

**MINUTES OF SCHOOL CAPITAL FUND COMMISSION
BUNCOMBE COUNTY
MONDAY, AUGUST 15, 2016 AT 3:00 PM**

BE IT REMEMBERED: That the School Capital Fund Commission met for its inaugural meeting on August 15, 2016, in the County Administration Building, 200 College Street, Conference Room 404, in downtown Asheville, North Carolina at 3:00 p.m. where and when the following business was transacted:

The Commission Financial Officer, Tim Flora, called the meeting to order with the following members present:

Pat Bryant, Commission Member
Ellen Frost, Commission Member
Brownie Newman, Commission Member
Donna Watson, Commission Member

County Staff Present: Tim Flora, the Commission Financial Officer and County Finance and I.T. Director; Diane Price, the Budget and Management Services Director; Dustin Clark, Business Intelligence Analyst; Brandon Freeman, Staff Attorney; and Blair Chamberlain, Staff Accountant.

The Commission Financial Officer Tim Flora, with the approval of all Commission Members, moderated the meeting.

The Commission Members decided unanimously to allow members of the public one opportunity to speak during a public comment session at the end of the meeting for a maximum of three minutes.

Legislation and Commission Responsibilities Discussion

The Commission Financial Officer discussed Senate Bill 888. That PowerPoint presentation is attached to these minutes.

Appointment of 5th Commission Member

Commission Member Newman moved that the Commission appoint Gene Bell to serve as its fifth member. The motion passed 4-0.

Discussion of School Capital Fund By-laws

Brandon Freeman discussed a draft of potential Commission by-laws with the Commission Members. The discussion included public comment procedure, motion procedure, a regular meeting schedule, and whether the Commission's secretary must be one of the Commission Members.

Discussion of Current Obligations

The Commission Financial Officer, Tim Flora; Diane Price; and Dustin Clark discussed the impacts of issuing new debt to the fund balance and cash flow of the School Capital Fund.

The Commission Financial Officer presented the projects that are currently being funded with Article 39 dollars.

Ms. Price presented assumptions and cash flow forecasts with the PowerPoint presentation attached. She clarified that there are other sources of funding that the Commission does not have jurisdiction over but wanted them to be aware of those sources to aid the Commissions in the decision making process.

Mr. Clark presented scenarios of the effects of new debt service on cash flow and fund balance of the School Capital Fund. He emphasized that as debt service increases the fund balance of the school capital fund would drop.

Ms. Price emphasized the uncertainty of the sales tax that funds this debt.

Commission Members Watson and Bryant discussed if the Commission would handle emergencies for the school systems.

Commission Member Watson discussed the possibility of a contingency for school emergencies.

Review of Initial Requests

The Commission Financial Officer directed the Commission Members' attention to the lists of initial requests made by the school systems in their packets and encouraged them to review the requests. The Commission discussed that no decision would be made on these items during this meeting.

The Commission Financial Officer recommended to the Commission that funding recommendations to the Buncombe County Board of Commissioners be made in November.

Commission Member Newman asked about the debt issuing process. The Commission Financial Officer briefly discussed the process with the Commission and informed them that he would give a more detailed overview at a future meeting.

Scheduling of Future Meeting Dates and Times

Commission Member Frost motioned for this meeting to continue on August 29, 2016, 3:00 PM at 200 College Street, Room TBD. The motioned passed 4-0.

The Commission Members in attendance unanimously decided that the next regular meeting will be held on September 8, 2016 for the school systems to present their requests to the Commission.

The Commission met in a continued session on **August 29, 2016**, in the County Administration Building, 200 College Street, Conference Room 404, in downtown Asheville, North Carolina at 3:00 p.m. where and when the following business was transacted:

The Commission Financial Officer Tim Flora called the meeting to order with the following members present:

Gene Bell, Commission Member
Pat Bryant, Commission Member
Ellen Frost, Commission Member
Brownie Newman, Commission Member
Donna Watson, Commission Member

County Staff Present: Tim Flora, the Commission Financial Officer and County Finance and I.T. Director; Diane Price, the Budget and Management Services Director; Brandon Freeman, Staff Attorney; and Blair Chamberlain, Staff Accountant.

Appointment of Chair, Vice Chair, and Secretary

Commission Member Bell moved that the Commission appoint Commission Member Watson and Commission Member Bryant to serve as its Chair and Vice Chair, respectively. The motion passed 5-0.

Commission Member Bryant moved to appoint Tim Flora to serve as its Secretary. The motion passed 5-0.

Finalization and Approval of Commission By-laws

The Commission continued the discussion of public comment procedure, motion procedure, and a regular meeting schedule.

The Commission decided on the following in regards to the by-laws:

- To allow public comment at the beginning of each meeting for a maximum of three minutes
- Seconds are not needed when a motion is on the table
- Regularly scheduled meetings will be held on the second Monday of the month at 3:00 p.m. in the County Administration Building, 200 College Street.

The Commission also discussed the availability of the minutes on the SCFC website, when live, for public use. For the time being, the minutes will be available upon request.

Term limitations of the Commission Members were discussed, and it was decided that the appointing entity will have the authority to decide how long their appointees will serve. The Secretary will keep the appointing entities aware of deadlines of members' terms.

Commission Member Newman moved that the Commission approve the by-laws. The motion passed 5-0.

Discussion of Initial School Capital Requests

The Commission discussed the needs of the school(s) and the NCDPI facility needs report. It was stated that the report is not always a good indication of the actual need of the school systems because of narrow questions on the NCDPI survey. Chair and Vice Chair Watson and Bryant emphasized to the Members that the NCDPI report should not highly influence their decisions. They encouraged the Members to rely on the schools' presentations.

Commission Chair Watson commented that the schools will be able to use their lottery revenue and Article 40 and 42 revenue streams for smaller facility needs.

The Commission requested the school systems include the following in their presentations on September 8th:

- Growth projections
- Capacity of the schools
- Ages of the schools
- New buildings in the last ten years
- Considerations due to NC Generally Assembly Decisions

Vice Chair Bryant asked about funding the projects through bond financing rather than pay as you go. Commission Financial Officer Tim Flora spoke to the differences and advantages of both.

Announcements

The following announcements were made:

- **September 8** - Special meeting for school system presentations at 3:00 p.m. in room 404, 200 College Street, Asheville, North Carolina
- **September 19** – Regular Commission meeting at 1:00 p.m. in room 404, 200 College Street, Asheville, North Carolina. This meeting was rescheduled from the regular meeting schedule due to scheduling conflicts.
- **October 17** – Regular Commission meeting at 3:00 p.m. in room 404, 200 College Street, Asheville, North Carolina. This meeting was rescheduled from the regular meeting schedule due to scheduling conflicts.

Vice Chair Bryant moved to adjourn at 4:20 p.m. The motion passed 5-0.

ATTEST



Tim Flora, Commission Secretary;
County and Commission Finance Officer

SCHOOL CAPITAL FUND COMMISSION
FOR BUNCOMBE COUNTY

By: 

Donna Watson, Commission Chair