

**COUNTY OF FAUQUIER, VIRGINIA
COMPREHENSIVE ANNUAL
FINANCIAL REPORT**



YEAR ENDED JUNE 30, 2000

COUNTY OF FAUQUIER, VIRGINIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
YEAR ENDED JUNE 30, 2000

Prepared by:

**The Fauquier County Department of Finance
John H. Tuohy, CPA, Finance Director**

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Fauquier County, Virginia
20 Hotel Street
Warrenton, VA 20186-3208

December 1, 2000

To the Fauquier County
Board of Supervisors:

We are pleased to present Fauquier County's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2000, in accordance with Section 15.1-167 of the *Code of Virginia*. The financial statements included in this report conform with generally accepted accounting principles as established by the Governmental Accounting Standards Board. The County's management is responsible for the accuracy and fairness of presentation of the financial statements and other information presented herein. Included within this report are the funds and account groups of all agencies and boards that have been identified as the primary government or component unit (more fully described in the subsection "Reporting Entity"). Data presented in this report is believed to be accurate in all material respects, and all statements and disclosures necessary for the reader to obtain a thorough understanding of the County's financial activities have been included.

Though addressed to the governing body, this report is intended to provide informative and relevant financial information for the citizens of the County, investors, creditors and other concerned readers. All are encouraged to contact the Department of Finance with comments or questions.

This report is divided into four sections:

The **Introductory Section** includes this letter of transmittal, providing an overview of the County's economy, achievements, future initiatives and financial condition. An outline of the organizational structure of the County is also included.

The **Financial Section** contains the report from the independent auditor and the general purpose financial statements, the combining and individual fund statements, and the account group statements and schedules for all the organizations, activities and functions of the County as primary government and its component unit.

The **Statistical Section** includes a number of tables of unaudited data depicting the financial history of the County for the last ten fiscal years, demographics and other miscellaneous information.

The **Compliance Section**, or Single Audit, presents a Schedule of Expenditures, Federal Awards and reports on compliance with applicable laws, regulations and internal controls, along with the related auditors' reports.

The remainder of this letter provides an overview of local economic conditions and prospects for the future, reports some of the County's achievements and initiatives, and highlights the County's financial results.

The Fauquier County Economy in 2000

Fauquier County lies on the fringe of the Northern Virginia suburbs of Washington, D.C. The County's economy remains primarily small business and agriculture. Over fifty percent of Fauquier's workforce commutes out of the County to places of employment.

The closure of the Army's base at Vint Hill Farms Station offers both a challenge and an opportunity. In 1993, when the Federal Base Closure and Realignment Commission's recommendation to close the base was accepted, Vint Hill Farms provided 13.9 percent of the County's job base. Since 1993, the Army's presence has been phased out culminating with the final closure of the base in September 1997. Due to the strength of the economy in Northern Virginia during this time period, there has been no affect on the County's unemployment as a result of the closure.

To effect the transition of the base to civilian use, the Commonwealth established the Vint Hill Farms Economic Development Authority (VHFEDA). The Authority is an independent public body with no taxing authority nor is its debt secured by either Fauquier County or the Commonwealth of Virginia. The revenues of the Authority are derived from contributions from the Federal Government, the County or the State, grants, on-site sales, borrowings and other financing methods.

The Authority applied to the Army for a conveyance based on a reuse plan. The plan calls for a mix of residential, commercial and public use. The reuse plan has been approved with updates envisioned based on changes in economic factors. The base was handed over to the Authority in the fall of 2000. The property has been rezoned for 300 housing units and 3,100,000 square feet of commercial development. At this time 500,000 square feet of existing buildings have been rented, bringing 250 jobs to the County.

The County encourages appropriate commercial development to bolster the non-residential tax base. For example, a Wal-Mart was approved and opened in September of 1999. Virginia Power has begun construction of a peaking power plant that on completion will increase the yield of the real estate tax levy by approximately \$1 million.

The Board of Supervisors has established an Office of Economic Development as a key element in its overall strategy to promote the County as an attractive place for businesses to locate and for existing businesses to expand. This office is fully funded in the FY2001 budget.

Achievements and Initiatives

The budget document for Fiscal Year 2000 was awarded the Distinguished Budget Presentation Award by the Government Finance Officers' Association of the United States and Canada (GFOA). This was the second time the County has received this award. The Comprehensive Annual Financial Report for Fiscal Year 1999 was awarded the Certificate of Achievement for Excellence in Financial Reporting by the GFOA. This was the second time the County has received this award.

Financial Results and Highlights

General Fund Results

One of the County's principle financial policies is to establish and maintain an unreserved, undesignated General Fund balance of not less than 5% of General Fund revenues. The purpose of the unreserved, undesignated fund balance is to provide the County with working capital and to maintain a margin of safety to address emergency needs or unexpected declines in revenues. The undesignated, unreserved fund balance at the end of the year was equal to 17.78% of revenues.

The table that follows shows the results of operations for the General Fund and ending fund balances for the last two fiscal years.

Results of Operations for the General Fund

	FY2000	FY1999	Variance Increase/ (decrease)
Revenues, transfers & other financing Sources	\$ 80,622,386	\$ 77,524,663	3,097,723
Expenditures, transfers & other financing sources	78,840,898	72,521,269	6,319,629
Fund Balance, Beginning	12,451,824	7,448,430	5,003,394
Fund Balance, Ending	\$ 14,233,312	\$ 12,451,824	1,776,819

General Government Operations

The County's governmental funds include the General Fund, Capital Projects Fund, Joint Communications Fund, Fire and Rescue Fund and the School Board component unit. The activities of these funds include most of the services provided by the County. Those funds whose activities are financed and operated in a manner similar to a private business are reported separately in the section "Proprietary Fund Operations" below.

The following table is a summary of the governmental funds' revenues for Fiscal Year 2000. Prior year data is shown for comparison. The County's two largest sources of revenue are property taxes, constituting 49.94% of the total and intergovernmental revenue, constituting 32.12% of the total.

Governmental Fund Revenues

<u>Revenue Source</u>	<u>Total FY2000</u>	<u>Total FY1999</u>	<u>Increase/ (Decrease)</u>	<u>Percent Change</u>
General Property Taxes	\$ 57,588,606	\$ 58,383,735	\$ (795,129)	(1.4%)
Other Local Taxes	10,150,934	9,390,568	760,366	8.1%
Licenses and Permits	739,401	712,816	26,585	3.7%
State	33,223,540	29,300,986	3,922,554	13.4%
Federal	3,814,547	3,698,106	116,441	3.2%
Charges for Service	2,745,141	2,940,675	(195,534)	(6.7%)
Fines and Forfeitures	259,781	201,123	58,658	29.2%
Use of Money & Property	2,382,840	2,130,997	251,843	11.8%
Debt Proceeds	3,500,000	0	3,500,000	100.0%
Miscellaneous	1,424,207	686,088	738,119	107.6%
Total	\$ 115,828,997	\$ 107,445,094	\$ 8,383,903	7.8%

Governmental fund expenditures by function as compared to the prior year are shown in the next table.

Governmental Fund Expenditures

<u>Function</u>	<u>Total FY2000</u>	<u>Total FY1999</u>	<u>Increase/ (Decrease)</u>	<u>Per Cent Change</u>
General Government	\$ 6,002,240	\$ 5,412,029	\$ 590,211	10.9%
Judicial				
Administration	1,741,042	1,523,758	217,284	14.3%
Public Safety	10,558,171	9,547,134	1,011,037	10.6%
Public Works	3,808,739	3,581,874	226,865	6.3%
Health and Welfare	4,721,916	4,748,294	(26,378)	(0.6%)
Education	65,666,097	60,708,564	4,957,533	8.2%
Parks, Recreation, Cultural	2,492,192	2,280,290	211,902	9.3%
Community				
Development	3,531,281	2,704,620	826,661	30.6%
Capital Projects	10,770,884	10,586,426	187,458	1.8%
Debt Service	6,157,359	7,646,523	(1,489,164)	(19.5%)
Total	\$ <u>115,784,118</u>	\$ <u>108,739,512</u>	\$ <u>7,044,606</u>	<u>6.5%</u>

Increases over Fiscal Year 2000 were primarily in the areas of education, public safety and debt service. The increase in education spending was as a result of increases in the number of students and other increases in operating expenses. Debt service decreased due to the pay down of prior debt.

The two largest direct expenditure areas are education, comprising 56.88% of the total, and public safety, comprising 9.14% of the total. Capital projects expenditures are primarily construction and renovation of school facilities. Debt service is primarily to support debt issues related to school construction and renovation. The percentage of direct expenditures for education tends to understate the County's total support for education as the Departments of Human Resources, Finance, Budget, Information Resources and Support Services are accounted for as General Fund agencies although approximately 70% of their workload is devoted to providing services to the School Division.

Proprietary Fund Operations

Fauquier County operates two Enterprise Funds.

The **Landfill** provides for solid waste disposal and recycling. The landfill is totally supported by user fees and other revenue. During Fiscal Year 2000, the landfill had net income of \$121,983.

The **Airport** serves Fauquier County by providing landing facilities, hangers and tie-down spaces for small aircraft. The airport is totally supported by user fees, personal property taxes on aircraft and other income. During Fiscal Year 2000, the airport had net income of \$33,031.

In addition, the County operates two Internal Service Funds.

The **Health Insurance** Fund accounts for the resources devoted to the County's and School Division's self insured health benefit plan. During Fiscal Year 2000 the Health Insurance fund had net income of \$694,105.

The **Fleet Maintenance** Fund accounts for the resources devoted to the repair and maintenance of the vehicles owned by the County and School Division. During Fiscal Year 2000, the Fleet Maintenance Fund had net loss of \$11,122.

Employees' Retirement Plans

Fauquier County contributes to the Virginia Retirement System (VRS), an agent multiple employer public retirement system that acts as a common investment and administrative agent for political subdivisions in the Commonwealth of Virginia. All full-time employees must participate in the VRS. Benefit provisions and requirements are established by State statute.

The County has established a length of service award program for the Fauquier County Fire and Rescue Association and its member companies. This is a single employer defined benefit plan for volunteer firefighters meeting certain criteria for participation.

Debt Administration

The County is a highly rated issuer of debt securities. The County's long-term general obligation bonds carry a rating of "double A2" from Moody's Investor Service and "single A plus" from Standard and Poor's Corporation. These ratings reflect the County's management, low debt ratios and favorable location in Northern Virginia.

The total outstanding debt of the County, including capital leases, and its component units as of June 30, 2000 was \$46,428,227. Of this amount, \$3,325,000 is self-supporting and \$43,103,227 is tax supported. Debt is considered self-supporting if revenues generated by the activity fully support debt repayment, or no tax revenue is used to repay the debt. Debt is considered tax supported if general tax revenues are used or if the County has made a pledge of annual appropriation to repay the debt. This debt includes general obligation debt, capital leases and Virginia Public School Authority loans.

The County has no statutory limit, or "legal debt margin", on the amount of debt it can issue. The Board of Supervisors has adopted certain financial policies limiting the amount of annual debt service payments to no more than ten percent of County revenues. These policies also serve as a guide for a schedule of debt funded projects in the Capital Improvements Program. As of June 30, 2000, the amount of tax-supported debt service payments represented 5.33% of revenues.

During Fiscal Year 2000 the County issued \$3,500,000 in general obligation debt through the Virginia Public School Authority. This debt was issued to fund elementary school construction.

Cash and Investment Management

The County Treasurer maintains a cash and investment program for the safeguarding and management of the County's funds. The investment of funds is administered in accordance with the *Code of Virginia*.

The County Treasurer invests primarily in the Local Government Investment Pool, that is managed by the Treasurer of Virginia, bonds issued by the U.S. Treasury and Federal agencies, bankers' acceptances, highly rated commercial paper and certificates of deposit in banks which have qualified as public depositories as defined by the *Code of Virginia*. Proceeds from bond issues subject to arbitrage rebate are invested in Virginia's State Non-Arbitrage Program (SNAP).

Risk Management:

The County maintains a self insurance program for health insurance for employees of the County, School Board, Vint Hill Farms Economic Development Authority, and Water and Sanitation Authority.

The activities of this program are reported in the Health Insurance Fund. Revenues in this Fund come from withholdings from employees and "premiums" collected from other funds set to cover estimated

claims and liabilities, other insurance premiums and operating expenses. Claims filed, or expected to be filed, through June 30, 2000, are reported as accrued liabilities. The Health Insurance Fund has sufficient reserves to cover its estimated claims liability.

Reporting Entity

For reporting purposes, Fauquier County's reporting entity consists of the County as primary government and the School System as a discretely presented component unit. The discretely presented component unit is in a separate column in the combined financial statements to emphasize that it is legally separate from the primary government and to differentiate its financial position, results of operations and cash flows from those of the primary government.

The Fauquier County Industrial Development Authority and Water and Sanitation Authority do not have a significant operational or financial relationship to the County and the County's accountability extends only to making their respective board appointments. The Vint Hill Farms Economic Development Authority has no significant operational or financial relationship to the County and the board members of the Authority are appointed by the Governor. Accordingly, these organizations are excluded from this report.

Internal and Budgetary Controls

The County's management is responsible for the establishment and maintenance of accounting and other internal controls to ensure compliance with applicable laws and County policies, and that assets are safeguarded and financial transactions are properly recorded and documented. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of controls should not exceed the benefits obtained, and the valuation of costs and benefits requires estimates and judgments by management. The County's independent external auditors consider certain aspects of these controls during the course of the annual audit, but not for the purpose of providing assurance on the internal control structure.

To ensure compliance with the limits and provisions of the respective budgets as approved by the Board of Supervisors, budgetary controls are maintained at the department level for the operating budget and at the project level for the capital improvements budget. These controls include a formal appropriation system maintained on the County's automated financial system and periodic reviews. Oversight of all budget operations is performed by the Budget Office. Purchase orders, contracts and commitments for the expenditures of funds are recorded as encumbrances. All appropriations lapse at year end.

Independent Audit

The County's financial statements as of June 30, 2000 and for the fiscal year ended June 30, 2000 have been audited by Robinson, Farmer, Cox Associates, independent certified public accountants, as required by Section 15.1-167 of the *Code of Virginia*. The audit was conducted in accordance with generally accepted auditing standards and the auditors' report is included in the Financial Section of this report.

Audit testing for compliance with the federal Single Audit Act and related OMB Circular A-133 was performed by Robinson, Farmer, Cox Associates, independent certified public accountants. The auditors' reports are reported in the Compliance (Single Audit) Section of this report.

In addition to the independent auditors' reports described above, the auditor furnishes written recommendations to the County Board of Supervisors pertaining to the strengthening and improvement of certain areas of internal accounting control and overall accounting procedure.

Certificate of Achievement

Fauquier County is submitting this Comprehensive Annual Financial Report to the Government Finance Officers' Association of the United States and Canada (GFOA) for consideration to receive the Certificate

of Achievement for Excellence in Financial Reporting. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports. To be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized report that conforms to program standards. Such reports must satisfy both generally accepted accounting principles and all applicable legal requirements.

Acknowledgments

This report was prepared by the professional staff of the Finance Department. Their hard work, dedication and continuing efforts to improve the quality of this report directly benefit all who read and use it. We also acknowledge the cooperation and assistance of the staff of the County Treasurer, the Commissioner of the Revenue and the many other County departments and agencies which contributed to preparation of this report.

This Comprehensive Annual Financial Report reflects the County's commitment to the citizens of Fauquier County, the Board of Supervisors and the financial community to provide information in conformance with the highest standards of financial accountability.

Respectfully submitted,



G. Robert Lee
County Administrator



John H. Tuohy, CPA
Finance Director

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Fauquier County,
Virginia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 1999

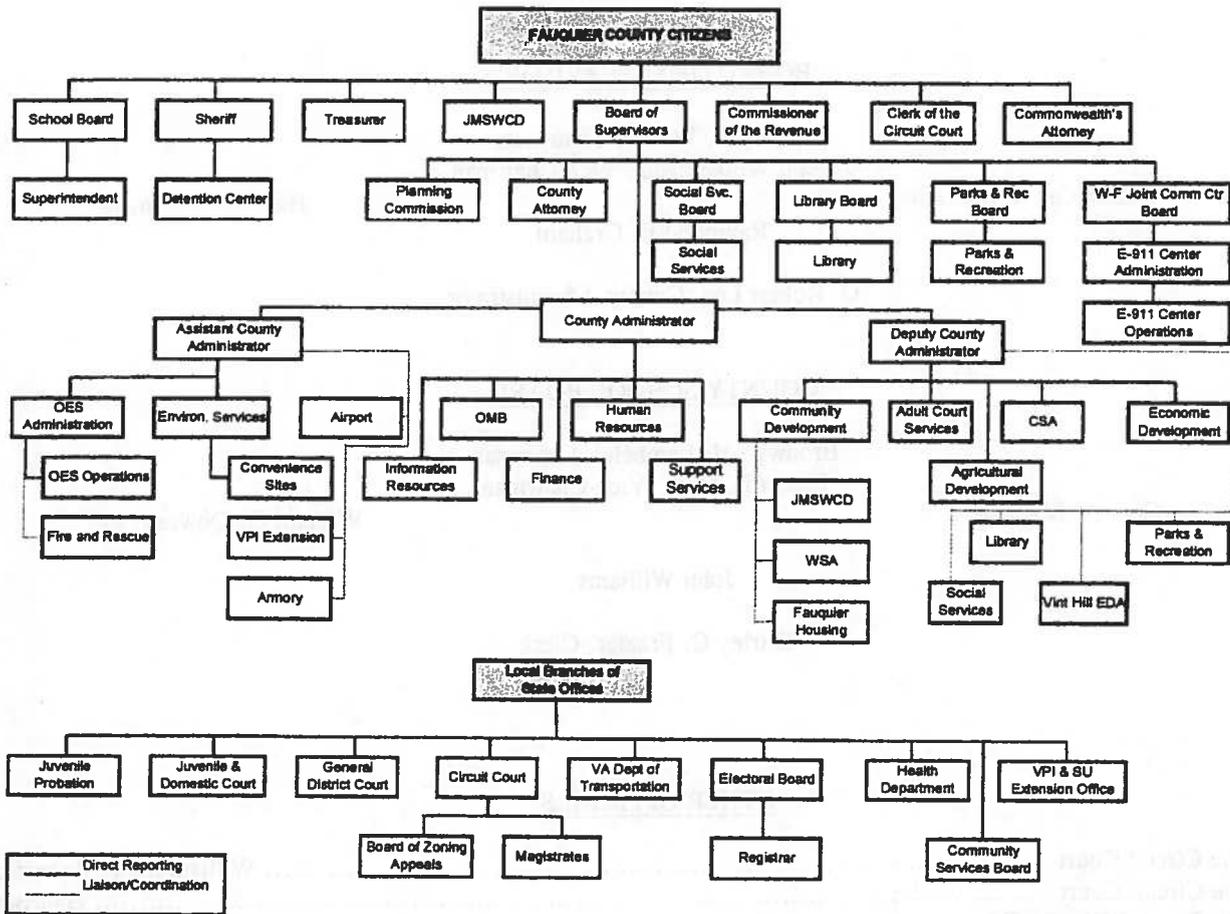
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Anne Spray Kinney
President

Jeffrey L. Essler
Executive Director

FAUQUIER COUNTY ORGANIZATION CHART



Acronyms

- CSA – Comprehensive Services Act
- JMSWCD – John Marshall Soil and Water Conservation District
- OEWS – Office of Emergency Services
- OMB – Office of Management and Budget
- VPI&SU Extension – Virginia Polytechnic Institute and State University
- W-F Joint Comm Ctr Board – Warrenton-Fauquier Joint Communications Center Board
- WSA – Water and Sanitation Authority

COUNTY OF FAUQUIER, VIRGINIA

BOARD OF SUPERVISORS

Larry L. Weeks, Chairman
Joseph Winkelmann, Vice-Chairman
Sharon Grove McCamy
Raymond E. Graham
Harry Atherton, Jr.
G. Robert Lee, County Administrator

COUNTY SCHOOL BOARD

Bronwyn H. Lambelet, Chairman
Ernest L. Gray, Vice-Chairman
Gary A. Maloche
John Williams
William G. Downey, IV
Shirley C. Frazier, Clerk

OTHER OFFICIALS

Judge of the Circuit Court William Shore Robertson
Clerk of the Circuit Court Gail Barb
Judge of the General District Court Charles B. Foley
Judge of Juvenile & Domestic Relations District Court H. Dudley Payne
Commonwealth's Attorney Jonathan Lynn
Commissioner of the Revenue Ross D'Urso
Treasurer Elizabeth Ledgerton
Sheriff Joseph Higgs, Jr.
Superintendent of Schools Dallas Johnson
Director of Department of Social Services Janis K. Selbo
Director of Finance..... John H. Tuohy, CPA

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

INDEPENDENT AUDITORS' REPORT

TO THE BOARD OF SUPERVISORS COUNTY OF FAUQUIER WARRENTON, VIRGINIA

We have audited the accompanying general purpose financial statements and the combining, individual account group financial statements of the County of Fauquier, Virginia, as of and for the year ended June 30, 2000, as listed in the Table of Contents. These financial statements are the responsibility of the County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*; and the *Specifications for Audits of Counties, Cities and Towns* issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the County of Fauquier, Virginia, as of June 30, 2000, and the results of operations and cash flows of its proprietary fund types for the year then ended in conformity with generally accepted accounting principles. Also, in our opinion the combining and individual fund and account group financial statements referred to above present fairly, in all material respects, the financial position of each of the individual funds and account groups of the County of Fauquier, Virginia, as of June 30, 2000 and the results of its operations of such funds and cash flows of individual proprietary fund types for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 20, 2000 on our consideration of the County of Fauquier, Virginia's internal control over financial reporting and our tests of compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the general purpose financial statements taken as a whole and on the combining financial statements. The accompanying financial information listed as supporting schedules in the table of contents, including the schedule of expenditures of federal awards required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the financial statements of the County of Fauquier, Virginia. Such information has been subjected to the auditing procedures applied in the audit of the general purpose and combining financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements of each of the respective individual funds and account groups taken as a whole.

The statistical section listed in the Table of Contents is not a required part of the basic financial statements, and we did not audit or apply limited procedures to such information. Accordingly, we do not express any assurances on such information.

Robinson, Turner, Cox Associates

Charlottesville, Virginia
October 20, 2000

COUNTY OF FAUQUIER, VIRGINIA

**Combined Balance Sheet - All Fund Types, Account Groups, and Discretely Presented Component Units
At June 30, 2000**

	Governmental Funds			Proprietary Funds	
	General	Special Revenue	Capital Projects	Enterprise	Internal Service
ASSETS AND OTHER DEBITS					
Assets:					
Cash and investments	\$ 18,851,180	\$ 469,447	\$ 15,747,243	\$ 444,502	\$ 2,492,731
Cash in custody of others	8,835	-	-	-	250
Receivables (Net of allowances for uncollectibles):					
Taxes, including penalties	4,988,197	-	-	-	-
Accounts	992,172	174,387	-	197,645	329,120
Note	164,475	-	-	-	-
Inventory	-	-	-	-	-
Due from component unit	400	-	-	-	174,200
Due from primary government	-	-	-	-	-
Due from other governmental units	1,212,683	-	62,978	-	-
Prepaid expenses	-	-	-	43,333	-
Fixed assets (net of accumulated depreciation)	-	-	-	9,293,302	276,961
Bond issuance costs (net of accumulated amortization)	-	-	-	58,529	-
Security deposits	3,300	-	2,080	-	-
Other debits:					
Amount to be provided for the retirement of general long-term debt	-	-	-	-	-
Total assets and other debits	<u>\$ 26,221,242</u>	<u>\$ 643,834</u>	<u>\$ 15,812,301</u>	<u>\$ 10,037,311</u>	<u>\$ 3,273,262</u>
LIABILITIES					
Accounts payable	\$ 724,632	\$ 100,787	\$ 1,036,376	\$ 183,024	\$ 162,743
Accrued liabilities	181,904	7,457	1,049	2,066	969,394
Other liabilities	-	-	-	5,000	-
Retainage payable	-	-	345,834	-	-
Amount held for social service clients	-	-	-	-	-
Amount held for prisoners	-	-	-	-	-
Performance bonds payable	-	-	-	-	-
Due to component units	6,420,186	-	-	-	-
Due to primary government	-	-	-	-	-
Deferred revenue	4,661,208	-	-	-	-
Notes payable	-	-	-	129,308	-
Revenue bonds payable	-	-	-	3,325,000	-
General obligation bonds payable	-	-	-	-	-
State Literary Fund loans payable	-	-	-	-	-
Capital lease obligations payable	-	-	-	-	-
Landfill closure and postclosure costs	-	-	-	3,172,012	-
Compensated absences	-	-	-	19,617	-
Total liabilities	<u>\$ 11,987,930</u>	<u>\$ 108,244</u>	<u>\$ 1,383,259</u>	<u>\$ 6,836,027</u>	<u>\$ 1,132,137</u>
EQUITY AND OTHER CREDITS					
Investment in general fixed assets	\$ -	\$ -	\$ -	\$ -	\$ -
Contributed capital	-	-	-	3,984,164	292,887
Retained earnings (deficit)	-	-	-	(782,880)	1,848,238
Fund balances:					
Reserved for Notes Receivable	164,475	-	-	-	-
Unreserved:					
Designated for subsequent expenditure	1,370,692	-	14,429,042	-	-
Unreserved, undesignated, as restated	12,698,145	535,590	-	-	-
Total equity and other credits	<u>\$ 14,233,312</u>	<u>\$ 535,590</u>	<u>\$ 14,429,042</u>	<u>\$ 3,201,284</u>	<u>\$ 2,141,125</u>
Total liabilities, equity and other credits	<u>\$ 26,221,242</u>	<u>\$ 643,834</u>	<u>\$ 15,812,301</u>	<u>\$ 10,037,311</u>	<u>\$ 3,273,262</u>

The accompanying notes to financial statements are an integral of the statement.

Exhibit 1

Fiduciary Funds	Account Group		Totals "Memorandum Only"	Component Unit	Totals "Memorandum Only"
	Trust and Agency	General Fixed Assets	General Long-term Debt	Primary Government	School Board
\$ 1,912,033	\$ -	\$ -	\$ 39,917,136	\$ 175,978	\$ 40,093,114
62,359	-	-	71,444	1,350	72,794
-	-	-	4,988,197	-	4,988,197
-	-	-	1,693,324	51,777	1,745,101
-	-	-	164,475	-	164,475
-	-	-	174,200	-	174,200
-	-	-	400	-	400
-	-	-	-	6,420,186	6,420,186
-	-	-	1,275,661	1,365,756	2,641,417
-	-	-	43,333	-	43,333
-	26,915,325	-	36,485,588	106,535,258	143,020,846
-	-	-	58,529	-	58,529
-	-	-	5,380	-	5,380
-	-	5,001,801	5,001,801	43,419,947	48,421,748
<u>\$ 1,974,392</u>	<u>\$ 26,915,325</u>	<u>\$ 5,001,801</u>	<u>\$ 89,879,468</u>	<u>\$ 157,970,252</u>	<u>\$ 247,849,720</u>
\$ (3,116)	\$ -	\$ -	\$ 2,204,446	\$ 801,617	\$ 3,006,063
-	-	-	1,161,870	7,234,657	8,396,527
-	-	-	5,000	25,344	30,344
-	-	-	345,834	-	345,834
21,740	-	-	21,740	-	21,740
51,664	-	-	51,664	-	51,664
270,435	-	-	270,435	-	270,435
-	-	-	6,420,186	-	6,420,186
-	-	-	-	400	400
-	-	-	4,661,208	-	4,661,208
-	-	-	129,308	-	129,308
-	-	-	3,325,000	-	3,325,000
-	-	-	-	40,210,000	40,210,000
-	-	-	-	162,500	162,500
-	-	2,730,727	2,730,727	-	2,730,727
-	-	-	3,172,012	-	3,172,012
-	-	2,271,074	2,290,691	3,047,447	5,338,138
<u>\$ 340,723</u>	<u>\$ -</u>	<u>\$ 5,001,801</u>	<u>\$ 26,790,121</u>	<u>\$ 51,481,965</u>	<u>\$ 78,272,086</u>
\$ -	\$ 26,915,325	\$ -	\$ 26,915,325	\$ 106,535,258	\$ 133,450,583
-	-	-	4,277,051	-	4,277,051
-	-	-	1,065,358	-	1,065,358
-	-	-	164,475	-	164,475
-	-	-	15,799,734	-	15,799,734
1,633,669	-	-	14,867,404	(46,971)	14,820,433
<u>\$ 1,633,669</u>	<u>\$ 26,915,325</u>	<u>\$ -</u>	<u>\$ 63,089,347</u>	<u>\$ 106,488,287</u>	<u>\$ 169,577,634</u>
<u>\$ 1,974,392</u>	<u>\$ 26,915,325</u>	<u>\$ 5,001,801</u>	<u>\$ 89,879,468</u>	<u>\$ 157,970,252</u>	<u>\$ 247,849,720</u>

COUNTY OF FAUQUIER, VIRGINIA

**Combined Statement of Revenues, Expenditures and Changes in Fund Balances
All Governmental Fund Types, Expendable Trust Funds, and Discretely Presented Component Unit
Year Ended June 30, 2000**

	Governmental Fund Types			Fiduciary Funds
	General	Special Revenue	Capital Projects	Expendable Trust
Revenues:				
General property taxes	\$ 55,307,832	\$ 2,280,774	\$ -	\$ -
Other local taxes	9,376,224	774,710	-	-
Permits, privilege fees and regulatory licenses	739,401	-	-	-
Fines and forfeitures	259,781	-	-	-
Revenue from use of money and property	2,294,315	-	-	78,850
Contribution for beneficiary	-	-	-	437,684
Charges for services	423,316	-	-	-
Miscellaneous	50,612	-	768	23,920
Recovered costs	850,926	3,051	-	-
Intergovernmental:				
Commonwealth	9,863,822	80,945	-	-
Federal	1,456,157	-	-	-
Total revenues	\$ 80,622,386	\$ 3,139,480	\$ 768	\$ 540,454
Expenditures:				
Current:				
General government administration	\$ 5,526,143	\$ -	\$ 634,760	\$ -
Judicial administration	1,741,042	-	391,754	-
Public safety	7,379,499	3,178,672	659,771	-
Public works	3,808,739	-	-	-
Health and welfare	4,721,916	-	-	-
Education	32,198	-	1,605,754	-
Parks, recreation, and cultural	2,492,192	-	165,034	-
Community development	3,531,281	-	218,887	-
Non-departmental	476,097	-	4,650	234,251
Capital projects	99,946	-	7,090,274	-
Debt service:				
Principal retirement	319,273	-	-	-
Interest and other fiscal charges	147,072	-	-	-
Total expenditures	\$ 30,275,398	\$ 3,178,672	\$ 10,770,884	\$ 234,251
Excess (deficiency) of revenues over expenditures	\$ 50,346,988	\$ (39,192)	\$ (10,770,116)	\$ 306,203
Other financing sources (uses):				
Operating transfers in	\$ 6,000	\$ 108,264	\$ 8,612,789	\$ -
Operating transfers out	(3,498,083)	-	(6,000)	-
Proceeds from indebtedness	-	-	-	-
Operating transfers to component unit	(45,073,417)	-	-	-
Total other financing sources (uses)	\$ (48,565,500)	\$ 108,264	\$ 8,606,789	\$ -
Excess (deficiency) of revenues & other sources over expenditures & other uses	\$ 1,781,488	\$ 69,072	\$ (2,163,327)	\$ 306,203
Fund balances at beginning of year, as restated	12,451,824	466,518	16,592,369	1,327,466
Fund balances at end of year	\$ 14,233,312	\$ 535,590	\$ 14,429,042	\$ 1,633,669

The accompanying notes to financial statements are an integral part of this statement.

Exhibit 2

Total "Memorandum Only"		Component Unit	Total "Memorandum Only"	
Primary Government		School Board	Reporting Entity	
\$	57,588,606	\$ -	\$	57,588,606
	10,150,934	-		10,150,934
	739,401	-		739,401
	259,781	-		259,781
	2,373,165	9,675		2,382,840
	437,684	-		437,684
	423,316	2,321,825		2,745,141
	75,300	57,246		132,546
	853,977	-		853,977
	9,944,767	23,278,773		33,223,540
	1,456,157	2,358,390		3,814,547
\$	<u>84,303,088</u>	\$ <u>28,025,909</u>	\$	<u>112,328,997</u>
\$	6,160,903	\$ -	\$	6,160,903
	2,132,796	-		2,132,796
	11,217,942	-		11,217,942
	3,808,739	-		3,808,739
	4,721,916	-		4,721,916
	1,637,952	65,633,899		67,271,851
	2,657,226	-		2,657,226
	3,750,168	-		3,750,168
	714,998	-		714,998
	7,190,220	-		7,190,220
	319,273	3,365,000		3,684,273
	147,072	2,326,014		2,473,086
\$	<u>44,459,205</u>	\$ <u>71,324,913</u>	\$	<u>115,784,118</u>
\$	<u>39,843,883</u>	\$ <u>(43,299,004)</u>	\$	<u>(3,455,121)</u>
\$	8,727,053	\$ -	\$	8,727,053
	(3,504,083)	(5,267,760)		(8,771,843)
	-	3,500,000		3,500,000
	(45,073,417)	45,073,417		-
\$	<u>(39,850,447)</u>	\$ <u>43,305,657</u>	\$	<u>3,455,210</u>
\$	(6,564)	\$ 6,653	\$	89
	30,838,177	(53,624)		30,784,553
\$	<u>30,831,613</u>	\$ <u>(46,971)</u>	\$	<u>30,784,642</u>

COUNTY OF FAUQUIER, VIRGINIA

**Combined Statement of Revenues, Expenditures and Changes in Fund Balances --
Budget and Actual -- General, Special Revenue and Capital Projects Funds
And Discretely Presented Component Unit
Year Ended June 30, 2000**

	General Fund			Special Revenue	
	Budget	Actual	Variance Favorable (Unfavor.)	Budget	Actual
Revenues:					
General property taxes	\$ 54,037,086	\$ 55,307,832	\$ 1,270,746	\$ 2,212,297	\$ 2,280,774
Other local taxes	8,657,000	9,376,224	719,224	772,972	774,710
Permits, privilege fees and regulatory licenses	718,716	739,401	20,685	-	-
Fines and forfeitures	180,000	259,781	79,781	-	-
Revenue from use of money and property	1,933,275	2,294,315	361,040	-	-
Charges for services	534,286	423,316	(110,970)	-	-
Miscellaneous	41,413	50,612	9,199	-	-
Recovered costs	146,901	850,926	704,025	3,000	3,051
Intergovernmental:					
Commonwealth	10,081,965	9,863,822	(218,143)	68,000	80,945
Federal	2,113,978	1,456,157	(657,821)	-	-
Total revenues	\$ 78,444,620	\$ 80,622,386	\$ 2,177,766	\$ 3,056,269	\$ 3,139,480
Expenditures:					
Current:					
General government administration	\$ 5,896,806	\$ 5,526,143	\$ 370,663	\$ -	\$ -
Judicial administration	1,814,961	1,741,042	73,919	-	-
Public safety	7,505,679	7,379,499	126,180	3,361,976	3,178,672
Public works	3,930,947	3,808,739	122,208	-	-
Health and welfare	5,398,122	4,721,916	676,206	-	-
Education	32,198	32,198	-	-	-
Parks, recreation, and cultural	2,709,404	2,492,192	217,212	-	-
Community development	2,938,538	3,531,281	(592,743)	-	-
Nondepartmental	1,737,457	476,097	1,261,360	-	-
Capital projects	117,621	99,946	17,675	-	-
Debt service:					
Principal retirement	319,273	319,273	-	-	-
Interest	147,073	147,072	1	-	-
Total expenditures	\$ 32,548,079	\$ 30,275,398	\$ 2,272,681	\$ 3,361,976	\$ 3,178,672
Excess (deficiency) of revenues over expenditures	\$ 45,896,541	\$ 50,346,988	\$ 4,450,447	\$ (305,707)	\$ (39,192)
Other financing sources (uses):					
Operating transfers in	\$ 6,000	\$ 6,000	\$ -	\$ 108,264	\$ 108,264
Operating transfers out	(3,498,083)	(3,498,083)	-	-	-
Proceeds from indebtedness	-	-	-	-	-
Operating transfers to component unit	(45,073,417)	(45,073,417)	-	-	-
Total other financing sources (uses)	\$ (48,565,500)	\$ (48,565,500)	\$ -	\$ 108,264	\$ 108,264
Excess (deficiency) of revenues & other sources over expenditures & other uses	\$ (2,668,959)	\$ 1,781,488	\$ 4,450,447	\$ (197,443)	\$ 69,072
Fund balances at beginning of year	12,451,824	12,451,824	-	197,444	466,518
Fund balances at end of year	\$ 9,782,865	\$ 14,233,312	\$ 4,450,447	\$ 1	\$ 535,590

The accompanying notes to financial statements are an integral part of this statement.

Funds	Capital Projects Funds			Component Unit School Board			
	Variance Favorable (Unfavor.)	Budget	Actual	Variance Favorable (Unfavor.)	Budget	Actual	Variance Favorable (Unfavor.)
\$ 68,477 1,738	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	13,500	9,675	(3,825)	-
-	-	-	-	2,282,366	2,321,825	39,459	-
-	-	768	768	47,000	57,246	10,246	-
51	-	-	-	-	-	-	-
12,945	-	-	-	22,606,088	23,278,773	672,685	-
-	-	-	-	2,780,797	2,358,390	(422,407)	-
<u>\$ 83,211</u>	<u>\$ -</u>	<u>\$ 768</u>	<u>\$ (768)</u>	<u>\$ 27,729,751</u>	<u>\$ 28,025,909</u>	<u>\$ 296,158</u>	
\$ -	\$ 1,386,006	\$ 634,760	\$ 751,246	\$ -	\$ -	\$ -	\$ -
-	1,800,972	391,754	1,409,218	-	-	-	-
183,304	1,271,057	659,771	611,286	-	-	-	-
-	-	-	-	-	-	-	-
-	2,603,670	1,605,754	997,916	66,456,484	65,633,899	822,585	-
-	502,540	165,034	337,506	-	-	-	-
-	297,884	218,887	78,997	-	-	-	-
-	3,500,000	4,650	3,495,350	-	-	-	-
-	14,075,367	7,090,274	6,985,093	-	-	-	-
-	-	-	-	3,365,000	3,365,000	-	-
-	-	-	-	2,327,777	2,326,014	1,763	-
<u>\$ 183,304</u>	<u>\$ 25,437,496</u>	<u>\$ 10,770,884</u>	<u>\$ 14,666,612</u>	<u>\$ 72,149,261</u>	<u>\$ 71,324,913</u>	<u>\$ 824,348</u>	
<u>\$ 266,515</u>	<u>\$ (25,437,496)</u>	<u>\$ (10,770,116)</u>	<u>\$ 14,667,380</u>	<u>\$ (44,419,510)</u>	<u>\$ (43,299,004)</u>	<u>\$ 1,120,506</u>	
\$ -	\$ 8,612,789	\$ 8,612,789	\$ -	\$ -	\$ -	\$ -	\$ -
-	(6,000)	(6,000)	-	(5,267,760)	(5,267,760)	-	-
-	-	-	-	3,500,000	3,500,000	-	-
-	-	-	-	45,073,417	45,073,417	-	-
<u>\$ -</u>	<u>\$ 8,606,789</u>	<u>\$ 8,606,789</u>	<u>\$ -</u>	<u>\$ 43,305,657</u>	<u>\$ 43,305,657</u>	<u>\$ -</u>	
\$ 266,515	\$ (16,830,707)	\$ (2,163,327)	\$ 14,667,380	\$ (1,113,853)	\$ 6,653	\$ 1,120,506	
466,518	16,587,300	16,592,369	5,069	-	(53,624)	(53,624)	
<u>\$ 733,033</u>	<u>\$ (243,407)</u>	<u>\$ 14,429,042</u>	<u>\$ 14,672,449</u>	<u>\$ (1,113,853)</u>	<u>\$ (46,971)</u>	<u>\$ 1,066,882</u>	

Combined Statement of Revenues, Expenses and Changes in Retained Earnings
 All Proprietary Funds
 Year Ended June 30, 2000

	Proprietary Funds		Totals
	Enterprise Funds	Internal Service	"Memorandum Only"
Operating revenues:			
Charges for services	\$ 2,142,030	\$ 8,595,701	\$ 10,737,731
Miscellaneous	42,886	2,000	44,886
Total operating revenues	\$ 2,184,916	\$ 8,597,701	\$ 10,782,617
Operating expenses:			
Current:			
Container operations	\$ 72,573	\$ -	\$ 72,573
Landfill operations	1,500,724	-	1,500,724
Contractual services	40,080	-	40,080
Landfill maintenance costs	156,423	-	156,423
Closure and Post Closure Cost	-	-	-
Airport operation and maintenance	16,735	-	16,735
Health insurance claims and fees	-	7,976,904	7,976,904
Depreciation	134,782	31,392	166,174
Total operating expenses	\$ 1,921,317	\$ 8,008,296	\$ 9,929,613
Operating income (loss)	\$ 263,599	\$ 589,405	\$ 853,004
Nonoperating revenues (expenses):			
Interest income	\$ 5,310	\$ 83,170	\$ 88,480
Interest income - bonds	54,229	-	54,229
Rental income	14,700	-	14,700
Operating grant - Commonwealth	1,125	-	1,125
Gain(Loss) on sale of fixed assets	(8,619)	-	(8,619)
Bond issuance cost amortization	(10,621)	-	(10,621)
Interest expense	(199,091)	-	(199,091)
Total nonoperating revenues (expenses)	\$ (142,967)	\$ 83,170	\$ (59,797)
Income (loss) before operating transfers	\$ 120,632	\$ 672,575	\$ 793,207
Operating transfers:			
Operating transfers in	\$ 34,382	\$ 10,408	\$ 44,790
Total operating transfers	\$ 34,382	\$ 10,408	\$ 44,790
Net income (loss)	\$ 155,014	\$ 682,983	\$ 837,997
Add depreciation on fixed assets acquired by contribution from others	23,688	-	23,688
Increase (decrease) in retained earnings	\$ 178,702	\$ 682,983	\$ 861,685
Retained earnings (deficit) at beginning of year	(961,582)	1,165,255	203,673
Retained earnings (deficit) at end of year	\$ (782,880)	\$ 1,848,238	\$ 1,065,358

The accompanying notes to financial statements are an integral part of this statement.

**Combined Statement of Cash Flows
All Proprietary Funds
Year Ended June 30, 2000**

	<u>Proprietary Funds</u>		Totals "Memorandum Only"
	<u>Enterprise Funds</u>	<u>Internal Service</u>	
<u>Cash Flows From Operating Activities:</u>			
Operating income (loss)	\$ 263,599	\$ 589,405	\$ 853,004
Adjustments to reconcile net income to net cash provided by operating by operating activities:			
Depreciation	134,782	31,392	166,174
Bad debt expense	132,409	-	132,409
(Gain) Loss on disposal of fixed assets	8,618	-	8,618
Changes in operating assets and liabilities:			
(Increase)decrease in receivables	1,890	126,498	128,388
Increase(decrease) in amounts due from other governments	7,802	-	7,802
(Increase)decrease in inventory	-	(22,074)	(22,074)
Increase (decrease) in payables	101,639	(109,126)	(7,487)
Increase(decrease) in compensated absences	5,958	-	5,958
Net cash provided by (used in) operating activities	<u>\$ 656,697</u>	<u>\$ 616,095</u>	<u>\$ 1,272,792</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Operating grants - Commonwealth	\$ 1,125	\$ -	\$ 1,125
Operating transfers in	34,382	10,408	44,790
Net cash provided by noncapital financing activities	<u>\$ 35,507</u>	<u>\$ 10,408</u>	<u>\$ 45,915</u>
<u>Cash Flows From Capital and Related Financing Activities:</u>			
Acquisition and construction of capital assets	\$ (1,948,539)	\$ -	\$ (1,948,539)
Interest expense	(199,091)	-	(199,091)
Principal paid on revenue bonds	(250,000)	-	(250,000)
Due to general fund	82,919	-	82,919
Increase of accrued landfill closure costs	(126,298)	-	(126,298)
Principal paid on note payable	-	(22,500)	(22,500)
Contributed capital from federal government	900,684	-	900,684
Net cash (used in) capital and related financing activities	<u>\$ (1,540,325)</u>	<u>\$ (22,500)</u>	<u>\$ (1,562,825)</u>
<u>Cash Flows From Investing Activities:</u>			
Rental income	\$ 14,700	\$ -	\$ 14,700
Interest income	59,539	83,170	142,709
Net cash provided by investing activities	<u>\$ 74,239</u>	<u>\$ 83,170</u>	<u>\$ 157,409</u>
Increase (decrease) in cash and cash equivalents	\$ (773,882)	\$ 687,173	\$ (86,709)
Cash and cash equivalents at beginning of year	1,218,384	1,805,558	3,023,942
Cash and cash equivalents at end of year	<u>\$ 444,502</u>	<u>\$ 2,492,731</u>	<u>\$ 2,937,233</u>

The accompanying notes to financial statements are an integral part of this statement.

COUNTY OF FAUQUIER, VIRGINIA

Exhibit 6

**Pension Trust Fund - Length of Service Award
Statement of Changes in Plan Net Assets
Year Ended June 30, 2000**

Additions:	
Employer contribution	\$ 437,684
Investment income	53,492
Other	<u>13,934</u>
Total additions	\$ <u>505,110</u>
Deductions:	
Members' benefits	\$ 105,059
Other operating expenses	<u>93,259</u>
Total deductions	\$ <u>198,318</u>
Net increase	306,792
Net assets held in trust for plan benefits, beginning of year	\$ <u>1,106,701</u>
Net assets held in trust for plan benefits, end of year	\$ <u><u>1,413,493</u></u>

The notes to the financial statements are an integral part of the statement.

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements of the County conform to generally accepted accounting principles (GAAP) applicable to government units promulgated by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant policies:

A. The Financial Reporting Entity

As required by generally accepted accounting principles, these financial statements present the County (primary government) and its component unit. The component unit discussed in Note B is included in the County's reporting entity because of the significance of its operational or financial relationship with the County.

B. Individual Component Unit Disclosures

Blended Component Units -- The County has no blended component units.

Discretely Presented Component Units -- The component unit column in the combined financial statements includes the financial data of the county's component unit. It is reported in a separate column to emphasize that it is legally separate from the County.

The Fauquier County School Board operates the elementary and secondary public schools in the County. School Board members are elected by the voters of the County for terms of four years. The School Board is fiscally dependent upon the County because the County Board of Supervisors approves all debt issuances of the School Board, which are general obligations of the County, and provides significant funding to operate the public schools since the School Board does not have separate taxing powers. The Uniform Financial Reporting Manual issued by the Auditor of Public Accounts specifies that school divisions are to be disclosed as discretely presented component units. The School Board does not issue separate financial statements.

C. Related Organizations

Fauquier County Water and Sanitation Authority -- The County created the Authority to provide water and sewer services to areas of the County.

Fauquier County Industrial Development Authority -- The County created the Authority to attract and provide financing for industries within the County.

These organizations are not included as component units because although the Board of Supervisors appoints the board members, the County is neither financially accountable for nor can it impose its will on these Authorities.

D. Financial Statement Presentation

The accounts are organized on the basis of fund classifications, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses. The various funds are grouped in the financial statements as follows:

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 1-- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

D. Financial Statement Presentation (Continued)

1. Governmental Funds account for the expendable financial resources, other than those accounted for in Proprietary and Fiduciary Funds. The Governmental Fund measurement focus is upon determination of financial position and changes in financial position, rather than upon net income determination as would apply to a commercial enterprise. The individual Governmental Funds are:

General Fund -- The General Fund accounts for all revenues and expenditures applicable to the general operations of the County that are not accounted for in other funds.

Capital Projects Fund -- The Capital Projects Fund accounts for capital expenditures for all governmental funds, including the Fauquier County School Board.

Special Revenue Fund -- The Special Revenue Fund accounts for all revenue and expenditures for the Joint Dispatch Center that is funded through a tax levied on the basis of telephone connections.

2. Proprietary Funds -- account for operations that are financed in a manner similar to private business enterprises. The Proprietary Fund measurement focus is upon determination of net income, financial position and cash flows. The Proprietary Funds consist of Enterprise and Internal Service Funds.

Enterprise Funds -- The Enterprise Funds account for the financing of services to the general public where all or most of the operating expenses involved are recovered in the form of user charges.

Internal Service Funds -- The Internal Service Funds account for the financing goods or services provided by one department or agency to other departments or agencies of the County government. Internal Service Funds consists of the Health Insurance Fund and the Fleet Maintenance Fund.

3. Fiduciary Funds (Trust and Agency Funds) -- account for assets held by a governmental unit in a trustee capacity or as an agent or custodian for individuals, private organizations, other governmental units, or other funds. These funds include Expendable Trust and Agency Funds.

4. Account Groups -- are used to account for general obligation long-term debt and certain other long term obligations and general fixed assets. A long-term debt account group is included herein, as is a general fixed assets account group. Long-term obligations and fixed assets except those related to proprietary funds are accounted for in these account groups.

5. Combined/Combining Format

Combined Financial Statements -- These statements are referred to as General Purpose Financial Statements and provide a summary overview of the financial position of all funds and account groups and of the operating results of all funds. All funds and account groups of a specific fund classification are combined and presented as one in the financial statements. For example, all funds classified as Fiduciary funds are combined and presented under the caption "Fiduciary Funds."

Combining Financial Statements -- By Fund Classification - These statements present individual financial statements for each fund of a given fund classification. For example, each Fiduciary Fund is shown individually.

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 1 -- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

6. Budgetary Comparison Statements -- The Combined and Combining Statements of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual, compare budget and actual data for all governmental funds for which budgets were adopted. A review of the budgetary comparisons presented herein will disclose how accurately the governing body was able to forecast the revenues and expenditures of the County.
7. Memorandum Only -- Total Columns on the Combined Statements - Overview - The total columns on the combined statements - Overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations, or cash flows in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

E. Basis of Accounting

1. Governmental Funds

Governmental funds utilize the modified accrual basis of accounting under which revenues and related assets are recorded when measurable and available to finance operations during the year. Accordingly, real and personal property taxes are recorded as revenues and receivables when billed, net of allowances for uncollectible amounts, except that property taxes not collected within 60 days after year end are reflected as deferred revenues. Sales and utility taxes, which are collected by the State or utilities and subsequently remitted to the County, are recognized as revenues and receivables upon collection by the State or utility, which is generally in the month preceding receipt by the County. Licenses, permits, fines and rents are recorded as revenues when received.

Intergovernmental revenues, consisting primarily of Federal, State and other grants for the purpose of funding specific expenditures, are recognized when earned or at the time of the specific expenditure. Revenues from general purpose grants are recognized in the period to which the grant applies.

Expenditures, other than interest on long-term debt, are recorded as the related fund liabilities are incurred. Interest on long-term debt is recognized when due except for interest due on July 1, which is accrued.

2. Proprietary Funds

The accrual basis of accounting is used for the Enterprise and Internal Service Funds. Under the accrual method, revenues are recognized in the accounting period in which they are earned, while expenses are recognized in the accounting period in which the related liability is incurred. The Financial Accounting Standards Board (FASB) and its predecessor organizations have issued accounting standards for activities in the private sector. The County's proprietary funds have elected not to apply those standards issued after November 30, 1989. These funds, however, have applied all applicable standards issued by the Governmental Accounting Standards Board (GASB).

3. Fiduciary Funds

Expendable Trust and Agency funds utilize the modified accrual basis of accounting.

F. Budgets and Budgetary Accounting

The following procedures are used by the County in establishing the budget reflected in the financial statements:

1. Prior to March 30, the County Administrator submits to the Board of Supervisors a proposed operating and capital budget for the fiscal year commencing the following July 1. The operating and capital budget includes proposed expenditures and the means of financing them.

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 1-- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

F. Budgets and Budgetary Accounting (Continued)

2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted.
4. Appropriations place legal restrictions on expenditures at the department level. Expenditures may not exceed appropriations at the department level. Only the Board of Supervisors can revise the appropriation for each department. The Finance Director approves all transfers within general government departments, with the exception of capital projects which are approved by the Board of Supervisors; however, the School Board is authorized to transfer budgeted amounts within the school system's categories.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, and the County Capital Projects Fund. Budgets are legally adopted for these funds and the School Fund.
6. All budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP).
7. Appropriations lapse on June 30, for all County units. Encumbrances outstanding at year end may be reappropriated by the Board of Supervisors.
8. All budget data presented in the accompanying financial statements is the revised budget for the year.

G. Allowance for Uncollectible Accounts

The County calculates its allowance for uncollectible accounts using historical collection data and, in certain cases, specific account analysis. The allowance amounted to \$1,039,506 for property taxes at June 30, 2000.

H. Investments

Investments are stated at fair value.

I. Cash and Cash Equivalents

For purposes of the Statement of Cash flows, the County's cash and cash equivalents include cash in banks, Local Government Investment Pool assets and short-term U.S. Government or U. S. Agency obligations with an original maturity of three months or less which are readily convertible to known amounts of cash.

J. Property, Plant and Equipment

General fixed assets are not capitalized in the funds used to acquire or construct them. Instead, capital acquisition and construction are reflected as expenditures in governmental funds, and the related assets are reported in the general fixed assets account group. All purchased fixed assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated fixed assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

NOTE 1-- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

J. Property, Plant and Equipment (Continued)

Public domain ("infrastructure") general fixed assets consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems are not capitalized, as these assets are immovable and of value only to the government.

Assets in the general fixed assets account group are not depreciated. Depreciation of buildings, equipment and vehicles in the proprietary fund types has been provided over the estimated useful lives of those assets using the straight line method as follows:

Structures.....	25 years
Equipment.....	3-20 years

Capital contributions used to acquire assets in proprietary funds are amortized over the useful life of the related assets.

K. Fund Equity

Contributed capital is recorded in proprietary funds that have received capital grants from government agencies. Reserves represent those portions of fund equity not appropriate for expenditures or legally segregated for a specific future use. Designated fund balances represent tentative plans for future use of financial resources.

L. Landfill Closure Costs

The County has accrued a liability for estimated landfill closure costs at the County landfill. These costs include both final closure costs and post-closure monitoring costs.

M. Bond Issuance Costs

Bond issuance costs for proprietary fund types are deferred and amortized over the term of the bonds using the "bonds-outstanding method", which approximates the effective interest method.

N. Compensated Absences

In accordance with GASB Statement 16 "Accounting for Compensated Absences," the County has accrued the liability arising from outstanding compensated absences. County employees earn leave based on length of service. Employees receive a payment based on their balance of unused sick leave upon termination. Accumulated vested unpaid absences for the County and School Board are not expected to be liquidated with expendable available financial resources; therefore, they are recorded in the General Long-term Obligation Account Group. No expenditure for unused compensated absences is reported for the governmental funds.

O. Inventories

Inventories are valued at cost, which approximates market, using the first-in first-out method. These inventories consist primarily of parts held for consumption.

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 1-- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES: (CONTINUED)

P. Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriations, is employed as an extension of formal budgetary integration in the General, Special Revenue and Capital Projects funds and in the Component Unit School Board funds. Encumbrances outstanding at year-end are reported as reservations of fund balances since they do not constitute expenditures or liabilities. Funds must be reappropriated in the ensuing fiscal year to provide for the payment of encumbrances that were unliquidated at the end of the previous year.

NOTE 2 -- CASH AND INVESTMENTS:

Deposits -- At year-end the carrying value of the County's primary government deposits with banks and savings institutions was (\$2,332,506), and the bank balances were (\$541,522). Of the bank balances, \$475,759 covered by Federal depository insurance. The investment of idle funds through the use of an overnight repurchase arrangement with the County's main bank results in negative balances because outstanding checks are not taken into account. The carrying amount of deposits for the School Board, a discretely presented component unit, was \$175,978, and the bank balances were \$528,702. Of the bank balance, \$259,673 was covered by Federal depository insurance. Bank balances in excess of federal insurance are protected under the provisions of the Virginia Security for Public Deposits Act ("the Act").

The Act provides for a pooling of collateral pledged with the Treasurer of Virginia to secure public deposits as a class. No specific collateral can be identified as security for any one public depositor and public depositors are prohibited from holding collateral in their name as security for deposits. The State Treasury Board is responsible for monitoring compliance with the collateralization and reporting requirements of the Act and notifying local governments of compliance by banks and savings and loan associations. A multiple financial institution collateral pool that provides for additional assessments is similar to depository insurance. If any member financial institution fails, the entire collateral pool becomes available to satisfy the claims of governmental entities. If the value of the pool's collateral is inadequate to cover the loss, additional amounts would be assessed on a pro rata basis to the members of the pool. Funds deposited in accordance with the requirements of the Act are considered fully secured and thus are not categorized below.

Investments -- Statutes authorize the County to invest in obligations of the United States or agencies thereof, obligations of the Commonwealth of Virginia or political subdivisions thereof, obligations of the International Bank for Reconstruction and Development (World Bank) and Asian Development Bank, the African Development Bank, "Prime Quality" commercial paper and certain corporate notes, banker's acceptances, repurchase agreements and the state Treasurer's Local Government Investment Pool (LGIP). Bond proceeds subject to arbitrage rebate are invested in the State Non-Arbitrage Program (Virginia SNAP).

The LGIP is a 2a-7 like external investment pool managed by the Treasurer of the Commonwealth and overseen by the Treasury Board. GASB 31 defines a 2a-7 like pool as an external pool not registered with the SEC as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940. Rule 2a-7 allows SEC registered mutual funds to use amortized cost rather than market value to report net assets to compute share prices if certain conditions are met. The fair value of the position in the LGIP is the same as the value of the pool shares.

The County's investments are categorized below to give an indication of the level of risk assumed by the entity at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the County or its safekeeping agent in the County's name. Category 2 includes uninsured or unregistered investments for which the securities are held by the counterparty's agent (if a broker/dealer) or trust department (if a bank) in the County's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counter party, or by its agent or trust department or safekeeping agent but not in the County's name.

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 2 -- CASH AND INVESTMENTS: (CONTINUED)

	1	Category 2	3	Carrying Amount	Fair Value
U.S. Treasury & Agencies	\$ 7,159,409	\$ -	\$ -	\$ 7,159,409	\$ 7,159,409
Corporate bonds & commercial paper	2,759,388	-	-	2,759,388	2,759,388
Municipal bonds & notes	-	-	-	-	-
Bankers' Acceptances	-	-	-	-	-
Repurchase Agreements	-	-	21,013,004	21,013,004	21,013,004
Total investments	<u>9,918,797</u>	<u>-0-</u>	<u>21,013,004</u>	<u>\$ 30,931,801</u>	<u>\$ 30,931,801</u>
Total deposits				(2,332,506)	(2,332,506)
Cash on hand				1,000	1,000
Investments not subject to categorization:					
Assets in State Non-Arbitrage					
Program Investments Pool				1,150,484	1,150,484
Length of Service Award Fund				1,413,493	1,413,493
Local Government Investment Pool				8,752,864	8,752,864
Total deposits and investments				<u>\$ 39,917,136</u>	<u>\$ 39,917,136</u>

A reconciliation of cash and investments shown on the Combined Balance Sheet for the primary government is as follows:

Carrying amount of deposits	\$ (2,332,506)
Carrying amount of investments	42,248,642
Cash on hand	<u>1,000</u>
Total	<u>\$ 39,917,136</u>
Cash and investments	\$ 39,897,326
Cash in custody of others	<u>19,780</u>
Total	<u>\$ 39,917,136</u>

Governmental Accounting Standards Board Statement 31, Accounting and Financial Reporting for certain Investments and for External Investment Pools, is effective for this year. The County has elected to report fair value for all investments for which the requirements of this Statement are applicable, even if the original maturities are less than one year. Unrealized loss at June 30, 2000 was \$231,876, however there was a gain of \$11,617 accrued in the current year and which reflected in the County's operating statements.

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 2 -- CASH AND INVESTMENTS: (CONTINUED)

At year end the Component Unit-School Board's cash and deposit balances were as follows:

Total Deposits	\$ 175,978
Cash on hand	<u>1,350</u>
Total cash and deposits	<u>\$ 177,328</u>

NOTE 3 -- PROPERTY TAXES RECEIVABLE:

Real property is assessed at its value on January 1. Property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two equal installments on June 5 and December 5. Personal property is assessed at its value on January 1 or when it is acquired or brought into the County. Personal property taxes are due and payable October 5. The County bills and collects its own property taxes.

NOTE 4 -- DUE FROM OTHER GOVERNMENTAL UNITS:

The following is a summary of amounts due from other governmental units at June 30, 2000.

	<u>Primary Government</u>	<u>Component Units</u>
Commonwealth of Virginia		
State sales tax	\$ -	\$ 958,104
Local sales tax	799,719	-
Grants	16,517	120,637
Shared expenses	20,110	-
Welfare	290,496	-
Miscellaneous	3,949	-
Federal Government		
Grants	26,222	136,602
Welfare	55,668	-
School lunch program	-	-
Total	<u>\$ 1,212,683</u>	<u>\$ 1,365,756</u>

NOTE 5 -- INTERFUND OBLIGATIONS:

The following is a summary of interfund obligations at June 30, 2000.

	<u>Interfund</u>		<u>Component Unit School Board</u>	
	<u>Receivables</u>	<u>Payables</u>	<u>Receivables</u>	<u>Payables</u>
General Fund	\$		\$ 400	\$ 6,420,186
School Fund			6,420,186	400
Totals	<u>\$</u>		<u>\$ 6,420,586</u>	<u>\$ 6,420,586</u>

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 6 -- FIXED ASSETS:

Primary Government:

The following is a summary of changes in the general fixed asset group during the fiscal year.

	Balance June 30, 1999	Additions	Adjustments And Deletions	Balance June 30, 2000
Land	\$ 8,407,818	\$ -	\$ -	\$ 8,407,818
Buildings and improvements	11,551,378	173,357	-	11,724,734
Leasehold improvements	5,018	-	-	5,018
Machinery and equipment	4,221,498	947,000	481,162	4,687,336
Data processing equipment	894,935	81,661	-	976,596
Construction in progress	251,964	922,449	60,590	1,113,823
Total	<u>\$ 25,332,610</u>	<u>\$ 2,124,467</u>	<u>\$ 541,752</u>	<u>\$ 26,915,325</u>

A summary of Proprietary fund fixed assets at June 30, 2000 is as follows:

	Balance July 1, 1999	Additions	Adjustments And Deletions	Balance June 30, 2000
Airport Fund:				
Land	\$ 2,847,507	\$ 972,097	\$ -	\$ 3,819,604
Improvements	785,610	158,240	-	943,850
Construction in progress	99,402	-	99,402	-
Totals	<u>\$ 3,732,519</u>	<u>\$ 1,130,337</u>	<u>\$ -</u>	<u>\$ 4,763,454</u>
Less accumulated depreciation	(137,138)	(30,782)	-	(167,921)
Net	<u>\$ 3,595,381</u>	<u>\$ 1,161,119</u>	<u>\$ 99,402</u>	<u>\$ 4,595,533</u>

	Balance July 1, 1999	Additions	Adjustments And Deletions	Balance June 30, 2000
Landfill Fund:				
Landfill site	\$ 1,667,526	\$ -	\$ 30,390	\$ 1,637,136
Cell improvements	2,079,298	32,622	-	2,111,920
Equipment	231,638	17,237	34,474	214,400
Facilities	\$ 129,334	\$ -	\$ -	\$ 129,334
Construction in progress	46,388	915,282	-	961,670
Totals	<u>\$ 4,154,184</u>	<u>\$ 965,141</u>	<u>\$ 61,864</u>	<u>\$ 5,054,460</u>
Less accumulated depreciation	(261,310)	(104,000)	(8,619)	(356,695)
Net	<u>\$ 3,892,874</u>	<u>\$ 852,523</u>	<u>\$ 47,628</u>	<u>\$ 4,697,769</u>

	Balance July 1, 1999	Additions	Adjustments And Deletions	Balance June 30, 2000
Fleet Maintenance Fund:				
Buildings	\$ 349,000	\$ -	\$ -	\$ 349,000
Equipment	419,044	-	-	419,044
Totals	<u>\$ 768,044</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 768,044</u>
Less accumulated depreciation	(459,691)	(31,392)	-	(491,083)
Net	<u>\$ 308,353</u>	<u>\$ (31,392)</u>	<u>\$ -</u>	<u>\$ 276,961</u>

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 6 -- FIXED ASSETS: (CONTINUED)

Total proprietary funds:

Land	\$	2,847,507	\$	972,097	\$	-	\$	3,819,604
Landfill site		1,667,526		-		30,390		1,637,136
Improvements		2,864,908		190,862		-		3,055,770
Equipment		231,637		17,237		34,474		214,400
Facilities		129,334		-		-		129,334
Construction in progress		145,790		915,282		99,402		961,670
Totals	\$	<u>7,886,702</u>	\$	<u>2,095,478</u>	\$	<u>164,266</u>	\$	<u>9,817,914</u>
Less accumulated depreciation		(398,448)		(113,228)		-		(511,676)
Net	\$	<u><u>7,488,254</u></u>	\$	<u><u>1,982,250</u></u>	\$	<u><u>164,266</u></u>	\$	<u><u>9,306,238</u></u>

The following is a summary of changes in the School Board component unit's general fixed asset account group during the fiscal year.

	Balance July 1, 1999	Additions	Adjustments And Deletions	Balance June 30, 2000
Land	\$ 4,204,136	\$ -	\$ -	\$ 4,204,136
Buildings and improvements	67,851,221	12,262,047	30,552	80,082,716
Machinery and equipment	10,615,387	1,118,058	211,256	11,522,189
Data processing equipment	1,059,013	61,224	-	1,120,237
Construction in progress	15,833,902	5,616,741	11,844,663	9,605,980
Total	\$ <u>99,563,659</u>	\$ <u>19,058,070</u>	\$ <u>12,086,471</u>	\$ <u>106,535,258</u>

NOTE 7 -- CONTRIBUTED CAPITAL:

The following are changes in capital contributed in the Airport Fund for the year ended June 30, 2000:

	Balance July 1, 1999	Additions	Balance June 30, 2000
County	\$ 787	\$ -	\$ 787
Federal	2,788,180	782,788	3,570,968
Commonwealth	424,235	117,895	542,130
Total	\$ 3,213,202	\$ 900,683	\$ 4,113,885
Less accumulated amortization	(106,033)	(23,688)	(129,721)
Net	\$ <u>3,107,169</u>	\$ <u>876,995</u>	\$ <u>3,984,164</u>

The following are changes in capital contributed in the Fleet Maintenance Fund for the year ended June 30, 2000:

	Balance July 1, 1999	Additions	Balance June 30, 2000
County	\$ 292,887	\$ -	\$ 292,887
Total	\$ <u>292,887</u>	\$ <u>-</u>	\$ <u>292,887</u>

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 8 -- BOND ISSUE COSTS:

The Landfill incurred bond issue costs totaling \$161,371. The costs are being amortized over the life of the bonds. Amortization expense during the fiscal year ended June 30, 2000 totaled \$10,621 and accumulated amortization totals \$102,842 at year end.

The following table summarizes total bond issue costs with related amortization at June 30, 2000:

Total Bond Issue Costs	Amortization Years	Amortization Expense - Prior	Amortization Expense - Current	Net Book Value
\$ 161,371	\$ 18	\$ 92,221	\$ 10,621	\$ 58,529

NOTE 9 -- LONG-TERM OBLIGATION:

Primary Government -- Annual requirements to amortize long-term obligation and related interest are as follows:

Fiscal June 30	Capital Leases		Revenue Bonds Solid Waste	
	Principal	Interest	Principal	Interest
2001	\$ 335,273	\$ 131,073	\$ 260,000	\$ 178,508
2002	352,074	114,271	275,000	165,508
2003	369,717	96,628	290,000	151,483
2004	388,245	78,101	305,000	136,403
2005	407,700	58,645	320,000	120,238
2006	428,132	38,214	335,000	102,958
2007	449,586	16,759	355,000	84,700
2008	-	-	375,000	65,175
2009	-	-	395,000	44,550
2010	-	-	415,000	22,825
2011	-	-	-	-
Totals	\$ 2,730,727	\$ 533,691	\$ 3,325,000	\$ 952,348

Changes in long-term obligation: The following is a summary of long-term obligation transactions of the County for the year ended June 30, 2000:

	Compensated Absences	Capital Lease Obligations	Revenue Bonds	Total
Long-term obligations payable at July 1, 1999	\$ 1,938,814	\$ 3,050,000	\$ 3,575,000	\$ 8,550,155
Increases:				
Compensated absences	351,877	-	-	351,877
Total Increases	351,877	-	-	351,877
Retirements:				
Revenue bonds payable	-	-	250,000	250,000
Capital lease obligations	-	319,273	-	319,273
Total retirements	\$ -	\$ 319,273	\$ 250,000	\$ 569,273
Long-term obligations payable at June 30, 2000	\$ 2,290,691	\$ 2,730,727	\$ 3,325,000	\$ 8,346,418

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 9 -- LONG-TERM OBLIGATION: (CONTINUED)

Capital Lease:

\$3,580,000 capital lease agreement for lease/purchase of office building located at 320 Hospital Hill 2,730,727
Compensated absences payable, General Government 2,271,074

Revenue Bonds:

\$4,880,000 Solid Waste Management System Revenue Bonds, Series of 1993, maturing annually 3,325,000
Compensated absences payable, Enterprise Fund 19,617
Total Long-term obligation \$ 8,346,418

Component Unit--School Board: Annual requirements to amortize long-term debt and related interest are as follows:

Fiscal Year Ending June 30	General Obligation Bonds		Literary Fund Loans	
	Principal	Interest	Principal	Interest
2001	\$ 3,325,000	\$ 2,319,442	\$ 162,500	\$ 4,875
2002	3,155,000	2,090,152	-	-
2003	3,165,000	1,910,232	-	-
2004	3,130,000	1,719,401	-	-
2005	3,080,000	1,529,094	-	-
2006	3,045,000	1,338,870	-	-
2007	3,020,000	1,085,286	-	-
2008	2,975,000	903,348	-	-
2009	2,905,000	779,099	-	-
2010	2,285,000	619,015	-	-
2011	1,925,000	498,194	-	-
2012	1,900,000	391,175	-	-
2013	1,600,000	293,941	-	-
2014	1,600,000	205,891	-	-
2015	800,000	140,222	-	-
2016	800,000	97,023	-	-
2017	800,000	53,691	-	-
2018	350,000	40,403	-	-
2019	175,000	16,013	-	-
2020	175,000	5,338	-	-
Totals	\$ <u>40,210,000</u>	\$ <u>16,035,830</u>	\$ <u>162,500</u>	\$ <u>4,875</u>

Changes in Long-term Obligation:

The following is a summary of long-term obligation transactions of the School Board for the year ended June 30, 2000:

	Literary Fund Loans	Compensated Absences	School Bonds	Total
Obligations payable at July 1, 1999.	\$ 362,500	\$ 3,434,744	\$ 39,875,000	\$ 43,672,244
Increases:				
School Bonds payable	-	-	3,500,000	3,500,000
	\$ -	\$ -	\$ 3,500,000	\$ 3,500,000
Retirements:				
School Bonds payable	-	-	3,165,000	3,165,000
Compensated absences	-	387,297	-	387,297

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 9 -- LONG-TERM OBLIGATION: (CONTINUED)

Changes in Long-term Obligation: (Continued)

State Literary Fund Loans.....	200,000	-	-	200,000
Total retirements	\$ 200,000	\$ 387,297	\$ 3,165,000	\$ 3,752,297
Obligations payable at June 30, 2000 ...	\$ 162,500	\$ 3,047,447	\$ 40,210,000	\$ 43,419,947

Details of Long term Obligation:

General obligation bonds:

School bonds:

\$2,500,000 Virginia Public School Authority Bonds 1980, issued June 15, 1980,
Maturing annually with interest payable semiannually. Bonds bearing interest at 8.40 %
Maturing December 15, 1993 through December 15, 2000 \$ 125,000

\$1,570,000 Virginia Public School Authority Bonds 1987B, issued October 8,
1987, maturing annually through December 15, 2007 with interest payable
Semiannually at rates from 7.00% to 8.1% 471,500

\$12,000,000 Virginia Public School Authority Bonds 1988B, issued November 1,
1989, maturing annually through December 15, 2008 with interest payable
Semiannually at rates from 6.6% to 8.6% 5,940,000

\$7,480,000 Virginia Public School Authority Bonds 1990A, issued April 18,
1990, maturing annually through December 15, 2009 with interest payable
Semiannually at rates from 7.0% to 7.225% 3,986,000

\$8,000,000 Virginia Public School Authority Bonds 1992A, issued May 19,
1992 maturing annually through December 15, 2011 with interest payable
Semiannually at rates from 6.1% to 6.4% 4,350,000

\$16,000,000 General Obligation School Bonds, Series of 1993, dated May 15,
1993, maturing annually through July 15, 2013 interest payable semiannually
at rates from 5.0% to 5.65% 11,200,000

\$9,000,000 Virginia Public School Authority Bonds 1996B, issued November 14,
1996 maturing annually through July, 2017 with interest payable
Semiannually at rates from 5.1% to 5.225% 7,650,000

\$3,500,000 Virginia Public School Authority Bonds 1997B, issued November 20,
1997 maturing annually through July, 2018 with interest payable
Semiannually at rates from 4.35% to 5.35% 3,150,000

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 9 -- LONG-TERM OBLIGATION: (CONTINUED)

\$3,500,000 Virginia Public School Authority Bonds 1999A, issued November 18, 1999 maturing annually through July, 2020 with interest payable Semiannually at rates from 5.10% to 6.10%	3,500,000
Total School Bonds.....	<u>\$ 40,210,000</u>
Literary Fund Loans:	
\$750,000, issued August 15, 1980, due in annual installments of \$ 37,500 through August 15, 2000, interest payable annually at 3%	\$ 37,500
\$750,000 issued August 15, 1980, due in annual installments of \$ 37,500 through August 15, 2000, interest payable annually at 3%	37,500
\$750,000, issued August 15, 1980, due in annual installments of \$ 37,500 through August 15, 2000, interest payable annually at 3%	37,500
\$1,000,000, issued November 15, 1980 due in annual installments of \$ 50,000 through November 15, 2000, interest payable annually at 3%	<u>50,000</u>
Total State Literary Fund Loans	<u>\$ 162,500</u>
Total General Obligation Bonds/Loans.....	<u>\$ 40,372,500</u>
Compensated absences payable.....	<u>\$ 3,047,447</u>
Total Long-term Obligation.....	<u>\$ 43,419,947</u>

NOTE 10 -- CLAIMS, JUDGMENTS AND COMPENSATED ABSENCES:

The County's primary government has outstanding accrued leave payable totaling \$2,271,074 in the General Long-term Obligation Account Group and \$19,617 in the Solid Waste Fund. The Component Unit--School Board has outstanding accrued leave payable totaling \$3,047,447.

NOTE 11 -- DEFINED BENEFIT PENSION PLAN:

A. Plan Description

The County contributes to the Virginia Retirement System (VRS), an agent and cost-sharing multiple-employer defined benefit pension plan administered by the Virginia Retirement System (System). All full-time, salaried permanent employees of participating employers must participate in the VRS. Benefits vest after five years of service. Employees who retire with a reduced benefit at age 55 (age 50 for participating law enforcement officers and firefighters) with at least five years of credited service are entitled to an annual retirement benefit payable monthly for life in an amount equal to 1.7 percent of their average final salary (AFS) for each year of credited service. An optional reduced retirement benefit is available to members of VRS as early as age 50 with 10 years of credited service. Employees with 30 years or more of credited service are entitled to an annual benefit equal to 1.7 percent of AFS for each year of credited service. In addition, retirees qualify for annual cost-of-living increases beginning in their second year of retirement. AFS is defined as the highest consecutive 36 months of salary. Benefits are actuarially reduced for retirees who retire prior to becoming eligible for full retirement benefits. Participating law enforcement officers and firefighters may receive a monthly benefit supplement if they retire prior to age 65. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the General Assembly. The System issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for VRS. A copy of that report may be obtained by writing the System at P.O. Box 2500, Richmond, VA 23218-2500.

B. Funding Policy

Plan members are required by Title 51.1 of the Code of Virginia (1950), as amended, to contribute 5% of their annual salary to the VRS. The County has assumed this 5% member contribution. In addition, the County is required to contribute the remaining amounts necessary to fund its participation in the VRS using the actuarial basis specified by the Code of Virginia and approved by the VRS Board of Trustees. The County's and School Board non-professional employee contribution rates for the fiscal year ended 2000 were 7.57% and 4.26% of annual covered payroll, respectively. The School Board's professional employees contributed \$3,271,018, \$2,862,992, and \$2,171,795 to the teacher cost-sharing pool for the fiscal years ended June 30, 2000, 1999, and 1998 respectively and these contributions represented 9.50%, 8.49%, and 7.28% respectively, of current covered payroll.

C. Annual Pension Cost

For 2000, the County's annual pension cost of \$455,662 was equal to the County's required and actual contributions. The required contribution was determined as part of the June 30, 1999 actuarial valuation using the entry age normal actuarial cost method

For 2000, the School Board's annual pension cost for non-professional employees of \$3,701 was equal to the County's required and actual contributions. The required contribution was determined as part of the June 30, 1999 actuarial valuation using the entry age normal actuarial cost method

	<u>County</u>	<u>Non-Professional School Board</u>
Valuation date.....	June 30, 1999	June 30, 1999
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	Level percent, open	Level percent, open
Payroll growth rate	4%	4%
Remaining amortization period	40 years	10 years
Asset valuation	Modified market	Modified market
Actuarial assumptions:		
Investment rate of return	8%	8%

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

Projected salary increases	4% to 6.15%	4% to 6.15%
Cost of living adjustments	3.5%	3.5%
Inflation	4%	4%

NOTE 11 -- DEFINED BENEFIT PENSION PLAN: (CONTINUED)

C. Annual Pension Cost (Continued)

Trend Information for the County

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed
June 30, 1998	\$776,601	100%
June 30, 1999	\$661,893	100%
June 30, 2000	\$666,808	100%

Trend Information for the School Board Non-professionals

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed
June 30, 1998	\$138,149	100%
June 30, 1999	\$167,027	100%
June 30, 2000	\$171,726	100%

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Funding Progress for the County

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
June 30, 1994	9,569,094	10,394,011	824,917	92.0%	7,539,849	10.9%
June 30, 1996	13,186,955	13,509,485	322,530	97.6%	8,844,461	3.6%
June 30, 1998	19,240,169	18,632,184	(607,985)	103.3%	10,886,392	(5.6%)
June 30, 1999	22,918,978	21,193,201	(1,725,777)	108.1%	10,913,383	(15.8%)

Schedule of Funding Progress for the School Board Non-professionals

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
June 30, 1994	3,254,314	2,843,262	(411,052)	114.4%	2,797,702	(14.7%)
June 30, 1996	4,548,307	4,375,384	(172,923)	104.0%	3,147,563	(5.5%)
June 30, 1998	6,639,823	6,115,922	(523,901)	108.6%	3,224,461	(16.2%)
June 30, 1999	7,851,323	6,477,988	(1,373,335)	121.2%	3,315,179	(41.4%)

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 12 -- FAUQUIER COUNTY LENGTH OF SERVICE AWARDS PROGRAM:

Plan description and provisions:

On January 1, 1995 the Fauquier County Board of Supervisors adopted the length of service awards program for the Fauquier County Fire and Rescue Association and its member companies. The primary purpose of the plan is to provide a retirement means for volunteers in recognition of their service to the county citizens. This plan is a defined benefit plan and is administered by the County Finance Director. The plan is a single employer public employee pension plan established by authority of the Board of Supervisors, who may change or amend the plan. This plan is open to any volunteer firefighter over the age of eighteen. Participants vest in five years. No separate financial report is issued for the plan.

At June 30, 2000 the program membership consisted of the following:

Current Volunteers	286
Retirees, disabled members & beneficiaries	53
Terminated vested members	33

Funding policy:

The contributions to the plan for the fiscal year ended June 30, 2000 totaled \$437,684. The Program's funding policy provides for periodic County contributions at actuarially determined rates that are sufficient to accumulate adequate assets to pay benefits when due. At June 30 the plan had net assets available for benefits totaling \$1,413,493. Unfunded prior and past service costs total \$1,690,344 and will be fully amortized in 10 years.

Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed
June 30, 1997	455,708	100%
June 30, 1998	471,953	100%
June 30, 1999	450,185	100%
June 30, 2000	437,684	100%

Historical trend information about the program is presented below as required supplementary information. This information is intended to help users assess the program's funding status on an on-going basis, assess progress made in accumulating assets to pay benefits when due and make comparisons with other public employee retirement systems.

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 12 -- FAUQUIER COUNTY LENGTH OF SERVICE AWARDS PROGRAM: (CONTINUED)

Schedule of funding progress:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liabilities	Funded Ratio
12/31/97	718,240	2,334,392	1,616,152	30.8%
12/31/98	1,044,776	2,367,901	1,323,125	44.1%
12/31/99	1,254,341	2,472,873	1,218,532	50.7%

Since the plan covers volunteers, there is no covered payroll nor a computation of unfunded actuarial accrued liability as a percent of covered payroll. The actuarial cost method used is entry age normal with a frozen initial liability. The method used to determine the actuarial value of the plan assets is modified market.

Analysis of the dollar amounts of plan net assets, actuarial accrued liability and unfunded actuarial accrued liability in isolation can be misleading. Expressing plan net assets as a percentage of the actuarial accrued liability provides one indication of the program's funding status on a going concern basis. Analysis of this percentage over time indicates whether the plan is becoming financially stronger or weaker.

NOTE 13 -- DEFERRED REVENUE:

Deferred revenue represents amounts for which asset recognition criteria have been met, but for which revenue recognition criteria have not been met. Under the modified accrual basis of accounting, such amounts are measurable, but not available. Deferred revenue totaling \$4,661,208 is comprised of the following:

A. Deferred Property Tax Revenue

Deferred revenue representing uncollected tax billings not available for funding of current expenditures totaled \$4,573,587 at June 30, 2000.

B. Prepaid Taxes

Property taxes due subsequent to June 30, 2000 but paid in advance by the taxpayers totaled \$87,621 at June 30, 2000.

NOTE 14 -- DEFERRED COMPENSATION PLAN:

The County offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all County employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. In compliance with revisions to section 457 of the Internal Revenue Code effective August 20, 1996, the assets are held for the exclusive benefit of County employees. Accordingly, assets and the resulting liabilities of the Deferred Compensation Plan are not recorded in the County's financial statements.

NOTE 15 -CLOSURE AND POSTCLOSURE CARE COST:

State and federal laws and regulations require the County to place a final cover on its landfill when closed and to perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. The County recognizes a portion of these costs in each operating period. The County will incur the estimated total closure cost of \$13,662,659 over the next twenty-five years. The County estimated all closure and post closure costs at June 30, 2000 total \$3,172,012. All amounts recorded as a liability are estimates of all closure and postclosure costs at June 30, 2000.

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 15 - CLOSURE AND POSTCLOSURE CARE COST: (CONTINUED)

Most of the closure and postclosure care costs will be paid only after the landfill is closed. The County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The liability reported as of June 30, 2000 is based on use of 16.7% of the total estimated capacity of the new landfill and 100% of the old landfill. The County expects to close the new landfill in 2055. Actual closure and post closure care costs may be higher due to inflation.

If these estimates are inadequate or additional postclosure requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs will need to be paid by the county taxpayers.

NOTE 16 -- SEGMENT INFORMATION:

The County maintains two enterprise funds that are intended to be self-supporting through user fees charged for services to the public. Financial segment information as of and for the year ended June 30, 2000 is presented below.

	Solid Waste	Airport	Total
Operating revenues	\$ 2,157,982	\$ 26,934	\$ 2,184,916
Depreciation expense	104,000	30,782	134,782
Operating income	284,182	(20,583)	263,599
Net income	121,983	33,031	155,013
Operating transfers	1,839	32,543	34,382
Current capital contributions	-	900,684	900,684
Property, plant and equipment additions	917,514	1,030,934	1,948,448
Net working capital	197,722	42,668	240,390
Total assets	5,397,955	4,639,356	10,037,311
Total equity	(1,431,917)	4,633,201	3,201,284

NOTE 17 -- RISK MANAGEMENT:

The County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County and its component unit carry commercial insurance to cover all losses, including workers' compensation. During the year ended June 30, 2000 there were no significant reductions in insurance coverage from the prior year. Settled claims have not exceeded the County's coverage for any of the past three fiscal years.

Fauquier County, the Fauquier County School Board and the Fauquier County Water and Sanitation Authority established a consolidated health care benefits plan for their employees. The plan is based on a service contract with Trigon which bills amounts derived from actual expenses incurred or claims filed. The plan includes a maximum liability amount of 25% over the annual estimate provided by Trigon. The participating agencies have established a reserve fund should be established to meet the 25% potential liability.

Each participating agency is responsible for paying the amount of actual expense incurred. This plan went into effect October 1, 1994.

Liabilities for unpaid claims and claim adjustment expenses are estimated based on the estimated ultimate cost of settling the claims, including the effects of inflation and other societal and economic factors.

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 17 -- RISK MANAGEMENT: (CONTINUED)

Changes in the balances of claims liabilities during the year is as follows:

	2000	1999
Unpaid claims, beginning of fiscal year	\$ 770,697	\$ 741,430
Incurred claims, (including IBNR's)	6,363,357	6,011,560
Claim payments	<u>6,165,754</u>	<u>5,982,293</u>
Unpaid claims, end of fiscal year	\$ <u>968,300</u>	\$ <u>770,697</u>

NOTE 18 -- SURETY BONDS:

	Amount
Fidelity and Deposit Company of Maryland - Surety	
William D. Harris, Clerk of the Circuit Court	\$ 50,000
Beth Ledgerton, Treasurer	500,000
Ross D'Urso, Commissioner of the Revenue	3,000
Joseph Higgs, Jr., Sheriff	30,000
Above constitutional officers' employees - blanket bond	50,000
Clerk of the School Board	10,000
United States Fidelity and Guaranty Company - Surety	
All County employees except Treasurer, Sheriff, Clerk of Circuit Court and School Board employees	100,000

NOTE 19 -- COMMITMENTS and CONTINGENCIES:

As of June 30, 2000 contractual construction commitments in the Capital Projects fund totaled \$1,519,008 for the Brumfield Elementary School

Federal programs in which the County and School Board participate were audited in accordance with the provisions of the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. Pursuant to the provisions of this circular all major programs and certain other programs were tested for compliance with applicable grant requirements. While no matters of noncompliance were disclosed by the audit, the Federal Government may subject grant programs to additional compliance tests that may result in disallowed expenses. In the opinion of management, any future disallowance of current grant program expenditures, if any, would be immaterial.

NOTE 20 -- SUBSEQUENT EVENTS:

On November 16, 2000 the County borrowed \$4,575,000 in general obligation bonds through the Virginia Public School Authority. These bonds are used for school construction and have a term of twenty years.

COUNTY OF FAUQUIER, VIRGINIA

NOTES TO FINANCIAL STATEMENTS
AS OF JUNE 30, 2000

NOTE 21 -- DEFICIT FUND BALANCE or RETAINED EARNINGS:

At June 30, 2000 the Landfill Enterprise fund had negative retained earnings of \$1,431,917. Although current income is sufficient to cover current expenses, the accrual of closure and post closure costs has resulted in operating deficits and therefore, negative retained earnings. The School Cafeteria fund had a negative fund balance of \$48,321.

NOTE 22 -- CLAIMS AND LITIGATION:

The County, in connection with the normal conduct of its affairs, is involved in various claims, judgments and litigation. The estimated potential claims against the County resulting from such litigation should not materially affect the financial statements of the County,

NOTE 23 -- COMMITMENTS UNDER NON-CAPITALIZED LEASES:

The County leases the following property:

Property	Annual Payments
Ashby Street Office	\$ 6,000
Waterloo Street Parking Lot	7,200
Registrar's Office, John Marshall Building	25,462
Bealton Library	31,895

All leases are subject to annual appropriation of rental payments.

NOTE 24 -- SUPPLEMENTAL APPROPRIATIONS:

During the course of the year the Board of Supervisors enacted supplemental appropriations, primarily to authorize expenditures from grants received during the year, to re-appropriate unexpended funds from the prior year and to fund certain capital projects. The effect of these appropriations was an increase in the budget in the amount of \$5,829,292.

NOTE 25 -- RESTATEMENT OF FUND BALANCE:

The beginning fund balance for the expendable trust funds has been restated to reflect the balance in the Length of Service Award fund that previously had been accounted for as an agency fund.

Fund balance July 1, 1999 as previously reported	\$ 220,765
Adjustment for expendable trust fund	<u>1,106,701</u>
Fund balance July 1, 1999	<u>\$1,327,466</u>

NOTE 26 -- NEW ACCOUNTING STANDARDS:

The Governmental Accounting Standards Board (GASB) has issued statement Number 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments, which establishes specific standards for basic financial statements, management's discussion and analysis (MD&A) and certain supplementary information other than MD&A. This statement will become effective for the County in fiscal year 2001. Management is continuing to review the impact this statement will have on the financial statements. Entity wide statements are included as Tables 13 and 14 in the Statistical Section.

COMBINING FINANCIAL STATEMENTS

COUNTY OF SACRAMENTO, CALIFORNIA
 SPECIAL REVENUE FUNDS
 Computed Balance Sheet
 At Year End

Fund	Balance	Change	Total
Joint Dispatch	10,000	2,000	12,000
Fire and Rescue	15,000	3,000	18,000
Other	5,000	1,000	6,000
Total	30,000	6,000	36,000

Special Revenue Funds

Joint Dispatch Fund - This fund is used to account for the "911" telephone tax that are specifically restricted to the operation and maintenance of "911" systems.

Fire and Rescue Fund - This is used to account for the tax levy set by the Board that are specifically restricted to operation and maintenance of the fire and rescue fund.

COUNTY OF FAUQUIER, VIRGINIA

Exhibit A-1

SPECIAL REVENUE FUNDS

Combining Balance Sheet

At June 30, 2000

	Joint Dispatch Fund	Fire and Rescue Fund	Totals
<u>ASSETS</u>			
<u>Assets:</u>			
Cash and cash equivalents	\$ 82,241	\$ 387,206	\$ 469,447
Receivables (Net of allowances for uncollectibles):			
Accounts	133,740	40,647	174,387
Total assets	\$ <u>215,981</u>	\$ <u>427,853</u>	\$ <u>643,834</u>
<u>LIABILITIES</u>			
Accounts payable	\$ 9,679	\$ 91,108	\$ 100,787
Accrued liabilities	2,090	5,367	7,457
Total liabilities	\$ <u>11,769</u>	\$ <u>96,475</u>	\$ <u>108,244</u>
<u>EQUITY AND OTHER CREDITS</u>			
Fund balances:			
Unreserved:			
Unreserved, undesignated	\$ <u>204,212</u>	\$ <u>331,378</u>	\$ <u>535,590</u>
Total equity and other credits	\$ <u>204,212</u>	\$ <u>331,378</u>	\$ <u>535,590</u>
Total liabilities, equity and other credits	\$ <u>215,981</u>	\$ <u>427,853</u>	\$ <u>643,834</u>

COUNTY OF FAUQUIER, VIRGINIA

Exhibit A-2

SPECIAL REVENUE FUNDS

**Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Year Ended June 30, 2000**

	Joint Dispatch Fund	Fire and Rescue Fund	Totals
Revenues:			
General property taxes	\$ -	\$ 2,280,774	\$ 2,280,774
Other local taxes	774,710	-	774,710
Recovered costs	-	3,051	3,051
Intergovernmental:			
Commonwealth of Virginia	-	80,945	80,945
Total revenues	\$ 774,710	\$ 2,364,770	\$ 3,139,480
Expenditures:			
Current:			
Public safety	\$ 842,829	\$ 2,335,843	\$ 3,178,672
Excess (deficiency) of revenues over expenditures	\$ (68,119)	\$ 28,927	\$ (39,192)
Other financing sources (uses):			
Operating transfers in	\$ 100,751	\$ 7,513	\$ 108,264
Excess (deficiency) of revenues & other sources over expenditures & other uses	\$ 32,632	\$ 36,440	\$ 69,072
Fund balances at beginning of year	171,580	294,938	466,518
Fund balances at end of year	\$ 204,212	\$ 331,378	\$ 535,590

COUNTY OF FAUQUIER, VIRGINIA

SPECIAL REVENUE FUNDS

Combining Statement of Revenues, Expenditures and Changes

In Fund Balances -- Budget and Actual

Year Ended June 30, 2000

	Joint Dispatch Fund		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor.)</u>
Revenues:			
General property taxes	\$ -	\$ -	\$ -
Other local taxes	772,972	774,710	1,738
Recovered costs	-	-	-
Intergovernmental:			
Commonwealth of Virginia	-	-	-
Total revenues	<u>\$ 772,972</u>	<u>\$ 774,710</u>	<u>\$ 1,738</u>
Expenditures:			
Current:			
Public safety	\$ 929,652	\$ 842,829	\$ 86,823
Excess (deficiency) of revenues over expenditures	<u>\$ (156,680)</u>	<u>\$ (68,119)</u>	<u>\$ 88,561</u>
Other financing sources (uses):			
Operating transfers in	\$ 100,751	\$ 100,751	\$ -
Excess (deficiency) of revenues & other sources over expenditures & other uses	<u>\$ (55,929)</u>	<u>\$ 32,632</u>	<u>\$ 88,561</u>
Fund balances at beginning of year	<u>55,929</u>	<u>171,580</u>	<u>171,580</u>
Fund balances at end of year	<u>\$ -</u>	<u>\$ 204,212</u>	<u>\$ 260,141</u>

Fire and Rescue Fund			Totals		
Budget	Actual	Variance Favorable (Unfavor.)	Budget	Actual	Variance Favorable (Unfavor.)
\$ 2,212,297	\$ 2,280,774	\$ 68,477	\$ 2,212,297	\$ 2,280,774	\$ 68,477
-	-	-	772,972	774,710	1,738
3,000	3,051	51	3,000	3,051	51
68,000	80,945	12,945	68,000	80,945	12,945
\$ 2,283,297	\$ 2,364,770	\$ 81,473	\$ 3,056,269	\$ 3,139,480	\$ 83,211
\$ 2,432,324	\$ 2,335,843	\$ 96,481	\$ 3,361,976	\$ 3,178,672	\$ 183,304
\$ (149,027)	\$ 28,927	\$ 177,954	\$ (305,707)	\$ (39,192)	\$ 266,515
\$ 7,513	\$ 7,513	\$ -	\$ 108,264	\$ 108,264	\$ -
\$ (141,514)	\$ 36,440	\$ 177,954	\$ (197,443)	\$ 69,072	\$ 266,515
141,515	294,938	294,938	197,444	466,518	466,518
\$ 1	\$ 331,378	\$ 472,892	\$ 1	\$ 535,590	\$ 733,033

Enterprise Funds

Airport Fund - This fund is used to account for the activities of the Warrenton-Fauquier County Airport.

Solid Waste Fund - This fund is used to account for the activities of the Solid Waste Disposal Facility.

COUNTY OF FAUQUIER, VIRGINIA

Exhibit B-1

ENTERPRISE FUNDS
Combining Balance Sheet
At June 30, 2000

	Solid Waste Fund	Airport Fund	Totals
ASSETS			
<u>Current assets:</u>			
Cash and cash equivalents	\$ 400,679	\$ 43,823	\$ 444,502
Receivables (Net of allowances for uncollectibles):			
Accounts	197,645	-	197,645
Prepaid expenses	43,333	-	43,333
Total current assets	\$ 641,657	\$ 43,823	\$ 685,480
<u>Fixed assets:</u>			
Fixed assets (Net of accumulated depreciation)	\$ 4,697,769	\$ 4,595,533	\$ 9,293,302
Total fixed assets	\$ 4,697,769	\$ 4,595,533	\$ 9,293,302
<u>Other assets:</u>			
Bond issue costs (Net of accumulated amortization)	\$ 58,529	-	\$ 58,529
Total assets	\$ 5,397,955	\$ 4,639,356	\$ 10,037,311
LIABILITIES			
<u>Current liabilities</u>			
Accounts payable	\$ 181,869	\$ 1,155	\$ 183,024
Accrued liabilities	2,066		2,066
Current liabilities payable from restricted assets:			
Revenue bonds payable	\$ 260,000	-	\$ 260,000
Total current liabilities	\$ 443,935	\$ 1,155	\$ 445,090
<u>Noncurrent liabilities:</u>			
Revenue bonds payable	\$ 3,065,000	-	\$ 3,065,000
Landfill closure and postclosure costs	3,172,012	-	3,172,012
Notes payable	129,308	-	129,308
Other liabilities	-	5,000	5,000
Compensated absences	19,617	-	19,617
Total noncurrent liabilities	\$ 6,385,937	\$ 5,000	\$ 6,390,937
Total liabilities	\$ 6,829,872	\$ 6,155	\$ 6,836,027
EQUITY AND OTHER CREDITS			
<u>Contributed capital:</u>			
Commonwealth	\$ -	\$ 542,130	\$ 542,130
Federal	-	3,570,968	3,570,968
General government	-	787	787
Less: accumulated amortization	-	(129,721)	(129,721)
Total contributed capital	\$ -	\$ 3,984,164	\$ 3,984,164
<u>Retained earnings (deficit):</u>			
	(1,431,917)	649,037	(782,880)
Total equity and other credits	\$ (1,431,917)	\$ 4,633,201	\$ 3,201,284
Total liabilities, equity and other credits	\$ 5,397,955	\$ 4,639,356	\$ 10,037,311

ENTERPRISE FUNDS

Combining Statement of Revenues, Expenses and Changes in Retained Earnings
Year Ended June 30, 2000

	Solid Waste Fund	Airport Fund	Totals
Operating revenues:			
Charges for services	\$ 2,142,030	\$ -	\$ 2,142,030
Miscellaneous	15,952	26,934	42,886
Total operating revenues	<u>\$ 2,157,982</u>	<u>\$ 26,934</u>	<u>\$ 2,184,916</u>
Operating expenses:			
Container operations	\$ 72,573	\$ -	\$ 72,573
Landfill operations	1,500,724	-	1,500,724
Contractual services	40,080	-	40,080
Recycling	156,423	-	156,423
Airport operation and maintenance	-	16,735	16,735
Depreciation	104,000	30,782	134,782
Total operating expenses	<u>\$ 1,873,800</u>	<u>\$ 47,517</u>	<u>\$ 1,921,317</u>
Operating income (loss)	<u>\$ 284,182</u>	<u>\$ (20,583)</u>	<u>\$ 263,599</u>
Nonoperating revenues (expenses):			
Interest income	\$ 64	\$ 5,246	\$ 5,310
Interest income - bonds	54,229	-	54,229
Rental income	-	14,700	14,700
Operating grants - Commonwealth	-	1,125	1,125
Gain(Loss) on sale of fixed assets	(8,619)	-	(8,619)
Bond issuance cost amortization	(10,621)	-	(10,621)
Interest expense	(199,091)	-	(199,091)
Total nonoperating revenues (expenses)	<u>\$ (164,038)</u>	<u>\$ 21,071</u>	<u>\$ (142,967)</u>
Income before operating transfers	<u>\$ 120,144</u>	<u>\$ 488</u>	<u>\$ 120,632</u>
Operating transfers:			
Operating transfers in	<u>\$ 1,839</u>	<u>\$ 32,543</u>	<u>\$ 34,382</u>
Total operating transfers	<u>\$ 1,839</u>	<u>\$ 32,543</u>	<u>\$ 34,382</u>
Net income (loss)	<u>\$ 121,983</u>	<u>\$ 33,031</u>	<u>\$ 155,014</u>
Add depreciation on fixed assets acquired by contributions from others	<u>-</u>	<u>23,688</u>	<u>23,688</u>
Increase (decrease) in retained earnings	\$ 121,983	\$ 56,719	\$ 178,702
Retained earnings at beginning of year	<u>(1,553,900)</u>	<u>592,318</u>	<u>(961,582)</u>
Retained earnings at end of year	<u>\$ (1,431,917)</u>	<u>\$ 649,037</u>	<u>\$ (782,880)</u>

ENTERPRISE FUNDS
Combining Statement of Cash Flows
Year Ended June 30, 2000

	<u>Solid Waste Fund</u>	<u>Airport Fund</u>	<u>Totals</u>
<u>Cash Flows From Operating Activities:</u>			
Operating income (loss)	\$ 284,182	\$ (20,583)	\$ 263,599
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	104,000	30,782	134,782
Bad debt expense	132,409	-	132,409
(Gain)Loss on disposal of fixed assets	8,618	-	8,618
Changes in operating assets and liabilities:			
(Increase)decrease in receivables	(708)	2,598	1,890
(Increase)decrease in amounts due from other governments	-	7,802	7,802
Increase(decrease) in payables	116,403	(14,764)	101,639
Increase in compensated absences	5,958	-	5,958
Net cash provided by operating activities	<u>\$ 650,862</u>	<u>\$ 5,835</u>	<u>\$ 656,697</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Operating grants - Commonwealth	\$ -	\$ 1,125	\$ 1,125
Operating transfers in	1,839	32,543	34,382
Net cash provided by (used in) noncapital financing activities	<u>\$ 1,839</u>	<u>\$ 33,668</u>	<u>\$ 35,507</u>
<u>Cash Flows From Capital and Related Financing Activities:</u>			
Acquisition and construction of capital assets	\$ (917,604)	\$ (1,030,935)	\$ (1,948,539)
Interest expense	(199,091)	-	(199,091)
Principal paid on revenue bonds	(250,000)	-	(250,000)
Due to general fund	82,919	-	82,919
Increase of accrued landfill closure costs	(126,298)	-	(126,298)
Contributed capital from federal government	-	900,684	900,684
Net cash provided by (used in) capital and related financing activities	<u>\$ (1,410,074)</u>	<u>\$ (130,251)</u>	<u>\$ (1,540,325)</u>
<u>Cash Flows From Investing Activities:</u>			
Rental income	\$ -	\$ 14,700	\$ 14,700
Interest income	54,293	5,246	59,539
Net cash provided by investing activities	<u>\$ 54,293</u>	<u>\$ 19,946</u>	<u>\$ 74,239</u>
Increase (decrease) in cash and cash equivalents	\$ (703,080)	\$ (70,802)	\$ (773,882)
Cash and cash equivalents at beginning of year	<u>1,103,759</u>	<u>114,625</u>	<u>1,218,384</u>
Cash and cash equivalents at end of year	<u>\$ 400,679</u>	<u>\$ 43,823</u>	<u>\$ 444,502</u>

Internal Service Fund

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Fleet Maintenance Fund - This fund is used to account for the maintenance cost of motor vehicles and equipment to other departments and related costs.

Health Insurance Fund - This fund is used to account for the revenue and cost associated with hospitalization and medical plans.

COUNTY OF FAUQUIER, VIRGINIA

Exhibit C-1

INTERNAL SERVICE FUNDS

Combining Balance Sheet

At June 30, 2000

	Fleet Maintenance Fund	Health Insurance Fund	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 44,918	\$ 2,447,813	\$ 2,492,731
Cash in the custody others	250	-	250
Receivables (Net of allowances for uncollectibles):			
Accounts	8,900	320,220	329,120
Inventory	174,200	-	174,200
Due from other governmental units	-	-	-
Total current assets	\$ 228,268	\$ 2,768,033	\$ 2,996,301
Fixed assets:			
Fixed assets (Net of accumulated depreciation)	\$ 276,961	-	\$ 276,961
Total fixed assets	\$ 276,961	\$ -	\$ 276,961
Total assets	\$ 505,229	\$ 2,768,033	\$ 3,273,262
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 84,860	\$ 77,883	\$ 162,743
Accrued liabilities	1,094	968,300	969,394
Note payable	-	-	-
Total current liabilities	\$ 85,954	\$ 1,046,183	\$ 1,132,137
Total liabilities	\$ 85,954	\$ 1,046,183	\$ 1,132,137
EQUITY AND OTHER CREDITS			
Contributed capital:			
General government	\$ 292,887	-	\$ 292,887
Retained Earnings			
Retained earnings (deficit) as restated	\$ 126,388	\$ 1,721,850	\$ 1,848,238
Total equity and other credits	\$ 419,275	\$ 1,721,850	\$ 2,141,125
Total liabilities, equity and other credits	\$ 505,229	\$ 2,768,033	\$ 3,273,262

COUNTY OF FAUQUIER, VIRGINIA

Exhibit C-2

INTERNAL SERVICE FUND

**Combining Statement of Revenues, Expenses and Changes in Retained Earnings
Year Ended June 30, 2000**

	<u>Fleet Maintenance</u> <u>Fund</u>	<u>Health Insurance</u> <u>Fund</u>	<u>Totals</u>
Operating revenues:			
Charges for services	\$ 1,621,409	\$ 6,974,292	\$ 8,595,701
Miscellaneous	2,000	-	2,000
Total operating revenues	<u>\$ 1,623,409</u>	<u>\$ 6,974,292</u>	<u>\$ 8,597,701</u>
Operating expenses:			
Operation and maintenance	\$ 1,613,547	\$ -	\$ 1,613,547
Health and medical cost	-	6,363,357	6,363,357
Depreciation	31,392	-	31,392
Total operating expenses	<u>\$ 1,644,939</u>	<u>\$ 6,363,357</u>	<u>\$ 8,008,296</u>
Operating income (loss)	<u>\$ (21,530)</u>	<u>\$ 610,935</u>	<u>\$ 589,405</u>
Nonoperating revenues (expenses):			
Interest income	\$ -	\$ 83,170	\$ 83,170
Total nonoperating revenues (expenses)	<u>\$ -</u>	<u>\$ 83,170</u>	<u>\$ 83,170</u>
Income before operating transfers	<u>\$ (21,530)</u>	<u>\$ 694,105</u>	<u>\$ 672,575</u>
Operating transfers:			
Operating transfers in	\$ 10,408	\$ -	\$ 10,408
Total operating transfers	<u>\$ 10,408</u>	<u>\$ -</u>	<u>\$ 10,408</u>
Net income (loss)	<u>\$ (11,122)</u>	<u>\$ 694,105</u>	<u>\$ 682,983</u>
Increase (decrease) in retained earnings	\$ (11,122)	\$ 694,105	\$ 682,983
Retained earnings at beginning of year	<u>137,510</u>	<u>1,027,745</u>	<u>1,165,255</u>
Retained earnings at end of year	<u><u>\$ 126,388</u></u>	<u><u>\$ 1,721,850</u></u>	<u><u>\$ 1,848,238</u></u>

INTERNAL SERVICE FUND
Combining Statement of Cash Flows
Year Ended June 30, 2000

	<u>Fleet Maintenance Fund</u>	<u>Health Insurance Fund</u>	<u>Totals</u>
<u>Cash Flows From Operating Activities:</u>			
Operating income (loss)	\$ (21,530)	\$ 610,935	\$ 589,405
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation	31,392	-	31,392
Changes in operating assets and liabilities:			
(Increase) decrease in receivables	(417)	126,915	126,498
(Increase) decrease in inventory	(22,074)	-	(22,074)
Increase(decrease) in payables	43,685	(152,811)	(109,126)
Net cash provided (used) by operating activities	<u>\$ 31,056</u>	<u>\$ 585,039</u>	<u>\$ 616,095</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Operating transfers in	<u>\$ 10,408</u>	<u>\$ -</u>	<u>\$ 10,408</u>
Net cash provided (used) by noncapital financing activities	<u>\$ 10,408</u>	<u>\$ -</u>	<u>\$ 10,408</u>
<u>Cash Flows From Capital and Related Financing Activities:</u>			
Principal paid on note payable	<u>\$ (22,500)</u>	<u>\$ -</u>	<u>\$ (22,500)</u>
Net cash provided (used) by capital and related financing activities	<u>\$ (22,500)</u>	<u>\$ -</u>	<u>\$ (22,500)</u>
<u>Cash Flows From Investing Activities:</u>			
Interest income	<u>\$ -</u>	<u>\$ 83,170</u>	<u>\$ 83,170</u>
Net cash provided (used) by investing activities	<u>\$ -</u>	<u>\$ 83,170</u>	<u>\$ 83,170</u>
Increase (decrease) in cash and cash equivalents	\$ 18,964	\$ 668,209	\$ 687,173
Cash and cash equivalents at beginning of year	<u>25,954</u>	<u>1,779,604</u>	<u>1,805,558</u>
Cash and cash equivalents at end of year	<u><u>\$ 44,918</u></u>	<u><u>\$ 2,447,813</u></u>	<u><u>\$ 2,492,731</u></u>



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Trust and Agency Funds

Expendable Trust Funds:

The Library Trust Fund is used to account for donations that are received and restricts the use of those donations to providing books and equipment for the various libraries in the County.

The Parks and Recreation Trust Fund is used to restrict amounts received admissions to several lakes for special parks and recreation expenditures as approved by the Parks and Recreation Advisory Board.

Length of Service Fund is used to account for monies provided by the County for insurance to cover the Fire and Rescue Companies' volunteers.

The Public and Private Trust Fund is used to restrict donations received from private individuals as well as public contribution towards the construction of an auditorium at Cedar Lee Middle School.

Agency Funds:

The Special Welfare Fund is used to account for monies provided primarily through private donors for assistance of children in foster care, and needy senior citizens. This fund is also used to account for monies received from other governments and individuals to be paid to special welfare recipients.

The Deferred Compensation Fund is used to account for assets held for employees in accordance with the provisions of Internal Revenue Code Section 457.

The Undistributed Local Sales Tax Fund is used to account for monies received from the Commonwealth of Virginia for Fauquier County's share of local sales tax. The County disburses part of this money to the incorporated towns of the County based on their school age population.

The Performance Bond Fund is used to account for monies held by the County up on successful completion of various construction contracts.

The Detention Center Fund is used to account for various amounts held for inmates while they are held in the Sheriff's custody.

COUNTY OF FAUQUIER, VIRGINIA

FIDUCIARY FUNDS

Combining Balance Sheet

At June 30, 2000

	Expendable Trust Funds			
	Library Trust Fund	Parks and Recreation Trust Fund	Length of Service Fund	Public and Private Trust Fund
<u>ASSETS AND OTHER DEBITS</u>				
Assets:				
Cash and investments	\$ 82,933	\$ 126,859	\$ 1,413,493	\$ -
Cash in custody of others	-	-	-	10,695
	<u>82,933</u>	<u>126,859</u>	<u>1,413,493</u>	<u>10,695</u>
Total assets and other debits	<u>\$ 82,933</u>	<u>\$ 126,859</u>	<u>\$ 1,413,493</u>	<u>\$ 10,695</u>

LIABILITIES

Accounts payable	\$ -	\$ 311	\$ -	\$ -
Amount held for clients	-	-	-	-
Performance bonds payable	-	-	-	-
Amounts held for prisoners	-	-	-	-
	<u>-</u>	<u>311</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>\$ -</u>	<u>\$ 311</u>	<u>\$ -</u>	<u>\$ -</u>

EQUITY AND OTHER CREDITS

Fund balances:				
Reserved:				
Reserved for employee benefits	\$ -	\$ -	\$ 1,413,493	\$ -
Unreserved:				
Designated for subsequent expenditure	\$ 82,933	\$ 126,548	\$ -	\$ 10,695
	<u>82,933</u>	<u>126,548</u>	<u>1,413,493</u>	<u>10,695</u>
Total equity and other credits	<u>\$ 82,933</u>	<u>\$ 126,548</u>	<u>\$ 1,413,493</u>	<u>\$ 10,695</u>
Total liabilities, equity and other credits	<u>\$ 82,933</u>	<u>\$ 126,859</u>	<u>\$ 1,413,493</u>	<u>\$ 10,695</u>

Exhibit D-1

Agency Trust Funds

Disability Service Board Fund	Special Welfare Fund	Undistributed Local Sales Tax Fund	Performance Bond Fund	Detention Center Fund	Totals
\$ 200	\$ 21,540	\$ (3,427)	\$ 270,435	\$ -	\$ 1,912,033
-	-	-	-	51,664	62,359
<u>\$ 200</u>	<u>\$ 21,540</u>	<u>\$ (3,427)</u>	<u>\$ 270,435</u>	<u>\$ 51,664</u>	<u>\$ 1,974,392</u>
\$ -	\$ -	\$ (3,427)	\$ -	\$ -	\$ (3,116)
200	21,540	-	-	-	21,740
-	-	-	270,435	-	270,435
-	-	-	-	51,664	51,664
<u>\$ 200</u>	<u>\$ 21,540</u>	<u>\$ (3,427)</u>	<u>\$ 270,435</u>	<u>\$ 51,664</u>	<u>\$ 340,723</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,413,493
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 220,176</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,633,669</u>
<u>\$ 200</u>	<u>\$ 21,540</u>	<u>\$ (3,427)</u>	<u>\$ 270,435</u>	<u>\$ 51,664</u>	<u>\$ 1,974,392</u>

EXPENDABLE TRUST FUNDS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Year Ended June 30, 2000

	Library Trust Fund	Park and Recreation Trust Fund	Length of Services Fund	Public and Private Trust Fund	Totals
Revenues:					
Revenue from use of money and property	\$ 5,006	\$ 6,115	\$ 67,426	\$ 303	\$ 78,850
Contributions for beneficiary	-	-	437,684	-	437,684
Miscellaneous revenues	3,822	18,102	-	1,996	23,920
Total revenues	\$ 8,828	\$ 24,217	\$ 505,110	\$ 2,299	\$ 540,454
Expenditures:					
Operating expenses	\$ 27,217	\$ 6,096	\$ 198,318	\$ 2,620	\$ 234,251
Excess (deficiency) of revenues over expenditures	\$ (18,389)	\$ 18,121	\$ 306,792	\$ (321)	\$ 306,203
Fund balances at beginning of year	101,322	108,427	1,106,701	11,016	1,327,466
Fund balances at end of year	\$ 82,933	\$ 126,548	\$ 1,413,493	\$ 10,695	\$ 1,633,669

AGENCY FUNDS

Combining Statement of Changes in Assets and Liabilities

Year Ended June 30, 2000

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance End of Year</u>
<u>Special Welfare Fund:</u>				
Assets:				
Cash and investments	\$ 16,514	\$ 52,623	\$ 47,597	\$ 21,540
Liabilities:				
Amounts held for social service clients	\$ 16,514	\$ 52,623	\$ 47,597	\$ 21,540
<u>Undistributed Local Sales Tax Fund:</u>				
Assets:				
Cash and investments	\$ -	\$ 270,823	\$ 274,250	\$ (3,427)
Prepaid expenses	-	-	-	-
Total	\$ -	\$ 270,823	\$ 274,250	\$ (3,427)
Liabilities:				
Sales tax payable to towns	\$ -	\$ 270,823	\$ 274,250	\$ (3,427)
Due to other funds	-	-	-	-
Total	\$ -	\$ 270,823	\$ 274,250	\$ (3,427)
<u>Performance Bond Fund:</u>				
Assets:				
Cash and investments	\$ 83,397	\$ 189,163	\$ 2,125	\$ 270,435
Liabilities:				
Performance bonds payable	\$ 83,397	\$ 189,163	\$ 2,125	\$ 270,435
<u>Detention Center Fund:</u>				
Assets:				
Cash and investments:				
Cash - Work release	\$ 1,612	\$ 122,946	\$ 122,932	\$ 1,626
Cash - Inmate account	2,747	93,459	92,046	4,160
Cash - Canteen account	23,655	54,200	31,977	45,878
Total cash and investments	\$ 28,014	\$ 270,605	\$ 246,955	\$ 51,664
Liabilities:				
Amounts held for prisoners	\$ 28,014	\$ 270,605	\$ 246,955	\$ 51,664
<u>Totals -- All agency funds</u>				
Assets:				
Cash and investments	\$ 127,925	\$ 783,214	\$ 570,927	\$ 340,212
Prepaid expenses	-	-	-	-
Total assets	\$ 127,925	\$ 783,214	\$ 570,927	\$ 340,212
Liabilities:				
Amounts held for social service clients	\$ 16,514	\$ 52,623	\$ 47,597	\$ 21,540
Amounts held for performance bonds	83,397	189,163	2,125	270,435
Due to other funds	-	-	-	-
Sales tax payable to towns	-	270,823	274,250	(3,427)
Amounts held for prisoners	28,014	270,605	246,955	51,664
Total liabilities	\$ 127,925	\$ 783,214	\$ 570,927	\$ 340,212

General Fixed Assets Account Group

COUNTY OF FAUQUIER, VIRGINIA

Exhibit E-1

**Schedule of General Fixed Assets by Source - Primary
Government and Discretely Presented Component Unit
As of June 30, 2000**

		Primary Government	Component Unit School Board	Total Reporting Entity
General Fixed Assets:				
Land	\$	8,407,818	\$ 4,204,136	\$ 12,611,954
Buildings and improvements		11,729,752	80,082,716	91,812,468
Machinery and equipment		4,687,336	11,522,189	16,209,525
Data processing equipment		976,596	1,120,237	2,096,833
Construction in progress		1,113,823	9,605,980	10,719,803
Total General Fixed Assets	\$	26,915,325	\$ 106,535,258	\$ 133,450,583
Investment in General Fixed Assets by Source:				
General fund revenues	\$	23,115,325	\$ 31,485,258	\$ 54,600,583
General obligation debt		3,800,000	75,050,000	78,850,000
Total Investment in General in Fixed Assets	\$	26,915,325	\$ 106,535,258	\$ 133,450,583

Schedule of General Fixed Assets by Function and Activities- Primary
Government and Discretely Presented Component Unit
As of June 30, 2000

Primary Government:

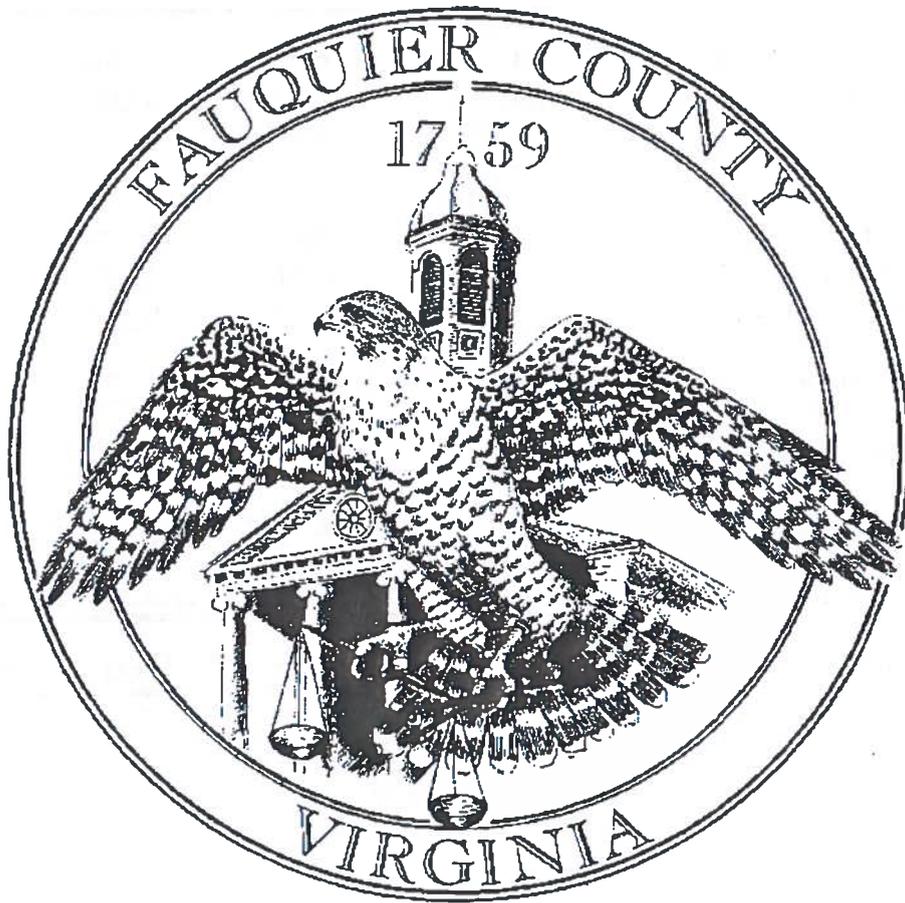
<u>Functions and Activities:</u>	<u>Land</u>	<u>Buildings and Improvements</u>	<u>Machinery And Equipment</u>	<u>Data Processing Equipment</u>	<u>Construction In Progress</u>	<u>Total</u>
General government administration	\$ 5,149,927	\$ 2,965,318	\$ 795,441	\$ 875,189	\$ 367,909	\$ 10,153,784
Judicial administration	166,300	2,456,212	420,478	6,791	12,558	3,062,339
Public safety	1,388,000	3,510,600	2,628,333	43,073	670,446	8,240,452
Public works	287,523	795,799	425,155	12,992	-	1,521,469
Health and welfare	239,500	269,130	6,000	-	-	514,630
Parks, recreation, and cultural	1,176,568	1,475,040	349,050	38,551	62,910	3,102,119
Community development	-	257,653	62,879	-	-	320,532
Total primary government	<u>\$ 8,407,818</u>	<u>\$ 11,729,752</u>	<u>\$ 4,687,336</u>	<u>\$ 976,596</u>	<u>\$ 1,113,823</u>	<u>\$ 26,915,325</u>

Component Unit-School Board:

Education	<u>\$ 4,204,136</u>	<u>\$ 80,082,716</u>	<u>\$ 11,522,189</u>	<u>\$ 1,120,237</u>	<u>\$ 9,605,980</u>	<u>\$ 106,535,258</u>
Total component unit - school board	<u>\$ 4,204,136</u>	<u>\$ 80,082,716</u>	<u>\$ 11,522,189</u>	<u>\$ 1,120,237</u>	<u>\$ 9,605,980</u>	<u>\$ 106,535,258</u>
Total reporting entity	<u>\$ 12,611,954</u>	<u>\$ 91,812,468</u>	<u>\$ 16,209,525</u>	<u>\$ 2,096,833</u>	<u>\$ 10,719,803</u>	<u>\$ 133,450,583</u>

Schedule of Changes in General Fixed Assets by Function - Primary
Government and Discretely Presented Component Unit
Year Ended June 30, 2000

Primary Government:	General Fixed Assets July 1, 1999	Additions	Deletions	General Fixed Assets June 30, 2000
General government administration	\$ 9,535,392	\$ 219,079	\$ 136,400	\$ 9,618,071
Judicial administration	3,041,296	56,000	47,515	3,049,781
Public safety	7,303,075	531,703	264,772	7,570,006
Public works	1,484,125	265,738	-	1,749,863
Health and welfare	514,630	-	-	514,630
Parks, recreation, and cultural	2,934,482	118,608	13,175	3,039,915
Community development	267,646	10,890	19,300	259,236
Construction in progress	251,964	922,449	60,590	1,113,823
Total primary government	\$ 25,332,610	\$ 2,124,467	\$ 541,752	\$ 26,915,325
Component Unit - School Board:				
Education	\$ 99,563,659	\$ 19,058,070	\$ 12,086,471	\$ 106,535,258
Total component unit - school board	\$ 99,563,659	\$ 19,058,070	\$ 12,086,471	\$ 106,535,258
Total reporting entity	\$ 124,896,269	\$ 21,182,537	\$ 12,628,223	\$ 133,450,583



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Component Unit

Legally separate organizations for which the elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading.

School Board - This organization is used to account for the revenues and expenditures of funds for the component unit.

DISCRETELY PRESENTED COMPONENT UNIT - SCHOOL BOARD
 Combining Balance Sheet
 At June 30, 2000

	<u>Governmental Funds</u>		<u>Account Groups</u>		<u>Totals</u>
	<u>School Operating Fund</u>	<u>School Cafeteria Fund</u>	<u>General Fixed Assets Group</u>	<u>General Long - Term Debt</u>	
ASSETS					
Cash and investments	\$ 26,694	\$ 150,634	\$ -	\$ -	\$ 177,328
Accounts receivable	51,521	256	-	-	51,777
Due from primary government	6,420,186	-	-	-	6,420,186
Due from other governmental units	1,365,756	-	-	-	1,365,756
General fixed assets	-	-	106,535,258	-	106,535,258
Other debits:					
Amount to be provided for the retirement of general long-term debt and compensated obligation	-	-	-	43,419,947	43,419,947
Total assets and other debits	\$ 7,864,157	\$ 150,890	\$ 106,535,258	\$ 43,419,947	\$ 157,970,252
LIABILITIES					
Accounts payable	\$ 782,005	\$ 19,612	\$ -	\$ -	\$ 801,617
Accrued liabilities	7,055,058	179,599	-	-	7,234,657
Deferred revenue	25,344	-	-	-	25,344
Due to other funds	400	-	-	-	400
General obligation bonds payable	-	-	-	40,210,000	40,210,000
State Literary Fund loans payable	-	-	-	162,500	162,500
Compensated absences	-	-	-	3,047,447	3,047,447
Total liabilities	\$ 7,862,807	\$ 199,211	\$ -	\$ 43,419,947	\$ 51,481,965
EQUITY AND OTHER CREDITS					
Investment in general fixed assets	\$ -	\$ -	\$ 106,535,258	\$ -	\$ 106,535,258
Fund balances:					
Unreserved:					
Unreserved, undesignated	1,350	(48,321)	-	-	(46,971)
Total equity and other credits	\$ 1,350	\$ (48,321)	\$ 106,535,258	\$ -	\$ 106,488,287
Total liabilities, equity and other credits	\$ 7,864,157	\$ 150,890	\$ 106,535,258	\$ 43,419,947	\$ 157,970,252

COUNTY OF FAUQUIER, VIRGINIA

Exhibit F-2

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Discretely Presented Component Unit -- School Board
Year Ended June 30, 2000

	Governmental Fund Types		
	School Operating Fund	School Cafeteria Fund	Totals
Revenues:			
Revenue from use of money and use of property	\$ -	\$ 9,675	\$ 9,675
Charges for services	385,044	1,936,781	2,321,825
Miscellaneous	57,246	-	57,246
Intergovernmental:			
Commonwealth of Virginia	23,233,051	45,722	23,278,773
Federal	1,798,333	560,057	2,358,390
Total revenues	\$ 25,473,674	\$ 2,552,235	\$ 28,025,909
Expenditures:			
Current:			
Education	\$ 63,088,317	\$ 2,545,582	\$ 65,633,899
Debt service:			
Principal retirement	3,365,000	-	3,365,000
Interest and other fiscal charges	2,326,014	-	2,326,014
Total expenditures	\$ 68,779,331	\$ 2,545,582	\$ 71,324,913
Excess (deficiency) of revenues over expenditures	\$ (43,305,657)	\$ 6,653	\$ (43,299,004)
Other financing sources (uses):			
Operating transfers out	\$ (5,267,760)	\$ -	\$ (5,267,760)
Process from indebtedness	3,500,000	-	3,500,000
Operating transfers to primary government	-	-	-
Operating transfers from primary government	45,073,417	-	45,073,417
Total other financing sources (uses)	\$ 43,305,657	\$ -	\$ 43,305,657
Excess (deficiency) of revenues & other sources over expenditures & other uses	\$ -	\$ 6,653	\$ 6,653
Fund balances at beginning of year	1,350	(54,974)	(53,624)
Fund balances at end of year	\$ 1,350	\$ (48,321)	\$ (46,971)

COUNTY OF FAUQUIER, VIRGINIA

**Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Discretely Presented Component Unit – School Board
Year Ended June 30, 2000**

	<u>School Operating Fund</u>		
	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor)</u>
Revenues:			
Revenue from use of money and use of property	\$ -	\$ -	\$ -
Charges for services	324,848	385,044	60,196
Miscellaneous	47,000	57,246	10,246
Intergovernmental:			
Commonwealth of Virginia	22,564,088	23,233,051	668,963
Federal	2,184,362	1,798,333	(386,029)
Total revenues	<u>\$ 25,120,298</u>	<u>\$ 25,473,674</u>	<u>\$ 353,376</u>
Expenditures:			
Current:			
Education	\$ 63,847,031	\$ 63,088,317	\$ 758,714
Debt service:			
Principal retirement	3,365,000	3,365,000	-
Interest and other fiscal charges	2,327,777	2,326,014	1,763
Total expenditures	<u>\$ 69,539,808</u>	<u>\$ 68,779,331</u>	<u>\$ 760,477</u>
Excess (deficiency) of revenues over expenditures	<u>\$ (44,419,510)</u>	<u>\$ (43,305,657)</u>	<u>\$ 1,113,853</u>
Other financing sources (uses):			
Operating transfers out	\$ (5,267,760)	\$ (5,267,760)	\$ -
Process from indebtedness	3,500,000	3,500,000	-
Operating transfers from primary government	45,073,417	45,073,417	-
Total other financing sources (uses)	<u>\$ 43,305,657</u>	<u>\$ 43,305,657</u>	<u>\$ -</u>
Excess (deficiency) of revenues & other sources over expenditures & other uses	<u>\$ (1,113,853)</u>	<u>\$ -</u>	<u>\$ 1,113,853</u>
Fund balances at beginning of year	<u>-</u>	<u>1,350</u>	<u>1,350</u>
Fund balances at end of year	<u>\$ (1,113,853)</u>	<u>\$ 1,350</u>	<u>\$ 1,115,203</u>

Exhibit F-3

School Cafeteria Fund			Totals		
Budget	Actual	Variance Favorable (Unfavor)	Budget	Actual	Variance Favorable (Unfavor)
\$ 13,500	\$ 9,675	\$ (3,825)	\$ 13,500	\$ 9,675	\$ (3,825)
1,957,518	1,936,781	(20,737)	2,282,366	2,321,825	39,459
-	-	-	47,000	57,246	10,246
42,000	45,722	3,722	22,606,088	23,278,773	672,685
596,435	560,057	(36,378)	2,780,797	2,358,390	(422,407)
<u>\$ 2,609,453</u>	<u>\$ 2,552,235</u>	<u>\$ (57,218)</u>	<u>\$ 27,729,751</u>	<u>\$ 28,025,909</u>	<u>\$ 296,158</u>
\$ 2,609,453	\$ 2,545,582	\$ 63,871	\$ 66,456,484	\$ 65,633,899	\$ 822,585
-	-	-	3,365,000	3,365,000	-
-	-	-	2,327,777	2,326,014	1,763
<u>\$ 2,609,453</u>	<u>\$ 2,545,582</u>	<u>\$ 63,871</u>	<u>\$ 72,149,261</u>	<u>\$ 71,324,913</u>	<u>\$ 824,348</u>
\$ -	\$ 6,653	\$ 6,653	\$ (44,419,510)	\$ (43,299,004)	\$ 1,120,506
\$ -	\$ -	\$ -	\$ (5,267,760)	\$ (5,267,760)	\$ -
-	-	-	3,500,000	3,500,000	-
-	-	-	45,073,417	45,073,417	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,305,657</u>	<u>\$ 43,305,657</u>	<u>\$ -</u>
\$ -	\$ 6,653	\$ 6,653	\$ (1,113,853)	\$ 6,653	\$ 1,120,506
-	(54,974)	(54,974)	-	(53,624)	(53,624)
<u>\$ -</u>	<u>\$ (48,321)</u>	<u>\$ (48,321)</u>	<u>\$ (1,113,853)</u>	<u>\$ (46,971)</u>	<u>\$ 1,066,882</u>

SUPPORTING SCHEDULES

COUNTY OF FAUQUIER, VIRGINIA

Schedule 1

**Governmental Funds and Discretely Presented Component Units
Schedule of Revenues -- Budget and Actual
Year Ended June 30, 2000**

Fund, Major and Minor Revenue Source	Budget	Actual	Variance Favorable (Unfavor.)
Primary Government:			
General Fund:			
Revenue from local sources:			
General property taxes:			
Real property taxes	\$ 37,064,560	\$ 37,863,331	\$ 798,771
Real and personal public service corporation property taxes	2,100,000	1,966,732	(133,268)
Personal property taxes	13,885,526	14,271,846	386,320
Penalties	520,000	673,455	153,455
Interest	467,000	532,468	65,468
Total general property taxes	<u>\$ 54,037,086</u>	<u>\$ 55,307,832</u>	<u>\$ 1,270,746</u>
Other local taxes:			
Local sales and use taxes	\$ 4,000,000	\$ 4,332,593	\$ 332,593
Consumers' utility taxes	1,980,000	2,057,392	77,392
Business license taxes	765,000	917,779	152,779
Cable TV franchise tax	122,000	121,835	(165)
Motor vehicle licenses	1,080,000	1,182,812	102,812
Bank stock taxes	71,000	82,722	11,722
Taxes on recordation and wills	639,000	681,091	42,091
Total other local taxes	<u>\$ 8,657,000</u>	<u>\$ 9,376,224</u>	<u>\$ 719,224</u>
Permits, privilege fees and regulatory licenses:			
Animal licenses	\$ 8,000	\$ 7,349	\$ (651)
Building & related permits	597,351	622,900	25,549
Transfer fees	2,500	2,328	(172)
Zoning permits and fees	92,865	90,485	(2,380)
Land use application fees	18,000	16,339	(1,661)
Total permits, privilege fees and regulatory licenses	<u>\$ 718,716</u>	<u>\$ 739,401</u>	<u>\$ 20,685</u>
Fines and Forfeitures:			
Court fines and forfeitures	\$ 180,000	\$ 259,781	\$ 79,781
Revenue from use of money and property:			
Revenue from use of money	\$ 1,300,000	\$ 1,664,653	\$ 364,653
Revenue from use of property	633,275	629,662	(3,613)
Total revenue from use of money and property	<u>\$ 1,933,275</u>	<u>\$ 2,294,315</u>	<u>\$ 361,040</u>
Charges for services:			
Charges for commonwealth's and county's attorney	\$ -	\$ 26,964	\$ 26,964
Excess fees of clerk	100,000	61,990	(38,010)
Sheriff's fees, deputies and reports	4,442	4,003	(439)
Charges for law library	15,000	12,857	(2,143)
Charges for local costs	800	764	(36)
Charges for courthouse maintenance fees	-	26,643	26,643
Charges for environment management	10,389	16,614	6,225
Charges for parks and recreation	320,218	208,400	(111,818)
Charges for social services	2,000	(50)	(2,050)
Charges for CSA	-	249	249
Charges for library	60,000	42,949	(17,051)
Charges for planning and community development	21,437	21,933	496
Total charges for services	<u>\$ 534,286</u>	<u>\$ 423,316</u>	<u>\$ (110,970)</u>

COUNTY OF FAUQUIER, VIRGINIA

Schedule 1

**Governmental Funds and Discretely Presented Component Units
Schedule of Revenues -- Budget and Actual
Year Ended June 30, 2000 (Continued)**

Fund, Major and Minor Revenue Source	Budget	Actual	Variance Favorable (Unfavor.)
Primary Government: (continued)			
Miscellaneous revenue:			
Miscellaneous	\$ 41,413	\$ 50,612	\$ 9,199
Total miscellaneous revenue	\$ 41,413	\$ 50,612	\$ 9,199
Recovered costs:			
John marshall soil and water district	\$ -	\$ 211,656	\$ 211,656
Other government charges	10,000	10,000	-
Board of prisoner - other localities	1,000	2,410	1,410
Work release	78,624	58,736	(19,888)
E-911 Reimbursement	13,666	10,551	(3,115)
Home incarceration fees	37,087	38,931	1,844
Social services home study	500	-	(500)
Medical reimbursement - prisoners	2,000	5,015	3,015
Other costs	2,024	6,556	4,532
Hospital hill building	2,000	1,959	(41)
VHFS economic development authority	-	505,112	505,112
Total recovered costs	\$ 146,901	\$ 850,926	\$ 704,025
Total revenue from local sources	\$ 66,248,677	\$ 69,302,407	\$ 3,053,730
Revenue from the Commonwealth:			
Noncategorical aid:			
ABC profits	\$ 96,000	\$ 127,486	\$ 31,486
Wine taxes	54,700	65,363	10,663
Rolling stock tax	70,000	82,578	12,578
Mobile home titling taxes	20,000	30,923	10,923
Auto rental tax	15,000	21,187	6,187
Recordation tax	432,000	453,942	21,942
Total noncategorical aid	\$ 687,700	\$ 781,479	\$ 93,779
Categorical aid:			
Shared expenses:			
Commonwealth's attorney	\$ 301,233	\$ 315,794	\$ 14,561
Sheriff	2,693,302	2,693,302	-
Commissioner of the revenue	191,676	183,800	(7,876)
Treasurer	139,682	131,390	(8,292)
Medical examiner	500	570	70
Registrar/electoral board	46,512	20,164	(26,348)
Clerk of the circuit court	406,894	411,591	4,697
Jail	222,458	222,458	-
Total shared expenses	\$ 4,002,257	\$ 3,979,069	\$ (23,188)
Welfare:			
Welfare administration and assistance	\$ 722,693	\$ 653,494	\$ (69,199)
Comprehensive services act	902,342	738,543	(163,799)
Total welfare	\$ 1,625,035	\$ 1,392,037	\$ (232,998)

COUNTY OF FAUQUIER, VIRGINIA

Schedule 1

Governmental Funds and Discretely Presented Component Units
 Schedule of Revenues -- Budget and Actual
 Year Ended June 30, 2000 (Continued)

Fund, Major and Minor Revenue Source	Budget	Actual	Variance Favorable (Unfavor.)
Primary Government: (continued)			
Revenue from the Commonwealth:			
Other categorical aid:			
Commonwealth PPTRA	\$ 3,064,474	\$ 3,064,474	\$ -
Records preservation grant	-	29,063	29,063
Administrative			-
Library aid	232,591	237,591	5,000
Litter control	25,000	23,982	(1,018)
Judicial and legal	61,573	35,887	(25,686)
Juvenile community control act	104,709	104,709	-
Sheriff department	15,979	15,939	(40)
Comprehensive community correction	178,929	178,929	-
Other grants	83,718	20,663	(63,055)
Total other categorical aid	<u>\$ 3,766,973</u>	<u>\$ 3,711,237</u>	<u>\$ (55,736)</u>
Total categorical aid	<u>\$ 9,394,265</u>	<u>\$ 9,082,343</u>	<u>\$ (311,922)</u>
Total revenue from the commonwealth	<u>\$ 10,081,965</u>	<u>\$ 9,863,822</u>	<u>\$ (218,143)</u>
Revenue from the Federal Government:			
Categorical aid:			
Welfare administration and assistance	\$ 1,475,982	\$ 1,283,914	\$ (192,068)
Virginia JJDP act	51,465	38,599	(12,866)
Dea group 33 & 35	39,881	39,881	-
Local law enforcement block grant	-	14,399	14,399
Judicial and legal grants	-	34,750	34,750
Miscellaneous	7,462	11,589	4,127
CDBG affordable housing	488,439	-	(488,439)
Cops grants	50,749	1,391	(49,358)
Transportation safety	-	31,634	31,634
Total categorical aid	<u>\$ 2,113,978</u>	<u>\$ 1,456,157</u>	<u>\$ (657,821)</u>
Total revenue from the federal government	<u>\$ 2,113,978</u>	<u>\$ 1,456,157</u>	<u>\$ (657,821)</u>
Total General Fund	<u>\$ 78,444,620</u>	<u>\$ 80,622,386</u>	<u>\$ 2,177,766</u>
Special Revenue Funds:			
Joint Dispatch Fund:			
Revenue from local sources:			
Other local taxes:			
E-911 telephone tax	\$ 772,972	\$ 774,710	\$ 1,738
Total Joint Dispatch Fund	<u>\$ 772,972</u>	<u>\$ 774,710</u>	<u>\$ 1,738</u>
Fire and Rescue Fund:			
Revenue from local sources:			
General property taxes:			
Real property taxes	\$ 2,212,297	\$ 2,280,774	\$ 68,477
Recovered Cost:			
Community events	3,000	3,051	51
Total revenue from local sources	<u>\$ 2,215,297</u>	<u>\$ 2,283,825</u>	<u>\$ 68,528</u>

COUNTY OF FAUQUIER, VIRGINIA

Schedule 1

Governmental Funds and Discretely Presented Component Units

Schedule of Revenues -- Budget and Actual

Year Ended June 30, 2000 (Continued)

Fund, Major and Minor Revenue Source	Budget	Actual	Variance Favorable (Unfavor.)
Primary Government: (continued)			
Revenue from the Commonwealth:			
Categorical aid:			
Fire programs	\$ 46,000	\$ 55,611	\$ 9,611
Emergency medical service	22,000	25,334	3,334
Total revenue from commonwealth	<u>\$ 68,000</u>	<u>\$ 80,945</u>	<u>\$ 12,945</u>
Total Fire and Rescue Fund	<u>\$ 2,283,297</u>	<u>\$ 2,364,770</u>	<u>\$ 81,473</u>
Total Special Revenue Funds	<u>\$ 3,056,269</u>	<u>\$ 3,139,480</u>	<u>\$ 83,211</u>
Capital Improvement Projects Fund:			
Revenue from local sources:			
Miscellaneous revenue:			
Miscellaneous	\$ -	\$ 768	\$ 768
Total miscellaneous revenue	<u>\$ -</u>	<u>\$ 768</u>	<u>\$ 768</u>
Total Capital Improvement Projects Fund	<u>\$ -</u>	<u>\$ 768</u>	<u>\$ 768</u>
Grand Total Revenues -- Primary Government	<u>\$ 81,500,889</u>	<u>\$ 83,762,634</u>	<u>\$ 2,261,745</u>
Component Unit -- School Board:			
Special Revenue Funds:			
School Operating Fund:			
Revenue from local sources:			
Charges for services:			
Charges for education	\$ 148,900	\$ 157,473	\$ 8,573
Refunds and fees	175,948	227,571	51,623
Total charges for services	<u>\$ 324,848</u>	<u>\$ 385,044</u>	<u>\$ 60,196</u>
Miscellaneous revenue:			
Miscellaneous revenue	<u>\$ 47,000</u>	<u>\$ 57,246</u>	<u>\$ 10,246</u>
Total revenue from local sources	<u>\$ 371,848</u>	<u>\$ 442,290</u>	<u>\$ 70,442</u>
Revenue from the Commonwealth:			
Categorical aid:			
Share of state sales tax	\$ 5,528,241	\$ 5,536,609	\$ 8,368
Basic school aid	10,522,186	10,538,349	16,163
Regular foster care	25,000	30,348	5,348
Lottery	173,418	752,057	578,639
Lottery hold harmless	380,046	360,532	(19,514)
Gifted and talented	126,738	127,269	531
At risk youth	79,285	104,346	25,061
GED payments	15,717	16,855	1,138
Special education	1,479,857	1,486,050	6,193
Special education - homebound	39,900	50,666	10,766
Special education - foster child	27,351	14,230	(13,121)

COUNTY OF FAUQUIER, VIRGINIA

Schedule 1

Governmental Funds and Discretely Presented Component Units

Schedule of Revenues -- Budget and Actual

Year Ended June 30, 2000 (Continued)

Fund, Major and Minor Revenue Source	Budget	Actual	Variance Favorable (Unfavor.)
Primary Government: (continued)			
Revenue from the Commonwealth:			
Categorical aid:			
Regional programs	\$ 32,700	\$ 46,961	\$ 14,261
Vocational education	231,111	232,078	967
Vocational adult education and equipment	7,343	12,240	4,897
School construction grant	364,398	364,398	-
Occupational education	42,954	40,554	(2,400)
Primary class size	248,127	236,543	(11,584)
Social security instructional	618,707	643,831	25,124
Social security non-instructional	22,440	20,645	(1,795)
Teacher retirement instructional	732,488	759,869	27,381
Teacher retirement non-instructional	24,215	23,307	(908)
Salary supplement	685,878	688,749	2,871
Dropout prevention	92,217	92,217	-
Remedial education	171,470	172,187	717
Remedial summer school	91,160	77,146	(14,014)
Maintenance supplement	55,914	56,148	234
Additional teachers	163,917	166,897	2,980
Textbook payments	140,568	141,156	588
School standard of learning	268,552	270,699	2,147
Alternative education	110,983	93,731	(17,252)
Other state funds	61,207	76,384	15,177
Total revenue from the commonwealth	<u>\$ 22,564,088</u>	<u>\$ 23,233,051</u>	<u>\$ 668,963</u>
Revenue from the federal government:			
Categorical aid:			
Adult basic education	\$ 34,144	\$ 44,000	\$ 9,856
Chapter I	401,343	401,868	525
Title VI	56,105	134,229	78,124
Title II	28,000	46,182	18,182
Miscellaneous federal revenue	289,060	74,821	(214,239)
Title VI - B - Special Education	1,246,235	989,462	(256,773)
Vocational education	94,475	-	(94,475)
Drug free schools	35,000	75,567	40,567
ROTC	-	32,204	32,204
Total revenue from the federal government	<u>\$ 2,184,362</u>	<u>\$ 1,798,333</u>	<u>\$ (386,029)</u>
Total School Operating Fund	<u>\$ 25,120,298</u>	<u>\$ 25,473,674</u>	<u>\$ 353,376</u>
School Cafeteria Fund:			
Revenue from local sources:			
Revenue from use of money and property:			
Revenue from use of money	\$ 13,500	\$ 9,675	\$ (3,825)
Charges for services:			
Cafeteria sales	1,957,518	1,936,781	(20,737)
Total revenue from local sources	<u>\$ 1,971,018</u>	<u>\$ 1,946,456</u>	<u>\$ (24,562)</u>

COUNTY OF FAUQUIER, VIRGINIA

Schedule 1

Governmental Funds and Discretely Presented Component Units**Schedule of Revenues -- Budget and Actual****Year Ended June 30, 2000 (Continued)**

<u>Fund, Major and Minor Revenue Source</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavor.)</u>
Component Unit -- School Board: (continued)			
Revenue from the Commonwealth:			
Categorical aid:			
School food program	\$ 42,000	\$ 45,722	\$ 3,722
Revenue from the federal government:			
Categorical aid:			
School food program	\$ 596,435	\$ 560,057	\$ (36,378)
Total School Cafeteria Fund	\$ 2,609,453	\$ 2,552,235	\$ (57,218)
Grand Total Revenues -- Component Unit -- School Board	\$ 27,729,751	\$ 28,025,909	\$ 296,158
Grand Total Revenues -- Reporting Entity	\$ 109,230,640	\$ 111,788,543	\$ 2,557,903

COUNTY OF FAUQUIER, VIRGINIA

Schedule 2

Governmental Funds and Discretely Presented Component Units

Schedule of Expenditures -- Budget and Actual

Year Ended June 30, 2000

Fund, Function, Activity, and Element	Budget	Actual	Variance Favorable (Unfavor.)
Primary Government:			
General Fund:			
General government administration:			
Legislative:			
Board of supervisors	\$ 382,852	\$ 382,852	\$ -
General and financial administration:			
County administrator	\$ 374,070	\$ 354,832	\$ 19,238
County attorney	406,194	374,453	31,741
Personnel	535,940	512,155	23,785
Independent auditor	60,000	60,000	-
Commissioner of the revenue	953,261	918,961	34,300
Treasurer	738,547	671,903	66,644
Director of finance	909,370	890,305	19,065
Office of management and budget	255,528	251,596	3,932
Risk management	217,476	91,368	126,108
Central store	-	599	(599)
Management information systems	823,084	776,593	46,491
Total general and financial administration	\$ 5,273,470	\$ 4,902,765	\$ 370,705
Board of Elections:			
Registrar	\$ 240,484	\$ 240,526	\$ (42)
Total general government administration	\$ 5,896,806	\$ 5,526,143	\$ 370,663
Judicial administration:			
Courts:			
Circuit court	\$ 117,649	\$ 117,649	\$ -
General district court	12,500	10,642	1,858
Magistrates	47,404	47,403	1
Juvenile and domestic relations district court	34,937	30,692	4,245
Clerk of the circuit court	678,043	670,583	7,460
Multidisciplinary partnership	3,871	3,871	-
Commissioner of accounts	2,400	2,400	-
Law library	25,000	17,710	7,290
Adult court service	245,560	243,989	1,571
Total courts	\$ 1,167,364	\$ 1,144,939	\$ 22,425
Commonwealth's attorney:			
Commonwealth's attorney	\$ 647,597	\$ 596,103	\$ 51,494
Total judicial administration	\$ 1,814,961	\$ 1,741,042	\$ 73,919
Public safety:			
Law enforcement and traffic control:			
Sheriff	\$ 6,290,280	\$ 6,277,829	\$ 12,451

COUNTY OF FAUQUIER, VIRGINIA

Schedule 2

Governmental Funds and Discretely Presented Component Units

Schedule of Expenditures -- Budget and Actual

Year Ended June 30, 2000 (Continued)

Fund, Function, Activity, and Element	Budget	Actual	Variance Favorable (Unfavor.)
Primary Government: (continued)			
Correction and detention:			
Sheriff	\$ 895,645	\$ 818,116	\$ 77,529
Probation office	33,689	24,522	9,167
Juvenile detention	111,600	105,047	6,553
Juvenile crime control	104,713	98,248	6,465
Total correction and detention	\$ 1,145,647	\$ 1,045,933	\$ 99,714
Other protection:			
Emergency services (civil defense)	\$ 69,752	\$ 55,737	\$ 14,015
Total other protection	\$ 69,752	\$ 55,737	\$ 14,015
Total public safety	\$ 7,505,679	\$ 7,379,499	\$ 126,180
Public works:			
Sanitation and waste removal:			
Litter control/recycling	\$ 178,858	\$ 172,153	\$ 6,705
Solid waste operations	1,452,604	1,452,600	4
Total sanitation and waste removal	\$ 1,631,462	\$ 1,624,753	\$ 6,709
Maintenance of general buildings and grounds:			
Support services/administration	\$ 136,930	\$ 136,804	\$ 126
General properties	2,162,555	2,047,182	115,373
Total maintenance of general buildings and grounds	\$ 2,299,485	\$ 2,183,986	\$ 115,499
Total public works	\$ 3,930,947	\$ 3,808,739	\$ 122,208
Health and welfare:			
Health:			
Supplement of local health department	\$ 380,997	\$ 380,997	\$ -
Mental health and mental retardation:			
Chapter X board	\$ 170,316	\$ 170,316	\$ -
Welfare:			
Social services	\$ 2,962,365	\$ 2,661,268	\$ 301,097
Institutional care	66,580	55,919	10,661
Comprehensive services act	1,817,864	1,453,416	364,448
Total welfare	\$ 4,846,809	\$ 4,170,603	\$ 676,206
Total health and welfare	\$ 5,398,122	\$ 4,721,916	\$ 676,206
Education:			
Community colleges	\$ 32,198	\$ 32,198	\$ -

COUNTY OF FAUQUIER, VIRGINIA

Schedule 2

Governmental Funds and Discretely Presented Component Units
 Schedule of Expenditures – Budget and Actual
 Year Ended June 30, 2000 (Continued)

Fund, Function, Activity, and Element	Budget	Actual	Variance Favorable (Unfavor.)
Primary Government: (continued)			
Parks, recreation and cultural:			
Parks and recreation			
Parks and recreation	\$ 1,450,549	\$ 1,270,475	\$ 180,074
Library:			
Public library	\$ 1,258,855	1,221,717	\$ 37,138
Total parks, recreation and cultural	\$ 2,709,404	\$ 2,492,192	\$ 217,212
Community development:			
Planning and community development:			
Community development	\$ 1,337,670	\$ 1,244,773	\$ 92,897
Planning	124,814	112,681	12,133
Economic development	285,732	231,775	53,957
Contributions to community organizations	585,298	580,405	4,893
Agriculture development	71,057	49,819	21,238
VHFS economic development authority	157,580	157,580	-
Vint hill farms station	2	567,986	(567,984)
Total planning and community development	\$ 2,562,153	\$ 2,945,019	\$ (382,866)
Environmental management:			
Soil and water conservation district	\$ 208,287	\$ 422,671	\$ (214,384)
Cooperative extension program:			
VPI extension	\$ 133,305	\$ 129,767	\$ 3,538
Johnsongrass office	13,410	12,441	969
Volunteer center	21,383	21,383	-
Total cooperative extension program	\$ 168,098	\$ 163,591	\$ 4,507
Total community development	\$ 2,938,538	\$ 3,531,281	\$ (592,743)
Capital projects:			
Hospital hill	\$ 117,621	\$ 99,946	\$ 17,675
Nondepartmental:			
Nondepartmental operations	\$ 1,737,457	\$ 476,097	\$ 1,261,360
Debt service on capital lease:			
Principal retired	\$ 319,273	\$ 319,273	\$ -
Interest and fiscal charges	147,073	147,072	1
Total debt service	\$ 466,346	\$ 466,345	\$ 1
Total General Fund	\$ 32,548,079	\$ 30,275,398	\$ 2,272,681
Special Revenue Funds:			
Joint Dispatch Fund:			
Public safety:			
Other protection:			
Emergency operations center	\$ 929,652	\$ 842,829	\$ 86,823
Total Joint Dispatch Fund	\$ 929,652	\$ 842,829	\$ 86,823

COUNTY OF FAUQUIER, VIRGINIA

Schedule 2

**Governmental Funds and Discretely Presented Component Units
Schedule of Expenditures – Budget and Actual
Year Ended June 30, 2000 (Continued)**

Fund, Function, Activity, and Element	Budget	Actual	Variance Favorable (Unfavor.)
Primary Government: (continued)			
Fire and Rescue Fund:			
Contribution to fire and rescue associations	\$ 1,763,514	\$ 1,665,585	\$ 97,929
Rescue services	668,810	670,258	(1,448)
Total Fire and Rescue Fund	<u>\$ 2,432,324</u>	<u>\$ 2,335,843</u>	<u>\$ 96,481</u>
Total Special Revenue Funds	<u>\$ 3,361,976</u>	<u>\$ 3,178,672</u>	<u>\$ 183,304</u>
Capital Improvement Projects Fund:			
Capital Outlay:			
General government administration:			
General government	\$ 438,244	\$ 292,556	\$ 145,688
Judicial administration	203,816	17,906	185,910
Public safety	287,352	242,105	45,247
Solid waste	5,000	5,000	-
Health and welfare	14,626	-	14,626
Education	318,349	60,820	257,529
Parks, recreation, and cultural	108	-	108
Community development	108,206	8,527	99,679
Non-departmental	10,305	7,846	2,459
Total general government administration	<u>\$ 1,386,006</u>	<u>\$ 634,760</u>	<u>\$ 751,246</u>
Public Safety			
Radio safety	\$ 1,099,614	\$ 138,935	\$ 960,679
Detention center	229,842	42,818	187,024
Computer aid dispatch center	471,516	210,001	261,515
Total public safety	<u>\$ 1,800,972</u>	<u>\$ 391,754</u>	<u>\$ 1,409,218</u>
Public Works:			
Comprehensive maintenance plan	\$ 710,702	\$ 436,151	\$ 274,551
Warren green building	147,996	147,996	-
John marshall building	53,448	14,169	39,279
John barton payne building	392	-	392
Main library	14,823	4,650	10,173
Old jail museum	1,400	-	1,400
Shadow lawn building and grounds	1,163	-	1,163
Capital Outlay:			
White property	\$ 1,902	\$ -	\$ 1,902
Judicial center	37,262	35,000	2,262
Courthouse maintenance fund	55,184	21,805	33,379
John marshall branch library	77,149	-	77,149
Solid waste convenience site	70,000	-	70,000
Paris WSA system repairs	99,636	-	99,636
Total public works	<u>\$ 1,271,057</u>	<u>\$ 659,771</u>	<u>\$ 611,286</u>

COUNTY OF FAUQUIER, VIRGINIA

Schedule 2

Governmental Funds and Discretely Presented Component Units
 Schedule of Expenditures -- Budget and Actual
 Year Ended June 30, 2000 (Continued)

Fund, Function, Activity, and Element	Budget	Actual	Variance Favorable (Unfavor.)
Primary Government: (continued)			
Capital outlay: (continued)			
Education:			
Modular house for vocational education	\$ 26,671	\$ 12,000	\$ 14,671
Food service equipment	70,000	70,000	-
Coleman elementary school	2,194	-	2,194
Schools non-reoccurring projects	1,009,459	564,596	444,863
Motor vehicles and equipment	381,139	378,126	3,013
Asbestos abatement	3,263	1,145	2,118
School technology	766,796	433,540	333,256
School repairs and maintenance projects	79,925	103,163	(23,238)
School roof maintenance	14,323	-	14,323
School hvac/paving maintenance	249,900	43,184	206,716
Total education	\$ 2,603,670	\$ 1,605,754	\$ 997,916
Parks and Recreation:			
Monroe park	\$ 65,416	\$ 21,116	\$ 44,300
Vint hill farm station park	87,967	9,924	78,043
Marshall community center	158,792	10,797	147,995
Outside court maintenance	26,690	-	26,690
Ballfield maintenance	62,921	62,921	-
Central storage	36,876	36,276	600
Recreational parks	24,646	-	24,646
Corral farm ballfield construction	29,528	24,000	5,528
Park planning	9,704	-	9,704
Total parks, recreational and cultural	\$ 502,540	\$ 165,034	\$ 337,506
Community Development:			
Bealeton library expansion	\$ 2,058	\$ 83	\$ 1,975
Capital Outlay:			
Frytown project	\$ 3,517	\$ 3,185	\$ 332
Subdivision improvement	292,309	215,619	76,690
Total community development	\$ 297,884	\$ 218,887	\$ 78,997
Total Capital Outlay	\$ 7,862,129	\$ 3,675,960	\$ 4,186,169
Capital Projects:			
Education:			
Pierce school	\$ 51,448	\$ 31,712	\$ 19,736
Marshall middle school	1,126,014	26,137	1,099,877
Fauquier high school	98,197	793	97,404
Brumfield elementary school	8,147,912	6,401,909	1,746,003
Cedar lee middle school	604,604	492,384	112,220
Lord Fairfax community college	135,323	134,989	334
Total education	\$ 10,163,498	\$ 7,087,924	\$ 3,075,574

COUNTY OF FAUQUIER, VIRGINIA

Schedule 2

**Governmental Funds and Discretely Presented Component Units
Schedule of Expenditures -- Budget and Actual
Year Ended June 30, 2000 (Continued)**

Fund, Function, Activity, and Element	Budget	Actual	Variance Favorable (Unfavor.)
Primary Government: (continued)			
Capital outlay: (continued)			
Community Development:			
Auburn dam	\$ 2,213,140	\$ 2,350	\$ 2,210,790
Route 28 project plan	1,698,729	-	1,698,729
Total community development	\$ 3,911,869	\$ 2,350	\$ 3,909,519
Total Capital Projects	\$ 14,075,367	\$ 7,090,274	6,985,093
Park, recreation, and cultural:	\$ 3,500,000	\$ 4,650	3,495,350
Total Capital Improvement Projects Fund	\$ 25,437,496	\$ 10,770,884	\$ 14,666,612
Grand Total Expenditures -- Primary Government	\$ 61,347,551	\$ 44,224,954	\$ 17,122,597
Component Unit -- School Board:			
Special Revenue Funds:			
School Operating Fund:			
Education:			
Instruction	\$ 53,256,233	\$ 52,572,642	\$ 683,591
Administration, attendance and health	1,825,523	1,773,400	52,123
Pupil transportation services	3,739,269	3,729,206	10,063
Operation and maintenance services	5,026,006	5,013,069	12,937
Total education	\$ 63,847,031	\$ 63,088,317	\$ 758,714
Debt Service:			
Principal retirement	\$ 3,365,000	\$ 3,365,000	-
Interest and other debt costs	2,327,777	2,326,014	1,763
Total debt service	\$ 5,692,777	\$ 5,691,014	\$ 1,763
Total School Operating Fund	\$ 69,539,808	\$ 68,779,331	\$ 760,477
School Cafeteria Fund:			
Education:			
School food services	\$ 2,609,453	\$ 2,545,582	\$ 63,871
Grand Total Expenditures -- Component Unit -- School Board	\$ 72,149,261	\$ 71,324,913	\$ 824,348
Grand Total Expenditures -- Reporting Entity	\$ 133,496,812	\$ 115,549,867	\$ 17,946,945

COUNTY OF FAUQUIER, VIRGINIA

Schedule 3

Schedule of the Treasurer's Accountability

At June 30, 2000

Assets held by the Treasurer:

Cash on hand	\$ 1,000
Cash in banks:	
Checking:	
The Fauquier Bank	17,369,089
Farmers and Merchants - Peoples	134,237
Savings	
First Virginia Bank	16,987
Money Market Accounts:	
The Fauquier Bank	317,383
Marshall National Bank	247,296
State Bank of Remington	655,199
Farmers and Merchants - Peoples	200,723
Sun Trust	23,926
Wachovia	4,031
Southern Financial Bank	9,249

Investments:

Investment Account	9,894,115
Virginia State Non-Arbitrage Program	1,169,995
Local Government Investment Pool	8,704,949
Length of Service Award	1,413,493
Total Assets	\$ <u>40,161,672</u>

Liabilities of the Treasurer:

Balance of County Funds(Schedule 4)	\$ 40,093,114
Amount due to Commonwealth of Virginia	29,061
Other Credits	<u>39,497</u>
Total Liabilities	\$ <u>40,161,672</u>

COUNTY OF FAUQUIER, VIRGINIA

**Schedule of the Treasurer's Accountability to the County
All County Funds and Component Unit
For the Year Ended June 30, 2000**

	Governmental Funds			Proprietary
	General	Special Revenue	Capital Projects	Enterprise
Balance July 1, 1999	\$ 16,359,507	\$ 389,622	\$ 17,428,058	\$ 1,218,384
Receipts (net):				
General property taxes	\$ 55,307,832	\$ 2,280,774	\$ -	\$ -
Other local taxes	9,376,224	774,710	-	-
Permits, privilege fees and regulatory licenses	739,401	-	-	-
Fines and forfeitures	259,781	-	-	-
Revenue from use of money and property	2,294,315	-	-	74,239
Contribution for beneficiary	-	-	-	-
Charges for services	423,316	-	-	2,142,030
Miscellaneous	50,612	-	768	42,886
Recovered costs	850,926	3,051	-	-
Intergovernmental	11,319,979	80,945	-	-
Other financing sources	-	-	-	-
Total receipts	\$ 80,622,386	\$ 3,139,480	\$ 768	\$ 2,259,155
Total receipts and balance	\$ 96,981,893	\$ 3,529,102	\$ 17,428,826	\$ 3,477,539
Disbursements (net):				
Warrants (checks) issued	\$ 29,098,868	\$ 3,167,919	\$ 10,288,372	\$ 2,618,328
Retirement of indebtedness	319,273	-	-	250,000
Interest and fiscal charges	147,072	-	-	199,091
Total disbursements	\$ 29,565,213	\$ 3,167,919	\$ 10,288,372	\$ 3,067,419
Interfund transfers:				
Transfers in	\$ 6,000	\$ 108,264	\$ 8,612,789	\$ 34,382
Transfers out	48,571,500	-	6,000	-
Balance, June 30, 2000	\$ 18,851,180	\$ 469,447	\$ 15,747,243	\$ 444,502

Schedule 4

<u>Funds</u>	<u>Fiduciary Funds</u>	<u>Component Unit</u>	<u>Total</u>
<u>Internal Service</u>	<u>Trust & Agency</u>	<u>School Board</u>	<u>"Memorandum Only"</u>
\$ 1,805,558	\$ 1,416,411	\$ 179,599	\$ 38,797,139
\$ -	\$ -	\$ -	\$ 57,588,606
-	-	-	10,150,934
-	-	-	739,401
-	-	-	259,781
-	78,850	9,675	2,457,079
8,595,701	512,609	2,321,825	13,995,481
2,000	23,920	57,246	177,432
-	200	-	854,177
-	-	25,637,163	37,038,087
-	457,684	3,500,000	3,937,684
\$ 8,597,701	\$ 1,053,263	\$ 31,525,909	\$ 127,198,662
\$ 10,403,259	\$ 2,469,674	\$ 31,705,508	\$ 165,995,801
\$ 7,898,436	\$ 557,641	\$ 65,644,173	\$ 119,273,737
22,500	-	3,365,000	3,956,773
-	-	2,326,014	2,672,177
\$ 7,920,936	\$ 557,641	\$ 71,335,187	\$ 125,902,687
\$ 10,408	\$ -	\$ 45,073,417	\$ 53,845,260
-	-	5,267,760	53,845,260
\$ 2,492,731	\$ 1,912,033	\$ 175,978	\$ 40,093,114

COUNTY OF FAUQUIER, VIRGINIA

Schedule 5

Schedule of the Treasurer's Accountability to the Commonwealth
For the Year Ended June 30, 2000

	<u>Balance July 1, 1999</u>	<u>Collections</u>	<u>Remittances</u>	<u>Balance June 30, 2000</u>
2000 Taxes:				
Estimated income taxes	\$ -	\$ 3,683,178	\$ 3,683,178	\$ -
1999 Taxes:				
Taxable year income taxes	-	3,802,817	3,802,817	-
Estimated income taxes	-	5,711,525	5,711,525	-
1998 Taxes:				
Taxable year income taxes	-	633,646	633,646	-
Other Collections:				
Penalty	-	5,133	5,133	-
Interest	-	880	880	-
Share of fees of sheriff and deputies	(6,995)	67,565	60,570	-
Total	\$ (6,995)	\$ 13,904,744	\$ 13,897,749	\$ -

This statement has been prepared on the cash basis of accounting.

STATISTICAL TABLES

Year	Population	Urban	Rural	Male	Female	Total	Population	Urban	Rural	Male	Female	Total
1950	1,000,000	500,000	500,000	500,000	500,000	1,000,000	1,000,000	500,000	500,000	500,000	500,000	1,000,000
1955	1,100,000	550,000	550,000	550,000	550,000	1,100,000	1,100,000	550,000	550,000	550,000	550,000	1,100,000
1960	1,200,000	600,000	600,000	600,000	600,000	1,200,000	1,200,000	600,000	600,000	600,000	600,000	1,200,000
1965	1,300,000	650,000	650,000	650,000	650,000	1,300,000	1,300,000	650,000	650,000	650,000	650,000	1,300,000
1970	1,400,000	700,000	700,000	700,000	700,000	1,400,000	1,400,000	700,000	700,000	700,000	700,000	1,400,000
1975	1,500,000	750,000	750,000	750,000	750,000	1,500,000	1,500,000	750,000	750,000	750,000	750,000	1,500,000
1980	1,600,000	800,000	800,000	800,000	800,000	1,600,000	1,600,000	800,000	800,000	800,000	800,000	1,600,000
1985	1,700,000	850,000	850,000	850,000	850,000	1,700,000	1,700,000	850,000	850,000	850,000	850,000	1,700,000
1990	1,800,000	900,000	900,000	900,000	900,000	1,800,000	1,800,000	900,000	900,000	900,000	900,000	1,800,000
1995	1,900,000	950,000	950,000	950,000	950,000	1,900,000	1,900,000	950,000	950,000	950,000	950,000	1,900,000
2000	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	2,000,000	2,000,000	1,000,000	1,000,000	1,000,000	1,000,000	2,000,000
2005	2,100,000	1,050,000	1,050,000	1,050,000	1,050,000	2,100,000	2,100,000	1,050,000	1,050,000	1,050,000	1,050,000	2,100,000
2010	2,200,000	1,100,000	1,100,000	1,100,000	1,100,000	2,200,000	2,200,000	1,100,000	1,100,000	1,100,000	1,100,000	2,200,000
2015	2,300,000	1,150,000	1,150,000	1,150,000	1,150,000	2,300,000	2,300,000	1,150,000	1,150,000	1,150,000	1,150,000	2,300,000
2020	2,400,000	1,200,000	1,200,000	1,200,000	1,200,000	2,400,000	2,400,000	1,200,000	1,200,000	1,200,000	1,200,000	2,400,000

STATISTICAL TABLES

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1995

COUNTY OF FAUQUIER, VIRGINIA

Table 1

Government Expenditures by Function(1)
Last Ten Fiscal Years

Fiscal Year	General Administration	Judicial Administration	Public Safety	Public Works	Health and Welfare		Education	Recreation and Cultural		Community Development	Debt Service	Total
					Health and Welfare	Education		Recreation and Cultural	Community Development			
1990-91	\$ 3,185,919	\$ 774,240	\$ 4,564,187	\$ 1,848,586	\$ 2,212,918	\$ 43,543,672	\$ 1,552,706	\$ 1,179,258	\$ 4,023,564	\$ 62,885,050		
1991-92	3,264,804	883,435	4,999,490	990,293	2,449,113	43,390,849	1,467,637	1,113,988	3,957,162	62,516,771		
1992-93	3,336,681	876,865	4,878,359	1,440,581	2,544,881	44,395,046	1,417,448	1,497,886	4,944,684	65,332,431		
1993-94	3,787,665	910,145	5,293,874	1,624,721	2,814,113	46,061,151	1,536,063	1,618,601	5,802,071	69,448,404		
1994-95	3,347,351	980,382	7,095,895	1,837,059	3,150,622	50,848,284	1,673,107	1,957,757	6,107,034	76,997,491		
1995-96	4,448,074	1,035,026	8,223,415	5,573,828	3,622,004	48,023,722	1,767,245	2,073,464	6,091,387	80,858,165		
1996-97	8,898,098	1,668,656	10,042,660	5,690,852	4,551,422	59,600,276	2,290,625	2,448,128	5,755,858	100,946,575		
1997-98	6,067,510	1,469,555	10,213,570	7,618,067	5,078,681	69,742,125	2,450,153	2,316,044	7,011,362	111,967,067		
1998-99	6,214,760	3,880,197	9,759,807	3,581,874	4,748,294	67,840,728	2,396,011	2,717,354	7,646,523	108,785,548		
1999-2000	6,875,901	2,132,796	11,217,942	3,808,739	4,721,916	74,462,071	2,657,226	3,750,168	6,157,359	115,784,118		

(1) Includes the General Fund, the Capital Projects Fund and Special Revenue Funds of the Primary Government and the Discretely Presented Component Unit - School Board

COUNTY OF FAUQUIER, VIRGINIA

Table 2

Government Revenues by Source(1)
Last Ten Fiscal Years

Fiscal Year	General Property Taxes	Other Local Taxes	Permit Privilege Fees & Regulatory Licenses	Fines & Forfeitures	Revenues from the Use of Money & Property	Charges for Services	Miscellaneous	Recovered Costs	Inter-governmental	Total
1990-91	\$ 34,595,261	\$ 5,631,251	\$ 433,172	\$ 37,034	\$ 721,940	\$ 2,601,207	\$ 502,029	\$ 402,511	\$ 18,918,026	\$ 63,842,431
1991-92	37,202,099	6,595,335	456,613	61,665	629,862	2,135,821	827,857	384,823	18,504,967	66,799,042
1992-93	39,603,352	6,286,132	393,613	130,103	620,588	2,068,769	347,404	80,699	18,668,754	68,199,414
1993-94	43,016,486	6,880,131	437,690	147,400	889,244	2,530,523	377,114	663,786	19,327,976	74,270,350
1994-95	48,029,231	7,374,936	589,711	147,975	1,633,286	2,418,307	183,482	379,367	23,171,823	83,928,118
1995-96	49,650,697	7,663,235	492,519	121,389	1,725,383	2,179,034	1,181,682	155,276	23,672,366	86,841,581
1996-97	52,049,159	8,025,062	558,902	143,723	2,038,219	2,529,450	297,392	281,147	26,500,922	92,423,976
1997-98	73,184,354	8,562,552	564,316	171,262	2,599,301	4,215,626	274,989	171,303	27,814,462	117,558,165
1998-99	58,383,735	9,390,568	712,816	201,123	2,130,997	2,940,675	147,393	538,695	32,999,092	107,445,094
1999-2000	57,588,606	10,150,934	739,401	259,781	2,382,840	2,769,062	103,957	853,977	37,038,087	111,886,645

(1) Includes the General Fund, the Capital Projects Fund and Special Revenue Funds of the Primary Government and the Discretely Presented Component Unit - School Board
Revenue does not include proceeds from indebtedness

COUNTY OF FAUQUIER, VIRGINIA

Table 3

Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total(1) Tax Levy	Current Tax(1) Collections	Percentage of Levy Collected	Delinquent(1) Tax(2) Collections	Total Tax Collections	Percent of Total Tax Collections to Tax Levy	Outstanding(1) Delinquent(3) Taxes	Percent of Delinquent Taxes to Tax Levy
1990-91	\$ 35,624,866	\$ 33,478,769	93.98%	\$ 534,519	\$ 34,013,288	95.48%	\$ 3,273,753	9.19%
1991-92	37,515,586	34,988,407	93.26%	1,082,529	36,070,936	96.15%	4,418,739	11.78%
1992-93	39,486,468	36,907,864	93.47%	1,618,156	38,526,020	97.57%	4,925,857	12.47%
1993-94	42,166,153	40,074,085	95.04%	1,966,571	42,040,656	99.70%	4,397,492	10.43%
1994-95	46,297,895	43,520,809	94.00%	2,004,527	45,525,336	98.33%	2,627,735	5.68%
1995-96	47,580,344	45,105,097	94.80%	1,461,059	46,566,156	97.87%	2,927,028	6.15%
1996-97	51,745,756	49,475,390	95.61%	1,616,170	51,091,560	98.74%	2,205,998	4.26%
1997-98 (4)	72,647,034	69,456,067	95.61%	1,666,145	71,122,212	97.90%	3,330,854	4.58%
1998-99	56,612,254	55,294,787	97.67%	1,812,388	57,107,175	100.87%	3,130,424	5.53%
1999-2000	61,185,988	60,527,627	98.92%	1,696,797	62,224,424	101.70%	3,353,139	5.48%

Include General Fund and Special Revenue Fund

Source: Fauquier County Treasurer

(1) Exclusive of penalties.

(2) Does not include land redemptions.

(3) Includes all delinquent years' taxes

(4) Includes effect of change to twice yearly billing cycle.

COUNTY OF FAUQUIER, VIRGINIA

Table 4

Assessed Value of All Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Estate	Personal Property	Airplane	Mobile Homes	Machinery and Tools	Public Service	Handicapped Equipment	Camper Trailers	Fire & Rescue	Total
1990-91	\$ 3,096,038,974	\$ 207,471,221	\$ 1,590,250	\$ 5,491,323	\$ 12,895,230	\$ 128,044,315	\$ -	\$ -	\$ -	\$ 3,451,531,313
1991-92	3,112,929,825	207,661,484	1,761,325	5,402,293	13,760,045	119,289,578	-	-	-	3,460,804,550
1992-93	3,172,703,130	204,244,507	1,861,830	5,521,339	10,030,443	121,997,262	-	-	-	3,516,358,511
1993-94	3,203,089,889	205,822,817	2,141,750	5,310,872	8,745,079	137,752,001	-	-	-	3,562,862,408
1994-95	3,326,023,307	225,348,686	2,199,898	4,511,633	7,718,678	168,355,738	-	-	-	3,734,157,940
1995-96	3,379,288,221	265,044,520	2,367,444	4,812,375	6,157,665	168,080,556	-	-	-	3,825,750,781
1996-97	3,428,662,770	311,006,694	2,388,816	4,812,419	5,042,614	159,429,091	514,500	2,417,631	-	3,914,274,535
1997-98	3,580,410,049	318,172,142	2,820,795	4,747,942	6,833,515	161,304,562	661,840	3,304,376	1,215,464	4,078,255,221
1998-99	3,667,585,036	335,750,838	3,183,817	3,938,111	7,417,720	182,512,529	861,420	3,702,994	1,401,108	4,206,353,573
1999-2000	3,763,470,235	371,110,903	3,306,095	4,612,434	7,292,514	181,193,023	623,700	4,196,246	1,718,120	4,337,523,270

Assessed value approximates market or actual value
Source: Fauquier County Commissioner of the Revenue

COUNTY OF FAUQUIER, VIRGINIA

Table 5

Property Tax Rates
Last Ten Years

Fiscal Year	Real Estate	Personal Property	Airplanes	Machinery and Tools	Handicapped Equipment	Camper Trailers	Fire & Rescue
1990-91	\$ 0.83	\$ 4.00	\$ 1.50	\$ 4.00	-	\$ -	-
1991-92	0.88	4.00	1.50	4.00	-	-	-
1992-93	0.93	4.20	1.50	4.20	-	-	-
1993-94	0.98	4.50	1.50	4.50	-	-	-
1994-95	1.03	4.90	1.50	4.90	-	-	-
1995-96	1.03	4.80	1.50	4.80	-	-	-
1996-97	1.03	4.70	1.50	4.70	0.05	1.50	-
1997-98	1.03	4.65	0.60	4.65	0.05	1.50	0.25
1998-99	1.06	4.65	0.60	4.36	0.05	1.50	0.25
1999-2000	1.06	4.65	0.60	4.36	0.05	1.50	0.25

Source: Fauquier County Department of Finance

Notes: All years assessed at fair market value.
Rates per \$100 of assessed value

COUNTY OF FAUQUIER, VIRGINIA

Table 6

Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita

Last Ten Fiscal Years

Year	Population(1)	Value(2)	Gross Debt(3)	Ratio of Net General Obligation Debt to Value	Net Bonded Capita
1990-91	49,600	\$ 3,451,531,313	27,562,500	0.0080	556
1991-92	50,400	3,460,804,550	33,610,000	0.0097	667
1992-93	50,900	3,516,361,511	47,122,500	0.0134	926
1993-94	51,100	3,562,862,408	44,470,000	0.0125	870
1994-95	50,900	3,734,157,940	41,472,500	0.0111	815
1995-96	51,100	3,826,611,553	38,197,500	0.0100	748
1996-97	52,000	3,979,088,363	42,684,760	0.0107	821
1997-98	52,600	3,580,410,049	43,687,500	0.0122	831
1998-99	53,100	3,667,585,036	40,237,500	0.0110	758
1999-2000	55,206	3,763,470,235	40,372,500	0.0107	731

(1) Weldon Cooper Center for Public Service

(2) From Table 4

(3) Includes all long-term general obligation bonded debt and Literary Fund Loans. Excludes revenue bonds, capital leases, early retirement obligations and compensated absences.

COUNTY OF FAUQUIER, VIRGINIA

Table 7

Ratio of Debt Service to Total Government Expenditures
Last Ten Fiscal Years

Fiscal Year	Total Expenditures	Debt Service	Ratio
1990-91	\$ 62,885,050	\$ 4,023,564	6.40%
1991-92	62,516,771	3,957,162	6.33%
1992-93	65,332,431	4,944,684	7.57%
1993-94	69,448,404	5,802,071	8.35%
1994-95	76,997,491	6,107,034	7.93%
1995-96	80,858,165	6,091,387	7.53%
1996-97	100,946,575	5,755,858	5.70%
1997-98	111,967,067	7,011,362	6.26%
1998-99	108,785,548	7,646,523	7.03%
1999-2000	115,784,118	6,136,510	5.30%

Includes All Funds of Primary Government and Discretely Presented Component Unit (School Board)

Table 8

COUNTY OF FAUQUIER, VIRGINIA
 REVENUE BOND COVERAGE
 LAST SEVEN FISCAL YEARS

Fiscal Year	Gross Revenue	Direct Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
1993 - 94	\$ 1,726,791	\$ 951,456	\$ 775,335	\$ 200,000	\$ 242,758	\$ 442,758	1.75
1994 - 95	2,148,907	1,145,770	1,003,137	205,000	237,158	442,158	2.27
1995 - 96	2,222,253	2,349,183	(126,930)	210,000	229,778	439,778	(0.29)
1996 - 97	2,180,429	2,153,232	27,197	220,000	221,378	441,378	0.06
1997 - 98	2,072,559	1,815,234	257,325	230,000	212,028	442,028	0.58
1998 - 99	2,060,005	1,733,099	326,906	240,000	201,793	441,793	0.74
1999-2000	2,212,272	1,873,800	338,472	250,000	190,633	440,633	0.77

Bonds were issued in 1993

Gross revenue includes both operating and non-operating revenues

Table 9

COUNTY OF FAUQUIER, VIRGINIA

DEMOGRAPHIC STATISTICS
Last Ten Fiscal Years

<u>Year</u>	<u>Population</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
1990-91	49,600	8,161	2.50%
1991-92	50,400	8,307	4.80%
1992-93	50,900	8,446	5.20%
1993-94	51,100	8,478	3.30%
1994-95	50,900	8,660	3.30%
1995-96	51,100	8,888	3.20%
1996-97	52,000	9,030	2.20%
1997-98	52,600	9,176	1.14%
1998-99	53,939	9,269	2.00%
1999-2000	55,206	9,588	1.00%

Sources: Weldon Cooper Center for Public Service
Fauquier County Schools

COUNTY OF FAUQUIER, VIRGINIA

PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN FISCAL YEARS

Table 10

Year	Residential Construction		Commercial Construction		Miscellaneous Construction		Bank Deposits		Real Property Value		
	Permits	Valuation	Permits	Valuation	Permits	Valuation	Permits	Residential	Commercial	Agriculture	Non-Taxable
1990-91	809	32,727,702	91	5,351,417	307	1,201,841	NA	2,064,195,231	292,401,720	784,101,240	276,333,300
1991-92	751	35,290,779	52	2,505,175	264	1,209,550	341,083,431	2,094,741,430	295,772,580	785,525,150	281,230,500
1992-93	787	40,883,822	66	1,827,332	221	976,600	368,648,743	2,106,242,550	31,698,540	785,857,290	283,181,000
1993-94	883	43,536,530	56	2,266,690	285	1,103,320	382,973,636	2,231,833,500	314,291,500	780,814,800	323,257,100
1994-95	936	43,108,067	65	2,455,884	350	1,326,446	397,537,418	2,275,945,100	329,053,300	774,313,700	330,210,100
1995-96	926	46,485,601	75	6,230,169	311	1,195,436	497,734,767	2,325,702,500	335,412,500	767,889,700	338,177,800
1996-97	900	54,648,607	83	7,274,205	403	1,927,505	592,624,595	2,370,193,400	342,954,200	762,746,800	347,251,700
1997-98	1,053	74,999,145	88	2,981,452	322	1,645,614	671,125,209	2,504,060,000	366,663,900	791,832,300	356,595,900
1998-99	1,186	81,599,656	115	23,668,418	283	1,479,231	742,903,332	2,575,571,000	370,544,400	804,429,800	363,892,100
1999-2000	1,215	91,718,862	99	3,648,699	354	1,474,250	788,298,114	2,656,247,900	387,275,800	808,032,100	371,632,000

Sources: Fauquier County Commissioner of the Revenue
Fauquier County Department of Community Development

COUNTY OF FAUQUIER, VIRGINIA

Table 11

PRINCIPAL TAXPAYERS
June 30, 2000

TAXPAYER/ TYPE OF BUSINESS	2000 Assessed Valuation	% of Total Assessed Valuation
Virginia Electric & Power Company Utilities	\$ 97,124,775	2.40%
Bell Atlantic - Virginia, Inc. Utilities	48,134,277	1.19%
Oak Springs Farm Farm	23,438,400	0.58%
Jefferson Associates LP Shopping Centers	23,107,000	0.57%
Northern Virginia Electric Co-op Utilities	17,098,410	0.44%
Rappahannock Electric Co-op Utilities	11,679,214	0.29%
Norfolk Southern Railway Company Utilities	11,313,050	0.28%
Colonial Pipeline Company Utilities	10,481,311	0.26%
Warrenton Development Company Shopping Center	9,613,500	0.24%
Kimmaron Corporation Conference Center, Farm	8,729,400	0.22%
Total	\$ 261,529,337	6.47%

Source: Fauquier County Commissioner of the Revenue

COUNTY OF FAUQUIER, VIRGINIA

Table 12

**Miscellaneous Statistics
At June 30, 2000**

Date of Organization	1759
Form of Government	Five member Board of Supervisors County Administrator
Area (square miles)	660
Public Safety	
Fire and Rescue Companies	13
Career Firefighters	9
Volunteer Firefighters	467
Sheriff's Office employees	109
Education	
Schools	17
Number of Students	9,588
Recreation and Culture	
Number of Parks and Recreation Facilities	22
Number of Libraries	3
Number of Volumes	139,609
Employees at June 30	
General Government (excludes Sheriff)	436
School Division (includes teachers)	1,699

County of Fauquier, Virginia
Statement of Net Assets
June 30, 2000

Table 13

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 27,650,888	\$ 444,502	\$ 28,095,390	\$ 177,328
Investments	9,918,797		9,918,797	
Receivables(net)	7,924,412	197,645	8,122,057	7,837,719
Internal balances			-	
Inventories	174,200		174,200	
Bond issuance cost, net		58,529	58,529	
Security deposit	5,380		5,380	
Others		43,333	43,333	
Capital assets.net	20,064,864	9,293,302	29,358,166	79,496,999
Total assets	<u>65,738,541</u>	<u>10,037,311</u>	<u>75,775,852</u>	<u>87,512,046</u>
LIABILITIES				
Accounts Payable	9,950,362	190,090	10,140,452	8,062,018
Deferred revenue	4,661,208		4,661,208	
Landfill closure and postclosure costs		2,912,012	2,912,012	
Long-term liabilities			-	
Due within one year	335,273	260,000	595,273	3,487,500
Due in more than one year	4,666,528	3,473,925	8,140,453	39,932,447
Total liabilities	<u>19,613,371</u>	<u>6,836,027</u>	<u>26,449,398</u>	<u>51,481,965</u>
NET ASSETS				
Invested in capital assets, net of related debt	24,184,598		24,184,598	66,162,758
Restricted for:			-	
Capital project	14,429,042		14,429,042	
Debt service			-	
Community development projects			-	
Other purpose	1,535,167		1,535,167	
Unrestricted (deficit)	5,976,363	3,201,284	9,177,647	(30,132,677)
Total net asset	<u>\$ 46,125,170</u>	<u>\$ 3,201,284</u>	<u>\$ 49,326,454</u>	<u>\$ 36,030,081</u>

County of Fauquier, Virginia
Statement of Activities
Year Ended June 30, 2000

Table 14

Functions/Programs Primary Government:	Net(Expenses) Revenue and Changes in Net Assets						Component Unit
	Program Revenue		Primary Government		Business-Types		
	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Types Activities	Total	
Governmental Activities:							
General Government	\$ 6,384,258	\$ 235,590	\$ 1,173,067	\$ (4,975,601)	\$	\$ (4,975,601)	\$
Judicial administration	2,242,451	402,238	1,000,393	(839,820)		(839,820)	
Public Safety	11,592,966	126,043	3,875,229	(7,591,694)		(7,591,694)	
Public works	3,808,739			(3,808,739)		(3,808,739)	
Health and welfare	4,726,546	199	2,854,880	(1,871,467)		(1,871,467)	
Culture and recreation	2,712,912	251,349	237,591	(2,223,972)		(2,223,972)	
Community development	3,750,168	732,052		(3,018,116)		(3,018,116)	
Non-departmental	480,747	507,071		26,324		26,324	
Capital projects	7,190,220			(7,190,220)		(7,190,220)	
Education	45,073,417			(45,073,417)		(45,073,417)	
Interest on long-term debt	147,072			(147,072)		(147,072)	
Total governmental activities	88,109,496	2,254,542	9,141,160	(76,713,794)		(76,713,794)	
Business-type activities:							
Landfill	2,092,131	2,142,030			49,899	49,899	
Airport	47,517		1,125		854,291	854,291	
Total business-type activities	2,139,648	2,142,030	1,125		904,190	904,190	
Total primary government	90,249,144	4,396,572	9,142,285	(76,713,794)	904,190	(75,809,604)	
Component unit:							
Public school	71,051,162	2,321,825	25,637,163				\$ (43,092,174)
Total component unit	71,051,162	2,321,825	25,637,163				\$ (43,092,174)
General revenues:							
Taxes							
Property taxes, levied for general purpose				72,409,738		72,409,738	
Property taxes, levied for fire and rescue purpose				2,280,774		2,280,774	
Payment to school system							45,073,417
Grants and contributions not restricted to specific programs							
Investment earnings				2,294,315	74,239	2,368,554	9,675
Miscellaneous				51,380	42,886	94,266	57,246
Proceeds from debt issuance							3,500,000
Transfers				5,233,378	34,382	5,267,760	(5,267,760)
Total general revenues, special items, and transfers				82,269,585	151,507	82,421,092	43,372,578
Change in net assets				5,555,791	1,055,697	6,611,488	280,404
Net assets - beginning				40,569,379	2,145,587	42,714,966	35,749,677
Net assets - ending				46,125,170	3,201,284	49,326,454	36,030,081



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COUNTY OF FAUQUIER, VIRGINIA

FEDERAL ASSISTANCE

Schedule of Findings and Questioned Costs
Year Ended June 30, 1999

<u>Program</u>	<u>Findings</u>	<u>Questioned Costs</u>
None	None	None

COUNTY OF FAUQUIER, VIRGINIA

Summary of Compliance Matters

As more fully described in the Independent Auditors' Report on Compliance, we performed tests of the County's compliance with certain provisions of the laws, regulations, contracts, and grants shown below.

STATE COMPLIANCE MATTERS

Code of Virginia:

Budget and Appropriation Laws
Cash and Investment Laws
Conflicts of Interest Act
Local Retirement Systems
Debt Provisions
Procurement Laws
Uniform Disposition of Unclaimed Property Act

State Agency Requirements:

Education
Social Services

FEDERAL COMPLIANCE MATTERS

Compliance Supplement for Single Audits of State and Local Governments

Food Stamps

Eligibility
Reporting
Special tests, relating to food stamps

Social Services Block Grant

Types of services allowed or unallowed
Eligibility
Matching
Reporting

General Administration for Financial Assistance Services

Reporting

School Lunch
Types of services allowed or unallowed
Eligibility
Matching, level of effort

Chapter 1
Types of services allowed or unallowed
Eligibility
Matching, level of effort
Special tests and provisions

Title V1-B
Types of services allowed or unallowed
Eligibility
Matching, level of effort
Special tests and provisions

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER
FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**TO THE BOARD OF SUPERVISORS
COUNTY OF FAUQUIER
WARRENTON, VIRGINIA**

We have audited the financial statements of the County of Fauquier, Virginia as of and for the year ended June 30, 2000, and have issued our report thereon dated October 20, 2000. We conducted our audit in accordance with generally accepted auditing standards; *Specifications for Audits of Counties, Cities and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the County of Fauquier, Virginia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the County of Fauquier, Virginia's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

However, we noted other matters involving the internal control over financial reporting that we have reported to management in a separate letter dated October 20, 2000.

This report is intended solely for the information and use of the Board of Supervisors, management, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Robinson, Tamun, Cox Associates

Charlottesville, Virginia

October 20, 2000

ROBINSON, FARMER, COX ASSOCIATES

CERTIFIED PUBLIC ACCOUNTANTS

A PROFESSIONAL LIMITED LIABILITY COMPANY

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

**TO THE BOARD OF SUPERVISORS
COUNTY OF FAUQUIER
WARRENTON, VIRGINIA**

Compliance

We have audited the compliance of the County of Fauquier, Virginia with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2000. The County of Fauquier, Virginia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the County of Fauquier, Virginia's management. Our responsibility is to express an opinion on the County of Fauquier, Virginia's compliance based on our audit.

We conducted our audit of compliance in accordance with generally accepted auditing standards; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the County of Fauquier, Virginia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the County of Fauquier, Virginia's compliance with those requirements.

In our opinion, the County of Fauquier, Virginia complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2000.

Internal Control Over Compliance

The management of the County of Fauquier, Virginia is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the County of Fauquier, Virginia's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Supervisors, management, others within the organization, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Robinson Tammy Cox Associates

Charlottesville, Virginia

October 20, 2000

COUNTY OF FAUQUIER, VIRGINIA

**Schedule of Expenditures of Federal Awards - Primary Government and Discretely Presented Component Unit
Year Ended June 30, 2000**

<u>Federal Granting Agency / Recipient State Agency/ Grant Program / Grant Number</u>	<u>Federal Catalog Number</u>	<u>Expenditures</u>
Primary Government:		
<u>DEPARTMENT OF FEDERAL AVIATION ADMINISTRATION</u>		
<u>Direct payments:</u>		
Airport Improvement Program	* 20.106	\$ <u>754,282</u>
<u>ENVIRONMENTAL PROTECTION AGENCY:</u>		
<u>Pass through payments:</u>		
Virginia Department of Agriculture and Consumer Services		
Plant pest and disease control	66.605	\$ <u>4,500</u>
<u>U. S. DEPARTMENT OF TRANSPORTATION / DEPARTMENT OF MOTOR VEHICLES:</u>		
<u>Pass through payments:</u>		
Alcohol Traffic Safety Incentive	20.601	\$ <u>31,634</u>
<u>DEPARTMENT OF EDUCATION:</u>		
<u>Pass through payments:</u>		
The Library of Virginia		
Public library construction and technology enhancement	84.154	\$ <u>8,626</u>
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES:</u>		
<u>Pass through payments:</u>		
Virginia Department of Social Services:		
Social services block grant	* 93.667	\$ 421,243
Daycare	* 93.667	326,577
Foster care	93.658	81,779
Employment services	93.569	156,134
General administration for financial assistance services	93.000	<u>298,181</u>
Total Department of Health and Human Services		\$ <u>1,283,914</u>
<u>DEPARTMENT OF JUSTICE:</u>		
<u>Direct payments:</u>		
Cops fast grant	16.000	\$ 1,391
<u>Pass through payments:</u>		
Department of Criminal Justice Services:		
Crime Victim Assistance	16.575	6,619
Criminal justice grant	16.000	45,715
Violence against women	16.588	36,986
Police Assisted Community Drug Enforcement Program	16.580	<u>39,881</u>
Total Department of Justice		\$ <u>130,592</u>
Total Primary Government		\$ <u>2,213,548</u>

COUNTY OF FAUQUIER, VIRGINIA

Schedule of Expenditures of Federal Awards - Primary Government and Discretely Presented Component Unit
Year Ended June 30, 2000 (Continued)

<u>Federal Grantor/State Pass - Through Grantor/ Program Title (Pass - Through Grantor's Number)</u>	<u>Federal Catalog Number</u>	<u>Expenditures</u>
Component Unit - School Board:		
<u>DEPARTMENT OF AGRICULTURE:</u>		
<u>Pass through payments:</u>		
Department of Agriculture and Consumer Services:		
Food distribution	10.555	\$ 160,170
Department of Education:		
National school breakfast program	* 10.553	84,619
National school lunch program	* 10.555	475,438
		<u>475,438</u>
Total Department of Agriculture		\$ <u>720,227</u>
<u>DEPARTMENT OF LABOR:</u>		
<u>Direct payments:</u>		
ROTC Instruction	17.000	\$ <u>32,204</u>
<u>DEPARTMENT OF EDUCATION:</u>		
<u>Pass Through Payments:</u>		
Department of Education:		
Education Consolidation and Improvement Act of 1981:		
Adult education state-administered program	84.002	\$ 44,000
Chapter I:		
Financial assistance to meet special educational needs of disadvantaged children - programs operated by local education agencies	84.010	401,868
Chapter II:		
Improving school program - state block grant	84.151	134,229
Title VI-B:		
Handicapped - state grants	84.027	989,462
Literacy challenge grant	84.318	53,912
Education grant	84.000	20,909
Title II	84.298	46,182
Drug free schools and communities	84.186	75,567
		<u>75,567</u>
Total Department of Education		\$ <u>1,766,129</u>
Total Component Unit School Board		\$ <u>2,518,560</u>
Total Federal Assistance Reporting Entity		\$ <u>4,732,108</u>

* Indicates major program

COUNTY OF FAUQUIER, VIRGINIA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2000

Section I—Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

- Material weaknesses identified? Yes X No
- Reportable conditions identified that are not considered to be material weaknesses? Yes X none reported

Noncompliance material to financial statements noted? Yes X No

Federal Awards

Internal control over major programs:

- Material weaknesses identified? Yes X No
- Reportable conditions identified that are not considered to be material weaknesses? Yes X No

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? Yes X No

Identification of major programs:

<u>CDFA Numbers</u>	<u>Name of Federal Program or Cluster</u>
20.106	Airport Improvement Program
10.553	Nutrition Cluster - School Breakfast Program
10.555	Nutrition Cluster - National School Lunch Program
93.667	Social Services Block Grant

Dollar threshold used to distinguish between type A and type B programs: \$300,000

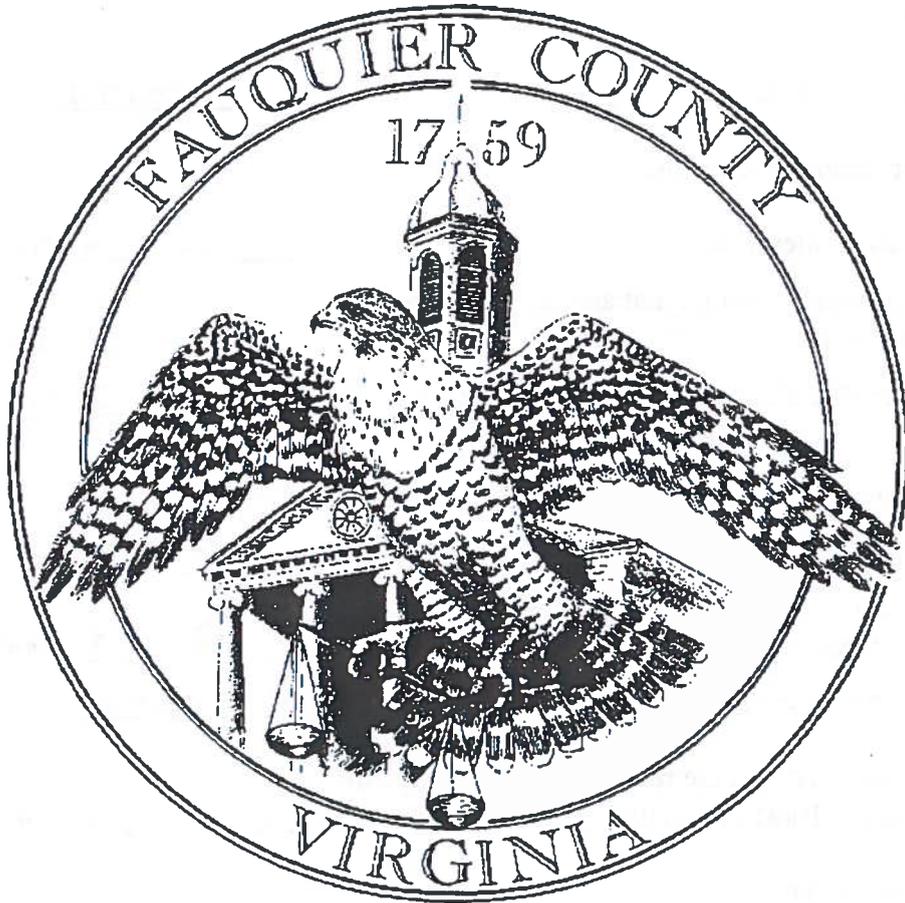
Auditee qualified as low-risk auditee? X Yes No

Section II—Financial Statement Findings

There are no financial statement findings to report.

Section III—Federal Award Findings and Questioned Costs

There are no federal award findings and questioned costs to report.



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