



Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: 5/03/2022

New Business

Department:

Budget

Presenter(s):

John Hudson, Budget

Contact(s):

John Hudson, Budget

Subject:

Adjustments for Economic Growth- Occupancy Tax and Special Districts Tax

Brief Summary:

As the local economy continues to grow, the following amendments provide additional dollars to the FY2022 Budget to ensure coverage of distribution of revenue proceeds to our local partners.

S.L. 2001-162 dictates that Buncombe County act as a pass-through entity for distribution of occupancy tax revenues to the Tourism Development Authority. This amendment will increase available expense budget by \$11,000,000 to ensure enough budget exists to pass through the growing occupancy tax revenues, along with the county's administrative collection fee, also covered under S.L. 2001-162.

The Special Taxing Districts Fund amendment will increase the available expense budget by \$1,500,000 to accommodate for the distribution of sales tax proceeds to Fire Districts. For the FY2022 budget, the Board of Commissioners approved almost \$9.4M for budgeted sales tax revenues in the Special Taxing Districts Special Revenue Fund for distribution to Fire Districts. This estimate was based on available data at the time of budget development and the current year's growth has so far exceeded those expectations. This amendment will increase the available expense budget by an additional \$1.5 M for estimated additional sales tax revenue for distribution to Fire Districts per NCGS 105-472(b)(2).

Recommended Motion & Requested Action:

Approve budget amendments

County Manager's Comments & Recommendation:

County Manager recommends as presented