

EXECUTIVE SUMMARY

The following summary presents a general overview of the 2010-2011 budget for Buncombe County. The information explains where the money comes from (revenues) and where the money goes (expenses). Also, significant changes to the budget are highlighted. The text, charts and graphs in the following sections of this document provide a more in-depth study of the budget.



Total County Funds

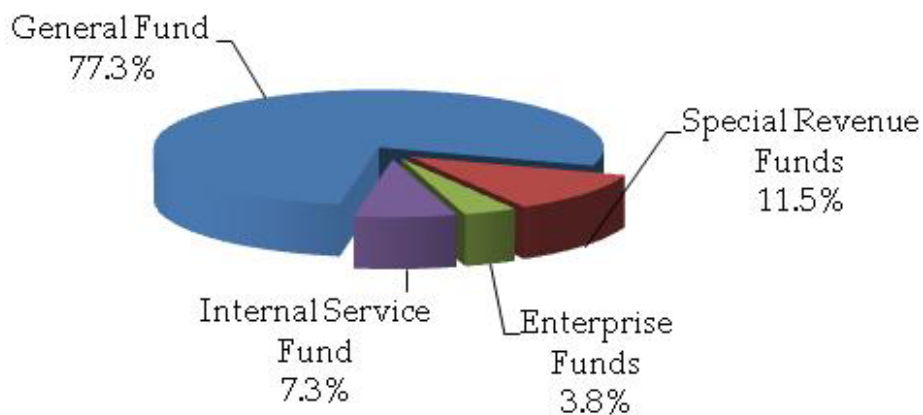
The total operating budget for Buncombe County in fiscal year 2011 is \$327,069,877. The largest fund is the **General Fund**, which is the County's main operating fund. The General Fund budget total is \$252,882,435, an increase of 1.13% from the 2009-2010 adopted budget. There was only a nominal change in the General Fund budget from the time of the budget message to budget adoption. The many factors which affected the FY2011 General Fund budget were specifically addressed in the budget message presented by the County Manager to the Board of Commissioners on May 18, 2010.

The next largest group of funds is the **Special Revenue Funds**. The total operating expenditures for these funds are \$37,646,731, a decrease of \$788,529 from last year. The largest activities for these funds include Occupancy Tax and Fire Districts.

The **Enterprise Funds** have budgeted expenditures of \$12,570,808. This is a decrease of 16.62% for these funds. The operations in these funds are self-supporting and do not rely on any contributions from the General Fund.

The **Internal Service Fund** expenditures of \$23,969,903 are for County insurance premiums and insurance benefits for County employees. This is a small increase of only .01% from the FY10 adopted budget.

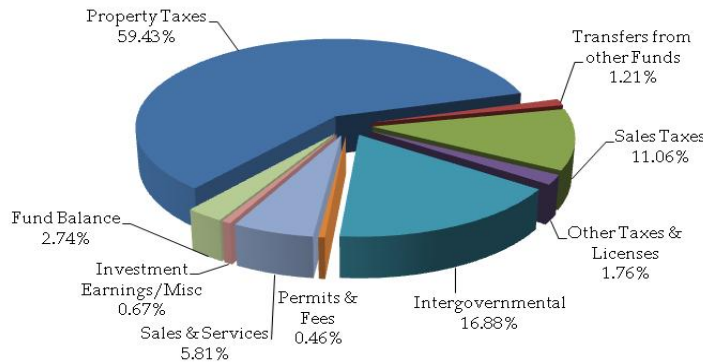
**Total Operating Budget By Fund
2010-2011**



General Fund

WHERE DOES THE MONEY COME FROM?

FY 2011 Revenues/Sources - General Fund

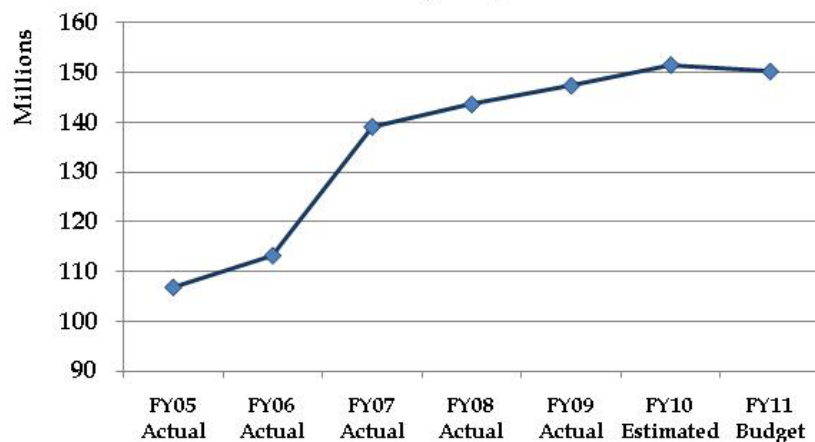


MAJOR REVENUE SOURCES:

The total budget for the General Fund is \$252,882,435. The General Fund derives its revenue from a variety of sources. The County’s largest revenue source, accounting for 59% of the General Fund revenues for FY2011, is Ad Valorem, or property tax, which totals \$150,278,615 for the 2010 - 2011 year. This is an increase of \$1,727,467, or 1.16%, from the FY2010 adopted budget.

	2008/09 Adopted	2008/09 Actuals	2009/10 Adopted	2009/10 Estimate	2010/11 Adopted	% Change from FY 10 Estimate
Ad Valorem Levied (does not include penalties or interest)	\$ 143,983,613	\$ 145,697,959	\$ 148,551,148	\$ 149,300,000	\$ 150,278,615	0.66%

Property Tax



The real estate market in Buncombe County has not been without some economic impacts. Though overall construction is down, Buncombe County did have an increase in new real estate value of around \$140 million for the FY2011 budget. In addition, personal and business property values increased \$30 million. The motor vehicles tax value of \$1.7 billion, which is 5.87% of the total assessment of 29.2 billion, had a decrease of around \$90 million. Based on economic conditions total vehicle registrations were around 17 thousand less than the previous

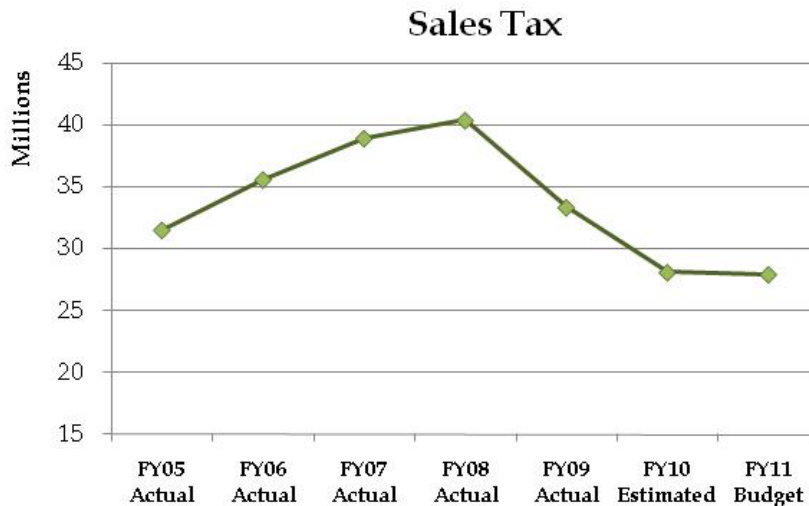
twelve months. The total overall value increase in total tax value was around \$80 million.

In 2006, Buncombe County conducted its revaluation by the County Tax Department staff. The 2006-07-tax rate was reduced from \$0.59 to \$0.53 per \$100 of property value based on the increase in property values from \$18.9 billion to \$26.2 billion. The tax rate was reduced again in FY2007-2008 from \$0.53 to \$0.525 per \$100 of property value. It has remained at \$0.525 for the 2009, 2010 and 2011 fiscal years. Historically, Buncombe County has seen steady population growth and anticipated 2% annual growth of the property tax base.

The next largest source of revenue is Sales Tax. It is estimated to decrease from fiscal year 2010 by 7.04% to \$27,957,326. This decrease is primarily due to current economic conditions. Buncombe County continues to be the retail hub of western North Carolina, supported by two major malls, a vibrant central business district, and several new shopping centers and mixed use developments. This has helped to offset what could have been a larger decline in this revenue source.

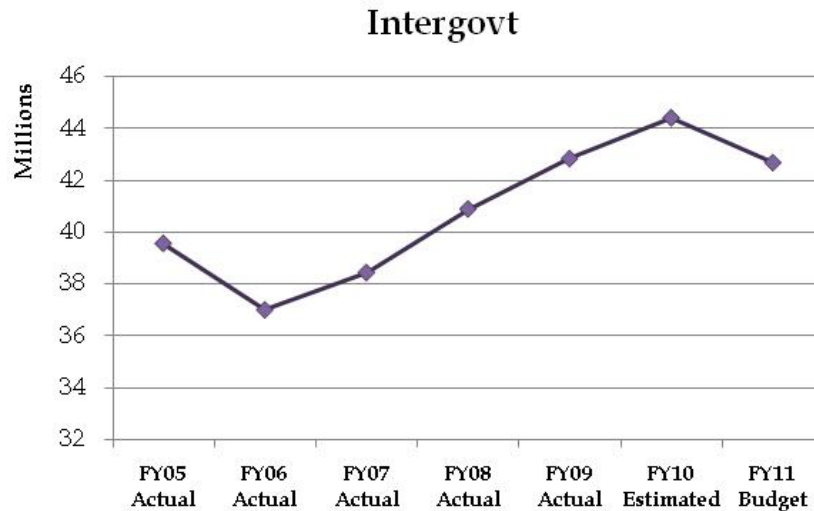
Buncombe County levies three local-option retail sales and use taxes: the one percent tax authorized in 1971; the one-half percent authorized in 1983; and the second one-half percent authorized in 1986. House Bill #507 designates one-half of the proceeds of the one-percent sales tax for the School Capital Fund Commission of Buncombe County. The sales tax proceeds designated for this Fund must be used to finance new public school construction or improvement and renovation projects in excess of \$100,000. Also, 30 percent of the proceeds from the 1983 one-half percent sales tax and 60 percent of the 1986 one-half percent sales tax must be spent for school capital outlay or debt service on school bonds. Sales tax is allocated among the municipalities, fire districts, and County on the ad valorem or tax levy basis.

	2008/09 Adopted	2008/09 Actuals	2009/10 Adopted	2009/10 Estimate	2010/11 Adopted	% Change from FY 10 Estimate
Article 39	\$ 10,354,990	\$ 9,742,056	\$ 9,663,547	\$ 8,724,735	\$ 9,070,774	3.97%
Article 40	\$ 9,876,754	\$ 8,886,125	\$ 10,271,318	\$ 8,471,787	\$ 8,655,520	2.17%
Article 42	\$ 9,746,113	\$ 8,742,614	\$ 10,138,740	\$ 9,846,560	\$ 10,231,032	3.90%
Article 44	\$ 6,211,960	\$ 6,010,571	\$ -	\$ 1,080,360	\$ -	
Total	\$ 36,189,817	\$ 33,381,366	\$ 30,073,605	\$ 28,123,442	\$ 27,957,326	-0.59%



Intergovernmental revenues include grants and payments from federal, state, and other local governmental units and increased 5.17% from FY2010 to FY2011. Intergovernmental revenues account for 16.88% of general fund revenues in the FY2011 budget.

The County expects to receive approximately \$33.7 million in federal and state funds for the Social Service Department (DSS) in 2010-2011. The Health Center is also expected to receive \$4.3 million in state and federal revenues. Due to the level of federal and state funding Buncombe County receives, a very conservative approach is taken with regard to anticipated revenues during the budget process. As grants are realized throughout the year the budget is amended to reflect the increased revenues. We anticipate this same trend to continue in the FY2011 fiscal year.



OTHER REVENUE SOURCES:

Other Taxes

This revenue source represents 1.8% of the budget, includes \$2,600,000 for the real property transfer tax (excise tax) and \$1,500,000 for cable television franchises. The Privilege License Tax is \$21,000 and the Rental Car Tax is \$325,000 for FY2011.

Licenses & Permits

The licenses and permits revenues include privilege licenses, building permits and inspection fees, marriage licenses, and homeowners’ recovery funds. The revenue generated for licenses and permits makes up less than 1%, or \$1,164,950, of the general fund revenue. Permits and inspections make up 91% of these total revenues.

The Permits & Inspections Department inspects new construction using staff inspectors to enforce the North Carolina State Building Code. Of the construction related revenues, single-family construction was 47.86% of the total revenue for calendar year 2009, the latest year for which data is available.

Single-family construction decreased by 31% from calendar year 2008 to 2009. In calendar year 2008, 529 single-family construction permits were issued, while in calendar year 2009, 364 were issued.

Multi-family construction decreased from calendar year 2008 to 2009. In calendar year 2008, 25 buildings were constructed consisting of 403 units total, while in calendar year 2009, 17

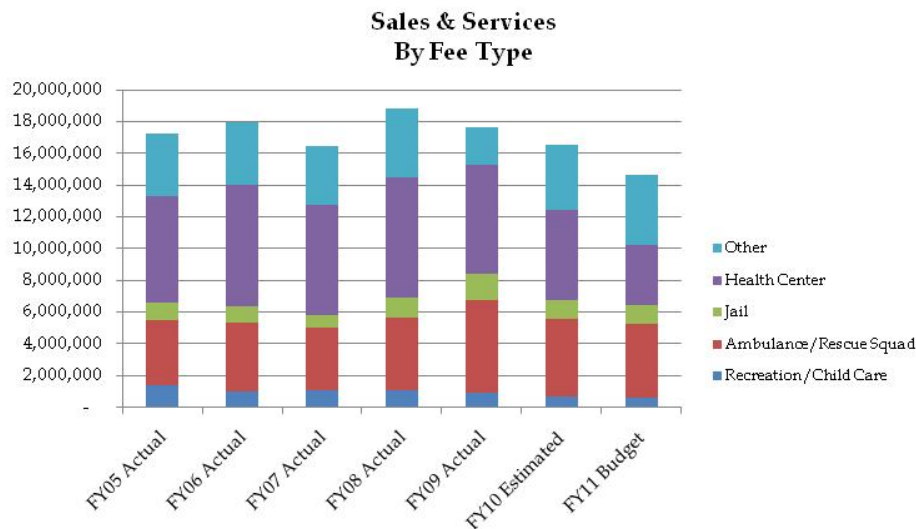
buildings were constructed consisting of 284 units total.

Commercial construction decreased 11.5% in calendar year 2009 over the previous year. In calendar year 2008, 96 commercial construction permits were issued and 85 were issued in calendar year 2009.



Sales & Services

These revenues represent charges for County services that are provided by County Departments. Included in revenues for sales and services are Register of Deeds’ fees, Health Center revenues, EMS fees, and revenues for County operated parks and recreation programs. For 2010-11, general fund revenues for sales and services are estimated at \$14,680,219 a 8.29% decrease from last year. Sales and Services represent 5.81% of the total general fund budget. Revenues are estimated to be \$3.8 million for the Health Center, \$4.6 million for EMS, and \$635,500 for County operated Parks, Greenways, and Recreation, which includes Child Care Services.



Other Revenues

These revenues include investment earnings; indirect cost charges, proceeds of capitalized leases, donations, and sale of assets. Other revenues for the general fund are estimated to be \$1,685,841 for FY2011, a decrease of 17.18% from the previous year.

The largest component of other revenues is investment earnings revenue derived from the short-term investment of County funds. This revenue source is budgeted at \$550,000 for FY11, a 27% decrease from the \$750,000 budgeted in FY10.

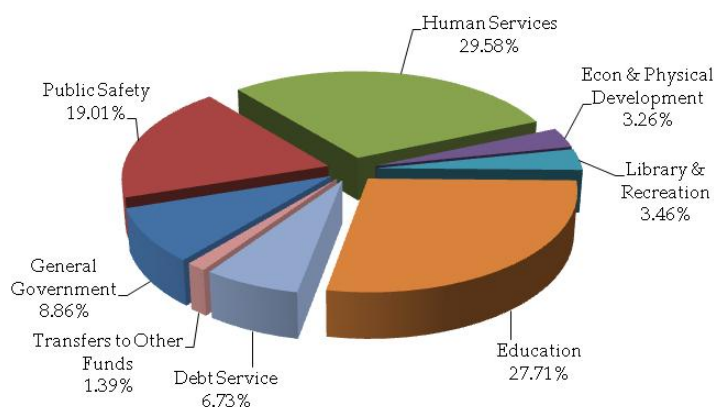
Fund Balance

In the general fund \$6,927,386 of fund balance is appropriated in the 2010-11 budget. This accounts for 2.74% of general fund revenues.

The unreserved fund balance has been steadily increasing from a high of 17.4% in the 1990s to an estimated 20.0% for fiscal year 2010. The Board of County Commissioners is committed to maintaining a high level of service to the citizens of Buncombe County without increasing the burden on the taxpayer. The projected fund balance assures the county will maintain its sound financial position.

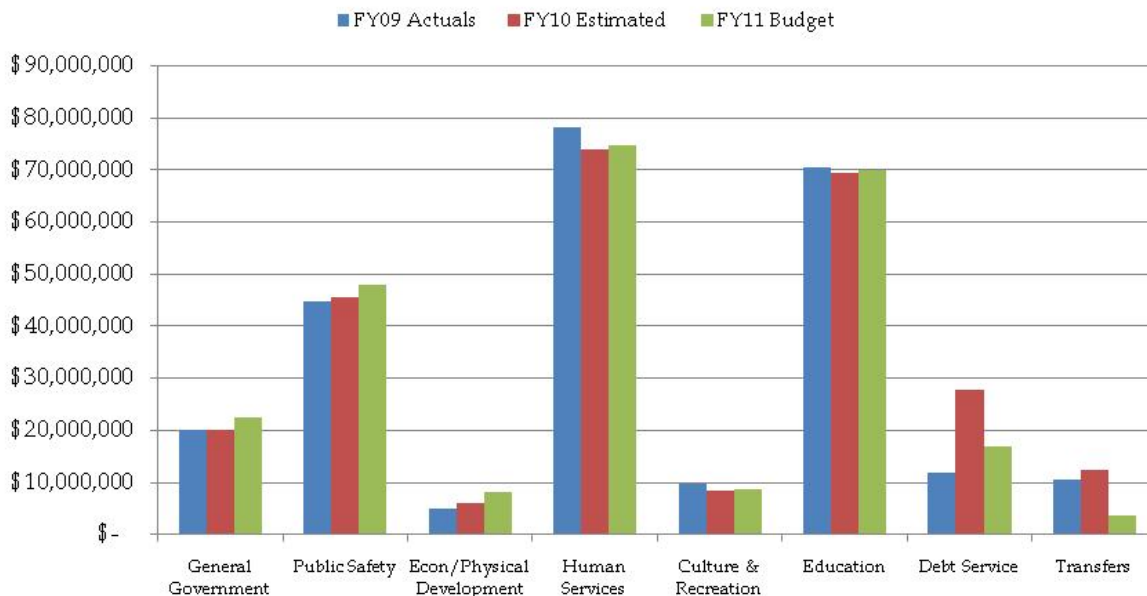
WHERE DOES THE MONEY GO?

FY 2011 Expenditures/Uses - General Fund



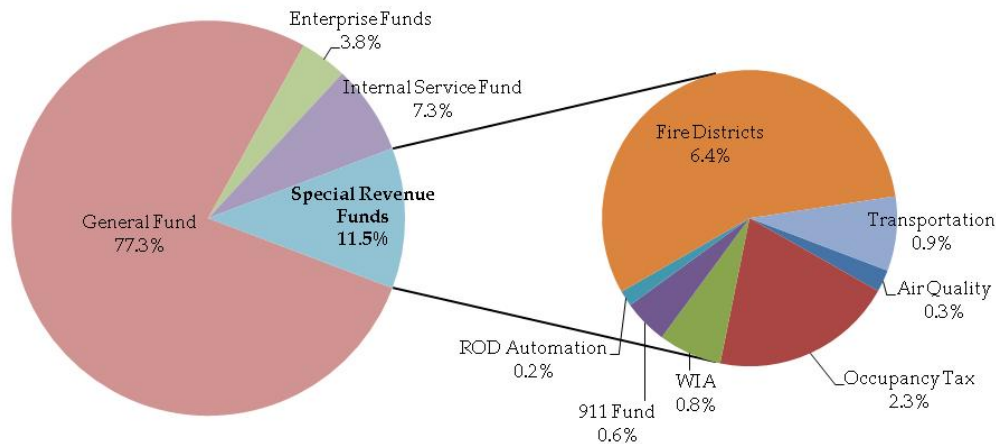
BUDGET YEAR HIGHLIGHTS:

- Economic & Physical Development includes a newly created department – Recycling, which shifted from the Solid Waste Enterprise Fund.
- Public Safety expenditures have been impacted as the State has shifted the cost of probation offices to the counties. The increase in public safety expenditures also results from an increase in the County’s contract with Southern Health Partners for provision of inmate health care, maintenance costs for additional County buildings, and increasing Emergency Services’ personnel costs.
- Culture & Recreation continues to see a shift in expenditures as Buncombe County contracts with outside agencies such as Smart Start of Buncombe County, Eliada, and Southwestern Child Development for provision of Child Care Services.
- General Government expenditures see a slight increase as Information Technology costs rise for maintenance, licensing, and new technologies.
- Human Services responded to an unprecedented growth in caseloads by judiciously managing resources resulting in minimal impact on budgetary growth. This was accomplished through a focus on core services, smart partnerships within the community and reallocation of existing staff and resources. As a result, citizens in our community received vital support services with the same or better quality of service despite this growth.



Special Revenue Funds

The total budget for Special Revenue Funds is \$37,646,731. The funds that make up the group of Special Revenue Funds are the Air Quality Fund, Workforce Investment Act (WIA) Fund, Register of Deeds Automation Fund, Occupancy Tax Fund, 911 Fund, Fire Districts Fund, and the Transportation Fund. The Special Revenue Funds represent 11.5% of the total budget.



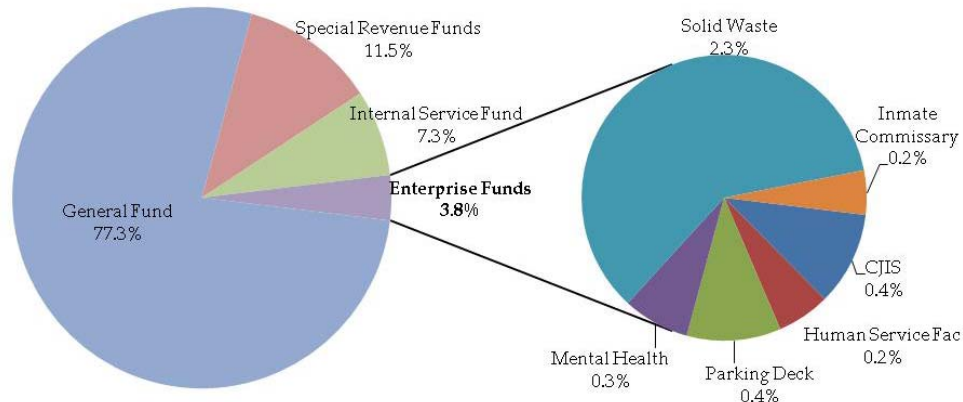
- The Air Quality Fund supports the Western North Carolina Regional Air Quality Agency, which is a self-supporting, local air quality regulatory agency formed by an interlocal agreement between Buncombe County and the City of Asheville. The FY2011 budget for Air Quality is \$913,317.
- The Workforce Investment Act Fund budget is \$2,614,043, a decrease of 13.72% from the 2009 - 2010 budget. This decrease is due to the phasing out of the American Recovery and Reinvestment Act (ARRA) funding received in FY2010. In an effort to decrease welfare dependency, WIA provides training and education to youths and adults facing serious barriers to employment.
- The Register of Deeds Automation Fund has a budget of \$649,576 for FY2011. All of these funds are used for capital purchasing for automating the Register of Deeds records.
- The Occupancy Tax Fund has a budget of \$7,535,000. This represents the revenues generated through the room occupancy tax on hotel and motel rooms. There was no change in the budget amount from FY10 to FY11. These funds are used to further the development of travel, tourism and conventions in Buncombe County through state, national and international advertising promotions.
- The 911 Fund is budgeted at \$1,831,927. Much of the budget is for emergency communication equipment for the 911 system. State law changed with respect to the surcharge for 911 systems effective January 1, 2008. The new law standardized the surcharge to \$0.70 per phone line regardless of whether it is wireline, wireless, or Voice over Internet Protocol (VOIP). These funds are remitted to the NC 911 Board for distribution to counties on the basis of the total revenue they received in Fiscal Year 2006/07 for wireline and wireless surcharges.

- The Fire Districts Fund has a budget of \$21,046,711 for FY2011, a decrease of 1.76% from FY10. Buncombe County has twenty-six Fire Districts. Revenues for this fund are generated through Sales Taxes and Ad Valorem taxes. The Ad Valorem tax rates are recommended by each district and approved by the Board of Commissioners.

- The Transportation Fund budget for FY2011 is \$3,056,157. This is a 2.52% increase over FY2010. The County's Transportation program, Mountain Mobility, provides transportation to several human service and non-profit agencies as well as general public transportation service outside the City of Asheville. They operate 37 vans and 5 small buses and complete an average of 500 passengers trips per day.

Enterprise Funds

The total budget for the Enterprise Funds is \$12,570,808. This is a decrease of 16.62% from FY10. The Enterprise Funds include Solid Waste, Inmate Commissary & Welfare, Criminal Justice Information System (CJIS), Parking Decks, Mental Health and Human Services Facilities. All of these Funds are self-supporting through revenues and fees they collect.

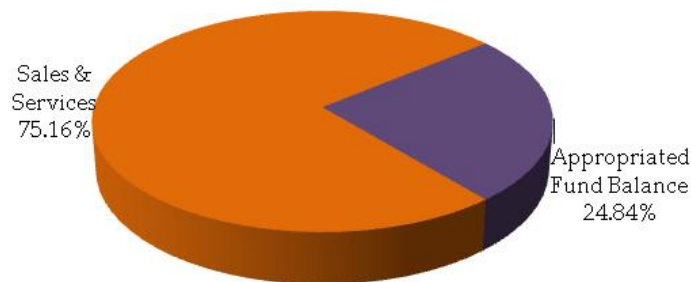


- The total budget for the Solid Waste Fund is \$7,555,538 which represents a decrease of 17.13% from the FY2010 budget. This decrease is due to the shifting of the Recycling function to the General Fund as well as a decrease in revenues. The Solid Waste Fund includes the Landfill and Waste Transfer Station.
- The budget for the Inmate Commissary & Welfare Fund is \$629,077 which is an increase of \$78,196, or 14.19%, from last year’s budget. Revenues for this fund are generated through sales to the inmate population in the County’s Detention Center.
- The Human Service Facilities Fund FY2011 budget is \$754,874, a 61.09% decrease from last year’s budget. This decrease is due to a capital project that was funded and completed in FY10. This fund was created to account for operations of Human Service facilities that the County took over in FY2005.
- The FY2011 budget for the Parking Deck Fund is \$1,344,083. This is an increase of 7.93% over the FY2010 budget.
- The Criminal Justice Information System (CJIS) Fund was created during the FY2009 budget process. This is an intergovernmental public safety fund that was previously budgeted in the General Fund. The FY11 budget is \$1,335,236. CJIS maintains connectivity to County, City and State data to make available to public safety agencies 24/7/365.
- The Mental Health Fund was created in FY08 to separate the operating expenses and contributions the County makes for Mental Health Services from the building operations that are funded in the Human Services Facilities Enterprise Fund. The budget for FY2011 is \$952,000.

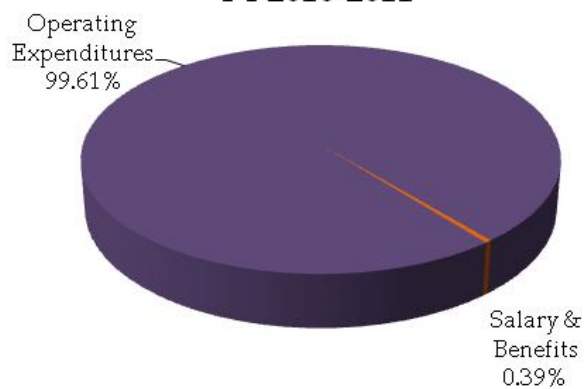
Internal Service Fund

The Internal Service Fund was established to fund all of the insurance premiums and health benefits for County employees. These expenditures consist of health insurance, workers' compensation, premiums and claims. Budgeted expenditures are \$23,969,903, an increase of 0.01%, from last year's budget. The revenues for this fund are collected through direct charges to other funds for insurance purposes and employee payments for insurance premiums.

**Revenues
FY 2010-2011**



**Expenditures
FY 2010-2011**



OPERATING BUDGET SUMMARY: ALL FUNDS

	2008/09 Actual	2009/10 Estimated	2010/11 Budget
Revenues:			
General Fund	252,724,867	264,181,803	252,882,435
Special Revenue Funds			
Volunteer Fire Departments Fund	18,608,140	17,819,681	21,046,711
Transportation Fund	2,708,670	2,751,318	3,056,157
Emergency Telephone System Fund	1,980,090	1,746,301	1,831,927
Occupancy Tax Fund	6,218,003	6,259,792	7,535,000
Workforce Investment Act Fund	2,307,831	3,489,857	2,614,043
Air Quality Fund	787,166	866,973	913,317
Register of Deeds Automation Fund	164,284	123,150	649,576
Enterprise Funds			
Solid Waste Disposal Fund	7,174,398	7,351,157	7,555,538
Human Services Facilities Fund	691,567	501,702	754,874
Mental Health Fund	392,356	7,743	952,000
Inmate Commissary Fund	483,487	478,423	629,077
Parking Deck Fund	395,483	1,267,865	1,344,083
Criminal Justice Info System Fund	1,207,115	1,225,587	1,335,236
Internal Service Fund	20,027,235	17,715,681	23,969,903
Total	315,870,692	325,787,033	327,069,877
Expenditures			
General Fund	250,725,598	263,931,803	252,882,435
Special Revenue Funds			
Volunteer Fire Departments Fund	18,608,153	17,805,204	21,046,711
Transportation Fund	2,685,936	2,326,003	3,056,157
Emergency Telephone System Fund	245,418	362,773	1,831,927
Occupancy Tax Fund	6,218,003	6,259,792	7,535,000
Workforce Investment Act Fund	2,307,831	3,411,467	2,614,043
Air Quality Fund	876,823	865,373	913,317
Register of Deeds Automation Fund	51,932	36,810	649,576
Enterprise Funds			
Solid Waste Disposal Fund	8,962,261	5,955,517	7,555,538
Human Services Facilities Fund	462,443	536,372	754,874
Mental Health Fund	591,449	587,400	952,000
Inmate Commissary Fund	539,449	577,831	629,077
Parking Deck Fund	1,231,695	897,353	1,344,083
Criminal Justice Info System Fund	1,190,797	1,206,719	1,335,236
Internal Service Fund	21,224,468	22,161,571	23,969,903
Total	315,922,256	326,921,988	327,069,877

BUDGET SUMMARY ALL FUNDS - REVENUES

Summary of County Funds	2008/09 Actual	2009/10 Estimated	2010/11 Budget
General Fund			
Property Taxes	147,418,433	151,583,718	150,278,615
Local Option Sales Tax	33,381,366	28,123,328	27,957,326
Other Taxes	4,620,641	4,427,518	4,446,000
Intergovernmental	42,840,684	44,026,038	42,684,716
Permits & Fees	1,327,607	954,197	1,164,950
Sales & Services	19,050,608	16,549,205	14,680,219
Investment Earnings	2,182,849	589,342	550,000
Miscellaneous	836,970	790,116	1,135,841
Interfund Transfers/Other Financing Sources	1,065,710	17,138,341	3,057,382
Appropriated Fund Balance	-	-	6,927,386
Total	252,724,867	264,181,803	252,882,435
Special Revenue Funds			
Property Taxes	14,211,550	14,641,798	16,757,438
Other Taxes	10,759,129	9,595,710	11,969,273
Intergovernmental	6,951,221	7,732,157	7,067,434
Permits & Fees	150,389	118,541	128,000
Charges for Services	257,591	225,254	259,599
Investment Earnings	100,308	42,129	57,000
Miscellaneous	93,766	120,985	110,890
Interfund Transfers	250,230	580,498	611,226
Appropriated Fund Balance	-	-	685,871
Total	32,774,184	33,057,072	37,646,731
Enterprise Funds			
Other Taxes	309,778	238,059	292,487
Intergovernmental	1,206,584	1,224,848	1,335,236
Charges for Services	7,772,323	8,056,767	8,651,173
Investment Earnings	728,601	110,064	5,000
Miscellaneous	24,520	586,985	-
Other Financing Sources	-	-	-
Interfund Transfers	302,600	615,754	-
Appropriated Fund Balance	-	-	2,286,912
Total	10,344,406	10,832,477	12,570,808
Internal Service Fund			
Charges for Services	17,567,289	17,633,215	18,014,905
Investment Earnings	349,512	82,466	-
Interfund Transfers	2,110,434	-	-
Appropriated Fund Balance	-	-	5,954,998
Total	20,027,235	17,715,681	23,969,903

BUDGET SUMMARY ALL FUNDS- EXPENDITURES

SERVICE AREA			
Departments	2008/09 Actual	2009/10 Estimated	2010/11 Budget
General Government			
Governing Body	1,013,004	957,577	1,031,073
County Manager	736,526	782,812	1,069,900
Human Resources	809,072	701,860	712,783
Finance	1,966,799	2,302,012	2,548,037
Tax Department	4,102,267	4,016,417	4,505,881
Board of Elections	1,111,520	1,097,485	1,103,678
Register of Deeds	3,000,482	3,080,836	3,247,303
Information Technology	7,241,724	7,224,250	8,184,460
Register of Deeds Automation Fund	51,932	36,810	649,576
Internal Service Fund - Health/Dental	21,224,468	22,161,571	23,969,903
Public Safety			
Sheriff	26,095,180	25,847,367	26,568,797
Emergency Services	8,201,536	8,433,094	8,411,964
Day Reporting Center	163,308	155,749	163,585
Pretrial Release	505,235	612,335	631,561
City-County Bureau of Identification/ Centralized Data Entry	1,095,278	1,088,651	1,210,369
Permits & Inspections	1,631,330	1,615,630	1,624,278
General Services	5,879,036	5,610,085	6,711,251
Nondepartmental	1,787,906	2,307,532	2,755,415
Volunteer Fire Departments Fund	18,608,153	17,805,204	21,046,711
Emergency Telephone System Fund	245,418	362,773	1,831,927
Air Quality Fund	876,823	865,373	913,317
Criminal Justice Info System Fund	1,190,797	1,206,719	1,335,236
Inmate Commissary Fund	539,449	577,831	629,077
Human Services			
Health Center	19,149,956	18,356,173	15,917,759
Social Services	53,853,798	52,680,644	56,412,638
Aging Services	1,997,037	630,360	634,184
Human Services Support Team	830,517	772,242	731,872
Nondepartmental	1,709,798	1,623,079	1,100,000
Transportation Fund	2,685,936	2,326,003	3,056,157
Human Services Facilities Fund	462,443	536,372	754,874
Mental Health Fund	591,449	587,400	952,000
Economic & Physical Development			
Planning & Development	2,799,058	2,036,082	2,364,628
Economic Development	1,470,250	2,513,066	4,647,950
Cooperative Extension	416,135	408,576	481,026
Soil & Water Conservation	391,305	413,879	290,620
Recycling	-	791,807	458,628
Nondepartmental			
Occupancy Tax Fund	6,218,003	6,259,792	7,535,000
Workforce Investment Act Fund	2,307,831	3,411,467	2,614,043
Parking Decks Fund	1,231,695	897,353	1,344,083
Solid Waste Disposal Fund	8,962,261	5,955,517	7,555,538
Culture & Recreation			
Library	5,083,329	4,849,067	5,135,481
Parks, Greenways, & Recreation	4,568,431	3,477,595	3,547,142
Arts, Museums & History	70,000	71,500	71,500
Education			
City Schools	7,954,545	7,673,630	7,988,281
County Schools	54,626,099	53,914,997	54,080,334
Community College	8,037,732	7,861,223	8,013,999
Interfund Transfers	10,500,776	12,272,010	3,518,726
General Debt Service	11,926,629	27,752,181	17,007,332
TOTAL	315,922,256	326,921,988	327,069,877

BUDGET SUMMARY BY FUND: Sources & Uses Fiscal Year 2010 - 2011

	General Fund	Special Revenue Funds	Enterprise Funds	Internal Service Fund
Sources of Funds:				
Property Taxes	150,278,615	16,757,438	-	-
Local Option Sales Tax	27,957,326	4,289,273	-	-
Other Taxes	4,446,000	7,680,000	292,487	-
Intergovernmental	42,684,716	7,067,434	1,335,236	-
Permits & Fees	1,164,950	128,000	-	-
Charges for Services	14,680,219	259,599	8,651,173	18,014,905
Investment Earnings	550,000	57,000	5,000	-
Miscellaneous	1,135,841	110,890	-	-
Other	-	-	-	-
Interfund Transfers	3,057,382	611,226	-	-
Appropriated Fund Balance	6,927,386	685,871	2,286,912	5,954,998
Total	252,882,435	37,646,731	12,570,808	23,969,903
Uses of Funds:				
Salary & Benefits	97,504,028	3,228,278	2,756,209	93,846
Operating	32,727,550	3,712,003	5,212,579	23,876,057
Contributions	102,134,799	18,346,711	-	-
Capital Outlay	-	1,826,580	582,000	-
Contingency	-	2,836,583	397,592	-
Contra	(10,000)	-	-	-
Debt Service	17,007,332	5,000	3,622,428	-
Interfund Transfers	3,518,726	7,691,576	-	-
Total	252,882,435	37,646,731	12,570,808	23,969,903

**Total Expenditures By Fund & Function
Fiscal Year 2011**

USE OF ANNUAL OPERATING FUNDS BY FUNCTION

FUND	General Govt	Public Safety	Human Services	Econ & Physical Development	Culture & Recreation	Education
General (10)	22,403,115	48,077,220	74,796,453	8,242,852	8,754,123	70,082,614
Air Quality (12)		913,317				
Occupancy Tax (20)				7,535,000		
Workforce Investment Act (22)				2,614,043		
911 (23)		1,831,927				
ROD Automation (25)	649,576					
Volunteer Fire Depts (28)		21,046,711				
Transportation (30)			3,056,157			
Criminal Justice Info System (60)		1,335,236				
Human Services Facilities (63)			754,874			
Parking Decks (64)				1,344,083		
Mental Health (65)			952,000			
Solid Waste (66)				7,555,538		
Inmate Commissary (69)		629,077				
Health/Dental (80)	23,969,903					
GRAND TOTAL	47,022,594	73,833,488	79,559,484	27,291,516	8,754,123	70,082,614

USE OF PROJECT FUNDS BY FUNCTION

FUND	General Govt	Public Safety	Human Services	Econ & Physical Development	Culture & Recreation	Education
Special Revenue (24)				x		
School Capital (26)						x
Grant Projects (27)		x	x	x	x	
Capital Projects (41)	x	x	x		x	
Solid Waste Capital Projects (42)				x		
Parking Deck Capital (45)				x		

Fund Balance Analysis

General Fund			
	2008/09 Actual	2009/10 Estimated	2010/11 Budget
Total Revenues	\$252,724,867	\$ 264,181,803	\$ 245,955,049
Total Expenditures	250,725,598	263,931,803	252,882,435
Revenues Over (Under) Expenditures	1,999,269	250,000	(6,927,386)
Fund Balance, Beginning as Restated	68,003,627	70,002,896	70,252,896
Fund Balance, End of Year	70,002,896	70,252,896	63,325,510
Other Governmental Funds			
	2008/09 Actual	2009/10 Estimated	2010/11 Budget
Total Revenues	\$ 32,774,182	\$ 33,057,072	\$ 36,960,860
Total Expenditures	\$ 30,994,094	\$ 31,067,422	\$ 37,646,731
Revenues Over (Under) Expenditures	1,780,088	1,989,650	(685,871) *
Fund Balance, Beginning as Restated	2,064,512	3,844,600	5,834,250
Fund Balance, End of Year	3,844,600	5,834,250	5,148,379

*The appropriated fund balance for other Governmental Funds primarily consists of the Register of Deeds Automation Fund appropriation in FY2011 to help offset \$365,000 in anticipated capital expenditures. Per state statute this fund is restricted to expenditures for computer and imaging technology in the office of the Register of Deeds.

Fund Balance is created from excess revenues over expenditures.

North Carolina’s Local Government Commission recommends an available fund balance of at least 8% of expenditures. This represents approximately one month’s average expenditures. However, most cities and counties need to maintain a higher percentage so they will have enough fund balance on hand to quickly respond to emergencies or other unforeseen expenditures. Buncombe County’s reserve policy states:

“The County shall maintain an unallocated fund balance of 15.0% of the General Budget to be used for unanticipated emergencies. These funds shall be used to avoid cash flow interruptions, generate interest income, reduce the need for short-term borrowing, and assist in maintaining an investment grade bond rating.”

Buncombe County estimates the unreserved fund balance for fiscal year 2010 to be \$52,498,796 for the General Fund. This is 20% of estimated General Fund expenditures for 2010. The fiscal year 2010-2011 General Fund budget includes an appropriated fund balance of \$6,927,386, which is 2.74% of appropriations. As our County Manager describes in her Budget Message, 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. We have been able to do this historically.

**BUNCOMBE COUNTY, NORTH CAROLINA
UNRESERVED FUND BALANCES**

Non-Audited (Projected) Fund Balances

FUND BALANCE AT JUNE 30, 2010

<u>Unreserved Fund Balance</u>	=	<u>52,498,796</u>	=	20.0%
Expenditures & Operating Transfers Out		262,460,411		

Audited (Actual) Fund Balances

FUND BALANCE AT JUNE 30, 2009

<u>Unreserved Fund Balance</u>	=	<u>52,256,067</u>	=	20.8%
Expenditures & Operating Transfers Out		250,725,598		

FUND BALANCE AT JUNE 30, 2008

<u>Unreserved Fund Balance</u>	=	<u>46,578,265</u>	=	17.8%
Expenditures & Operating Transfers Out		261,908,641		

FUND BALANCE AT JUNE 30, 2007

<u>Unreserved Fund Balance</u>	=	<u>47,834,281</u>	=	19.8%
Expenditures & Operating Transfers Out		242,031,766		

FUND BALANCE AT JUNE 30, 2006

<u>Unreserved Fund Balance</u>	=	<u>43,981,586</u>	=	21.0%
Expenditures & Operating Transfers Out		209,552,928		

FUND BALANCE AT JUNE 30, 2005

<u>Unreserved Fund Balance</u>	=	<u>39,239,257</u>	=	19.1%
Expenditures & Operating Transfers Out		205,231,677		

FUND BALANCE AT JUNE 30, 2004

<u>Unreserved Fund Balance</u>	=	<u>34,033,114</u>	=	17.6%
Expenditures & Operating Transfers Out		193,765,706		

FUND BALANCE AT JUNE 30, 2003

<u>Unreserved Fund Balance</u>	=	<u>26,552,475</u>	=	14.8%
Expenditures & Operating Transfers Out		179,690,706		

FUND BALANCE AT JUNE 30, 2002

<u>Unreserved Fund Balance</u>	=	<u>24,153,451</u>	=	13.2%
Expenditures & Operating Transfers Out		182,364,807		

FUND BALANCE AT JUNE 30, 2001

<u>Unreserved Fund Balance</u>	=	<u>25,805,141</u>	=	14.2%
Expenditures & Operating Transfers Out		181,264,744		

Personnel Summary

Summary of Positions by Fund:

Fund	Prior Year	Current Year	Budget Year	Percent Change
General Fund	1533	1515	1434	-5%
Special Revenue	31	27	26	-4%
Enterprise Fund	49	48	41	-15%
Internal Service Fund	0	1	1	0%
Total All Funds	1613	1591	1502	-6%

General Fund Summary - Positions by Service Area:

Personnel Summary - Budgeted Permanent Positions				
Service Area	Prior Year	Current Year	Budget Year	Percent Change
General Government	171	173	174	1%
Public Safety	570	557	555	0%
Human Services	676	625	569	-9%
Economic & Physical Development	32	28	28	0%
Culture & Recreation	84	132	108	-18%
Total General Fund	1533	1515	1434	-5%

