

## BUDGET SUMMARY - REVENUES

<b><u>Revenue Sources:</u></b>	<b>2012-13 Actual</b>	<b>2013-14 Actual</b>	<b>2014-15 Adopted</b>	<b>2015-16 Proposed</b>
Property Tax	46,891,865	52,052,585	52,103,473	<b>54,833,390</b>
Charges For Service	45,272,645	50,023,876	52,397,525	<b>54,497,528</b>
Intergovernmental	13,994,461	13,305,397	14,307,480	<b>15,161,379</b>
Sales & Other Taxes	17,067,516	17,793,854	18,704,766	<b>20,079,180</b>
Licenses & Permits	5,955,454	6,493,311	5,682,010	<b>5,097,994</b>
Investment Earnings	152,398	352,276	245,324	<b>290,544</b>
Parking Fees	3,865,516	4,384,603	4,024,663	<b>4,322,100</b>
Miscellaneous	2,359,072	2,292,822	1,535,795	<b>1,635,950</b>
Other Financing Sources	<u>6,642,395</u>	<u>3,037,662</u>	<u>5,979,904</u>	<u><b>6,092,686</b></u>
<b>Total Revenue</b>	<b>142,201,323</b>	<b>149,736,386</b>	<b>154,980,940</b>	<b>162,010,751</b>
<b>Less: Interfund Transactions</b>	<b>(6,164,308)</b>	<b>(6,461,503)</b>	<b>(7,415,198)</b>	<b>(7,694,976)</b>
 <b>NET REVENUE</b>	 <u><b>136,037,015</b></u>	 <u><b>143,274,883</b></u>	 <u><b>147,565,742</b></u>	 <u><b>154,315,775</b></u>

### BUDGET HIGHLIGHTS

- The property tax is the single largest source of revenue for the City. Based on projections received from the Buncombe County Tax Office, staff is assuming a 1.8% increase in the City's property tax base in FY 2015-16. The proposed FY 2015-16 budget also includes a 1.5 cent increase in the City's property tax rate to offset the loss of revenue from the business privilege license fees which were eliminated by state legislation. If staff's proposal is approved by City Council, the City's tax rate for FY 2015-16 will be 47.5 cents per \$100 of assessed valuation.
- Most of the revenue in the charges for services category, approximately \$35.3 million, comes from water utility charges. In April, City Council approved minor rate adjustments for the 2015-16 fiscal year based on the Raftelis financial model. These rate adjustments are expected to generate approximately \$465,000 in additional revenue in the Water Fund. The FY 2015-16 charges for services budget also includes \$1.1 million in additional revenue from the proposed \$3.50 increase in the City's monthly solid waste fee.
- Based on statewide projections from the North Carolina League of Municipalities and local trend data, staff is projecting a 7.5% increase in sales tax revenue in the current fiscal year and a 4.0% increase in FY 2015-16.
- Intergovernmental revenue, which includes state-shared utility taxes as well as Powell Bill funding, is budgeted to increase 5.9% in FY 2015-16 mostly as a result of an increase in utility tax revenue due to changes in the distribution method for the electricity sales tax. It should be noted that intergovernmental revenue is negatively impacted by the expiration of the COPs grant in the General Fund.
- Revenue from licenses and permits shows a 10.0% decrease in FY 2015-16 due to the loss in revenue from business privilege licenses. Part of the loss in this category is offset by continued strong performance from development services (DSD) permit revenue. Based on current year trends, DSD revenue shows a budget-to-budget increase of 35% or approximately \$900,000.
- Revenue from parking fees is budgeted to increase by approximately \$300,000 or 7.3%, which reflects collection trends in the current fiscal year.
- The other financing sources budget includes items such as interfund transfers and fund balance appropriations. The FY 2015-16 proposed General Fund budget includes no appropriation from fund balance. The Water Resources and Parking Services proposed budgets include fund balance appropriations for capital expenditures, which are consistent with the City's fund balance policies and multi-year forecasts for both funds.