



City of
Bel Aire



2/10/26 Workshop:

Capital Improvement Plan

Council Input Needed:

City staff is asking for direction on how to proceed in certain areas of the Capital Improvement Plan process. The areas needing direction include:

Project Identification

- What criteria needs to be met?
 - Comprehensive Plan Alignment
 - Value Statements/Goals/Action Items
 - Utilize Current Master Plans
 - Other criteria
- Funding Mechanisms
 - Cash
 - Debt Service
 - Alternative Sources i.e. Sales Tax

What is a Capital Improvement Plan (CIP)?

A Capital Improvement Plan is a multi-year financial and planning document that schedules major infrastructure and facility investments to support a community's long-term goals.

The CIP helps the City by:

- Planning ahead instead of reacting
- Prioritize limited funding
- Coordinate projects across departments
- ***Tie spending to the comprehensive plan***
- Forecast debt and cash needs
- Improve transparency to the citizens of Bel Aire
- Helps to avoid infrastructure failure surprises

Most CIP's cover a period of 5-10 years with year 1 as the adopted capital budget and years 2 through 5+ as the planning horizon

What is a Capital Improvement Plan (CIP)?

Key components

- Project identification and scheduling
- Cost estimating and financing
- Prioritization
- Annual review and update

Purpose and benefits

- Strategic Planning
- Fiscal responsibility
- Efficiency
- Transparency

Examples of capital improvements

- Infrastructure
- Facilities
- Equipment

How are Projects Chosen for the CIP?

Now that the Comprehensive Plan has been approved, it will play a major part in project identification.

Identified projects will be added to the CIP list of projects available for selection and funding. Project selection will primarily be driven by its relation to the goals and action items within the comprehensive plan.

The CIP should be the financial implementation arm of the comprehensive plan and not a separate list of projects.

Moving forward, all project submissions from staff will include a “Comp Plan Alignment” component.*

All project submissions will be prioritized based on a scoring system.*

**Will begin once the strategy/action items for the comprehensive plan have been established and scoring system has been approved by City Council*



CIP Plan Approval

- Once all projects have been scored and placed into the plan, the CIP plan must be presented to the Planning Commission. The Planning Commission will ensure all listed projects conform to the City's comprehensive plan.
- Once approved by the Planning Commission, the CIP will be presented to City Council for final approval and adoption.
- These steps must take place on an annual basis, or, if any new projects are added to the CIP throughout the year, the new project will go through the process stated above.

Funding Sources

- Cash – Cash funding has positives and negatives. Cash funding is great for lower cost, short term projects. Cash is not so great for expensive long-term projects due to the time required to build up enough funds and reduced intergenerational equity.
- Grants – Grant funding may be available for specific projects. Grant funds usually come with a higher administrative burden but keep costs much lower overall. Grant funded projects are usually shovel ready projects with preliminary engineering completed before the grant is awarded.
- Debt – The City uses general obligation bonds for high-cost projects such as road reconstruction, construction/upgrades of facilities and large equipment purchases.
- Special Assessments – Cities can utilize special assessments to assist in paying for large projects. These are primarily used for water, sewer, stormwater, and paving projects the City and other users of the infrastructure directly benefit from.

Alternative Funding Sources

- Local Option Sales Tax – Cities can levy their own local option sales tax to assist in financing city operations or projects if approved by a majority of its voters. Two purposes exist for cities to levy a local option sales tax; General and Special.
 - City local option sales tax rates can be implemented in five-hundredth percent increments (0.05%) up to a maximum of 3% total (2% general and 1% special). Current estimate from the Kansas Department of Revenue for Bel Aire is \$620,000 annually for a 1% local option sales tax.
- User Fees/Charges – This funding source is usually used for parking structures or toll roads. The user fees/charges generated are utilized to pay off the project over time.

Long Range Forecasts

- Long range forecasts help the City determine the capacity for project selection and funding.
- The long range forecast matches the same timeframe as the overall CIP.
- Once projects are prioritized, Finance enters these projects into the long range forecast to determine the impact on each fund based on funding source.
- The current General Fund long range forecast is shown on the next slide as an example.

Account Category	2026 Budget	2027 Projected	2028 Projected	2029 Projected	2030 Projected	2031 Projected	2032 Projected	2033 Projected	2034 Projected	2035 Projected	2036 Projected
Mill levy	41.003	40.503	40.003	39.503	39.003	38.503	38.003	37.503	37.003	36.503	36.003
Bel Aire AV (4% growth per year)	\$129,983,775	\$135,183,126	\$140,590,451	\$146,214,069	\$152,062,632	\$158,145,137	\$164,470,943	\$171,049,780	\$177,891,772	\$185,007,442	\$192,407,740
Revenues											
Taxes and Shared Revenues											
Ad Valorem Tax	-\$5,329,725	-\$5,475,322	-\$5,624,040	-\$5,775,894	-\$5,930,899	-\$6,089,062	-\$6,250,389	-\$6,414,880	-\$6,582,529	-\$6,753,327	-\$6,927,256
Delinquent Tax	-\$20,534	-\$29,770	-\$30,901	-\$32,077	-\$33,300	-\$34,572	-\$35,895	-\$37,271	-\$38,702	-\$40,190	-\$41,737
Motor vehicle Tax	-\$468,546	-\$475,574	-\$482,708	-\$489,949	-\$497,298	-\$504,757	-\$512,329	-\$520,014	-\$527,814	-\$535,731	-\$543,767
Sales tax	-\$2,162,092	-\$2,205,334	-\$2,249,441	-\$2,294,429	-\$2,340,318	-\$2,387,124	-\$2,434,867	-\$2,483,564	-\$2,533,235	-\$2,583,900	-\$2,635,578
Franchise Tax	-\$853,000	-\$860,530	-\$868,135	-\$875,817	-\$883,575	-\$891,411	-\$899,325	-\$907,318	-\$915,391	-\$923,545	-\$931,780
Court Fines	-\$140,000	-\$140,000	-\$140,000	-\$140,000	-\$140,000	-\$140,000	-\$140,000	-\$140,000	-\$140,000	-\$140,000	-\$140,000
Licenses, Permits and fees	-\$263,800	-\$313,800	-\$363,800	-\$313,800	-\$313,800	-\$313,800	-\$313,800	-\$313,800	-\$313,800	-\$313,800	-\$313,800
Recreation Fees	-\$147,300	-\$147,750	-\$148,205	-\$148,664	-\$149,127	-\$149,595	-\$150,068	-\$150,546	-\$151,029	-\$151,516	-\$152,008
Rents and note Collections	-\$36,000	-\$36,000	-\$36,000	-\$36,000	-\$36,000	\$0	\$0	\$0	\$0	\$0	\$0
Intergovernmental	-\$84,500	-\$85,875	-\$87,284	-\$88,729	-\$90,210	-\$91,727	-\$93,283	-\$94,878	-\$96,512	-\$98,187	-\$99,905
Interest	-\$65,000	-\$65,000	-\$65,000	-\$65,000	-\$65,000	-\$65,000	-\$65,000	-\$65,000	-\$65,000	-\$65,000	-\$65,000
Other	-\$343,588	-\$343,588	-\$343,588	-\$343,588	-\$343,588	-\$343,588	-\$343,588	-\$343,588	-\$343,588	-\$343,588	-\$343,588
Total Revenues	-\$9,914,085	-\$10,178,544	-\$10,439,102	-\$10,603,947	-\$10,823,115	-\$11,010,638	-\$11,238,544	-\$11,470,858	-\$11,707,600	-\$11,948,784	-\$12,194,419
Expenditures											
Administration	\$2,111,250	\$2,171,717	\$2,233,838	\$2,298,735	\$2,366,604	\$2,437,658	\$2,512,130	\$2,590,274	\$2,672,368	\$2,758,714	\$2,849,644
Police	\$2,447,581	\$2,529,350	\$2,615,678	\$2,706,931	\$2,803,511	\$2,905,857	\$3,014,449	\$3,129,813	\$3,252,525	\$3,383,216	\$3,522,576
Recreation	\$861,605	\$882,325	\$900,702	\$919,856	\$939,840	\$905,710	\$927,528	\$950,361	\$974,284	\$999,376	\$1,025,725
Debt Service	\$2,231,710	\$2,234,957	\$2,688,241	\$2,689,963	\$2,538,623	\$2,274,122	\$2,274,461	\$2,278,831	\$2,281,598	\$1,066,167	\$1,068,374
Parks	\$386,425	\$395,204	\$404,098	\$413,414	\$423,184	\$433,443	\$444,227	\$455,580	\$467,546	\$480,174	\$493,520
Planning & Zoning	\$586,492	\$604,030	\$621,578	\$639,993	\$659,344	\$679,701	\$701,145	\$723,762	\$747,647	\$772,904	\$799,645
Streets/Facilities	\$1,510,850	\$1,513,767	\$1,516,742	\$1,519,777	\$1,522,873	\$1,526,030	\$1,529,251	\$1,532,536	\$1,535,887	\$1,539,304	\$1,542,790
Total Expenses	\$10,135,914	\$10,331,350	\$10,980,877	\$11,188,670	\$11,253,978	\$11,162,520	\$11,403,191	\$11,661,158	\$11,931,855	\$10,999,856	\$11,302,274
Begin Fund Balance	\$3,043,911	\$2,822,082	\$2,669,276	\$2,127,500	\$1,542,777	\$1,111,913	\$960,030	\$795,383	\$605,083	\$380,829	\$1,329,757
Surplus or (Deficit)	-\$221,829	-\$152,807	-\$541,776	-\$584,723	-\$430,864	-\$151,883	-\$164,647	-\$190,300	-\$224,255	\$948,928	\$892,145
End Fund Balance	\$2,822,082	\$2,669,276	\$2,127,500	\$1,542,777	\$1,111,913	\$960,030	\$795,383	\$605,083	\$380,829	\$1,329,757	\$2,221,902
% of Revenues (30% per policy)	28%	26%	20%	15%	10%	9%	7%	5%	3%	11%	18%
Target Fund Balance	\$2,974,226	\$3,053,563	\$3,131,730	\$3,181,184	\$3,246,934	\$3,303,191	\$3,371,563	\$3,441,257	\$3,512,280	\$3,584,635	\$3,658,326
Over/(Under) Target	-\$152,143	-\$384,287	-\$1,004,230	-\$1,638,407	-\$2,135,021	-\$2,343,161	-\$2,576,180	-\$2,836,174	-\$3,131,451	-\$2,254,878	-\$1,436,424
Expenses assume:											
2.5% increase in personnel costs per year (No new FTE's)			53rd St. Reconstruction Debt Service - 2028-2047								
10% increase in medical insurance per year			45th:Oliver to WoodlawnDebt Service - 2028-2047								
2% increase in commodities and contractals per year											
	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
Property Tax Related Land Det	\$1,473,510	\$1,474,110	\$1,473,910	\$1,477,860	\$1,156,360	\$1,154,660	\$1,156,950	\$1,157,595	\$0	\$0	\$0
Property Tax Related City Debt	\$665,850	\$666,650	\$1,118,250	\$1,114,100	\$1,282,300	\$1,017,500	\$1,013,510	\$1,015,155	\$2,173,395	\$955,800	\$955,800
Land Debt Mill Equivalent	10.900	10.485	10.080	9.719	7.312	7.020	6.764	6.507	0.000	0.000	0.000
City Debt Mill Equivalent	4.926	4.742	7.648	7.327	8.108	6.187	5.925	5.707	11.748	4.968	4.968
Total Mill Equivalent	15.826	15.227	17.729	17.045	15.420	13.207	12.689	12.214	11.748	4.968	4.968

CIP Layout

- The City overall CIP plan is a rolling 10-year period with year 1 of the plan showing what projects have been allocated funding. Years 2 through 10 are the planning horizon.
- Historically the City has used it's CIP Reserve Fund as the cash financing arm of the CIP. The City currently contributes \$415,000 per year from the General Fund to the CIP Reserve Fund. The CIP Reserve Fund is primarily for smaller projects such as refreshing existing parks, Sidewalk Grant Program, and smaller engineering/architecture projects etc.
- The current 2026 funded items out of the CIP Reserve Fund include:

Current 2026 CIP-Reserve Fund Projects

		2026	
	Starting Fund Balance	\$	1,732,095
	REVENUES		
	CIP - General Fund Transfer	\$	415,000
	Earned Interest	\$	40,000
	Total Revenues	\$	455,000
	EXPENDITURES		
Category	Project		
FACILITIES	Energy Efficient HVAC - City Hall Phase 2	\$	75,000
FACILITIES	Architecture/Engineering Study - City Hall	\$	50,000
PARKS	Refresh Existing Parks	\$	150,000
PARKS	Skyview Park - Eng/Construction	\$	500,000
REC	Master Plan - Engineering	\$	50,000
REC	REC Playground	\$	98,000
SIDEWALKS	Sidewalk Grant Program	\$	15,000
	Total Expenditures	\$	938,000
	Budgeted Income/(Loss)	\$	(483,000)
	Ending Fund Balance	\$	1,249,095

2027-2035 CIP-Reserve Fund Identified Projects

Include:

	Estimated cost	2027	2028	2029	2030	2031	2032
Energy Efficient HVAC - City Hall Phase 3	\$ 75,000	\$ 75,000					
Energy Efficient HVAC - City Hall Phase 4	\$ 75,000		\$ 75,000				
Bel Aire Park	\$ 1,350,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000	\$ 225,000
Bel Aire Bike Paths Phase 1 - WAMPO	\$ 778,400	\$ 200,000	\$ 270,000				
Bel Aire Bike Paths Phase 2 - WAMPO	\$ 545,985			\$ 200,000	\$ 374,294		
Bel Aire Bike Paths Phase 3 - WAMPO	\$ 490,545					\$ 88,042	\$ 100,000

2027-2035 Facilities and Streets Identified Projects Include:

EXPENDITURES	EST. COST
<i>Facilities</i>	
Police Station New/Addition	\$ 2,500,000.00
Rec - Master Plan Implementation/Construction	\$ 4,550,000.00
<i>Streets - WAMPO 80/20 Split for Construction</i>	
45th: Oliver To Woodlawn Construction	\$ 3,000,000.00
Rock Road Expansion: 45th to 53rd	\$ 5,000,000.00
53rd and Greenwich Intersection - Eco Devo ST Grant	\$ 500,000.00
54th and Webb Intersection - Eco Devo ST Grant	\$ 500,000.00
Webb: 45th to 53rd Mill and Overlay	\$ 1,000,000.00
K254 Improvements - City Share	\$ 5,000,000.00
Woodlawn Reconstruction	TBD
Oliver: 45th to 53rd	\$ 5,000,000.00
Woodlawn Expansion: 45th to 53rd	\$ 5,000,000.00
45th: Woodlawn to Rock	\$ 5,000,000.00
Oliver: 37th to 45th	NEED ESTIMATE

City of Bel Aire, Kansas

Pro Forma Analysis

1% Sales Tax Generating \$620,000 Annual Revenue for Projects

Period	Year	15-Year Amortization			20-Year Amortization		
		Principal	Interest	Total	Principal	Interest	Total
t=							
1	2027	\$ 330,000	\$ 287,508	\$ 617,508	\$ 245,000	\$ 372,428	\$ 617,428
2	2028	370,000	245,628	615,628	295,000	323,323	618,323
3	2029	380,000	235,009	615,009	300,000	314,856	614,856
4	2030	395,000	223,647	618,647	310,000	305,886	615,886
5	2031	405,000	211,323	616,323	320,000	296,214	616,214
6	2032	420,000	198,241	618,241	330,000	285,878	615,878
7	2033	435,000	184,297	619,297	340,000	274,922	614,922
8	2034	450,000	169,507	619,507	355,000	263,362	618,362
9	2035	465,000	153,577	618,577	365,000	250,795	615,795
10	2036	480,000	135,954	615,954	380,000	236,962	616,962
11	2037	500,000	117,090	617,090	395,000	222,028	617,028
12	2038	520,000	96,690	616,690	410,000	205,912	615,912
13	2039	545,000	74,850	619,850	430,000	188,692	618,692
14	2040	565,000	51,469	616,469	445,000	170,245	615,245
15	2041	590,000	26,609	616,609	465,000	150,665	615,665
16	2042	-	-	-	490,000	129,693	619,693
17	2043	-	-	-	510,000	107,006	617,006
18	2044	-	-	-	535,000	82,144	617,144
19	2045	-	-	-	560,000	56,063	616,063
20	2046	-	-	-	590,000	28,763	618,763
Total	Total	\$ 6,850,000	\$ 2,411,395	\$ 9,261,395	\$ 8,070,000	\$ 4,265,836	\$ 12,335,836

Sources	
Principal	6,850,000
	6,850,000

Sources	
Principal	8,070,000
	8,070,000

Uses	
Project Fund	6,667,800
Cost of Issuance (Incl. UW Disc.)	182,200
	6,850,000

Uses	
Project Fund	7,873,160
Cost of Issuance (Incl. UW Disc.)	196,840
	8,070,000

True Interest Cost:

4.13%

True Interest Cost:

4.50%