MINUTES OF THE SCHOOL CAPITAL FUND
COMMISSION FOR BUNCOMBE COUNTY
REGULAR MEETING HELD, ON WEDNESDAY, APRIL 28, 2025 AT 3:00 PM

BE IT REMEMBERED: That the School Capital Fund Commission met for a regular meeting on April 28, 2025, in the County Administration Building, 200 College Street, 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
George Sieburg, Commission Vice-Chair
Amanda Edwards, Commission Member
Matt Kern, Commission Member
Kim Plemmons, Commission Member

County Staff Present: Melissa Moore, Finance Director; Matt Evans, Financial Planning & Analysis Manager; Keri Clark, Financial Analyst; Ronald Lunsford, General Services Facilities/Project Manager; Amy Broughton, Senior Attorney I; Angelica Tyler, Information and Communication Specialist II

Approval to Follow Agenda
Commission Member Matt Kern moved that the Commission follow the agenda as presented. This was seconded by George Sieburg. The motion passed unanimously.

Approval of April 9, 2025 Meeting Minutes
Commission Member Kim Plemmons moved that the Commission approve the minutes. Matt Kern seconded the motion. The motion passed unanimously.

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

Article 39 Legislation Change Update/Discussion
Commission Chair Terri Wells discussed that there were no new legislative updates regarding Article 39. Mr. Matt Evans shared that the article was in the House of Representatives today but has not passed as there is still a lot more to happen before this bill becomes approved.

Discussion and Consideration of New Funding Requests for Fiscal Year 2026
Mr. Evans presented a summary of the financial status of the fund and recommended that the commission consider a $10,000,000 capacity for projects this year. He presented a financial scenario of the $10,000,000 capacity for the next 5 years, accounting for minimal growth, continuing as planned with debt financing the $58M remaining current projects, and no changes regarding Article 39 funding. It was shared with the board that the capacity can be used for pay-go projects, used to issue debt, or a combination of both. He encouraged the commission to consider pay-go for these projects as opposed to debt issuance to decrease reliance on debt. In this scenario, Mr. Evans estimated that with $10M capacity and expenses and growth remaining fairly consistent, fund balance would still be at a comfortable level several years into the future.

Mr. Evans continued this discussion by presenting several project options split between the school systems. He shared that these were examples of projects within the $10,000,000 capacity that could be considered both as pay-go, debt issuance, and a combination of both. A discussion was held regarding the impact of debt issuance on annual capacity using Buncombe County School's WD Williams renovation project as an example.

Commission Chair Terri Wells opened a discussion with Buncombe County Schools and Asheville City Schools to discuss potential changes to their priority projects if they continue with the $10,00,000 capacity suggestion. From this discussion, Commission Chair Wells asked the school systems to take time during the meeting to

come to the board with their priority projects based on an $8,000,000 capacity for Buncombe County Schools and a $2,000,000 capacity for Asheville City Schools. These numbers were decided based on Average Daily Membership (ADM) split. Discussion regarding how this capacity would be affected based on changes from Article 39 occurred with Mr. Evans showing scenarios if legislative action reduced the revenues by $4,000,000 and by $7,000,000. In these scenarios, the recommended capacity of $10,000,000 did not change. Commission Member Kim Plemmons moved that the commission take a 30-minute recess to allow for this decision, Commission Member George Sieburg seconded the motion. The motion passed unanimously at 3:43PM.

At 4:07PM, Commission Chair Terri Wells called the commission back from recess after confirming both school systems had their priority requests ready to present. Mr. Evans displayed that Asheville City Schools had determined approximately $2.4 million in top priority projects and Buncombe County Schools had determined approximately $8.5 million in projects. A discussion was had regarding the overage to the $10,000,000 capacity with Ms. Melissa Moore explaining that the board is able to approve this overage with the understanding that if sales tax growth does not grow by 1% as forecasted, some projects may need to be put on hold.

Vote on Projects to Recommend to the Board of Commissioners
Commission Chair Terri Wells made a motion to recommend $10,961,967 worth of projects (Asheville City Schools: $2,461,967; Buncombe County Schools: $8,500,000). Commission Member Matt Kern seconded. The motion passed unanimously. The breakdown of the recommended projects is:

Asheville City Schools		
Priority School - Security	$	1,650,000.00
Asheville High School - Stadium Repairs/Bleachers	$	811,967.00
Asheville City Schools Total	**$**	**2,461,967.00**
Buncombe County Schools		
Priority School Security Upfits: Countywide	$	660,000.00
Sand Hill-Venable Elementary Phased Reroofing	$	575,000.00
W. W. Estes Elementary Phased Reroofing	$	500,000.00
Avery's Creek Elementary Phased Reroofing	$	240,000.00
Leicester Elementary Phased Reroofing	$	500,000.00
Fairview Elementary Phased Reroofing	$	500,000.00
Martin L Nesbitt Discover Academy Phased Reroofing	$	600,000.00
C.A. Erwin Middle Phased Reroofing	$	500,000.00
A.C. Reynolds Middle Phased Reroofing	$	225,000.00
Barnardsville Elementary Phased Reroofing	$	125,000.00
West Buncombe Elementary Phased Reroofing	$	500,000.00
Hominy Valley Elementary Fire Alarm Replacement	$	350,000.00
TC Roberson High Tennis Courts Replacement	$	1,500,000.00
Valley Springs Middle Athletic Field Renovations	$	1,500,000.00
Buncombe County Aquatics Center Replace Pool Lighting Replacement	$	225,000.00
Buncombe County Schools Total	**$**	**8,500,000.00**

Open Discussion
Commission Member George Sieburg opened a discussion regarding the next five years if the $10,000,000 capacity suggestion continues. He asked the commission to consider how with not attending to all recommended projects now will increase the requests and needs in the future. Ms. Melissa Moore discussed that regarding the future of the fund and the implications of debt service, this capacity amount will help in decreasing the reliance

on debt. She emphasized that with pay-go and this capacity, they are getting more dollar for dollar out of the fund rather than sending some of that money to creditors.

Adjournment
Commission Member Amanda Edwards made a motion to adjourn the meeting at 4:18PM. This was seconded by Commission Member Kim Plemmons. The motion passed unanimously. The meeting was adjourned at 4:18PM.

SCHOOL CAPITAL FUND COMMISSION FOR BUNCOMBE COUNTY

By Terri Wells
Terri Wells,
Commission Chair

ATTEST

M Moore
Melissa Moore,
County Finance Officer