Fall 2019 Capital Improvement Program (CIP) Worksessions

Joint City Council/School Board Budget Worksession

October 23, 2019
FY 2020 - FY 2029 USES $1.6 BILLION

- ACPS $479.5 M
- Transportation $237.1 M
- WMATA $143.3 M
- Community Development $145.6 M
- Public Buildings $150.3 M
- Reservation of Bond Capacity/Cash Capital for City/School Facilities $87.9 M
- Recreation & Parks $86.7 M
- CIP Development & Implementation Staff $77.8 M
- Stormwater Management $71.0 M
- Sanitary Sewers $65.2 M
- IT Plan $64.6 M
- Other Regional Contributions $8.9 M
City Council Approved CIP funds 98.2% of School Board Adjusted CIP. The current difference is the outyear (FY 21-29) funding of textbook replacement, which was not addressed in the FY 2020 Add/Delete process.
Averaged (per year of plan) request from School Board has increased from $17.9 M in FY 2003 to $47.8 M in FY 2020.
Note: FY 2020 – FY 2029 represent projected debt service, based on the Approved 10-year CIP.
Between FY 2020 & FY 2023, school attributable debt service is projected to increase $20.4 million; 5.0¢ on the real estate tax rate

**Note:** FY 2020 – FY 2029 represent projected debt service, based on the Approved 10-year CIP.
HOW TO FUND SCHOOL CAPITAL

• Additional $20.4 million needed by 2023 to support School capital debt service
• Limited tax base growth will not be sufficient to fund increase

Alternatives

• Reductions in City and School programs/capital investments
• Increasing the existing Real Estate tax rate by up to 5.0¢
• Establishing a separate dedicated Real Estate tax rate for school capital
• Consideration of increasing other taxes, which may require state enabling legislation
Capital Improvement Program
FY 2021-2030

Joint City Council – School Board Work Session
Purpose

• Inform City Council for anticipated School Board CIP changes related, but not limited to:
  – Douglas MacArthur project
  – High School Project
  – Targeted Facilities Assessments

• Follow through on a commitment to collaborate on innovative approaches recommended by the Task Force
Formulating the CIP Budget

Factors Considered:

• School Board CIP Budget Priorities
• Department/School Input
• Human Resources and Time Limitations
• Capacity Project Drivers
  – Long Range Educational Facilities Plan
  – Enrollment Projections
  – Feasibility Studies

• Non-Capacity Project Drivers
  – Facilities Assessments (Targeted and Other)
  – Roof Assessments
  – HVAC Assessments
  – Security Assessments
  – Kitchen Assessments
# School Board CIP Budget Priorities

## FY 2021-2030

<table>
<thead>
<tr>
<th>CAPACITY</th>
<th>NON CAPACITY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Safety &amp; Security</td>
</tr>
<tr>
<td>Pre-K Capacity</td>
<td>• Security Systems</td>
</tr>
<tr>
<td>Elementary Capacity</td>
<td>• Fire and Life Safety Systems</td>
</tr>
<tr>
<td></td>
<td>• Environmental Health and Safety Projects</td>
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<tr>
<td>Middle School Capacity</td>
<td>• Student Safety &amp; Accountability Technology</td>
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<tr>
<td>High School Capacity</td>
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</tr>
<tr>
<td>Land Acquisition</td>
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</tr>
<tr>
<td>Transportation</td>
<td></td>
</tr>
<tr>
<td>Buses/Fleet</td>
<td></td>
</tr>
</tbody>
</table>

[ACPS logo]

www.acps.k12.va.us
Capital Improvement Program

Mount Vernon-Play Garden

Mathew Maury-Roof

Patrick Henry-Aerial

www.acps.k12.va.us
Capacity Projects: Changes

• Adjust budgets for construction cost inflation
• Advance full Douglas MacArthur budget to FY21
• Re-allocate swing space funds for High School Project budget in FY22
• Targeted Facilities Conditions Assessments (TFCA) and Feasibility Studies confirm that:
  – George Mason requires a full modernization and should still be the next after Douglas MacArthur (Priority 1 in TFA)
  – Cora Kelly requires a full modernization and should be after George Mason (Priority 2 in TFA)
  – Transportation Facility is in critical condition and needs replacement (Priority 1 in TFA)
# Capacity Projects

<table>
<thead>
<tr>
<th>Site/Program</th>
<th>Description</th>
<th>Previous Funding Years</th>
<th>Adjusted Year</th>
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<tbody>
<tr>
<td>Douglas MacArthur</td>
<td>Replacement/Modernization and Capacity Addition</td>
<td>2022-2023</td>
<td>2021</td>
</tr>
<tr>
<td>Transportation Facility</td>
<td>Replacement/Modernization and Capacity Addition</td>
<td>2022</td>
<td>-</td>
</tr>
<tr>
<td>George Mason</td>
<td>Replacement/Modernization and Capacity Addition</td>
<td>2023-2025</td>
<td>-</td>
</tr>
<tr>
<td>Cora Kelly</td>
<td>Replacement/Modernization and Capacity Addition</td>
<td>2026-2027</td>
<td>-</td>
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<tr>
<td>New School</td>
<td>New School to Address Enrollment Growth</td>
<td>2028-2029</td>
<td></td>
</tr>
<tr>
<td>Matthew Maury</td>
<td>Replacement/Modernization and Capacity Addition</td>
<td>2030-2031</td>
<td>-</td>
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</tbody>
</table>
Non-Capacity Projects:

All Facilities Projects (Evaluation based on the TFCA Prioritization Approach)

Priority 1 – Critical to life safety: address within 1 year

Priority 2 – Becoming critical: address in 2 years

Priority 3 – To address predicted deterioration: address in 3-5 years

Priority 4 – recommended improvements: address in 5-10 years

Non-Facilities Projects

Consistency to maintain and modernize division including textbooks, fleet, safety and security, and technology
Impact of TFCA on CIP Budget
Non-Capacity Projects Only

<table>
<thead>
<tr>
<th>Targeted Facilities Priorities</th>
<th>Priority 1 2020-2021</th>
<th>Priority 2 2022</th>
<th>Priority 3 2023-2025</th>
<th>Priority 4 2026-2030</th>
<th>Total</th>
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<tr>
<td>TFCA Recommendation</td>
<td>$7,488,442</td>
<td>$10,054,133</td>
<td>$6,752,104</td>
<td>$7,016,000</td>
<td>$31,310,679</td>
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<td>School Board Budget in FY 2020-2029 CIP</td>
<td>$4,050,872</td>
<td>$2,850,423</td>
<td>$1,742,727</td>
<td>$681,156</td>
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Note: TFCA only included 6 facilities; the total final request will incorporate all ACPS non-capacity projects. All ACPS non-capacity facilities projects are being evaluated and re-prioritized.
Summary
The School Board’s CIP will reflect:

• A significant request in FY 2021 due to:
  – the advancing of Douglas MacArthur
  – increased funding needs for non-capacity

• The use of data to drive priorities and expenditures

• An aggressive timeline and a systematic plan to tackle:
  – **Aging Facilities** – old buildings making system failures more likely
  – **Educational Inadequacy** – buildings not meeting the current standards for learning environments (i.e. small classrooms, lack of light, etc.)
  – **Over-crowding** – continued enrollment growth has resulted in over-crowded schools division-wide
## Draft FY 2021-2030 CIP

<table>
<thead>
<tr>
<th>Site</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
<th>2027</th>
<th>2028</th>
<th>2029</th>
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<th>Grand Total</th>
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<td>George Mason</td>
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<td>Matthew Maury</td>
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<td>Transportation Services</td>
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<td><strong>Total Capacity Proposed</strong></td>
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<td><strong>Total Non-Capacity Proposed</strong></td>
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<td><strong>Total Proposed</strong></td>
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<td>Total City Approved Direct Funding</td>
<td>114,543,770</td>
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<td>Total City Approved Reserve Funding</td>
<td>5,419,889</td>
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<td>31,184,349</td>
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<td>Total City Approved</td>
<td>119,963,659</td>
<td>83,329,818</td>
<td>56,671,412</td>
<td>31,777,443</td>
<td>29,535,345</td>
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<td>Variance from Direct Funding</td>
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<td>(10,541,283)</td>
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<td>(6,985,915)</td>
<td>(10,419,692)</td>
<td>(4,777,252)</td>
<td>(6,909,671)</td>
<td>(5,217,124)</td>
<td>(3,175,748)</td>
<td>(16,000,000)</td>
<td>(108,553,400)</td>
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<tr>
<td>Variance from Total City Approved</td>
<td>(71,242,541)</td>
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<td>36,664,412</td>
<td>(5,282,557)</td>
<td>(7,864,655)</td>
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<td>(3,155,394)</td>
<td>(5,217,124)</td>
<td>(3,175,748)</td>
<td>(16,000,000)</td>
<td>(77,369,051)</td>
</tr>
</tbody>
</table>

**NOTE:** The Superintendent’s Proposed CIP has not been finalized; these numbers are subject to change.
CIP Budget Calendar

November 7, 2019 – Superintendent’s Proposed CIP

November 14, 2019 & November 25, 2019 – School Board Work Sessions

November 25, 2019 – Public Hearing on the CIP

December 12, 2019 & December 17, 2019 – School Board Add/Delete Work Sessions

December 19, 2019 – School Board Adoption of the CIP
Discussion