ASHEVILLE CITY BOARD OF EDUCATION WORK SESSION

Virtual Meeting due to Inclement Weather
Monday, February 2, 2026, at 5:00 PM

BE IT REMEMBERED: The Asheville City Board of Education met in a regularly called session on Monday, February 2, 2026, at 5:00 PM. The meeting was held virtually in Asheville, North Carolina, where and when the following business was transacted.

Page

1. MEETING OPENING

Weather Contingency Plan: Board of Education Meeting

In the event of continued inclement weather and hazardous road conditions, the Board of Education meeting will transition to a virtual platform. We will provide updates via our website and official communication channels as the situation develops.

We encourage the public to monitor our social media sites for the most current information. If you are subscribed to our agenda email list, an updated agenda containing virtual access details will be sent directly to your inbox. Should the meeting require rescheduling entirely, a formal cancellation notice will be issued to the public, and a new date will be announced at that time.

1.1 CALL TO ORDER - Board Chair, Sarah Thornburg

5:02 PM

Equity Statement:*In Asheville City Schools we are committed to equity and anti-racist policies for all students and staff to learn and thrive. We recognize that our positions come with power, responsibility, and public service for the entire ACS community. We will model our commitment to equity through our practices and decisions. During this meeting, we invite a pause if harm has taken place, a moment to name the harm,*

and space to practice repair.

1.2 QUORUM DETERMINATION - Board Chair, Sarah Thornburg

Sarah Thornburg

Rebecca Strimer

Pepi Acebo

Liza Kelly

George Sieburg

Jesse Warren

Amy Ray - Absent

1.3 APPROVAL OF AGENDA - Board Chair, Sarah Thornburg

Motion to Approve the Amended Agenda

Moved by: Rebecca Strimer

Seconded by: George Sieburg

Aye: George Sieburg, Sarah Thornburg, Rebecca Strimer, Jesse Warren, Liza Kelly, and Pepi Acebo

The motion passed 6-0

Motion to amend the agenda to include the discussion of the County Funding Formula in section three, as number 3.4.

2. DISCUSSION ITEMS

2.1 CCAR - Normalize Social Construction and Multiple Perspectives - Dr. Maggie Fehrman, Superintendent

2.2 Feasibility Study Update - April Dockery, Chief of Operations 10 - 28

2026.02.02 - ACS FNA Board Presentation_20260127sm.pdf

2_2_26 Executive Summary _ Facility Needs Assessment (FNA) Update to the Board of Education.pdf

Presenters: Aubrey Donalan & Hamilton Court (McMillan Pazdan Smith)

Assessment Methodology

The district is in the "Discovery Phase" of a long-term master plan. Architects have assessed all 10 campuses, geolocating over 45,534 "instances" (findings) ranging from cosmetic issues to structural needs. Each finding was rated 1–5, with "3" representing aging but well-maintained components.

District-Wide Findings

- **Facility Health:** 57% of findings are Level 3, indicating an aging district that has been well-maintained by the facilities department. Only 3% were rated as Level 1 (Critical).
- **Categories:** Nearly half (46%) of all findings are Interiors (cosmetic/aesthetic). Health, Safety, and Security (HSS) accounted for 18%, largely due to modern ADA and building code requirements that older "grandfathered" buildings do not currently meet.

Campus Highlights

- **Elementary Schools:** Isaac Dickson is in the best overall condition. Hall Fletcher and IRB Jones require ADA hardware updates and drainage repairs. Claxton is undergoing a specialized MEP (Mechanical, Electrical, Plumbing) study due to its age.
- **Secondary/Other: Asheville Middle** is in excellent condition but requires minor roof repairs. Asheville High requires perimeter security fencing and significant MEP updates in older auxiliary buildings. District Operations (441 Haywood Rd) requires the most extensive work, including roof replacement, ADA accessibility overhauls, and potential asbestos abatement.

Next Steps & Timeline

The architects are now moving into the Cost Estimating phase. This data will be paired with enrollment projections to create a long-term investment plan. A final executive summary and cost report are expected in late March or April 2026.

2.3 2026-2027 District School Calendar - Dr. Kim Dechant, Chief of Staff

2026-2027 District School Calendar Presentation

The Board revisited the 2026-27 calendar (originally approved in April 2025) following parent inquiries about why the district's Spring Break does not align with that of Buncombe County.

- **Staff Impact:** Member Pepi noted that historically, non-alignment creates hardships for staff members who teach in one district but have children enrolled in the other.
- **Current Status:** ACS approved its calendar first; BCS subsequently approved a different Spring Break window.

Review of Stakeholder Data

The Board reviewed the original survey data provided by the Calendar Committee, which showed three options for Spring Break:

1. **Option A (March 29 – April 2):** 43.2% (Highest support)
2. **Option B (April 19 – April 23):** 31.1%
3. **Option C (Align with Buncombe County):** 25.7% (Lowest support)

Board Deliberation

- **Consistency vs. Flexibility:** Vice Chair Rebecca emphasized the importance of maintaining the "two-year planning" goal, which was established to give families more predictability. She cautioned against changing a major decision based on feedback from a single parent when the initial survey showed a preference for the current plan.
- **County Coordination:** Superintendent Dr. Fehrman noted that BCS does not follow a set pattern for Spring Break (e.g., always the week after Easter), making long-term alignment difficult.
- **Proposed Compromise:** Member Jesse suggested a new, targeted survey to determine if the community's priority has shifted toward county alignment since the BCS calendar was finalized.

Action Items & Next Steps

1. **Community & Staff Survey:** The district will push out a brief survey to parents and staff to gauge the current appetite for shifting Spring Break to align with Buncombe County.
2. **Inter-Board Communication:** Chair Sarah Thornburg is committed to reaching out to Buncombe County School Board Chair Rob Elliott to discuss the alignment discrepancy and its impact on staff in both districts.
3. **Future Review:** The Board will revisit this item once the new survey data is collected.

3. POSSIBLE ACTION/CONSENT ITEMS FOR THE NEXT REGULAR BOARD MEETING

3.1 Budget and Expenditure Report and Budget Amendment - Heidi Kerns, Chief Finance Officer 29 - 37

2025-2026 Budget and Expenditure Report 01-28-26.pdf

Budget Amendment #2 Cover Sheet - 2-2-26.pdf

2025-2026 Budget Amendment 02-02-26.pdf

3.2 Policies Second Read - Dr. Kim Dechant, Chief of Staff

Consent

Policy Code: 3620 Extracurricular Activities and Student Organizations

Policy Code: 7503 Teleworking

3.3 **Contracts/MOUs** - Dr. Kim Dechant, Chief of Staff

Consent

1. Daikin Applied - AHS Chiller Replacement
2. ERC Boardband - Dark Fiber Services
3. Tyco Technology GmbH DBA Johnson Controls - Surveillance Camera and Door Access Additions, Districtwide
4. Trafera - Purchase of Staff Chromebooks

Discussion Highlights:

- **Infrastructure Strategy:** Board members inquired

about the Daikin chiller replacement at the Asheville High School CTE building. Staff confirmed that these replacements are being tracked alongside the ongoing facility study to ensure long-term efficiency across the 40-acre campus.

- **Legal Oversight:** Board Attorney Anna Gillespie clarified that per board policy, all contracts exceeding $90,000 must be reviewed by the board attorney. Approval for the Tao and Trafera agreements will be contingent upon this final legal review to ensure compliance with antitrust and required term verifications.

3.4 County Funding Formula - Board Chair, Sarah Thornburg 38 - 49

Funding Agreement V.4 (draft) (00144426xBC088)[58].pdf

Funding Agreement V.4 (draft) (00144426xBC088)[58][64][71].docx

The Board reviewed specific "redline" changes made since the previous work session, many of which were legal or technical refinements:

- **Ad Valorem Taxes:** Paragraph 3 now includes a clear statutory reference and a definition of what is included/excluded in the tax revenue base to avoid future disputes over the "gross revenue" calculation.
- **Funding Formula:** Paragraph 4 clarifies that the 37.76% funding rate is applied to the gross local revenue. This was a point of concern raised by Member Amy Ray in previous sessions and has now been solidified.
- **Enrollment Measurement:** Paragraph 5 was modified with input from Finance Director Heidi Kerns and the BCS Finance Officer to establish a specific, rigorous method for measuring student enrollment, which is the primary driver for fund distribution.

Term and Termination (Paragraph 2A)

The agreement is presented as a three-year "aspirational" term, but it includes specific exit clauses to protect future boards:

- **Annual Review:** By December 31st of each year, each board can evaluate the effectiveness of the agreement.
- **Termination Notice:** If a board chooses to opt out for the following fiscal year, formal notice must be given by January 15th.
- **Rationale:** The December 31st date ensures that new board members (seated in December) have an immediate say, while the January deadline aligns with the County's budget planning cycle.

Legal Enforcement and Lawsuits

Paragraph H was modified to remove language suggesting a right to sue. Attorney Anna Gillespie clarified that N.C. General Statute prohibits school boards and counties from suing each other over the budget process. The agreement now reflects this legal reality while maintaining the spirit of the commitment.

Next Steps

The final version of the agreement will be placed on the agenda for a formal vote. If approved by all three bodies (ACS, BCS, and the County), it will govern the local funding process starting with the upcoming fiscal year.

4. CLOSED SESSION - Board Chair, Sarah Thornburg

The Chair will entertain a motion for the Board of Education to enter into a closed session pursuant to G.S. 143-318.11 for the following purposes:

- **Under subsection (a)(1) to prevent the disclosure of privileged and confidential personnel information pursuant to G.S. 115C-319-321;**
- **Under subsection (a) (3) to discuss matters protected by the attorney-client privilege.**

AGENDA ITEMS

4.1 Personnel Report February

4.2 Attorney Client Matters

5. FUTURE MEETINGS/ANNOUNCEMENTS -
Board Chair, Sarah Thornburg

Regular Meeting

Monday, February 9, 2026

Administrative Office - Board Room

Parent Teacher Conference Day - No School for Students

Friday, February 13, 2026

Work Session

Monday, March 2, 2026

Administrative Office - Board Room

Regular Meeting

Monday, March 9, 2026

Administrative Office - Board Room

1/2 Day Board Retreat

Thursday, March 19, 2026, from 8:00 a.m.-12:00 p.m.

Wrong Way River Lodge & Cabins

9 Midnight Drive, Asheville, NC 28806

2025-2026 ACS Board of Education Meeting Schedule

6. ADJOURNMENT - Board Chair, Sarah Thornburg
7:51 PM

6.1 Adjourn Meeting

Motion to adjourn the meeting.

Moved by: Liza Kelly

Seconded by: Rebecca Strimer

Aye: George Sieburg, Amy Ray, Sarah Thornburg, Rebecca Strimer, Jesse Warren, Liza Kelly, and Pepi Acebo

The motion passed 7-0

Dr. Maggie Fehrman

Dr. Maggie Fehrman,
Superintendent

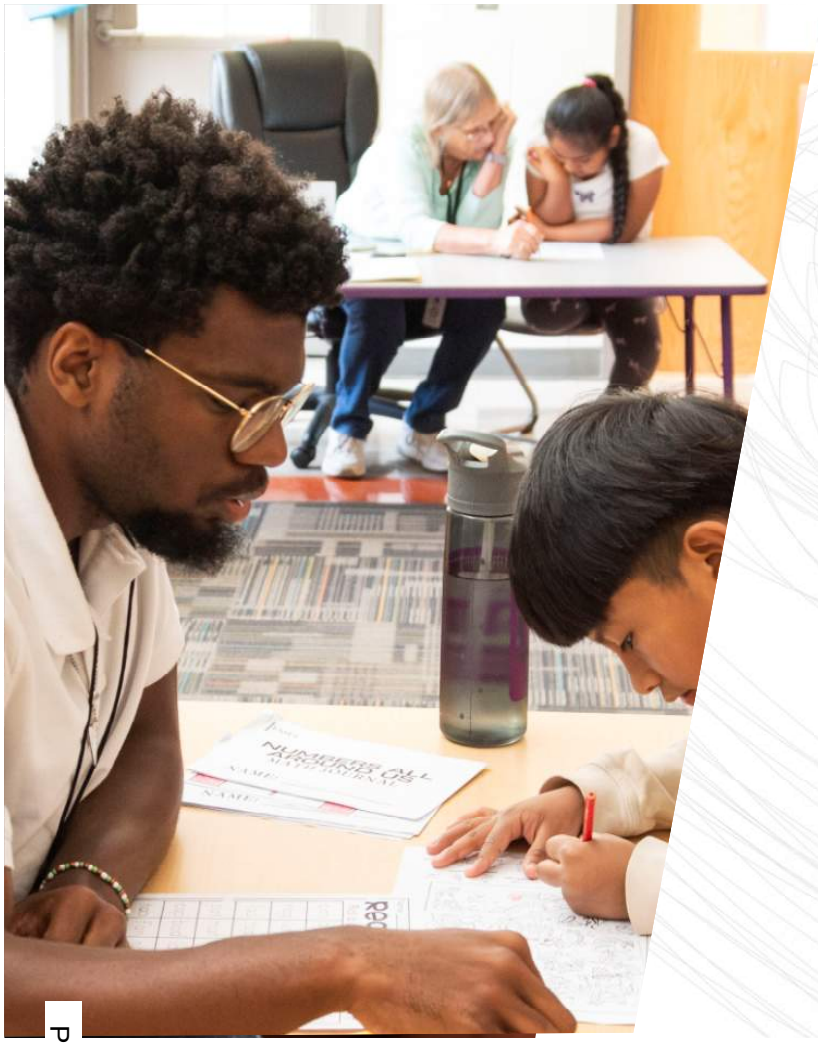
Sarah Thornburg

Board Chair, or Designee

Facility Needs Assessment Update

February 2026





AGENDA

I. **Introduction, Purpose and Team**

II. **Facility Needs Assessment**
   Physical Condition of Schools

III. **Next Steps**
   Cost Estimation
   Enrollment and Capacity Review
   Operational Cost Analysis
   Operational Consolidation Assessment
   Ongoing Communication

Comprehensive Approach

STEP 1 — **DISCOVER**

- Operational data collection
- Physical building assessment
- Population and enrollment forecast

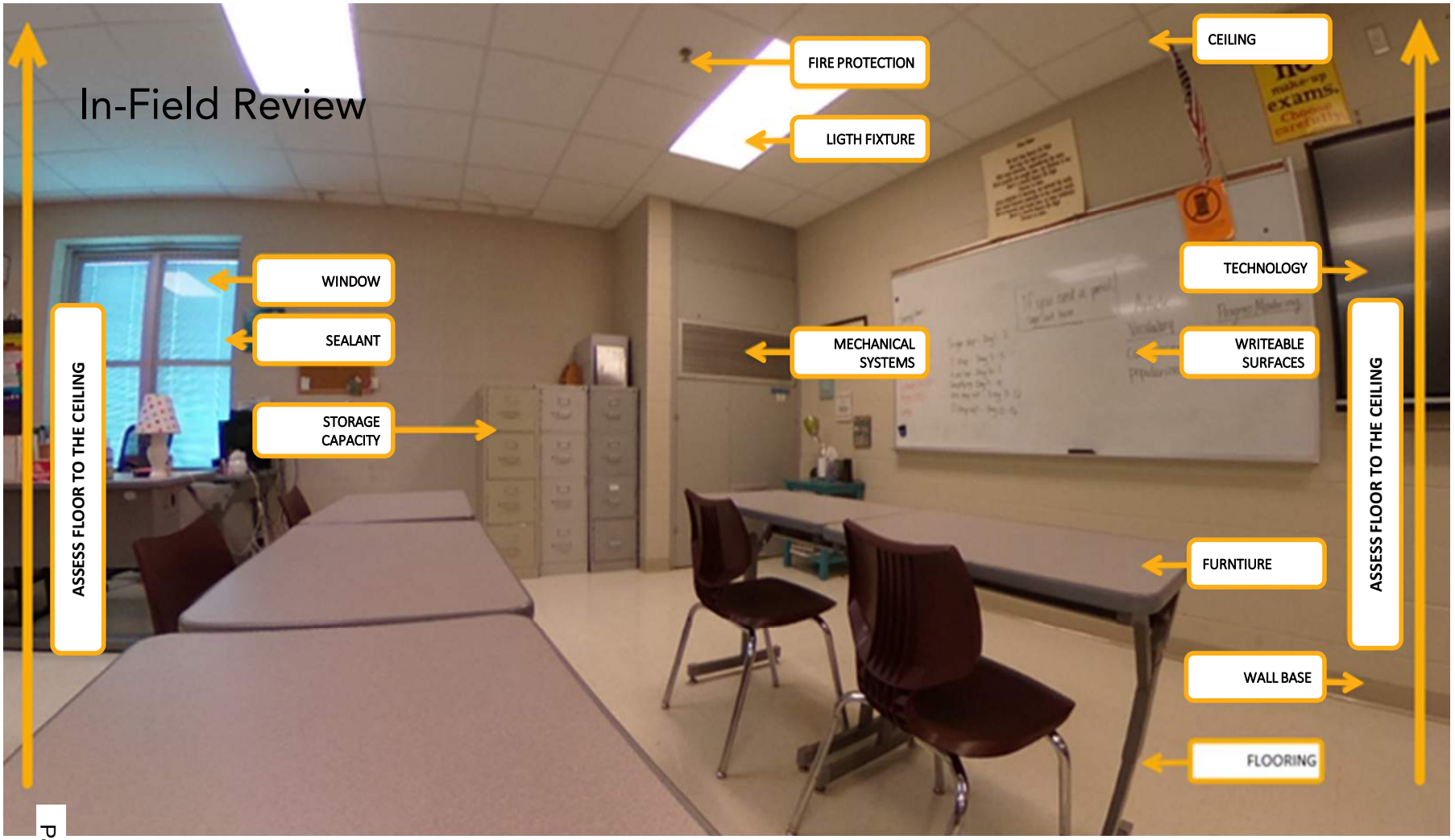
STEP 2 — APPRAISE

- Cost Projections
- Facility Utilization Appraisal
- Economic drivers + Student Outcomes
- Stakeholder engagement, User + Community

STEP 3 — IMPROVE

- Maintenance Planning
- Operational Consolidation Assessment
- Value Driven Improvements

In-Field Review




AUTODESK Revit
AUTODESK
Construction Cloud

Score Chart

5	4	3	2	1
5 of 5 (**100%**)	4 of 5 (**80%**)	3 of 5 (**60%**)	2 of 5 (**40%**)	1 of 5 (**20%**)
New or like-new condition. No issues to report, no expected failures. Reevaluate in 3 years.	**No reported issues or concerns;** No expected failures. Consider replacement and / or improvement in 7-10 years, reevaluate condition in 3 years.	**Not new, with some issues to report.** Average wear for its age. Replace or improve within 3-6 years	**Worn from use and nearing the end of it life cycle.** Replace or improve within 2-3 years as funds are available.	**Extremely worn, damaged, or inoperable.** Replace or improve in less than 2 years.

Deficiency Reports
- Geolocated Instance Issues per school
- Photographic and In-field Notes
- Web-based and Searchable Platform

- *Facility and Maintenance Depart.*

Assessment Recommendations
- Approx. +250 individual assessment recommendations per school
- Itemized, Rated, and Cost Valued

- *Facility Depart. and District Leadership*

Executive Summary
- Categorized Focus Areas

- *District Leadership, Board of Education, Internal and External Stakeholders*

Metrics Legend

Name and General Information about the Facility

Unmodified score, average of overall category score

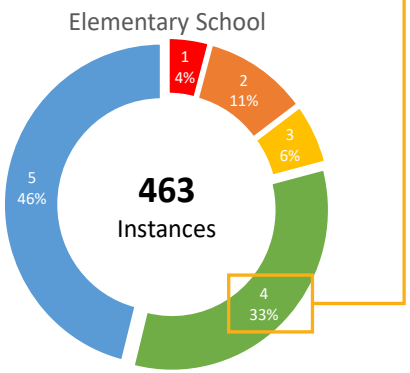
'Interiors' abbr.

'Building Envelope' abbr.

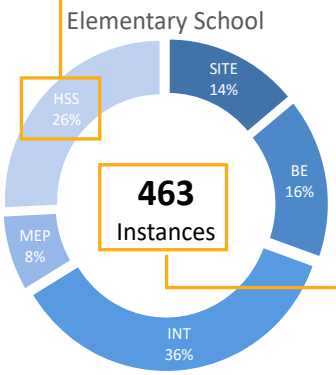
'Health, Safety, and Security' abbr.

		Size (sf)	FY 2022-2023 Enrollment	Overall Score	SITE	BE	INT	MEP	HSS
K-5	**Elementary School**	86,564	650	**3**	3	2	4	3	2

Amount of Instances by Rating (1-5). See ratings "score chart" for definitions



Amount of Instances by Category



Average of all instances recommended from field visit, any score below '3' is highlighted as a priority

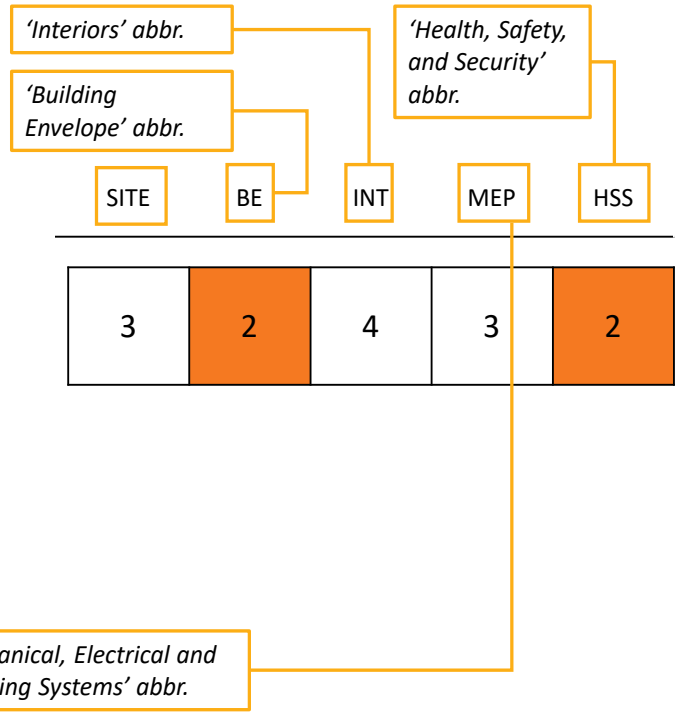
'Mechanical, Electrical and Plumbing Systems' abbr.

'Instances' are the number of recommendations provided. Instances are based on multiple individual items observed in the field by the assessment team

**The assessment will include information and visualization by:*

- ***Instance*** *(Recommendation)*
- ***Rating*** *(Priority)*
- ***Category*** *(Site, BE, Int, MEP, HSS)*
- ***Cost*** *(Today's Costs Estimate)*
- ***Funding*** *Plan(s)*

Metrics Legend



SITE

- Erosion, Turf Condition, Surface drainage

BE - BUILDING ENVELOPE

- Exterior walls, Roof, Windows, Doors

INT - INTERIORS

- Paint, Flooring, Casework, Ceilings

MEP - MECHANICAL, ELECTRICAL, PLUMBING

- HVAC, Lighting, Plumbing Fixtures

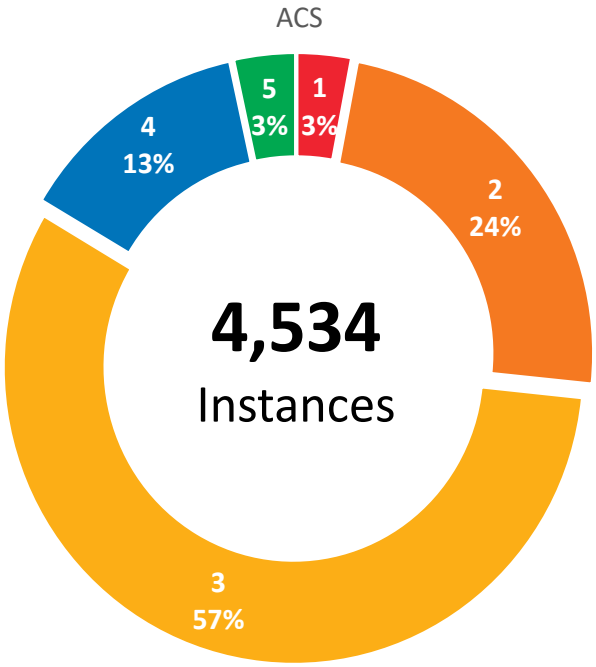
HSS – HEALTH, SAFETY AND SECURITY

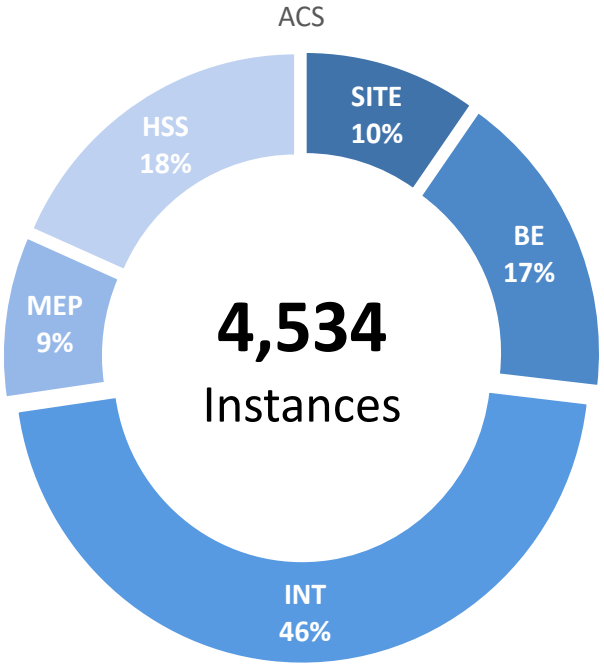
- Building Code, ADA Accessibility, Security Standards



How do we keep our schools up-to-date?

Asheville City Schools

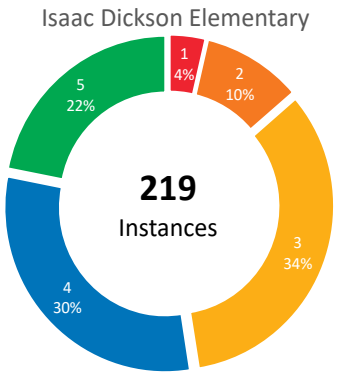


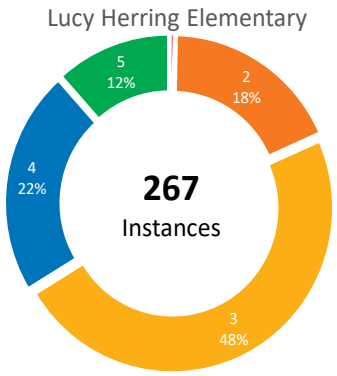


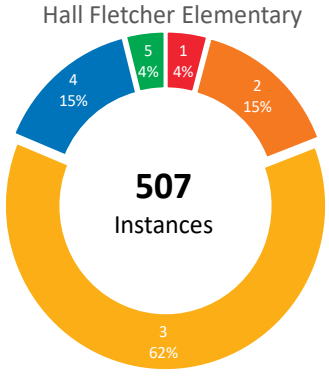
Asheville City Schools

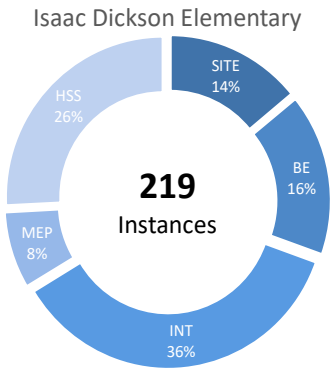
	School	Size (sf)	FY 2025-2026 Enrollment	Overall Score	SITE	BE	INT	MEP	HSS
PK-5	**Isaac Dickson Elementary School**	71,000	342	3.6	4.1	3.6	3.1	3.8	4.0
PK-5	**Lucy Herring Elementary School**	68,064	264	3.3	3.5	3.2	3.2	3.2	3.4
PK-5	**Hall Fletcher Elementary School**	89,821	279	3.0	3.3	3.2	3.1	3.2	2.6
PK-5	**Ira B Jones Elementary School**	76,786	308	2.9	2.6	2.9	3.0	2.9	2.6
K-5	**Claxton Elementary School**	76,881	415	2.7	2.9	2.5	2.7	2.4	2.9

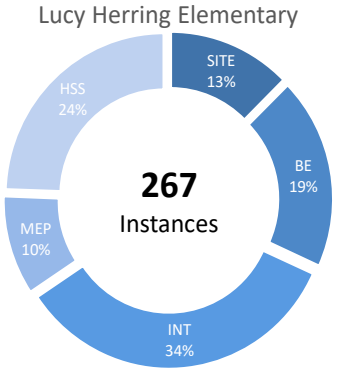
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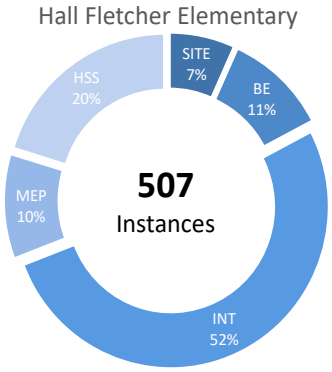




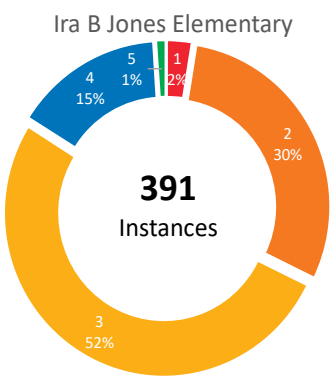


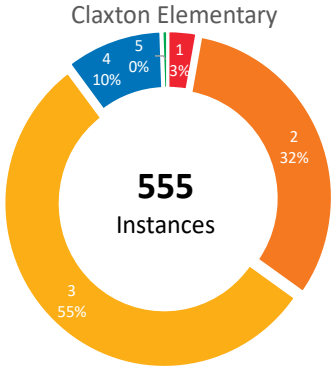


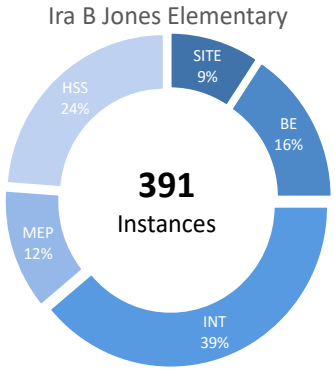


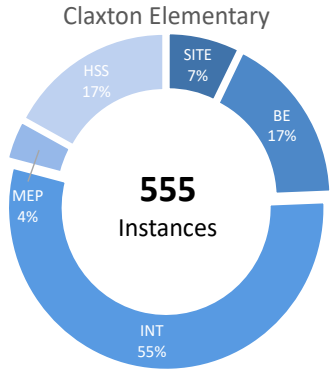


Asheville City Schools





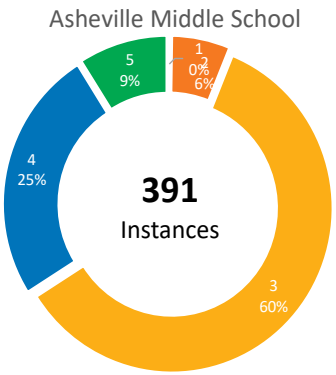


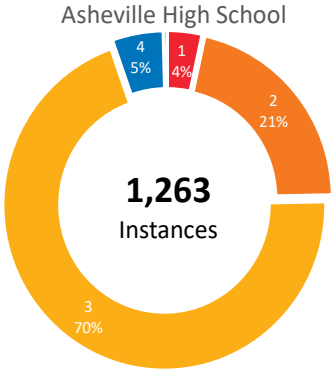


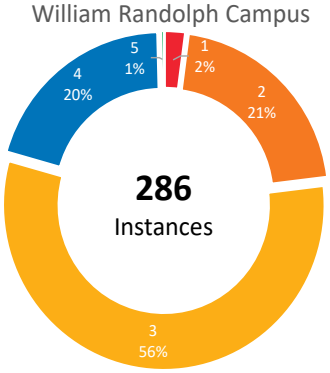
Asheville City Schools

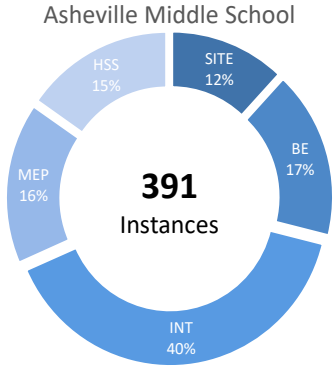
	School	Size (sf)	FY 2025-2026 Enrollment	Overall Score	SITE	BE	INT	MEP	HSS
6th-8th	**Asheville Middle School**	163,170	696	3.4	3.7	3.0	3.2	3.5	4.0
9th-12th	**Asheville High School**	309,000	1,497	2.8	2.7	2.8	2.8	3.0	2.6
6th-12th	**William Randolph Campus**	54,949	--	3.0	3.3	3.0	2.9	3.2	2.8
	Central Office **85 Mountain St.**	25,902	--	2.7	3.0	2.2	2.6	2.2	3.4
	District Operations Facility **441 Haywood Rd**	60,013	--	2.5	2.6	2.7	2.6	2.6	2.3

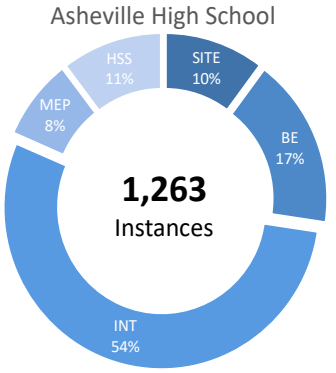
Asheville City Schools

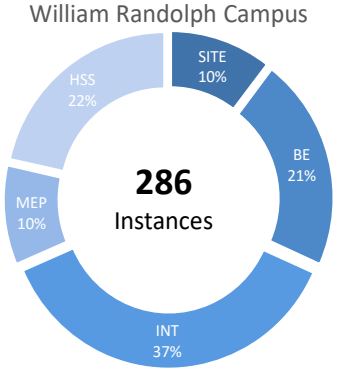




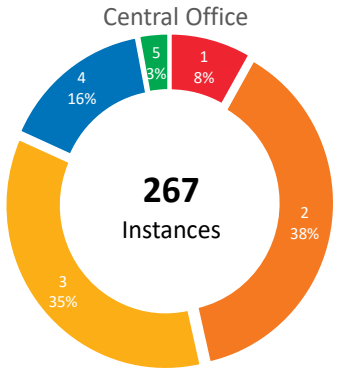


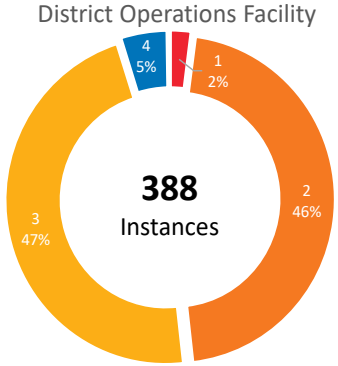


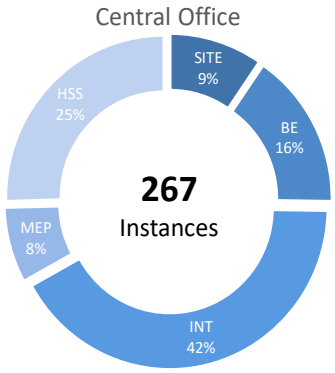


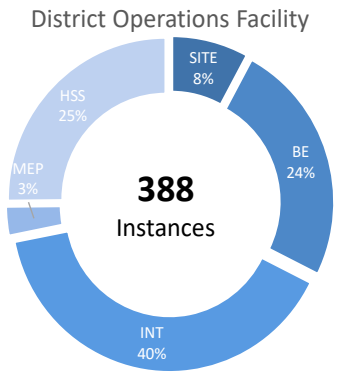


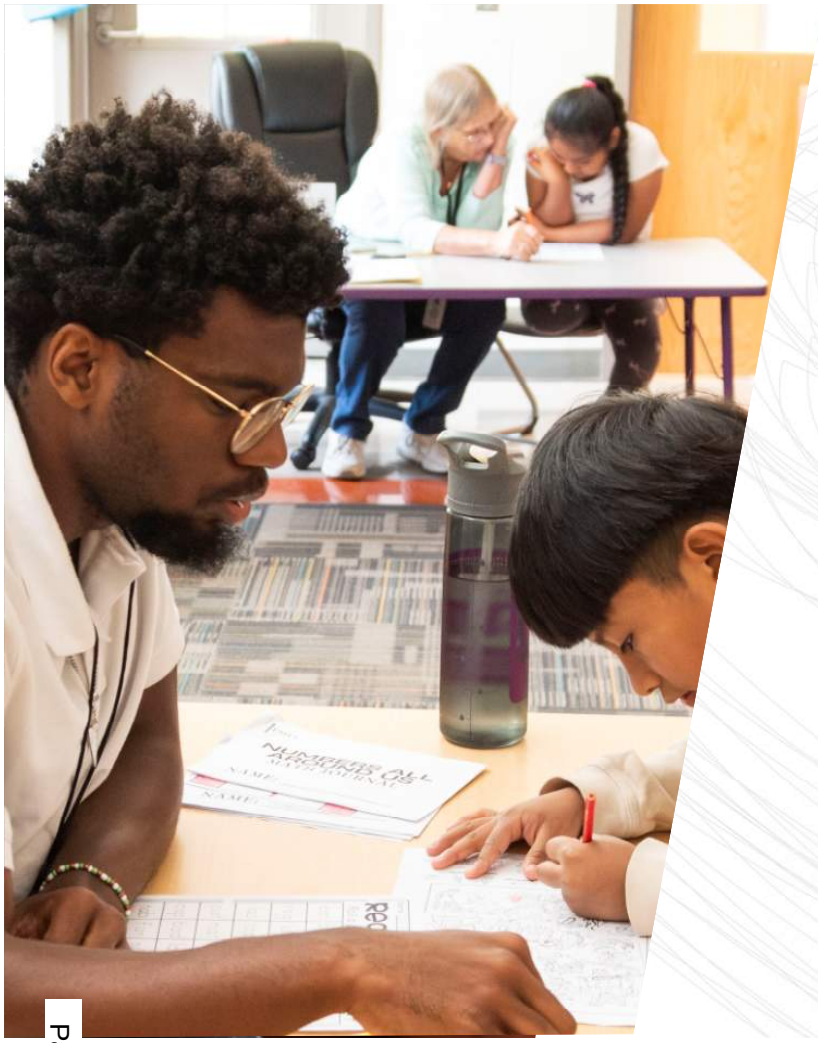
Asheville City Schools











AGENDA

I. **Introduction, Purpose and Team**

II. **Facility Needs Assessment**
   Physical Condition of Schools

III. **Next Steps**
   Cost Estimation
   Enrollment and Capacity Review
   Operational Cost Analysis
   Operational Consolidation Assessment
   Ongoing Communication

ASHEVILLE CITY SCHOOLS

Learn. Discover. Thrive.

Board of Education

Sarah Thornburg, *Chair*
Rebecca Strimer, *Vice Chair*
Amy Ray
Jesse Warren
George Sieburg
Liza Kelly
Pepi Acebo

Office of the Superintendent

Dr. Maggie Fehrman, *Superintendent*

Kimberly Jones, *Executive Assistant to the Superintendent*

Memo
To: Board of Education
From: April Dockery
Date: February 2, 2026
Subject: Executive Summary | Facility Needs Assessment (FNA) Update to the Board of Education

Dear Members of the ACS Board of Education,

January 2026

Asheville City Schools has completed Phase 1 of 3 in our Facility Needs Assessment, focused on a comprehensive, in-field physical conditions review across district facilities. The data collected from the in-field review will be summarized in the status report for each facility supported by photographic field notes, geolocated "instance" tracking, and a web-based, searchable platform to organize findings by site, category, priority rating, and cost. The assessment framework uses a 1–5 priority scale and organizes findings by major building systems (e.g., building envelope, interiors, MEP, health/safety/security - *this will be more clearly defined during the presentation*).

We are now in Phase 2, which advances the work from field findings into district-level analysis and validation—including cost estimation and an enrollment and capacity review. For enrollment, we are using current student enrollment pulled from the first 20 instructional days of the 2025–26 school year to ensure capacity modeling reflects real-time conditions. Phase 2 also continues transparent communication and regular Board updates as the data is refined and prepared for decision-making.

What to expect in Phase 3 | Operational Assessment Deliverables

Phase 3 will deliver the Operational Assessment package that connects facility conditions and utilization to the day-to-day cost, efficiency, and sustainability of operating our schools. Deliverables will include:

- Operational Cost Analysis (districtwide and by facility type, where available): key cost drivers (e.g., utilities, maintenance/service levels) and opportunities to improve reliability and predictability.

- Operational Consolidation / Efficiency Assessment: operational scenarios and options that evaluate efficiencies, impacts, and practical constraints (focused on operations, not just facilities).

- Recommendations & Implementation Roadmap: prioritized operational recommendations aligned to service quality, staffing realities, enrollment projections (updated spring 2026), and long-term sustainability (including "near-term actions" and longer-range initiatives).

- Board-ready executive summary of operational findings that clearly ties operational recommendations back to facility needs, capacity realities, and systemwide stewardship.

Sincerely, April Dockery, Chief of Operations

Budget Summary & Board Report

Date Range 07/01/2025 - 06/31/2026

Purpose Descr	(All)
Purpose	(All)
2 Digit Obj Des	(All)
2 Digit Obj	(All)
1 digit Obj Des	(All)
1 digit Obj	(All)
Fund Descripti	(All)
Obj Desc	(All)
PRC Desc	(All)
Program	(All)
Object	(All)
Location	(All)
User 1	(All)
User 2	(All)
Full Acct Code	(All)
Postable?	(All)
Type of Accou	(All)
Full Acct Code	(All)
Short Acct Cod	(All)

Fund	1 digit Purp	1 digit Purp Desc	Beginning Budget/Beg Balance	Budget Adjustments	Current Budget/Balance	Year-to-Date Exp/Rev	PO's & Encumbrances Outstanding	Remaining Balance	Escrow	Balance Including Escrow	Percent Spent
1	5XXX	Instructional Services	$26,963,486.00	$373,180.71	$27,336,666.71	$15,350,105.41	$116,151.00	$11,870,410.30	$0.00	$11,870,410.30	56.58%
	6XXX	System-Wide Support Services	$2,854,230.00	$287,549.00	$3,141,779.00	$2,147,430.42	$100,892.29	$893,456.29	$0.00	$893,456.29	71.56%
	7XXX	Ancillary Services	$195,000.00	$0.00	$195,000.00	$90,709.37	$0.00	$104,290.63	$0.00	$104,290.63	46.52%
1 Total			**$30,012,716.00**	**$660,729.71**	**$30,673,445.71**	**$17,588,245.20**	**$217,043.29**	**$12,868,157.22**	**$0.00**	**$12,868,157.22**	**58.05%**
2	5XXX	Instructional Services	$13,310,000.00	$525,000.00	$13,835,000.00	$8,235,221.48	$740,138.21	$4,859,640.31	$0.00	$4,859,640.31	64.87%
	6XXX	System-Wide Support Services	$14,402,468.00	$140,000.00	$14,542,468.00	$6,953,850.48	$3,560,986.12	$4,027,631.40	$0.00	$4,027,631.40	72.30%
	7XXX	Ancillary Services	$970,000.00	($565,000.00)	$405,000.00	$89,109.24	$12,170.32	$303,720.44	$0.00	$303,720.44	25.01%
	8XXX	Non-Programmed Charges	$3,100,000.00	($100,000.00)	$3,000,000.00	$1,157,731.36	$0.00	$1,842,268.64	$0.00	$1,842,268.64	38.59%
2 Total			**$31,782,468.00**	**$0.00**	**$31,782,468.00**	**$16,435,912.56**	**$4,313,294.65**	**$11,033,260.79**	**$0.00**	**$11,033,260.79**	**65.29%**
3	5XXX	Instructional Services	$3,409,225.87	$143,537.85	$3,552,763.72	$1,269,983.12	$60,756.24	$2,222,024.36	$0.00	$2,222,024.36	37.46%
	6XXX	System-Wide Support Services	$358,280.76	$116.20	$358,396.96	$189,399.29	$4,337.69	$164,659.98	$0.00	$164,659.98	54.06%
	8XXX	Non-Programmed Charges	$174,843.91	$4,705.62	$179,549.53	$50,297.19	$106,403.94	$22,848.40	$0.00	$22,848.40	87.27%
3 Total			**$3,942,350.54**	**$148,359.67**	**$4,090,710.21**	**$1,509,679.60**	**$171,497.87**	**$2,409,532.74**	**$0.00**	**$2,409,532.74**	**41.10%**
4	5XXX	Instructional Services	$1,400,000.00	$0.00	$1,400,000.00	$551,383.85	$47,278.68	$801,337.47	$0.00	$801,337.47	42.76%
	6XXX	System-Wide Support Services	$1,075,000.00	$200,000.00	$1,275,000.00	$511,818.55	$290,023.96	$473,157.49	$0.00	$473,157.49	62.89%
	9XXX	Capital Outlay	$4,246,992.00	($200,000.00)	$4,046,992.00	$591,059.24	$0.00	$3,455,932.76	$0.00	$3,455,932.76	14.60%
4 Total			**$6,721,992.00**	**$0.00**	**$6,721,992.00**	**$1,654,261.64**	**$337,302.64**	**$4,730,427.72**	**$0.00**	**$4,730,427.72**	**29.63%**
5	7XXX	Ancillary Services	$2,213,000.00	$0.00	$2,213,000.00	$1,105,165.61	$597,486.07	$510,348.32	$0.00	$510,348.32	76.94%
5 Total			**$2,213,000.00**	**$0.00**	**$2,213,000.00**	**$1,105,165.61**	**$597,486.07**	**$510,348.32**	**$0.00**	**$510,348.32**	**76.94%**
8	5XXX	Instructional Services	$7,530,058.59	$551,192.00	$8,081,250.59	$3,706,232.96	$401,393.93	$3,973,623.70	$0.00	$3,973,623.70	50.83%
	6XXX	System-Wide Support Services	$1,840,796.00	$11,000.00	$1,851,796.00	$994,575.65	$155,106.05	$702,114.30	$0.00	$702,114.30	62.08%
	7XXX	Ancillary Services	$247,527.18	$0.00	$247,527.18	$80,535.48	$0.00	$166,991.70	$0.00	$166,991.70	32.54%
	8XXX	Non-Programmed Charges	$98,778.71	$60,000.00	$158,778.71	$0.00	$158,778.71	$0.00	$0.00	$0.00	100.00%
otal			**$9,717,160.48**	**$622,192.00**	**$10,339,352.48**	**$4,781,344.09**	**$715,278.69**	**$4,842,729.70**	**$0.00**	**$4,842,729.70**	**53.16%**
and Total			**$84,389,687.02**	**$1,431,281.38**	**$85,820,968.40**	**$43,074,608.70**	**$6,351,903.21**	**$36,394,456.49**	**$0.00**	**$36,394,456.49**	**57.59%**

ASHEVILLE CITY SCHOOLS

Learn. Discover. Thrive.

Board of Education

Sarah Thornburg, *Chair*
Rebecca Strimer, *Vice Chair*
Amy Ray
Jesse Warren
George Sieburg
Liza Kelly
Pepi Acebo

Office of the Superintendent

Dr. Maggie Fehrman, *Superintendent*

Kimberly Jones, *Executive Assistant to the Superintendent*

Budget Amendment Cover Sheet

Board Meeting Date: 02/02/26

Budget Amendment Number: 2

Amendment Total: $ 1,094,165

Reason for Amendment: Allotment adjustments, new grants and minor line item adjustments.

Section 1 - State Public School Fund: EC funding application approvals, annual bonus funding.

Section 2 - Local Current Expense Fund: Line item adjustments as budget development continues - net change $-0-.

Section 3 - Federal Grant Fund (NCDPI-administered): Minor allotment adjustments and 21st Century grant allotment installment.

Section 4 - Capital Outlay Fund: Minor line item adjustments - net change $-0-.

Section 5 - School Nutrition Fund: No change needed at this time.

Section 6 - Other Special Revenue Fund: Additional preschool funding and new local grant funding.

ASHEVILLE CITY SCHOOLS
BUDGET RESOLUTION & AMENDMENTS
FOR THE FISCAL YEAR BEGINNING JULY 1, 2025 AND ENDING JUNE 30, 2026

BE IT RESOLVED BY THE ASHEVILLE CITY BOARD OF EDUCATION:

Section 1 - The following revenues are estimated to be available to the State Public School Fund – Fund 1. The following expenditure amounts are hereby appropriated at the purpose level for the operation of the school administrative unit in the State Public School Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026.

	Budget Resolution	Amendment #1	Amendment #2	Amendment #3	Amendment #4	Amended Budget
Revenue						
3000 - State & Federal	30,012,716	325,130	335,600	-	-	30,673,446
4000 - Local & Other	-	-	-	-	-	-
4910 - Fund Balance Appropriated	-	-	-	-	-	-
Total State Public School Fund Revenues	**$ 30,012,716**	**$ 325,130**	**$ 335,600**	**$ -**	**$ -**	**$ 30,673,446**
Expenditures						
5000 - Instructional Services	26,963,486	37,581	335,600	-	-	27,336,667
6000 - System-Wide Support	2,854,230	287,549	-	-	-	3,141,779
7000 - Ancillary Services	195,000	-	-	-	-	195,000
8000 - Non-Programmed Charges	-	-	-	-	-	-
9000 - Capital	-	-	-	-	-	-
Total State Public School Fund Appropriation	**$ 30,012,716**	**$ 325,130**	**$ 335,600**	**$ -**	**$ -**	**$ 30,673,446**

Section 2 - The following revenues are estimated to be available to the Local Current Expense Fund – Fund 2. The following expenditure amounts are hereby appropriated at the purpose level for the operation of the school administrative unit in the Local Current Expense Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026.

	Budget Resolution	Amendment #1	Amendment #2	Amendment #3	Amendment #4	Amended Budget
Revenue						
3000 - State & Federal	-	-	-	-	-	-
4000 - Local & Other	29,782,468	-	-	-	-	29,782,468
4910 - Fund Balance Appropriated	2,000,000	-	-	-	-	2,000,000
Total Local Current Expense Fund Revenues	**$ 31,782,468**	$ -	$ -	$ -	$ -	**$ 31,782,468**
Expenditures						
5000 - Instructional Services	13,310,000	-	525,000	-	-	13,835,000
6000 - System-Wide Support	14,402,468	-	140,000	-	-	14,542,468
7000 - Ancillary Services	970,000	-	(565,000)	-	-	405,000
8000 - Non-Programmed Charges	3,100,000	-	(100,000)	-	-	3,000,000
9000 - Capital	-	-	-	-	-	-
Total Local Current Expense Fund Appropriation	**$ 31,782,468**	$ -	$ -	$ -	$ -	**$ 31,782,468**

Section 3 - The following revenues are estimated to be available to the Federal Grants Fund – Fund 3. The following expenditure amounts are hereby appropriated at the purpose level for the operation of the school administrative unit in the Federal Grants Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026.

	Budget Resolution	Amendment #1	Amendment #2	Amendment #3	Amendment #4	Amended Budget
Revenue						
3000 - State & Federal	3,942,351	11,986	136,373	-	-	4,090,710
4000 - Local & Other	-	-	-	-	-	-
4910 - Fund Balance Appropriated	-	-	-	-	-	-
Total Federal Grants Fund Revenues	**$ 3,942,351**	**$ 11,986**	**$ 136,373**	**$ -**	**$ -**	**$ 4,090,710**
Expenditures						
5000 - Instructional Services	3,409,226	11,530	132,008	-	-	3,552,764
6000 - System-Wide Support	358,281	-	116	-	-	358,397
7000 - Ancillary Services	-	-	-	-	-	-
8000 - Non-Programmed Charges	174,844	456	4,249	-	-	179,549
9000 - Capital	-	-	-	-	-	-
Total Federal Grants Fund Appropriation	**$ 3,942,351**	**$ 11,986**	**$ 136,373**	**$ -**	**$ -**	**$ 4,090,710**

Section 4 - The following revenues are estimated to be available to the Capital Outlay Fund – Fund 4. The following expenditure amounts are hereby appropriated at the purpose level for the operation of the school administrative unit in the Capital Outlay Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026.

	Budget Resolution	Amendment #1	Amendment #2	Amendment #3	Amendment #4	Amended Budget
Revenue						
3000 - State & Federal	250,000	-	-	-	-	250,000
4000 - Local & Other	3,471,992	-	-	-	-	3,471,992
4910 - Fund Balance Appropriated	3,000,000	-	-	-	-	3,000,000
Total Capital Outlay Fund Revenues	**$ 6,721,992**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 6,721,992**
Expenditures						
5000 - Instructional Services	1,400,000	-	-	-	-	1,400,000
6000 - System-Wide Support	1,075,000	-	200,000	-	-	1,275,000
7000 - Ancillary Services	-	-	-	-	-	-
8000 - Non-Programmed Charges	-	-	-	-	-	-
9000 - Capital	4,246,992	-	(200,000)	-	-	4,046,992
Total Capital Outlay Fund Appropriation	**$ 6,721,992**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 6,721,992**

Section 5 - The following revenues are estimated to be available to the School Nutrition Fund – Fund 5. The following expenditure amounts are hereby appropriated at the purpose level for the operation of the school administrative unit in the School Nutrition Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026.

	Budget Resolution	Amendment #1	Amendment #2	Amendment #3	Amendment #4	Amended Budget
Revenue						
3000 - State & Federal	1,395,000	-	-	-	-	1,395,000
4000 - Local & Other	818,000	-	-	-	-	818,000
4910 - Fund Balance Appropriated	-	-	-	-	-	-
Total School Nutrition Fund Revenues	**$ 2,213,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 2,213,000**
Expenditures						
5000 - Instructional Services	-	-	-	-	-	-
6000 - System-Wide Support	-	-	-	-	-	-
7000 - Ancillary Services	2,213,000	-	-	-	-	2,213,000
8000 - Non-Programmed Charges	-	-	-	-	-	-
9000 - Capital	-	-	-	-	-	-
Total School Nutrition Fund Appropriation	**$ 2,213,000**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 2,213,000**

Section 6 - The following revenues are estimated to be available to the Other Special Revenue Fund – Fund 8. The following expenditure amounts are hereby appropriated at the purpose level for the operation of the school administrative unit in the Other Special Revenue Fund for the fiscal year beginning July 1, 2025 and ending June 30, 2026.

	Budget Resolution	Amendment #1	Amendment #2	Amendment #3	Amendment #4	Amended Budget
Revenue						
3000 - State & Federal	1,717,515	-	10,192	-	-	1,727,707
4000 - Local & Other	6,330,595	-	612,000	-	-	6,942,595
4910 - Fund Balance Appropriated	1,669,050	-	-	-	-	1,669,050
Total Other Special Revenue Fund Revenues	**$ 9,717,160**	**$ -**	**$ 622,192**	**$ -**	**$ -**	**$ 10,339,352**
Expenditures						
5000 - Instructional Services	7,530,058	-	551,192	-	-	8,081,250
6000 - System-Wide Support	1,840,796	-	11,000	-	-	1,851,796
7000 - Ancillary Services	247,527	-	-	-	-	247,527
8000 - Non-Programmed Charges	98,779	-	60,000	-	-	158,779
9000 - Capital	-	-	-	-	-	-
Total Other Special Revenue Fund Appropriation	**$ 9,717,160**	**$ -**	**$ 622,192**	**$ -**	**$ -**	**$ 10,339,352**
Grand Total - All Funds	**$ 84,389,687**	**$ 337,116**	**$ 1,094,165**	**$ -**	**$ -**	**$ 85,820,968**

Section 7 - The Superintendent and Finance Officer are hereby authorized to transfer appropriations as contained herein under the following conditions:

A. All appropriations shall be paid first from revenue restricted as to use, and second from general unrestricted revenues.
B. The Superintendent may transfer monies from one appropriation to another within the same fund with proper justification.

C. The Board of Education may amend the budget to transfer money to or from the capital outlay fund to or from any other fund, with the approval of the Board of County Commissioners, to meet emergencies unforeseen and unforeseeable at the time the budget resolution was adopted.

D. Each local school administrative unit shall operate under an annual balanced budget resolution. A budget resolution is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations.
E. Fund Balance may be needed to satisfy actual expenditures during the fiscal year. The allocation of fund balance appropriated in the Budget Resolution is anticipatory only. Fund Balance is accounted for on the district's balance sheet and is adjusted at the end of the fiscal year. The actual amount of Fund Balance allocated for each fund, if any, will be reflected in the annual audit report.

AGREEMENT FOR SCHOOL FUNDING MODEL

THIS AGREEMENT (the "Agreement") is by and between Buncombe County Board of Education, the Asheville City Board of Education (hereinafter collectively referred to as the "School Systems" or the "School Boards") and Buncombe County, a North Carolina body corporate and politic (the "County").

WHEREAS, the County provides funding for the School Systems each year upon approval of the County's budget, which includes appropriations for operating and capital expenses; and

WHEREAS, in order to establish uniformity and consistency in the funding of the Schools, the School Systems and the County have agreed to establish a budget process that is consistent, transparent, and predictable.

NOW THEREFORE, in consideration of the promises and covenants of the parties contained herein, and other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

1. PURPOSE. This Agreement sets forth the manner in which the County will provide funding to the School Systems for the operation and management of Asheville City Schools and Buncombe County Schools for the term of the Agreement, commonly referred to as the "local current expense".

2. TERM. This Agreement shall be for a term of three fiscal years (i.e. FY 2027, 2028, and 2029) subject to the following:

a. By December 31st of each year, each Board will determine the effectiveness of the Agreement and communicate in writing the Board's determination to the other parties.

b. All Parties understand that funding public schools is a legislative function and that future boards cannot be bound by a current board. In addition, it is the desire of all Parties to continue this Agreement so long as all Parties agree that it is effective, in their discretion. Each Board will take official action to affirm this agreement or submit a written notice to the other Parties terminating the Agreement effective for the following fiscal year. If a party terminates this Agreement, notice of its official action shall be provided to the other parties no later than January 15th of the current fiscal year.

c. This Agreement may be amended or modified at any time by written agreement of all Parties. At the end of FY 2029, this Agreement shall renew for an additional two (2) fiscal years subject to the same terms and conditions as the initial three (3) year term.

3. CALCULATION OF UNRESTRICTED REVENUE. During the County's budget process, the County Manager, together with the County Budget Director, shall calculate

the gross revenue received by the County during the twelve months preceding March 1st ("Gross Revenue"). The Gross Revenue shall be calculated by March 15 of each year. The Gross Revenue calculation shall specifically consist of the revenue in the following accounts:

Account No.	Account Description
	Ad Valorem Taxes (to include interest earned and vehicle taxes)
	Tax Interest, Penalties, Misc. Fees
	Sales Tax (Article 39) *Less 50% allocated to school capital*
	Sales Tax (Article 40) *less 30% allocated to school capital*
	Sales Tax (Article 42) *less 60% allocated to school capital*

Ad valorem taxes include all property as defined by N.C.G.S. § 105-274. The Article 39, Article 40, and Article 42 sales tax amounts shall include only those amounts received by the County. The Article 39, Article 40 and Article 42 sales tax amounts specifically excluded above shall be appropriated to the capital outlay funds for the respective school systems in accordance with existing law. Notwithstanding Session Law 2025-32, all such amounts shall be allocated to school capital outlay during the term of this Agreement.

4. CALCULATION OF BASELINE FUNDING AMOUNT. Following the calculation of the Gross Revenue, the County Manager, together with the Budget Director, shall determine the Baseline Funding Amount to be distributed to the school systems for the upcoming fiscal year. The Baseline Funding Amount will be 37.76% (Base Funding Percentage) of the Gross Revenue for the previous year.

The Baseline Funding Amount will be shared with the School Systems' Superintendents and Finance Officers for review and comment prior to the approval of these amounts by the County Commissioners.

The County shall remit the Baseline Funding Amount to the School Systems on, or by, the 15th day of each month.

5. ADJUSTMENTS BASED ON SIGNIFICANT ENROLLMENT INCREASE/DECREASE. On or before February 15th of each year, Buncombe County Schools and Asheville City Schools will complete a joint verification and certification of enrollment for all students within the two school districts and those attending charter schools that reside in Buncombe County. The North Carolina Department of Public Instruction certifies enrollment for all K-12 students in the two school districts. If NC DPI has certified enrollment by February 15, the certified enrollment number by NC DPI will be used in the verification and certification process for the enrollment of Asheville City School and Buncombe County Schools. If the percentage change between the prior year's certified enrollment and the current year's certified enrollment increases or decreases by two percent (2%) or more, then the upcoming year's Base Funding Percentage will increase or decrease, respectively, by one-half percent.

For purposes of this Agreement certified enrollment is the aggregate enrollment of Buncombe County Schools, Asheville City Schools, and the number of students attending a North Carolina charter school that reside in Buncombe County.

6. PREVIOUS AGREEMENTS. This Agreement shall not terminate or invalidate any Memorandum of Agreement between the School Systems and County (or its respective agencies) regarding direct services.

7. MISCELLANEOUS PROVISIONS.

(A) Amendment to Agreement. Any amendments to this Agreement shall be effective only when reduced to writing and adopted in the same manner as this contract is required to be adopted.

(B) Notice. All notices given pursuant to the terms of this Agreement shall be in writing and delivered in person or transmitted by regular, certified, or electronic mail , to the following entities and persons, or their successor:

For Asheville City Schools:
Superintendent Maggie Fehrman
85 Mountain Street
Asheville, NC 28801
maggie.fehrman@acsgmail.net

For Buncombe County:
County Manager Avril Pinder
200 College Street
Suite 300
Asheville, NC 28801
Avril.Pinder@buncombenc.gov

For Buncombe County Schools:
Superintendent Rob Jackson
175 Bingham Road
Asheville, NC 28806
robert.jackson@bcsemail.org

(C) Entire Agreement. This Agreement embodies the entire agreement between the parties in connection with this transaction, and there are no oral or parole agreements, representations or inducements existing between the parties relating to this transaction, which are not expressly set forth herein and covered hereby.

(D) Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of North Carolina.

(E) Mutual Negotiation. Both the County and the School Systems acknowledge and stipulate that this Agreement is the product of mutual negotiation and bargaining and that it has been drafted by respective counsel for both the County and the School Systems. As such, the doctrine of construction against the drafter shall have no application to this Agreement.

(F) Severability. If any provision under this Agreement or its application to any person or circumstance is held invalid by any court of competent jurisdiction, such invalidity does not affect any other provision of this Agreement or its application that can be given effect without the invalid provision or application.

(G) Emergencies. Nothing in this Agreement shall prohibit the School Systems from requesting additional funds to address emergencies or other unforeseen circumstances. "Emergency" is defined as a sudden, unexpected, or extraordinary event or a series of events that poses an immediate threat to the financial ability of any party to meet legal obligations, and which is beyond the capacity of operational resources to address effectively. These may include exigent circumstances (after the time during which the normal budget process occurs), unforeseen circumstances (outside the scope of the typical purview of the K-12 budgets), and urgent and unpredictable expenditures impacting the health, safety, and well-being of students or staff.

(H) Dispute Resolution. In the event of a dispute arising from this Agreement, the parties agree to take the following actions as conditions precedent to any party hereto filing an action arising from the Agreement:

(1) The School System Superintendent(s) and the County Manager shall meet in an attempt to informally mediate the dispute; and

(2) If said Superintendent and Manager are unable to successfully mediate said dispute, the School Systems Superintendent(s) and Chair(s) of the respective School Boards shall attempt to mediate the dispute with the County Manager and the Chair of the Buncombe County Board of Commissioners.

IN WITNESS WHEREOF, the parties hereto have used this Agreement to be executed the day and year last written below.

SIGNATURES TO APPEAR ON FOLLOWING PAGE

BUNCOMBE COUNTY, a North Carolina body corporate and politic

By: _____ (SEAL) _____
Name: Amanda Edwards Date Executed
Title: Chair of the Board of County Commissioners

By: _____ (SEAL) _____
Name: Avril Pinder Date Executed
Title: County Manager

Approved as to form.

_____ _____
Curt Euler, County Attorney Date Executed

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

_____ _____
Buncombe County Finance Director Date Executed

BUNCOMBE COUNTY BOARD OF EDUCATION

By: _____ (SEAL) _____
Name: Rob Elliot Date Executed
Title: Chair

By: _____ (SEAL) _____
Name: Rob Jackson Date Executed
Title: Superintendent

Approved as to form.

_____ _____
K. Dean Shatley II, Attorney for Board of Education Date Executed

ASHEVILLE CITY BOARD OF EDUCATION

By: _____ (SEAL) _____
Name: Sarah Thornburg Date Executed
Title: Chair

By: _____ (SEAL) _____
Name: Maggie Fehrman Date Executed
Title: Superintendent

Approved as to form.

_____ _____
Anna Gillespie, Attorney for Board of Education Date Executed

AGREEMENT FOR SCHOOL FUNDING MODEL

THIS AGREEMENT (the "Agreement") is by and between Buncombe County Board of Education, the Asheville City Board of Education (hereinafter collectively referred to as the "School Systems" or the "School Boards") and Buncombe County, a North Carolina body corporate and politic (the "County").

WHEREAS, the County provides funding for the School Systems each year upon approval of the County's budget, which includes appropriations for operating and capital expenses; and

WHEREAS, in order to establish uniformity and consistency in the funding of the Schools, the School Systems and the County have agreed to establish a budget process that is consistent, transparent, and predictable.

NOW THEREFORE, in consideration of the promises and covenants of the parties contained herein, and other good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

1. PURPOSE. This Agreement sets forth the manner in which the County will provide funding to the School Systems for the operation and management of Asheville City Schools and Buncombe County Schools for the term of the Agreement, commonly referred to as the "local current expense".

2. TERM. This Agreement shall be for a term of three fiscal years (i.e. FY 2027, 2028, and 2029) subject to the following:

a. By December 31st of each year, each Board will determine the effectiveness of the Agreement and communicate in writing the Board's determination to the other parties.

b. All Parties understand that funding public schools is a legislative function and that future boards cannot be bound by a current board. In addition, it is the desire of all Parties to continue this Agreement so long as all Parties agree that it is effective, in their discretion. Each Board will take official action to affirm this agreement or submit a written notice to the other Parties terminating the Agreement effective for the following fiscal year. If a party terminates this Agreement, notice of its official action shall be provided to the other parties no later than January 15th of the current fiscal year.

c. This Agreement may be amended or modified at any time by written agreement of all Parties. At the end of FY 2029, this Agreement shall renew for an additional two (2) fiscal years subject to the same terms and conditions as the initial three (3) year term.

3. CALCULATION OF UNRESTRICTED REVENUE. During the County's budget process, the County Manager, together with the County Budget Director, shall calculate

the gross revenue received by the County during the twelve months preceding March 1st ("Gross Revenue"). The Gross Revenue shall be calculated by March 15 of each year. The Gross Revenue calculation shall specifically consist of the revenue in the following accounts:

Account No.	Account Description
	Ad Valorem Taxes (to include interest earned and vehicle taxes)
	Tax Interest, Penalties, Misc. Fees
	Sales Tax (Article 39) *Less 50% allocated to school capital*
	Sales Tax (Article 40) *less 30% allocated to school capital*
	Sales Tax (Article 42) *less 60% allocated to school capital*

Ad valorem taxes include all property as defined by N.C.G.S. § 105-274. The Article 39, Article 40, and Article 42 sales tax amounts shall include only those amounts received by the County. The Article 39, Article 40 and Article 42 sales tax amounts specifically excluded above shall be appropriated to the capital outlay funds for the respective school systems in accordance with existing law. Notwithstanding Session Law 2025-32, all such amounts shall be allocated to school capital outlay during the term of this Agreement.

4. CALCULATION OF BASELINE FUNDING AMOUNT. Following the calculation of the Gross Revenue, the County Manager, together with the Budget Director, shall determine the Baseline Funding Amount to be distributed to the school systems for the upcoming fiscal year. The Baseline Funding Amount will be 37.76% (Base Funding Percentage) of the Gross Revenue for the previous year.

The Baseline Funding Amount will be shared with the School Systems' Superintendents and Finance Officers for review and comment prior to the approval of these amounts by the County Commissioners.

The County shall remit the Baseline Funding Amount to the School Systems on, or by, the 15th day of each month.

5. ADJUSTMENTS BASED ON SIGNIFICANT ENROLLMENT INCREASE/DECREASE. On or before February 15th of each year, Buncombe County Schools and Asheville City Schools will complete a joint verification and certification of enrollment for all students within the two school districts and those attending charter schools that reside in Buncombe County. The North Carolina Department of Public Instruction certifies enrollment for all K-12 students in the two school districts. If NC DPI has certified enrollment by February, 15, the certified enrollment number by NC DPI will be used in the verification and certification process for the enrollment of Asheville City School and Buncombe County Schools. If the percentage change between the prior year's certified enrollment and the current year's certified enrollment increases or decreases by two percent (2%) or more, then the upcoming year's Base Funding Percentage will increase or decrease, respectively, by one-half percent.

For purposes of this Agreement certified enrollment is the aggregate enrollment of Buncombe County Schools, Asheville City Schools, and the number of students attending a North Carolina charter school that reside in Buncombe County.

6. PREVIOUS AGREEMENTS. This Agreement shall not terminate or invalidate any Memorandum of Agreement between the School Systems and County (or its respective agencies) regarding direct services.

7. MISCELLANEOUS PROVISIONS.

(A) Amendment to Agreement. Any amendments to this Agreement shall be effective only when reduced to writing and adopted in the same manner as this contract is required to be adopted.

(B) Notice. All notices given pursuant to the terms of this Agreement shall be in writing and delivered in person or transmitted by regular, certified, or electronic mail , to the following entities and persons, or their successor:

For Asheville City Schools:
Superintendent Maggie Fehrman
85 Mountain Street
Asheville, NC 28801
maggie.fehrman@acsgmail.net

For Buncombe County:
County Manager Avril Pinder
200 College Street
Suite 300
Asheville, NC 28801
Avril.Pinder@buncombenc.gov

For Buncombe County Schools:
Superintendent Rob Jackson
175 Bingham Road
Asheville, NC 28806
robert.jackson@bcsemail.org

(C) Entire Agreement. This Agreement embodies the entire agreement between the parties in connection with this transaction, and there are no oral or parole agreements, representations or inducements existing between the parties relating to this transaction, which are not expressly set forth herein and covered hereby.

(D) Governing Law. This Agreement shall be governed by and interpreted in accordance with the laws of the State of North Carolina.

(E) Mutual Negotiation. Both the County and the School Systems acknowledge and stipulate that this Agreement is the product of mutual negotiation and bargaining and that it has been drafted by respective counsel for both the County and the School Systems. As such, the doctrine of construction against the drafter shall have no application to this Agreement.

(F) Severability. If any provision under this Agreement or its application to any person or circumstance is held invalid by any court of competent jurisdiction, such invalidity does not affect any other provision of this Agreement or its application that can be given effect without the invalid provision or application.

(G) Emergencies. Nothing in this Agreement shall prohibit the School Systems from requesting additional funds to address emergencies or other unforeseen circumstances. "Emergency" is defined as a sudden, unexpected, or extraordinary event or a series of events that poses an immediate threat to the financial ability of any party to meet legal obligations, and which is beyond the capacity of operational resources to address effectively. These may include exigent circumstances (after the time during which the normal budget process occurs), unforeseen circumstances (outside the scope of the typical purview of the K-12 budgets), and urgent and unpredictable expenditures impacting the health, safety, and well-being of students or staff.

(H) Dispute Resolution. In the event of a dispute arising from this Agreement, the parties agree to take the following actions as conditions precedent to any party hereto filing an action arising from the Agreement:

(1) The School System Superintendent(s) and the County Manager shall meet in an attempt to informally mediate the dispute; and

(2) If said Superintendent and Manager are unable to successfully mediate said dispute, the School Systems Superintendent(s) and Chair(s) of the respective School Boards shall attempt to mediate the dispute with the County Manager and the Chair of the Buncombe County Board of Commissioners.

~~**(3)** If the parties, after taking the steps provided hereinabove, are unable to successfully mediate their dispute, then either party may file an action in the Buncombe County Superior Court for a determination of the parties' respective rights and liabilities therein.~~

IN WITNESS WHEREOF, the parties hereto have used this Agreement to be executed the day and year last written below.

SIGNATURES TO APPEAR ON FOLLOWING PAGE

BUNCOMBE COUNTY, a North Carolina body corporate and politic

By: _____ (SEAL) _____
Name: Amanda Edwards Date Executed
Title: Chair of the Board of County Commissioners

By: _____ (SEAL) _____
Name: Avril Pinder Date Executed
Title: County Manager

Approved as to form.

_____ _____
Curt Euler, County Attorney Date Executed

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

_____ _____
Buncombe County Finance Director Date Executed

BUNCOMBE COUNTY BOARD OF EDUCATION

By: _____ (SEAL) _____
Name: Rob Elliot Date Executed
Title: Chair

By: _____ (SEAL) _____
Name: Rob Jackson Date Executed
Title: Superintendent

Approved as to form.

_____ _____
K. Dean Shatley II, Attorney for Board of Education Date Executed

ASHEVILLE CITY BOARD OF EDUCATION

By: _____ (SEAL) _____
Name: Sarah Thornburg Date Executed
Title: Chair

By: _____ (SEAL) _____
Name: Maggie Fehrman Date Executed
Title: Superintendent

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Anna Gillespie, Attorney for Board of Education Date Executed