# School Capital Fund Commission

*Regular meeting*

September 29, 2025

# Agenda

- Call to Order
- Approval to follow agenda as presented
- Approval of July 21 Regular Meeting Minutes
- Public Comment
- Reappointment of Commission Member Matt Kern
- Article 39 Discussion
- Financial Update
- School Bond Discussion
- Asheville City Schools Project Updates
- Buncombe County Schools Project Updates
- Open Discussion
- Adjournment

# Public Comment

# Commission Member Reappointment

# Article 39 Discussion

# Financial Update

# Revenues

## Article 39 Sales Tax

### Article 39 Sales Tax & School Capital Funding

- 50% of Article 39 Sales Tax is fully dedicated to school capital projects.
- This is the primary revenue source for the School Capital Commission Fund.

### Average Revenue Growth Rate

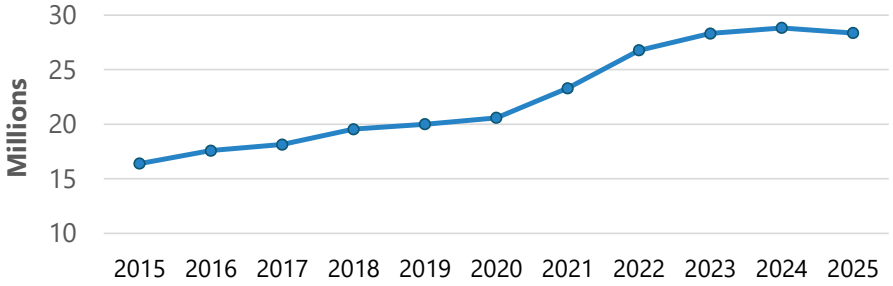
- 2015 – **6.58%**
- 2021 – **6.8%**
- 2023 – **1.99%**

### Recent Performance

- FY2024 Revenue: **$28.8M** (+~2%)
- FY2025 YTD Revenue: **$28.3M** (-~2%)

*Revenue totals are shown on a modified-accrual basis (basis used for annual audit).
** Final revenue from June 2025 collected 9/15/25

## History of Article 39 Sales Tax (50%)




| | 50% of Article 39 Sales Tax* | % Change from Prior Year |
|---|---|---|
| 2015 | 16,387,330 | 14.91% |
| 2016 | 17,572,165 | 7.23% |
| 2017 | 18,132,135 | 3.19% |
| 2018 | 19,534,805 | 7.74% |
| 2019 | 19,991,041 | 2.34% |
| 2020 | 20,585,926 | 2.98% |
| 2021 | 23,287,620 | 13.61% |
| 2022 | 26,764,166 | 14.44% |
| 2023 | 28,311,666 | 5.78% |
| 2024 | 28,825,776 | 1.82% |
| 2025** | 28,353,867 | -1.64% |

# Expenditures

## Existing Debt Service

### School Capital Fund Debt Obligations

- The county regularly issues debt to maximize Article 39 revenue.
- The county has a AAA GO bond rating and AA+ LOB rating providing the lowest interest rates.
- Debt is typically issued every 2 years.
- Current SCFC debt obligations extend through 2044.
- 5-year debt snapshot shown below:

| Fiscal Year | Principal | Interest | Total Debt Service |
|---|---|---|---|
| 2026 | 15,582,779 | 7,116,733 | **22,699,511** |
| 2027 | 14,538,520 | 6,441,303 | **20,979,822** |
| 2028 | 14,487,606 | 5,843,185 | **20,330,791** |
| 2029 | 14,439,926 | 5,234,704 | **19,674,630** |
| 2030 | 14,380,021 | 4,627,427 | **19,007,448** |

*Includes new projects approved in April 2025

## Existing Projects

### 97 Active Projects

- Buncombe County Schools: **79 projects** | **$105.4M** total budget
- Asheville City Schools: **18 projects** | **$40.4M** total budget

### Annual Project Spending

- Typical: **~$20M/year**
- FY2025: **~$33M**

### Funding Mix

- Pay-Go Projects: **$16M**
- Projects That Need Debt Funding: **$56M**

### Debt Impact

- New $56M issuance for debt-funded projects adds ~$5M in debt service beginning FY2027.

# Funding History

| For Fiscal Year | ACS $ in millions | ACS % | BCS $ in millions | BCS % | Total Funded in millions | Total Requested (High-priority) in millions | Amount Funded |
|---|---|---|---|---|---|---|---|
| 2026 | $2 | 18% | $9 | 82% | $11 | $33* | 33% |
| 2025 | $2 | 16% | $13 | 84% | $15 | $37 | 41% |
| 2024 | $9 | 23% | $31 | 77% | $40 | $40 | 100% |
| 2023 | $11 | 34% | $21 | 66% | $31 | $31 | 100% |
| 2022 | $8 | 34% | $14 | 66% | $22 | $22 | 100% |
| 2021 | $4 | 23% | $13 | 77% | $17 | $44 | 39% |
| 2020 | $5 | 29% | $12 | 71% | $17 | $19 | 90% |
| Average | $6M | 25% | $16M | 75% | $22M | $32M | 72% |

* Total requested represents phased cost amount.

# School Bond Discussion


School Bond Discussion
Dr. Rob Jackson
September 29, 2025
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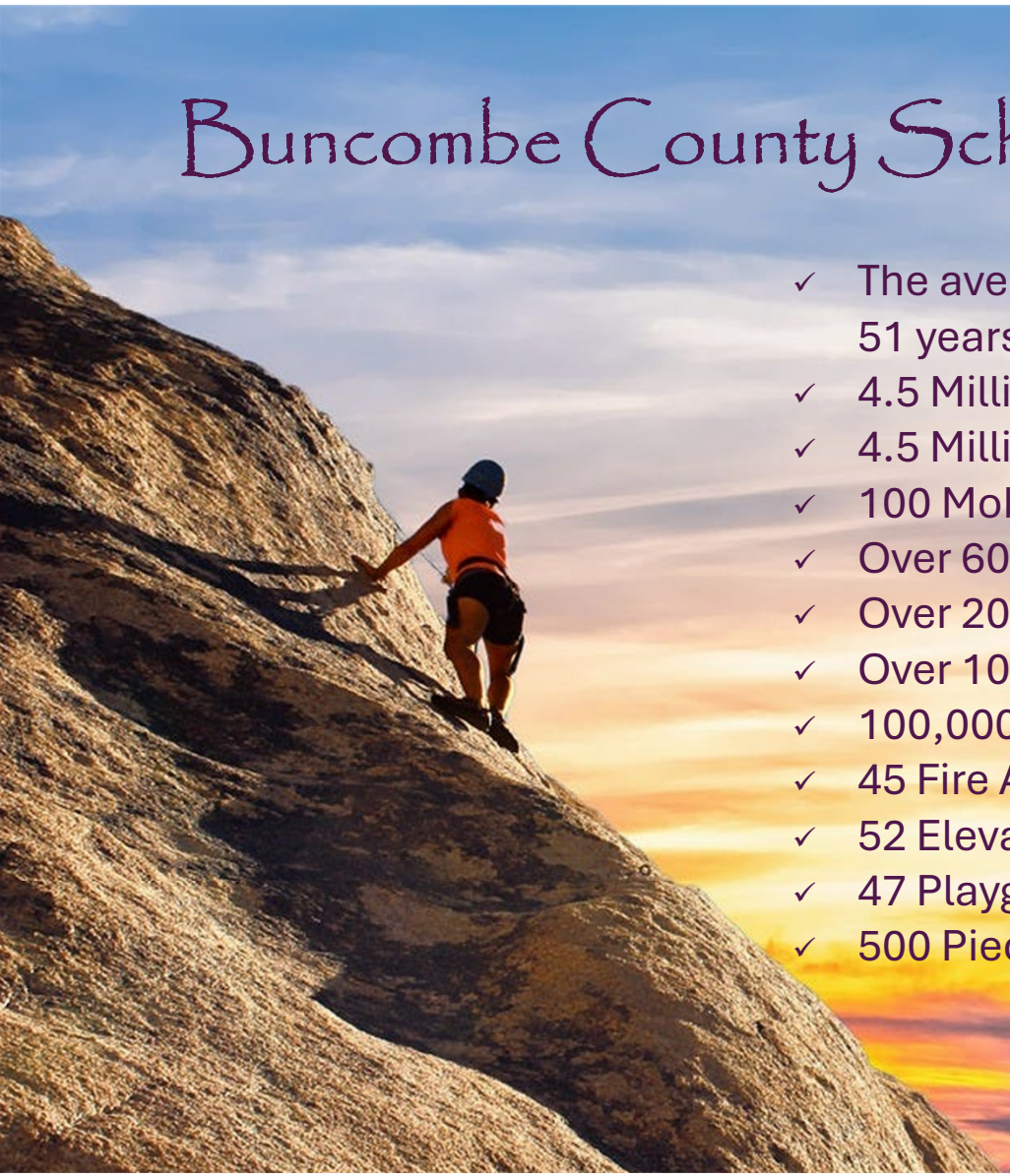
# AGE OF SCHOOLS

| School | Year Built | Age |
|---|---|---|
| Enka Intermediate | 2016 | 9 |
| Nesbitt Discovery Academy | 2013 | 12 |
| Charles T. Koontz Intermediate | 2012 | 13 |
| Joe P. Eblen Intermediate | 2012 | 13 |
| North Windy Ridge Intermediate | 2003 | 22 |
| Cane Creek Middle | 1998 | 27 |
| Hominy Valley Elementary | 1998 | 27 |
| Avery's Creek Elementary | 1994 | 31 |
| Black Mtn. Elementary | 1994 | 31 |
| North Buncombe Elementary | 1989 | 36 |
| Sand Hill-Venable Elementary | 1989 | 36 |
| Valley Springs Middle | 1989 | 36 |
| Charles D. Owen High | 1988 | 37 |
| Fairview Elementary | 1988 | 37 |
| Enka High | 1987 | 38 |
| North Buncombe High | 1987 | 38 |
| West Buncombe Elementary | 1983 | 42 |
| Black Mtn. Primary | 1981 | 44 |
| William W. Estes Elementary | 1980 | 45 |
| W.D. Williams Elementary | 1979 | 46 |

| School | Year Built | Age |
|---|---|---|
| Haw Creek Elementary | 1977 | 48 |
| Clyde A. Erwin High | 1976 | 49 |
| A.C. Reynolds High | 1975 | 50 |
| Glen Arden Elementary | 1971 | 54 |
| Weaverville Elementary | 1964 | 61 |
| T.C. Roberson | 1962 | 63 |
| Charles C. Bell Elementary | 1960 | 65 |
| Johnston Elementary | 1960 | 65 |
| Weaverville Primary | 1957 | 68 |
| A.C. Reynolds Middle | 1955 | 70 |
| Charles D. Owen Middle | 1955 | 70 |
| Clyde A. Erwin Middle | 1955 | 70 |
| Enka Middle | 1955 | 70 |
| North Buncombe Middle | 1954 | 71 |
| Candler Elementary | 1951 | 74 |
| Pisgah Elementary | 1951 | 74 |
| Leicester Elementary | 1939 | 86 |
| Emma Elementary | 1936 | 89 |
| Barnardsville Elementary | 1927 | 98 |
| Community High | 1926 | 99 |
| Woodfin Elementary | 1924 | 101 |
| Oakley Elementary | **1920** | **105** |

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# Buncombe County Schools Facilities at a Glance

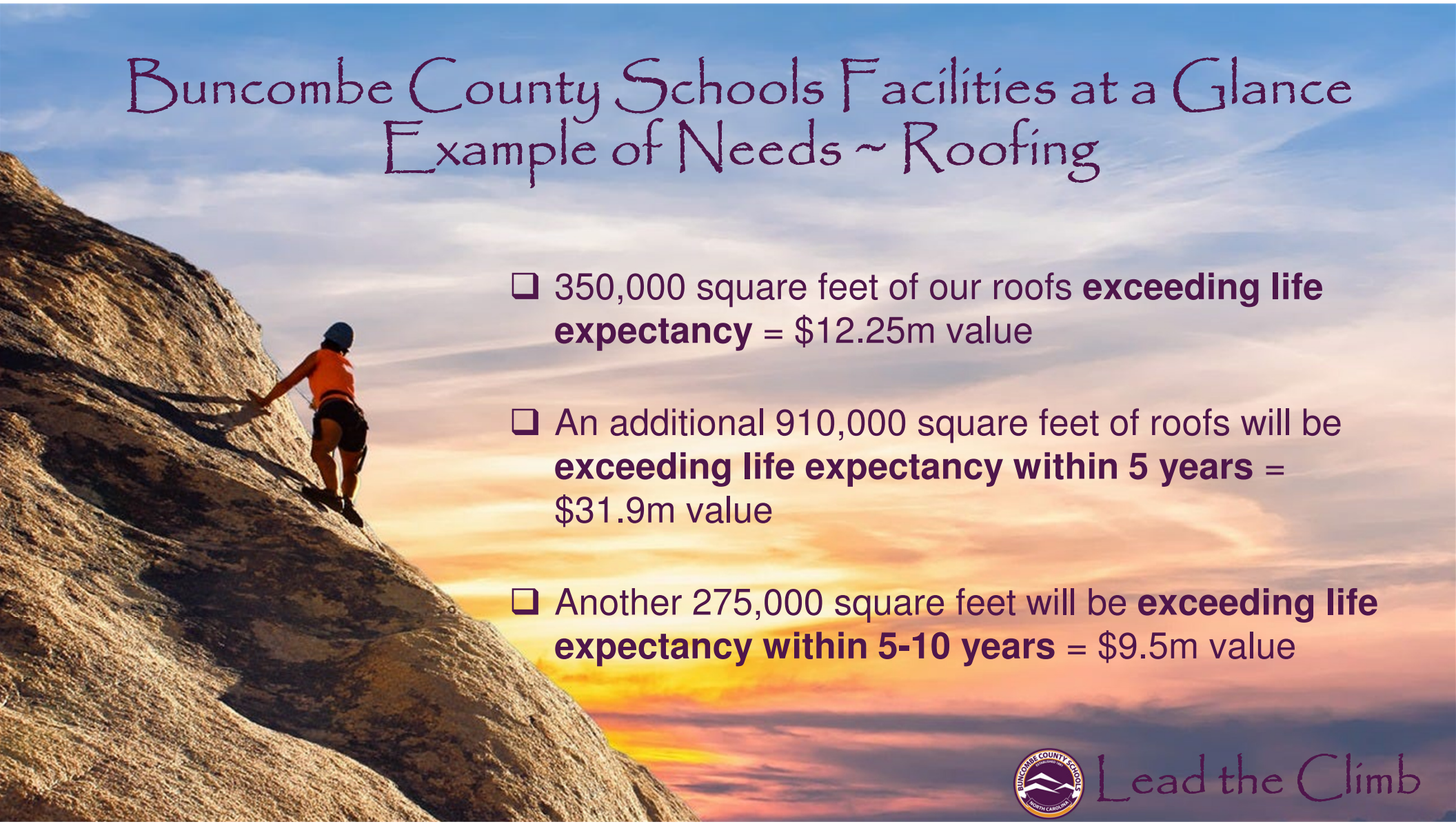


- ✓ The average age of our buildings on the 47 campuses is 51 years
- ✓ 4.5 Million Square Feet of Brick-and-Mortar Space
- ✓ 4.5 Million Square Feet of Total Roof Area
- ✓ 100 Mobile Classrooms
- ✓ Over 600 Acres of Landscaped Areas
- ✓ Over 200 Acres of Parking Lots
- ✓ Over 10,000 pieces of HVAC Equipment
- ✓ 100,000 Light Fixtures
- ✓ 45 Fire Alarm Systems
- ✓ 52 Elevators
- ✓ 47 Playgrounds
- ✓ 500 Pieces of Child Nutrition Equipment

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Capital Priority List Submitted to SCFC April 2025
2024-2025 Article 39 High Priority Requests
21 projects = $132,245,000
2024-2025 Article 39 Second Priority Requests
98 projects = $192,118,000
2024-2025 Article 39 Total Requests
119 projects = $324,363,000
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BCS Phased or Postponed Projects
WD Williams Facility Renovation
Glen Arden Facility
Front Office Lobby Reconfiguration
Guardhouses & Queuing Drives
WW Estes Facility Renovation
Roofing
Mechanical Systems
Technology Infrastructure Upgrades
Transportation Facility
Athletic Facilities – Turf/Track/Tennis/Aquatic Center
Paving
School Kitchen Renovations
LED Lights
Activity Buses
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Buncombe County Schools Facilities at a Glance
Example of Needs ~ Roofing
❑ 350,000 square feet of our roofs **exceeding life expectancy** = $12.25m value
❑ An additional 910,000 square feet of roofs will be **exceeding life expectancy within 5 years** = $31.9m value
❑ Another 275,000 square feet will be **exceeding life expectancy within 5-10 years** = $9.5m value
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# Currently Identified Immediate Capital Needs

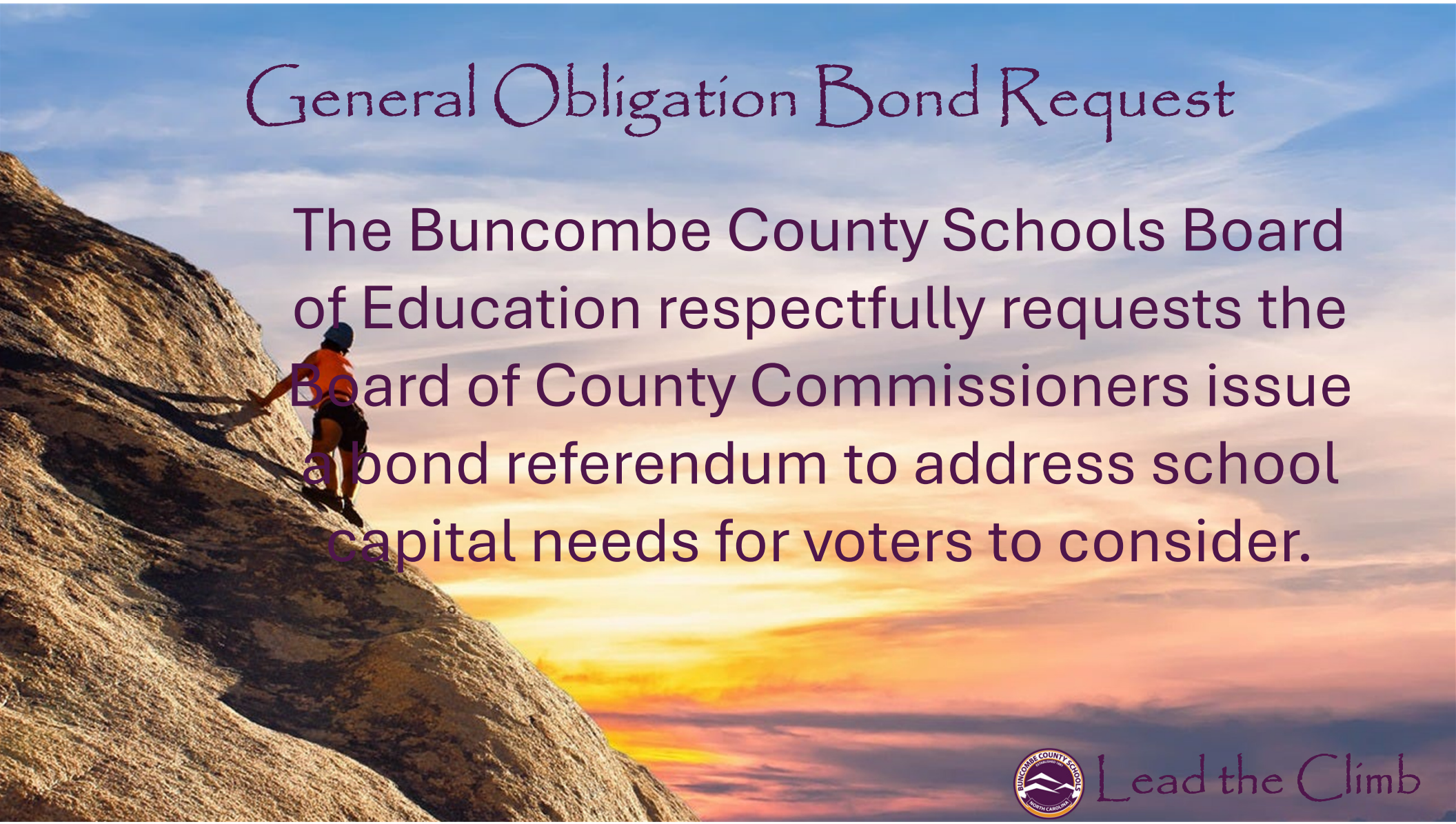
- BCS Bonds Needs

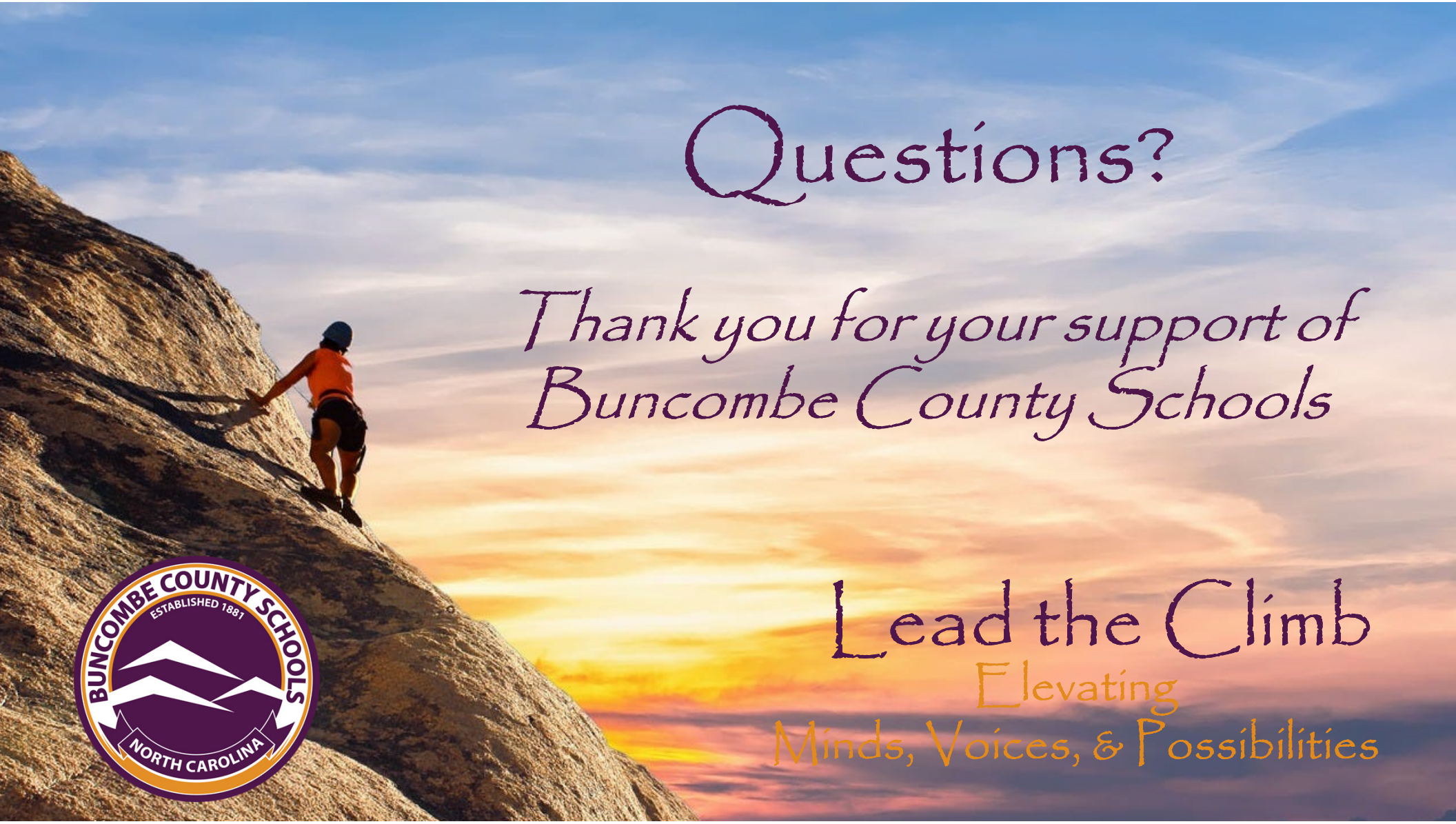
- Roofing: **$53,620,000**
  - 35 sites
- Major Renovations: **$220,000,000**
  - 10 sites – **Glen Arden ES**, WDWES, WWEES, WBES, PEP, Bus Garage Facility, ACRHS, WPS, NBES, NBMS
- Front Office Reconfiguration: **$29,800,000**
  - 28 sites
- Guard House / New Traffic Patterns: **$9,400,000**
  - 7 sites
- Mechanical Upgrades: **$118,000,000**
  - 8 sites
- Electrical Upgrades: **$23,585,000**
  - 46 sites
- Plumbing Upgrades: **$8,975,000**
  - 8 sites
- Athletic Facilities: **$24,550,000**
  - 11 sites

**Total = $487,930,000**

**Total w/ Design Fees = $536,723,000**

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General Obligation Bond Request
The Buncombe County Schools Board of Education respectfully requests the Board of County Commissioners issue a bond referendum to address school capital needs for voters to consider.
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Questions?
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# Debt at a High-Level

## Considerations

**General Obligation (GO) Bond:**

- Collateral is tied to the taxing power ("full faith and credit") of the county.
- Requires voter approval and immediate action for presentation at the June 2nd County Commissioner meeting.
- GO bonds rely on the General Fund, which is primarily supported by taxpayers and operates with limited capacity, making it important to carefully prioritize projects.
- Adding GO bond debt could further strain taxpayer-supported resources, limiting flexibility for future needs.

**Limited Obligation Bond (LOB):**

- Existing SCFC debt structure.
- Collateral is tied to a specific revenue source or pledged asset.
- Does not require voter approval.

When deciding to issue debt it is important to weigh **timing, cost, tax rate, and flexibility.** Bonds spread costs over time allowing for quicker project completion but add debt service obligations and in the case of GO bonds, require voter approval.

## Estimating Debt Service (High-Level)*

| Amount/ Principal | Interest | Total Debt Service | Max Annual Debt Service |
|---|---|---|---|
| $10M | $5.25M | **$15.25M** | $1M |
| 20M | 10.50M | **30.50M** | $2M |
| 50M | 26.25M | **76.25M** | $5M |
| 100M | 52.50M | **152.50M** | $10M |

Average School Capital Project Cost = $1,503,931**

Estimated Interest on a $50M Bond = ~33 projects

**Estimations based on 5.0% interest rate at a 20-year term.*
***SCFC Projects are typically phased- this amount represents a phased cost.*

# Project Updates

# ACS PROJECTS UPDATE

*Regular meeting*

Ronnie Lunsford

General Services

# Current Projects

- Lucy Herring Campus Wide Renovations
- Asheville High Arts Building HVAC
- Asheville High Culinary Kitchen Renovation
- Hall Fletcher Campus Wide Renovations
- Asheville Middle School Track Replacement
- Asheville High Stadium Repairs and Priority School Security Renovation

# Lucy Herring Renovations

- Construction is complete with only a few punch items remaining.
- The project budget was $8,338,743 and we are currently under budget approximately $25,000.

# Lucy Herring Renovations





# Lucy Herring Renovations





# Lucy Herring Renovations





# Lucy Herring Renovations





# Asheville High Arts Building

- Construction is 99% complete with only controls fine tuning and punch list items remaining.
- The project budget was $2,416,082 and we are currently under budget approximately $38,000.

# Asheville High Arts Building





# Asheville High Arts Building

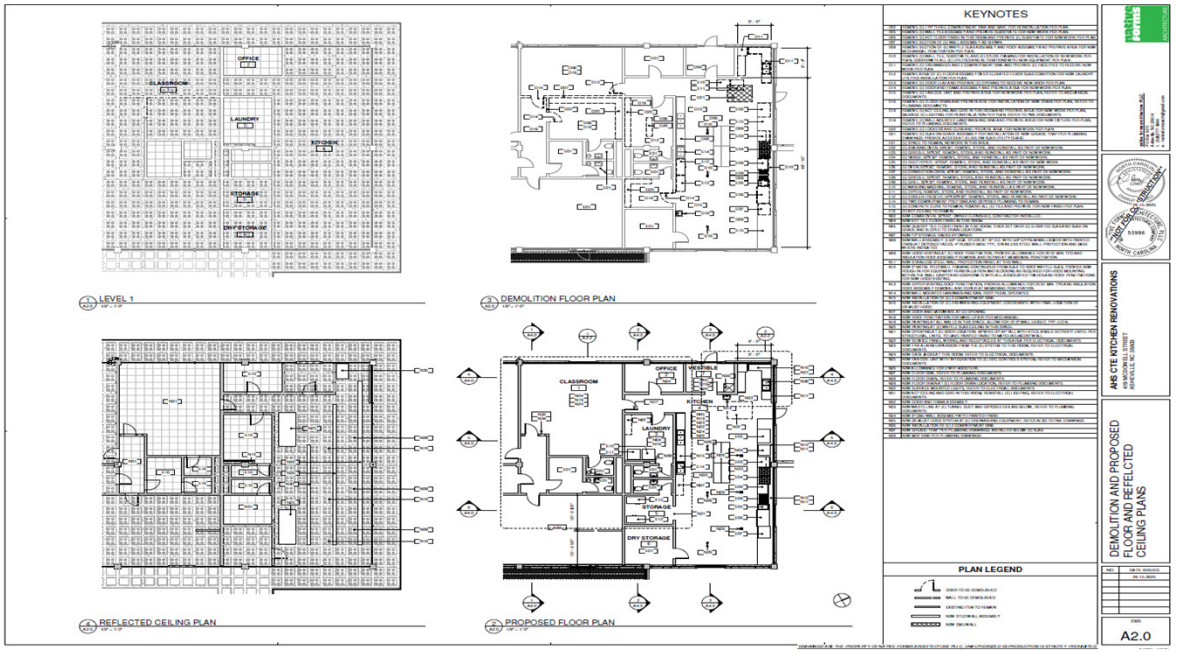




# Asheville High Culinary Kitchen Renovation

- Working to finalize the design with school administration and CTE staff.
- On schedule to finish design and bid this school year, with construction beginning in the summer.

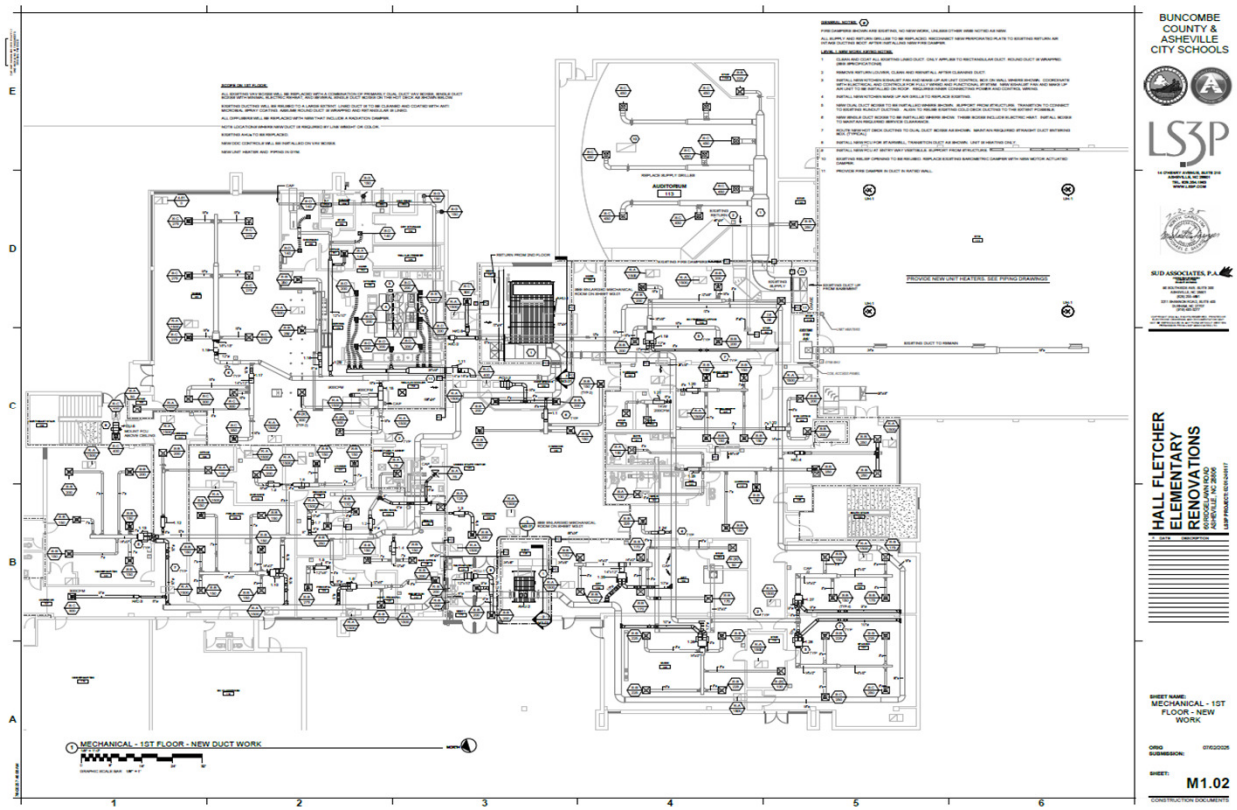
# Asheville High Culinary Kitchen Renovation



# Hall Fletcher Renovations

- Schematic design, design development, and 90% construction documents are complete. Construction documents are scheduled to be completed in early October.
- Preliminary cost estimates at each phase are in line with original budget.
- Bidding will occur in late October/early November.
- Construction will begin in 2026 with the final scheduled to be determined based on the phasing of work.

# Hall Fletcher Renovations



# Asheville Middle School Track And Changing Room

- We have selected a design firm from the request for qualifications.
- We have received their proposal and are currently working to get the design team under contract.

# Asheville High Stadium Repairs And Priority School Security

- We have released requests for qualifications for both projects.
- Statements of qualification are due on October 2 at 1:00 PM.
- Scoring will be performed by ACS and BC staff to choose a design team.

# Questions??



# SCHOOL CAPITAL FUND COMMISSION
# MAJOR PROJECT UPDATES

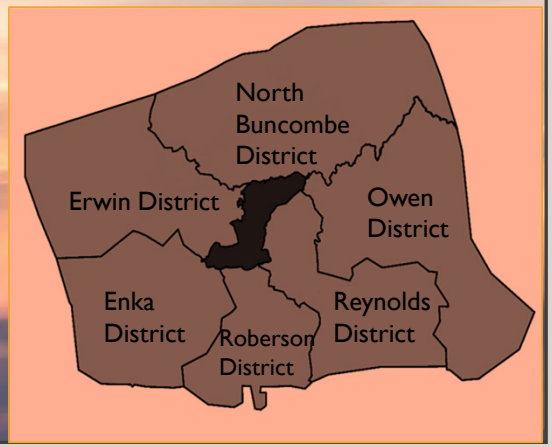
September 29, 2025

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# Buncombe County Schools: A Snapshot

- 15th largest school system (out of 115) in North Carolina based on student enrollment.
- Approximately 22,052 students and 3,371 employees.
- Consists of 44 school campus sites
- 1,310 Acres of Property
- 13,500,000 Square Ft. of Paved Roads & Parking
- 107 Acres/4,665,679 CFA Sq. Ft. of Buildings
- 102 Acres/4,500,000 Square Ft. of Roofs



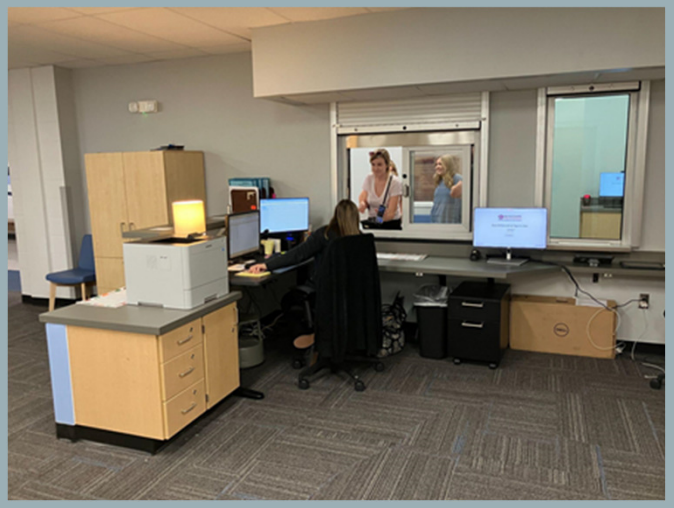

Lobby Security
Renovations
BUNCOMBE COUNTY SCHOOLS
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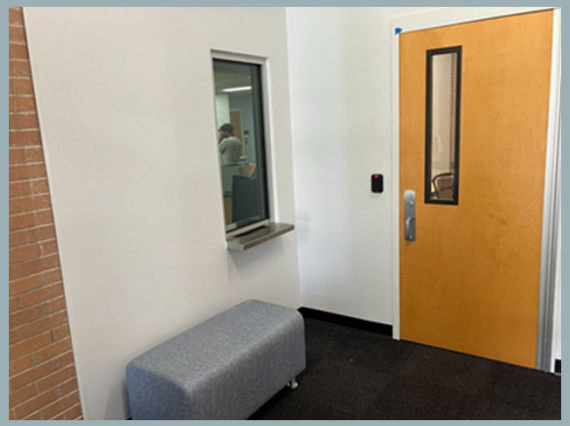


# T.C. ROBERSON HIGH SCHOOL: LOBBY SECURITY RENOVATIONS



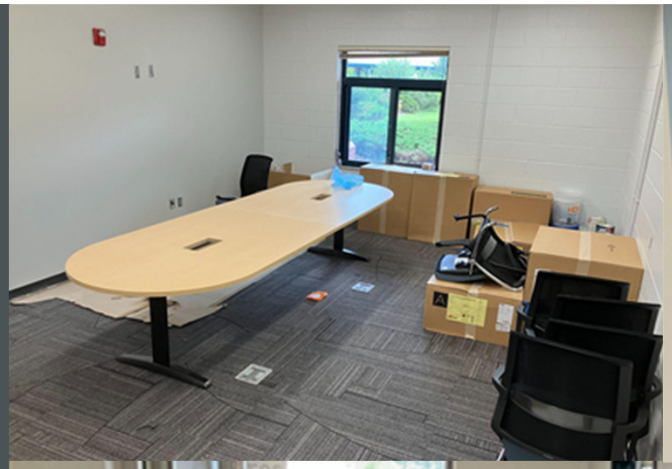


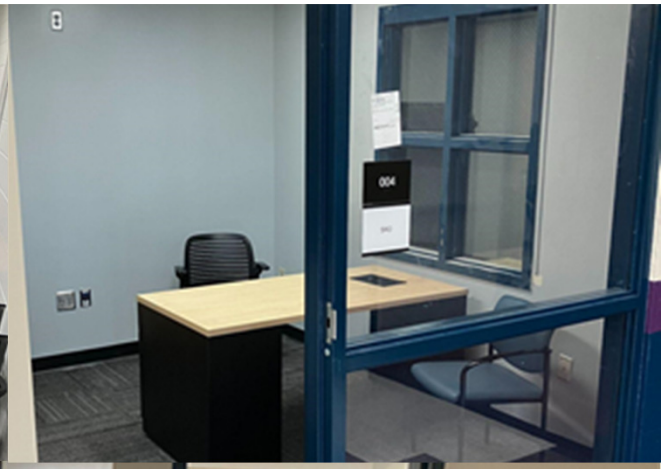
# ENKA HIGH SCHOOL LOBBY SECURITY





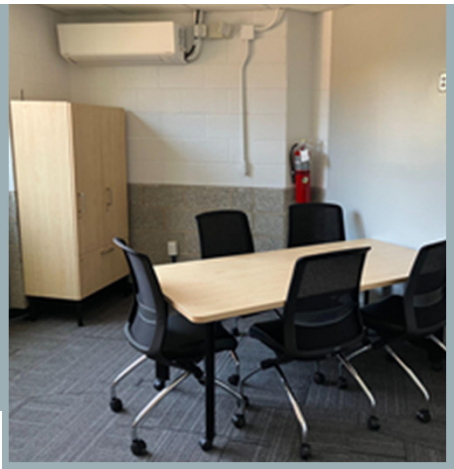
# NORTH WINDY RIDGE INTERMEDIATE SCHOOL LOBBY SECURITY







# JOHNSTON ELEMENTARY SCHOOL LOBBY SECURITY








Capital Additions &
Renovations
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# PROGRESSIVE EDUCATION PROGRAM
# ADDITIONS & RENOVATIONS

# ERWIN MIDDLE SCHOOL ADA & EGRESS RENOVATIONS














# WILLIAMS ELEMENTARY SCHOOL RENOVATIONS: PHASE I

# Roofing Phased Projects






# TC ROBERSON HIGH SCHOOL ROOFING

# HOMINY VALLEY ELEMENTARY SCHOOL ROOFING



# OAKLEY ELEMENTARY SCHOOL ROOFING




Energy Management
Upgrades
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# CHILLERS:

## AC REYNOLDS HIGH SCHOOL
## AC REYNOLDS MIDDLE SCHOOL
## TC ROBERSON HIGH SCHOOL

AC Reynolds High







AC Reynolds Middle



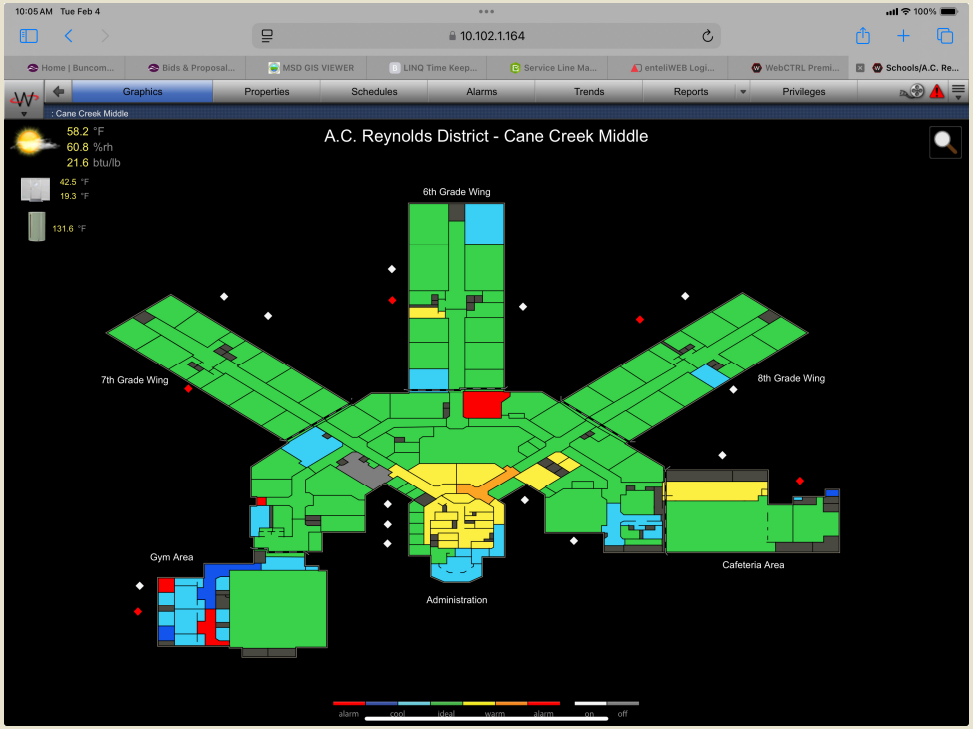
TC Roberson High



# ENERGY MANAGEMENT

## CANE CREEK MIDDLE SCHOOL



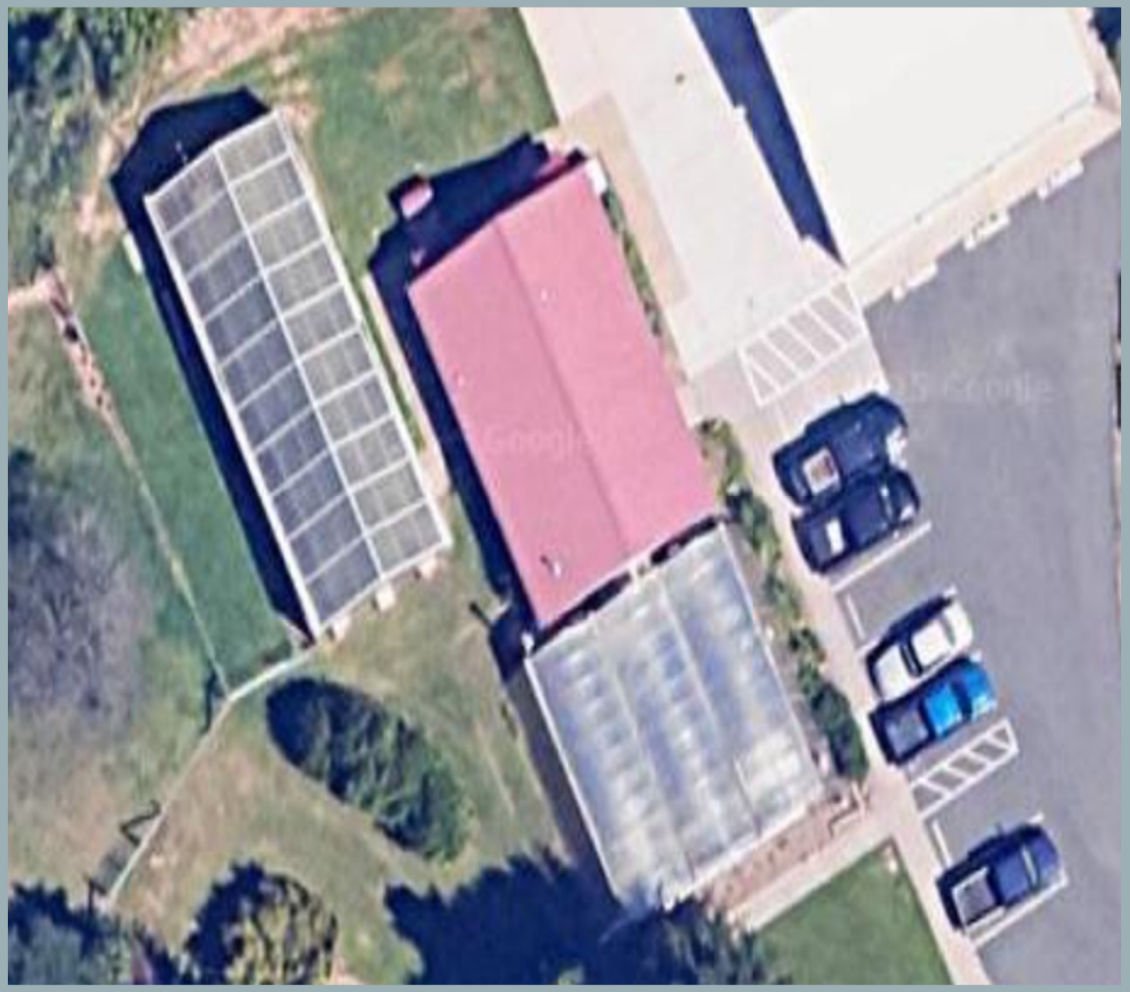




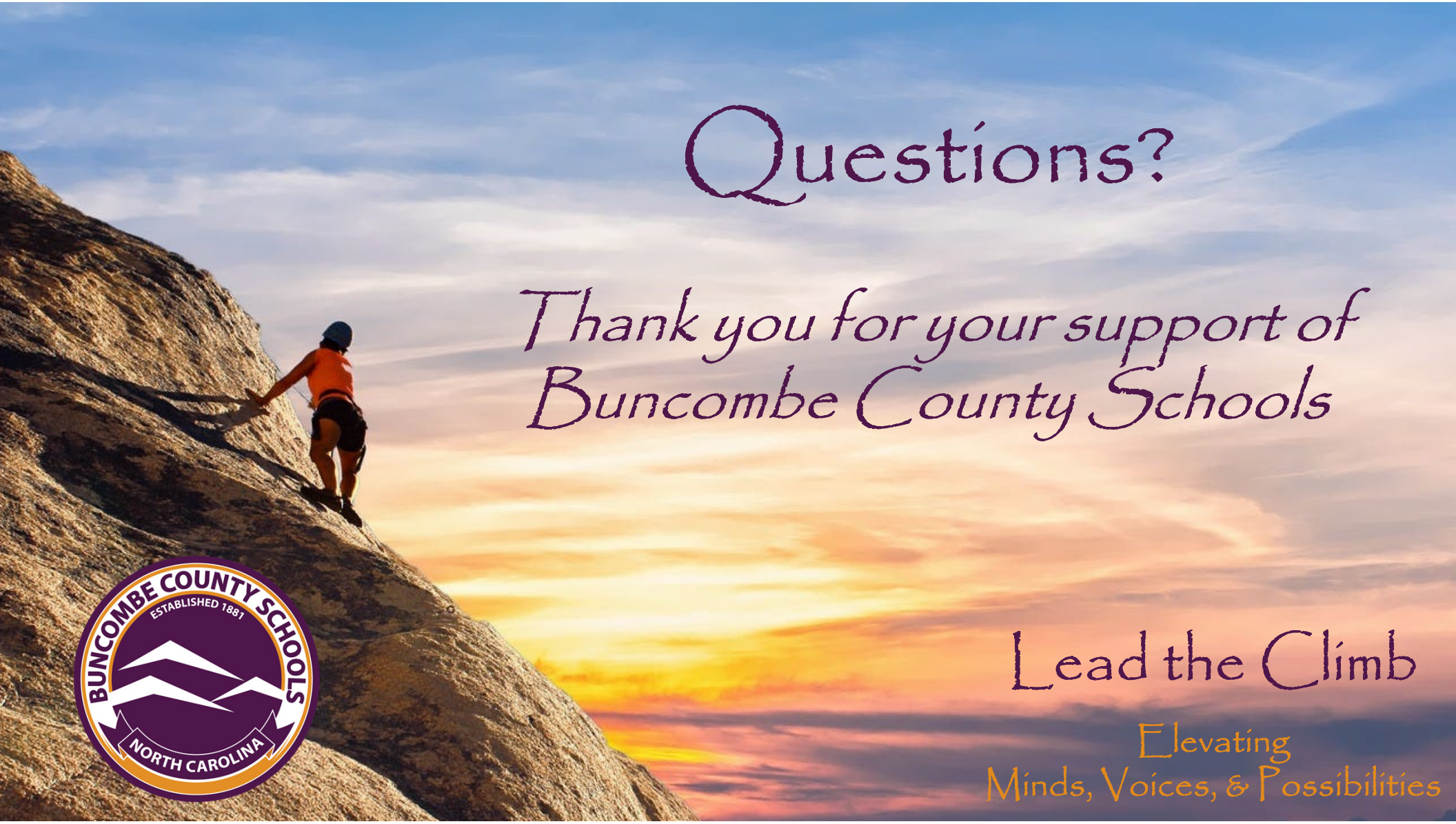




# NORTH BUNCOMBE HIGH SCHOOL HVAC UPGRADES



# HIGH SCHOOL GREENHOUSES: ADA/OCR RENOVATIONS


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# Open Discussion

# Next Scheduled Meeting:
# February 16, 2025
# 3 PM