



School Capital Fund Commission

Special Meeting

April 29, 2024



Agenda

- ❖ Call to Order
- ❖ Approval to follow agenda as presented
- ❖ Approval of April 18, 2024 special meeting minutes
- ❖ Public Comment
- ❖ Financial Overview
- ❖ Discussion and Consideration of New Funding Requests Received and Presented at April 18, 2024 Meeting for Fiscal Year 2025 – Vote on Projects to Recommend
- ❖ Next Meeting – July 15th, 2024



Public Comment



Financial Overview

Public School Capital Needs Fund - For Planning Purposes

Fund Balance Forecast - Unaudited

Debt Issuance Year (X)

Fiscal Year

| | X 2024 | 2025 | X 2026 | 2027 | X 2028 |
|--|-------------------|---------------------|--------------------|---------------------|-------------------|
| Beginning balance | 33,712,301 | 64,980,447 | 42,780,767 | 34,878,157 | 5,228,717 |
| Total revenues | 77,643,072 | 29,488,732 | 50,078,507 | 30,680,077 | 80,622,127 |
| Total expenditures | 46,374,926 | 51,688,413 | 57,981,117 | 60,329,516 | 58,795,650 |
| Revenues over (under) expenditures | 31,268,147 | (22,199,681) | (7,902,610) | (29,649,440) | 21,826,477 |
| Estimated Fund Balance | 64,980,447 | 42,780,767 | 34,878,157 | 5,228,717 | 27,055,194 |
| Estimated Unspent Bond Proceeds (restricted) | 29,875,718 | - | - | - | 13,389,552 |
| Estimated Available Fund Balance | 35,104,730 | 42,780,767 | 34,878,157 | 5,228,717 | 13,665,642 |
| Project Approval Amount* | 46,516,721 | 15,000,000 | 55,000,000 | 27,612,069 | 28,164,310 |
| Debt Finance | 10,000,000 | 10,000,000 | 30,000,000 | 19,328,448 | 19,715,017 |
| Pay-go | 36,516,721 | 5,000,000 | 25,000,000 | 8,283,621 | 8,449,293 |
| Potential Cost Avoidance | 15,337,023 | 2,100,000 | 10,500,000 | 3,479,121 | 3,548,703 |

*FY24 includes previously approved, unfunded projects. FY26 and beyond are projected based on Schools' secondary priority lists and 90% of Article 39 revenues.



Summary

Total High Priority Funding Requests

| | |
|--------------|---------------------|
| ACS | \$4,783,460 |
| BCS | 32,665,000 |
| Total | \$37,448,460 |

See handout for project details



Allocation by average daily membership (ADM)

| District | ADM* | % | Funding Allocation |
|-------------------------|--------|------|--------------------|
| Asheville City Schools | 3,881 | 15% | 2,251,218 |
| Buncombe County Schools | 21,976 | 85% | 12,748,782 |
| Total: | 25,856 | 100% | 15,000,000 |

*Source: NC DPI Student Accounting Data, average of current school year (2023-2024)



1983 Session Law

Sec. 10. All funds in the capital reserve fund shall be used to finance public school capital construction and public school improvement and renovation projects in Buncombe County or to retire any indebtedness incurred by the county or a local school board for these purposes. The Commission shall annually divide the funds received that year into two accounts, one for the Buncombe County Board of Education and one for the Asheville City Board of Education. The division of funds shall be pro rata according to average daily membership in the two systems. If the funds in the capital reserve fund are to be expended to retire any indebtedness incurred by the county, they shall be drawn out of the two accounts established by this section pro rata, according to the average daily membership in the two systems. Any funds not expended in a fiscal year shall remain in that system's account for use in later years, including any accrued interest.

Original legislation prescribed funding allocation between school systems.



2015 Session Law

~~"Sec. 10. All funds in the capital reserve fund Public School Capital Needs Fund shall be used to finance public school capital ~~construction and~~ construction, to finance public school improvement and renovation projects ~~in Buncombe County~~ that exceed one hundred thousand dollars (\$100,000), or to retire any indebtedness incurred by the county or a local school board for these purposes. ~~The Commission shall annually divide the funds received that year into two accounts, one for the Buncombe County Board of Education and one for the Asheville City Board of Education. The division of funds shall be pro rata according to average daily membership in the two systems. If the funds in the capital reserve fund are to be expended to retire any indebtedness incurred by the county, they shall be drawn out of the two accounts established by this section pro rata, according to the average daily membership in the two systems. Any funds not expended in a fiscal year shall remain in that system's account for use in later years, including any accrued interest.~~ The Commission shall consider the capital needs of both the Buncombe County School System and the Asheville City School System, prioritize those needs, and recommend projects to be funded from the Public School Capital Needs Fund to the board of county commissioners based on the priority of needs determined.~~

Amended legislation removed allocation and enforced projects recommended based on priority.



Funding History

| Funding Year | ACS \$ in millions | ACS % | BCS \$ in millions | BCS % | Total Funded in millions | Total Requested (High-priority) in millions | Amount Funded |
|-----------------|-----------------------|------------|-----------------------|------------|-----------------------------|---|---------------|
| 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% |
| 2019 | \$9 | 23% | \$31 | 77% | \$40 | \$44 | 92% |
| Average: | \$8M | 28% | \$20M | 72% | \$28M | \$33M | 87% |



Scenario 1 (ADM)

| Priority Rating | School | District | Project Description | Estimated Cost/ Funding Request | Estimated Duration (Months) | Type of Project | Estimated Useful Life (Years) |
|-----------------|------------------------------|----------|--|---------------------------------|-----------------------------|----------------------------|-------------------------------|
| 1 | Priority School | BCS | Security Upfits: Countywide | 660,000 | 12 | Remodeling | Various |
| 1 | Multiple ACS Schools | ACS | General Security Upgrades | 110,000 | 12 | Major Maintenance | Various |
| 2 | W. D. Williams Elementary | BCS | Additions and Renovations - Phase 2 | 2,750,000 | 12 | Remodeling | 50 |
| 2 | Asheville Middle School | ACS | Construct new restroom/changing facility near the softball field for equitable facilities. | 786,500 | 14 | New Construction/ Addition | 50 |
| 3 | A.C. Reynolds High | BCS | Guardhouse & Rocket Drive Renovations | 2,250,000 | 8 | New Construction/ Addition | 30 |
| 3 | Asheville Middle School | ACS | Construct new concession stand and restroom facility at the track and field area. | 1,309,303 | 14 | New Construction/ Addition | 50 |
| 4 | Priority School | BCS | Lobby Security Upfits | 4,000,000 | 12 | Remodeling | 30 |
| 5 | North Buncombe High | BCS | Phase 2 Mechanical System Upgrade | 2,500,000 | | Heating & Cooling | |
| 8 | Sand Hill-Venable Elementary | BCS | Reroofing | 575,000 | 12 | Roofing | 30 |
| Total: | | | | 14,940,803 | | | |

| District | Project Amount Approved | % of Approved Total | # of Projects Approved |
|---------------|-------------------------|---------------------|------------------------|
| ACS | 2,205,803 | 15% | 3 |
| BCS | 12,735,000 | 85% | 6 |
| Total: | 14,940,803 | 100% | 9 |



Scenario 2 (Priority Based)

| Priority Rating | School | District | Project Description | Estimated Cost/ Funding Request | Estimated Duration (Months) | Type of Project | Estimated Useful Life (Years) |
|-----------------|---------------------------|----------|--|---------------------------------|-----------------------------|----------------------------|-------------------------------|
| 1 | Priority School | BCS | Security Upfits: Countywide | 660,000 | 12 | Remodeling | Various |
| 1 | Multiple ACS Schools | ACS | General Security Upgrades | 110,000 | 12 | Major Maintenance | Various |
| 2 | W. D. Williams Elementary | BCS | Additions and Renovations - Phase 2 | 2,750,000 | 12 | Remodeling | 50 |
| 2 | Asheville Middle School | ACS | Construct new restroom/changing facility near the softball field for equitable facilities. | 786,500 | 14 | New Construction/ Addition | 50 |
| 3 | A.C. Reynolds High | BCS | Guardhouse & Rocket Drive Renovations | 2,250,000 | 8 | New Construction/ Addition | 30 |
| 3 | Asheville Middle School | ACS | Construct new concession stand and restroom facility at the track and field | 1,309,303 | 14 | New Construction/ Addition | 50 |
| 4 | Priority School | BCS | Lobby Security Upfits | 4,000,000 | 12 | Remodeling | 30 |
| 4 | Asheville High School | ACS | Renovate the culinary space in CTE | 842,049 | 18 | Remodeling | 25 |
| 5 | North Buncombe High | BCS | Phase 2 Mechanical System Upgrade | 2,500,000 | | Heating & Cooling | |
| Total: | | | | 15,207,852 | | | |

| District | Project Amount Approved | % of Approved Total | # of Projects Approved |
|---------------|-------------------------|---------------------|------------------------|
| ACS | 3,047,852 | 20% | 4 |
| BCS | 12,160,000 | 80% | 5 |
| Total: | 15,207,852 | 100% | 9 |



Discussion



Next Meeting
July 15, 2024 - 3 PM
200 College Street, Room 310

