

The Value of Economic Development

Chamber of Commerce Event

August 20, 2024



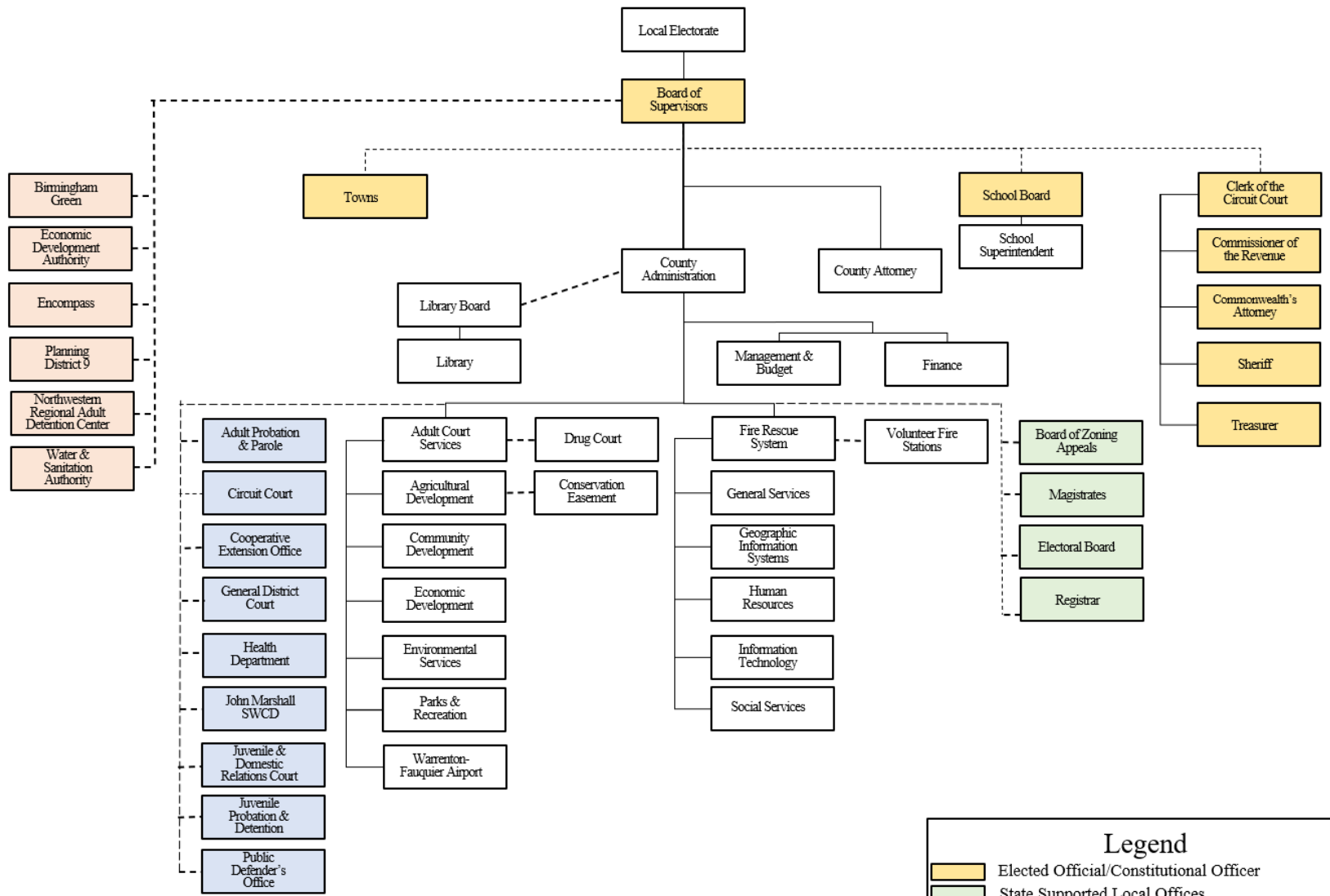
KEVIN CARTER, CENTER DISTRICT SUPERVISOR AND VICE CHAIR
JANELLE DOWNES, COUNTY ADMINISTRATOR
MALLORY STRIBLING, DEPUTY COUNTY ADMINISTRATOR
ERIC MAYBACH, COMMISSIONER OF REVENUE
HOLLY MEADE, COMMUNITY DEVELOPMENT DIRECTOR
DOUG PARSONS, ECONOMIC DEVELOPMENT DIRECTOR

Board of Supervisors



January 1, 2024 - December 31, 2027

*Standing (L-R): Regan Washer, Marshall District; Ike Broaddus, Scott District; Daron Culbertson, Lee District; Kevin Carter, Center District; Rick Gerhardt, Cedar Run District
Seated (L-R): Renee Culbertson, Municipal Clerk; Janelle Downes, County Administrator; Tracy Gallehr, County Attorney*



Legend

- Elected Official/Constitutional Officer
- State Supported Local Offices
- State Offices
- Regional/Political Subdivisions with BOS appointees or County ownership
- Liaison/Coordinates with department

What is a budget?



The budget is the legal authorization, or appropriation of funds, to allow the use of funds



Changes in the budget require formal action, based on Board's approved levels of authorization



Budgets are typically organized by 1) Personnel, 2) Operating, and 3) Capital expenses



Typically, budgets are driven by the governing body's strategic plan or priorities

Revenue Considerations/Constraints



One-time revenue from **COVID-19 relief funding** is ending.



Interest rates remain high as the Federal Reserve works to address inflation.



Economists expect **cautious consumer spending**

Credit card debt has set a new record, surpassing \$1.14 trillion, a 5.8% increase since last year

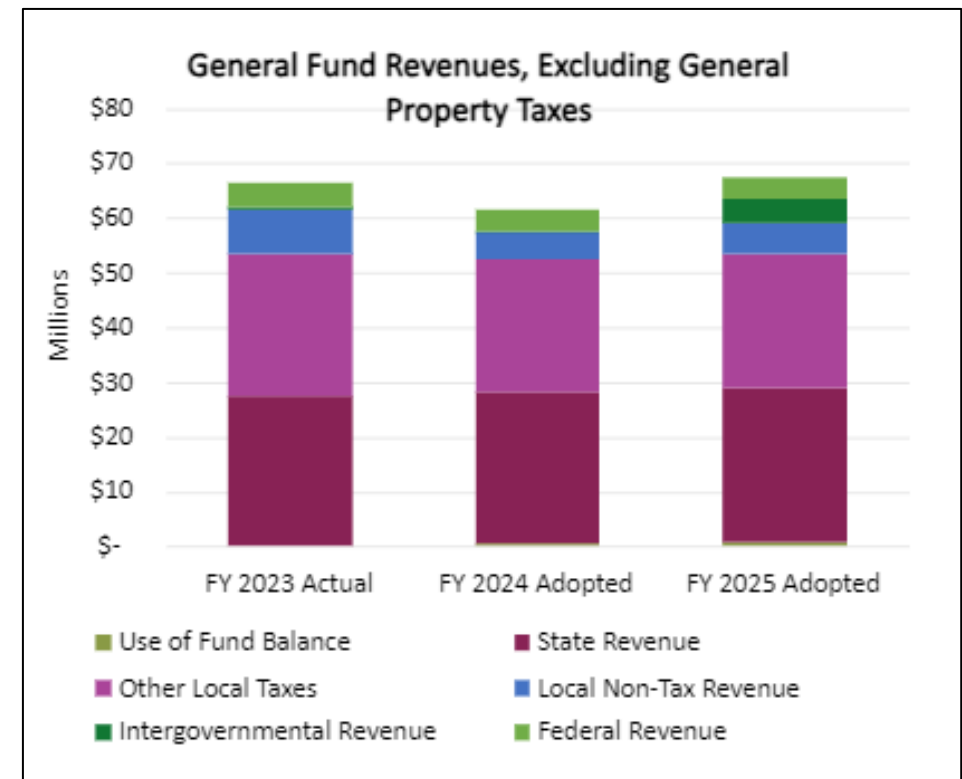
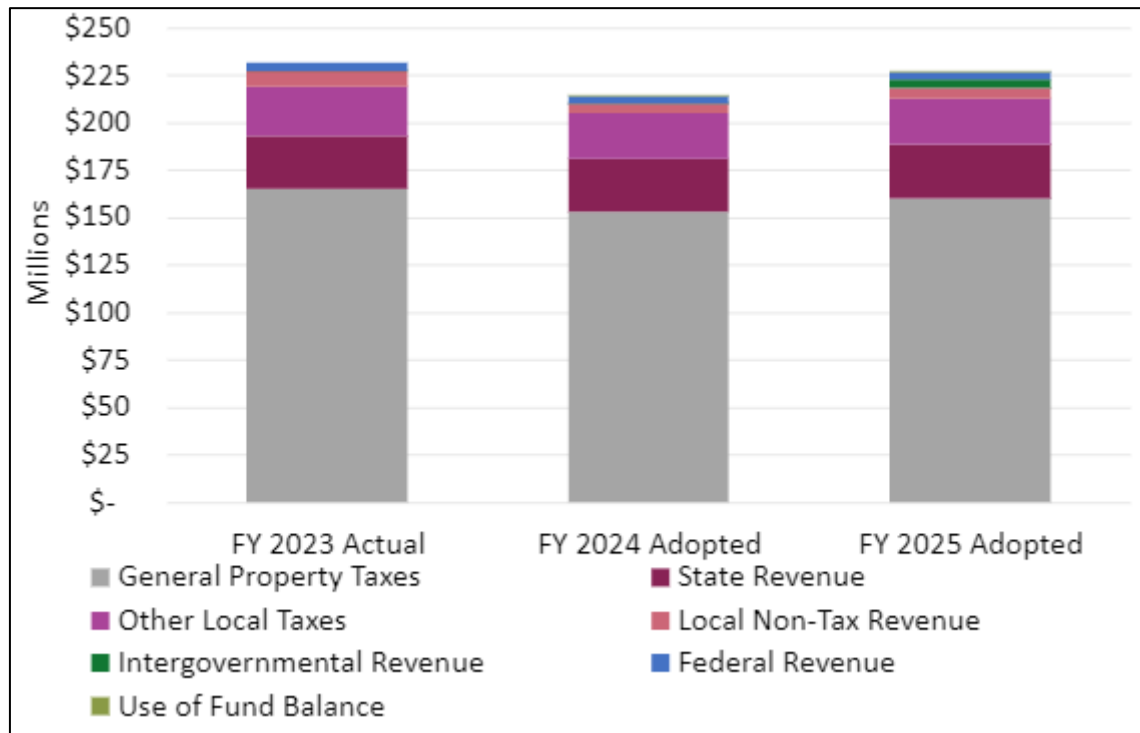


The County's next reassessment isn't until FY 2027, and goes into effect Tax Year 2026.

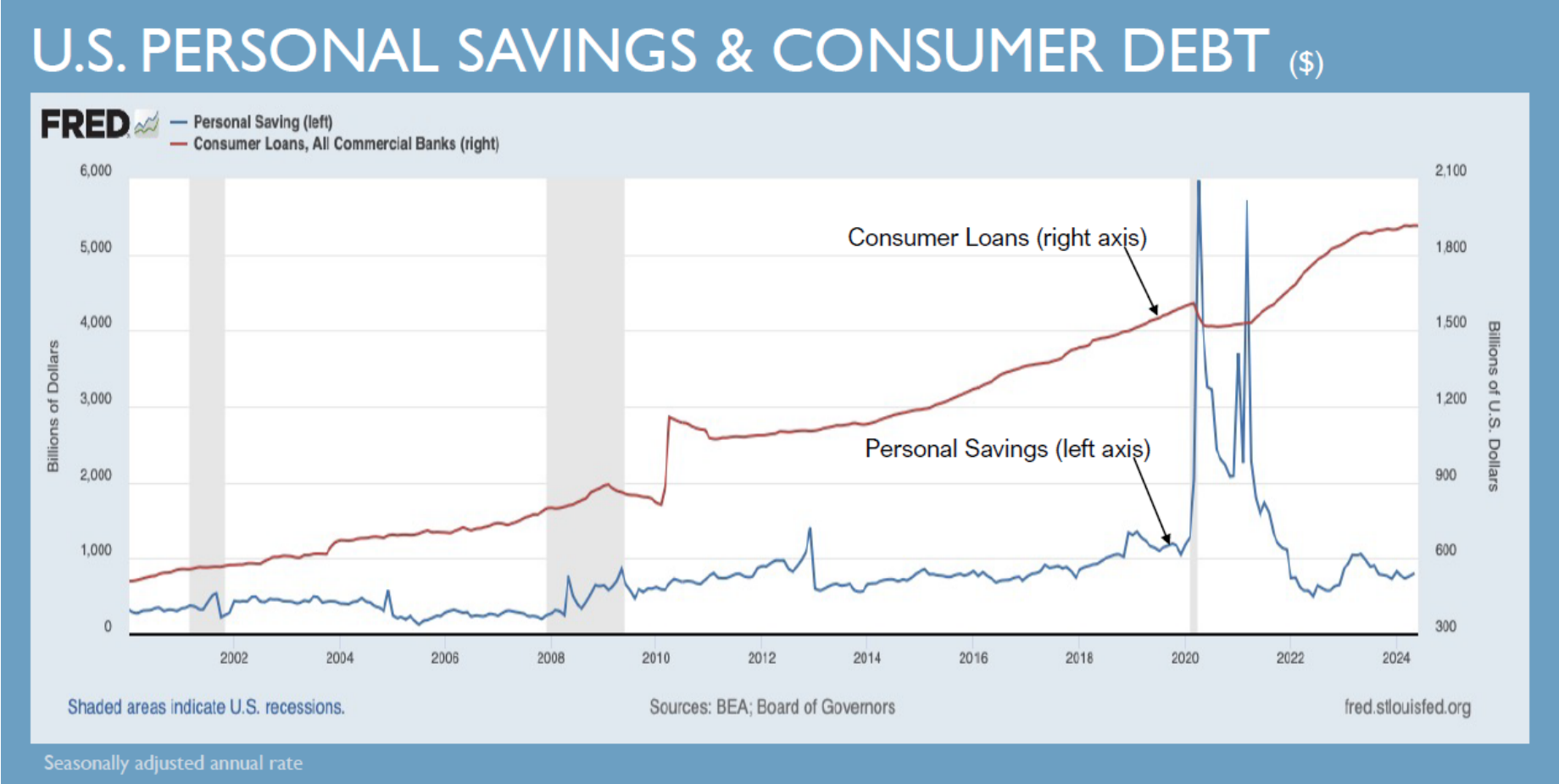


Fauquier's value of a penny: For every \$1.5 million in expenditure increases, this equates to a 1-cent/penny increase on the tax rate. A penny is equal to ~\$47/year for the average homeowner.

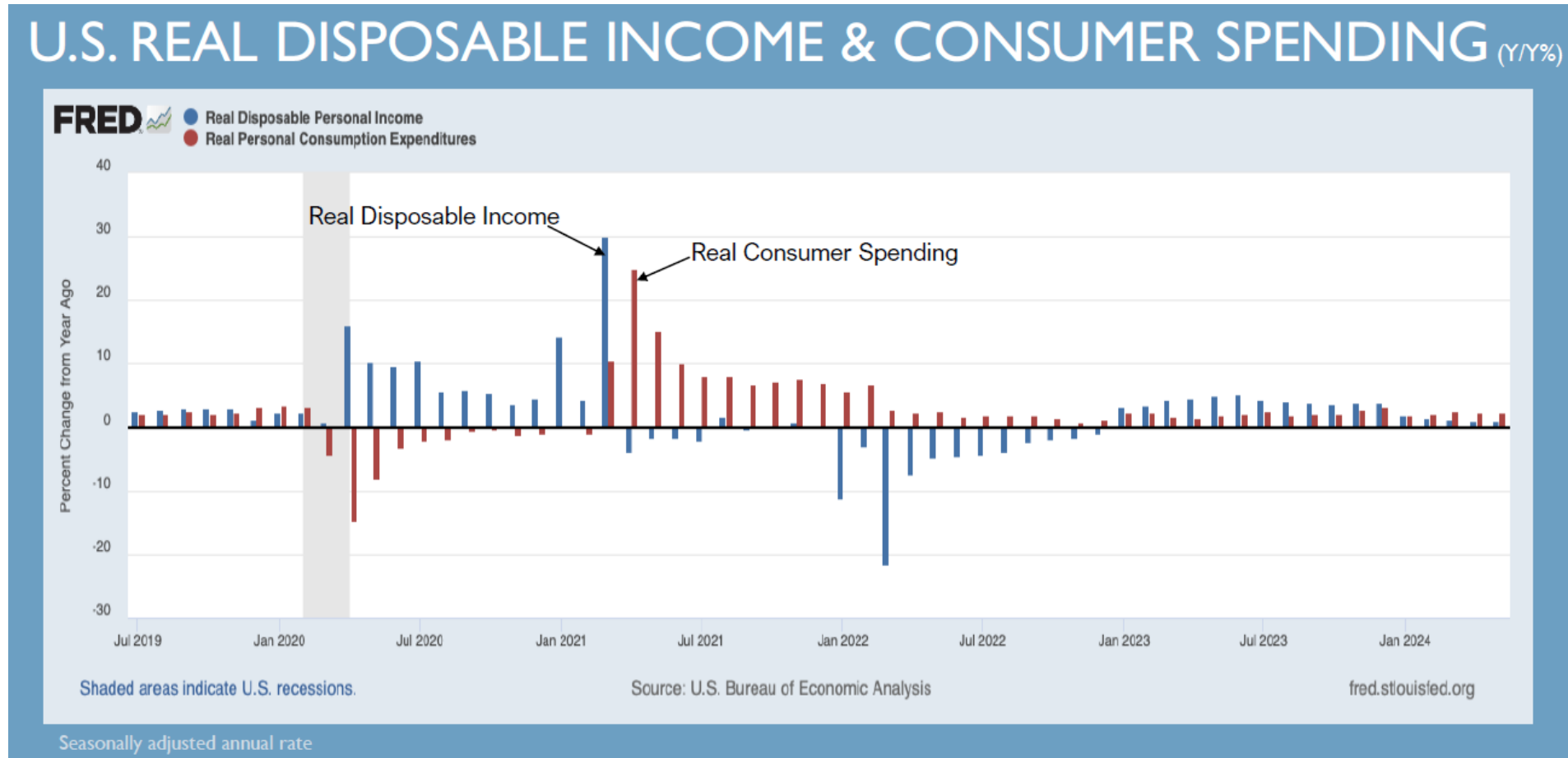
General Fund Revenues



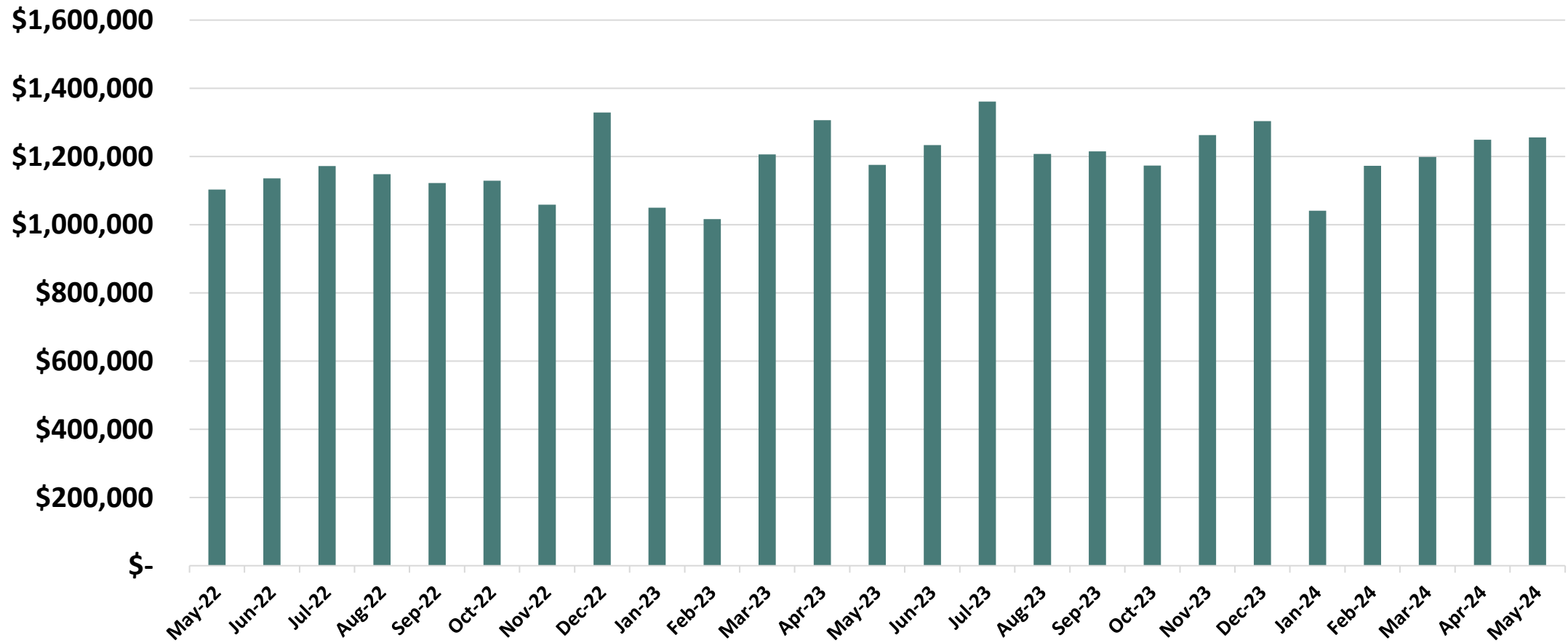
Personal Savings/Debt



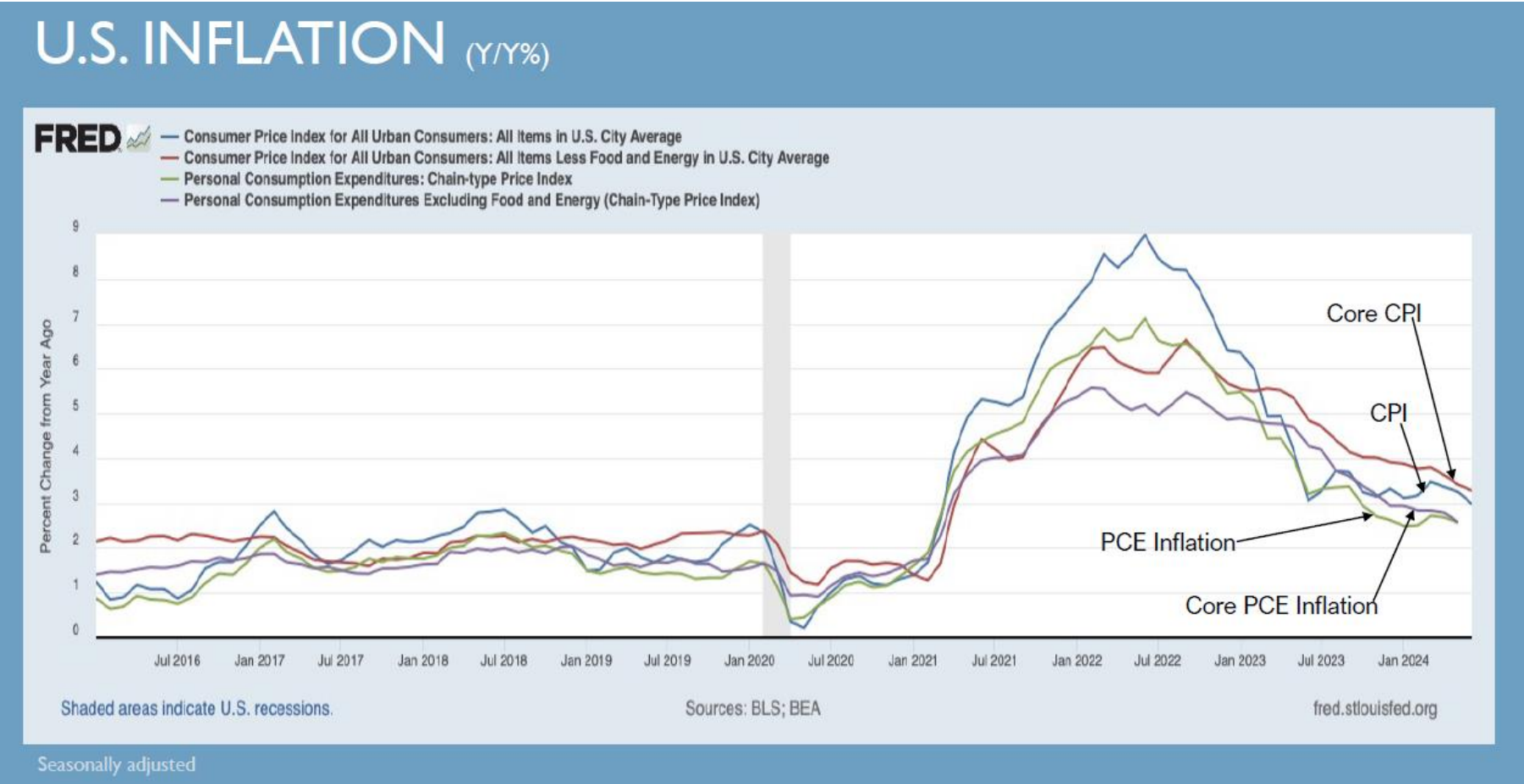
Consumer Spending



Fauquier Sales Tax Revenue



U.S. Inflation



Inflation Forecasts

Selected U.S. Economic Forecasts for 2024 – 2026 (annual % change)								
Organization	Actual U.S. Real GDP					Forecast U.S. Real GDP		
	2019	2020	2021	2022	2023	2024	2025	2026
Federal Open Market Committee (Federal Reserve), June 12, 2024	2.5%	-2.2%	5.8%	1.9%	2.5%	2.1%	2.0%	2.0%
National Association for Business Economics, May 20, 2024	2.5%	-2.2%	5.8%	1.9%	2.5%	2.4%	1.8%	
S&P Global, July 9, 2024	2.5%	-2.2%	5.8%	1.9%	2.5%	2.5%	1.7%	1.8%
Fitch Ratings, June 17, 2024	2.5%	-2.2%	5.8%	1.9%	2.5%	2.1%	1.5%	
Wells Fargo, U.S. Economic Outlook, July 12, 2024	2.5%	-2.2%	5.8%	1.9%	2.5%	2.3%	1.9%	
KPMG Economics, Economic Compass, June 10, 2024	2.5%	-2.2%	5.8%	1.9%	2.5%	2.3%	1.6%	
Conference Board, July 10, 2024	2.5%	-2.2%	5.8%	1.9%	2.5%	2.1%	1.6%	
University of Michigan, May 17, 2024	2.5%	-2.2%	5.8%	1.9%	2.5%	2.6%	2.1%	

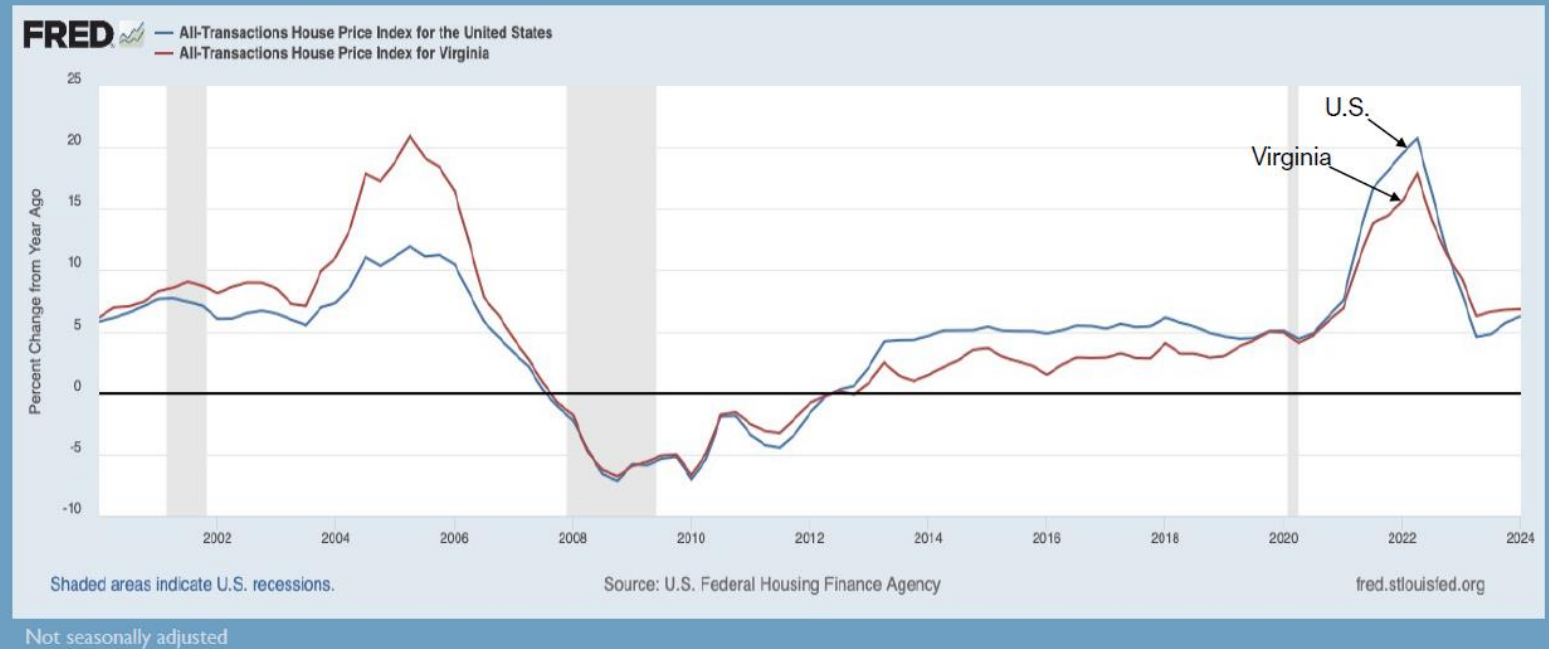
Home Price Rate of Growth

Real Estate Market:

While real estate transfers decreased from 2022 activity, the **Median Home Price** and **Average Sold Price of homes continues to increase** over the prior year in Fauquier.

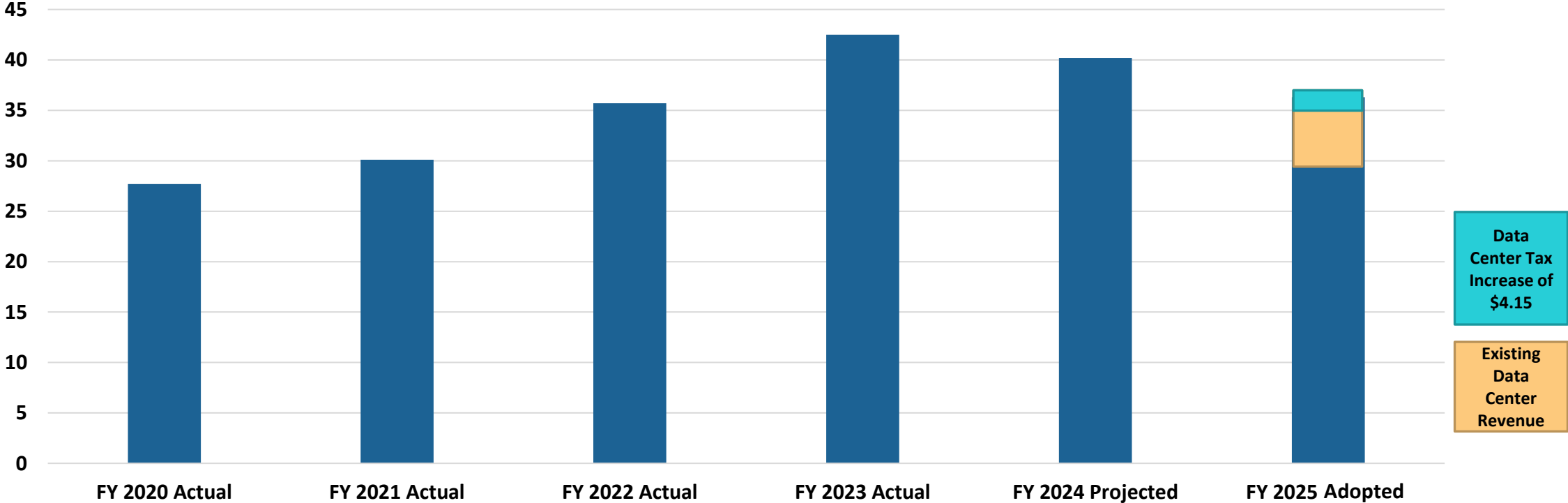
Average Days on Market also **remains steady**, despite high interest rates and average sales prices.

SINGLE FAMILY HOME PRICE RATE OF GROWTH: U.S. & VIRGINIA (Y/Y%, FHFA)



Personal Property History

FY 2020-2025 Personal Property in Fauquier County (in millions)



In FY 2023/TY 2022, the tax rate for business/machinery/tools increased from \$2.30 to \$3.45, and vehicles dropped from \$4.65 to \$3.45.

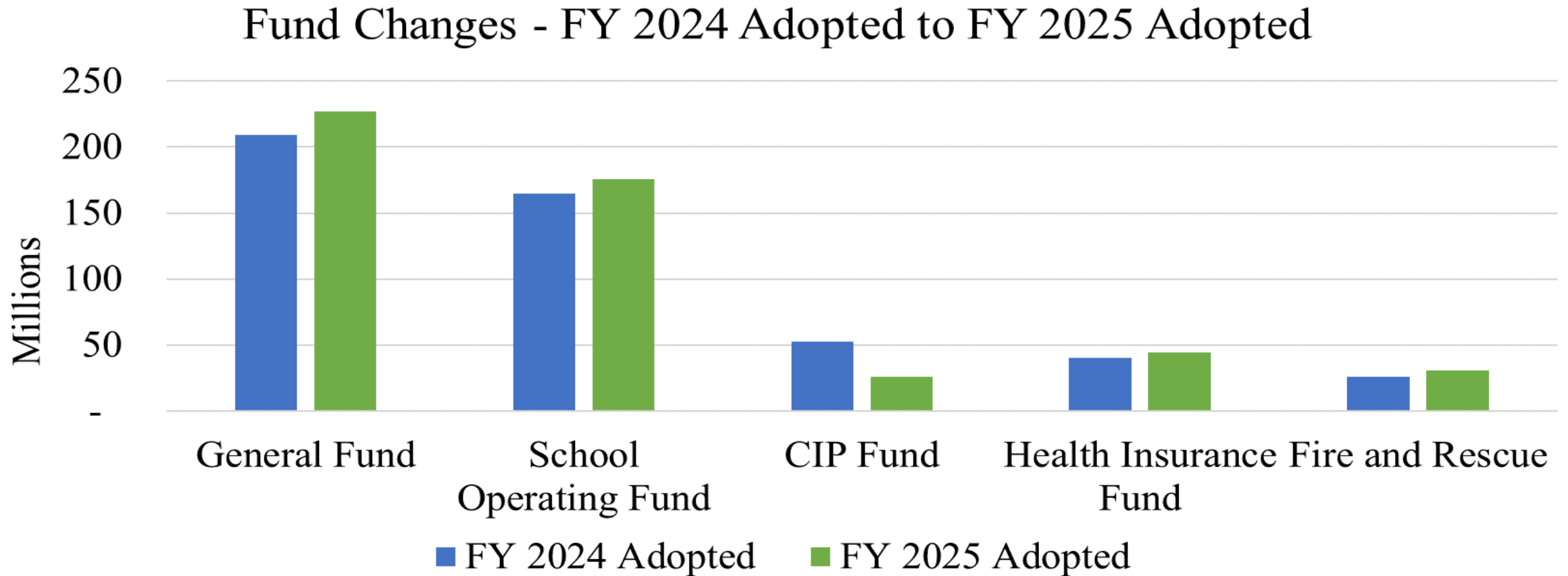
FY 2025 Adopted Tax Dollar Allocation*

School Division	52.78%
Public Safety	22.59%
General Government	7.85%
Public Works	5.74%
Culture	4.45%
Community Development	2.96%
Health & Welfare	2.71%
Judicial Administration	0.91%



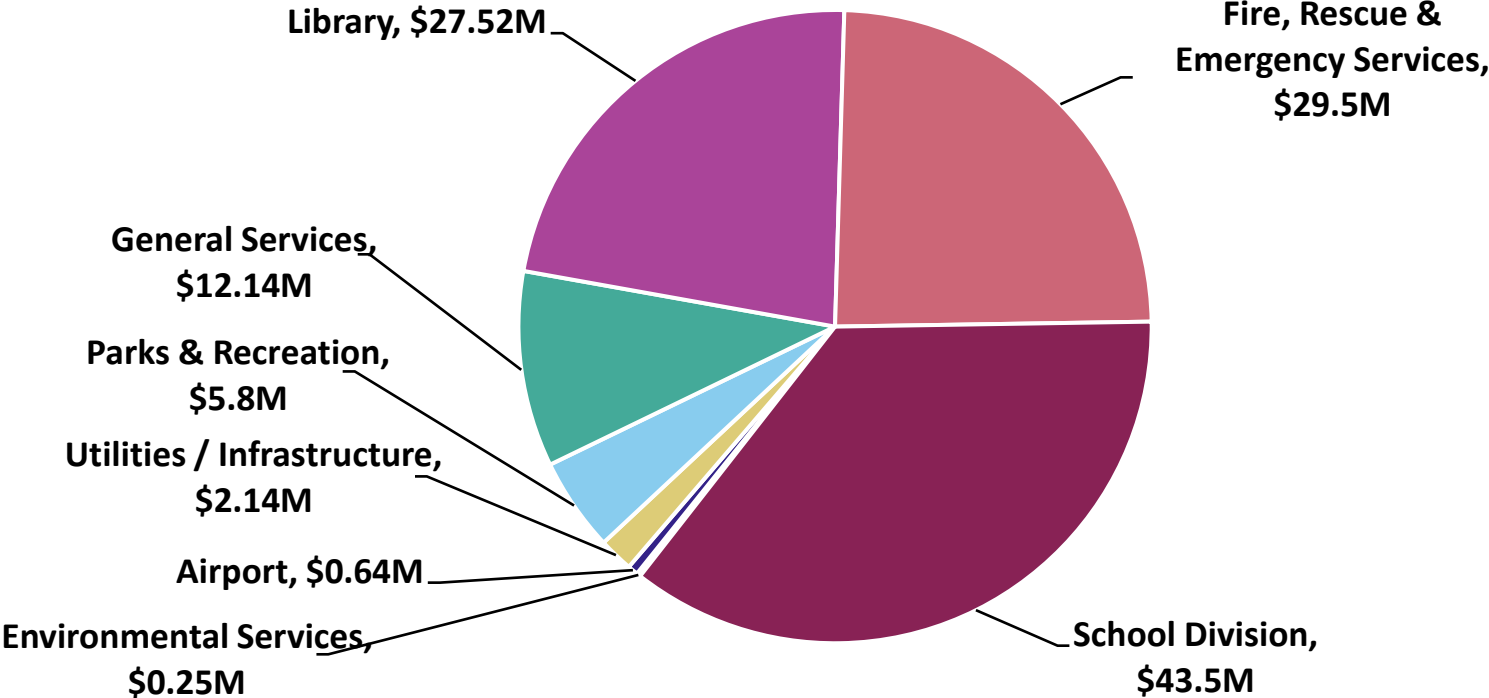
*Dollar bill allocation across all three levies

Top 5 Funds in \$ Amount



Capital Improvement Program

FY 2025-2029 CIP Projects



Note: Timing of debt drawdowns varies with this project schedule, as some FY 2024 projects have been delayed.

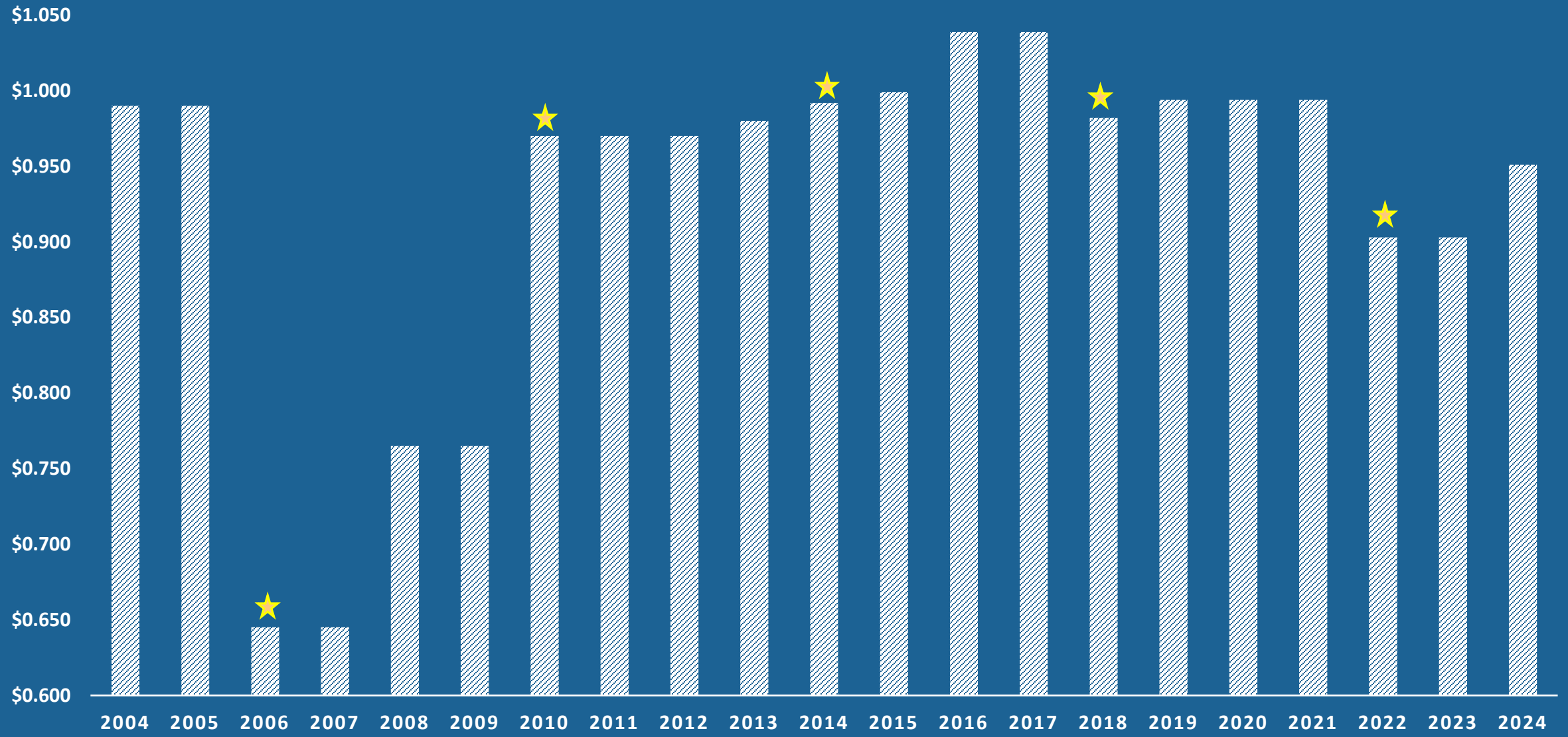
Reassessments

Reassessment is the process of determining the value of property or land for tax purposes. Reassessments are required by law to ensure that each property is valued fairly.

Fauquier County currently reassesses every four years and the work is contracted out.

Beginning in FY 2027, we will reassess every two years and this will be completed by the Commissioner of Revenue's staff.

FAUQUIER COUNTY REAL ESTATE TAX RATES PER \$100 OF ASSESSED VALUE



Community Development: Who We Are



Planning

- **Current Planning**
 - Special Exceptions / Special Permits
 - Rezoning
 - Comprehensive Plan Amendments
- **Long Range Planning**
 - Comprehensive Plan
 - Transportation
 - Historical Resources
 - Conservation Easements/Ag & Forestal Program



Zoning & Development Services

- **Zoning**
 - Ordinance Updates
 - Permits
 - Determinations / Appeals
 - Enforcement
 - Variances
- **Development Services**
 - Site & Construction Plans
 - Subdivision of Land
 - Stormwater and Erosion and Sediment Control

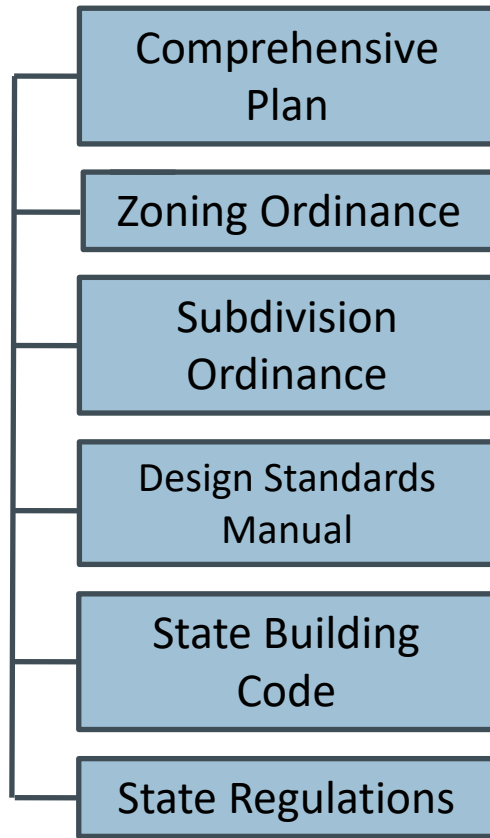


Building Permitting & Inspections

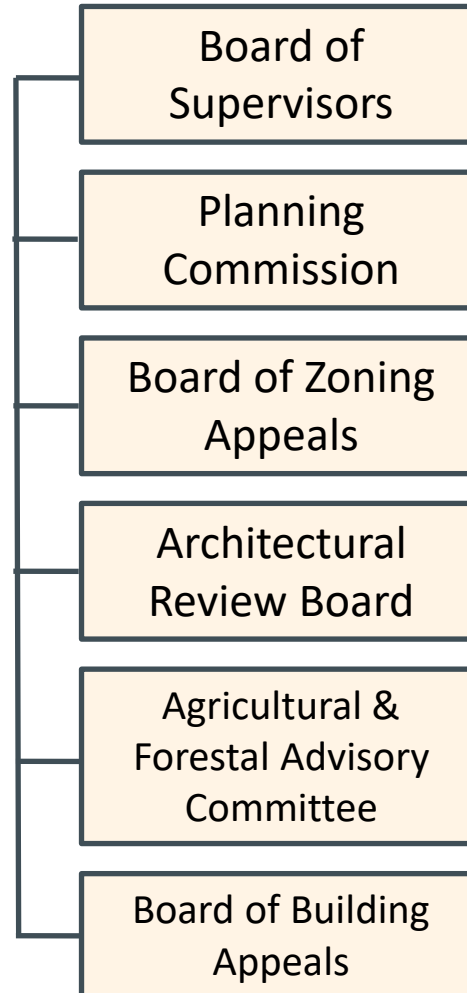
- **Plan Review & Permitting**
 - New Construction
 - Remodeling & Renovations
 - Issue Building Permits
- **Inspections**
 - Periodic and Final
- **Enforcement**
 - Complaint Evaluation

Community Development: What We Do

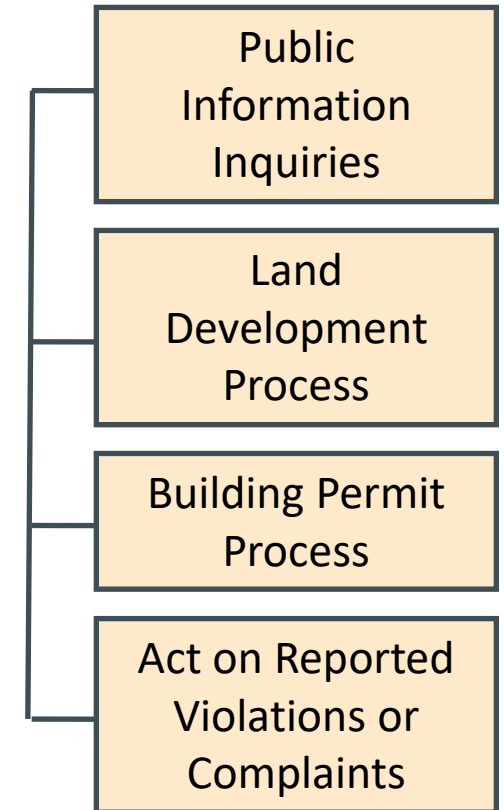
Planning & Implementation



Staff Support

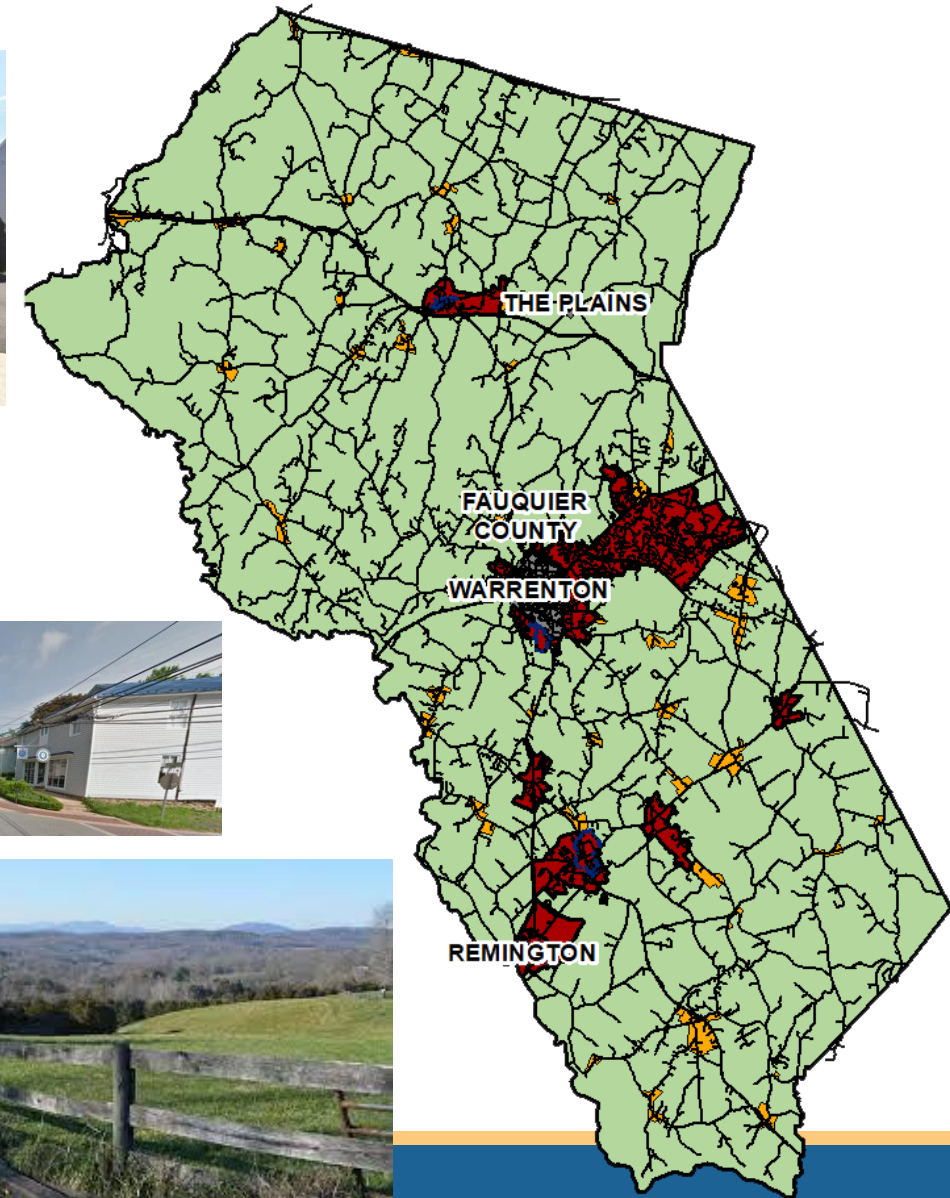


Citizen & Business Interaction



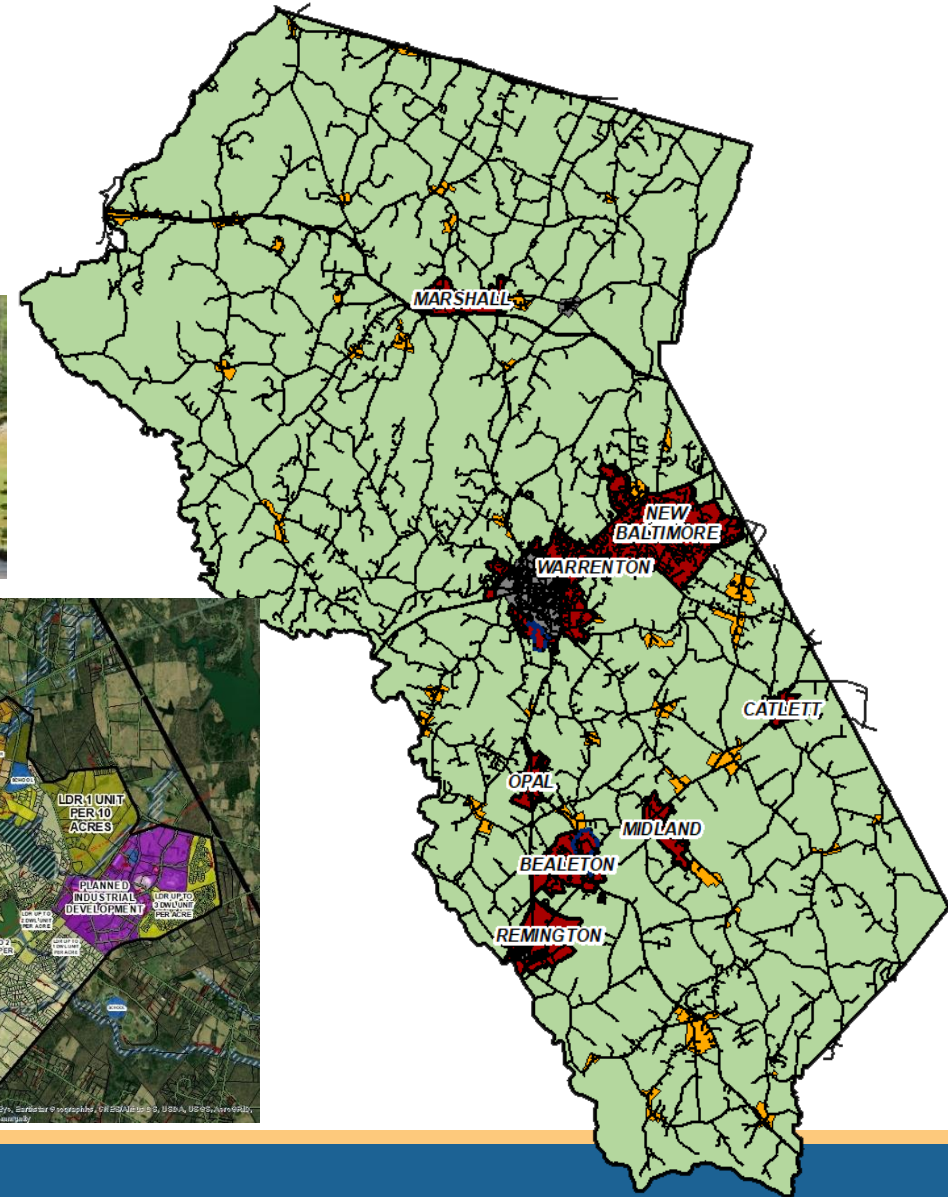
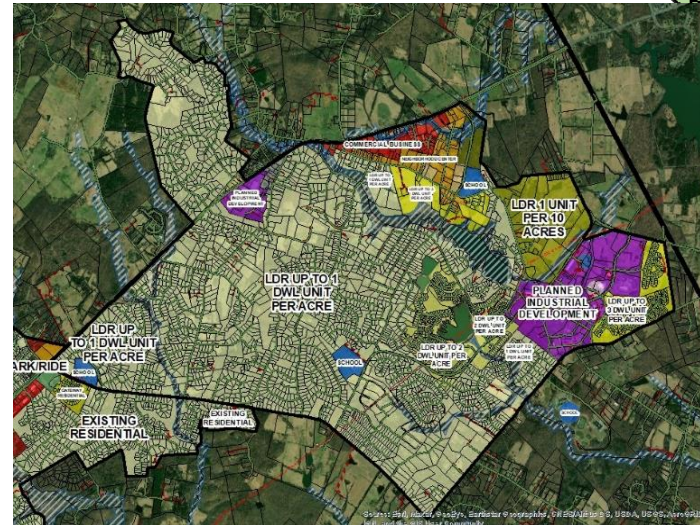
Comprehensive Plan: Land Use

- Direct Residential, Industrial & Commercial Development into Areas Planned for Growth & Preserve the Farmland & Open Space
- **Service Districts** - Designed to Accommodate The Highest Density Residential, Commercial, & Industrial Uses
- **Villages** - Limited & Smaller Scaled Mixtures of Residential, Commercial, & Service Land Uses.
- **Rural Lands** - Characterized by Agricultural Uses, Open Space, Wooded Tracts, & Mountains



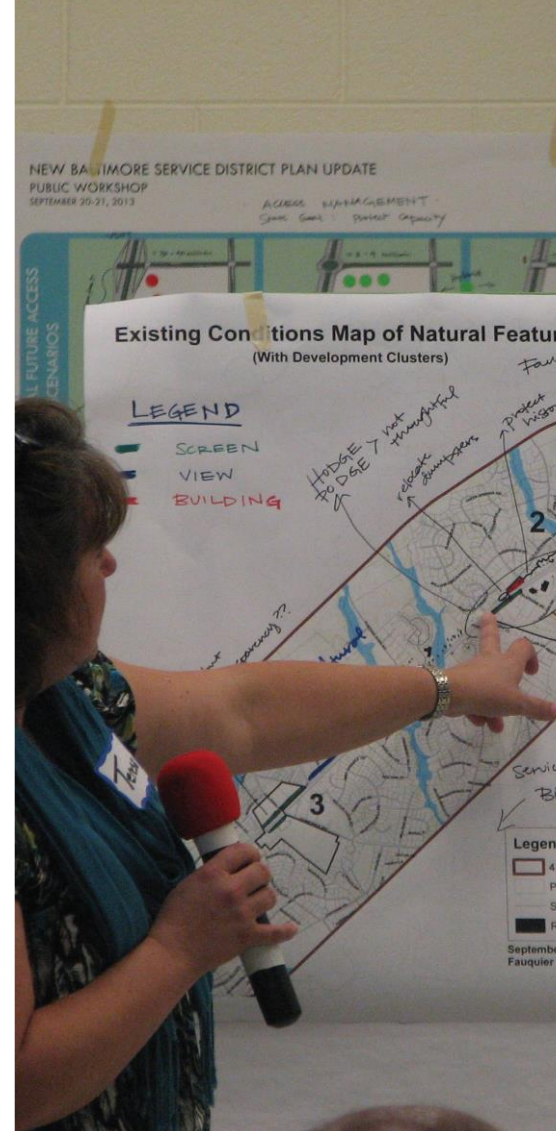
Comprehensive Plan: Service Districts

- **8 Service Districts** - Areas Designated for Future Growth
 - Bealeton, Catlett, Midland, Marshall, New Baltimore, Opal, Remington & Warrenton
 - Each has its Own Plan and Vision
- Served or Planned to be Served with Public Sewer & Water
- Urban Development Areas to Accommodate 10-20 years of Growth
 - Marshall, Bealeton & Warrenton



Legislative Applications

- Zoning Ordinance Text Amendments
 - BOS or PC Initiated
 - Anytime by Adopted Resolution
 - Applicant Initiated
 - December 1st & June 1st
- Comprehensive Plan Amendments
 - BOS or PC Initiated
 - Anytime by Adopted Resolution
 - Applicant Initiated
 - January 1st & July 1st



Legislative Applications

- Zoning Map Amendments
 - BOS or PC Initiated
 - Applicant Initiated
 - BOS Required to Act within 1-year
 - Residential Applications: December 1st & June 1st
- Special Exceptions
 - 60 Days Prior to Planning Commission Meeting
 - 4 – 6 Months for BOS Action
- Special Permits
 - 35 Days Prior to Planning Commission Meeting
 - 3 – 4 Months for BOS Action



Thank you for having us