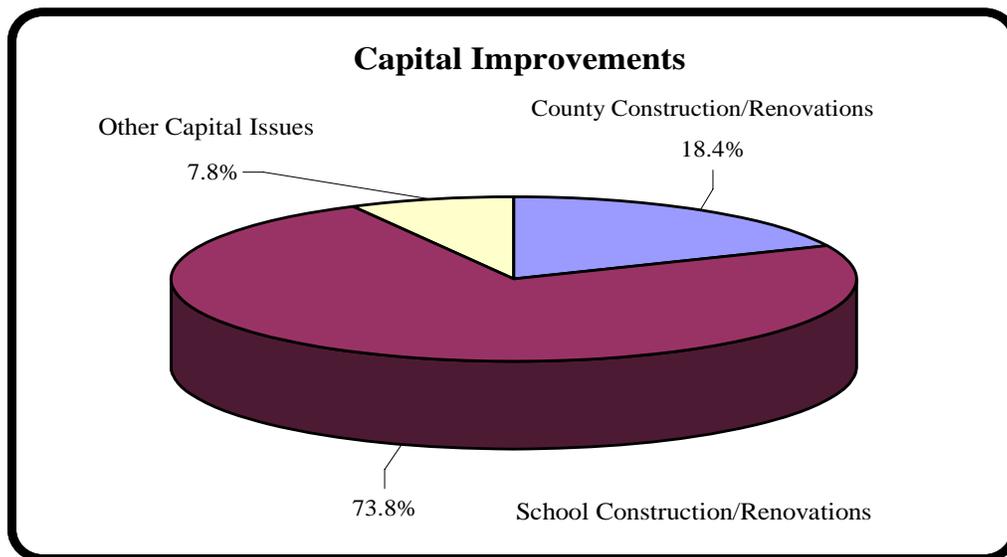
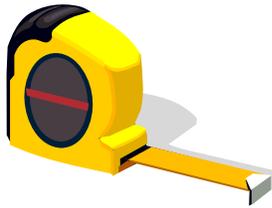


CAPITAL IMPROVEMENTS FUND

General Fund County	
Construction/Renovations	\$ 2,500,000
School Construction/Renovations	\$10,018,000
Other Capital Issues	<u>\$ 1,057,000</u>
	\$13,575,000



CAPITAL IMPROVEMENTS FUND

INTRODUCTION

The Fauquier County Capital Improvements Fund is designed to address and fund the construction or repair of public facilities, replacement of key systems (including vehicles) and major technology issues.

The Capital Improvements Fund, including the Capital Improvements Program (CIP) of Fauquier County, is adopted by the Board of Supervisors as part of the budget process. The CIP is the largest element of the Capital Improvements Fund and includes projects and estimated costs for a ten-year period. The first year of the adopted CIP becomes the budgeted element for the next fiscal year while the out year projects and costs are for planning and program development purposes only. The remaining part of the Capital Fund includes other significant capital issues such as the replacement of motor vehicles. Beginning in FY 2005, many projects previously included in the Capital Improvements Fund such as personal computer replacement, small equipment replacement and the comprehensive maintenance programs were moved to various operating budgets. Beginning in FY 2007 the School Division included a number of cash funded projects in its operating budget which had previously been included in the Capital Fund. These projects are listed in the School Fund section of this document. Policy and procedures for the Capital Improvements Program are included in the Policy and Procedures section of this budget document.

Fauquier County's Capital Improvements Fund approved projects for FY 2008 are as follows:

CAPITAL FUND PROJECTS FOR FY 2008

Department	Project Title	Source of Funding	FY 2008 Adopted
<u>Construction/Renovation</u>			
Schools	Elementary School #11 - Central <i>Second of two appropriations totaling \$15.9 million to build a new elementary school adjacent to the Kettle Run High School. This school is scheduled to open in FY 2009.</i>	Bond Revenue	\$6,918,000
Schools	2nd Entrance to Kettle Run High School <i>A second entrance to the new high school was approved for safety reasons.</i>	Bond Revenue	\$3,100,000
County	Public Safety Radio Coverage <i>Funding will provide for improved coverage of the public Safety Radio System in the Vint Hill Farms area of the County.</i>	Bond Revenue	\$1,500,000
County	Fire Training Center/Firing Range <i>Facility will serve as a fire training center for Fire and Emergency Services and a firing range for the Sheriff's Office.</i>	Bond Revenue	\$1,000,000
Subtotal			\$12,518,000

CAPITAL IMPROVEMENTS FUND

Maintenance and Major Systems Replacement

County	Sheriff's Office Vehicle Replacement Routine replacement of older patrol vehicles.	General Revenue	\$410,000
County	New Baltimore Library Design Plans Funding will be used to complete final design plans for the New Baltimore Library.	General Revenue	\$73,000
County	Adult Detention Center - Plumbing Repair This project is to repair or replace the existing plumbing in the Detention Center.	General Revenue	\$210,000
County	Site Evaluation - Stafford Property This project will determine possible uses of land purchased by the County next to the landfill.	General Revenue	\$150,000
County	Public Safety Parking Structure Study Funding will be used to conduct a study determining the best parking alternative for a future public safety building.	General Revenue	\$60,000
County	Warrenton Community Center - Parking Funding will be used to expand the parking area next to the Community Center.	General Revenue	\$154,000
	<i>Subtotal</i>		\$1,057,000
Total Capital Expenditures			\$13,575,000

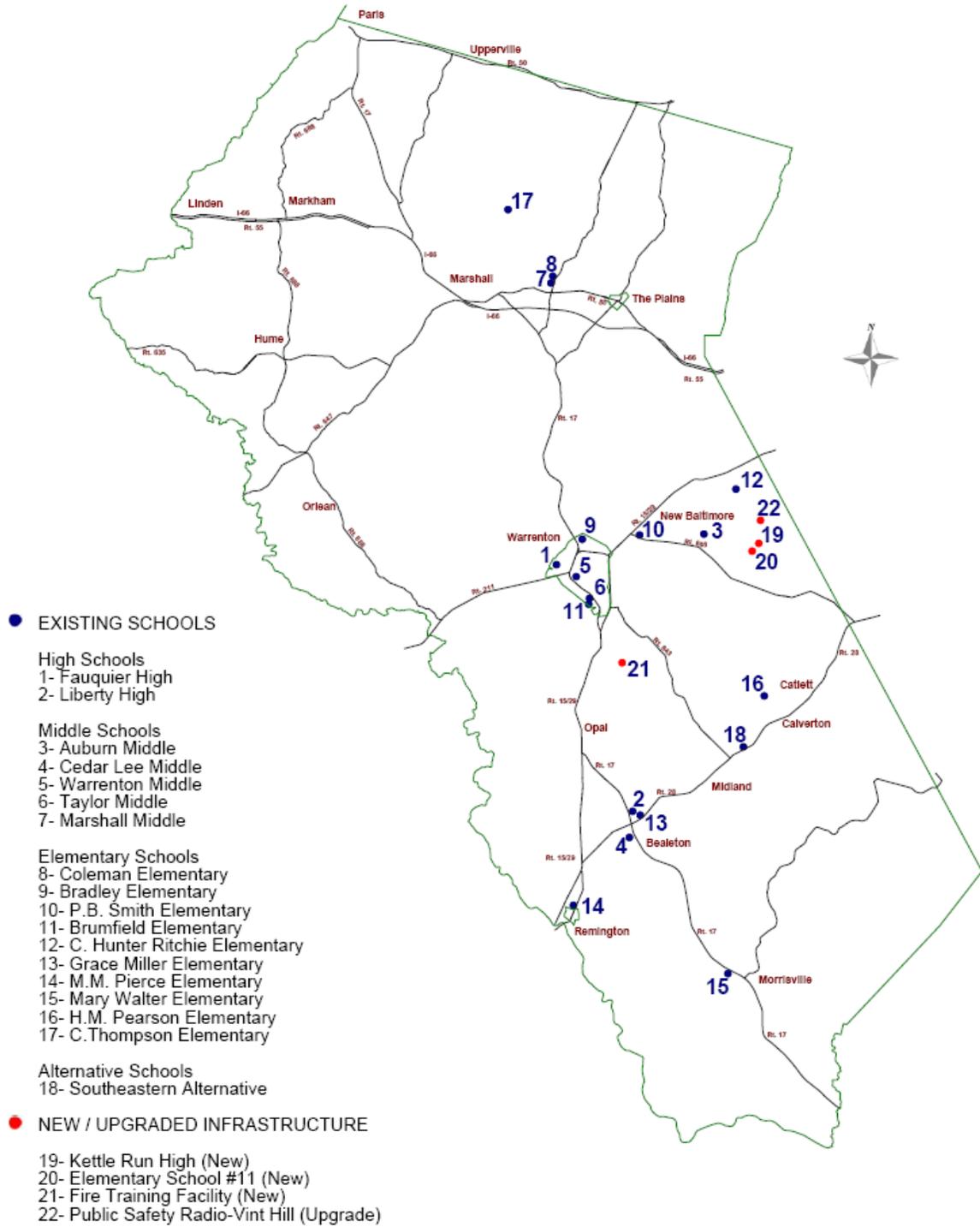
CONSTRUCTION RESERVES

As part of the budget process a number of CIP requested projects are historically funded in part or completely from existing Construction Reserves. The two Construction Reserves, School Division and General County Government, were established by the Board of Supervisors in FY 2002. Appropriations are from half of the unexpended, undedicated prior year fund balance. No specific project(s) have been identified to be funded from the Construction Reserves for FY 2008. It is anticipated that available funds from these Reserves may be required to support costs related to new school construction.

GENERAL

Capital improvements are considered to mean non-recurring projects of a fixed nature or long life, which provides new or additional public facilities or services. Project categories must have a minimum expected life span of twenty years for new construction, ten years for major systems replacement and five years for technology systems. Once funds are appropriated to the Capital Fund, the funds remain appropriated until the project is completed or the allotment is changed. Any change of funding between projects requires the recommendation of the Facilities and Finance Committees and approval of the Board of Supervisors. Residual funding from completed projects will be moved to the Construction Reserve accounts for use on other construction priorities.

CAPITAL IMPROVEMENTS FUND



CAPITAL IMPROVEMENTS FUND

OPERATIONAL COSTS

Fiscal responsibility warrants an analysis of the financial impact of capital projects on operations. For this reason, Fauquier County analyzes all operating costs associated with capital expenditures in the Capital Improvements Fund. There are no projected operating costs in FY 2008 for projects approved for FY 2008. Operating costs for these projects begin in future years. Operating costs are determined after a careful review of all related elements. For example, for the new elementary school these would include a comparison of the current costs to operate elementary schools of similar size and capacity along with identification of any additional new costs such as those of Central Office maintenance and administrative support.

Project:

- New Elementary School #11 – Central Region: Operating Costs \$3.7 million beginning in FY 2009

The FY 2008 Cash Funded CIP Projects are expected to produce operational cost savings.

Cost Savings

<u>Project</u>	<u>Savings</u>	<u>Area of Savings</u>
• Sheriff's Vehicle Replacement	\$ 15,500	Repairs, Fuel
• Adult Detention Plumbing Replacement	\$ 8,500	Utility Charges

Most of the cash funded capital projects are concerned with replacement of older, less efficient systems and equipment or maintaining facilities. Any increase or decrease in operational costs related to Capital projects are typically included in the departmental budgets the year following the completion of the project.

