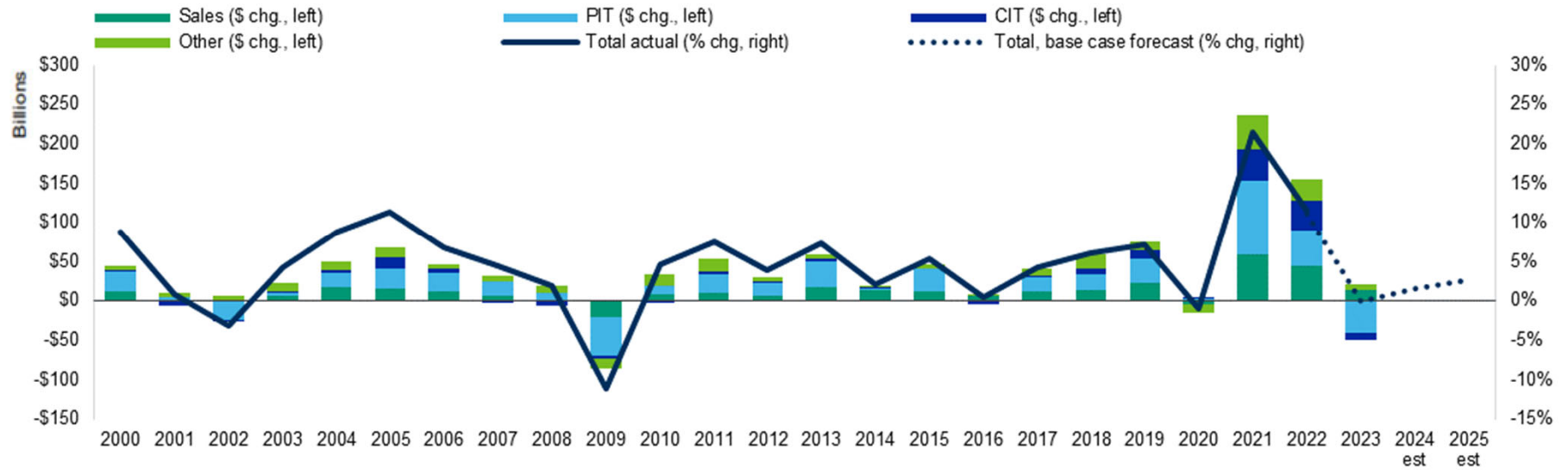


Revenue Indicators



US State and Local Government Revenue Outlook – Moody's



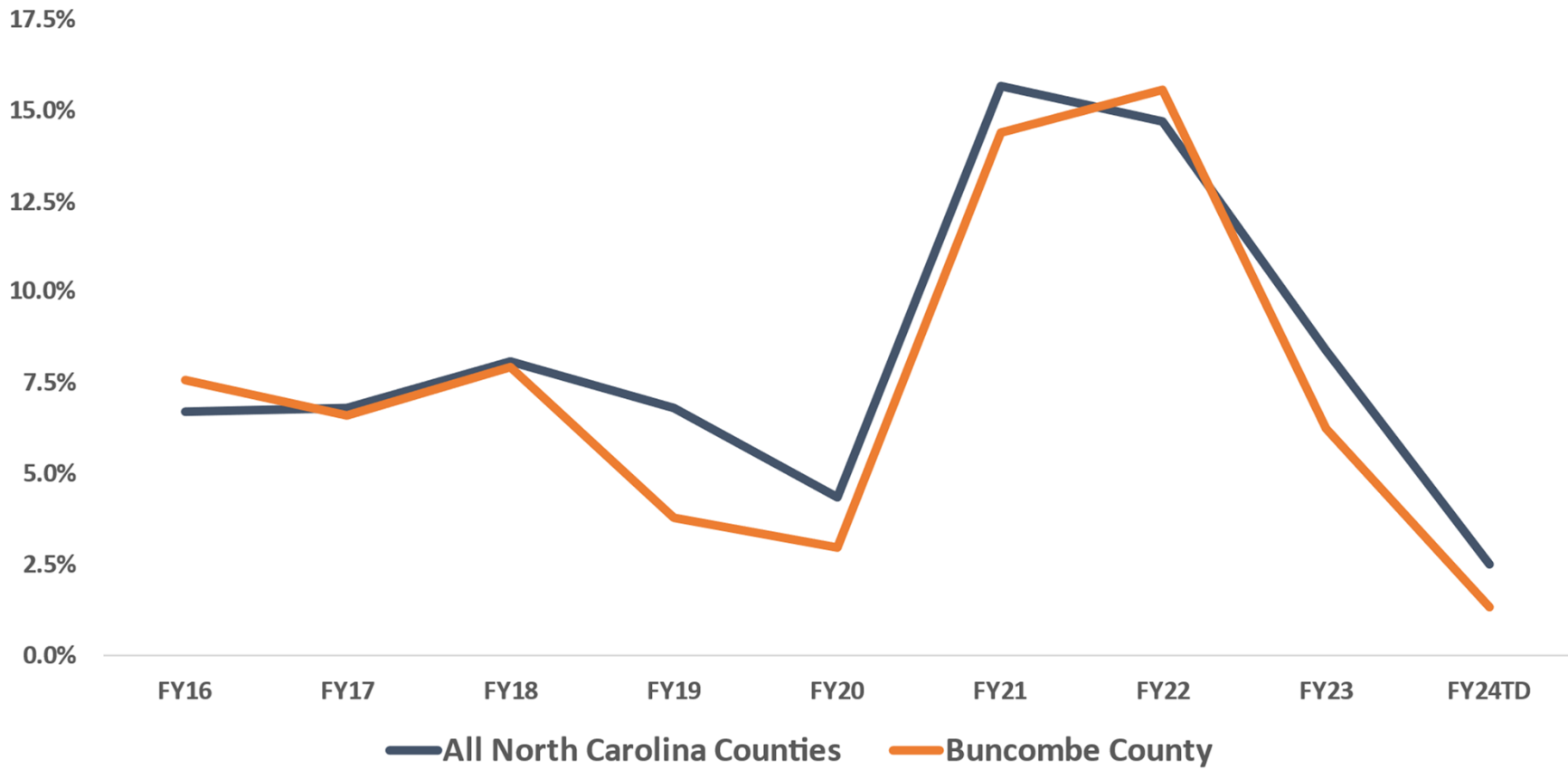
Years are on a calendar basis

PIT=personal or individual income taxes, CIT=corporate income taxes

Sources: US Census of State and Local Governments, 2024; Federal Reserve Bank of St. Louis, 2024; Moody's Investors Service, 2024



Sales Tax Revenue Growth Comparison YoY



Sources: North Carolina Department of Revenue, 2024; Buncombe County, 2024



Local Economic Climate

- In FY23, occupancy tax collections declined around 1% as compared to FY22. In FY24, as of February, occupancy tax collections are down around 3% YTD compared to FY23.
- Per reporting from the TDA, hotel occupancy has been lower than previous year for the last 11 months as of January 2024

2024 Asheville tourism off to slowest start in 3 years despite steady 2023, data shows

Asheville businesses feel the pain of tourism decline
From hotels to restaurants to bed & breakfasts, "we are definitely suffering right now"

States rethink ambitious projects as tax revenues shrink and pandemic aid ends
It's an uncomfortable choice for lawmakers: raise taxes or reduce services.

BY: TIM HENDERSON - MARCH 19, 2024 5:00 AM



FY2025 Revenue



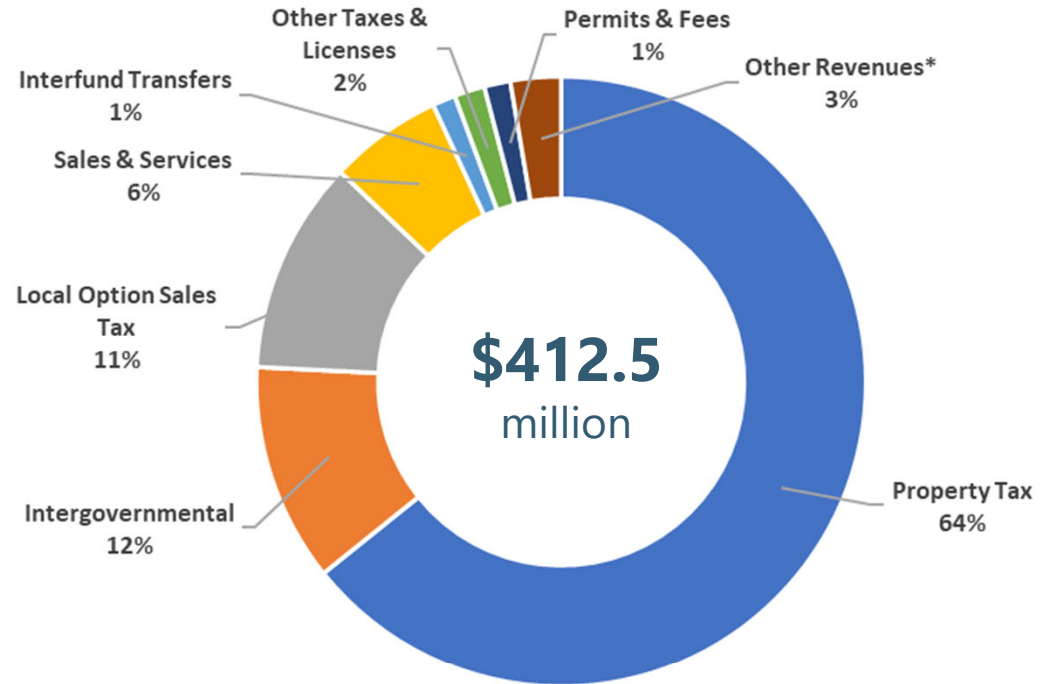
One Time Funding

- Coronavirus Relief Fund – FY2020-FY2021: \$9.6M
- ARPA Local Fiscal Recovery Funds – FY2022-FY2025: \$50.7M
- Other ARPA/COVID Funding – FY2022-24: \$8.5M



FY2025 First Pass: Revenue

Revenue Source	FY2025 First Pass
(millions of \$)	
Property Tax	264.9
Intergovernmental	47.6
Local Option Sales Tax	46.6
Sales & Services	24.8
Interfund Transfers	5.0
Other Taxes & Licenses	6.7
Permits & Fees	5.7
Other Revenues*	11.0
Total	412.5



*Note: Other Revenue includes investment earnings, indirect cost recovery, and sale of assets.



General Fund Revenue Comparison

Revenue Source (millions of \$)	FY2024 Amended	FY2025 First Pass	Variance
Property Tax	255.5	264.9	9.4
Intergovernmental	54.0	47.6	(6.3)
Local Option Sales Tax	48.9	46.6	(2.3)
Sales & Services	22.4	24.8	2.4
Interfund Transfers	9.5	5.0	(4.4)
Other Taxes & Licenses	11.3	6.7	(4.7)
Permits & Fees	5.4	5.7	.3
Other Revenues*	5.2	11.0	5.9
Total	412.3	412.5	.2

*Note: Other Revenue includes bond proceeds, investment earnings, program revenue, and sale of assets. FY2023 amended budget as of April 17, 2023.



Ad Valorem Tax Value

(billions of \$)

Property Type	FY2023 Property Value	FY2024 Property Value	FY2025 Property Value
Real Property	42.9	44.1	45.7
Motor Vehicle	2.8	3.0	3.2
Personal Property	2.6	2.9	3.0
Public Service	1.0	1.0	1.0
TOTAL	49.2	51.0	52.9

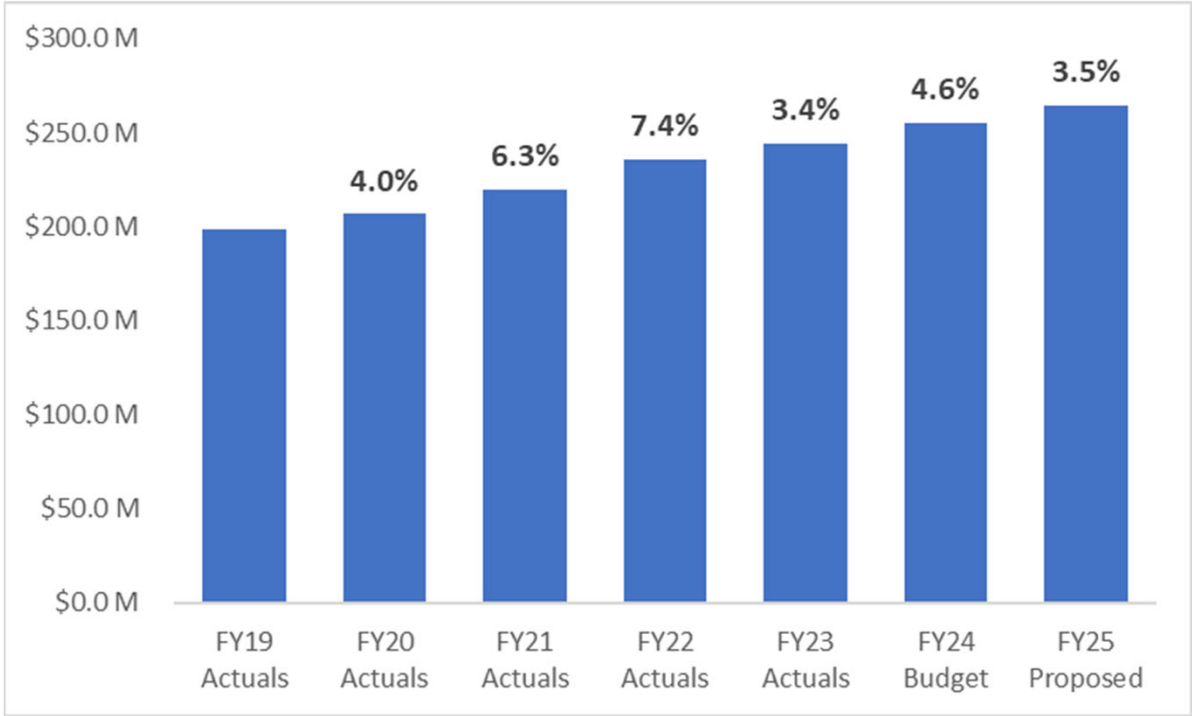
	FY2023 Amended	FY2024 Amended	FY2025 First Pass
Collection Percentage	99.65%	99.75%	99.75%
Tax Rate	48.8	49.8	49.8

Note: Ad valorem revenue includes current year, prior first year, interest, and property audit discoveries



Ad Valorem Tax Revenue

(millions of \$)



Note: Ad valorem revenue includes current year, prior first year, interest, and property audit discoveries

Sales Tax Revenue

(millions of \$)

Article	County Share	FY2023 Actuals	FY2024 Amended	FY2024 Projected	FY2025 First Pass
39	50%	19.9	21.8	20.3	20.8
40	70%	14.3	15.7	14.7	15.0
42	40%	10.4	11.5	10.7	10.9
Total		44.7	48.9	45.6	46.6
46	0%	18.7	15.8	19.8	19.8

Note: Amounts in FY2024 Amended for Article 46 sales taxes are not projected sales tax amounts but are rather the amounts needed to balance the Article 46 Sales Tax Capital Fund.



Sales Tax Trends

(millions of \$)

