



RECOMMENDED ANNUAL BUDGET IN BRIEF

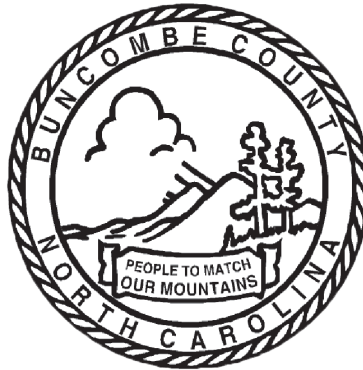
FOR THE FISCAL YEAR ENDING JUNE 30, 2020



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
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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*

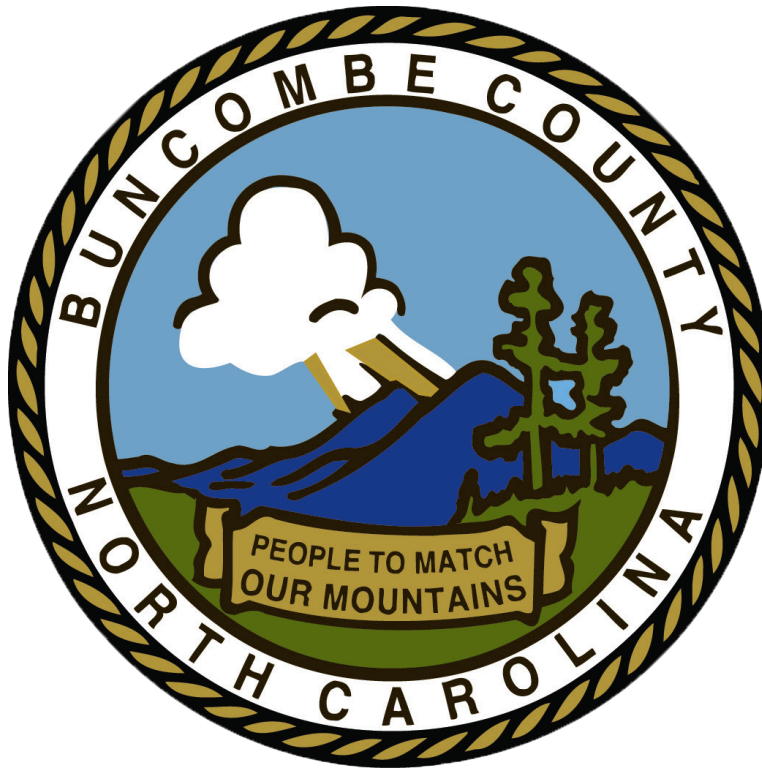
Our Mission:

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

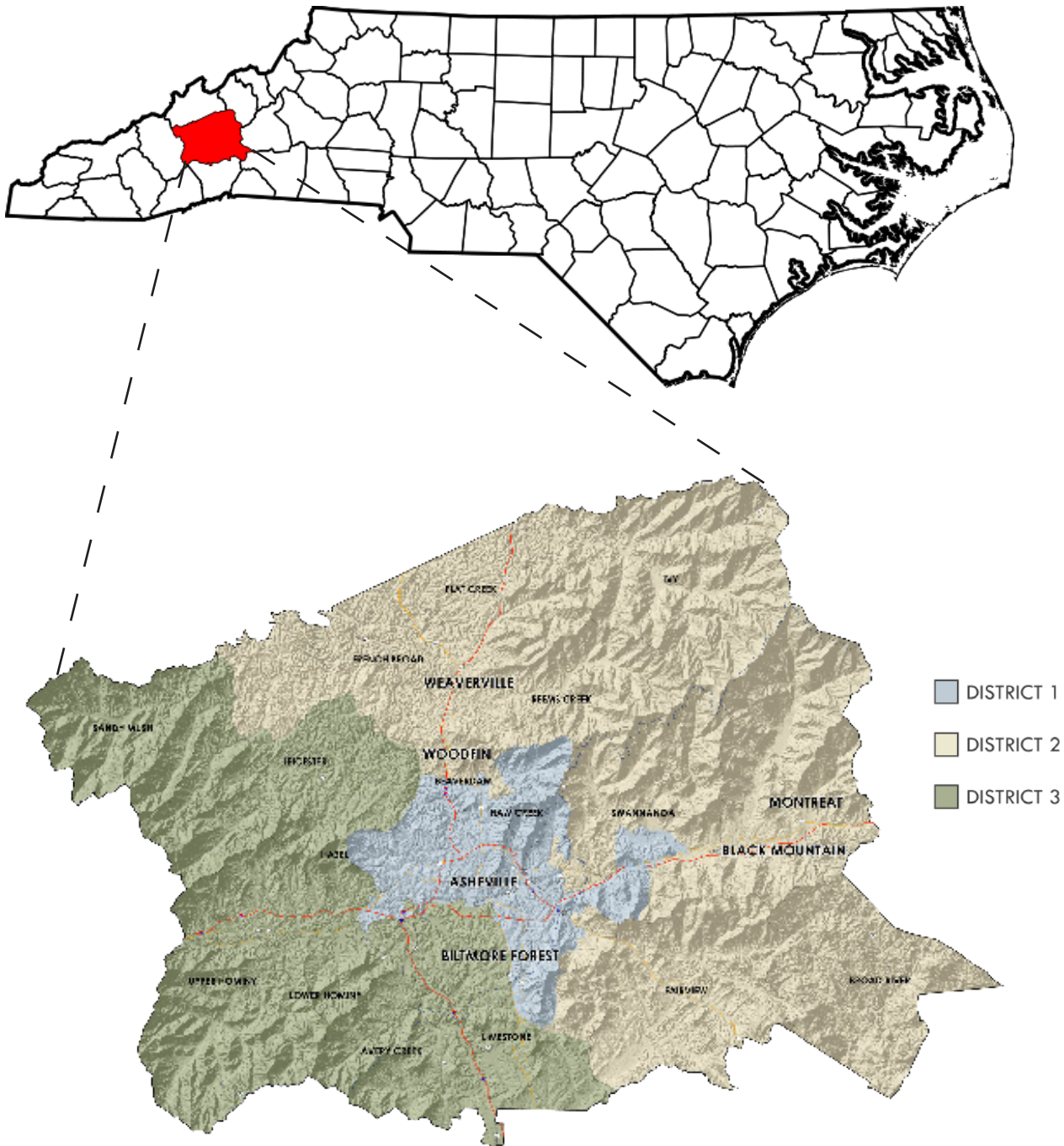


The Buncombe County Seal

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.

1800's

Looking down Patton Avenue as a dirt road.



1900's



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

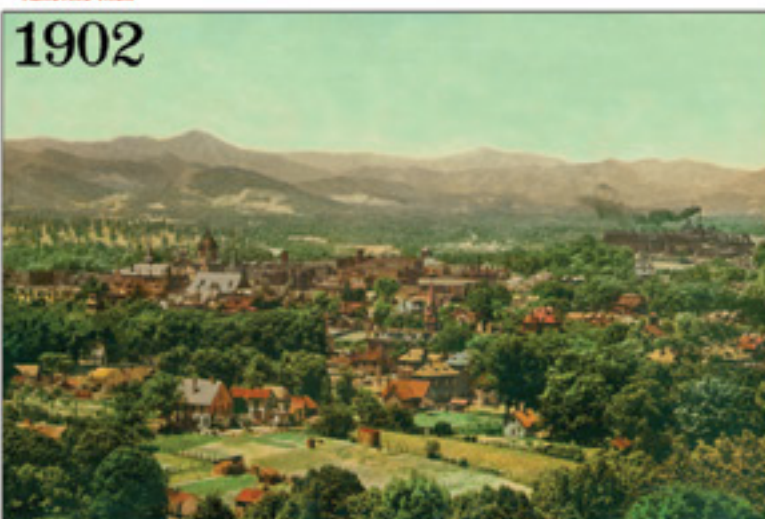
44,288
Population of Buncombe County in 1900.

1930's



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.

2000's

241,419
Population of Buncombe County in 2011.

2000's



1950's



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.



2013

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

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 call us at 828-250-4740; or check our website at www.buncombecounty.org/library and click on NC Collection.

Buncombe County

BOARD OF COMMISSIONERS

DISTRICT 1

CHAIR



Brownie Newman



Jasmine Beach-Ferarra, Vice-Chair

DISTRICT 2



Amanda Edwards

DISTRICT 3



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**





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 21st 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', written in a cursive 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.



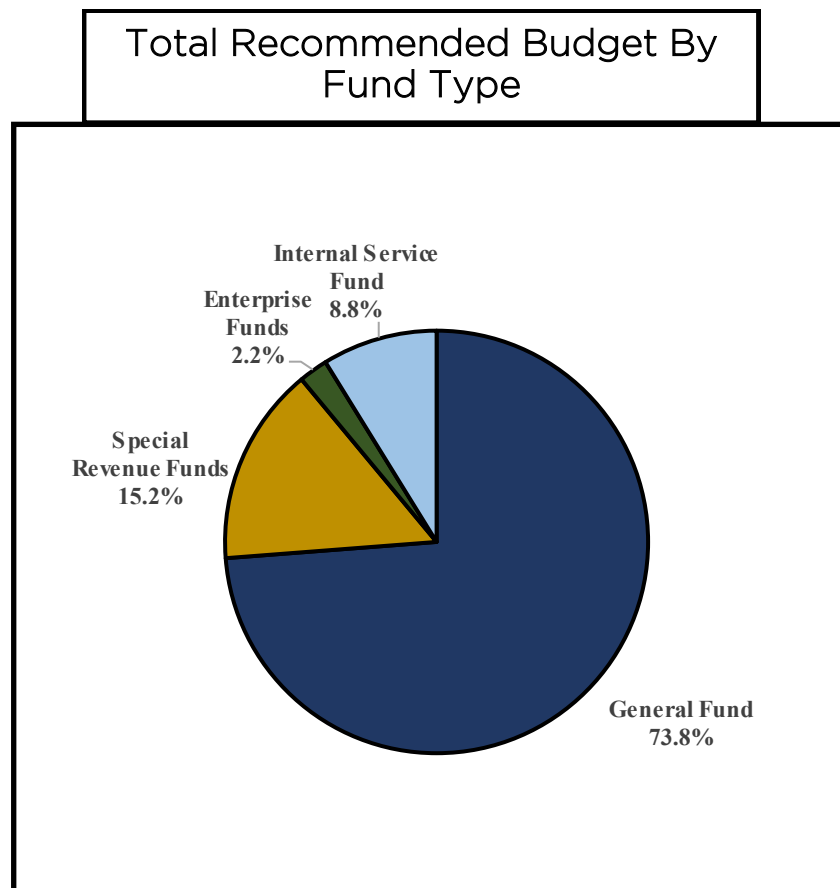
TOTAL COUNTY FUNDS

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.

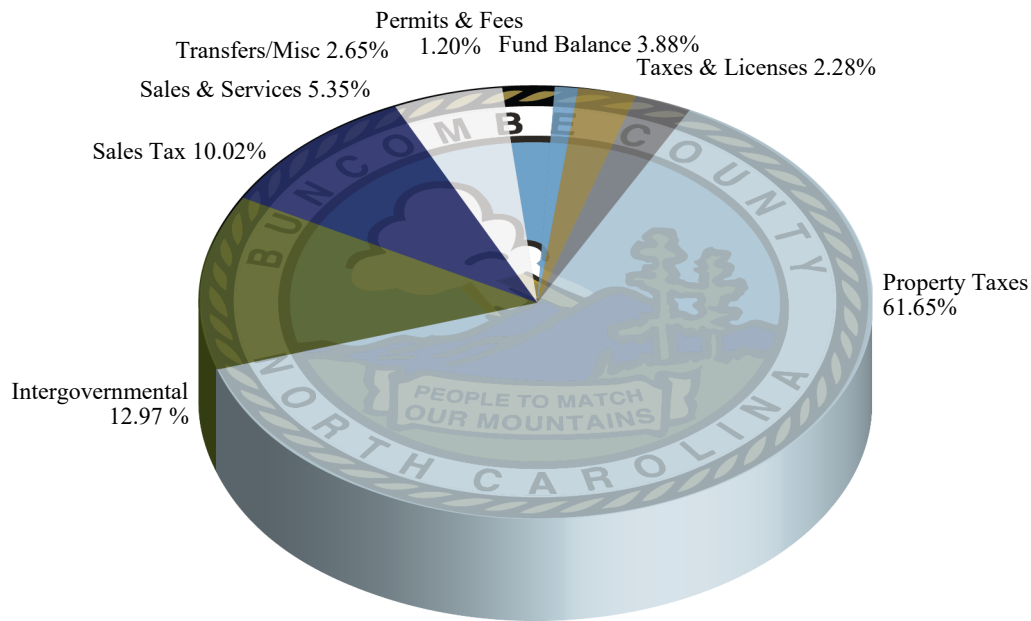
The recommended budget for the **Internal Service Fund** includes expenditures of \$39,906,289 and are for County commercial liability programs and the operations of its self-insurance, group health, dental, workers' compensation, unemployment, Local Government Employees Retirement System stabilization, 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%
Total	\$ 298,501,518	\$ 298,372,422	\$ 299,065,321	\$ 312,668,824	4.55%

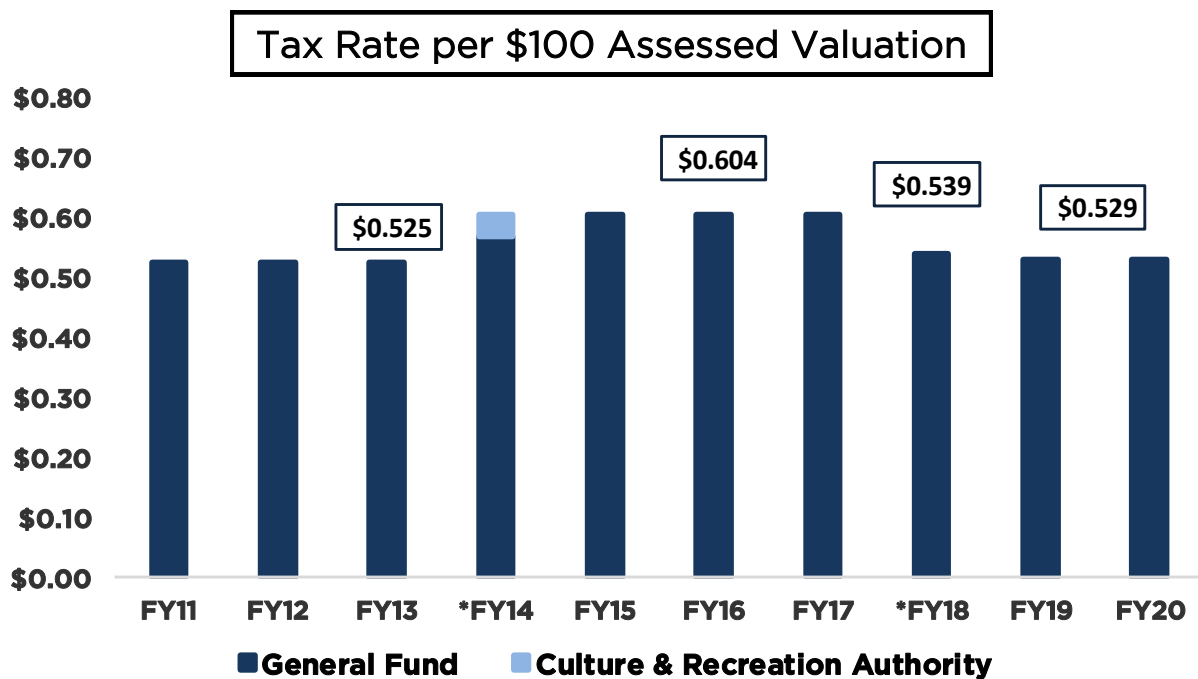
MAJOR REVENUE SOURCE: PROPERTY TAX

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.

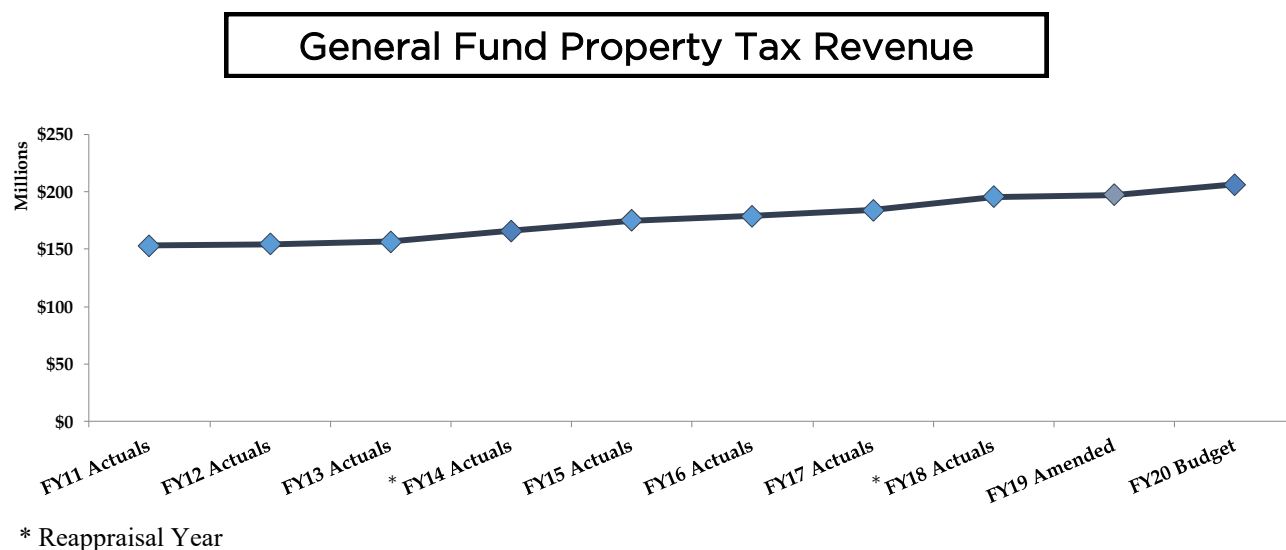
Fiscal Year Tax Year	2020 2019
Real Property	\$ 33,898,147,631
Personal Property	1,987,121,897
Public Service Companies	738,338,689
Registered Motor Vehicles	2,353,679,749
Total Value	\$ 38,977,287,966

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



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.

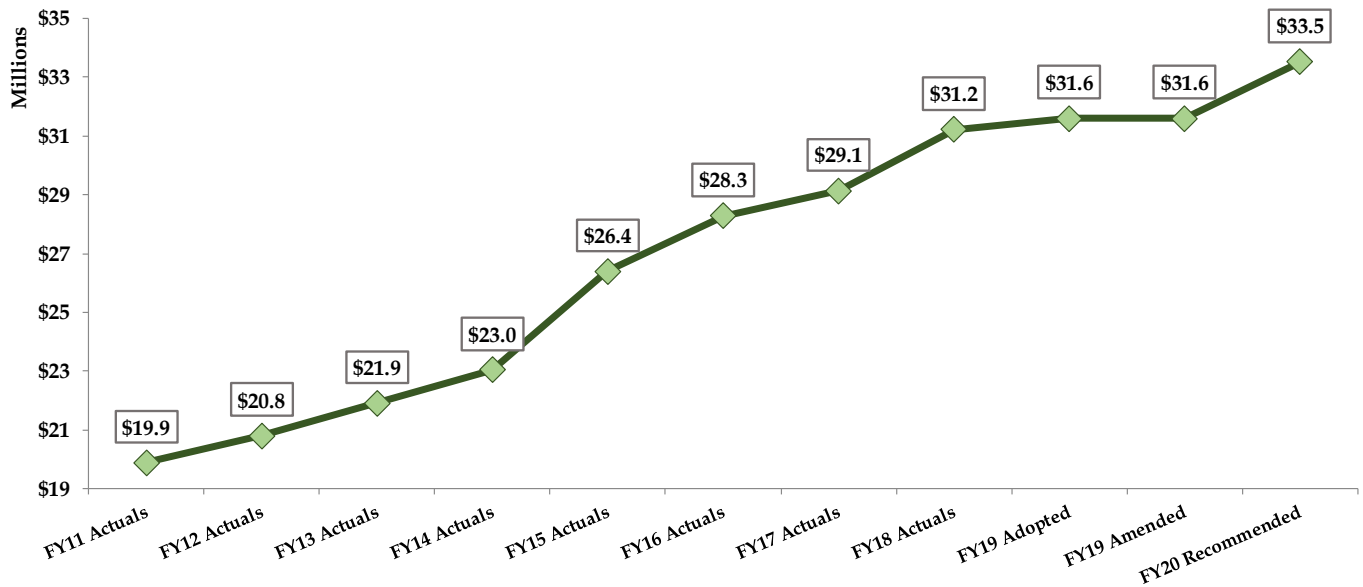
Sales tax revenue is reviewed monthly and estimates are based on actual revenue received over the last twelve months. Buncombe County levies four local-option retail sales and use taxes:

- 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.

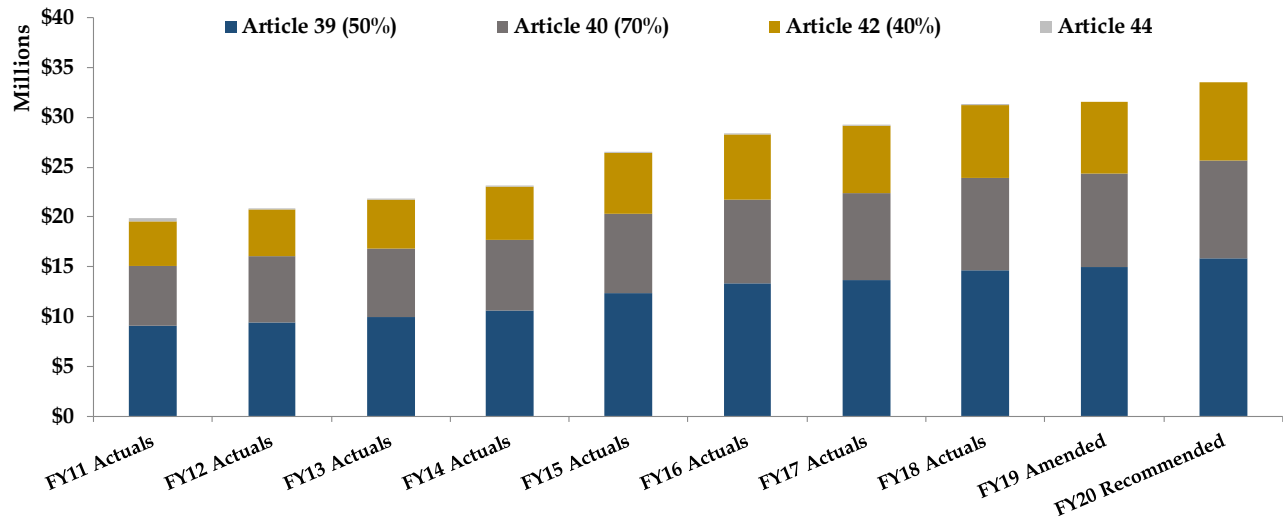
The remaining proceeds from the Article 39 (50%), Article 40 (70%), and Article 42 (40%) sales and use taxes are allocated among the municipalities, fire districts, and County on the ad valorem or tax levy basis. The ad valorem basis distributes sales tax revenues based on relative property tax levies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



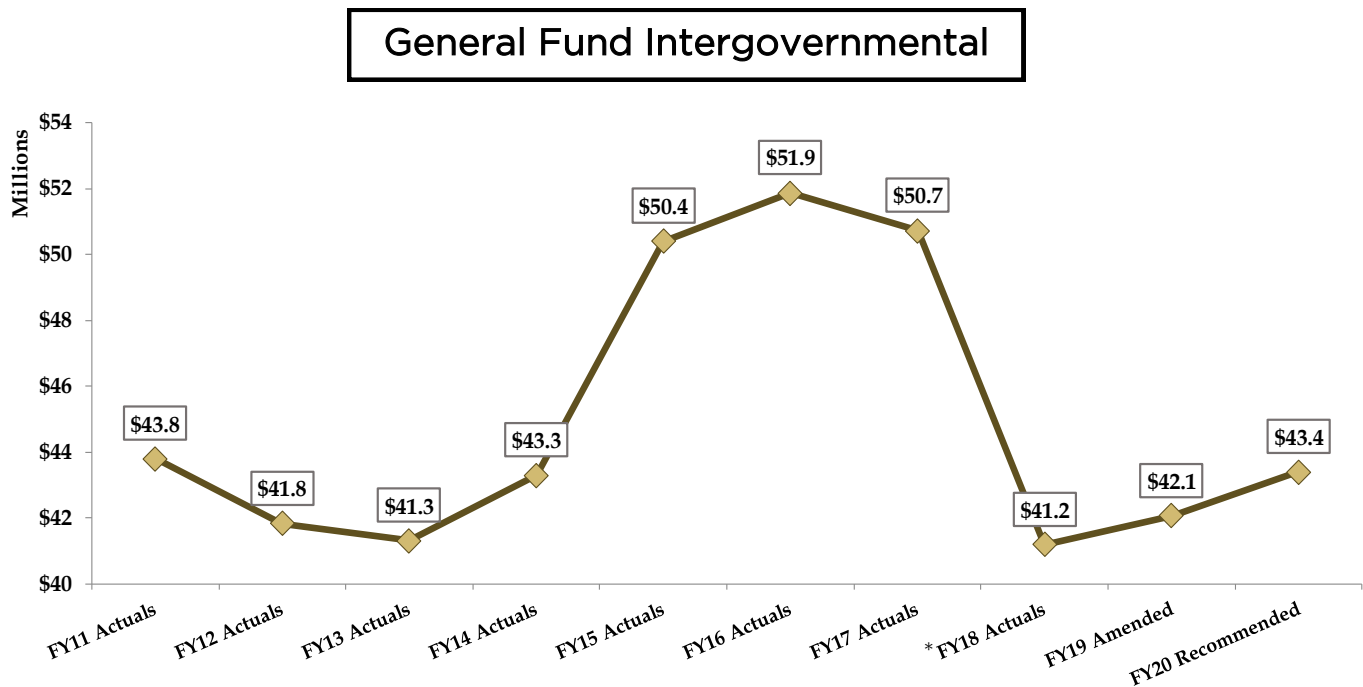
General Fund Sales Tax	2017/18 Actuals	2018/19 Adopted	2018/19 Amended	2019/20 Recommended Budget	% Change from FY 2019 Amended
Article 39 (50%)	\$ 14,683,818	\$ 15,009,290	\$ 15,009,290	\$ 15,825,800	5.44%
Article 40 (70%)	\$ 9,278,734	\$ 9,350,743	\$ 9,350,743	\$ 9,903,306	5.91%
Article 42 (40%)	\$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

*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

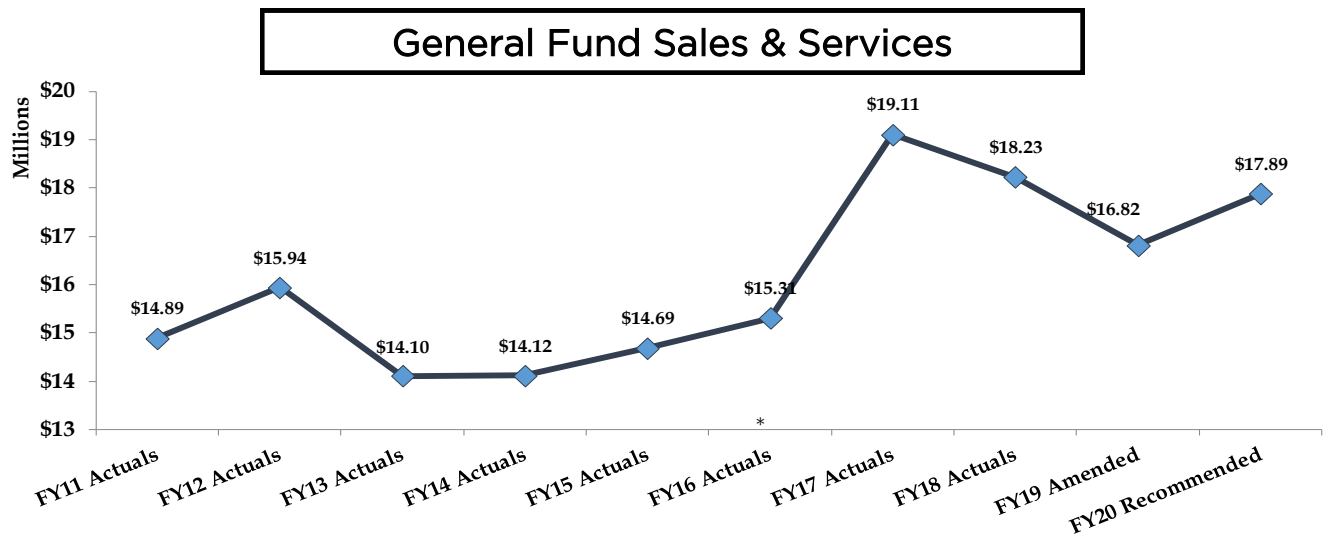
This revenue source, representing 2.28% of the recommended budget, includes \$4,800,000 for the real property transfer tax (excise tax) and \$1,426,000 for video programming taxes. The Rental Car Tax is budgeted at \$500,000, Heavy Equipment Rental Tax at \$238,317, Beer and Wine Tax at \$625,000, privilege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

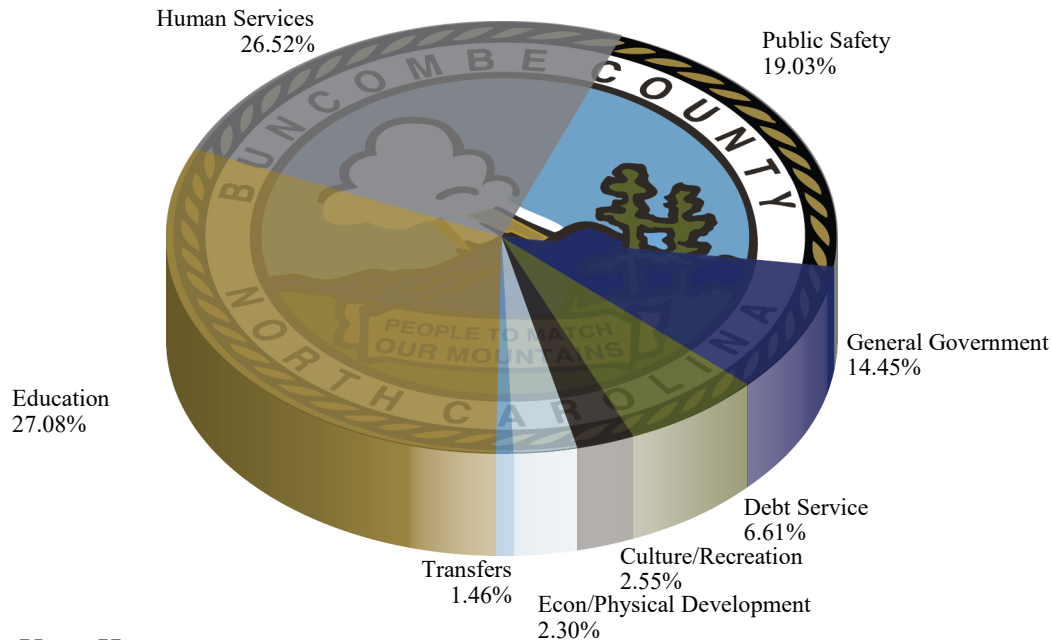
Fund Balance

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.

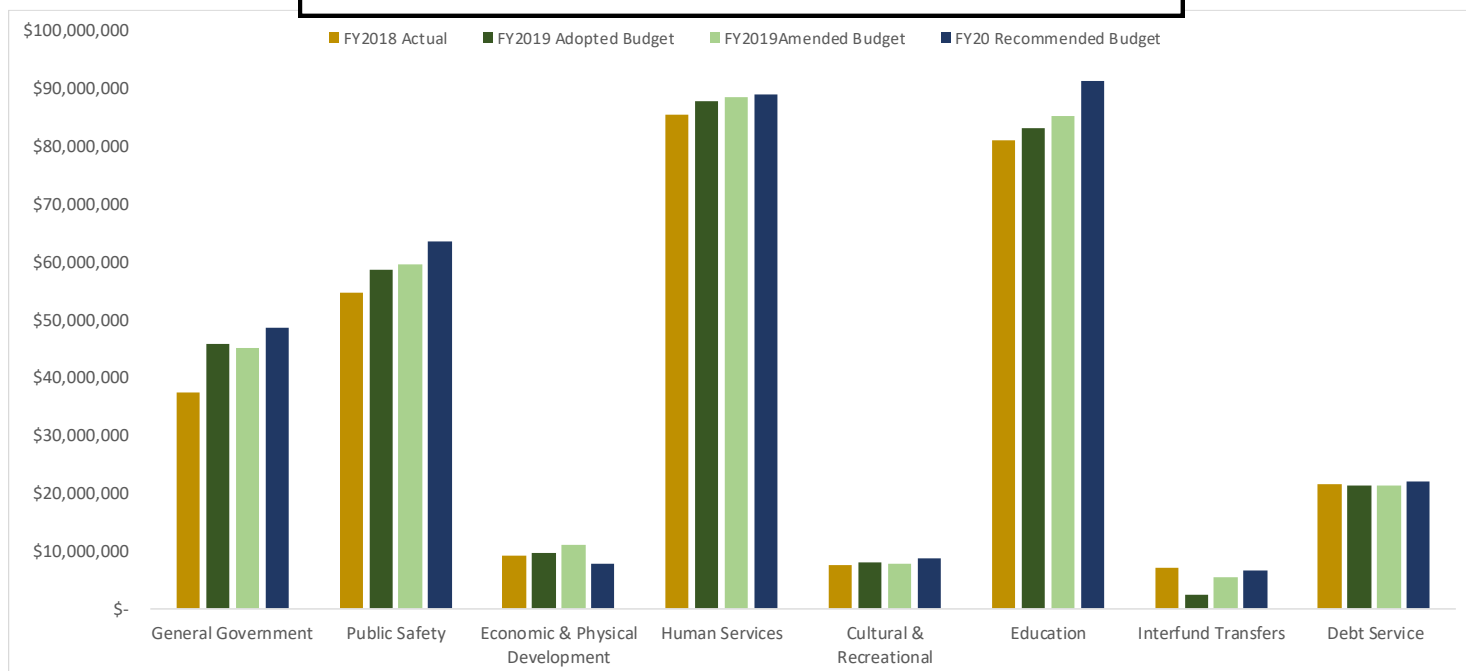
- Public Safety includes an increase of \$471,819 for six new patrol positions and an increase of \$302,982 for four new Detention Officer Intake Specialists for the Buncombe County Detention Facility. Emergency Services includes recommendations for additional training equipment (\$15,000), two new medical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



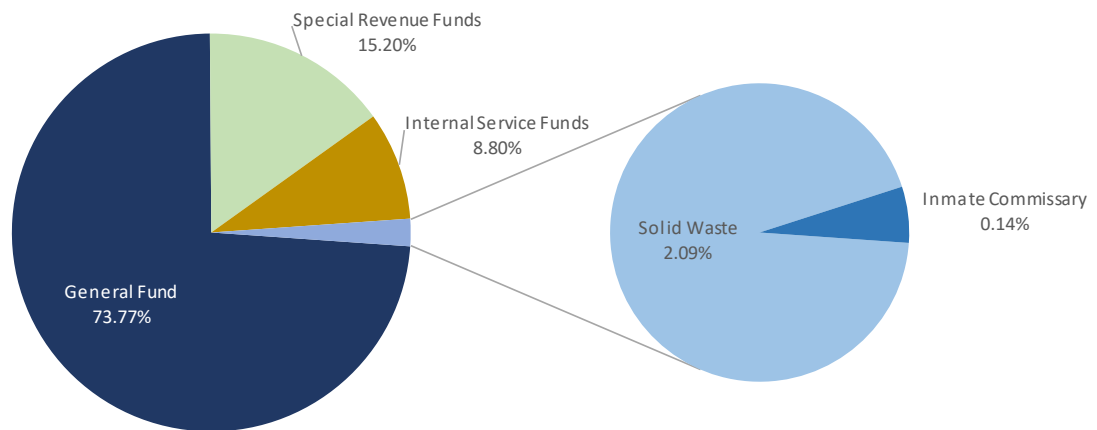
SPECIAL REVENUE FUNDS

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.

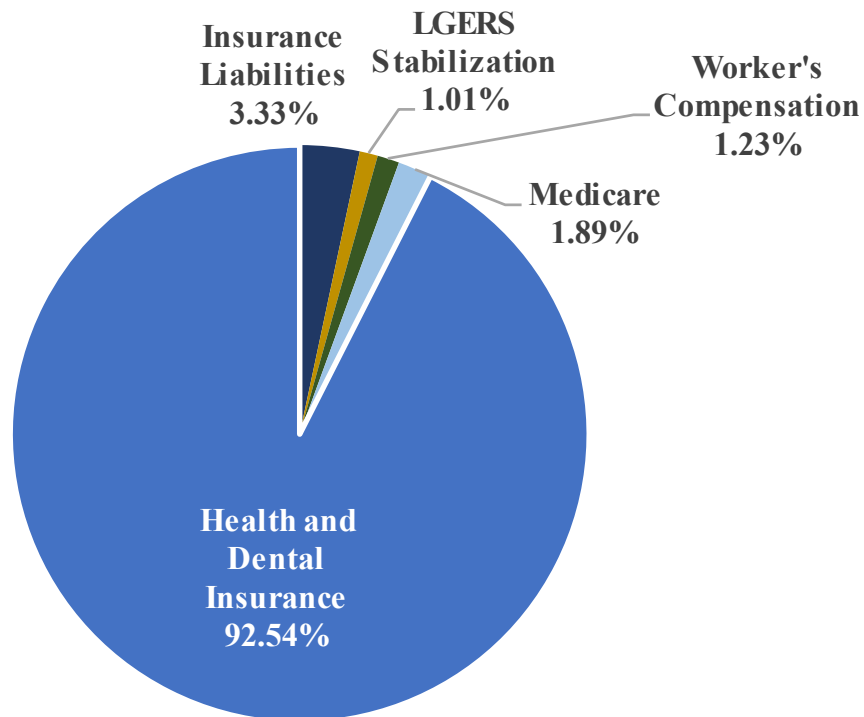


- The total recommended budget for the Solid Waste Fund is \$9,470,174 which is a 4.24% decrease from the FY2019 amended budget. In the FY2019 budget, \$630,500 was budgeted as contingency for the opening of the new Transfer Station facility. The FY2020 recommended budget removes this contingency. The 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
Revenues:				
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
Total	408,223,241	425,302,343	435,773,528	453,430,943
Expenditures				
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
Total	399,663,992	425,302,343	435,773,528	453,430,943

RECOMMENDED BUDGET SUMMARY ALL FUNDS - REVENUES

Summary of County Funds	2017/18 Actual	2018/19 Adopted Budget	2018/19 Amended Budget	2019/20 Budget
General Fund				
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
Total	308,668,300	316,861,799	323,916,553	334,517,752
Special Revenue Funds				
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
Total	55,482,057	62,050,453	63,189,143	68,923,819
Enterprise Funds				
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
Total	9,710,730	10,425,074	10,614,074	10,083,083
Internal Service Fund				
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
Total	34,362,153	35,965,017	38,053,758	39,906,289
Grand Total	408,223,241	425,302,343	435,773,528	453,430,943

RECOMMENDED BUDGET SUMMARY ALL FUNDS- EXPENDITURES

SERVICE AREA	2017/18 Actual	2018/19 Adopted Budget	2018/19 Amended Budget	2019/20 Budget
Departments				
General Government				
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
Public Safety				
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
Human Services				
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
Economic & Physical Development				
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
Cultural & Recreational				
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
Education				
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
TOTAL	399,663,992	425,302,343	435,773,528	453,430,943

PERSONNEL SUMMARY

Summary of Recommended Positions by Fund:

Personnel Summary - Budgeted Permanent Positions

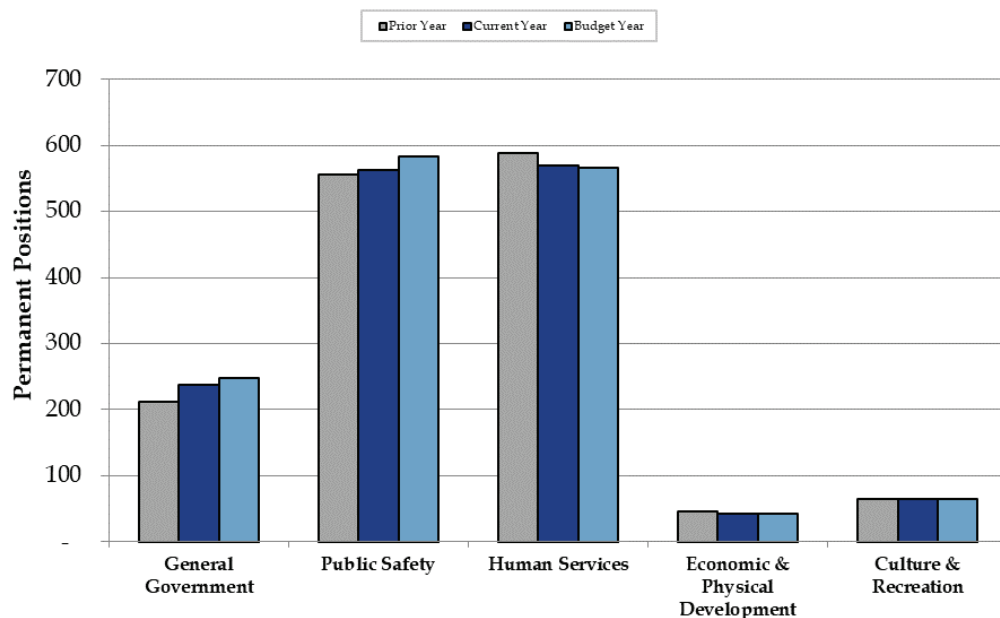
Fund	Prior Year	Current Year	Budget Year	Percent Change
General Fund	1,466	1,477	1,504	2%
Enterprise Fund	26	34	34	0%
Internal Service Fund	6	7	3	-57%
Grant Projects Fund	2	1	1	0%
Total All Funds	1,500	1,519	1,542	1.5%

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%
Total General Fund	1,466	1,477	1,504	2%

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
General Services	\$4,731,114	\$2,121,052	\$200,000	\$200,000	\$200,000	\$7,452,166	
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
Governing Body	\$0	\$1,000,000	\$0	\$0	\$0	\$1,000,000	
I-26 Infrastructure Project - Multitmodal Design Elements		\$1,000,000				\$1,000,000	Debt
Information Technology	\$479,400	\$408,199	\$0	\$0	\$0	\$887,599	
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
Total Expenditures	\$9,161,688	\$5,427,425	\$3,725,334	\$8,361,174	\$2,451,174	\$29,126,795	

Funding Sources:	2020	2021	2022	2023	2024	Grand Total
Capital Project Savings	\$1,579,017					\$1,579,017
Total Funding Sources	\$1,579,017	\$0	\$0	\$0	\$0	\$1,579,017

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

*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
Grand Total	\$330,000	\$350,000	\$13,150,000	\$0	\$0	\$13,830,000	

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 its 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.