

Fauquier County FY 2021-2022 Proposed Budget

Budget-in Brief

Budget Overview

The Fiscal Year (FY) 2021-2022 Proposed Budget continues the County's biennial budget presentation including budgets for both FY 2021 and FY 2022. The Board of Supervisors may legally only adopt a final budget and tax rates for FY 2021 and Tax Year 2020. The draft FY 2022 budget and tax rates for 2021 may only be finally adopted next year through the same statutorily mandated process for adopting budgets and tax rates.

The proposed budgets for both FY 2021 and FY 2022 focus majorly on commitments of the Board of Supervisors' during their FY 2020 budget process and strategic plan to fund market related compensation and compression increases for the School Division and compression related increases for the County workforce, respectively. This is a key funding requirement for the County to stay competitive in our hiring and retention of employees as many localities across the state are implementing similar measures for public sector compensation packages. In addition, the budget funds mandated contractual increases such as Virginia Retirement System (VRS) employer contribution increases based on VRS recommending a system-wide rate of return reduction, from their long standing 7.0% annual rate of return to 6.75% annual rate of return. This adjustment includes an approximately \$700,000 increase in the County's budget across all funds, and an approximately \$540,000 increase for health insurance across all funds in the FY 2021 proposed budget. The budget also funds three person staffing 24/7 at Goldvein and 12/7 at Lois and The Plains with supervisory support, as outlined in the Fire and Rescue five-year staffing plan implemented in mid-FY 2021.

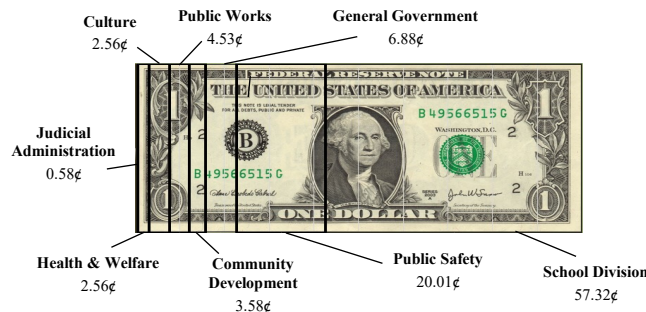
Capital Improvement Program

The proposed Capital Improvement Plan (CIP) totals \$99.5 million from FY 2021 through FY 2025, with an additional \$189.4 million designated for future fiscal years. Over the five-year planning period (FY 2021-FY 2025), \$7.2 million would be allocated for public safety and fire and rescue projects, \$2.6 million for judicial administration, \$9.6 million for parks and recreational projects, \$0.25 million for environmental services projects, \$14.93 million for utility and infrastructure projects including \$8.0 million for broadband development, \$0.26 million for Airport projects, and \$57.45 million for school division projects. The proposed CIP contains a significant cash funding commitment totaling \$15.0 million, with \$8.92 million anticipated from General Fund contribution and \$6.1 million from non-General Fund sources, including donations and agency specific funds.

Expenditures

The FY 2021 proposed budget totals \$357.93 million, with General Fund expenditures totaling \$198.54 million, an overall increase of \$27.2 million; primarily due to an increase in appropriated capital projects from FY 2020 to FY 2021 of \$13.6 million, School Operating Fund increase of \$6.5 million, and General Fund increase of \$9.2 million including \$5.3 million in local transfer support to other funds. Overall local tax funding would increase by \$11 million or 5.9% under the proposed budget, including \$2.8 million for Schools; \$1.7 million for fire and rescue operations; and \$1.2 million supporting capital and debt service needs. Additional available revenue focused on addressing those compensation adjustments committed to under the FY 2020 adopted budget for compression and market compensation rates for the School Division, compression adjustments for the County workforce, and a 2.5% compensation adjustment for County employees.

The FY 2022 proposed budget, which serves as a draft plan, totals \$371.2 million with General Fund expenditures totaling \$203.3 million, overall increase of \$6.3 million primarily due to increases in capital projects, school division funding, and fire and rescue services. Overall local tax funding would increase by \$4.7 million or 2.4%. The FY 2022 proposed General Fund budget includes an increase of \$4.8 million or 2.0%, primarily funding an increase to the School Division of \$2.9 million, which equates to approximately 60% of the projected General Fund increase in FY 2022. The balance of General Fund local tax funding proposed in FY 2022 would be allocated to increased debt service payments based on the proposed CIP and 1.5% compensation increase for County employees. In addition, local tax funding in support of fire and rescue services will support the full year costs of the positions proposed for FY 2021, increased debt service payments based on the proposed CIP, and a 3% increase in the operating contributions to volunteer fire and rescue companies.



Revenue

The FY 2021 proposed budget recommends an overall real estate tax rate of \$1.030 per \$100 of assessed value. The proposed overall real estate tax rate increases the present \$0.994 overall rate by \$0.036 (three and six-tenths cents). The proposed overall real estate tax rate includes \$0.874 for the general rate, an increase of \$0.019 (one and nine-tenths cent) primarily to fund commitments from the FY 2020 adopted budget process for compression and compensation funding for the School Division and County departments; a fire and rescue levy rate of \$0.150, a \$0.017 (one and seven-tenths cent) increase in the fire and rescue levy primarily to fund 15.0 additional career staffing positions. There is no adjustment in the conservation easement service district levy or any other tax rates. Budget revenues show positive growth in both real and personal property tax base. Real property is averaging approximately 1% growth outside of the County's reassessment process. Personal property continues to expand with additional assets, increased value of property, and the ending of certain business personal property economic development incentives. The FY 2022 budget also assumes the impacts of the 2022 general reassessment, which would provide additional growth in the tax base.

Tax Rate Comparison

	Tax Year 2019 Adopted Rate	Tax Year 2020 Proposed Rate ¹	Change	
Real Estate	General	\$0.855	\$0.874	\$0.019
	Fire & Rescue	\$0.133	\$0.150	\$0.017
	Conservation Easement Service District	\$0.006	\$0.006	\$0.00
Personal Property	Personal	\$4.65	\$4.65	\$0.00
	Business	\$2.30	\$2.30	\$0.00
Stormwater Management Fee ²	\$13.64	\$13.64	\$0.00	

¹The County Administrator will advertise an overall real estate tax rate for Tax Year 2020 of \$1.048 to allow the Board of Supervisors the utmost flexibility when considering the proposed budget.

²The Stormwater Management Fee is a County-wide special assessment, on a per parcel basis.

	Tax Year 2019	Tax Year 2020	Difference
Value	\$378,000	\$378,000	\$0
Tax Bill	\$3,771	\$3,908 ¹	\$137

¹Recommended average residential tax bill

FY 2021-2022 Budget Calendar

Budget & Tax Year 2020 Public Hearing

Date	Time	Location
March 19	7:00 p.m.	Fauquier High School Auditorium 705 Waterloo Road Warrenton, VA

Budget Work Sessions

Date	Time	Location
March 3	4:00 p.m.	Warren Green Building 10 Hotel Street Warrenton, VA
March 5	1:00 p.m.	Warren Green Building 10 Hotel Street Warrenton, VA
March 12	1:00 p.m.	Warren Green Building 10 Hotel Street Warrenton, VA
March 17	2:00 p.m.	Warren Green Building 10 Hotel Street Warrenton, VA
March 19 (with School Board)	4:30 p.m.	Fauquier High School Library 705 Waterloo Road Warrenton, VA
March 24	4:00 p.m.	Warren Green Building 10 Hotel Street Warrenton, VA

Budget Adoption & Appropriation

Date	Time	Location
March 26	4:00 p.m.	Warren Green Building 10 Hotel Street Warrenton, VA

Please note that dates are subject to change. Please see <http://www.fauquiercounty.gov/living/county-calendar> for updates.

For More Information

The Board of Supervisors will conduct its evaluation of the Proposed Budget in March, with budget adoption scheduled for March 26, 2020. Members of the public are invited to speak at the Board of Supervisors' public hearing or submit their comments by e-mail to: bos@fauquiercounty.gov. The FY 2021-2022 Proposed Budget is also available in the following locations:

- Fauquier County Office of Management & Budget
- County Administrator's Office
- <http://www.fauquiercounty.gov/government/departments-h-z/management-and-budget>

Board of Supervisors

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R. Holder Trumbo, Jr.
Vice-Chair, Scott District
Richard R. Gerhardt
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County Administration

Paul S. McCulla
County Administrator

Office of Management & Budget

Erin M. Kozanecki
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Budget & Management Analyst I
Matthew J. Robertson
Budget & Management Analyst I
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