | \$1,307,601  | <b>\$6,877,456</b>   |
| Issuance of New Debt From FY20-24 CIP (Estimated) |              | \$502,079    | \$588,206    | \$761,786    | \$739,828    | <b>\$2,591,899</b>   |
| General Fund Debt Payment                         | \$22,121,569 | \$20,943,194 | \$20,375,156 | \$20,012,818 | \$19,432,932 | <b>\$102,885,669</b> |

\*Includes \$300,000 Debt Issuance Costs

**Projects (Solid Waste Enterprise)**

| Project   | 2020             | 2021             | 2022                | 2023       | 2024       | Grand Total         | Funding Source |
|---|------------------|------------------|---------------------|------------|------------|---------------------|----------------|
| Solid Waste                                     | \$330,000        | \$350,000        | \$13,150,000        | \$0        | \$0        | \$13,830,000        |                |
| LEACHATE INJECTION LINE DEVELOPMENT- MSW CELL 6 | \$210,000        |                  |                     |            |            | \$210,000           | Enterprise     |
| MSW CELL 7 DEVELOPMENT                          |                  | \$250,000        | \$11,750,000        |            |            | \$12,000,000        | Enterprise     |
| CONSTRUCTION AND DEMOLITION LANDFILL PHASE 6B   | \$120,000        |                  | \$1,400,000         |            |            | \$1,520,000         | Enterprise     |
| LANDFILL GAS BENEFICIAL USE EVALUATION          |                  | \$100,000        |                     |            |            | \$100,000           | Enterprise     |
| <b>Grand Total</b>                              | <b>\$330,000</b> | <b>\$350,000</b> | <b>\$13,150,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$13,830,000</b> |                |

# GLOSSARY

---

## ACCOUNTABILITY

The state of being obliged to explain one's actions, to justify what one does. Accountability requires governments to answer to the citizenry; to justify the raising of public resources and the purposes for which they are used.

## ACCRUAL

An expense that is recorded at the time it occurs or revenue recorded when earned.

## ACCRUAL BASIS OF ACCOUNTING

A method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

## ADOPTED BUDGET

The budget approved by the County Commissioners and enacted via a budget appropriation ordinance, on or before June 30 of each year.

## AD VALOREM TAXES

Commonly referred to as property taxes, ad valorem taxes are levied on the value of real, certain personal, and public utility property according to the property's valuation and tax rate.

## AGENCY FUNDS

One type of fiduciary (trustee) fund. Agency funds are used to report resources held by the reporting government in a purely custodial capacity. Agency funds typically involve only receipt, temporary investment, and remittance of financial resources to individuals, private organizations or other governments.

## ALLOCATE

Set apart portions of budgeted expenditures that are specifically designated to organizations for special activities or purposes.

## AMORTIZATION SCHEDULE

A schedule of debt-service payments separating the portions of payments attributable to principal and interest.

## ANNUAL BUDGET

A budget covering a single fiscal year.

## APPROPRIATED FUND BALANCE

The unspent amount (fund balance) appropriated as a revenue for a given fiscal year to offset operating expenses that exceed current revenue.

## APPROPRIATION

An authorization granted by the Board of Commissioners to make budgeted expenditures and to incur obligations for purposes specified in the budget.

**ASSETS**

Property owned by the County that has monetary value.

**ASSESSED VALUE**

The value of real estate or personal property as determined by tax assessors and used as a basis for levying taxes.

**ASSESSMENT**

The process for determining values of real estate and personal property for taxation purposes.

**BALANCED BUDGET**

A budget in which the sum of estimated net revenues and appropriated fund balance is equal to appropriations.

**BASIS OF ACCOUNTING**

A term used referring to when revenues, expenditures, expenses, transfers, and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Specifically, it relates to the *timing* of the measurement, on either the cash or the accrual method.

**BENCHMARKING**

The process of measuring an organization's performance and processes against the best-in-class private and public organizations.

**BIENNIAL BUDGET**

A budget applicable to a two-year budget.

**BOND**

A written promise to pay a specified sum of money (principal or face value) at a specified future date (the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate).

**BONDED DEBT**

The portion of indebtedness represented by outstanding bonds.

**BUDGET**

An annual financial plan that identifies revenues, specifies the type and level of services to be provided and establishes the amount of money which may be spent within a certain time period.

**BUDGET DOCUMENT**

A formal document presented to the Board of Commissioners containing the county's financial plan for a fiscal year.

**BUDGET MESSAGE**

A written overview of the proposed budget from the county manager to the Board of Commissioners which discusses the major budget items and the county's present and future financial condition.

**BUDGET ORDINANCE**

The ordinance that levies taxes and appropriates revenues for specified purposes, functions, activities, or objectives during a fiscal year.

**BUDGET YEAR**

The fiscal year for which a budget is proposed or a budget ordinance is adopted.

**BUDGETARY CONTROL**

The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

**BUNCOMBE COUNTY ANTI-CRIME TASK FORCE (BCAT)**

A drug suppression and investigative unit.

**CAPITAL IMPROVEMENT PROGRAM**

A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from a long-term work program. It sets forth each project and specifies the resources needed to finance the projected expenditures.

**CAPITAL PROJECT**

A capital project is defined as construction, renovation or demolition project, or acquisition of land or other assets, valued in excess of \$25,000, and with a useful life of at least five years. This includes significant capital maintenance projects and information technology projects. Improvements to or expansions of existing assets must increase appraised value or add to life expectancy to qualify as a capital project.

**CAPITAL PROJECTS FUND**

A fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities.

**CAPITAL RESERVE FUND**

A fund used to segregate a portion of the government's resources to be used for future capital program expenditures.

**CCBI**

City-County Bureau of Identification. This department maintains criminal and other identity records for local law enforcement agencies.

**CDE**

Central Data Entry. This division maintains a centralized database of criminal history information on all persons arrested or cited in the County.

**CERTIFICATES OF PARTICIPATION (COPs)**

A financing mechanism in which certificates, or securities, are sold to investors who underwrite a project. The issuance of COPs is secured by lease-purchase agreements to which the County is a party.

**CJIS**

Criminal Justice Information System. This division maintains an information system of criminal data from the state, counties and cities of North Carolina for public safety agencies and the citizens of Buncombe County.

**CONTINGENCY ACCOUNT**

An appropriation of funds to cover unanticipated events that may occur during the fiscal year. Transfers from this account must be approved by the Board of Commissioners.

**CURRENT PERIOD**

Defines the near-term time frame, month or year, in which expenditures are made and revenue received.

**DEBT SERVICE**

Payment of interest and principal on an obligation resulting from the issuance of bonds.

**DEBT SERVICE REQUIREMENTS**

The amount of money required to pay interest on outstanding debt and required contributions to accumulate monies for future retirement of term bonds.

**DEFICIT**

Expenditures exceed revenues.

**DEPRECIATION**

An accounting charge associated with expiration in the service life of fixed assets. Depreciation is not recorded as an expense for budget purposes.

**DESIGNATED FUND BALANCE**

The amount of fund balance that is unavailable for future appropriations.

**DISCRETIONARY EXPENDITURES**

These are expenditures that the County can use or regulated by it's own discretion or judgment.

**EMS**

Emergency Medical Services.

**ENCUMBRANCE**

Commitments of appropriated funds related to unperformed contracts for goods or services.

**ENTERPRISE FUND**

Account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body 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.

**EXPENDITURES**

The measurement focus of governmental fund accounting. Financial resources expended during a period for operations, capital outlay, and long-term principal retirement and interest on debt. Expenditures reflect the cost incurred to acquire goods or services.

**FISCAL YEAR (FY)**

The annual period for the compilation of fiscal operations. The time period beginning July 1 of a calendar year and ending on June 30 of the following calendar year.

**FUNCTIONAL LEVEL**

The level where a group of related activities aimed at accomplishing a major service or regulatory program for which the government is responsible are reported together (e.g. *public safety*).

**FUND**

An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

**FUND BALANCE**

Amounts which remain unspent after all budgeted expenditures have been made.

**GASB**

Governmental Accounting Standards Board

**GASB STATEMENT 54**

This GASB Statement (Fund Balance Reporting and Governmental Fund Type Definitions) redefines fund balance classifications and clarifies government fund type definitions.

**GENERAL FUND**

The general operating fund of the county used to account for all financial resources except those required to be accounted for in another fund.

**GENERAL OBLIGATION (GO) BONDS**

A bond backed by the strongest form of security that a county can pledge for debt, its full faith and credit. A full faith and credit pledge is a promise to levy whatever amount of property tax is necessary to repay the debt.

**GEOGRAPHIC INFORMATION SYSTEM (GIS)**

A computer-based technology that captures, stores, analyzes and displays information about places on the earth's surface: what's on it; what's under it; what the land is worth; where the natural resources, people and utilities are located.

**GOALS**

Realistic expression of specific things to achieve that relate directly to the mission; clear, measurable, attainable and in most cases, exceedable. They outline specific steps taken to accomplish the mission.

**GOVERNMENTAL FUNDS**

Funds generally used to account for tax-supported activities.

**GROSS DEBT**

Total debt plus authorized but not issued bonds plus installment purchase agreements.

**HHW**

Household Hazardous Waste

**INFRASTRUCTURE**

Facilities on which the continuance and growth of a community depend, such as roads, waterlines, etc.

**INSTALLMENT FINANCING**

A loan transaction in which a local government borrows money to finance or refinance the purchase of a capital asset or the construction or repair of fixtures or improvements on real property. Instead of taxing power (GO Bonds), the unit grants a security interest in the asset to the lender.

**INTERGOVERNMENTAL REVENUES**

Revenues (grants, shared revenues, etc.) received from another government (state, local, federal) for a specified purpose.

**INTERNAL SERVICE FUND**

A fund used to account for the financing of services provided by one department to other departments on a cost-reimbursement basis.

**LINE ITEM**

The detailed categories of expenditures for goods and services that the County purchases throughout the year.

**LIMITED OBLIGATION BONDS (LOBS)**

A type of installment financing similar to Certificates of Participation (COPS). Certificates, or securities, are sold to individual investors.

**LONG TERM DEBT**

Debt with a maturity of more than one year after the date of issuance.

**MEASUREMENT FOCUS**

The accounting convention which determines (1) which assets and which liabilities are included on an entity's balance sheet and (2) whether its operating statement presents "financial flow" information (revenues and expenditures) or "capital maintenance" information (revenues and expenses).

**MISSION STATEMENT**

Fundamental purpose; a statement of what a department really wants to accomplish. The statement should refer to the impact on the County and it's people.

**MODIFIED ACCRUAL BASIS OF ACCOUNTING**

A method for recording receipts and expenditures in which expenditures are recognized when the goods or services are received, and the revenues are recognized when measurable and available to pay expenditures in the accounting period.

**NET DEBT**

The difference between total gross debt less authorized but not issued bonds. It is the amount of debt that is applicable to the calculation of the County's debt limit.

**OBJECT LEVEL**

An expenditure classification, referring to the lowest and most detailed level of classification, such as utilities, office supplies, or contracted services.

**OPERATING BUDGET**

The County's financial plan which outlines proposed expenditures for the fiscal year and estimates the revenues which will be used to finance them.

**OPERATING EXPENDITURES**

The cost for personnel, materials and equipment required for a department to function.

**OPERATING FUND**

This is a fund that is adopted for the current fiscal year only.

**OPERATING TRANSFERS**

Legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.

**OUTCOME**

The results specified in organizational goals or the positive effects or results an organization has on the community it serves.

**OUTPUT**

What an organization produces as it attempts to provide public services. (Ex: The number of patrol cars a police department purchases.)

**PAY-AS-YOU-GO**

The practice of financing expenditures with funds that are currently available rather than borrowed.

**PROJECT FUND**

This is a fund that includes on-going revenues and expenditures that “roll” from one year to the next. These funds do not require annual adoption by the Commissioners.

**PROPRIETARY FUND**

A type of fund that accounts for governmental operations that are financed and operated in a manner similar to a private business enterprise. It is financed primarily from charges to users for services provided. There are two types of proprietary funds: enterprise funds and internal service funds.

**PRIOR PERIOD ADJUSTMENT**

Prior period adjustments are the net effect of changes resulting from the correction of an error in the previous fiscal year.

**RECOMMENDED BUDGET**

The budget presented to the County Commissioners with the endorsement of the County Budget Officer/County Manager.

**REQUIRED EXPENDITURES**

These are expenditures that the County must spend according to a law or ruling from a State or Federal agencies. These include Medicaid expenditures and School Capital and Operating funds.

**RESERVED FUND BALANCE**

The portion of a governmental fund’s net assets that is not available to budget to spend.

**REVENUE**

Income (excluding transfers and proceeds from the sale of bonds or notes) for the fiscal year. The major categories of revenue include local taxes, state shared revenues, fees and charges, interest on investments, federal revenue sharing, and fines and forfeitures.

**SERVICE DISTRICTS**

A unit of local government that is created for the operation of a particular public service

enterprise. These include fire and rescue.

**SPECIAL ASSESSMENTS**

A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

**SPECIAL OBLIGATION BONDS**

A type of borrowing secured by a pledge of any revenue source or asset available to the borrowing government, except for the unit's taxing power.

**SPECIAL REVENUE FUND**

A governmental accounting fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**STRATEGIC PLAN**

This is a long-range plan that guides the direction of the County departments in how to conduct day-to-day business in order to reach longer term goals.

**SURPLUS**

Revenues exceeded expenditures.

**TAX LEVY**

The total amount to be raised by general property taxes for purposes specified in the Budget Ordinance.

**TAX RATE**

The amount of tax levied for each \$100 of assessed valuations.

**TRANSFERS (IN/OUT)**

Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

**UNDESIGNATED FUND BALANCE**

The amount of fund balance that is available for future appropriations.

**UNRESTRICTED FUND BALANCE**

The sum of committed, assigned, and unassigned fund balance as defined in GASB Statement 54.