



Budget in Brief

FY 2015



FY2015 Budget Highlights



The total operating budget for Buncombe County is \$368,462,255. The General Fund budget for FY2015 is \$291,994,664 and includes the return of library, recreation, and cultural programs due to the state's dissolution of the Buncombe County Culture and Recreation Authority.



In July 2013 the NC General Assembly passed House Bill 418 authorizing Buncombe County to establish a Culture and Recreation Authority to serve as an independent entity focused on wellness and cultural amenities. Buncombe County Commissioners established the Authority and funded it by adopting a 3.5 cent tax rate. During FY2014 the programs and facilities previously accounted for in the Buncombe County General Fund Culture and Recreation function transitioned to the new Culture and Recreation Authority. However, in June 2014 the NC General Assembly passed House Bill 531 repealing the previous session law authorizing the Culture & Recreation Authority. As a result, the programs and facilities under the Authority have transitioned back to the General Fund Culture & Recreation function for FY2015. This includes the Authority's FY2015 budget of \$10,565,002.



The tax rate for FY2015 is set at 60.40 cents per \$100 of property value, which equals the FY2014 combined tax rates of 56.9 cents for the General Fund and 3.5 cents for the Culture & Recreation Authority to continue funding for those programs and facilities.



Funding for our core services—Education, Public Safety, and Human Services—is maintained in the FY2015 budget, with some necessary increases. Many state and federal changes have impacted Buncombe County's FY2015 budget. Appropriations include:

- › Increased costs in Human Services of \$3.6 million primarily due to the NC FAST conversion. Seventeen new DSS positions were approved during FY2014 to allow Buncombe County to meet the requirements of the State system.
- › Asheville City Schools and Buncombe County Schools funding increased by \$3.1 million, which includes \$927,000 to cover a projected 3% pay increase, \$253,119 to cover increased pay for teachers with 0-9 years of experience, and \$350,000 to supplant loss of federal Race to the Top funds. The \$3.1 million increase also includes \$675,596 in anticipation of State budget changes. At the time of this publication, the NC State Legislature is still in the process of negotiating budget appropriations for public schools. These negotiations include increases for teacher pay (above the projected 3%) and the elimination of teacher assistants in Grades 2-3 to fund those increases.
- › Funding for Public Safety increased by \$3.8 Million primarily due to increased debt service costs on the new Courts Building. The increase also includes an additional \$133,000 for Medical Examiner due to an increase in fees from \$100 to \$250 per exam.
- › The Affordable Care Act requires employers to provide health insurance to temporary employees that work at least 30 hours a week. This requirement is effective January 1, 2015 and \$217,536 has been appropriated to meet this requirement.

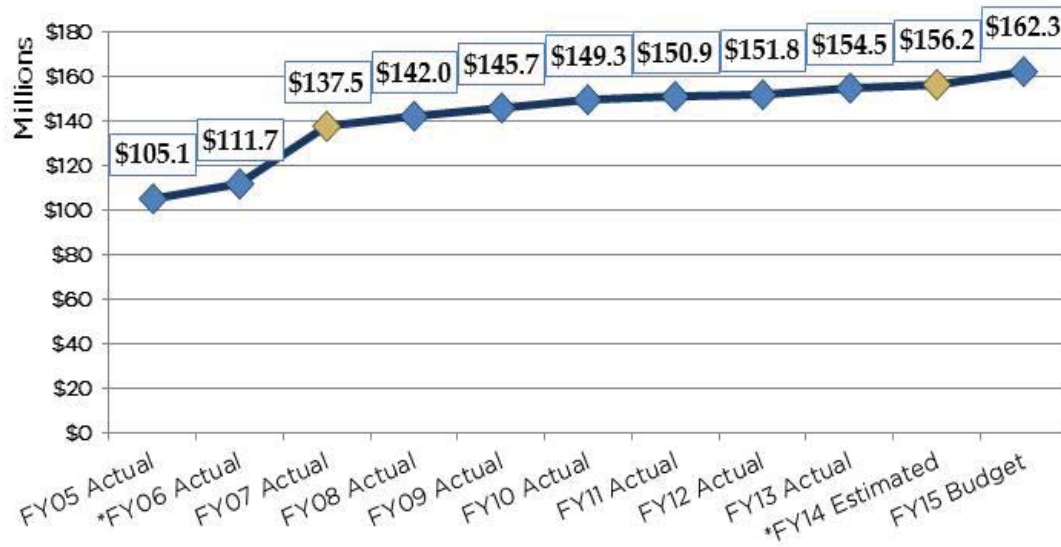


The FY2015 budget includes a fund balance appropriation of \$7,584,637. Fund balance appropriation is one means to lower the burden on property tax owners. We appropriate fund balance each year with the challenge to save the appropriated amount; historically we have been able to do this.

Where does the money come from?

The General Fund derives its revenue from a variety of sources. The County's largest revenue source is Ad Valorem, or property tax, which accounts for 56% of the General Fund revenues for FY2015. In 2013 Buncombe County conducted its reappraisal by the County Tax Department staff. County-wide values decreased by \$2.8 billion, from \$30.4 billion to \$27.6 billion, resulting in a revenue-neutral tax rate of 57.83 cents per \$100 of property value. Buncombe County Commissioners adopted a tax rate of 56.9 cents for FY2014. The adopted FY2015 tax rate is 60.4 cents, as it includes the 3.5 cent Culture and Recreation Authority tax rate.

Property Tax

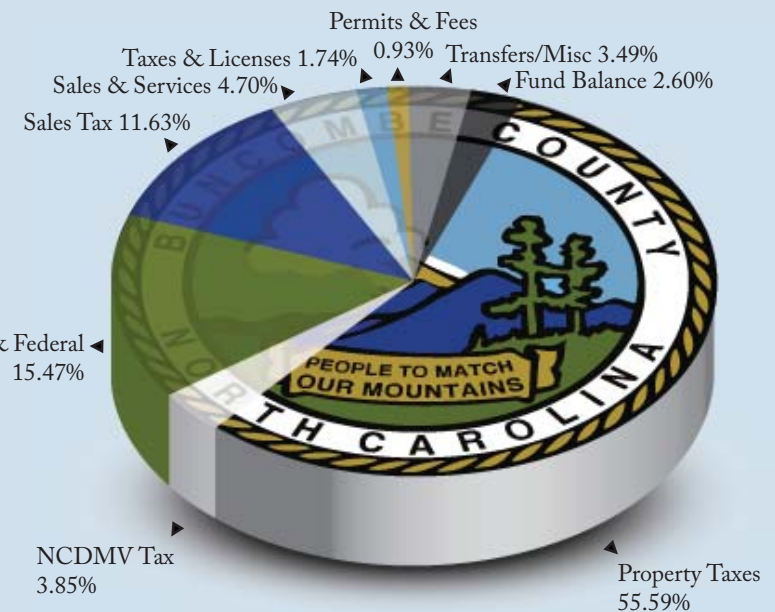


* Revaluation Year

NCDMV Tax—NC Tag and Tax Together Program

North Carolina's Vehicle Tag and Tax Together Program was implemented mid-2013 (Fiscal Year 2014) to provide a more streamlined method for vehicle owners to pay their registration and vehicle taxes. Under this program, vehicle registration fees and vehicle property taxes are collected by the NC Division of Motor Vehicles (DMV). Previously each NC County was responsible for managing vehicle tax collections while NCDMV was only responsible for registration fees. Prior to the implementation of Tag and Tax Together, collection rates for registered motored vehicles were an average ten percentage points lower than the collection rates for real property. It is projected that Tag and Tax Together will increase collection rates of registered motor vehicle property taxes.

General Fund Revenue Sources	
Property Tax	\$162,326,417
NCDMV Tax	11,252,021
State & Federal	45,183,445
Sales Tax	33,960,310
Sales & Services	13,736,829
Other Taxes & Licenses	5,087,184
Permits & Fees	2,727,185
Transfers from other Funds	8,996,731
Investment Earnings/Misc	1,139,905
Fund Balance	7,584,637
Total Revenue	\$291,994,664



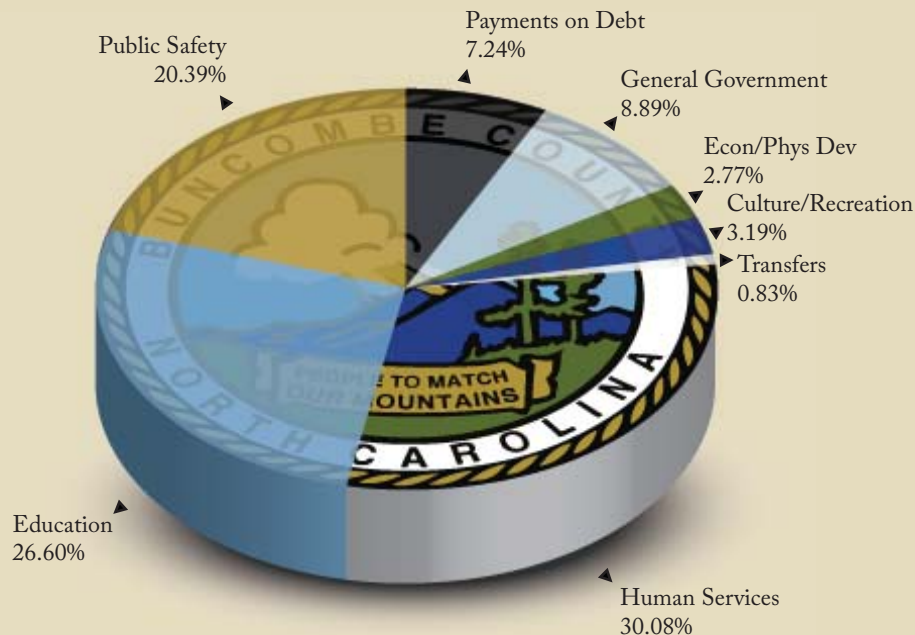
Where does the money go?

General Fund Appropriations	
Human Services	\$87,845,775
Education	77,674,242
Public Safety	59,549,630
General Government	25,957,493
Payments on Debt	21,154,452
Culture & Recreation	9,320,790
Econ & Physical Dev	8,079,123
Transfers to other Funds	2,413,159
Total Appropriation	\$291,994,664

Like all North Carolina counties, our core businesses are education, human services, and public safety. Core businesses include: Buncombe County Schools; Asheville City Schools; Asheville-Buncombe Technical Community College; social services, health, child care services, youth services, aging programs, and mental health; detention center; sheriff operations; homeland security; emergency management; emergency medical services; court support; and juvenile detention.

Core business budgets consume 83% (\$241,269,569) of our FY2015 General Fund Budget Estimate. We generate \$66,237,657 in revenues to cover a portion of these costs; however, it takes all the budgeted property tax to cover the balance of the core service costs.

Buncombe County organizes its expenditures into several different categories, or functions, based on the intended use of funds:



- › General Government—provides administrative support for County government, and includes Governing Body, County Manager, Finance, Budget & Management Services, Tax, Elections, Human Resources, Register of Deeds, and Information Technology.
- › Public Safety—includes the Sheriff’s Department, Detention Center, EMS, and other departments that work to protect the safety of our citizens.
- › Human Services—includes Public Health, Social Services, Youth and Aging Services.
- › Economic & Physical Development— includes Planning, Economic Development, Cooperative Extension, Soil & Water Conservation, and Recycling.
- › Culture & Recreation - includes Buncombe County Libraries and Parks, Greeways, and Recreation.
- › Education—includes Buncombe County Schools, Asheville City Schools, and Asheville-Buncombe Technical Community College.

BOARD OF COMMISSIONERS



David King

Joe Belcher

Ellen Frost
Vice Chair

David Gantt
Chair

Holly Jones

Mike Fryar

Brownie Newman

COUNTY MANAGER

Wanda S. Greene, PhD, CPA

DIRECTOR OF BUDGET & MANAGMENT SERVICES

Diane Price, MBA



Prepared By:

Diane Price, Budget & Management Services Director
Autumn Lyvers, Budget Analyst II