

*City of Alexandria, Virginia*

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**MEMORANDUM**

DATE: MARCH 30, 2006

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

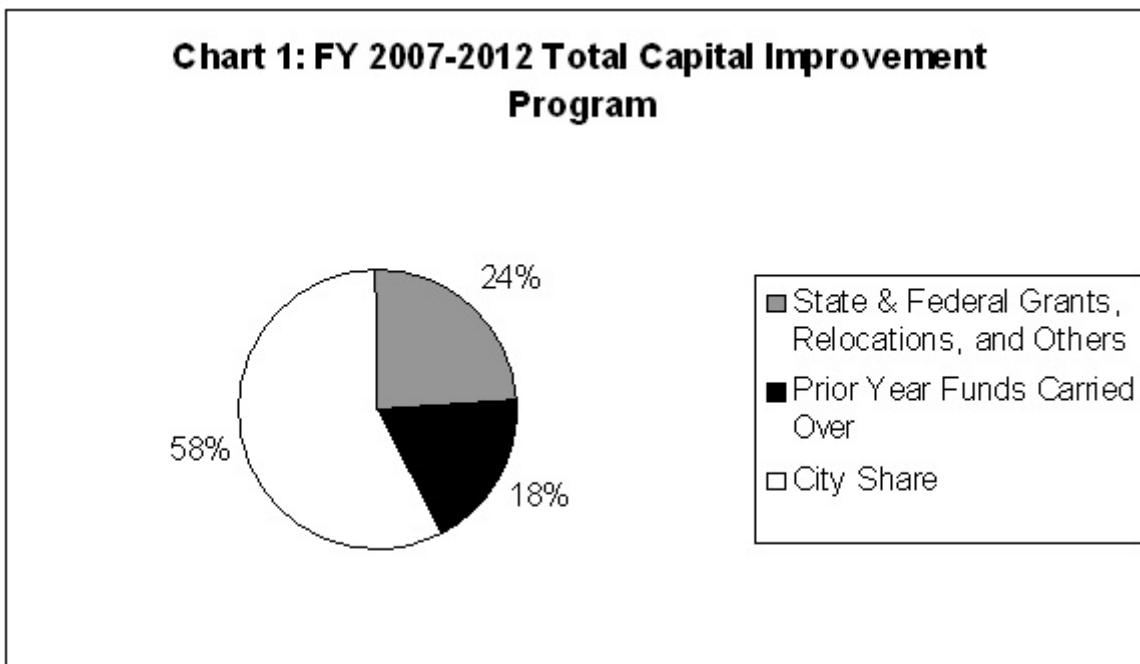
FROM: JAMES K. HARTMANN, CITY MANAGER

SUBJECT: BUDGET MEMO # 41: PORTION OF THE CIP FUNDED BY FEES

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This memorandum is in response to Councilman Macdonald's request for information on the portion of the Capital Improvement Program (CIP) funded by fees.

The Proposed FY 2007-FY 2012 CIP, currently totaling \$574.4 million, is funded through several sources. As illustrated by the chart below, the City share represents the largest funding source totaling \$331.5 million or 58 percent of the CIP. In addition, the federal and state grants, reallocations, and others category makes up approximately \$138.1 million or 24 percent of the CIP. Finally, prior year balances for previously approved projects carried forward total \$104.8 million or 18 percent of the CIP.



Of the City's share (\$331.4 million), sewer fees, the only type of fee contained in the CIP, provide 8.2 percent as illustrated in the Chart 2. It is projected that sewer fees will generate \$5,400,000 in FY 2007 and a total of \$27,150,000 during the six year FY 2007-FY 2012 plan. This is a substantial increase over five years ago when the CIP did not have any sewer fees funding capital projects.

