ASHEVILLE CITY BOARD OF EDUCATION SPECIAL CALLED SESSION

Administrative Offices

Tuesday, June 30, 2026, at 5:00 PM

BE IT REMEMBERED: The Asheville City Board of Education met in a special called session on Tuesday, June 30, 2026, at 5:00 PM at the Administrative Offices at 85 Mountain Street, Asheville, North Carolina, where and when the following business was transacted.

Page

1. MEETING OPENING

The meeting will be available for viewing via the Asheville City Schools YouTube page .

1.1 CALL TO ORDER - Board Chair, Sarah Thornburg

5:03 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 Agenda

Moved by: Rebecca Strimer; seconded by: George Sieburg

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

Absent: Amy Ray

The motion passed 6-0

Following the initial approval of a 30-minute public comment session, 12 individuals signed up to speak, which would exceed the previously allotted 30-minute time limit.

A motion was made to add 10 additional minutes to the public comment period to accommodate all registered speakers.

Moved by: George Sieburg; seconded by: Pepi Acebo

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

Absent: Amy Ray

The motion passed 6-0

2. PUBLIC COMMENTS - Board Chair, Sarah Thornburg

Public Comment Guidelines

In-Person and Virtual Public Comment Guidelines can be found by clicking the link above.

The Board of Education greatly appreciates your interest in the Asheville City Schools (ACS), and we welcome your comments to the Board. Please be mindful of the following guidelines (per policy 2310):

Personnel and student matters are confidential and are therefore not appropriate for public comment. If you have a concern about an employee or a student matter, please contact or see the superintendent after the meeting.

2.1 In-Person Public Comment

1. Alexis Champion
2. Scott Johnston
3. Carson Bridges
4. Christina Shimrock
5. Liz Rumbough
6. Heather Manget
7. Jeff Thompson
8. Lani Miller
9. Isaac Ferdon
10. Xavier Ferdon
11. Hayes Bailey
12. Simone Johnston

3. CONSENT ITEMS - Board Chair, Sarah Thornburg

3.1 Student Releases to Buncombe County Schools - Tanya Presha, Special Assistant to the Superintendent

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

Buncombe County School Nurses (subject to legal review)

3.3 **5030-P Facility Fee Schedule** - Dr. Kim Dechant, Chief of Staff

3.4 Budget Amendment Summary and Expenditure Report - Heidi Kerns, Chief Finance Officer 6

2025-2026 Budget Amendment #5 - Google Docs.pdf

Budget Amendment Summary - June (2).pdf

2025-2026 Expenditure Report June 30, 2026.pdf

3.5 Insurance Recommendations - Heidi Kerns, Chief Finance Officer 15

6-26 Insurance Recommendations.pdf

3.6 Interim Budget - Dr. Maggie Fehrman, Superintendent, and Heidi Kerns, Chief Finance Officer 16

6-26 Interim Budget.pdf

Motion to Approve the Consent Agenda

Moved by: Rebecca Strimer; seconded by: George Sieburg

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

Absent: Amy Ray

The motion passed 6-0

4. ACTION ITEMS - Board Chair, Sarah Thornburg

4.1 Update 26-27 Traditional Elementary School Calendar - Dr. Kim Dechant, Chief of Staff

THE 2026-2027 ACS Traditional Elementary School Calendar

Motion on Action Item

Moved by: George Sieburg; seconded by: Rebecca Strimer

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

Absent: Amy Ray

The motion passed 6-0

4.2 FY 27 Salary Updates - Dr. Maggie Fehrman, Superintendent, and Heidi Kerns, Chief Finance Officer

Action Items: Approval of Proposed District Salary Schedules

District leadership presented updated salary structures designed to establish system-wide equity, transparency, and consistency prior to final operating budget approval. The Board acted on four separate salary proposals:

1. **Local Teacher Supplement Adjustments:**
   Overview: Creates a revised step-down scale that increases local supplement rates in 5-year increments (with a slight reduction for 0–4 years of service to 10.55%, rounded to 11% for hourly staff, reflecting upcoming state-level teacher pay increases).
2. **Exceptional Children (EC) & Related Services Supplement Increase:**

Overview: Provides an additional 2% local supplement increase for EC teachers and licensed related services staff (Speech-Language Pathologists, OTs, PTs).
Note: Clarification was provided that requests for additional EC staff positions will be addressed during overall budget deliberations, rather than within salary schedule actions.

3. **Hourly Pay Table Adjustments:**
   Overview: Implements a hybrid adjustment model costing approximately $216,000, ensuring a minimum $1.00/hour raise for all classified hourly staff while addressing wage compression.
   State Budget Context: Finance leadership reported that the pending state budget includes a 3% raise plus legislative bonuses ($1,750 for employees under $65k; $1,000 for employees over $65k), which will add approximately $500,000 in unbudgeted local costs for locally funded positions.
4. **Principal Salary Schedule:**
   Overview: Updates and standardizes the administrative pay structure for school principals. Recognized as a living document subject to ongoing review following final state budget passage.
5. **Central Office (CO) Salary Schedule:**
   Overview: Establishes a transparent, standardized salary schedule for central office administrative roles to replace discretionary contracting practices. Incorporates a "hold harmless" provision protecting current employee compensation until future step/state increases align.

Motion on Action Item

Moved by: Liza Kelly; seconded by: Rebecca Strimer

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

Absent: Amy Ray

The motion passed 6-0

4.3 Personnel Report #2 - Presented by Dr. Fehrman

Motion on Action Item

Moved by: Rebecca Strimer; seconded by: Jesse Warren

Aye: George Sieburg, Sarah Thornburg, Rebecca Strimer, and Jesse Warren

Nay: Liza Kelly and Pepi Acebo

Absent: Amy Ray

The motion passed 4-2

5. FUTURE MEETINGS/ANNOUNCEMENTS -

Board Chair, Sarah Thornburg

Work Session Meeting

Monday, August 3, 2026

Administrative Offices - Board Room

Regular Meeting

Monday, August 10, 2026

Administrative Offices - Board Room

Work Session Meeting

Monday, August 31, 2026

Administrative Offices - Board Room

2025-2026 ACS Board of Education Meeting Schedule

2026-2027 ACS Board of Education Meeting Schedule

6. ADJOURNMENT - Board Chair, Sarah Thornburg

6:22 PM

6.1 Motion to adjourn the meeting.

Motion to Adjourn

Moved by: Rebecca Strimer; seconded by: Liza Kelly

The motion passed

Dr. Maggie Fehrman

Dr. Maggie Fehrman,
Superintendent

Sarah Thornburg

Board Chair, or Designee

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: _____06/30/26_____

Budget Amendment Number: _____5_____

Amendment Total: $_____$711,223_____

Reason for Amendment: Allotment adjustments, final line item adjustments for budget compliance requirements and in response to final transfers.

Additional revenue and annual accounts payable entries will continue to be made as part of the audit process, so this report does not reflect the final totals for 6/30/26.

Section 1 - State Public School Fund: No additional changes needed.

Section 2 - Local Current Expense Fund: Line item adjustments as year end transfers were made to fully expend allotments and to meet budget compliance requirements. Incomplete maintenance projects will carry over to next year.

Section 3 - Federal Grant Fund (NCDPI-administered): Final allotments - last installment of funds for 21st Century and allotment for the competitive EC grant._____ _____

Section 4 - Capital Outlay Fund: No additional changes needed. Incomplete projects carry over to next year as construction in progress. The feasibility study also carries over._____

Section 5 - School Nutrition Fund: Due to the timing of summer school and variability in attendance and meals, added $50,000 as a precaution since there was little left in the total expenditure budget for School Nutrition.

Section 6 - Other Special Revenue Fund: Allotment adjustment for preschool.

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	Amendment #5	Amended Budget
Revenue							
3000 - State & Federal	30,012,716	325,130	335,600	124,693	23,749	-	30,821,888
4000 - Local & Other	-	-	-	-	-	-	-
4910 - Fund Balance Appropriated	-	-	-	-	-	-	-
Total State Public School Fund Revenues	**$ 30,012,716**	**$ 325,130**	**$ 335,600**	**$ 124,693**	**$ 23,749**	**$ -**	**$ 30,821,888**
Expenditures							
5000 - Instructional Services	26,963,486	37,581	335,600	124,693	(320,071)	-	27,141,289
6000 - System-Wide Support	2,854,230	287,549	-	-	343,820	-	3,485,599
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**	**$ 124,693**	**$ 23,749**	**$ -**	**$ 30,821,888**

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	Amendment #5	Amended Budget
Revenue							
3000 - State & Federal	-	-	-	-	-	-	-
4000 - Local & Other	29,782,468	-	-	-	(396,091)	-	29,386,377
4910 - Fund Balance Appropriated	2,000,000	-	-	-	-	-	2,000,000
Total Local Current Expense Fund Revenues	**$ 31,782,468**	**$ -**	**$ -**	**$ -**	**$ (396,091)**	**$ -**	**$ 31,386,377**
Expenditures							
5000 - Instructional Services	13,310,000	-	525,000	350,000	(186,091)	(375,000)	13,623,909
6000 - System-Wide Support	14,402,468	-	140,000	(200,000)	(810,000)	350,000	13,882,468
7000 - Ancillary Services	970,000	-	(565,000)	(150,000)	600,000	25,000	880,000
8000 - Non-Programmed Charges	3,100,000	-	(100,000)	-	-	-	3,000,000
9000 - Capital	-	-	-	-	-	-	-
Total Local Current Expense Fund Appropriation	**$ 31,782,468**	**$ -**	**$ -**	**$ -**	**$ (396,091)**	**$ -**	**$ 31,386,377**

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	Amendment #5	Amended Budget
Revenue							
3000 - State & Federal	3,942,351	11,986	136,373	122,151	9,747	670,498	4,893,106
4000 - Local & Other	-	-	-	-	-	-	-
4910 - Fund Balance Appropriated	-	-	-	-	-	-	-
Total Federal Grants Fund Revenues	**$ 3,942,351**	**$ 11,986**	**$ 136,373**	**$ 122,151**	**$ 9,747**	**$ 670,498**	**$ 4,893,106**
Expenditures							
5000 - Instructional Services	3,409,226	11,530	132,008	115,702	4,438	633,641	4,306,545
6000 - System-Wide Support	358,281	-	116	2,015	-	10,708	371,120
7000 - Ancillary Services	-	-	-	-	-	-	-
8000 - Non-Programmed Charges	174,844	456	4,249	4,434	5,309	26,149	215,441
9000 - Capital	-	-	-	-	-	-	-
Total Federal Grants Fund Appropriation	**$ 3,942,351**	**$ 11,986**	**$ 136,373**	**$ 122,151**	**$ 9,747**	**$ 670,498**	**$ 4,893,106**

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	Amendment #5	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	-	-	525,000	-	-	3,525,000
Total Capital Outlay Fund Revenues	**$ 6,721,992**	**$ -**	**$ -**	**$ 525,000**	**$ -**	**$ -**	**$ 7,246,992**
Expenditures							
5000 - Instructional Services	1,400,000	-	-	525,000	20,000	-	1,945,000
6000 - System-Wide Support	1,075,000	-	200,000	-	1,000,000	-	2,275,000
7000 - Ancillary Services	-	-	-	-	-	-	-
8000 - Non-Programmed Charges	-	-	-	-	-	-	-
9000 - Capital	4,246,992	-	(200,000)	-	(1,020,000)	-	3,026,992
Total Capital Outlay Fund Appropriation	**$ 6,721,992**	**$ -**	**$ -**	**$ 525,000**	**$ -**	**$ -**	**$ 7,246,992**

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	Amendment #5	Amended Budget
Revenue							
3000 - State & Federal	1,395,000	-	-	-	180,000	50,000	1,625,000
4000 - Local & Other	818,000	-	-	-	(41,500)	-	776,500
4910 - Fund Balance Appropriated	-	-	-	-	-		-
Total School Nutrition Fund Revenues	**$ 2,213,000**	**$ -**	**$ -**	**$ -**	**$ 138,500**	**$ 50,000**	**$ 2,401,500**
Expenditures							
5000 - Instructional Services	-	-	-	-	-	-	-
6000 - System-Wide Support	-	-	-	-	-	-	-
7000 - Ancillary Services	2,213,000	-	-	-	138,500	50,000	2,401,500
8000 - Non-Programmed Charges	-	-	-	-	-	-	-
9000 - Capital	-	-	-	-	-	-	-
Total School Nutrition Fund Appropriation	**$ 2,213,000**	**$ -**	**$ -**	**$ -**	**$ 138,500**	**$ 50,000**	**$ 2,401,500**

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	Amendment #5	Amended Budget
Revenue							
3000 - State & Federal	1,717,515	-	10,192	-	-	-	1,727,707
4000 - Local & Other	6,330,595	-	612,000	636,635	105,500	(9,275)	7,675,455
4910 - Fund Balance Appropriated	1,669,050	-	-	-	705,788	-	2,374,838
Total Other Special Revenue Fund Revenues	**$ 9,717,160**	**$ -**	**$ 622,192**	**$ 636,635**	**$ 811,288**	**$ (9,275)**	**$ 11,778,000**
Expenditures							
5000 - Instructional Services	7,530,058	-	551,192	636,635	611,288	(9,275)	9,319,898
6000 - System-Wide Support	1,840,796	-	11,000	-	200,000	-	2,051,796
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**	**$ 636,635**	**$ 811,288**	**$ (9,275)**	**$ 11,778,000**
Grand Total - All Funds	**$ 84,389,687**	**$ 337,116**	**$ 1,094,165**	**$ 1,408,479**	**$ 587,193**	**$ 711,223**	**$ 88,527,863**

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.

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	$177,802.71	$27,141,288.71	$26,789,269.43	$0.00	$352,019.28	$0.00	$352,019.28	98.70%
	6XXX	System-Wide Support Services	$2,854,230.00	$631,369.00	$3,485,599.00	$3,427,946.49	$0.00	$57,652.51	$0.00	$57,652.51	98.35%
	7XXX	Ancillary Services	$195,000.00	$0.00	$195,000.00	$183,890.42	$0.00	$11,109.58	$0.00	$11,109.58	94.30%
1 Total			**$30,012,716.00**	**$809,171.71**	**$30,821,887.71**	**$30,401,106.34**	**$0.00**	**$420,781.37**	**$0.00**	**$420,781.37**	**98.63%**
2	5XXX	Instructional Services	$13,310,000.00	$313,909.00	$13,623,909.00	$13,111,311.11	$0.00	$512,597.89	$0.00	$512,597.89	96.24%
	6XXX	System-Wide Support Services	$14,402,468.00	($520,000.00)	$13,882,468.00	$12,709,999.72	$0.00	$1,172,468.28	$0.00	$1,172,468.28	91.55%
	7XXX	Ancillary Services	$970,000.00	($90,000.00)	$880,000.00	$68,455.77	$0.00	$811,544.23	$0.00	$811,544.23	7.78%
	8XXX	Non-Programmed Charges	$3,100,000.00	($100,000.00)	$3,000,000.00	$2,509,969.22	$0.00	$490,030.78	$0.00	$490,030.78	83.67%
2 Total			**$31,782,468.00**	**($396,091.00)**	**$31,386,377.00**	**$28,399,735.82**	**$0.00**	**$2,986,641.18**	**$0.00**	**$2,986,641.18**	**90.48%**
3	5XXX	Instructional Services	$3,409,225.87	$897,319.60	$4,306,545.47	$2,844,932.07	$0.00	$1,461,613.40	$0.00	$1,461,613.40	66.06%
	6XXX	System-Wide Support Services	$358,280.76	$12,839.26	$371,120.02	$352,260.25	$0.00	$18,859.77	$0.00	$18,859.77	94.92%
	8XXX	Non-Programmed Charges	$174,843.91	$40,596.81	$215,440.72	$124,494.95	$0.00	$90,945.77	$0.00	$90,945.77	57.79%
3 Total			**$3,942,350.54**	**$950,755.67**	**$4,893,106.21**	**$3,321,687.27**	**$0.00**	**$1,571,418.94**	**$0.00**	**$1,571,418.94**	**67.89%**
4	5XXX	Instructional Services	$1,400,000.00	$545,000.00	$1,945,000.00	$1,653,388.19	$0.00	$291,611.81	$0.00	$291,611.81	85.01%
	6XXX	System-Wide Support Services	$1,075,000.00	$1,200,000.00	$2,275,000.00	$1,332,446.82	$0.00	$942,553.18	$0.00	$942,553.18	58.57%
	9XXX	Capital Outlay	$4,246,992.00	($1,220,000.00)	$3,026,992.00	$628,047.42	$0.00	$2,398,944.58	$0.00	$2,398,944.58	20.75%
4 Total			**$6,721,992.00**	**$525,000.00**	**$7,246,992.00**	**$3,613,882.43**	**$0.00**	**$3,633,109.57**	**$0.00**	**$3,633,109.57**	**49.87%**
5	7XXX	Ancillary Services	$2,213,000.00	$188,500.00	$2,401,500.00	$2,322,521.66	$0.00	$78,978.34	$0.00	$78,978.34	96.71%
5 Total			**$2,213,000.00**	**$188,500.00**	**$2,401,500.00**	**$2,322,521.66**	**$0.00**	**$78,978.34**	**$0.00**	**$78,978.34**	**96.71%**
8	5XXX	Instructional Services	$7,530,058.59	$1,789,840.00	$9,319,898.59	$7,355,229.60	$0.00	$1,964,668.99	$0.00	$1,964,668.99	78.92%
	6XXX	System-Wide Support Services	$1,840,796.00	$211,000.00	$2,051,796.00	$1,768,682.44	$0.00	$283,113.56	$0.00	$283,113.56	86.20%
	7XXX	Ancillary Services	$247,527.18	$0.00	$247,527.18	$145,721.31	$0.00	$101,805.87	$0.00	$101,805.87	58.87%
	8XXX	Non-Programmed Charges	$98,778.71	$60,000.00	$158,778.71	$76,234.02	$0.00	$82,544.69	$0.00	$82,544.69	48.01%
8 Total			**$9,717,160.48**	**$2,060,840.00**	**$11,778,000.48**	**$9,345,867.37**	**$0.00**	**$2,432,133.11**	**$0.00**	**$2,432,133.11**	**79.35%**
Grand Total			**$84,389,687.02**	**$4,138,176.38**	**$88,527,863.40**	**$77,404,800.89**	**$0.00**	**$11,123,062.51**	**$0.00**	**$11,123,062.51**	**87.44%**

ASHEVILLE CITY SCHOOLS Learn. Discover. Thrive.

Administrative Office • PO Box 7347 • 85 Mountain Street Asheville, North Carolina 28803

Date: Tuesday, June 30, 2026

To: Asheville City Board of Education

From: Ms. Heidi F. Kerns, Chief Financial Officer

Re: 2026-2027 Insurance Recommendations

All of the insurance products secured by the district to cover vehicles and property, general liability, inland marine, commercial crime, cyber liability and workers compensation insurance are re-bid and priced out annually by Surry Insurance. Surry is the only company serving NC school districts that can provide the comprehensive coverage ACS needs all under one umbrella. Due to their volume in the marketplace, they do so with very competitive pricing.

Amazingly enough, the cost of cyber liability coverage came down again, 6%, but we did see an increase in the umbrella coverage of 15% and the package including general liability coverage increased 26%. These increases are driven by some old claims which should start coming off our loss history soon. The addition of some new vehicles and the current market increased our auto policy by about 8%. Increases in property value, the concentration of our sites, the market, as well as our historic high school which limits our coverage options, but resulted in only a 5% increase in our property premium, much better than recent years.

After reporting a significant increase in workers compensation two years ago, our experience mod decreased slightly for the second consecutive years. Increases in salary estimates, still resulted in an increase, but only 8% (we expect a refund for 25-26 since no raises occurred).

The total cost for all policies did increase, but not as much as expected, and less than last year. The total increase in premium over last year stands at 7.59%, or $40,853.

As a part of their service model to clients, we have Surry, Utica, Travelers and Chubb representatives at our disposal 24/7 that can assist us with their expertise, questions and claims and Surry and others also provide any needed training, guidance and property safety inspections at no additional cost.

The other insurance that we provide is accident insurance to help students, visitors and volunteers cover out of pocket costs should they get injured on school grounds or while participating in school activities. This coverage is secondary to the insurance they carry on themselves (primary coverage) and is not intended to provide full coverage or pay for 100% of expenses. The change was made from K&K to The Young Group at the beginning of the 2023-2024 school year. All students are covered during the school day and middle and high school athletes are covered for all sports on the standard plan, as well as for the catastrophic coverage for middle and high school athletes, formerly provided by the NCHSAA. The total cost of this coverage decreased to $10,594 due to the change in ADM. Rates did not increase from last year since this is the second of our two-year rate hold.

Please let me know if you have any questions.

ASHEVILLE CITY SCHOOLS

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Board of Education

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Office of the Superintendent

Dr. Maggie Fehrman, *Superintendent*

Kimberly Jones, *Executive Assistant to the Superintendent*

Date: Tuesday, June 30, 2026

To: Asheville City Board of Education

From: Dr. Maggie Fehrman, Superintendent

Ms. Heidi F. Kerns, Chief Financial Officer

Re: FY 2026-2027 Interim Budget Resolution

Through this memorandum, we recommend that the Board authorize interim appropriations for the purpose of paying salaries and other ordinary expenses for FY 2026-2027 until such time as the Board adopts the FY 2026-2027 budget resolution. We submit the recommendation in accordance with the provisions of G.S. § 115C-434 ("Interim Budget"), which provides:

In case the adoption of the budget resolution is delayed until after July 1, the board of education shall make interim appropriations for the purpose of paying salaries and the usual ordinary expenses of the local school administrative unit for the interval between the beginning of the fiscal year and the adoption of the budget resolution. Interim appropriations so made and expended shall be charged to the proper appropriations in the budget resolution. (1975, c. 437, s. 1; 1981, c. 423, s. 1.)

Upon legislative action for FY 2026-2027 state appropriations and completion of the annual allotment process by the North Carolina Department of Public Instruction, we will prepare and submit the FY 2026-2027 budget resolution for Board action.

Please let us know if you have any questions.