

Welcome to Asheville: Economic Profile & Resilience

REMI 41st Annual
Users' Conference

Tony McDowell
Director of Finance & Management Services



Speaker Profile: Tony McDowell

Role & Experience

- Director of Finance & Management Services (28+ years of City service)
- Leads a department of 37 employees with a budget of \$4.4M that is responsible for budgeting, accounting, purchasing, payroll, risk management, and internal audit
- ***And most importantly...I'm retiring from NC local government service on December 31, 2026!***



City Governance



Council/Manager Structure

- Council/Manager form of municipal government
- Mayor and 6 Council members elected at-large (4-year staggered terms)
- City Manager leads daily municipal operations

Municipal Operations & Scope

Core Service Delivery

- **Municipal Scope:** \$250M+ annual operating budget powered by ~1,400 authorized staff
- **Services:** Fire, police, planning, public works, parks, and water
- **Public Safety:** 304 Fire personnel; 201 Sworn Police personnel
- **Water Resources:** 3 treatment plants; 1,274 miles of mains; 65,000+ connections



Community Profile



Regional Economic & Geographic Hub

- Largest city in Western NC (11th in NC); seat of Buncombe County
- Center of 4-county Metropolitan Statistical Area (MSA)
- Regional hub for healthcare, manufacturing, education, and retail trade

Local History & Attractions

Historical Context

Founded in 1797 as an Appalachian trading post; evolved into a national destination for mountain culture, architecture, and commerce.

Visitor Highlights

- **Biltmore & Architecture:** Biltmore Estate & downtown Art Deco district
- **Arts & Food Scene:** River Arts District, live music, & craft dining
- **Outdoors:** Blue Ridge Parkway & Pisgah National Forest



Demographic Trajectory

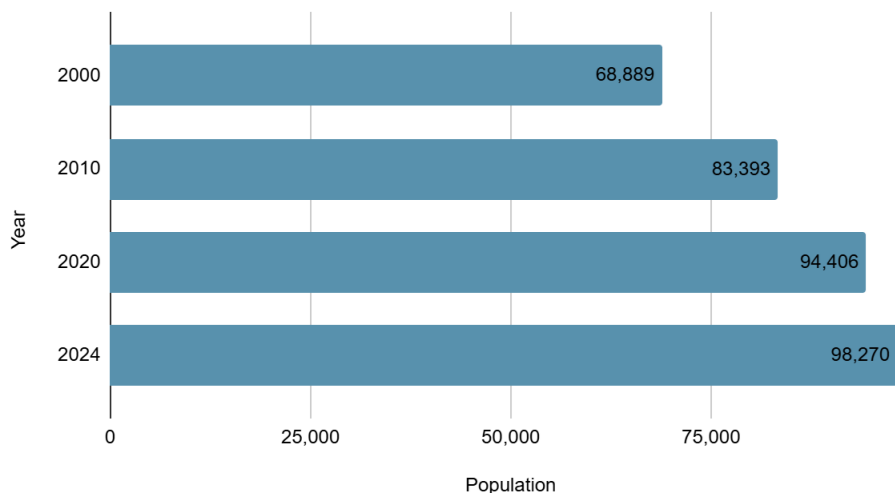
Historical Population Growth

+42%

**TOTAL POPULATION GROWTH
(2000-2024)**

Consistent 20+ year growth expanded the municipal population to 98,270, establishing a solid regional consumer base.

Historical Population Growth (2000–2024)



Cost of Living Benchmark

Relative to National Average (100.0)

Cities	All Items	Food	Housing
Asheville, NC	106.8	99.4	113.3
Raleigh, NC	94.8	100.5	87.5
Chapel Hill, NC	106.6	100.6	119.7
Charleston, SC	96.3	102.6	95.8
Greenville, SC	90.6	98.6	73.2

Asheville COLI sits at 106.8, influenced primarily by regional housing costs (113.3).

Key Industry Anchors

Leading Regional Employers by Sector

Healthcare

Mission Health (1,000+ employees)

VA Medical Center • MAHEC

Manufacturing

Eaton (1,000+ employees)

Borgwarner • Unison • Jabil

Trade & Tourism

Ingles Markets HQ (1,000+ employees)

Biltmore • Omni Grove Park Inn

Public & Education

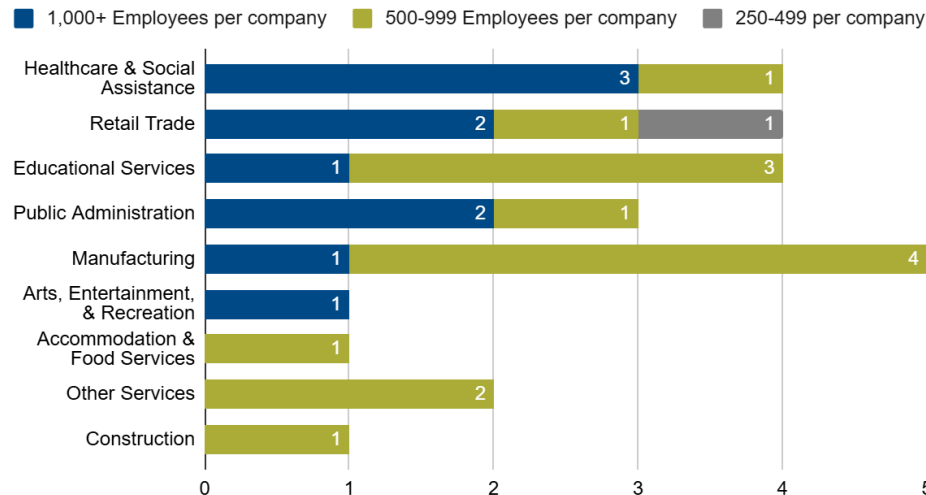
Buncombe County • City of Asheville

UNC Asheville • A-B Tech

Major Employers by Sector

Top Regional Employment Drivers

Major Regional Employers by Industry Sector



25 Major Employers

10 Regional Anchors (1,000+ staff)

14 Major Employers (500-999 staff)

1 Key Employer (250-499 staff)

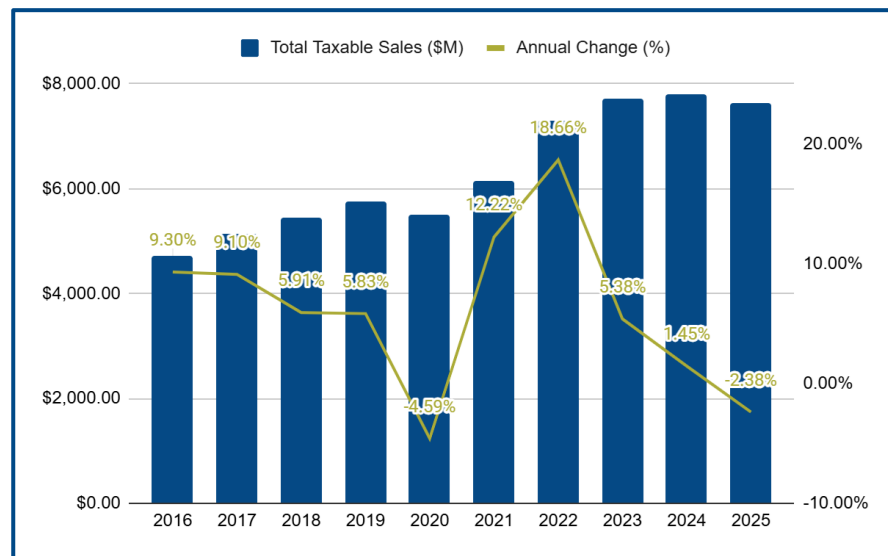
Retail Sales Performance

10-Year Local Taxable Sales (2016-2025)

\$7.8B+

PEAK TAXABLE SALES (2024)

Taxable sales expanded from \$4.7B in 2016 to \$7.8B in 2024, maintaining a solid \$7.6B+ baseline entering 2025.



Retail Growth Drivers

Factors Underpinning Revenue Stability

10-Year Expansion

Reflects sustained retail transaction volume growth driven by population influx and regional demand.

Market Recovery

Captures post-2020 economic surges followed by sustainable baseline leveling.

Tax Base Support

Robust transaction volume underpins local sales tax stability for municipal operations.

Hurricane Helene Impacts



Photo by Stephan Pruitt/American Red Cross

Storm Overview

Two Storms Hit the Area

Hurricane Helene made landfall as a Category 4 storm, then weakened to a tropical storm by the time it reached Asheville.

RAINFALL

~30 in

40 Trillion Gal.

WIND GUSTS

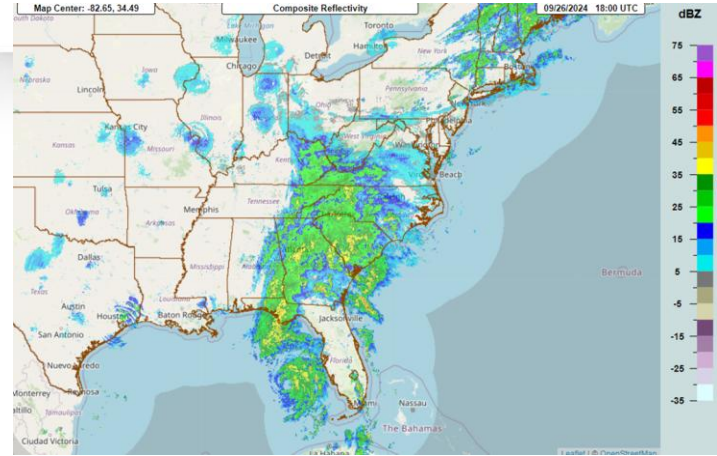
78 mph

Eyewall broke down

FLOOD PEAKS

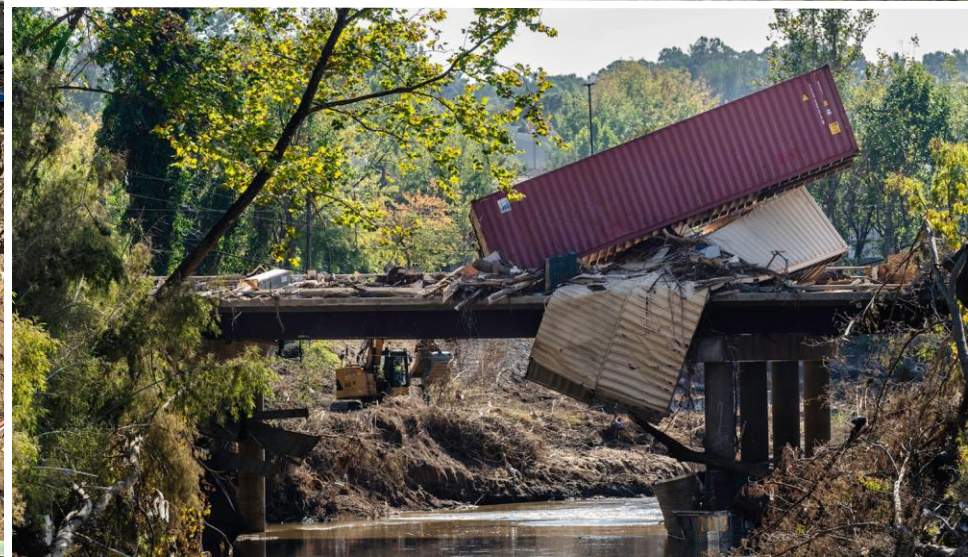
French Broad: 24.67 ft

Swannanoa: 26.1 ft



Impact on the Community

- Many people lost access to running water & electricity
- Debris scattered heavily across the region
- Several critical bridges were destroyed
- Roads and Interstate highways were completely shut down





North Fork 36" Bypass Waterline
SEP 30



Immediate Response Overview

City of Asheville Emergency Operations Center

Central Incident Support & Response Coordination

156 DAYS ACTIVATED
to support & coordinate

Rescue & Direct Relief

300+

Search & Rescues

1,000

Emergency Evacuations

800+

HazMat Mitigations

4 Million

Water Bottles (5 PODs)



Operations & Recovery

100+

Outside Agencies Responded

1,500+

Structures Assessed

1,000+

Miles Searched

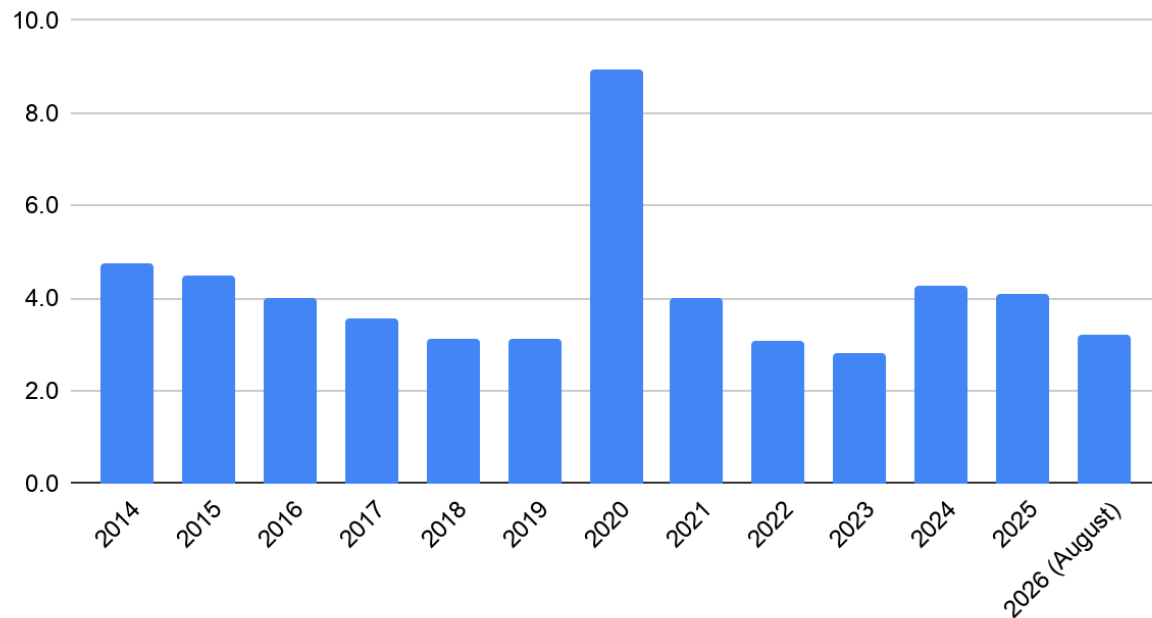
52 Days

Water System Restored



Tropical Storm Helene: Economic Impact

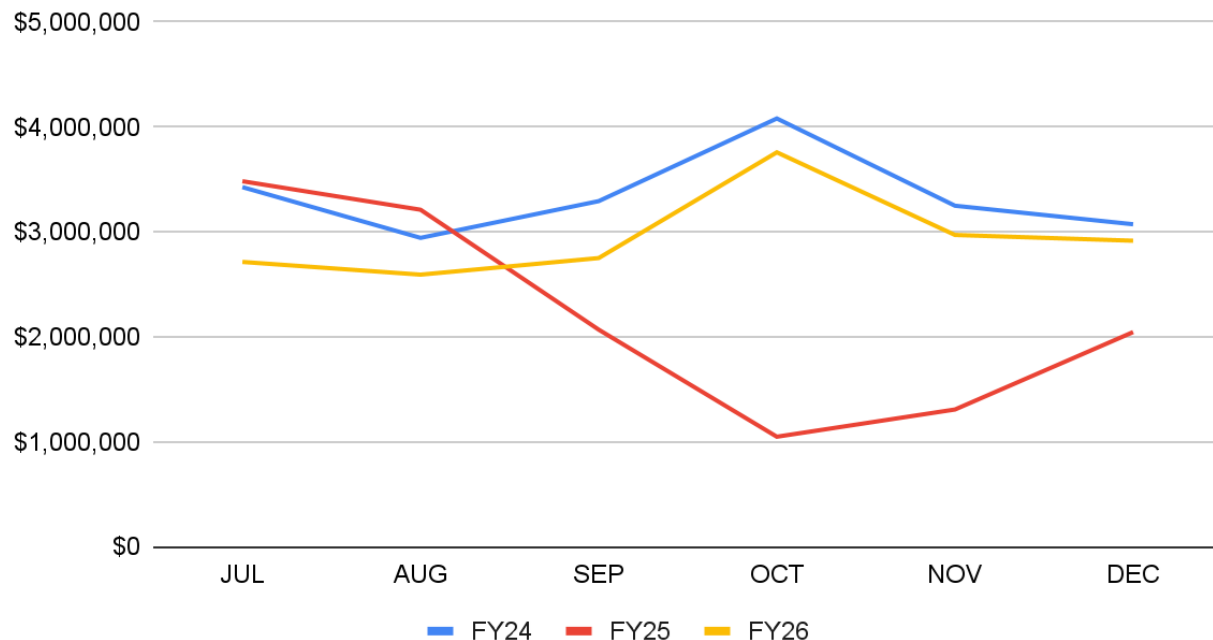
Asheville Metropolitan Area Unemployment %



- Unemployment is still slightly higher than pre-Helene.
- Trending downwards.

Tropical Storm Helene: Economic Impact

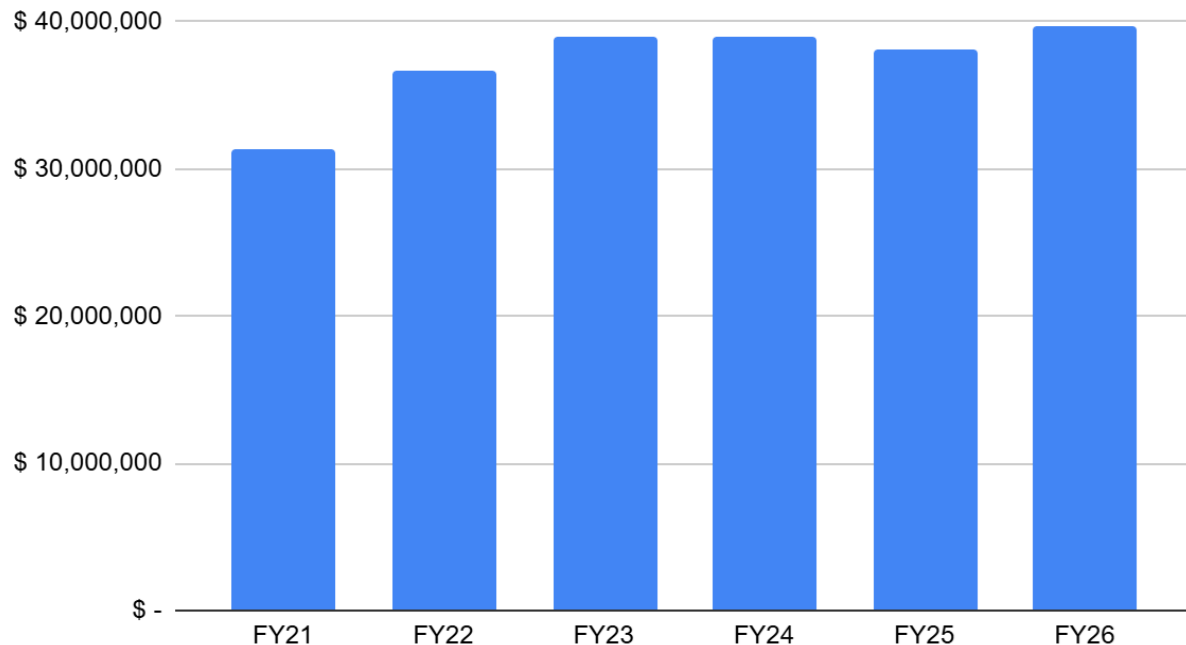
County Occupancy Tax Collections



- Occupancy taxes are an indicator of tourism activity
- Collections remain below pre-storm levels.

Tropical Storm Helene: Economic Impact

City Sales Tax Collections



- Sales tax collections are better compared to last year, as sales recover from Helene.
- Minimal growth compared to 2024.

Tropical Storm Helene: Fiscal Response

Immediate Response Spending & Financial Mobilization

\$64.4M+

TOTAL CITY SPENDING TO DATE

Emergency response, debris removal, and water mains repair operations.

\$30.5M

FEMA REIMBURSEMENTS RECEIVED

Direct federal public assistance reimbursement collected to date.

State Cashflow Report

Supported by \$16.9M in NC Helene Cashflow Loans to maintain municipal liquidity while awaiting full federal program reimbursement.

Recovery Priorities & Resiliency

Council Framework & Strategic Resource Allocation

1. Infrastructure

- Rebuilding water distribution mains and redundancy.
- Repairing roadways and park assets.

2. Housing & Relief

- Deploying \$225M CDBG-DR direct grant allocation.
- Housing priority & business relief.

3. Structural Balance

- Transitioning away from non-recurring funding strategies.
- Preserved General Fund 15% reserve.

Fiscal Responsibility and Disaster Preparedness

- **Entered the disaster with strong savings**, giving us a financial cushion
- **Cash reserves gave us flexibility** to fund immediate response while awaiting reimbursements
- **Disciplined capital planning (CIP)** helped prioritize infrastructure needs and long-term costs
- **Brought in a disaster recovery consultant** to expand capacity and guide the recovery process
- **Maintained our AAA bond rating** despite disaster-related financial uncertainty

Key Takeaways: Asheville's Path Forward

Economic Baseline & Strategic Summary

Strong Regional Foundation

Anchored by 25 major regional employers and a \$7.6B+ taxable sales baseline.

Targeted Recovery

Rapid \$64.4M+ fiscal deployment paired with state/federal funding pipelines.

Prudent Financial Management

Maintaining structural fiscal balance, 15% reserves, and data-driven modeling.

North Fork 36" Bypass Waterline OCT 10



Thank you from Asheville!



Questions & Discussions

Thank You for Attending

Tony McDowell

**Director of Finance &
Management Services**

City of Asheville, North Carolina

tmcdowell@ashevillenc.gov