



FY2026 Recommended Budget

Presented by

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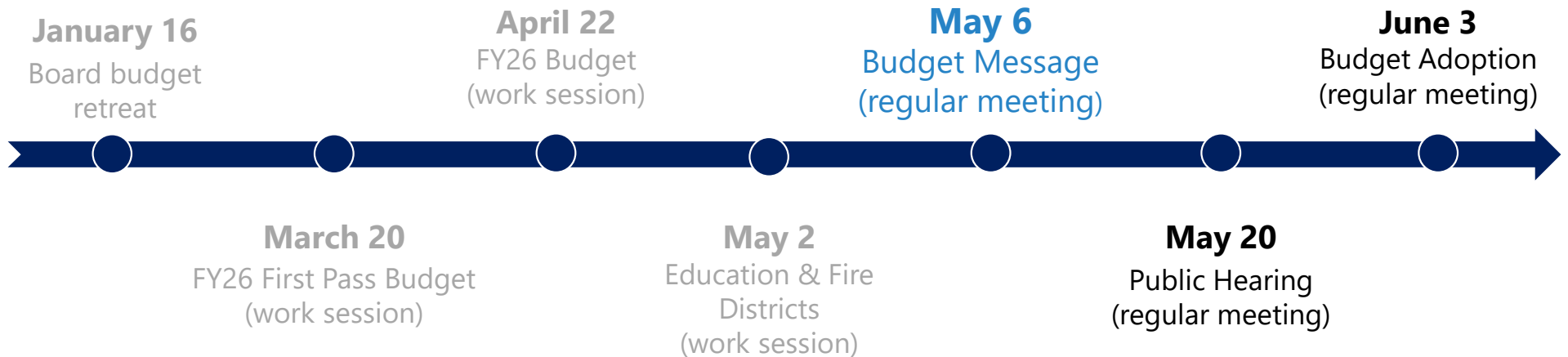
May 6, 2025



BUNCOMBE COUNTY



Budget Meetings



Agenda

- FY2026 Budget Context
 - Tropical Storm Helene
 - Economic Environment
- FY2026 Budget Overview
- Capital and Vehicles
- Other Funds



FY2026 Budget Context



Tropical Storm Helene

- Over 300 residences destroyed, 350 bridges damaged or destroyed, and over 8,000 housing units in need of repair



Tropical Storm Helene

- 38 states provided support and County staff worked over 180,000 hours in emergency response



Economic Environment

- Unemployment rate surged from around 3% to nearly 11% in October 2024 – now hovering a little over 5% as of March 2025¹
- As of March 2025, nearly 7,000 businesses in the County have applied for Small Business Association disaster assistance loans
- Significant declines in sales tax and occupancy tax compared to prior year levels in the months after the storm
- Recession risks for U.S. economy driven by trade policy uncertainty and weak consumer confidence



¹ U.S. Bureau of Labor Statistics, as of March 2025

FY2026 Budget Overview



FY26 Recommended Budget

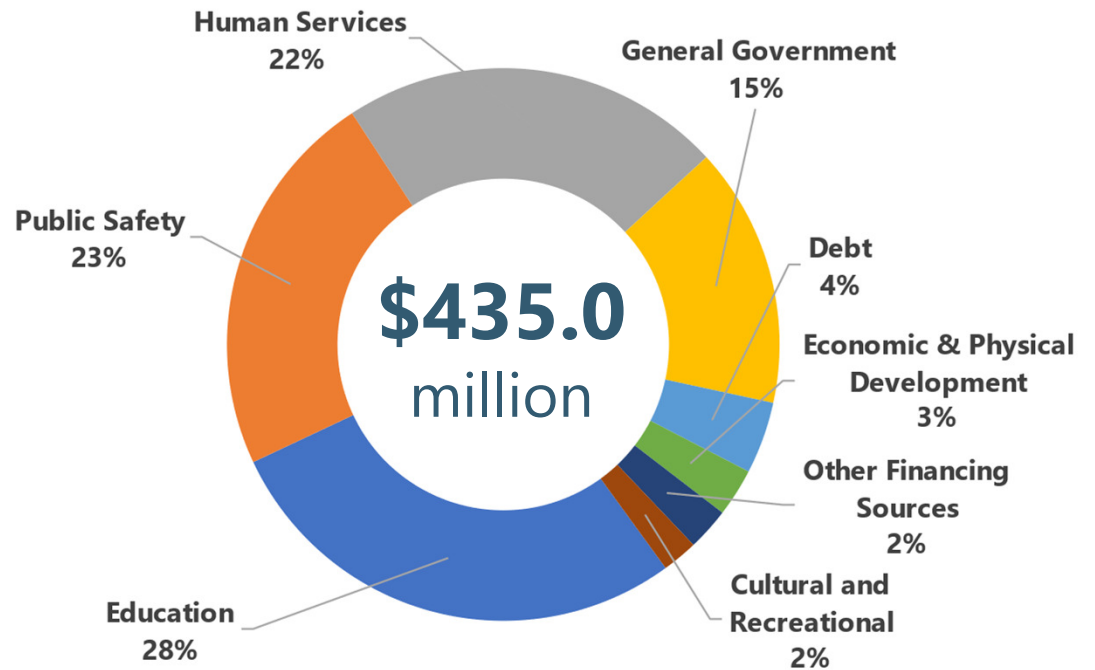
- Maintains operations
- 1.5% decrease in expenditures in County operations
- No new positions; 2 reclassifications of existing positions
- 3.09% COLA
- 2.7% revenue reduction from FY25 amended
 - 3.49% decrease in unrestricted growth rate
- 55.02 cent tax rate
 - Increase of 3.26 cents to generate \$17.1M to balance budget



Expenditure Budget by Function

(millions of \$)

Function	FY2026 Recommended
Education	121.8
Public Safety	99.1
Human Services	97.3
General Government	66.3
Debt	18.3
Economic & Physical Development	12.2
Other Financing Sources	10.8
Cultural and Recreational	9.1
Total	435.0



Education

Expenditure Budget By Function

\$121.8M

K-12 Partners

- Applied Unrestricted Revenue Rate Decrease
- Apportioned According to Student Count

AB Tech Community College

- Applied Unrestricted Revenue Rate Decrease
- Funded in Part by Article 46 Revenues

Education System	FY2022	FY2023	FY2024	FY2025	FY2026
(Millions of \$)	Actuals	Actuals	Actuals	Amended	Recommended
AB Tech	7.3	7.7	8.1	8.7	8.4
Asheville City Schools	14.2	15.3	17.7	17.2	17.3
Buncombe County Schools	73.2	81.9	95.6	95.3	95.8
Total	94.6	104.9	121.4	121.3	121.6



Operational Functions

Public Safety

- Emergency Management, EMS, Fire Marshal, 911, Justice Services, ID Bureau, Sheriff's Office & Detention

Function (Millions of \$)	FY2022 Actuals	FY2023 Actuals	FY2024 Actuals	FY2025 Amended	FY2026 Recommended
Public Safety	68.9	79.9	91.0	95.8	99.1

Human Services

- Economic Services (Medicaid/FNS), Adult and Child and Family Social Work, Public Health

Function (Millions of \$)	FY2022 Actuals	FY2023 Actuals	FY2024 Actuals	FY2025 Amended	FY2026 Recommended
Human Services	88.4	89.5	94.3	97.4	97.3

General Government

- Depts Supporting Operational Functions
- Property Assessment (Reappraisal)

Function (Millions of \$)	FY2022 Actuals	FY2023 Actuals	FY2024 Actuals	FY2025 Amended	FY2026 Recommended
General Gov't	55.9	64.9	66.6	74.9	66.3

Note: FY25 Amended for General Government is high because budgetary reductions resulting from Helene were placed there in the event the County was able to disburse back to affected entities.



Operational Functions

Economic & Physical Development

- Planning, Permits, Ag and Land Resources
- Swannanoa Small Area Plan, Floodplain Management

Function (Millions of \$)	FY2022 Actuals	FY2023 Actuals	FY2024 Actuals	FY2025 Amended	FY2026 Recommended
E & PD	7.5	7.3	9.1	11.2	10.8

Cultural & Recreational

- Libraries
- Parks & Recreation Services

Function (Millions of \$)	FY2022 Actuals	FY2023 Actuals	FY2024 Actuals	FY2025 Amended	FY2026 Recommended
C & R	7.8	9.1	10.6	11.3	12.2



Debt and Interfund Transfers

Expenditure Budget By Function

\$18.3M

Debt

- Supports the County's Capital Improvement Plan, Affordable Housing and Open Space GO Bond projects, and vehicle purchases

Function	FY2022	FY2023	FY2024	FY2025	FY2026
(Millions of \$)	Actuals	Actuals	Actuals	Amended	Recommended
Debt	21.0	21.5	22.3	21.7	18.3

\$9.1M

Interfund Transfers

- Includes transfers for Early Childhood Education, Conservation Easements, and Transportation (Mountain Mobility)

Function	FY2022	FY2023	FY2024	FY2025	FY2026
(Millions of \$)	Actuals	Actuals	Actuals	Amended	Recommended
Interfund Transfers	23.3	16.1	13.7	9.9	9.1



COLA Calculation

Equation

$$\left(\frac{\text{CPI-W}_{\text{Dec. 2024}} - \text{CPI-W}_{\text{Dec. 2022}}}{\text{CPI-W}_{\text{Dec. 2022}}} \right) = \text{COLA}$$

FY2026 Calculation

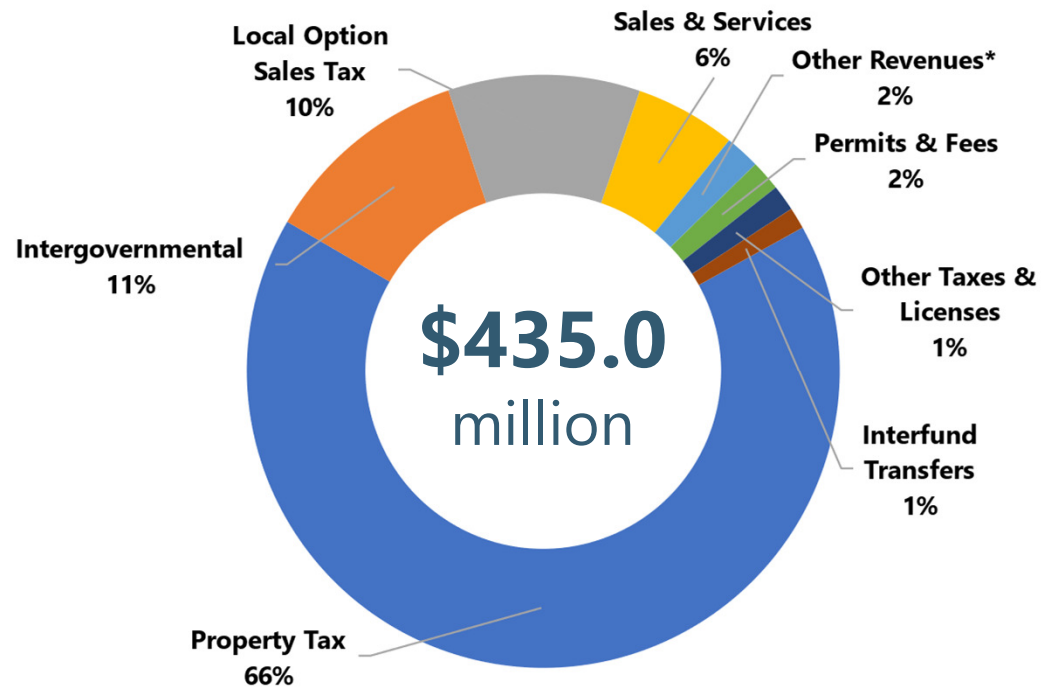
$$\left(\frac{309.067 - 291.051}{291.051} \right) = 3.09\%$$



Revenue Budget by Source

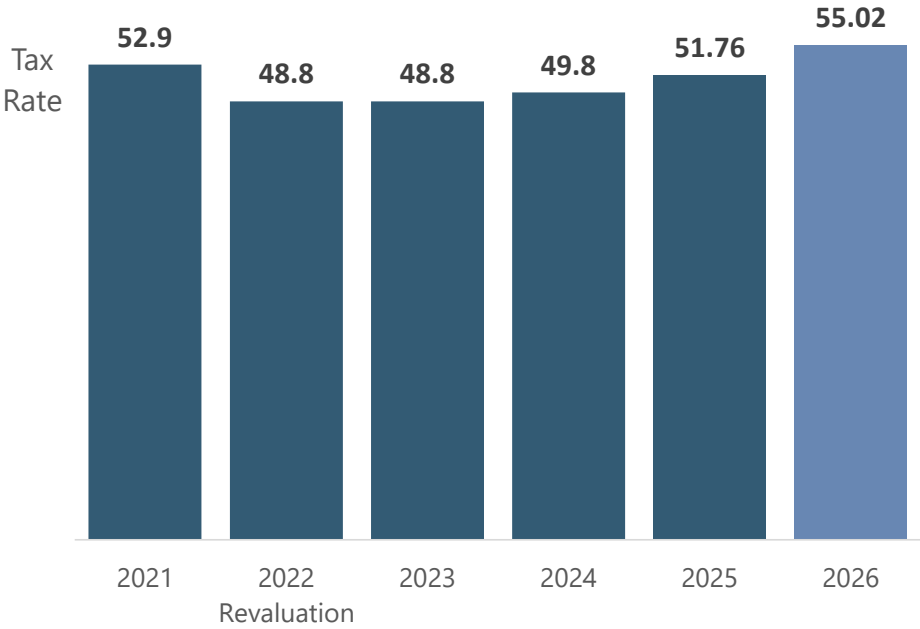
(millions of \$)

Revenue Source	FY2026 Recommended
Property Tax (Before Tax Increase)	272.0
Intergovernmental	49.6
Local Option Sales Tax	45.5
Sales & Services	23.9
Other Revenues*	8.3
Permits & Fees	7.2
Other Taxes & Licenses	6.2
Interfund Transfers	5.1
Total (Before Tax Increase)	417.9
3.26¢ Property Tax Increase	17.1
Total (After Tax Increase)	435.0



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

FY2026 Recommended General Fund Budget

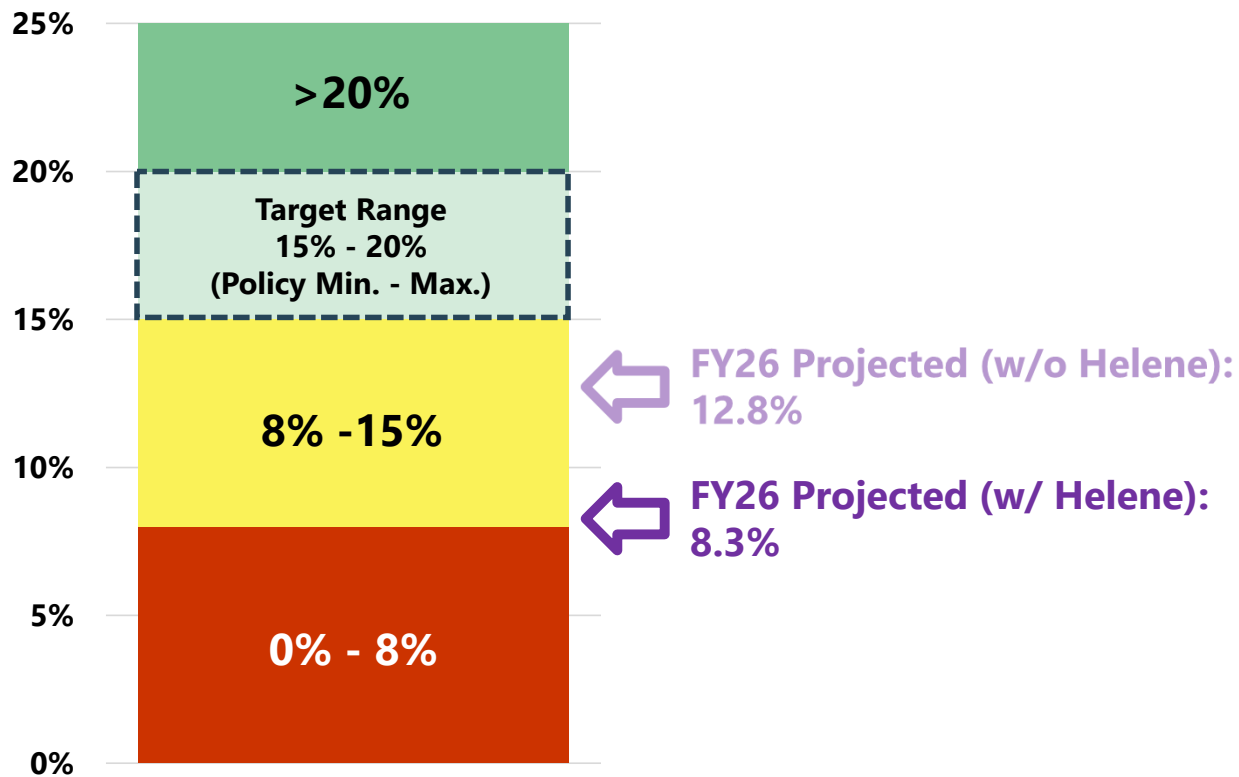


FY2026 Recommended	
Revenues	\$434,984,111
Expenditures	\$434,984,111

For a \$350,000 home, a 3.26¢ property tax increase = additional \$114.10 annually (or \$9.51/month)



Plan for Future Fiscal Sustainability



- Policy Minimum Ending Fund Balance = 15% of Total Expenditures
- Policy requires a plan to restore General Fund above minimum:
 - No use of fund balance for FY2026
 - Utilize 2026 reappraisal to determine sustainable tax rate for County in FY2027 through next reappraisal

Note: Ending fund balance % is based on FY26 Recommended and a FY25 Projection based on actuals through March 31, 2025. Numbers may not add up due to rounding.



FY2026 Recommended Capital and Vehicles



FY26 Recommended Capital Projects

FY26 Recommended Capital Projects	Department	Funding Source	FY2026 Recommended
FY26 Ambulances*	Emergency Services	Debt	\$1.2M
Animal Shelter Renovation & Repair	General Services	Debt	\$0.4M
Courthouse Elevators Upgrade	General Services	Debt	\$1.1M
Detention Center Facility Assessment Renovation & Repair	Sheriff's Office	Debt	\$0.6M
Lake Julian Bathroom Replacement - Fisherman's Trail	Recreation Services	Debt	\$0.7M
Total			\$4.0M

**Note: FY26 ambulances purchases will be budgeted in the County Capital Projects Fund (Fund 341) and a resolution was brought to the Board and adopted on 10/1/24 to commit to purchase these vehicles.*



FY2026 Recommended Vehicles

Department	Vehicles	Purchase/Lease	FY2026 Recommended
Sheriff's Office	10 SUVs w/ upfit (replacements)	Purchase	\$588K
Permits & Inspection	2 Hybrid Trucks (replacements)	Lease	\$26K
Solid Waste*	1 Electric Truck (replacement)	Lease	\$13K
TOTAL			\$627K

**Note: The lease for the Solid Waste truck will be budgeted in the Solid Waste Enterprise Fund (Fund 466)*



Other Funds

Solid Waste Enterprise Fund

- Tonnage fee increases will bring in **\$1.4M** of revenue
- Ensures Future Cell Development/Capital Plan

Reappraisal Reserve Fund

- Receives **\$422K** from General Fund
- Completes cycle of funding for FY26 reappraisal efforts

911 Fund

- Training
- Equipment maintenance and replacement
- Required software
- Telecommunication services

Opioid Settlement Fund

- Continuing efforts of harm reduction (**\$3.2M**)



FY2026 Recommended Summary

- Total of all annual funds is \$624.1M
- General Fund budget is \$435.0M
- 3.26 cent property tax increase



FY2026 Recommended Special District Tax Rates



FY2026 Special District Recommended Tax Rates

Tax District	FY2025 Tax Rate	FY2026 Requested Tax Rate	FY2026 Recommended Tax Rate
Asheville City Schools	10.62	12.00	10.62
Asheville Special	8.36	8.36	8.36
Asheville Suburban	8.97	8.97	8.97
Barnardsville	22.00	22.00	22.00
Broad River	16.00	16.00	16.00
East Buncombe	10.69	10.69	10.69
Enka-Candler	12.00	13.50	13.50
Fairview	16.00	16.00	16.00
French Broad	22.20	22.70	22.70
Garren Creek	13.84	13.84	13.84
Jupiter	12.75	12.75	12.75

Tax District	FY2025 Tax Rate	FY2026 Requested Tax Rate	FY2026 Recommended Tax Rate
Leicester	14.03	14.03	14.03
North Buncombe	12.27	12.27	12.27
Reems Creek	15.07	15.07	15.07
Reynolds	11.24	13.11	13.11
Riceville	16.60	16.60	16.60
Skyland	9.80	9.80	9.80
Swannanoa	14.00	15.00	15.00
Upper Hominy	19.00	20.60	20.60
West Buncombe	13.50	15.00	15.00
Woodfin	10.59	10.59	10.59

Reference Documents

The following materials are available for review with the May 6th agenda at www.BuncombeCounty.org/Commissioners:

- FY2026 Recommended Budget in Brief, which includes:
 - County Manager's message
 - Recommended Capital Improvement Plan (CIP)
 - Recommended grant awards
- Interactive Budget Explorer
- FY2026 Fee Schedule
- FY2026 Classification and Compensation Plan

