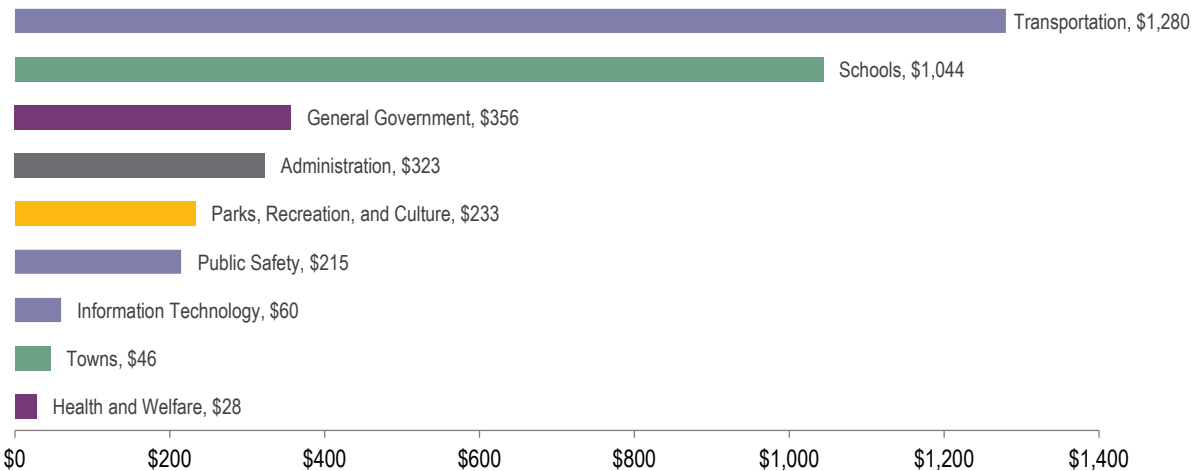




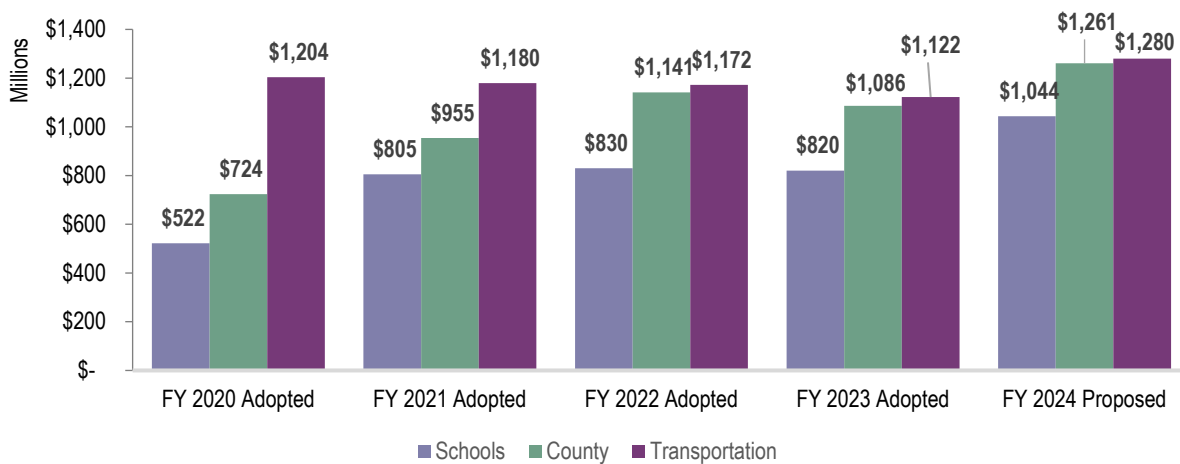
Summary of the Capital Budget

The FY 2023 – FY 2028 Amended CIP includes expenditures totaling \$3.6 billion during the six-year planning period. County projects total \$1.2 billion, transportation projects total \$1.3 billion, and school construction and renovation projects total \$1.0 billion.

Six-Year Total Expenditures by Function (in millions)



Overall expenditures in the six-year planning period have generally increased over the last five capital budgets. While transportation projects remain the largest portion of the CIP, County projects have been increasing. The graph below displays the six-year funding levels for the FY 2024 Proposed Budget with the four previously adopted CIP totals.¹



Projects within the Six-Year Program

New project requests are eligible to be added to the six-year CIP timeframe if they can be accommodated using available financial resources and represent high priorities that should be addressed in the six-year timeline. Typically, new projects are

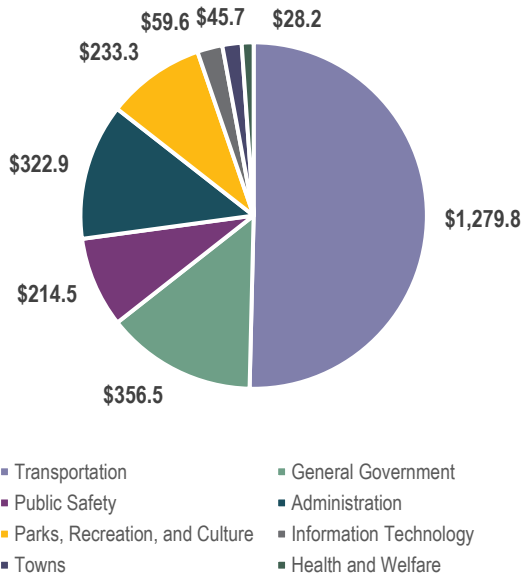
¹ Previously, Town projects were scattered between various sections of the CIP, including *Transportation*. Beginning with the FY 2021 Adopted CIP, all Town projects, including those related to transportation, are included in the *County* category.



Summary of the Capital Budget

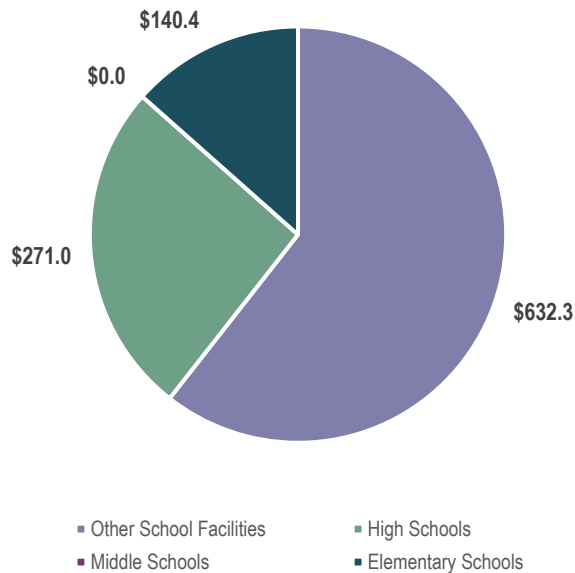
included in the later years of the CIP unless otherwise prioritized. Projects in FY 2024 are proposed for funding appropriations; projects in the later years are considered for planned appropriations in future budget development processes.

County and Transportation Projects (in millions)



County and transportation projects total \$2.5 billion over the six-year planning period. The majority of funding is dedicated to Transportation projects. County projects follow, predominantly within the General Government category.

School Projects (in millions)



School projects total \$1.04 billion over the six-year planning period. Within the *Other School Facilities* category, funding for school renovation and renewal projects is included.



Summary of the Capital Budget

Funding Sources within the Six-Year Program

Local Tax Funding

The Board of Supervisors’ fiscal policy establishes a goal of 10 percent “pay-as-you-go” cash funding in the CIP. This 10 percent cash funding can be comprised of local tax funding, which denotes funds transferred from the General Fund or the use of the prior fiscal year’s fund balance for one-time expenditures in the Capital Projects Fund. By policy, an equivalent of what the County would have generated by levying a Commercial & Industrial (C&I) real property tax must be transferred through the Transportation District Fund for use in the Capital Projects Fund on transportation projects; prior to FY 2022 this amount had roughly equated to two cents of the real property tax rate but is higher from FY 2023 onward. Two cents of the real property tax rate remains committed to transportation projects in FY 2024. A detailed description of the County’s requirements related to the Northern Virginia Transportation Authority (NVTA) is provided in the *Transportation District Fund* page of the Other Funds section of Volume 2.

| | FY 2024 | 6 Year Total |
|---------------------------|----------------------|----------------------|
| Local Tax Funding | \$95,469,279 | \$621,122,414 |
| Local Tax Funding – Roads | 25,900,000 | 175,419,365 |
| Total | \$121,369,279 | \$796,541,779 |

Debt Financing

The CIP relies on the strategic use of debt financing to fund capital projects. The use of debt is managed by an annual debt issuance guideline and debt ratios prescribed in the Board’s fiscal policy. Projects using general obligation bond financing must be authorized through voter referendum questions during the election before bonds can be sold and funding secured. The County uses other debt financing instruments for capital projects that do not require voter approval. Projects with the ability to charge user fees can use revenue bonds as a financing source, where the user fees help offset the principal and interest costs of the debt used to construct the facility.

| | FY 2024 | 6 Year Total |
|----------------------------|----------------------|------------------------|
| General Obligation Bonds | \$252,475,372 | \$1,863,530,096 |
| Appropriation-Backed Bonds | \$143,280,619 | \$356,345,368 |
| Total | \$395,755,990 | \$2,219,875,464 |

Intergovernmental Assistance

The CIP leverages intergovernmental funds to reduce the tax burden on taxpayers in the form of Smart Scale, Revenue Sharing, and federal pass-through grants for transportation and transit projects from the Virginia Department of Transportation. The State passed HB 2313, which raised taxes in Northern Virginia to accumulate funds for regional road projects. The revenues are split 70 percent as regional funds, which are allocated at the discretion of NVTA towards regional road projects, and 30 percent as local funds to be used at the discretion of the County for local road or transit projects within the County. A portion of the County’s 30 percent local funds are allocated to the Towns of Leesburg and Purcellville based upon the estimated percentage of revenues generated within the towns.

| | FY 2024 | 6 Year Total |
|-----------------|-------------|--------------|
| Revenue Sharing | \$6,008,000 | \$27,273,045 |
| NVTA 70% | 36,730,000 | 163,246,457 |
| NVTA 30% | 27,015,099 | 135,618,105 |
| Smart Scale | 994,000 | 54,774,275 |
| Federal Grants | 3,128,281 | 12,628,281 |



Summary of the Capital Budget

| | FY 2024 | 6 Year Total |
|--------------|---------------------|----------------------|
| RSTP | 0 | 65,388,425 |
| CMAQ | 0 | 4,759,575 |
| Total | \$73,875,380 | \$463,688,163 |

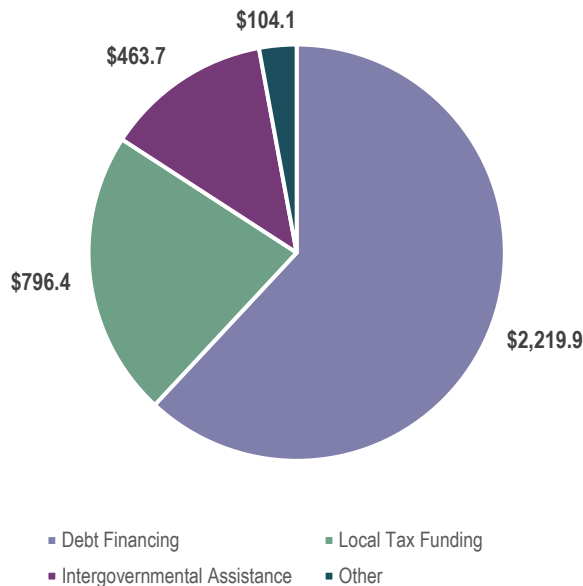
Other

The CIP uses cash proffers during the six-year capital plan. Proffers typically consist of cash, dedicated land, and/or in-kind services that are voluntarily granted to the County by the development community to partially offset the future capital facility costs associated with new development. Proffer contributions are gained from rezonings (e.g., a change of land use, typically resulting in the allowance of higher residential densities). This change in development of land may result in land use patterns that generate new capital facility costs to the County. A detailed description of these proffer related expenditures is provided in the *Public Facilities Fund* page of the Other Funds section of Volume 2.

User fees help offset capital project costs. User fees in the CIP are typically related to revenues generated from the fees collected at the County landfill. These fees are used to pay debt service on debt issued for landfill cell development and/or closures or to acquire capital vehicles in support of landfill operations.

| | FY 2024 | 6 Year Total |
|-----------------|---------------------|----------------------|
| Proffers (Cash) | \$28,770,783 | \$58,695,572 |
| Landfill Fees | 9,577,805 | 45,417,305 |
| Total | \$38,348,588 | \$104,112,877 |

Six-Year Total Funding Sources (in millions)



Leveraging non-local tax funding sources including debt and state and federal funds, lessens the impact of capital facility construction costs on taxpayers.