

Date: June 6, 2019

For ACTION

For INFORMATION

Board Agenda: Yes
No

FROM: Mignon R. Anthony, Chief Operating Officer
Erika Gulick, Senior Planner

THROUGH: Gregory C. Hutchings, Jr., Ed.D., Superintendent of Schools
Dominic Turner, Chief Financial Officer

TO: The Honorable Cindy Anderson, Chair, and Members of the Alexandria City School Board

TOPIC: Motion to Adopt the FY 2020 – 2029 Capital Improvement Program Budget

BACKGROUND: The School Board adopted its FY 2020 – 2029 Capital Improvement Program (CIP) Budget on December 20, 2018 totaling \$42.6 million for FY 2020 and \$478.5 million across all ten years. On May 2, 2019, City Council adopted its FY 2020 – 2029 CIP Budget which allocated funds for the entire amount requested as either *Direct Funding* or *Reserved Bond Capacity/Cash Capital*. This is detailed in the chart below.

Description	FY 2020 Appropriation	FY 2020 – 2029 Total Allocation
Capital Request to City, Per School-Board-Adopted Budget	\$42,609,638	\$478,530,584
Capital Allocations, Per City-Council-Adopted Budget:		
Direct Funding to ACPS	\$36,829,355	\$448,275,955
Reserved Bond Capacity/Cash Capital – Out Year Contingency	\$0	\$24,474,348
Reserved Bond Capacity/Cash Capital – Transportation Facility	\$0	\$6,710,000
Total Capital Allocations, Per City-Council-Adopted Budget	\$36,829,355	\$479,460,304
ACPS Capital Fund Budget Gap/Surplus, as of May 3, 2019	-\$5,780,283	\$929,720

The CIP allocation from the City Council approved CIP includes \$36.8M for FY 2020. This indicates a \$5.8M gap in funding from the School Board proposed \$42.6M for FY 2020. During the May 9, 2019 School Board Budget Work Session, ACPS Staff reported on the status of the CIP and proposed the following adjustments to address the funding gap in FY 2020:

Technical Adjustment:

The John Adams kitchen project was inadvertently doubled prior to School Board adoption. This project will be reduced from \$651,926 to \$325,963.

Deletes:

The Transportation Facility modernization project funds totaling \$6.7M will be deferred from FY 2020 to FY 2022 based on approved funding. This should align with the

timeline of the recommendations from the Witter-Wheeler campus study currently being conducted by the City of Alexandria's Department of General Services.

Adds:

City Council included an additional \$0.5M in the FY 2020 budget intended to be used for Mount Vernon Community School building upgrades. Staff recommends this funding be placed in the Mount Vernon renovation/reconfiguration budget line item, to increase this total line item to \$1M.

City Council approved a re-allocation of \$0.7M from the FY 2020 operating fund to FY 2020 CIP fund intended for ACPS textbooks. Staff recommends this funding be placed in a new budget line item under System-Wide: Curriculum and Instruction Materials and be used for the originally intended use outlined in the FY 2020 proposed Operating budget. Staff is also including the intended textbook replacement funding, as originally outlined in the proposed Operating budget, in the CIP for FY 2020 – 2029. Funds for textbook replacement are outlined in Attachment 3 under a new line item, System-Wide: Curriculum & Instruction Materials.

Adjustments required as a result of the decision to use the existing Patrick Henry building as swing space for Douglas MacArthur Elementary School will be incorporated as part of the FY 2021 – 2030 Superintendent's Proposed CIP to be consistent with CIP development practices and to have more accurate information available. Existing funds in the FY 2019 CIP will be used to pursue this project through FY 2020. ACPS and City staff will also be working collaboratively to update construction estimates for the FY 2021 – 2030 Superintendent's Proposed CIP.

These adjustments result in a total FY 2020 – 2029 CIP of \$488.2M and a gap from total City Council approved funding of \$8.7M in years FY 2021 – 2029. The total budget for FY 2020 is \$36.8M in alignment with City approved funding.

RECOMMENDATION: The Superintendent recommends that the School Board review the attachments and adopt the FY 2020-2029 CIP.

CONTACT PERSON: Mignon Anthony, Chief Operating Officer, (703) 819-8097

ATTACHMENTS:

1. Motion to Adopt the FY 2020 – 2029 Capital Improvement Program Budget
2. FY 2020 – 2029 CIP Summary
3. FY 2020 – 2029 CIP Details