



2015 ANNUAL BUDGET REPORT

FOR THE FISCAL YEAR ENDING JUNE 30, 2015



BUNCOMBE COUNTY
NORTH CAROLINA

BUNCOMBE COUNTY, NORTH CAROLINA

ANNUAL BUDGET FISCAL YEAR 2014-2015



BOARD OF COMMISSIONERS

David Gantt, Chair

Ellen Frost, Vice Chair

Joe Belcher

Mike Fryar

Holly Jones

David King

Brownie Newman

COUNTY MANAGER

Wanda S. Greene, PhD, CPA

Prepared By:

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Diane Price, MBA, Director

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Buncombe County Government takes seriously our responsibility to provide leadership in our community. And it is important that our values reflect our commitment to **S.E.R.V.E.**

Therefore, we pledge to:

***S**how pride in our work*

***E**xhibit caring in all we do*

***R**espect others*

***V**alue and practice honesty*

***E**xercise responsibility*

Our Mission:

We promote a healthy, safe, well-educated, and thriving community with a sustainable quality of life.

We provide effective and efficient government our citizens can trust.

We deliver needed service through a responsive work force committed to excellence, integrity, and teamwork.

~ Buncombe County

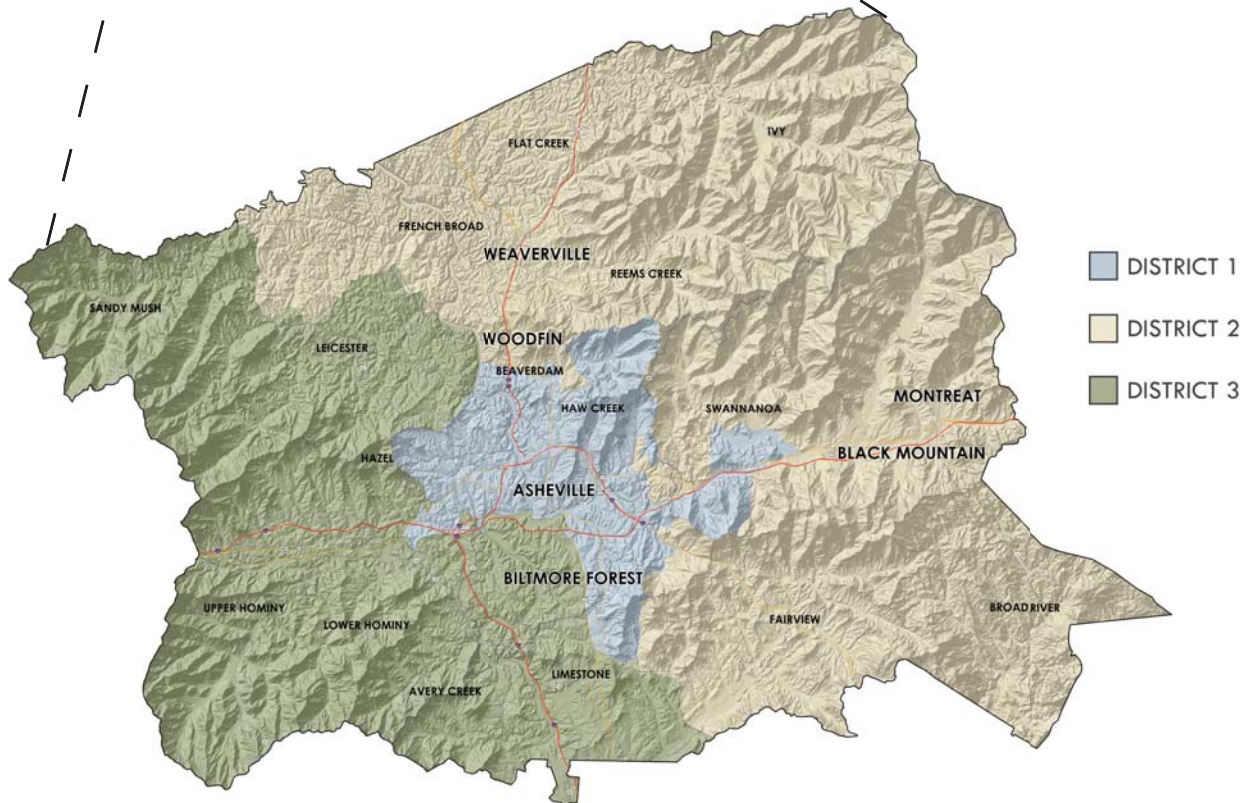


The Buncombe County Seal

Buncombe County's Seal was designed and drawn in 1927 by the late Roy Fox, with help from his classmates. He was a sixth grade student at Woodfin School who entered a contest hoping that his design would become the Official County Seal. County officials selected his design, which featured mountains, trees and billowy clouds as most reflective of Buncombe County's beauty. The original motto, "Men to Match Our Mountains," came from a poem titled "The Country's Call." "Men" was later changed to "People" to acknowledge the contributions of all of Buncombe County's citizens.

Buncombe County

NORTH CAROLINA



<i>Population</i>	248,929
<i>Area</i>	656.55 square miles
<i>Date Established</i>	December 5, 1791
<i>County Seat</i>	Asheville

A BRIEF HISTORY OF BUNCOMBE COUNTY

In 1791, David Vance and William Davidson presented to the North Carolina House of Commons a “petition of the inhabitants of that part of Burke County lying west of the Appalachian Mountains praying that a part of said county, and part of Rutherford County, be made into a separate and distinct county.” The original bill to create the county gave as its name “Union.” The name was changed, however, to Buncombe in honor of Col. Edward Buncombe, a Revolutionary War hero from Tyrrell County.

The Buncombe bill was ratified on January 14, 1792. The new county included most of Western North Carolina and was so large it was commonly referred to it as the “State of Buncombe.” Approximately 1,000 people lived in the county.

The Buncombe Turnpike was completed in 1827 connecting Tennessee and Kentucky to South Carolina. The turnpike ran along the French Broad River in the northern part of the county and through the heart of the county in the south. The turnpike caused an economic revolution to the region. By 1840, the first public schools had opened and by 1850 there were 57 schools enrolling more than 4,500 students.

Economic prosperity in 1850 was based on the drover trade; driving hogs, cattle, sheep and turkeys from the West to markets in South Carolina. Corn, used to feed the animals being driven to market, was the key money crop. However, new railroads running into Tennessee and Kentucky greatly diminished the drover trade, as did the Civil War.

Zebulon Vance, Buncombe native and Governor of North Carolina, reflected the views of most citizens regarding the issues that resulted in the Civil War. He was opposed to secession, nevertheless he said, “If war must come, I prefer to be with my own people.” Support for the Confederacy, however, formed quickly after the fall of Fort Sumter. The Buncombe Riflemen were the first to ride out. The war left Buncombe County’s economy drained.

Economic salvation for Buncombe County arrived on October 3, 1880 when the first train pulled into Asheville. Building the railroad across the Blue Ridge Mountains was an engineering feat only equaled by the strength of the men who built it.

During the next ten years, the County’s population increased by more than 13,000 people-- 61 percent. The most important agricultural commodity was tobacco. It replaced corn as the county’s key money crop. Fruit and dairy products continued to grow in importance as well.

In 1890, George Vanderbilt began building Biltmore House, the largest private home in America. The artisans and others he brought to build his estate brought changes in views about forestry, agriculture and handicrafts. During this era, 1890-1910, Buncombe County’s cool, crisp mountain air made the area a popular location for tuberculosis sanatorium. The area also became one of America’s best-known tourist centers.

By 1920, Buncombe County was firmly established as a transportation, manufacturing, forestry, agricultural, educational, medical and tourist center. Thomas Wolfe put Asheville on the literary map as well.

Despite the profound impact of the “great depression” that began in 1929, those same industries exist today in a vibrant metropolitan area surrounded by unsurpassed natural beauty. Our population has grown to more than 200,000. Yet, the qualities of intelligence, hard work, faith, honesty and “people to match our mountains” are prevalent today, as they have been throughout Buncombe County’s extraordinary history.

A seven-member Board of County Commissioners governs Buncombe County today. The Chair is elected separately by all the qualified voters in Buncombe County every four years. Two commissioners are elected from each of the three House of Representative Districts in Buncombe County, with the highest vote-getter elected to a four-year term and the person receiving the second highest number of votes elected to a two-year term. Each commissioner is required to reside in and represent one of the districts, and only the qualified voters of that district will be eligible to vote for that district seat.

The Commissioners set policy, determine budgets for several agencies and set property tax rates for the entire county. The Board also appoints a County Manager. The County Manager is the chief administrative officer, and prepares and recommends the annual budget. Also, the County Manager is responsible for program development and personnel management.

The FY2015 budget reflects the Commissioners’ continuing commitment to education, economic development and public safety.

The goal of this Board is to continue to provide the citizens of Buncombe County quality services and first-rate government. They will accomplish this goal through motivated professionals who are dedicated to serving all of our people. The foundation has been laid that will ensure a bright and prosperous future for our citizens and for generations yet to come.

The following visual look at Buncombe County’s history was presented in the 2013 Spring/Summer edition of *Buncombe Life* magazine.

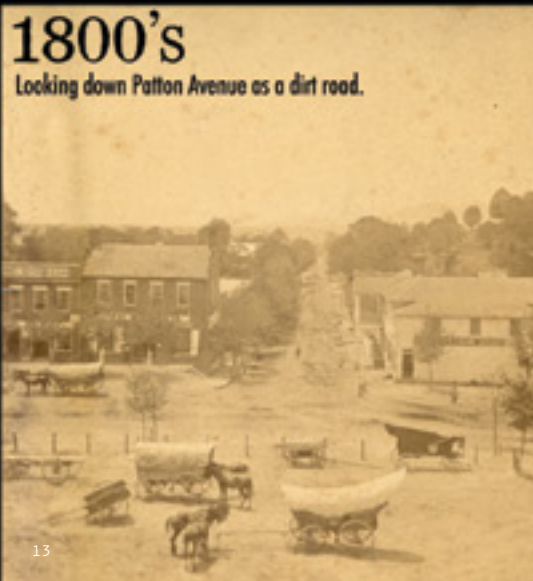
NORTH CAROLINA ROOM

COUNTY BUNCOMBE LOCAL HISTORY

1791
The County of Buncombe was established on December 5, 1791 by an act of the legislature, initiated by William Davidson and Colonel David Vance. A log courthouse was constructed in 1793 at a point which is now Pack Square.



1800's
1797
Morristown was renamed Asheville after North Carolina Governor Samuel Ashe.



1800's
Looking down Patton Avenue as a dirt road.

1895
Construction of the Biltmore Estate was complete. It is the largest privately owned estate in the US.



1900's

1896
Vance Monument was constructed.



Thomas Clayton Wolfe was born in Asheville, NC on October 3, 1900. He is considered North Carolina's most famous writer.

1900's
44,288
Population of Buncombe County in 1900.



1930's

1904



In 1889 the Electric Trolley Era begins. Downtown Pack Square with electric trolleys in 1904 taken by Richard Putnam.

1927
The Court House was almost complete and 6th grader Roy Fox's design won the County seal design contest.



1920's

2011
241,419
Population of Buncombe County in 2011.



1950's



2013
Buncombe County elects 7 Commissioners for the first time. In previous years only 5 were elected.

Asheville Then



1902

Asheville Now



2013

DISCOVER NORTH CAROLINA HISTORY

Visit the North Carolina Room at Pack Memorial Public Library to explore the history of Asheville, Buncombe County, and Western North Carolina. The NC Room houses an extensive collection of books, historic photographs, postcards, maps, manuscripts, family papers, and architectural drawings. Asheville newspapers from as early as the 1840s are available on microfilm.

NORTH CAROLINA ROOM

The NC Room is located on the lower level of the library. It is open Tuesday through Thursday, 10 a.m. to 8 p.m. Friday, 10 a.m. to 6 p.m. Saturday, 10 a.m. to 5 p.m.

Contact us at packnc@buncombecounty.org call us at 828-250-4740; or check our website at www.buncombecounty.org/library and click on NC Collection.

Buncombe County

BOARD OF COMMISSIONERS

DISTRICT 1

DISTRICT 2

DISTRICT 3

CHAIR



David Gantt



Holly Jones



Mike Fryar



Joe Belcher



Brownie Newman



Ellen Frost,
Vice Chair



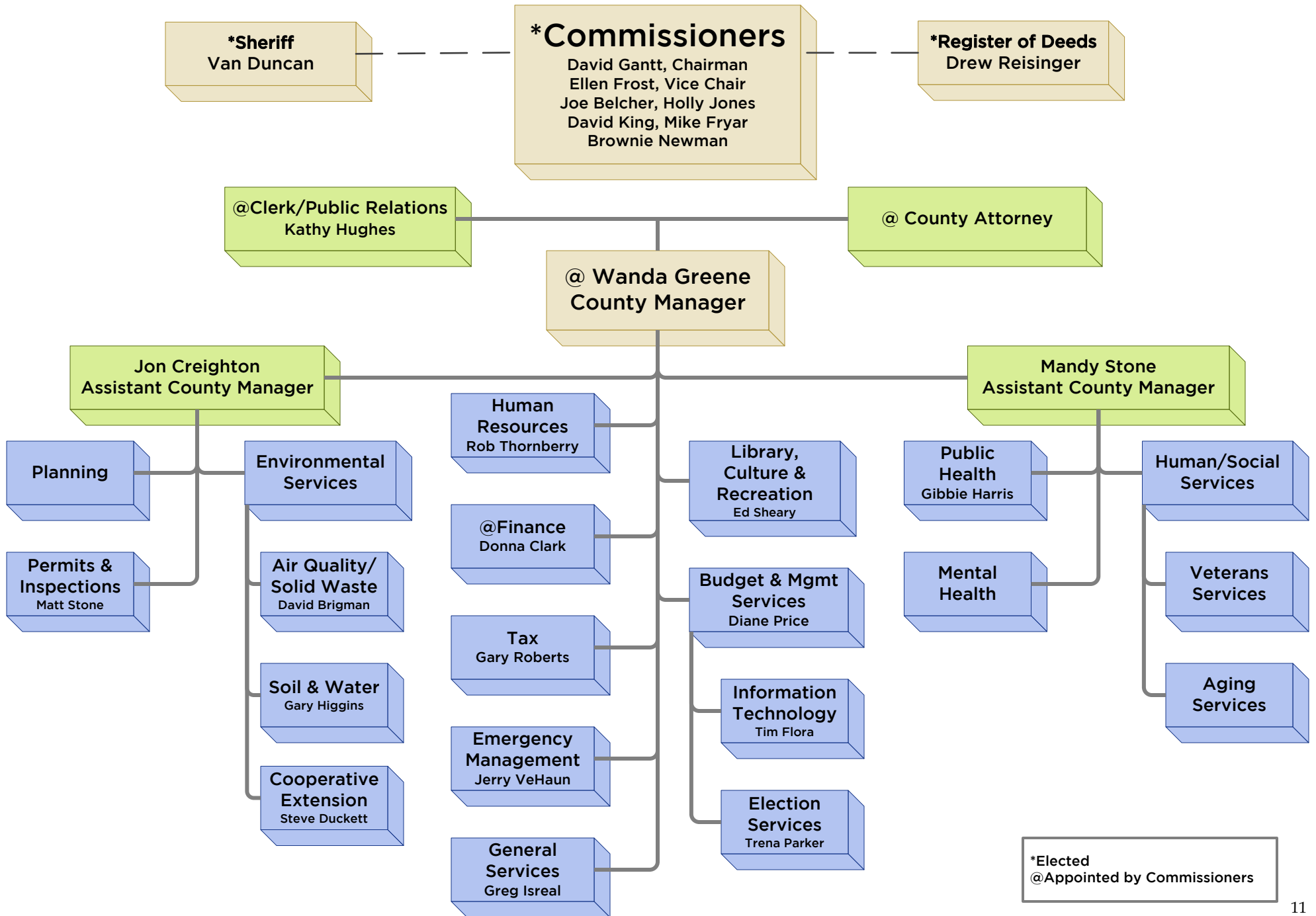
David King

COUNTY OFFICIALS

Wanda S. Greene, PhD, CPA
 Jon Creighton, MBA
 Amanda Stone, MSW
 Kathy Hughes
 Donna B. Clark
 Drew Reisinger
 Van Duncan
 Gary Higgins
 Steve Duckett
 David Brigman
 Robert Thornberry, Jr., MA
 Diane Price, MBA
 Tim Flora, CPA
 Trena Parker, MPA
 Pat Freeman
 Alma "Gibbie" Harris, MSPH, FNP
 Jerry VeHaun
 Matt Stone
 Gary Roberts
 Greg Isreal
 Ed Sheary

County Manager
 Asst. County Manager/Planning Director
 Asst. County Manager/Social Services Director
 Clerk to the Board
 Finance Director
 Register of Deeds
 Sheriff
 Soil & Water Conservation Director
 Cooperative Extension Director
 Air Quality/Solid Waste Director
 Human Resources Director
 Budget & Management Services
 Information Technology Director
 Elections Supervisor
 City/County Bureau of Identification Director
 Health Director
 Emergency Services Director
 Permits & Inspections Director
 Tax Director
 General Services Director
 Library/CRA

Buncombe County Government



*Elected
@Appointed by Commissioners

GFOA *Budget Award*

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Buncombe County, North Carolina for its annual budget for the fiscal year beginning July 1, 2013. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.





Wanda Greene, PhD, CPA
County Manager

Buncombe County Manager

Jon Creighton, MBA
Assistant County Manager/Planning Director

Mandy Stone, MSW
Assistant County Manager/HHS Director

June 3, 2014

Buncombe County Board of Commissioners:

The Honorable David Gantt, Chairman
The Honorable Ellen Frost, Vice-Chairwoman
The Honorable Brownie Newman
The Honorable Holly Jones
The Honorable Joe Belcher
The Honorable David King
The Honorable Mike Fryar

Mr. Chairman and Members of the Board:

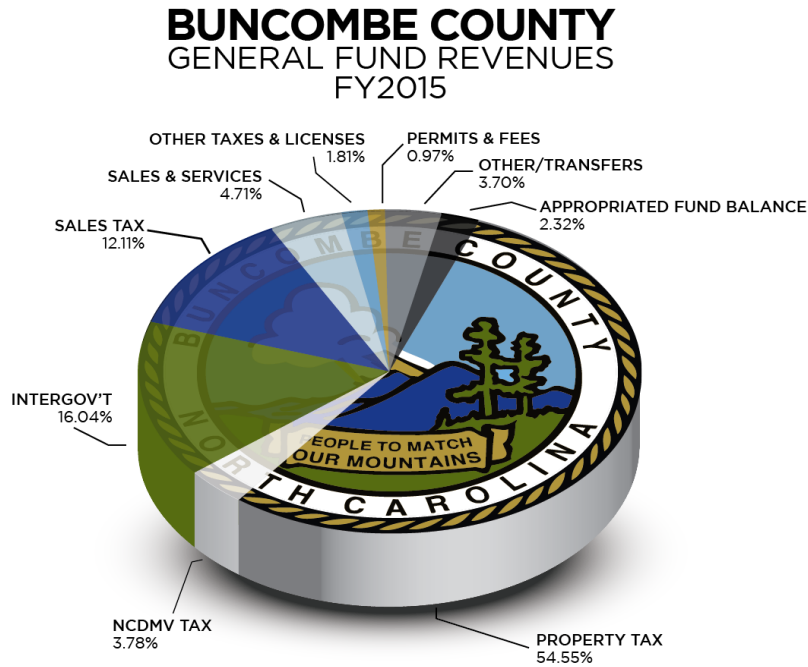
Each year, it is my pleasure, privilege and responsibility to present the Board of County Commissioners and citizens of Buncombe County a balanced budget. The recommended budget for fiscal year 2014-2015 (FY2015) is \$367,328,506. The budget is prepared and balanced under the guidelines of the North Carolina Local Government Budget and Fiscal Control Act. This recommendation includes a General Fund Budget of \$280,355,980 and non-General Fund operating plans totaling \$86,972,526. This is a 0.50 percent decrease (\$1.4 million) from the FY2013-2014 amended General Fund budget.

The non-General Fund operation plans are paid for with fees and special revenues. Non-General Funds include: Occupancy Tax Fund, Emergency Telephone System (911) Fund, Register of Deeds Automation Fund, Fire Service Districts Fund, Mountain Mobility Fund, Solid Waste Enterprise Fund, Inmate Commissary Enterprise Fund, Sheriff and BCAT Federal/State Forfeiture Funds, Culture & Recreation Authority Fund, and the Insurance Fund. Since property taxes are used primarily in the General Fund, this message focuses on the General Fund portion of the budget.

Our goal was to focus on our priorities and address our greatest needs without raising the property tax rate. Our resources continue to be allocated, and reallocated as needed, to our highest priorities. Following is information on revenues and expenditures specific to the FY2015 Recommended Budget:

Revenues - Where the Money Comes From

The following chart reflects the sources of revenue included in the General Fund budget:



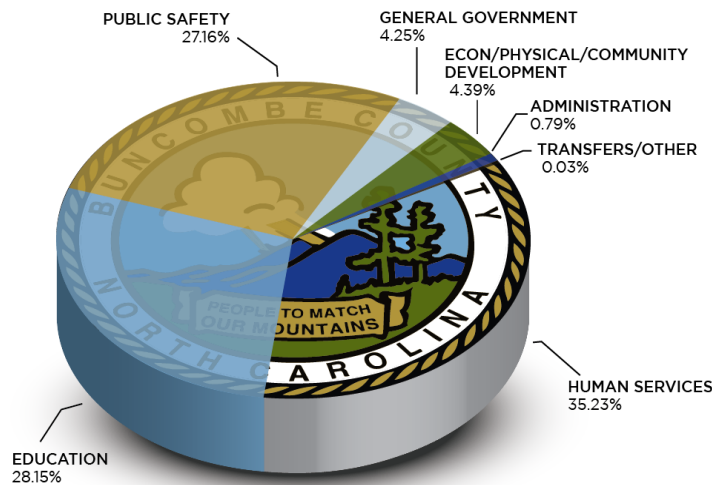
Composition of the County's General Fund Revenues is reflected in the following table:

Revenue Source	Revenues	% of 2015 Budget
Property Tax	\$152,920,085	54.55%
NCDMV Tax	10,600,000	3.78%
Intergovernmental	44,971,944	16.04%
Sales Tax	33,960,310	12.11%
Other Taxes & Licenses	5,087,184	1.81%
Permits & Fees	2,727,185	0.97%
Sales & Services	13,191,329	4.71%
Other Revenues	10,386,988	3.70%
Fund Balance	6,510,955	2.32%
TOTAL	\$280,355,980	100.00%

Expenditures - Where the Money Goes:

We continue to focus on providing core services to our citizens. While funding remains relatively level, demand for service, especially public safety, human service, and education continues to increase.

BUNCOMBE COUNTY GENERAL FUND EXPENDITURES FY2015



Core businesses of human services, public safety and education consume 90.5 percent (\$253,833,662) of our FY2015 General Fund Recommended Budget. The history of core service expenditures are reflected in the following table:

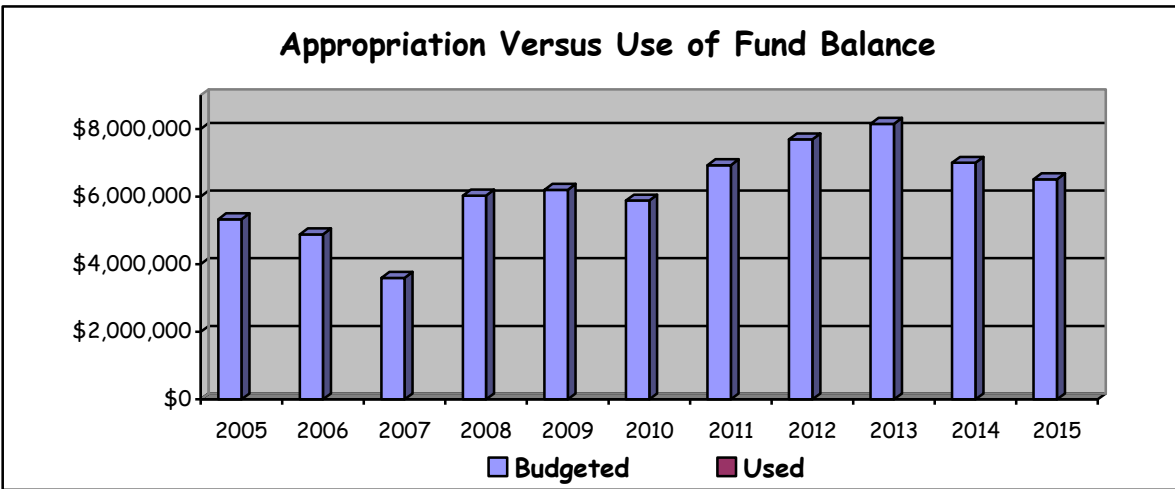
Function	Adopted Expenditures				Recommended Expenditures	
	FY2013	NCC	FY2014	NCC	FY2015	NCC
Education	\$76,182,454	\$66,526,091	\$75,681,612	\$65,582,033	\$78,908,148	\$67,962,806
Human Services	87,363,093	47,272,602	92,541,886	52,013,686	98,779,909	57,334,526
Public Safety	66,767,410	54,634,954	69,196,032	56,843,850	76,147,605	62,292,515
Total Exp	\$230,312,957	\$168,433,647	\$237,419,530	\$174,439,569	\$253,833,662	\$187,589,847
% of Budget	86.5		89.6		90.5	

*NCC = net County cost

For FY2015, we included support services (information technology, finance, human resources, and budget and management services) with the program functions to more accurately reflect the cost of services. The balance of the General Fund budget includes: administration, tax, election services, Register of Deeds, economic development, planning and permitting. The following table reflects the expenditure breakdown for the General Fund:

Function	Expenditures	Revenues	Net County Cost	% of Total Budget
Administration	\$2,215,508	\$67,557	\$2,147,951	0.79%
General Government	11,916,804	5,340,478	6,576,326	4.25%
Education	78,908,148	10,945,342	67,962,806	28.15%
Public Safety	76,147,605	13,855,090	62,292,515	27.16%
Human Services	98,777,909	41,443,383	57,334,526	35.24%
Economic/Phys Dev	11,580,729	1,884,320	9,696,409	4.13%
CRA Debt Service	734,277	734,277	-	0.26%
Other/Transfers	75,000	-	75,000	0.03%
TOTAL	280,355,980	74,270,447	206,085,533	100.00%

Fund balance appropriation is one means to lower property tax rates. Each year we appropriate fund balance with the challenge to save the appropriated amount. Historically, we have been able to do that. The FY2015 Budget Estimate includes a fund balance appropriation of \$6,510,955. The following graph reflects the historical appropriation versus use of fund balance in our annual budgets:



Other Taxing Districts:

During the budget process, the County also sets property tax rates for other taxing districts. The following schedule reflects the FY2014 adopted and FY2015 requested rates for the fire districts, Asheville City Schools, and Culture & Recreation Authority. No tax rate increases have been requested.

Buncombe County Fire, Ambulance and Rescue Service Districts Ad Valorem Tax Rates (in cents)		
District	FY 2014 Adopted Tax Rate	FY 2015 Requested Tax Rate
Asheville Suburban	8.5	8.5
Barnardsville/Barnardsville N.E.	15.0	15.0
Beaverdam/Beaverdam N.C.	13.0	13.0
Broad River	14.0	14.0
East Buncombe	9.9	9.9
Enka-Candler	9.0	9.0
Fairview	10.5	10.5
French Broad	14.0	14.0
Garren Creek	14.0	14.0
Haw Creek-Asheville	9.7	9.7
Haw Creek-Riceville	9.0	9.0
Jupiter	12.0	12.0
Leicester/Leicester N.W.	11.0	11.0
N. Buncombe /N. Buncombe N.E. N. Buncombe N. C.	11.2	11.2
Reems Creek/Reems Creek N.C. Reems Creek N. E. Haw Creek-Reems Creek	13.0	13.0
Reynolds	11.3	11.3
Riceville	11.0	11.0
Skyland/Skyland-S. Buncombe Fletcher	9.1	9.1
Swannanoa	12.9	12.9
Upper Hominy/Upper Hominy S.D.	12.5	12.5
Woodfin/Woodfin N.C.	10.0	10.0
W. Buncombe/W. Buncombe N.W.	10.0	10.0
Other Districts Ad Valorem Tax Rate (in cents)		
Asheville City Schools	15.0	15.0
Culture & Recreation Authority	3.5	3.5

Summary:

In summary, the recommended FY2015 budget is \$367,328,506 and it maintains our current tax rate of 56.9 cents. As you consider the FY2015 budget, there are a couple of key thoughts to keep in mind. We prepare the recommended budget without a perfect picture of the future. Given what we know about the economy, the state and federal governments, and current challenges, we make our best assumptions. We will continue to follow closely state and federal activities that can impact our budget.

We appreciate the Board of County Commissioners' support and guidance as we prepare the budget. This message continues culture and recreation programs with separate funding. This budget focuses on maintaining quality in our core service areas that citizens need for their health, safety, and prosperity.

The next step will be for you to hold a public hearing on June 17, 2014 at 4:30 pm in the Commissioner Board Room at 200 College Street.

As always, Buncombe County Government is here to SERVE.

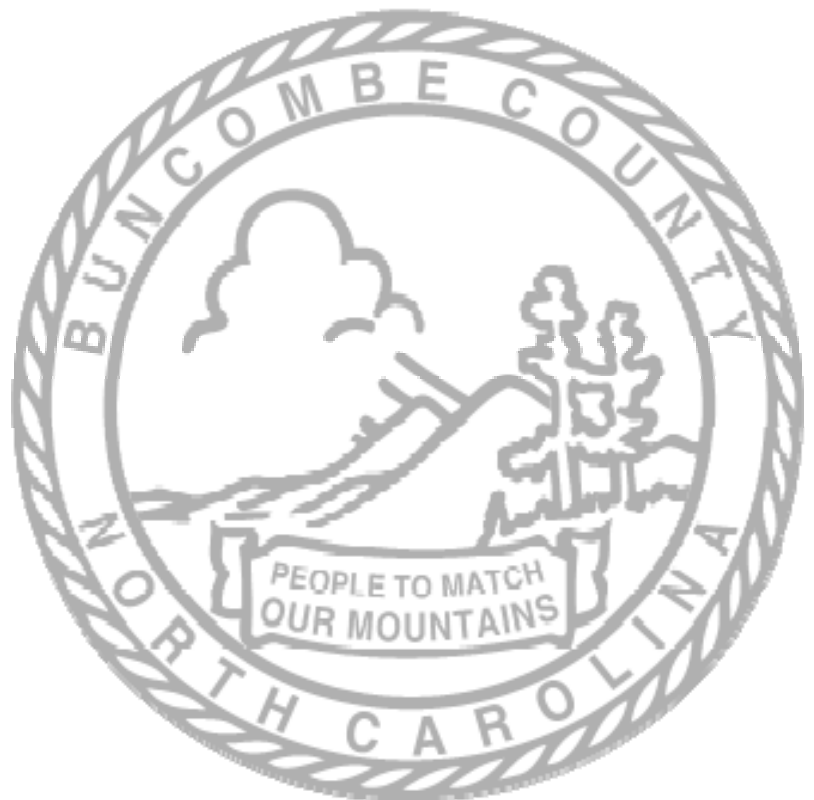
Respectfully submitted,

A handwritten signature in cursive script that reads "Wanda S. Greene".

Wanda S. Greene, PhD, CPA
County Manager

EXECUTIVE SUMMARY

The following summary presents a general overview of the Fiscal Year 2014-2015 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

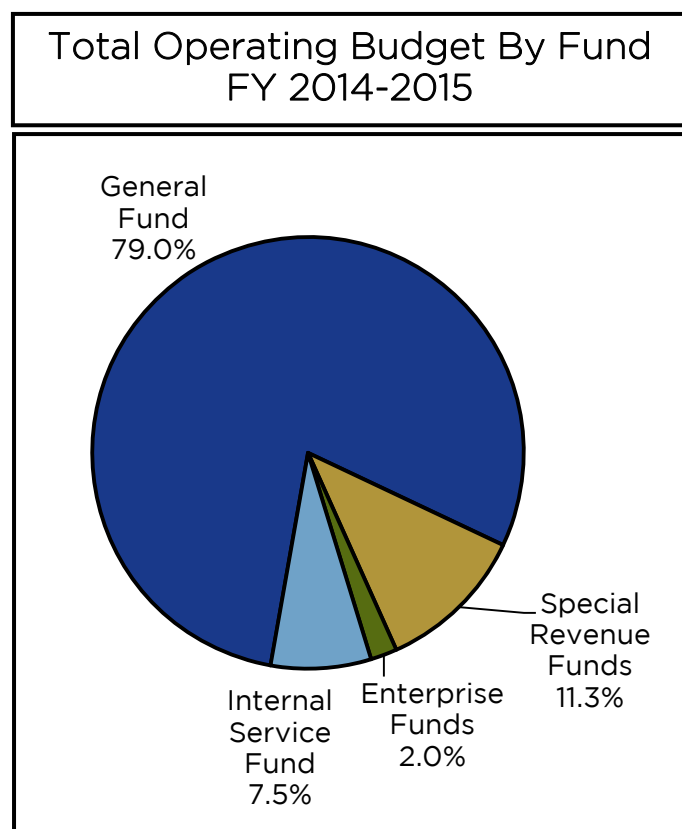
The total operating budget for Buncombe County in fiscal year 2015 is \$368,462,255. The largest fund is the **General Fund**, which is the County’s main operating fund. The General Fund budget total is \$291,994,664 an increase of 3.64% from the FY2013-2014 amended budget, and an increase of \$11.6 million from the time of the budget message. These increases are largely due to the dissolution of Buncombe County’s Culture & Recreation Authority. The Authority, established in FY2014 to manage libraries and recreation programs and facilities, has been merged into the County’s General Fund for the new fiscal year. Prior to the merger, the General Fund’s FY2015 budget was \$281,429,662, a 0.11% decrease from the FY2014 amended budget. The Culture & Recreation Authority’s FY2015 budget was \$10,565,002. The remainder of the \$11.6 million increase is largely made up of education increases stemming from state legislature actions. These changes will be discussed in greater detail later in the Executive Summary.

Recommended General Fund Budget	\$ 280,355,980
<i>Changes:</i>	
Culture & Recreation Authority	10,565,002
Stormwater Rate Increase	16,036
Increased Funding for Public Schools	675,596
Medical Examiner Rate Increase	133,000
Community Funding Increases	249,050
	11,638,684
Adopted General Fund Budget	\$ 291,994,664

The next largest group of funds is the **Special Revenue Funds**. The total operating expenditures for these funds are \$41,477,751, an increase of 12.82% from last year. This increase largely stems from increased occupancy tax revenue within the Occupancy Tax Special Revenue Fund, and large capital projects budgeted within the Emergency Telephone System Fund

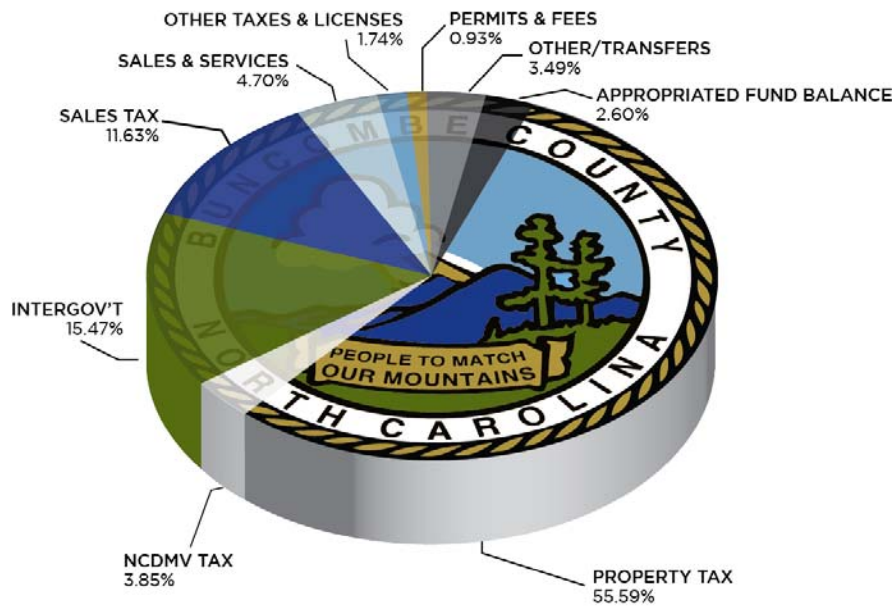
The **Enterprise Funds** have budgeted expenditures of \$7,351,133. This is a decrease of 19.47% from last year, due to the removal of the CJIS Enterprise Fund. CJIS now operates within the County’s General Fund. The remaining Enterprise Funds are self-supporting and do not rely on any contributions from the General Fund.

The **Internal Service Fund** expenditures of \$27,638,707 are for County insurance premiums and insurance benefits for County employees. This is an increase of 3.82% from the FY2014 adopted budget.



GENERAL FUND

WHERE DOES THE MONEY COME FROM? FY2015 REVENUES/SOURCES – GENERAL FUND



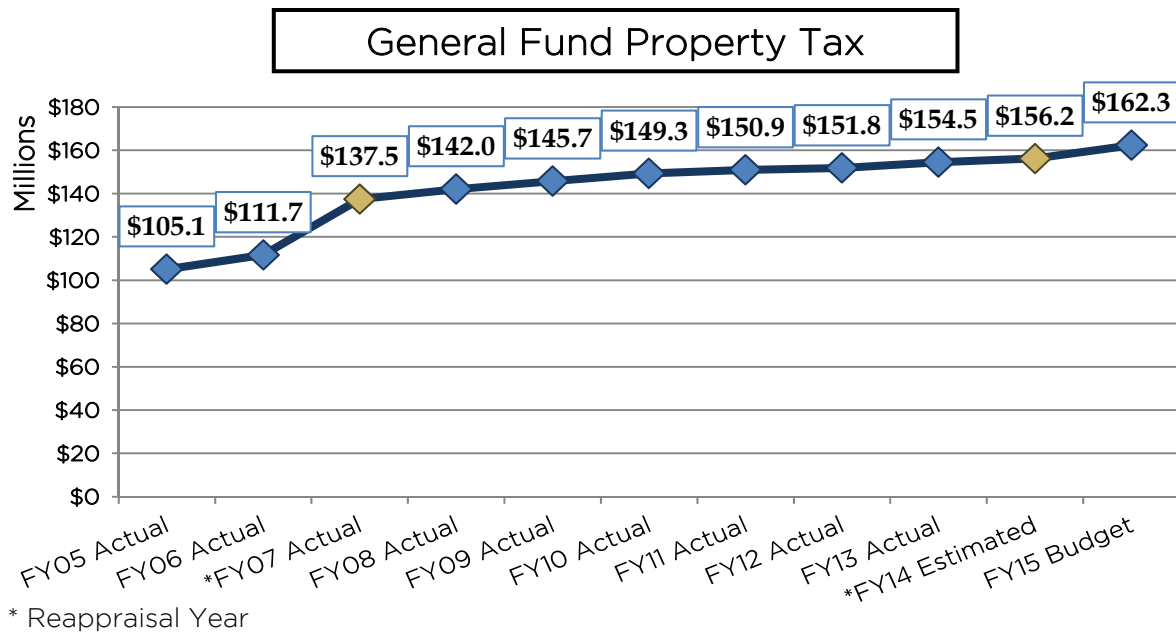
MAJOR REVENUE SOURCES:

Primary Revenue Sources	2012/13 Amended	2012/13 Actuals	2013/14 Amended	2013/14 Estimate	2014/15 Adopted	% Change from FY 2014 Estimate
Property Tax	\$ 152,174,182	\$ 154,492,228	\$ 151,889,494	\$ 156,176,266	\$ 162,326,417	3.94%
NCDMV Tax	\$ -	\$ -	\$ 12,200,000	\$ 7,614,122	\$ 11,252,021	47.78%
Sales Tax	\$ 30,959,400	\$ 32,272,716	\$ 32,032,174	\$ 33,541,934	\$ 33,960,310	1.25%
Intergovernmental	\$ 45,003,058	\$ 42,096,319	\$ 44,944,919	\$ 43,805,453	\$ 45,183,445	3.15%
Other Taxes and Licenses	\$ 5,036,848	\$ 4,886,186	\$ 4,837,184	\$ 5,162,414	\$ 5,087,184	-1.46%
Permits & Fees	\$ 2,634,770	\$ 2,630,342	\$ 2,548,615	\$ 3,075,410	\$ 2,727,185	-11.32%
Sales & Services	\$ 12,861,390	\$ 13,399,890	\$ 12,523,262	\$ 13,052,868	\$ 13,736,829	5.24%
Total	\$ 248,669,648	\$ 249,777,681	\$ 260,975,648	\$ 262,428,467	\$ 274,273,391	4.51%

*Property tax presented above does not include penalties or interest revenue

The total budget for the General Fund is \$291,994,664. The General Fund derives its revenue from a variety of sources. The County's largest revenue source, accounting for 56% of the General Fund revenues for FY2015, is Property Tax, which totals \$162,326,417 for the FY2014 – 2015 year. This is an increase of \$10,436,923, or 6.87%, from the FY2014 amended budget. The majority of this increase stems from the dissolution of the Culture and Recreation Authority, which has been combined with the General Fund for FY2015 to continue funding for libraries and recreation programs and facilities. The Authority's FY2015 budget of \$10,565,002 included a 3.5 cent tax rate and property tax appropriation of \$9,802,309.

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, which equals the FY2014 combined tax rates of 56.9 cents for the General Fund and 3.5 cents for the Culture and Recreation Authority.



Primary Revenue Source	2012/13 Amended	2012/13 Actuals	2013/14 Amended	2013/14 Estimate	2014/15 Adopted	% Change from FY 2014 Estimate
Property Tax	\$ 152,174,182	\$ 154,492,228	\$ 151,889,494	\$ 156,176,266	\$ 162,326,417	3.94%

(Does not include penalties or interest revenue)

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.

Each month the NCDMV distributes the taxes collected to the appropriate counties. Counties are then responsible for distributing the appropriate share to taxing districts within their unit. 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.

The FY2015 budget estimate for Property Tax and NCDMV Tax is based on the following values. A 98.25% collection rate is assumed during the budget process.

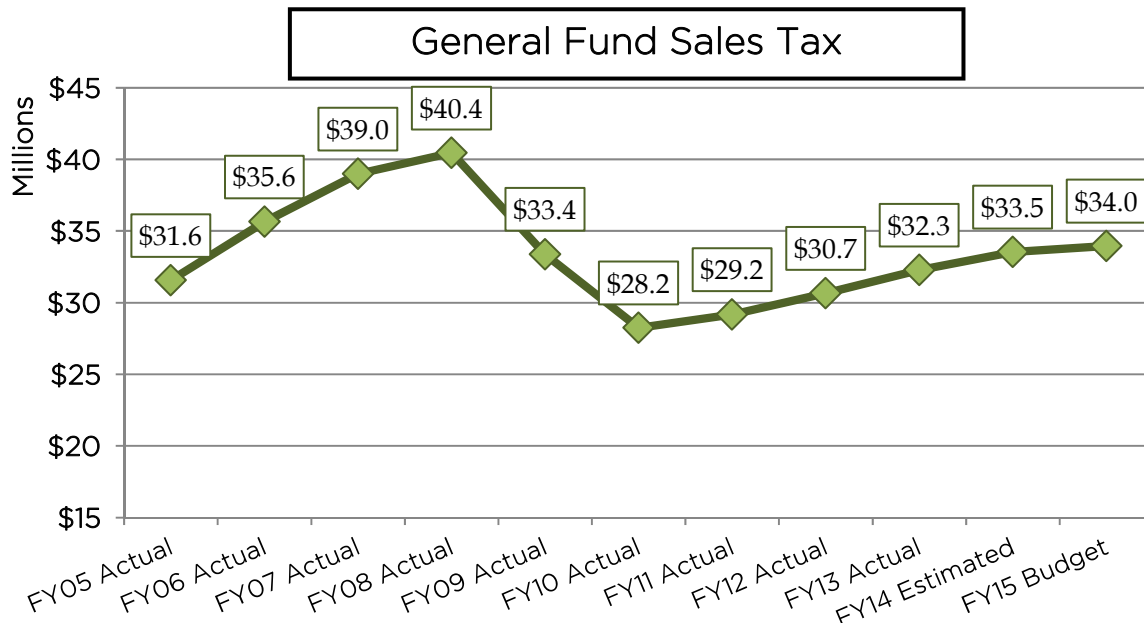
Fiscal Year Tax Year	2015 2014
Real Property	\$ 25,254,247,555
Personal Property	1,591,806,032
Public Service Companies	529,434,905
Registered Motor Vehicles	1,874,538,961
Total Value	\$ 29,250,027,453

The next largest source of revenue is Sales Tax. It is estimated to increase from FY2014 by 6.02% to \$33,960,310. Buncombe County continues to be the retail hub of western North Carolina, supported by a major mall, a vibrant central business district, and several new shopping centers and mixed use developments. Sales tax is a volatile revenue source and was negatively affected by the decrease in consumer spending during the recession. In addition, in 2007 the General Assembly passed legislation to repeal the Article 44 sales tax, the third one-half percent local-option sales tax authorized in 2001. This is often referred to as the Medicaid Relief Swap as the State assumed County Medicaid costs in exchange for elimination of the local Article 44 sales tax and a commensurate increase in the State sales tax rate. The State took over one-quarter cent of the Article 44 sales tax on October 1, 2008, and the remaining one-quarter cent on October 1, 2009.

We are conservative with budget estimates as is evident by the actual collections in FY2014. Sales tax revenue is reviewed monthly and estimates are based on actual revenue received over the last twelve months. Buncombe County levies four local-option retail sales and use taxes:

- The one percent tax authorized in 1971 (Article 39)
- The one-half percent authorized in 1983 (Article 40)
- The second one-half percent authorized in 1986 (Article 42)
- The quarter cent authorized by referendum in 2011 (Article 46)

House Bill #507 designates one-half of the proceeds of the one-percent sales tax for the School Capital Commission Fund 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 Article 40 sales tax and 60 percent of the Article 42 sales tax must be spent for school capital outlay or debt service on school bonds. The remaining proceeds from the 1971, 1983, and 1986 sales and use taxes are allocated among the municipalities, fire districts, and County on the ad valorem or tax levy basis. The proceeds of the quarter cent sales tax are designated for Asheville-Buncombe Technical Community College and are accounted for in the AB Tech Capital Projects Fund.

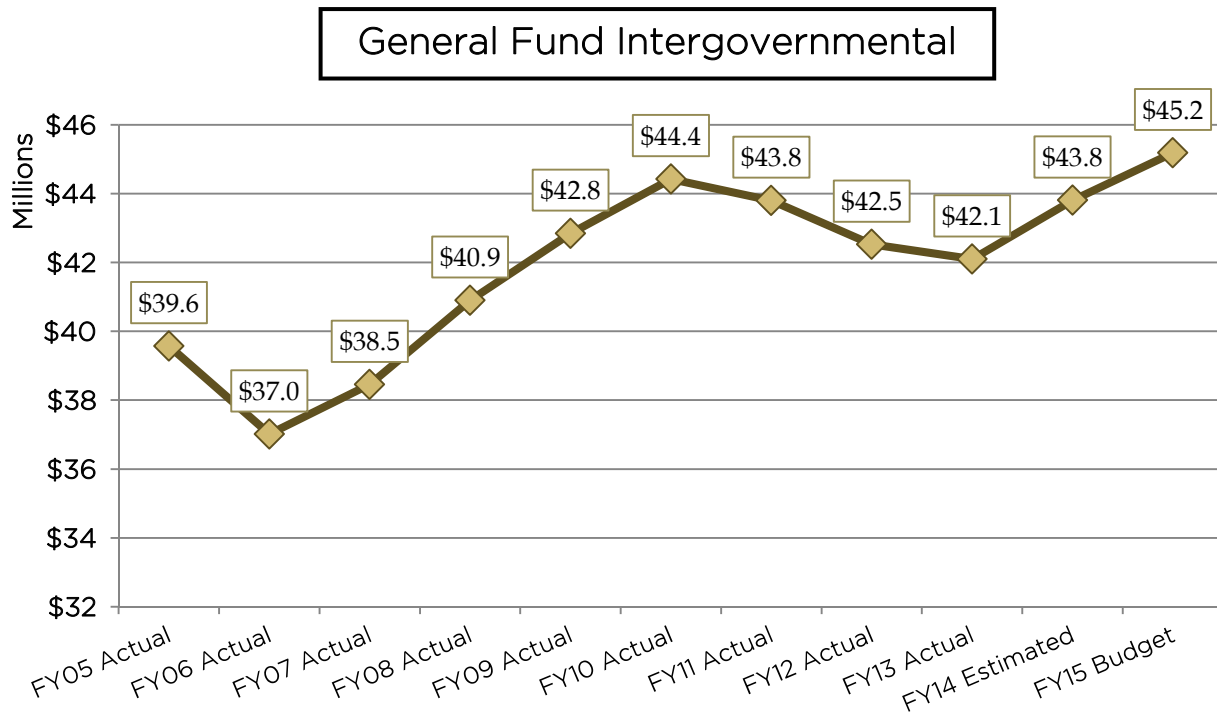


General Fund Sales Tax	2012/13 Amended	2012/13 Actuals	2013/14 Amended	2013/14 Estimate	2014/15 Adopted	% Change from FY 2014 Estimate
Article 39	\$ 9,339,549	\$ 9,955,575	\$ 10,421,635	\$ 10,541,870	\$ 10,587,234	0.43%
Article 40	\$ 9,410,811	\$ 9,793,318	\$ 9,555,814	\$ 9,919,057	\$ 10,269,564	3.53%
Article 42	\$ 12,209,040	\$ 12,374,282	\$ 12,054,725	\$ 13,066,079	\$ 13,103,512	0.29%
Article 44 (Medicaid Relief Swap)	\$ -	\$ 149,541	\$ -	\$ 14,927	\$ -	
Total	\$ 30,959,400	\$ 32,272,716	\$ 32,032,174	\$ 33,541,934	\$ 33,960,310	1.25%

*Article 44 amounts incurred are due to late filed returns, audits, and refunds that affect periods prior to October 1, 2009.

Intergovernmental revenues include grants and payments from federal, state, and other local governmental units and increased slightly from FY2014 to FY2015. Intergovernmental revenues account for 15.47% of General Fund revenues in the FY2015 budget.

The County expects to receive approximately \$35.1 million in federal and state funds for the Social Service Department (DSS) in FY2014-2015. The Health Center is also expected to receive \$4.0 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 FY2015.



General Fund Intergovernmental Revenue	2012/13 Amended	2012/13 Actuals	2013/14 Amended	2013/14 Estimate	2014/15 Adopted	% Change from FY 2014 Estimate
Intergovernmental	\$ 45,003,058	\$ 42,096,318	\$ 44,944,919	\$ 43,805,453	\$ 45,183,445	3.15%

OTHER REVENUE SOURCES:

Other Taxes & Licenses

This revenue source, representing 1.74% of the budget, includes \$3,023,664 for the real property transfer tax (excise tax) and \$1,557,520 for video programming taxes. The Privilege License Tax is budgeted at \$26,000, the Rental Car Tax at \$350,000, and the Heavy Equipment Rental Tax at \$130,000 for FY2015.

Permits & Fees

The permits and fees revenues include building permits and inspection fees and Register of Deeds' fees such as marriage licenses and recording fees. The revenue generated for licenses and permits makes up 0.93%, or \$2,727,185, of the General Fund revenue. Permits and inspections make up 49.3% of these total revenues.

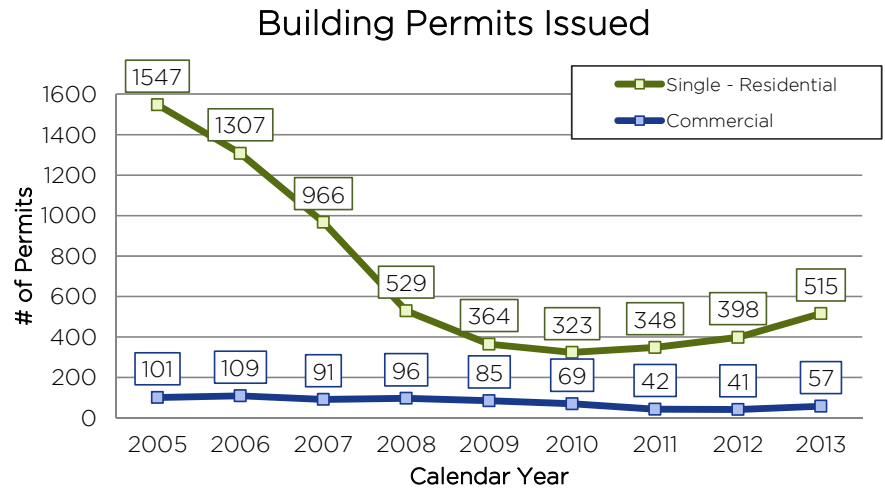
The Permits & Inspections Department inspects new construction using staff inspectors to enforce the North Carolina State Building Code. Of the construction related revenues, single-family

construction was 63.01% of the total revenue for calendar year 2013, the latest year for which data is available.

Single-family construction increased by 29.40% from calendar year 2012 to 2013. In calendar year 2012, 398 single-family construction permits were issued, while in calendar year 2013, 515 were issued.

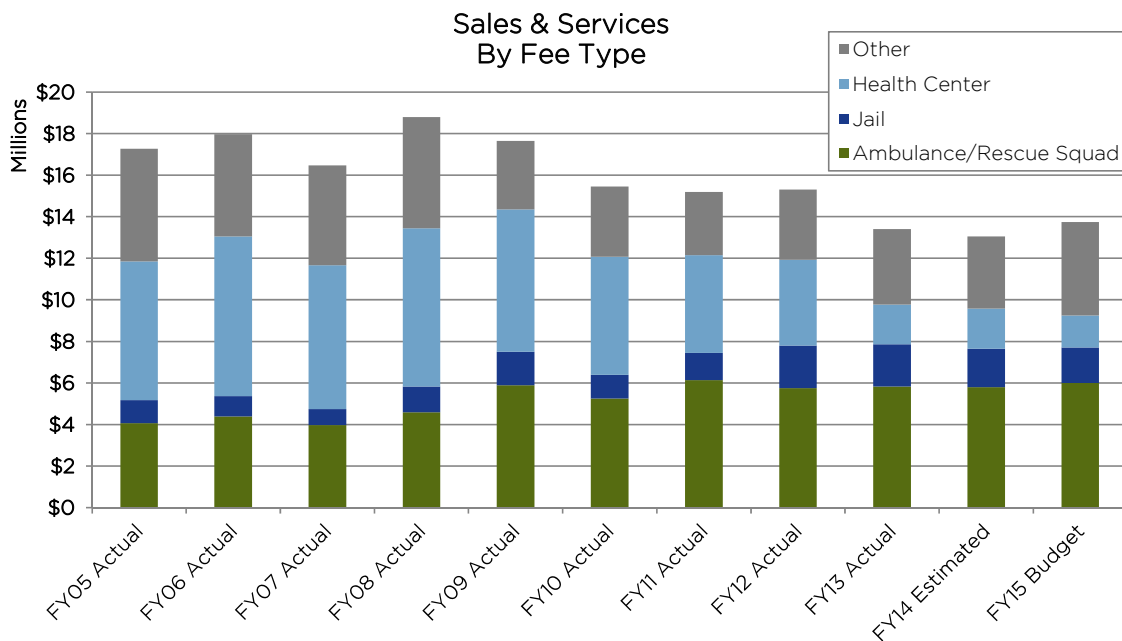
Multi-family construction increased from calendar year 2012 to 2013. In calendar year 2012, 1 building was constructed consisting of 4 units total, while in calendar year 2013, 5 buildings were constructed consisting of 80 units total.

Commercial construction increased 39.02% in calendar year 2013 over the previous year. In calendar year 2012, 41 commercial construction permits were issued and 57 were issued in calendar year 2013.



Sales & Services

These revenues represent charges for County services that are provided by County Departments. Included in revenues for sales and services are Health Center revenues, EMS fees, and Jail revenues. For FY2015, General Fund revenues for sales and services are estimated at \$13,736,829, a 9.69% increase from last year. Sales and Services represent 4.70% of the total General Fund budget. Revenues are estimated to be \$1.5 million for the Health Center, \$6 million for EMS, and \$1.7 million for the Jail.



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 \$1,139,905 for FY2015, a slight increase (0.88%) from the previous year.

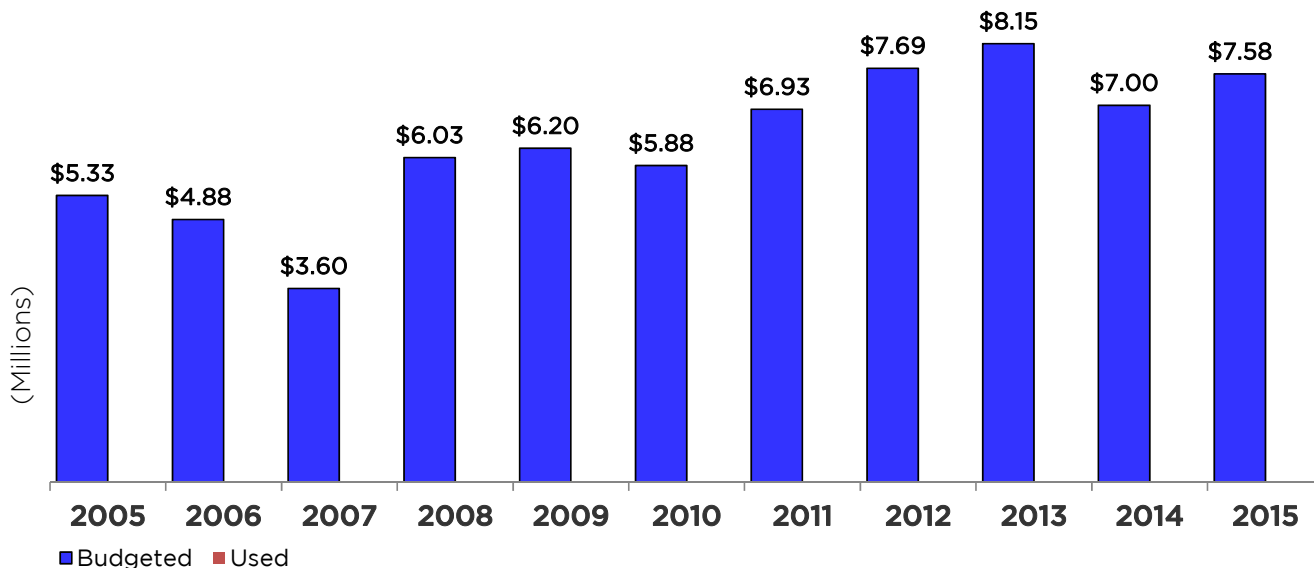
Another large component of other revenues is investment earnings revenue derived from the short-term investment of County funds. This revenue source is budgeted at \$183,750 for FY2015, which is a small increase from the FY2014 budget.

Fund Balance

In the General Fund \$7,584,637 of fund balance is appropriated in the FY2014-2015 budget. This accounts for 2.60% of General Fund appropriations.

The unrestricted fund balance is estimated at 19.3% of total expenditures for FY2014. 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.

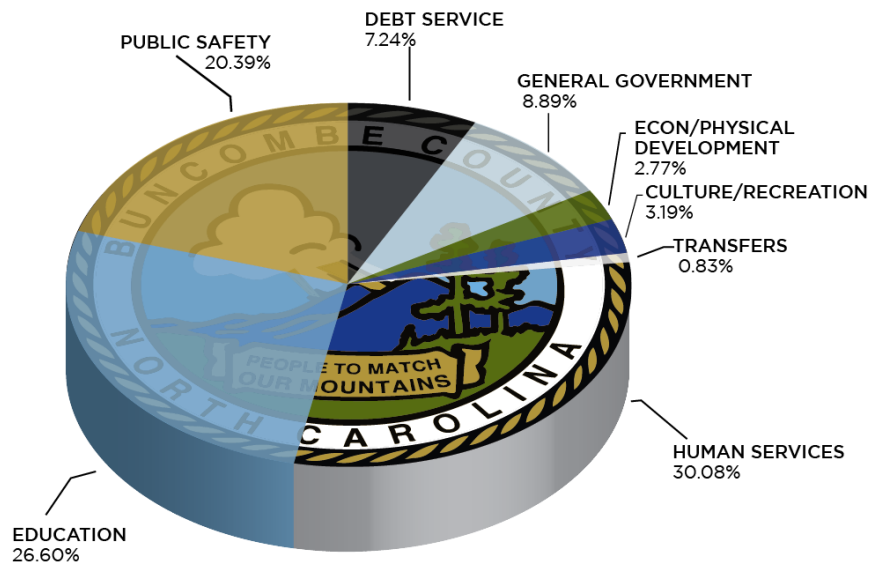
Appropriation versus Use of Fund Balance



GENERAL FUND (CONTINUED)

WHERE DOES THE MONEY GO?

FY2015 EXPENDITURES/USES – GENERAL FUND

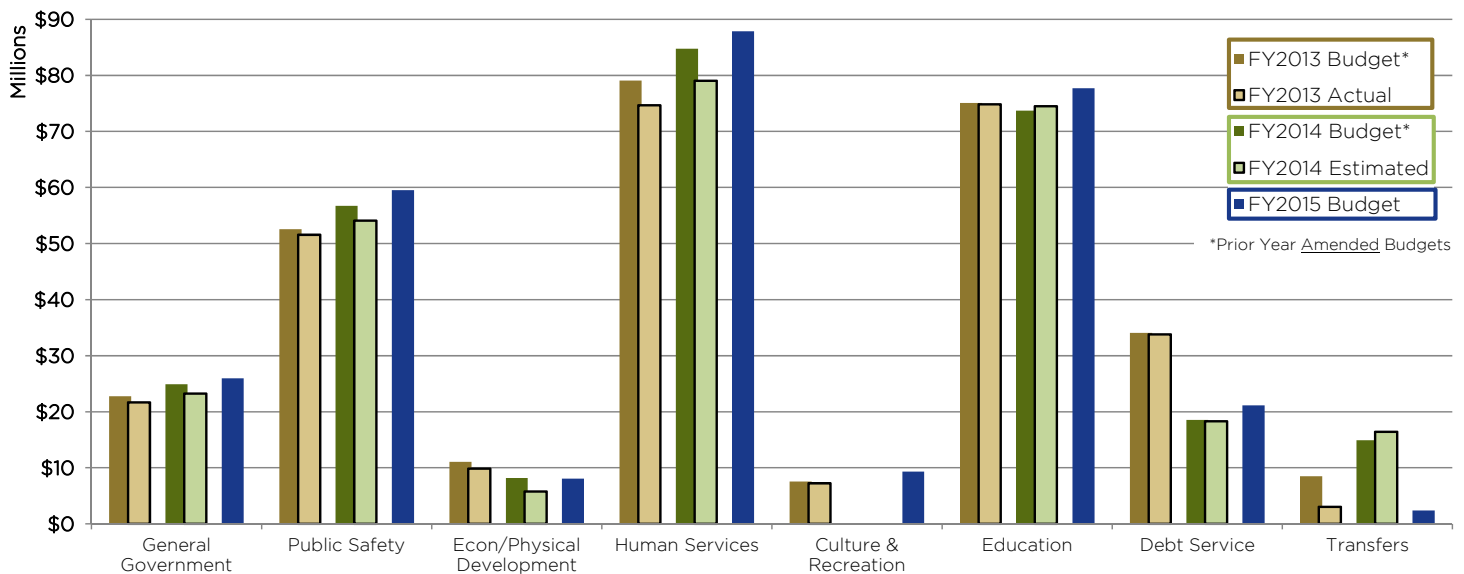


BUDGET YEAR HIGHLIGHTS:

- 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.
- 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 budget adoption, the NC State Legislature was still in the process of negotiating budget appropriations for public schools. These negotiations included increases for teacher pay (above the projected 3%) and the elimination of teacher assistants in Grades 2-3 to fund those increases.
- Human Services appropriations increased by \$3.6 million primarily due to the NC FAST conversion. NC FAST is a new state developed and implemented system that is being used to determine eligibility for all public assistance programs within Health & Human Services. The Affordable Care Act requires a centralized access point for applying for benefits as well as the ability to communicate with the Federally-Facilitated Marketplace. North Carolina is implementing NC FAST in stages. Transitioning to the new system has required significant county investment as well as significant additional staff time. Seventeen new DSS positions were approved during FY2014 to allow Buncombe County to meet the requirements of the NC FAST system.

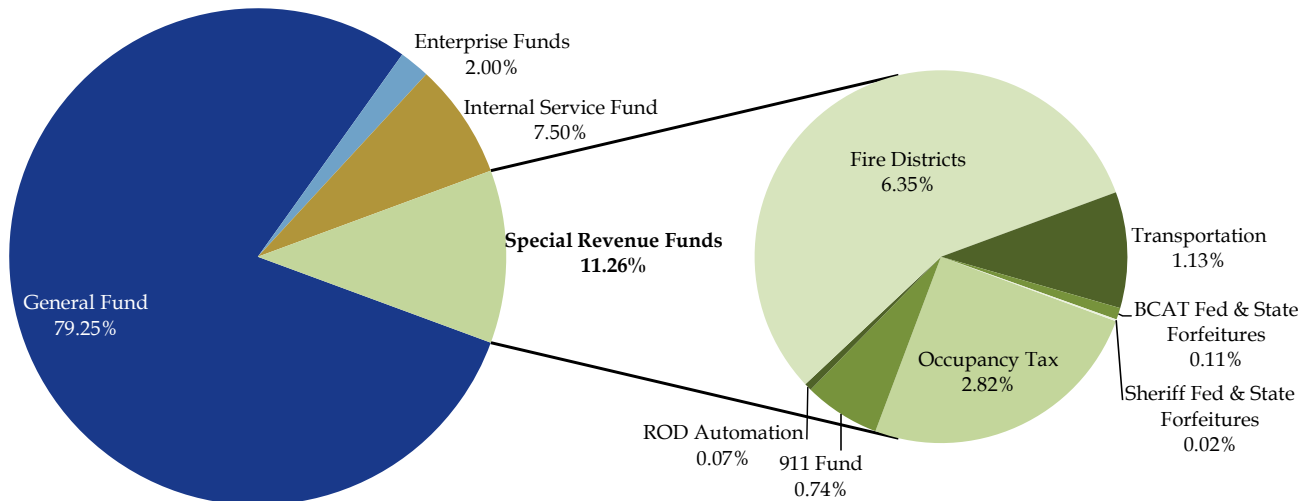
- Funding for Public Safety increased by \$3.8 Million due to increased debt service costs on the new Courts Building. The increase also includes an additional \$133,000 for Medical Examiner due to an increase in fees from \$100 to \$250 per exam.
- The Affordable Care Act requires employers to provide 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 adopted budget includes funding for the County’s FY2015 OPEB (Other Post Employment Benefits) contribution, estimated at \$2.8 million. This funding represents the County’s annual contribution to the OPEB trust fund, a defined benefit plan that provides healthcare benefits to retirees who meet certain requirements. In past years the annual contribution has been approved by the Board of Commissioners through a Budget Amendment.
- As a measure to provide recurring savings for the County, Commissioners approved an early retirement incentive plan for Buncombe County employees.

General Fund Expenditures By Function



SPECIAL REVENUE FUNDS

The total budget for Special Revenue Funds is \$41,477,751. These funds represent 11.26% of the total County budget. The funds that make up the group of Special Revenue Funds are the Register of Deeds Automation Fund, Occupancy Tax Fund, 911 Fund, Fire Districts Fund, Transportation Fund, and the BCAT and Sheriff Federal and State Forfeiture Funds.

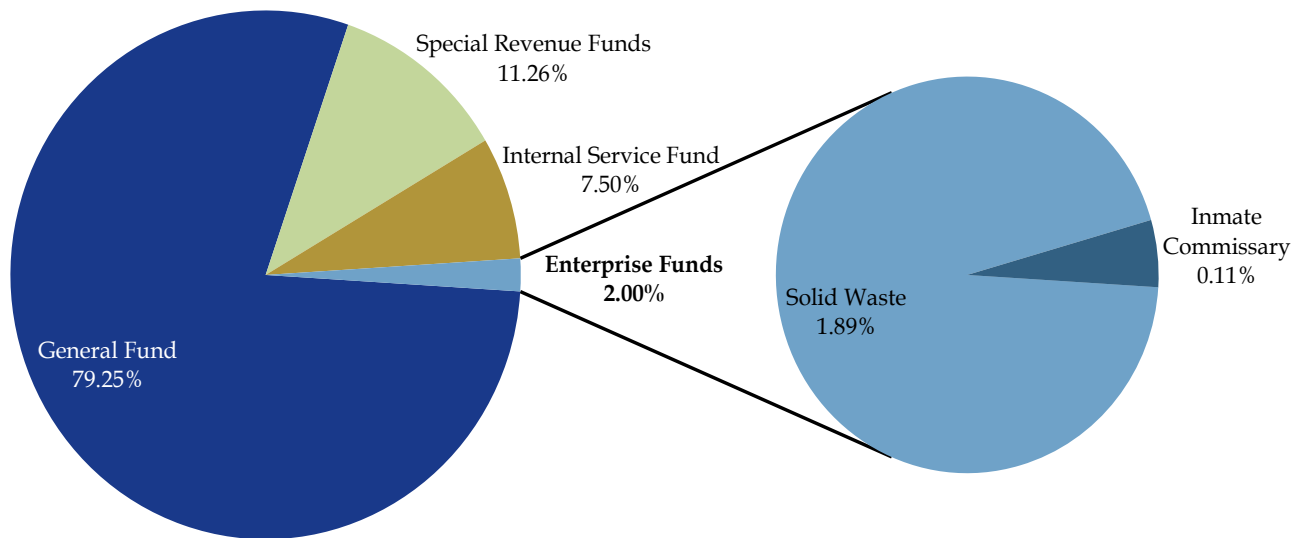


- The Register of Deeds Automation Fund has a budget of \$270,848 for FY2015. All of these funds are used for automating the Register of Deeds records.
- The Occupancy Tax Fund has a budget of \$10,408,699. This represents the revenues generated through the room occupancy tax on hotel and motel rooms. There was an increase of 15% in the budget amount from FY2014 to FY2015. 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 \$2,742,400. The FY2015 budget includes appropriations for major capital projects including replacement of the current 911 phone system. The NC 911 Board approved a new 911 funding method effective FY2012. The amount distributed to Buncombe County is based on data collected for the last five years of approved eligible expenditures reported to the 911 Board.
- The Fire Districts Fund has a budget of \$23,389,536 for FY2015, an increase of 5.24% from FY2014. 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 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. During the FY2012 budget process the administration of the transportation program transitioned to outside service providers. Transportation is now administered and operated through contracts between Buncombe County, the Land of Sky Regional Council and McDonald Transit Associates, Inc. The Transportation Fund budget for FY2015 is \$4,179,865. This is an increase of 10.17% from FY2014. The County funded portion for FY2015 increased by \$200,000 to \$1,626,448. This increase is due to potential cost increases resulting from the Affordable Care Act.

- The Federal and State Forfeiture Funds account for monies received from federal and state forfeiture programs as well as the state unauthorized substances excise tax. These proceeds are designated for law enforcement purposes. Due to the nature of forfeiture revenues, available fund balance and revenue estimates are appropriated at the beginning of the budget year and budget amendments are completed throughout the fiscal year as federal and state revenue is received. The Sheriff's Department and the Buncombe County Anti-Crime Task Force, also known as BCAT, receive forfeiture revenue:
 - The BCAT Federal Forfeiture Fund has a FY2015 budget of \$226,055.
 - The BCAT State Forfeiture Fund has a FY2015 budget of \$196,100.
 - The Sheriff Federal Forfeiture Fund has a FY2015 budget of \$39,073.
 - The Sheriff State Forfeitures Fund has a FY2015 budget of \$25,175.

ENTERPRISE FUNDS

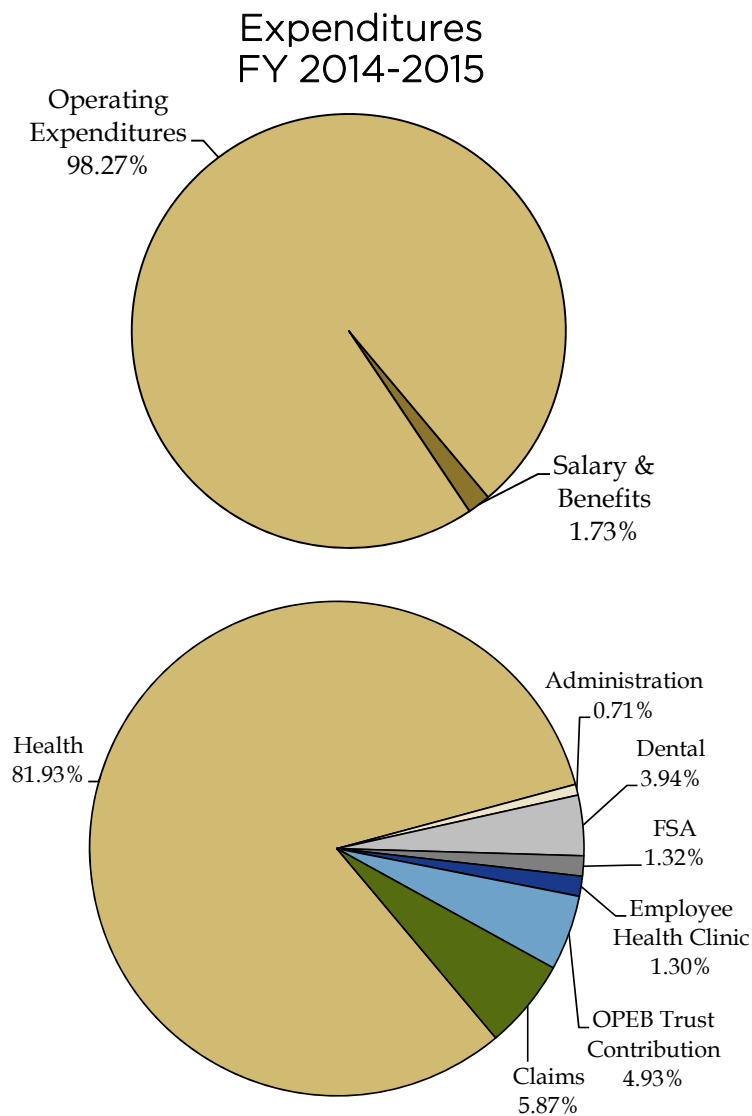
The total budget for the Enterprise Funds is \$7,351,133. This is a decrease of 19.47% from FY2014, which is due to the removal of the CJIS Enterprise Fund. CJIS now operates within the County's General Fund. The remaining Enterprise Funds, Solid Waste and Inmate Commissary, are self-supporting through revenues and fees they collect.



- The total budget for the Solid Waste Fund is \$6,949,287 which represents a decrease of 4.10% from the FY2014 budget. The Solid Waste Fund includes the Landfill and Waste Transfer Station.
- The budget for the Inmate Commissary & Welfare Fund is \$401,846 which is no change from last year's budget. Revenues for this fund are generated through sales to the inmate population in the County's Detention Center.

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 and dental insurance premiums and claims, employee health clinic, workers' compensation, unemployment, and general liability claims. Budgeted expenditures are \$27,638,707, an increase of 3.82% 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.



FSA – Flexible Spending Accounts
 OPEB – Other Post Employment Benefits
 Claims – Includes workers compensation, unemployment, and general liability claims

OPERATING BUDGET SUMMARY: ALL FUNDS

	2012/13 Actual	2013/2014 Amended	2013/14 Estimated	2014/15 Budget
(Budget Message Presentation)				
Revenues:				
General Fund	276,744,659	281,751,793	271,389,392	291,994,664
Special Revenue Funds:				
Volunteer Fire Departments Fund	19,231,328	22,224,943	20,464,868	23,389,536
Transportation Fund	3,343,869	3,794,181	4,236,586	4,179,865
Emergency Telephone System Fund	1,049,534	1,014,067	1,127,996	2,742,400
Occupancy Tax Fund	8,204,628	9,011,860	9,184,430	10,408,699
Register of Deeds Automation Fund	156,265	231,562	137,332	270,848
BCAT Federal Forfeitures	34,321	226,055	119,642	226,055
Sheriff Federal Forfeitures	84,562	39,073	55,801	39,073
BCAT State Forfeitures	72,290	196,100	52,954	196,100
Sheriff State Forfeitures	7,729	25,175	35,022	25,175
Enterprise Funds:				
Solid Waste Disposal Fund	11,079,989	7,246,287	7,208,808	6,949,287
Inmate Commissary Fund	352,162	401,846	324,476	401,846
Criminal Justice Info System Fund	1,327,154	1,479,932	1,472,008	-
Internal Service Fund	22,644,664	26,621,277	24,210,937	27,638,707
Total	344,333,154	354,264,151	340,020,252	368,462,255
Expenditures				
General Fund	276,669,545	281,751,793	271,371,167	291,994,664
Special Revenue Funds:				
Volunteer Fire Departments Fund	19,231,328	22,224,943	20,464,830	23,389,536
Transportation Fund	3,281,898	3,794,181	4,245,699	4,179,865
Emergency Telephone System Fund	897,991	1,014,067	954,478	2,742,400
Occupancy Tax Fund	8,204,628	9,011,860	9,184,430	10,408,699
Register of Deeds Automation Fund	-	231,562	176,480	270,848
BCAT Federal Forfeitures	402,278	226,055	12,450	226,055
Sheriff Federal Forfeitures	21,547	39,073	87,693	39,073
BCAT State Forfeitures	149,959	196,100	78,183	196,100
Sheriff State Forfeitures	18,919	25,175	29,448	25,175
Enterprise Funds:				
Solid Waste Disposal Fund	9,981,703	7,246,287	5,519,079	6,949,287
Inmate Commissary Fund	256,055	401,846	231,356	401,846
Criminal Justice Info System Fund	1,161,596	1,479,932	1,657,753	-
Internal Service Fund	21,631,593	26,621,277	25,177,403	27,638,707
Total	341,909,040	354,264,151	339,190,449	368,462,255

BUDGET SUMMARY ALL FUNDS - REVENUES

Summary of County Funds	2012/13 Actual	2013/2014 Amended	2013/14 Estimated	2014/15 Budget
	(Budget Message Presentation)			
General Fund				
Property Tax	156,568,806	151,889,494	158,528,689	162,326,417
NCDMV Tax	-	12,200,000	7,614,122	11,252,021
Local Option Sales Tax	32,272,716	32,032,174	33,541,934	33,960,310
Other Taxes	4,886,186	4,837,184	5,162,414	5,087,184
Intergovernmental	42,096,319	44,944,919	43,805,453	45,183,445
Permits & Fees	2,630,342	2,548,615	3,075,411	2,727,185
Sales & Services	13,399,890	12,523,262	13,052,868	13,736,829
Investment Earnings	48,851	175,000	227,783	183,750
Miscellaneous	1,070,068	954,928	1,382,238	956,155
Interfund Transfers/Other Financing Sources	23,771,482	10,301,035	4,998,479	8,996,731
Appropriated Fund Balance	-	9,345,182	-	7,584,637
Total	276,744,659	281,751,793	271,389,392	291,994,664
Special Revenue Funds				
Property Tax	14,894,192	17,608,818	16,340,094	18,291,424
Local Option Sales Tax	4,337,136	4,616,125	4,124,774	5,098,112
Other Taxes	8,204,628	9,011,860	9,184,430	10,408,699
Intergovernmental	3,415,954	3,540,600	4,248,244	3,645,238
Permits & Fees	155,972	151,695	136,700	151,695
Investment Earnings	3,671	36,085	8,058	16,085
Miscellaneous	58,071	106,200	76,637	57,000
Interfund Transfers	1,114,902	1,426,448	1,295,694	1,626,448
Appropriated Fund Balance	-	265,185	-	2,183,050
Total	32,184,526	36,763,016	35,414,631	41,477,751
Enterprise Funds				
Other Taxes	373,333	257,487	277,667	257,487
Intergovernmental	1,327,584	1,440,578	1,383,407	-
Charges for Services	7,204,635	7,289,800	7,227,817	6,992,800
Investment Earnings	55,570	40,000	33,183	40,000
Miscellaneous	1,446	-	1,268	-
Other Financing Sources	3,796,737	-	-	-
Interfund Transfers	-	-	81,950	-
Appropriated Fund Balance	-	100,200	-	60,846
Total	12,759,305	9,128,065	9,005,292	7,351,133
Internal Service Fund				
Charges for Services	22,643,788	26,621,277	23,286,064	27,638,707
Investment Earnings	876	-	24,873	-
Interfund Transfers	-	-	900,000	-
Appropriated Fund Balance	-	-	-	-
Total	22,644,664	26,621,277	24,210,937	27,638,707
Grand Total	344,333,154	354,264,151	340,020,252	368,462,255

BUDGET SUMMARY ALL FUNDS- EXPENDITURES

SERVICE AREA	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Budget
Departments				
	(Budget Message Presentation)			
General Government				
Governing Body	855,958	1,043,831	1,039,917	1,062,610
County Manager	973,214	1,039,142	865,330	998,912
Human Resources	721,107	557,103	600,937	588,315
Finance	2,230,541	2,162,006	1,856,278	2,178,404
Tax Department	4,141,816	4,601,000	4,298,501	4,571,634
Board of Elections	1,548,782	1,472,440	1,217,734	1,404,866
Register of Deeds	2,884,969	2,884,773	3,046,599	3,009,841
Budget & Management Services	-	966,518	719,144	1,002,567
Information Technology	8,298,851	9,937,962	9,583,756	10,739,212
Nondepartmental	-	272,464	-	401,132
Register of Deeds Automation Fund	-	231,562	176,480	270,848
Internal Service Fund - Health/Dental	21,631,593	26,621,277	25,177,403	27,638,707
Public Safety				
Sheriff	29,630,412	31,412,587	31,555,808	31,770,391
Emergency Services	9,284,793	10,018,817	9,837,831	10,434,987
Justice Resource Center	139,573	182,818	156,101	153,643
Pretrial Release	656,722	647,380	661,806	685,004
City-County Bureau of Identification/ Centralized Data Entry	1,241,882	1,329,481	1,231,394	1,411,498
Permits & Inspections	1,626,673	1,809,900	1,717,889	1,843,810
General Services	6,542,812	7,522,507	6,174,496	7,992,182
Parking Services	274,688	333,253	309,893	358,342
Public Safety Training Center	41,116	472,581	225,763	553,465
Criminal Justice Information System	685,100	716,100	716,100	1,496,173
Nondepartmental	1,438,053	2,277,838	1,494,439	2,850,135
Volunteer Fire Departments Fund	19,231,328	22,224,943	20,464,830	23,389,536
Emergency Telephone System Fund	897,991	1,014,067	954,478	2,742,400
Criminal Justice Info System Fund	1,161,596	1,479,932	1,657,753	-
Inmate Commissary Fund	256,055	401,846	231,356	401,846
BCAT Federal Forfeitures	402,278	226,055	12,450	226,055
Sheriff Federal Forfeitures	21,547	39,073	87,693	39,073
BCAT State Forfeitures	149,959	196,100	78,183	196,100
Sheriff State Forfeitures	18,919	25,175	29,448	25,175
Human Services				
Public Health	13,092,461	13,932,153	13,266,652	14,650,967
Social Services	58,108,290	65,710,455	62,282,684	69,096,917
Aging Services	570,766	570,766	570,556	570,766
Child Care Services	512,799	673,462	481,886	207,508
Human Services Support Team	776,538	-	-	-
Mental Health	1,178,055	1,057,500	1,057,087	1,051,000
Nondepartmental	960,733	2,786,608	1,371,927	2,268,617
Transportation Fund	3,281,898	3,794,181	4,245,699	4,179,865
Economic & Physical Development				
Planning & Development	2,228,625	2,623,650	2,443,943	2,557,160
Economic Development	6,456,564	3,975,395	1,903,370	3,946,585
Cooperative Extension	372,629	440,279	381,637	439,338
Soil & Water Conservation	439,739	425,921	414,483	434,336
Recycling	362,197	427,917	392,061	404,777
Nondepartmental	-	298,492	255,000	296,927
Occupancy Tax Fund	8,204,628	9,011,860	9,184,430	10,408,699
Solid Waste Disposal Fund	9,981,703	7,246,287	5,519,079	6,949,287
Culture & Recreation*				
Culture & Recreation Administration	-	-	-	667,972
Library	4,921,204	-	-	5,668,581
Parks, Greenways, & Recreation	1,669,038	-	-	1,870,327
Nondepartmental	104,500	-	-	1,113,910
Education				
City Schools	9,570,694	9,982,155	9,945,642	10,571,303
County Schools	57,193,779	57,658,858	58,479,554	61,038,940
Community College	8,063,999	6,063,999	6,063,999	6,063,999
Interfund Transfers	3,061,973	14,921,514	16,438,052	2,413,159
General Debt Service	33,807,900	18,542,168	18,312,918	21,154,452
TOTAL	341,909,040	354,264,151	339,190,449	368,462,255

*Culture & Recreation operated under the Culture & Recreation Authority component unit in FY2014. Component unit budgets are not approved by the Buncombe County Board of Commissioners and are therefore not presented in the Annual Budget Report.

Note: Nondepartmental budgets presented above include appropriations for the Other Post Employment Benefit (OPEB) Trust Fund contribution, which are approved at the functional level. Actual/estimated OPEB contributions are accounted for in each department per auditor guidance.

BUDGET SUMMARY BY FUND: Sources & Uses Fiscal Year 2014 - 2015

	General Fund	Special Revenue Funds	Enterprise Funds	Internal Service Fund	Total
Sources of Funds:					
Property Taxes	162,326,417	18,291,424		-	180,617,841
NCDMV Tax	11,252,021				11,252,021
Local Option Sales Tax	33,960,310	5,098,112		-	39,058,422
Other Taxes	5,087,184	10,408,699	257,487	-	15,753,370
Intergovernmental	45,183,445	3,645,238	-	-	48,828,683
Permits & Fees	2,727,185	151,695	-	-	2,878,880
Charges for Services	13,736,829	-	6,992,800	27,638,707	48,368,336
Investment Earnings	183,750	16,085	40,000	-	239,835
Miscellaneous	956,155	57,000	-	-	1,013,155
Other Financing Sources	-	-	-	-	-
Interfund Transfers	8,996,731	1,626,448	-	-	10,623,179
Appropriated Fund Balance	7,584,637	2,183,050	60,846	-	9,828,533
Total	291,994,664	41,477,751	7,351,133	27,638,707	368,462,255

Uses of Funds:					
Salary & Benefits	118,955,688	7,536	1,688,923	477,542	121,129,689
Operating	42,053,729	5,139,210	3,540,353	27,161,165	77,894,457
Program Support	107,417,636	20,689,536	-	-	128,107,172
Capital Outlay	-	2,403,720	221,000	-	2,624,720
Contingency	-	2,700,000	48,431	-	2,748,431
Debt Service	21,154,452	-	1,852,426	-	23,006,878
Interfund Transfers	2,413,159	10,537,749	-	-	12,950,908
Total	291,994,664	41,477,751	7,351,133	27,638,707	368,462,255

Total Expenditures By Fund & Function Fiscal Year 2015

USE OF ANNUAL OPERATING FUNDS BY FUNCTION

FUND (Fund #)	General Govt	Public Safety	Human Services	Econ & Physical Development	Culture & Recreation	Education
General (10)	25,957,493	59,549,630	87,845,775	8,079,123	9,320,790	77,674,242
Occupancy Tax (20)				10,408,699		
911 (23)		2,742,400				
ROD Automation (25)	270,848					
Volunteer Fire Depts (28)		23,389,536				
Transportation (30)			4,179,865			
Solid Waste (66)				6,949,287		
Inmate Commissary (69)		401,846				
BCAT Federal Forfeitures (70)		226,055				
Sheriff Federal Forfeitures (71)		39,073				
BCAT State Forfeitures (77)		196,100				
Sheriff State Forfeitures (78)		25,175				
Health/Dental (80)	27,638,707					
GRAND TOTAL	53,867,048	86,569,815	92,025,640	25,437,109	9,320,790	77,674,242

USE OF PROJECT FUNDS BY FUNCTION

FUND (Fund #)	General Govt	Public Safety	Human Services	Econ & Physical Development	Culture & Recreation	Education
Special Projects (24)				x		
School Capital (26)						x
Grant Projects (27)		x	x	x	x	
PDF Woodfin Downtown Dist. (31)				x		
PDF Woodfin Debt Service (32)				x		
AB Tech Capital Projects (33)						x
Capital Projects (41)	x	x	x	x	x	
Solid Waste Capital Projects (42)				x		

**DEPARTMENT & FUND MATRIX
FISCAL YEAR 2015**

SERVICE AREA	MAJOR FUNDS		NONMAJOR FUNDS				GRAND TOTAL
	General Fund	Solid Waste Enterprise Fund	Special Revenue	Enterprise	Internal Service	Total Nonmajor Funds	
Departments							
General Government							
Governing Body	1,062,610	-	-	-	-	-	1,062,610
County Manager	998,912	-	-	-	-	-	998,912
Human Resources	588,315	-	-	-	-	-	588,315
Finance	2,178,404	-	-	-	-	-	2,178,404
Tax Department	4,571,634	-	-	-	-	-	4,571,634
Board of Elections	1,404,866	-	-	-	-	-	1,404,866
Register of Deeds	3,009,841	-	270,848	-	-	270,848	3,280,689
Information Technology	10,739,212	-	-	-	-	-	10,739,212
Budget & Management Services	1,002,567	-	-	-	-	-	1,002,567
Nondepartmental	401,132	-	-	-	-	-	401,132
Nondepartmental - Internal Service Fund	-	-	-	-	27,638,707	27,638,707	27,638,707
General Government Total	25,957,493	-	270,848	-	27,638,707	27,909,555	53,867,048
Public Safety							
Sheriff	31,770,391	-	486,403	401,846	-	888,249	32,658,640
Emergency Services	10,434,987	-	-	-	-	-	10,434,987
Justice Resource Center	153,643	-	-	-	-	-	153,643
Pretrial Release	685,004	-	-	-	-	-	685,004
City-County Bureau of Identification/Centralized Data Entry	1,411,498	-	-	-	-	-	1,411,498
Permits & Inspections	1,843,810	-	-	-	-	-	1,843,810
General Services	7,992,182	-	-	-	-	-	7,992,182
Parking Services	358,342	-	-	-	-	-	358,342
Public Safety Training Center	553,465	-	-	-	-	-	553,465
Criminal Justice Information System	1,496,173	-	-	-	-	-	1,496,173
Nondepartmental	2,850,135	-	-	-	-	-	2,850,135
Nondepartmental - Volunteer Fire Departments	-	-	23,389,536	-	-	23,389,536	23,389,536
Nondepartmental - Emergency Telephone System	-	-	2,742,400	-	-	2,742,400	2,742,400
Public Safety Total	59,549,630	-	26,618,339	401,846	-	27,020,185	86,569,815
Human Services							
Public Health	14,650,967	-	-	-	-	-	14,650,967
Social Services	69,096,917	-	-	-	-	-	69,096,917
Aging Services	570,766	-	-	-	-	-	570,766
Child Care Services	207,508	-	-	-	-	-	207,508
Human Services Support Team	-	-	-	-	-	-	-
Mental Health	1,051,000	-	-	-	-	-	1,051,000
Nondepartmental	2,268,617	-	-	-	-	-	2,268,617
Nondepartmental - Transportation	-	-	4,179,865	-	-	4,179,865	4,179,865
Human Services Total	87,845,775	-	4,179,865	-	-	4,179,865	92,025,640
Economic & Physical Development							
Planning & Development	2,557,160	-	-	-	-	-	2,557,160
Economic Development	3,946,585	-	-	-	-	-	3,946,585
Cooperative Extension	439,338	-	-	-	-	-	439,338
Soil & Water Conservation	434,336	-	-	-	-	-	434,336
Recycling	404,777	-	-	-	-	-	404,777
Solid Waste	-	6,949,287	-	-	-	-	6,949,287
Nondepartmental	296,927	-	-	-	-	-	296,927
Nondepartmental - Occupancy Tax	-	-	10,408,699	-	-	10,408,699	10,408,699
Economic & Physical Development Total	8,079,123	6,949,287	10,408,699	-	-	10,408,699	25,437,109
Culture & Recreation							
Culture & Recreation Administration	667,972	-	-	-	-	-	667,972
Library	5,668,581	-	-	-	-	-	5,668,581
Parks, Greenways, & Recreation	1,870,327	-	-	-	-	-	1,870,327
Nondepartmental	123,532	-	-	-	-	-	123,532
Economic & Physical Development Total	9,320,790	-	-	-	-	-	9,320,790
Education							
City Schools	10,571,303	-	-	-	-	-	10,571,303
County Schools	61,038,940	-	-	-	-	-	61,038,940
Community College	6,063,999	-	-	-	-	-	6,063,999
Education Total	77,674,242	-	-	-	-	-	77,674,242
Interfund Transfers	2,413,159	-	-	-	-	-	2,413,159
General Debt Service	21,154,452	-	-	-	-	-	21,154,452
GRAND TOTAL	291,994,664	6,949,287	41,477,751	401,846	27,638,707	69,518,304	368,462,255

FUND BALANCE ANALYSIS

General Fund

	2012/13	2013/14	2014/15
	Actual	Estimated	Budget
Total Revenues	\$276,744,659	\$ 271,389,392	\$ 284,410,027
Total Expenditures	276,669,545	271,371,167	291,994,664
Revenues Over (Under) Expenditures	75,114	18,225	(7,584,637) *
Fund Balance, Beginning as Restated	71,058,148	71,133,262	71,151,487
Fund Balance, End of Year	71,133,262	71,151,487	63,566,850

*The General Fund appropriated fund balance for FY2015 is \$7,584,637. This is a 18% decrease from last year's amended budget. Fund balance, as described below, is appropriated each year with the challenge to save the appropriated amount.

Other Governmental Funds

	2012/13	2013/14	2014/15
	Actual	Estimated	Budget
Total Revenues	\$ 32,184,526	\$ 35,414,631	\$ 39,294,701
Total Expenditures	32,208,548	35,233,691	41,477,751
Revenues Over (Under) Expenditures	(24,022)	180,940	(2,183,050) *
Fund Balance, Beginning as Restated	3,454,389	3,430,367	3,611,307
Fund Balance, End of Year	3,430,367	3,611,307	1,428,257

*The FY2015 appropriated fund balance for other Governmental Funds consists of the Forfeiture Funds (Sheriff & BCAT State/Federal) appropriation of \$188,623, the Register of Deeds Automation Fund appropriation of \$115,848, and the 911 Fund appropriation of \$1,878,579.

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 requires an unallocated General Fund balance of 15% of total actual expenditures and transfers out. This reserve policy allows Buncombe County to plan for contingencies and maintain good standing with rating agencies. To view the policy in its entirety, see Appendix B.

Buncombe County estimates the unrestricted fund balance for fiscal year 2014 to be \$51,685,867 for the General Fund. This is 19.3% of estimated General Fund expenditures for FY2014. The fiscal year 2014-2015 General Fund budget includes an appropriated fund balance of \$7,584,637 which is 2.6% 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.

FUND BALANCE ANALYSIS (CONTINUED)

Solid Waste Enterprise Fund:

	2012/13	2013/14	2014/15
	Actual	Estimated	Budget
Total Revenues	\$ 11,079,989	\$ 7,208,808	\$ 6,949,287
Total Expenditures	9,981,703	5,519,079	6,949,287
Revenues Over (Under) Expenditures	1,098,286	1,689,729	-
Reconciling Items to Full Accrual Basis	(45,075)	-	-
Net Position, Beginning as Restated	29,226,405	30,279,616	31,969,345
Net Position, End of Year	30,279,616	31,969,345	31,969,345

Other Enterprise Funds:

	2012/13	2013/14	2014/15
	Actual	Estimated	Budget
Total Revenues	\$ 1,679,316	\$ 1,796,484	\$ 341,000
Total Expenditures	1,417,651	1,889,109	401,846
Revenues Over (Under) Expenditures	261,665	(92,625)	(60,846)
Reconciling Items to Full Accrual Basis	(45,733)	-	-
Net Position, Beginning as Restated	872,847	1,088,779	996,154
Net Position, End of Year	1,088,779	996,154	935,308

Buncombe County's Enterprise Funds are reported using the accrual basis of accounting, which reports net position rather than fund balance. During the County's annual audit process necessary entries are completed to reconcile these funds from the budgetary basis (modified accrual) to the accounting basis (full accrual). Current year estimates for reconciling items are not yet available. As you can see from the tables above, the Solid Waste Enterprise Fund is not expected to use any reserves in FY2015. The Inmate Commissary Enterprise fund has appropriated \$60,846 of reserves for FY2015.

BUNCOMBE COUNTY, NORTH CAROLINA

UNRESTRICTED FUND BALANCES (Post GASB Statement 54)

Non-Audited (Projected) Fund Balances

Fund Balance at June 30, 2014

<u>Unrestricted Fund Balance</u>	=	<u>51,685,867</u>	=	19.3%
Expenditures & Operating Transfers Out		268,119,100		

Audited (Actual) Fund Balances

Fund Balance at June 30, 2013

<u>Unrestricted Fund Balance</u>	=	<u>51,667,642</u>	=	19.8%
Expenditures & Operating Transfers Out		261,543,123		

Fund Balance at June 30, 2012

<u>Unrestricted Fund Balance</u>	=	<u>50,245,779</u>	=	19.4%
Expenditures & Operating Transfers Out		258,564,991		

Fund Balance at June 30, 2011

<u>Unrestricted Fund Balance</u>	=	<u>52,180,066</u>	=	20.9%
Expenditures & Operating Transfers Out		249,733,035		

UNRESERVED FUND BALANCES (Pre GASB Statement 54)

Audited (Actual) Fund Balances

Fund Balance at June 30, 2010

<u>Unreserved Fund Balance</u>	=	<u>50,940,052</u>	=	19.2%
Expenditures & Operating Transfers Out		264,763,863		

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		

PERSONNEL SUMMARY

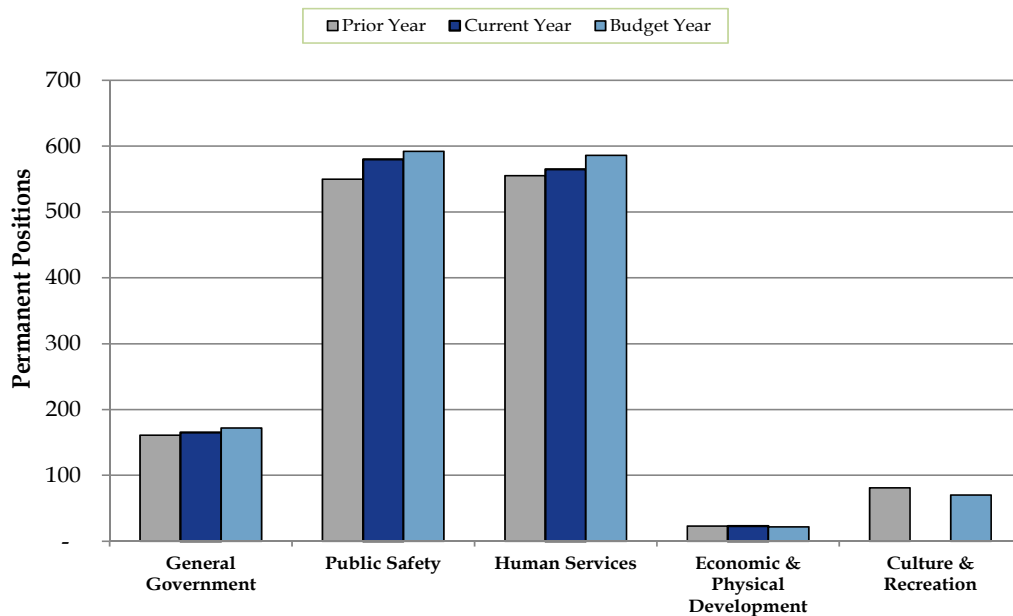
Summary of Positions by Fund:

Personnel Summary - Budgeted Permanent Positions				
Fund	Prior Year	Current Year	Budget Year	Percent Change
General Fund	1,370	1,333	1,442	8%
Enterprise Fund	31	31	25	-19%
Internal Service Fund	5	5	5	0%
Grant Projects Fund			9	
Total All Funds	1,406	1,369	1,481	8%

General Fund Summary - Positions by Service Area:

Personnel Summary - Budgeted Permanent Positions*				
Service Area	Prior Year	Current Year	Budget Year	Percent Change
General Government	161	165	172	4%
Public Safety	550	580	592	2%
Human Services	555	565	586	4%
Economic & Physical Development	23	23	22	-4%
Culture & Recreation	81	-	70	
Total General Fund	1,370	1,333	1,442	8%

General Fund



Major personnel changes include increased positions in Human Services to meet the demands of the NCFast conversion. Culture & Recreation Authority positions have shifted back to the General Fund in FY2015. Also, CJIS positions have shifted to the General Fund Public Safety function due to the closure of the CJIS Enterprise Fund. For further detail on personnel changes, please view the personnel information presented in the Service Areas and Departments Section.

LONG TERM FINANCIAL OUTLOOK

Buncombe County's Budget & Management Services office maintains a financial outlook for the General Fund, extending at least two years out from the current budget year. This outlook allows evaluation of the long term sustainability of the annual operating budget and provides a starting point for future decision making by identifying the balance between potential spending needs and the projected revenue outlook.

Revenue Assumptions

We remain conservative with our revenue estimates. We do anticipate some growth in our property tax base over the next few years. Buncombe County has returned to a 4-year reappraisal cycle. The next reappraisal will be conducted in 2017 and will be reflected in the FY2018 General Fund budget.

Expenditure Assumptions

Salaries & Benefits. Employee wages are annually adjusted based on the Consumer Price Index (CPI). This adjustment is estimated at 1.5% each year in the outlook period.

Operating Expenditures. It is our aim to maintain current operating levels, however there are fluctuations from year to year based on certain operating cycles and variable items such as utilities and fuel. A moderate increase for operating expenditures has been included in the financial outlook.

Capital Outlay. A capital outlay expenditure is defined as any item costing over \$10,000. Generally, as capital needs arise departments transfer budget from their operating accounts to pay for these capital expenditures.

Program Support. Program support expenditures primarily consist of support given to Buncombe County and Asheville City schools for current expense and capital outlay.

Debt Service. Debt is primarily issued to acquire or construct capital assets. The County prepares and adopts a Capital Improvement Program (CIP) annually to identify and establish an orderly plan to meet the County's infrastructure needs. The CIP also identifies all debt-funded projects and the related debt service impact covering at least five years. It is our practice to structure debt issuances so that debt service payments will remain level over the life of the debt portfolio. A closer look at General Fund Debt Service is presented in the Annual Budget Report Debt Service section.

As discussed previously, fund balance appropriation is one means to lower the burden on property owners. Historically we have been able to save appropriated fund balance and we are aiming to do the same with the FY2015 appropriation of \$7,584,637 .

In addition to the financial outlook presented in the following schedule, the Budget and Management Services office maintains current budget year projections for each General Fund revenue source and department that are reviewed and updated on a monthly basis. This allows the department to monitor activity throughout the fiscal year and identify items that are not in line with previous budget estimates or projections. This ongoing review and analysis allows early identification of potential problems as well as potential areas of savings.

Buncombe County General Fund Financial Outlook

	FY2013 Actual	FY2014 Estimate	FY2015 Adopted Budget	FY2016 Projected	FY2017 Projected	FY2018 Projected
Revenues:						
Property Tax	\$ 156,568,806	\$ 158,528,689	\$ 162,326,417	\$ 164,462,880	\$ 165,871,368	\$ 171,181,795
NC DMV Tax	-	7,614,122	11,252,021	11,364,541	11,478,186	11,822,532
Sales Tax	32,272,716	33,541,934	33,960,310	34,789,642	35,833,331	36,908,331
Other Taxes	4,886,186	5,162,414	5,087,184	5,091,421	5,121,960	5,152,804
Intergovernmental Revenue	42,096,319	43,805,453	45,183,445	45,589,027	45,582,922	45,253,878
Permits & Fees	2,630,342	3,075,411	2,727,185	3,121,251	3,137,395	3,153,700
Sales & Services	13,399,890	13,052,868	13,736,829	13,684,782	13,371,382	13,744,782
Investment Earnings	48,851	227,783	183,750	192,938	202,584	212,714
Misc. Income	1,070,068	1,382,238	956,155	896,155	896,155	896,155
Other Financing Sources (OFS)	23,771,482	4,998,479	8,996,731	7,164,977	7,896,783	2,331,465
TOTAL REVENUES	\$ 276,744,659	\$ 271,389,392	\$ 284,410,027	\$ 286,357,614	\$ 289,392,066	\$ 290,658,156
Expenditures:						
Salaries	\$ 101,678,647	\$ 101,061,183	\$ 118,955,688	\$ 115,959,353	\$ 115,959,353	\$ 115,959,353
COLA/CPI Adjustment				1,125,600	2,251,200	3,376,800
Operating Expenditures	34,626,039	37,134,068	42,053,729	42,614,616	43,038,045	43,465,708
Capital Outlay	514,301	162,664	-	-	-	-
Program Support	28,152,212	23,773,086	29,743,394	29,725,394	29,725,394	29,725,394
Program Support - Education	74,828,472	74,489,195	77,674,242	78,003,015	79,549,015	81,129,317
Debt Service	18,681,478	15,060,851	21,154,452	18,784,023	18,335,983	16,612,630
Other Financing Uses (OFU)/Payments to Escrow	15,126,422	3,252,067				
CIP Debt Service				329,694	329,694	402,806
Debt Service Adjustments				4,569,060	5,068,406	4,934,883
Transfers Out	3,061,973	16,438,052	2,413,159	2,000,698	2,011,098	2,011,098
TOTAL EXPENDITURES	\$ 276,669,545	\$ 271,371,167	\$ 291,994,664	\$ 293,111,453	\$ 296,268,188	\$ 297,617,989
Fund Balance Change (Budgetary Appropriation)	\$ 75,114	\$ 18,225	\$ (7,584,637)	\$ (6,753,839)	\$ (6,876,122)	\$ (6,959,833)
Unrestricted Fund Balance	\$ 51,667,642	\$ 51,685,867	\$ 44,101,230			
Ratios & Indicators:						
Gross Debt as a % of GF Exp	6.75%	5.55%	7.24%	8.08%	8.01%	7.38%
Net Debt as a % of GF Exp	6.55%	5.37%	6.70%	7.05%	7.48%	6.85%
Fund Balance %	19.75%	19.28%	15.10%			
Operations Ratio	1.00	1.00	0.97	0.98	0.98	0.98
Operations Ratio (adjusted for OFS/OFU/Transfers)	0.98	1.06	0.95	0.96	0.96	0.98

POLICIES & GOALS



BASIS OF ACCOUNTING

Basis of Accounting refers to the specific time at which revenues and expenditures (expenses) are recorded in the accounts and reported in the financial statements.

All funds of the County are accounted for during the year on the modified accrual basis of accounting in accordance with North Carolina General Statutes. Briefly, this means that obligations of the County are budgeted as expenditures in the accounting period, month or year, in which it occurs, but revenues are recognized only when they are measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means the amount is collectible within the current month/year or soon enough thereafter to be used to pay liabilities of that same month/year. Exceptions to this form of accounting are unmatured principal and interest on long term debt that are recognized when due, and certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated. The General Fund, Special Revenue Funds, and Agency Funds are presented in the financial statements on this same basis. (The General Fund is used to account for transactions of the governmental unit and Agency Funds are used to account for agencies, governmental units, outside the County that receive County funding or other types of assistance).

The County considers certain revenues available if they are collected within 60 days after year-end. Property taxes not collected within 60 days after June 30 are not recorded as revenue because the amount is not considered to be an available resource to finance the operations of the current year. Sales taxes, collected and held by the State at year-end on behalf of the County, are recognized as revenue. Intangible taxes and other intergovernmental revenues, and sales and services are not susceptible to being recorded when earned because generally they are not measurable until received in cash. Expenditure driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been satisfied.

The Enterprise Funds, i.e. Solid Waste Disposal Fund, and Insurance Internal Service Fund are presented on the accrual basis of accounting. Under this basis, revenues are recognized in the accounting period when earned, regardless of when the cash from these revenues is received; and expenses are recognized in the period when incurred, instead of when they are paid. The Enterprise Funds are funds that account for the acquisition, operation and maintenance of governmental facilities and services which are entirely or predominantly self-supporting by user charges. The Internal Service Fund accounts for goods or services provided to other departments on a cost-reimbursement basis.

BASIS OF BUDGETING

Budgets are adopted as required by State Statute. An annual budget ordinance is adopted for the General, Special Revenue, Internal Service Fund, and Enterprise Funds. The General Fund is where all the transactions of the County that are not required to be accounted for elsewhere are recorded. The Special Revenue Funds account for revenues that must be spent for a specific purpose. All annual appropriations lapse at fiscal year end.

Project ordinances spanning more than one year are adopted for the Grant Project Fund, Debt Service Fund and Capital Project Funds; where expenditures for multi-year grants/projects and infrastructure and facilities are accounted for.

Both the annual and project budgets are prepared using the modified accrual basis of accounting, which is consistent with the accounting system used to record transactions. Under this method, revenues are recognized when they become both “measurable” and “available” to finance expenditures of the current period. Expenditures are recognized when the liability is incurred in most cases.

Expenditures are accounted for at three levels. The functional level represents a group of departments with the same or similar purpose, i.e. public safety. The departmental level represents the budget for each department as a stand alone entity. The object level is each line item within the department’s budget. Expenditures may not legally exceed appropriations at the functional level for the General Fund, at the department level for the Special Revenue and Enterprise Funds, and at the object level for the Capital Projects Funds.

The County utilizes the encumbrance method of accounting, as required by State Statute. An encumbrance is an amount of money committed and set aside, but not yet expended, for the purchase of a specific good or service. Encumbrances outstanding at year-end represent the estimated amounts of the expenditures ultimately to result if unperformed purchase orders and other contracts in process at year-end are completed. All unexpected annual budget appropriations lapse at year-end. Encumbrances outstanding at year-end are reported as part of fund balances since they do not constitute expenditures or liabilities. The subsequent year’s appropriations provide authority to complete these transactions. Encumbrances at year-end in funds that are budgeted on a multi-year project basis automatically carry forward to the next fiscal year along with their related appropriations and are not subject to annual cancellation and reappropriation.

OPERATING FUNDS

All of the funds described below have been subject to the budget process and all appropriations have been approved by the Board of Commissioners and they are included in the County's budget ordinance.

GENERAL FUND

The General Fund is the main operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund. This fund receives the major portion of ad valorem tax revenues, local option sales tax, federal and state shared revenues, licenses, permits and fees. The major operating activities include: public safety, economic and physical development, human services, education, debt services, and general government service functions. The Commissioners annually adopt appropriations for this fund.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes. The Commissioners annually adopt appropriations for these funds. Buncombe County maintains nine Special Revenue Funds:

Register of Deeds Automation
Occupancy Tax
911
Fire Districts
Transportation
Federal and State Forfeiture Funds (4)

INTERNAL SERVICE FUND

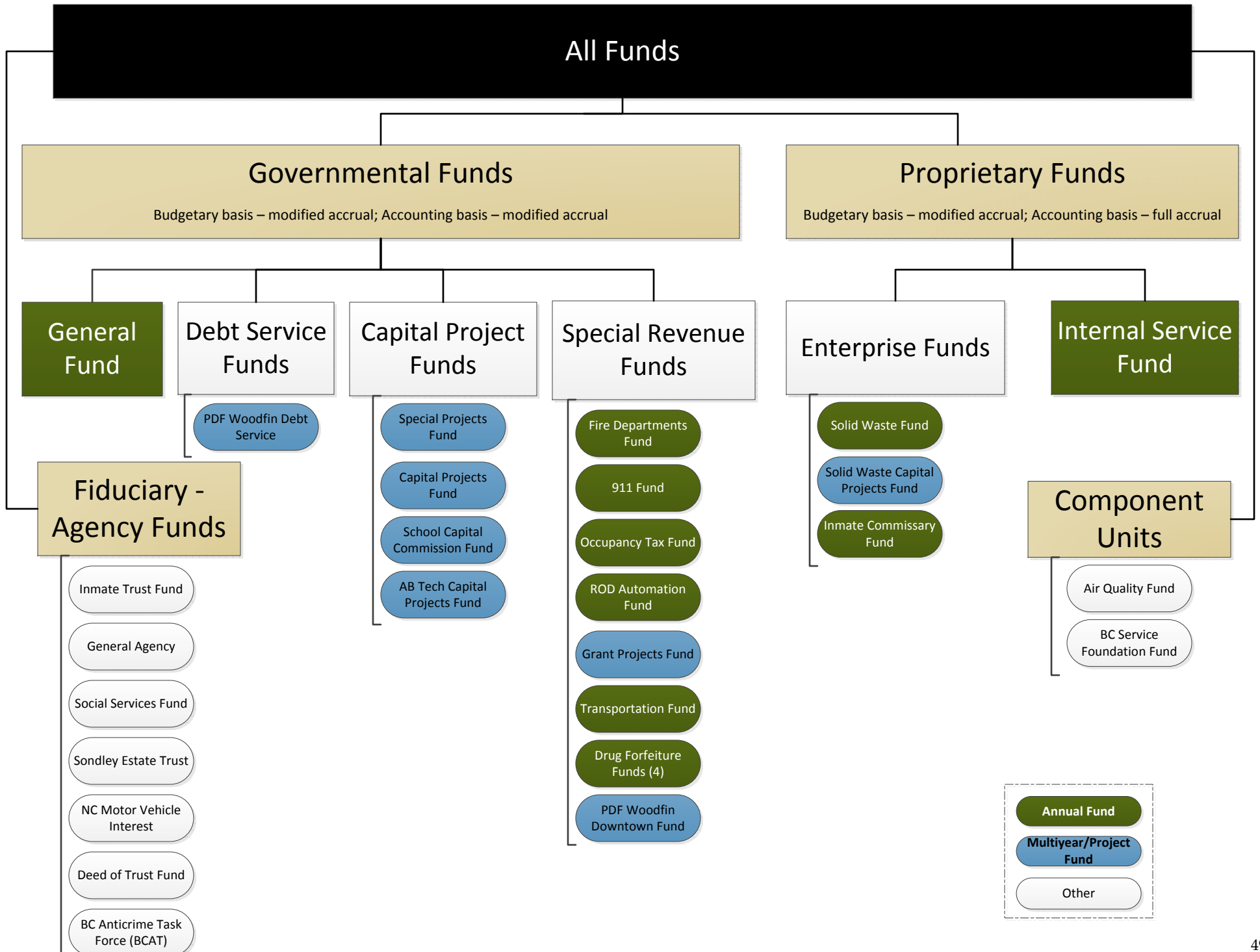
Internal Service Funds are used to account for the financing of goods by one department or agency to other departments or agencies of the County on a cost reimbursement basis. The Insurance Fund is used to account for the activities of the County's health and dental insurance plans for County employees. Also included in the Insurance Fund is all activity for worker's compensation, property, professional liability, and general liability premiums and claims. The Commissioners annually adopt appropriations for this fund.

ENTERPRISE FUNDS

The Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that costs of providing services to the general public be recovered primarily through user charges. The Commissioners annually adopt appropriations for these funds. Buncombe County has two Enterprise Funds:

Solid Waste
Inmate Commissary & Welfare

Buncombe County Fund Structure



THE BUDGET PROCESS

Buncombe County operates under an annual balanced budget ordinance as required by North Carolina State Statutes. This means that the sum of estimated net revenues and appropriated fund balance in each fund will be equal to appropriations in that fund. State Statutes also require that the County operate on a fiscal year beginning July 1 and ending on June 30.

BUDGET DEVELOPMENT

Budgets are developed on a departmental basis by expenditure function within a fund. The budgets display all of the County financial operations including funding for various agencies outside of the County's organizational structure.

The Budget & Management Services office initially compiles all personnel information including projected salary and wages for the upcoming budget year. This information is reviewed by the budget personnel and departments and changes are made as needed. County departments then compile their budget requests for the upcoming year. For the 2015 Fiscal Year, departments submitted their budget requests using the County's web-based budget application. These requests are reviewed by the budget personnel and additional information is gathered if needed. The requests are then presented to the County Manager and then Board of Commissioners.

The Buncombe County Capital Improvement Plan (CIP) is also reviewed during the budget process. The CIP is reviewed early in the budget process so operating costs and debt service costs are anticipated and budgeted as necessary.

The chart and budget calendar on the following pages provide a deeper look into the FY2015 budget process. The budget calendar presented is developed prior to the budget process and serves as a tentative plan during budget development.

ADOPTION OF ANNUAL BUDGET ORDINANCE

The annual balanced budget is submitted to the Board of Commissioners in June. A public hearing on the budget is held in the middle of June with an expected budget adoption by June 30. In accordance with North Carolina Statutes, the governing board shall adopt a budget not earlier than ten days after the budget is presented to the Board and not later than July 1. The FY2015 budget was presented to the Board of Commissioners on June 3, 2014, and a Public Hearing was held June 17, 2014. Due to state legislative delays Buncombe County Board of Commissioners were unable to adopt a budget ordinance by July 1. In accordance with the Local Government Budget and Fiscal Control Act (GS 159-16) the Board adopted an interim budget for the purpose of paying salaries, debt service payments, and usual ordinary expenses for the interval between the beginning of the budget year and the adoption of the budget ordinance. The Buncombe County Board of Commissioners adopted the FY2015 budget ordinance on July 8, 2014.

AMENDMENTS TO THE ANNUAL BUDGET ORDINANCE

BUDGET TRANSFERS

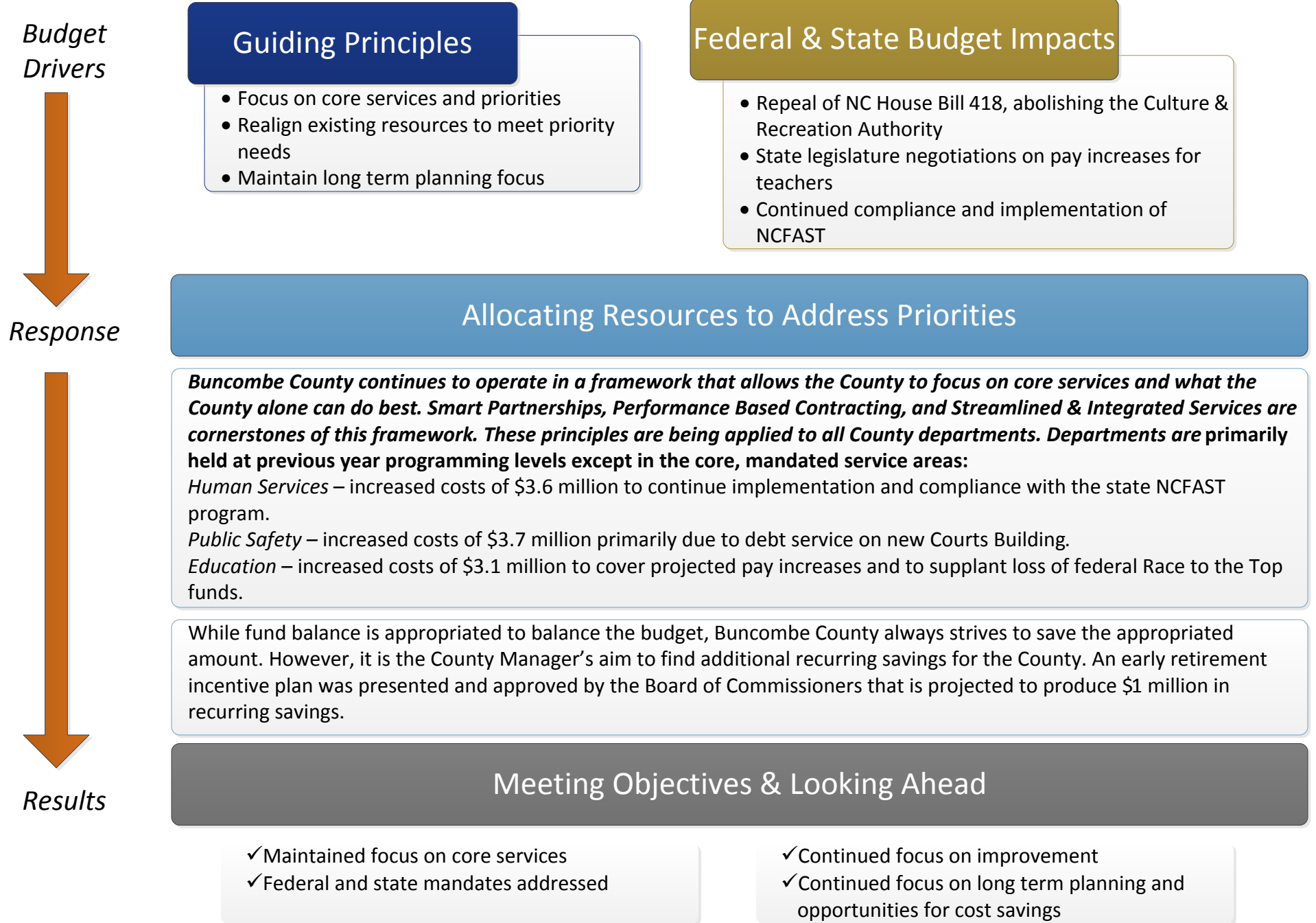
The County Manager is authorized by the budget ordinance to transfer appropriations between functional areas within a fund up to \$75,000 per expenditure; however, any revisions that change functional appropriations by more than \$75,000 per expenditure must be approved by the governing board. The Budget Officer may approve line item transfers within a functional area upon requests by County departments. Line-item and function transfers do not alter the total expenditures of a fund.

BUDGET AMENDMENTS

Budget amendments alter the total expenditures of a fund and are completed throughout the fiscal year as necessary. The receipt of special revenues (grants, forfeiture revenues, etc.), interfund activity, and other program/project changes are a few instances when budget amendments may be necessary. All budget amendments are required to be approved by the governing board.

No amendment may increase or reduce a property tax levy or in any manner alter a property taxpayer's liability.

The Budget Process – Developing the FY2015 Budget



Budget Calendar Fiscal Year 2015

Date	Budget Procedure	Action By:
Nov 1	Capital and IT request information sent to departments.	Finance
Nov 22	Capital and IT requests due to County Manager.	Senior Leadership Team
Dec 13	Salary and wage report run by IT and sent to Finance.	IT
Dec 31	Community funding letters and applications sent to agencies.	Finance
Jan 10	Instructions for budget requests sent to Department Heads.	Finance
Jan 13 - Jan 24	FY2015 budget requests submitted by departments via web-based budget application.	Department Heads
Jan 21	Community funding applications due.	Community agencies
Jan 27 - Feb 14	Review and analyze department budgets; provide summary to County Manager.	Finance
Mar 4	Debt Service schedule complete and input into Lawson.	Finance
Mar 3-14	Hold 2-by-2 meetings with Commissioners.	County Manager/Finance
Mar 20	Property tax base & collection rate estimates due to Finance.	Tax
Mar 24	Mail sales tax and property tax base data to fire districts and schools with instructions for calculating revenues and budget submission deadline.	Finance/Tax
Apr 25	Fire Districts budgets due.	Fire Districts
Apr 30	Fund balance projections submitted for FY2014.	Finance
Apr 30	FY2015 budget recommendation for all funds submitted to County Manager.	Finance
Apr 30	Updated property tax estimates provided.	Tax
Apr 30	Updated revenue projections provided.	Finance/Directors
May 2	Budgets submitted by school districts.	Sch Distr/ABTCC
May 21	Budget message presentation.	County Manager
Jun 3	Public hearing.	Board of Comm
Jun 17	Budget adoption.	Board of Comm

FISCAL POLICIES (Adopted by Commissioners June 18, 1996)

REVENUE POLICY

As directed by Management the County shall project revenues biannually updating the projections annually.

Recreational programs shall be funded by user fees for all programs for which it is practical to charge.

Building Inspections and Permits and Soil Erosion shall be fully funded through user fees in the form of building permits, inspections and plan review fees. These fees shall represent 100% of direct costs.

The direct costs of Environmental Health Programs, except for state mandated inspections, shall be fully funded through user fees for permits.

Direct EMS costs shall be funded to the maximum extent possible.

The average daily cost of housing federal prisoners shall be calculated by the Sheriff's Department, approved by the Finance Director, and reported to the U.S. Marshal to establish an updated reimbursement rate at regular intervals as deemed appropriate by the Sheriff and Finance Director.

All Enterprise Funds shall be totally self-supporting.

State and federal funds available for operating expenses and capital outlay shall be aggressively sought.

The County shall consider market rates and charges levied by other public and private organizations for similar services in establishing tax rates, fees, and charges.

CAPITAL IMPROVEMENT POLICY

The County shall prepare, adopt and amend, as necessary, a ten-year capital projects needs assessment and a five-year capital improvement program detailing each capital project with a cost greater than \$250,000, the estimated total cost, description, and funding source.

The County shall provide for the adequate maintenance and the orderly replacement of the capital plan and equipment from current revenues where possible.

Operating expenditures shall be programmed to include the cost of implementing the capital improvement program and provide all workforce, operating costs, and capital outlay required.

OPERATING BUDGET POLICY

Current operating revenues, operating transfers into the General Fund, and appropriated fund balance shall be sufficient to support current operating expenditures, including debt service.

Debt or bond financing shall not be used to finance current expenditures.

The County shall focus on holding net County costs of operations steady and aggressively pursue non-tax funding to add or expand programs. The County shall focus on shifting recurring capital costs to routine operating costs and ensuring that departments have current/safe equipment to provide services.

The County will endeavor to purchase facilities and move them from leased space to reduce long-run facility costs.

As directed by Management, the County shall prepare financial forecasts that will include projections of annual growth plus allowances for operating costs of new capital facilities.

The County shall integrate performance measures with the annual budget.

VEHICLE REPLACEMENT POLICY

County departments must justify the need for a county-owned vehicle. The cost-benefit of paying an employee mileage for use of a personal vehicle versus use of a county-owned vehicle must be documented. Evaluation of the on-going need for county-owned vehicles assigned to a department will be made on an annual basis before bidding new county vehicles.

The Board of Commissioners must approve all new vehicle purchases and requests for a vehicle from the surplus list when that vehicle increases the fleet assigned to that department.

Public Safety and special use vehicles required for a specific job will be considered based on need, usage, and cost-benefits over the life of the vehicle.

The County Manager may, at the request of Fleet Management, remove or recall any county -vehicle from a department for one of the following reasons: 1) vehicle does not meet minimum mileage requirements, 2) vehicle abuse, or, 3) termination of position with assigned vehicle.

A department shall turn in the old vehicle before receiving a replacement vehicle. Any exception requires the approval of the Board of Commissioners.

Department Directors must complete a vehicle change form for purchase, sale, disposal or transfer of vehicles.

ACCOUNTING POLICY

The County shall establish and maintain the accounting system according to the generally accepted principles and standards of the Government Finance Officers Association and the National Committee on Governmental Accounting.

Full disclosure shall be provided in financial statements and bond representations.

Financial systems shall be maintained to monitor expenditures and revenues on a monthly basis with a thorough analysis and adjustment (if required) at mid-year.

The Finance Department shall review and recommend improvements in billing and collections procedures to enhance the collection of delinquent revenues on an annual basis.

DEBT POLICY

(Revised 08-07-12; Appendix C)

Long-term debt shall not be used to finance ongoing operational expenses

Long-term debt will not be amortized for a period beyond the life of the asset it is financing.

Net direct debt per capita is not to exceed \$1,200.

The net direct debt shall not exceed 3% of the assessed valuation of the taxable property of the County.

Net direct debt service cannot exceed 8% of total General Fund expenditures.

The County shall maintain a payout ratio of at least 65% of all outstanding principal in ten years.

Description	Policy Requirement	Current Status
Net direct debt as a % of GF expenditures	Less than 8%	6.7% (FY2015 Appropriation)
Net direct debt as a % of assessed valuation	Less than 3%	0.14% (FY2014 estimate)

RESERVE POLICY

(Revised 08-07-12; Appendix B)

The County shall maintain an unallocated fund balance of 15.0 percent of the total General Fund expenditures and transfers 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.

Fund balance appropriated will not exceed an amount management can reasonably expect to save during the year. If fund balance is appropriated to balance the following year's budget in an amount that, if spent, would reduce the percentage below fifteen percent (15%) an explanation of the circumstances of the utilization and a plan to save or replenish the fund balance will be included in the transmittal letter of the Comprehensive Annual Financial Report (CAFR).

Description	Policy Requirement	Current Status
GF unallocated fund balance	At least 15%	19.3% (FY2014 Estimate)

INVESTMENT POLICY

(Appendix D)

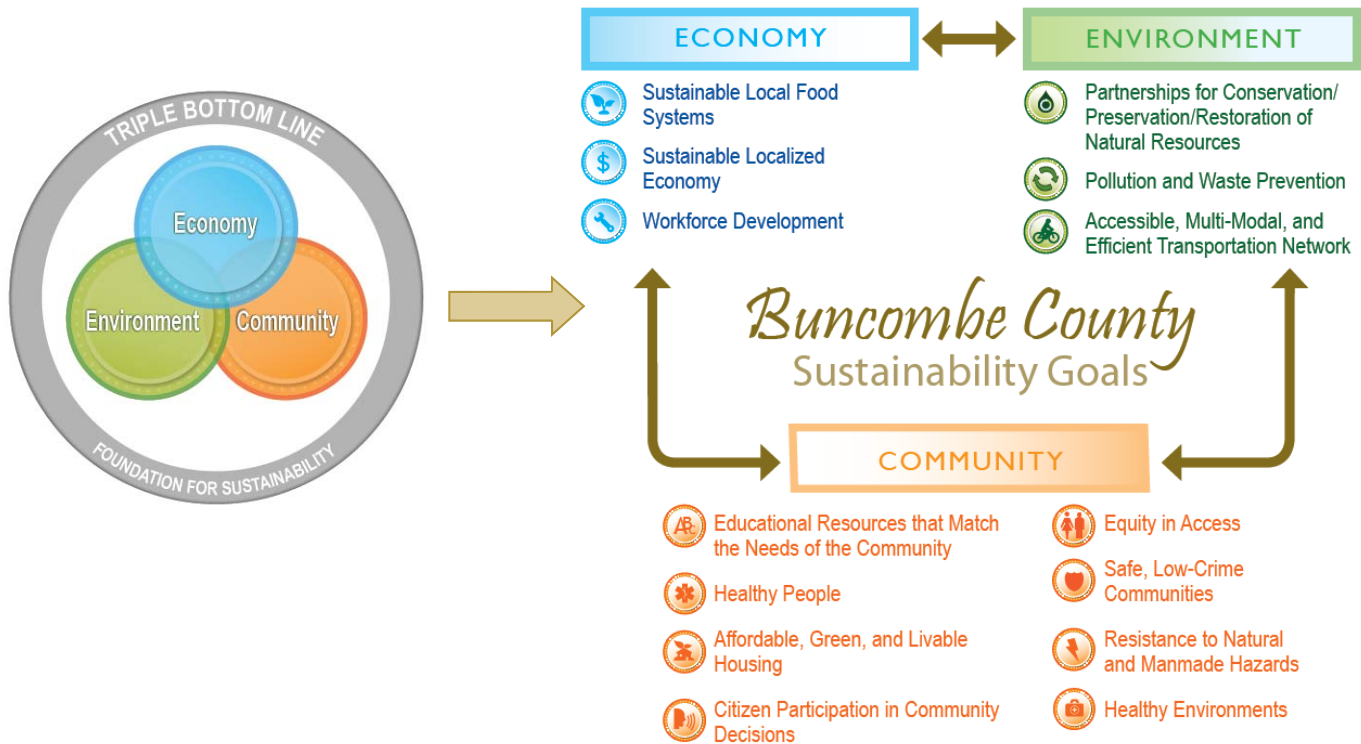
The County's investment program will focus on three objectives – safety, liquidity, and yield, with safety being the top priority.

Investment types are limited to those permitted by the investment policy although others are authorized by NC General Statute 159-30(c).

Investments will be diversified by security type and institution and not exceed maturities of three years unless specific authority is given to exceed. To the extent possible, the County will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the County will not directly invest in securities maturing more than two (2) years from the date of purchase. The Finance Director shall determine what the appropriate average weighted maturity of the portfolio shall be.

SUSTAINABILITY PLAN

The Buncombe County Board of Commissioners adopted a Sustainability Plan on May 15, 2012. This is a community-wide plan that was created through the development of goals and objectives that address the wide-reaching and interconnected needs and desires of the community. Click here to view the complete Sustainability Plan. This Plan is expected to be updated every five years, with an annual report provided to track and detail progress. The 2014 Annual Report can be found in Appendix E.



Each department has developed a mission statement and department goals that support the County's Sustainability Goals. The departments also developed objectives to support these goals and indicators to measure their progress toward accomplishing their mission. The Department Summaries, in a later section, clearly illustrate each department's mission, the County Sustainability goals they support, and the performance measures they are using to keep their department on track with the County's overall vision.



SERVICE AREAS & DEPARTMENTS

The following section presents a more detailed look at the Fiscal Year 2014-2015 budget for Buncombe County service areas and departments.

Goals and performance measures are also reported in this section for County departments. Each departmental short-term goal is tied to one of the County's Sustainability Goals. More information on the Sustainability Plan can be found in the Policies & Goals section of this Annual Budget Report.



GENERAL FUND

The **General Fund** is the County's main operating fund and accounts for resources traditionally associated with government that are not required legally or by sound financial management to be accounted for in other funds.

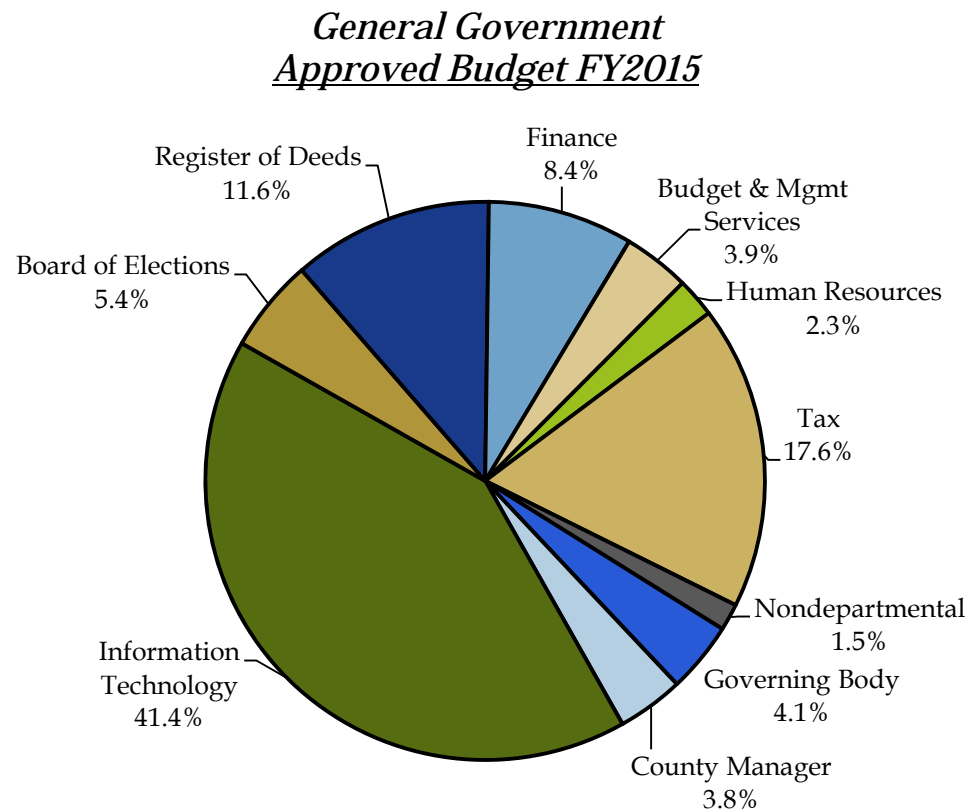
The following pages provide a more detailed look at the service areas and departments that comprise the General Fund. The major operating activities include:

- General Government
- Public Safety
- Human Services
- Economic & Physical Development
- Culture & Recreation
- Education

General Government

The General Government function provides administrative support for county government. It includes the Governing Body, County Manager, Human Resources, Tax, Board of Elections, Register of Deeds, Information Technology, Finance, and Budget & Management Services. The General Government function's budget is \$25,957,493 or 8.89% of the total General Fund expenditures for the fiscal year.

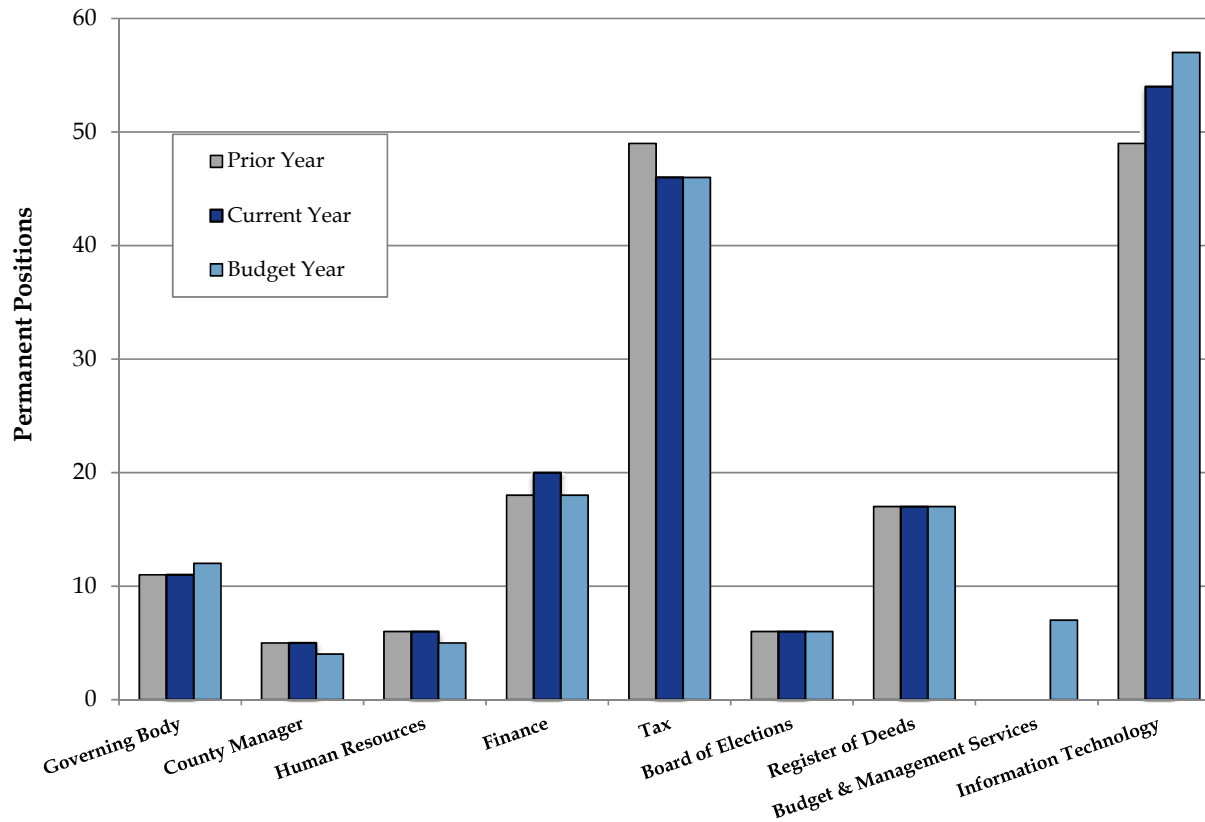
This function ensures smooth administration of all areas of the County services by maintaining compliance with accepted accounting principles and personnel statutes, by registering votes, by issuing marriage licenses, by recording property transactions, and by maintaining central record keeping. Buncombe County bills and collects taxes for six municipalities within the County.



General Government

Personnel Summary – Budgeted Permanent Positions

Department	Prior Year	Current Year	Budget Year	Percent Change	Explanation of Changes
Governing Body	11	11	12	9%	Multimedia Specialist position reclassified during FY2014
County Manager	5	5	4	-20%	Position transfer to Information Technology
Human Resources	6	6	5	-17%	Position transfer to Budget & Management Services
Finance	18	20	18	-10%	Positions transfer to Budget & Management Services
Tax	49	46	46	0%	
Board of Elections	6	6	6	0%	
Register of Deeds	17	17	17	0%	
Budget & Management Services	0	0	7		New department created in FY2014, positions transferred from other General Government departments.
Information Technology	49	54	57	6%	Five positions transferred from other departments, 2 positions transferred to Budget & Management Services
Total General Government	161	165	172	4.2%	



Governing Body

Mission

To provide effective and efficient government our citizens can trust and to deliver the needed services through a responsible work force committed to excellence, integrity and teamwork.

Program Description

The Buncombe County Board of Commissioners consists of seven members and is the County's legislative and policy making body. The Commissioners set policy, determine budgets for several agencies and set property tax rates for the entire county. The Governing Body department also includes the Public Information Division. Public Information is responsible for BCTV 2 (the County's television station) and the County's website, www.buncombecounty.org.

Governing Body	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	698,683	761,456	819,769	832,450
Operating	157,275	282,375	220,148	230,160
TOTAL:	855,958	1,043,831	1,039,917	1,062,610
Revenues:				
Other Taxes	31,409	32,520	31,846	32,520
Sales & Services	34,595	36,000	30,894	33,000
County	789,954	975,311	977,177	997,090
TOTAL:	855,958	1,043,831	1,039,917	1,062,610

Performance Measures

Sustainability Plan Goal:  Citizen Participation in Community Decisions

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Improve and increase citizens' knowledge of County services.					
Objective	Increase non-repetitive original programming produced by BCTV.					
Measure	Number of Public Service Announcements, special programs and monthly programs produced annually.	175	170	175	250	300
Department Goal	Improve Citizen Awareness of County Services and Special Events.					
Objective	Focus public attention on County's core services.					
Measure	Number of advertising campaigns focusing on core services.	5	5	5	13	15
Department Goal	Increase interaction and site traffic from County residents, organizations, and other entities through social media, e-services, and feedback forums.					
Objective	Utilize social media forums and create interactive tools and features on the website to engage citizens via the web.					
Measure	Yearly site traffic and number of subscribers to social media sites and eZine.					
	Social Media - # of Facebook Fans/Likes -	1,500	1,516	6,000	3,156	3,700
	Social Media - Twitter followers -		1,400		2,571	3,000
	eZine (# of subscribers) -	4,000	2,613	4,000	3,215	4,000
	YouTube (views) -	55,000	79,479	100,000	110,000	125,000

County Manager's Office

Mission

Provide a clear vision of Buncombe County government's purpose.

Program Description

The County Manager serves as the Chief Executive Officer of Buncombe County Government, appointed by and serving at the pleasure of the Board of County Commissioners, which sets policies and adopts ordinances that regulate Buncombe County government. In addition to carrying out the day-to-day administration of County government, the County Manager is responsible for implementing policies established by the Board of Commissioners, coordinating the work of all County agencies, and representing the County in dealings with other governmental units and agencies. The Manager's duties include preparing the countywide recommended budget, recommending new and revised policies and programs to the Board of Commissioners, and implementing county programs and services in an effective and efficient manner.

County Manager	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	749,313	748,408	656,567	708,098
Operating	202,777	290,734	208,763	290,814
Capital	21,124	0	0	0
TOTAL:	973,214	1,039,142	865,330	998,912
Revenues:				
County	973,214	1,039,142	865,330	998,912
TOTAL:	973,214	1,039,142	865,330	998,912

Performance Measures

Sustainability Plan Goals:



Aligns with/supports all three areas of sustainability.

		FY2013		FY2014		FY2015
		Target	Actual	Target	Estimate	Target
Department Goal	Control the tax rate.					
Objective	Focus on providing core services in an effective and efficient manner.					
Measure	Property tax per capita.	\$624	\$638	\$639	\$646	\$652
Measure	General Fund per capita.	\$1,092	\$1,127	\$1,079	\$1,113	\$1,173
** Measure	Property tax rate (in cents).	52.5	52.5	56.9	56.9	60.4
Objective	Manage Buncombe County workforce.					
Measure	Number of permanent positions.	1,406	1,406	1,369	1,369	1,442

** The General Fund tax rate change from FY2014 to FY2015 is due to the dissolution of the Culture & Recreation Authority, which was previously funded by a 3.5 cent tax rate. The Authority has been merged with the General Fund in FY2015 to continue funding for libraries and recreation facilities and programs.

Human Resources

Mission

The Human Resources Office provides a comprehensive system of personnel services to County employees, administration and the general public which ensures high quality service by attracting and retaining a qualified workforce through competitive compensation, employment benefits, employee training, and employee recognition in a cost efficient and courteous manner.

Program Description

The Human Resources office is responsible for advertising current openings and continued efforts to offer employees quality and affordable medical insurance by introducing wellness programs to help reduce health care expenditures.

Human Resources	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	605,040	495,046	529,072	523,975
Operating	116,067	62,057	71,865	64,340
TOTAL:	721,107	557,103	600,937	588,315
Revenues:				
County	721,107	557,103	600,937	588,315
TOTAL:	721,107	557,103	600,937	588,315

Performance Measures

Sustainability Plan Goal:



Support Service - provides support for those departments and services that directly align with Buncombe County's Sustainability Plan goals.

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Create paperless application process for job openings by enhancing online application capabilities.					
Objective	Advertise and promote online application process.					
Measure	Percent of online applications received.	97.0%	95.9%	97.0%	97.9%	98.5%
Department Goal	Introduce new wellness programs while promoting existing programs and increasing participation.					
Objective	Increase overall participation in County wellness programs.					
Measure	Overall participation in County wellness programs.	55.0%	44.3%	55.0%	46.2%	55.0%

Finance

Mission

To support a fiscally sound government, to effectively and efficiently deliver services, and provide good business decision support in an environment of teamwork with a commitment to excellence.

Program Description

The Finance Department assures fiscal and programmatic accountability to citizens through internal and external reporting and well-documented, clearly communicated procedures in the delivery of the following services: purchasing, records management, payroll, accounts payable, debt management and finance, financial forecasting, and internal audit.

Finance	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	1,737,899	1,608,353	1,476,891	1,721,558
Operating	422,293	553,103	378,837	456,296
Capital	69,799	0	0	0
Program Support	550	550	550	550
TOTAL:	2,230,541	2,162,006	1,856,278	2,178,404
Revenues:				
Miscellaneous	204,530	160,000	82,213	160,000
County	2,026,011	2,002,006	1,774,065	2,018,404
TOTAL:	2,230,541	2,162,006	1,856,278	2,178,404

Performance Measures (see next page)

Finance (continued)

Performance Measures

Sustainability Plan Goal:



Support Service - provides support for those departments and services that directly align with Buncombe County's Sustainability Plan goals.

		FY2013		FY2014		FY2015
		Target	Actual	Target	Estimate	Target
Department Goal	To enhance accuracy and accountability of financial reporting throughout the fiscal year by internally preparing financial statements					
Objective	Reduce the number of audit adjusting journal entries by 50%.					
Measure	Number of audit adjusting journal entries	15	2	5	2	5
Department Goal	Minimize the debt issued while continuing to meet capital needs and maintaining capacity for future growth					
Objective	Maintain high quality bond rating.					
Measure	Debt Rating - Moody's	Aa2	Aa1	Aa1	Aa1	Aaa
Measure	Debt Rating - Standard & Poor's	AAA	AAA	AAA	AAA	AAA
Objective	Maintain focus on debt management best practices and continue to outperform benchmark group					
o Measure	General Fund Debt Service as a percentage of expenditures	7%	12%	7%	6%	7%
* Benchmark	<i>Benchmark Group Average-General Fund Debt Service as % of exp</i>		13%			
Objective	Maintain an aggressive debt repayment schedule.					
Measure	Governmental Activities ten year payout ratio - the percentage of debt principal that will retire in 10 years		69%		60%	60%

* Benchmark group consists of the largest NC urban counties. These counties are Catawba, Cumberland, Durham, Forsyth, Gaston, Guilford, Mecklenburg, New Hanover, and Wake.

o Measure targets are based on adopted/recommended General Fund budget

Tax Department

Mission

The Tax Department will respond to taxpayer concerns quickly, fairly and with compassion.

Program Description

The Tax Department fairly and accurately assesses and lists all real, business and personal property taxes, generates timely and accurate tax bills, collects and accounts for all taxes owed, and conducts the quadrennial reappraisal.

Tax	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	3,447,170	3,457,617	3,439,708	3,508,453
Operating	664,932	1,143,383	858,793	1,063,181
Capital	29,714	0	0	0
TOTAL:	4,141,816	4,601,000	4,298,501	4,571,634
Revenues:				
Restricted	823,386	827,700	886,397	827,700
Sales & Services	28,903	0	3,011	0
Miscellaneous	63,084	68,700	51,991	68,700
County	3,226,443	3,704,600	3,357,102	3,675,234
TOTAL:	4,141,816	4,601,000	4,298,501	4,571,634

Performance Measures

Sustainability Plan Goal:



Citizen Participation in Community Decisions

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Review all real estate parcels before next reappraisal date.					
Objective	Visit property locations to make sure property information is correct for billing.					
Measure	Percent of properties inspected annually by appraisers.	25.00%	20.00%	40.00%	42.00%	65.00%
Department Goal	Collect the highest revenue percentage possible for Buncombe County.					
Objective	Contact all property owners with uncollected tax amounts.					
Measure	Percent of taxes collected by June 30th.	98.85%	99.00%	99.00%	99.42%	99.50%
Department Goal	Provide the best and most updated property tax data to Citizens by way of website.					
Objective	Post tax information to County's website daily to give Citizens the most updated tax information available on real estate, business, and personal property.					
Measure	Annual number of visits to Tax Department website by Citizens	525,000	588,294	600,000	604,127	610,000

Board of Elections

Mission

The Board of Elections provides qualified citizens in Buncombe County the opportunity to register and vote in all primaries and elections irrespective of race, sex, religion, party affiliation, or physical disability. The board also strives to protect the integrity of the election process and to maintain accurate voter registration records.

Program Description

The Board of Elections is responsible for filing candidates, accepting and auditing campaign reports from local candidates and political committees, and providing general election information and assistance to the public.

Board of Elections	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	949,146	889,237	749,586	914,186
Operating	599,636	583,203	468,148	490,680
TOTAL:	1,548,782	1,472,440	1,217,734	1,404,866
Revenues:				
Restricted	10,435	0	0	0
Sales & Services	670	315,000	265,897	1,600
County	1,537,677	1,157,440	951,837	1,403,266
TOTAL:	1,548,782	1,472,440	1,217,734	1,404,866

Performance Measures

Sustainability Plan Goal:  Citizen Participation in Community Decisions

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	To enhance the professionalism of staff, as well as the level of service provided.					
Objective	Election Administrator Certification for all permanent staff and staff participation in extracurricular trainings and county committees.					
Measure	Percentage of staff certified and participating in other programs/trainings/events.	100%	99%	100%	99%	100%
Department Goal	To enhance the level of service to voters.					
Objective	Increase participation in early voting.					
Measure	Number of persons participating in early voting program.	100,000	84,000	30,000	8,280	60,000

Register of Deeds

Mission

To operate the office of Register of Deeds in statutory compliance and to accurately produce a legible and complete record in a timely manner, and to insure the preservation and security of the publics' most vital records.

Program Description

The Register of Deeds office maintains the following records: real property index of the county, instruments of security such as mortgages and deeds of trust and uniform commercial code fixture filings, military service records, records of the office of notaries public and businesses operating under assumed names, vital records, and various other records.

Register of Deeds	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	1,202,885	1,218,281	1,229,927	1,251,996
Operating	1,667,948	1,666,492	1,794,494	1,757,845
TOTAL:	2,870,833	2,884,773	3,024,421	3,009,841
Revenues:				
Permits & Fees	1,532,903	1,381,855	1,389,353	1,381,855
Excise Tax	2,851,593	2,773,664	3,072,190	3,023,664
County	-1,513,663	-1,270,746	-1,437,122	-1,395,678
TOTAL:	2,870,833	2,884,773	3,024,421	3,009,841

Performance Measures

Sustainability Plan Goal:



Equity in Access

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Increase productivity through technology.					
Objective	To show an increase in the number of online vital records requests.					
Measure	Number of online requests received and processed.	500	2,031	3,000	2,090	2,200
Department Goal	Continue to improve the number of eRecordings that are received and processed each year online.					
Objective	To increase the number of eRecordings.					
Measure	Number of eRecordings received and processed online.		6,337	7,500	7,144	7,500
Department Goal	Continue to improve the number of marriage licenses issued per year with the assistance of the Online Marriage Application.					
Objective	To increase the total number of marriage licenses issued for the year.					
Measure	Number of marriage licenses issued.	2,300	2,173	2,200	2,125	2,100

Budget & Management Services

Mission

To provide budgetary and program guidance while ensuring statutory compliance, maintaining the integrity of the County's resources, and achieving the goals and priorities of the County and its citizens.

Program Description

The Budget & Management Services department works closely with the County Manager in developing and administering the County's annual and capital budgets, performing program evaluations and ensuring compliance with applicable policies, laws, and standard accepted budgetary controls and practices. The department also administers the County's risk management function and co-manages the Business Intelligence Function.

Budget & Management Services	2012/13 Actual*	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	0	926,518	195,416	933,201
Operating	0	40,000	15,691	69,366
TOTAL:	0	966,518	211,107	1,002,567
Revenues:				
County	0	966,518	211,107	1,002,567
TOTAL:	0	966,518	211,107	1,002,567

*Department established mid FY2014

Performance Measures (see next page)

Budget & Management Services (continued)

Performance Measures

Sustainability Plan Goal:



Support Service - provides support for those departments and services that directly align with Buncombe County's Sustainability Plan goals.

		FY2013		FY2014		FY2015
		Target	Actual	Target	Estimate	Target
Department Goal	To appropriate a sufficient and reasonable fund balance consistent with prudent budgeting practices					
Objective	To save appropriated fund balance within 2% of target.					
Measure	Percentage of adopted Appropriated Fund Balance saved	100%	101%	100%	100%	100%
Department Goal	To provide County leadership with robust data to assist in strategic, tactical and operational decision making.					
Objective	To complete scheduled Phase I implementations. Phase I in all cases includes the initially identified and agreed upon data gathering, modeling and reports at each department.					
Measure	Phase I implementations completed	N/A	N/A	N/A	N/A	5
* Department Goal	To protect and preserve Buncombe County assets and its employees against losses by focusing on prevention.					
Objective	To outperform Workers Compensation Benchmark Group and Best Practice standard.					
Measure	Ultimate number of workers comp claims	N/A	41	N/A	63	<69
Benchmark	<i>Benchmark Group</i>		84		86	
Benchmark	<i>Best Practice</i>		68		69	
Measure	Workers comp claims per \$1 million of payroll	N/A	0.57	N/A	0.84	<0.92
Benchmark	<i>Benchmark Group</i>		1.18		1.15	
Benchmark	<i>Best Practice</i>		0.94		0.92	

* Workers compensation data based on policy year, which begins October 14th. FY2014 Estimate = data from 10/14/2013 thru 7/2/2014.

Information Technology

Mission

Information Technology provides leadership for the collaborative planning and application of an accessible integrated technology environment for all department/agencies to help them achieve their operational goals and delivery of services to citizens through quality cost effective solutions.

Program Description

The Information Technology department installs and maintains the PCs, laptops and telephone system for County employees. The department also provides technical and application support to registered County users.

Information Technology	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	4,690,138	5,283,534	4,819,463	5,745,000
Operating	3,568,585	4,631,037	4,703,348	4,994,212
Capital	40,128	23,391	60,945	0
TOTAL:	8,298,851	9,937,962	9,583,756	10,739,212
Revenues:				
Sales & Services	5,516	5,100	20,083	25,188
County	8,293,335	9,932,862	9,563,673	10,714,024
TOTAL:	8,298,851	9,937,962	9,583,756	10,739,212

Performance Measures

Sustainability Plan Goal:



Support Service - provides support for those departments and services that directly align with Buncombe County's Sustainability Plan goals.

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Expand applications to provide on-line services to the public.					
Objective	Be responsive to customer needs for access to County services online.					
Measure	Number of accesses to County website.	1,627,243	1,597,443	1,715,823	1,601,758	1,650,000
Department Goal	Meet technology needs of County departments.					
Objective	Assure technology needs of departments are met on a 24/7 basis.					
Measure	Percent time Server is available.	99.80%	99.82%	99.90%	99.90%	99.90%
Measure	Percent time Network is available.	99.90%	99.92%	99.95%	99.95%	99.95%
Department Goal	Maintain a highly trained IT staff.					
Objective	Provide sufficient training so IT staff can provide exceptional customer service.					
Measure	Educational hours received per IT employee.	40	32	40	36	40

Public Safety

The Public Safety function is composed of the Sheriff's Department, Emergency Services, Court Support, Justice Resource Center, Pre-Trial Services, Identification Bureau & Centralized Data Entry (CCBI/CDE), Permits & Inspections, General Services, Parking Services, CJIS (Criminal Justice Information System), and the Public Safety Training Center. The Public Safety budget totals \$59,549,630 accounting for 20.39% of the total General Fund expenditures for the fiscal year.

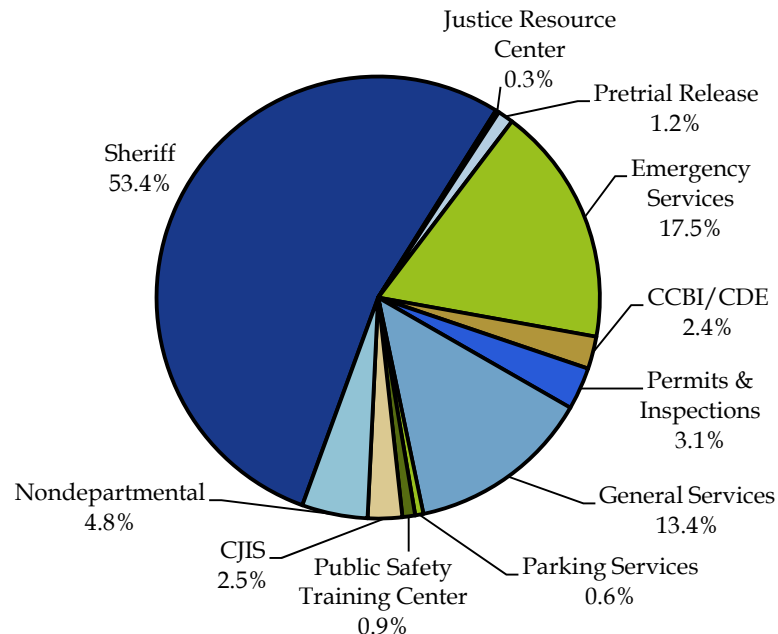
The Sheriff's Department includes Crimestoppers, BCAT, School Resource Center, Animal Control, Patrol and Investigations, Court Security, and the Detention Center.

Emergency Services includes Emergency Management, Radio, and Emergency Medical Services. They provide emergency communication and transportation to medical care facilities.

The Identification Bureau and Central Data Entry provide a centralized database system of complete and accurate criminal history information on all persons arrested or cited in the County.

General Services provides maintenance for all County facilities, grounds, and vehicles.

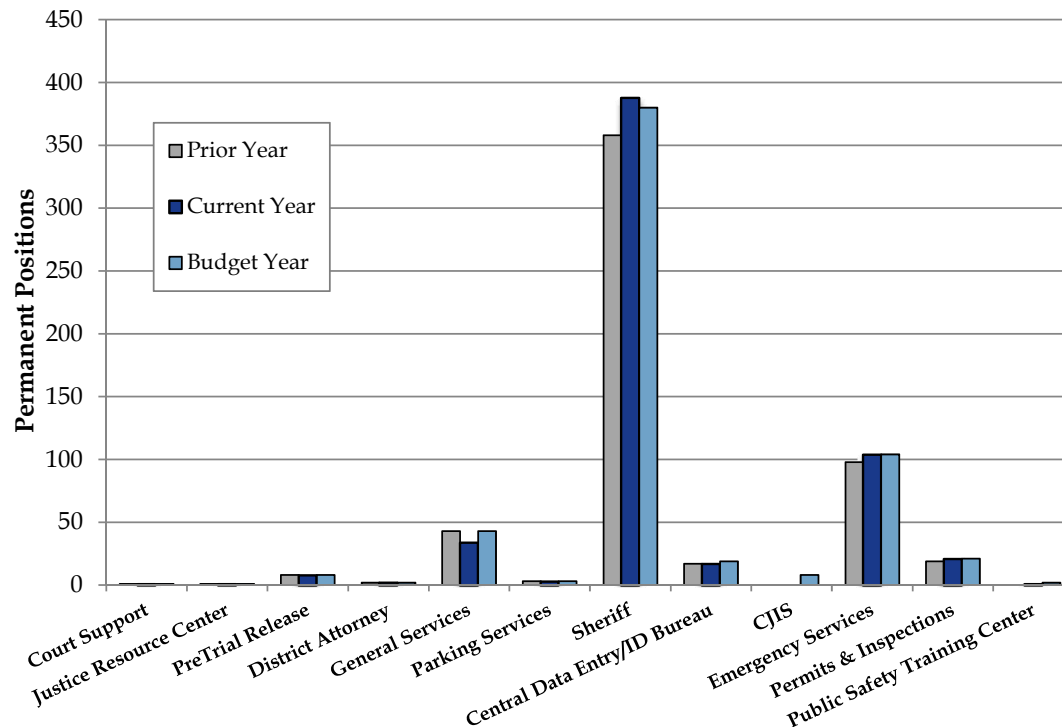
***Public Safety
Approved Budget FY2015***



Public Safety

Personnel Summary - Budgeted Permanent Positions

Department	Prior Year	Current Year	Budget Year	Percent Change	Explanation of Changes
Court Support	1	1	1	0%	
Justice Resource Center	1	1	1	0%	
PreTrial Release	8	8	8	0%	
District Attorney	2	2	2	0%	
General Services	43	34	43	26%	Positions transferred to Culture & Recreation Authority in FY2014 have returned to department.
Parking Services	3	3	3	0%	
Sheriff	358	388	380	-2%	Nine positions to be funded by grants, one position transferred from Central Data Entry/ID Bureau
Central Data Entry/ID Bureau	17	17	19	12%	Position transfer to Sheriff, 3 new positions approved in FY2014
CJIS			8		Positions transferred from the CJIS Enterprise Fund.
Emergency Services	98	104	104	0%	
Permits & Inspections	19	21	21	0%	
Public Safety Training Center		1	2	100%	Position transferred from Library.
Total Public Safety	550	580	592	2.1%	



Sheriff's Department

Mission

Provide and maintain a safe, orderly and peaceful community in which to live and work. We will continue to enhance the quality of life in our County by providing cost effective, responsible and efficient law enforcement services, guided by integrity and compassion for those we serve.

Program Description

The Sheriff's Office is comprised of the following departments: Civil Process, Detention Center, Court Security, Sex Offender Registration, Gun Permits, Tax Collection Enforcement, Gambling Machine & Site Registration and Enforcement, Sheriff's Training, Patrol, Criminal Investigations, Communications Center, Metropolitan Enforcement Group, Senior Citizens Reassurance Program, Crime Prevention, Victim Assistance, School Resource, Animal Control, and Crimestoppers.

Sheriff	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	24,765,595	26,144,572	26,100,763	26,731,856
Operating	4,798,760	5,252,051	5,439,081	5,032,835
Capital	60,357	10,264	10,264	0
Program Support	5,700	5,700	5,700	5,700
TOTAL:	29,630,412	31,412,587	31,555,808	31,770,391
Revenues:				
Restricted	542,699	476,976	491,853	451,466
Sales & Services	2,464,734	2,103,400	2,207,272	2,103,400
Miscellaneous	0	0	0	0
County	26,622,979	28,832,211	28,856,683	29,215,525
TOTAL:	29,630,412	31,412,587	31,555,808	31,770,391

Performance Measures

Sustainability Plan Goal:  Safe, Low-Crime Communities

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Improve the efficiency and operations of all areas of the Sheriff's office.					
Objective	Maintain a responsible and manageable average response time to priority calls for service that does not exceed 10 minutes.					
Measure	Average response time for Level 1 priority calls (in minutes).	10.00	9.19	9.50	9.10	9.50
Department Goal	Improve the efficiency and operations of all areas of the Sheriff's office.					
Objective	Improve facility practices with a focus toward reducing recidivism by identifying mental health and substance abuse services consumers and coordinating effective resources for them.					
Measure	Number of jail days saved through mental health case management, substance abuse case management and jail diversion (JUST) as a percentage of jail capacity.	10.0%	17.0%	15.0%	21.0%	15.0%
Department Goal	Improve the efficiency and operations of all areas of the Sheriff's office.					
Objective	Deploy resources and implement strategies, in cooperation with community substance abuse programs and coalitions, to help reduce the overall negative impact of illicit drug and alcohol use in the county's middle and high schools.					
Measure	Number of hours reported by Sheriff's personnel engaged in educational programs, related enforcement, student and/or family interactions and administrative planning and coordination of specific shorter term substance abuse reduction goals.	3,300	3,310	3,300	4,120	4,000

Emergency Services

Mission

To preserve and enhance the quality of life of our citizens in the most efficient and effective manner possible.

Program Description

Emergency Services is comprised of EMS, Emergency Management, Radio/911 and Training & Development.

Emergency Services	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	7,772,138	8,442,696	8,271,916	8,814,416
Operating	1,400,374	1,563,371	1,417,161	1,607,821
Capital	6,783	0	0	0
Program Support	17,149	12,750	8,860	12,750
Contingency	0	0	0	0
TOTAL:	9,196,444	10,018,817	9,697,937	10,434,987
Revenues:				
Restricted	246,892	254,860	250,660	260,219
Sales & Services	5,827,295	6,000,000	5,800,151	6,000,000
County	3,122,257	3,763,957	3,647,126	4,174,768
TOTAL:	9,196,444	10,018,817	9,697,937	10,434,987

Performance Measures

Sustainability Plan Goal:



Resistance to Natural and Manmade Hazards

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Improve quality of service.					
Objective	Reduce average response time for ambulances.					
Measure	Percent of all calls for services with response time of 10 minutes or less (emergency & non-emergency calls).	75%	74%	75%	76%	77%
Department Goal	Improve quality of service.					
Objective	Reduce dispatch time.					
Measure	Percent of all calls for service dispatched within 90 seconds after location confirmation.	95%	95%	95%	95%	97%
Department Goal	Address community needs by enhancing services					
Objective	Reduce errors in billing information.					
Measure	Error Rate on Bills	8%	8%	8%	8%	8%

Justice Resource Center

Mission

The Buncombe County Justice Resource Center seeks to rehabilitate eligible offenders under the Structured Sentencing Act toward successful completion of their conditions of probation while specifically addressing the issues of substance abuse, inadequate educational and life skills and low employability.

Program Description

This department offers on-site rehabilitative services for eligible offenders who have a desire to make positive changes in their lives. Available services offered, depending on assessed offenders needs, are substance abuse, education, employment and life skills training.

Justice Resource Center	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	95,669	99,574	105,136	101,652
Operating	43,904	83,244	50,965	51,991
TOTAL:	139,573	182,818	156,101	153,643
Revenues:				
Restricted	86,511	182,818	114,002	153,643
County	53,062	0	42,099	0
TOTAL:	139,573	182,818	156,101	153,643

Performance Measures

Sustainability Plan Goal:  Safe, Low-Crime Communities

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Reduce alcohol & drug dependency among offenders.					
Objective	Ensure all clients who need it receive substance abuse assessments and treatment.					
Measure	Percent of participants receiving assessment and treatment.	100%	100%	100%	100%	100%
Department Goal	Reduce probation revocations.					
Objective	Maintain high graduation rate among program enrollees so their probation isn't revoked.					
Measure	Percent of offenders enrolled that successfully complete program.	65%	20%	60%	54%	65%
Department Goal	Assist offenders in obtaining/maintaining employment.					
Objective	Enroll offenders in career development course.					
Measure	Percent of offenders that complete coursework and obtain/maintain employment.	65%	60%	85%	93%	95%

Pretrial Release

Mission

To expedite the release of those defendants who are appropriate while increasing public safety by providing supervision for these defendants.

Program Description

The Supervised Pretrial Release Office provides services to the Buncombe County Detention Facility that encourages jail population management through supervised release of defendants resulting in reduction of jail costs and increased public safety. The office provides information to the court on all defendants held in custody. This information is used by the Judges and attorneys involved in the bond process. If defendants are released, the Pretrial Release staff provides case management and supervision of the defendant while in the community.

Pretrial Release	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	596,934	608,816	614,664	637,749
Operating	59,788	38,564	47,142	47,255
TOTAL:	656,722	647,380	661,806	685,004
Revenues:				
Sales & Services	0	2,800	0	0
County	656,722	644,580	661,806	685,004
TOTAL:	656,722	647,380	661,806	685,004

Performance Measures

Sustainability Plan Goal:  Safe, Low-Crime Communities

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Facilitate and expedite the release of appropriate defendants at the jail.					
Objective	Provide a validated risk assessment measuring risk of reoffending and failure to appear for every defendant scheduled for a bond hearing in district court.					
Measure	Number of bond investigations with risk scores provided to the court as a percentage of bond hearings held in district court.	97.0%	95.0%	96.0%	98.0%	98.0%
Department Goal	Reduce incarceration costs by providing supervision for appropriate defendants.					
Objective	Facilitate the release of appropriate defendants.					
Measure	Number of jail days saved by pretrial releases as a percentage of jail capacity.	28.0%	34.0%	35.0%	58.0%	58.0%
Department Goal	Provide efficient and appropriate case management for released defendants.					
Objective	Safely return defendants to court for case disposition.					
Measure	Number of successful completions as a percentage of all supervised cases.	90.0%	92.0%	93.0%	93.0%	94.0%

City – County Bureau of Identification/Centralized Data Entry

Mission

To support the Criminal Justice/Public Safety community and citizens of Buncombe County through timely and accurate data entry services, and complete and precise dissemination of information with integrity, fairness, respect and professionalism.

Program Description

The City-County Bureau of Identification (CCBI) maintains criminal history records, mug shot photos, and fingerprints generated through felony arrests; and provides criminal histories for background checks. Centralized Data Entry (CDE) creates and maintains the electronic record especially in regard to the master name index, warrants, processes, citations, arrests, detention, and pawn records.

This department also processes concealed weapon and pistol purchase permits.

CCBI/CDE	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	1,179,787	1,250,640	1,157,878	1,333,046
Operating	62,095	78,841	73,516	78,452
TOTAL:	1,241,882	1,329,481	1,231,394	1,411,498
Revenues:				
Restricted	716,828	683,201	697,829	757,155
Sales & Services	77,499	60,000	66,058	65,000
County	447,555	586,280	467,507	589,343
TOTAL:	1,241,882	1,329,481	1,231,394	1,411,498

Performance Measures

Sustainability Plan Goal:  Safe, Low-Crime Communities

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Identify and maintain name files associated with an alias name					
Objective	Provide public safety and the courts with current, accurate, and precise data					
Measure	Percentage of names associated with an alias name	36%	32%	36%	34%	33%
Department Goal	Identify, process, and maintain processes involving identity theft/obstruction of justice					
Objective	Provide public safety and the courts with current, accurate, and precise data					
Measure	Percentage of identity theft/obstruction of justice warrants served	85%	91%	87%	91%	92%
Department Goal	Process, identify, and maintain arrestee information via fingerprint technology					
Objective	Provide public safety and the courts with current, accurate, and precise data					
Measure	Percentage of arrests having fingerprints submitted to SBI	55%	55%	55%	54%	54%

Permits & Inspections

Mission

Create an environment that supports economic development by providing a convenient and customer friendly permitting process.

Program Description

Promote our citizen's safety, health and general welfare by administering and enforcing the North Carolina State Building Codes as adopted by the Building Code Council.

Permits & Inspections	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	1,487,287	1,642,283	1,540,813	1,674,783
Operating	139,386	167,617	177,076	169,027
TOTAL:	1,626,673	1,809,900	1,717,889	1,843,810
Revenues:				
Permits & Fees	1,097,439	1,166,760	1,686,058	1,345,330
Sales & Services	5,886	3,100	7,317	3,100
County	523,348	640,040	24,514	495,380
TOTAL:	1,626,673	1,809,900	1,717,889	1,843,810

Performance Measures

Sustainability Plan Goals:



Affordable, Green, and Livable Housing



Healthy Environments

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Promote citizen safety by enforcing the North Carolina Building Codes.					
Objective	Maintain a quality control audit process executed twice/year/inspector.					
Measure	Percent of code compliant inspections, including violations found by audit & corrected by contractor.	95%	93%	95%	90%	95%
Department Goal	Provide accurate and prompt plan review.					
Objective	Review residential plans within 3 working days.					
Measure	Percent of residential plans reviewed within 3 working days.	99%	98%	99%	98%	99%
Department Goal	Provide timely service delivery in performing inspections.					
Objective	Perform trade inspections the same day if they are requested by 9 AM.					
Measure	Percent of inspections performed on same day.	99%	99%	99%	99%	99%

General Services

Mission

The General Services Department regularly and routinely maintains a safe, sanitary, effectively functioning, aesthetic, ergonomic environment, and complies with all regulatory agencies in those facilities designated as the responsibility of this department.

Program Description

General Services consists of Building Maintenance and Fleet Maintenance. They provide routine, emergency & construction building maintenance at over 93 County locations. The Fleet Maintenance crew provides preventative maintenance and repairs for the County vehicle fleet.

General Services	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	2,596,044	2,705,857	2,338,009	2,867,680
Operating	3,660,125	4,517,167	3,823,107	5,124,502
Capital	51,522	299,483	13,380	0
Program Support	235,121	0	0	0
TOTAL:	6,542,812	7,522,507	6,174,496	7,992,182
Revenues:				
Restricted	385,663	445,000	352,079	445,000
Sales & Services	699,900	648,328	667,130	680,000
Miscellaneous	0	52,266	0	52,266
County	5,457,249	6,376,913	5,155,287	6,814,916
TOTAL:	6,542,812	7,522,507	6,174,496	7,992,182

Performance Measures

Sustainability Plan Goal:



Partnerships for Conservation/Preservation/
Restoration of Natural Resources

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Provide overall facility maintenance to insure a productive work environment.					
Objective	Investigate and initiate cost savings programs.					
Measure	Operating expense per square foot.	\$4.10	\$4.03	\$4.10	\$3.91	\$4.10
Department Goal	Provide timely and professional service for all fleet vehicles.					
Objective	Investigate and initiate cost savings programs.					
Measure	Average fleet monthly availability.	100.00%	98.24%	100.00%	97.96%	100.00%
Measure	Maintenance cost per mile driven for vehicles.	\$0.08	\$0.07	\$0.08	\$0.06	\$0.08
Department Goal	Provide and maintain energy efficient utilities for all facilities by being fiscally responsible as well as environmentally friendly.					
Objective	Investigate and initiate cost savings programs.					
Measure	Energy cost per square foot.		\$1.16	\$1.09	\$1.06	\$1.09
Department Goal	Provide timely service.					
Objective	Complete 100% of monthly work orders.					
Measure	Percentage of monthly work orders completed.	100.00%	85.00%	100.00%	95.20%	100.00%

o Data prior to FY2014 based on calendar year rather than fiscal year. Updated tracking system implemented in FY2014.

FY - Fiscal Year

CY - Calendar Year

Public Safety Training Center

The Public Safety Training Center is a 30 acre facility that includes live fire burn buildings, flammable liquids simulator, road skills course, and other facilities that accommodate state-of-the-art training techniques and foster teamwork across various disciplines of law enforcement and emergency response. The facility's ribbon cutting was held in October 2012, and the first class was completed in December 2012.

Public Safety Training Center	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	34,582	108,210	117,234	194,940
Operating	6,534	364,371	108,529	358,525
TOTAL:	41,116	472,581	225,763	553,465
Revenues:				
County	41,116	472,581	225,763	553,465
TOTAL:	41,116	472,581	225,763	553,465

Parking Services

The Parking Services department operates the 650 space College Street Parking Deck and manages 49 numbered parking spaces in the Stanley building surface lot. These parking facilities service Buncombe County employees, jurors, parking lessees and the general public. Parking deck fees for the general public are \$1 per hour with a maximum daily charge of \$8.

Parking Services	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	198,112	261,475	251,427	287,599
Operating	46,676	71,778	40,321	70,743
Capital	29,900	0	18,145	0
TOTAL:	274,688	333,253	309,893	358,342
Revenues:				
Sales & Services	270,600	260,000	301,388	260,000
County	4,088	73,253	8,505	98,342
TOTAL:	274,688	333,253	309,893	358,342

Performance Measures

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Provide cost effective parking services.					
Objective	Increase total parking revenues 1% each year					
Measure	Annual parking revenues and growth percentage.	N/A	N/A	N/A	\$301,388	\$304,402
						1%
Objective	Hold net parking cost growth to inflation rate.					
Measure	Net parking cost growth and CPI percentage.	N/A	N/A	N/A	\$ 8,504	\$8,632
						1.5%

Criminal Justice Information System (CJIS)

Prior to FY2015 Criminal Justice Information System operated as an Enterprise Fund with only the County's per officer cost being accounted for in the General Fund. This fiscal year the CJIS Enterprise Fund has merged with the General Fund. The services offered by the system are offered on a per officer cost basis to the surrounding law enforcement agencies. The Criminal Justice Information System maintains connectivity to data from other County, City and State agencies and makes this data available to public safety employees 24 hours a day, 365 days a year.

CJIS	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	0	0	0	854,025
Operating	685,100	716,100	716,100	642,148
TOTAL:	685,100	716,100	716,100	1,496,173
Revenues:				
Restricted	0	0	0	751,478
County	685,100	716,100	716,100	744,695
TOTAL:	685,100	716,100	716,100	1,496,173

Other Public Safety

Other Public Safety includes support for Court Support, Juvenile Detention System, Medical Examiner, District Attorney, and Animal Services.

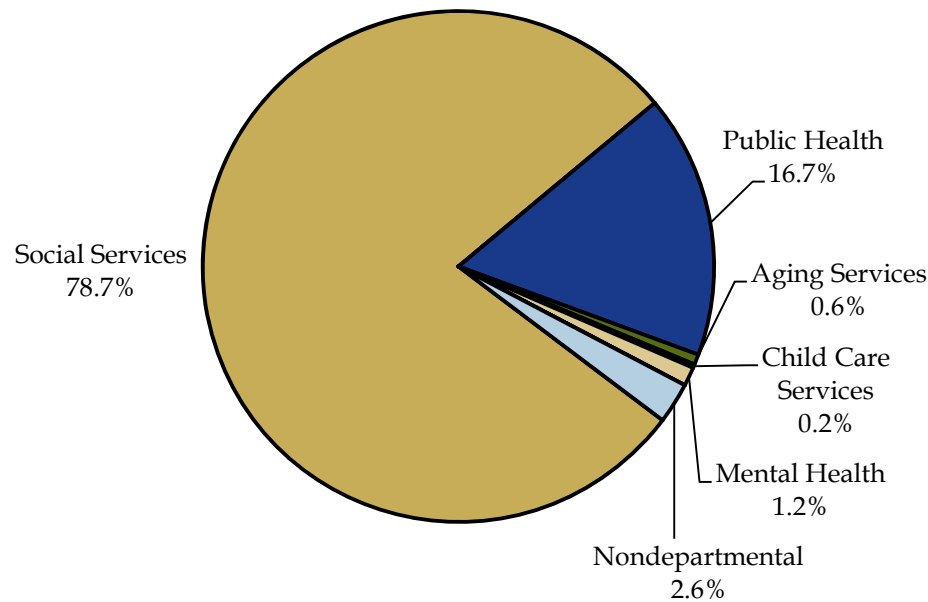
Other Public Safety	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	278,303	242,692	302,267	275,072
Operating	1,159,750	1,307,660	1,192,172	1,425,233
Program Support	0	0	0	18,000
TOTAL:	1,438,053	1,550,352	1,494,439	1,718,305
Revenues:				
County	1,438,053	1,550,352	1,494,439	1,718,305
TOTAL:	1,438,053	1,550,352	1,494,439	1,718,305

Human Services

The Human Services function is composed of Public Health, Social Services, Aging Services, Child Care Services, Mental Health, and Other Human Services. The Human Services function has a budget of \$87,845,775, which is 30.08% of the total General Fund expenditures for the fiscal year. Public Health expenditures, \$14,650,967, will be used for specialized public health service. The Social Services expenditures of \$69,096,917 will be used to support human needs. Child Care Services expenditures of \$207,508 will be used by Southwestern Child Development Commission for the operation of the Valley Child Development Center. The remaining \$3,890,383 will be used to provide specialized human service needs to citizens through mental health programs as well as services to youth and assistance to the elderly.

The dependence of the services on federal and state grants makes the budget process very difficult. Therefore, Buncombe County has a very conservative approach to anticipated revenues and a realistic approach to the service levels. This cushions the impact that federal and state funding fluctuations have on service levels.

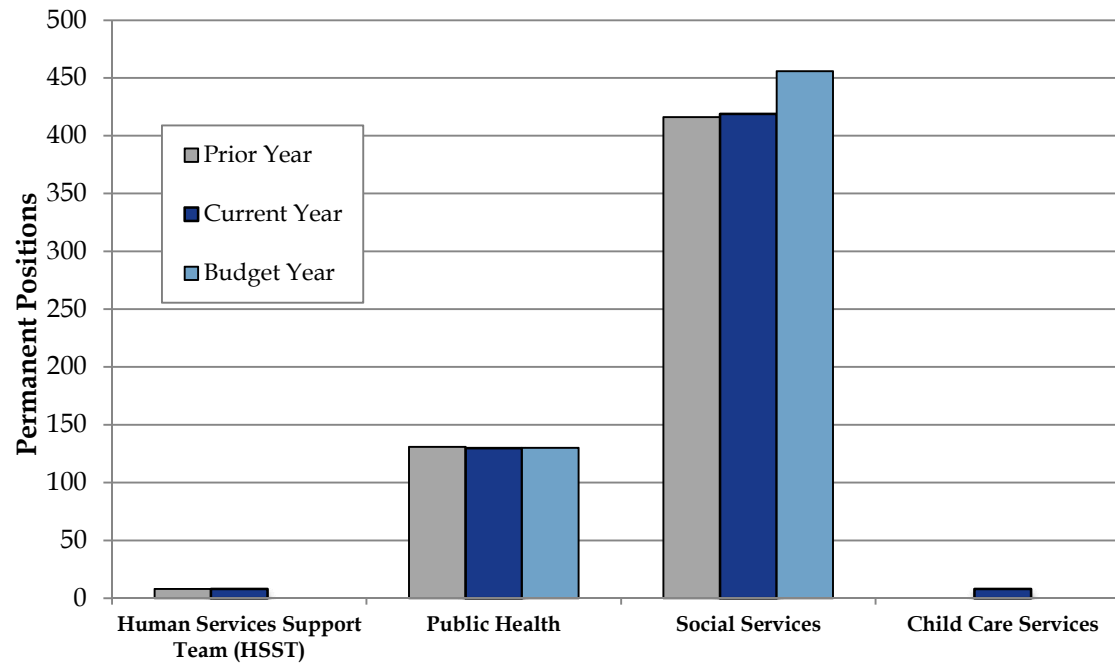
*Human Services
Approved Budget FY2015*



Human Services

Personnel Summary – Budgeted Permanent Positions

Department	Prior Year	Current Year	Budget Year	Percent Change	Explanation of Changes
Human Services Support Team (HSST)	8	8	0	-100%	Positions transferred to Public Health and Social Services
Public Health	131	130	130	0%	
Social Services	416	419	456	9%	Additional positions approved/transferred to meet caseload growth and NCFAST requirements.
Child Care Services		8	0	-100%	Child Care Services contracted out with Southwestern Child Care Development.
Total Human Services	555	565	586	4%	



Public Health

Mission

To protect, promote and assure the health of all people in Buncombe County.

Program Description

The Department of Health works to promote and protect the public's health and to assure through community partnerships that all people in Buncombe County have the opportunity to make healthy choices within a healthy environment. The Department offers the following services to Buncombe County residents: ***Disease Control*** (Communicable Disease and TB); ***Clinical Services*** (Family Planning, breast and cervical cancer and cardiovascular screening, Immunizations, STD/HIV); ***Community Health Services*** including Health Promotion, School Health Nurses, Nurse Family Partnership, Social Work and Nutrition (WIC, Breastfeeding); ***Support Services*** including Environmental Health (Food & Lodging, On-Site Waste Water & Wells), Preparedness Planning, Lab, and Pharmacy.

Public Health	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	10,282,364	10,957,529	10,438,279	11,005,170
Operating	2,674,097	2,835,989	2,692,738	3,129,797
Capital	0	2,635	2,635	0
Program Support	136,000	136,000	133,000	136,000
Contingency	0	0	0	380,000
TOTAL:	13,092,461	13,932,153	13,266,652	14,650,967
Revenues:				
Restricted	4,288,964	3,968,638	3,986,517	4,062,998
Sales & Services	1,905,309	1,393,365	1,937,541	1,537,243
Miscellaneous	150,156	150,000	150,353	150,000
County	6,748,032	8,420,150	7,192,241	8,900,726
TOTAL:	13,092,461	13,932,153	13,266,652	14,650,967

Performance Measures (see next page)

Public Health (continued)

Performance Measures

Sustainability Plan Goals:  Healthy People  Healthy Environments

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Focus on results.					
Objective	Increase public well-being.					
Measure	Percentage of total program benchmarks achieved.	≥ 90%	96.3%	≥ 90%	86.7%	≥ 90%
Overall Results for year-end benchmarks (benchmarks achieved/total number of benchmarks):			26/27		26/30	
<i>Community Health Promotion:</i>			12/12		14/15	
<i>Community Protection & Preparedness:</i>			2/3		2/3	
<i>Clinical Services:</i>			12/12		10/12	
Department Goal	Excellence in business operations.					
Objective	Maximize resources.					
* Measure	Percentage of reimbursement & collection captured for eligible expenses.	≥ 85%	93.8%	≥ 85%	93.5%	≥ 85%
Department Goal	Smart partnerships					
Objective	Foster effective collaborations.					
o Measure	Percent of partnerships that meet or exceed their established outcomes.	≥ 90%	100.0%	≥ 90%	100.0%	≥ 90%
Quarterly monitorings rated "Satisfactory":						
Semiannual monitorings rated "Satisfactory":			30 of 30			
Annual monitorings requiring no corrective action:					37 of 37	

* Results are for the one year period April-March

o Quarterly results are for the first 3 quarters of the fiscal year; Semiannual results are for the first half of the fiscal year.

Social Services

Mission

To provide Buncombe citizens resources and services to maximize their well being and self-determination.

Program Description

The Social Services Department is made up of seven divisions. In addition, this department oversees the County's Medicaid contract. The divisions work together to provide protective and supportive social work services for the elderly and disabled adults; assure that absent parents continue to assume the financial responsibility for the support of their children; public assistance; protection and provision of permanency to children; services to veterans, their spouses and children; and assistance to Work First customers to attain and maintain employment.

Social Services	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	30,213,429	32,915,054	32,966,650	36,418,497
Operating	9,029,776	10,074,068	10,349,415	10,673,005
Capital	189,399	2,635	2,635	0
Program Support	18,675,686	22,718,698	18,963,984	22,005,415
TOTAL:	58,108,290	65,710,455	62,282,684	69,096,917
Revenues:				
Restricted	32,242,514	35,207,797	34,615,449	35,176,856
Sales & Services	310,232	479,785	255,032	365,447
Miscellaneous	79,785	75,000	44,275	60,000
County	25,475,759	29,947,873	27,367,928	33,494,614
TOTAL:	58,108,290	65,710,455	62,282,684	69,096,917

Performance Measures

Sustainability Plan Goal:



Equity in Access



Workforce Development



Healthy People

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Link our actions to client success.					
Objective	Increase public well-being.					
Measure	Percentage of total program benchmarks achieved.	88.0%	85.0%	88.0%	80.0%	88.0%
Department Goal	Develop and improve communication networks.					
Objective	Foster effective collaborations.					
Measure	Percentage of partnerships that meet or exceed their established outcomes.	90.0%	100.0%	90.0%	95.0%	90.0%
Department Goal	Build internal capacity.					
Objective	Cultivate a capable/invested workforce.					
Measure	Detailed stability factor.	88.0%	90.2%	88.0%	91.7%	88.0%

Aging Services

Program Description

Buncombe County currently provides funding to the Land of Sky Regional Council to provide aging services. The Council works in conjunction with the Buncombe County Aging Coordinating Consortium (ACC) and Buncombe County Human Services to ensure the needs of the aging community are met.

For more information and to view the Buncombe County Aging Plan, visit <http://www.landofsky.org/bcagingplan.html>.

Aging Services	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Program Support	570,766	570,766	570,556	570,766
TOTAL:	570,766	570,766	570,556	570,766
Revenues:				
County	570,766	570,766	570,556	570,766
TOTAL:	570,766	570,766	570,556	570,766

Child Care Services

Program Description

Buncombe County now contracts with Southwestern Child Development Commission to operate the Valley Child Development Center. This Five Star Program provides developmentally appropriate activities and nurturing care for children 0 - 5 years through excellent child/staff ratios and highly trained and experienced staff. The program collaborates with the Buncombe Community School, offers an enhanced curriculum, and accepts child care subsidy.

Child Care Services	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	425,516	463,458	328,481	0
Operating	87,283	210,004	153,405	207,508
TOTAL:	512,799	673,462	481,886	207,508
Revenues:				
Restricted	227,637	243,000	106,979	0
Sales & Services	42,912	50,000	30,732	0
Miscellaneous	547	0	888	0
County	241,703	380,462	343,287	207,508
TOTAL:	512,799	673,462	481,886	207,508

Mental Health

Mental Health includes funding for Western Highlands Network and other agencies and programs that were previously accounted for in the Mental Health Enterprise Fund. The enterprise fund was consolidated with the General Fund at the beginning of FY2013.

Mental Health	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Operating	454,055	457,500	457,087	451,000
Program Support	724,000	600,000	600,000	600,000
Contingency	0	0	0	0
TOTAL:	1,178,055	1,057,500	1,057,087	1,051,000
Revenues:				
Restricted	0	6,500	6,500	0
Miscellaneous	10,000	0	0	0
County	1,168,055	1,051,000	1,050,587	1,051,000
TOTAL:	1,178,055	1,057,500	1,057,087	1,051,000

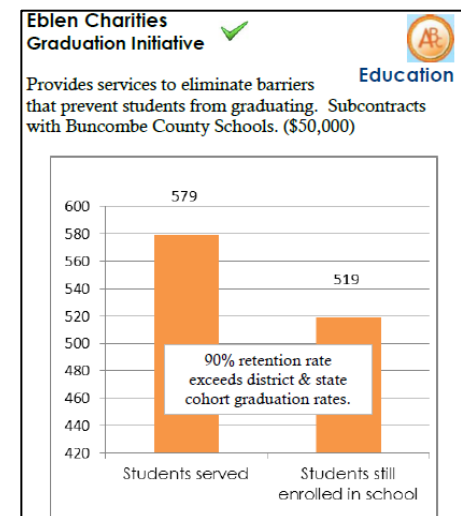
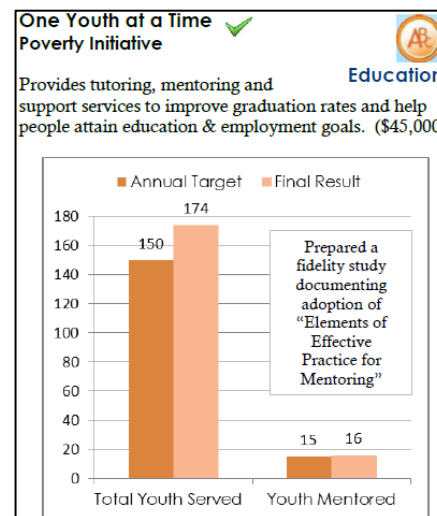
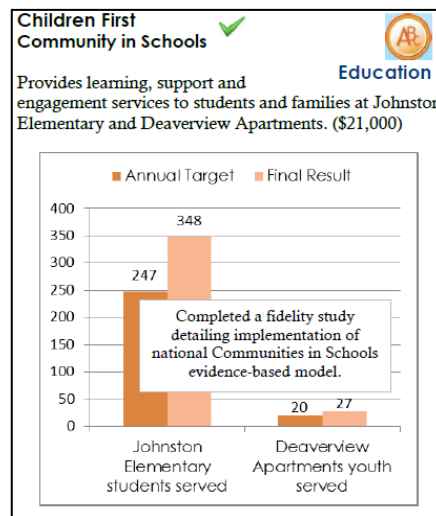
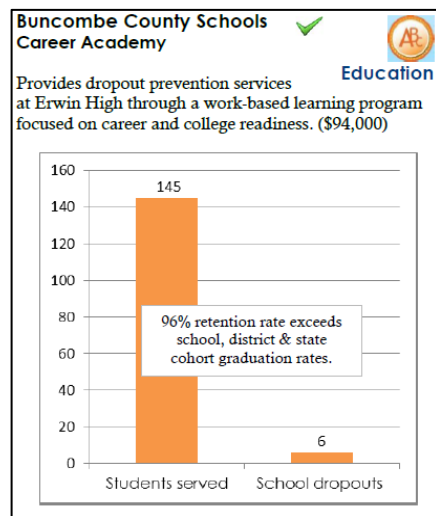
Other Human Services






Other Human Services includes Youth Services and Community Funding.

Youth Services consists of Juvenile Crime Prevention Council (JCPC) funding from the NC Dept. of Juvenile Justice and Delinquency Prevention. Buncombe County serves as a pass-through agency for the JCPC funds. Once JCPC allocations are determined and program agreements are received mid-September, the budget is amended to reflect JCPC funding levels for the budget year. JCPC funds distributed in FY2014 totaled \$511,782.

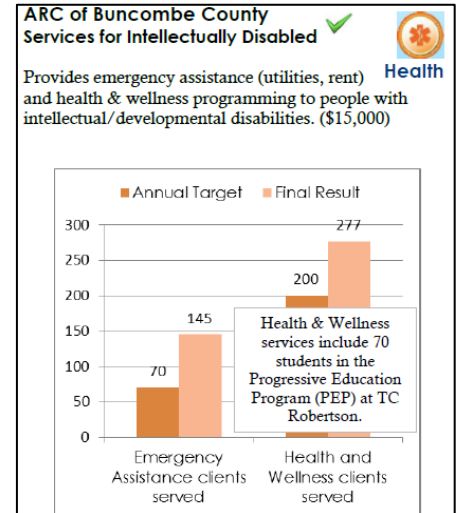
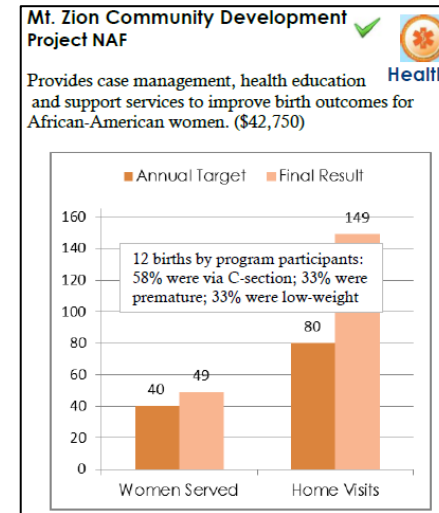
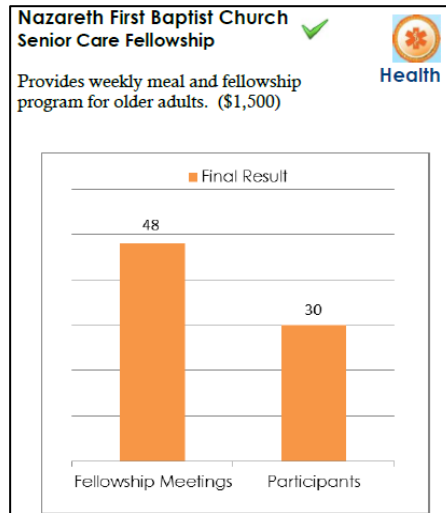
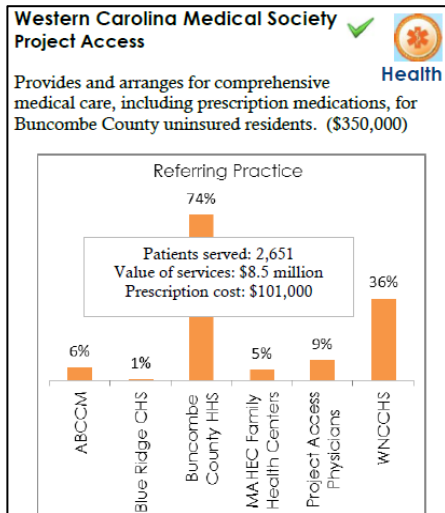
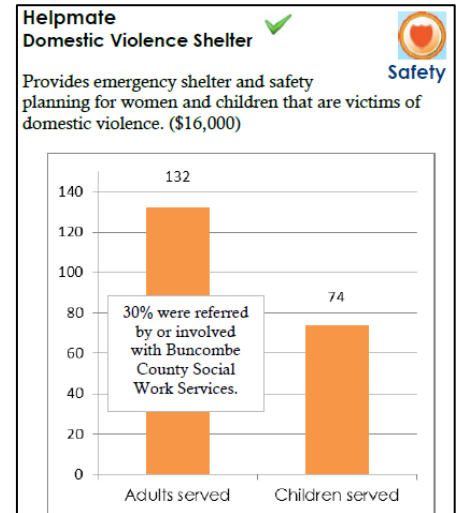
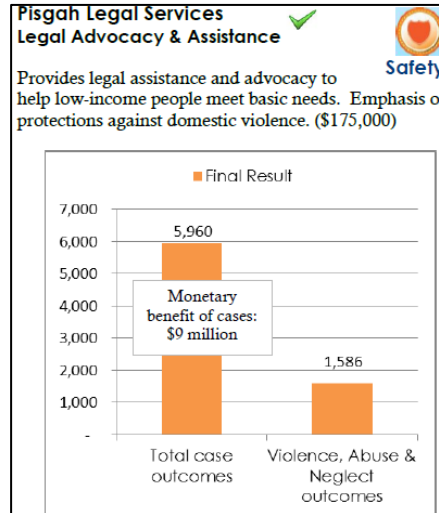
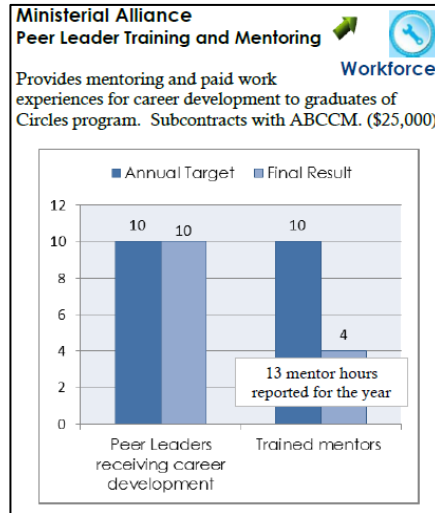
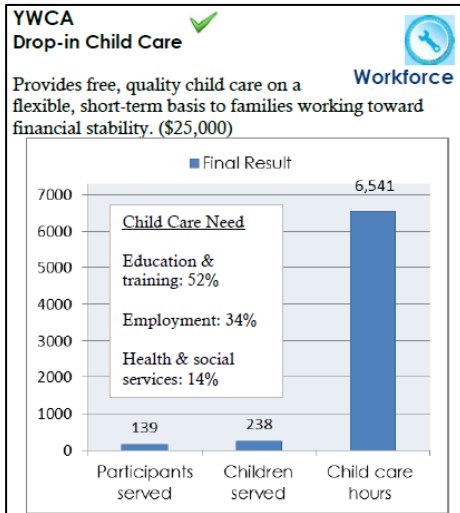
Other Human Services	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Operating	7,282	3,500	3,237	0
Program Support	953,451	1,364,814	1,368,690	1,140,250
TOTAL:	960,733	1,368,314	1,371,927	1,140,250
Revenues:				
Restricted	510,564	508,064	511,782	0
County	450,169	860,250	860,145	1,140,250
TOTAL:	960,733	1,368,314	1,371,927	1,140,250






The Buncombe County Board of Commissioners approved \$1,140,250 in Community Funding for FY2015. This funding will be used by various agencies and nonprofits to provide human services to the community. Funding prior to FY2014 for this purpose was accounted for in the appropriate departmental budget as program support. The \$1,140,250 will be managed by the Buncombe County Service Foundation, a non-profit agency that serves as a component unit of Buncombe County. The Service Foundation manages performance contracts with each agency receiving County funds to ensure certain benchmarks and performance standards are met. Below are performance snapshots from the Service Foundation's Performance Analysis Report – Fiscal Year 2014 Fourth Quarter.



 Desirable or
  undesirable trends
  Met performance standard
  Slightly below performance standard
  Below performance standard

Other Human Services (continued)



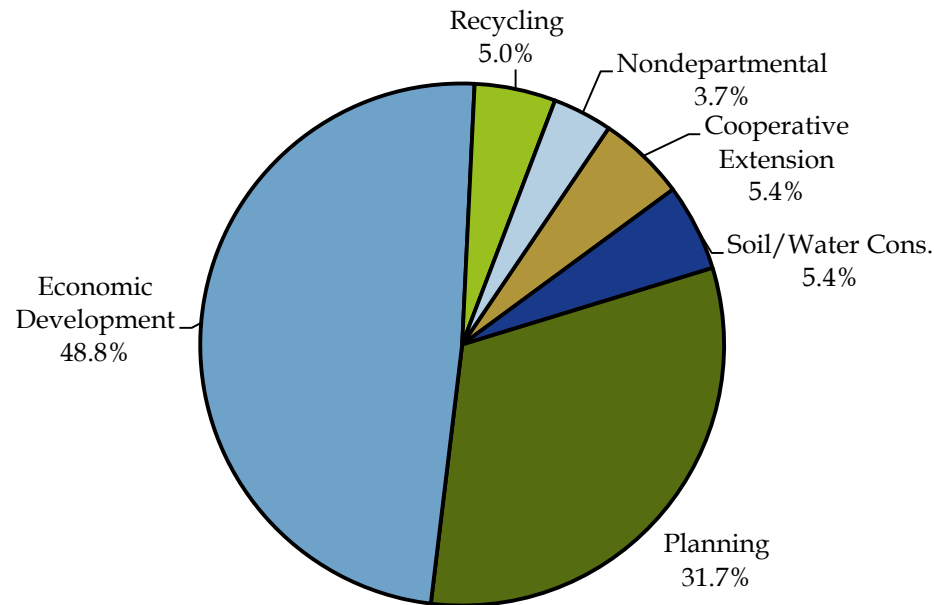
  Desirable or undesirable trends
  Met performance standard
  Slightly below performance standard
  Below performance standard

Economic & Physical Development

The Economic and Physical Development function includes Planning, Land of Sky, Economic Development, Recycling, Cooperative Extension, and Soil & Water Conservation. Economic Development includes the Asheville Chamber of Commerce and Economic Incentive. Economic and Physical Development has a budget of \$8,079,123, which is 2.77% of the total General Fund expenditures for the fiscal year.

The \$2,557,160 in Planning expenditures will be utilized in planning routine and specialized projects for the County. The Economic Development expenditures, \$3,946,585 will be used to stimulate economic growth. Cooperative Extension expenditures, \$439,338, will be used to help assist and protect farmland. Soil Conservation will use its expenditures of \$434,336 to improve the environment by promoting water and soil quality. Recycling expenditures of \$404,777 will be used to educate citizens about the environmental benefits of recycling and provide the community with convenient options for recycling.

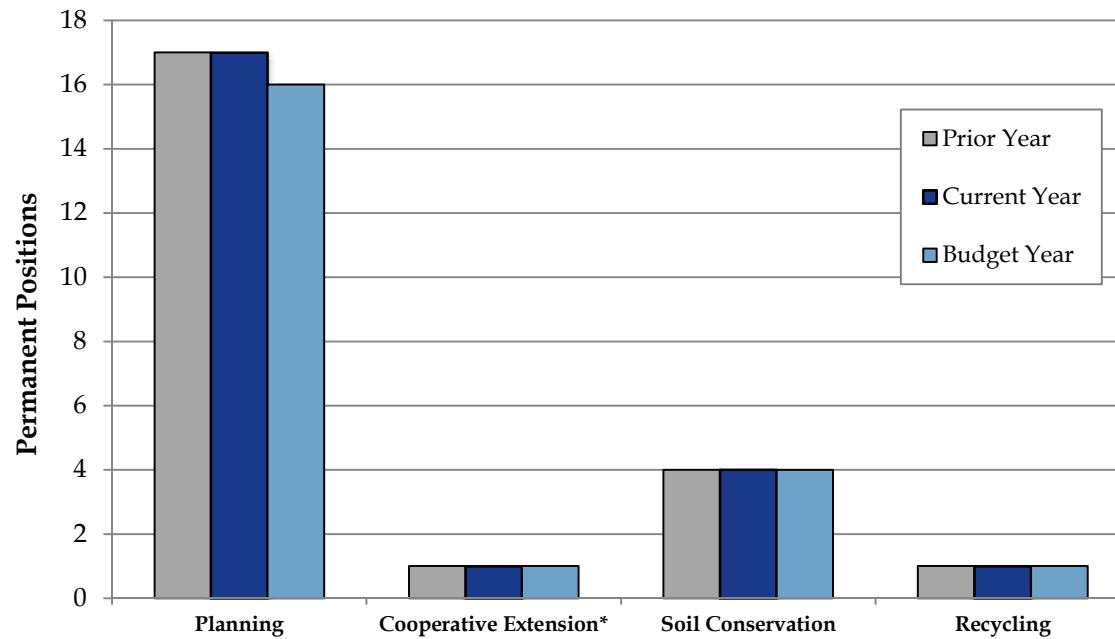
*Economic & Physical Development
Approved Budget FY2015*



Economic & Physical Development

Personnel Summary – Budgeted Permanent Positions

Department	Prior Year	Current Year	Budget Year	Percent Change	Explanation of Changes
Planning	17	17	16	-6%	Position transfer to Solid Waste - Transfer Station
Cooperative Extension*	1	1	1	0%	
Soil Conservation	4	4	4	0%	
Recycling	1	1	1	0%	
Total Economic & Physical Development	23	23	22	-4%	



*Note: The Cooperative Extension is a joint effort between the State and County governments. All of the employees except an Administrative Assistant are State Employees. Therefore, they are not listed here as they do not impact the position count for the General Fund.

Planning & Development

Mission

Buncombe County Planning & Development provides direction to citizens of Buncombe County, and to those whose actions may directly impact citizens, in maintaining orderly and responsible growth. The Department provides administration and support services for special projects undertaken by the County.

Program Description

The Planning and Development department oversees a variety of activities that relate to the planning and development of the county. These include working in partnership with several non-profit housing agencies, establishing the Historic Districts and Historic Properties Commission for the City of Asheville and Buncombe County, and administering various County planning and development ordinances including land development and soil erosion and sedimentation control.

Planning & Development	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	1,528,768	1,668,722	1,599,153	1,785,252
Operating	531,457	935,936	826,756	771,908
Capital	0	18,992	18,034	0
Program Support	168,400	0	0	0
TOTAL:	2,228,625	2,623,650	2,443,943	2,557,160
Revenues:				
Sales & Services	150,364	116,250	315,124	143,000
County	2,078,261	2,507,400	2,128,819	2,414,160
TOTAL:	2,228,625	2,623,650	2,443,943	2,557,160

Performance Measures

Sustainability Plan Goals:



Partnerships for Conservation/Preservation/Restoration of Natural Resources



Affordable, Green, and Livable Housing

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Facilitate safe and responsible land use development in a timely manner.					
Objective	Review 99% of residential zoning permit applications within the same date of receipt.					
Measure	Percent of applications reviewed within same day.	99%	99%	99%	99%	99%
Department Goal	Ensure that land disturbance within the County is permitted and regulated.					
Objective	Inspect 99% of sites within 24 hours of receipt of complaints.					
Measure	Percent of sites inspected within 24 hours.	99%	99%	99%	99%	99%
Department Goal	Increase the supply of affordable housing and maintain existing affordable housing, while providing opportunities for persons at or below 80% of median income to move into affordable housing.					
Objective	Increase the number of affordable housing units associated with County administered funds (including repair, rehab, new construction, downpayment assistance, TBRA, and permit fee rebates).					
* Measure	Total number of affordable housing units completed with County assistance.	73	122	110	75	75

* FY2014 Actual reflects elimination of CDBG Scattered Site funds and reduction of HOME funds.

Cooperative Extension

Mission

Cooperative Extension is an educational partnership helping people put research-based knowledge to work for economic prosperity, environmental stewardship and an improved quality of life.

Program Description

Through workshops, consultations, Web sites, short courses, demonstration projects, tours, publications and more, Cooperative Extension delivers reliable information addressing high-priority local needs in five areas:

- Enhancing agricultural, forest and food systems.
- Conserving and improving the environment and natural resources.
- Building quality communities.
- Strengthening and sustaining families.
- Developing responsible youth.

Cooperative Extension	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	52,449	53,202	53,612	54,464
Operating	290,180	387,077	328,025	384,874
Program Support	30,000	0	0	0
TOTAL:	372,629	440,279	381,637	439,338
Revenues:				
Sales & Services	5,933	4,000	11,084	4,000
Miscellaneous	1,445	900	2,071	900
County	365,251	435,379	368,482	434,438
TOTAL:	372,629	440,279	381,637	439,338

Performance Measures

Sustainability Plan Goals:



Partnerships for Conservation/
Preservation/Restoration of
Natural Resources



Healthy People



Sustainable Local Food Systems

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Provide profitable, environmentally sustainable agricultural systems.					
Objective	Enhance knowledge of sustainable systems through educational programs.					
Measure	Number of individuals who increase knowledge/skills.	18,100	22,090	19,100	28,882	21,000
Department Goal	Protect, conserve, enhance the natural resources of Buncombe County.					
Objective	Increase the knowledge of best management practices for land use & conservation.					
Measure	Number of individuals who increase knowledge/skills.	40,500	40,506	40,000	47,009	41,000
Department Goal	Youth & families will lead healthier lives & develop leadership skills.					
Objective	Empower youth & families to lead healthier lives & become community leaders.					
Measure	Number of individuals who increase knowledge/skills.	36,250	35,489	35,000	42,371	36,000

Soil & Water Conservation

Mission

To ensure an urban and rural natural environment with clean water, protected soil resources, properly managed forest and wildlife; and an environmentally, economically, and culturally viable agricultural community.

Program Description

The staff of the Soil & Water Conservation department provides technical assistance (advice and/or planning) on erosion control and water quality issues. We serve clients through visits to our office, phone consultations, and site visits. The staff also provides educational programs and administers or helps to administer state, federal, and local conservation programs such as: North Carolina Agriculture Cost Share Program, Environmental Quality Incentives Program (EQIP), and the Buncombe County Voluntary Farmland Preservation Program.

Soil & Water Conservation	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	365,746	364,741	369,012	375,618
Operating	35,636	61,180	45,471	58,718
Program Support	38,357	0	0	0
TOTAL:	439,739	425,921	414,483	434,336
Revenues:				
Restricted	43,864	43,500	44,855	44,000
Sales & Services	6,354	24,000	7,696	24,000
Miscellaneous	0	300	1,000	300
County	389,521	358,121	360,932	366,036
TOTAL:	439,739	425,921	414,483	434,336

Performance Measures

Sustainability Plan Goal:



Partnerships for Conservation/Preservation/Restoration of Natural Resources

		FY2013		FY2014		FY2015
		Target	Estimate	Target	Estimate	Target
Department Goal	Provide prompt and effective customer service.					
Objective	Help landowners/managers solve natural resource related problems.					
Measure	Percent of technical assistance calls responded to within 1 working day.	98%	99%	99%	99%	100%
Department Goal	Provide a comprehensive environmental awareness program.					
Objective	Help citizens make informed decisions relating to soil & water resources.					
Measure	Percent of non-school age population reached through public outreach efforts.	23%	21%	22%	21%	22%
Department Goal	Complete delivery of mandated services quickly and efficiently.					
Objective	Perform erosion control, stormwater, and environmental impact reviews.					
Measure	Percent of reviews completed within 10 working days or less.	95%	100%	97%	100%	98%

Recycling

Enhance and maintain the quality of the environment, conserve natural resources, and prevent pollution by providing a comprehensive and effective means of regulating solid waste disposal and increase the recycling participation rates of the citizens of Buncombe County.

Program Description

Educate Buncombe County's citizens to increase understanding of the environmental benefits of waste reduction and proper waste disposal, thus providing the community with convenient options for recycling, therefore increasing the recycling rates while complying with state mandates.

Recycling	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	72,710	66,942	81,454	78,802
Operating	289,487	360,975	310,607	325,975
TOTAL:	362,197	427,917	392,061	404,777
Revenues:				
Restricted	13,996	10,000	16,215	10,000
Sales & Services	58,664	86,000	94,409	61,000
County	289,537	331,917	281,437	333,777
TOTAL:	362,197	427,917	392,061	404,777

Performance Measures

Sustainability Plan Goal:  Pollution and Waste Prevention

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Increase the number of pounds of material recycled.					
Objective	Increase residential curbside recycling participation throughout the County.					
Measure	Tons of recycled commodities collected curbside (cardboard, mixed paper, newspaper, plastic, aluminum)	4,850	4,466	4,470	4,591	4,470
Department Goal	Decrease the amount of items that are recyclable and/or banned by the state from entering the waste stream.					
Objective	Educate public about recycling through media such as website, government channel, brochures, newspapers, and quarterly newsletters.					
Measure	Recycled tons of electronics and HHW in Buncombe County.	199	203	200	206	200

Economic Development

Mission

The purpose of Economic Development is to broaden and diversify the tax base, create new job opportunities for the citizens of Buncombe County, and promote the economic growth and welfare of Buncombe County. The program is adopted with the intent of complimenting any incentive program that may be adopted by a municipality within Buncombe County or by the State of North Carolina.

Program Description

In Economic Development, the County encourages and supports the development of the industrial base of the County by providing incentives for new industry and the expansion of current industries. Normally, assistance is provided through infrastructure development; however, in compliance with the North Carolina General Statutes (NCGS), such assistance may also be provided through land development, site preparation, building preparation and other means identified in NCGS 158-7.1.

Economic Development	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Operating	0	38,000	0	0
Capital	0	38,000	36,625	0
Program Support	6,456,564	3,899,395	1,866,745	3,946,585
TOTAL:	6,456,564	3,975,395	1,903,370	3,946,585
Revenues:				
Restricted	0	425,000	0	382,000
County	6,456,564	3,550,395	1,903,370	3,564,585
TOTAL:	6,456,564	3,975,395	1,903,370	3,946,585

Performance Measures

Sustainability Plan Goal:  Sustainable Localized Economy

The following measures are provided by the Asheville-Buncombe County Economic Development Coalition (EDC). Targets are not available.

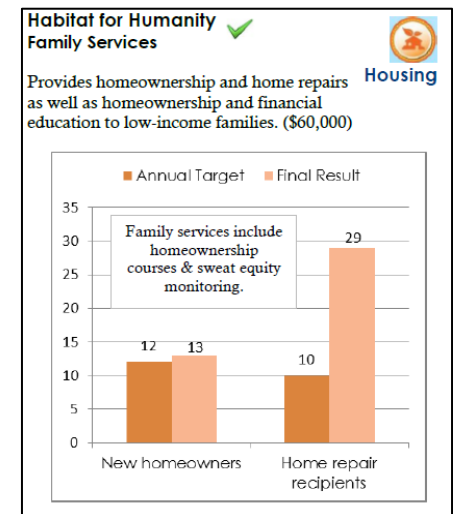
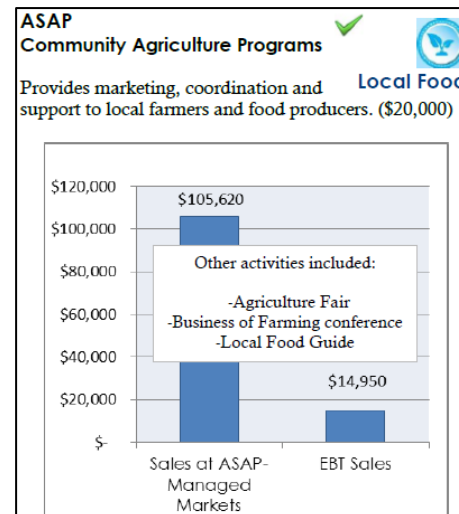
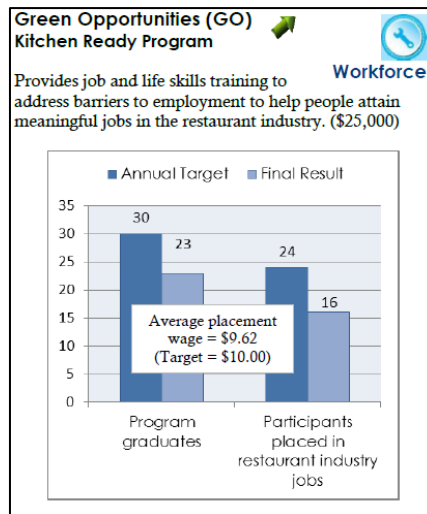
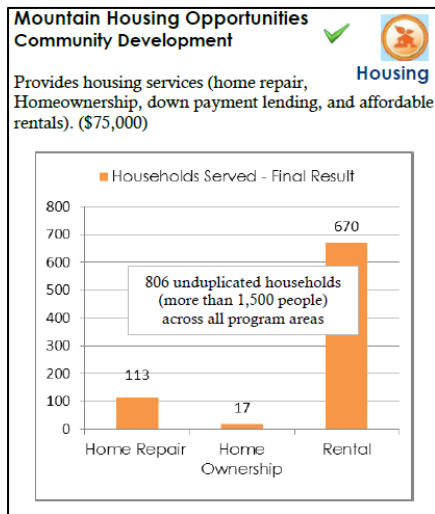
		FY2012	FY2013	FY2014
		Actual	Actual	Actual
Department Goal	Develop new business in Buncombe County.			
Objective	Increase Buncombe County income levels through investment in economic development.			
Measure	Economic Return on \$1 invested (based on Buncombe County's contribution to EDC).	\$159.29	\$56.72	\$71.11
Objective	Increase capital investment in local businesses.			
Measure	Investment announced.	\$263,300,000	\$134,680,000	\$113,670,000
Objective	Increase number of jobs created for Buncombe County citizens.			
Measure	Jobs announced.	617	210	329

Other Economic/Physical Development

Other Economic and Physical Development includes funding for community agencies and nonprofits to provide services that support Buncombe County's Economic and Physical Development function. Buncombe County Commissioners approved \$227,000 in community funding for FY2015. Funding prior to FY2014 for this purpose was accounted for in the appropriate departmental budget as program support. The \$227,000 will be managed by the Buncombe County Service Foundation, a non-profit agency that serves as a component unit of Buncombe County. The Service Foundation manages performance contracts with each agency receiving County funds to ensure certain benchmarks and performance standards are met.

Other Econ/Phys Development	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Program Support	0	255,000	255,000	227,000
TOTAL:	0	255,000	255,000	227,000
Revenues:				
County	0	255,000	255,000	227,000
TOTAL:	0	255,000	255,000	227,000

Below are performance snapshots from the Service Foundation's Performance Analysis Report – Fiscal Year 2014 Fourth Quarter.



Desirable or undesirable trends Met performance standard Slightly below performance standard Below performance standard

Education

The County’s Education function is comprised of Buncombe County Schools, Asheville City Schools, and Asheville-Buncombe Technical Community College. The total budgeted expenditures for Education are \$77,674,242, which is 26.6% of the total General Fund budget. Buncombe County Schools and Asheville City Schools also receive capital funding in the School Capital Commission Capital Project Fund. Buncombe County is required to designate 50% of Article 39 sales tax revenue to the School Capital Commission Fund. 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.

Funding for public education is a major responsibility of the County government. The State is primary responsible for funding public school operations, while Counties are largely responsible for capital needs. In North Carolina, County Boards of Commissioners act as taxing authority for local school boards; review entire school budget as well as approve county appropriations for current expense and capital outlay; and issue bonds and arrange other financing for school capital outlay purposes. In recent years, Buncombe County has undertaken major initiatives to support effective education and to secure accountability for educational funds expended.

FY2015 Education Appropriations - General Fund

Buncombe County Schools:

Current Expense (Operations)	\$ 51,396,895
Capital Outlay	\$ 9,365,929
Community School	\$ 276,116
	<u>\$ 61,038,940</u>

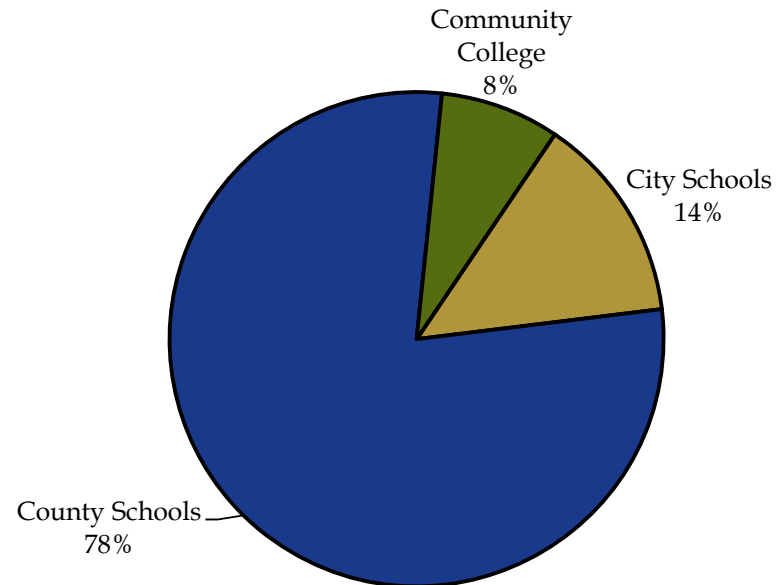
Asheville City Schools:

Current Expense (Operations)	\$ 8,991,890
Capital Outlay	\$ 1,579,413
	<u>\$ 10,571,303</u>

AB Technical Community College:	\$ 6,063,999
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Total Appropriation:	<u>\$ 77,674,242</u>
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Education Approved Budget FY2015



**GENERAL FUND
CURRENT & CAPITAL
APPROPRIATIONS FOR EDUCATION
FISCAL YEARS 2006-2015**

<u>Fiscal Year</u>	<u>City Schools</u>	<u>County Schools</u>	<u>A-B Tech</u>	<u>Education Total</u>	<u>Increase (Decrease)</u>
2015	10,571,303	61,038,940	6,063,999	77,674,242	4.8%
2014	9,735,914	57,905,099	6,063,999	73,705,012	-0.6%
2013	9,134,788	56,923,484	8,063,999	74,122,271	0.8%
2012	8,565,157	56,914,925	8,063,999	73,544,081	4.9%
2011	7,988,281	54,080,334	8,013,999	70,082,614	-0.1%
2010	7,971,327	54,332,466	7,861,223	70,165,016	-0.9%
2009	8,139,541	54,615,327	8,037,732	70,792,600	7.9%
2008	7,619,364	50,365,918	7,633,254	65,618,536	2.2%
2007	7,710,281	47,136,868	9,379,205	64,226,354	13.9%
2006	6,699,943	43,200,058	6,493,254	56,393,255	5.9%

The County is required by North Carolina law to distribute funds to the two public school systems on the basis of average daily membership (ADM). Funding ratios for the two school systems have changed in accordance with the ADM changes.

As outlined in the following table, the average daily membership in the Asheville City Schools and Buncombe County Schools has seen some growth during the last 10 years. There has been total growth of 3.20% from 2005-2014, which is an average growth of 0.35% each year.

Public School Average Daily Membership		
Fiscal Year	Final ADM*	Percent Increase/Decrease
2014	29,686	0.8%
2013	29,451	0.7%
2012	29,238	0.4%
2011	29,113	0.5%
2010	28,979	-0.4%
2009	29,085	0.1%
2008	29,050	-0.3%
2007	29,148	-0.2%
2006	29,211	1.5%
2005	28,766	0.4%

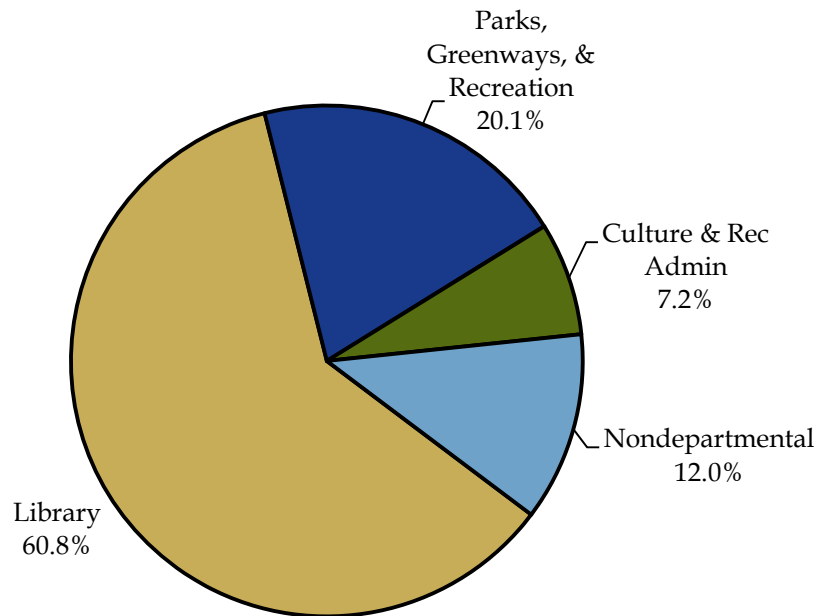
*Month 4 ADM is reported for 2013-2014 (the latest available data from NC Department of Instruction).

Culture & Recreation

Culture and Recreation is composed of Libraries, Parks, Greenways & Recreation, and other wellness and cultural amenities. Parks, Greenways, & Recreation activities include: Pools, Recreation Programs, Lake Julian, Skyland Recreation and Enka Sports Park. As previously discussed, in FY2014 these programs and facilities were part of the Culture and Recreation Authority, an independent entity authorized by NC House Bill 418. However, these programs and facilities have transitioned back to the General Fund due to the repeal of the session law.

The Culture and Recreation budget for this fiscal year is \$9,320,790, which accounts for 3.19% of the total General Fund expenditures for the year. The County Government ranks Culture and Recreation as a high priority for the quality of life of its residents.

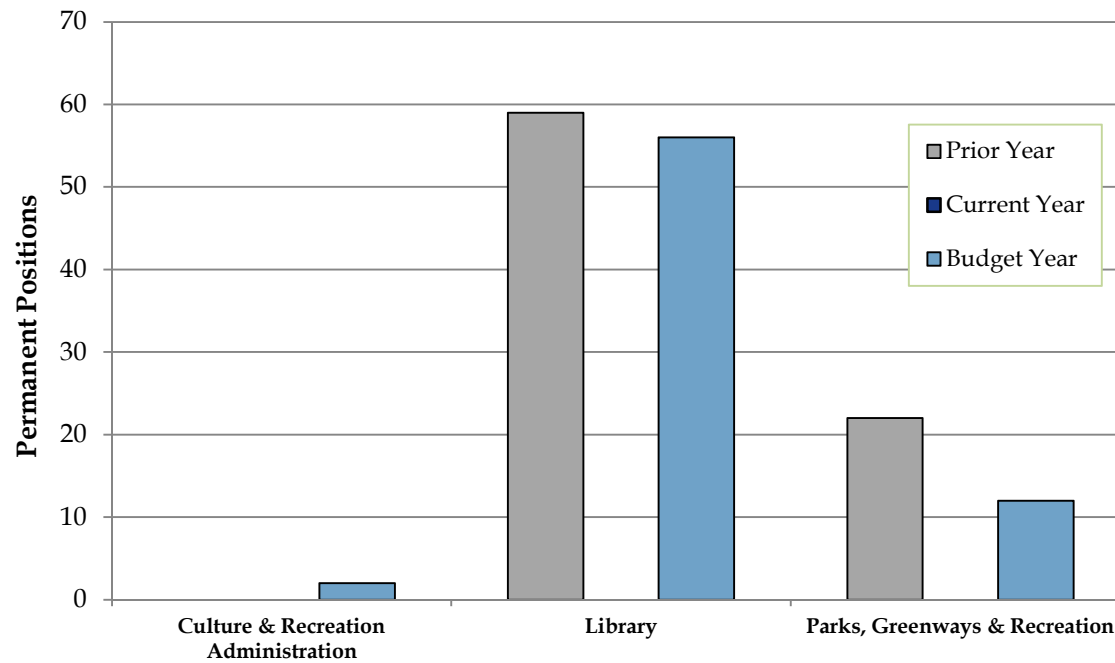
*Culture & Recreation
Approved Budget FY2015*



Culture & Recreation

Personnel Summary – Budgeted Permanent Positions

Department	Prior Year	Current Year	Budget Year	Percent Change	Explanation of Changes
Culture & Recreation Administration	0	0	2		Culture & Recreation positions transferred to the Culture & Recreation
Library	59	0	56		Authority in FY2014. Due to the dissolution of the Authority they have
Parks, Greenways & Recreation	22	0	12		returned to the General Fund to the appropriate function.
Total Culture & Recreation	81	0	70		



Library

Mission

The Library makes available the works of human knowledge, information and creative endeavor, in whatever format, to all citizens and thus promotes and fosters the free flow of information and ideas.

Program Description

The library system's services include answering reference questions, in person and over the phone, providing books, cassettes, DVDs and videotapes, as well as being a center for free public programs to enlighten and delight, for both children and adults.

More specialized services include "Interlibrary Loan," and access to our NC Collection, containing many rare and interesting materials by or about our native son, Thomas Wolfe, and a huge collection of area photographs, historical postcards, books by local authors and genealogical materials.

Performance Measures

Sustainability Plan Goal:



Equity in Access



Citizen Participation in Community Decisions

Library	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	3,669,726	3,809,108	3,801,986	4,354,184
Operating	1,251,478	1,304,628	1,220,709	1,314,397
Capital	0	6,553	6,553	0
TOTAL:	4,921,204	5,120,289	5,029,248	5,668,581
Revenues:				
Restricted	273,864	216,793	217,439	216,793
Sales & Services	232,947	267,500	233,304	242,500
Miscellaneous	57	0	161	0
County/CRA*	4,414,336	4,635,996	4,578,344	5,209,288
TOTAL:	4,921,204	5,120,289	5,029,248	5,668,581

*In FY2014 Library services operated as part of the Culture & Recreation Authority. Even though component units are not included in the Annual Budget Report, FY2014 data is reported here for comparative purposes.

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Increase the number of active library users.					
Objective	Increase the percentage of County residents with active library cards.					
Measure	Percent of residents with active library cards.	51%	51%	51%	58%	61%
Department Goal	Increase public perception of the library as a community center and resource.					
Objective	Enhance promotion of the various library programs.					
Measure	Number of residents attending library programs.	85,000	94,716	95,000	104,236	110,000
Department Goal	Enhance the electronic services offered by the library.					
Objective	Facilitate citizen access to electronic library resources in the library and from home.					
Measure	Number of downloadable books available to the public.	28,500	45,969	50,000	125,175	135,000

Parks, Greenways & Recreation

Mission

To maintain and improve the quality of life for residents and visitors through recreational, cultural and educational opportunities.

Program Description

Parks, Greenways and Recreation Services provide health and recreation opportunities through the creation of high quality programs, facilities and community special events. In addition to the care and management of our parks and swimming pools, Parks, Greenways and Recreations Services is working to preserve the natural beauty and enhance our environmental resources through the development of greenways and the procurement of open spaces.

Parks, Greenways & Recreation	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	1,281,613	1,379,569	1,099,588	1,405,806
Operating	335,882	426,927	311,682	374,521
Capital	15,575	150,000	142,112	0
Program Support	35,968	42,750	41,263	90,000
TOTAL:	1,669,038	1,999,246	1,594,645	1,870,327
Revenues:				
Sales & Services	314,549	337,000	283,876	303,000
Miscellaneous	1,675	1,000	240	400
County/CRA*	1,352,814	1,661,246	1,310,529	1,566,927
TOTAL:	1,669,038	1,999,246	1,594,645	1,870,327

*In FY2014 Parks, Greenways & Recreation operated as part of the Culture & Recreation Authority. Even though component units are not included in the Annual Budget Report, FY2014 data is reported here for comparative purposes.

Performance Measures

Sustainability Plan Goals:



Accessible, Multi-Modal and Efficient Transportation Network



Healthy People



Equity in Access

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Develop a participant feedback plan for programs, greenways, parks and facilities.					
Objective	Staff will offer programs that reflect citizen feedback.					
Measure	Number of Citizens who respond to surveys or participate in community planning sessions	1,500	668	1,500	1,505	1,500
Department Goal	Offer community special events in partnership with agencies, businesses and volunteers.					
Objective	Special events are held that focus on recreation, education, greenways, wellness and cultural arts.					
Measure	Number of events held	40	39	42	45	45
Department Goal	Provide activities that promote recreation, wellness, exercise and safety.					
Objective	Offer programs for children, youth, adults and seniors.					
Measure	Numbers of participants	7,500	7,477	7,500	8,771	8,500
Department Goal	Enhance human service programs by encouraging collaboration through community partnerships.					
Objective	Offer collaborative opportunities for community partners including early childhood programs/educators.					
Measure	Number of opportunities provided.	160	174	175	283	200

Other Culture & Recreation

Other funding in Culture & Recreation includes certain administrative expenses as well as funding for community agencies and nonprofits to provide services that support Buncombe County's Culture & Recreation function. Buncombe County Commissioners approved \$990,378 in Community Funding for FY2015. This funding will be used by various agencies and nonprofits to that provide cultural and recreational amenities and services to the community. Funding prior to FY2014 for this purpose was accounted for in the appropriate departmental budget as program support. The \$990,378 will be managed by the Buncombe County Service Foundation, a non-profit agency that serves as a component unit of Buncombe County. The Service Foundation manages performance contracts with each agency receiving County funds to ensure certain benchmarks and performance standards are met.

Culture & Recreation Admin	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	0	403,784	357,448	331,372
Operating	0	144,056	1,014,842	336,600
Contingency	0	547,710	0	0
TOTAL:	0	1,095,550	1,372,290	667,972
Revenues:				
County/CRA*	0	1,095,550	1,372,290	667,972
TOTAL:	0	1,095,550	1,372,290	667,972

Other Culture & Recreation	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Operating	0	225,067	219,126	0
Program Support	104,500	1,123,623	973,291	990,378
TOTAL:	104,500	1,348,690	1,192,417	990,378
Revenues:				
County/CRA*	104,500	1,348,690	1,192,417	990,378
TOTAL:	104,500	1,348,690	1,192,417	990,378

*In FY2014 Culture & Recreation administration and related community funding operated as part of the Culture & Recreation Authority. Even though component units are not included in the Annual Budget Report, FY2014 data is reported here for comparative purposes.

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Volunteer Fire Departments Fund

The County's Board of Commissioners serves as the tax levying body for twenty-six special fire protection districts. Taxes levied and collected on behalf of these districts are distributed under contract to volunteer fire departments serving the respective districts.

Transportation Fund

This fund was established to account for intergovernmental revenues received to operate Mountain Mobility van service which provides transportation to the senior citizens, persons with disabilities, children and the general public of Buncombe County.

Emergency Telephone System Fund

This fund was established in accordance with North Carolina law to account for the accumulation of telephone surcharges to be used for emergency telephone systems.

Occupancy Tax Fund

This fund was established to account for the revenues from the room occupancy tax to fund the development and implementation of strategies designed to promote tourism in Buncombe County. Occupancy taxes net of a collection fee are transferred to the component unit, Tourism Development Authority, to achieve this purpose.

Register of Deeds Automation Fund

The Automation Fund receives most of its revenue from permits and fees and appropriated fund balance. This fund is used to budget for capital expenditures that help to automate all documents that the Register of Deeds keeps records of so that the citizens will have easier access to these forms and records.

Sheriff Federal Forfeiture Fund & BCAT Federal Forfeiture Fund

The Sheriff Federal Forfeiture Fund and Buncombe County Anti-Crime Task Force (BCAT) Federal Forfeiture Fund account for monies received from the federal government's asset forfeiture program. Federal law authorizes the Attorney General to share federally forfeited property with participating state and local law enforcement agencies. Any state or local law enforcement agency that directly participates in an investigation or prosecution that results in a federal forfeiture may request an equitable share of the net proceeds of the forfeiture. These proceeds must be used for law enforcement purposes.

Sheriff State Forfeiture Fund & BCAT State Forfeiture Fund

The Sheriff State Forfeiture Fund and Buncombe County Anti-Crime Task Force (BCAT) State Forfeiture Fund account for the unauthorized substances tax received from state and for proceeds from State Judicial Forfeitures. The unauthorized substances tax is an excise tax on controlled substances. Seventy-five percent of the tax collected is returned to the law enforcement agency whose investigation led to the assessment.

Fire Districts Fund

The ad valorem property tax is the major revenue source for the Fire Districts Fund. Property tax is expected to produce \$18,291,424 in revenue for the fund for FY2015.

Sales taxes and inventory tax reimbursements make up the remaining budget revenues. The County expects to receive \$5,098,112 in sales tax for the districts in FY2015.

The total revenues and expenditures for the Fire Districts Fund are projected to increase from the FY2014 budget by 5.24% to 23,389,536. All expenditures are used to fund volunteer fire departments in twenty-six special fire protection districts throughout the County.

Fire Districts	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Operating	1,440	0	28,646	0
Contingency	0	2,700,000	0	2,700,000
Program Support	19,229,888	19,524,943	20,436,184	20,689,536
TOTAL:	19,231,328	22,224,943	20,464,830	23,389,536
Revenues:				
Ad Valorem	14,894,192	17,608,818	16,340,094	18,291,424
Sales Tax	4,337,136	4,616,125	4,124,774	5,098,112
TOTAL:	19,231,328	22,224,943	20,464,868	23,389,536

Emergency Telephone System Fund

The Emergency Telephone System Fund is budgeted at \$2,742,400. The FY2015 budget includes appropriations for major capital projects including replacement of the current 911 phone system. The NC 911 Board approved a new 911 funding method effective FY2012. The amount distributed to Buncombe County is based on data collected for the last five years of approved eligible expenditures reported to the 911 Board.

Emergency Telephone System	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	321,413	0	256,586	0
Operating	576,578	611,400	697,892	712,400
Capital	0	402,667	0	2,030,000
TOTAL:	897,991	1,014,067	954,478	2,742,400
Revenues:				
Restricted	1,038,186	984,067	984,067	853,821
Investments	2,320	30,000	6,347	10,000
Transfers	9,028	0	137,582	0
Fund Balance	0	0	0	1,878,579
TOTAL:	1,049,534	1,014,067	1,127,996	2,742,400

Transportation

In FY2012 Transportation operations transitioned to an outside agency. Transportation is now administered and operated through contracts between Buncombe County, the Land of Sky Regional Council and McDonald Transit Associates, Inc.

Restricted revenue for this fund comes from various federal, local, and state agencies, including the North Carolina Department of Transportation. Restricted funding for FY2015 provides \$2,496,417 or 59.7% of total revenue for this fund. The County funded portion for FY2015 increased by \$200,000 to \$1,626,448. This increase is due to potential cost increases resulting from the Affordable Care Act. Other revenue sources include vehicle advertising and contributions/donations.

Transportation	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Operating	3,266,356	3,546,641	3,473,336	3,866,145
Capital	0	247,540	759,618	313,720
Transfers	15,542	0	12,745	0
TOTAL:	3,281,898	3,794,181	4,245,699	4,179,865
Revenues:				
Restricted	2,179,924	2,261,533	3,001,837	2,496,417
Miscellaneous	58,071	106,200	76,637	57,000
Transfers	1,105,874	1,426,448	1,158,112	1,626,448
TOTAL:	3,343,869	3,794,181	4,236,586	4,179,865

Performance Measures

Sustainability Plan Goals:



Equity in Access



Accessible, Multi-Modal and Efficient Transportation Network

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Provide high quality, cost-effective, fair and equitable service through process improvement, efficient use of resources, contracted services, materials and equipment.					
Objective	Enhance quality of service and customer satisfaction by providing a minimum of 95% of passenger trips on time.					
Measure	Percent of passengers dropped off and picked up within +/- 15 minutes of their scheduled time.	95.00%	93.27%	95.00%	91.04%	95.00%
Department Goal	Address the current and changing needs of individuals by making efficient use of available resources.					
Objective	Improve productivity and lower costs associated with providing transportation services by improving route efficiency and increasing the coordination of paratransit trips, achieving a system-wide average of at least 2.34 revenue trips per revenue hour.					
Measure	Number of revenue trips per hour of revenue service.	2.35	2.42	2.35	2.42	2.35
Department Goal	Assure high quality service by improving employee retention, education, and training.					
Objective	Ensure the safety of passengers, staff and the public by reducing driver turn-over and maintaining a high level of staff training, observation and re-certifications.					
Measure	Percentage of drivers meeting or exceeding requirements for evaluations, initial training, retraining, and recertifications.	100%	100%	100%	99%	100%

Occupancy Tax

Revenues for the Occupancy Tax Fund are generated from the taxes collected by lodging facilities within the County. The projected amount for the FY2015 budget is \$10,408,699. Occupancy taxes net of collection fees are transferred to the Tourism Development Authority for expenditures to promote tourism in Buncombe County.

Occupancy Tax	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Transfers	8,204,628	9,011,860	9,184,430	10,408,699
TOTAL:	8,204,628	9,011,860	9,184,430	10,408,699
Revenues:				
Other Taxes	8,204,628	9,011,860	9,184,430	10,408,699
TOTAL:	8,204,628	9,011,860	9,184,430	10,408,699

Register of Deeds Automation Fund

The FY2015 budget for this fund is \$270,848. This is an increase of \$39,286 from last year, or 17%. These funds will be used for record automation projects and related automation costs.

ROD Automation	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	0	0	13,698	7,536
Operating	0	74,262	5,482	74,262
Capital	0	0	0	60,000
Transfers	0	157,300	157,300	129,050
TOTAL:	0	231,562	176,480	270,848
Revenues:				
Permits & Fees	155,972	151,695	136,700	151,695
Investments	293	3,305	632	3,305
Appropriated Fund Balance	0	76,562	0	115,848
TOTAL:	156,265	231,562	137,332	270,848

Sheriff & Buncombe County Anti-Crime Task Force (BCAT) Forfeiture Funds

The County currently maintains four forfeiture funds: Sheriff Federal Forfeiture, BCAT Federal Forfeiture, Sheriff State Forfeiture, and BCAT State Forfeiture Fund.

Due to the unpredictable nature of forfeiture revenues, available fund balance or revenue estimates are appropriated at the beginning of the budget year. Budget amendments are completed throughout the year to budget federal and state revenue as it is received.

Federal Forfeitures

The Sheriff & BCAT Federal Forfeiture Funds account for monies received under federal asset forfeiture programs. These proceeds must be used for law enforcement purposes. Permissible uses of forfeiture funds are: to support law enforcement investigations; law enforcement training; detention facility costs; law enforcement equipment; law enforcement travel and transportation; law enforcement awards and memorials; drug and gang education and awareness programs; matching funds for law enforcement grants; asset accounting and tracking; language assistance services; and to support community based programs.

Sheriff Federal Forfeitures	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Operating	4,252	39,073	79,610	39,073
Capital	17,295	0	8,083	0
TOTAL:	21,547	39,073	87,693	39,073
Revenues:				
Restricted	84,466	25,000	55,639	25,000
Investments	96	450	162	450
Fund Balance	0	13,623	0	13,623
TOTAL:	84,562	39,073	55,801	39,073

BCAT Federal Forfeitures	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Operating	102,278	226,055	12,450	226,055
Capital	300,000	0	0	0
TOTAL:	402,278	226,055	12,450	226,055
Revenues:				
Restricted	33,891	200,000	119,300	200,000
Investments	430	1,055	342	1,055
Fund Balance	0	25,000	0	25,000
TOTAL:	34,321	226,055	119,642	226,055

Sheriff & Buncombe County Anti-Crime Task Force (BCAT) Forfeiture Funds (continued)

State Forfeitures

The Sheriff & BCAT State Forfeiture Funds account for proceeds from the state unauthorized substances tax and from state judicial forfeitures. These proceeds are to be used for law enforcement purposes and are designed to be used to enhance the ability of law enforcement agencies to deter and investigate crimes, especially drug offenses.

Sheriff State Forfeitures	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Operating	7,929	25,175	29,448	25,175
Capital	0	0	0	0
Transfers	10,990	0	0	0
TOTAL:	18,919	25,175	29,448	25,175
Revenues:				
Restricted	7,220	25,000	34,969	25,000
Investments	509	175	53	175
Fund Balance	0	0	0	0
TOTAL:	7,729	25,175	35,022	25,175

BCAT State Forfeitures	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Operating	60,341	196,100	24,607	196,100
Capital	89,618	0	53,576	0
TOTAL:	149,959	196,100	78,183	196,100
Revenues:				
Restricted	72,267	45,000	52,432	45,000
Investments	23	1,100	522	1,100
Fund Balance	0	150,000	0	150,000
TOTAL:	72,290	196,100	52,954	196,100

ENTERPRISE FUNDS

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing board is that the costs (expenses, including depreciation) for providing services to the general public be recovered primarily through user charges; where the governing body has decided that the periodic determination of net income is appropriate for accountability purposes.

Solid Waste Disposal Fund

This fund is used to account for the landfill and transfer station activities.

Inmate Commissary/Welfare Fund

This fund is used to account for Commissary revenues and expenditures at the County Detention Center.

Solid Waste Disposal Fund

Mission

To protect the health and safety of all citizens by disposing of all waste generated in Buncombe County in the most efficient, cost effective, and environmentally sound manner possible.

Program Description

The Solid Waste Fund is made up of the Landfill and Transfer Station. The Transfer Station serves as a drop off location for residential waste, which is then transferred to the landfill. The Landfill is an EPA Bioreactor Project and provides residential, commercial & industrial waste disposal.

Solid Waste	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	1,582,198	1,615,904	1,644,081	1,637,286
Operating	2,793,065	3,718,506	2,027,539	3,238,575
Capital	76,402	36,000	0	221,000
Contingency	0	100,351	0	0
Debt Service	1,830,038	1,775,526	1,847,459	1,852,426
Transfers	3,700,000	0	0	0
TOTAL:	9,981,703	7,246,287	5,519,079	6,949,287
Revenues:				
Other Taxes	373,333	257,487	277,667	257,487
Restricted	953	0	0	0
Sales & Services	6,853,586	6,948,800	6,904,281	6,651,800
Investments	53,934	40,000	25,592	40,000
Other Financing Sources	3,796,737	0	0	0
Miscellaneous	1,446	0	1,268	0
TOTAL:	11,079,989	7,246,287	7,208,808	6,949,287

Budgeted Permanent Positions	2013	2014	2015	% Change*
	23	23	24	4%

*FY2015 Position increase due to position transfer from Planning.

Performance Measures

Sustainability Plan Goal:  Pollution and Waste Prevention

		FY2013		FY2014		FY2015
		Target	Actual	Target	Actual	Target
Department Goal	Develop goals to keep costs down & maintain sufficient funds in Solid Waste fund.					
Objective	Closely monitor past due accounts to maintain a high collection rate.					
Measure	Collection rate for past due accounts.	82%	93%	87%	94%	87%
Department Goal	Keep hazardous and other banned materials from entering the waste stream.					
Objective	Perform random inspections of waste loads & issue violation notices.					
Measure	Percent of loads in violation.	17%	17%	17%	13%	17%
Department Goal	Decrease number and size of illegal dumps in Buncombe County.					
Objective	Increase public awareness of ordinance and complaint procedure.					
Measure	Percent of illegal dump cases resolved with no warrant issued.	99%	100%	99%	99%	99%

Inmate Commissary Fund

Sale of commissary and telephone concessions generates the revenue used for operations in the Inmate Commissary/Welfare Fund.

Inmate Commissary	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	45,257	49,804	50,212	51,637
Operating	161,614	302,042	162,756	301,778
Capital	49,184	0	12,105	0
Transfers	0	0	6,283	0
Contingency	0	50,000	0	48,431
TOTAL:	256,055	401,846	231,356	401,846
Revenues:				
Sales & Services	351,049	341,000	323,536	341,000
Investments	1,113	0	940	0
Fund Balance	0	60,846	0	60,846
TOTAL:	352,162	401,846	324,476	401,846
Budgeted Permanent Positions	2013	2014	2015	% Change
	1	1	1	0%

INTERNAL SERVICE FUND

Internal Service Funds are used to account for the financing of goods and services by one department or agency to other departments or agencies of the County on a cost reimbursement basis. The County maintains the Insurance Internal Service Fund to account for the financing of its commercial liability programs and the operations of its self-insurance, group health, dental and workers' compensation, unemployment, and general liability programs.

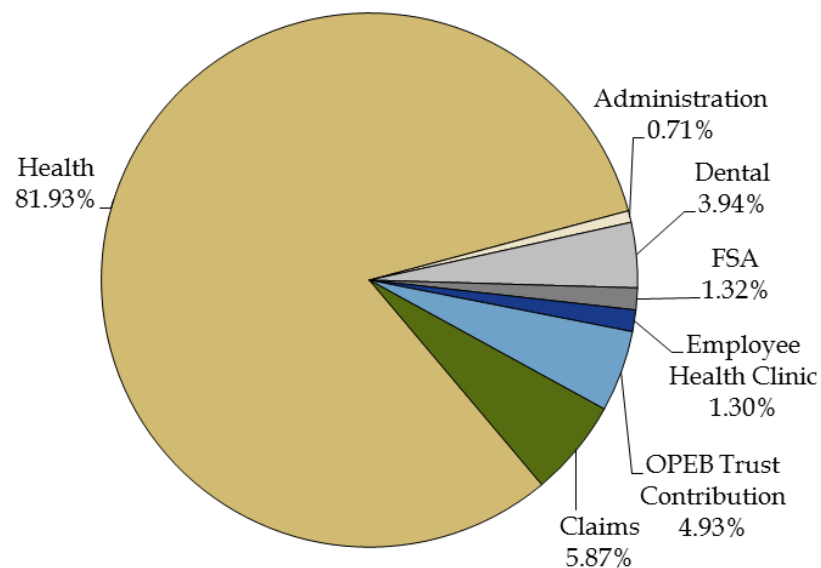
The Internal Service Fund's major revenue source is derived from departmental charges, retiree payments, employee payments and insurance settlements. In FY2015 it is anticipated that the Internal Service Fund will receive \$27,638,707 from charges.

The state of North Carolina passed legislation in 2013 reforming North Carolina's unemployment insurance system. As part of this legislation counties and municipalities were required to make quarterly payments in FY2014 to build up an unemployment reserve fund equaling 1% of unemployment insurance taxable wages. This was in addition to the regular payment of unemployment claims submitted annually. Beginning in FY2015 one annual payment will be required to replenish the reserve fund.

Internal Service Fund	2012/13 Actual	2013/14 Amended Budget	2013/14 Estimated	2014/15 Adopted Budget
Expenditures:				
Personnel	452,193	452,944	481,314	477,542
Operating	21,179,400	26,168,333	24,696,089	27,161,165
TOTAL:	21,631,593	26,621,277	25,177,403	27,638,707
Revenues:				
Sales & Services	22,643,788	26,621,277	23,286,064	27,638,707
Investments	876	0	24,873	0
Transfers	0	0	900,000	0
TOTAL:	22,644,664	26,621,277	24,210,937	27,638,707

Budgeted Permanent Positions	2013	2014	2015	% Change
	5	5	5	0%

Expenditure Appropriations by Type
FY 2014 - 2015

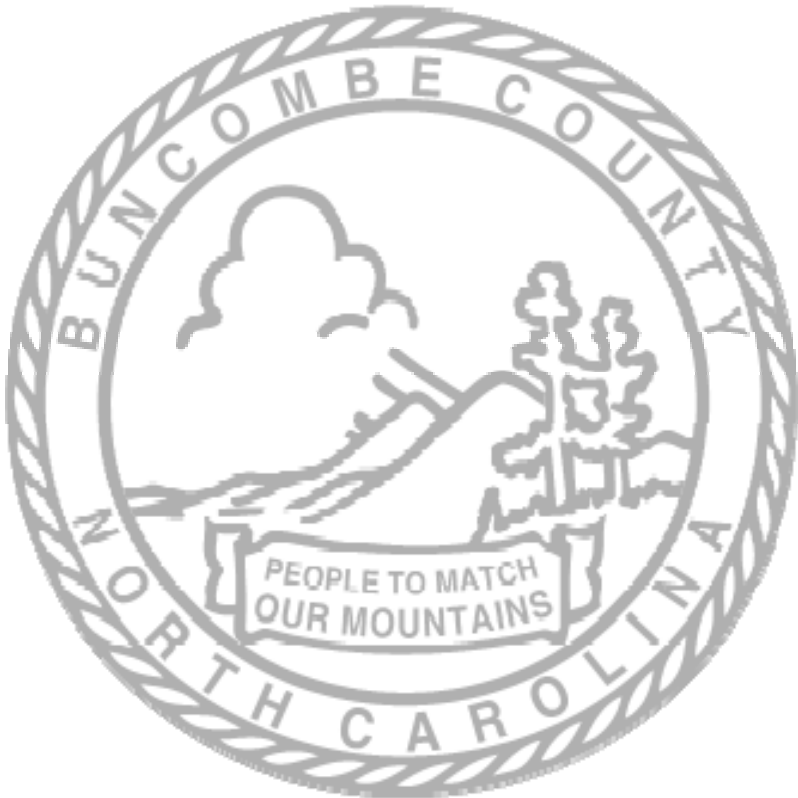


FSA – Flexible Spending Accounts

OPEB – Other Post Employment Benefits

Claims – Includes workers compensation, unemployment, and general liability claims

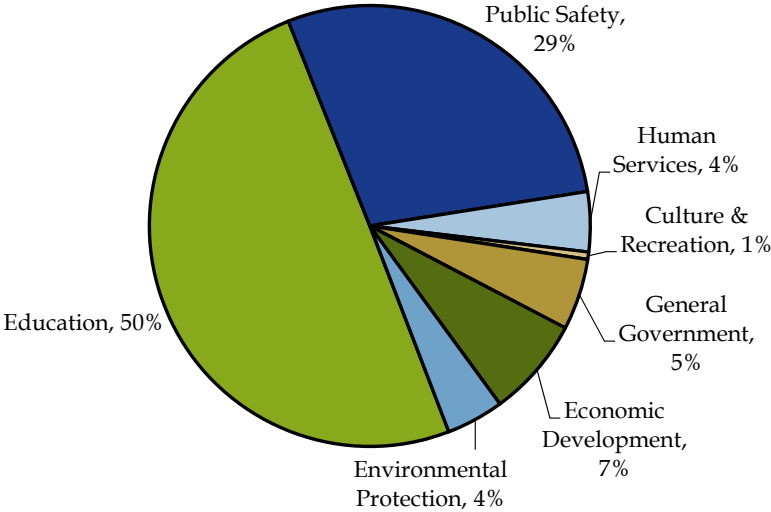
DEBT SERVICE



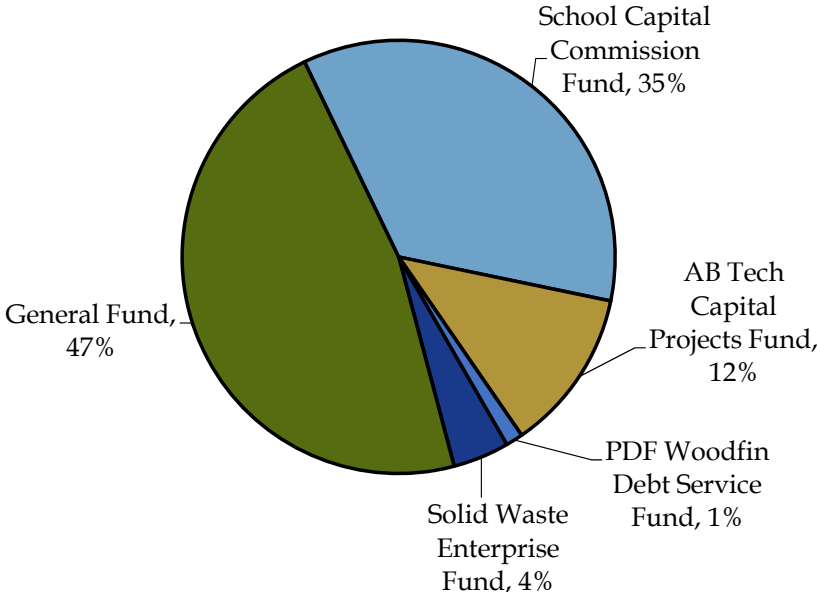
Debt Service Overview

Debt Service is an accounting function established in the General Fund, School Capital Commission Capital Projects Fund, AB Tech Capital Projects Fund, PDF Woodfin Debt Service Fund, and Solid Waste Fund to record retirement of the County’s debt obligations. Costs associated with each type of debt (general obligation debt, lease purchase payments, and other long-term financing) include principal and interest payments as well as administrative cost associated with selling bonds. The following schedules detail FY2015 debt service requirements by fund and function, as well as anticipated General Fund debt service resulting from the Capital Improvement Program (CIP).

Principal & Interest By Function
FY2015



Principal & Interest By Fund
FY2015



Debt Service Schedule By Function FY2015

Purpose Debt Issuance	Debt Type	Original Issue	Principal		FY 2015 Debt Service Requirement		
			Outstanding 7/1/2014		Principal	Interest	Total
Education							
COPS 2006	Installment	\$ 14,500,000	\$ 11,320,000	\$ 3,180,000	\$ 540,238	\$ 3,720,238	
COPS 2007	Installment	619,425	405,900	31,223	17,487	48,710	
GO 2005A	General Obligation	420,500	167,912	28,105	6,295	34,400	
GO 2005B	General Obligation	7,218,723	595,269	595,269	20,834	616,103	
GO 2009A	General Obligation	8,995,000	2,270,000	2,270,000	34,050	2,304,050	
GO 2009B	General Obligation	5,685,000	4,193,000	474,000	20,130	494,130	
GO 2012	General Obligation	31,432,928	27,564,260	2,031,051	451,328	2,482,379	
LOBS 2009C	Installment	30,850,010	25,621,625	1,307,096	1,441,330	2,748,426	
LOBS 2010A	Installment	2,777,593	1,895,817	316,998	85,716	402,715	
LOBS 2010B	Installment	1,956,829	1,956,829	-	130,126	130,126	
LOBS 2010C	Installment	3,800,000	2,800,000	265,000	242,250	507,250	
LOBS 2012A	Installment	12,440,754	11,255,754	644,895	544,658	1,189,553	
LOBS 2014A	Installment	137,931,054	137,931,054	305,000	6,890,453	7,195,453	
Total Education		\$ 258,627,814	\$ 227,977,418	\$ 11,448,637	\$ 10,424,897	\$ 21,873,534	
Public Safety							
COPS 2005	Installment	\$ 4,690,000	\$ 3,240,000	\$ 725,000	\$ 133,273	\$ 858,273	
COPS 2007	Installment	15,125,000	12,285,000	490,000	549,844	1,039,844	
LOBS 2010A	Installment	20,939,651	14,292,143	2,389,779	646,196	3,035,975	
LOBS 2010B	Installment	13,028,697	13,028,697	-	866,389	866,389	
LOBS 2012A	Installment	59,108,880	58,328,880	3,669,300	2,832,856	6,502,157	
LOBS 2014A	Installment	2,210,000	2,210,000	115,000	108,200	223,200	
Total Public Safety		\$ 115,102,228	\$ 103,384,720	\$ 7,389,080	\$ 5,136,758	\$ 12,525,838	
Human Services							
COPS 2007	Installment	\$ 2,455,575	\$ 1,609,100	\$ 123,777	\$ 69,325	\$ 193,102	
LOBS 2010A	Installment	7,179,605	4,900,366	819,387	221,562	1,040,949	
LOBS 2010B	Installment	5,021,197	5,021,197	-	333,902	333,902	
LOBS 2012A	Installment	1,535,000	935,000	315,000	46,600	361,600	
Total Human Services		\$ 16,191,377	\$ 12,465,663	\$ 1,258,164	\$ 671,389	\$ 1,929,553	
Culture & Recreation							
COPS 2009A	Installment	\$ 2,948,676	\$ 1,765,784	\$ 118,534	\$ 74,737	\$ 193,271	
LOBS 2012A	Installment	295,366	295,366	30,805	14,335	45,140	
Total Culture & Recreation		\$ 3,244,042	\$ 2,061,150	\$ 149,339	\$ 89,073	\$ 238,411	
General Government							
COPS 2007	Installment	\$ 3,030,000	\$ -	\$ -	\$ -	\$ -	
COPS 2009A	Installment	2,604,664	1,559,776	104,705	66,018	170,723	
GO 2005A	General Obligation	5,414,500	2,162,088	361,895	81,055	442,950	
GO 2005B	General Obligation	5,211,278	429,731	429,731	15,041	444,772	
GO 2012	General Obligation	1,067,073	935,741	68,949	15,322	84,271	
LOBS 2009C	Installment	5,614,990	4,663,375	237,904	262,335	500,239	
LOBS 2009D	Installment	3,340,000	1,425,000	475,000	58,900	533,900	
LOBS 2010A	Installment	603,151	411,674	68,836	18,613	87,449	
LOBS 2010B	Installment	413,277	413,277	-	27,482	27,482	
Total Culture & Recreation		\$ 27,298,932	\$ 12,000,662	\$ 1,747,019	\$ 544,766	\$ 2,291,785	
Economic Development							
COPS 2006	Installment	\$ 180,000	\$ 135,000	\$ 45,000	\$ 6,443	\$ 51,443	
COPS 2009A	Installment	6,511,660	3,899,440	261,762	165,045	426,807	
LOBS 2014A	Installment	11,448,946	11,448,946	35,000	532,947	567,947	
LOBS 2014B	Installment	28,725,000	28,725,000	1,105,000	1,057,732	2,162,732	
Total Economic Development		\$ 46,865,606	\$ 44,208,386	\$ 1,446,762	\$ 1,762,166	\$ 3,208,928	
Environmental Protection							
ARRA 2012	Installment	\$ 1,500,000	\$ 1,275,000	\$ 75,000	\$ -	\$ 75,000	
COPS 2007	Installment	1,020,000	-	-	-	-	
LOBS 2012A	Installment	1,985,000	1,665,000	175,000	80,300	255,300	
SORB 2005	Special Obligations	16,140,000	1,460,000	1,460,000	57,125	1,517,125	
Total Environmental Protection		\$ 20,645,000	\$ 4,400,000	\$ 1,710,000	\$ 137,425	\$ 1,847,425	
TOTAL DEBT SERVICE		\$ 487,975,000	\$ 406,498,000	\$ 25,149,000	\$ 18,766,474	\$ 43,915,474	

Debt Service Schedule By Fund FY2015

Fund Debt Issuance	Debt Type	Original Issue	Principal		FY 2015 Debt Service Requirement		
			Outstanding 7/1/2014		Principal	Interest	Total
General Fund							
COPS 2005	Installment	\$ 4,690,000	\$ 3,240,000	\$ 725,000	\$ 133,273	\$ 858,273	
COPS 2006	Installment	2,980,000	2,235,000	745,000	106,664	851,664	
COPS 2007	Installment	20,610,575	13,894,100	613,777	619,169	1,232,946	
COPS 2009A	Installment	12,065,000	7,225,000	485,000	305,800	790,800	
GO 2005A	General Obligation	5,835,000	2,330,000	390,000	87,350	477,350	
GO 2005B	General Obligation	5,211,278	429,731	429,731	15,041	444,772	
GO 2012	General Obligation	1,067,073	935,741	68,949	15,322	84,271	
LOBS 2009C	Installment	5,614,990	4,663,375	237,904	262,335	500,239	
LOBS 2009D	Installment	3,340,000	1,425,000	475,000	58,900	533,900	
LOBS 2010A	Installment	28,722,407	19,604,183	3,278,002	886,371	4,164,373	
LOBS 2010B	Installment	18,463,171	18,463,171	-	1,227,774	1,227,774	
LOBS 2012A	Installment	61,130,000	59,750,000	4,035,000	2,903,050	6,938,050	
LOBS 2014A	Installment	4,987,641	4,987,641	115,000	247,082	362,082	
LOBS 2014B	Installment	28,725,000	28,725,000	1,105,000	1,057,732	2,162,732	
Total General Fund		\$ 203,442,134	\$ 167,907,942	\$ 12,703,363	\$ 7,925,861	\$ 20,629,224	
School Capital Commission Fund							
COPS 2006	Installment	\$ 11,700,000	\$ 9,220,000	\$ 2,480,000	\$ 440,018	\$ 2,920,018	
GO 2005B	General Obligation	7,218,723	595,269	595,269	20,834	616,103	
GO 2009A	General Obligation	8,995,000	2,270,000	2,270,000	34,050	2,304,050	
GO 2009B	General Obligation	5,685,000	4,193,000	474,000	20,130	494,130	
GO 2012	General Obligation	31,432,928	27,564,260	2,031,051	451,328	2,482,379	
LOBS 2009C	Installment	30,850,010	25,621,625	1,307,096	1,441,330	2,748,426	
LOBS 2010C	Installment	3,800,000	2,800,000	265,000	242,250	507,250	
LOBS 2014A	Installment	69,617,359	69,617,359	-	3,480,868	3,480,868	
Total School Capital Commission Fund		\$ 169,299,019	\$ 141,881,512	\$ 9,422,416	\$ 6,130,808	\$ 15,553,224	
AB Tech Capital Projects Fund							
COPS 2007	Installment	\$ 619,425	\$ 405,900	\$ 31,223	\$ 17,487	\$ 48,710	
LOBS 2010A	Installment	2,777,593	1,895,817	316,998	85,716	402,715	
LOBS 2010B	Installment	1,956,829	1,956,829	-	130,126	130,126	
LOBS 2012A	Installment	12,250,000	11,065,000	625,000	535,400	1,160,400	
LOBS 2014A	Installment	65,700,000	65,700,000	305,000	3,278,900	3,583,900	
Total AB Tech Capital Projects Fund		\$ 83,303,847	\$ 81,023,546	\$ 1,278,221	\$ 4,047,630	\$ 5,325,851	
PDF Woodfin Debt Service Fund							
LOBS 2014A	Installment	\$ 11,285,000	\$ 11,285,000	\$ 35,000	\$ 524,750	\$ 559,750	
Total PDF Woodfin Debt Service Fund		\$ 11,285,000	\$ 11,285,000	\$ 35,000	\$ 524,750	\$ 559,750	
Solid Waste Enterprise Fund							
ARRA 2012	Installment	\$ 1,500,000	\$ 1,275,000	\$ 75,000	\$ -	\$ 75,000	
COPS 2007	Installment	1,020,000	-	-	-	-	
LOBS 2012A	Installment	1,985,000	1,665,000	175,000	80,300	255,300	
SORB 2005	Special Obligation	16,140,000	1,460,000	1,460,000	57,125	1,517,125	
Total Solid Waste Enterprise Fund		\$ 20,645,000	\$ 4,400,000	\$ 1,710,000	\$ 137,425	\$ 1,847,425	
TOTAL DEBT SERVICE		\$ 487,975,000	\$ 406,498,000	\$ 25,149,000	\$ 18,766,474	\$ 43,915,474	

**Debt Service Schedule
General Fund By Function FY2015**

Purpose		Original Issue	Principal		FY 2015 Debt Service Requirement		
			Outstanding 7/1/2014		Principal	Interest	Total
Debt Issuance							
Education							
COPS 2006	Installment	\$ 2,800,000	\$ 2,100,000	\$ 700,000	\$ 100,221	\$ 800,221	
GO 2005A	General Obligation	420,500	167,912	28,105	6,295	34,400	
LOBS 2012A	Installment	190,754	190,754	19,895	9,258	29,153	
LOBS 2014A	Installment	2,613,694	2,613,694	-	130,685	130,685	
Total Education		\$ 6,024,948	\$ 5,072,360	\$ 748,000	\$ 246,459	\$ 994,459	
Public Safety							
COPS 2005	Installment	\$ 4,690,000	\$ 3,240,000	\$ 725,000	\$ 133,273	\$ 858,273	
COPS 2007	Installment	15,125,000	12,285,000	490,000	549,844	1,039,844	
LOBS 2010A	Installment	20,939,651	14,292,143	2,389,779	646,196	3,035,975	
LOBS 2010B	Installment	13,028,697	13,028,697	-	866,389	866,389	
LOBS 2012A	Installment	59,108,880	58,328,880	3,669,300	2,832,856	6,502,157	
LOBS 2014A	Installment	2,210,000	2,210,000	115,000	108,200	223,200	
Total Public Safety		\$ 115,102,228	\$ 103,384,720	\$ 7,389,080	\$ 5,136,758	\$ 12,525,838	
Human Services							
COPS 2007	Installment	\$ 2,455,575	\$ 1,609,100	\$ 123,777	\$ 69,325	\$ 193,102	
LOBS 2010A	Installment	7,179,605	4,900,366	819,387	221,562	1,040,949	
LOBS 2010B	Installment	5,021,197	5,021,197	-	333,902	333,902	
LOBS 2012A	Installment	1,535,000	935,000	315,000	46,600	361,600	
Total Human Services		\$ 16,191,377	\$ 12,465,663	\$ 1,258,164	\$ 671,389	\$ 1,929,553	
Culture & Recreation							
COPS 2009A	Installment	\$ 2,948,676	\$ 1,765,784	\$ 118,534	\$ 74,737	\$ 193,271	
LOBS 2012A	Installment	295,366	295,366	30,805	14,335	45,140	
Total Culture & Recreation		\$ 3,244,042	\$ 2,061,150	\$ 149,339	\$ 89,073	\$ 238,411	
General Government							
COPS 2007	Installment	\$ 3,030,000	\$ -			\$ -	
COPS 2009A	Installment	2,604,664	1,559,776	104,705	66,018	170,723	
GO 2005A	General Obligation	5,414,500	2,162,088	361,895	81,055	442,950	
GO 2005B	General Obligation	5,211,278	429,731	429,731	15,041	444,772	
GO 2012	General Obligation	1,067,073	935,741	68,949	15,322	84,271	
LOBS 2009C	Installment	5,614,990	4,663,375	237,904	262,335	500,239	
LOBS 2009D	Installment	3,340,000	1,425,000	475,000	58,900	533,900	
LOBS 2010A	Installment	603,151	411,674	68,836	18,613	87,449	
LOBS 2010B	Installment	413,277	413,277	-	27,482	27,482	
Total Culture & Recreation		\$ 27,298,932	\$ 12,000,662	\$ 1,747,019	\$ 544,766	\$ 2,291,785	
Economic Development							
COPS 2006	Installment	\$ 180,000	\$ 135,000	\$ 45,000	\$ 6,443	\$ 51,443	
COPS 2009A	Installment	6,511,660	3,899,440	261,762	165,045	426,807	
LOBS 2014A	Installment	163,946	163,946	-	8,197	8,197	
LOBS 2014B	Installment	28,725,000	28,725,000	1,105,000	1,057,732	2,162,732	
Total Economic Development		\$ 35,580,606	\$ 32,923,386	\$ 1,411,762	\$ 1,237,416	\$ 2,649,178	
TOTAL GENERAL FUND DEBT SERVICE		\$ 203,442,134	\$ 167,907,942	\$ 12,703,363	\$ 7,925,861	\$ 20,629,224	

Buncombe County General Fund Debt Service Projections FY 2015 - 2019

	FY2015	FY2016	FY2017	FY2018	FY2019
Current Debt Service:					
Principal	12,703,361	11,329,303	11,349,744	10,101,306	10,138,933
Interest	7,925,864	7,404,720	6,936,239	6,461,324	6,051,512
Charges	50,000	50,000	50,000	50,000	50,000
Total Current Debt Service	20,679,224	18,784,023	18,335,983	16,612,630	16,240,446

Capital Improvement Projects (CIP):

FY 2015:

Human Services Campus Expansion - TBD

Build Indoor Pool - TBD

FY 2016:

Voting System Replacement

183,470

183,470

183,470

183,470

Begin Greenway MP Implementation

36,556

36,556

36,556

36,556

Renovate East Asheville Library Branch

109,668

109,668

109,668

109,668

FY 2018:

Greenway 1-26 Long Shoals to Brevard Rd

73,112

73,112

Total Debt Service with CIP	20,679,224	19,113,717	18,665,677	17,015,436	16,643,252
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Debt Service Adjustments:

BAB Subsidy Payments	(488,716)	(485,934)	(482,612)	(479,135)	(473,978)
GE Rental Income	(1,094,250)	(1,094,250)	(1,094,250)	(1,094,250)	(1,116,135)
IDES and AMS Debt Transfer		4,569,060	5,068,406	4,934,883	4,796,997
ACS IDES/ AMS Debt Reimbursement		(1,425,000)			
Total Debt Service Adjustments	(1,582,966)	1,563,876	3,491,544	3,361,498	3,206,884

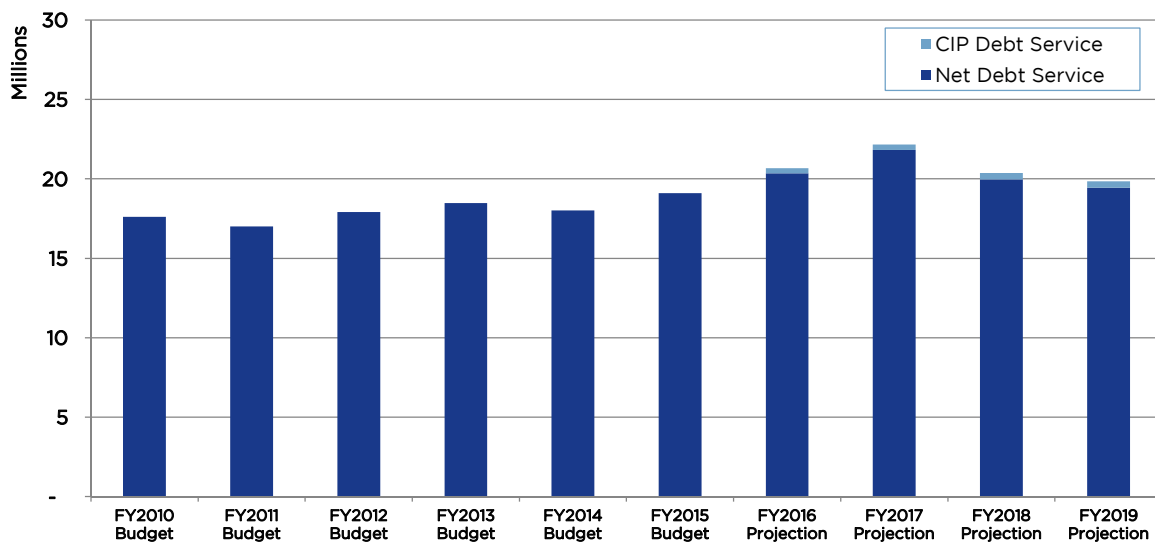
Adjusted Debt Service (Net Debt) with CIP	19,096,258	20,677,593	22,157,221	20,376,934	19,850,136
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BAB Subsidy Payments - Federal subsidy payments received for Build America Bonds (BAB) issued.

GE Rental Income - Rental payments received from General Electric (GE); used to offset debt service issued for GE Economic Development.

ACS IDES/ AMS - Debt service for the Asheville City Schools' Isaac Dickson Elementary School and Asheville Middle School capital projects. The General Fund is responsible for a portion of this debt service, with the remaining debt service being paid out

General Fund Debt Service



DEBT POLICY

The Buncombe County debt policy establishes parameters for issuing and managing debt to meet capital needs for essential county services to citizens. The updated policy was adopted by the Board of Commissioners on August 7th, 2012 and can be viewed in its entirety in Appendix C.

The policy outlines permissible debt instruments, restrictions on debt issuance, structuring practices, and the debt issuance process. The following are just a few of the restrictions outlined in the policy:

- * Net direct debt per capita is not to exceed \$1,200.
- * The net direct debt shall not exceed 3% of the assessed valuation of the taxable property of the County.
- * Net direct debt service cannot exceed 8% of total General Fund expenditures.
- * The County shall maintain a payout ratio of at least 65% of all outstanding principal in ten years.

BOND RATINGS

Rating agencies are an independent source of information and analysis for capital markets. A bond rating assigned by the rating agencies is an independent assessment of relative credit risk associated with purchasing and holding a particular bond, and the likelihood that the obligation will be repaid. The higher the bond rating the lower the credit risk to the investor and the lower the cost of borrowing. Buncombe County holds an Aa1 rating from Moody's and an AAA rating from Standard & Poor's. The following chart illustrates where the County's ratings (underlined below) fall within the rating scale of the particular agency:

Moody's (ranges from a high of Aaa to a low of C)

Aaa	Best Quality
<u>Aa1</u> , Aa2, Aa3	High quality by all standards

Standard & Poor's (ranges from a high of AAA to a low of D)

<u>AAA</u>	Highest quality; extremely strong capacity to pay
AA+ (+ or -)	High quality; very strong capacity to pay

Buncombe County is one of only eight counties in North Carolina to have a AAA rating.

**Buncombe County, North Carolina
Legal Debt Margin
June 30, 2014 (Unaudited)**

Imposed by State of North Carolina General Statutes	
Assessed value of taxable property	<u><u>\$ 27,626,220,696</u></u>
Debt limit- Eight Percent (8%) of assessed value	<u>2,210,097,656</u>
Gross debt:	
Total bonded debt	38,318,000
Installment Purchase Agreements	<u>363,780,005</u>
Total amount of debt applicable to debt limit	<u><u>402,098,005</u></u>
Legal debt margin	<u><u>\$ 1,807,999,651</u></u>
Percentage of total debt outstanding to legal debt limit	18.19%

Imposed by Buncombe County Board of Commissioners	
Assessed value of taxable property	<u><u>\$ 27,626,220,696</u></u>
Debt limit- Three Percent (3%) of assessed value	<u>828,786,621</u>
Gross debt:	
Total bonded debt	<u>38,318,000</u>
Total amount of debt applicable to debt limit	<u><u>38,318,000</u></u>
Legal debt margin	<u><u>\$ 790,468,621</u></u>
Percentage of bonded debt outstanding to policy debt limit	4.62%

CAPITAL IMPROVEMENT PROGRAM

The purpose of the Capital Improvement Program (CIP) is to identify all capital projects for the next budget year and five additional years. The CIP is formulated at the direction of the County Manager for financial planning purposes.

The County defines a capital expenditure as any item costing over \$10,000. The FY2015 adopted budget does not contain any appropriation for capital expenditures in the General Fund. Generally, throughout the fiscal year as capital needs arise, departments transfer budget (by line item transfer) from their operating accounts to capital accounts to pay for capital expenditures.

A capital project is defined as any purchase(s) over \$250,000. These are generally for major information technology projects, buildings, land, vehicle replacement programs, etc. The CIP must review all capital projects. This generally occurs in November of the budget year. After projects are reviewed and prioritized, they are presented to the Board of Commissioners for discussion and approval. Each capital project must include a detailed description, estimated total cost, impact on operating budget and funding source.



Buncombe County Capital Plan

FY2015 - FY2019

The Buncombe County Board of Commissioners were presented the following Capital Improvement Plan at their July 8, 2014 meeting to adopt the FY2015 budget. Further research and site analysis is being done on two projects, the Human Services Campus Expansion and Indoor Pool construction. A capital retreat is scheduled for January 2015 to present the recommendations for these two projects. Project data sheets are presented on the following pages for the approved FY2015 projects.

Anticipated Construction Date	Requested By	Description	Total Est. Cost	Annual Debt Service
FY 2015	Planning	Human Services Campus Expansion		
FY 2015	ABTCC	Slab parking deck for ABTCC classroom at Public Safety Training Center.	\$ 2,500,000	\$ -
FY 2015	Library, Rec & Culture	Build indoor pool		
FY 2015	Library, Rec & Culture	Implementation of Lake Julian Master Plan (improvement to "Back Park" section)	\$ 200,000	\$ -
FY 2016	Election Services	Voting system replacement	\$ 1,500,000	\$ 183,470
FY 2016	Library, Rec & Culture	Renovate East Asheville branch library	\$ 1,500,000	\$ 109,668
FY 2016	Library, Rec & Culture	Begin implementation of Greenway Master Plan	\$ 500,000	\$ 36,556
FY2016	Library, Rec & Culture	Asheville Art Museum Capital Campaign	\$ 250,000	\$ -
FY2017	Library, Rec & Culture	Asheville Art Museum Capital Campaign	\$ 250,000	\$ -
FY2018	Library, Rec & Culture	Asheville Art Museum Capital Campaign	\$ 250,000	\$ -
FY2018	Library, Rec & Culture	Greenway I-26 Long Shoals to Brevard Road	\$ 1,000,000	\$ 73,112
TOTAL BUNCOMBE COUNTY REQUESTS - FY2015 - FY2019			\$ 7,950,000	\$ 402,806

Project Title: Slab Parking Deck for ABTCC Classroom at Public Safety Training Center

Project Description

Construction of a one-story deck consisting of 150 parking spaces.

Justification:

The 18-classroom facility at the PSTC will require a significant amount of additional parking. The existing 150-space parking area stays full/overflowing now. Parking needs will not be accommodated when the classroom facility opens.

Operating Cost Impact

Not known at this time.

Impact to other County Departments and Citizens

Buncombe County Planning Department will provide oversight of project. Project will benefit ABTCC students, instructors, and other emergency personnel utilizing the PSTC and classroom facility.

Return on Investment

Increased access/capacity for classroom facility at PSTC, where first responders and emergency personnel from across the region train to respond to the emergency needs of our community.

Link to the Sustainability Plan



Sustainability Goals supported include - *Educational Resources that Match the Needs of the Community; Safe, Low-Crime Communities; and Resistance to Natural and ManMade Hazards.*



ABTCC Classroom at PSTC

Funding Source(s)	Total Estimated Cost					
	Cost	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Article 46 Sales Tax (Fund 33)	\$ 2,500,000					
Total	\$ 2,500,000					
Expenditures		Total Estimated Cost				
Professional Svcs/Construction	\$ 2,500,000					
Total	\$ 2,500,000					

Although the project is estimated at \$2.5 million, a parking study will be completed in FY2015 to provide further clarification of what is needed at the ABTCC classroom site. Once the parking study is complete project scope, cost estimates, and timelines will be reviewed and updated as needed. The project is set to be funded with Article 46 sales tax proceeds on a pay as you go (cash) basis.

Project Title: Implementation of Lake Julian Master Plan


Project Description
 Capital Improvements to the "Fisherman's Trail" - includes resurfacing entry road off of Hendersonville Road and removal of the old ranger station with a information kiosk.

Justification:
 This back side of Lake Julian Park has always been a popular area for fishermen and rowers. The entry road is dirt with ruts and potholes with an incline that is a challenge for drivers and vehicles. The ranger station would be removed and replaced with a kiosk to share park information and rules.

Operating Cost Impact
 None known at this time.

Impact to other County Departments and Citizens
 Consultation and coordination with General Services for planning, bidding and oversight.

Return on Investment
 Improved access to the park, more welcoming entry.

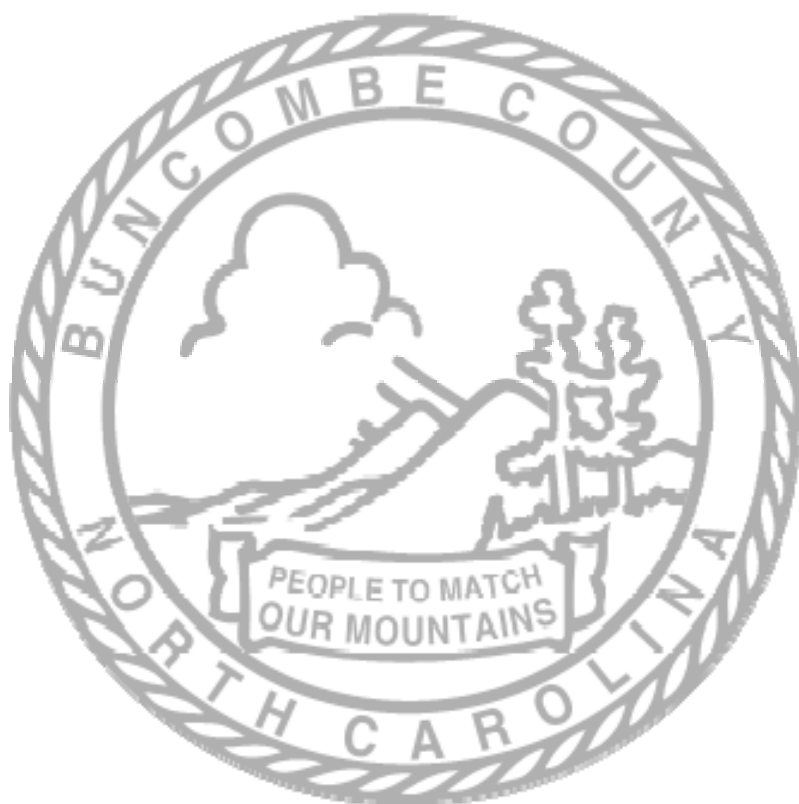
Link to the Sustainability Plan 
 Equity in Access - Objective 3. Increase quantity and quality of recreational activities.



Funding Source(s)	Total Estimated Cost					
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	
Pay-Go (Cash)	\$ 200,000	\$ 200,000				
Total	\$ 200,000	\$ 200,000				
Expenditures	Total Estimated Cost					
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	
Construction	\$ 180,000	\$ 180,000				
Professional Svcs	\$ 20,000	\$ 20,000				
Total	\$ 200,000	\$ 200,000				

The \$200,000 estimate for this project was compiled two to three years ago. Cost estimates may be revised once engineering services and design are complete. This project must be approved by Duke Energy before implementation.

SUPPLEMENTAL INFORMATION



COMMUNITY PROFILE

Government	
Date of Incorporation	December 5, 1791
Form of Government	Commission-Manager
County Seat	Asheville, NC

Area Statistics	
Population	248,929
Area in Square Miles	656
Average Elevation	2,117 feet
Municipalities (6)	City of Asheville Town of Biltmore Forest Town of Black Mountain Town of Weaverville Town of Woodfin Town of Montreat

Climate	
Annual Average Temperature	55.4 F
January Average Temperature	37.3 F
July Average Temperature	73.5 F
Annual Precipitation	47 inches
Annual Snowfall	11 inches



Population Characteristics	
% Population Non-White	13.00%
Age Composition of Population:	
0-4 years	5.50%
5-14 years	11.20%
15-19 years	5.80%
20-24 years	6.20%
25-34 years	13.50%
35-44 years	13.20%
45-54 years	14.20%
55-64 years	14.20%
65-74 years	8.70%
75-84 years	5.10%
85+ years	2.40%
Median Age	41

Top Area Employers	
Company	Description
<i>Employee Range 3,000+:</i>	
Buncombe County Public Schools	Educational Services
Mission Health System and Hospital	Hospitals
<i>Employee Range 1,000-2,999:</i>	
The Biltmore Company	Museums, Historical Sites, and Similar Institutions
Buncombe County Government	Executive, Legislative & Other General Government Support
Ingles Markets, Inc.	Food & Beverage Stores
VA Medical Center - Asheville Department of Veterans Affairs	Hospitals
The Omni Grove Park Inn	Accommodation
City of Asheville	Executive, Legislative & Other General Government Support
Asheville Buncombe Community College	Educational Services
<i>Employee Range 750-999:</i>	
Eaton Corporation - Electrical Division	Electrical Equip., Appliance & Component Mfg.
CarePartners	Nursing & Residential Care Facilities

Principal Property Taxpayers	
Taxpayer (Ranked from 1-10)	% of Total Taxable Assessed Value
Progress Energy Carolinas	1.21%
Ingles Markets Inc.	0.95%
Town Square West LLC	0.40%
GPI Resort Holdings LLC (Grove Park)	0.39%
Biltmore Company	0.37%
Asheville Mall CMBS LLC	0.28%
Borgwarner Turbo Systems	0.24%
Southeastern Container	0.24%
Bellsouth Telephone Co.	0.23%
Public Service Co. of NC Inc.	0.23%

Employment in the Asheville Metro Area	
Major Industry	Employment
Health Services & Private Education	32,800
Government (Federal, State, Local)	26,600
Leisure & Hospitality	24,700
Retail	23,500
Manufacturing	18,700
Professional & Business Services	17,500
Construction	6,800

Income Levels	
Median Household Income	\$43,422
Average Household Income	\$61,553

Unemployment/Labor Force (as of July 2014)	
Unemployment Rate	5.20%
Labor Force	128,944
Total Unemployed	6,726



Culture & Recreation	
<i>Library Facilities:</i>	
Book Circulation	1,608,748
Library Materials	654,920
Branches	12
<i>Parks:</i>	
River, Neighborhood & Community Parks	50+
Swimming Pools	9

Education	
<i>Public Schools:</i>	
Elementary Schools	28
Secondary Schools	20
Combined (middle/early college)	2
<i>Area Colleges & Universities:</i>	
University of North Carolina at Asheville Asheville-Buncombe Technical College Mars Hill University Montreat College Western Carolina University Warren Wilson College South College	

Crime/Law Enforcement Statistics	
Violent Crimes/100,000 residents (2012)	243.9
Property Crimes/100,000 residents (2012)	3,057.2
# of Dispatched Calls for Service	67,415
Number of Inmates Processed	14,447

Sources of Information
Departments of Buncombe County
Asheville Chamber of Commerce & Economic Development Coalition
NC Employment Security Commission
NC State Bureau of Investigation

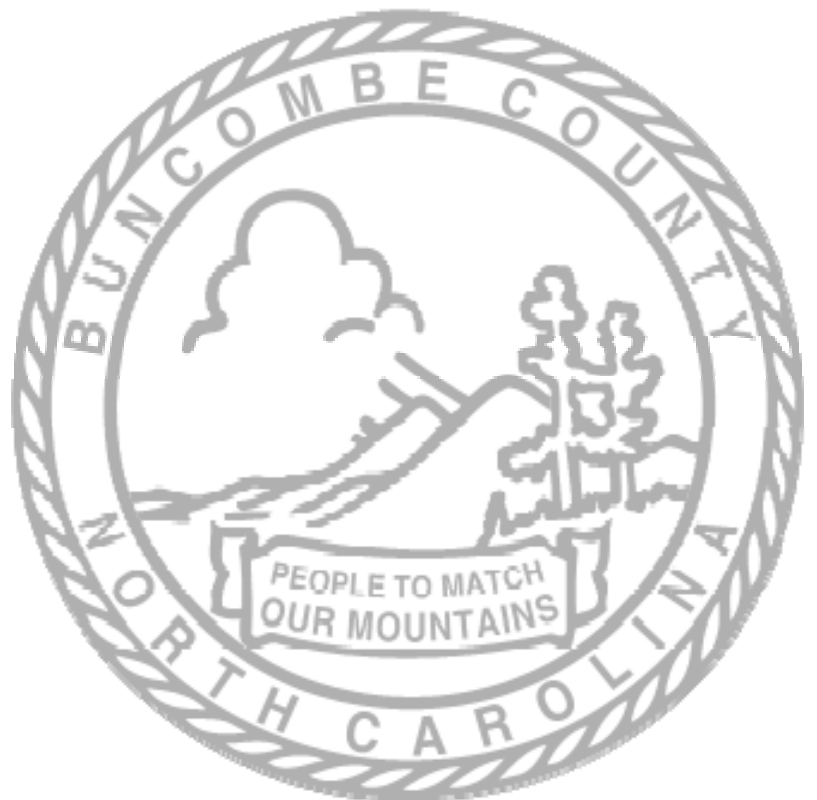
Rankings:

- SHEKNOWS** 2014 One of 10 Amazing places if you love the great outdoors
- GOVI LIVABILITY** 2013 One of the Top 100 Best Places to Live
- greener ideal** 2013 One of 5 Healthiest & Greenest Cities in America
- TopRetirements.com** 2013 #1 Retirement Community in "100 Best Places to Retire for 2013"
- Forbes** 2012 #17 of "25 Best Places for Business and Careers"
- Outside** 2012 One of America's best river towns
- AARP Real Possibilities** 2012 One of "10 Great Sunny Places to Retire"
- tripadvisor** 2012 One 15 Destinations on the Rise
2011 Top 10 Food & Wine Destination in the US
- GOOD MORNING AMERICA** 2011 One of the "Most Beautiful Places in America"



APPENDIX A

FY2015 BUDGET ORDINANCE



**BUNCOMBE COUNTY
BUDGET ORDINANCE
FISCAL YEAR 2014 – 2015**

BE IT ORDAINED by the Board of County Commissioners of Buncombe County, North Carolina this the 8th day of July, 2014:

Section 1: The following amounts are hereby appropriated and revenues estimated to be available in the General Fund for the operation of the County government and its activities for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

APPROPRIATION

General Government	\$25,957,493
Public Safety	59,549,630
Human Services	87,845,775
Economic & Physical Development	8,079,123
Culture & Recreation	9,320,790
Education	77,674,242
Debt Service	21,154,452
Transfers to Other Funds	2,413,159
Total Appropriation	<u>\$291,994,664</u>

REVENUE

Ad Valorem Taxes	\$162,326,417
NC DMV Tax	11,252,021
Sales Tax	33,960,310
Other Taxes and Licenses	5,087,184
Intergovernmental	45,183,445
Permits and Fees	2,727,185
Sales and Services	13,736,829
Other	1,139,905
Transfers from Other Funds	8,996,731
Appropriated Fund Balance	7,584,637
Total Appropriation	<u>\$291,994,664</u>

Section 2: The following is hereby appropriated and revenues estimated to be available for the indicated funds for the fiscal year beginning July 1, 2014 and ending June 30, 2015:

FUND	APPROPRIATION	REVENUE
<i>Occupancy Tax Special Revenue Fund:</i>		
Transfers to Other Funds	<u>\$10,408,699</u>	
Other Taxes & Licenses		<u>\$10,408,699</u>

FUND	APPROPRIATION	REVENUE
<i>911 Special Revenue Fund:</i>		
Public Safety	<u>\$2,742,400</u>	
Intergovernmental		\$853,821
Other		10,000
Appropriated Fund Balance		<u>1,878,579</u>
		<u>\$2,742,400</u>
<i>ROD Automation Special Revenue Fund:</i>		
General Government	<u>\$270,848</u>	
Permits & Fees		\$151,695
Other		3,305
Appropriated Fund Balance		<u>115,848</u>
		<u>\$270,848</u>
<i>Fire & Service Districts Special Revenue Fund:</i>		
Public Safety	<u>\$23,389,536</u>	
Ad Valorem		\$18,291,424
Sales Tax		<u>5,098,112</u>
		<u>\$23,389,536</u>
<i>Mountain Mobility Special Revenue Fund:</i>		
Human Services	<u>\$4,179,865</u>	
Intergovernmental		\$2,496,417
Other		57,000
Transfers from Other Funds		<u>1,626,448</u>
		<u>\$4,179,865</u>
<i>Solid Waste Enterprise Fund:</i>		
Enterprises – Landfill	<u>\$6,949,287</u>	
Other Taxes & Licenses		\$257,487
Sales & Services		6,651,800
Other		<u>40,000</u>
		<u>\$6,949,287</u>
<i>Inmate Commissary and Welfare Fund:</i>		
Enterprises – Public Safety	<u>\$401,846</u>	
Sales & Services		\$341,000
Appropriated Fund Balance		<u>60,846</u>
		<u>\$401,846</u>

FUND	APPROPRIATION	REVENUE
<i>BCAT Federal Forfeitures:</i>		
Enterprises – Public Safety	\$226,055	
Intergovernmental		\$200,000
Other		1,055
Appropriated Fund Balance		25,000
		\$226,055
<i>Sheriff Federal Forfeitures:</i>		
Enterprises – Public Safety	\$39,073	
Intergovernmental		\$25,000
Other		450
Appropriated Fund Balance		13,623
		\$39,073
<i>BCAT State Forfeitures:</i>		
Enterprises – Public Safety	\$196,100	
Intergovernmental		\$45,000
Other		1,100
Appropriated Fund Balance		150,000
		\$196,100
<i>Sheriff State Forfeitures:</i>		
Enterprises – Public Safety	\$25,175	
Intergovernmental		\$25,000
Other		175
		\$25,175
<i>Insurance Internal Service Fund:</i>		
Enterprises – Insurance	\$27,638,707	
Sales & Services		\$27,638,707

Section 3: ***Tax Levy***

A tax rate of 60.4 cents per \$100 of assessed valuation is hereby levied for fiscal year 2014-2015, all of which is levied in the General Fund. This rate is based on an estimated total assessed, taxable property value of \$29.25 billion, and an estimated collection rate of 98.25 percent.

The tax rate of 15.0 cents per \$100 of assessed, taxable valuation is hereby levied for fiscal year 2014-2015 for the Asheville Local Tax School District.

The following tax rate is levied, for fiscal year 2014-2015, for Fire Districts per \$100 of assessed, taxable valuation:

CODE	DISTRICT	TAX RATE (in cents)
DAS	Asheville Suburban	8.5
FBA	Barnardsville	15.0
DBA	Barnardsville N. E.	15.0
FBE	Beaverdam	13.0
DBE	Beaverdam N. C.	13.0
FBR	Broad River	14.0
FEB	East Buncombe	9.9
FEC	Enka-Candler	9.0
FFA	Fairview	10.5
FFL	Fletcher	9.1
FFB	French Broad	14.0
FGC	Garren Creek	14.0
DHA	Haw Creek-Asheville	9.7
DHC	Haw Creek-Reems Creek	13.0
DHI	Haw Creek-Riceville	9.0
FJU	Jupiter	12.0
FLE	Leicester	11.0
DLE	Leicester N. W.	11.0
FNB	N. Buncombe	11.2
DNN	N. Buncombe N. E.	11.2
FRC	Reems Creek	13.0
DRC	Reems Creek N. C.	13.0
DNR	Reems Creek N. E.	13.0
FRE	Reynolds	11.3
FRI	Riceville	11.0
FSK	Skyland	9.1
DSK	Skyland S. B.	9.1
FSW	Swannanoa	12.9
FUH	Upper Hominy	12.5
DUH	Upper Hominy S. D.	12.5
FWO	Woodfin	10.0
DWO	Woodfin N. C.	10.0
FWB	W. Buncombe	10.0
DWB	W. Buncombe N. W.	10.0
DNB	N. Buncombe N. C.	11.2

Section 4: Compensation for the Chairman, Vice-Chairman, and Commissioners will be \$35,584 - \$36,118, \$31,254 - \$31,723, and \$26,475 - \$27,329 respectively. Travel for official activities will be reimbursed under the same plan used for county employees.

- Section 5: Subject to a pre-audit certificate thereon by the Finance Director, if applicable, and approval as to form and legality by County Legal Services, the County Manager and the Clerk to the Board are hereby authorized to sign all contracts where money has been appropriated in this fiscal budget, to execute contracts as well as the necessary documents and agreements and any amendments thereto which are not required to be bid, and those contracts needed to properly document budgeted appropriations, on behalf of Buncombe County within funds included in the Budget Ordinance. The County Manager shall further be authorized to reject any and/or all bids received if it is in the best interest of the County. The County Manager is authorized to transfer appropriations between functional areas within a fund up to \$75,000 per expenditure; however, any revisions that alter total expenditures of any fund must be approved by the Governing Board.
- Section 6: The County Manager may transfer salary and wage appropriations to fund balance or contingency for each position vacated during fiscal year 2015. The intent is to reduce the fund balance appropriation and save all available funds as the savings opportunity arises.
- Section 7: The County Manager is hereby authorized to submit to the State of North Carolina a list of County requirements of apparatus, supplies, materials, or equipment and to make purchases for the County in any amount by participating in State Contracts under the rules established by the Department of Administration through its Division of Purchase and Contract from items bid by the State of North Carolina in accordance with the laws of this State, subject to budget limits approved by the Board of County Commissioners with no further bidding by County staff or award by the Commissioners, to the extent authorized by law.
- Section 8: The County Manager is authorized to use contracts established by the State of North Carolina, in accordance with statutes, policies, and rules of the Office of Information Technology Services, to make purchases of information technology equipment for the County in any amount at the same prices, terms, and conditions as the State contracts, without further compliance by the County with otherwise applicable competitive bidding requirements as authorized by the N.C.G.S. 147-33.82(b), subject to budget limits approved by the Board of Commissioners.
- Section 9: The position classification and pay plan and the positions listed in Exhibit A are hereby approved effective July 1, 2014. Further, Positions 3965 and 3966 are hereby converted to regular, benefitted positions with health and dental benefits effective July 1, 2014.
- Section 10: The Planning and Development fee schedule detailed in Exhibit B is hereby approved effective July 1, 2014.
- Section 11: Pursuant to the authority provided in N.C.G.S. 153A-13, and subject to budget limits approved by the Board of Commissioners, the Chairman of the Board of Commissioners and County Manager, or either of them, are authorized to execute on behalf of Buncombe County, continuing contracts, some portion or all of which are to be performed in ensuing fiscal years, provided sufficient funds are appropriated to meet any amount to be paid under the contract in the current fiscal year and further provided, in each future year, sufficient

funds are to be included in the appropriations to meet the amounts to be paid under continuing contracts previously entered into.

- Section 12: The Retirement Incentive Options as outlined in Article VII, Section 4 H of the Personnel Ordinance are hereby eliminated for all employees hired after June 30, 2014.
- Section 13: The 2014 Buncombe County Employee Retirement Incentive Plan listed in Exhibit C is hereby approved effective July 1, 2014.
- Section 14: An adjustment to tipping fee revenues to reflect a volume discount of \$4 per ton for each ton delivered over 23,000 tons per calendar year beginning January 1, 2014 is hereby approved pursuant to Exhibit D.
- Section 15: Small Claims Committee. The small claims committee, consisting of the County Legal Services, County Manager, and Finance Director, is hereby given authority to settle matters up to \$20,000.
- Section 16: Pursuant to NCGS § 143-64.32, the County Manager, or her authorized designee, is hereby authorized to make written exemption of the provisions of Article 3D, Chapter 143 regarding the announcement of all requirements for architectural, engineering, surveying and construction management at risk services on any and all projects related to or associated with a previously awarded or authorized acquisition or construction project, subject to budget limits approved by the Board of Commissioners. A report shall be made to the Board of Commissioners of all such exemptions.
- Section 17: It is hereby approved that employees be compensated, through a one-time payment, for the loss of the April 2011 Consumer Price Index adjustment that was reinstated by Board action on February 18, 2014.
- Section 18: The Buncombe County Personnel Ordinance Article VI Section 34. Annual Leave-Cash Conversion is hereby eliminated and amended to read: Upon approval of the Departmental Director, regular employees who leave a balance of at least one week may convert any remaining balance of annual leave, in increments of at least 8 hours, to cash or may be paid in one lump sum.
- Section 19: Add 13 hours of annual leave time to those full-time benefited employees who were employed on February 12-13, 2014.
- Section 20: Restrict county departments from applying for regional grants that involve more than Buncombe County, municipalities inside the county, and county based partner agencies.
- Section 21: Copies of this Budget Ordinance will be furnished to the County Manager, Assistant County Managers, Finance Director, Budget Director, Human Resources Director, and Tax Director for direction in fulfilling the responsibilities of their offices.

Section 22: All acts and doings of officers, employees and agents of the County, whether taken prior to, on, or after the date of this Ordinance, that are in conformity with and in the furtherance of the purposes and intents of this Ordinance as well as the Buncombe County Interim Budget Ordinance adopted by this Board on June 19, 2014 shall be, and the same hereby are, in all respects ratified, approved and confirmed.

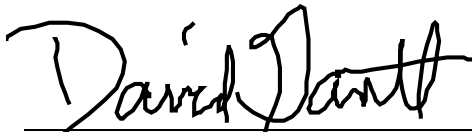
Adopted this the 8th day of July, 2014.

Attest:



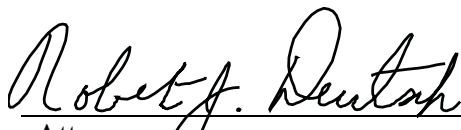
Clerk to the Board

Buncombe County Board of Commissioners:



David Gantt, Chairman

Approval as to form:



Attorney

APPENDIX B

FUND BALANCE POLICY



Buncombe County General Fund Balance Policy

Original Effective Date: 06-18-96
Dates of Revision: 08-07-12

Purpose

The County desires to maintain a prudent level of financial reserves to guard its citizens against service disruption in the event of unexpected temporary revenue shortfalls or unpredicted one-time expenditures. The fund balance has been accumulated to meet this purpose – to provide stability and flexibility to respond to unexpected adversity and/or opportunities.

The primary reasons for a general fund reserve policy are to:

- **Plan for contingencies.** Because of the volatile revenue sources such as property and sales tax, governments will always face challenges when it comes to matching planned revenues with actual expenditures. Local events, such as the closure of a major employer, can also negatively affect revenue. Finally, extreme events such as winter storms or hurricanes can increase operating and/or capital costs. Reserves can be used to make up these temporary shortfalls.
- **Maintain good standing with rating agencies.** Bond rating agencies consider an adequate level of reserves a sign of creditworthiness because it enhances a government's ability to repay debt on time and in full.
- **Avoid interest expenses.** Cash reserves may be used rather than debt to fund capital projects.
- **Generate investment income.** Reserves can be a source for investment revenue, effectively reducing the burden on the property tax rate. To maintain the reserve's value as a risk mitigation device, investments will remain relatively liquid in compliance with the County Investment Policy.
- **Serve as a cash flow management tool.** Reserves can be used to cover times of the year that normally experience low levels of cash.
- **Create a shared understanding.** A formal reserve policy clearly outlines appropriate use of the reserves.

Buncombe County General Fund Balance Policy
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Administration and Implementation

The County Manager and Finance Director are charged with carrying out the policy.

Components of Fund Balance

Fund Balance vs. Reserves - *Fund balance* is an accounting term defined as the difference between assets and liabilities in a governmental fund. The term *reserves* is often used by public finance practitioners, but isn't an actual government accounting term. It refers to the portion of fund balance held in reserve to provide a buffer against financial distress or risk.

In governmental funds, "reserves" comprise a portion of total fund balance. Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* governs the descriptions used to report fund balance. The statement focuses on the "extent to which the government is bound to honor constraints on the specific purposes for which amounts in the fund can be spent" and breaks total fund balance into five (5) different components:

- **Nonspendable fund balance.** Fund balance in this category is inherently nonspendable.
- **Restricted fund balance.** This category has externally enforceable limitations on the use of fund balance, imposed by parties such as creditors, grantors, or laws or regulations of other governments.
- **Committed fund balance.** This encompasses limitations imposed by the government on itself at its highest level of decision making (e.g., governing board through a resolution). For example, the governing board might like to commit a portion of fund balance to a "stabilization fund" to provide a cushion against unknown economic downturns and revenue declines.
- **Assigned fund balance.** This category is for the portion of fund balance that is earmarked for an intended use. The intent is established at either the highest level of decision making or by a body or an official designated for that purpose. For example, a portion of fund balance might be assigned to offset a gap in the budget stemming from a decline in revenues or a portion could be assigned to pay for an upcoming special project.

Buncombe County General Fund Balance Policy

- **Unassigned fund balance.** This encompasses all fund balances that are left after considering the other four categories. Use is least constrained in this category of fund balance.

The last three components (committed, assigned and unassigned fund balance) together comprise “unrestricted fund balance”, which is the part of fund balance covered by this reserve policy because unrestricted fund balances are either unconstrained or the constraints are self-imposed, so they could be lifted in order to make fund balances available for other purposes. Conversely, restricted fund balances or nonspendable fund balances are not suited to many of the purposes a reserve policy typically is intended to fulfill.

Required Reserve Levels

The North Carolina State Treasurer recommends a minimum unallocated general fund balance of eight percent (8%). However, the County policy is more restrictive, requiring a minimum unallocated general fund balance of fifteen percent (15%) of the total actual expenditures and transfers. The minimum requirement will be reviewed by the Finance Director as changes in economic conditions occur, new legislation is enacted or revenue sources change. Fund balance appropriated will not exceed an amount management can reasonably expect to save during the year. If fund balance is appropriated to balance the following year’s budget in an amount that, if spent, would reduce the percentage below fifteen percent (15%) an explanation of the circumstances of the utilization and a plan to save or replenish the fund balance will be included in the transmittal letter of the Comprehensive Annual Financial Report (CAFR).

APPENDIX C

DEBT POLICY



Buncombe County
Debt Policy

Original Effective Date: 06-18-96
Dates of Revision: 08-07-12

Purpose

The debt policy establishes parameters for issuing and managing debt to meet capital needs for essential county services to citizens. The scope of this policy includes debt issued and managed by the County for the capital needs of Buncombe County Schools, Asheville City Schools, Asheville-Buncombe Technical Community College, and the Woodfin Downtown District. It is designed to provide financial flexibility by ensuring future capacity in order to take advantage of potential future savings opportunities.

Debt is issued in accordance with North Carolina General Statutes (NCGS) 160A-19, 160A-20 and 153A-165, and under the guidance and approval of the Local Government Commission, a division of the North Carolina State Treasurer, Buncombe County recognizes that a formally adopted local debt policy is an essential financial management tool and is fundamental to:

- Ensure fiscal prudence and promote financial sustainability;
- Document the decision-making process and enhance the quality of decisions;
- Identify objectives for staff to implement; and
- Demonstrate to investors and rating agencies that the County is dedicated to sound financial management.

It is the objective of the policy that:

- The county obtain financing only when necessary;
- The process for identifying the timing and amount of debt or other financing be as efficient as possible;
- The most favorable interest rate and other related costs be obtained, and
- The credit rating of the County is protected.

Both the Government Finance Officers Association (GFOA) and bond rating agencies strongly encourage the development of a formal debt policy.

Administration and Implementation

Per NCGS 159-36 “the Governing Board shall enact a budget ordinance levying the necessary taxes or allocating the necessary revenue to meet all installments of principal and interest falling due on its debt during the budget year.”

The County Manager and Finance Director are charged with carrying out the policy. The Finance Director is responsible for developing recommendations for debt financing. In addition, per NCGS 159-24, the Finance Director “shall maintain all records concerning the bonded debt and other obligations of the local government . . . and determine the amount of money that will be required for debt service or the payment of other obligations during each fiscal year . . .”

The debt policy is to be used in conjunction with the operating and capital budgets, the Capital Improvement Program (CIP), and other financial policies.

The County will evaluate this policy at least every five (5) years.

Conditions for Issuance of Debt

The following standards help determine if debt is an appropriate option as circumstances change over time.

- **Favorable market conditions** - The County will strongly consider debt issuance, rather than paying cash, when interest rates are low and/or when construction costs are low or are projected to increase.
- **Favorable financial ratios** - See “Financial Limitations” beginning on page 5 of this policy.
- **Distribute costs and benefits appropriately** - Debt will be used to distribute the payments for an asset over its useful life so that benefits more closely match costs and the type of debt instrument will be chosen to help distribute public and private benefits appropriately.
- **Investment-grade bond ratings** - The particular project being funded will support an investment-grade credit rating.
- **Project characteristics support use of debt** - The County may issue debt for the purpose of acquiring or constructing capital assets including land, buildings, machinery, equipment, furniture and fixtures.

Buncombe County Debt Policy

- **Minimum useful life** - Long-term debt will be issued to purchase or construct capital improvements or equipment with a minimum expected life of five years.
- **Resources adequate to cover debt service** - Long-term revenue and expenditure forecasts will support the assumption the government will be able to repay any debt without causing financial distress. Other non-financial factors such as population and property could influence the government's ability to service its debt over the long term and will be projected and taken into consideration.
- **Resources adequate to cover operating and maintenance costs** - Debt may be considered for maintenance projects that expand an asset's capacity or significantly extends its useful life; otherwise, the County will consider these costs when developing the capital improvement plan and a strategy developed to absorb these costs into the operating budget.

Annually, the County will prepare and adopt a Capital Improvement Program (CIP) to identify and establish an orderly plan to meet the County's infrastructure needs. The CIP will also identify all debt-funded projects and the related debt service impact covering at least five (5) years.

Permissible Debt Instruments

- **General Obligation Bonds** are bonds secured by a promise to levy taxes in an amount necessary to pay debt service, principal and interest, coming due each fiscal year. General obligation bonds are backed by the full faith and credit of the County. These bonds are authorized by a referendum or by non-voted two-thirds (2/3's) authorization by the governing body. The non-voted authorization allows governments to issue up to two-thirds of the previous year's general obligation net debt reduction without a referendum.
- **Revenue Bonds** are a pledge of the revenues generated by the debt financed asset or by the operating system of which that asset is a part.
- **Special Obligation Bonds** are bonds that are payable from the pledge of any revenues other than locally levied taxes.
- **Certificates of Participation (COPs)/Limited Obligation Bonds (LOBs)** are an alternative financing method that does not require voter approval. These certificates/bonds represent an undivided interest in the payments made by a public agency pursuant to a financing lease or an installment purchase agreement. The security for this financing is represented by a lien on the property acquired or constructed.

<p>Buncombe County Debt Policy</p>
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- **An Installment Purchase Contract** is an agreement in which the equipment or property is acquired and periodic payments, which are sufficient to pay debt service, are made.

Restrictions on Debt Issuance

It is the goal of the County to fund current services with current resources so a burden is not passed on to future taxpayers. This also assures future generations are not paying for an asset without benefiting from it, therefore:

- Long-term debt shall not be used to finance ongoing operational expenses;
- Long-debt will not be amortized for a period beyond the life of the asset it is financing;
- An analysis of all debt options for the size of issuance will be completed to ensure the most cost efficient method of issuing and managing bonds is chosen;
- The County will limit the ratio of variable rate debt to fifteen percent (15%) of the total outstanding debt.
- The County will adhere to all legally authorized debt limits and tax or expenditure ceilings as well as coverage requirements and additional bond tests imposed by bond covenants.
- Pay-as-you-go financing (also known as *cash* or *PayGo* financing) uses current resources, such as current tax dollars or accumulated reserves, to purchase a capital asset. This can be justified on the grounds of keeping the community's debt burden down thereby preserving flexibility and because the net benefits derived from the asset are likely to be greater during the early years of its life, before maintenance costs begin to rise.

Financial Limitations

Per NCGS 159-55, net debt shall not exceed eight percent (8%) of the appraised value of property subject to taxation. However, local policy places the following additional restrictions and guidance on the use of debt financing and debt structuring beyond the terms of the General Statutes:

Buncombe County
Debt Policy

Ratio	Definition	Restriction
Net Direct Debt Per Capita	Measures the burden of debt placed on the size of the population supporting the debt and is widely used by rating analysts as a measure of an issuers' ability to repay debt.	Not to exceed \$1,200
Net Direct Debt as a Percentage of Assessed Valuation	Measures debt levels against the property tax base which generates the tax revenues that are the main source of debt repayment.	Less than 3%
Net Direct Debt Service as a Percentage of Total Governmental Fund Expenditures	Measures the budgetary flexibility government-wide to adapt spending levels and respond to economic condition changes.	Not to exceed 10%
Net Debt Service as a Percentage of Total General Fund Expenditures	Measures the budgetary flexibility of the general fund to adapt spending levels and respond to economic condition changes.	Less than 8%
Payout of Total Outstanding Debt Principal	Measures speed at which the County's outstanding debt is amortized.	Greater than or equal to 65% in 10 years
Outstanding Variable Rate Debt as a Percentage of Total Outstanding Debt	Measures the amount of variable rate debt to which the debt portfolio is exposed.	Not to exceed 15%

Net direct debt is debt supported by general revenue and taxes less resources restricted for debt service.

Buncombe County Debt Policy

Target debt ratios will be annually calculated, comparisons made to “like” Counties in North Carolina, in conjunction with the capital budget process, the annual financial audit and as needed for fiscal analysis. In developing the benchmark group, the County will look for similarities along key dimensions like:

- Level of urbanization
- Population size
- Economy
- Geography and weather
- Demographics, such as age and income
- Total general fund revenues and expenditures
- Revenue mix and diversity
- Scope of services delivered
- Form of government
- Bond Rating

Structuring Practices

The life of the debt, interest mode and principal maturity schedule make up the structure of the debt.

- **Maturity Guidelines** - Debt will be paid off in a timeframe that is less than or equal to the useful life of the asset or project acquired through the financing.
- **Debt Service Schedule** - County debts will be amortized for the shortest period consistent with a fair allocation of costs to current and future beneficiaries or users of assets financed by the debt. Further, debt capacity should not be tied up servicing a defunct asset. It is the goal of the County to amortize all debt issuances within twenty (20) years or less.
- **Level Principal Payments** - Debt service for each issue will be structured in an attempt to level out the county's principal debt service payments over the life of the debt portfolio. This structuring will assist in minimizing the interest payments over the life of the issue. The use of these techniques will be evaluated based on market conditions and the maximum benefit to the County while minimizing risk.

Buncombe County Debt Policy

- **Credit enhancements** are financial instruments that provide additional assurances to investors in the form of an added source of security for bond payments. These may be a letter of credit from a bank, bond insurance or surety policy and will be used only when the cost of the enhancement will result in a net decrease in borrowing costs or provide other significant benefits (e.g., make the bonds easier to sell).
- **Redemption features** give the County the right to prepay or retire debt prior to its stated maturity. These features may be a call option or optional redemption provision and permit the County to achieve interest savings by refunding bonds early. Redemption features require constant monitoring and cost-benefit analysis and will be used only when the potential to reduce the cost of borrowing is present as evaluated on the following factors:
 - The call premium required.
 - Level of rates relative to historical standards.
 - The time until the bonds may be called at a premium or at par.
 - Interest rate volatility.
- **Capitalized Interest** is the practice of using bond proceeds to pay the interest due on debt during the construction period of an asset. Capitalization of interest will never exceed the time necessary to construct the asset.
- **Pool Projects** - when feasible, debt issuance will be pooled together to minimize issuance expense.

Debt Issuance Process

All long-term financing shall comply with federal, state, and local legal requirements and the Board of Commissioners will approve each issue.

- **Method of Sale** - The County will use the following methods to sale bonds and installment purchase transactions:
 - **Fixed rate general obligation bond sales** are conducted on a competitive basis by the Local Government Commission (LGC), a division of the Office of the State Treasurer.
 - **COPs/LOBs, variable rate bonds, revenue and special obligation bonds** will be sold on a negotiated basis.

Buncombe County Debt Policy

- **Reimbursement Resolution** - If the cash requirements for capital projects are minimal in any given year, the County may choose not to issue debt. Instead, the County may adopt a reimbursement resolution, then fund up-front project costs and reimburse these costs when financing is arranged.

Professional Service Providers

- **Financial Advisor** –These duties include identifying capital financing alternatives and planning the debt program, working with other members of the financing team to determine the structure and timing of the issues, preparing bond documents and rating agency presentations. The Finance Director and staff can perform these duties, or can contract any or all financial advisory services if desired. The Financial Advisor should be independent of the Underwriter.
- **Bond Counsel** – The primary role of the Bond Counsel is to certify the issue has legal authority to issue the bonds and the securities qualify for federal and state income tax exemption. Bond Counsel drafts bond documents including the official statement, ordinances and resolutions authorizing issuance and sale of a bond offering, and other necessary documents. Bond Counsel firms will be chosen based on experience in the area of municipal bonds and will be compensated on a negotiated fixed-fee basis.
- **Underwriter** – the primary function of the underwriter is to purchase securities from the County and resell them to investors. Underwriters will be selected for each issue based on the particular experience and expertise necessary for that issue. The underwriter’s compensation (an “underwriter’s discount”) is a percentage of the amount of bonds sold and is negotiated for each issuance. When the amount of bonds to be issued exceeds twenty million dollars (\$20 million) the LGC requires a Co-Manager Underwriting firm in addition to the primary Underwriting firm (Senior Managing Underwriter). Underwriter’s employ their own Counsel.
- **Trustee** – The Trustee receives funds from the County and makes payments to bondholders, maintains records of bond ownership and acts as fiduciary agent for the benefit of the bondholders in enforcing the terms of the bond contract.

Debt Management Process

- **Investment of Debt Proceeds** – Debt proceeds can be invested before they are spent on acquiring or constructing the assets they were issued to finance.
- **Arbitrage** - Typically, proceeds can be invested in instruments allowed for general government investments under NCGS. However, the one major difference specific to tax-exempt bond proceeds is that of arbitrage limits. Limits apply to interest earnings on funds received from the issuance of tax-exempt bonds, and where and when the proceeds are spent. The Finance Director, or designee, is to manage the investment of debt proceeds in order to minimize arbitrage liability and avoid penalties and protect the tax-exempt status.
- **Compliance Practices** - The County will monitor and comply with all requirements issued by the Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB) and file required documents in a timely manner.
- **Separate Accounts** - Debt proceeds are to be invested in accounts separate from general idle cash.
- **Refunding Bonds** is the practice of selling bonds to refinance outstanding bonds. The County will monitor the debt portfolio for refunding opportunities for any of the following reasons:
 - Interest rate savings.
 - Restructuring debt service schedule.
 - Restructure other compliance requirements.
- **Market and Investor Relations** - A policy of full and open disclosure on every financial report and long-term obligation transaction will be enforced. A credit rating agency presentation/update shall be conducted at least bi-annually.
- **Credit Rating Goals** - The County will manage in a way to obtain the highest credit rating possible and seek ratings from two (2) agencies.

Special Situations

- **Use of Derivatives** - A derivative is a financial instrument whose value depends on other, more basic underlying variables. Derivatives may take the form of interest rate swaps; futures and options contracts; options on swaps; and other hedging mechanisms such as caps, floors, collars, and rate locks. Derivatives can provide interest rate savings, alter debt service patterns, and provide a hedge against risk associated with variable interest rate debt. However, derivatives also come with multiple risks that currently outweigh the benefits. The County believes capital objectives can be accomplished with traditional and more conservative financing methods and therefore prohibits the use of derivatives.
- **Interfund Borrowing** is considered a loan and repayment is necessary.
 - The County Manager and the Finance Director are authorized to approve interfund borrowings for cash flow purposes whenever the cash shortfall is expected to be resolved within 90 days.
 - Any other Interfund borrowings for cash flow or other purposes require approval by the Board of Commissioners.
 - Any transfers between funds where reimbursement is not expected within one fiscal year shall not be recorded as interfund borrowings. They shall be recorded as interfund operating transfers.
 - The fund receiving the loan shall repay the fund providing the loan on a level or accelerated repayment schedule at a prevailing rate of interest set by the Finance Department.
- **Variable Rate Debt (VRD)** does not have a set or fixed long-term interest rate, but rather has an interest rate that varies over the life of the debt based on prevailing market interest rates at the time. Financial market disruptions have increased the County's wariness of variable rate debt due to interest rate, budgetary, repayment and political risk; however, VRD has traditionally represented an opportunity to make more effective use of tax dollars by lowering the cost of financing long-term capital assets. Therefore, staff is directed to forecast interest rate volatility over the short and long terms and expected performance of selected financial products under various interest rate scenarios and consider VRD when interest rates are dropping. Interest payments on VRD will be budgeted at the prevailing rate for fixed-rate debt and the interest savings will be used to pay down debt more quickly if permissible within the terms of the debt issuance.

Buncombe County Debt Policy

- **Project Development Financing (PDF)** - The North Carolina State Treasurer advises there is not a market for this type of debt in the current environment; therefore, it is excluded from the County's permissible debt instruments.¹
- **Short-term debt** - may be used by the County for three (3) primary purposes:
 - To cover a gap in financing when capital projects begin before long-term bond proceeds have been received.
 - To take advantage of variable interest rates.
 - To finance short-lived assets such as vehicles.
- **Leases** - most appropriate for smaller borrowings mainly because of the low cost of issuance. Leases may be used by the County for assets that cost over \$200,000 and have a useful life that equals or exceeds three years.
- **Alternative financing products** - Products such as direct lending by banks are particularly useful for short-term financing needs and may have a variable rate. Covenants that could lead to acceleration of repayment are prohibited and the debt may not be transferred or sold to a third party.

¹ The County currently has outstanding PDF Debt for the Woodfin Downtown District.

APPENDIX D

INVESTMENT POLICY



BUNCOMBE COUNTY, NORTH CAROLINA INVESTMENT POLICY

SCOPE

This policy applies to all financial assets of Buncombe County except authorized petty cash accounts and trust funds administered by the Social Services Director. The County pools the cash resources of its various funds into a single pool in order to maximize investment opportunities. These funds are accounted for in the County's Comprehensive Annual Financial Report. Each fund's portion of total cash and investments is summarized by fund type in the combined balance sheet as equity or deficit in pooled cash and investments. This policy applies to all transactions involving the financial assets and related activity of all the various funds accounted for in the County's Comprehensive Annual Financial Report.

OBJECTIVES

1. Safety

Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The objective will be to mitigate **credit risk** and **interest rate risk**.

Credit risk is the risk of loss due to the failure of the security issuer or backer. Credit risk may be mitigated by:

- a. Limiting investments to the safest types of securities;
- b. Pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which an entity will do business; and
- c. Diversifying the investment portfolio so that potential losses on individual securities will be minimized.

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to changes in general interest rates. Interest rate risk may be mitigated by:

- a. Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and
- b. By investing operating funds primarily in shorter-term securities.

2. Liquidity

The investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (**static liquidity**). Furthermore, since all possible cash demands cannot be

anticipated, the portfolio should consist largely of securities with active secondary or resale markets (**dynamic liquidity**).

3. **Yield**

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the investment risk constraints and liquidity needs. Return on investment is of least importance compared to the safety and liquidity objectives described above. The core of investments are limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities shall not be sold prior to maturity with the following exceptions:

- a. A declining credit security could be sold early to minimize loss of principal;
- b. A security swap would improve the quality, yield, or target duration in the portfolio; or
- c. Liquidity needs of the portfolio require that the security be sold.

STANDARDS OF CARE

1. **Prudence**

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and the liquidity and the sale of securities are carried out in accordance with the terms of this policy.

Investments shall be made with judgement and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.

2. **Ethics and Conflicts of Interest**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of their entity.

3. **Delegation of Authority**

Authority to manage the investment program is granted to the Finance Director by North Carolina General Statute 159-30(a). Responsibility for the operation of the investment program is delegated by the Finance Director to the Investment Officer or other County employee who shall carry out established written procedures and internal controls for the operation of the investment program consistent with this investment policy. Procedures shall include references to: safekeeping, delivery v. payment, investment accounting, repurchase agreements, wire transfer agreements, collateral/depository agreements, and banking service contracts. No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Finance Director. The Finance Director shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

SAFEKEEPING AND CUSTODY

1. **Authorized Financial Dealer and Institution**

A list will be maintained of financial institutions authorized to provide investment services. In addition, a list will also be maintained of approved security broker/dealers selected by creditworthiness (minimum capital requirement \$10,000,000 and at least five years of operation). These may include “primary” dealers or regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule).

All financial institutions and broker/dealers who desire to become qualified bidders for investment transactions must supply the following as appropriate:

- a. Audited financial statements;
- b. Proof of National Association of Securities Dealers (NASD) certification;
- c. Proof of state registration;
- d. Completed broker/dealer questionnaire; and
- e. Certification of having read the entity’s Investment Policy.

An annual review of the financial condition and registration of qualified bidders will be conducted by the Finance Director.

2. **Internal Controls**

The Finance Director is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the entity are protected from loss, theft, or misuse. The internal control structure shall be designed to provide reasonable assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits

likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgements by management.

Accordingly, the Finance Director shall establish a process for annual independent review by an external auditor to assure compliance with policies and procedures. The internal controls shall address the following points:

- a. **Control of collusion.** Collusion is a situation where two or more employees are working in conjunction to defraud their employer.
- b. **Separation of transaction authority from accounting and record keeping.** By separating the person who authorizes or performs the transaction from the people who record or otherwise account for the transaction, a separation of duties is achieved.
- c. **Custodial safekeeping.** Securities purchased from any bank or dealer including appropriate collateral (as defined by State Law) shall be placed with an independent third party for custodial safekeeping.
- d. **Avoidance of physical delivery securities.** Book entry securities are much easier to transfer and account for since actual delivery of a document never takes place. Delivered securities must be properly safeguarded against loss or destruction. The potential for fraud and loss increases with physically delivered securities.
- e. **Clear delegation of authority to subordinate staff members.** Subordinate staff members must have a clear understanding of their authority and responsibilities to avoid improper actions. Clear delegation of authority also preserves the internal control structure that is contingent on the various staff positions and their respective responsibilities.
- f. **Written confirmation of telephone transactions for investments and wire transfers.** Due to the potential for error and improprieties arising from telephone transactions, all telephone transactions should be supported by written communications and approved by the appropriate person. Written communications may be via fax if on letterhead and the safekeeping institution has a list of authorized signatures.
- g. **Development of a wire transfer agreement with the lead bank or third party custodian.** This agreement should outline the various controls, security provisions, and delineate responsibilities of each party making and receiving wire transfers.

From time to time, investors may choose to invest in instruments offered by minority and community financial institutions. These financial institutions may not meet all the criteria under Paragraph 1. All terms and relationships will be fully disclosed prior to purchase and will be reported to the Finance Director on a consistent basis and should be consistent with state or local law.

3. **Delivery vs. Payment**

All trades where applicable will be executed by Delivery vs. Payment (DVP). This ensures that securities are deposited in the eligible financial institution prior to the release of funds. Securities will be held by a third party custodian as evidenced by safekeeping receipts.

SUITABLE AND AUTHORIZED INVESTMENTS

1. **Investment Types**

Only the following investments will be permitted by this policy although others are authorized by North Carolina General Statute 159-30(c):

- a. Obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States.
- b. Obligations of the Federal Financing Bank, the Federal Farm Credit Bank, the Bank for Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, Fannie Mae, the Government National Mortgage Association, the Federal Housing Administration, the Farmers Home Administration, the United States Postal Service.
- c. Obligations of the State of North Carolina.
- d. Bonds and notes of any North Carolina local government or public authority, subject to such restrictions as the Secretary of the Local Government Commission may impose.
- e. Deposits at interest or savings certificates of deposit with any bank, savings and loan association or trust company in North Carolina, provided such deposits or certificates of deposit are fully collateralized.
- f. Prime quality commercial paper bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest (A1, P1, F1) by any nationally recognized rating service which rates the particular obligation.
- g. Banker's Acceptances provided the accepting bank or its holding company is either (1) incorporated in the State of North Carolina or (2) has outstanding publicly held obligations bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest (Aaa or AAA) by any nationally recognized rating service which rates the particular obligations.

- h. Participating shares in a mutual fund for local government investment (such as the N.C. Capital Management Trust) which is certified by the N.C. Local Government Commission.

Consistent with GFOA Recommended Practice on Use of Derivatives by State and Local Governments, extreme caution shall be exercised in the use of derivative instruments.

2. Collateralization

In accordance with North Carolina General Statute 159-31(b) and the GFOA Recommended Practices on the Collateralization of Public Deposits, full collateralization will be required on deposits at interest and savings certificates of deposit. The County shall utilize the pooling method of collateralization and shall use only banking institutions approved by the North Carolina Local Government Commission.

3. Repurchase Agreements

Use of repurchase agreements is prohibited.

INVESTMENT PARAMETERS

1. Diversification

- a. The investments will be diversified by security type and institution.
- b. The combined total investment in commercial paper and bankers' acceptances shall not exceed twenty-five (25%) of the total portfolio and the investment in commercial paper or bankers' acceptances of a single issuer shall not exceed the lesser of five million dollars (\$5,000,000) or five percent (5%) of the total portfolio at the time of investment.

2. Maximum Maturities

The County's general intent is to make investments and hold until maturity. However, early liquidation may be necessary if cash flow demand warrants an earlier date of sale.

The County shall limit the maximum final stated maturities of investments to three years unless specific authority is given to exceed. To the extent possible, the County will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the County will not directly invest in securities maturing more than two (2) years from the date of purchase. The Finance Director shall determine what the appropriate average weighted maturity of the portfolio shall be.

Reserve funds may be invested in securities exceeding two (2) years if the maturity of such investments are made to coincide as nearly as practicable with the expected use of funds. The ability of investing these types of funds should be disclosed to and approved by the Board of County Commissioners including appropriate time restrictions, if any apply.

REPORTING

1. Methods

The Investment Officer shall submit a monthly investment report to the Finance Director. The report shall include a general description of the portfolio in terms of investment securities, maturities, yields and other features. The report will show investment earnings for the month and fiscal year-to-date, including the annualized earned yield percentage for the portfolio. The report will compare actual investment earnings with budgeted earnings.

The Finance Director shall prepare an investment report at least semi-annually, including a succinct management summary that provides a clear picture of the status of the current investment portfolio and transactions made over the last six months. This management summary will be prepared in a manner which will disclose whether investment activities during the reporting period have conformed to the investment policy. The report shall be provided to the County Manager and the Board of County Commissioners. The report will include the following at a minimum:

- a. A listing of individual securities held at the end of the reporting period.
- b. Maturity dates.
- c. The percentage of the total portfolio which each type of investment represents.
- d. Average weighted yield to maturity as compared to applicable benchmarks.

2. Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio shall obtain a market average rate of return during a market/economic environment of stable interest rates. Portfolio performance shall be compared to appropriate benchmarks on a regular basis.

3. Marking to Market

A statement of the market value of the portfolio shall be issued at least semi-annually. This will ensure that the minimal amount of review has been performed on the investment portfolio in terms of value and subsequent price volatility. Review shall be consistent with the GFOA Recommended Practice on Mark-to-Market Practices for State and Local Government Investment Portfolios and Investment Pools.

POLICY

1. Exemption

Any investment currently held that does not meet the guidelines of this policy shall be exempted from the requirements of this policy. At maturity of liquidation, such monies shall be reinvested only as provided by this policy.

2. Amendment

This policy shall be reviewed on an annual basis. Any changes must be approved by the County Manager and the Board of County Commissioners as well as the individual(s) charged with maintaining internal controls.

ADOPTED 06/18/96

APPENDIX E

SUSTAINABILITY PLAN ANNUAL REPORT



SUSTAINABILITY ANNUAL REPORT FOR BUNCOMBE COUNTY



INTRODUCTION

BUNCOMBE COUNTY'S SUSTAINABILITY PLAN was adopted two years ago, on May 15, 2012, and outlined a five year plan for the County and its residents to make improvements in our community, economy, and environment. This Second Year Annual Report provides information related to the 14 adopted goals, their objectives, and the indicators used to measure progress. The updated strategies are included to highlight actions that have been identified to pursue in the third year of implementation.

Themes that have emerged throughout this past year's efforts are collaboration and consolidation, particularly related to buildings and County services. Renovations and new construction have helped to: consolidate court services and related functions into a judicial complex; create one location for public safety training for law enforcement, emergency services, and firefighters through the Public Safety Training Facility; and centralize mental health and substance abuse assessments and treatment through the Buncombe County Assessment Center.

Coinciding with these efforts to better serve residents in convenient, accessible locations is the decision to group similar services and uses. This will ultimately make a difference in the County's energy consumption, which supports Buncombe County's annual carbon footprint reduction goal of 2% (adopted December 2013).

The Comprehensive Land Use Plan Update was adopted within this past year, and included specific information and linkages with the Sustainability Plan. Examples of areas of mutual focus include affordable and workforce housing in areas served by existing infrastructure; transportation choices and improving transportation corridors; location of critical facilities; and land use decisions that incorporate social, environmental, and economic considerations. As shown through the incorporation of the goals and objectives of the Sustainability Plan into the Comprehensive Land Use Plan Update, the concept of sustainability is becoming an important consideration in the decision making process.

This Second Year Annual Report provides information on the progress related to the 14 Sustainability Goals. Buncombe County remains committed to the accomplishment of each of these goals, and supports the efforts made by County departments and our sustainability partners to improve our community, economy, and environment.



GOALS AND OBJECTIVES

COMMUNITY



EDUCATIONAL RESOURCES THAT MATCH THE NEEDS OF THE COMMUNITY

- Increase high school graduation rate.
- Increase access to higher education.
- Expand quality and quantity of early childhood development programs.
- Increase parent and community involvement in the educational system and in the education of individual children.
- Promote programs that supplement equitable educational opportunities for all ages.
- Ensure that all children are reading at grade level by the end of 3rd grade or have a reading intervention program/curriculum in place.



HEALTHY PEOPLE

- Decrease rates of childhood and adult obesity.
- Reduce tobacco use and exposure to second hand smoke.
- Assure the availability of a medical home for all to increase appropriate, age-specific health screenings and preventative care and improve equality in access to health care.
- Decrease infant mortality and low weight births.
- Increase access to mental health and substance abuse prevention programs.
- Increase access to affordable health insurance.



AFFORDABLE, GREEN, AND LIVABLE HOUSING

- Provide educational opportunities in financial planning and homebuyer education.
- Expand housing rehabilitation and repair programs.
- Provide affordable and workforce housing assistance funding for new developments in areas with existing infrastructure.
- Promote home ownership while also supporting quality rental developments that are required to remain affordable and safe.
- Ensure the availability of a diverse housing stock.
- Ensure that County regulations, ordinances, and other programs do not impede, and where possible, provide incentives for the adoption of sustainable products and strategies.



CITIZEN PARTICIPATION IN COMMUNITY DECISIONS

- Create partnerships across multiple sectors of the community to reduce duplication of services and to assist in prioritizing and funding initiatives.
- Increase opportunities for civic engagement and participation.
- Ensure that information reaches citizens.
- Value and respect the contributions of all Buncombe County citizens.

GOALS AND OBJECTIVES



EQUITY IN ACCESS

- Improve equality in access to health care.
- Promote an array of transportation options.
- Increase quantity and quality of recreational activities.
- Build an extensive network of social services with locations in each high school district.
- Increase the availability of locally produced foods to low income individuals and increase their educational opportunities regarding farms and locally produced foods.
- Ensure reliable access to information resources (i.e. broadband internet).



SAFE, LOW-CRIME COMMUNITIES

- Support neighborhood watches and community policing.
- Foster a sense of neighborhood pride and civic responsibility.
- Provide a comprehensive criminal justice system that includes law enforcement, court staff, alternative treatment providers, and members of the community who collaborate to deliver justice while protecting the public.
- Promote crime prevention through environmental design for residences, businesses and our parks.



RESISTANCE TO NATURAL AND MANMADE HAZARDS

- Locate critical facilities outside high hazard areas.
- Ensure local preparedness for emergencies (floods, fuel shortages, climate change, fire, droughts, earthquakes, food shortages, landslides, hazardous materials incidents, medical epidemics, etc.).



HEALTHY ENVIRONMENTS

- Improve and increase opportunities for safe, active living.
- Promote healthy buildings and homes.
- Decrease unintentional injuries.
- Improve safety for pedestrians and cyclists.

The following Objectives have been added since the Plan adoption in order to provide additional guidance to reach our goals:

AFFORDABLE, GREEN, AND LIVABLE HOUSING

- Work in partnership with outside organizations to assist families in finding safe, affordable housing.

SAFE, LOW-CRIME COMMUNITIES

- Engage with the community as a partner to problem solve community issues.
- Provide a comprehensive public safety system in which communication between agencies is seamless and effective, and staff is continually trained using best methods and practice.

GOALS AND OBJECTIVES

ENVIRONMENT



PARTNERSHIPS FOR CONSERVATION/PRESERVATION/RESTORATION OF NATURAL RESOURCES

- Conserve and protect water resources.
- Protect ecological systems/wildlife.
- Promote energy conservation programs.
- Restore natural resources.
- Encourage sustainable land use.
- Educate the public to help them reduce their environmental footprints.



POLLUTION AND WASTE PREVENTION

- Improve air quality.
- Improve water quality.
- Reduce the use of harmful chemicals.
- Manage waste – reduce, reuse, recycle.



ACCESSIBLE, MULTI-MODAL, AND EFFICIENT TRANSPORTATION NETWORK

- Reduce vehicle miles travelled (VMT).
- Increase multi-modal options.
- Encourage land development connected to existing transportation corridors.
- Promote access to goods and services in areas of significant population density and in neighborhood hubs.

ECONOMY



SUSTAINABLE LOCAL FOOD SYSTEMS

- Promote farmland preservation and decrease loss of agricultural land.
- Promote sustainable agricultural production and personal and community gardening in connection with the County's agricultural heritage.
- Increase demand for locally produced foods.



SUSTAINABLE LOCALIZED ECONOMY

- Provide incentives to businesses for growth.
- Encourage a “business-friendly” regulatory environment.
- Promote “Buy Local” programs.
- Ensure a diverse economy with competitive wages.
- Support small business development.



WORKFORCE DEVELOPMENT

- Identify and reduce barriers to employment (e.g., childcare, transportation, housing, insurance).
- Provide robust job training that fits present and anticipated workforce demand.
- Encourage collaboration among workforce and educational institutions.

COMMUNITY

Buncombe County promotes a sense of community through public engagement. We celebrate a healthy, safe, well-educated, and thriving community with a sustainable quality of life.

— *The Buncombe County Sustainability Plan Vision Statement*



Educational Resources

The 4-H sponsored robotics program reached

OVER 100

youth through school and club programs



Citizen Participation in Community Decisions

2,700 individuals volunteered

22,000 HRS

with Nonprofits

Healthy People

Obesity among adults

↓ **0.4%**



The County partnered with Pisgah Legal Services to provide Affordable Care Act (ACA) appointments in Community Service Navigators locations and provide information about the ACA.



EDUCATIONAL RESOURCES THAT MATCH THE NEEDS OF THE COMMUNITY

PROGRESS

- **Increase high school graduation rate.**
 - The high school graduation rate (for Buncombe County 9th grade cohorts) has shown great improvement. It increased from 73.1% for 4-year cohorts and 76.8% for 5-year cohorts in the 2010 – 2011 school year to 80.3% for 4-year cohorts and 83.4% for 5-year cohorts in the 2012 – 2013 school year.
- **Increase access to higher education.**
 - The percent of adults with some post-secondary education has increased from 65% (years of data used: 2006 to 2010) to 69% (years of data used: 2008 to 2012).
 - The number of individuals receiving associate degrees, certificates, and diplomas at AB Tech grew from 1,017 in the 2009 – 2010 school year to 1,403 in the 2012 – 2013 school year.
- **Increase parent and community involvement in the educational system and in the education of individual children.**
 - The number of volunteer hours contributed to the Buncombe County School System increased from 102,178 in the 2009 – 2010 school year to 112,300 in the 2012 – 2013 school year.
- **Promote programs that supplement equitable educational opportunities for all ages.**
 - The number of Title 1 parent meetings increased from 131 in the 2010 – 2011 school year to 174 in the 2012 – 2013 school year.



STRATEGIES AND LOOKING FORWARD

- The Buncombe County Schools system provides mClass benchmark assessment training for K-3 teachers using iPads. Teachers assess students on mClass benchmark assessments at least 3 times/year and monitor progress for those who are at-risk of not being on grade level at the end of 3rd grade. In order to assess student growth in reading, the Department of Public Instruction selected mClass: Reading 3D to support the legislative requirement to implement a developmentally appropriate diagnostic assessment that would enable teachers to determine student learning needs and individual instruction.
- In order to support teaching curriculum standards through instructional coaching and job embedded professional development, Buncombe County Schools support staff and instructional coaches participated in national literacy training. Instructional coaches and directors continue to provide reading support and training on all aspects of Reading 3D, an early literacy formative assessment that is intended to guide instruction, and Read to Achieve Portfolio Process. A third-grade student may be promoted to grade 4 if the student demonstrates reading proficiency on the NC End-Of-Grade Test or Completes the Grade 3 Reading Portfolio or NC Read to Achieve Test.
- North Carolina created a new 2013 READY Accountability Model focused on career and college readiness measures. The data from the 2012 – 2013 school year will serve as a baseline for future years.



HEALTHY PEOPLE

PROGRESS

- **Decrease rates of childhood and adult obesity.**
 - In 2013, the percentage of diagnosed obesity among adults age 20 and older in Buncombe County is 23.6%, only slightly less than 24% from the baseline measure from 2009.
 - Obesity among students in kindergarten through fifth grade in Buncombe County is also only slightly down to 32.8% in 2013, from 33.2% in 2012.
- **Decrease infant mortality and low weight births.**
 - The percentage of low birth weight is slightly decreasing, from 8.6% reported in 2010 to 8% reported in 2013.
 - The infant mortality rate has slightly decreased, from 5.4 per 1,000 live births reported in 2010 to 5.2 per 1,000 live births in 2013.
- **Assure the availability of a medical home for all to increase appropriate, age-specific health screenings and preventative care and improve equality in access to health care.**
 - In July 2012, a Health Fair was held including Mission Hospital, the Asheville Buncombe Institute of Parity Achievement (ABIPA), and other resources in the community. Over 300 people came and had blood pressure and cholesterol checked, and received information about staying healthy and available social services programs.
 - A Women's Health Day was held on Saturday, May 18, 2013, at the Pisgah View Community Center. The day was designed to give the community a better understanding of the health issues facing women, and to offer free screenings and resources regarding services and programs. Approximately 200 people attended the event.

STRATEGIES AND LOOKING FORWARD

- “Girls on the Run” is a national nonprofit for girls in 3rd-8th grade. The program is a collaborative effort between the girls, their parents, schools, volunteers and the community. Through running, girls are motivated and encouraged to develop lifelong health and fitness, and build confidence through accomplishment. In 2012 – 2013, three different sessions of “Girls on the Run” were held throughout the County, with one team originating in the Pisgah View Apartment community.
- In 2013, the Buncombe County Assessment Center opened to provide forensic evaluation and treatment services for Health and Human Services and jail diversion program clients, including Pretrial Services, Drug Court, DWI Court, and Family Treatment Court. Comprehensive assessments are completed, and treatment and treatment services are provided. The Assessment Center provides flexible, timely appointments for clients, and is able to respond to urgent requests by HHS staff, Judges, and other justice partners for immediate evaluation or crisis intervention.
- Buncombe County Parks and Recreation joined the Buncombe County Schools Child Nutrition Department in 2012 and 2013 to begin the Free Summer Meals Program. Lunches are served at four of the County’s outdoor swimming pool sites, with physical activities provided on site. Since the program began in Buncombe County, over 7,800 meals have been served at the outdoor pool sites. Plans are in place to continue the program in the summer of 2014.
- Buncombe County introduced a Wellness Program that created an opportunity for employees to earn \$400 while improving their health in 2014. This program combined the wellness programs Buncombe County already offered to employees, such as smoking cessation and weight loss programs on site, and added additional choices for a total points program, the Fit Wellness Points Program. Because preventable conditions are a leading driver of health care costs—with preventable illness making up approximately 90% of all health care costs and accounting for eight of the nine leading categories of death—the Buncombe County Wellness Point Program is designed to help employees prevent illness and be active in maintaining their health. This program is available for all employees who are enrolled in the health insurance plan.





AFFORDABLE, GREEN, AND LIVABLE HOUSING

PROGRESS

- **Provide affordable and workforce housing assistance funding for new developments in areas with existing infrastructure.**
 - Funding in support of affordable housing continues to be a priority. Since FY2011, \$2.28 million has been used to support affordable housing through the Affordable Housing Services Program, the Home Investment Partnership (HOME) Program, and the Community Development Block Grant (CDBG) program (FY2011 – \$816,122; FY2012 – \$675,000; and FY2013 – \$794,900).
- **Work in partnership with outside organizations to assist families in finding safe, affordable housing.**
 - Through the affordable housing programs supported in the County, 577 families were assisted since FY2011 (FY2011 – 224; FY2012 – 195; FY2013 – 158).
- **Provide educational opportunities in financial planning and homebuyer education.**
 - Through OnTrack and Habitat for Humanity's educational efforts, in FY2013, 252 individuals participated in financial planning and homebuyer classes (FY2012 – 340 and in FY2011 – 114).
- **Ensure that County regulations, ordinances, and other programs do not impede, and where possible, provide incentives for the adoption of sustainable products and strategies.**
 - In FY2013, Building Permits and Inspections implemented an application process for the review and consideration of alternate materials and methods.

STRATEGIES AND LOOKING FORWARD

- Through the Analysis of Impediments in January 2013, a need was identified for ADA retrofits to existing houses such as adding wheelchair ramps, grab rails in showers, and expanded entry and doorways to accommodate wheelchairs. Beginning in 2013, the application for the County's Affordable Housing Services Program was expanded to include a new category, offering funding for ADA retrofits. Further, the County modified its Zoning Ordinance to provide broader exemptions for ADA retrofits.
- For FY2015, new construction projects on existing infrastructure will be prioritized to receive affordable housing funding.
- The 2013 Comprehensive Land Use Plan Update recommends that the County expand the types of housing available to residents, such as cohousing and intentional community models, and also promotes affordable and workforce housing by recommending that higher density development be allowed in areas where infrastructure is available when affordable units are included within the development.
- Recent updates to the Buncombe County Zoning Ordinance work to stimulate infill development in areas where infrastructure is available by allowing for reduced lot sizes and setbacks on lots with sewer access. This change will allow for more dense development within the urbanized areas of the County.





CITIZEN PARTICIPATION IN COMMUNITY DECISIONS

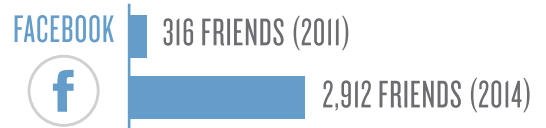
PROGRESS

- **Increase opportunities for civic engagement and participation.**
 - In 2013, 2,700 individuals volunteered 22,000 hours with nonprofits. The volunteer participation rate for Asheville is 30.4% and Asheville is ranked 34th in the country for mid-size cities.
- **Ensure that information reaches citizens.**
 - Links for additional sources of information on the Building Permits page of the County's website has increased from 8 in 2012 to 26 in 2013.
 - Buncombe County funding for community, economic, and cultural development increased from \$13,282,070 in FY 2011 to \$15,054,390 (\$5,396,943 County budget and \$9,657,447 Culture & Recreation Authority) in FY 2014.
- **Value and respect the contributions of all Buncombe County citizens.**
 - The number of surveys collected with comments and feedback from participants of Parks and Recreation programs and facilities jumped from 98 in 2012 to 300 in 2013.

STRATEGIES AND LOOKING FORWARD

- The Buncombe County Public Relations Department is coordinating social media, including YouTube, with web and print to increase outreach and attract a wider audience for greater effectiveness.
- The Buncombe County Public Relations Department is investigating new design and development techniques that will make the County website function better on smaller screen sizes. The department will assess the site and determine which will be the best approach to take.
- Information on Building Permits' inspection results is being made available for contractors and homebuilders on Buncombe County's website. The site went live April 30, 2013. Information on inspections is available online and is posted in real time when the inspection is completed in the field.
- Buncombe County staff has worked to find new ways to engage the public in order to better enhance the effectiveness of public hearings and the community response. This effort has included the addition of a dedicated phone number and e-mail address on all public hearing notices and pre-meetings which work to explain the process to the public and answer any questions they have prior to the meeting.

NUMBER OF BUNCOMBE COUNTY SOCIAL MEDIA USERS HAS SOARED





EQUITY IN ACCESS

PROGRESS

- **Promote an array of transportation options.**
 - Miles of Asheville Redefines Transit (ART) routes has increased from 176.2 in 2010 to 179.7 in 2013.
 - Miles of sidewalks in the County has increased from 417.3 in 2011 to 493.2 miles in 2013.
 - Mountain Mobility ridership has increased from 148,578 trips provided to 7,456 subscribed passengers in FY2010 to 159,974 provided to 11,547 subscribed passengers in FY2013.
 - An additional mile was added to the County's greenways network in 2013 for a total of 14 miles. This supplements the 132 miles of trails that already exist within the County.
- **Increase quantity and quality of recreational activities.**
 - The number of athletes involved in the Special Olympics increased by 180 athletes between 2012 and 2013, representing a 35% increase in participation (2012 – 518 athletes; 2013 – 698 athletes).
 - Buncombe County added the Collier Nature Preserve and the Lake Julian Park Extension with trail during fiscal year 2013.
- **Build an extensive network of social services with locations in each high school district.**
 - In the first two years of its existence, the Community Service Navigators (CSN) program has connected 941 citizens with services. In the second year alone (2013), Community Services Navigators served more than 100 additional citizens than were assisted in the first year (2012 – 417 served; 2013 – 524 served).
- **Increase the availability of locally produced foods to low income individuals and increase their educational opportunities regarding farms and locally produced foods.**
 - The Buncombe County Cooperative Extension provided technical assistance to 19 school gardens in 2012, two more school gardens than were reported as operating in 2011.
 - The Buncombe County Cooperative Extension also worked to educate the community on healthy food options and preparation through Expanded Food and Nutrition Program (EFNEP) nutrition classes. Participation in the classes increased by more than 80% between 2012 and 2013, from 2,511 to 4,531 children and adults.



STRATEGIES AND LOOKING FORWARD

- The Community Service Navigator program (CSN) utilizes outpost staff to connect citizens in areas of identified need with health and human services provided or supported by the County. Over the past year, the CSN program has expanded from three to five locations and increased the number of citizens served by more than 25%. In addition, there are 43 locations within the County served by nurse-social worker teams, prevention staff, and/or economic services community outreach representatives.
- Health and Human Services (HHS) partners with Pisgah Legal Services to provide Affordable Care Act (ACA) appointments in CSN locations and promote information about ACA.
- HHS community partners sponsor health screenings, identify minorities with chronic diseases, and help them find a doctor to treat their disease. Preventive Health Screening and education for low-income, uninsured women is provided through the Breast & Cervical Cancer Control Program and the WISEWOMAN program (heart health screening).
- Parks, Recreation and Greenways, as part of the newly created Culture and Recreation Authority, continues to work to provide the opportunity to increase participation in Special Olympics. As of 2013, 12 sports are open to qualified athletes. In addition, outreach and publicity for the Special Olympics have greatly improved; participation increased by 35% between 2012 and 2013.



SAFE, LOW CRIME COMMUNITIES

PROGRESS

- **Support neighborhood watches and community policing.**
 - In 2013, 18 new community watch programs were established, for a total of 131 programs throughout the County.
- **Foster a sense of neighborhood pride and civic responsibility.**
 - A year-round drop box for disposal of unused prescription and illegal drugs was offered throughout the year, and two Drug Take Back events were held, in which 463.4 pounds of drugs were collected. With the 586.8 pounds collected in 2012, over 1,000 pounds of illegal or unused prescription drugs were collected and disposed of over the past two years.
 - The detention prevention vehicle visited 10 schools and was featured at 26 different events in 2013, reaching 1,742 students and an additional 3,768 youth at non-school events.
- **Provide a comprehensive criminal justice system that includes law enforcement, court staff, alternative treatment providers, and members of the community who collaborate to deliver justice while protecting the public.**
 - The number of offenders supervised by Pretrial Release increased from 1,197 in 2012 to 1,233 in 2013, saving 105,124 jail days that offenders awaiting trial may otherwise would have spent in the detention facility.
- **Provide a comprehensive public safety system in which communication between agencies is seamless and effective, and staff is continually trained using best methods and practices.**
 - There were 32 additional officers trained in Crisis Intervention Training (CIT) in 2013.

1,233

OFFENDERS SUPERVISED
BY PRETRIAL RELEASE



105,124

JAIL DAYS SAVED



STRATEGIES AND LOOKING FORWARD

- A public relations coordinator was hired by the Sheriff's Department in 2013 to increase accessibility and transparency to the public. Since then, the Sheriff's Department has worked closely with media to promote community outreach programs such as Community Oriented Problem Solvers (COPS) teams, Drug Take Back events, Detention Prevention, and the Buncombe Crime Stoppers programs. In addition, the department has also increased the use of Facebook as a public information and advocacy tool.
- In 2013, Buncombe County opened the Assessment Center located one block from the courthouse. Court involved individuals can be referred for Substance Abuse and Mental Health assessments and attend psycho-education groups free of charge.
- A program for graffiti removal utilizing inmate labor and partnering with NCDOT to clean up trouble spots around the community continues to be needed in our community. COPS teams lead cleanup projects in the community, where trash, graffiti removal, and maintenance and beautification activities are conducted.



RESISTANCE TO NATURAL AND MANMADE HAZARDS

PROGRESS

- **Locate critical facilities outside high hazard areas.**
 - There continues to be no critical facilities permitted within the 100-year floodplain.
- **Ensure local preparedness for emergencies (floods, fuel shortages, climate change, fire, droughts, earthquakes, food shortages, landslides, hazardous materials incidents, medical epidemics, etc.).**
 - In 2013, 25 additional community members were Community Emergency Response (CERT) trained. Since 2003, 265 individuals have received training.
 - The average response time for emergency calls has greatly improved since 2007, decreasing by 15%, from 10.7 minutes to 9.1 minutes.
 - Through the Public Safety Training Center, in 2013, 9,147 emergency services providers and law enforcement received training. The Center opened in December 2012.
 - In 2013, Emergency Services worked with the Buncombe County Schools, Asheville City Schools, the Biltmore Company, and long-term care facilities in the development and maintenance of their emergency response/crisis management plans.



↓ 15%

EMERGENCY CALLS RESPONSE
TIME HAS DECREASED SINCE 2007

265

NUMBERS OF INDIVIDUALS
RECEIVED COMMUNITY
EMERGENCY RESPONSE (CERT)
TRAINING

STRATEGIES AND LOOKING FORWARD

- In educating the public regarding hazard mitigation/emergency preparedness, a public input survey for the Regional Hazard Mitigation Plan was administered through the Buncombe County website. The survey provided information and a brief introduction to the concept of hazard mitigation. There were 176 respondents with 84% expressing interest in becoming more hazard resistant. Mitigation actions that were identified as highly important included natural resource protection, prevention, and emergency services.
- Buncombe County Emergency Services is an active participant in the NC Domestic Preparedness Region 9, the 12 westernmost counties and the Eastern Band of the Cherokee Indians. This group includes representatives from all emergency response disciplines and meets at least twice each year to address issues of planning and resource allocation/location.
- The Special Needs Registry is an online registry where people with special needs or conditions can register those conditions with Emergency Services. Examples of needs would be hearing impaired, sight impaired, or immobile. The Registry is maintained and kept continually updated, to better serve all citizens.



HEALTHY ENVIRONMENTS

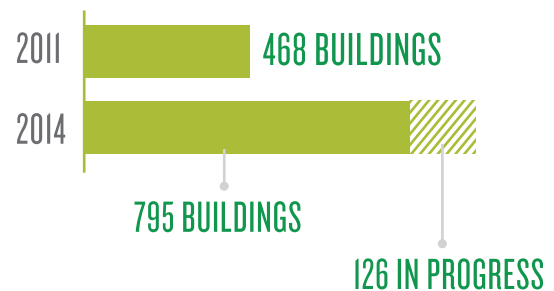
PROGRESS

- **Promote healthy buildings and homes.**
 - The total number of healthy built certified buildings has increased from 468 in 2011, to 795 in February 2014, with 126 in progress.
 - Buncombe County Building Permits and Inspections provided more inspections in 2013 than in 2012, from 23,378 to 26,502. These inspections include building and trade inspections for code compliance and safety.
 - The number of residential energy efficiency certificates issued in Buncombe County increased from 398 in 2012 to 515 in 2013.
- **Improve safety for pedestrians and cyclists.**
 - There are 570 miles of roads suitable for biking in Buncombe County.
- **Decrease injuries.**
 - In both 2012 and 2013, Health and Human Services inspected 87 adult care homes.
 - In 2013, Health and Human Services inspected 2,128 homes for safe sleeping arrangements for children and infants (up from 608 in 2012). Those same homes were also inspected for fire safety plans.

STRATEGIES AND LOOKING FORWARD

- The first steps in the Parks Master Plan at Lake Julian have begun, with the Disc Golf Course opening, and the first trail segment of Lake Julian under construction.
- Parks, Recreation and Greenways completed a survey of all existing park facilities within the County and shared this data with both the County and City of Asheville GIS. This could facilitate greater awareness of all parks locations.
- The Health and Human Services Child and Protection Team sponsor seminars on reducing abuse and neglect throughout the community. One such seminar is “Keeping DSS from Your Front Door”, where laws and policies regarding abuse, neglect, and dependency are discussed, and questions can be answered.

NUMBER OF HEALTHY BUILT CERTIFIED BUILDINGS HAS INCREASED



570 MILES OF ROADS SUITABLE FOR BIKING IN BUNCOMBE COUNTY

ENVIRONMENT

We are stewards of the environment who advocate the conservation, preservation, and restoration of resources.

— The Buncombe County Sustainability Plan Vision Statement



EFFICIENT TRANSPORTATION NETWORK

146 MILES

of trails and greenways

POLLUTION AND WASTE PREVENTION

18% Residential waste recycled

POLLUTION AND WASTE PREVENTION

486 Conventional gas cans are swapped for lower emitting cans

1,992 Pounds of Volatile Organic Compound (VOC) emissions are reduced per year



Buncombe County adopted an 80% carbon reduction goal for its internal operations and vehicle fleet.



PARTNERSHIPS FOR CONSERVATION / PRESERVATION / RESTORATION OF NATURAL RESOURCES

PROGRESS

- **Conserve and protect water resources.**

- The number of linear feet of streams with livestock excluded has soared from 1,016 planned and 250 installed in FY 2012 to 4,990 planned and 5,013 completed in FY 2013.
- The feet (acres) of riparian buffers has increased from 500 feet (0.25 acres) planned in FY 2012 to 5,000 feet planned and 5,013 feet (1.75 acres) completed by the Soil and Water Conservation Service in FY 2013.
- The Soil & Water Conservation District received two State grants in the past year, and through its partnership with the Natural Resource Conservation Service (NRCS), has secured over \$500,000 to permanently protect a 203 acre farm.

- **Protect ecological systems/wildlife.**

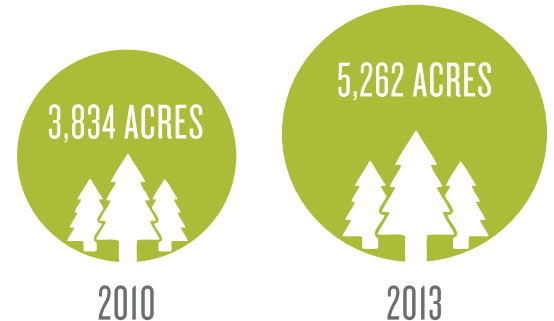
- The number of conservation easements with some Buncombe County funding has increased from a total of 23 projects and 3,834 acres in 2010 to 35 projects and 5,262 acres in 2013.

- **Encourage sustainable land use.**

- The number and acres of conservation plans by the Soil and Water Conservation Service is mixed. The number of plans increased from 6 in FY 2012 to 12 plans in FY 2013 but the number of acres slightly decreased from 777 in FY 2012 to 749 FY 2013. There were 216 acres with wildlife habitat improvement in FY 2013.

- **Educate the public to help them reduce their environmental footprints.**

- The number and reach of environmental education programs has grown from 13 programs reaching a total population of 57,068 in 2009 to 14 programs reaching a total population of 67,398 in FY 2013.



NUMBER OF CONSERVATION EASEMENTS HAS INCREASED

STRATEGIES AND LOOKING FORWARD

- In an effort to educate the public and provide additional green programming on BCTV and YouTube, the Public Relations Department is planning a new garden show that will include backyard gardening with composting and recycling.



- In an effort to encourage sustainable land use, Buncombe County now requires the Board of Adjustment to consider the Land Use Plan as an element of its decision making processes. The 2013 Land Use Plan Update prioritizes development using a variety of environmental, topographic, and development factors in order to provide prescriptive guidance to decision-making bodies regarding where development can be situated in a sustainable manner.
- Prior to adoption of the first Sustainability Plan for the County, projects such as lighting upgrades, window replacement, reflective roof installation, efficient electric motor and HVAC systems upgrades had already been undertaken to improve the energy performance of the County's existing facilities. In 2013, an energy audit was completed for 10 major buildings within the County's network of facilities, identifying 26 potential Energy and Water Cost Reduction Measures with estimated cost savings of \$250,000 per year. Nine measures are scheduled to be completed in 2014. In addition, the County adopted an 80% carbon reduction goal for its internal operations and vehicle fleet through the Buncombe County Energy Independence Initiative on December 3, 2013. There is an annual carbon footprint reduction goal of 2%.



POLLUTION AND WASTE PREVENTION

PROGRESS

- **Improve air quality.**
 - Current Design Value for Ozone in the County fell from 68 ppb in 2012 to 65 ppb in 2013.
 - Current Design Value for Fine Particulate Matter in the County declined from 9.3 $\mu\text{g}/\text{m}^3$ in 2011 to 8.7 $\mu\text{g}/\text{m}^3$ in 2013.
- **Improve water quality.**
 - The number of approvals/permits issued for onsite septic system repairs increased from 109 in 2012 to 125 in 2013.
 - Number of NC Agricultural Cost Share Program (NCACSP) projects increased from 6 planned and 2 installed in 2012 to 10 planned and 8 installed in FY 2013.
- **Manage waste—reduce, reuse, recycle.**
 - Percent of solid waste recycled/percent reduction in landfilled solid waste volumes:
 - Residential waste recycled—14.5% in 2008 increased to nearly 18% in FY 2011.
 - The Land of Sky Regional Council, Waste Reduction Partners (WRP) has helped reduce or recycle over 177,000 tons of solid waste headed to landfills since 2000 and saved over \$14.5 million.
- **Reduce the use of harmful chemicals.**
 - Over 700 citizens were certified in safe pesticide use.

STRATEGIES AND LOOKING FORWARD

- WNCRAQA completed a grant funded project with monies obtained from the NC Department of Environment and Natural Resources (NCDENR) to retrofit five (5) Reems Creek Fire Engines with air pollution control devices that will decrease emissions of particulate matter, carbon monoxide, and hydrocarbons. Publicity efforts are being utilized to help inform other public and private fleet managers about the benefits and potential funding sources available for similar projects that will help improve air quality in our area.
- The Mobile Environmental Learning Center (MELC) has been a recycling education tool for over 10 years. It was recently replaced with the Recycling Education Vehicle (REV) and is one of the many recycling education tools Buncombe County invests in for recycling education in the County. MELC and the REV are sponsored by Buncombe County, three other regional partners (Solid Waste departments of Henderson, Madison, and Transylvania), the City of Asheville, and the Land of Sky Regional Council. These educational tools have been incorporated into Buncombe County's 10 Year Solid Waste Management Plan to help meet the required recycling education component within that Plan.
- In 2010, Buncombe County Parks, Recreation and Greenways began adding recycling garbage cans at parks. Currently there are 16 recycling trailers constructed by the General Services Department in two parks and 10 underground recycling bins in two more.

AMOUNT OF HAZARDOUS AND SPECIAL WASTE RECYCLED:

ANTIFREEZE



ELECTRONIC EQUIPMENT



WHITE GOODS



TIRES





ACCESSIBLE, MULTI-MODAL, AND EFFICIENT TRANSPORTATION NETWORK

PROGRESS

- **Reduce vehicle miles traveled and Increase multi-modal options.**
 - Miles of alternative transportation options increased from 1,261.6 in 2011 to 1,341 in 2013:
 - Roads suitable for bike use has remained unchanged at 570.
 - Miles of ART routes has increased from 176.2 to 179.7.
 - Miles of Mountain Mobility routes has remained constant at 98.1.
 - Miles of sidewalks in the County has increased from 417.3 to 493.2.
- **Increase multi-modal options.**
 - The number of individuals using alternative transportation options:
 - Asheville Transit ridership declined from 1,525,212 riders in FY 2010 to 1,437,104 riders in FY 2013.
 - Mountain Mobility ridership increased from 7,456 passengers taking 148,578 trips in FY 2010 to 11,547 passengers taking 159,974 trips in FY 2013.
 - The miles of trails and greenways has increased from 145 (13 miles of greenways and 132 miles of trails) in 2012 to 146 (14 miles of greenways and 132 miles of trails) in 2013.
 - Annual bike and pedestrian counts in the City of Asheville has increased from 4,086 in 2012 to 5,261 in 2013.
- **Promote access to goods and services in areas of significant population density and in neighborhood hubs.**
 - The number of new commercial building permits within ¼ mile of transportation options increased from 13 in FY 2010 to 81 in FY 2013.

MOUNTAIN MOBILITY RIDERSHIP HAS INCREASED



TRIPS PROVIDED



SUBSCRIBED PASSENGERS



STRATEGIES AND LOOKING FORWARD

- The County is in the process of amending its standards pertinent to mixed-use development to allow for more flexibility when siting such developments in order to encourage more sustainable land use and to allow the provision of basic goods and services within residential developments.
- The Land Use Plan recognizes transportation corridors as an important facet of land development within Buncombe County and makes recommendations that more intensive types of development (such as commercial development) takes place within a reasonable proximity to existing transportation corridors.
- Buncombe County is currently in the process of allowing the Board of Adjustment additional flexibility in considering mixed-uses in large-scale developments to allow better connections to goods and services within new developments and could foster the development of neighborhood hubs.
- The Friends of Connect Buncombe is a nonprofit that formed in 2013 to assist in the implementation of the Buncombe County Greenway Master Plan, known as Connect Buncombe. Their goals for the coming year are: build their organization and membership base; identify the top priority projects; and advocate, educate and collaborate on greenways with the public, elected officials and greenway partners throughout the County.

ECONOMY

We are part of a community and environmentally-conscious economy that is stable and diverse.

— *The Buncombe County Sustainability Plan Vision Statement*



SUSTAINABLE LOCAL FOOD SYSTEMS

26 Community gardens
(number increased from 15 in 2011)

SUSTAINABLE LOCALIZED ECONOMY

Promote “Buy Local” programs:

The Appalachian Sustainable Agriculture Project (ASAP) participating producers has increased in 2013, with

12 Certified processors

112 Certified farms



Quarterly Friends of Agriculture breakfasts feature local food and farmers and also offer networking and programs that may assist local food farms and farmers.



SUSTAINABLE LOCAL FOOD SYSTEMS

PROGRESS

- **Promote farmland preservation and decrease loss of agricultural land.**
 - Enrollment in the Enhanced Voluntary Agricultural District program (EVAD) has increased from no farms in 2011 to 5 farms with a total of 664 acres in 2013.
 - Buncombe County contributed funding towards 12 conservation easements since 2010, permanently protecting 1,423 acres. The cost to the County per acre protected has fallen from \$1,451 in 2010 to \$344 in 2013. County funding leveraged an additional \$6,058,053 in grants, owner and private donations during the same time period.
- **Promote sustainable agricultural production and personal and community gardening in connection with the County's agricultural heritage.**
 - The number of Appalachian Grown certified farms increased from 109 in 2012 to 112 in 2013. The number of certified processors increased from 10 in 2012 to 12 in 2013.
 - The number of community gardens increased from 15 to 26 between 2011 and March 2014.
- **Increase demand for locally produced foods.**
 - The number of community supported agriculture (CSA) programs increased from 23 in 2011 to 26 CSAs in 2013. In addition, there are 14 tailgate markets, 16 roadside stands, and the regional farmers market in the County.
 - The number of local outlets (restaurants, retail, tailgate markets in Buncombe County) grew from 232 in 2011 to 294 in 2014.

26 COMMUNITY SUPPORTED AGRICULTURE (CSA) PROGRAMS

NUMBER OF FARMERS STANDS AND MARKETS **30**

294 LOCAL OUTLETS (RESTAURANTS, RETAIL, TAILGATE MARKETS)

STRATEGIES AND LOOKING FORWARD



- Quarterly Friends of Agriculture breakfasts feature local food and farmers and also offer networking and programs that may assist local food farms and farmers. Cycle to Farm partners with local farms and supports agri-tourism in that community.
- A Soil and Water Conservation Service staff member serves on the Advisory Committee for Farmlink, the new land linking program which helps farmers with available land to lease to new and aspiring farmers.
- The Southern Appalachian Highlands Conservancy's incubator farm in Alexander gives potential or "new" farmers a chance to pay a small rental fee to put their farming idea into practice to see if it will work before going to the huge expense of purchasing or entering a long term lease on land. Also, shared use equipment is provided and mentoring and training support is available.
- Cooperative Extension offers workshops, consultation, blogs, publications, newsletters, news articles and one-on-one consultations to help new and existing farmers of all sizes and types to enhance or maintain their profitability to allow them to continue farming. Projects involving agri-tourism and other farm related ventures are also addressed. Cooperative Extension's Urban Horticulture program provides gardening info for citizens to promote personal and community gardening in connection with the County's agricultural heritage. Appalachian Sustainable Agriculture Project, the Cooperative Extension, and Blue Ridge Food Ventures work to increase marketing to connect farms with buyers.



SUSTAINABLE LOCALIZED ECONOMY

PROGRESS

- **Provide incentives to businesses for growth.**
 - In 2013, the number of new jobs created through economic development incentives has been 285, with \$3.9 million offered in incentives. Within the past two years, the number of new jobs created through economic development incentives has been 767, with the amount of economic development incentives offered exceeding \$15 million.
 - The number of jobs created through the expansion of existing businesses is 273.
- **Promote “Buy Local” programs.**
 - In 2013 the number of participating producers in the Appalachian Sustainable Agriculture Project (ASAP) has increased over 2012, with 12 certified processors and 112 certified farms, up from 10 and 109 in 2012.
- **Ensure a diverse economy with competitive wages.**
 - The unemployment rate has decreased since 2010, with an annual average in 2010 of 8.4%, in 2011 of 7.7%, and in 2012, 7.5%.

273 JOBS CREATED THROUGH EXPANSION OF EXISTING BUSINESSES

STRATEGIES AND LOOKING FORWARD

- A Job Fair sponsored by the Chamber of Commerce was held at the Biltmore Square Mall on January 3, 2013. Over 2,000 job seekers were placed with 84 employers seeking employees. The event has been so successful that in 2014, the Job Fair will move to the WNC Agricultural Center.
- A strategy used to promote local programs and products is the Farm to Table movement. Restaurants, grocery stores, and farmers markets offer meats, vegetables, fruits, and other products that were locally grown and produced, helping provide fresh, healthy food options while also strengthening the local economy.
- Buncombe County has worked closely with GE Aviation to retain and expand local production capabilities to accommodate production of the revolutionary aircraft engine material known as Ceramic Matrix Composite (CMC). This local expansion brings an investment of \$126M in new, taxable capital equipment, and requires the addition of 52 new positions to its current workforce of 300 in a new flagship facility.





WORKFORCE DEVELOPMENT

PROGRESS

- **Provide robust job training that fits present and anticipated workforce demand.**
 - The number of people placed in employment through participation in Work First was relatively unchanged from 2012 to 2013, with 126 employed in 2013 and 127 employed in 2012.
 - The number of referrals to the ASPIRE economic development program decreased from 307 participants and 58 graduates in 2012 to 243 participants and 50 graduates in 2013.
 - The number of individuals served by the Client Supply job readiness program increased from 121 in 2012 to 233 in 2013.
- **Identify and reduce barriers to employment.**
 - The number of preschoolers (ages 0-4 years) served by the daycare subsidy program was 1,736 in 2013, decreasing from 1,799 in 2012.
 - The number of clients served through the Emergency Assistance funding for rent assistance was relatively unchanged from 2012 to 2013, with 1,785 funded in 2013 and 1,790 in 2012.
- **Encourage collaboration among workforce and educational institutions.**
 - The number of companies participating in training and/or services through the Asheville Buncombe Technical Community College (AB Tech) Economic and Workforce Development-Continuing Education Programming decreased from 62 in 2012 to 41 in 2013.
 - The number of customized or specialized courses or services offered through AB Tech Economic and Workforce Development-Continuing Education Programming decreased from 80 in 2012 to 56 in 2013.

STRATEGIES AND LOOKING FORWARD

- AB Tech Workforce Development has been working with the Asheville Housing Authority to develop a Job Readiness program which will be directly accessible within public housing complexes. The first program was held in April 2014.
- AB Tech Workforce Development will continue to outpost a staff member with Goodwill.
- AB Tech Workforce Development can offer pre-hire trainings for specific industries. Staff can pre-train job applicants and provide certifications, such as Yellow Belt and OSHA certifications, that benefit both job applicants and industries with specific criteria for employment.
- In April 2014, Duke Energy awarded \$195,000 to AB Tech to further develop AB Tech's Craft Beverage Institute of the Southeast. The overall goal of the Institute is to create workforce capacity, support existing industry, and help attract new business.



CONCLUSION

BUNCOMBE COUNTY'S SUSTAINABILITY PLAN

is actively being implemented across County departments, as well as through the actions of several partnering agencies. The goals and objectives identified through the Sustainability Plan help guide funding decisions. The strategies identified represent efforts and resources being used that are believed to make a difference.

In the third year of implementation, the focus will be on continued progress and "looking forward". We will be midway in the five year implementation of the Sustainability Plan this coming year, and should be able to distinguish between those strategies that are effectively leading to change from those that need to be discontinued or altered. Our framework for measuring progress should continue to improve, with those indicators emphasized which are most directly related to the objectives being pursued.

Throughout the next year of implementation, the identified actions under each goal will continue. In addition, highlighted activities will include:

- Increased services provided through the five Community Service Navigator (CSN) locations.
- Completion and adoption of the Regional Hazard Mitigation Plan.
- Additional green programming on BCTV and YouTube including a new garden show.
- Reduction in the carbon footprint by County operations.
- Initial outreach for the Update to the Consolidated Strategic Housing and Community Development Plan.

The adoption of carbon footprint reduction goals by the County Commissioners adds a new element to the Sustainability Plan. In order to meet the goals of a 10% reduction over the next five years, the County must now focus on its short term efforts to meet 2% annual reductions while developing long term goals and strategies that will allow sustained reductions over the coming years. In moving into the third year of implementation, further strides will be made to integrate the Sustainability Plan with the carbon footprint reduction goals in order to maximize the gains made by the two efforts.

The Sustainability Plan being implemented is one that continues to be broad reaching and large in scope. The actions identified affect the way our community functions and grows, and reflect how we care for ourselves and our neighbors. Our progress in meeting the Plan's objectives is directly related to our progress in shaping a better community, improving our economy, and protecting our environment.



GLOSSARY

ACCOUNTABILITY

The state of being obliged to explain one's actions, to justify what one does. Accountability requires governments to answer to the citizenry; to justify the raising of public resources and the purposes for which they are used.

ACCRUAL

An expense that is recorded at the time it occurs or revenue recorded when earned.

ACCRUAL BASIS OF ACCOUNTING

A method of accounting that recognizes the financial effect of transactions, events, and interfund activities when they occur, regardless of the timing of related cash flows.

ADOPTED BUDGET

The budget approved by the County Commissioners and enacted via a budget appropriation ordinance, on or before June 30 of each year.

AD VALOREM TAXES

Commonly referred to as property taxes, ad valorem taxes are levied on the value of real, certain personal, and public utility property according to the property's valuation and tax rate.

AGENCY FUNDS

One type of fiduciary (trustee) fund. Agency funds are used to report resources held by the reporting government in a purely custodial capacity. Agency funds typically involve only receipt, temporary investment, and remittance of financial resources to individuals, private organizations or other governments.

ALLOCATE

Set apart portions of budgeted expenditures that are specifically designated to organizations for special activities or purposes.

AMORTIZATION SCHEDULE

A schedule of debt-service payments separating the portions of payments attributable to principal and interest.

ANNUAL BUDGET

A budget covering a single fiscal year.

APPROPRIATED FUND BALANCE

The unspent amount (fund balance) appropriated as a revenue for a given fiscal year to offset operating expenses that exceed current revenue.

APPROPRIATION

An authorization granted by the Board of Commissioners to make budgeted expenditures and to incur obligations for purposes specified in the budget.

ASSETS

Property owned by the County that has monetary value.

ASSESSED VALUE

The value of real estate or personal property as determined by tax assessors and used as a basis for levying taxes.

ASSESSMENT

The process for determining values of real estate and personal property for taxation purposes.

BALANCED BUDGET

A budget in which the sum of estimated net revenues and appropriated fund balance is equal to appropriations.

BASIS OF ACCOUNTING

A term used referring to when revenues, expenditures, expenses, transfers, and the related assets and liabilities are recognized in the accounts and reported in the financial statements. Specifically, it relates to the *timing* of the measurement, on either the cash or the accrual method.

BENCHMARKING

The process of measuring an organization's performance and processes against the best-in-class private and public organizations.

BIENNIAL BUDGET

A budget applicable to a two-year budget.

BOND

A written promise to pay a specified sum of money (principal or face value) at a specified future date (the maturity date) along with periodic interest paid at a specified percentage of the principal (interest rate).

BONDED DEBT

The portion of indebtedness represented by outstanding bonds.

BUDGET

An annual financial plan that identifies revenues, specifies the type and level of services to be provided and establishes the amount of money which may be spent within a certain time period.

BUDGET DOCUMENT

A formal document presented to the Board of Commissioners containing the county's financial plan for a fiscal year.

BUDGET MESSAGE

A written overview of the proposed budget from the county manager to the Board of Commissioners which discusses the major budget items and the county's present and future financial condition.

BUDGET ORDINANCE

The ordinance that levies taxes and appropriates revenues for specified purposes, functions, activities, or objectives during a fiscal year.

BUDGET YEAR

The fiscal year for which a budget is proposed or a budget ordinance is adopted.

BUDGETARY CONTROL

The control or management of a government or enterprise in accordance with an approved budget to keep expenditures within the limitations of available appropriations and available revenues.

BUNCOMBE COUNTY ANTI-CRIME TASK FORCE (BCAT)

A drug suppression and investigative unit.

CAPITAL IMPROVEMENT PROGRAM

A plan for capital expenditures to be incurred each year over a fixed period of years to meet capital needs arising from a long-term work program. It sets forth each project and specifies the resources needed to finance the projected expenditures.

CAPITAL OUTLAY

An expenditure expected to have a useful life greater than one year and an estimated total cost of \$10,000 or more.

CAPITAL PROJECT

A project expected to have a useful life greater than ten years or an estimated cost of \$250,000 or more. Capital projects include the construction, purchase, or major renovation of a building or the purchase of land.

CAPITAL PROJECTS FUND

A fund type used to account for financial resources to be used for the acquisition or construction of major capital facilities.

CAPITAL RESERVE FUND

A fund used to segregate a portion of the government's resources to be used for future capital program expenditures.

CCBI

City-County Bureau of Identification. This department maintains criminal and other identity records for local law enforcement agencies.

CDE

Central Data Entry. This division maintains a centralized database of criminal history information on all persons arrested or cited in the County.

CERTIFICATES OF PARTICIPATION (COPs)

A financing mechanism in which certificates, or securities, are sold to investors who underwrite a project. The issuance of COPs is secured by lease-purchase agreements to which the County is a party.

CJIS

Criminal Justice Information System. This division maintains an information system of criminal data from the state, counties and cities of North Carolina for public safety agencies and the citizens of Buncombe County.

CONTINGENCY ACCOUNT

An appropriation of funds to cover unanticipated events that may occur during the fiscal year. Transfers from this account must be approved by the Board of Commissioners.

CURRENT PERIOD

Defines the near-term time frame, month or year, in which expenditures are made and revenue received.

DEBT SERVICE

Payment of interest and principal on an obligation resulting from the issuance of bonds.

DEBT SERVICE REQUIREMENTS

The amount of money required to pay interest on outstanding debt and required contributions to accumulate monies for future retirement of term bonds.

DEFICIT

Expenditures exceed revenues.

DEPRECIATION

An accounting charge associated with expiration in the service life of fixed assets. Depreciation is not recorded as an expense for budget purposes.

DESIGNATED FUND BALANCE

The amount of fund balance that is unavailable for future appropriations.

DISCRETIONARY EXPENDITURES

These are expenditures that the County can use or regulated by its own discretion or judgment.

EMS

Emergency Medical Services.

ENCUMBRANCE

Commitments of appropriated funds related to unperformed contracts for goods or services.

ENTERPRISE FUND

Account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

EXPENDITURES

The measurement focus of governmental fund accounting. Financial resources expended during a period for operations, capital outlay, and long-term principal retirement and interest on debt. Expenditures reflect the cost incurred to acquire goods or services.

FISCAL YEAR (FY)

The annual period for the compilation of fiscal operations. The time period beginning July 1 of a calendar year and ending on June 30 of the following calendar year.

FUNCTIONAL LEVEL

The level where a group of related activities aimed at accomplishing a major service or regulatory program for which the government is responsible are reported together (e.g. *public safety*).

FUND

An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

FUND BALANCE

Amounts which remain unspent after all budgeted expenditures have been made.

GASB

Governmental Accounting Standards Board

GASB STATEMENT 54

This GASB Statement (Fund Balance Reporting and Governmental Fund Type Definitions) redefines fund balance classifications and clarifies government fund type definitions.

GENERAL FUND

The general operating fund of the county used to account for all financial resources except those required to be accounted for in another fund.

GENERAL OBLIGATION (GO) BONDS

A bond backed by the strongest form of security that a county can pledge for debt, its full faith and credit. A full faith and credit pledge is a promise to levy whatever amount of property tax is necessary to repay the debt.

GEOGRAPHIC INFORMATION SYSTEM (GIS)

A computer-based technology that captures, stores, analyzes and displays information about places on the earth's surface: what's on it; what's under it; what the land is worth; where the natural resources, people and utilities are located.

GOALS

Realistic expression of specific things to achieve that relate directly to the mission; clear, measurable, attainable and in most cases, exceedable. They outline specific steps taken to accomplish the mission.

GOVERNMENTAL FUNDS

Funds generally used to account for tax-supported activities.

GROSS DEBT

Total debt plus authorized but not issued bonds plus installment purchase agreements.

HHW

Household Hazardous Waste

INFRASTRUCTURE

Facilities on which the continuance and growth of a community depend, such as roads, waterlines, etc.

INSTALLMENT FINANCING

A loan transaction in which a local government borrows money to finance or refinance the purchase of a capital asset or the construction or repair of fixtures or improvements on real property. Instead of taxing power (GO Bonds), the unit grants a security interest in the asset to the lender.

INTERGOVERNMENTAL REVENUES

Revenues (grants, shared revenues, etc.) received from another government (state, local, federal) for a specified purpose.

INTERNAL SERVICE FUND

A fund used to account for the financing of services provided by one department to other departments on a cost-reimbursement basis.

LINE ITEM

The detailed categories of expenditures for goods and services that the County purchases throughout the year.

LIMITED OBLIGATION BONDS (LOBS)

A type of installment financing similar to Certificates of Participation (COPS). Certificates, or securities, are sold to individual investors.

LONG TERM DEBT

Debt with a maturity of more than one year after the date of issuance.

MEASUREMENT FOCUS

The accounting convention which determines (1) which assets and which liabilities are included on an entity's balance sheet and (2) whether its operating statement presents "financial flow" information (revenues and expenditures) or "capital maintenance" information (revenues and expenses).

MISSION STATEMENT

Fundamental purpose; a statement of what a department really wants to accomplish. The statement should refer to the impact on the County and it's people.

MODIFIED ACCRUAL BASIS OF ACCOUNTING

A method for recording receipts and expenditures in which expenditures are recognized when the goods or services are received, and the revenues are recognized when measurable and available to pay expenditures in the accounting period.

NET DEBT

The difference between total gross debt less authorized but not issued bonds. It is the amount of debt that is applicable to the calculation of the County's debt limit.

OBJECT LEVEL

An expenditure classification, referring to the lowest and most detailed level of classification, such as utilities, office supplies, or contracted services.

OPERATING BUDGET

The County's financial plan which outlines proposed expenditures for the fiscal year and estimates the revenues which will be used to finance them.

OPERATING EXPENDITURES

The cost for personnel, materials and equipment required for a department to function.

OPERATING FUND

This is a fund that is adopted for the current fiscal year only.

OPERATING TRANSFERS

Legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.

OUTCOME

The results specified in organizational goals or the positive effects or results an organization has on the community it serves.

OUTPUT

What an organization produces as it attempts to provide public services. (Ex: The number of patrol cars a police department purchases.)

PAY-AS-YOU-GO

The practice of financing expenditures with funds that are currently available rather than borrowed.

PROJECT FUND

This is a fund that includes on-going revenues and expenditures that “roll” from one year to the next. These funds do not require annual adoption by the Commissioners.

PROPRIETARY FUND

A type of fund that accounts for governmental operations that are financed and operated in a manner similar to a private business enterprise. It is financed primarily from charges to users for services provided. There are two types of proprietary funds: enterprise funds and internal service funds.

PRIOR PERIOD ADJUSTMENT

Prior period adjustments are the net effect of changes resulting from the correction of an error in the previous fiscal year.

REQUIRED EXPENDITURES

These are expenditures that the County must spend according to a law or ruling from a State or Federal agencies. These include Medicaid expenditures and School Capital and Operating funds.

RESERVED FUND BALANCE

The portion of a governmental fund’s net assets that is not available to budget to spend.

REVENUE

Income (excluding transfers and proceeds from the sale of bonds or notes) for the fiscal year. The major categories of revenue include local taxes, state shared revenues, fees and charges, interest on investments, federal revenue sharing, and fines and forfeitures.

SERVICE DISTRICTS

A unit of local government that is created for the operation of a particular public service enterprise. These include fire and rescue.

SPECIAL ASSESSMENTS

A compulsory levy made against certain properties to defray all or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

SPECIAL OBLIGATION BONDS

A type of borrowing secured by a pledge of any revenue source or asset available to the borrowing government, except for the unit's taxing power.

SPECIAL REVENUE FUND

A governmental accounting fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

STRATEGIC PLAN

This is a long-range plan that guides the direction of the County departments in how to conduct day-to-day business in order to reach longer term goals.

SURPLUS

Revenues exceeded expenditures.

TAX LEVY

The total amount to be raised by general property taxes for purposes specified in the Budget Ordinance.

TAX RATE

The amount of tax levied for each \$100 of assessed valuations.

TRANSFERS (IN/OUT)

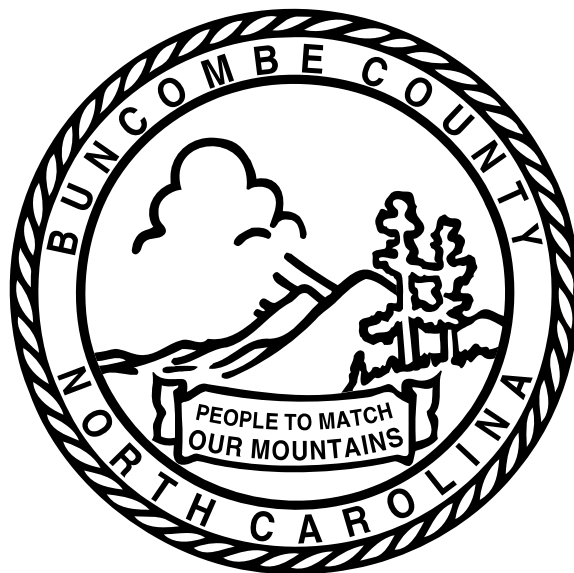
Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

UNDESIGNATED FUND BALANCE

The amount of fund balance that is available for future appropriations.

UNRESTRICTED FUND BALANCE

The sum of committed, assigned, and unassigned fund balance as defined in GASB Statement 54.



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