MINUTES OF THE SCHOOL CAPITAL FUND
COMMISSION FOR BUNCOMBE COUNTY
REGULAR MEETING HELD, ON MONDAY, SEPTEMBER 29, 2025 AT 3:00 PM

BE IT REMEMBERED: That the School Capital Fund Commission met for a regular meeting on September 29, 2025, in the County Administration Building, 200 College Street, 1st Floor Conference Room in downtown Asheville, North Carolina at 3:00 p.m. where and when the following business was transacted:

The Commission meeting was called to order with the following Members present:

Terri Wells, Commission Chair
Matt Kern, Commission Member
Kimberly (Kim) Plemmons, Commission Member

County Staff Present: Matt Evans, Financial Planning & Analysis Manager; Keri Clark, Financial Analyst; Ronald Lunsford, General Services Facilities/Project Manager; Michael Frue, Senior Attorney III; Angelica Tyler, Information and Communication Specialist II; Mason Scott, Assistant Finance Director

Approval of Agenda as Presented
Commission Member Kim Plemmons moved that the Commission adopt the agenda as presented. The motion was seconded by Commission Member Matt Kern and passed unanimously.

Approval of July 21, 2025, Meeting Minutes
Commission Member Matt Kern moved that the Commission approve the meeting minutes. The motion was seconded by Commission Member Kim Plemmons and passed unanimously.

Public Comment
Commission Chair Terri Wells opened the floor for public comment. There was no public comment.

Reappointment of Commission Member Matt Kern
Commission Chair Terri Wells moved to reappoint Commission Member Matt Kern to the Commission. The motion was seconded by Commission Member Kim Plemmons and passed unanimously.

Article 39 Discussion
Representatives from Asheville City Schools and Buncombe County Schools shared information regarding the decision to reallocate funds originally reserved for school capital to school operating budgets. Buncombe County Schools Superintendent Dr. Rob Jackson stated that, although difficult, this decision allowed the school system to maintain service levels for the current year.

Financial Update
Financial Analyst Keri Clark presented a financial update to the Commission, including an overview of Article 39 sales tax, the primary revenue source for the School Capital Fund. She noted a slowing growth rate, with FY2025 ending in a 1.64% decrease from the prior year, consistent with the impacts of Hurricane Helene.

Ms. Clark also reviewed fund expenditures, highlighting debt service as the largest expenditure category. She reported that there are currently 97 active school capital projects, with approximately $56 million in projects still requiring debt funding. With the proposed new debt issuance, debt service expenditures are expected to increase by approximately $5 million beginning in FY2027. Financial Planning & Analysis Manager Matt Evans provided additional detail regarding the anticipated debt issuance timeline.

Ms. Clark concluded by presenting a historical breakdown of School Capital Fund allocations between Asheville City Schools and Buncombe County Schools, including the extent to which priority funding requests were met.

School Bond Discussion
Commission Chair Terri Wells opened discussion regarding potential General Obligation (GO) Bond funding for Buncombe County Schools. She noted that GO Bonds fall outside the Commission's formal authority; however, given their direct relationship to school capital funding, discussion was appropriate for informational purposes.

Buncombe County Schools Superintendent Dr. Rob Jackson presented on the impacts of shifting Article 39 funding to operating expenses, particularly delays to school capital projects. He outlined the scope of the Buncombe County Schools system, which includes 45 schools with an average facility age of 51 years. Dr. Jackson reviewed phased or postponed projects previously presented to the Commission and identified approximately $536.7 million in immediate capital needs across multiple campuses, inclusive of design costs. As a result, Buncombe County Schools has requested that the County Commissioners consider placing a GO Bond referendum before voters. Dr. Jackson stated that project prioritization would be based on the bond amount approved by the County Commissioners. Questions were addressed regarding work capacity, student and building capacity, project identification processes, and the studies informing these decisions. Representatives from Asheville City Schools also provided input regarding enrollment trends and building utilization studies, both past and ongoing.

Financial Planning & Analysis Manager Matt Evans presented an overview of the differences between General Obligation (GO) Bonds and Limited Obligation Bonds (LOBs), including potential tax implications and a high-level timeline of next steps. He also discussed debt service costs and interest considerations relative to average school capital project costs.

Project Updates
Representatives from both Asheville City Schools and Buncombe County Schools provided project updates.Ronnie Lunsford, representing Asheville City Schools and managing their School Capital Fund Commission projects, provided updates on completed and ongoing projects, including Lucy Herring renovations; Asheville High School arts building and culinary kitchen renovations; Hall Fletcher renovations; Asheville Middle School track and locker room repairs; Asheville High School stadium repairs; and security upgrades for priority schools.

Clark Wyatt represented Buncombe County Schools and provided updates on lobby security upgrades; Progressive Education Program additions and renovations; ADA and egress improvements at Erwin Middle School; W.D. Williams Phase I renovations; systemwide roofing projects; energy management and HVAC upgrades; and ADA improvements to greenhouses.

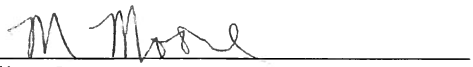
Open Discussion
Commission Chair Terri Wells opened the floor for additional discussion. Commission Member Matt Kern requested clarification from Buncombe County Schools regarding estimated costs for electrical upgrades. Commission Member Kim Plemmons discussed the anticipated timeline for a GO Bond issuance.

Adjournment
Commission Member Matt Kern moved to adjourn the meeting at 4:46 p.m. The motion was seconded by Commission Member Kim Plemmons and passed unanimously. The meeting was adjourned at 4:46 p.m.

SCHOOL CAPITAL FUND COMMISSION FOR BUNCOMBE COUNTY

By Terri Wells
Terri Wells,
Commission Chair

ATTEST



Melissa Moore,
County Finance Officer