

CITY OF
Alexandria
VIRGINIA

ACPS Capital Funding Discussion
November 1, 2023



Approved FY 2024 – FY 2033 CIP

- **Ten-Year Plan: \$2.41 billion**
 - 60% from general fund supported sources
- **Citywide General Fund Support of CIP**
 - Cash Capital & Debt Service
 - FY 2024: \$118.8 million → FY 2033: \$207.2 million
 - Average Annual Growth Rate: **6.9%**
 - *Average G/F Revenue Growth is 2.6%*



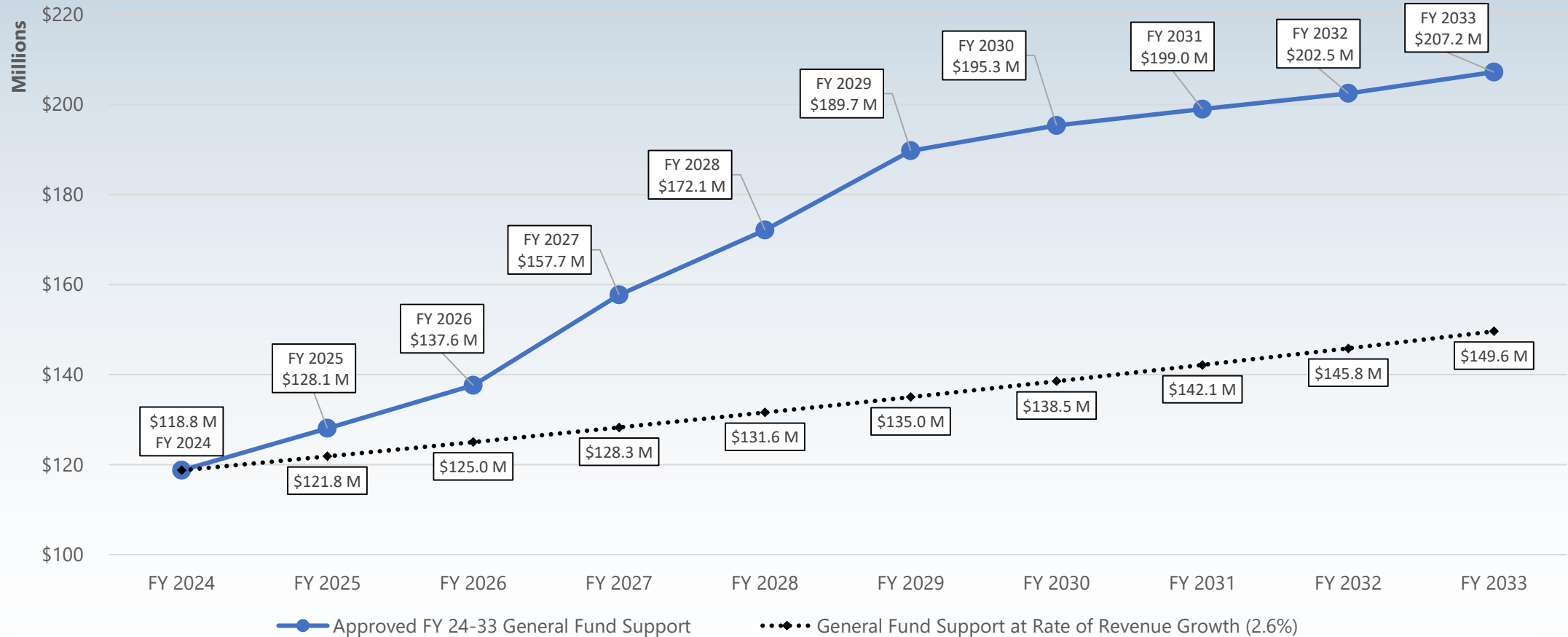
CIP Funding Environment Has Changed

- **Current CIP sizing is largely the same since pre-COVID**
- **Significant changes have occurred in priorities and revenue environment since that time:**
 - RE Tax Rate decreased as opposed to +6 cent (FY 2021 – FY 2025) increase recommended to support CIP of this size
 - DASH Fare Free network
 - Compensation/Market Competitiveness pressures
 - Increased sensitivity/focus on overall housing costs affordability
- **Revenue/Operating Budget environment cannot support the current CIP**



General Fund Support of Capital Program

Approved FY 2024 – FY 2033 CIP vs. Rate of Revenue Growth (2.6%)



Funding Guidance for Schools Capital Program

- Recommending Schools maintain the total amount of capital funding included in the Approved CIP for Years 2-10 (\$316 million), but distributed across the FY 2025 – FY 2034 planning window
- Guidance on Timing:
 - Years 1 – 4 not to exceed 40% of program (\$126 million)
 - Years 5 – 7 not to exceed 30% of program (\$95 million)
 - Years 8 – 10 to include at least 30% of program (\$95 million)
- **Same methodology applied to the other CIP Sections**



OVERVIEW

FY 2025 CIP DEVELOPMENT PROCESS

- **Summer 2023**

- City Departments Review of Underway/Previously Appropriated Projects
- Funding Level Guidance Released to City Departments and ACPS

- **Fall 2023**

- Develop Project Funding Requests (City funding requests due in early December)
- Update Project Charters/Other Pertinent Information
- Fall CIP Worksessions Held

- **Winter 2024**

- CIP Steering Committee provides recommendation to City Manager for FY 2025 – FY 2034 CIP for City Projects
- City Receives School Board Approved CIP Funding Request
- City Manager and OMB finalize FY 2025 – FY 2034 CIP numbers
- City Manager Proposes CIP (February 27, 2024)

