

BUNCOMBE COUNTY, NORTH CAROLINA

Quarterly Financial Report

FOR THE QUARTER ENDING
SEPTEMBER 30, 2024

BOARD OF COMMISSIONERS

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Melissa Moore

PREPARED BY

Finance Department



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BUNCOMBE COUNTY

QUARTERLY FINANCIAL REPORT

Fiscal Year 2025

Quarter 1

September 30, 2024

Executive Summary

I am pleased to present you with Buncombe County's Quarterly Financial Report for the quarter ended September 30, 2024. This report includes General Fund budget versus actual, Q1 FY2025 year to date actuals versus Q1 FY2024 year to date actuals, a summary of major revenue sources, current net county cost actuals, Solid Waste summary, Capital Project overview, investments, and donation activity.

General Fund Revenues:

- Budget of \$440.4 million, which includes \$11.8 million of appropriated fund balance.
- Actuals year to date total \$52.1 million, which is 11.8% of the amended budget and 3.8% greater than the same time prior year.
- Prior year actuals totaled \$50.2 million.
- Current year increase in revenues are attributed to growth in property taxes.
- Property tax makes up \$33.4 million, or 64% of revenues.

General Fund Expenditures:

- Budget of \$440.4 million.
- Actuals year to date total \$95.2 million, which is 21.6% of the amended budget and 2.2% greater than the same time prior year.
- Prior year actuals totaled \$93.1 million.

Solid Waste Revenues:

- Budget of \$16.5 million, which includes \$4.4 million in appropriated fund balance.
- Actuals year to date total \$3.3 million, which is 19.8% of the amended budget and 8.7% greater than the same time prior year.
- Prior year actuals totaled \$3.0 million.
- Current year increase in revenues is driven by interfund transfer revenue related to Compost Facility Savings from the Solid Waste Capital Projects Fund and growth in Disposal Fees.

Solid Waste Expenditures:

- Budget of \$16.5 million.
- Actuals year to date total \$2.1 million, which is 12.9% of the amended budget and 11.5% greater than the same time prior year.
- Prior year actuals totaled \$1.9 million.
- Current year increase in expenditures is driven by Solid Waste Disposal Tax remitted to the North Carolina Department of Revenue and interfund transfers related to current year capital outlay.

County Capital Projects:

- Budget of \$154.6 million.
- Life to date expenditures total \$52.7 million, or 34.1% of budget.
- Due to the long-term nature of capital projects, a significant portion of expenditures may not occur in the year the budget was established.

The information following this summary will give a more in-depth look at the County's overall standing at the end of this quarter.

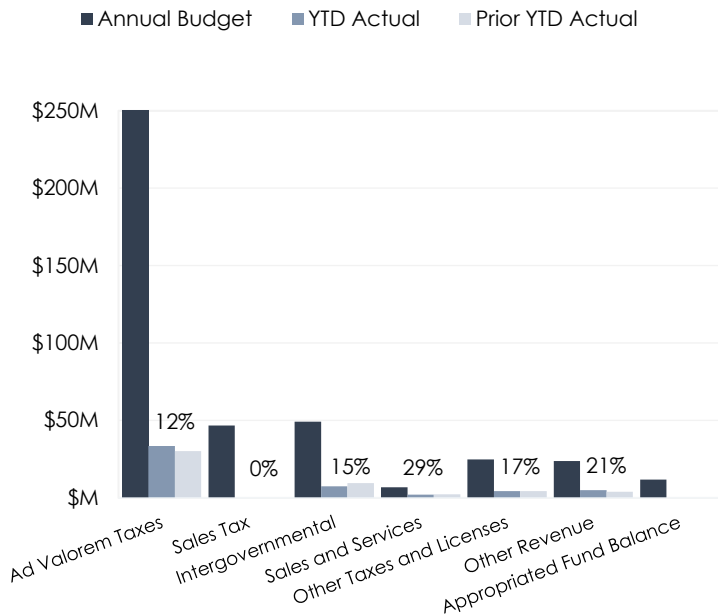
Melissa Moore
Finance Director

General Fund Overview

FY25 Quarter 1 General Fund revenues are approximately 12% of the budgeted amount. At the end of first quarter, the assumption is that revenues will be at least 25% of budget, however due to the timing and seasonality of revenue collection, this is not the case. Ad valorem taxes are largely collected between November-January. Local option sales tax is received on a three-month lag and will not be reflected in the actual totals until October. Intergovernmental revenues include grant revenue which is dependent on grant spending and reimbursement timing. See "General Fund Major Revenue Sources" for additional information.

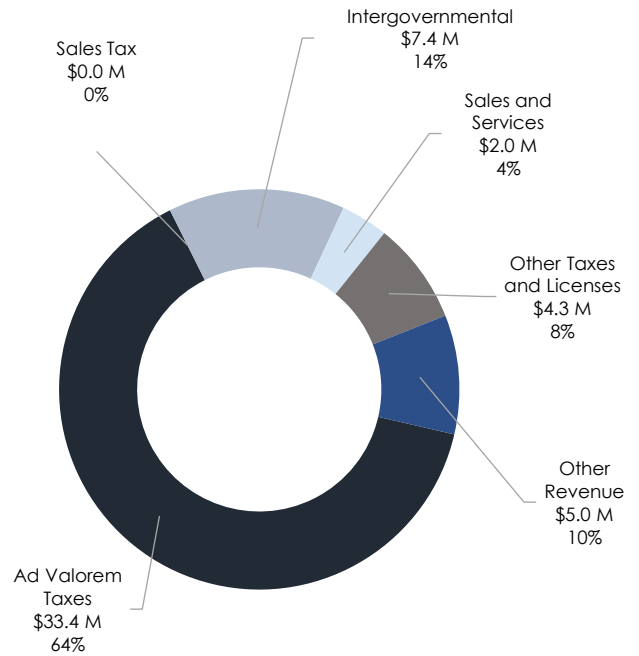
Q1 FY2025 Revenues

General fund revenues budgeted, YTD actual, and prior YTD actual*



Q1 FY2025 Revenues by Type

General fund YTD actual revenues

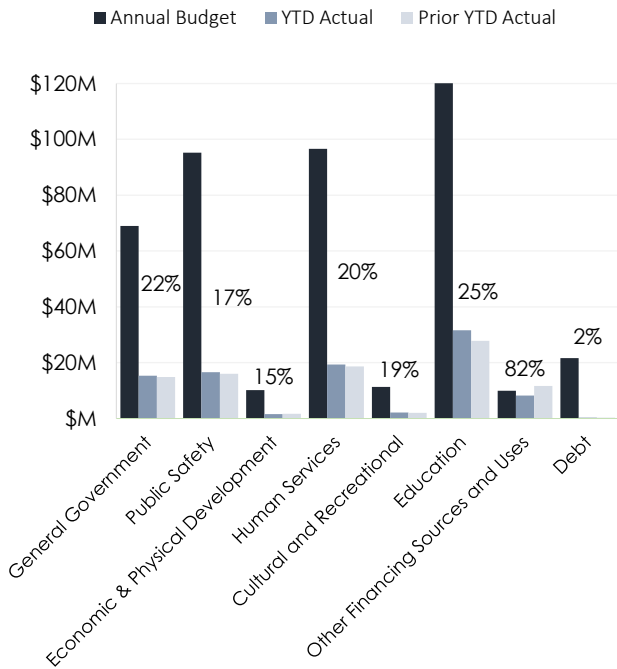


*Percentage labels represent actual revenues as a percent of budget

As of September 30, 2024, expenditure actuals are approximately 22% of the budgeted amount, which is approximately 2% greater than the same time last year, in line with expectations. Other Financing Sources and Uses actuals are 82% spent and relate to interfund transfers for pay-go capital costs and county matches for grants, posted at the beginning of each fiscal year. Debt Service payments typically occur in December and June of each fiscal year, resulting in low spending for the first quarter.

Q1 FY2025 Expenditures by Function

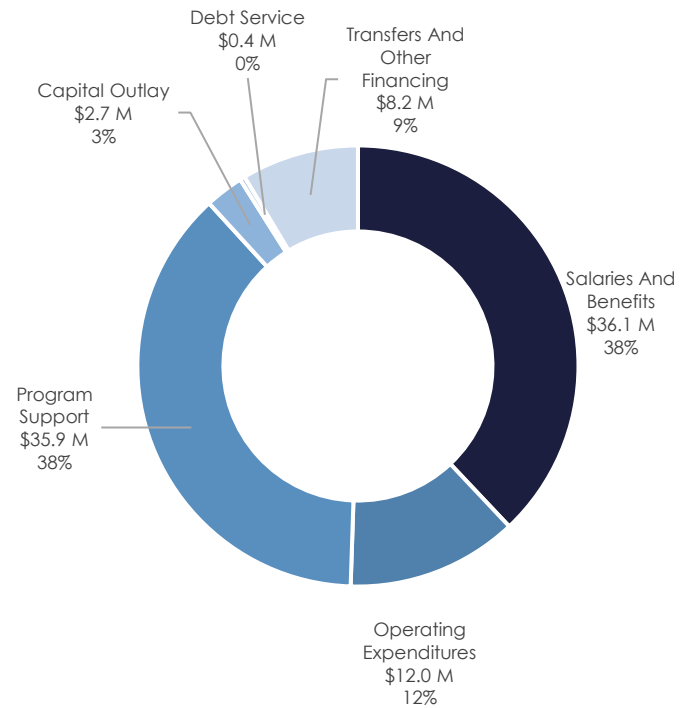
General fund expenditures budgeted, YTD actual, and prior YTD actual*



*Percentage labels represent actual expenditures as a percent of budget

Q1 FY2025 Expenditures by Type

YTD Actual General fund expenditures by major expenditure categories



Solid Waste Overview

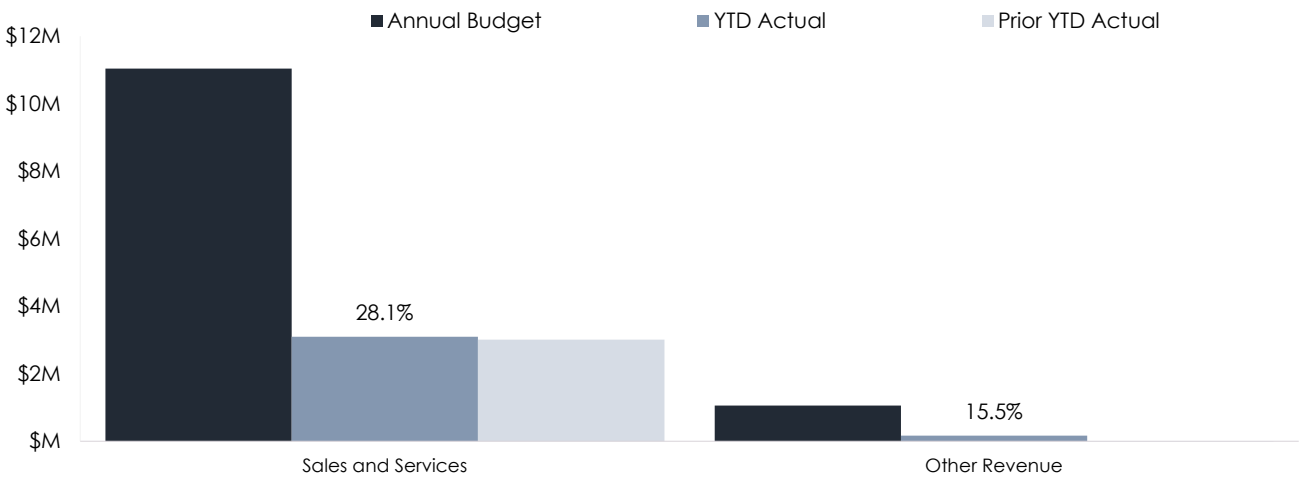
Solid Waste is made up of the Landfill and Transfer Station. The Transfer Station serves as a drop-off location for residential and commercial waste, which is then transferred to the Landfill.

The largest driver of revenues for the Solid Waste fund is Sales and Services. Year to date Sales and Services revenues as of Q1 FY2025 are ahead of prior year revenues, showing a 9% growth. Disposal rates are \$45/ton at the Landfill and \$52/ton at the Transfer Station.

Q1 FY2025 expenditures are approximately 12% greater than prior year expenditures due to an increase in leased equipment costs, timing of Solid Waste Disposal Tax remitted to the North Carolina Department of Revenue, and interfund transfers for capital equipment in the current year. As the fiscal year progresses, Buncombe County Finance will monitor spending activity and note any anomalies against prior year trends and current year budget.

Q1 FY2025 Revenues

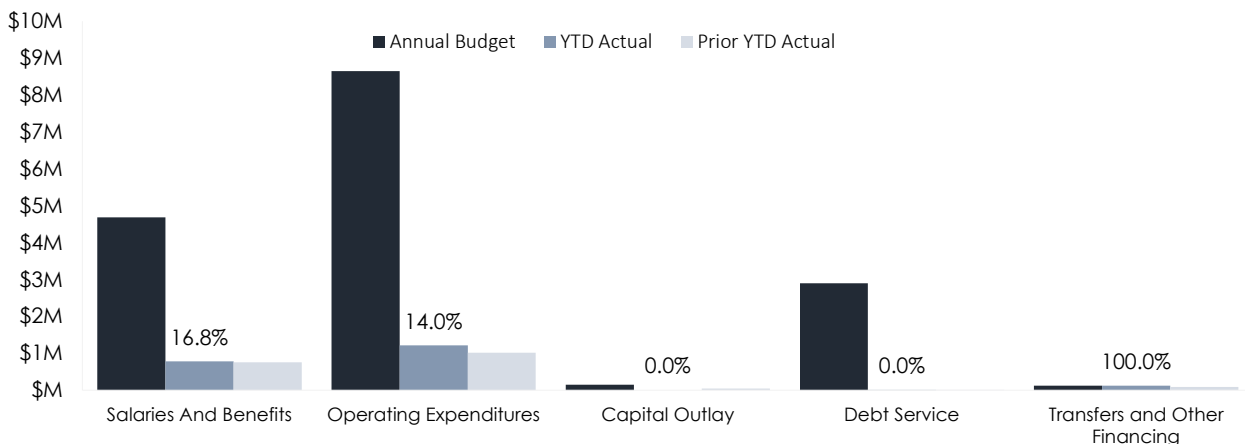
Solid Waste fund revenues budgeted, YTD actual, and prior YTD actual*



*Percentage labels represent actual revenues as a percent of budget

Q1 FY2025 Expenditures by Category

Solid Waste fund expenditures budgeted, YTD actual, and prior YTD actual*

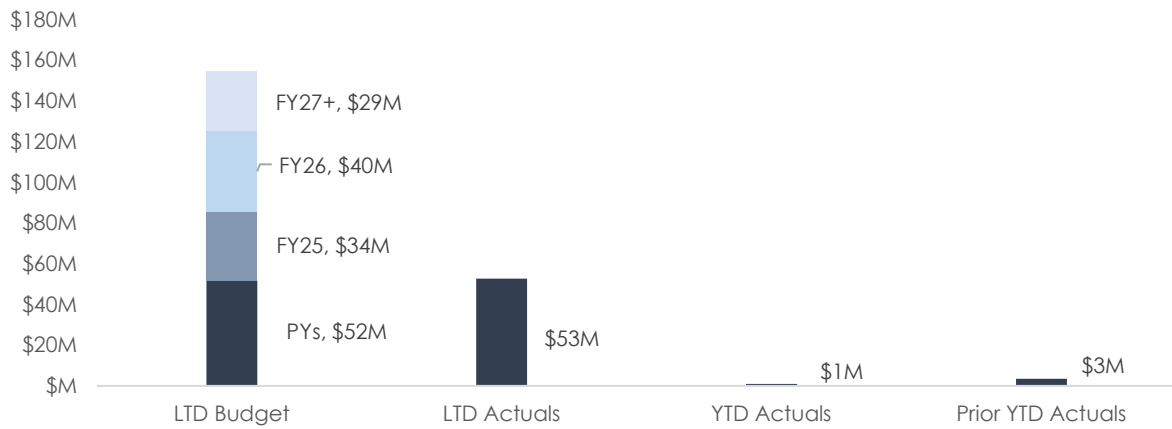


*Percentage labels represent actual expenditures as a percent of budget

Capital Projects

Capital projects are typically owned and funded by the County. Capital projects include construction, renovation, demolition projects, major maintenance, or acquisition of land or other assets. On an annual basis, capital projects are presented to the Board for approval. Capital projects typically take years to complete due to the extensive amount of work that must go into planning, procuring goods and services, designing, and construction. Life to date budget below depicts the estimated future spend. See Appendix C for more information.

Capital Project Expenditures



Donations

The Board-adopted Donation Policy identifies cash, cash equivalent, or real or personal property as acceptable donations. Donations may only be accepted when they have a purpose consistent with Buncombe County's goals and objectives. Buncombe County may choose to reject donations with an implied or express condition of advocacy or discrimination based on political, religious, or other group affiliation.

DONATIONS MADE TO BUNCOMBE COUNTY – FY25 - FOR THE QUARTER	
ENDING SEP 30	Total
Monetary:	\$ 19,831
Library	16,560
Sheriff's Office	3,271
Grand Total	\$ 19,831

Appendix A

General Fund Major Revenue Sources

Property Tax

Property taxes are the single largest source of revenue for counties in North Carolina, accounting for 63% of Buncombe County’s General Fund budgeted revenues for FY2025. Both real property and personal property are subject to taxation unless specifically exempted or excluded. Property values are assessed January 1st of each year, are due September 1st, and are payable without interest at any time through the following January 5th. This results in the largest portion of property taxes being received in December and early January of the fiscal year.

FY2025 Estimated Property Tax Revenue		
Assessed Valuation		\$ 53,646,145,354
Tax Rate <i>per \$100 of Assessed Valuation</i>	x	\$ 0.5176
Tax Levy		\$ 277,672,448
Estimated Collection Rate	x	99.75%
Estimated Revenue		\$ 276,978,267
Value of 1 Cent		\$ 5,351,203

At the end of the first quarter, \$33.4 million of property tax revenues were received which is 12.0% of the budgeted amount. Last year same time collection rate was 11.9%.

Sales Tax

The County levies four local-option retail sales and use taxes that total 2.25%. Approximately 65% of the 2.25% levied by the County impacts the General Fund:

Amount	State Legislation G.S. 105 -	Local Legislation/ Commission Action	Distribution and Use Restrictions
1%	Article 39	Senate Bill 888 Ratified June 21, 2016	50% School Capital Commission Fund Remaining proceeds distributed to other taxing districts and County General Fund.
0.50%	Article 40		30% Public Schools ADM Capital Projects Fund Remaining proceeds distributed to other taxing districts and County General Fund.
0.50%	Article 42		60% Public Schools ADM Capital Projects Fund Remaining proceeds distributed to other taxing districts and County General Fund.
0.25%	Article 46	Resolution #17-06-03 Adopted June 6, 2017	100% Article 46 Capital Projects Fund (currently designated for AB-Tech capital and operating needs).

Sales tax is tracked closely throughout the year given its unpredictable and volatile nature. Economic trends such as consumer spending, inflation, and unemployment rates correlate with sales tax revenues. Sales tax proceeds are collected by retailers and remitted to the NC Department of Revenue (DOR). The DOR allocates a portion of the revenues to counties on either a point-of-origin or per capita basis based on statutes governing each article of sales tax. The remittance and distribution schedule results in a three month lag in sales tax receipts.

Sales tax revenues related to FY25 will begin to post in the second quarter.

Intergovernmental

Intergovernmental revenues include grants and programmatic payments from federal, state, and other local government units. These revenues account for 11.2% of General Fund budgeted revenues. The majority of these revenues are generated from the County's Health and Human Services function, which is comprised of Public Health, Social Services, and other Youth and Aging Services. These services generate approximately 84.9% of all intergovernmental revenues. These revenues are often received on a reimbursement basis. At the end of the first quarter, \$7.4 million, or 15.1%, of estimated intergovernmental revenues were received.

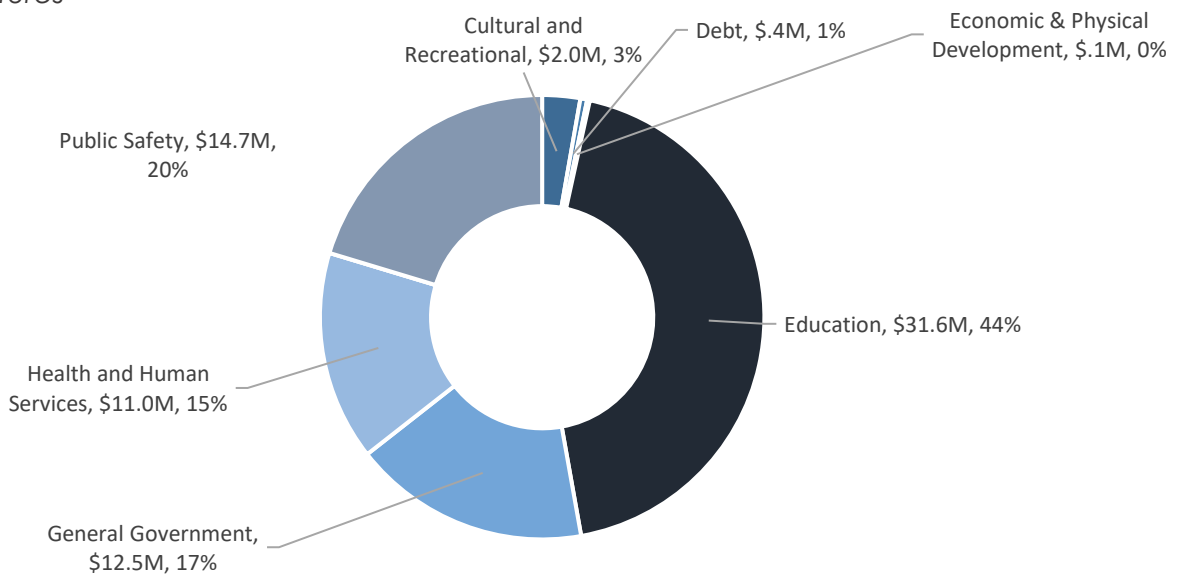
Appendix B

Net County Cost

The net county cost breakdown of General Fund expenditures provides information on the functions that are supported by general purpose revenues such as property tax and sales tax. This breakdown nets out other revenues such as state and federal allocations and program generated revenues, creates a more precise way to view direct cost impact to property taxpayers, and shifts the ranking of functions by expenditures in notable ways. For example, the total expenditures budget for Health and Human Services is higher than the budgeted amount for Public Safety but as shown below, this relationship is reversed after intergovernmental and other Health and Human Services-specific revenues are considered.

Q1 FY2025 Net County Cost

YTD actual net cost after function-specific revenues are subtracted from expenditures



Appendix C Capital Projects List

COUNTY CAPITAL PROJECTS					Projected Spend*			
EXPENDITURE BY PROJECT	Budget	Q1 FY2025 YTD Actual	LTD Actual	% of Expended	FY2025	FY2026	FY2027	FY2028
Debt								
Fund 341 Administration	4,663,994		4,662,974	99.98%	-	-	-	-
Emergency Services								
FY20 Garren Creek Tower Retrofit	884,825		637,249	72.0%	-	-	-	-
FY25 Shelter Resiliency Generator Project	2,301,000		-	0.0%	100,000	1,500,000	701,000	
General Services								
Detention Center Cooling Tower Replacement	376,940		338,128	89.7%	-	-	-	-
FY20 Fleet and General Services Complex	10,084,093	483,087	3,393,284	33.6%	6,690,809	-	-	-
FY20 Interchange Building	468,641		17,400	3.7%	100,000	351,241	-	-
FY20 Parking Lot Improvements								
Countywide	946,523	11,000	937,584	99.1%	8,939	-	-	-
FY21 Courthouse Repairs	596,239	-	378,819	63.5%	217,420	-	-	-
FY21 Jail Repairs	786,358	8,905	75,160	9.6%	355,599	355,599	-	-
FY21 Solar on Public Facilities	10,592,728	(106,625)	10,345,062	97.7%	247,666	-	-	-
FY22 40 Coxe Interior Renovation	1,213,615		1,200,194	98.9%	13,421	-	-	-
FY22 Administration Building Envelope Repair	-	(124,801)	-	0.0%	-	-	-	-
FY22 BAS System for Detention Center	174,052		-	0.0%	174,052	-	-	-
FY22 Lake Julian Bathroom Additions	674,160	23,377	506,306	75.1%	167,854	-	-	-
FY22 New Restroom Facility for Sports Park	159,000		152,061	95.6%	-	-	-	-
FY22 Planning for Forward Facing Building	200,000		186,000	93.0%	14,000	-	-	-
FY22 Solar Panel Installation Phase 2	400,000		330,237	82.6%	-	-	-	-
FY23 Electric Vehicle Charging Infrastructure	120,000		78,100	65.1%	31,000	-	-	-
FY23 EMS East Base Construction	6,600,000	33,946	589,640	8.9%	1,749,458	4,260,902	-	-
FY23 Facility Assessment - Renovation	4,010,000	14,617	296,501	7.4%	516,253	972,183	2,225,063	-
FY23 Library Renovation	691,654		-	0.0%	-	-	-	-
FY23 Solar on Schools & Public Buildings	5,587,850		1,329,850	23.8%	258,000	4,000,000	-	-
FY23 West Asheville EMS Base Design	650,000	2,552	47,809	7.4%	120,438	-	-	-
FY24 200 College St. Renovation	4,958,869	124,801	823,561	16.6%	3,000,000	1,135,308	-	-
FY24 35 Woodfin Renovation for Forward Facing Facility	6,847,480	44,158	377,778	5.5%	6,469,702	-	-	-
FY24 Comprehensive Facility Assessment Renovation & Repair	1,235,625	71,300	144,683	11.7%	200,000	890,942	-	-
FY24 County Courthouse Renovation & Repair	15,096,571	128,898	324,680	2.2%	2,000,000	12,771,891	-	-

Appendix C Capital Projects List

COUNTY CAPITAL PROJECTS					Projected Spend*			
EXPENDITURE BY PROJECT	Budget	Q1 FY2025 YTD Actual	LTD Actual	% of Expended	FY2025	FY2026	FY2027	FY2028
FY24 Countywide Paving (includes Lake Julian Park)	3,033,350		-	0.0%	1,000,000	2,033,350	-	-
FY24 Detention Center Facility Assessment Renovation & Repair	1,325,492		609,904	46.0%	715,588	-	-	-
FY24 New Storage Facility - Design	4,212,000	9,828	42,120	1.0%	176,530	1,500,000	2,493,350	-
FY25 205 College St. Renovation & Repair	1,231,217		-	0.0%	130,000	1,101,217	-	-
FY25 35 Woodfin 911 Backup Center Renovation	3,814,670		-	0.0%	3,814,670	-	-	-
FY25 Comprehensive Facility Assessment Renovation & Repair	251,683		-	0.0%	83,894	83,894	83,894	-
FY25 Countywide Roofing & Parking Decks Renovation & Repair	2,476,365	14,800	14,800	0.6%	1,200,000	1,261,565	-	-
FY25 Detention Center Dryer Installation	300,000		-	0.0%	245,000	-	-	-
FY25 Detention Center Facility Assessment Renovation & Repair	1,852,576	128,000	128,000	6.9%	-	100,000	816,000	808,576
FY25 EMS Local Base – Design	750,000		-	0.0%	-	525,000	225,000	-
FY25 EMS Regional Base - Land & Design	1,760,000		-	0.0%	-	1,200,000	560,000	-
FY25 New Parks and Recreation Facility – Design	217,084		-	0.0%	217,084	-	-	-
Sidewalks - General	207,000		-	0.0%	-	207,000	-	-
Warren Wilson Pool	300,000		-	0.0%	-	-	-	-
Governing Body								
BOC Contingency	23,435		-	0.0%	-	-	-	-
Information Technology								
FY21 Broadband Projects	200,442	19,128	158,900	79.3%	-	-	-	-
FY24 Fire Station Alerting/Paging	2,000,000		-	0.0%	2,000,000	-	-	-
FY25 PSIP Core System Replacement	10,000,000	19,754	19,754	0.2%	200,000	2,000,000	2,000,000	750,000
Interfund Transfers								
Fund 341 Administration	15,602,759		15,538,049	99.6%	-	-	-	-
Library								
East Asheville Library	6,977,466		6,901,091	98.9%	-	-	-	-
Recreation Services								
FY20 Grading and Paving of Old Playground at Lake Julian	180,000		-	0.0%	-	180,000	-	-
FY20 Lake Julian Shelter Replacements	100,000	27,533	99,869	99.9%	-	-	-	-
FY22 Buncombe County Sports Park Dog Park	80,500		77,479	96.2%	-	-	-	-
FY23 Recreation Services Master Plan	315,175	18,784	133,569	42.4%	55,536	126,070	-	-
Greenways Contingency	148,849		-	0.0%	-	-	-	-
Hominy Creek Greenway	-		-	0.0%	-	-	-	-
Orchard Street Park	150,000		-	0.0%	49,500	49,500	51,000	-
Reems Creek Greenway	600,000		-	0.0%	-	-	-	600,000
Silverline Park	650,000		650,000	100.0%	-	-	-	-

Appendix C Capital Projects List

COUNTY CAPITAL PROJECTS					Projected Spend*			
EXPENDITURE BY PROJECT	Budget	Q1 FY2025 YTD Actual	LTD Actual	% of Expended	FY2025	FY2026	FY2027	FY2028
Woodfin Greenway: Beaverdam Creek	4,060,557	17,773	202,487	5.0%	-	1,015,680	2,842,390	-
Woodfin Greenway: Highway 251	10,992,444	4,566	1,004,651	9.1%	-	2,293,082	7,694,711	-
Sustainability								
FY25 Electric Vehicle Charging Infrastructure	425,930		-	0.0%	300,000	125,930	-	-
Total Capital Projects	154,559,211	975,380	52,753,731	34.1%	32,622,414	40,040,355	19,692,408	2,158,576

* Projections subject to change

Appendix D
General Fund Budget Amendments

Adopted General Fund Budget:	7/1/2024	\$	440,025,235
First Quarter Amendments:			
County Match related to Broadband Infrastructure (Economic Development)	September		411,408
Amended General Fund Budget	9/30/2024	\$	440,436,643

Appendix E Fund Report

SUMMARY ANNUAL FUNDS FUND	Annual Budget	Revenue		Expenditures	
		YTD Actual	% of Budget	YTD Actual	% of Budget
100 General	440,436,643	52,146,747	11.8%	95,185,941	21.8%
120 Air Quality	1,349,960	346,981	25.7%	155,062	13.9%
220 Occupancy Tax	40,000,000	6,692,807	16.7%	6,692,807	16.7%
221 Reappraisal Reserve Fund	916,550	-	0.0%	156,000	21.1%
223 911	360,130	14,307	4.0%	432,288	18.1%
225 ROD Automation	153,000	32,764	21.4%	9,550	6.4%
226 Register of Deeds	320,000	66,781	20.9%	44,740	11.2%
228 Special Taxing Districts	68,348,257	5,829,633	8.5%	8,840,939	13.1%
229 Opioid Settlement	3,314,860	2,070,230	62.5%	635,992	23.5%
230 Transportation	6,634,098	16,342	0.2%	1,344,442	19.6%
231 Woodfin PDF	794,058	210	0.0%	-	0.0%
270 Forfeitures	208,000	77,902	37.5%	14,387	12.0%
272 Sondley Estate Trust Fund	-	(634)	0.0%	-	0.0%
273 School Fines and Forfeitures	2,000,000	182,946	9.1%	48,565	2.4%
276 Representative Payee	500,000	158,178	31.6%	109,492	21.9%
466 Solid Waste	16,500,089	3,261,250	19.8%	2,123,775	13.3%
467 Real-Time Intelligence Center	210,000	11,556	5.5%	-	0.0%
469 Inmate Commissary	453,411	21,994	4.9%	92,922	19.2%
480 Health and Dental Insurance	39,318,854	7,494,902	19.1%	9,161,561	23.8%
481 LGERS Stabilization	357,422	-	0.0%	-	0.0%
482 Medicare Benefits	1,064,417	8,400	0.8%	285,741	36.2%
483 Workers' Compensation	1,874,957	-	0.0%	126,647	14.6%
484 Property and Liability Insurance	2,606,866	-	0.0%	67,592	2.9%
575 Inmate Trust	-	432	0.0%	-	0.0%
577 Municipal Tax Collections	-	12,610,802	0.0%	10,070,835	0.0%
Total Annual Funds	627,721,572	91,044,530	14.5%	135,599,277	21.8%

SUMMARY MULTI-YEAR FUNDS FUND	Annual Budget	Revenue		Expenditures	
		LTD Actual	% of Budget	LTD Actual	% of Budget
224 Special Programs	63,941,436	42,425,015	66.3%	22,587,185	33.4%
326 Public School Capital Needs Fund	395,197,095	352,188,960	89.1%	295,653,591	82.8%
327 Grant Projects	137,027,689	103,601,103	75.6%	85,703,971	64.7%
333 AB Tech	222,822,822	209,310,256	93.9%	190,246,968	91.9%
335 Public School ADM Sales Tax and Lottery Projects	109,332,585	77,408,011	70.8%	78,049,170	90.7%
341 Capital Project	154,559,211	83,263,702	53.9%	52,754,051	36.7%
342 Landfill Capital Projects	15,211,211	14,961,211	98.4%	12,932,540	69.1%
343 Housing/Open Space Bond Projects	44,230,889	15,168,787	34.3%	346,547	2.0%
Total Multi-Year Funds	1,142,322,938	898,327,044	78.6%	738,274,023	71.7%

Appendix F General Fund By Function Report

SUMMARY GENERAL FUND FUNCTION	Annual Budget	Revenue		Expenditures		
		YTD Actual	% of Budget	Annual Budget	YTD Actual	% of Budget
Cultural and Recreational	628,380	148,934	23.7%	11,306,529	2,148,212	19.0%
Debt	3,955,294	2,000	0.1%	21,656,974	356,514	1.6%
Economic & Physical Development	5,470,054	1,398,904	25.6%	10,124,783	1,542,409	15.2%
General Government	10,791,848	2,894,380	26.8%	126,475,477	31,640,903	25.0%
General Revenues	339,470,885	37,434,583	11.0%	68,966,012	15,366,104	22.3%
Health and Human Services	46,355,530	8,314,639	17.9%	96,663,471	19,344,410	20.0%
Other Financing Sources and Uses	16,819,957	51,768	0.3%	9,990,934	8,178,584	81.9%
Public Safety	16,944,695	1,901,539	11.2%	95,252,463	16,608,805	17.4%
Total General Fund	440,436,643	52,146,747	11.8%	440,436,643	95,185,941	21.6%

Relevant Financial Policies

[Fund Balance Policy](#)

[Debt Policy](#)

[Debt Transparency Dashboard](#)

[Investment Policy](#)