



March 31, 2022

# BUDGET WORKSESSION #3

## CAPITAL IMPROVEMENTS PROGRAM

# Agenda

1. Proposed 5-Year CIP
2. Planning Commission Recommendations
3. Applicable Financial Policies
4. Potential Amendments

# Capital Improvements Program

## 5-Year Spending Plan

1. Five-year financing plan
2. Projects usually cost more than \$50,000
3. Generally Non-recurring and Non-operational
4. Projects have useful life of five years or more

### Not Shown in the 5-Year Plan:

1. Projects Approved in Prior Years
  - ABNI Projects - \$66.2M

# FY 2023 – 2027 CIP Plan

## City Manager Proposed CIP

|                             | <b>FY 2023</b> | <b>FY 2024</b> | <b>FY 2025</b> | <b>FY 2026</b> | <b>FY 2027</b> | <b>Totals</b>  |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <b>Sources of Funds:</b>    |                |                |                |                |                |                |
| General fund transfer       | \$ 6,737,940   | \$ 7,549,378   | \$ 6,580,400   | \$ 6,476,400   | \$ 6,481,098   | \$ 33,825,216  |
| Year- End Surplus           | -              | -              | -              | -              | -              | \$ -           |
| Bond issues                 | 16,867,467     | 85,273,907     | 9,885,491      | 9,885,491      | -              | \$ 121,912,356 |
| Other                       | 380,500        | 318,000        | 318,000        | 318,000        | 318,000        | \$ 1,652,500   |
| Total sources               | \$ 23,985,907  | \$ 93,141,285  | \$ 16,783,891  | \$ 16,679,891  | \$ 6,799,098   | \$ 157,390,072 |
| <b>Uses of funds:</b>       |                |                |                |                |                |                |
| Education                   | \$7,100,000    | \$75,900,000   | \$2,150,000    | \$2,150,000    | \$1,311,000    | \$88,611,000   |
| Economic development        | \$95,000       | \$120,000      | \$120,000      | \$120,000      | \$0            | \$455,000      |
| Facilities Capital Projects | \$1,420,491    | \$1,420,492    | \$1,420,491    | \$1,470,491    | \$1,295,098    | \$7,027,063    |
| Public safety and justice   | \$1,360,776    | \$1,306,215    | \$153,800      | \$265,000      | \$0            | \$3,085,791    |
| Transportation and access   | \$4,919,440    | \$4,556,178    | \$4,429,600    | \$4,414,400    | \$0            | \$18,319,618   |
| Parks and recreation        | \$1,475,200    | \$1,473,400    | \$895,000      | \$895,000      | \$78,000       | \$4,816,600    |
| Affordable Housing          | \$7,325,000    | \$8,075,000    | \$7,325,000    | \$7,075,000    | \$4,075,000    | \$33,875,000   |
| General government          | \$290,000      | \$290,000      | \$290,000      | \$290,000      | \$40,000       | \$1,200,000    |
| Total uses                  | \$ 23,985,907  | \$ 93,141,285  | \$ 16,783,891  | \$ 16,679,891  | \$ 6,799,098   | \$ 157,390,072 |

| <b>EDUCATION</b>                             | <b>Proposed<br/>FY23</b> | <b>Projected<br/>FY24</b> | <b>Projected<br/>FY25</b> | <b>Projected<br/>FY26</b> | <b>Projected<br/>FY27</b> | <b>5 Year<br/>Total</b> |
|--|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| <u>Project</u>                               |                          |                           |                           |                           |                           |                         |
| CHS Functional Renovation                    |                          |                           |                           |                           |                           |                         |
| Lump Sum to Schools (City Contribution)      | 1,200,000                | 1,200,000                 | 1,200,000                 | 1,200,000                 | 561,000                   | 5,361,000               |
| City Schools HVAC Replacement                | 750,000                  | 750,000                   | 750,000                   | 750,000                   | 750,000                   | 3,750,000               |
| City Schools Priority Improvement Projects   | 1,250,000                | 1,250,000                 | 0                         | 0                         | 0                         | 2,500,000               |
| Charlottesville High School Roof Replacement | 1,200,000                | 0                         | 0                         | 0                         | 0                         | 1,200,000               |
| Charlottesville City School Reconfiguration  | 2,500,000                | 72,500,000                | 0                         | 0                         | 0                         | 75,000,000              |
| School Small Capital Improvements Program    | 200,000                  | 200,000                   | 200,000                   | 200,000                   | 0                         | 800,000                 |
| <b>SUBTOTAL</b>                              | <b>\$7,100,000</b>       | <b>\$75,900,000</b>       | <b>\$2,150,000</b>        | <b>\$2,150,000</b>        | <b>\$1,311,000</b>        | <b>\$88,611,000</b>     |



**Education**  
**\$7,100,000 in FY 2023, \$88.6M 5-year total**

| <b>FACILITIES CAPITAL PROJECTS</b>        | <b>Proposed</b>  | <b>Projected</b> | <b>Projected</b> | <b>Projected</b> | <b>Projected</b> | <b>5 Year</b>    |
|---|------------------|------------------|------------------|------------------|------------------|------------------|
| <u>Project</u>                            | <u>FY23</u>      | <u>FY24</u>      | <u>FY25</u>      | <u>FY26</u>      | <u>FY27</u>      | <u>Total</u>     |
| Lump Sum to Facilities Capital Projects   | 1,045,491        | 1,045,492        | 1,045,491        | 1,045,491        | 1,045,098        | 5,227,063        |
| City Facility HVAC Replacement            | 250,000          | 250,000          | 250,000          | 250,000          | 250,000          | 1,250,000        |
| City and Schools Solar PV Program         | 75,000           | 75,000           | 75,000           | 75,000           | 0                | 300,000          |
| HVAC Contingency Fund - City Facilities   | 25,000           | 25,000           | 25,000           | 50,000           | 0                | 125,000          |
| HVAC Contingency Fund - School Facilities | 25,000           | 25,000           | 25,000           | 50,000           | 0                | 125,000          |
| <b>SUBTOTAL</b>                           | <b>1,420,491</b> | <b>1,420,492</b> | <b>1,420,491</b> | <b>1,470,491</b> | <b>1,295,098</b> | <b>7,027,063</b> |



**Facilities Projects**  
**\$1,420,491 in FY 2023, \$7.03M 5-year total**

**PUBLIC SAFETY AND JUSTICE**

Project

|                                     | <b>Proposed<br/><u>FY23</u></b> | <b>Projected<br/><u>FY24</u></b> | <b>Projected<br/><u>FY25</u></b> | <b>Projected<br/><u>FY26</u></b> | <b>Projected<br/><u>FY27</u></b> | <b>5 Year<br/><u>Total</u></b> |
|-------------------------------------|---------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|--------------------------------|
| Replacement Fire Apparatus          | 0                               | 1,152,415                        | 0                                | 0                                | 0                                | 1,152,415                      |
| Bypass Fire Station - Add'l Funding | 1,206,976                       | 0                                | 0                                | 0                                | 0                                | 1,206,976                      |
| Police Mobile Data Terminals        | 45,000                          | 45,000                           | 45,000                           | 75,000                           | 0                                | 210,000                        |
| Police Portable Radio Replacement   | 45,000                          | 45,000                           | 45,000                           | 75,000                           | 0                                | 210,000                        |
| Fire Portable Radio Replacement     | 45,000                          | 45,000                           | 45,000                           | 75,000                           | 0                                | 210,000                        |
| Sheriff Portable Radio Replacement  | 18,800                          | 18,800                           | 18,800                           | 40,000                           | 0                                | 96,400                         |
| <b>SUBTOTAL</b>                     | <b>\$1,360,776</b>              | <b>\$1,306,215</b>               | <b>\$153,800</b>                 | <b>\$265,000</b>                 | <b>\$0</b>                       | <b>\$3,085,791</b>             |



**Public Safety and Justice**  
**\$1,360,776 in FY 2023, \$3.09M 5-year total**

| <b>TRANSPORTATION AND ACCESS</b>                          | <b>Proposed</b>    | <b>Projected</b>   | <b>Projected</b>   | <b>Projected</b>   | <b>Projected</b> | <b>5 Year</b>       |
|---|--------------------|--------------------|--------------------|--------------------|------------------|---------------------|
| <u>Project</u>  | <u>FY23</u>        | <u>FY24</u>        | <u>FY25</u>        | <u>FY26</u>        | <u>FY27</u>      | <u>Total</u>        |
| New Sidewalks   | 100,000            | 100,000            | 100,000            | 100,000            | 0                | 400,000             |
| Sidewalk Repair   | 500,000            | 500,000            | 500,000            | 500,000            | 0                | 2,000,000           |
| SIA Immediate Implementation                              | 200,000            | 200,000            | 200,000            | 200,000            | 0                | 800,000             |
| Small Area Plans  | 100,000            | 100,000            | 100,000            | 100,000            | 0                | 400,000             |
| Street Milling and Paving                                 | 1,250,000          | 1,500,000          | 1,500,000          | 1,500,000          | 0                | 5,750,000           |
| ADA Pedestrian Signal Upgrades                            | 240,000            | 240,000            | 240,000            | 240,000            | 0                | 960,000             |
| Minor Bridge Repairs                                      | 225,000            | 225,000            | 225,000            | 225,000            | 0                | 900,000             |
| Citywide ADA Improvements - Sidewalks and Curbs           | 200,000            | 200,000            | 200,000            | 200,000            | 0                | 800,000             |
| Traffic Signal Infrastructure Replacement                 | 500,000            | 500,000            | 500,000            | 500,000            | 0                | 2,000,000           |
| Market Street Garage Concrete Structural Repairs          | 683,000            | 0                  | 0                  | 0                  | 0                | 683,000             |
| State Bridge and Highway Inspections                      | 60,000             | 75,000             | 100,000            | 100,000            | 0                | 335,000             |
| CAT Transit Bus Replacement Match                         | 139,510            | 114,400            | 114,400            | 114,400            | 0                | 482,710             |
| Intelligent Transportation System                         | 150,000            | 150,000            | 185,000            | 185,000            | 0                | 670,000             |
| City Wide Traffic Engineering Improvements                | 100,000            | 137,800            | 150,000            | 150,000            | 0                | 537,800             |
| Neighborhood Transportation Improvements                  | 50,000             | 50,000             | 50,000             | 50,000             | 0                | 200,000             |
| Bicycle Infrastructure                                    | 137,000            | 150,000            | 165,200            | 150,000            | 0                | 602,200             |
| Right of Way Appurtenance                                 | 25,000             | 75,000             | 100,000            | 100,000            | 0                | 300,000             |
| Traffic Sign Retro Reflective Compliance                  | 75,000             | 100,000            | 0                  | 0                  | 0                | 175,000             |
| ADA Ramp Corrections                                      | 134,930            | 138,978            | 0                  | 0                  | 0                | 273,908             |
| Historic District and Entrance Corridor Design Guidelines | 50,000             | 0                  | 0                  | 0                  | 0                | 50,000              |
| <b>SUBTOTAL</b>   | <b>\$4,919,440</b> | <b>\$4,556,178</b> | <b>\$4,429,600</b> | <b>\$4,414,400</b> | <b>\$0</b>       | <b>\$18,319,618</b> |

Transportation and Access  
 \$4,919,440 in FY 2023, \$18.32M 5-year total



**PARKS AND RECREATION**

| <u>Project</u>                                  | <u>Projected<br/>FY23</u> | <u>Projected<br/>FY24</u> | <u>Projected<br/>FY25</u> | <u>Projected<br/>FY26</u> | <u>Projected<br/>FY27</u> | <u>5 Year<br/>Total</u> |
|---|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| McIntire Park Drainage Corrections              | \$350,000                 | 0                         | 0                         | 0                         | 0                         | \$350,000               |
| Key Recreation Slate Roof Replacement           | \$42,000                  | \$486,000                 | 0                         | 0                         | 0                         | \$528,000               |
| Parks and Recreation Lump Sum Account           | 300,000                   | 400,000                   | 400,000                   | 400,000                   | 0                         | 1,500,000               |
| Parks and Schools Playground Renovations        | 112,000                   | 112,000                   | 112,000                   | 112,000                   | 0                         | 448,000                 |
| Urban Tree Planting                             | 75,000                    | 75,000                    | 75,000                    | 75,000                    | 0                         | 300,000                 |
| Parkland and Trails Acquisition and Development | 125,000                   | 125,000                   | 125,000                   | 125,000                   | 0                         | 500,000                 |
| Downtown Mall Infrastructure Repairs            | 78,000                    | 78,000                    | 78,000                    | 78,000                    | 78,000                    | 390,000                 |
| Parks and Recreation Comprehensive Master Plan  | 150,000                   | 0                         | 0                         | 0                         | 0                         | 150,000                 |
| Oakwood Cemetery Drainage and Road Issues       | 45,700                    | 0                         | 0                         | 0                         | 0                         | 45,700                  |
| Hazard and Liability Ash Tree Removal           | 105,000                   | 105,000                   | 105,000                   | 105,000                   | 0                         | 420,000                 |
| City/County - Ivy Creek Preservation Study      | 66,000                    | 92,400                    | 0                         | 0                         | 0                         | 158,400                 |
| City/County - Darden Towe Ash Trees             | 26,500                    | 0                         | 0                         | 0                         | 0                         | 26,500                  |
| <b>SUBTOTAL</b>                                 | <b>\$1,475,200</b>        | <b>\$1,473,400</b>        | <b>\$895,000</b>          | <b>\$895,000</b>          | <b>\$78,000</b>           | <b>\$4,816,600</b>      |



**Parks and Recreation**  
**\$1,475,200 in FY 2023, \$4.82M 5-year total**

| <b>ECONOMIC DEVELOPMENT</b>                     | <b>Proposed</b>  | <b>Projected</b> | <b>Projected</b> | <b>Projected</b> | <b>Projected</b> | <b>5 Year</b>      |
|---|------------------|------------------|------------------|------------------|------------------|--------------------|
| <u>Project</u>                                  | <u>FY23</u>      | <u>FY24</u>      | <u>FY25</u>      | <u>FY26</u>      | <u>FY27</u>      | <u>Total</u>       |
| Economic Development Strategic Initiatives      | 95,000           | 120,000          | 120,000          | 120,000          | 0                | 455,000            |
| <b>SUBTOTAL</b>                                 | <b>\$95,000</b>  | <b>\$120,000</b> | <b>\$120,000</b> | <b>\$120,000</b> | <b>\$0</b>       | <b>\$455,000</b>   |
| <b>GENERAL GOVERNMENT</b>                       | <b>Proposed</b>  | <b>Projected</b> | <b>Projected</b> | <b>Projected</b> | <b>Projected</b> | <b>5 Year</b>      |
| <u>Project</u>                                  | <u>FY23</u>      | <u>FY24</u>      | <u>FY25</u>      | <u>FY26</u>      | <u>FY27</u>      | <u>Total</u>       |
| Communications Technology Account/Public Access | 40,000           | 40,000           | 40,000           | 40,000           | 40,000           | 200,000            |
| City Wide IT Strategic Infrastructure           | 250,000          | 250,000          | 250,000          | 250,000          | 0                | 1,000,000          |
| <b>SUBTOTAL</b>                                 | <b>\$290,000</b> | <b>\$290,000</b> | <b>\$290,000</b> | <b>\$290,000</b> | <b>\$40,000</b>  | <b>\$1,200,000</b> |



Economic Development and General Government  
 \$385,000 in FY 2023, \$1.66M 5-year total

**AFFORDABLE HOUSING**

Project

|  | <b>Proposed<br/>FY23</b> | <b>Projected<br/>FY24</b> | <b>Projected<br/>FY25</b> | <b>Projected<br/>FY26</b> | <b>Projected<br/>FY27</b> | <b>5 Year<br/>Total</b> |
|--|--------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| Public Housing Redevelopment - (CRHA)          | 3,000,000                | 3,000,000                 | 3,000,000                 | 3,000,000                 | 0                         | 12,000,000              |
| Charlottesville Affordable Housing Fund (CAHF) | 925,000                  | 925,000                   | 925,000                   | 925,000                   | 925,000                   | 4,625,000               |
| Supplemental Rental Assistance                 | 900,000                  | 900,000                   | 900,000                   | 900,000                   | 900,000                   | 4,500,000               |
| Friendship Court Infrastructure Improvements   | 0                        | 2,500,000                 | 0                         | 0                         | 0                         | 2,500,000               |
| Friendship Court Redevelopment - Phase 2       | 2,500,000                | 0                         | 0                         | 0                         | 0                         | 2,500,000               |
| Friendship Court Redevelopment - Phase 3       | 0                        | 750,000                   | 2,500,000                 | 0                         | 0                         | 3,250,000               |
| Friendship Court Redevelopment - Phase 4       | 0                        | 0                         | 0                         | 2,250,000                 | 2,250,000                 | 4,500,000               |
| <b>SUBTOTAL</b>                                | <b>\$7,325,000</b>       | <b>\$8,075,000</b>        | <b>\$7,325,000</b>        | <b>\$7,075,000</b>        | <b>\$4,075,000</b>        | <b>\$33,875,000</b>     |



**Affordable Housing**  
**\$7,325,000 in FY 2023, \$33.88M 5-year total**

# CIP Revenues

## City Manager Proposed CIP

|   |                     |
|---|---------------------|
| Transfer from General Fund                    | 6,737,940           |
| Transfer from General Fund - Mall Vendor Fees | 78,000              |
| Contribution from Albemarle County (CATEC)    | 62,500              |
| Contribution from Schools (Small Cap Program) | 200,000             |
| PEG Fee Revenue                               | 40,000              |
| CY 2023 Bond Issue                            | 16,867,467          |
| <hr/>   |                     |
| <b>TOTAL AVAILABLE REVENUES</b>               | <b>\$23,985,907</b> |
| <hr/>   |                     |

5-Year Totals  
 \$ 33.83 million - Transfer from the General Fund  
 \$121.91 million - Bonds  
 \$1.65 million - Miscellaneous



# Planning Commission

## Recommendations

The Planning Commission held a joint public hearing on December 14, 2021 to provide recommendations on the City's Capital Improvement Plan for Fiscal Year 2023-27.

The Commission recommended approval with the following changes:

- Recommend that existing and requested parking structure funding be reduced to the minimum amount necessary to satisfy Charlottesville's commitment to provide parking for Albemarle County per a 2018 agreement related to the joint General District Court project. **\$1,317,000 funding removed from CIP**
- Recommend fully funding project requests for tree planting, new sidewalks, and bicycle infrastructure, and hazardous tree removal. **Request of \$105,000/year for Ash Tree Removal fully funded – Increase of \$30k per year FY 23 – 26 and \$100k funding added in FY 23 or New Sidewalks**
- Recommend reducing funds going toward economic development strategic initiatives, small area plans, and Strategic Investment Area implementation. **Decreased FY 23 funding by \$55k and \$30k per year FY 24 – 26. Total funding decrease of \$145k from \$600k to \$455k**

# Planning Commission

## Recommendations

- Recommend full funding of a request for the Stribling Avenue sidewalk project that developer is proposing to fund upfront as part of a proposed rezoning that Council will consider in 2022. **Funding scenario to be presented for Council consideration**
- Recommend exploration of ways to add enhancements to the Drewary Brown Bridge to honor the Bridge Builders. **Directed to Historic Resources Committee**
- Recommend increasing the budget for the Charlottesville Affordable Housing Fund and finding ways to fund unfunded affordable housing requests.
- Recommend reducing the milling and paving line item to a level allows us to maintain a target pavement condition of 65.

# Financial Policies

## 10% Debt Ratio

| "Planning"  |                                  |                                    |  |  |
|-------------|----------------------------------|------------------------------------|--|--|
| Fiscal Year | Bond Issue Amount <sup>(1)</sup> | Annual Debt Service <sup>(2)</sup> | General Fund Expenditure Budget <sup>(3)</sup> | Ratio of Debt Service to Total General Fund Expenditures |
| 2016        | 11,125,466                       | 9,128,798                          | 156,391,435                                    | 5.84%  |
| 2017        | 11,140,000                       | 10,103,067                         | 162,018,737                                    | 6.24%  |
| 2018        | 4,610,000                        | 10,615,335                         | 171,657,127                                    | 6.18%  |
| 2019        | 9,520,000                        | 10,375,167                         | 179,725,535                                    | 5.77%  |
| 2020        | -                                | 10,743,891                         | 188,863,920                                    | 5.69%  |
| 2021        | 22,655,000                       | 10,684,789                         | 191,195,873                                    | 5.59%  |
| 2022        | 15,000,000                       | 11,465,809                         | 192,212,843                                    | 5.97%  |
| 2023        | 17,500,000                       | 11,415,230                         | 206,964,265                                    | 5.52%  |
| 2024        | 28,000,000                       | 13,335,739                         | 217,489,345                                    | 6.13%  |
| 2025        | 36,500,000                       | 15,013,379                         | 220,751,685                                    | 6.80%  |
| 2026        | 28,000,000                       | 17,124,956                         | 224,062,960                                    | 7.64%  |
| 2027        | 15,000,000                       | 19,029,277                         | 227,423,905                                    | 8.37%  |
| 2028        | 15,000,000                       | 19,246,935                         | 230,835,263                                    | 8.34%  |
| 2029        | 15,000,000                       | 19,589,552                         | 234,297,792                                    | 8.36%  |
| 2030        | 15,000,000                       | 19,737,966                         | 237,812,259                                    | 8.30%  |
| 2031        | 15,000,000                       | 20,149,782                         | 241,379,443                                    | 8.35%  |
| 2032        | 15,000,000                       | 20,559,626                         | 245,000,135                                    | 8.39%  |

- Variables Subject to Change
  - Bond Issue Amount – New Projects and Projects Previously Approved
  - Timing of Bond Issues
  - Interest Rates
  - General Fund Growth
- Variable Relationships
  - More Debt = Higher Annual Debt Service
  - Reduced Capacity = shrinking General Fund Budget, higher Interest Rates
  - Increased Capacity = General Fund Growth, stable/lower interest rates



# Financial Policies

## 3% PayGo Policy



| <u>Fiscal Year</u> | <u>General Fund Budget</u> | <u>Budgeted/Policy Transfer - 3%</u> | <u>Year-End Surplus Transfer</u> | <u>% of Total Cash Transfer</u> |
|--------------------|----------------------------|--------------------------------------|----------------------------------|---------------------------------|
| 2010               | 139,429,736                | 4,575,000                            | 1,711,786                        | 5%                              |
| 2011               | 142,350,007                | 4,248,500                            | 2,056,226                        | 4%                              |
| 2012               | 143,306,538                | 4,919,505                            | 1,708,072                        | 5%                              |
| 2013               | 146,269,910                | 4,400,000                            | 3,070,703                        | 5%                              |
| 2014               | 148,167,862                | 4,467,500                            | 1,648,723                        | 4%                              |
| 2015               | 150,742,327                | 4,599,086                            | 972,595                          | 4%                              |
| 2016               | 156,381,435                | 4,750,000                            | 2,282,540                        | 4%                              |
| 2017               | 162,018,737                | 4,875,164                            | 3,918,223                        | 5%                              |
| 2018               | 171,657,127                | 5,165,164                            | 4,726,726                        | 6%                              |
| 2019               | 179,725,535                | 5,374,766                            | 3,201,082                        | 5%                              |
| 2020               | 188,863,920                | 7,093,323                            | 500,000                          | 4%                              |
| 2021               | 191,195,873                | 900,000                              | 3,909,846                        | 3%                              |
| 2022               | 190,689,839                | 6,880,841                            | 6,674,971                        | 7%                              |

5% Average

*Note: The FY 2021 Adopted Budget deferred the General Fund cash transfer to the CIP in order to create an Economic Downturn Reserve that would be available to offset the potential financial impacts of COVID. The funds in the reserve account were not needed and Council appropriated the return of those funds to the CIP in January 2022.*

# Financial Policies

## Peer Localities

| Locality             | % Pay-Go | Specific Language  |
|----------------------|----------|--|
| Albemarle County, VA | 3%       | The County believes in funding an appropriate portion of its capital improvements on a cash basis to provide budgetary flexibility, to support those capital expenses not eligible for debt financing, and to reflect useful life considerations. The County's goal is that the budgeted <b>net transfer to Capital after debt service would be 3% of General Fund Revenues.</b>   |
| City of Suffolk, VA  | 3%       | The City will develop an escalation plan to accomplish an annual allocation of an amount equal to <b>3% of the General Fund departmental expenditures (excluding transfers out, grants, fund balance and reserve allocations, debt service, and respective flow-through expenditures) to pay-as-you-go-capital improvements annually.</b> The escalation plan will begin with the FY 08 adopted budget and shall be increased annually for the ensuing five (5) year period until the 3% target is achieved. |
| City of Fairfax, VA  | 5%**     | The target for the <b>General Fund transfer to the Capital Fund shall be at least five percent of General Fund expenditures</b> to help insure adequate reinvestment in capital plant and equipment. <b>This transfer percentage incorporates the City's use of annual debt service payments toward capital projects.</b>  |

\*Peer group members not included: Virginia Cities of Manassas, Falls Church, Fredericksburg, Winchester, Williamsburg, and Town of Chapel Hill, NC

\*\*Includes capital fund transfers for debt service



# Potential CIP Amendments

## Council Considerations

### +\$4.9M Transportation and Access

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- Stribling Avenue Sidewalk
- Meadowcreek Trail – Section 3

### -\$6.2M Education

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- School Reconfiguration Project – from \$75M to \$68.8M

### +\$4.95M Affordable Housing

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- PHA – MACAA Apartments - \$3M
- PHA – Park Street Apartments - \$1.95M

# Potential CIP Amendments

## Stribling Avenue Sidewalk

|   | <u>Proposed</u><br><u>FY23</u> | <u>Projected</u><br><u>FY24</u> | <u>Projected</u><br><u>FY25</u> | <u>Projected</u><br><u>FY26</u> | <u>Projected</u><br><u>FY27</u> | <u>5 Year Total</u>           |
|---|--------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|-------------------------------|
| <b>Revenues</b>                             |                                |                                 |                                 |                                 |                                 |                               |
| Transfer from General Fund                  | 0                              | 0                               | 0                               | 0                               | 0                               | 0                             |
| Developer Financing Agreement               | 0                              | 0                               | 2,900,000                       | 0                               | 0                               | 2,900,000                     |
| Bond Previously Authorized - Parking Garage | 0                              | 0                               | 1,317,000                       | 0                               | 0                               | 1,317,000                     |
| <b>TOTAL AVAILABLE REVENUES</b>             | <b>\$0</b>                     | <b>\$0</b>                      | <b>\$4,217,000</b>              | <b>\$0</b>                      | <b>\$0</b>                      | <b>\$4,217,000</b>            |
| <b>TRANSPORTATION AND ACCESS</b>            |                                |                                 |                                 |                                 |                                 |                               |
| <u>Project</u>                              | <u>Proposed</u><br><u>FY23</u> | <u>Projected</u><br><u>FY24</u> | <u>Projected</u><br><u>FY25</u> | <u>Projected</u><br><u>FY26</u> | <u>Projected</u><br><u>FY27</u> | <u>5 Year</u><br><u>Total</u> |
| Stribling Sidewalk                          | 0                              | 0                               | 4,217,000                       | 0                               | 0                               | 4,217,000                     |
| <b>SUBTOTAL</b>                             | <b>\$0</b>                     | <b>\$0</b>                      | <b>\$4,217,000</b>              | <b>\$0</b>                      | <b>\$0</b>                      | <b>\$4,217,000</b>            |



# Potential CIP Amendments

## School Reconfiguration Project

|   | <b>Debt Scenarios</b> |                      |
|---|-----------------------|----------------------|
| Bond Funding Scenarios for School Reconfiguration           | \$ 54,000,000         | \$ 50,000,000        |
| <b><u>Potential Additional Cash Funding</u></b>             |                       |                      |
| FY 2021 Year-End Surplus                                    | \$ 6,700,000          | \$ 6,700,000         |
| Potential ARP Funding from Schools                          | \$ 7,500,000          | \$ 7,500,000         |
| Other Cash Source   | \$ 600,000            | \$ 4,600,000         |
| Total Other Cash Sources Identified to Date                 | \$ 14,800,000         | \$ 18,800,000        |
| <b>Total Project Funding</b>                                | <b>\$ 68,800,000</b>  | <b>\$ 68,800,000</b> |
| Annual Incremental Debt Service Transfer Increase - 3 years | \$ 1,947,112          | \$ 1,855,154         |
| Lump Sum Debt Service Transfer Increase                     | \$ 5,101,674          | \$ 4,869,779         |
| FY 2023 Tax Increase Equivalent*                            | \$0.0550              | \$0.0525             |

# Potential CIP Amendments

## PHA Affordable Housing Projects

|                                 | <u>Proposed</u><br><u>FY23</u> | <u>Projected</u><br><u>FY24</u> | <u>Projected</u><br><u>FY25</u> | <u>Projected</u><br><u>FY26</u> | <u>Projected</u><br><u>FY27</u> | <u>5 Year Total</u> |
|---------------------------------|--------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------|
| <b>Revenues</b>                 |                                |                                 |                                 |                                 |                                 |                     |
| Transfer from General Fund      | 0                              | 0                               | 4,950,000                       | 0                               | 0                               | 4,950,000           |
| <b>TOTAL AVAILABLE REVENUES</b> | <b>\$0</b>                     | <b>\$0</b>                      | <b>\$4,950,000</b>              | <b>\$0</b>                      | <b>\$0</b>                      | <b>\$4,950,000</b>  |

| <b>AFFORDABLE HOUSING</b>    | <u>Proposed</u> | <u>Projected</u> | <u>Projected</u>   | <u>Projected</u> | <u>Projected</u> | <u>5 Year</u>      |
|------------------------------|-----------------|------------------|--------------------|------------------|------------------|--------------------|
| <u>Project</u>               | <u>FY23</u>     | <u>FY24</u>      | <u>FY25</u>        | <u>FY26</u>      | <u>FY27</u>      | <u>Total</u>       |
| PHA - MACAA Apartments       | 0               | 0                | 3,000,000          | 0                | 0                | 3,000,000          |
| PHA - Park Street Apartments | 0               | 0                | 1,950,000          | 0                | 0                | 1,950,000          |
| <b>SUBTOTAL</b>              | <b>\$0</b>      | <b>\$0</b>       | <b>\$4,950,000</b> | <b>\$0</b>       | <b>\$0</b>       | <b>\$4,950,000</b> |

### Annual GF Transfer Change

|   | <u>Proposed</u><br><u>FY23</u> | <u>Projected</u><br><u>FY24</u> | <u>Projected</u><br><u>FY25</u> | <u>Projected</u><br><u>FY26</u> | <u>Projected</u><br><u>FY27</u> | <u>5 Year Total</u> |
|---|--------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------------------|---------------------|
| <b>Revenues</b>                                 |                                |                                 |                                 |                                 |                                 |                     |
| Transfer from General Fund - Already Programmed | 6,737,940                      | 7,549,378                       | 6,580,400                       | 6,476,400                       | 6,481,098                       | 33,825,216          |
| Additional Cash for PHA Projects                |                                |                                 | 4,950,000                       |                                 |                                 | 4,950,000           |
|   | 6,737,940                      | 7,549,378                       | 11,530,400                      | 6,476,400                       | 6,481,098                       | 38,775,216          |
| Year to Year Change                             |                                | 811,438                         | 3,981,022                       | (5,054,000)                     | 4,698                           |                     |

# FY 2023 Revenue Amendments

## Revised Projections

|  |                       |
|--|-----------------------|
| <b>Manager's Recommended FY 23 Revenue Estimates</b>       | <b>\$ 216,171,432</b> |
| <b>Amendments to FY 23 Revenue Estimates</b>               |                       |
| <i>Decrease Revenues</i>                                   |                       |
| <b>Taxes</b>   |                       |
| Virginia Communications Sales and Use Tax                  | (75,000)              |
| <i>Increase Revenues</i>                                   |                       |
| <b>Taxes</b>   |                       |
| Personal Property Tax (using current rate of \$4.20/\$100) | 2,000,000             |
| Utility Taxes  | 100,000               |
| Sales & Use Tax  | 900,000               |
| Transient Room Tax   | 500,000               |
| Meals Tax  | 25,000                |
| <b>Licenses and Permits</b>                                |                       |
| Business & Professional Licenses                           | 300,000               |
| <b>Designated Revenues</b>                                 |                       |
| Meals Tax Designated for the Debt Service Fund             | 26                    |
| <b>Total Revenue Amendments</b>                            | <b>\$ 3,750,026</b>   |
| <b>Total Amended FY 23 General Fund Revenue Estimates</b>  | <b>\$ 219,921,458</b> |

# FY 2022 Revised Revenue

## Revised Projections

|  | <u>FY 2022<br/>Budget</u> | <u>FY 2022<br/>Revised</u> | <u>Change</u>       |
|--|---------------------------|----------------------------|---------------------|
| <b><u>Local Taxes</u></b>                                  |                           |                            |                     |
| Real Estate Tax (using current rate of \$0.95/\$100)       | \$ 80,277,442             | \$ 83,722,339              | \$ 3,444,897        |
| Personal Property Tax (using current rate of \$4.20/\$100) | 9,741,000                 | 10,641,000                 | 900,000             |
| Public Service Tax   | 1,542,930                 | 1,589,086                  | 46,156              |
| Utility Taxes  | 4,500,000                 | 4,590,000                  | 90,000              |
| Virginia Communications Sales and Use Tax                  | 2,400,000                 | 2,270,000                  | (130,000)           |
| Tax on Bank Stock  | 1,200,000                 | 1,157,411                  | (42,589)            |
| Tax on Wills & Deeds                                       | 725,000                   | 1,000,000                  | 275,000             |
| Sales & Use Tax  | 12,000,000                | 13,900,000                 | 1,900,000           |
| Transient Room Tax   | 5,000,000                 | 7,000,000                  | 2,000,000           |
| Meals Tax  | 10,700,000                | 12,825,000                 | 2,125,000           |
| Cigarette Tax  | 550,000                   | 450,000                    | (100,000)           |
| <b><u>Licenses and Permits</u></b>                         |                           |                            |                     |
| Business & Professional Licenses                           | \$ 7,000,000              | \$ 8,700,000               | 1,700,000           |
| <b><u>Charges for Services</u></b>                         |                           |                            |                     |
| Recreation Income  | \$ 1,665,859              | \$ 1,472,699               | (193,160)           |
| <b><u>Designated Revenues</u></b>                          |                           |                            |                     |
| Meals Tax Designated for the Debt Service Fund             | \$ 2,140,000              | \$ 2,565,000               | \$ 425,000          |
| <b>Total Revenue Budget Surplus</b>                        |                           |                            | <b>\$12,440,304</b> |

# A Path Forward

## Potential Funding Scenarios

|   | <u>FY 2023<br/>Amendments</u> | <u>CIP<br/>Contingency</u> | <u>PROJECTED FY 2022<br/>Revenue Budget Surplus</u> |
|---|-------------------------------|----------------------------|---|
| <b>Potential Funding Available</b> (assumes <b>NO</b> change in current tax rates)      | <b>\$ 3,750,026</b>           | <b>\$ 11,433,191</b>       | <b>\$ 12,440,304</b>                                |
| <b><u>Potential CIP Amendments</u></b>  |                               |                            |   |
| School Reconfiguration - \$54M Bond Scenario (1st year of Add'l Debt Service)           | 1,947,112                     |                            |   |
| School Reconfiguration - \$54M Bond Scenario (Cash Contribution - FY 2021 Surplus)      |                               | 6,700,000                  |   |
| School Reconfiguration - \$54M Bond Scenario (Additional Cash Needed to get to \$68.8M) |                               |                            | 600,000   |
| School Reconfiguration - \$54M Bond Scenario (Years 2 of Add'l Debt Service)            |                               |                            | 1,947,112   |
| School Reconfiguration - \$54M Bond Scenario (Years 3 of Add'l Debt Service)            |                               |                            | 1,947,112   |
| PHA Projects - Cash Funded  |                               | 4,733,191                  | 216,809   |
| Meadowcreek Trail - Section 3   |                               |                            | 700,000   |
| <b><u>FY 2023 Budget Amendments</u></b>   |                               |                            |   |
| The Paramount Theater   | 7,500                         | -                          |   |
| Festival of Cultures  | (2,160)                       |                            |   |
| Housing Coordinator Position Upgrade  | 55,514                        |                            |   |
| Procurement - Restore Funding for 1 FTE - Buyer   | 81,355                        |                            |   |
| Sheriff - Vehicle Replacement (1)   | 46,500                        |                            |   |
| African American Heritage Center  | ??                            |                            |   |
| PHAR  | ??                            |                            |   |
| C4K   | ??                            |                            |   |
| Public Defender   | ??                            |                            |   |

# A Path Forward

## Potential Funding Scenarios

|  | <u>FY 2023<br/>Amendments</u> | <u>CIP<br/>Contingency</u> | <u>PROJECTED FY 2022<br/>Revenue Budget Surplus</u> |
|--|-------------------------------|----------------------------|---|
| <b><u>One-Time Considerations</u></b>                                    |                               |                            |   |
| DSS - Software Replacement - Foster Care Payments - City Match           |                               |                            | 150,000   |
| Procurement eSourcing Software   |                               |                            | 100,000   |
| 2 Additional Buses - Route 6 Equity Initiative                           |                               |                            | 1,000,000   |
| SAFER Grant Match - Adjusted for FY 22 Mid-year and FY 23 Proposed Merit |                               |                            | 2,109,000   |
| City Manager Fund  |                               |                            | 1,000,000   |
| <b>Balance</b>   | <b>\$ 1,614,205</b>           | <b>\$ -</b>                | <b>\$ 2,670,271</b>                                 |



# Wrap-up and Staff Follow-up

# Budget Calendar

## **March 31: Worksession, 6:00pm, Capital Improvements Program**

- Public invited. Opportunity for Council discussion with staff. Public comment at end.

## **April 4: Public Hearings, 6:30pm**

- Smaller presentation with opportunity for Public feedback and Council discussion

## **April 7: Worksession, 6pm - Remaining budget issues and wrap up**

- Public invited. Opportunity for Council discussion with staff. Public comment at end.

## **April 12: Budget Approval by City Council, 5:30pm**

# Appendix



# Projected Debt

5 Year CIP Plan – **INCLUDING** \$50 School Reconfiguration Project  
*\$132.4M Total 5 Year Plan - \$96.9M Bonds*

## Assumptions:

- *\$15M New Bonds Annually based on historical average + **\$50M for School Reconfiguration***
- *Annual borrowing rates: 2.5% FY22, 3% FY23, 3.5% FY24, 4% FY25 and beyond*
- *General Fund budget growth rate of 1.5% 2% meals tax growth in years 2024-2027*
- *Debt Service Fund balance used to help mitigate impact on amount of General Fund Transfer*
- *Estimated Draw Schedule - \$2.5M FY23, \$13M FY 24, \$21.5M FY25, \$13M FY26*
- *\$927,577 = Equivalent of \$0.01 Real Estate Tax increase*
- *Bonds will be sold on a cash needs basis and NOT all at once*

# Projected Debt

5 Year CIP Plan – **INCLUDING** School Reconfiguration Project - \$50M  
 \$132.4M Total 5 Year Plan - \$96.9M Bonds

| Fiscal Year | "Planning"                       |                                    |  |  | "Consequences"                       |             |  |
|-------------|----------------------------------|------------------------------------|--|--|--------------------------------------|-------------|--|
|             | Bond Issue Amount <sup>(1)</sup> | Annual Debt Service <sup>(2)</sup> | General Fund Expenditure Budget <sup>(3)</sup> | Ratio of Debt Service to Total General Fund Expenditures | General Fund Transfer <sup>(4)</sup> | \$ Increase | Debt Service Fund Balance <sup>(5)</sup> |
| 2016        | 11,125,466                       | 9,128,798                          | 156,391,435                                    | 5.84%  | 9,279,578                            | -           | 11,962,480                               |
| 2017        | 11,140,000                       | 10,103,067                         | 162,018,737                                    | 6.24%  | 9,817,330                            | 537,752     | 11,880,013                               |
| 2018        | 4,610,000                        | 10,615,335                         | 171,657,127                                    | 6.18%  | 10,371,750                           | 554,420     | 11,905,368                               |
| 2019        | 9,520,000                        | 10,375,167                         | 179,725,535                                    | 5.77%  | 11,003,348                           | 631,598     | 12,830,074                               |
| 2020        | -                                | 10,743,891                         | 188,863,920                                    | 5.69%  | 11,049,584                           | 46,236      | 13,410,785                               |
| 2021        | 22,655,000                       | 10,684,789                         | 191,195,873                                    | 5.59%  | 10,354,393                           | (695,191)   | 13,225,476                               |
| 2022        | 15,000,000                       | 11,465,809                         | 192,212,843                                    | 5.97%  | 10,700,784                           | 346,391     | 12,460,451                               |
| 2023        | 17,500,000                       | 11,415,230                         | 206,964,265                                    | 5.52%  | 12,980,912                           | 2,280,128   | 14,026,133                               |
| 2024        | 28,000,000                       | 13,335,739                         | 217,489,345                                    | 6.13%  | 14,887,365                           | 1,906,453   | 15,577,760                               |
| 2025        | 36,500,000                       | 15,013,379                         | 220,751,685                                    | 6.80%  | 16,794,845                           | 1,907,479   | 17,359,225                               |
| 2026        | 28,000,000                       | 17,124,956                         | 224,062,960                                    | 7.64%  | 16,848,217                           | 53,372      | 17,082,486                               |
| 2027        | 15,000,000                       | 19,029,277                         | 227,423,905                                    | 8.37%  | 16,902,656                           | 54,439      | 14,955,866                               |
| 2028        | 15,000,000                       | 19,246,935                         | 230,835,263                                    | 8.34%  | 16,958,185                           | 55,528      | 12,667,116                               |
| 2029        | 15,000,000                       | 19,589,552                         | 234,297,792                                    | 8.36%  | 17,014,823                           | 56,639      | 10,092,387                               |
| 2030        | 15,000,000                       | 19,737,966                         | 237,812,259                                    | 8.30%  | 17,072,595                           | 57,772      | 7,427,015                                |
| 2031        | 15,000,000                       | 20,149,782                         | 241,379,443                                    | 8.35%  | 17,131,522                           | 58,927      | 4,408,755                                |
| 2032        | 15,000,000                       | 20,559,626                         | 245,000,135                                    | 8.39%  | 17,191,627                           | 60,106      | 1,040,756                                |

**\$0.02**  
 Annual Tax  
 Increase  
 Equivalent  
 for 3 years

\*Estimates and subject to change



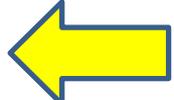
# Projected Debt

5 Year CIP Plan – **INCLUDING** School Reconfiguration Project - \$50M  
 \$132.4M Total 5 Year Plan - \$96.9M Bonds

| "Planning"  |                                  |                                    |  |  | "Consequences"                       |                  |  |
|-------------|----------------------------------|------------------------------------|--|--|--------------------------------------|------------------|--|
| Fiscal Year | Bond Issue Amount <sup>(1)</sup> | Annual Debt Service <sup>(2)</sup> | General Fund Expenditure Budget <sup>(3)</sup> | Ratio of Debt Service to Total General Fund Expenditures | General Fund Transfer <sup>(4)</sup> | \$ Increase      | Debt Service Fund Balance <sup>(5)</sup> |
| 2016        | 11,125,466                       | 9,128,798                          | 156,391,435                                    | 5.84%  | 9,279,578                            | -                | 11,962,480                               |
| 2017        | 11,140,000                       | 10,103,067                         | 162,018,737                                    | 6.24%  | 9,817,330                            | 537,752          | 11,880,013                               |
| 2018        | 4,610,000                        | 10,615,335                         | 171,657,127                                    | 6.18%  | 10,371,750                           | 554,420          | 11,905,368                               |
| 2019        | 9,520,000                        | 10,375,167                         | 179,725,535                                    | 5.77%  | 11,003,348                           | 631,598          | 12,830,074                               |
| 2020        | -                                | 10,743,891                         | 188,863,920                                    | 5.69%  | 11,049,584                           | 46,236           | 13,410,785                               |
| 2021        | 22,655,000                       | 10,684,789                         | 191,195,873                                    | 5.59%  | <b>10,354,393</b>                    | <b>(695,191)</b> | <b>13,225,476</b>                        |
| 2022        | <b>15,000,000</b>                | <b>11,465,809</b>                  | <b>192,212,843</b>                             | <b>5.97%</b>   | <b>10,700,784</b>                    | <b>346,391</b>   | <b>12,460,451</b>                        |
| 2023        | <b>17,500,000</b>                | <b>11,415,230</b>                  | <b>211,834,044</b>                             | <b>5.39%</b>   | <b>15,995,537</b>                    | <b>5,294,753</b> | <b>17,040,759</b>                        |
| 2024        | <b>28,000,000</b>                | <b>13,335,739</b>                  | <b>222,432,171</b>                             | <b>6.00%</b>   | <b>16,046,837</b>                    | <b>51,299</b>    | <b>19,751,856</b>                        |
| 2025        | <b>36,500,000</b>                | <b>15,013,379</b>                  | <b>225,768,653</b>                             | <b>6.65%</b>   | <b>16,099,162</b>                    | <b>52,325</b>    | <b>20,837,639</b>                        |
| 2026        | <b>28,000,000</b>                | <b>17,124,956</b>                  | <b>229,155,183</b>                             | <b>7.47%</b>   | <b>16,152,534</b>                    | <b>53,372</b>    | <b>19,865,217</b>                        |
| 2027        | <b>15,000,000</b>                | <b>19,029,277</b>                  | <b>232,592,511</b>                             | <b>8.18%</b>   | <b>16,206,974</b>                    | <b>54,439</b>    | <b>17,042,914</b>                        |
| 2028        | <b>15,000,000</b>                | <b>19,246,935</b>                  | <b>236,081,398</b>                             | <b>8.15%</b>   | <b>16,262,502</b>                    | <b>55,528</b>    | <b>14,058,481</b>                        |
| 2029        | <b>15,000,000</b>                | <b>19,589,552</b>                  | <b>239,622,619</b>                             | <b>8.18%</b>   | <b>16,319,141</b>                    | <b>56,639</b>    | <b>10,788,070</b>                        |
| 2030        | <b>15,000,000</b>                | <b>19,737,966</b>                  | <b>243,216,959</b>                             | <b>8.12%</b>   | <b>16,376,912</b>                    | <b>57,772</b>    | <b>7,427,015</b>                         |
| 2031        | <b>15,000,000</b>                | <b>20,149,782</b>                  | <b>246,865,213</b>                             | <b>8.16%</b>   | <b>16,435,839</b>                    | <b>58,927</b>    | <b>3,713,072</b>                         |
| 2032        | <b>15,000,000</b>                | <b>20,559,626</b>                  | <b>250,568,191</b>                             | <b>8.21%</b>   | <b>16,495,945</b>                    | <b>60,106</b>    | <b>(350,609)</b>                         |

**\$0.0525**  
Tax Increase  
Equivalent

Debt Service  
Fund Balance  
is negative



\*Estimates and subject to change



# Projected Debt

5 Year CIP Plan – **INCLUDING** \$54 School Reconfiguration Project  
 \$136.4M Total 5 Year Plan - \$100.9M Bonds

## Assumptions:

- *\$15M New Bonds Annually based on historical average + **\$54M for School Reconfiguration***
- *Annual borrowing rates: 2.5% FY22, 3% FY23, 3.5% FY24, 4% FY25 and beyond*
- *General Fund budget growth rate of 1.5% 2% meals tax growth in years 2024-2027*
- *Debt Service Fund balance used to help mitigate impact on amount of General Fund Transfer*
- *Estimated Draw Schedule - \$2.5M FY23, \$14.125M FY 24, \$23.25M FY25, \$14.1253M FY26*
- *\$927,577 = Equivalent of \$0.01 Real Estate Tax increase*
- *Bonds will be sold on a cash needs basis and NOT all at once*

# Projected Debt

5 Year CIP Plan – **INCLUDING** School Reconfiguration Project - \$54M  
 \$136.4M Total 5 Year Plan - \$100.9M Bonds

| Fiscal Year | "Planning"                       |                                    |  |  | "Consequences"                       |             |  |
|-------------|----------------------------------|------------------------------------|--|--|--------------------------------------|-------------|--|
|             | Bond Issue Amount <sup>(1)</sup> | Annual Debt Service <sup>(2)</sup> | General Fund Expenditure Budget <sup>(3)</sup> | Ratio of Debt Service to Total General Fund Expenditures | General Fund Transfer <sup>(4)</sup> | \$ Increase | Debt Service Fund Balance <sup>(5)</sup> |
| 2016        | 11,125,466                       | 9,128,798                          | 156,391,435                                    | 5.84%  | 9,279,578                            | -           | 11,962,480                               |
| 2017        | 11,140,000                       | 10,103,067                         | 162,018,737                                    | 6.24%  | 9,817,330                            | 537,752     | 11,880,013                               |
| 2018        | 4,610,000                        | 10,615,335                         | 171,657,127                                    | 6.18%  | 10,371,750                           | 554,420     | 11,905,368                               |
| 2019        | 9,520,000                        | 10,375,167                         | 179,725,535                                    | 5.77%  | 11,003,348                           | 631,598     | 12,830,074                               |
| 2020        | -                                | 10,743,891                         | 188,863,920                                    | 5.69%  | 11,049,584                           | 46,236      | 13,410,785                               |
| 2021        | 22,655,000                       | 10,684,789                         | 191,195,873                                    | 5.59%  | 10,354,393                           | (695,191)   | 13,225,476                               |
| 2022        | 15,000,000                       | 11,465,809                         | 192,212,843                                    | 5.97%  | 10,700,784                           | 346,391     | 12,460,451                               |
| 2023        | 17,500,000                       | 11,415,230                         | 206,964,265                                    | 5.52%  | 13,072,870                           | 2,372,086   | 14,118,091                               |
| 2024        | 29,125,000                       | 13,335,739                         | 217,489,345                                    | 6.13%  | 15,071,281                           | 1,998,411   | 15,853,634                               |
| 2025        | 38,250,000                       | 15,109,004                         | 220,751,685                                    | 6.84%  | 17,070,719                           | 1,999,437   | 17,815,348                               |
| 2026        | 29,125,000                       | 17,376,113                         | 224,062,960                                    | 7.76%  | 17,124,091                           | 53,372      | 17,563,327                               |
| 2027        | 15,000,000                       | 19,376,214                         | 227,423,905                                    | 8.52%  | 17,178,530                           | 54,439      | 15,365,643                               |
| 2028        | 15,000,000                       | 19,586,153                         | 230,835,263                                    | 8.48%  | 17,234,059                           | 55,528      | 13,013,548                               |
| 2029        | 15,000,000                       | 19,921,052                         | 234,297,792                                    | 8.50%  | 17,290,697                           | 56,639      | 10,383,193                               |
| 2030        | 15,000,000                       | 20,061,748                         | 237,812,259                                    | 8.44%  | 17,348,469                           | 57,772      | 7,669,915                                |
| 2031        | 15,000,000                       | 20,465,845                         | 241,379,443                                    | 8.48%  | 17,407,396                           | 58,927      | 4,611,466                                |
| 2032        | 15,000,000                       | 20,867,970                         | 245,000,135                                    | 8.52%  | 17,467,501                           | 60,106      | 1,210,997                                |

**\$0.02+**  
 Annual Tax  
 Increase  
 Equivalent  
 for 3 years

\*Estimates and subject to change



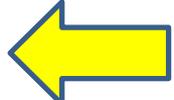
# Projected Debt

5 Year CIP Plan – **INCLUDING** School Reconfiguration Project - \$54M  
 \$136.4M Total 5 Year Plan - \$100.9M Bonds

| "Planning"  |                                  |                                    |  |  | "Consequences"                       |             |  |
|-------------|----------------------------------|------------------------------------|--|--|--------------------------------------|-------------|--|
| Fiscal Year | Bond Issue Amount <sup>(1)</sup> | Annual Debt Service <sup>(2)</sup> | General Fund Expenditure Budget <sup>(3)</sup> | Ratio of Debt Service to Total General Fund Expenditures | General Fund Transfer <sup>(4)</sup> | \$ Increase | Debt Service Fund Balance <sup>(5)</sup> |
| 2016        | 11,125,466                       | 9,128,798                          | 156,391,435                                    | 5.84%  | 9,279,578                            | -           | 11,962,480                               |
| 2017        | 11,140,000                       | 10,103,067                         | 162,018,737                                    | 6.24%  | 9,817,330                            | 537,752     | 11,880,013                               |
| 2018        | 4,610,000                        | 10,615,335                         | 171,657,127                                    | 6.18%  | 10,371,750                           | 554,420     | 11,905,368                               |
| 2019        | 9,520,000                        | 10,375,167                         | 179,725,535                                    | 5.77%  | 11,003,348                           | 631,598     | 12,830,074                               |
| 2020        | -                                | 10,743,891                         | 188,863,920                                    | 5.69%  | 11,049,584                           | 46,236      | 13,410,785                               |
| 2021        | 22,655,000                       | 10,684,789                         | 191,195,873                                    | 5.59%  | 10,354,393                           | (695,191)   | 13,225,476                               |
| 2022        | 15,000,000                       | 11,465,809                         | 192,212,843                                    | 5.97%  | 10,700,784                           | 346,391     | 12,460,451                               |
| 2023        | 17,500,000                       | 11,415,230                         | 206,964,265                                    | 5.52%  | 16,227,432                           | 5,526,648   | 17,272,653                               |
| 2024        | 29,125,000                       | 13,335,739                         | 217,489,345                                    | 6.13%  | 16,278,731                           | 51,299      | 20,215,646                               |
| 2025        | 38,250,000                       | 15,109,004                         | 220,751,685                                    | 6.84%  | 16,331,057                           | 52,325      | 21,437,698                               |
| 2026        | 29,125,000                       | 17,376,113                         | 224,062,960                                    | 7.76%  | 16,384,429                           | 53,372      | 20,446,015                               |
| 2027        | 15,000,000                       | 19,376,214                         | 227,423,905                                    | 8.52%  | 16,438,868                           | 54,439      | 17,508,669                               |
| 2028        | 15,000,000                       | 19,586,153                         | 230,835,263                                    | 8.48%  | 16,494,397                           | 55,528      | 14,416,912                               |
| 2029        | 15,000,000                       | 19,921,052                         | 234,297,792                                    | 8.50%  | 16,551,035                           | 56,639      | 11,046,895                               |
| 2030        | 15,000,000                       | 20,061,748                         | 237,812,259                                    | 8.44%  | 16,608,807                           | 57,772      | 7,593,955                                |
| 2031        | 15,000,000                       | 20,465,845                         | 241,379,443                                    | 8.48%  | 16,667,734                           | 58,927      | 3,795,844                                |
| 2032        | 15,000,000                       | 20,867,970                         | 245,000,135                                    | 8.52%  | 16,727,839                           | 60,106      | (344,287)                                |

**\$0.055**  
Tax Increase  
Equivalent

Debt Service  
Fund Balance  
is negative



\*Estimates and subject to change

