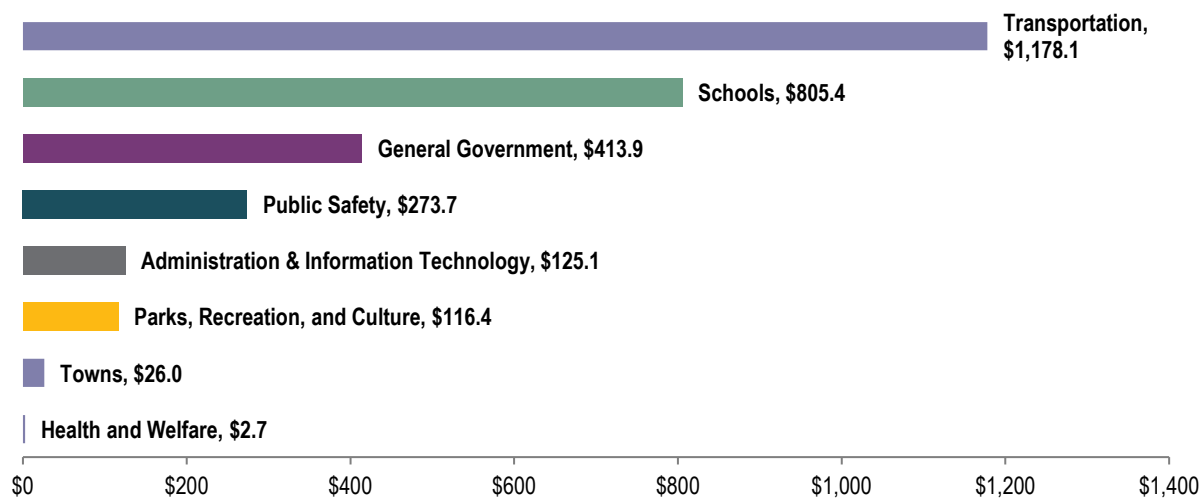




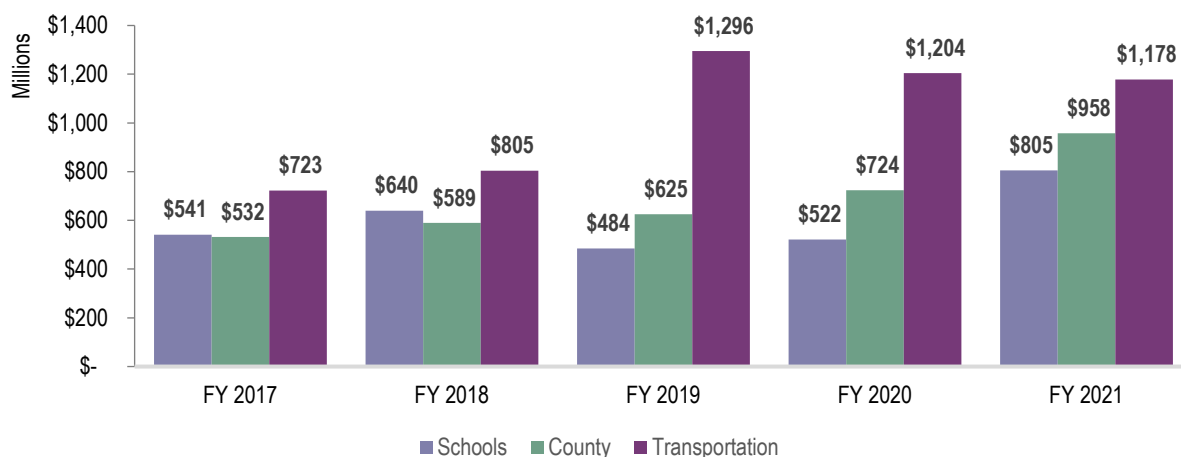
Summary of the Capital Budget

The FY 2021 – FY 2026 Proposed CIP includes expenditures totaling \$2.9 billion during the six-year planning period. Transportation projects total \$1.2 billion, school construction and renovation projects total \$805.4 million, and County capital projects total \$957.8 million.

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, most notably in the area of transportation. The graph below displays the six-year funding levels for the FY 2021 – FY 2026 Proposed CIP with the four previously adopted CIP totals.¹



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

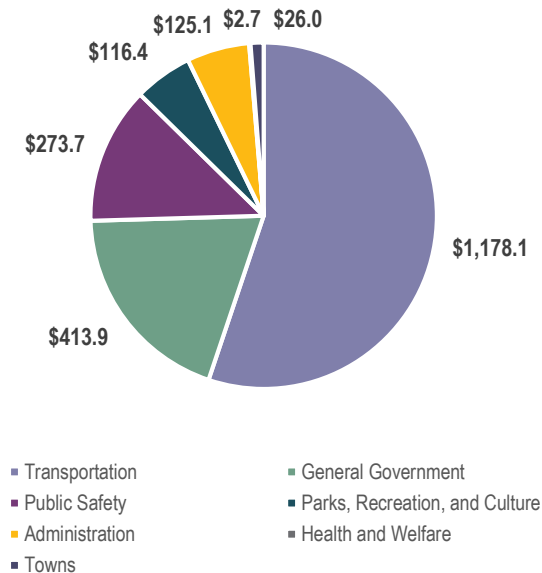


Summary of the Capital Budget

Projects within the Six-Year Program

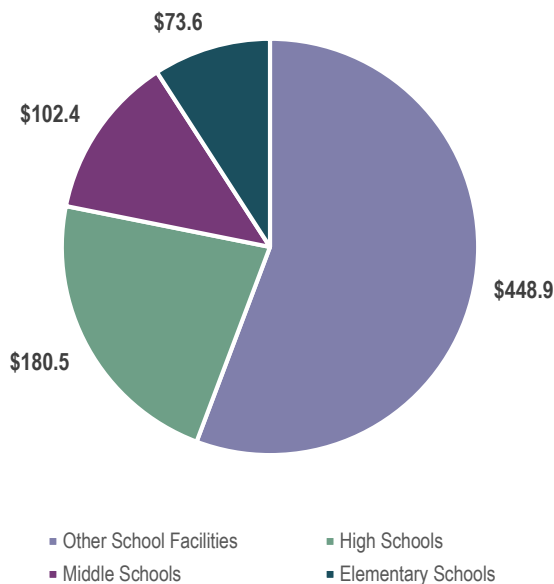
New project requests are eligible to be added to the six-year CIP timeframe if they can be accommodated using available financial resources and represent high priorities that should be addressed in the six-year timeline. Typically, new projects are included in the later years of the CIP unless otherwise prioritized. Projects in FY 2021 are proposed for funding appropriations; projects in the later years are considered for planned appropriations in future budget development processes.

County and Transportation Projects



County projects total \$2.1 billion over the six-year planning period. The majority of funding is dedicated to transportation projects, which include roads, sidewalks, signals, traffic calming, and transit projects. Town projects are also included within this category.

School Projects



School projects total \$805.4 million 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 Program²

Local Tax Funding and Fund Balance

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, \$0.02 of the real property tax rate is dedicated to the CIP for roads projects.

	FY 2021	6 Year Total
Local Tax Funding	\$89,711	\$520,722
Local Tax Funding – \$0.02	18,638	128,625
Fund Balance	0	0
Total	\$108,349	\$649,347

Debt Financing

The CIP relies on the strategic use of debt financing to fund important projects. 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 2021	6 Year Total
General Obligation Bonds	\$83,243	\$1,521,139
Lease Revenue Financing	43,905	327,142
Total	\$127,148	\$1,848,281

Intergovernmental Assistance

The CIP leverages intergovernmental funds to reduce the tax burden on residents in the form of Smart Scale, Revenue Sharing, or 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 in three main categories – sales tax, grantor's tax on home sales, and hotel taxes on overnight stays – to accumulate funds for regional road projects. The revenues are split 70 percent as regional funds, which are allocated at the discretion of Northern Virginia Transportation Authority (NVTA) towards regional road projects, and 30 percent 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 2021	6 Year Total
Revenue Sharing	\$5,000	\$30,000
NVTA 70%	54,000	193,129
NVTA 30%	13,596	84,202
Smart Scale	3,250	77,410
Federal Grants	0	7,000
CMAQ	0	5,000
Total	\$75,846	\$396,741

² All numbers shown in tables are in thousands.



Summary of the Capital Budget

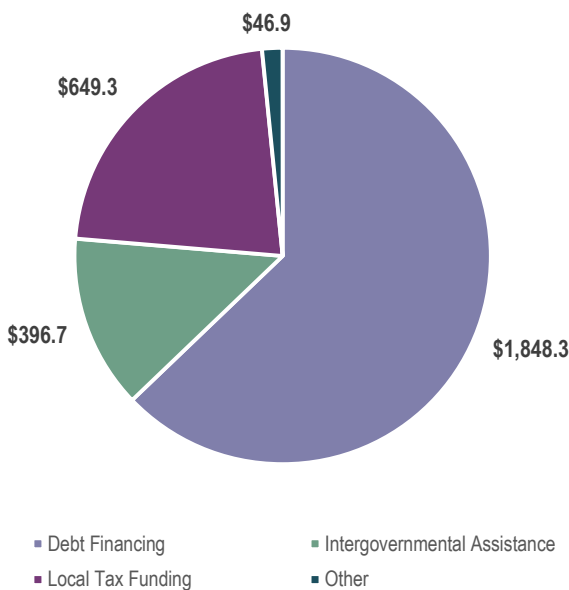
Other

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 typically gained from rezonings (e.g., a change of land use permitting higher residential densities). This change in development of land may result in land use patterns that generate significant capital facility costs to the County. A detailed description of these proffer related expenditures is provided in the Public Facilities Fund section of the Other Funds section of the document.

User fees help offset capital project costs. User fees are typically related to revenues generated from the fees collected at the County landfill 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 2021	6 Year Total
Proffers (Cash)	\$21,360	\$43,960
Local Gasoline Tax	0	0
Landfill Fees	2,942	2,942
Total	\$24,302	\$46,902

Six-Year Total Funding Sources



Strategic use of non-local tax funding sources as well as debt lessens the impact of capital facility construction on taxpayers. The County has also been successful in leveraging state and federal funds.