



# FY2025 Recommended Budget

*Presented by*

Avril Pinder, County Manager

**May 21, 2024**



# Agenda

- Budget Process
- Economic Environment
- FY25 Highlights
- Budget By Function
- Personnel
- Capital, IT and Vehicles
- FY25 Budget
- Other Funds



# Budget Calendar

Date	Action
September 29, 2023	FY25 Budget Kickoff with Departments
October 27, 2023	Position Requests Due from Depts
November 17, 2023	Vehicle and Capital Requests Due from Depts
November 30, 2023	FY25 Budget Board Retreat
January 26, 2024	Budget Requests Complete from Depts
Jan-Feb, 2024	Departments Meet with County Management
Mar-Apr, 2024	Budget Work Sessions with the Board
May 9, 2024	Education and Fire Districts Meet with the Board
May 21, 2024	Recommended Budget



## Economic Environment

- Slowing revenue growth with one-time funding in rearview and moderating consumer spending
- Inflation is cooling but higher prices are new normal (21% higher since Feb. 2020<sup>1</sup>)
- Low unemployment (2.9%<sup>2</sup>) and high cost of living
- Highly competitive labor market



<sup>1</sup> Consumer Price Index – All Urban Consumers, as of March 2024

<sup>2</sup> U.S. Bureau of Labor Statistics, as of May 2024

## FY25 Recommended Budget

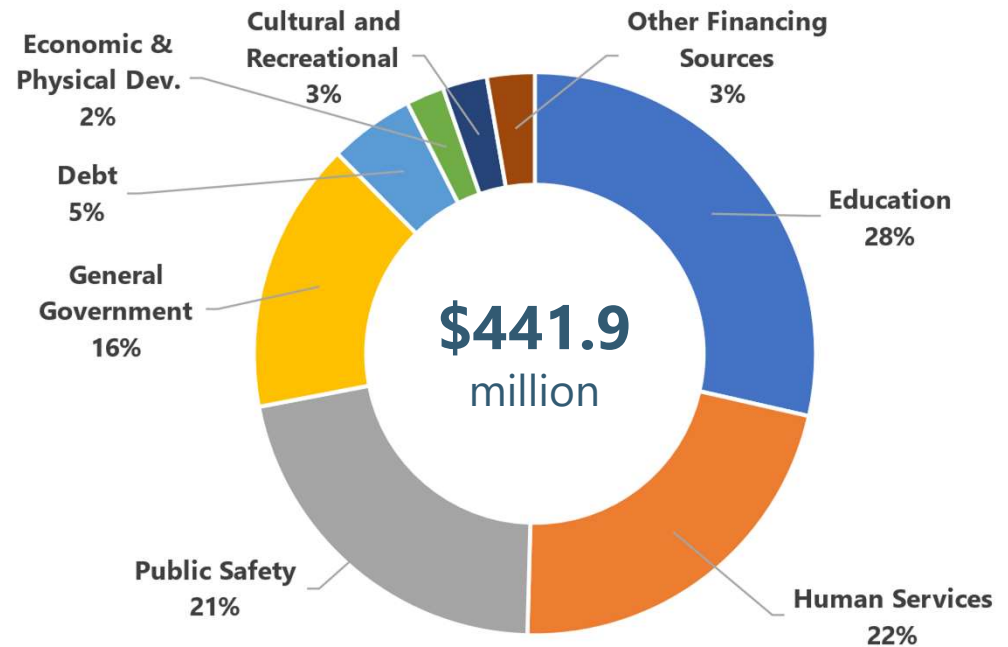
- 4% revenue growth
  - 3.52% unrestricted revenue growth rate
- 1% increase in expenditures
- Continued investment in priorities
- 4.89% COLA
- 52.35 cent tax rate
  - Increase of 1.8 cents for County Operations
  - Increase of 0.75 cents for K-12 increase to local current expense



# Expenditure Budget by Function

(millions of \$)

Function	FY2025 Recommended
Education	126.2
Human Services	96.7
Public Safety	95.3
General Government	69.0
Debt	21.7
Economic & Physical Dev.	9.7
Cultural and Recreational	11.3
Other Financing Sources	12.1
<b>Total</b>	<b>441.9</b>



# Public Safety Investments

## Emergency Services

- Continuing to modernize EMS fleet and commit to staffing (**8 additional paramedics** for upcoming base)
- Investment in resilience and training through apprenticeships

## 911 Communications

- Backup Center design under way at 35 Woodfin
- Staffing contract to ensure timely answering of calls

## Sheriff

- Increased investment in Jail health and mental health
- Support of co-responder model (**2 positions**)
- 20 hybrid vehicles

## Justice Services

- Moving toward new County-led Family Justice Center model (**2 positions** in this budget)
- **\$14.4M** investment in Public Safety Capital Projects for EMS Bases and Detention Center infrastructure



# Education Investments

## Buncombe County Schools

- Local Current Expense - **\$98.9M**
  - Increase of \$3.4M

## Asheville City Schools

- Local Current Expense - **\$18.3M**
  - Increase of \$623k
- Maintain tax rate of 10.62 cents

## AB Tech

- County contribution - **\$8.4M**
  - Increase of \$286k

## Early Childhood Education

- **\$3.9M** investment in Early Childhood programs

## Education Support

- **\$80k** in Special Projects
- **\$434k** in contracts to other education projects
- School Nursing and Social Work Support (HHS)
- School Resource Officers (Sheriff)

## Capital Support

- **\$4.1M** additional investment in Solar on Public Buildings and Schools





# Human Services Investments

## Division of Social Services

- Bringing community assistance benefits back in-house to deliver ~\$3.3M in benefits (**4 new positions** in this budget)
- Managing Medicaid Expansion (**1 new position** for additional call volume)
- Continued funding of GRACE center and staffing for foster care visitation (**4 positions**)

## Public Health

- Continued support of mobile health team with mobile unit coming online
- Behavioral health investments through opioid settlement funding (**\$3.3M** in FY25)

## Aging Services

- **\$500k** in funding of HCCBG contracts to support this population



# Cultural and Recreational Investments

## Libraries

- Continuing to manage 11 branches across the County
- Continued support of Library staffing plan (**1 new position**)
- Increased demand and support for online services

## Parks & Recreation

- Maintaining CORE services and programming at our 13 County Parks and five pools
- Completion of Master Plan due this year to guide future investment and development
- Continued recreational grant funding to promote community health and well-being
- **\$450k** in grant match for Enka Recreation Destination Phase II
- Open Space projects for recreation at Ferry Road and Deaverview Mountain



# Economic and Physical Development Investments

## Planning

- Continued efforts on implementation of the 2043 Comprehensive Plan
- Addressing demand for code enforcement (**1 new position**)

## Permits & Inspections

- Increased administrative capacity for management of workload (**1 new position**)
- **\$75k** investment in the Code Enforcement Pilot for outreach and condemnation prevention

## Property Assessment

- Completing 2025 Revaluation and implementing initiatives recommended by the Ad Hoc Reappraisal Committee (**\$720k** investment in Reappraisal Reserve Fund)
- **1 additional position** for Business Property Appraisal

## Economic Development

- Continued investment in our Incentive programs (**\$2.6M**)



# General Government Investments

## Elections

- **\$308k** investment over FY2024 in Elections for the Presidential election year

## General Services & Fleet

- Maintenance and repair for Detention Center (**1 new position**) and Fleet (**1 new position**)

## Human Resources

- Continuing to support all employees and departments (**1 new position**)

## Community Investments

- Continued support for Affordable Housing (**\$2.3M**) and Conservation Easements (**\$750k**) in addition to managing the allocation for the Affordable Housing and Open Space General Obligation Bonds
- Commitment to Community Repairs (**\$520k**)
- **\$3.7M** investment in Facility Assessment Renovation and Repair
- **\$426k** investment in Electric Vehicle Charging Infrastructure

## Information Technology

- Continuing support of software systems across the organization (**1 new position**)

# FY25 Debt Service

## General Fund

- Total = **\$21.7M**
- Existing (Limited Obligation Bonds) = **\$17.8M**
- 2024 Issuance (GO Bonds, FY24 vehicles, etc.) = **\$3.9M**

## Other Funds

- Public School Capital Needs Fund = **\$25.4M**
- AB Tech Fund = **\$6.6M**
- Solid Waste Capital Projects Fund = **\$2.9M**

## Reserve Policy (Pending)

- To ensure funding for capital program and aid in forecasting fiscal capacity
- Recommend to establish annual transfer to potential Capital Reserve Fund and/or Debt Service Fund
- Base annual transfer = 120% of annual General Fund debt obligation
- Grow at compounded rate between 2% and annual % change in CPI-U



## Personnel

Function	New Positions
Public Safety	13
Human Services	9
General Government	5
Economic & Physical Development	2
Cultural & Recreational	1
<b>General Fund</b>	<b>30</b>
Solid Waste	3
<b>Enterprise Fund</b>	<b>3</b>
<b>Total</b>	<b>33</b>

Changes (millions of \$)	
Reduction resulting from staggered start dates	<b>-0.3</b>
Salary reduction for vacancy and turnover	<b>-10.0</b>
Reduction from 133 requested positions to 33 recommended	<b>-10.0</b>

## FY2025 COLA Calculation

$$\frac{\left( \frac{300.728 - 273.925}{273.925} \right)}{2} = 4.89\%$$

# \$20.3M

In Reductions from Personnel Strategies

# FY2025 Recommended Capital and IT Projects



## FY25 Capital Improvement Plan – Debt Projects

FY25 Recommended Capital Projects	Department	FY2025 Recommended	Ongoing Annual Cost
EMS Local Base - Design	Emergency Services	\$0.8M	\$1.6M
EMS Regional Base - Land & Design	Emergency Services	\$1.8M	\$1.7M
Shelter Resiliency Generator Project	Emergency Services	\$2.3M	Minimal
205 College St. Renovation & Repair	General Services	\$1.2M	Minimal
Countywide Roofing and Parking Decks Renovation & Repair	General Services	\$2.5M	Minimal
New Parks and Recreation Facility - Design	General Services	\$0.2M	Minimal
Public Safety Interoperability Partnership Core System Replacement	Information Technology	\$10.0M	\$650K
Detention Center Facility Assessment Renovation & Repair	Sheriff's Office	\$1.9M	Minimal
Electric Vehicle Charging Infrastructure	Sustainability	\$0.4M	Minimal
Solar on Public Buildings and Schools	Sustainability	\$4.1M	-\$200K
<b>Total</b>		<b>\$25.1M</b>	



## FY25 Capital Improvement Plan – Pay-Go Projects

FY25 Recommended Capital Projects	Department	FY2025 Recommended	Ongoing Annual Cost
Comprehensive Facility Assessment Renovation & Repair	General Services	\$0.3M	Minimal
Enka Recreation Destination - Phase II	Recreation Services	\$0.5M	\$70K
Detention Center Dryer Installation	Sheriff's Office	\$0.3M	Minimal
<b>Total</b>		<b>\$1.0M</b>	

*Note: Enka Recreation Destination is a \$3.7M match for a grant from the TDA and the contribution will be spread over four years. The actual transfer from the General Fund for the projects above will only be \$154K due to savings realized from closing older capital projects and grants.*

## FY25 Information Technology Projects

Department	Request	FY2024 Recommended	Ongoing Annual Cost
CAPE	Content Management System (Website)	\$225K	TBD
Emergency Services	EMS Inventory Management	\$11K	\$7K
Legal and Risk	Enterprise Risk Management	\$41K	\$35K
Sustainability	Energy Manager Replacement	\$3K	\$3K
Finance	Cobblestone Digital Signature	\$8K	\$8K
Finance	Cobblestone Collaboration	\$15K	\$2K
<b>Total</b>		<b>\$303K</b>	<b>\$55K</b>

## Recommended Vehicles for Debt Funding

Department	Vehicles	FY2025 Recommended
Sheriff's Office	20 Hybrid SUVs w/ upfit (replacements)	\$1.3M
Emergency Services - EMS (Ambulances)	4 Ambulances & 3 Ambulance Chassis	\$1.7M
Emergency Services - EMS	2 Hybrid SUVs w/ upfit (new & replacement)	\$128K
Emergency Services - Em. Management	1 Hybrid SUV w/ upfit (replacement)	\$64K
Emergency Services - PSTC	1 Hybrid Truck w/ upfit (new)	\$54K
Recreation Services	1 Electric Cargo Van (replacement) & 1 Gas Box Truck (new) w/ upfit	\$145K
<b>TOTAL</b>		<b>\$3.4M</b>

*Note: Though not Public Safety vehicles, the two Recreation Services vehicles were determined to not be good fits for leasing due to the amount of upfits required.*

## Recommended Vehicles for Lease

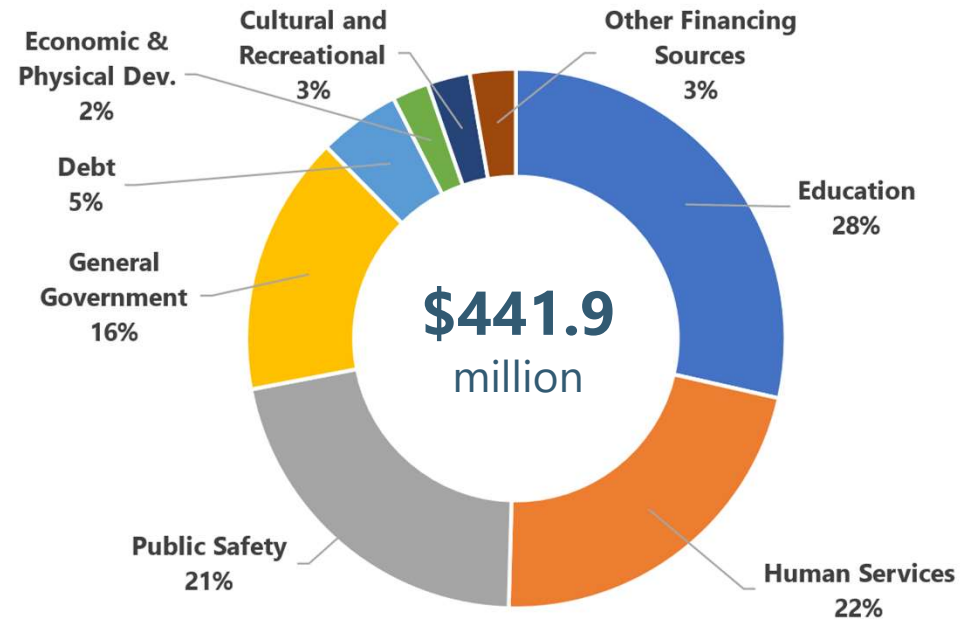
Department	Vehicles	FY2025 Recommended
Health & Human Services - DSS	10 Hybrid SUVs (1 replacement & 9 new) & 3 Electric SUVs (new)	\$119K
Health & Human Services - Public Health	3 Hybrid Sedans (new), 1 Elec. Truck & 1 Hybrid Truck (replacement)	\$48K
General Services	2 Electric Trucks (new & replacement)	\$26K
Planning	1 Electric Trucks (new)	\$13K
Agriculture & Land Resources	1 Electric Truck (new)	\$13K
Permits & Inspection	2 Electric Trucks (replacement)	\$26K
<b>TOTAL</b>		<b>\$247K</b>

*Note: In FY25, purchasing these same vehicles is estimated to have cost \$0.9M. Leasing results in an initial savings of around \$0.7M in FY25.*

# Expenditure Budget by Function

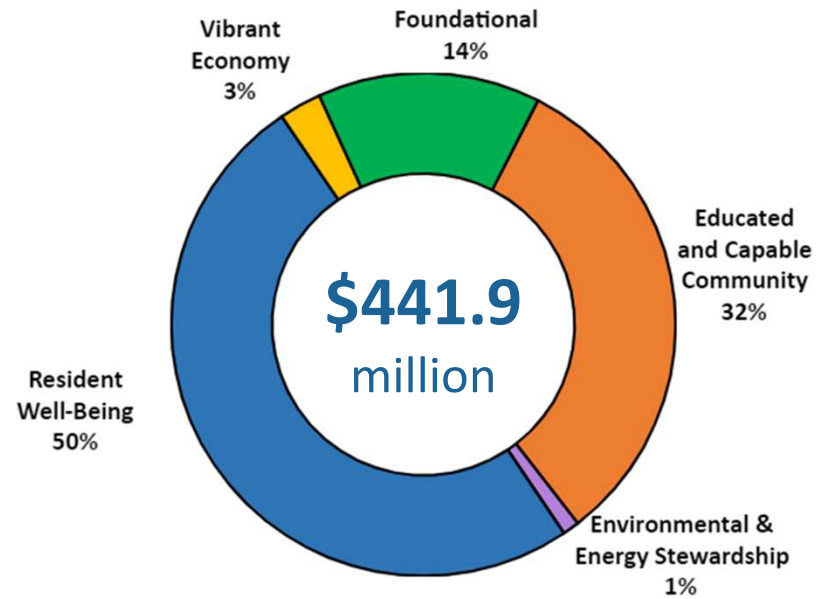
(millions of \$)

Function	FY2024 Amended	FY2025 Recommended	Variance
Education	122.2	126.2	3%
Human Services	96.3	96.7	0%
Public Safety	90.5	95.3	5%
General Government	72.2	69.0	-5%
Debt	19.9	21.7	9%
Economic & Physical Dev.	10.5	9.7	-7%
Cultural and Recreational	10.9	11.3	4%
Other Financing Sources	14.2	12.1	-15%
<b>Total</b>	<b>436.8</b>	<b>441.9</b>	<b>1%</b>



# Advancing our Strategic Plan: Budget by Focus Area

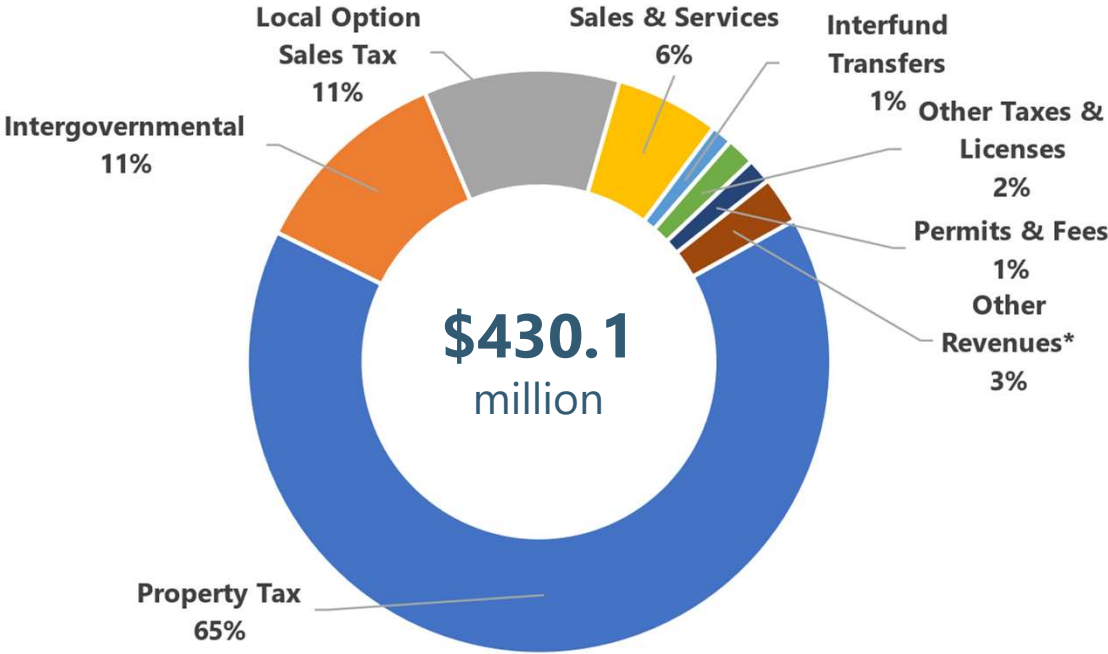
Strategic Focus Area	
Educated and Capable Community	\$141.4M
Environmental & Energy Stewardship	\$4.4M
Resident Well-Being	\$221.0M
Vibrant Economy	\$13.3M
Foundational	\$61.9M
<b>Total</b>	<b>\$441.9M</b>



# Revenue Budget by Source

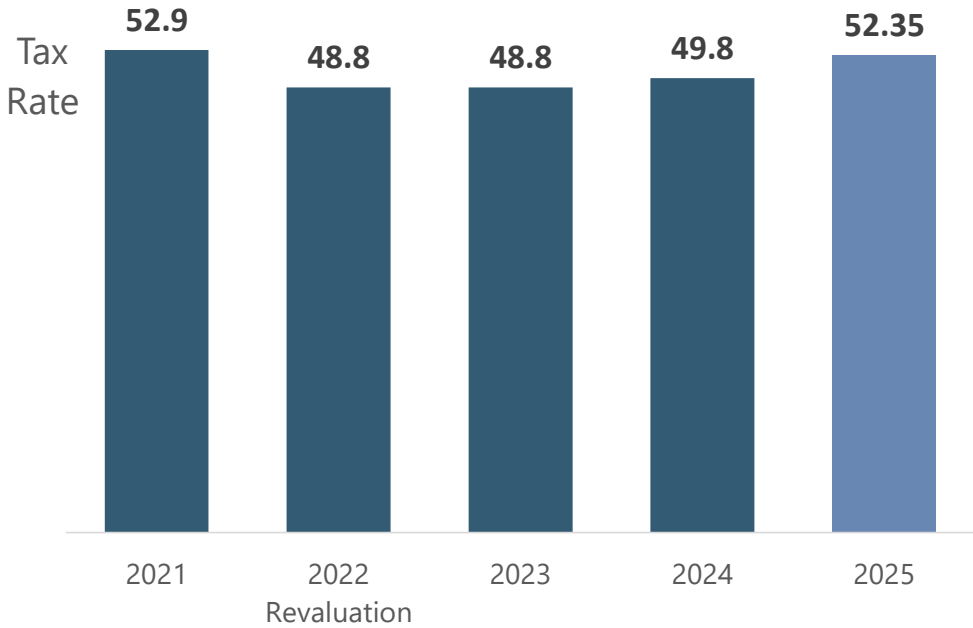
(millions of \$)

Revenue Source	FY2025 Recommended
Property Tax	281.1
Intergovernmental	48.7
Local Option Sales Tax	46.6
Sales & Services	24.8
Interfund Transfers	5.0
Other Taxes & Licenses	6.8
Permits & Fees	5.9
Other Revenues*	11.2
<b>Total</b>	<b>430.1</b>
Appropriated Fund Balance	11.8
<b>Total</b>	<b>441.9</b>



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

# FY2025 Recommended General Fund Budget



## FY2025 Recommended

Revenues	\$430,118,938
Expenditures	\$441,905,358
Appropriated Fund Balance	\$11,786,420





## Investments in Other Funds

### Solid Waste Enterprise Fund

- **\$180k** investment in the countywide cleanup initiative
- Bringing in new contractor for waste collection
- Continuing efforts of recycling and composting while maintaining landfill and transfer station  
**(3 new positions)**

### 911 Fund

- Additional equipment and maintenance
- Funding of backup center

### Opioid Settlement Fund

- Continuing efforts of harm reduction (**\$3.3M**)



## Reference Documents

The following materials are available for review with the May 21<sup>st</sup> agenda at [www.BuncombeCounty.org/Commissioners](http://www.BuncombeCounty.org/Commissioners):

- FY2025 Recommended Budget in Brief, which includes:
  - County Manager’s message
  - Recommended Capital Improvement Plan (CIP)
  - Recommended community funding awards
- Interactive Budget Explorer
- FY2025 Fee Schedule
- FY2025 Classification and Compensation Plan



# Appendix



# FY2025 Recommended Special District Tax Rates



# FY2025 Special District Recommended Tax Rates

Tax District	FY2024 Tax Rate	FY2025 Requested Tax Rate	FY2025 Recommended Tax Rate
Asheville City Schools	10.62	<b>12.00</b>	<b>10.62</b>
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	12.00	12.00
Fairview	14.50	<b>16.00</b>	<b>16.00</b>
French Broad	22.20	22.20	22.20
Garren Creek	13.84	13.84	13.84
Jupiter	12.75	12.75	12.75

Tax District	FY2024 Tax Rate	FY2025 Requested Tax Rate	FY2025 Recommended Tax Rate
Leicester	14.03	14.03	14.03
North Buncombe	10.77	<b>12.27</b>	<b>12.27</b>
Reems Creek	15.07	15.07	15.07
Reynolds	11.24	11.24	11.24
Riceville	16.60	16.60	16.60
Skyland	9.80	9.80	9.80
Swannanoa	14.00	14.00	14.00
Upper Hominy	19.00	19.00	19.00
West Buncombe	13.50	13.50	13.50
Woodfin	10.59	10.59	10.59

