

Fauquier County FY 2017-2018 Proposed Budget

Budget-in Brief

Budget Overview

The FY 2017 budget process continues the two-year budget cycle implemented by the Board of Supervisors with the FY 2015 budget. While the proposed biennial budget includes budgets for both FY 2017 and FY 2018, the Board of Supervisors may, legally, only adopt a final budget and tax rates for FY 2017 and Tax Year 2016. The draft FY 2018 budget and tax rates for 2017 may only be finally adopted next year through the same statutorily mandated process for adopting budgets and tax rates.

While the County's economy continues to experience positive growth, unemployment in Fauquier County has remained relatively steady over the past two years, dropping from 3.8% in December 2014 to 3.3% in December 2015. In comparison to the state and nation, the County's unemployment rate trends slightly below the State at 3.9% and significantly below the nation at 4.8% in December 2015. In addition, residential foreclosures have had limited impacts on land transactions in the past 12-18 months with a high of 339 filings in 2008 to 79 in 2015.

Over the past several budget cycles, the revenue growth limited the Board of Supervisors' ability to fund additional requests other than those that had an impact on the provision of core services such as public safety. Base funding requirements have further limited the availability of those additional revenues, causing resources to be focused on the continued delivery of services and mitigation of possible service delivery failures. In addition, with a reprieve on capital projects and asset replacement purchases during the recession, the County has once again begun to address these capital and asset replacement needs and priorities.

The FY 2017 budget totals \$286.6 million and proposes to increase the overall real estate tax rate from \$0.999 per \$100 of assessed value to \$1.032 per \$100 of assessed value. The proposed \$0.033 real property tax increase is a \$0.025 increase in the general real estate tax rate and an increase of \$0.008 in the Fire and Rescue tax levy. Under the proposed FY 2017 budget the average homeowner's real estate tax bill would increase approximately \$106 per year based on an average residential assessment of \$321,300. The FY 2018 proposed budget anticipates a two-cent increase in the overall real estate tax to fund an increase in direct local support to the School Division and additional staffing for fire and rescue and the Sheriff's Office.

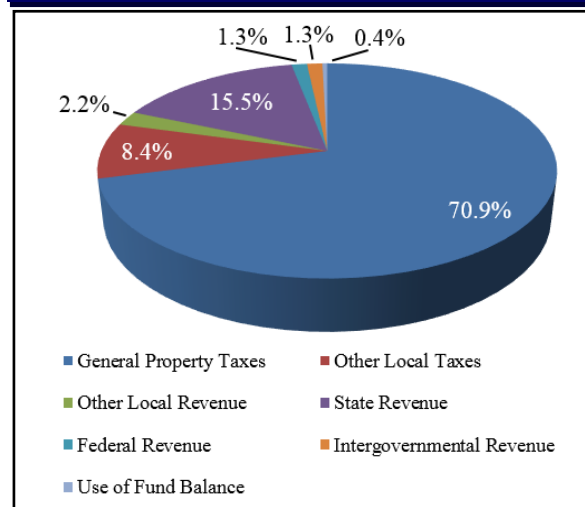
Expenditures

The FY 2017 proposed budget totals \$286.6 million with General Fund expenditures totaling \$176.6 million, an overall decrease of \$10.5 million due to capital project budget and timelines and an increase in local tax funding of \$5.3 million or 3.4%. The FY 2017 proposed budget also includes an additional 13.53 FTE, of which 4.0 FTE are for career fire and rescue staffing and 4.0 FTE are for the Sheriff's Office patrol division. The FY 2018 proposed budget totals \$316.01 million with General Fund expenditures totaling \$180.05 million, an overall increase of \$29.4 million primarily due to capital project budgets and timelines and an increase in local tax funding of \$3.3 million or 2.0% over the FY 2017 proposed budget. The FY 2018 proposed budget also includes an additional 11.0 FTE of which, similar to the FY 2017 proposed budget, 8.0 FTE are for the career fire and rescue and Sheriff's Office patrol staffing.

Revenue

In comparison to FY 2016, General Fund revenue is projected to increase by approximately \$5.3 million in FY 2017, with the most significant increases occurring in the proposed real estate tax increase to fund increases in fire and rescue, the Sheriff's Office, and local support to the School Division. FY 2018 General Fund revenue is projected to increase by \$3.4 million, with a two-cent increase in the overall real estate tax rate.

FY 2017 Revenue Sources



Tax Rate Comparison

		Tax Year 2015 Adopted Rate	Tax Year 2016 Proposed Rate ¹
Real Estate	General	\$0.948	\$0.973
	Fire & Rescue	\$0.045	\$0.053
	Conservation Easement Service District	\$0.006	\$0.006
Personal Property	Personal	\$4.65	\$4.65
	Business	\$2.30	\$2.30
Stormwater Management Fee ²		\$13.64	\$13.64

¹The County Administrator will advertise an overall real estate tax rate for Tax Year 2016 of \$1.179 to allow the Board of Supervisors the utmost flexibility when considering the proposed budget.

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

	Tax Year 2015	Tax Year 2016	Difference
Value ¹	\$321,300	\$321,300	\$0
Tax Bill	\$3,223	\$3,329 ²	\$106

¹Tax Year 2015 is not a reassessment year.

²Proposed tax bill.

Capital Improvement Program

The proposed Capital Improvement Program, which includes projects for the FY 2017-2021 planning period, was submitted to the Board of Supervisors and the Planning Commission on January 28, 2016. The proposed plan totals \$85.2 million over the five-year planning period. Of this amount, \$15.9 million would be allocated for public safety and fire and rescue projects, \$6.0 million for the development of joint-use facilities by the general government, School Division, and other organizations, \$1 million for County/School office space solutions, \$10.25 million for library facilities, \$15.9 million for parks and recreational projects, \$9.4 million for environmental services projects, \$10.15 million for utility projects, \$1.6 million for Airport projects, and \$15.0 million for School Division projects.

FY 2017 Budget Calendar

Budget Public Hearing

Date	Time	Location
March 17	7:00 p.m.	Fauquier High School Auditorium 705 Waterloo Road Warrenton, VA

Budget Work Sessions

Date	Time	Location
March 3	2:00 p.m.	Warren Green Building 10 Hotel Street Warrenton, VA
March 8	4:00 p.m.	Warren Green Building 10 Hotel Street Warrenton, VA
March 10	4:00 p.m.	Warren Green Building 10 Hotel Street Warrenton, VA
March 15	6:00 p.m.	Warren Green Building 10 Hotel Street Warrenton, VA
March 17	2:00 p.m.	Warren Green Building 10 Hotel Street Warrenton, VA
March 28	6:00 p.m.	Warren Green Building 10 Hotel Street Warrenton, VA
March 31	6:00 p.m.	Warren Green Building 10 Hotel Street Warrenton, VA

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

For More Information

The Board of Supervisors will conduct its evaluation of the Proposed Budget in March, with budget adoption scheduled for March 31, 2016. Members of the public are invited to speak at the Board of Supervisors' public hearing or submit their comments by e-mail to: bos@fauquiercounty.gov. The FY 2017-2018 Proposed Budget is also available in the following locations:

- Fauquier County Office of Management & Budget website
- All Fauquier County Libraries
- County Administrator's Office

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