

BUNCOMBE COUNTY, NORTH CAROLINA

Quarterly Financial Report

FOR THE QUARTER ENDING
DECEMBER 31, 2024

BOARD OF COMMISSIONERS

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Finance Department



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BUNCOMBE COUNTY

QUARTERLY FINANCIAL REPORT

Fiscal Year 2025

Quarter 2

December 31, 2024

Executive Summary

I am pleased to present you with Buncombe County's Quarterly Financial Report for the quarter ended December 31, 2024. This report includes General Fund budget versus actual, Q2 FY2025 year to date actuals versus Q2 FY2024 year to date actuals, a summary of major revenue sources, current net county cost actuals, Solid Waste summary, Capital Project overview, and donation activity.

General Fund Revenues:

- Budget of \$444.6 million, which includes \$15.7 million of appropriated fund balance.
- Actuals year to date total \$236.4 million, which is 53.2% of the amended budget and 4% less than the same time prior year.
- Prior year actuals totaled \$246.7 million.
- Ad Valorem revenues and Sales Tax revenues are down 3% each, and Intergovernmental revenues are down 12%
- Property tax makes up \$181.8 million, or 77% of Quarter 2 revenues.

General Fund Expenditures:

- Budget of \$444.6 million.
- Actuals year to date total \$213.3 million, which is 48.0% of the amended budget and 3.0% greater than the same time prior year.
- Prior year actuals totaled \$207.0 million.

Solid Waste Revenues:

- Budget of \$18.5 million, which includes \$4.4 million in appropriated fund balance.
- Actuals year to date total \$7.7 million, which is 41.7% of the amended budget and 23.8% greater than the same time prior year.
- Prior year actuals totaled \$6.2 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 \$18.5 million.
- Actuals year to date total \$6.5 million, which is 35.0% of the amended budget and 5.6% greater than the same time prior year.
- Prior year actuals totaled \$6.1 million.
- Current year increase in expenditures is driven by interfund transfers related to current year capital outlay, Solid Waste Disposal Taxes remitted to the State of North Carolina, increases in equipment leases, and indirect costs charged to the Solid Waste Fund.

County Capital Projects:

- Budget of \$155.4 million.
- Life to date expenditures total \$56.8 million, or 36.5% 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.

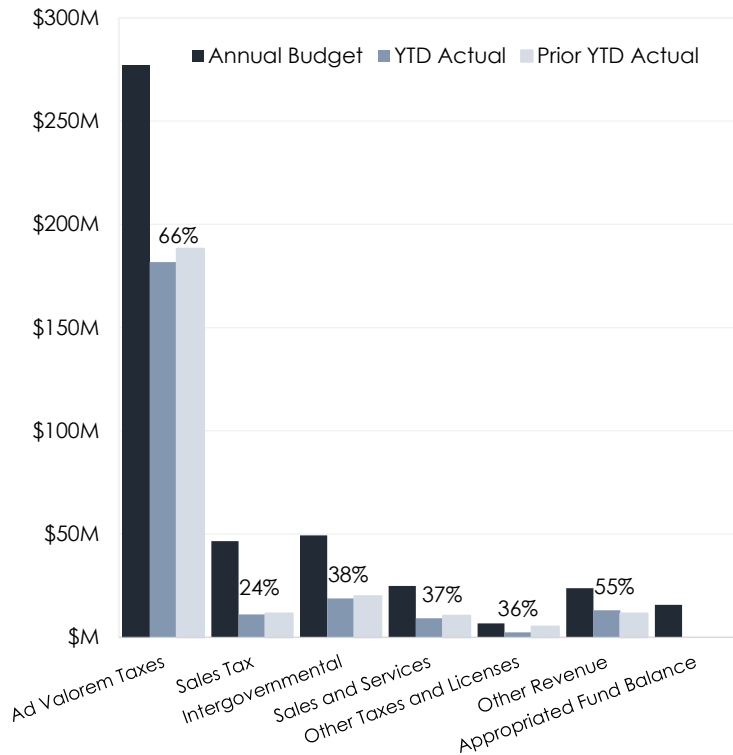
Melissa Moore
Finance Director

General Fund Overview

FY25 Quarter 2 General Fund revenues are approximately 53% of the budgeted amount. Ad valorem taxes are largely collected between November-January, and collections through December are 66%, which trails last year same time collection of 74%. Local option sales tax is received on a three-month lag, where Quarter 2 accounts July, August, and September sales. Local option sales tax to revenues to date are approximately 24% of budget and are slightly behind prior year revenues by \$393,350, or 3%. Intergovernmental revenues include grant revenue which is dependent on grant spending and reimbursement timing. See “General Fund Major Revenue Sources” for additional information.

Q2 FY2025 Revenues

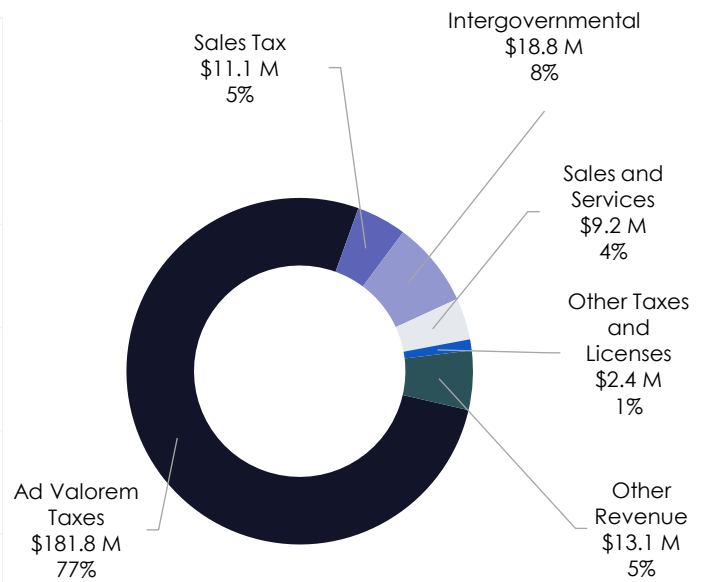
General fund revenues budgeted, YTD actual, and prior year YTD actual*



*Percentage labels represent actual revenues as a percent of budget

Q2 FY2025 Revenues by Type

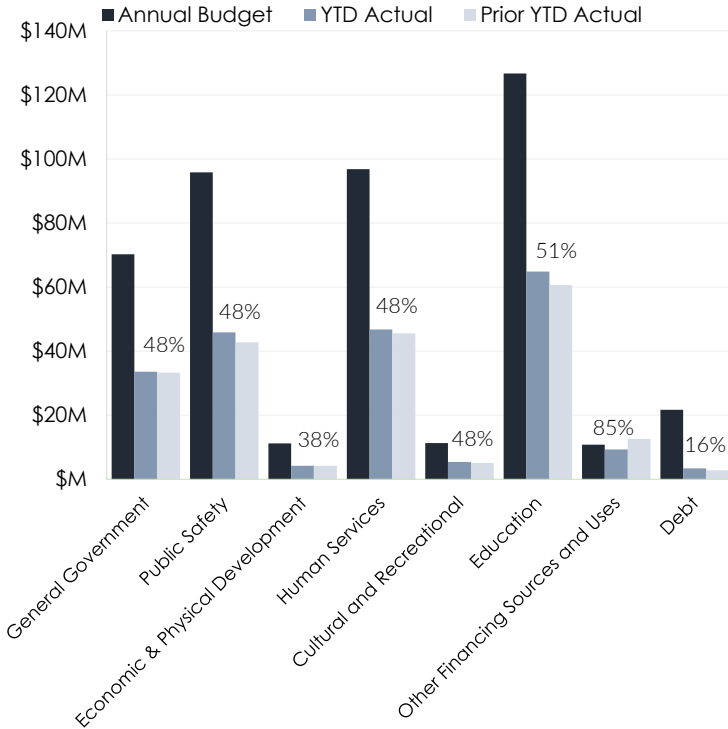
General fund YTD actual revenues



As of December 31, 2024, expenditure actuals are approximately 48% of the budgeted amount, which is approximately 3% greater than the prior year. Debt Service is approximately 20% higher, due to the addition of 2024 Limited Obligation Bonds and General Obligation Bonds, where interest payments started in December. Capital Outlay is approximately 19% higher than prior year actuals, attributed to vehicle and ambulance purchases. Salaries and Benefits are approximately 7% higher than same time last year actuals, but remain in line with budget expectations at 49% of budget spent. Program Support is approximately 4% higher than same time last year actuals, where education funding makes up 82% of the total Program Support expenditures to date.

Q2 FY2025 Expenditures by Function

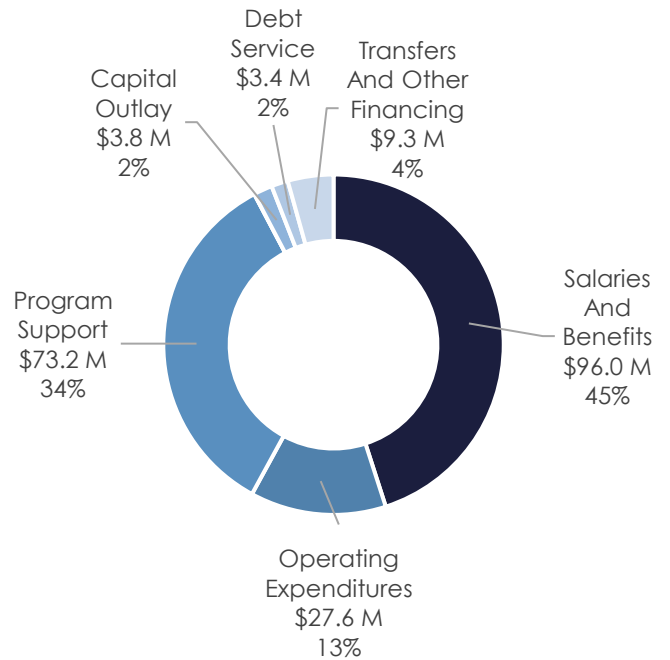
General fund expenditures budgeted, YTD actual, and prior YTD actual*



*Percentage labels represent actual expenditures as a percent of budget

Q2 FY2025 Expenditures by Type

YTD Actual General fund expenditures by major expenditure categories



Solid Waste Overview

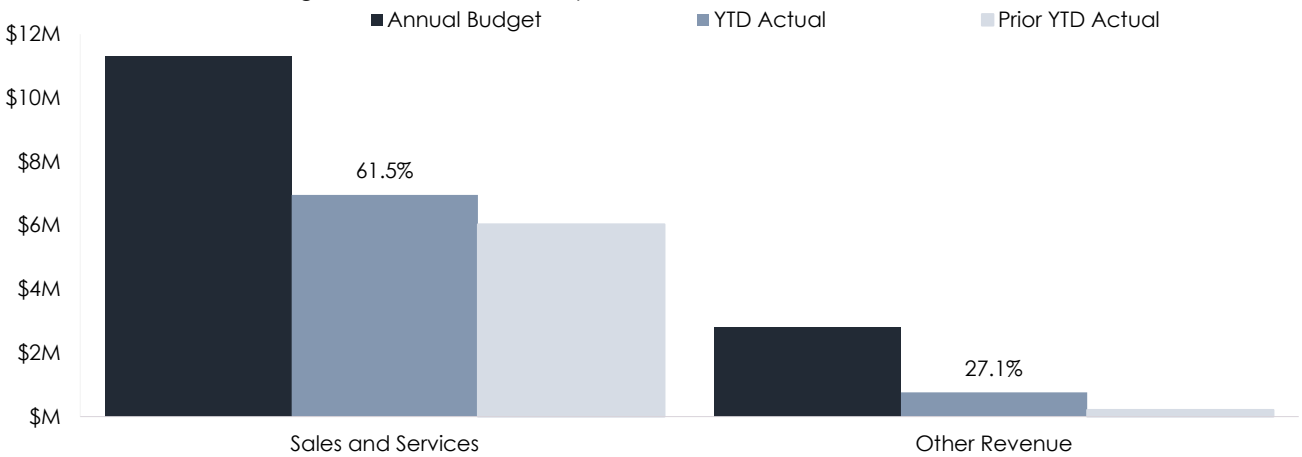
Solid Waste is made up of the Landfill and Transfer Station. The Transfer Station serves as a drop-off location for residential and commercial waste, which is then transferred to the Landfill.

The largest driver of revenues for the Solid Waste fund is Sales and Services. Year to date Sales and Services revenues as of Q2 FY2025 are ahead of prior year revenues, showing a 15% growth. Disposal rates are \$45/ton at the Landfill and \$52/ton at the Transfer Station.

Q2 FY2025 expenditures are approximately 6% greater than prior year expenditures. Indirect Cost charges, costs assigned for General Fund support, to the Solid Waste Fund in the current year account for the largest year over year increase, at 55%. Capital Outlay and Debt Service spending are lower than same time last year, at 29% and 19% lower, respectively. Salaries and Benefits and Operating Expenditures are within expectations.

Q2 FY2025 Revenues

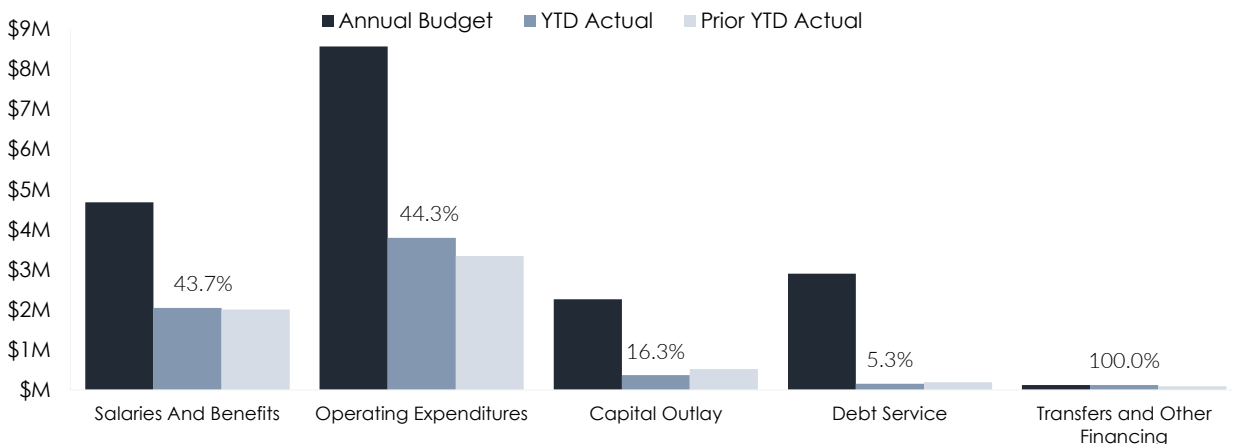
Solid Waste fund revenues budgeted, YTD actual, and prior YTD actual*



*Percentage labels represent actual revenues as a percent of budget

Q2 FY2025 Expenditures by Category

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

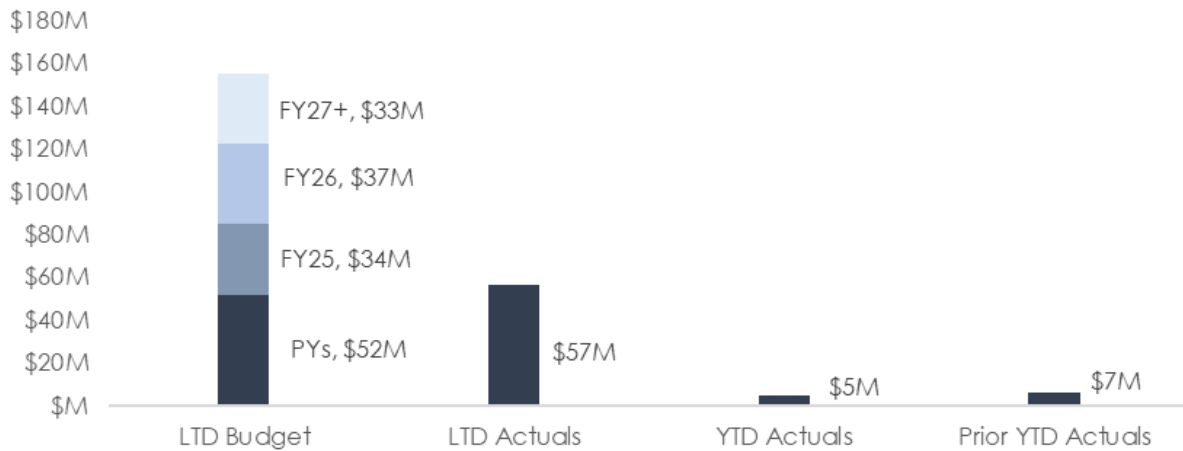


*Percentage labels represent actual expenditures as a percent of budget

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		
	DEC 31	Total
Monetary:		\$ 106,935
Division of Social Services		41,070
Emergency Services		21,246
Family Justice Center		5,000
Library		16,810
Sheriff's Office		22,809
Grand Total		\$ 106,935

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 second quarter, \$181.8 million of property tax revenues were received which is 65.5% of the budgeted amount. Last year same time collection rate was 73.8%.

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.

General Fund Sales Tax revenues represent July, August, and September sales. At the end of the second quarter, \$11.1 million, or 23.7%, of estimated sales tax revenues were received. Prior Year sales tax revenues showed \$11.5 million. Hurricane Helene hit the area on the morning of September 27, following days of extreme rain, disrupting major infrastructure and retail. The County will continue to closely monitor sales tax trends.

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 second quarter, \$18.8 million, or 38.1%, of estimated intergovernmental revenues were received.

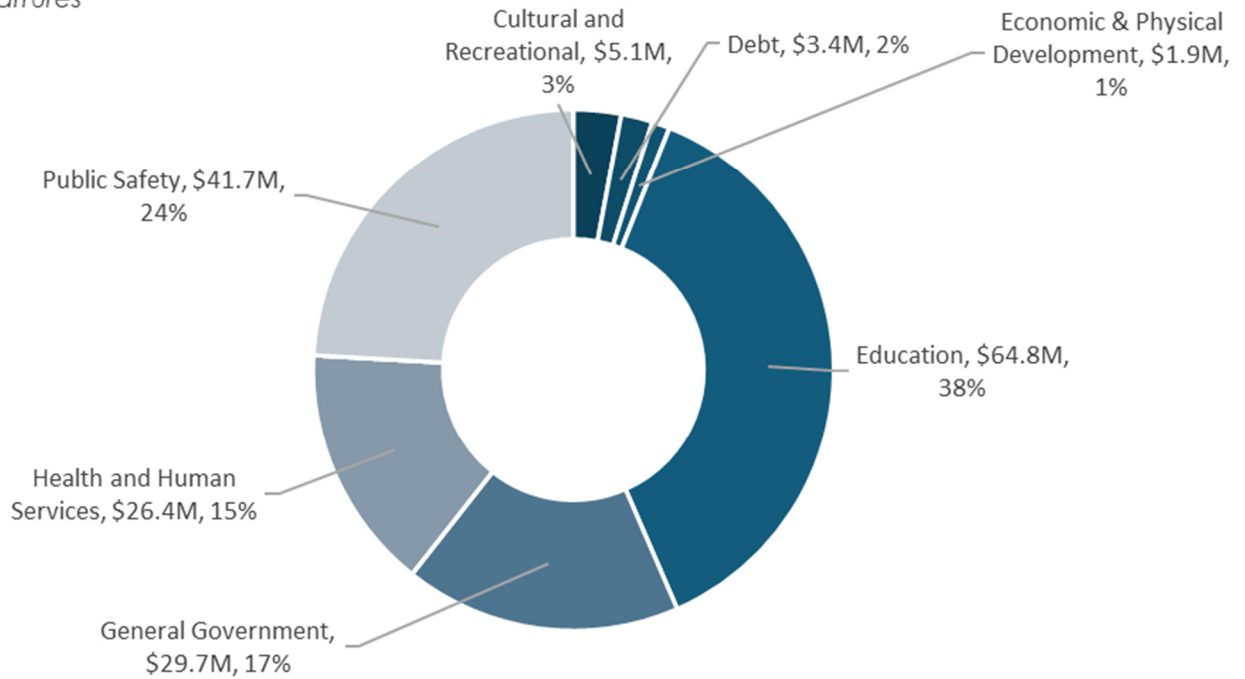
Appendix B

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.

Q2 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	Project Complete/Notes	Budget	Q2 FY2025 YTD Actual	LTD Actual	% of Expended	FY2025	FY2026	FY2027	FY2028
Debt									
Fund 341 Administration		4,663,994		4,702,714	100.83%	-	-	-	-
Emergency Services									
FY20 Garren Creek Tower Retrofit	X	884,825		637,249	72.0%	-	-	-	-
FY25 Shelter Resiliency Generator Project		2,301,000		-	0.0%	100,000	1,500,000	701,000	
FY23-24 Ambulances		854,640	554,495	554,495					
General Services									
Detention Center Cooling Tower Replacement	X	376,940		338,128	89.7%	-	-	-	-
FY20 Fleet and General Services Complex		10,227,532	1,577,365	4,487,562	43.9%	5,739,970	-	-	-
FY20 Interchange Building		468,641	10,500	27,900	6.0%	100,000	351,241	-	-
FY20 Parking Lot Improvements Countywide	X	946,523	16,000	942,584	99.6%	3,939	-	-	-
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	(81,942)	10,369,745	97.9%	247,666	-	-	-
FY22 40 Coxe Interior Renovation	X	1,213,615		1,200,194	98.9%	13,421	-	-	-
FY22 Administration Building Envelope Repair	Consolidated into FY24 200 College St. Renovation Project	-	(124,801)	-	0.0%	-	-	-	-
FY22 BAS System for Detention Center		174,052		-	0.0%	174,052	-	-	-
FY22 Lake Julian Bathroom Additions		674,160	46,701	529,630	78.6%	167,854	-	-	-
FY22 New Restroom Facility for Sports Park	X	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	X	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%	1,100,000	4,910,360	-	-
FY23 Facility Assessment - Renovation		4,010,000	100,211	382,096	9.5%	516,253	972,183	2,139,468	-
FY23 Library Renovation		691,654		-	0.0%	30,000	207,496	454,158	-
FY23 Solar on Schools & Public Buildings	X	5,587,850		1,329,850	23.8%	125,000	-	-	-
FY23 West Asheville EMS Base Design	X	650,000	2,552	47,809	7.4%	-	-	-	-
FY24 200 College St. Renovation		4,958,869	164,090	862,850	17.4%	3,000,000	1,096,019	-	-
FY24 35 Woodfin Renovation for Forward Facing Facility		6,847,480	1,034,460	1,368,080	20.0%	5,479,400	-	-	-
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	237,688	433,470	2.9%	2,000,000	12,663,101	-	-
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	420,931	1,030,835	77.8%	147,312	-	-	-
FY24 New Storage Facility - Design		4,212,000	30,888	63,180	1.5%	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	390,082	390,082	10.2%	3,424,588	-	-	-
FY25 Comprehensive Facility Assessment Renovation & Repair		251,683		-	0.0%	83,894	83,894	83,894	-

Appendix C Capital Projects List

COUNTY CAPITAL PROJECTS						Projected Spend*			
EXPENDITURE BY PROJECT	Project Complete/Notes	Budget	Q2 FY2025 YTD Actual	LTD Actual	% of Expended	FY2025	FY2026	FY2027	FY2028
FY25 Countywide Roofing & Parking Decks Renovation & Repair		2,512,926	14,800	14,800	0.6%	900,000	1,598,126	-	-
FY25 Detention Center Dryer Installation		300,000		-	0.0%	245,000	-	-	-
FY25 Detention Center Facility Assessment Renovation & Repair		1,852,576	282,080	282,080	15.2%	267,507	237,806	532,592	532,592
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	Canceled	300,000		-	0.0%	-	-	-	-
Governing Body									
BOC Contingency		23,435		-	0.0%	-	-	-	-
Information Technology									
FY21 Broadband Projects	X	200,442	20,484	160,255	80.0%	-	-	-	-
FY24 Fire Station Alerting/Paging		2,000,000		320	0.0%	2,000,000	-	-	-
FY25 PSIP Core System Replacement		10,000,000	36,212	36,212	0.4%	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	X	6,977,466		6,901,091	98.9%	-	-	-	-
Recreation Services									
FY20 Grading and Paving of Old Playground at Lake Julian		-		-	0.0%	-	-	-	-
FY20 Lake Julian Shelter Replacements	X	100,000	27,533	99,869	99.9%	-	-	-	-
FY22 Buncombe County Sports Park Dog Park	X	80,500		77,479	96.2%	-	-	-	-
FY23 Recreation Services Master Plan		315,175	66,093	180,878	57.4%	8,227	126,070	-	-
Greenways Contingency		148,849		-	0.0%	-	-	-	-
Hominy Creek Greenway		-		-	0.0%	-	-	-	-
Orchard Street Park	Pending proposal	150,000		-	0.0%	49,500	49,500	51,000	-
Reems Creek Greenway		600,000	94	94	0.0%	-	-	-	600,000
Silverline Park	X	650,000		650,000	100.0%	-	-	-	-
Woodfin Greenway: Beaverdam Creek		4,060,557	37,678	222,392	5.5%	-	995,775	2,842,390	-
Woodfin Greenway: Highway 251		10,992,444	6,126	1,006,212	9.2%	-	2,291,522	7,694,711	-
Sustainability									
FY25 Electric Vehicle Charging Infrastructure		425,930		-	0.0%	300,000	125,930	-	-
Total Capital Projects		155,413,851	4,984,472	56,802,884	36.5%	28,765,215	37,022,132	19,777,563	1,882,592

* 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
Second Quarter Amendments:		
Acceptance of Donations (Libraries)	October	16,560
Budget Carryforwards	October	3,976,304
North Carolina Disaster Rental Assistance Program (HHS)	December	199,296
Amended General Fund Budget	12/31/2024 \$	444,628,803

Appendix E Fund Report

SUMMARY ANNUAL FUNDS FUND	Annual Budget	Revenue		Expenditures	
		YTD Actual	% of Budget	YTD Actual	% of Budget
100 General	444,628,803	236,426,118	53.2%	213,280,497	48.0%
120 Air Quality	1,349,960	460,678	34.1%	655,657	48.6%
220 Occupancy Tax	40,000,000	11,113,340	27.8%	11,113,340	27.8%
221 Reappraisal Reserve Fund	916,550	-	0.0%	329,786	36.0%
223 911	1,736,815	110,375	6.4%	488,893	28.1%
225 ROD Automation	153,000	71,234	46.6%	23,875	15.6%
226 Register of Deeds	320,000	113,460	35.5%	85,549	26.7%
228 Special Taxing Districts	68,348,257	39,280,537	57.5%	26,023,823	38.1%
229 Opioid Settlement	3,314,860	314,855	9.5%	1,337,122	40.3%
230 Transportation	8,677,457	499,216	5.8%	2,368,063	27.3%
231 Woodfin PDF	794,058	210	0.0%	146,925	18.5%
270 Forfeitures	208,000	109,282	52.5%	14,856	7.1%
272 Sondley Estate Trust Fund	-	17,742	0.0%	-	0.0%
273 School Fines and Forfeitures	2,000,000	360,465	18.0%	266,709	13.3%
276 Representative Payee	500,000	310,079	62.0%	246,668	49.3%
466 Solid Waste	18,535,710	7,720,504	41.7%	6,489,986	35.0%
467 Real-Time Intelligence Center	210,000	11,556	5.5%	-	0.0%
469 Inmate Commissary	453,411	184,886	40.8%	199,337	44.0%
480 Health and Dental Insurance	39,318,854	22,081,270	56.2%	18,998,950	48.3%
481 LGERS Stabilization	357,422	-	0.0%	-	0.0%
482 Medicare Benefits	1,064,417	928,112	87.2%	504,706	47.4%
483 Workers' Compensation	1,874,957	1,324,394	70.6%	572,491	30.5%
484 Property and Liability Insurance	2,606,866	2,073,949	79.6%	1,617,051	62.0%
Total Annual Funds	637,369,397	323,512,263	50.8%	284,764,283	45.8%

SUMMARY MULTI-YEAR FUNDS FUND	Annual Budget	Revenue		Expenditures	
		LTD Actual	% of Budget	LTD Actual	% of Budget
224 Special Programs	63,965,662	42,460,839	66.4%	23,792,433	37.2%
326 Public School Capital Needs Fund	395,197,095	359,879,741	91.1%	310,117,770	78.5%
327 Grant Projects	168,248,442	139,452,031	82.9%	105,526,557	62.7%
333 AB Tech	222,822,822	214,406,603	96.2%	196,225,065	88.1%
335 Public School ADM Sales Tax and Lottery Projects	109,332,585	83,756,828	76.6%	84,141,232	77.0%
341 Capital Project	155,413,851	84,605,190	54.4%	56,802,884	36.5%
342 Landfill Capital Projects	15,211,211	14,961,211	98.4%	13,238,033	87.0%
343 Housing/Open Space Bond Projects	44,230,889	15,618,407	35.3%	404,511	0.9%
Total Multi-Year Funds	1,174,422,557	955,140,851	81.3%	790,248,484	76.7%

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	644,940	273,996	42.5%	11,323,089	5,388,392	47.6%
Debt	3,955,294	4,289	0.1%	21,656,974	3,378,454	15.6%
Economic & Physical Development	5,470,054	2,300,454	42.1%	11,161,938	4,220,258	37.8%
Education	-	-		126,724,467	64,806,056	
General Government	10,791,848	3,880,979	36.0%	70,259,347	33,616,788	47.8%
General Revenues	339,470,885	200,381,015	59.0%	-	-	0.0%
Health and Human Services	46,554,826	20,361,739	43.7%	96,862,767	46,739,248	48.3%
Other Financing Sources and Uses	20,796,261	5,052,543	24.3%	10,845,574	9,258,471	85.4%
Public Safety	16,944,695	4,171,104	24.6%	95,794,647	45,872,829	47.9%
Total General Fund	444,628,803	236,426,118	53.2%	444,628,803	213,280,497	48.0%

Relevant Financial Policies

[Fund Balance Policy](#)

[Debt Policy](#)

[Debt Transparency Dashboard](#)

[Investment Policy](#)