



Buncombe County Board of Commissioners

Request for Board Action

Meeting Date: June 18, 2024

New Business

Department:

Budget

Presenter(s):

John Hudson, Budget

Contact(s):

Melissa Moore, Finance

Subject:

GASB Standards

Brief Summary:

In the last two years, the Governmental Accounting Standards Board (GASB) has issued new standards that have budget implications. We must comply with the GASB standards related to multi-year subscription based information technology arrangements (SBITAs) and to long-term lease agreements. Similar entries were made in the prior years and can likely be expected annually.

For budgetary purposes, and per the Local Government Commission, this means we must recognize an expenditure and corresponding revenue for the present value of the payments we are contractually obligated to make over the life of the subscription/lease and must reclassify to debt principal and interest the payments we made in the current year under these agreements.

As a result, no new dollars are used to make this adjustment, but budget must be increased to ensure each functional area can cover this required accounting treatment.

The amendments are for the General Fund and the Solid Waste Enterprise Fund.

Recommended Motion & Requested Action:

Approve budget amendment

County Manager's Comments & Recommendation:

County Manager recommends as presented