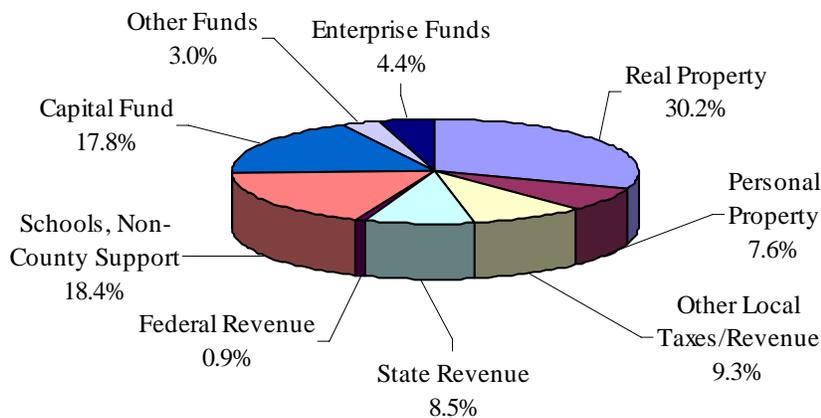


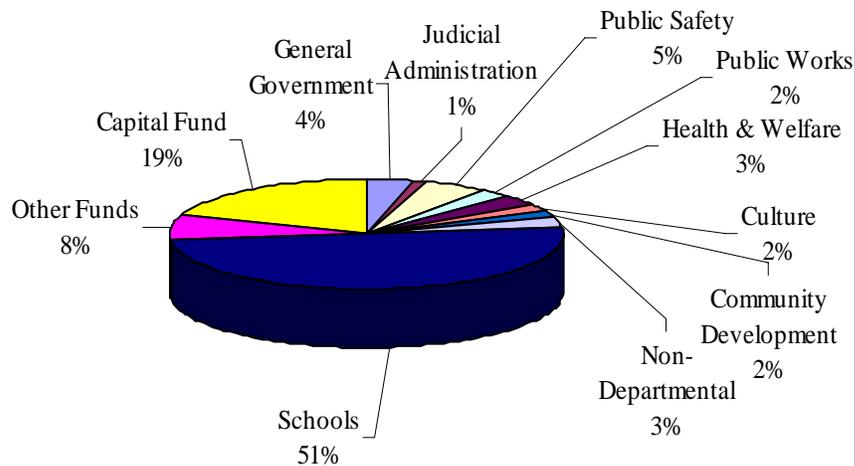
# COMBINED REVENUE AND EXPENDITURE ANALYSIS FY 2007 FOR ALL FUNDS

The County's FY 2007 Adopted Budget net of transfers (i.e. transfers between funds) is \$256,686,600. The charts below detail all funds revenue and expenditures by category.

**FY 2007 Adopted \$256,686,600  
All Funds Revenue By Source**



**FY 2007 Adopted \$256,686,600  
All Funds Expenditures By Category**



# FY 2007 ADOPTED BUDGET

## ALL GOVERNMENTAL FUNDS SCHEDULE

	General Fund	Conservation Easement Fund	Joint Communication Fund	Fire and Rescue Fund
Revenues:				
Federal	\$ 2,343,957	0	0	0
State	21,718,027	0	72,316	162,221
Other	120,817,480 *	1,850,000	1,276,121	
County	0	0	0	4,261,272
<b>Total Revenues</b>	<b>\$ 144,879,464</b>	<b>1,850,000</b>	<b>1,348,437</b>	<b>4,423,493</b>
Expenditures*:				
<b>Total Expenditures</b>	<b>\$ 140,082,951</b>	<b>1,850,000</b>	<b>1,797,362</b>	<b>4,423,493</b>
Excess (deficiency) of revenues over expenditures	\$ 4,796,513	0	(448,925)	0
Other financing sources (uses):				
Operating transfers in	\$ 0		448,925	0
Operating transfers out	(4,796,513)	0	0	0
Proceeds from indebtedness	0	0	0	0
Operating transfers from/to primary government	0	0	0	0
<b>Total other financing sources (uses)</b>	<b>\$ (4,796,513)</b>	<b>0</b>	<b>448,925</b>	<b>0</b>
Excess (deficiency) of revenue & other sources over expenditures and other uses	\$ 0	0	0	0
Fund balances at beginning of year	\$ 19,201,138	701,426	65,404	1,083,860
Fund balances at end of year	\$ 19,201,138	701,426	65,404	1,083,860

\* General Summary of expenditures can be found in separate Fund sections of the Budget.

# FY 2007 ADOPTED BUDGET

## ALL GOVERNMENTAL FUNDS SCHEDULE

---

	School Operating Fund	School Textbook Fund	Capital Projects Fund	Total All Govt. Funds
Revenues:				
Federal	\$ 3,646,442	0	0	5,990,399
State	37,737,986	401,653	0	60,092,203
Other	936,853	0	0	124,880,454
County	80,036,078	0	0	84,297,350
Total Revenues	\$ 122,426,877	401,653	0	275,260,406
Expenditures*:				
Total Expenditures	\$ 122,357,359	750,000	50,028,688	321,289,853
Excess (deficiency) of revenues over expenditures	\$ 0	(348,347)	(50,028,688)	(46,029,447)
Other financing sources (uses):				
Operating transfers in	\$ 0	348,347	4,334,688	5,131,960
Operating transfers out	0	0	0	(4,796,513)
Proceeds from indebtedness	0	0	45,694,000	45,694,000
Operating transfers from/to primary government	0	0	0	0
Total other financing sources (uses)	\$ 0	348,347	50,028,688	46,029,447
Excess (deficiency) of revenue & other sources over expenditures and other uses	\$ 0	0	0	0
Fund balances at beginning of year	\$ 1,350	57,438	33,524,241	54,634,857
Fund balances at end of year	\$ 1,350	57,438	33,524,241	54,634,857

# FUND BALANCE – GENERAL FUND

## Governmental Funds

General Fund	FY 2004 Actual	FY 2005 Actual	FY 2006 Adopted	FY 2007 Adopted
<b>Revenues:</b>				
General Property Taxes	\$ 67,861,085	\$ 71,989,371	\$ 76,305,625	\$ 97,011,162
Other Local Taxes	13,171,286	15,353,297	15,984,000	17,409,276
Permits, Privilege Fees and Regulatory Licenses	1,598,890	2,212,566	2,616,959	2,874,093
Fines and Forfeitures	504,771	486,847	508,350	508,480
Revenue from Use of Money and Property	1,001,428	1,405,944	1,074,325	1,806,364
Charges for Services	1,330,222	1,231,248	786,920	879,120
Miscellaneous	109,226	84,322	214,030	228,985
Recovered Costs	139,610	153,812	115,829	100,000
<b>Intergovernmental:</b>				
Commonwealth	19,798,015	20,459,473	22,051,334	21,718,027
Federal	2,227,715	2,425,806	2,155,565	2,343,957
<b>Total Revenues</b>	<b>\$ 107,742,248</b>	<b>\$ 115,802,686</b>	<b>\$ 121,812,937</b>	<b>\$ 144,879,464</b>
<b>Expenditures:</b>				
<b>Current:</b>				
General Government	\$ 7,683,813	\$ 8,737,640	\$ 8,931,040	\$ 10,038,267
Judicial Administration	2,486,181	2,457,593	2,619,874	2,841,357
Public Safety	8,782,015	9,507,717	12,328,337	13,711,307
Public Works	4,858,767	5,381,669	5,406,289	6,381,193
Health and Welfare	6,498,599	7,201,697	7,812,480	8,691,702
Education	54,471,447	60,498,819	65,310,315	69,783,638
Culture	3,625,418	3,814,426	4,117,078	5,079,617
Community Development	3,573,303	4,084,144	4,313,135	4,396,341
Non - Departmental	552,652	579,410	2,209,942	7,977,941
Debt Service	8,527,642	7,821,738	8,362,074	11,181,588
<b>Total expenditures</b>	<b>\$ 101,059,837</b>	<b>\$ 110,084,853</b>	<b>\$ 121,410,564</b>	<b>\$ 140,082,951</b>
<b>Excess (deficiency) of revenues Over Expenditures</b>	<b>\$ 6,682,411</b>	<b>\$ 5,717,833</b>	<b>\$ 402,373</b>	<b>\$ 4,796,513</b>
<b>Other financing sources (uses):</b>				
Operating transfers in	\$ 0	\$ 454,480	\$ 0	\$ 0
Operating transfers out	(6,820,535)	(9,525,551)	(402,373)	(4,796,513)
Transfers to proprietary funds	0	0	0	0
Proceeds from indebtedness	0	0	0	0
Operating transfers from/to primary government	0	0	0	0
<b>Total other financing sources (uses)</b>	<b>\$ (6,820,535)</b>	<b>\$ (9,071,071)</b>	<b>\$ (402,373)</b>	<b>\$ (4,796,513)</b>
<b>Excess (deficiency) of revenue &amp; other sources over expenditures &amp; other uses</b>	<b>\$ (138,124)</b>	<b>\$ (3,353,238)</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>Fund balances beginning year, restated</b>	<b>\$ 22,692,500</b>	<b>\$ 22,554,376</b>	<b>\$ 19,201,138</b>	<b>\$ 19,201,138</b>
<b>Fund balances at end of year</b>	<b>\$ 22,554,376</b>	<b>\$ 19,201,138</b>	<b>\$ 19,201,138</b>	<b>\$ 19,201,138</b>

# **FUND BALANCE – CONSERVATION EASEMENT FUND**

---

**SPECIAL REVENUE FUNDS**  
**CONSERVATION EASEMENT FUND**  
**Established in FY 2005**

	FY 2004	FY 2005	FY 2006	FY 2007
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Adopted</u>
<b>Revenues:</b>				
Federal	\$ 0	\$ 0	\$ 0	\$ 0
State	0	0	0	0
Other	337,609	1,938,001	1,926,000	1,850,000
County	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Total Revenues	 \$ <u>337,609</u>	 \$ <u>1,938,001</u>	 \$ <u>1,926,000</u>	 \$ <u>1,850,000</u>
<b>Expenditures*:</b>				
	\$ <u>834,309</u>	\$ <u>1,248,344</u>	\$ <u>1,926,000</u>	\$ <u>1,850,000</u>
 Total Expenditures	 \$ <u>834,309</u>	 \$ <u>1,248,344</u>	 \$ <u>1,926,000</u>	 \$ <u>1,850,000</u>
 Excess (deficiency) of revenues over expenditures	 \$ <u>(496,700)</u>	 \$ <u>689,657</u>	 \$ <u>0</u>	 \$ <u>0</u>
 <b>Other financing sources (uses):</b>				
Operating transfers in	\$ 508,469	\$ 0	\$ 0	\$ 0
Operating transfers out	0	0	0	0
Proceeds from indebtedness	0	0	0	0
Operating transfers from/to primary government	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
 Total other financing sources (uses)	 \$ <u>508,469</u>	 \$ <u>0</u>	 \$ <u>0</u>	 \$ <u>0</u>
 Excess (deficiency) of revenue & other sources over expenditures & other uses	 \$ <u>11,769</u>	 \$ <u>689,657</u>	 \$ <u>0</u>	 \$ <u>0</u>
 Fund balances beginning year, as adjusted	 \$ <u>0</u>	 \$ <u>11,769</u>	 \$ <u>701,426</u>	 \$ <u>701,426</u>
 Fund balances at end of year	 \$ <u>11,769</u>	 \$ <u>701,426</u>	 \$ <u>701,426</u>	 \$ <u>701,426</u>

\*General summary of expenditures can be found in the Other Fund section of the Budget.

# FUND BALANCE – JOINT COMMUNICATIONS FUND

## SPECIAL REVENUE FUNDS

### JOINT COMMUNICATIONS CENTER FUND

	FY 2004	FY 2005	FY 2006	FY 2007
	Actual	Actual	Adopted	Adopted
Revenues:				
Federal	\$ 0	\$ 0	\$ 0	\$ 0
State	91,372	55,321	47,820	72,316
Other	801,639	874,979	1,012,024	1,276,121
County	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	\$ <u>893,011</u>	\$ <u>930,300</u>	\$ <u>1,059,844</u>	\$ <u>1,348,437</u>
Expenditures*:				
Total Expenditures	\$ <u>1,071,353</u>	\$ <u>1,259,650</u>	\$ <u>1,397,567</u>	\$ <u>1,797,362</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(178,342)</u>	\$ <u>(329,350)</u>	\$ <u>(337,723)</u>	\$ <u>(448,925)</u>
Other financing sources (uses):				
Operating transfers in	\$ 64,813	\$ 355,467	\$ 337,723	\$ 448,925
Operating transfers out	0	0	0	0
Proceeds from indebtedness	0	0	0	0
Operating transfers from/to primary government	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total other financing sources (uses)	\$ <u>64,813</u>	\$ <u>355,467</u>	\$ <u>337,723</u>	\$ <u>448,925</u>
Excess (deficiency) of revenue & other sources over expenditures & other uses	\$ <u>(113,529)</u>	\$ <u>26,117</u>	\$ <u>0</u>	\$ <u>0</u>
Fund balances beginning year, as adjusted	\$ <u>152,816</u>	\$ <u>39,287</u>	\$ <u>65,404</u>	\$ <u>65,404</u>
Fund balances at end of year	\$ <u>39,287</u>	\$ <u>65,404</u>	\$ <u>65,404</u>	\$ <u>65,404</u>

\*General summary of expenditures can be found in the Other Fund section of the Budget.

# FUND BALANCE – FIRE AND RESCUE FUND

**SPECIAL REVENUE FUNDS  
FIRE AND RESCUE FUND**

	FY 2004	FY 2005	FY 2006	FY 2007
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Adopted</u>
Revenues:				
Federal	\$ 334,661	\$ 131,666	\$ 0	\$ 0
State	103,777	145,267	97,302	162,221
Other	3,491	671	0	
County	<u>4,010,572</u>	<u>3,539,651</u>	<u>2,915,034</u>	<u>4,261,272</u>
Total Revenues	\$ <u>4,452,501</u>	\$ <u>3,817,255</u>	\$ <u>3,012,336</u>	\$ <u>4,423,493</u>
Expenditures*:	\$ <u>3,810,794</u>	\$ <u>3,810,794</u>	\$ <u>3,012,336</u>	\$ <u>4,423,493</u>
Total Expenditures	\$ <u>3,810,794</u>	\$ <u>4,362,918</u>	\$ <u>3,012,336</u>	\$ <u>4,423,493</u>
Excess (deficiency) of revenues over expenditures	\$ <u>641,707</u>	\$ <u>(545,663)</u>	<u>0</u>	<u>0</u>
Other financing sources (uses):				
Operating transfers in	\$ 0	\$ 227,500	\$ 0	\$ 0
Operating transfers out	(315,620)	(141,836)	0	0
Proceeds from indebtedness	0	0	0	0
Operating transfers from/to primary government	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total other financing sources (uses)	\$ <u>(315,620)</u>	\$ <u>85,664</u>	<u>0</u>	<u>0</u>
Excess (deficiency) of revenue & other sources over expenditures & other uses	\$ <u>326,087</u>	\$ <u>(459,999)</u>	<u>0</u>	<u>0</u>
Fund balances beginning year, as adjusted	\$ <u>1,217,772</u>	\$ <u>1,543,859</u>	\$ <u>1,083,860</u>	\$ <u>1,083,860</u>
Fund balances at end of year	\$ <u>1,543,859</u>	\$ <u>1,083,860</u>	\$ <u>1,083,860</u>	\$ <u>1,083,860</u>

\*General summary of expenditures can be found in the Other Fund section of the Budget.

# FUND BALANCE – SCHOOL OPERATING FUND

## SPECIAL REVENUE FUNDS SCHOOL OPERATING FUND

	FY 2004	FY 2005	FY 2006	FY 2007
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Adopted</u>
Revenues:				
Federal	\$ 3,047,267	\$ 3,682,436	\$ 3,530,084	\$ 3,646,442
State	28,814,228	31,342,085	33,765,748	37,737,986
Other	643,819	425,978	411,500	936,853
County	<u>53,979,324</u>	<u>60,454,453</u>	<u>72,700,491</u>	<u>80,036,078</u>
Total Revenues	<u>\$ 86,484,638</u>	<u>\$ 95,904,952</u>	<u>\$ 110,407,823</u>	<u>\$ 122,357,359</u>
Expenditures*:				
Total Expenditures	<u>\$ 86,456,638</u>	<u>\$ 95,175,162</u>	<u>\$ 108,254,653</u>	<u>\$ 122,357,359</u>
Excess (deficiency) of revenues over expenditures	<u>\$ 28,000</u>	<u>\$ 729,790</u>	<u>\$ 2,153,170</u>	<u>\$ 0</u>
Other financing sources (uses):				
Operating transfers in	\$ 0	\$ 5,963	\$ 0	\$ 0
Operating transfers out	(28,000)	(735,753)	(2,153,170)	0
Proceeds from indebtedness	0	0	0	0
Operating transfers from/to primary government	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total other financing sources (uses)	<u>\$ (28,000)</u>	<u>\$ (729,790)</u>	<u>\$ (2,153,170)</u>	<u>\$ 0</u>
Excess (deficiency) of revenue & other sources over expenditures & other uses	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
Fund balances beginning year, restated	<u>\$ 1,350</u>	<u>\$ 1,350</u>	<u>\$ 1,350</u>	<u>\$ 1,350</u>
Fund balances at end of year	<u>\$ 1,350</u>	<u>\$ 1,350</u>	<u>\$ 1,350</u>	<u>\$ 1,350</u>

\*General summary of expenditures can be found in the School Fund section of the Budget.

\$69,518 was taken from State Revenue and Expenditures to Balance School Loading in Bright to the adopted budget

# FUND BALANCE – SCHOOL TEXTBOOK FUND

**SPECIAL REVENUE FUNDS  
SCHOOL TEXTBOOK FUND**

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Adopted</u>
Revenues:				
Federal	\$ 0	\$ 0	\$ 0	\$ 0
State	321,381	256,013	261,925	401,653
Other	4,434	3,122	0	0
County	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenues	\$ <u>325,815</u>	\$ <u>259,135</u>	\$ <u>261,925</u>	\$ <u>401,653</u>
Expenditures(Textbooks and Related Materials):	\$ <u>633,490</u>	\$ <u>633,490</u>	\$ <u>750,000</u>	\$ <u>750,000</u>
Total Expenditures	\$ <u>633,490</u>	\$ <u>1,221,144</u>	\$ <u>750,000</u>	\$ <u>750,000</u>
Excess (deficiency) of revenues over expenditures	\$ <u>(307,675)</u>	\$ <u>(962,009)</u>	\$ <u>(488,075)</u>	\$ <u>(348,347)</u>
Other financing sources (uses):				
Operating transfers in	\$ 0	\$ 735,753	\$ 0	\$ 348,347
Operating transfers out	0	0	0	0
Proceeds from indebtedness	0	0	0	0
Operating transfers from/to primary government	<u>447,757</u>	<u>0</u>	<u>488,075</u>	<u>0</u>
Total other financing sources (uses)	\$ <u>447,757</u>	\$ <u>735,753</u>	\$ <u>488,075</u>	\$ <u>348,347</u>
Excess (deficiency) of revenue & other sources over expenditures & other uses	\$ <u>140,082</u>	\$ <u>(226,256)</u>	\$ <u>0</u>	\$ <u>0</u>
Fund balances beginning year, restated	\$ <u>143,612</u>	\$ <u>283,694</u>	\$ <u>57,438</u>	\$ <u>57,438</u>
Fund balances at end of year	\$ <u>283,694</u>	\$ <u>57,438</u>	\$ <u>57,438</u>	\$ <u>57,438</u>

# FUND BALANCE – CAPITAL PROJECTS FUND

## CAPITAL FUNDS

### CAPITAL PROJECTS FUND

	FY 2004 Actual	FY 2005 Actual	FY 2006 Adopted	FY 2007 Adopted
Revenues:				
Federal	\$ 301,164	\$ 0	\$ 0	\$ 0
State	0	0	0	0
Other	849,767	0	0	0
County	0	784,247	0	0
Total Revenues	\$ 1,150,931	\$ 784,247	\$ 0	\$ 0
Expenditures*:	\$ 27,383,331	\$ 17,511,959	\$ 24,787,534	\$ 50,028,688
Total Expenditures:	\$ 27,383,331	\$ 17,511,959	\$ 24,787,534	\$ 50,028,688
Excess (deficiency) of revenues over expenditures	\$ (26,232,400)	\$ (16,727,712)	\$ (24,787,534)	\$ (50,028,688)
Other financing sources (uses):				
Operating transfers in	\$ 8,057,829	\$ 8,864,833	\$ 2,261,534	\$ 4,334,688
Operating transfers out	(508,469)	(388,224)	0	0
Proceeds from indebtedness	12,402,947	4,002,235	22,526,000	45,694,000
Operating transfers from/to primary government	0	0	0	0
Total other financing sources (uses)	\$ 19,952,307	\$ 12,478,844	\$ 24,787,534	\$ 50,028,688
Excess (deficiency) of revenue & other sources over expenditures & other uses	\$ (6,280,093)	\$ (4,248,868)	\$ 0	\$ 0
Fund balances beginning year, restated	\$ 44,053,202	\$ 37,773,109	\$ 33,524,241	\$ 33,524,241
Fund balances at end of year	\$ 37,773,109	\$ 33,524,241	\$ 33,524,241	\$ 33,524,241

\*General summary of expenditures can be found in the Other Fund section of the Budget.

# FY 2007 ADOPTED BUDGET

## ALL PROPRIETARY FUNDS SCHEDULE

	Airport Fund	Environmental Landfill Fund	School Nutrition Fund	Fleet Maintenance Fund	Total
Operating Revenues:					
Charges for Services	264,734	7,952,529	3,046,843	2,969,001	14,233,107
Miscellaneous	30,880	-	7,000	-	37,880
<b>Total Operating Revenues</b>	<b>\$ 295,614</b>	<b>\$ 7,952,529</b>	<b>\$ 3,053,843</b>	<b>\$ 2,969,001</b>	<b>\$ 14,270,987</b>
Operating Expenditures:					
Personal services	\$ 89,284	\$ 1,202,254	\$ 1,492,100	\$ 628,454	3,412,092
Fringe benefits	30,604	352,690	566,870	206,464	1,156,628
Contractual services	7,500	2,922,065	60,000	109,189	3,098,754
Other operating expenses	203,226	3,566,331	1,970,900	2,024,894	7,765,351
Depreciation	-	-	-	-	-
<b>Total operating expenditures</b>	<b>\$ 330,614</b>	<b>\$ 8,043,340</b>	<b>\$ 4,089,870</b>	<b>\$ 2,969,001</b>	<b>\$ 15,432,825</b>
<b>Operating income (loss)</b>	<b>\$ (35,000)</b>	<b>\$ (90,811)</b>	<b>\$ (1,036,027)</b>	<b>\$ -</b>	<b>\$ (1,161,838)</b>
Non-operating revenue (expenses)					
Interest income	\$ -	\$ 66,205	\$ 700	\$ -	66,905
Loss on sale of assets	-	-	-	-	-
Commonwealth of Virginia - grants	35,000	24,606	58,771	-	118,377
Federal - grants	-	-	842,573	-	842,573
Interest expense	-	-	-	-	-
<b>Total non-operating revenues (expenses)</b>	<b>\$ 35,000</b>	<b>\$ 90,811</b>	<b>\$ 902,044</b>	<b>\$ -</b>	<b>\$ 1,027,855</b>
<b>Income (loss) before transfers</b>	<b>-</b>	<b>-</b>	<b>(133,983)</b>	<b>-</b>	<b>(133,983)</b>
Transfer in	\$ -	\$ -	\$ 133,983	\$ -	\$ 133,983
<b>Change in net assets</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Net assets, beginning of year, as restated	\$ 14,891,429	\$ 2,773,934	\$ 449,024	\$ 86,688	\$ 18,201,075
Net assets, end of year	\$ 14,891,429	\$ 2,773,934	\$ 449,024	\$ 86,688	\$ 18,201,075

## FUND BALANCE – AIRPORT FUND

### PROPRIETARY FUNDS

#### AIRPORT ENTERPRISE FUND

	FY 2004 Actual	FY 2005 Actual	FY 2006 Adopted	FY 2007 Adopted
<b>Operating Revenues:</b>				
Charges for Services	189,279	199,226	212,990	264,734
Miscellaneous	-	65,581	68,650	30,880
State Revenue	-	-	-	-
<b>Total Operating Revenues</b>	<b>\$ 189,279</b>	<b>\$ 264,807</b>	<b>\$ 281,640</b>	<b>\$ 295,614</b>
<b>Operating Expenditures:</b>				
Personal services	\$ 43,529	\$ 68,655	\$ 69,522	\$ 89,284
Fringe benefits	7,037	21,410	22,581	30,604
Contractual services	75,794	65,077	1,000	7,500
Other operating expenses	32,970	53,435	223,537	203,226
Depreciation	48,286	52,228	-	-
<b>Total operating expenditures</b>	<b>\$ 207,616</b>	<b>\$ 260,805</b>	<b>\$ 316,640</b>	<b>\$ 330,614</b>
<b>Operating income (loss)</b>	<b>\$ (18,337)</b>	<b>\$ 4,002</b>	<b>\$ (35,000)</b>	<b>\$ (35,000)</b>
<b>Non-operating revenue (expenses)</b>				
Interest income	\$ 993	\$ 122	\$ -	\$ -
Loss on sale of assets	-	-	-	-
Commonwealth of Virginia - grants	247,283	660,569	35,000	35,000
Federal - grants	2,942,186	4,151,250	-	-
Interest expense	-	-	-	-
Miscellaneous Non-revenue	0	2,315	-	-
<b>Total non-operating revenues (expenses)</b>	<b>\$ 3,190,462</b>	<b>\$ 4,814,256</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>
<b>Income (loss) before transfers</b>	<b>3,172,125</b>	<b>4,818,258</b>	<b>-</b>	<b>-</b>
<b>Transfer in</b>	<b>\$ 40,866</b>	<b>\$ 60,559</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Change in net assets</b>	<b>\$ 3,212,991</b>	<b>\$ 4,878,817</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net assets, beginning of year, as restated</b>	<b>\$ 6,799,621</b>	<b>\$ 10,012,612</b>	<b>\$ 14,891,429</b>	<b>\$ 14,891,429</b>
<b>Net assets, end of year</b>	<b>\$ 10,012,612</b>	<b>\$ 14,891,429</b>	<b>\$ 14,891,429</b>	<b>\$ 14,891,429</b>

# FUND BALANCE – ENVIRONMENTAL SERVICES FUND

## PROPRIETARY FUNDS ENVIRONMENTAL SERVICES FUND

	FY 2004 Actual	FY 2005 Actual	FY 2006 Adopted	FY 2007 Adopted
<b>Operating Revenues:</b>				
Charges for Services	6,296,432	7,795,128	9,170,380	7,952,529
Miscellaneous	181,399	177,781	178,464	-
Total Operating Revenues	\$ 6,477,831	\$ 7,972,909	\$ 9,348,844	\$ 7,952,529
<b>Operating Expenditures:</b>				
Personal services	\$ 716,893	\$ 764,920	\$ 811,002	\$ 1,202,254
Fringe benefits	202,880	220,215	246,467	352,690
Contractual services	3,452,867	3,332,200	3,860,566	2,922,065
Other operating expenses	1,285,426	3,241,582	4,521,620	3,566,331
Depreciation	309,586	296,443	-	-
Total operating expenditures	\$ 5,967,652	\$ 7,855,360	\$ 9,439,655	\$ 8,043,340
Operating income (loss)	\$ 510,179	\$ 117,549	\$ (90,811)	\$ (90,811)
<b>Non-operating revenue (expenses)</b>				
Interest income	\$ 20,489	\$ 79,811	\$ 66,205	\$ 66,205
Loss on sale of assets	-	-	-	-
Commonwealth of Virginia - grants	32,996	22,741	24,606	24,606
Federal - grants	-	-	-	-
Interest expense	(130,762)	(96,870)	-	-
Total non-operating revenues (expenses)	\$ (77,277)	\$ 5,682	\$ 90,811	\$ 90,811
Income (loss) before transfers	432,902	123,231	-	-
Transfer in	\$ 6,669	\$ -	\$ -	\$ -
Change in net assets	\$ 439,571	\$ 123,231	\$ -	\$ -
Net assets, beginning of year, as restated	\$ 2,211,132	\$ 2,650,703	\$ 2,773,934	\$ 2,773,934
Net assets, end of year	\$ 2,650,703	\$ 2,773,934	\$ 2,773,934	\$ 2,773,934

# FUND BALANCE – SCHOOL NUTRITION FUND

## PROPRIETARY FUNDS

### SCHOOL NUTRITION ENTERPRISE FUND

	FY 2004 Actual	FY 2005 Actual	FY 2006 Adopted	FY 2007 Adopted
<b>Operating Revenues:</b>				
Charges for Services	2,628,448	2,825,358	2,848,346	3,046,843
Miscellaneous	-	-	-	7,000
<b>Total Operating Revenues</b>	<b>\$ 2,628,448</b>	<b>\$ 2,825,358</b>	<b>\$ 2,848,346</b>	<b>\$ 3,053,843</b>
<b>Operating Expenditures:</b>				
Personal services	\$ 1,339,698	\$ 1,391,747	\$ 1,434,388	\$ 1,492,100
Fringe benefits	361,437	405,133	479,831	566,870
Contractual services	37,165	57,293	40,000	60,000
Other operating expenses	1,667,601	1,737,989	1,801,875	1,970,900
Depreciation	-	-	-	-
<b>Total operating expenditures</b>	<b>\$ 3,405,901</b>	<b>\$ 3,592,162</b>	<b>\$ 3,756,094</b>	<b>\$ 4,089,870</b>
<b>Operating income (loss)</b>	<b>\$ (777,453)</b>	<b>\$ (766,804)</b>	<b>\$ (907,748)</b>	<b>\$ (1,036,027)</b>
<b>No-operating revenue (expenses)</b>				
Interest income	\$ 362	\$ 700	\$ -	\$ 700
Loss on sale of assets	-	-	-	-
Commonwealth of Virginia - grants	48,076	52,245	52,245	58,771
Federal - grants	731,029	804,586	770,534	842,573
Interest expense	-	-	-	-
<b>Total non-operating revenues (expenses)</b>	<b>\$ 779,467</b>	<b>\$ 857,531</b>	<b>\$ 822,779</b>	<b>\$ 902,044</b>
<b>Income (loss) before transfers</b>	<b>2,014</b>	<b>90,727</b>	<b>(84,969)</b>	<b>(133,983)</b>
<b>Transfer in</b>	<b>\$ 80,839</b>	<b>\$ -</b>	<b>\$ 84,969</b>	<b>\$ 133,983</b>
<b>Change in net assets</b>	<b>\$ 82,853</b>	<b>\$ 90,727</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Net assets, beginning of year, as restated</b>	<b>\$ 275,444</b>	<b>\$ 358,297</b>	<b>\$ 449,024</b>	<b>\$ 449,024</b>
<b>Net assets, end of year</b>	<b>\$ 358,297</b>	<b>\$ 449,024</b>	<b>\$ 449,024</b>	<b>\$ 449,024</b>

# FUND BALANCE – FLEET MAINTENANCE FUND

## PROPRIETARY FUNDS FLEET MAINTENANCE FUND

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
	<u>Actual</u>	<u>Actual</u>	<u>Adopted</u>	<u>Adopted</u>
<b>Operating Revenues:</b>				
Charges for Services	1,936,560	2,192,803	2,082,579	2,969,001
Miscellaneous	-	-	-	-
<b>Total Operating Revenues</b>	<b>\$ 1,936,560</b>	<b>\$ 2,192,803</b>	<b>\$ 2,082,579</b>	<b>\$ 2,969,001</b>
<b>Operating Expenditures:</b>				
Personal services	\$ 485,336	\$ 529,107	\$ 595,866	\$ 628,454
Fringe benefits	138,873	163,786	186,632	206,464
Contractual services	120,005	89,647	43,641	109,189
Other operating expenses	1,190,010	1,485,150	1,256,440	2,024,894
Depreciation	20,438	25,484	-	-
<b>Total operating expenditures</b>	<b>\$ 1,954,662</b>	<b>\$ 2,293,174</b>	<b>\$ 2,082,579</b>	<b>\$ 2,969,001</b>
<b>Operating income (loss)</b>	<b>\$ (18,102)</b>	<b>\$ (100,371)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Non-operating revenue (expenses)</b>				
Interest income	\$ -	\$ -	\$ -	-
Loss on sale of assets	-	-	-	-
Commonwealth of Virginia - grants	-	-	-	-
Federal - grants	-	-	-	-
Miscellaneous	-	4,596	-	-
<b>Total non-operating revenues (expenses)</b>	<b>\$ -</b>	<b>\$ 4,596</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Income (loss) before transfers</b>	<b>(18,102)</b>	<b>(95,775)</b>	<b>-</b>	<b>-</b>
<b>Transfer in</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Change in net assets</b>	<b>\$ (18,102)</b>	<b>\$ (95,775)</b>	<b>\$ -</b>	<b>\$ -</b>
Net assets, beginning of year, as restated	\$ 200,565	\$ 182,463	\$ 86,688	\$ 86,688
Net assets, end of year	\$ 182,463	\$ 86,688	\$ 86,688	\$ 86,688

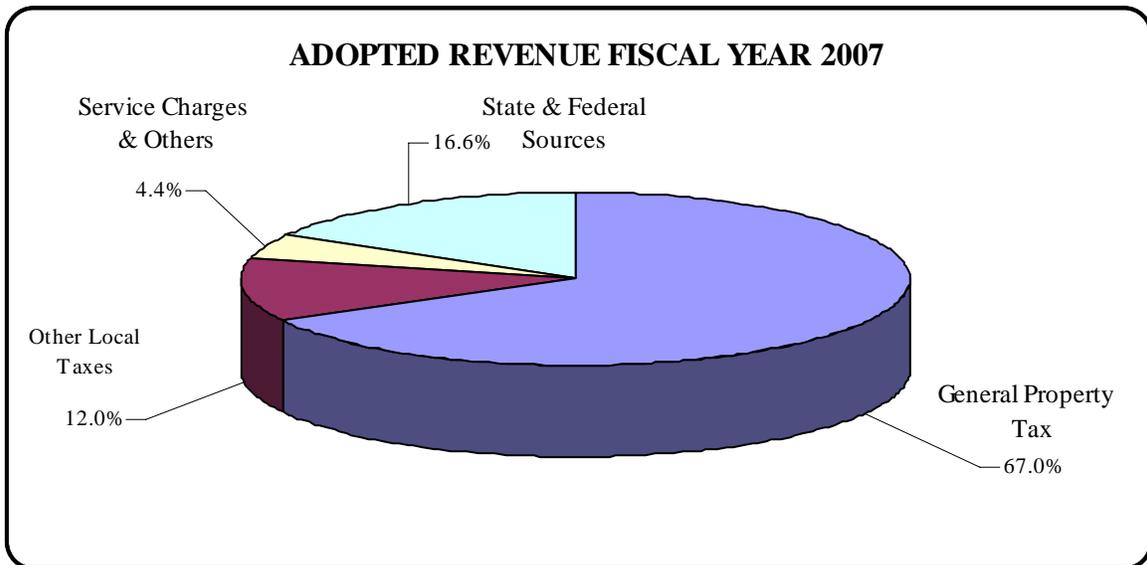
# REVENUE ANALYSIS

## General Fund:

General Fund revenue is divided into four major categories. These include (1) General Property Taxes, (2) Other Local Taxes, (3) Service Charges Others, (4) State and Federal Sources.

General Property Tax comprises the largest element of General Fund revenue at 67.0 percent. This is an increase over the FY 2006 adopted amount (62.6 percent); the increase is primarily due to the impact of the quadrennial real property assessment. Funding from local sources accounts for the majority, 83.4 percent, of the projected revenue while State and Federal funding provides 16.6 percent of the total General Fund Revenue. This breakdown of revenue sources is similar to other jurisdictions in the Commonwealth.

<u>Function</u>	<b>FY 2004</b> Actual	<b>FY 2005</b> Actual	<b>FY 2006</b> Adopted	<b>FY 2007</b> Adopted	<b>Increase</b> <b>(Decrease)</b> <b>Amount</b>	<b>FY 2007</b> <b>Budget as</b> <b>% of Total</b>
General Property Tax	\$ 67,861,085	\$ 71,989,371	\$ 76,305,625	\$ 97,011,162	\$ 20,705,537	67.0%
Other Local Taxes	13,171,286	15,353,297	15,984,000	17,409,276	1,425,276	12.0%
Service Charges Other	4,684,147	5,574,739	5,316,413	6,397,042	1,080,629	4.4%
State & Federal Sources	22,025,730	22,885,279	24,206,899	24,061,984	(144,915)	16.6%
<b>Total</b>	<b>\$ 107,742,248</b>	<b>\$ 115,802,686</b>	<b>\$ 121,812,937</b>	<b>\$ 144,879,464</b>	<b>\$ 23,066,527</b>	<b>100.0%</b>



# REVENUE ANALYSIS

---

## General Comments:

A Revenue Committee, comprised of key financial staff, projects FY 2007 revenues utilizing information submitted by the various departments and agencies. The Committee includes the County Treasurer, Commissioner of the Revenue, Directors of Finance and Budget, School Budget Officer, Deputy County Administrator, the Assistant School Superintendent for Administration, and other supporting staff members. Members are responsible for detailed review and analysis of all revenue related issues throughout the year and make the final recommendations on revenue during the budget process. The Revenue Committee has 124 years of combined experienced in budget preparation and revenue estimation. Various methods are used by the Revenue Committee and staff to project revenue.

The primary method of estimation used is trend analysis. While this entails a number of variations, the basic elements used are: review of prior years' and current year revenue receipts, consideration of factors that affected them, evaluation of local and national economic forecasts, the impact of pertinent legislation and an understanding of the governing body's goals and priorities.

Some revenues, such as from the State and Federal government, are determined by fixed allocations or ratios. For example, the State Compensation Board allocates funding to Constitutional Offices and the Sheriff's Office based on the number of authorized positions, average salary costs and other related expenses; State and Federal funding to the Department of Social Services and Office of Comprehensive Services is estimated by a funding ratio related to the type and quantity of service provided.

State funding for the School Division is based primarily on a formula approved by the General Assembly. This methodology uses student Average Daily Membership (ADM) in determining the bulk of State school funding. Locally, the only significant factor to consider is the accuracy of the State's estimate of the local School District's ADM. A March 31<sup>st</sup> ADM is used in this funding computation.

Total General Fund Revenues for FY 2007 reflect an increase of 18.9 percent, (\$23.1 million), compared with the FY 2006 Adopted Budget amount. Of the increase, \$20.7 million will be generated from General Property Tax elements, primarily from the impact of the quadrennial real property assessment. Positive economic factors, including new residential and commercial construction, car and home purchases, and a low unemployment rate, have spurred revenue growth in the region. These elements are expected to stimulate revenue from sales tax, development fees such as for zoning and inspections, and related recording of document fees.

## REVENUE ANALYSIS

---

State revenue for FY 2007 was estimated based on a general review of historical funding patterns and the budget currently being considered by the General Assembly. As of the publication of this document, the State Budget had not been approved and the Assembly was at an impasse. Despite improving economic conditions in the State, several known factors, such as fixed funding under the Personal Property Tax Relief Program, and the uncertainty of the budget situation, resulted in slightly decreased projections in State revenue. This will be the first overall reduction in funding from the Commonwealth in over 10 years.

A major future concern is the State's cap to the Personal Property Tax Relief Program support. Setting a limit to this revenue source will result in a shift in the tax burden for personal property taxes from the State to the citizens of Fauquier County.

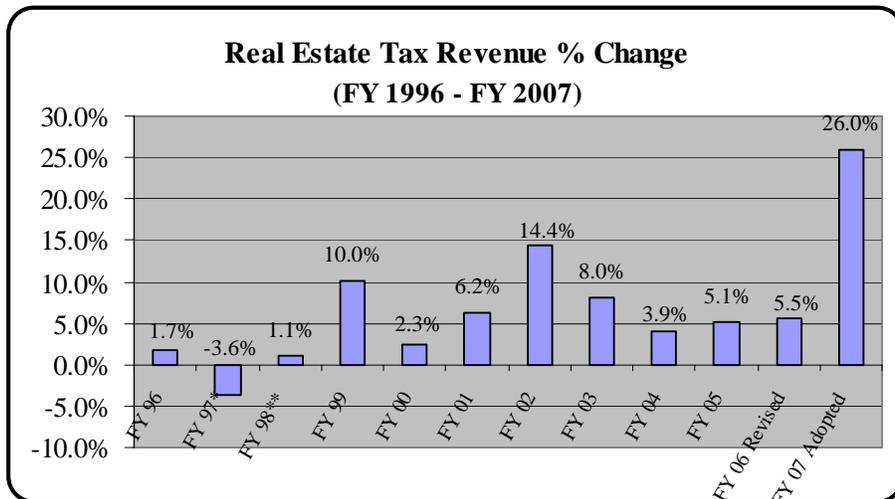


# REVENUE ANALYSIS

## GENERAL PROPERTY TAXES:

- Real Estate Revenue:*** Real estate revenues are estimated using the assessment of all taxable real property for the current calendar year and projecting the taxable real property for the upcoming year. From FY 1996 to FY 2005, the average increase in taxable real property revenue was approximately 5 percent. All real property is assessed every four years with the most recent assessment completed as of January 1, 2006. The County anticipates receiving \$76.6 million in real estate taxes, including tax payments from Public Service properties and delinquent taxes, in FY 2007. This represents an increase of 29.7 percent over the FY 2006 adopted budget. At 62.9 percent of the total General Fund, Real Estate revenue is the largest source of revenue in the County budget. Based on the impact of the reassessment, the FY 2007 real estate tax rate has been reduced to \$0.60 per \$100 of assessed value for the General Fund, the special Fire and Rescue Levy reduced to \$0.035 and the Conservation Easement Levy to \$0.01. The Marshall Street Light Levy will be \$0.005. Support of the tax relief for the elderly and disabled program was increased. Under new state authorization, the Board increased the limits for income to \$58,000, increased the net combined financial worth to \$440,000 and increased the exclusion of income of a relative residing in the home to \$10,000. In addition to these financial amendments, the Board increased the amount of land that may be exempted from one acre to five. FY 2007 real property revenue is based on the following:

- 101.3 percent increase in the net taxable value of all taxable real property for CY 2006
- FY 2007 tax relief estimate of \$1.5 million
- Collection rate of 98.3 percent
- Excludes Public Service assessed property



\* The negative growth reflected in FY 1997 was the result of accrual adjustments by the County auditors. \*\* In FY 1998 the County implemented twice yearly tax collections. Real estate

## REVENUE ANALYSIS

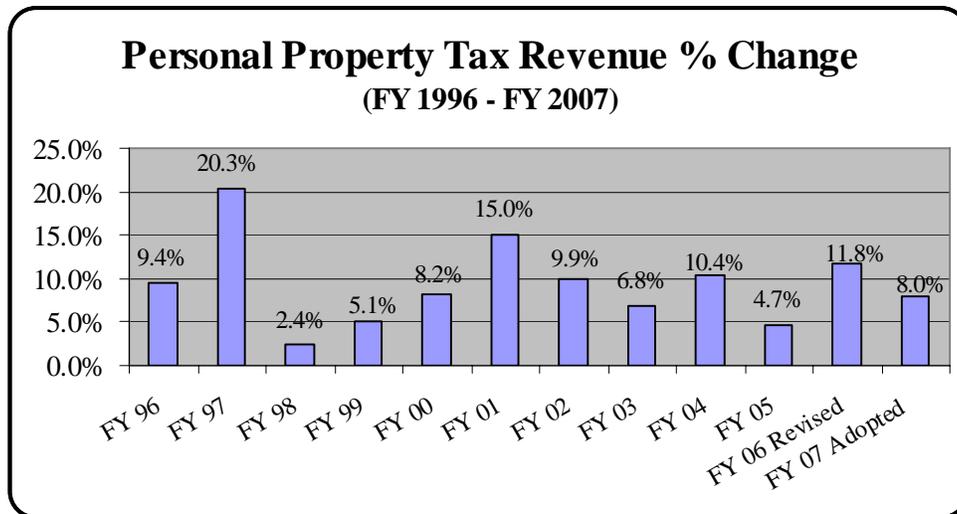
revenue in that year totaled \$54,404,340. For comparative purpose of this chart, the amount has been reduced by the \$17,400,000 initial impact of this accounting adjustment.

- Personal Property Revenue:*** Personal Property Taxes are projected to generate \$32.6 million in receipts for FY 2007. This estimate assumes an increase of 8.0 percent, (approximately \$2.4 million) over the FY 2006 Revised Budget amount of \$30.2 million. For FY 2007, the personal property tax rates remain at the FY 2006 levels with the exception of the rate for airplanes. The personal property rate on airplanes will be reduced from \$0.60 to \$0.001 per \$100 of assessed value.

This year's estimate anticipates a normal growth year coming after two volatile years of widely varying growth rates.

As indicated previously, this amount includes State funding support under the Personal Property Tax Relief Act (PPTRA). The General Assembly has limited future support for tax relief. Beginning with FY 2007, the amount of tax relief for Fauquier County is fixed at \$13.7 million and will remain at that level indefinitely, resulting in a shrinking level of relief as the tax base grows in the coming fiscal years.

The Commissioner of the Revenue prorates personal property.



Personal Property Taxes are estimated based on the assumption of a collection rate of 94.9 percent.

## REVENUE ANALYSIS

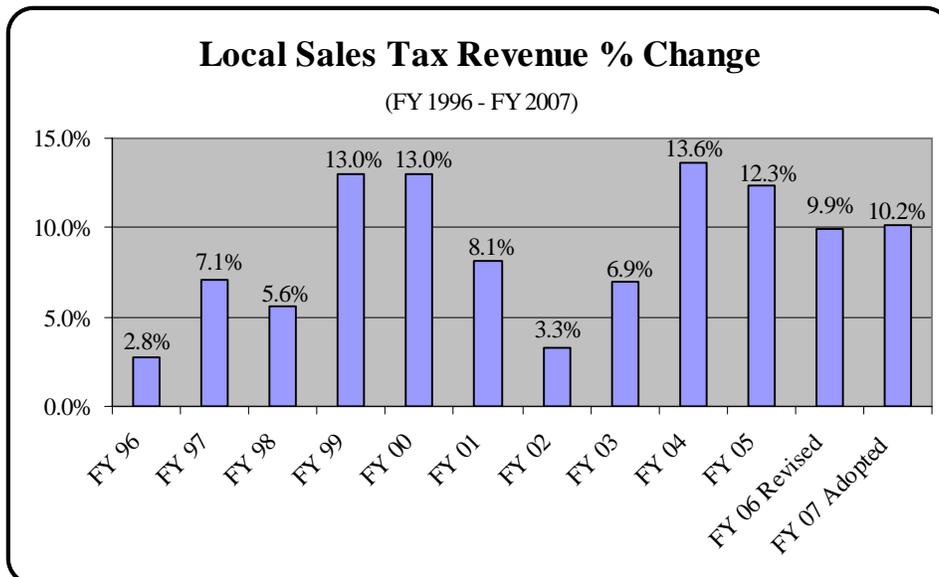
**Delinquent Taxes:** The County estimates the collection of approximately \$1.2 million in delinquent taxes during FY 2007. Projections are based on revenue history of prior years, the economic climate, and the strong emphasis of the County Treasurer and County Attorney in collecting delinquent taxes. These active collection procedures have reduced the percentage of delinquent tax over the past several years.

Overall, total General Property Taxes are estimated to be approximately \$97.0 million in FY 2007. This is a \$16.1 million increase from the FY 2006 Revised Budget amount and, as previously stated, is primarily due to the impact of the quadrennial reassessment of real property.

**SERVICE CHARGES & OTHERS:** This category of revenue is anticipated to generate \$6.4 million in FY 2007, an increase of approximately \$1.1 million, or 20.3 percent over the FY 2006 budget. Included in this category are charges for services, permits, fees and licenses, fines and forfeitures and results from the use of money and property. Projections are primarily based on prior year's history for these sources, development projections, funds estimated to be available for investment, and anticipated interest rates. Rising interest rates, after several years of relatively low rates, resulted in a projected 68.1 percent increase in the Use of Money and Property revenue from the FY 2006 level. The Treasurer is responsible for the County's investment program. Funds are invested in securities as outlined in the Virginia Public Deposits Acts and the Code of Virginia. Investments primarily consist of certificates of deposit, treasury bills and the Virginia State Treasurer's Investment Pool.

For FY 2007, the bulk (91.5 percent) of the total revenue growth in this category is from investments (67.7 percent) and community development fees (23.8 percent).

**OTHER LOCAL TAXES:** For FY 2007 approximately \$17.4 million in revenue is anticipated to be generated within this category. This amount represents an increase of \$1.4 million or 8.9 percent from the FY 2006 Budget. Of the increase in this category 97.5 percent was generated by three elements.



## REVENUE ANALYSIS

---

- ***Sales Tax:*** Local sales tax is estimated to be \$8.0 million in FY 2006, an increase of \$740,000 from the FY 2006 Adopted Budget. New businesses and the improving economy are expected to significantly improve sales tax revenue for FY 2007. Sales tax projections are based on prior history, planned business expansion and the overall economic climate of the region. Actual sales tax receipts have averaged a healthy 10.9 percent increase for the past three years.
- ***Recording Tax and Fees:*** Tax levied on deeds, mortgages, leases and contracts have risen sharply in recent years due to population growth and low interest rates. The FY 2007 projected revenue is \$2.8 million (7.7 percent) over the FY 2006 adopted amount. Projections are based on prior revenue history and expected growth in building development.
- ***Business, Professional and Occupational Licenses (BPOL):*** Based on the current growth in business and planned expansion of construction within the County, this element of revenue is projected to increase 42.9 percent over the FY 2006 adopted amount. BPOL represents 31.6 percent of the overall projected growth in the Other Local Tax category.

**STATE AND FEDERAL:** Revenue in this category is projected to be \$24.1 million for FY 2007. This amount reflects a small decrease from the \$24.2 million in the FY 2006 adopted amount. As previously stated, the capping of the personal property tax relief was a key factor.



## REVENUES – GENERAL PROPERTY TAXES

GENERAL FUND					Increase	
<u>General Property Taxes</u>	FY 2004	FY 2005	FY 2006	FY 2007	(Decrease)	
	Actual	Actual	Adopted	Adopted	Amount	%
Real Estate Tax	\$ 48,996,890	\$ 50,718,070	\$ 54,394,000	\$ 72,178,700	\$ 17,784,700	32.7%
Public Service	2,667,542	3,594,622	4,665,000	3,500,000	(1,165,000)	-25.0%
Personal Property Tax	13,595,485	14,703,465	14,891,625	18,956,504	4,064,879	27.3%
Delinq Real Estate Tax	976,574	940,304	850,000	914,958	64,958	7.6%
Delinq Personal Prop Tax	478,801	675,752	450,000	300,000	(150,000)	-33.3%
Penalties	803,414	842,674	755,000	811,000	56,000	7.4%
Interest	342,380	514,483	300,000	350,000	50,000	16.7%
<b>Total</b>	<b>\$ 67,861,086</b>	<b>\$ 71,989,370</b>	<b>\$ 76,305,625</b>	<b>\$ 97,011,162</b>	<b>\$ 20,705,537</b>	<b>27.1%</b>

**DESCRIPTION:** General property taxes are levied on the assessed value of real and personal property owned by businesses, individuals, and public service corporations. Assessments of real property (land, buildings, and improvements) are conducted on a quadrennial basis with the results maintained by the Commissioner of the Revenue. The real property tax rate for tax year 2006 is \$0.60 per \$100 of assessed value, plus an additional special levy of \$0.035 per \$100 for support of fire and rescue operations, and \$0.01 for the Conservation Easement Program.

Personal property includes vehicles, mobile homes, aircraft, trailers, boats, and machinery and tools. The personal property tax rate on vehicles is \$4.65 per \$100 of assessed value. A special personal property classification (created in tax year 1992) for handicapped-equipped vehicles remains at the 2005 rate of \$.05 per \$100 of assessed value. A classification for volunteer fire and rescue members' personal vehicles was created in 1997. This rate also remains at the 2005 rate of \$.25 per \$100 of the assessed value. For tax year 2006, the tax rate on aircraft was reduced to \$0.001 per \$100 of assessed value.

Taxes for real property are due on June 5th and December 5th of each year. Personal property tax is due October 5th of each year.

**PROJECTION:** In projecting the real property assessment tax base, the Commissioner of the Revenue must determine the following factors: the previous year's tax base, the value of the land in the County's land use program, the impact of the tax relief for the elderly program, and an estimate of new construction for the upcoming year. The Commissioner of the Revenue relies primarily on new growth estimates from the Community Development Department, as well as information from the towns, to project new construction values. The quadrennial assessment completed in tax year 2006 was a key factor in real property revenue projection for FY 2007.

Personal property assessments are estimated by the Commissioner of the Revenue based upon projected growth estimates, historical trends, and market values of personal property. Beginning January 1, 1996, the County implemented a system to prorate personal property assessments at the time vehicles are bought and sold.

In Fiscal Year 2007, at the adopted tax rates, General Property Tax represents 66.9 percent of General Fund Revenues. In FY 2006 it represented 62.6 percent.

## REVENUES – OTHER LOCAL TAXES

<u>OTHER LOCAL TAXES</u>	FY 2004 Actual	FY 2005 Actual	FY 2006 Adopted	FY 2007 Adopted	Increase (Decrease) Amount	%
Local Sales and Use Tax	\$ 5,881,564	\$ 6,605,989	\$ 7,260,000	\$ 8,000,000	\$ 740,000	10.2%
Utility Tax	2,785,601	2,720,151	2,950,000	2,950,000	0	0.0%
Utility Consumption Tax	167,831	171,138	170,000	170,000	0	0.0%
Motor Vehicle Licenses	1,387,281	1,421,448	1,450,000	1,521,000	71,000	4.9%
BPOL Tax	113,241	1,287,191	1,050,000	1,500,000	450,000	42.9%
Cable TV Franchise	71,739	180,078	155,000	155,000	0	0.0%
Bank Stock Tax	164,334	172,551	164,000	173,000	9,000	5.5%
Recording Tax	1,599,694	2,771,673	2,620,000	2,820,000	200,000	7.6%
Transient Occupancy Tax	0	0	165,000	120,276	(44,724)	-27.1%
<b>Total</b>	<b>\$ 12,171,285</b>	<b>\$ 15,330,219</b>	<b>\$ 15,984,000</b>	<b>\$ 17,409,276</b>	<b>\$ 1,425,276</b>	<b>8.9%</b>

**LOCAL SALES AND USE TAXES:** The State collects and distributes the local one (1) percent Optional Sales and Use Tax. Actual distributions made to Fauquier County are based on taxes collected in the County.

### UTILITY TAX:

**Consumer Tax:** The Utility Consumer's tax is a tax levied by the County. It is collected by the utility companies and remitted to the County from residential, industrial, and commercial users of electric, gas, and telephone services. This tax was amended in Calendar Year (CY) 1996 by ordinance to include cellular and mobile radio communications systems. In 2000, it was further amended to incorporate State law changes that converted taxing of gas and electric companies to a consumption tax. The local ordinance was revised October 2000.

The current rate for residential users of telephone service is 20 percent of the first \$15 of each telephone bill. The rate for commercial and industrial users of telephone services is 10 percent of each telephone bill.

**License Tax:** The revenues collected are remitted to the County from the telephone companies on an annual basis. One-half (.5) percent of the utility company's gross receipts are remitted. Each telephone company files a report with the Commissioner of the Revenue.

**MOTOR VEHICLE LICENSES:** Motor Vehicle License revenues are collected in accordance with Section 46.1-65 of the Code of Virginia (1950) as amended. The rates remain at Fiscal Year 2004 levels: \$25 dollars for vehicle decals and \$15 for motorcycles.

**BUSINESS, PROFESSIONAL AND OCCUPATIONAL LICENSE (BPOL) tax** is a gross receipts tax in lieu of a Merchant's Capital Tax. By July 1st each year, businesses with gross receipts greater than \$100,000 are required to pay the BPOL tax. In 1999, the BPOL taxes were eliminated for businesses with gross receipts under \$100,000. BPOL rates, established by the Board of Supervisors, are on a sliding scale based on gross receipts from the prior year. In FY 2001, rates were adjusted for equalization with the Town of Warrenton. In FY 2002, BPOL taxes on gas and electric companies were eliminated and replaced with a consumption tax pursuant to Title 58.1, Chapters 29 and 29.1 Code of Virginia.

## **REVENUES – OTHER LOCAL TAXES**

**BANK STOCK TAXES:** The Bank Stock Tax revenues are collected in accordance with Section 58.1-1210 of the Code of Virginia (1950) as amended. These revenues are collected from a tax levied on shareholders by the State at the rate of \$1.00 per \$100 of net taxable capital. Eighty (80) percent of these funds are distributed to the locality where the bank is located and twenty (20) percent to the State. With the expansion of bank branches in the County this revenue is expected to increase significantly for FY 2007.

**RECORDATION TAXES:** Recordation Taxes are levied on deeds, deeds of trust, mortgages, leases and contracts. These revenues are collected by the Clerk of the Circuit Court and remitted to the County. The fees charged for recording these documents are based on the amount of the transaction (i.e. sales price).

**TRANSIENT OCCUPANCY TAX:** Approved by the Board of Supervisors in FY 2006, this is a 2 percent lodging tax levied by the County on room rentals within the County. This tax does not include the towns, which have separate occupancy taxes. Revenue projections are based on review of BPOL receipts, as well as economic factors including projected growth in facilities and tourism.

<b><u>SERVICE CHARGES &amp; OTHERS</u></b>	<b>FY 2004</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>Increase (Decrease)</b>	
	<b>Actual</b>	<b>Actual</b>	<b>Adopted</b>	<b>Adopted</b>	<b>Amount</b>	<b>%</b>
<b>Permits, Fees, and Licenses</b>						
Zoning and Inspection Fees	1,590,058	2,203,493	2,108,866	2,366,000	257,134	12.2%
Other	9,041	9,073	7,000	7,000	0	0.0%
<b>Fines and Forfeitures</b>	504,772	486,846	508,350	508,480	130	0.0%
<b>Use of Money and Property</b>	1,001,429	1,405,945	1,074,325	1,806,364	732,039	68.1%
<b>Charges for Services</b>						
Excess Fees	486,583	419,920	500,000	600,000	100,000	20.0%
Parks & Recreation Fees	177,529	460,241	501,093	501,093	0	0.0%
Library Fees	62,876	62,176	60,000	60,000	0	0.0%
Other	262,756	288,180	226,920	219,120	(7,800)	-3.4%
<b>Recovered Costs</b>	139,610	153,813	115,829	135,983	20,154	17.4%
<b>Miscellaneous</b>	1,719,503	592,608	214,030	193,002	(21,028)	-9.8%
<b>Total</b>	<b>\$ 5,954,157</b>	<b>\$ 6,082,295</b>	<b>\$ 5,316,413</b>	<b>\$ 6,397,042</b>	<b>\$ 1,080,629</b>	<b>20.3%</b>

**PERMITS, FEES AND LICENSES:** The majority of permits under this category are development related. Building permit revenues are estimated based upon projections of new households, commercial, and industrial establishments in the County. Another component of this category, animal licenses, is estimated proportionally with population growth. Cable Franchise fees are revenues received from a franchise granted for the operation of a cable television service. The fee is equal to 5 percent of the franchise's gross receipts. Other Revenue represents funds received for permit fees or licenses not specifically identified above.

**FINES AND FORFEITURES:** These revenues are collected by the Courts, and are designed to penalize and deter behaviors detrimental to the health, safety and welfare of the citizens of

## **REVENUES – SERVICE CHARGES & OTHERS**

---

Fauquier County. Court fines and forfeitures are related to the costs of holding court and processing court records and papers. Traffic fines include fees for violations such as driving under the influence (DUI) and speeding, as well as non-moving violations such as defective equipment.

**USE OF MONEY AND PROPERTY:** Revenue from the Use of Money is principally generated through the investments of funds. The County Treasurer is responsible for the County's investment program. Based upon projected cash flow, the Treasurer can determine the amount of funds for investment over the fiscal year.

**SERVICE CHARGES:** When revenues collected and forwarded to the State by the Clerk of the Circuit Court

exceed the amount required for departmental operations, the surplus returned to the County is accounted as Excess Fees. Charges for Parks and Recreation include recreation activity fees and park concession and admission fees. Library fees are charged in regard to use of the Public Library facilities. Other Charges include Planning and Community Development sale of publications, maps, surveys, rezoning fees, and site plan review fees. Revenues in this category are developed based upon historical trends and projected increases in general population or changes in client groups.

**RECOVERED COSTS:** The revenue generated from this category includes funding from organizations and agencies outside the general government for services provided to them. An example is jail inmate boarding for other jurisdictions.

**MISCELLANEOUS REVENUE:** Various revenues in the County's General Fund that do not fit any other revenue classification, nor do they have a common theme, are included in Miscellaneous Revenue.



## REVENUES – STATE & FEDERAL

<u>STATE &amp; FEDERAL SOURCES</u>	FY 2004	FY 2005	FY 2006	FY 2007	Increase (Decrease)	
	Actual	Actual	Adopted	Adopted	Amount	%
State Non-Categorical Aid	\$ 230,816	\$ 188,580	\$ 225,421	\$ 174,184	\$ (51,237)	-22.7%
State Shared Expenses	4,182,166	4,423,106	4,663,470	4,510,256	(153,214)	-3.3%
State Welfare/At Risk Programs	1,750,709	2,006,014	2,254,281	2,184,433	(69,848)	-3.1%
State Other Categorical Aid	1,152,333	1,227,200	1,184,787	1,189,658	4,871	0.4%
State PPTRA*	12,475,597	12,614,573	13,723,375	13,659,496	(63,879)	-0.5%
Federal	2,236,773	2,425,807	2,155,565	2,343,957	188,392	8.7%
<b>Total</b>	<b>\$ 22,028,394</b>	<b>\$ 22,885,280</b>	<b>\$ 24,206,899</b>	<b>\$ 24,061,984</b>	<b>\$ (144,915)</b>	<b>-0.6%</b>

\* Personal Property Tax Relief Act

**STATE NON-CATEGORICAL AID:** These revenues are raised by the Commonwealth and shared with the County. Ratios, rate, and distribution formulas are subject to change each year by the General Assembly. Alcoholic Beverage Control (ABC) revenues represent two-thirds of the net profits of the ABC Commission and are distributed quarterly to counties based upon the 2000 census. Wine tax revenues are also distributed based on the 2000 census and a percent ratio established annually by the State. Mobile Home Titling taxes are three (3) percent of the price of the sale. Each of these sources is outlined in the State Code. After two years of reductions, this revenue Category is projected to increase based on State estimates.

**STATE SHARED EXPENSES:** Shared Expenses revenue represents the funding for constitutional officers and is determined by the State Compensation Board on an annual basis. Each year the constitutional officers prepare a proposed budget for the State Compensation Board's consideration. The amount of funding in this category is primarily generated by services attributed to population growth, and supported by the State such as staffing the Sheriff's Office.

**STATE WELFARE & AT-RISK PROGRAMS:** This is State funding for Social Services and the Comprehensive Services Act (CSA) for at-risk youth and their families. The purpose of the CSA program is for State and local agencies, parents, and private service providers to work in collaboration to address the concerns of at-risk youth and their families. The Director of Social Services projects departmental revenue each year using estimates received from State and Federal agencies. The CSA program manager estimates that element of revenue based on the operational impact of projected caseload and the State's fifty-fourth (54) percent share of agreed upon expenses.

**STATE CATEGORICAL AID:** The remainder of the revenues noted under State Sources is designated for specific purposes in the County. These revenues are projected by recipient departments and agencies based upon the latest information available from State agencies.

## REVENUES – STATE & FEDERAL

---

STATE PERSONAL PROPERTY TAX RELIEF ACT (PPTRA): In FY 1998, the Commonwealth of Virginia adopted a Personal Property Relief Act with the intent to shift the entire personal property tax burden from the citizens to the State within five years. In FY 2006, the State supported 70 % of the personal property tax on personal vehicles costing \$20,000 or less. However, the expanding cost to maintain this program prevented the State from meeting that goal, and beginning in FY 2007, the level of support to the County will be capped at \$13.7 million. This action will result in the shift of the tax burden back to County citizens.

FEDERAL REVENUE: Funding from the Federal government is primarily to support community social programs. Revenue projections are based on operational and fiscal agreements with the Federal government and the local jurisdiction to provide specific services.



## **REVENUES – OTHER FUNDS**

---

### **Special Revenue Funds**

Special Revenue Funds are revenues from various sources that legally must be used for specified services. These funds include School Operating, School Textbook, Capital Fund, Joint Communications and Fire and Rescue Services.

#### School Operating Fund:

This fund reflects revenues and expenditures related to the operations of the County's public school system. The primary sources of revenue, exclusive of transfers from the General Fund, are basic school aid payments from the Commonwealth and educational program grants.

#### School Text Book Fund:

This fund is used to account for the purchase of student text books supported by State revenue and a transfer from the School Operating Fund.

#### Joint Communications Fund:

This Fund supports the emergency communications system for the County. Primary revenue support is derived from a \$3.00 monthly tax on each telephone line. Additional revenue is received from the State and a transfer from the General Fund to offset a portion of the cost of dispatchers' salaries.

#### Volunteer Fire and Rescue Funds:

The Volunteer Fire and Rescue Companies receive primary revenue support from a special Fire and Rescue Levy of \$0.035 per \$100 value of assessed real estate. A small amount of State revenue is also provided for fire related programs.

#### Conservation Easement Service District Fund

The Conservation Easement Service District Fund is supported primarily from a special levy of \$0.01 per \$100 value of assessed real estate. Additional funding is generated by donations and roll-back taxes on land currently categorized as special use that no longer qualifies for the special tax rate.

### **Capital Funds**

Capital Funds account for financial resources used for the purchase of capital items and the acquisition, design, development, renovation, and/or construction of capital facilities. The bulk of revenue supporting this fund comes from bond proceeds.

### **Enterprise Funds**

Enterprise Funds are used to account for activities that are financed and operated much like businesses. Fauquier County's landfill, airport, fleet maintenance, and school nutrition program are enterprise funds.

## **REVENUES – OTHER FUNDS**

---

### Environmental Services Fund (Landfill):

This Fund accounts for the operations of the County landfill that include solid waste and construction demolition and debris disposal and operating the County recycling programs. Tipping fees paid for each ton of waste are the primary revenue source. The special program for demolition and debris waste begun in FY 2004 is projected to continue, providing a significant source of revenue for FY 2007.

### Airport Fund:

The Airport Fund accounts for operations of the County Airport. The majority of this Fund's revenue is from State and Federal grants for capital projects. Local support is limited to revenue from Business License fees, Real Estate, Maintenance Fees, and Personal Property tax related to the airport. Income from the rental of facilities and the sale of fuel support operating costs.

### Fleet Maintenance Fund:

This Fund reflects operations of the County's garage. It receives revenue through charges to local public agencies and County departments for vehicle repairs and fuel.

### School Nutrition Program Fund:

The primary source of funding for this program is through the sale of school meals. Additional State and Federal revenue is also received, which provides for free and reduced meals for eligible children.



# PROPERTY TAX RATE COMPARISON

## Real Property Tax Rates

Fiscal Year	Rate \$
1991	0.83
1992	0.88
1993	0.93
1994	0.98
1995	1.03
1996	1.03
1997	1.03
1998	1.03
1999	1.06
2000	1.06
2001	1.06
2002	1.06
2003	0.99
2004	0.99
2005	0.99
2006	0.99
2007	0.645



## Personal Property Tax Rates

Fiscal Year	Motor Vehicles	Airplanes	Machinery and Tools	Handicapped Equipment	Campers/ Trailers/ Boats	Fire & Rescue
FY 1990	\$ 3.95	\$ 1.50	\$ 3.55	\$ -	\$ -	\$ -
FY 1991	\$ 4.00	\$ 1.50	\$ 4.00	\$ -	\$ -	\$ -
FY 1992	\$ 4.00	\$ 1.50	\$ 4.00	\$ -	\$ -	\$ -
FY 1993	\$ 4.20	\$ 1.50	\$ 4.20	\$ -	\$ -	\$ -
FY 1994	\$ 4.50	\$ 1.50	\$ 4.50	\$ -	\$ -	\$ -
FY 1995	\$ 4.90	\$ 1.50	\$ 4.90	\$ -	\$ -	\$ -
FY 1996	\$ 4.80	\$ 1.50	\$ 4.80	\$ -	\$ -	\$ -
FY 1997	\$ 4.70	\$ 1.50	\$ 4.70	\$ 0.05	\$ 1.50	\$ -
FY 1998	\$ 4.65	\$ 0.60	\$ 4.65	\$ 0.05	\$ 1.50	\$ 0.25
FY 1999	\$ 4.65	\$ 0.60	\$ 4.65	\$ 0.05	\$ 1.50	\$ 0.25
FY 2000	\$ 4.65	\$ 0.60	\$ 4.65	\$ 0.05	\$ 1.50	\$ 0.25
FY 2001	\$ 4.65	\$ 0.60	\$ 4.65	\$ 0.05	\$ 1.50	\$ 0.25
FY 2002	\$ 4.65	\$ 0.60	\$ 4.65	\$ 0.05	\$ 1.50	\$ 0.25
FY 2003	\$ 4.65	\$ 0.60	\$ 4.65	\$ 0.05	\$ 1.50	\$ 0.25
FY 2004	\$ 4.65	\$ 0.60	\$ 4.65	\$ 0.05	\$ 1.50	\$ 0.25
FY 2005	\$ 4.65	\$ 0.60	\$ 4.65	\$ 0.05	\$ 1.50	\$ 0.25
FY 2005	\$ 4.65	\$ 0.60	\$ 4.65	\$ 0.05	\$ 1.50	\$ 0.25
FY 2006	\$ 4.65	\$ 0.60	\$ 4.65	\$ 0.05	\$ 1.50	\$ 0.25
FY 2007	\$ 4.65	\$ 0.001	\$ 4.65	\$ 0.05	\$ 1.50	\$ 0.25