

ALEXANDRIA CITY PUBLIC SCHOOLS (ACPS)

The entire ACPS Capital Improvement Program can be found on-line at:

<https://www.acps.k12.va.us/departments/financial-services/budget>

Alexandria City Public Schools (ACPS) City Manager Proposed FY 2027 - FY 2036 Capital Improvement Program (CIP)

Overview

The City Manager Proposed FY 2027 - FY 2036 Capital Improvement Program (CIP) includes funding totaling \$193.6 million over the 10-year plan for school capital projects, which represents a \$95.6 million decrease in City funding over the prior City Adopted CIP for ACPS. For the Proposed FY 2027 – FY 2036 CIP, the City Manager has recommended providing funding roughly equivalent to the Schools' Non-Capacity capital program approved by the School Board for FY 2027 – FY 2036 (\$193.6 million). The remainder of the School Board's FY 2027 – FY 2036 capital funding request has been placed in a Reservation of Capital to ensure that capital funding is reserved in future years for School capacity projects (\$88.7 million). Releasing of funds from the Reservation of Capital, will be determined by the City Council, informed by dialogue with the School Board on these key land use decisions and their future impact on the community.

Capital Program Development

In light of the City's various priorities, the cost pressures associated with them, and the City's limited ability to increase the use of borrowing or pay-as-you-go cash capital, the development of the City Manager's Proposed FY 2027 – FY 2036 CIP included general guidance to both City departments and to ACPS staff on the amount of- and timing of capital funding that could likely be supported by the City's general fund.

On October 6, 2025, the City Manager provided guidance to the ACPS Superintendent on what was likely feasible to fund in the Proposed FY 2027 operating budget and Proposed FY 2027 – FY 2036 CIP. This guidance outlined the need to stay within the funding levels planned for FY 2027 – FY 2035 in the previously approved CIP. In total, the guidance provided by the City Manager recommended a 10-year capital funding request of \$285.8 million. Subsequently, this guidance was reaffirmed by City Council and incorporated into their budget guidance resolution to the City Manager, approved at the November 12, 2025 legislative meeting.

At the November 6, 2025 meeting of the ACPS School Board, the Superintendent proposed the School's FY 2027 – FY 2036 capital funding request which totaled \$340.4 million. The funding request proposed by the Superintendent exceeded the funding guidance provided by the City Manager by \$54.6 million over the 10-year plan.

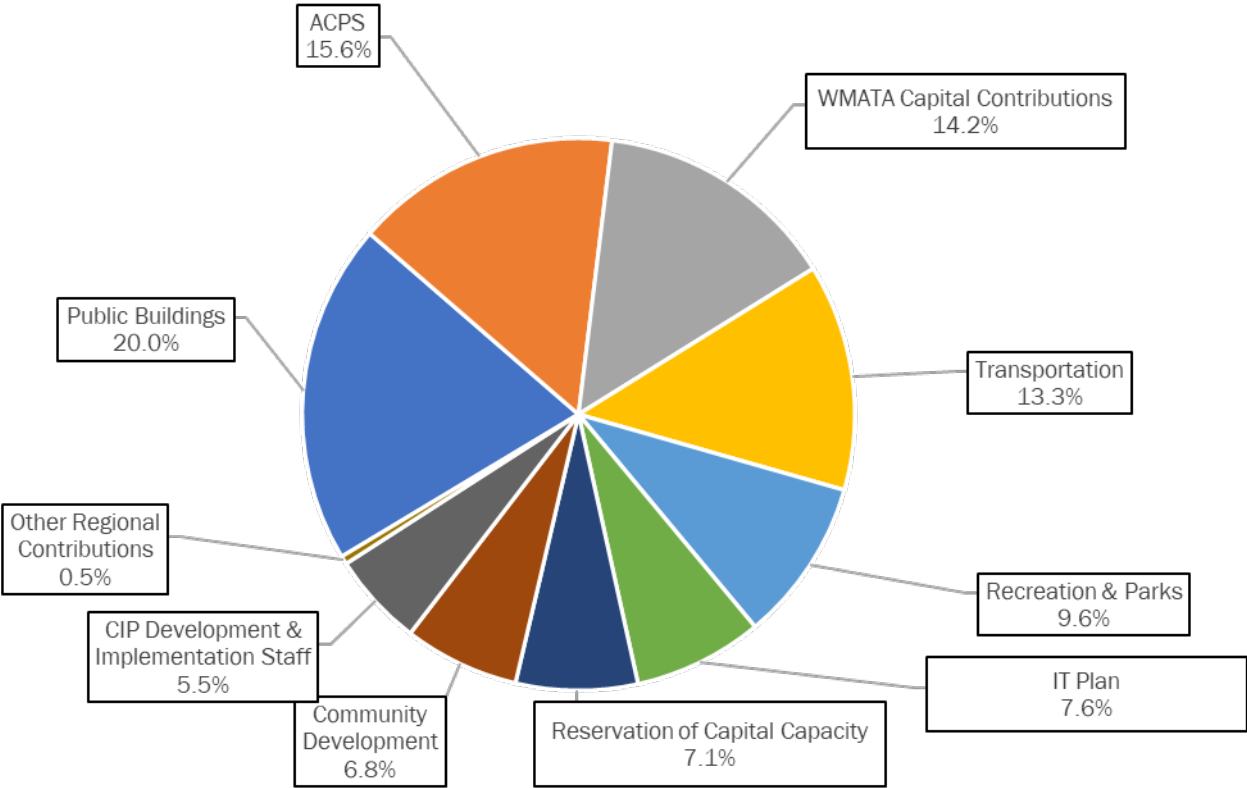
At the December 18, 2025 meeting of the ACPS School Board, the board approved its FY 2027 – FY 2036 capital funding request, which totaled \$282.3 million. This funding request was largely aligned with the funding guidance provided by the City Manager and City Council but included a significant deferral to the previously planned Cora Kelly Elementary School renovation project, the introduction of a \$30.0 million Transportation Facility project, and the inclusion of the Jefferson-Houston and Patrick Henry School conversion project proposals.

On February 24, 2026, the City Manager proposed the FY 2027 – FY 2036 Capital Improvement Program which includes funding for schools' capital projects totaling \$193.6 million. In addition to the funding included for the Schools capital program, an additional \$88.7 million in outyear funding has been placed in a Reservation of Capital, to ensure that capital funding is reserved in future years (\$88.7 million) to address middle school capacity issues and the renovation of Cora Kelly Elementary School in the 10-year plan. Releasing of funds from the Reservation of Capital, will be determined by the City Council, informed by dialogue with the School Board on these key land use decisions and their future impact on the community. The proposed CIP does not include these projects given the need for these important land use decisions to be decided by the City Council, in consultation with the School Board. The City Manager's Proposed FY 2027 Capital Budget provides funding for 100% of the School Board's Approved funding request for FY 2027.

As the City sets budget authority and timing in each year of the ten-year ACPS plan, the Proposed CIP represents the planned dollar level of capital investments for ACPS facilities. The School Board selects which projects will be undertaken and when they will be undertaken but is required to stay within the total CIP dollar amount appropriated by City Council.

City Manager Proposed FY 2027 - FY 2036 CIP – Distribution of City Unrestricted Funding

The Schools section of the CIP represents a significant investment of City resources. Of the City unrestricted funding sources in the CIP (general fund cash capital and general obligation bonds), the Schools Capital Program will use 15.6% of identified sources.



FY 2027 Proposed Capital Budget

The Proposed FY 2027 capital year budget reflects funding totaling \$24.95 million for the Schools’ capital program. This provides funding for 100% of the School Board’s capital funding request for FY 2027.

Schools’ Capital Program Impact on City’s General Fund Operating Budget

Due to the nature (cost and asset lifespan) of school capital projects, general obligation borrowing represents a significant portion of the funding strategy to meeting the needs of the Schools’ capital program. To service debt incurred on the behalf of school capital projects for previously approved/appropriated projects and planned projects, the Proposed FY 2027 Operating Budget includes an estimated \$50.3 million in principal and interest payments, a \$2.5 million or 5.1% increase over the amount included in the Approved FY 2026 Operating Budget.

Increases in school-attributable debt service are projected over the next few fiscal years, as significant bond proceeds will need to be raised to support school capital projects, including the on-going George Mason Elementary School project. Within the 10-year planning window of the Proposed FY 2027 – FY 2036 CIP, school attributable debt service is forecasted to increase from \$50.3 million in FY 2027 to a peak forecasted amount of \$56.7 million in FY 2028.

In addition to the debt service, the City's general fund also supports the Schools' operating budget. The FY 2027 City General Fund transfer to the Schools for operating purposes is \$286.6 million, which represents a \$4.2 million or 1.5% increase from FY 2026. In total, the increase in the Schools' operating transfer and debt service, totals \$6.7 million or 32% of all City general fund budget growth.

Projected Schools' Capital Program Attributable Debt Service

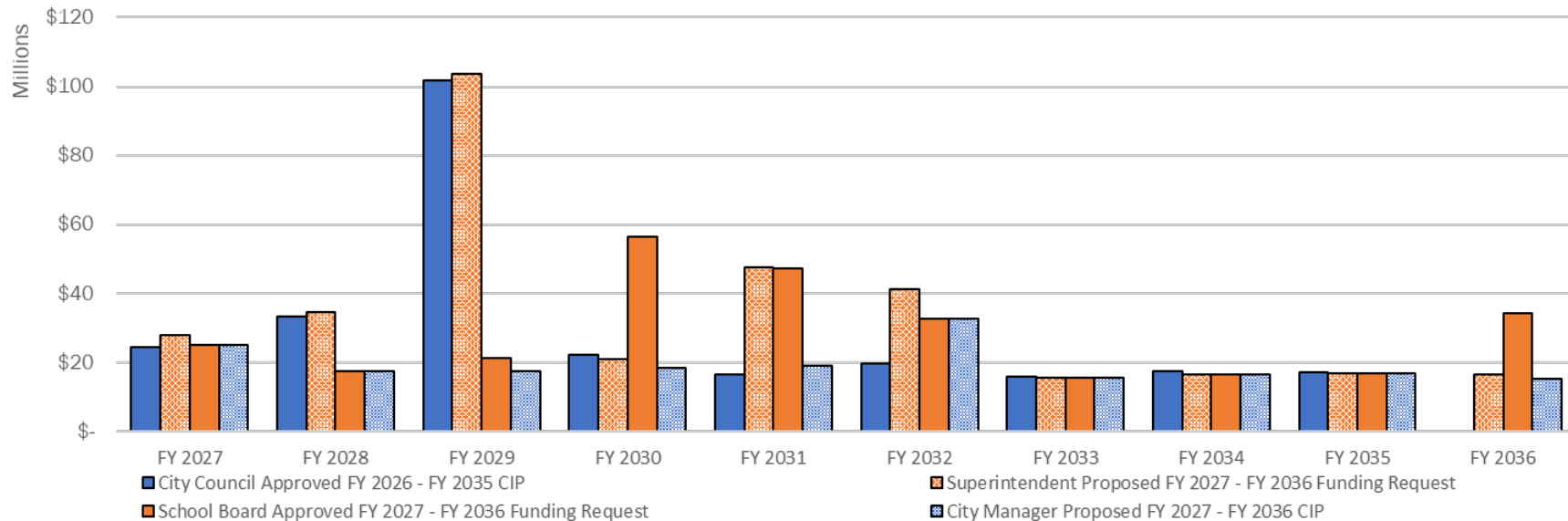
	Debt Issuance Contemplated	Projected Debt Service	Year-Over-Year Change (\$)	Year-Over-Year Change (%)
Proposed FY 2027 Budget	\$ 19,040,000	\$ 50,296,916	-	-
<u>Planned</u>				
FY 2028	\$ 11,936,000	\$ 54,844,175	\$ 4,547,259	9.0%
FY 2029	\$ 14,306,000	\$ 56,671,091	\$ 1,826,916	3.3%
FY 2030	\$ 17,416,000	\$ 54,968,274	\$ (1,702,817)	-3.0%
FY 2031	\$ 18,189,000	\$ 53,882,166	\$ (1,086,108)	-2.0%
FY 2032	\$ 30,338,000	\$ 53,362,516	\$ (519,650)	-1.0%
FY 2033	\$ 14,570,000	\$ 53,252,782	\$ (109,734)	-0.2%
FY 2034	\$ 14,525,000	\$ 50,381,745	\$ (2,871,037)	-5.4%
FY 2035	\$ 11,740,000	\$ 50,236,133	\$ (145,612)	-0.3%
FY 2036	\$ 7,741,000	\$ 48,990,712	\$ (1,245,421)	-2.5%
FY 2027 - FY 2036 Total	\$ 159,801,000	\$ 526,886,510		

FY 2027 – 2036 City Manager Proposed CIP Compared to the School Board Approved Capital Funding Request

As discussed in the Overview section, the City Manager Proposed CIP provides \$193.6 million within the overall 10-Year CIP for school capital projects, which funds 68.6% of the School Board Approved FY 2027 – FY 2036 capital funding request. The City Manager Proposed FY 2027 Capital Budget provides funding for 100% of the School Board's Approved funding request for FY 2027.

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032
City Manager's Proposed FY 2027 - FY 2036 CIP	\$ 24,950,000	\$ 17,428,000	\$ 17,565,000	\$ 18,279,000	\$ 19,087,000	\$ 32,500,000
School Board Approved FY 2027 - FY 2036 Funding Request	\$ 24,949,500	\$ 17,427,900	\$ 21,123,100	\$ 56,379,100	\$ 47,086,900	\$ 32,499,800
Difference: City Manager's Proposed - School Board Request	\$ 500	\$ 100	\$ (3,558,100)	\$ (38,100,100)	\$ (27,999,900)	\$ 200
	FY 2033	FY 2034	FY 2035	FY 2036	FY 2027 - FY 2036	
City Manager's Proposed FY 2027 - FY 2036 CIP	\$ 15,440,000	\$ 16,382,000	\$ 16,643,000	\$ 15,342,000	\$ 193,616,000	
School Board Approved FY 2027 - FY 2036 Funding Request	\$ 15,439,800	\$ 16,382,000	\$ 16,642,800	\$ 34,342,000	\$ 282,272,900	
Difference: City Manager's Proposed - School Board Request	\$ 200	\$ -	\$ 200	\$ (19,000,000)	\$ (88,656,900)	

Schools Capital Funding Comparison



Alexandria City Public Schools (ACPS) School Board Approved FY 2027 – 2036 Capital Funding Request

Approved on December 18, 2025

Site	Program	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Grand Total
Leased Space Renovation	Construction of Renovation & Capacity	2,000,000										2,000,000
Jefferson-Houston Conversion	Design, Project Management & Other Soft Costs			2,700,000								2,700,000
	Construction of Renovation & Capacity				27,500,000							27,500,000
Patrick Henry Conversion	Design, Project Management & Other Soft Costs			858,000								858,000
	Construction of Renovation & Capacity				8,600,000							8,600,000
Transportation Facility	Design, Project Management & Other Soft Costs				2,000,000							2,000,000
	Construction of Renovation & Capacity					28,000,000						28,000,000
Cora Kelly	Design, Project Management & Other Soft Costs										19,000,000	19,000,000
Grand Total		2,000,000		3,558,000	38,100,000	28,000,000					19,000,000	90,658,000
Total Non-Capacity		22,949,500	17,427,900	17,565,100	18,279,100	19,086,900	32,499,800	15,439,800	16,382,000	16,642,800	15,342,000	191,614,900
Total Proposed		24,949,500	17,427,900	21,123,100	56,379,100	47,086,900	32,499,800	15,439,800	16,382,000	16,642,800	34,342,000	282,272,900