



## Buncombe County Board of Commissioners

### Request for Board Action

Meeting Date: 3/2/2021

#### New Business

**Department:**

Finance

**Presenter(s):**

Jennifer Barnette, Budget

**Contact(s):**

Don Warn, Finance Director  
Jennifer Barnette, Budget Director

**Subject:**

Budget Amendment for Other Post Employment Benefits (OPEB)

**Brief Summary:**

Buncombe County transfers approximately \$2 million per year to fund Other Post Employment Benefits (OPEB) liabilities for retiree health benefits. Due to the adverse effects of the COVID-19 pandemic, this transfer did not occur in FY2020. Similarly, the transfer was not included in the FY2021 adopted budget. This agenda item includes multiple budget amendments.

The amendments budget \$3 million from the Internal Service Fund's excess reserves (fund balance). The funds are transferred to other annual funds to cover OPEB expenses, which include the full FY2021 OPEB transfer (\$2 million) and half of the FY2020 OPEB transfer (\$1 million), for a total of \$3 million allocated towards OPEB.

No new general fund dollars are required. The Internal Service Fund has reserves in excess of its FY2021 calculated reserves requirement due to lower than expected healthcare claims costs in FY2020.

**Recommended Motion & Requested Action:**

Approve budget amendment

**County Manager's Comments & Recommendation:**

County Manager recommends as presented