

**MINUTES OF THE BUNCOMBE COUNTY BOARD OF COMMISSIONERS’
BRIEFING MEETING OF JANUARY 21, 2025, AT 5:00 p.m.**

BE IT REMEMBERED: That the Board of Commissioners met to hold a Briefing Meeting on January 21, 2025, in the Commission Chamber at 200 College Street in downtown Asheville, North Carolina at 3:00 p.m.

Present: Chair Amanda Edwards; Vice-Chair Martin Moore; Commissioner Terri Wells; Commissioner Al Whitesides; Commissioner Parker Sloan; Commissioner Jennifer Horton; and Commissioner Drew Ball.

The following items were discussed:

- Helene Update

Avril Pinder, County Manager introduced the following staff to provide updates regarding the ongoing recovery efforts. Matthew Cable provided an update on housing. Cable reported that 701 Buncombe County households are currently in FEMA TSA and that 105 households have been approved for FEMA Temporary Direct Housing. Additionally, 183 Temporary Use Permits have been issued. Kristy Smith provided an update on debris. Smith reported that 752,697.9 cubic yards & 57,160.3 tons of soil have been collected in the right of way. Additionally, 2,160 applications have been submitted for Private Property Debris removal. Matt Evans provided an update on Public Assistance, he explained that the purpose is to provide funding for emergency assistance to save lives and protect property and assist with funding for permanently restoring community infrastructure affected by a federally declared incident and that there are two types, emergency work and permanent work. He further explained that Buncombe County is working with Tetra Tech to complete inventory of FEMA Public Assistance projects, including all anticipated emergency work and permanent work which currently includes 40+ County locations with damage. The project list is due to FEMA on March 3, 2025 and scheduled site inspections for permanent work will be ongoing. Lillian Govus, Communications Director announced upcoming recovery resource engagements to connect community members to resources. She explained that there were four upcoming events that are drop in and open to all. The locations are Barnardsville Fire Station, Barnardsville on Thurs., Feb 13; Owen High School, Black Mountain on Thurs., Feb 20, 5-7P Reynolds High School on Tues., Feb 25, 5-7P Leicester Community Center. Lastly, Govus announced the new transparency dashboard with information and data related to storm recovery efforts. The dashboard is available at BuncombeCounty.org/Transparency. Rachael Sawyer introduced Brenna Minor with Tetra Tech to provide the update regarding the Disaster Recovery Contract. Minor highlighted accomplishments which include Community Navigation Services; Disaster Response EOC Augmentation; PPDR Services; FEMA Public Assistance Operational Planning Support; Floodplain Management Services; Housing and Long-Term Recovery Support. Sawyer explained that staff is anticipating bringing a budget amendment forward in February to prioritize work requiring specialized expertise.

- Internal Audit Report

Robb Hartman, Internal Audit Director provided background on the internal audit status. Hartman explained that the Audit Committee held a meeting this morning and voted to update the Audit Charter, it will change from Generally Accepted Government Auditing Standards to Global Internal Audit Standards to ensuring compliance with new Global IIA standards. The updated is effective January 1, 2025. Hartman further explained that his work shifted during Helene Recovery and that he is currently an office of one due to the hiring freeze. Hartman noted his next steps for FY 2026 would be to 1) consider software needs; 2) develop departmental strategic plan; and 3) train new auditors.

- French Broad River Metropolitan Planning Organization Memorandum of Understanding

William High, Lead Transportation Planner provided background information. He explained that the French Broad River Metropolitan Planning Organization (FBRMPO) is an intergovernmental partnership for transportation decisions in the Census Designated Urban Asheville area and that local transportation investments are prioritized through the FBRMPO. Currently governed by a 2013 Memorandum of Understanding. He explained the 4 proposed changes to the current MOU: 1) Board Membership Change; 2) TCC Membership Changes; 3) Cost Sharing Section Addition; and 4) NCDOT Approved Formatting. The proposed changes as outlined will come before the Board of Commissioners at the next meeting on February 4 for a vote on the changes.

- Federal Transit Administration Funding Rescission

William High, Lead Transportation Planner provided background information. He explained that there are two sections; 1) funding for urban area transit; and 2) funding allocations are divided from the annual apportionment. He reviewed the FY2025 rescission which included Buncombe County rescinded \$1.37M in 5307 funds to the City of Asheville with the following requests: • Accepting the funds under the expectation that no additional funds will be requested for the continued operation of the New Leicester Highway Extension & Route 170 in FY2025 (Complete); Rescinding \$138,830 in FY2025 Section 5310 Traditional funds to Buncombe County to support County transportation for older adults and individuals with disabilities (Complete); Evaluating WE2 Route changes to improve safer connection to Buncombe County's Enka-Candler Trailblazer Route (Anticipated Start in FY25); and Evaluating increased trip frequency for the S3 and S6 routes serving south Asheville (Anticipated Start in FY25). FY2026 rescission considerations include: 1) Consider rescinding funds to the City to prevent return of funds to FTA, which conditions should include: The City not requesting additional funds for the continued operation of the New Leicester Highway Extension & Route 170 in FY2026; and the City not applying for Section 5310 Traditional funds for FY2026 so that Buncombe County can compete for a larger share of funds that directly support County transportation for older adults and individuals with disabilities; Evaluating WE2 Route changes to improve safer connection to Buncombe County's Enka-Candler Trailblazer Route (Anticipated Start in FY26); and Evaluating increased trip frequency for the S3 and S6 routes serving south Asheville (Anticipated Start in FY26). 2) The Board may also consider any conditions that advance transit and transportation with the City of Asheville and Buncombe County. The proposed changes as outlined will come before the Board of Commissioners at the next meeting on February 4 for a vote on the changes.

Following the agenda items, Commissioner Sloan introduced the drafted Resolution in Support of the Eastern Hellbender's Endangered Listing. He provided background information and requested that the proposed Resolution of Support be added to an upcoming agenda.

**MINUTES OF THE BUNCOMBE COUNTY BOARD OF COMMISSIONERS’
REGULAR MEETING OF JANUARY 21, 2025, AT 5:00 p.m.**

BE IT REMEMBERED: That the Board of Commissioners met to hold a Regular Meeting on January 21, 2025, in the Commission Chamber at 200 College Street in downtown Asheville, North Carolina at 5:00 p.m.

Present: Chair Amanda Edwards; Vice-Chair Martin Moore; Commissioner Terri Wells; Commissioner Al Whitesides; Commissioner Parker Sloan; Commissioner Jennifer Horton; and Commissioner Drew Ball.

Chair Edwards called the meeting to order at 5:00 p.m. and provided opening statements. Commissioner Sloan made the motion to adjust the agenda to hold public comment for New Business No. 2 regarding education funding and to limit public comment to two minutes so that everyone would have a chance to speak on this item. The motion was seconded by Commissioner Horton and carried unanimously.

1. Approval of the January 7, 2025, combined Briefing and Regular meeting minutes
2. Resolution Approving Pyrotechnic Experts for Firework Displays

Public Comment

Cathy Deblaker thanked the Commissioners for their service and then shared her experience of trying to convert a mobile home park into an RV park for disaster victims but faced delays and policy obstacles from the planning department, including the need for road improvements and additional facilities. She explained that she is seeking guidance and assistance from the board to navigate the issues.

Public Hearings

1. Public Hearing to consider rezoning application at 14 Hitching Post Lane

Shannon Capezzali, Planner III introduced ZPH2024-00034 Hitching Post Map Amendment. She explained that Barney Danzansky of Equity Development Group, LLC has applied to rezone a 10.35 acre portion of one (1) parcel of land identified as tax lot PIN 9619-86-2572 (14 Hitching Post Lane) from R-2 Residential to CS Commercial Service. She explained that Staff recommends that the rezoning of the parcel be approved as it is consistent with the recommendations from the Comprehensive Plan for utility types, density, proximity to transportation corridor, location outside of overlay districts and high/moderate hazard stability areas, and is located in close proximity to other CS zoned areas along the same corridor. While not completely consistent with the G.E.C. map, this area could be appropriate for more intense development as Leicester Hwy emerges as a commercial corridor. The proposed rezoning would allow additional uses in the CS district that are not currently allowed in the R-2 districts. Examples of uses that would be allowed after the rezoning include commercial planned unit developments, veterinary clinics, banks, cargo and freight terminals, commercial greenhouses, Hotels and motels, kennels, manufacturing operations, medical clinics, vehicle impoundment,

repair, and sales lots, gas stations, fitness centers, business offices, restaurants, retail, business schools, warehousing and mini-storage, vacation rental complexes, and more.

Chair Edwards opened the Public Hearing at 5:17 p.m. The Attorney for the project further explained the proposal. There were no other speakers, and the Chair closed the Public Hearing at 5:21 p.m.

Commissioner Whiteside made the motion to approve; the motion was seconded by Commissioner Wells and carried unanimously.

2. Public Hearing to consider request for additional funds from the North Carolina Recovery Housing Program

Victoria Reichard, Behavioral Health Manager provided background on the request. She explained that in August of 2024, Buncombe County accepted a \$1,000,000 award from NC Commerce through the CDBG Recovery Housing Program (RHP) to support Asheville Buncombe Community Christian Ministries (ABCCM) in expanding Transformation Village by constructing a 4 story, 64-unit building with 32-units dedicated to women and mothers with children in recovery from substance use. The total cost of the building is estimated to be \$5,000,000. ABCCM has been working to secure the additional funds needed to execute the project. Prior to Hurricane Helene there was a need for recovery housing with wrap-round support and now there is an even greater need to rebuild lost infrastructure. By requesting additional funds for this project from NC Commerce, our community will be equipped to increase the number of new beds available while at the same time focusing on utilizing available funds and resources to rebuild lost infrastructure. The additional request of funds would be in the amount of \$2,800,000.

Chair Edwards opened the Public Hearing at 5:24. There were no public speakers, and the Public Hearing closed at 5:24

Commissioner Moore made the motion to approve the resolution to request additional funds from NC Commerce for the CDBG-RHP. Commissioner Wells seconded the motion, and it was carried unanimously

New Business

1. External audit contract amendment and FY 2024 Audit report

Melissa Moore, Finance Director provided background on the Contract amendment. She explained that the audit has been completed for the fiscal year ending June 30, 2024. An amendment to the audit contract is required to increase the contract amount and reflect the audit completion date. During the audit process, Mauldin & Jenkins identified additional grant programs requiring review based on Federal and State expenditure thresholds. Audit of the additional programs expanded contract scope and cost by \$23,000, for a final contract amount of \$215,000. Due to interruptions of business caused by Hurricane Helene, audit review was

completed in January 2025. The contract amendment requests extension through January 31, 2025, to allow for any additional administrative processes needed to close the audit. She explained that this contract extension does not impact information presented in the Annual Comprehensive Financial Report (ACFR). She noted that the contract amendment was reviewed and approved by the Audit Committee at its January 21, 2025 meeting.

Moore introduced Tim Lyons who provided the audit presentation for Mauldin & Jenkins remotely. Lyons noted that the County was issued an unmodified, or “clean” opinion on basic financial statements. He explained that this is the best opinion that can be received and explained that per North Carolina General Statutes, local governments must have an independent financial audit each year. As a recipient of significant Federal and State grant funding, Buncombe County must also be audited annually for compliance with certain grant guidelines and related regulations. Lyons further explained the findings.

The Commissioners asked about restricted and unrestricted funds as it related to the General Fund. Commissioner Horton asked about the one item identified as a materials weakness. Lyons explained that there was a small discrepancy in the number of minutes on time sheets in a report. He explained that there is limited amount of leeway in the audit report, and therefore this is a common report.

The Commissioners asked about the County’s bond rating. Melissa Moore, Finance Director explained that the County’s policy and the requirement to maintain AAA Bond Rating are both 15%. She further explained that the rating allows the County to access better interest rates. If downgraded, the interest rates would be higher to pay off the bonds.

Commissioner Wells made the motion to approve the amended fiscal year 2024 external audit contract and accept the audit as presented. The motion was seconded by Commissioner Whitesides and carried unanimously.

2. Budget amendment to consider education appropriation reductions based on prevailing economic conditions

Chair Edwards provided background information on this item and explained that per NCGS 159-13(b)(9) the Schools will have the opportunity to present information on the impact of the proposed reduction.

Sarah Thornburg, the Asheville City School (ACS) Board Chair spoke first. She thanked the Commissioners for the opportunity to provide additional information on behalf of the ACS Board. Thornburg noted four requests of the Commissioners: 1) confirmation and an acknowledgement that if the County's projected revenue loss is less than predicted for the current budget year or if recovery funds are later received into the County's general fund that the county will reimburse both school districts directly for funds being reduced; 2) when county staff are looking for other places to reduce general expenses by 4% that it not cut programs which support schools such as School nurses and early childhood education programs. She noted that such cuts would be an addition to the 4% reduction which creates an even greater

disproportionate burden on our school districts; 3) that later this spring the Commissioners approve Asheville City Schools returning to the 12 cent supplemental tax rate. She noted that the Commissioners had previously lowered the rate to 10.62%; and 4) ask the County Commissioners continue to collaborate with the schools as well sharing information as early and often as possible and joining and conversations to find better solutions to the challenges faced by school districts.

Following the Chair, Dr. Maggie Fehrman, ASC Superintendent spoke to the Commissioners. She emphasized ACS's commitment to preparing students with the skills, knowledge, and character to succeed, highlighting its efforts to close the achievement gap, improve student proficiency, and invest in staff. She noted that the district has already made significant reductions, including closing a school, cutting department budgets, and reorganizing the central office. Despite these efforts, ACS faces mandatory increases such as adjustments to pay tables and insurance premiums. Dr. Fehrman expressed concerns that a 4% cut would be disruptive to operations and urged commissioners to consider reducing the cut or deferring it to the 2025-2026 budget cycle. Additionally, she noted the compounded financial challenges, including decreased supplemental taxes and sales taxes, as well as ongoing issues with potable water in schools. Dr. Fehrman invited the Commissioners and County Manager to attend a strategic plan community launch event on February 1st to learn more about the district's efforts to address the achievement gap and reimagine the K-12 experience.

Chair Edwards clarified that the language in the proposed Budget Amendment does state that funds will be returned if the federal or state government appropriate funds that can be used for this purpose, then another amendment may be brought forward to restore funding to the school systems.

Rob Elliot, Chairman of the Buncombe County Board of Education spoke next. Elliot expressed concerns about the potential impacts of a mid-year budget cut to the school system and highlighted North Carolina's low public-school funding compared to other states. The Chairman emphasized the county's strong local support for education but cautioned that a 4% reduction would be problematic, especially given the added challenges post-Hurricane Hellene. He noted that the school system faces an increased number of students requiring support and staffing and services could be at risk if the cuts are implemented. They called for greater collaboration with the County Commissioners and advocacy with the General Assembly for quicker release of Hurricane relief funds to avoid further disruptions in the coming school year.

Dr. Jackson, Superintendent, followed and spoke about the partnership the schools have built with Buncombe County government. He then outlined the preexisting challenges in FY2024-25 for Buncombe County schools (BCS) which include: Loss of ESSER (COVID) funds; unanticipated reduction of Federal Title I funds or \$1,174,304; a drastic increase in Multi-Language student numbers not matched with state funding (2,994 ML students as of January 9, 2025); reduction of staffing to 44.2 positions to reduce costs through attrition; and the need to use over \$6M fund balance to balance the 24-25 budget as of the Dec. 5, 2024 budget amendment. He also highlighted that \$6M of the fund balance is being used to balance the 24-25 budget and that 24-25 is the first year without the federal ESSERS funding. With the

Opportunity Scholarship impact, there is a \$1,892,000 loss for Buncombe County. Jackson explained that the timing of the reduction would equate to more per month; noting that BCS are 7 months into FY 24/25, a 4% cut to the annual allocation (\$3,971,874) with only 5 months left in the fiscal year equates to a 10.4% cut over the last five months of the year, at a time when our students are most vulnerable – post-Hurricane Helene. Lastly, he requested that the Commissioners do not reduce funding with only approximately five months left in the fiscal year, as there is not enough time to implement strategies and/or reductions to offset the proposed amount.

The Commissioners asked questions about the state and federal assistance and agreed more funding and support would be necessary. Chair Edwards noted that EESR funds were a one-time fund.

Following a 10-minute recess, the Chair called the meeting back to order. The Commissioners requested more information about the local fund balances for the schools. John Hudson, Budget Director reported that ACS currently has 12.7M in funds and BCS has 19M in local fund balance.

The Chair opened the public comment period for this agenda item, during which the following 18 speakers voiced their support for schools and expressed opposition to any reduction in the funds allocated to them:

1. Pepi Acebo
2. Jess Mclean
3. Jen Hampton
4. Jason Gilmore
5. Arria Williams
6. Ingrid Baley
7. Laura Cleaveland
8. Timothy Lloyd
9. Alex Chambers
10. Sadie Grogan
11. Stephanie Hellert
12. Amy Wiesner
13. Lissa Pedersen
14. Ariawnee Lott
15. Samantha Aycock
16. Andy Erickson
17. Joan Hoffman
18. Shanna Peele

Following public comment, John Hudson, Budget Director provided background information for the County funding request. He explained that given the effects of Helene, the County continues to restrict spending and reduce the budget where available. Per NCGS 159-13(b)(9), a reduction to the local current expense funds of our K12 education partners can only

take place where "prevailing economic conditions" cause a general reduction in county expenditures. Buncombe County has directed staff to reduce general fund expenses, targeting 4% overall. Therefore, this amendment seeks to reduce the local current expense appropriations for Asheville City Schools and Buncombe County Schools in the amounts of \$718,577 and \$3,971,874, respectively, for a total of \$4,690,451, or 4%. These dollars will shift to the General Government functional area, outside of any department's operational budgets. Should the federal or state government appropriate funds that can be used for this purpose, then another amendment may be brought forward to restore funding to the school systems.

Commissioner Whitesides made the motion to approve the proposed education reduction budget amendment. The motion was seconded by Commissioner Sloan.

The Commissioner's further discussed the need for State and Federal funding and the difficult decision before them.

Commissioner Moore asked the school leaders what opportunities there are for collaboration. Dr. Jackson responded that using their fund balances is the only option for BCS at this point. Dr. Fehrman noted that ACS relies on cash flow and that these would get them through the remaining fiscal year, and that collaboration and resources would be necessary in the future to maintain staffing and programming.

The vote passed 5-2 with Commissioner Horton and Commissioner Moore voting no.

3. Budget amendment to consider reduction in General Fund Transfers

John Hudson, Budget Director explained that as a result of prevailing economic conditions and the anticipated impact to recurring revenue, a request is being made to reduce General Fund transfers in the amount of \$999,916. Reductions being made include the Reappraisal Fund (\$325,000) and Special Projects Ordinance for Future Conservation Easements (\$596,342) and Early Childhood Education (\$78,574). Amounts reduced have not been identified for specific allocations in the current fiscal year and the delay of the 2025 property reappraisal evaluation. This will result in reducing the budget for appropriation of fund balance.

- a. Budget amendment for Future Conservation Easements, Early Childhood Education Fund
- b. Budget amendment for Internal Fund Transfers – General Fund
- c. Budget amendment for Reappraisal Reserve Fund

Commissioner Ball made a motion to modify budget amendment A, to remove Early Childhood Education Fund from reduction. The modification motion was seconded by Commissioner Moore and carried unanimously.

Commissioner Whitesides made the motion to approve the following two budget amendments as presented. The motion was seconded by Commissioner Horton and carried unanimously.

4. Budget amendment for Helene Recovery Housing Assistance Grant to CDBG funds

E.B. Odderstol provided background information. She explained that the City of Asheville has allotted \$624,000 of CDBG funds from the Declared Disaster Recovery (DDRF) Grant to Buncombe County to provide rental assistance to residents of Asheville via the county's Helene Recovery Housing Assistance Grant program, of which \$62,400 can be used for administrative costs of the program.

Commissioner Wells made the motion to 1) authorize the County Manager to execute the Interlocal Agreement with City of Asheville for CDBG-DDRF Funds; and 2) Approve the Budget Amendment for CDBG-DDRF Funds. The motion was seconded by Commissioner Sloan and carried unanimously.

5. Budget amendment to accept Parks and Recreation Trust Fund Accessible Parks grant

Allison Dains, Parks & Recreation Director provided background information. She explained that this action is to accept \$500,000 that the NC Department of Natural and Cultural Resources has awarded Buncombe County in NC Parks and Recreation Trust Fund Accessible Parks grant dollars. Awarded funds will be used to replace the existing playground at the Buncombe County Sports Park with ADA accessible playground while also improving drainage conditions at the site as well. Matching funds have already been budgeted within the Enka Recreation Destination - Phase II project and that no additional County funding required.

Commissioner Moore made the motion to accept the grant and to approve the budget amendment. The motion was seconded by Commissioner Ball and carried unanimously.

Board Appointments

Co-Kerma Hines was reappointed to the Juvenile Crime Prevention Council. Commissioner Moore inquired if Andy Bobowski was eligible to serve in the DA's office and the Board agreed to postpone his reappointment until that information was received and verified.

Lee Ann Smith was reappointed to the Library Advisory Board.

Announcements

The Chair announced that the next Briefing and Regular meeting will be held on February 4, 2025 in the Commission Chambers starting at 3:00 p.m.

The meeting adjourned at 9:13 p.m.

