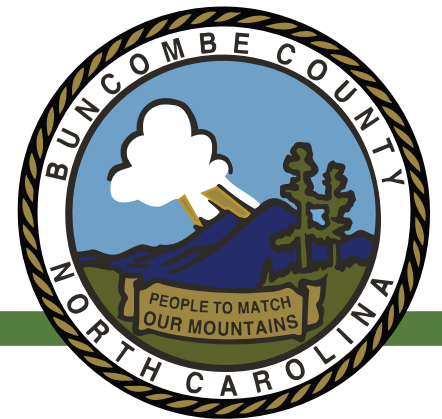




# Budget in Brief

## **FY 2017**



# FY2017 Budget Highlights



The total operating budget for Buncombe County is \$413,513,449. The General Fund budget for FY2017 is \$308,228,889. This is a decrease of 4.8% from the FY2016 amended General Fund budget. This decrease is largely due to a \$13 million shift in Article 40 (30%) and Article 42 (60%) sales tax from the General Fund to a Public Schools ADM Capital Project Fund. This sales tax revenue is statutorily designated for public school outlay.



The tax rate remains at 60.40 cents per \$100 of property value for FY2017.



Senate Bill 888 was ratified on June 21, 2016. Prior to SB 888 one half of Article 39 sales and use tax revenue was allocated to Buncombe County Schools and Asheville City Schools pro rata according to average daily membership in the two school systems. SB 888 removes this distribution method and allocates funding based on prioritization of capital needs. The change in the allocation method has allowed Buncombe County to shift debt service requirements of \$5 million for public school capital projects from the General Fund to the Public School Capital Needs Fund in FY2017. The Buncombe County Board of Commissioners approved utilizing the gained capacity in the General Fund to fund the following, with the remainder to be placed in an Education Contingency for anticipated personnel salary increases to be included in the State budget:

- › \$100,000 Greenways funding (to be added to the existing \$300,000 allocation)
- › \$75,000 Asheville Museum of Science funding
- › Funding for Buncombe County Schools for the following items, with a proportionate share going to Asheville City Schools based on average daily membership in the two school systems:
  - › \$1,648,656 – First year of teacher supplement increases to be phased in over a 2 year period
  - › \$423,650 – Pay increases for non-certified employees
  - › \$1,349,400 – Enka Intermediate personnel and start up instructional supplies cost
  - › \$199,839 – Nesbitt Discovery Academy personnel – Unified Arts and Physical Education
  - › \$174,265 – Estimated increase in the retirement contribution rate and health insurance premium
  - › \$120,000 – Cost for HOMEBASE and CANVAS student subscription



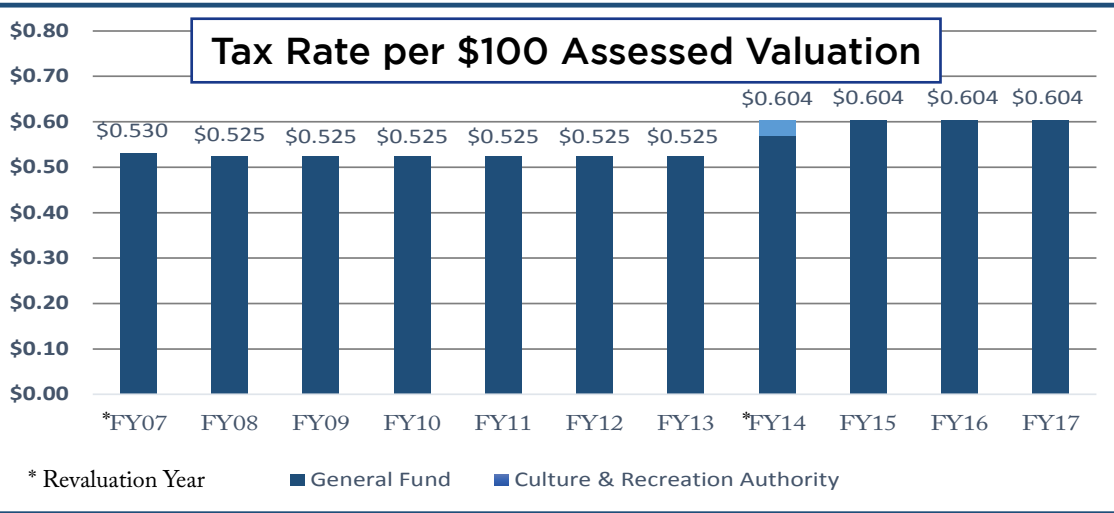
Other FY2017 budget increases include a \$400,000 increase in Elections due to the general election cycle, \$365,080 increase for Nonemergency Medicaid Transportation Service, \$132,656 general operating costs for the new Family Justice Center, \$436,844 for Firing Range personnel and operating costs, \$158,600 for the Tax reappraisal, \$200,000 for the Detention Center kitchen remodel, and an increased health insurance premium for Buncombe County employees.



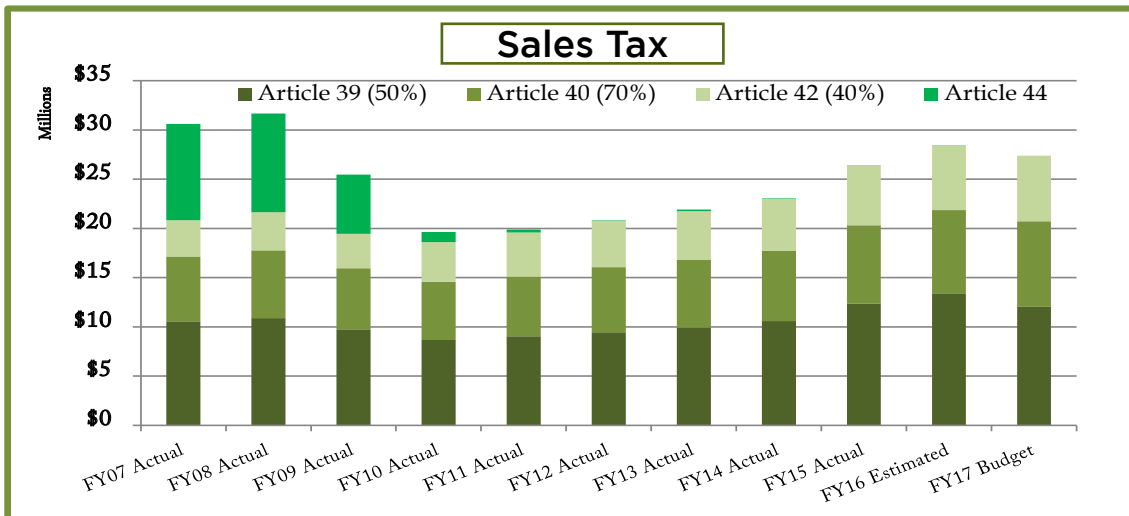
The FY2017 budget includes a fund balance appropriation of \$6,039,085. Fund balance appropriation is one means to maintain the property tax rate. We appropriate fund balance each year with the challenge to save the appropriated amount; historically we have been able to do this.

# Where does the money come from?

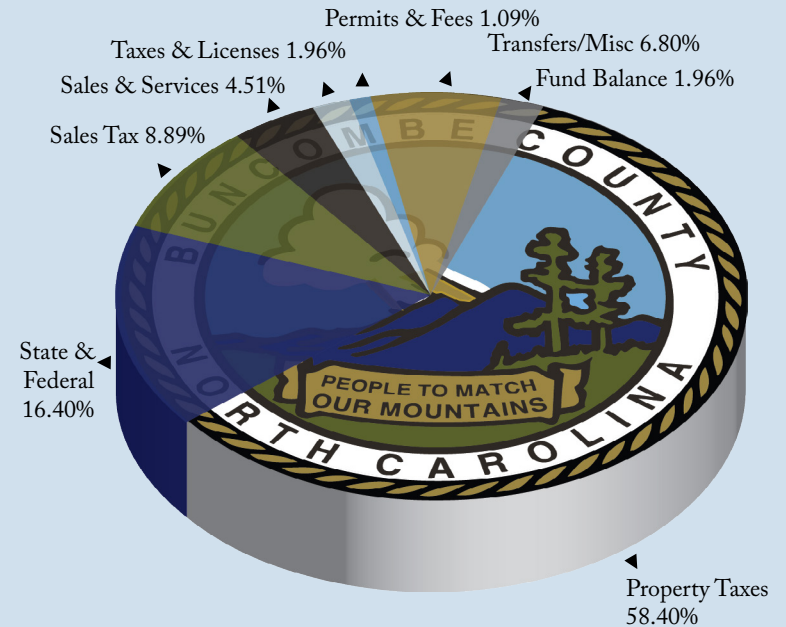
The General Fund derives its revenue from a variety of sources. The County's largest revenue source is Ad Valorem, or property tax, which accounts for 58% of the General Fund revenues for FY2017. The tax rate has remained at 60.4 cents since Buncombe County's last reappraisal conducted in 2013. On April 5, 2016 the Buncombe County Board of Commissioners approved advancement of the octennial reappraisal schedule with the next reappraisal of real property to be effective as of January 1, 2017.



Sales tax is another major revenue source for the General Fund. Buncombe County levies four retail sales and use taxes, a portion of which is earmarked for educational uses. Article 46 sales tax is designated for Asheville-Buncombe Technical Community College and a portion of Articles 40 (30%), 42 (60%), and 39 (50%) are designated for public school capital outlay. The chart below depicts sales tax revenue available for General Fund uses.



Source	Amount
Property Tax	\$180,002,531
State & Federal	50,545,104
Sales Tax	27,395,245
Sales & Services	13,892,880
Other Taxes & Licenses	6,037,520
Permits & Fees	3,361,855
Transfers from other Funds	12,522,426
Investment Earnings/Misc	8,432,243
Fund Balance	6,039,085
<b>Total Revenue</b>	<b>\$308,228,889</b>



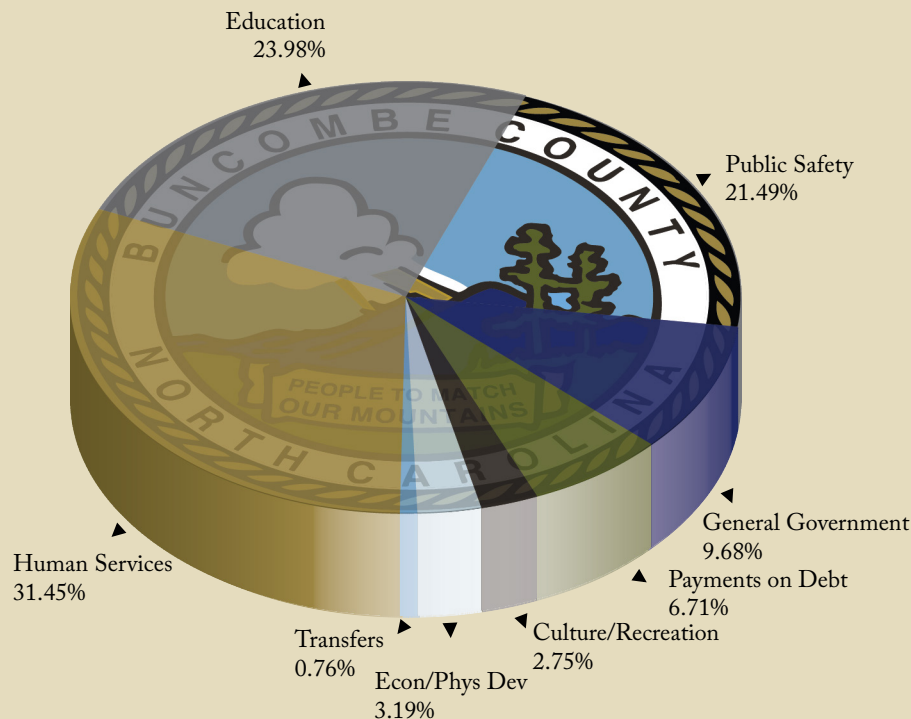
# Where does the money go?

General Fund Appropriations	
Human Services	\$96,925,224
Education	73,919,815
Public Safety	66,226,857
General Government	29,838,930
Payments on Debt	20,671,686
Culture & Recreation	8,470,976
Econ & Physical Dev	9,819,703
Transfers to other Funds	2,355,698
<b>Total Appropriation</b>	<b>\$308,228,889</b>

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 82% (\$252,507,754) of our FY2017 General Fund Budget Estimate. We generate \$60,837,813 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—including the Sheriff’s Department, Detention Center, EMS, and other departments that work to protect the safety of our citizens.
- › Human Services—including Public Health, Social Services, Youth and Aging Services.
- › Economic & Physical Development— includes Planning, Economic Development, Cooperative Extension, and Soil & Water Conservation.
- › Culture & Recreation - includes Buncombe County Libraries and Parks, Greeways, and Recreation.
- › Education—including Buncombe County Schools, Asheville City Schools, and Asheville-Buncombe Technical Community College.

## BOARD OF COMMISSIONERS



Joe  
Belcher

Holly  
Jones

Timothy  
D.  
Moffitt

Mike  
Fryar

David  
Gantt,  
Chair

Ellen  
Frost

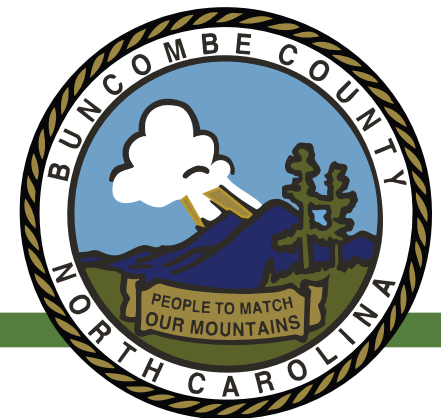
Brownie  
Newman,  
Vice  
Chair

### COUNTY MANAGER

Wanda S. Greene, PhD, CPA

### DIRECTOR OF BUDGET & MANAGMENT SERVICES

Diane Price, MBA



### Prepared By:

Autumn Lyvers, Budget Manager  
Matt Evans, Budget Analyst