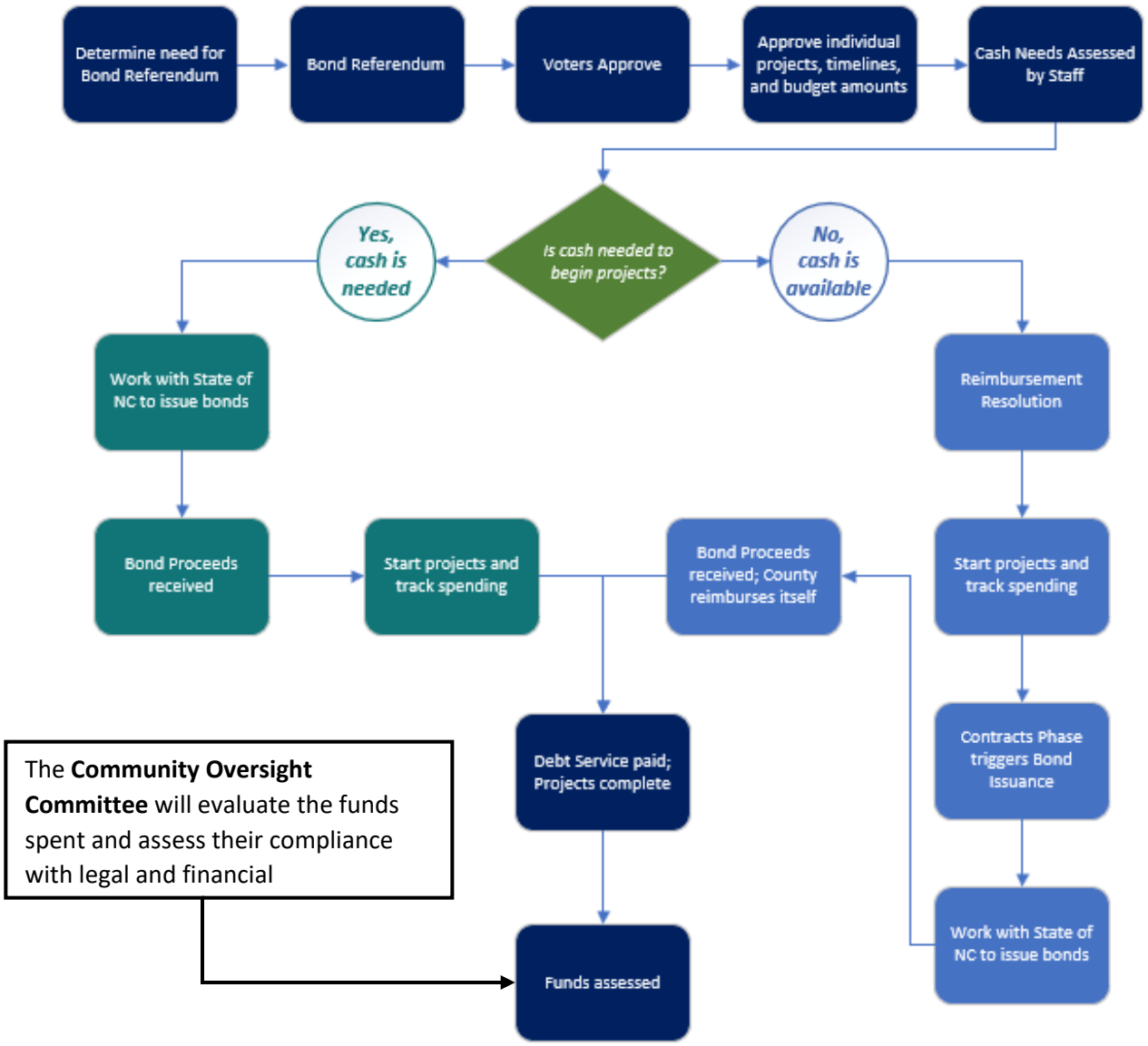
G.O. Bonds Oversight Committee: Annual Report

I. Introduction

In November 2022, Buncombe County voters approved two general obligation bonds: $30 million for Open Space and $40 million for Affordable Housing. The goal for the Open Space bond is to protect farmland and natural resources while also contributing to the county's goal of conserving 20% of the County's land by 2030, increase access to recreational activities and protect natural resources, and support greenway infrastructure. The goal for the Affordable Housing bond is to increase construction of housing for people of low to moderate incomes.

A bond referendum gives voters the power to decide if a municipality should be authorized to raise funds through the sale of general obligation (G.O.) bonds. A G.O. bond is long-term borrowing tool (typically 20 years) in which a municipality pledges its full faith and credit (taxing power) to repay the debt over a specified term. Generally, G.O. bonds are the least costly financing option available to the county for potential projects being considered. Figure 1 below details the process for securing, allocating, and repaying the G.O. Bond funds:

Figure 1: General Obligation Bond Funding Flow Chart



The two bonds will provide essential funding for the county to support initiatives that conserve Open Space, build greenways, expand passive recreation opportunities, and increase the number of housing units for families of low- and moderate-income in Buncombe County.

In August 2022, the Board of Commissioners passed a resolution to establish the General Obligation Bonds Community Oversight Committee. The Committee will monitor the investment made from the two bonds in low- and moderate-income housing and Open Space conservation. As stated in the Resolution,

> "The purpose of the Committee is to review the investments made from the bond revenues to confirm that 100% of bond funds are invested in accordance with law and for the purposes indicated on the ballots."

In accordance with the Resolution and the intention of the Commission in creating the Committee, the goals of the Community Oversight Committee are two-fold:

1. Ensure transparency with the public into how the Bond funds are managed and utilized.
2. Review projects after they have been funded to ensure compliance with legal and financial requirements.

The Community Oversight Committee includes five members comprised of one person with an accounting background, one person with a banking background, one representative of the Affordable Housing community, one representative from the conservation/greenways community each to be appointed by this Board, and one member to be appointed by the Asheville Area Chamber of Commerce.

The following report details the procedures established by and the accomplishments achieved by the Community Oversight Committee in its first year.

II. Committee Administration

On February 21, 2023, the Buncombe County Board of Commissioners voted to appoint the following four members to the Community Oversight Committee:

1. Accounting Background: Patricia Rosenberg, Land of Sky Regional Council
2. Banking Background: Stephanie Lee, First Horizons Bank
3. Affordable Housing Representative: Joel Henderson, AB Tech
4. Conservation/Greenways Representative: Allison Glackin, Connect Buncombe

In March 2023, the Asheville Area Chamber of Commerce appointed the fifth and final member of the Committee: Alexa Whitman.

The five members of the Community Oversight Committee will serve until all bond funds have been spent. Any member who is unable or unwilling to serve will be replaced by the appropriate appointing authority for the remainder of the term.

A Buncombe County staff employee is responsible for providing administrative support to the Community Oversight Committee, including keeping a true and accurate account of all proceedings of

Committee meetings, issuing notices of all meetings, issuing any call for special meetings, preparing an annual report, and notifying the Clerk to the Buncombe County Board of Commissioners office of any vacancies on the Committee. During the first year of the Committee's work, the Affordable Housing Bond Manager, Chloe Donohoe, and the Open Space Bond Manager, Jill Carter, served as staff liaisons. From the second year onward, a member of the Buncombe County Strategy & Innovation Department, James Shelton, will serve as staff liaison. Additionally, one member of the County finance department and one member of the County legal team will be present at each meeting to provide support and technical guidance.

The Community Oversight Committee will meet on a regular schedule three times per year: on the third Wednesday of March, July, and November from 3:30 PM-5:00 PM. The Committee's meeting schedule aligns with key County financial processes: (1) county debt issuance, (2) the annual audit, and (3) the mid-year financial review. The Committee will revisit the specific meeting day and time on a yearly basis. During its first year, the Community Oversight Committee held four meetings to allow for the creation of a Transparency Dashboard.

III. Oversight Committee Process

While Open Space and Affordable Housing bond funds have been allocated to specific projects, no project spending occurred during Fiscal Year 2024 due to delays in project execution. Staff have been working with lead contacts for funded projects to identify future draw schedules for bond funds, which will support a streamlined financial review process. Additionally, the County's Finance Department has worked with the State of North Carolina, our financial advisors, and bond counsel to sell approximately $15M of the Affordable Housing Open Space Bonds.

A financial review of the Bond draw requests, alongside any project updates, will occur during the Committee's regular meetings and will be presented by staff from the Planning, Recreation and Parks, and Agriculture and Land Resources departments. The Committee will utilize the Annual Report as the formal mechanism for flagging any financial concerns about the bond-funded projects. The staff liaison will note the concerns within the annual report and the Committee will approve the report before it goes to the Board of Commissioners.

IV. Accomplishments

During its first year –from June 2023 to July 2024 – the Community Oversight Committee achieved the following accomplishments:

Adoption of Bylaws

On June 13, 2023, the Committee voted to adopt a set of bylaws that govern the purpose and procedures of the Committee. The bylaws were adopted unanimously with the following amendments:

- Section II.D.1. A motion was made to change the term lengths for the chair and vice chair to a 2-year term. The motion passed unanimously.
- Section II.C. A motion was made to change the language from committed to disbursed. The motion passed unanimously.

The Community Oversight Committee bylaws can be accessed at:
https://publicinput.com/2022bondoversight#tab-40628

Selection of Chair/Vice Chair

In accordance with the bylaws, the Community Oversight Committee appointed a Chairperson and Vice-Chairperson from its membership by majority vote on June 13, 2023. The Committee appointed Patricia Rosenberg as Chairperson and Joel Henderson as Vice-Chairperson. The Chairperson and Vice-Chairperson will serve a two-year term and until their successors are appointed by the Committee.

The Chairperson (and the Vice-Chairperson in their absence) is responsible for the following powers:

- To preside at Committee meetings;
- To facilitate an orderly meeting in accordance with the prepared agenda;
- To rule motions in or out of order, including the right to rule out of order any motion patently offered for obstructive or dilatory purposes;
- To determine whether a speaker has gone beyond reasonable standards of courtesy in his or her remarks and to entertain and rule on objections from other members on this ground;
- To call a brief recess at any time;
- To adjourn in an emergency.

Creation of Transparency Dashboard

The GO Bond Oversight Committee participated in a reporting needs assessment exercise with Buncombe County's Strategy & Innovation Department (S&I). During this assessment, questions were considered regarding what information the public needs to understand the purpose and impact of the bonds, what information does the Committee need to be able to communicate effectively, and what information is needed to meet legal and financial requirements.

The Committee brainstormed content for inclusion and was provided with a mocked-up layout based on Committee priorities, also considering what the community reporting needs were. The Committee's goal for such a report is to "ensure transparency with the public on how the bond funds are managed and utilized."

S&I determined the appropriate data sources to create such a report and created the Bond Dashboard. The dashboard tracks fund allocations for both Affordable Housing and Open Space bonds, number of projects approved, remaining funds, and includes a map of where the projects are located in the county.

A follow up meeting was held and led to edits and layout changes according to Committee feedback.

The G.O. Bond Transparency Dashboard can be accessed at the below link:

[INCLUDE LINK TO DASHBOARD]

V. Looking Ahead

As project spending begins, the Committee will review these expenditures during their three annual meetings, flagging any concerns or questions. These findings will be included in the Community Oversight Committee's 2025 Annual report and presented to the Board of Commissioners.

The majority of G.O. Bond funds are expected to be allocated and spent in FY25 and beyond. Table 1 and Table 2 below outline the anticipated commitments from the Open Space Bond and Affordable Housing Bond that will be included in future annual reports of the Community Oversight Committee.

Table 1: Open Space Bond Commitments

Open Space Bond Projects	
FY24 Allocations	
Project Name	**Anticipated Funding Commitment**
Woodfin Greenway – Hwy 241 & Beaverdam Creek	$1,273,250
Parham-Fortner Farm	$150,000
Lake Eden Preserve	$250,000
Deaverview Mountain	$7,700,000
Ferry Road Open Space	$3,000,000
Okoboji Farm	$500,000

Table 2: Affordable Housing Bond Commitments

Affordable Housing Bond Projects	
FY23 Allocations	
Project Name	**Anticipated Funding Commitment**
Lakeshore Villas	$3,618,318
FY24 Allocations	
Project Name	**Anticipated Funding Commitment**
Redwood Commons	$1,826,000
Meribel	$8,468,195
Laurel Wood	$800,000
Rocky River Apartments	$7,889,950
Pine Lane	$6,517,699
Lofts at Swannanoa	$379,787