COMMUNITY AND CONSERVATION

A REPORT TO HELP CREATE A ROADMAP FOR FAUQUIER COUNTY TO THRIVE AND PROSPER IN THE 21ST CENTURY

The Economy of Fauquier County

Fauquier County has always been known for our rural character and landscapes. But our economy also touches every part of our daily life. Where we work, where we buy groceries, who we call to fix the roof, where we go for an ice cream cone.

Understanding how our economy performs matters to every citizen. Whether you run a farm, commute to Northern Virginia, run a small business, or are just trying to make ends meet. Understanding our economy helps us sustain the landscape we cherish, the community that gives it life, and the prosperity it can bring to every citizen.

This report and its conclusions are not paid or sponsored by any public, private or non-profit entity. The producer of this report, Jay Heroux, is a private citizen of Fauquier County. It has not been prepared for any organization, nonprofit, political party or candidate or other entity. It has been created by a citizen of Fauquier for the sole purpose of helping facilitate a civic dialog on how we can sustain both the landscape we cherish and the community that gives it life. *I am not an economist and so some of the calculations I did myself or with the help of AI may be wrong. I welcome corrections.*

This Report Is Available on knowfauquier.org

Presenter Disclosure Statement – Jay Heroux, Private Citizen

My name is Jay Heroux. I prepared this report. I am a private citizen and 33-year resident of Fauquier County. My wife and I own property at 112 Fairfax Street in Warrenton. I am currently an employee of the Department of the Air Force, United States Space Force. A current OGE 450 financial disclosure is on file and approved by the Air Force General Counsel. My community involvement includes volunteering on the PATH Foundation Community Action Committee, former board member at Ethnos College, service as a former Fauquier Hospital Chaplain, and participation in the Rooted Motel Ministry and Wood Ministry at Warrenton Baptist Church. I am also a former appointed member of the Warrenton Town Council. In that role, I approved budgets, set tax rates and approve or disapproved permits that can affect economic performance of the Town of Warrenton. In my position with the Department of the Air Force, United States Space Force, I perform extensive financial and policy analysis that affect the Department and its national security mission. None of my analysis directly impacts Fauquier County.

This report is independent and entirely self-funded. No one has paid me for its content, conclusions, or recommendations. All data used was either publicly available on the Fauquier County, State of Virginia, or Federal web sites from BEA, Federal Reserve or IRS.

I was appointed by the Warrenton Town Council to serve on a citizen advisory committee providing input to the Town and its paid consultant as the Town considers possible zoning changes. This role is purely advisory — I have no approval authority. My advisory focus has been primarily on homelessness. I am not, and have never been, a developer, real estate agent, land use attorney, paid zoning consultant, or any other type of land use lobbyist for any person, business, government, or nonprofit. My only prior role relating to land use was as a member of the Warrenton Town Council and on the current committee.

In the interest of full transparency: I own publicly traded stock in companies spanning information technology, industrial, energy, retail, real estate, construction and commercial sectors. I have no insider knowledge of, or special relationship with, any company with interests in Fauquier County. I am an ordinary shareholder with no special voting rights. I am not petitioning any government body for permits, zoning changes, special use approvals or any other policy or legal changes that can impact my taxes or economic livelihood in Fauquier.

I am not an economist, public sector revenue expert, tax expert, or any other type of local economic expert. This report may contain errors. I welcome corrections and clarifications. I used Anthropic AI to assist in interpreting county, federal, and state financial data and other data and to assist in developing estimates and presentation materials.

***My sole purpose is to offer an average citizen's understanding of Fauquier County's basic economic characteristics — our economic performance, what we buy, earn and sell here. This information is intended to encourage an honest, informed conversation about how to build a prosperous, healthy, and safe future for all Fauquier County residents*.**

OK…off we go. Let's learn about the economy of this place we call home – Fauquier County

How Does The Fauquier Economy Impact our Community?

Our Economy Drives Community Spirit

- A thriving economy means quality of life for all residents -- rural and suburban alike.
- A constrained economy creates stress, service gaps and an unfair tax burden.

It Funds Our Public Services

- Schools, roads, deputies, firefighters and parks all get paid from the same economic pie.
- When the pie grows slowly, the gap falls on residential property taxpayers.

It Shapes Who Carries the Burden

- When the economy underperforms, it impacts citizens unevenly.
- When under performing, it forces crisis rather than thoughtful planning and actions.

This report is designed to help us discuss and find answers to this question:

How do we sustain both the landscape we cherish and the community that gives it life?

Because without a healthy fiscal foundation, neither survives.

This Presentation Describes Our Economy from Four Points of View

This Is Not The Only Way To Analyze Our Economy - Other Views Welcome

Gross Domestic Product

1

What we make and produce inside the county. The goods and services created here in a year.

What We Buy and Sell Here

2

Sales tax data tells us the taxable value of the buying inside Fauquier, and what businesses it supports.

Where We Work

3

How many of us stay local versus commute out and why that shapes every other number in this report.

Our Incomes

4

What Fauquier residents earn in wages and other forms of income, whether that income is made here or somewhere else.

There are many other ways to examine economic performance. Other views are welcome.

"Give me a one-handed economist. All my economists say, 'on the one hand . . .', then 'but on the other . . .'" President Harry Truman

Warning! Nerdy Stuff!

This Presentation Uses Two Versions Of GDP Numbers. What Do They Mean.

NOMINAL

Today's Dollars

(Includes Inflation)

💵 What Does That Mean?

- $1 dollar in the year 2000 buys what costs $1.82 today.
- Rising prices can look like growth in nominal dollars even if nothing improved.

✓ When You'll See It

- Budget documents, the ACFR, and any time the data shows what the economy is worth in today's dollars.
- Fauquier's nominal GDP in 2024: $4.15 billion.

vs.

REAL

Inflation Removed

(2017 Constant Dollars)

💵 What Does That Mean?

- Real GDP converts money into 2017 dollars so you can compare fairly across years.
- A dollar in 2020 and a dollar in 2024 buy different amounts — Real GDP accounts for that difference.

🏛 Why 2017?

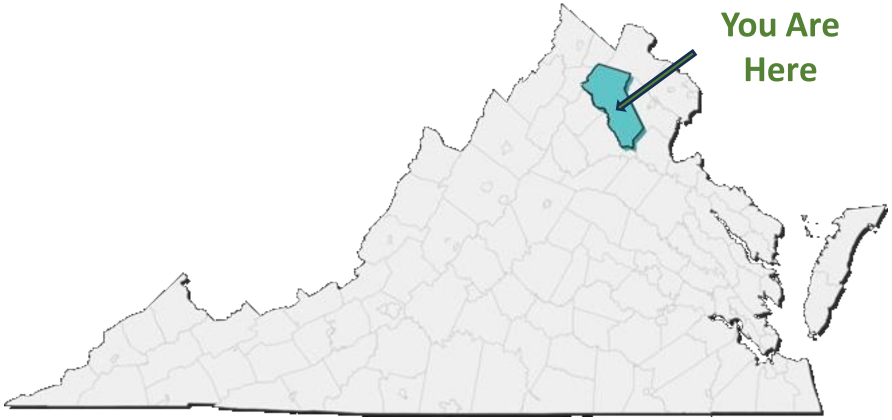
- 2017 is the year the federal government uses as its measuring stick.
- Same year they use for every county, state and the whole country. I use it here to stay consistent

Simple rule: When you want to know how big the economy is in today's money — use Nominal. When you want to know how much the economy grew — use Real. Both are in this presentation and are labeled which one is used. I am not an economist. I just looked it up.

One more thing: This report uses two inflation measures — BEA's GDP Price Deflator for GDP and sales-tax-revenue sections, BLS's Consumer Price Index (CPI-U) for retail-spending and household-income sections. Every source line states which one applies.

Fauquier County, Virginia - Our Home

Source: Fauquier County 2025 Annual Comprehensive Financial Report, US Census Bureau 2024 ACS and Fauquier County Commissioner of Revenue Data



Fauquier County Is the 8th Largest and One of 95 Counties in Virginia.

651 Square Miles
8th Largest County in Virginia

416,640
Total Acres
651 x 640 Acres Per Square Mile

Estimated Population: 75,865 (CY2024)
Source: Fauquier County 2026 Budget Request

118,576
Protected Acres – In Conservation Easement – 28.4% of Land.
Source: Fauquier County Commissioner of Revenue Data Request Response 6 March 2026

34,580
Total Parcels (2024)
Source: Fauquier County 2025 Annual Comprehensive Financial Report

28,971
Housing Units
12,400 In Rural Areas
US Census 2024 ACS Estimate

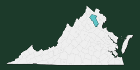
19
Total Zoning Districts
Fauquier County Zoning Ordinances

188,562
2022 Estimated Farm Acres
4th Largest in Virginia
2022 US Census of Agriculture For Fauquier County

8
Service Districts
2024 Fauquier County Annual Comprehensive Financial Report

Fauquier County, Virginia – Compared to Our Eastern Neighbors

Sources: Land area — U.S. Census Bureau (Fauquier: 651 sq mi; Loudoun: 521 sq mi; Prince William: 348 sq mi). Acres — derived at 640 acres/sq mi). Population — Loudoun County 2025 OMB Budget Report, Prince William County FY25 Budget Appendix. Fauquier Budget Request FY26



Fauquier County

651

Square Miles

416,640 Acres

8Th Largest County In Virginia

Population: 75,865
Density: ~116 People Per Square Mile

Loudoun County

521

Square Miles

333,430 Acres

4th Most Populous County In Virginia

Population: 455,193
Density: ~819 People Per Square Mile

Prince William County

348

Square Miles

222,720 Acres

2nd Most Populous County In Virginia

Population: 495,174
Density: ~1,422 People Per Square Mile

Fauquier County, Virginia – Compared to Our Western Neighbors

Sources: Land area (sq mi) — U.S. Census Bureau: Fauquier 651, Culpeper 383, Rappahannock 267, Warren 217. Acres derived at 640 acres/sq mi.
Population — U.S. Census Bureau ACS 2024 estimates. Culpeper area confirmed by culpepercounty.gov. Wikipedia/Census Bureau used for Rappahannock and Warren.

Fauquier County

651

Square Miles

416,640 Acres

8Th Largest County In Virginia

Population: 75,865
Density: ~116 People Per Square Mile

Culpeper County

383

Square Miles

245,120 Acres

Population: 56,125
Density: ~146 People Per Square Mile

Warren County

217

Square Miles

138,830 Acres

Population: 42,461
Density: ~194 People Per Square Mile

Section 1

Our GDP: What Is The Value of What We Do and Produce Here in Fauquier?

GDP (Gross Domestic Product) = the total value of everything produced inside the county in a year. Think of it as your county's paycheck — bigger GDP means more money available for schools, roads, and services without raising tax rates.

How Big Is The Fauquier County Economy?

Gross Domestic Product (GDP) Is One Way to Tell Us. But What Is GDP In Plain English?

THE OFFICIAL DEFINITION

"Gross Domestic Product (GDP) is a comprehensive measure of economic activity that represents the total value of goods and services produced."

— Board of Governors of the Federal Reserve System

IN PLAIN ENGLISH

GDP measures the total market value of all goods made and services provided in a place. Every wine bottle produced, every meal cooked, every house built here in Fauquier add it all up and that's our GDP.

Wages of Fauquier Residents Who Work Outside Our County, Count Towards That County's GDP (e.g., Loudoun)

EXAMPLES OF WHAT COUNTS TOWARD GDP HERE IN FAUQUIER

- **Wineries and Vineyards Sales and Support**
- **Restaurants and meals**
- **Retail stores and shops**
- **Contractors and construction**
- **Farm crops and livestock**
- **Hotels and lodging**
- **Healthcare services**
- **Industry, Manufacturing and Technology**
- **Professional services**
- **Schools and government**

Why Should I Care About GDP?

GDP Is The Size of the Economic Pie.

For Public Services, Everything Fauquier Does - Schools, Roads, Deputies, Parks, Firefighters, Water, Teachers - Gets Paid For By Slicing That Pie.

When The Pie Grows....

- Businesses and commercial activity share the tax burden.
- Homeowners can earn more, buy more and pay less, or the same, for better government services.
- The county can invest in roads, schools, public safety, parks, core infrastructure.
- Tax rates can hold steady or even fall.

When The Pie Grows Slowly ....

- Costs keep rising — salaries, fuel, construction, insurance.
- More residents arrive — more kids, more roads, more calls.
- But the tax base generating the money barely moves.
- The gap between cost and revenue widens every year.

Which Then Means. ...

- County public service projects get delayed, deferred or scaled back.
- Someone must close the gap to cover rising costs.
- That someone has been the homeowner, and the farmer
- Because they carry 88% of the Fauquier tax base

A slow GDP is not an abstract economic figure. It shows up as your property tax bill. Every single year.

GDP in Context: 2025 Numbers and What They Mean In Things We Know

Sources: BEA State Real 2025 GDP As Reported on St. Louis Federal Reserve Bank Reports – 2017 Constant Dollars.   BEA National GDP 2025 · China –IMF World Economic Outlook

Maryland	Virginia	Texas	California	China	United States
$568B	**$798B**	**$2.3T**	**$3.4T**	**$19.5T**	**$30.8T**
18th largest US state GDP.... would buy...	*13th* largest US state GDP....would buy...	*2nd largest US state GDP would buy...*	*Largest state GDP... would buy...*	*2nd largest economy on earth...would buy...*	*Largest economy on earth...would buy...*
988K Homes	**1.39M Homes**	**4.0M Homes**	**5.9M Homes**	**33.9M Homes**	**53.6M Homes**

In plain terms: Virginia's $798B economy could buy 1.39 million homes. The U.S.'s $30.8T economy could buy 53.6 million — more than California, Texas, and Florida's entire housing stock combined. Assume an average home price of $575,000.

Assumes an average home price of $575,000. Homes bought = GDP ÷ $575,000. CA/TX/FL housing unit totals (14.9M / 12.6M / 10.6M = 38.1M combined) per US Census Bureau Vintage 2024 Population and Housing Unit Estimates. Illustrative math, not a claim that any economy's GDP could literally be spent this way.

What Makes Up Fauquier's Economy? GDP by Industry (2024)

Source: BEA Table CAGDP2, Released Feb 5, 2026 · Real values converted using BEA GDP Price Deflator (2017=100)

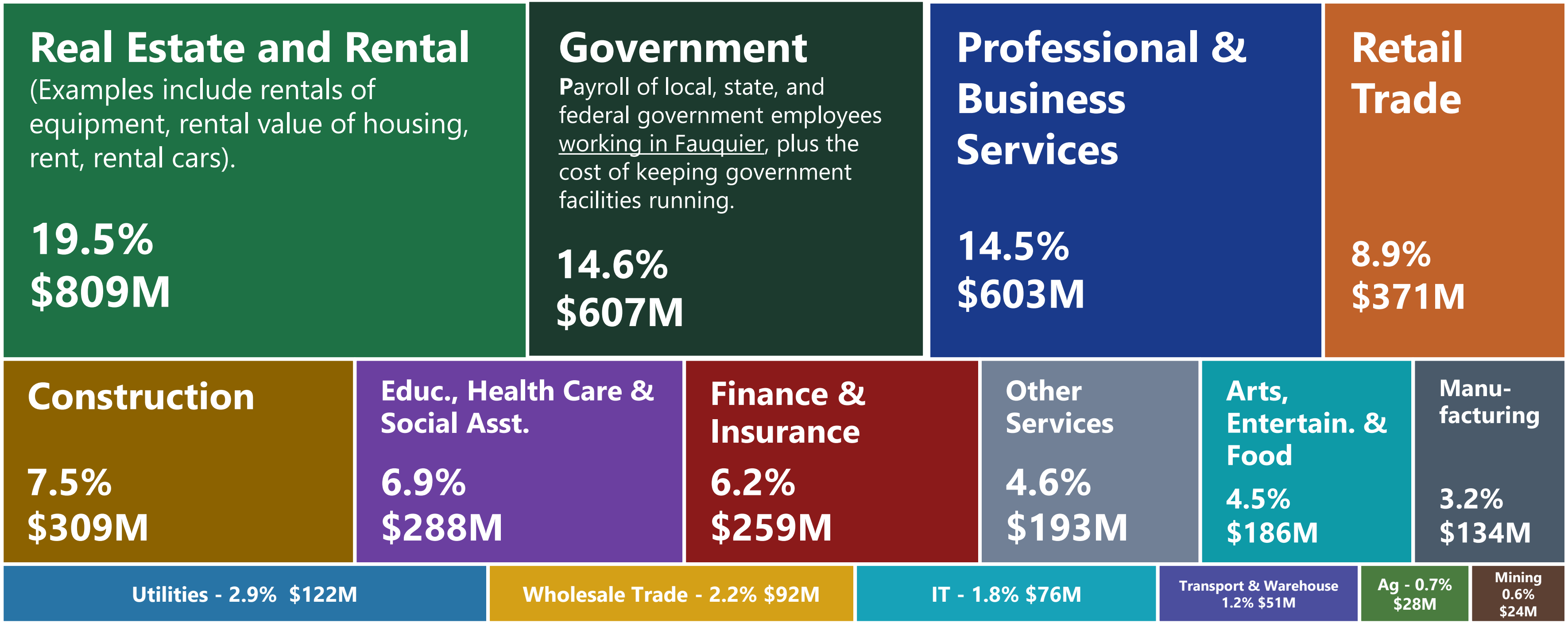
	NOMINAL GDP (Current Dollars — includes inflation)			REAL GDP (2017 Constant Dollars inflation removed)			HOW MANY HOMES WOULD REAL BUY	
Year	Total	Private Industry	Government	Total	Private Industry	Government	Homes (Real Total ÷ $575K)	% of All Fauquier Housing Units
2020	$3.0B	$2.5B	$479M	$2.85B	$2.37B	$455M	4,952	17.1%
2021	$3.3B	$2.8B	$486M	$3.00B	$2.54B	$441M	5,210	18.0%
2022	$3.5B	$3.0B	$535M	$2.97B	$2.54B	$453M	5,158	17.8%
2023	$3.8B	$3.2B	$571M	$3.11B	$2.61B	$467M	5,400	18.6%
2024	$4.1B	$3.5B	$606M	$3.27B	$2.79B	$483M	5,685	19.6%
Growth 2020–2024	+36.9%	+38.8%	+26.5%	+14.8%	+17.6%	+6.3%	+14.8%	+2.5 pts

Inflation has a significant impact on the growth of our GDP. Real GDP grew +14.8% (BEA GDP Implicit Price Deflator, FRED). Solid growth during a tough 5-year period.

Nominal data: BEA CAGDP2 (exact figures from table) · Real conversion: BEA GDP Implicit Price Deflator (GDPDEF, 2017=100), annual average of quarterly index, FRED — same series used throughout this report · Deflators used: 2020=105.36, 2021=110.16, 2022=118.01, 2023=122.38, 2024=125.42 · Homes: Real Total GDP ÷ $575,000 average home price · Fauquier housing stock: 28,971 units (US Census 2024 ACS)

What Makes Up Fauquier's Economy? GDP by Industry (2024)

Source: BEA Table CAGDP2 — GDP by County, Current Dollars · Released Feb 5, 2026 · Total GDP 2024: $4.154B (nominal)



Agriculture 0.7% - $28M of a $4.15B GDP. NOTE – A lot of Agriculture economic data is protected by VA law as private. This number may be low.

Fauquier is the 4th largest farming county by acreage in Virginia — 188,562 farm acres. Yet agriculture contributes less than 1% of GDP. That is roughly the same as the mining sector.

Source: BEA CAGDP2, Feb 2026 · Agriculture suppressed (D) in most years 2001–2018 due to small number of operations — BEA disclosure protection

GDP in Fauquier Since 2001 – Three Unique Eras For Fauquier

Source: US Federal Reserve Bank St. Louis FRED Data Source and Web Site. Real values in 2017 constant dollars which removes inflation. FRED data is chained to 2017 values.

Nominal

Nominal GDP 2024

$4.15B

Current dollars

Nominal Growth 2001 - 2024

+191%

Inflation included

Real

Real GDP 2024

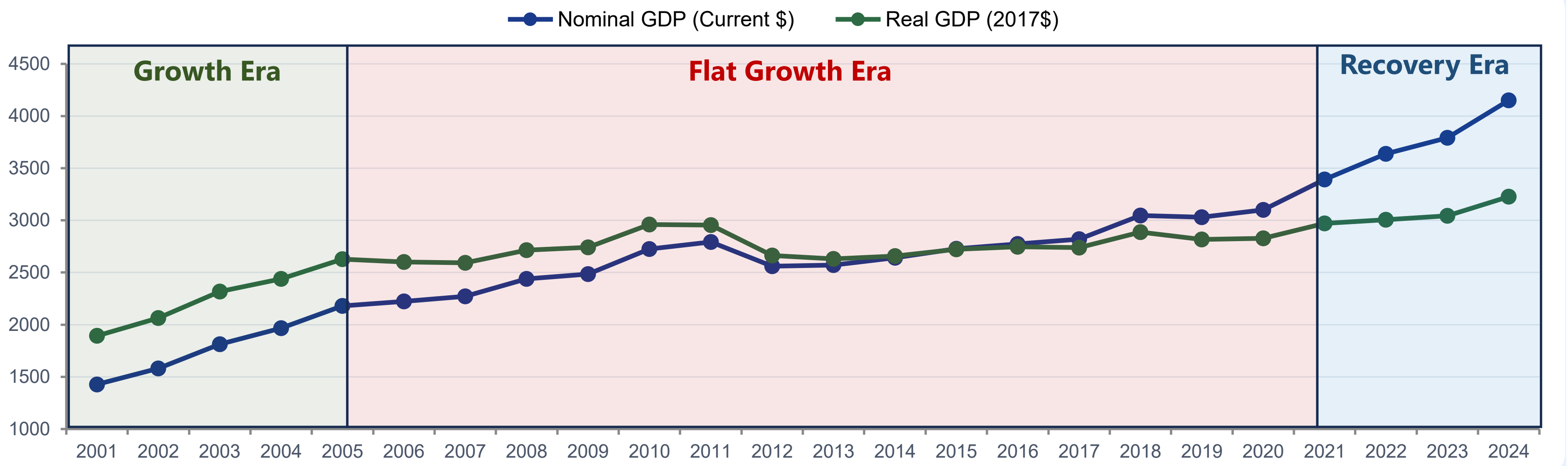
$3.23B

Chained 2017 dollars

Real Growth 2001-2024

+70%

True economic expansion



2001–2005 — Growth Era
Real consistent growth above prior peaks. +18% over four years with the strongest single year in 2024 at +6.0%.

2005–2020 — Slow and Volatile: −0.3% net
GDP bounced around $2.6B to $2.9B for fifteen years without sustained upward momentum. The economy never truly broke out until after COVID.

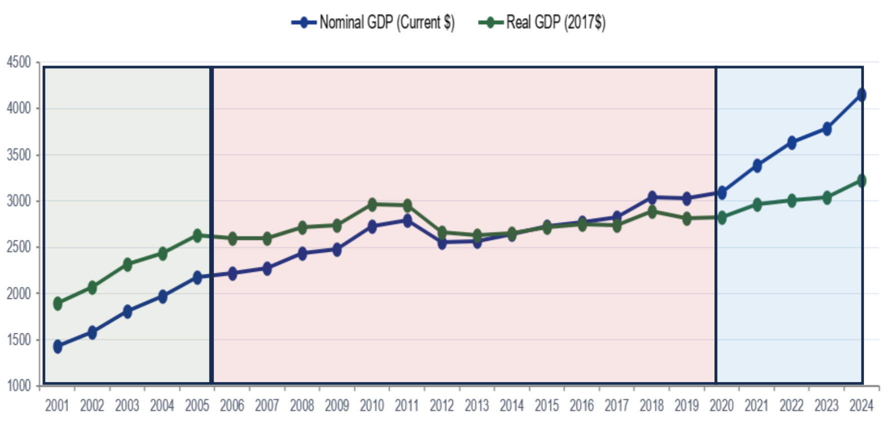
2021–2024 — Recovery: +18%. Real consistent growth above prior peaks. +18% over four years.

GDP and Population Growth in Fauquier

Sources: FRED / BEA Series REALGDPALL51061 (Chained 2017$, updated Feb 2026) · Population: Weldon Cooper Center Intercensal Estimates 2000–2010, 2010–2020; ACFR Table 13 FY2025 (2016–2024)

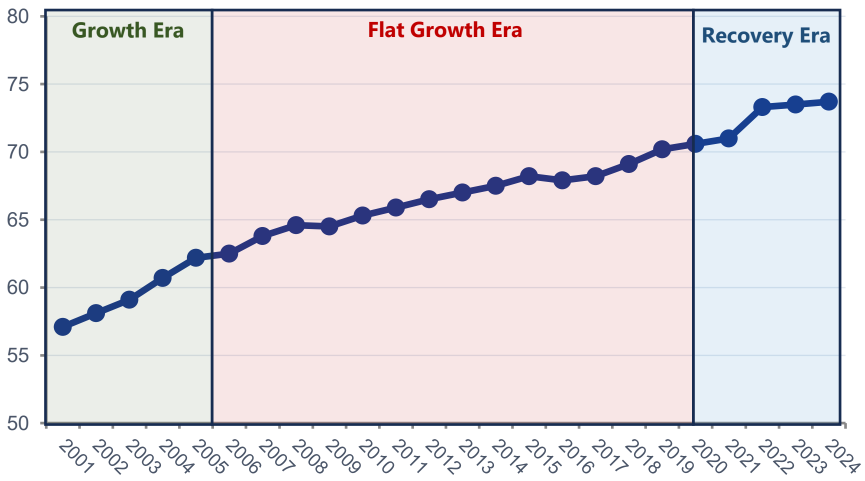
Fauquier Real GDP 2001-2024

2001	2024	Growth
$1.89B	$3.23B	+70%



Fauquier Population 2001-2024

2001	2024	Growth
57,062	73,731	+29%



Key insight: During 2005–2017, population grew +9.7% but real GDP was flat — meaning each resident produced less economic output than in 2001. During 2018–2024 the pattern reversed: GDP grew faster than population for the first time in 13 years.

Real GDP: Fauquier vs. Neighboring Counties, 2001–2024

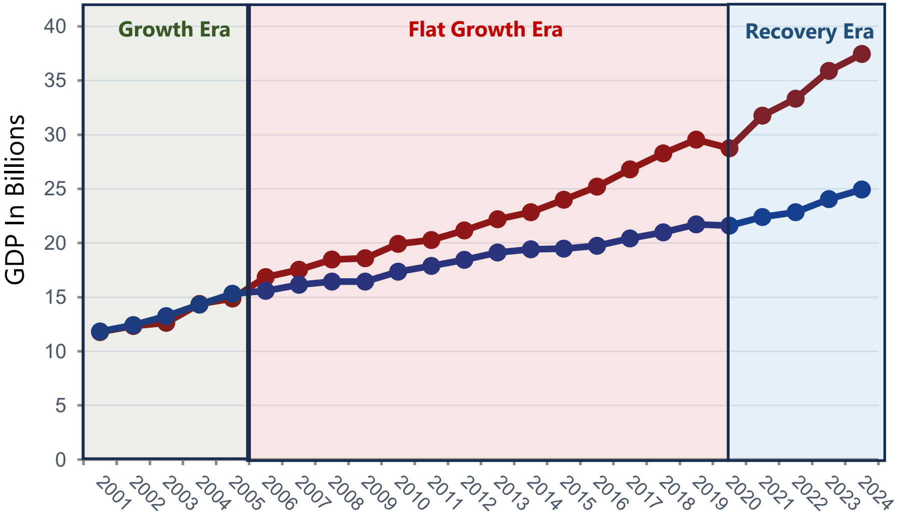
Source: Federal Reserve Bank of St. Louis (FRED) · BEA County-Level GDP · Chained 2017 Dollars (Real, inflation-adjusted) · Data updated Feb 2026

Loudoun and Prince William Real GDP

Loudoun
$37.4B
2024 GDP · +218% since 2001

Prince William
$24.9B
2024 GDP · +111% since 2001

Loudoun County — Prince William County



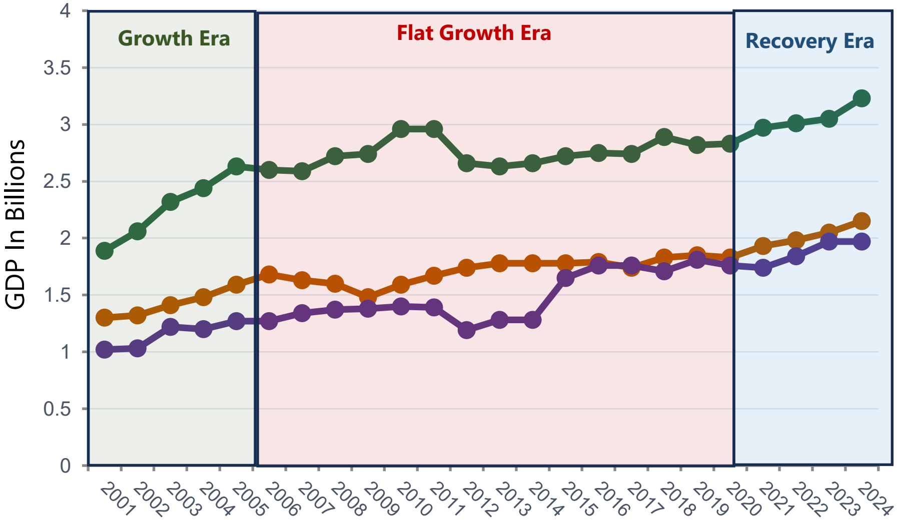
Fauquier, Culpeper and Warren Real GDP

Fauquier
$3.23B
2024 GDP · +70% since 2001

Culpeper
$2.15B
2024 GDP · +65% since 2001

Warren
$1.97B
2024 GDP · +93% since 2001

Fauquier County — Culpeper County — Warren County



= Overlay of Fauquier 3 Economic Periods

How Does Fauquier Stack Up? A Side-by-Side Comparison (2024)

Source: BEA Table CAGDP1, Feb 5 2026 (Real GDP, Chained 2017$) · Population: Census Bureau ACS / County Budget Reports · Acreage: US Census

County	GDP Per Person (How much each resident produces)	GDP Per Acre (How hard each acre of land works)	Economic Growth Since 2001
Loudoun	$82,252	$112,289	+218%
Prince William	$50,339	$111,918	+111%
Warren	$46,418	$14,197	+93%
Fauquier	**$42,538**	**$7,746**	**+70%**
Culpeper	$38,229	$8,753	+65%

✓ On People — Fauquier is Close

Residents produce about the same economic output per person as Warren and Culpeper, and roughly half of Loudoun.

⚠ On Land — Fauquier is Last.

Each acre generates $7,746. Loudoun and Prince William generate over $110,000 per acre. Same land, different economic use.

→ On Growth — Middle of the Pack

+70% over 23 years. Better than Culpeper but trails all three other neighbors.

How Fast Is Fauquier Actually Growing, Compared to Loudoun County

Population: U.S. Census ACS 2024 · Weldon Cooper Center growth rates (0.75%/yr recent, 1.14% 10-yr avg) · GDP: BEA FRED REALGDPALL series (Chained 2017$), Feb 2026

For Fauquier To Match Loudoun County.....

POPULATION

240

Years

To Match Loudoun's Population At Fauquier's Current Growth Rate (0.75%/Yr)
Even At Fauquier's Best Decade Ever (~2%/Yr, Never Sustained):
90 Years

ECONOMY (GDP)

106

Years

To Match Loudoun's Economy At Fauquier's 23-year Average Growth Rate (2.35%/Yr).

Even At Fauquier's Best Growth Rate Ever Recorded (8.82%/Yr, Never Sustained > 4 Yrs): 29 Years

Citizen Ask: The Board of Supervisors should disclose to the citizens and taxpayers annually; its population and economic forecast with details, a set of conditions, comparisons to local counties and assumptions. This number is important to the community and cannot be based on scare tactics.

Section 2

The Buying Picture: What Do We Buy Here

GDP told us what we *produce* here. Now let's look at what we *buy* here.

Buying is measured using different data. No single number tells the whole story. Sales Tax tells us what we buy at retail such as groceries, lumber, clothing, etc. Meals Tax tell us how much we spend at restaurants and other food places. Business License Receipts tell us what we buy from contractors, professionals and the trades like plumbers and electricians. Transient Occupancy Tax tells us how our hotels and short-term rentals are doing. Other revenue streams also factor in such as utilities and rental income.

How Do We Measure What We Buy?

A Recommended Taxonomy of Classifying What We Buy. *Source: BEA Table 2.4.5 · NAICS 2022 · VA Code Title 58.1 · Fauquier ACFR FY2025 · Commissioner of Revenue*

Local buying using 13 categories drawn from federal BEA Personal Consumption Expenditure frameworks, NAICS business classifications, and Virginia local tax code. Some we can measure directly. Others we can only estimate. Some are nearly invisible.

1 Retail Goods
Groceries, hardware, electronics, clothing

2 Food & Beverage Away From Home
Restaurants, bars, food trucks, breweries

3 Lodging
Hotels, B&Bs, Airbnb/VRBO, campgrounds

4 Agriculture & Farm Sales
Crops, livestock, dairy, direct farm sales

5 Equine Industry
Horse sales, boarding, training, shows, farrier

6 Services
Legal, medical, plumbers, electricians, salons, childcare

7 Housing Costs
Rent, mortgages, insurance, property taxes, HOA

8 Utilities
Electricity, gas, internet, phone, water

9 Transportation
Vehicles, fuel, auto insurance, commuting costs

10 Financial Products & Insurance
Banking, insurance premiums, investment fees

11 Healthcare
Doctors, hospital, dental, prescriptions, mental health

12 Recreation & Entertainment
Horse shows, gyms, events, wineries, streaming

13 Online & Out-of-County Spending
Amazon, Gainesville shopping, lunch in Reston

Good Data **Partial Data** **Very Limited Data**

Fauquier's Taxable Sales Base 2001-2024:

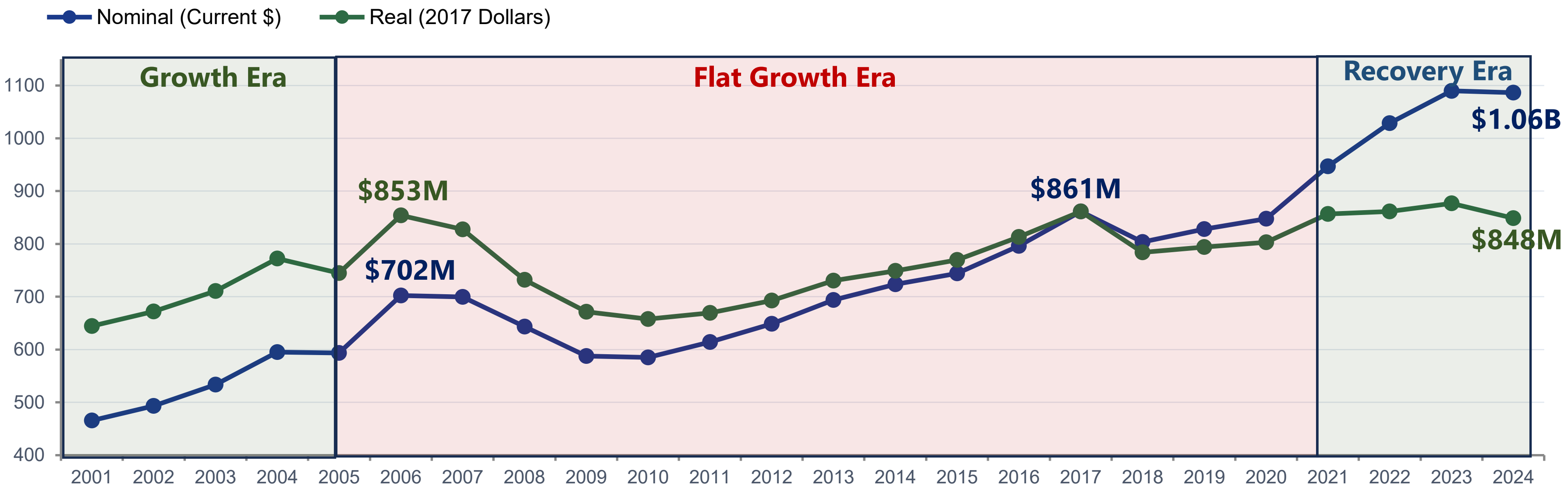
The dollar value of goods and services subject to Virginia retail sales and use tax, **not the tax collected on them**.

+90.7% Nominal Growth 2015-2025

47% of this Growth is Due to Rising Prices Not More Buying

+43.9% Real Growth 2015-2025

The actual value of what Fauquier residents buy each year is almost exactly what it was in 2006. Not much new growth in our spending base. Mostly re-buying the same amount at higher prices.



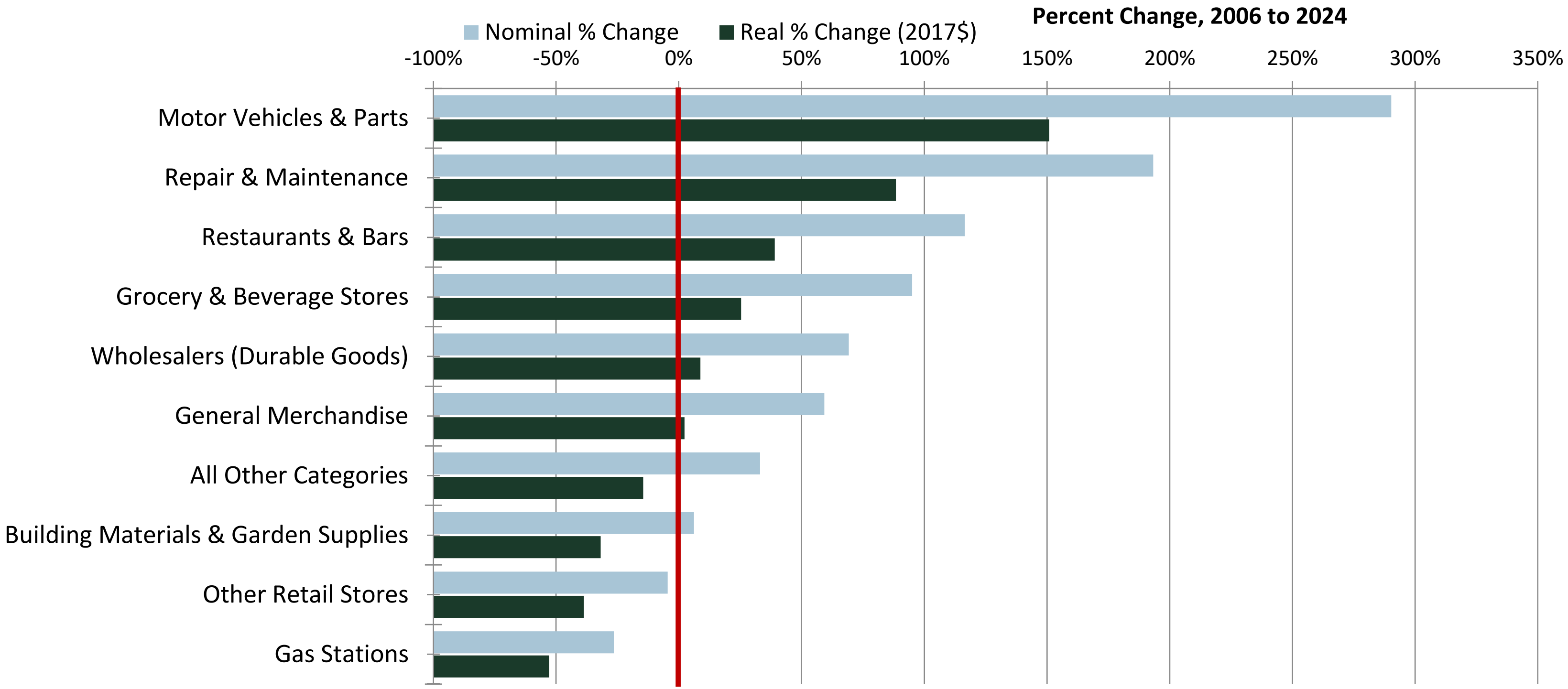
Source: Virginia Department of Taxation, Annual Taxable Sales Reports, 2001-2024, Fauquier County. Nominal = current dollars each year; Real = adjusted to 2017 dollars using BLS CPI-U. 2001-2005 use a legacy pre-NAICS classification but the grand-total figures shown here are consistent across the full period.

What Fauquier Buys and Which Categories Grew and Shrank

Taxable sales by category, ***percentage change*** from 2006 to 2024. Nominal shows the dollar change before inflation; real removes inflation to show true growth.

Taxable Sales Data – VA Department of Taxation 2006 to 2024

The dollar volume of sales subject to Virginia retail sales and use tax — the tax BASE (the value of the goods/services sold), not tax revenue collected.



Source: Virginia Department of Taxation, Annual Taxable Sales Reports, 2006 and 2024, Fauquier County. Real values adjusted using BLS CPI-U (2017 base). "All Other Categories" combines all remaining NAICS categories not shown individually.

The Impact of Online Buying In A Community Like Fauquier

The mechanism is a well-established economic concept: the local multiplier. Every dollar spent has a different fate depending on where it's spent

16.4% of all U.S. retail sales now happens online — roughly 1 in every 6 retail dollars, up from 16.1% in 2024.

Locally-owned businesses recirculate ~48–53% of revenue locally vs. ~13–14% for chains, implying a 2–4x local multiplier.

✗ What Fauquier Loses

- No local job — wages go to a warehouse elsewhere
- No new BPOL or business property tax base
- No foot-traffic spillover to nearby businesses
- Dollar leaves immediately, not recirculated 2–4x locally

✓ What Still Comes Back

- The 1% local sales tax should still come to Fauquier even on Amazon
- The tax-revenue loss is partial, not total
- What's mostly lost is jobs and wages, not the tax dollar
- This is a 'give people a reason to shop here' problem, not a tax problem

Local multiplier: Civic Economics, cumulative Local Multiplier studies since 2002 (Austin, TX and 20+ subsequent cities); American Independent Business Alliance — locally-owned businesses recirculate ~48–53% of revenue locally vs. ~13–14% for chains, implying a 2–4x local multiplier. National e-commerce share:
U.S. Census Bureau, Quarterly Retail E-Commerce Sales, full-year 2025. Tax-sourcing point: Virginia destination-based sourcing rules for remote sellers and marketplace facilitators, enacted following the 2018 South Dakota v. Wayfair decision, effective July 2019 (Code of Virginia §58.1-612 and related marketplace facilitator provisions).

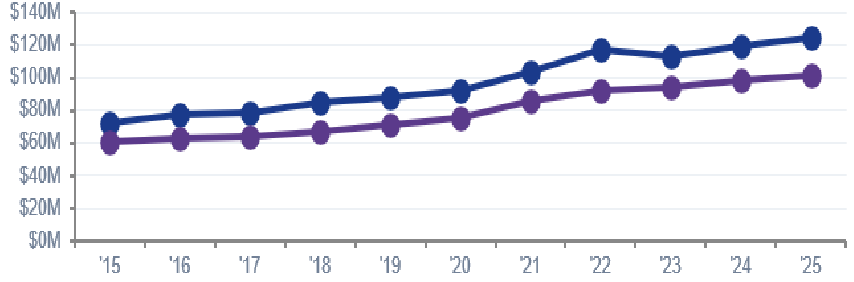
How Do We Compare To Our Neighbors?

10 Year Actual Taxable Retail Sales - 1% VA Retail Tax Sales Tax Revenue 2015-2025

Loudoun　Prince William　**Fauquier**　Culpeper　Warren

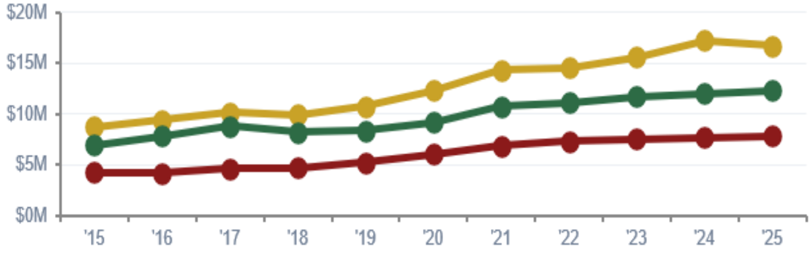
LOUDOUN AND PRINCE WILLIAM

NOMINAL DOLLARS – ACTUALLY COLLECTED

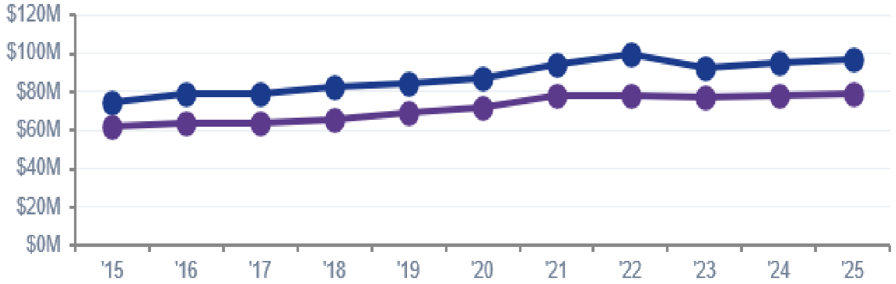


FAUQUIER,CULPEPER, AND WARREN

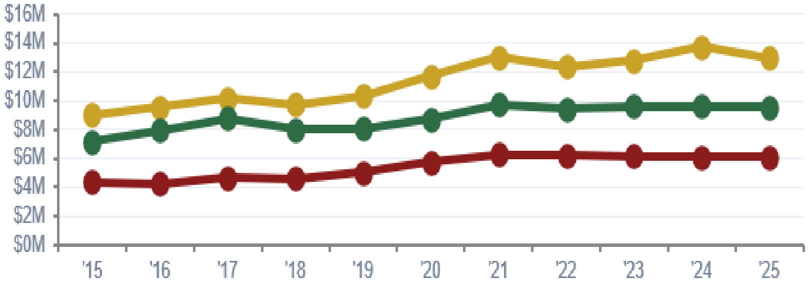
NOMINAL DOLLARS – ACTUALLY COLLECTED



REAL DOLLARS (2017$, Inflation Removed)



REAL DOLLARS (2017$, Inflation Removed)



Source: Weldon Cooper Center for Public Service, Local Option Sales Tax database (actual monthly distributions, 2015-2025). Real values use the BEA GDP Implicit Price Deflator (GDPDEF, 2017=100), FRED, retrieved 2026. Loudoun/Prince William and Fauquier/Culpeper/Warren are charted separately due to the ~7-10x difference in scale.

Section 3

Where We Work: Where We Work Is Important to Our Dignity, Motivation and Lifestyle.

The job. Having a job is crucial to many of our citizens quality of life. It gives us purpose, dignity and resources to lead our lives. Where we work impacts our daily life. Our commuting time, safety, stress, fun, intellectual stimulation and many other factors come into play. This section will focus on where we work – here in Fauquier or somewhere else.

A Data Source For Counting Jobs: The Bureau of Labor Statistics Quarterly Census on Employment and Wages

The Quarterly Census of Employment and Wages counts jobs from actual employer tax records — not a survey, not an estimate.

✓ WHAT IT INCLUDES

Over 95% of all U.S. jobs

- Every employer covered by state unemployment insurance law
- Private-sector employers of every size, from sole proprietorships with one employee to the largest corporations
- Federal, state, and local government employers
- Nearly every private industry (NAICS-classified)
- Full- and part-time jobs alike, counted at the location where the job exists — not where the worker lives

✗ WHAT IT DOES NOT INCLUDE

- The self-employed and unincorporated sole proprietors
- Most unpaid family workers
- Some agricultural workers on small farms
- Railroad employees (covered by a separate federal system)
- Most private household / domestic workers
- Members of the armed forces

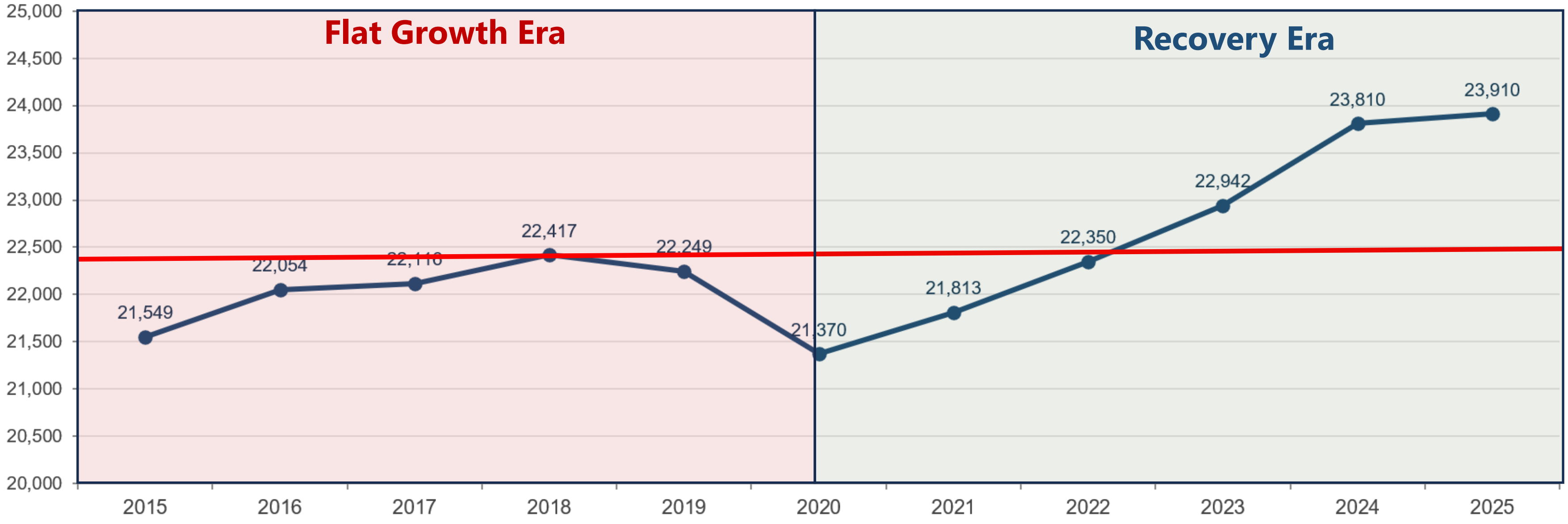
Why it's trusted: reporting is mandatory under unemployment insurance tax law, not voluntary — and it's the same data employers already file with the state, verified against IRS wage records.

2015-2025 How Many Jobs Exist in Fauquier County?

Source: Bureau of Labor Statistics Quarterly Census on Employment and Wages 2015-2025 Files

2025 - 23,910 Jobs In Fauquier County

+11.0% Growth Over 10 Years

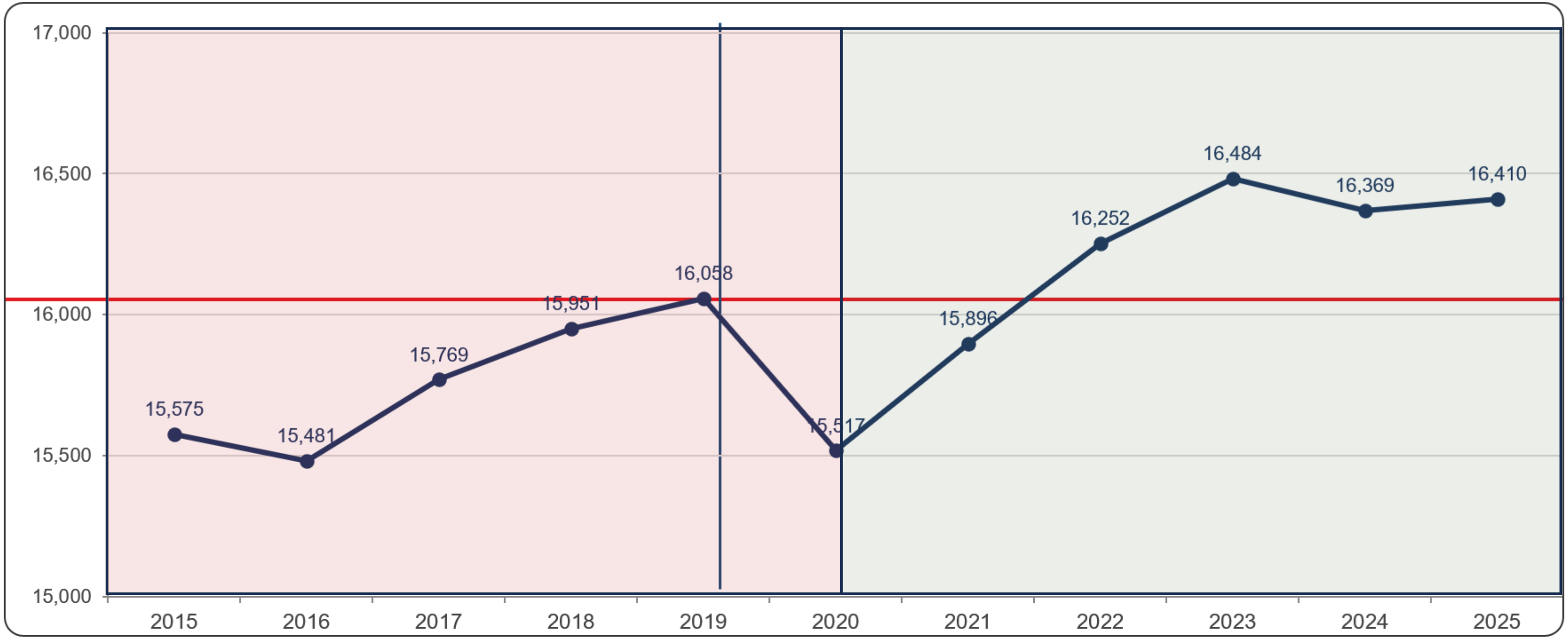


= It Took 6 Years to Exceed the 2018 Job High Point of 22,417

2015-2025 Number of Jobs in Culpeper County

Source: Bureau of Labor Statistics Quarterly Census on Employment and Wages 2015-2025 Files

Total Covered Employment, all ownership types, 2015–2025 (annual average)



2020 dip reflects COVID-19. Recovered to a 2023 peak (16,484), then slipped in 2024 (-0.7%) before a marginal 2025 uptick (+0.3%) — a choppier, less decisive recovery than Fauquier's.

+835 jobs

+5.4% over the decade

Who Does Business Here? Fauquier's Business Community

Sources: FY2025 ACFR County of Fauquier (Tables 13, 14, 15) · Fauquier County Economic Indicators Report 2025 (OMB) · Virginia Employment Commission · KnowFauquier.org

90%
of businesses have fewer than 20 employees
ACFR FY2025, p.9 · County Economic Development

1,064
business licenses issued in FY2025
Down 7.6% from FY2024 · Econ Indicators Rpt 2025, p.19

110
new start-up firms in calendar year 2024
Up +13.4% from 2023 · Virginia Employment Commission

23,593
at-place jobs in Fauquier (2025)
Avg Jan–Mar 2025 · ACFR Table 13, Bureau of Labor Statistics

TOP 10 EMPLOYERS — FY2025 (ACFR Table 14 · Virginia Employment Commission)

Rank	Employer	Employees	Sector
1	**Fauquier County School Board**	1,000+	Education
2	**County of Fauquier**	500–999	County Govt
3	**U.S. Dept. of Transportation**	500–999	Federal Govt
4	Fauquier Health System	250–499	Healthcare
5	Walmart Associates Inc.	250–499	Retail
6	Apt-Ability	250–499	Human Services
7	**Town of Warrenton**	100–249	Municipal Govt
8	White Horse OPCO LLC	100–249	Hospitality
9	Food Lion LLC	100–249	Retail
10	CES Consulting	100–249	Prof. Services

= Government / public sector employer

BEA exact employee counts withheld under Confidential Info Protection Act (P.L. 107-347)

Business Size Profile — ACFR FY2025

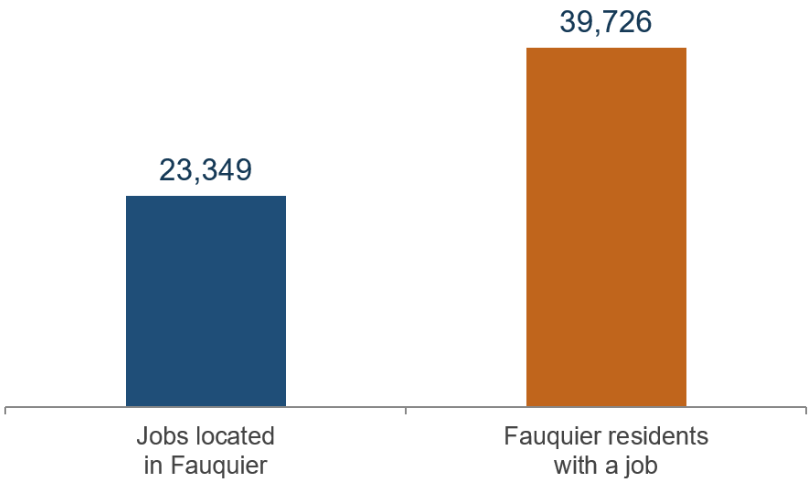
- 90% of county businesses have fewer than 20 employees
- The county targets small to mid-sized company attraction
- Targeted industries: IT/Cyber, Food & Beverage Production, Defense Contracting, Advanced Manufacturing

Business Formation Trend — Econ Indicators Rpt 2025

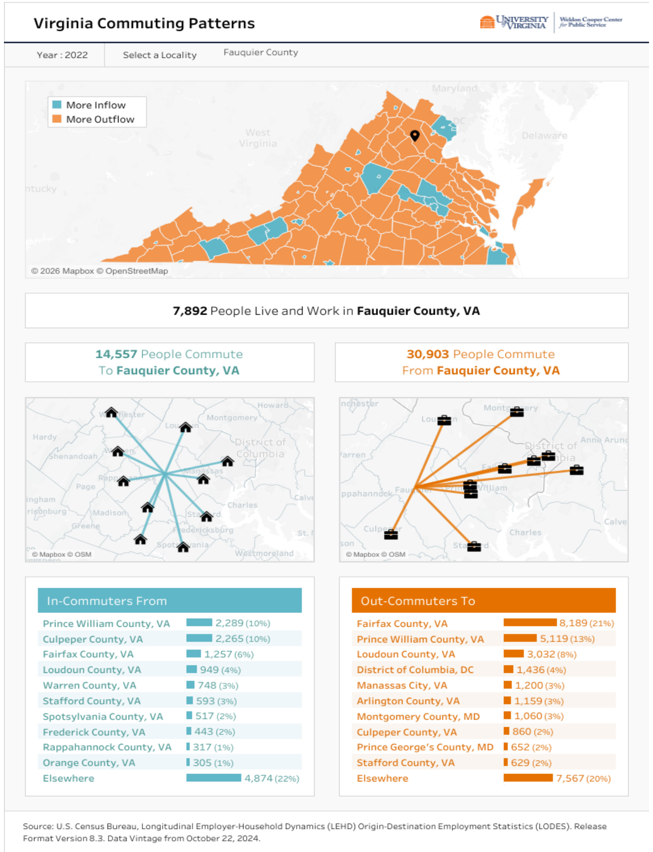
Year	Licenses	New Starts	Note
FY2020	~790	—	COVID low
FY2022	1,121	—	Post-COVID rebound
FY2023	1,270	97	Peak year
FY2024	1,151	110	−9.4% licenses / +13.4% startups
FY2025	1,064	—	−7.6% licenses

Jobs in Fauquier and Fauquier Residents With a Job

Source: U.S. Census Bureau, OnTheMap / LEHD Origin-Destination Employment Statistics, 2023 (LODES 8.4).



https://www.coopercenter.org/commuting -patterns-virginia

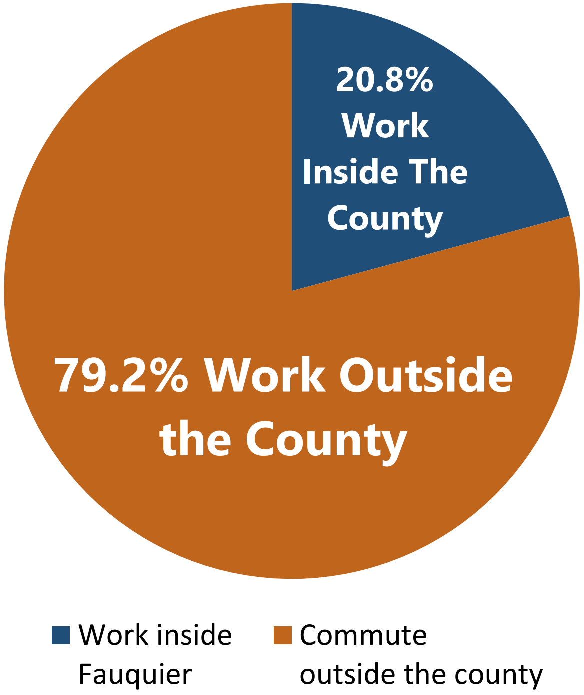


16,377 More Employed Residents than Local Jobs.

Every resident with a job either works inside the county or drives or logs in somewhere else.

Most Fauquier Citizens With a Job Do Not Work Here

Source: U.S. Census Bureau, OnTheMap / LEHD Origin-Destination Employment Statistics, 2023 (LODES 8.4).

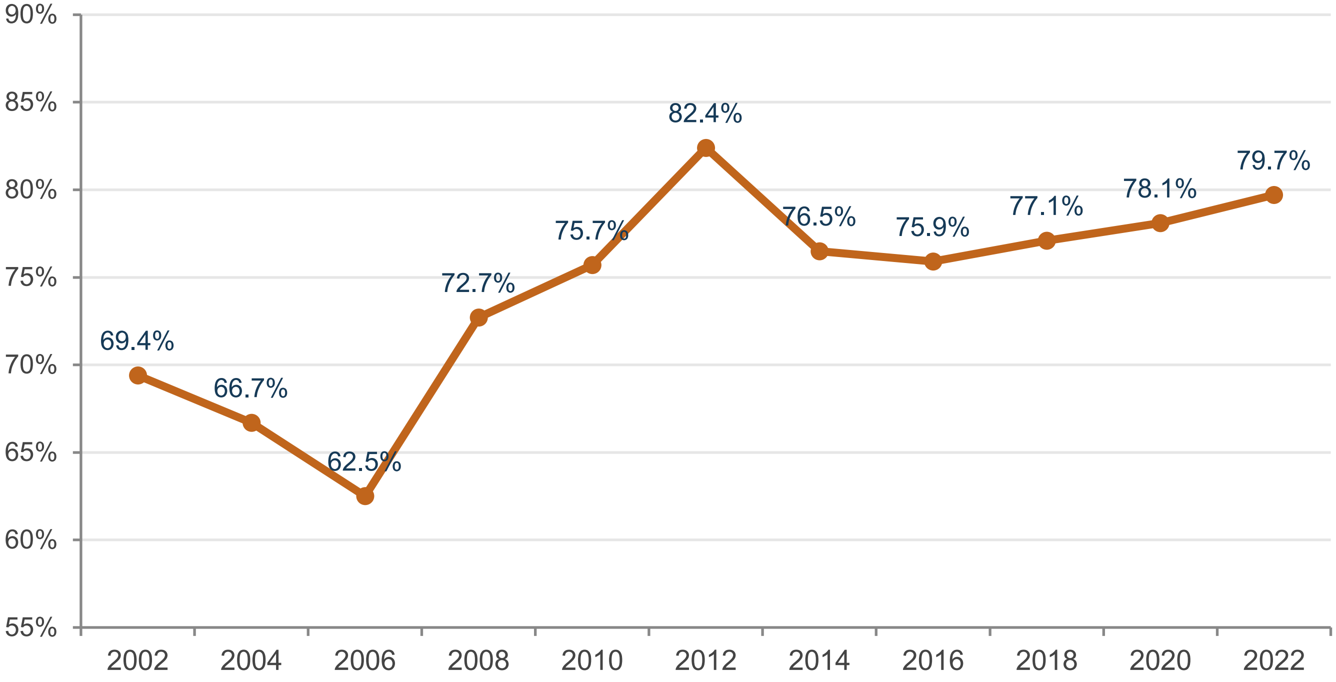


- **For Roughly Every 5 employed Fauquier Residents:**
- **~1 works inside the county.**
- **~4 commute somewhere else for work.**
  - 8,266 residents work locally
  - 31,460 leave the county for work
  - 15,083 people commute into Fauquier to fill local jobs.
  - This is a stable, 22-year pattern, not a recent shift

Note: LODES data limited to jobs covered by state unemployment insurance programs, excluding military personnel, the self-employed, and informal workers. Captures primary jobs at the beginning of each quarter, omitting secondary and short-term employment. Starting with the 2010 data release, federal jobs were added using data from the OPM, but coverage remains incomplete for security purposes. In 2015, new rules reduced the number of reported federal jobs. Job locations in the LODES data are the address of the employer's establishment, which may or may not be the actual location where the work is performed. The data also cannot distinguish between remote, hybrid, or on-site work. Source - Weldon Cooper Center

Fauquier County Meets The Definition of a Bedroom Community

Source: U.S. Census Bureau, OnTheMap / LEHD Origin-Destination Employment Statistics, 2023 (LODES 8.4).



79.2% 2023 Out-Commute Rate.

This is not a new trend, a COVID effect, or recent development. Fauquier has been a majority-commuter county for the entire 22-year period this data covers, generally in the 66–82% range every single year since 2002.

A "Bedroom Community" as a locality with an above-average out-commuting rate and a below-average in-commuting rate — residents leave to work elsewhere at a high rate, and few outside workers commute in to fill local jobs.

2024: Private Sector Jobs In Fauquier

Source: Bureau of Labor Statistics Quarterly Census on Employment and Wages 2024

Names you'd recognize

Stores & Shopping: Walmart, Food Lion, Harris Teeter, Home Depot

Construction & Trades: Appleton Campbell, General Excavation

Health Care & Social Assistance: Fauquier Health System, Blue Ridge Orthopaedic, Curo Health

Offices & Consulting: CES Consulting, Sverdrup Technology

Restaurants & Hotels: Chick-fil-A, White Horse Opco

Factories & Makers: Smith-Midland, Ross Industries, Pepsi Bottling

Personal & Repair Services: Piedmont Equine Practice, salons, auto shops

Admin & Support Services: Totalsource III, staffing & facilities firms

Note: private-sector employment only — excludes government employers (public schools, county/town government, federal). Some 2025 sector figures are not shown here because BLS suppressed them for confidentiality that year; 2024 is the most recent year with a complete picture.

2024: Private Sector Jobs In Culpeper

Source: Bureau of Labor Statistics Quarterly Census on Employment and Wages 2024

Names you'd recognize

Stores & Shopping: Walmart, Target, Kohl's, TJ Maxx

Health Care & Social Assistance: UVA Culpeper Hospital

Restaurants & Hotels: Sheetz, local restaurants

Factories & Makers: American Woodmark (cabinets), Aerojet Rocketdyne, Bingham & Taylor (iron castings), EURO-COMPOSITES

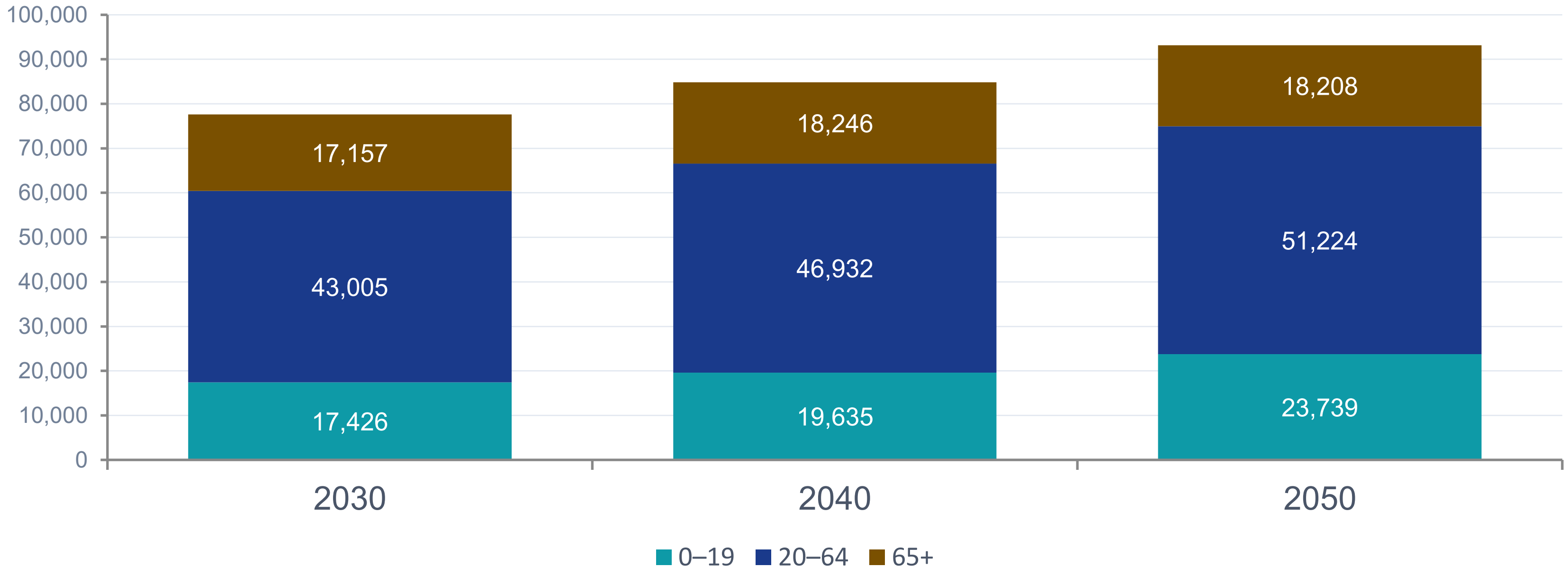
Offices & Consulting: Culpeper Tech Zone data-center campuses and area professional/consulting firms

Construction & Trades: Chemung Contracting Corp. and area trade contractors

Note: private-sector employment only — excludes government employers (public schools, county/town government, federal). Employer examples for Personal & Repair Services and Admin & Support Services were not independently verified and are omitted rather than guessed.

The Workforce Demographics Projections for Fauquier

Projected Population by Age Group, Fauquier County, 2030–2050 · Source: Weldon Cooper Center Demographics Research Group, July 2025



Age groups adjusted from 0–19/20–60/65+ to 0–19/20–64/65+ to align with the data's 5-year age brackets (55–59 and 60–64 are reported separately; 20–64 captures the full working-age population with no gap).

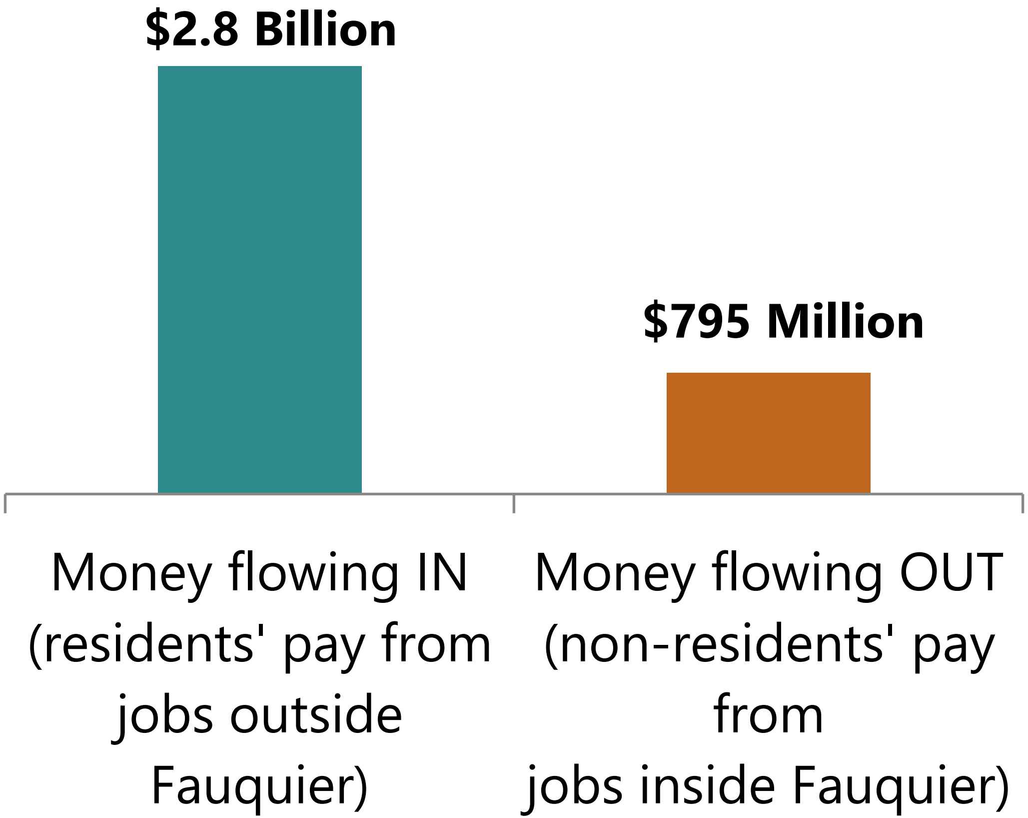
Section 4

Our Income: How Much Money Do We Earn For Our Hard Work, Creativity and Productivity?

The paycheck. One of our most important things we think and do something about every single day. We pay our bills, take vacations, buy things, go out to eat, get new clothes – all based on what is in our paycheck. What do our citizens earn and take home in their paychecks? Do we earn money outside of a paycheck? Income impacts our economy significantly.

How Job Income Arrives and Leaves Fauquier

Source: U.S. Bureau of Economic Analysis, CAINC91 (Inflows/Outflows of Earnings by County), 2023, nominal dollars



$2.02 billion – Net Inflow to Fauquier in 2023.

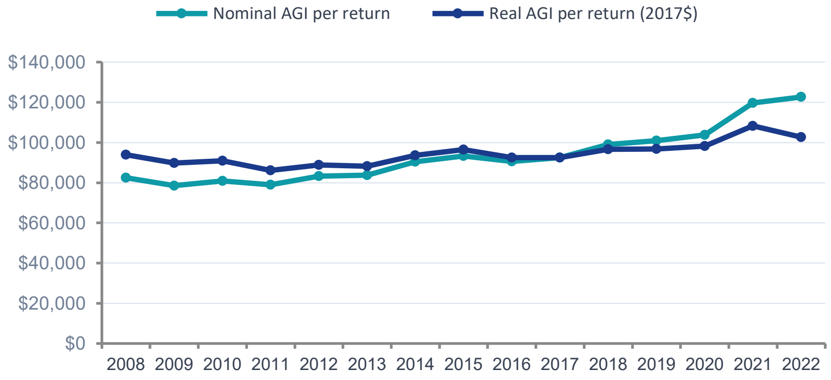
For every $1 that leaves Fauquier to pay non-resident workers, residents bring home about $3.54 from jobs outside the county.

What Do Our Fauquier Citizens Earn Based on Average Tax Returns

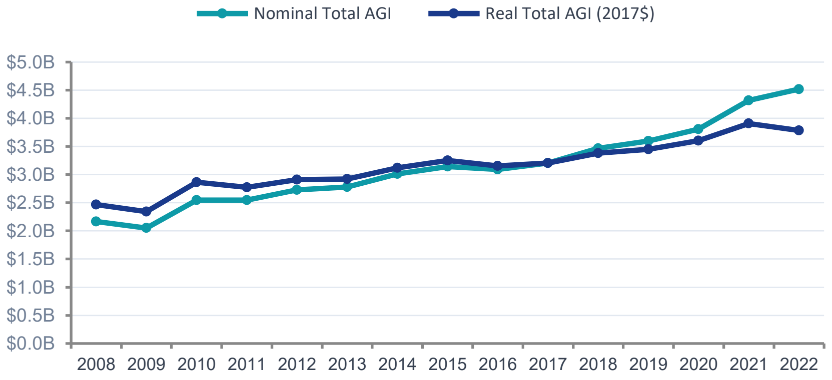
Source: Internal Revenue Service, Statistics of Income (SOI), County Income Data, 2008-2022. Real dollars deflated using BLS CPI-U annual averages. Note: IRS changed its county file format between 2009 and 2010; the number-of-returns figure has a definitional break at that point, but average income per return is reliable across the full period.

Adjusted Gross Income (AGI) For Fauquier County Using IRS Data

Per Return



Total AGI



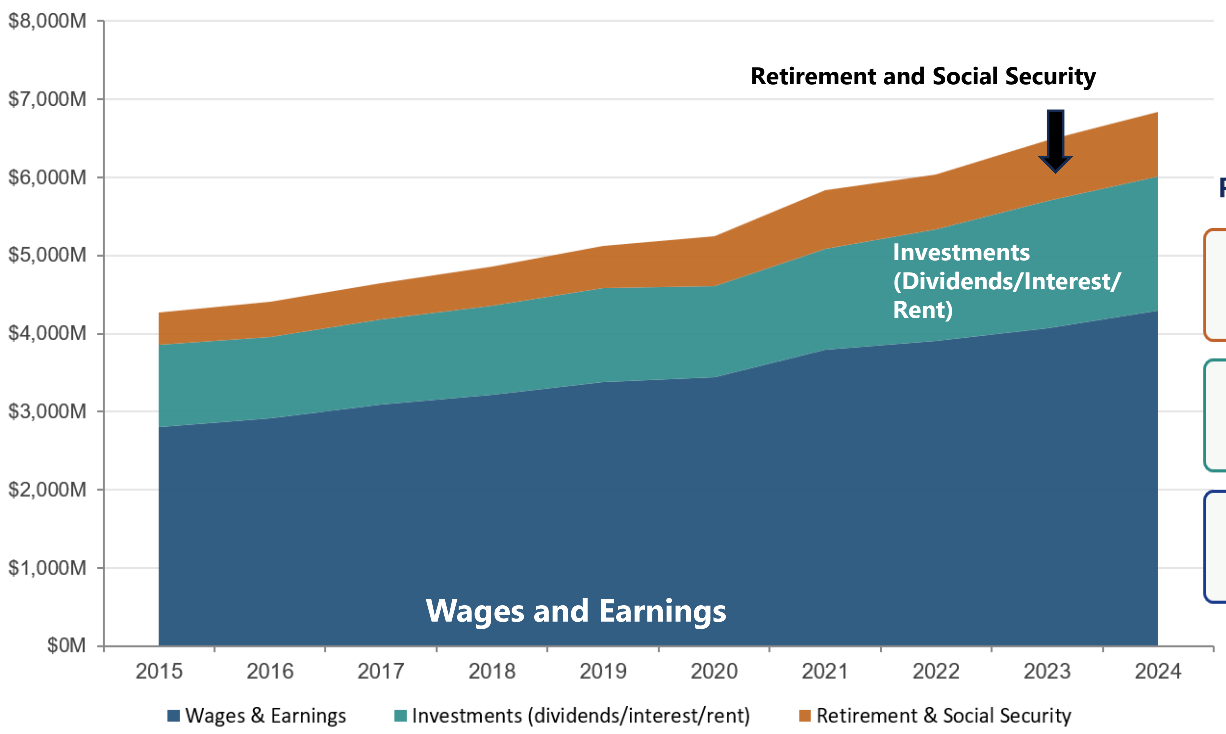
Discontinuity at 2009→2010: total AGI jumps +24.2% in a single year — far larger than any other year-over-year move in this series — due to the same IRS reporting format change noted on the earlier tax-return slides. Use only the 2010–2022 window for growth comparisons.

Per Return: +48.6% Nominal and +9.3% Real (2017$) AGI Growth 2008–2022

- Real income was essentially flat for 12 years (2008–2020, only +4.6% total).
- Jumped sharply in 2021 (+10.2%) before partly reversing in 2022 (-5.1%)
- Likely pandemic relief and a strong capital-gains year.

Where Does the Money Come From — And Is It Growing?

Total county income by source, 2015–2024 ($ millions, nominal) – Source: BEA CAINC30 Profile 2015-2024



Real (2017$) Growth, 2015–2024

Retirement & Social Security

+50.5%

Investments (dividends/interest/rent)

+23%

Wages & Earnings

+16%

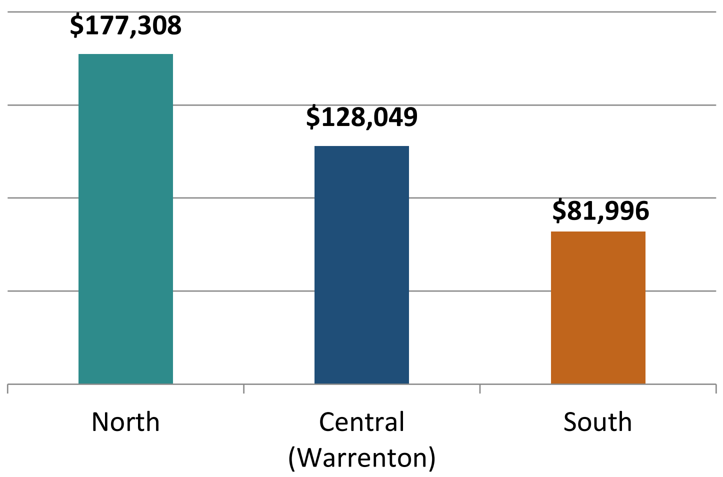
Why Retirement-Social Security is the fastest-growing source: **Even in real dollars, retirement income (+50.5%) grew more than 2x as fast as wages (+16%) or investments (+23%). This money doesn't depend on local jobs, new development, or anything happening in the county today — it arrives regardless.**

"Retirement & Social Security" is BEA's "Retirement and other" transfer-receipts line, 96% Social Security/pension income in 2023; excludes small, volatile unemployment-insurance and income-maintenance lines.

Our Incomes Across Three Cross Sections of Fauquier County

Source: Internal Revenue Service, Statistics of Income (SOI), ZIP Code Income Data, 2022. Regions grouped by ZIP code geography.

Average AGI per Return, 2022



Key Ratios by Region, 2022

	North	Central	South
Elderly share	32.7%	30.2%	23.1%
Cap. gain participation	29.9%	27.2%	13.7%
EIC participation	6.6%	5.9%	10.5%
Joint filer share	43.6%	45.1%	39.4%
Head of household share	6.6%	7.4%	10.8%

NORTH

ZIP codes: The Plains (20198), Marshall (20115), Delaplane (20144), Broad Run (20137), Upperville (20184), Markham (22643)

6,030 returns. The wealth cluster: highest average income, elderly, most capital-gains-driven — concentrated estate/investment wealth, not broad-based.

CENTRAL

ZIP codes: Warrenton (20186, 20187)

16,530 returns. Broad-based: second-highest income but the highest joint-filer share of any region — driven by stable married dual-income households, not concentrated windfalls.

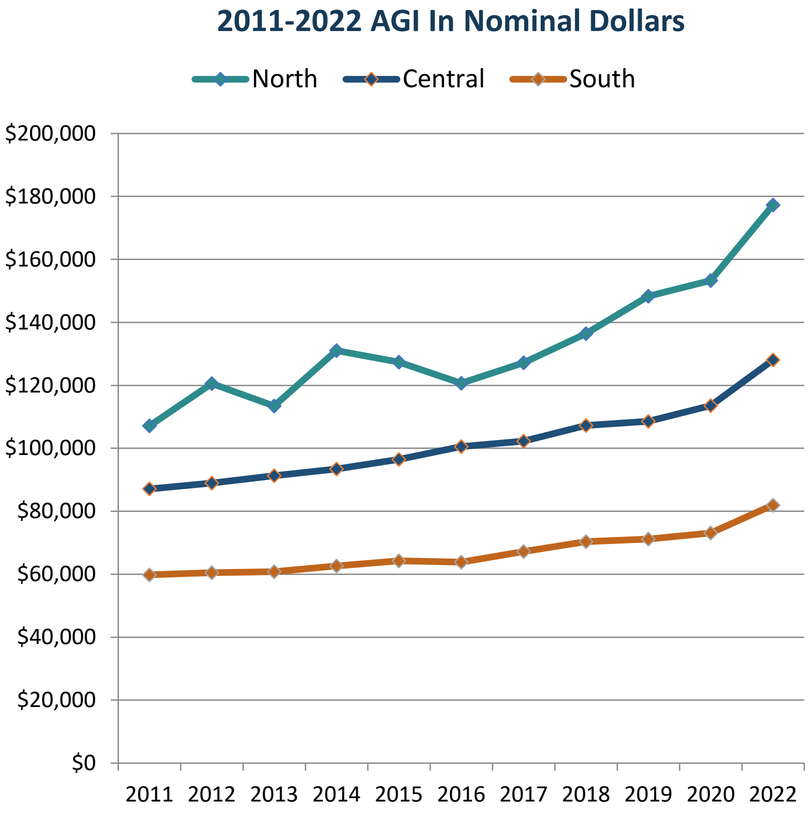
SOUTH

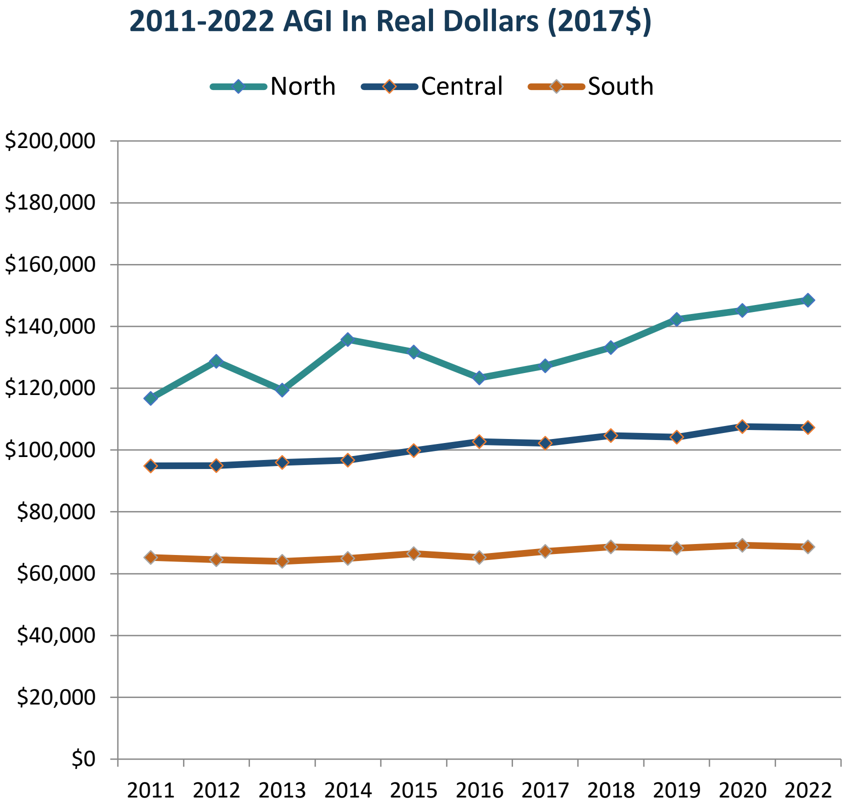
ZIP codes: Catlett (20119), Bealeton (22712), Goldvein (22720), Midland (22728), Remington (22734)

11,060 returns. The working-family cluster: lowest income, youngest population, highest EIC and head-of-household shares — the clearest economic-hardship profile in the county.

Our Incomes Across Three Cross Sections of Fauquier County

Source: Internal Revenue Service, Statistics of Income (SOI), ZIP Code Income Data, 2022. Regions grouped by ZIP code geography.





Our Incomes Across Three Cross Sections of Fauquier County

Source: Internal Revenue Service, Statistics of Income (SOI), ZIP Code Income Data, 2022. Regions grouped by ZIP code geography.

2.2x

North's average income is more than double South's

$177,308 vs. $81,996 per return, 2022

5.1x

North's real income grew 5x faster than South's

+27.2% vs. +5.3% real growth, 2011–2022

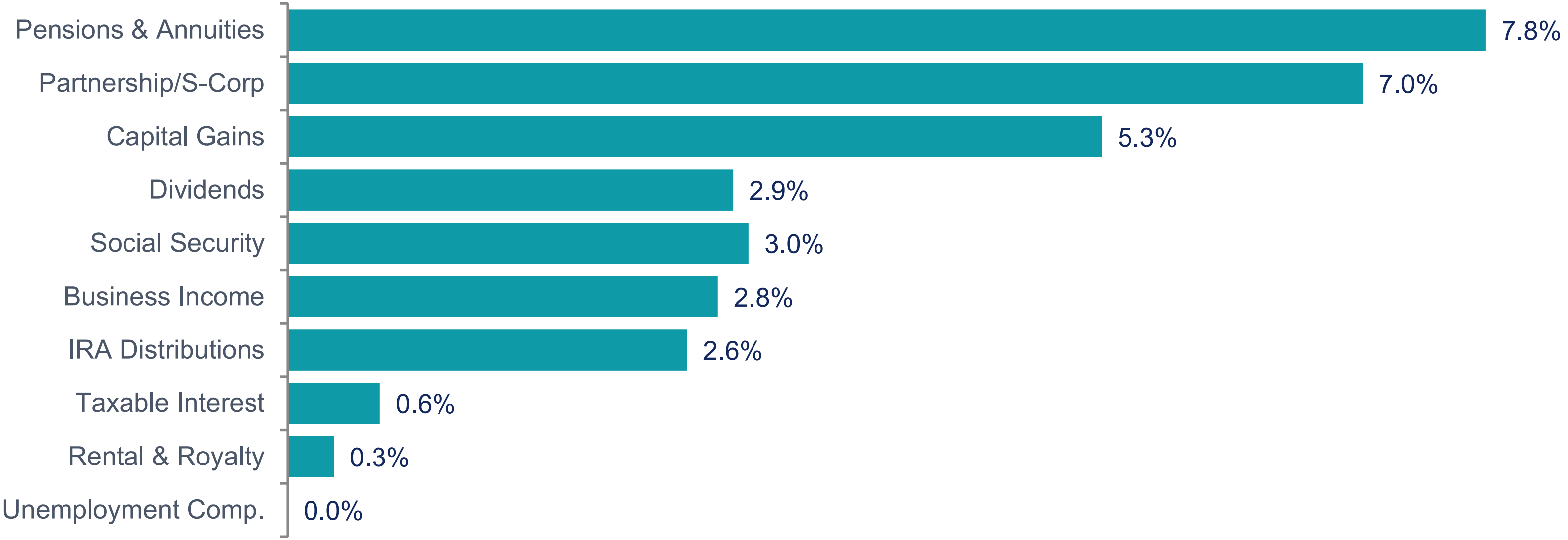
Flat

South's real income essentially stagnant for a decade

Bouncing between $63K–$69K (2017$) every year since 2011 — barely keeping pace with inflation, never getting ahead of it.

Our Incomes Other Than Wages (Non-Wage)

Source: Share of Adjusted Gross Income by Category, Tax Year 2022 · Source: IRS Statistics of Income (SOI), ZIP Code Data

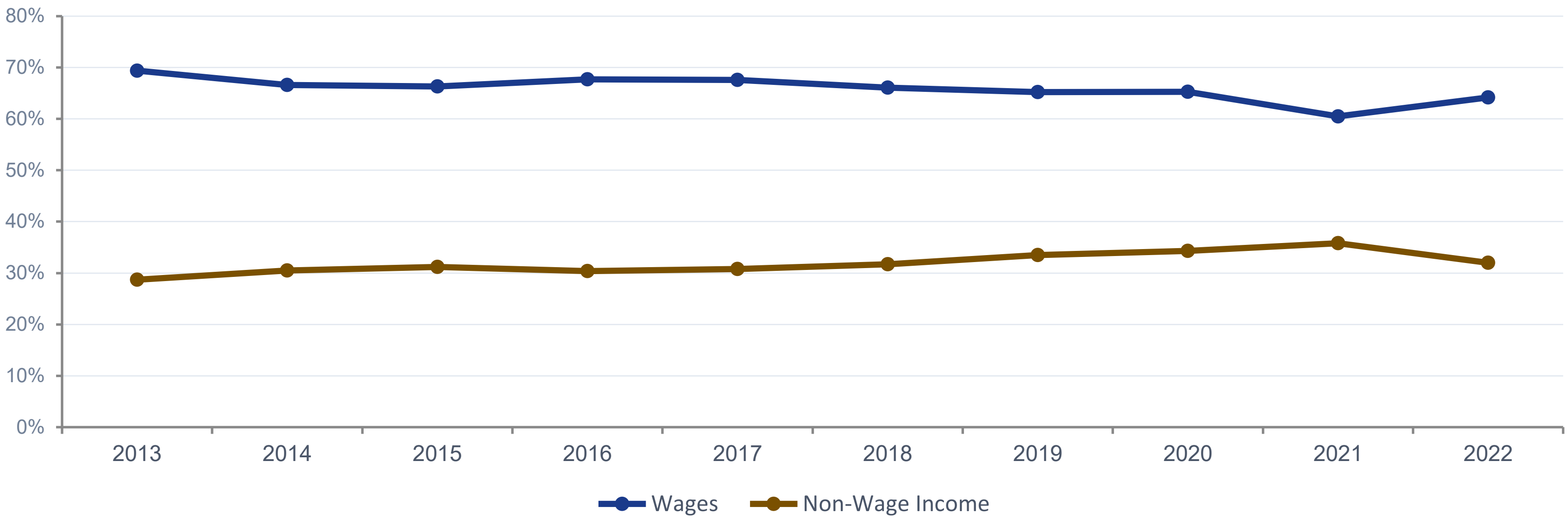


The takeaway: Pensions (7.8%) and partnership/S-corp income (7.0%) are the two largest non-wage categories — real evidence of both a retiree population and active business owners, not just commuters. Capital gains (5.3%) and dividends (2.9%) add a further investment-wealth layer.

2022 is the only year IRS published all 10 categories (including rental/royalty) separately at ZIP-code geography; the 2013–2022 trend on the prior slide excludes rental/royalty for year-over-year comparability.

Our Incomes: Wages and Non-Wage Income Trends

Source: Wage vs. Non-Wage Share of Adjusted Gross Income, Fauquier County, 2013–2022 · Source: IRS Statistics of Income (SOI), ZIP Code Data



The trend: wages' share of county income has declined from 69.4% (2013) to 60.5–64.2% in recent years, while non-wage income (investments, business income, retirement) has grown from 28.7% to 32–36%. Fauquier's economy is becoming less dependent on paychecks alone.

Non-wage = taxable interest, dividends, business/professional income, capital gains, IRA distributions, pensions, unemployment comp., Social Security, and partnership/S-corp income. Years 2013–2022 chosen because IRS reported all these categories consistently only in this window (see Methodology tab, source workbook).

Our Incomes: Non-Wage Income As a % of AGI

Source: Wage vs. Non-Wage Share of Adjusted Gross Income, Fauquier County, 2013–2022 · Source: IRS Statistics of Income (SOI), ZIP Code Data

Ten years, same story: North's investment income has stayed 4–8x South's every single year since 2013, not just in 2022. Social Security has stayed within a tight 2.1–3.2% band across all three regions, every year — confirming it's a stable floor, not a differentiator.

Each line = that category's share of the region's total AGI for the year shown. Investment income's volatility (especially North) reflects capital-gains sensitivity to market conditions (e.g., 2021 boom, 2022 pullback).

Section 5

Conclusions and Recommendations

Fauquier has some underlying economic challenges. Left unspoken and unaddressed, these challenges will turn into serious problems.

Top Conclusions – Some Realities We Need to Pay Attention To

79.2%

Our workforce doesn't work here, and that sector just contracted. 79.2% out-commute; Virginia lost 23,500 federal jobs statewide in 2025 alone. Professional services sector will experience job loss.

4–8x

Growing "non-wage" income isn't a safety net. Social Security is flat for a decade; what's growing is volatile investment income, concentrated in norther part of the county. What happens in market shifts?

$2.02B

We import a lot of our paychecks and have little to fall back on. Net inflow of outside income vs. just 3.2% of GDP in manufacturing — thin ground as AI reshapes commuter jobs.

Return to Office

The jobs we depend on can't relocate here. Federal telework ended; those jobs are now mandated on-site or near customer locations outside of Fauquier. Many of these jobs are structurally tied to on-site presence. Any promise or plan that assumes they'll relocate here should explain how.

Top Conclusions – Some Realities We Need to Pay Attention To

40%	**What we buy locally is fragile.** Food, dining, and general merchandise are discretionary spending, cut first when times get tough.
+5.3%	**Inflation hit South Fauquier hardest.** Real income growth over 11 years (2011–2022) — barely ahead of inflation, vs. +27.2% in North.
94.3¢	**Our property tax rate is nearly double our rural neighbors'.** Per $100 of assessed value, vs. 46.0¢ Culpeper and 49.0¢ Warren. We lack their commercial-industrial tax base.
106 Yrs	**We are not becoming Loudoun.** Years to close the economic gap at our current growth rate. The math already answers the loudest fear in this debate.
2.2x	**Fauquier is not one economy — it's at least two.** North's income vs. South's, and the gap is widening. One-size policy will miss half the county.

A Starter List for Our Next Economy. Do This in The Next 12 Months!

1 Publish One Joint Annual Economic Report and Forecast

The Chamber, Economic Development, County, and Towns should jointly publish one annual report and forecast every year. Establish a common and insightful set of metrics so every future debate starts from the same facts, not competing numbers.

2 Prepare A Joint Economic Development Plan

The Chamber, Economic Development, County, Towns, citizens, businesses, and non-profits come together to build a 2028-2038 Economic Development Plan. Siloed plans will not work for the workforce and economic shift that will impact this area in the next 10 to 20 years. We must compete!

3 Re-Energize Our Own Processes

Whatever the Joint Economic Development Plan decides to pursue, we need to audit our own permitting timelines, fees, and process against Culpeper and Warren. Remove friction that isn't buying us anything in return. Our economy is going to shift through forces outside our control. Let's not add unnecessary friction of our own making.