



COUNTY OF FAUQUIER  
OFFICE OF THE COUNTY ADMINISTRATOR

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**June 30, 2007**

Honorable Board of Supervisors and Citizens of Fauquier County:

The budget for Fiscal Year (FY) 2008, adopted on March 29, 2007, has been prepared in accordance with Chapter 4 of Section 15.2 of the Code of Virginia. The Adopted Budget represents the official County plan of revenues and expenditures for the Fiscal Year of July 1, 2007 through June 30, 2008.

According to Virginia Code, a County budget is a work plan, expressed in terms of dollars, representing a tool for fiscal management. It is prepared and developed as a plan of County operations, maintenance, capital outlay, and debt service for a one-year period.

**BACKGROUND**

The development of the FY 2008 Budget was one of the most difficult in many years. A significant drop in residential construction and the slowing of related businesses, such as home sales, resulted in a total increase in revenue of less than .05 percent. This is the lowest revenue growth in over fifteen years. Combined with the limited revenue was the Board of Supervisors' goal not to increase tax rates for FY 2008. This created a significant challenge; funding requests exceeded projected revenues by over \$25 million. However, after months of review and deliberations with staff, the Board of Supervisors, and citizens, the FY 2008 budget was completed without a tax rate increase. To achieve this goal, the Board recognized it could not accede to all the requests identified in the budget process and that there will be even greater demands on limited resources in future years due to the projected opening of new schools. To support education for FY 2008, consistent with the Board's priorities, the Schools received all new, local revenue, and funding from \$4.3 million in reductions in the County's current budget. To attain this level of support, funding was reduced from or maintained at the FY 2007 levels for over 38 percent of County departments and agencies.

For FY 2007, enhancements to citizen involvement and the use of the Internet were instrumental in continuing to improve the budget as a policy document and financial plan. Citizen involvement included expanded participation in numerous budget work groups, such as the

Capital Improvements Program Review Committee that develops major capital funding recommendations for the next ten years. Citizen participation in the process allowed the County to benefit from the direct input and perspective of taxpayers when developing the budget. During the budget process, briefings were provided to a number of citizen groups, both to inform and to receive comments on the proposed budget. This initiative resulted in an improved understanding by concerned citizens of the budget elements and identification of citizen budget issues.

The Budget Office's Internet web page was expanded to provide additional information on budget timelines, status updates and an extensive budget summary for citizens and County staff during the development process. The web page is also used to solicit and respond to inquiries concerning the budget and the budget process, as well as other financial actions taken during the year. Use of the Internet as a mode of communication will continue to expand in the future to include surveys and responses to related inquiries. For FY 2008, the Budget and the 10 year Capital Improvements Program are available via the Internet or on CD.

### **REVENUE PLAN**

The Real property tax rate will remain unchanged for FY 2008 with the overall rate at \$0.645 per \$100 assessed value, of which the General Fund rate is \$0.60, the Fire and Rescue Levy is \$0.035 and the Purchase of Development Rights Levy is \$0.01. For Calendar Year (CY) 2007, total taxable real property assessment values are \$11.99 billion, an increase of \$302 million or 2.6 percent over CY 2006. Real property taxable parcels for CY 2007 total 31,001 (1.7 percent) over CY 2006.

For FY 2008, the personal property tax rate will remain unchanged at the 1998 level of \$4.65 per \$100 assessed value for motor vehicles. The rates for special personal property tax classifications, such as equipment for the disabled, also remain at the 1998 level. Personal property tax on aircraft will remain at the FY 2007 rate of \$0.001 per \$100 assessed value.

As previously stated, the General Fund revenue estimates for FY 2008 were negatively impacted by the measurable slowing of home sales and residential construction. Economic conditions resulting in the drop of residential construction as well as a decrease in car and home purchases are anticipated to reduce revenue growth in several areas. These include local sales tax, recording tax and fees, and community development fees. The total increase in General Fund revenue for FY 2008 from all sources is estimated to be \$1.0 million from an FY 2007 Adopted Budget of \$144.9 million. This is the smallest increase in new revenue in over 15 years. The amount of increase is net the receipt of \$1.4 million in State funds with the movement of the Warrenton-Fauquier County Joint Communications Center from a separate fund to the General Fund. Local taxes/fees and State and Federal Revenue are the major categories of revenue. Due to the unfavorable economic conditions, Local Revenue is projected to increase less than .02 percent, State Revenue 2.9 percent and Federal Revenue 1.6 percent.

Despite the magnitude of the budget requests and limited funding, the FY 2008 budget reflects the Board of Supervisors' continued fiscal conservatism as it does not use any fund balance to support operations. One of the County's principle financial policies is to establish and maintain an unreserved, undesignated General Fund balance of not less than ten percent of General Fund Revenues. This goal was met at the end of FY 2006 when fund balances in excess of ten percent

were used to address a number of School and County non-recurring issues such as facility construction and repair. These funds were also used to offset the projected loss of revenue in the current year as a result of the slowdown in residential construction. Only through the maintenance of an adequate level of fund balance can the County sustain operations during significant economic downturns, minimize adjustments in taxes and fees, and realize cost savings in issuing debt.

In FY 2008, the Board of Supervisors' continued its support of one of the most aggressive programs to minimize the tax burden on senior citizens in the Commonwealth of Virginia. Tax Relief for the Elderly and the disabled program maintained the limits for income at \$58,000, net combined financial worth at \$440,000 and the exclusion of income of a relative residing in the home at \$10,000. In addition to these financial levels, up to five acres of land are also exempt. It is anticipated that the number of participants in this program will increase 10 percent, resulting in exonerations exceeding \$1.6 million in real estate taxes for the lowest income senior citizen homeowners in Fauquier County.

### **EXPENDITURE PLAN**

The FY 2008 Expenditure Plan for all County Funds is \$225.2 million, a net decrease of \$31.5 million (12.3 percent) from the FY 2007 Adopted Budget. The primary factor for this decrease is the reduction in funding for construction projects. In FY 2007, \$50.0 million was appropriated for construction projects, primarily related to the new Kettle Run High School and Elementary School #11, and in FY 2008, \$13.6 million is recommended for new construction projects.

### **General Fund**

The General Fund expenditure plan, excluding Schools, totals \$60.6 million, a decrease of \$4.3 million (7.1 percent). Education was the highest budget priority with an allocation of \$130.3 million including a local funding commitment of \$86.8 million. Despite a net decrease in the General Fund for FY 2008, excluding funding for education, support to education actually increased by \$6.8 million (8.5 percent) over the FY 2007 Adopted Budget level. The transfer to the School Division is 58.9 percent of the General Fund appropriations, not including the allocation of shared services from the Departments of Finance, General Services and Human Resources, which represents an additional \$6.7 million of local support.

### **Personnel**

The FY 2008 Adopted Budget also contains several adjustments in personnel related costs. These changes include additional positions and support for salary and benefit issues. Early in FY 2007, 16 new positions were added to meet various vital operational needs. Nine of these positions were included in the General Fund and seven were added to separate Funds. Positions added in the General Fund primarily support two functions: the Directed Assistance Review Team (DART) of the Community Development Department and Courthouse Security for the Sheriffs' Office. The DART initiative was implemented to expedite business and public facility development and the additional Courthouse Security positions were added in response to recommendations from a U.S. Federal Marshal's study. Due to limited funding in FY 2008, no new positions were added to General Fund departments and agencies and one

position, Engineering Environmental Planner, was eliminated. Staffing in other Funds added during FY 2007 and approved for FY 2008 were primarily for the Environmental Services Department (Landfill). These positions were included basically to staff a new initiative, Recycling Construction and Demolition Debris. This program is expected to lengthen the life of the current landfill and delay the significant costs of its closing and opening a new facility.

Staffing Adjustments,  
Positions Added During FY 2007

General Fund:

Senior Planner (Zoning), DART	Community Development
Assistant County Engineer (Engineering Division), DART	Community Development
Senior Planner (Planning Division), DART	Community Development
Administrative Associate, DART	Community Development
Courtroom Security Officers (3)	Sheriff's Office
Erosion and Soil Program Specialist	John Marshall Soil & Water District
Court Services Officer	Adult Court Services

Other Funds:

Administrative Specialist	Airport Fund
Recycling Education Coordinator	Environmental Services (Landfill)
Recycling Commodity Coordinator	Environmental Services (Landfill)
Solid Waste Management Operators (4)	Environmental Services (Landfill)

Position Adjustments for FY 2008

General Fund, Position Eliminated:

Engineering Environmental Planner	Community Development
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Other Fund Staffing Adjustments:

Solid Waste Management Operators (3)	Environmental Services (Landfill)
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Employee compensation and healthcare costs also received priority for FY 2008. This includes funding of the annual pay and classification study, a two and a half percent cost of living adjustment and a one percent pay for performance award. A pay and classification study is conducted annually on approximately one third of the County departments. These studies determine the comparability of County employee titles, duties and compensation compared to those of other local jurisdictions and the private sector. The system-wide pay for performance program received minimal funding for FY 2008 due to the limited resources available.

To avoid an increase in healthcare costs to employees, the County will absorb the projected increase in premiums for full time employees. Significant adjustments to the healthcare plan in FY 2006 and implementation of a number of employee wellness programs mitigated the historical annual double digit percentage cost increase. Projected healthcare costs for FY 2008 are expected to increase approximately 9 percent. It is highly probable that employees will share more of the healthcare cost increases in the future.

### **General Government Administration**

General Government Administration represents 7.3 percent (\$10.8 million) of the total General Fund expenditures. General Government Administration includes 12 departments: Board of Supervisors, Commissioner of the Revenue, County Administration, County Attorney, Finance, Independent Auditor, Information Technology, Budget Office, Human Resources, Geographic Information Systems (GIS), Registrar and the Treasurer. The FY 2008 General Government Administration budget increased \$0.7 million (7.2 percent) from FY 2007. A major initiative affecting this growth was the transfer of all telecommunication appropriations from individual departments to the Information Technology Department. This action was taken to improve management of telecommunication coordination and funding. The amount of \$240,000 was net of a 10 percent reduction in anticipation of improved efficiencies. An additional increase of approximately \$30,000 was for the Independent Auditor element to provide for enhanced review of internal controls and compliance issues. The remaining growth in this budget category were primarily for cost of living adjustments, pay for performance awards, and increase in health care costs.

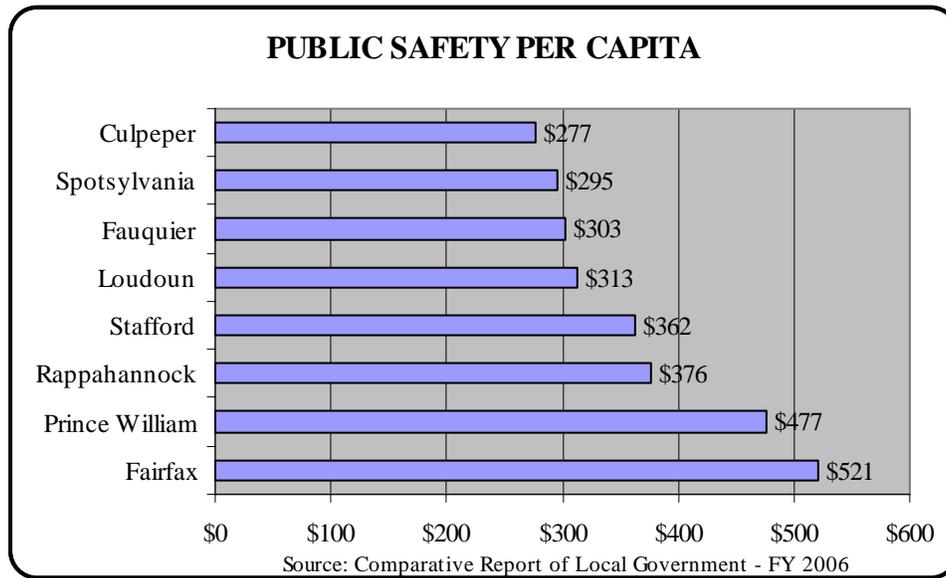
### **Judicial Administration**

Judicial Administration appropriations of \$3.1 million represent 2.2 percent of the total General Fund budget. This is an increase of \$265,000 (9.4 percent) over the FY 2007 funding level. This category includes Adult Court Services, Circuit Court, Clerk of the Circuit Court, Commissioner of Accounts, Commonwealth's Attorney, General District Court, Juvenile and Domestic Relations Court, and the Magistrates. The single largest element contributing to the increase for FY 2008 was \$57,000 for a Litter Control Program in the Adult Court Services Office. Utilizing free labor from Court ordered community service workers and funding support from the Environmental Services Department (Landfill), the program is designed to reduce the amount of litter along County roadways. As with most other expenditure categories, a large portion of the increase is attributable to cost of living adjustments, merit pay and health care related costs. It should also be noted that approximately 38 percent of these departments and agencies received no additional funding for FY 2008 or were reduced in support.

### **Public Safety**

Public Safety related appropriations represent 11.2 percent (\$16.5 million) of the total General Fund expenditures, an increase of 20.1 percent (\$2.8 million). This category includes the Adult Detention Center, Northwestern Regional Adult Detention Center (NRADC), Juvenile Detention, Juvenile Probation, Warrenton-Fauquier Joint Communications Center (WFJCC), Fire and Emergency Services, and the Sheriff's Office. The most significant element of the FY 2008 increase was the transfer of the WFJCC from its own separate Fund to the General Fund. This

adjustment represented a \$1.9 million increase to this category. Also for FY 2008, \$158,000 was provided for the three deputies added in the Sheriff’s Office during FY 2007 to improve security for the County’s three Courthouses. The Sheriff’s Office received a further increase of \$116,000 to support costs primarily related to the installation of mobile data terminals in patrol vehicles. The mobile data terminals will improve operational efficiency and response time. A growing number of juvenile offenders requiring incarceration resulted in a \$65,000 (19 percent) increase to the Juvenile Detention Office budget. This is the second year in a row that Juvenile Detention has required a double-digit budget increase. The majority of the remaining budget increase in this category supports cost of living adjustments, merit pay awards, and health care related costs. Approximately 43 percent of the organizations in this category received budget reductions for FY 2008.



### **Public Works**

Public Works, consisting of the Environmental Services Convenience Sites and the Department of General Services, represents 4.4 percent (\$6.4 million) of the General Fund budget. The Department of General Services budget represents 77 percent of this category’s funding for FY 2008. The Public Works category was increased less than 1 percent (\$56,000) from the FY 2007 budgeted amount. This minor net increase was primarily the result of an 11.9 percent (\$200,000) reduction in funding for the Convenience Sites. The Board of Supervisors’ decision not to fund the tipping fees of Fauquier County’s incorporated towns was a key element in this reduction. The use of trash compactors at the sites to reduce hauling costs to the landfill and other operational efficiencies also contributed to this savings. This reduction offset most of the increased support for the cost of living adjustments, merit pay awards, and health care related costs.

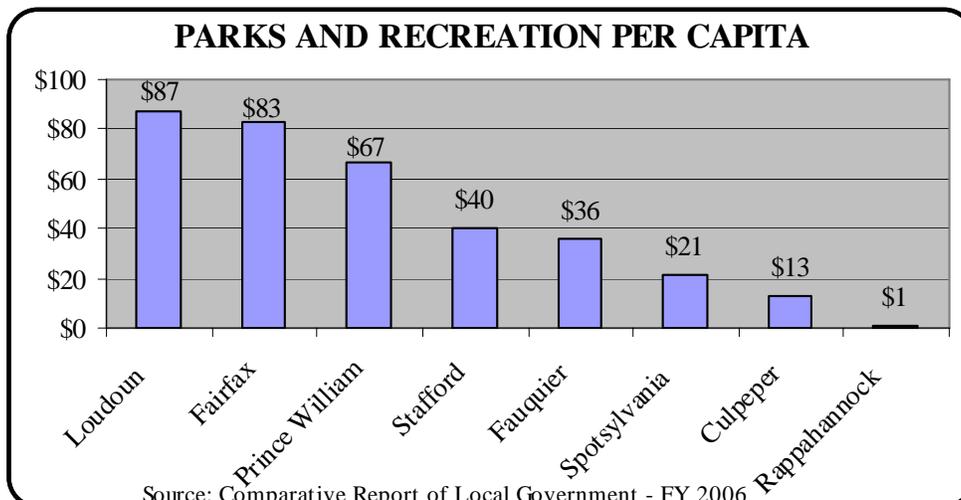
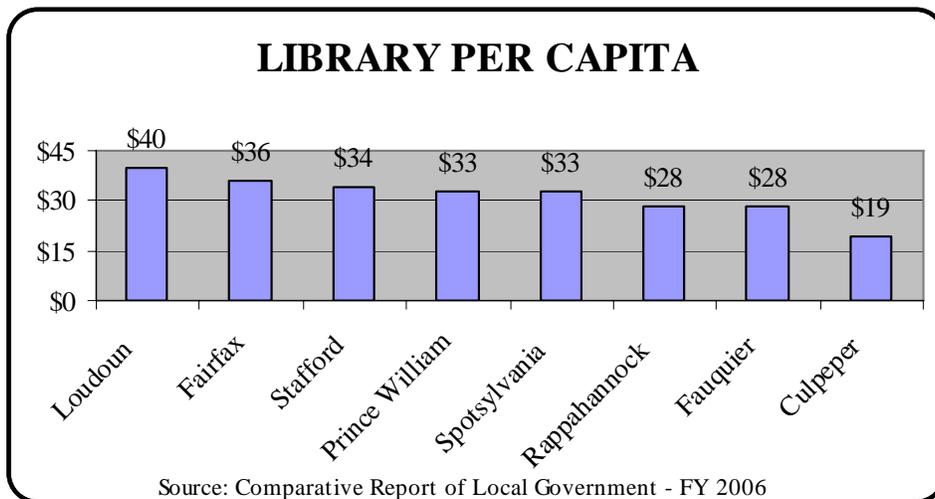
### **Health and Welfare**

The Health and Welfare related appropriations totaling \$8.9 million represents a 6.0 percent of the total General Fund budget. This is an increase of \$199,000 or 2.3 percent from the FY 2007 funding level. Included in this expenditure category are the Community Services Board, Comprehensive Services Act (CSA) Office, Public Health and Social Services. The largest component of this increase, \$137,000, is attributed to Social Services programs such as

employment services and adoption initiatives. Of this budget growth, 36 percent is supported by Federal or State revenue. The bulk of the remaining increase in this category is attributed to cost of living adjustments, merit pay awards, and health care related costs.

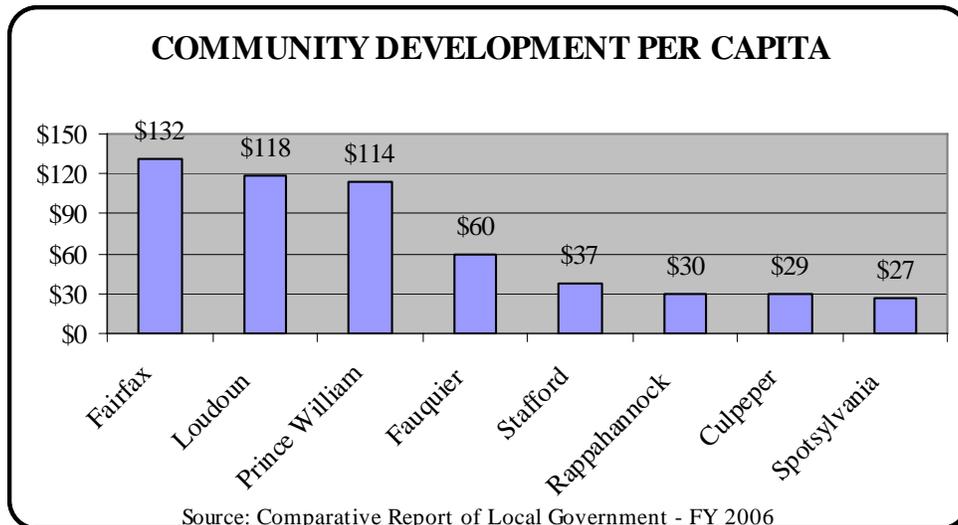
### Culture

Culture appropriations of \$5.5 million represent 3.8 percent of the total General Fund Budget. This category includes the Library, Parks and Recreation, and support for Lord Fairfax Community College (LFCC). Funding for FY 2008 increased 9.1 percent, \$462,000, from FY 2007. Support to LFCC continues to include funding for planned expansion of the school at its two campuses: Middletown and Warrenton. This support is in compliance with the Memorandum of Understanding signed by the Board of Supervisors in FY 2006. Beginning in FY 2008, a Workforce Service Center is planned for construction at the Warrenton campus. Parks and Recreation received \$26,000 to address growth in contract costs for items such as mowing and increases in utility costs. While not included in the FY 2008 Budget, the opening of the Northern Sports Complex, currently scheduled for early summer of CY 2008, will require operating funding in late FY 2008 or in FY 2009. The actual level of support will be determined later this fiscal year. The Library received \$12,000 due to increased costs of books and subscriptions. The remaining FY 2008 increases in this category resulted from cost of living adjustments, merit pay awards and health care costs.



## Community Development

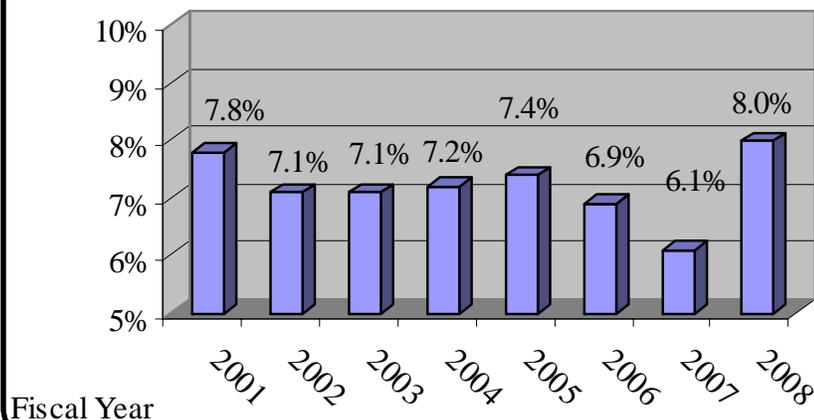
Community Development related appropriations are 3.4 percent (\$5.0 million) of the total General Government expenditures. This category includes Community Development, Agricultural Development, Economic Development, Extension Office, John Marshall Soil and Water Conservation District and the Planning Commission/Board of Zoning Appeals. In achieving a net increase of approximately \$594,000 for FY 2008, \$254,000 was approved during FY 2007 for the Directed Assistance Review Team (DART), four positions added to expedite the processing of commercial development. The emphasis on improving the response time for handling of commercial development applications is one of the Board of Supervisors' highest priorities. However, in response to the slowing of residential development, an Engineering Environmental Planner position was eliminated, and \$50,000 was reduced from professional services used to assist in residential building plan review. In order to meet Commonwealth of Virginia's erosion and sediment control standards, a part time Erosion and Sediment Specialist was added in FY 2007 for the John Marshall Soil and Water Conservation District (JMSWCD). For FY 2008, the Planning Commission/Board of Zoning Appeals received an additional \$11,000 to support an increased contribution to the Virginia Regional Transportation Association (VRTA). These funds to VRTA maintain the current 25-hour per week On-Demand bus support to County citizens. This service reaches individuals in the outlying regions of Fauquier County and provides access to destinations inaccessible without transportation. The remaining increases in this category are from cost of living adjustments, merit pay awards, and health care costs.



## Debt Service

The General Fund Debt Service reflects the lease/purchase funds for the branch library in Bealeton and debt service related to the purchase of an emergency public radio system in FY 2003. The chart below illustrates the County's compliance with a major financial objective of restricting debt service payments to 10 percent of budgeted revenue.

### **Debt Services as a % of General Fund Revenue**



The Schools account for 92.1 percent (\$10.9 million) of the County's total current debt service expense. Planned borrowing for FY 2008 totals \$12.5 million. This includes the final borrowing of \$6.9 million to construct the \$15.9 million Scott District Elementary School #11, and \$3.1 million to build a second entrance to Kettle Run High School currently under construction in the Scott District and scheduled to open in FY 2009. An additional \$1.5 million will be borrowed for the County to improve Public Safety Radio Coverage in the Vint Hill area and \$1.0 million to construct a Fire Training Center and Firing Range in the area of Green Road in Center District (the debt service cost for these projects will appear in the FY 2009 Budget). In analyzing the need for new or upgraded facilities and funding alternatives, the County continues to maintain debt service within the guideline of 10 percent of General Fund Revenue.

### **School Operating Fund**

For FY 2008, support of the School Division is the highest priority for the Board of Supervisors. Funding for the School Operating Fund budget rose \$7.9 million (6.5 percent). Local County funding transfer increased \$6.8 million (8.5 percent) to \$86.8 million. Reflecting the Board of Supervisors' emphasis on education, the direct local support to the School Division has increased 18.6 percent in the past two years. Indirect support from the Unified Services Departments of Finance, Human Resources, General Services, and the Office of Comprehensive Services increased over 17 percent during the same period. Additional revenue support includes a 2.0 percent increase from the Commonwealth and 5.0 percent increase from the Federal Government. The School Board budget priority remains recruiting and retaining high quality staff through enhanced employee compensation. For FY 2008 a beginning teacher's salary will become more competitive as it increases to \$38,750, up 3.3 percent from FY 2007. In the effort to improve starting teacher compensation, the School Division has increased salaries by approximately 16 percent in three years. Other compensation issues addressed by the School Board were a 1.05 percent increase in Virginia Retirement Services (VRS) rates and the absorption of projected growth in health care costs for all full time employees. The Board of Supervisors' also approved absorbing the increase in health care costs for County employees.

The School Operating Fund includes program growth to support the projected addition of 200 students and the impact of inflationary issues such as fuel costs.

### **Capital Improvements Fund**

The Capital Improvements Fund, including the Capital Improvements Program (CIP), for FY 2008 totals \$13.6 million, a 72.9 percent reduction from last year's massive \$50.0 million program. Funding for FY 2007, primarily for a new high school and elementary school, was the largest appropriation for construction ever made by Fauquier County in a single fiscal year. Of this year's \$13.6 million budget, \$12.5 million will be bond-supported and \$1.1 million cash-funded. Borrowing will support the second entrance to Kettle Run High School, completion of Elementary School #11, improved Public Safety Radio Coverage in the Vint Hill area, and the construction of a Fire Training Center and Firing Range. Cash support in this Fund will be used for replacement of Sheriff's vehicles, Final Design Plans for the New Baltimore Branch Library, Repair of the Adult Detention Center Water/Sewer System, Site Evaluation Study of the County's Stafford property next to the Landfill, a Public Safety Office Structure Study and funding to construct additional parking at the Warrenton Community Center.

### **Volunteer Fire & Rescue Fund**

Fire and Rescue Fund FY 2008 support remains at \$0.035 per \$100 of assessed value of real property. This \$4.6 million Fund increased \$140,000 (3.2 percent) and will be used primarily to expand support for major facility improvements that will be debt-funded through the United States Department of Agriculture Rural Community Facilities Program. The Fund now has \$1.4 million in debt service allocations to apply to construction and renovation of the four facilities at New Baltimore, Remington, Warrenton and Catlett/Cedar Run. These projects are expected to be completed in the next several years.

### **Airport Enterprise Fund**

For FY 2008, the Airport Enterprise Fund of \$298,000 decreased 9.9 percent or \$33,000. This reduction was based on revised projections of various revenue sources supporting Airport operations. The reduction in funding for part-time staff, overtime, and maintenance service contracts was made to match the decrease in revenue.

### **Environmental Services (Landfill) Fund**

The Environmental Services Fund decreased \$1.8 million (13 percent) from FY 2007 primarily due to a large outlay for capital items in FY 2007. These capital purchases supported the new Construction and Demolition Recycling Program intended to generate additional revenue and lengthen the life of the current landfill. For FY 2008, support for this initiative expanded with the addition of three solid waste management operators, a number of temporary positions, and planned acquisition of several additional pieces of operational equipment.

### **Affordable Housing Fund**

New for FY 2008, this \$298,000 Fund was established to address one of the Board of Supervisors' priorities: affordable housing. As with most northern Virginia jurisdictions,

moderate and lower cost housing is very limited. The intent of this Fund is to serve as seed money for grants and to support initiatives that will improve this situation. A citizens' committee, supported by County staff, has been formed to aggressively pursue affordable housing opportunities.

### **Economic Development**

Economic growth in terms of new tax revenue and the enhancement of job opportunities are the purpose and goal of the Fauquier County Department of Economic Development. Supporting new business growth, assisting existing businesses to expand and enhancing tourism are critical to maintaining balanced economic growth.

The Fauquier County business tax base in Calendar Year (CY) 2006 expanded by approximately 7.5 percent. A key measure was the growth of existing businesses, which increased by 130 between CY 2005 and CY 2006. During the same period, over 400 new jobs were created. The job expansion represents a 17.2 percent increase over CY 2005. While the unemployment rate increased slightly over CY 2005 (2.3 percent as compared to 2.0 percent in CY 2006), the rate remains less than that of both the Commonwealth of Virginia (3.1 percent) and the United States as a whole (4.6 percent).

Business and job expansion translates into increased tax revenue. During CY 2005–2006, the total tax revenue collected in Fauquier County was approximately \$104 million. Of this total, businesses contributed approximately \$14.4 million representing a \$1 million increase over the same period in 2004-2005. In addition to the real estate tax, Fauquier County experienced a 16.9 percent increase in gross retail sales of \$346 million over CY 2005. This growth has slowed in FY 2007 with a decrease in residential and commercial construction. However, the Board of Supervisors has identified commercial growth as a high priority. This effort is intended to lessen the impact of County and School operations supported primarily with revenue from the residential real estate tax. Part of this effort was the establishment in the Community Development Department of the Directed Assistance Review Team to expedite the processing of commercial construction applications.

### **LOOKING TOWARD THE FUTURE**

The projected FY 2008 economic conditions resulted in a limited ability to respond to County and School Division operational needs. However, this situation is expected to improve later in the year. While a number of priorities, including those identified by the Board of Supervisors, were addressed in this year's budget, there are many unfunded requirements which will be competing against limited future revenues. Major issues, including the impact of population growth, County and School Division facility needs, maintenance of existing structures, employees' healthcare costs and the need to balance the compensation requirements of public employees, County and School, with the expectations of citizens for stable tax rates, will all need to be addressed in future budgets. The most significant issue facing the County in the next few years is the impact of facility requirements. The ten-year Capital Improvements Plan contains 18 construction projects, including three schools, major renovations to existing schools, two libraries, a public safety office building, a transportation complex and a southern community center totaling more than \$177.8 million with annual operating costs of over \$20.7 million. In

addition to these planned projects, recent limitations placed on the County by the Commonwealth of Virginia regarding restrictions on the expansion to wastewater treatment facilities after FY 2010 could have a further budgetary impact. For FY 2009, the opening of a new high school and an elementary school will have a substantial impact on the financial status of the County and the Board of Supervisors' ability to address other operational needs. Due to the magnitude of cost related to these schools opening, a significant tax increase is planned for FY 2009.

To lessen the impact of residential growth on future services, the County established a Conservation Easement Service District (CESD) Fund in FY 2005 for the purchase of property development rights. The CESD Fund is supported by \$0.01 per \$100 assessed value of real estate tax revenue, grants, as well as revenue generated by tax penalties on land removed from special use tax categories. Fauquier County's Purchase of Development Rights Program is the fastest-growing program in the Commonwealth. Only Virginia Beach's program, which began six years earlier than Fauquier's, has more protected acreage. It is hoped the CESD program can be expanded in future years to help maintain the treasured agricultural and cultural heritage of Fauquier County and slow increased demands for services and service-related costs due to residential development.

To meet the many budget challenges and maintain a proactive financial posture, Fauquier County has developed a Ten Year Financial Plan for operational planning and budget development. Our multi-year projection of revenues and expenditures in the Ten Year Financial Plan will permit policy makers and staff to improve forecasts of future needs, especially the projected growth and impact of school age children. This instrument will also be used to determine the impact of commercial and residential development on the County's infrastructure.

To ensure, overall operational and budget focus, in addition to the Board of Supervisors' goals, the County has developed management objectives and effective and efficient measures to achieve three primary objectives based on the County's Vision Statement. These objectives are:

1. Balance Quality Service with Fiscal Integrity.
2. Manage Growth in a Manner that Protects the County's Agriculture, Environment, Quality of Life, and Historic Resources.
3. Conduct County Government Openly.

For FY 2008, Fauquier County departments and offices have continued to refine the development of specific management performance objectives and quantifiable performance measures. These objectives address both long and short-term goals. The identification of these objectives in easily understood terms and measures will be beneficial to both County administration and citizens in determining the efficiency and effectiveness of County government. Using these objectives, the departments and offices can more easily align their activities to the County's overall goals. The progress on these objectives will be reported to the Board of Supervisors semi-annually.

In its effort to provide the highest quality of services to our citizens in a cost effective manner, the Board of Supervisors will continue to examine alternatives to tax rate increases. These alternatives will include review of current programs for opportunities to improve efficiency,

seeking additional non-tax derived revenue sources, managing the growth of programs and services, and seeking new and innovative ways to involve the public in the budgeting process.

### **ACKNOWLEDGEMENTS**

I recognize, with sincere appreciation, the outstanding efforts of the individuals in the Budget Office, and services provided by the Commissioner of the Revenue's Office, the Treasurer's Office, the Finance Department, and the Revenue Committee in the preparation of this budget.

I look forward to working with the Board of Supervisors to accomplish, in the most efficient and effective manner possible, the priorities that have been established for the County.

Sincerely,

Paul S. McCulla  
County Administrator