



Contents

Introduction

- Map of Prince William Countyv
- History of Prince William Countyvi
- Organizational Chart.....ix
- Board of County Supervisorsx
- County Executive Transmittal Letter.....xi
- Board of County Supervisors Budget Guidancexii
- Tax Policy.....xiii
- All Funds Expenditure Budget xvi
- General Fund Expenditures xvii

Budget Summary

- FY 2013 Fiscal Plan Adjustments.....1
- Economic Development/Transportation.....2
- Human Services4
- Public Safety6
- Capital Improvement Program/Debt Service8
- General Fund Revenue and Resource Summary.....9
- Five-Year Budget Plan13
- Revenue vs. Expenditure Comparison15
- Projected Revenues, Budgeted Expenditures and Projected Changes in Fund Balance16
- All Funds Summary of Revenues and Other Financial Sources and Expenditures17
- Position Summary of FTE Positions.....18
- Percent Share of Total General County Budget.....20
- Revenue and Expenditure Comparison by Fund Areas
 - General Fund22
 - Special Revenue Funds.....23
 - Capital Project Funds.....29
 - Enterprise Funds.....30
 - Internal Service Funds33

- Community Partners..... 35

Expenditure Summary

- General Fund Budget (includes School Transfer)
 - by Functional Categories (*chart*)..... 43
 - by Category of Expenditure (*chart*) 44
- Expenditure Summary (*table*) 45
- General Fund Budget (excludes School Transfer)
 - by Functional Categories (*chart*)..... 50
 - by Category of Expenditure (*chart*) 51
- General Fund Expenditures
 - Budget History (*graph*) 52
 - Budget History, percent change (*graph*) 53

Revenue Summary

- General Fund Funding Sources (*chart*) 55
- Local Tax Sources (*chart*) 56
- General Fund Revenue
 - History (*graph*) 57
 - Summary (*graph*)..... 57
- Revenue Estimates by Category (*table*) 59
- General Fund 59
- Projected Revenue and Other Financing Sources (*table*) 86
- All Funds Revenue Summary (*table*)..... 87

Understanding the Budget

FACTS ABOUT THE BUDGET

- Development of the Annual Budget 91
- The Budget in General..... 91
- Relationship Between the CIP and Budget 91
- Amending the Budget..... 91
- Budget Development Process/Calendar..... 92



Contents



Understanding the Budget (cont.)

Prince William County Accounting System.....	95
User Guide: How to Read the Budget Document.....	97

STRATEGIC BASED OUTCOME BUDGET PROCESS

Financial and Program Planning Ordinance.....	103
Community Vision and Values	103
Strategic Plan.....	104
Economic Development/Transportation.....	105
Education.....	105
Human Services	105
Public Safety	105
Measuring Performance	106
Resource Allocation	112
Principles of Sound Financial Management	113
Debt Management Policy Statement.....	115

BACKGROUND AND SUPPLEMENTAL STATISTICAL INFORMATION

Economic Indicators	117
Employment	117
Real Estate Development.....	118
Real Estate Tax Base	118
Housing Characteristics	119
Population Characteristics.....	120
Population Growth	121
Median Income.....	121
Indicators of Financial Condition	122
Past Trends in County Service Efforts.....	123
Spending Adjustments for Inflation.....	123
General County Government Staffing.....	123
Capital Improvement Program	124
General Debt Service	124
Cost Per Capita.....	125
Community Resources	126
State and Federal Parks.....	126

Universities and Colleges	127
Libraries.....	127
Historical Sites.....	127

General Government

Board of County Supervisors	131
Office of Executive Management.....	141
County Attorney.....	157
Audit Services	163

Administration

Board of Equalization	169
Contingency Reserve	173
Finance Department.....	177
General Registrar	195
Human Resources	201
Human Rights Office.....	211
Department of Information Technology.....	217
Office of Management and Budget.....	237
Prince William Self-Insurance.....	245
Unemployment Insurance Reserve.....	249

Judicial Administration

Circuit Court Judges.....	251
Clerk of the Circuit Court	257
Commonwealth's Attorney	265
Office of Criminal Justice Services.....	273
General District Court.....	283
Juvenile and Domestic Relations Court	289
Juvenile Court Service Unit	293





Contents

Law Library303
 Magistrate309

Planning and Development

Department of Development Services315
 Department of Economic Development329
 Office of Housing and Community Development339
 Planning351
 PWC/Manassas Convention and Visitors Bureau365
 Public Works369
 Bull Run Mountain Service District407
 Lake Jackson Service District411
 Transit413
 Department of Transportation427

Public Safety

Adult Detention Center437
 Fire and Rescue Department453
 Volunteer Fire and Rescue Companies473
 Police Department495
 Public Safety Communications517
 Sheriff’s Office525

Human Services

Area Agency on Aging539
 At-Risk Youth and Family Services553
 Community Services563
 Virginia Cooperative Extension597
 Public Health607

Department of Social Services621

Parks and Library

Prince William Public Library System643
 Parks and Recreation655

General Debt/CIP

General Debt/Capital Improvement Program667
 Debt Management in PWC669
 Debt Capacity (*graph*)671
 Debt as a Percentage of Assessed Value (*graph*)671
 Debt Services (*graph*)671
 Funding by Project, 6 Year Projection (*table*)672
 Capital Improvement Program677
 Overview of the Development of the CIP677
 Proffer Integration678
 FY 2013-2018 CIP Strategic Goal Summary679
 Operating Impacts683
 Debt Service Impacts684

Non-Departmental

Non-Departmental/Unclassified Administration685

Schools

Prince William County Public Schools695

Appendix

Glossary699
 Abbreviations710
 Index715

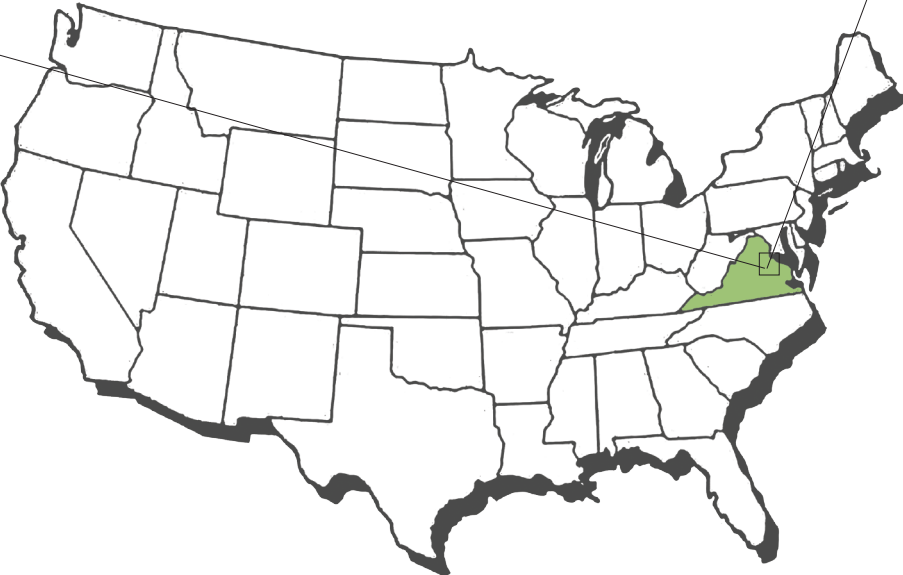
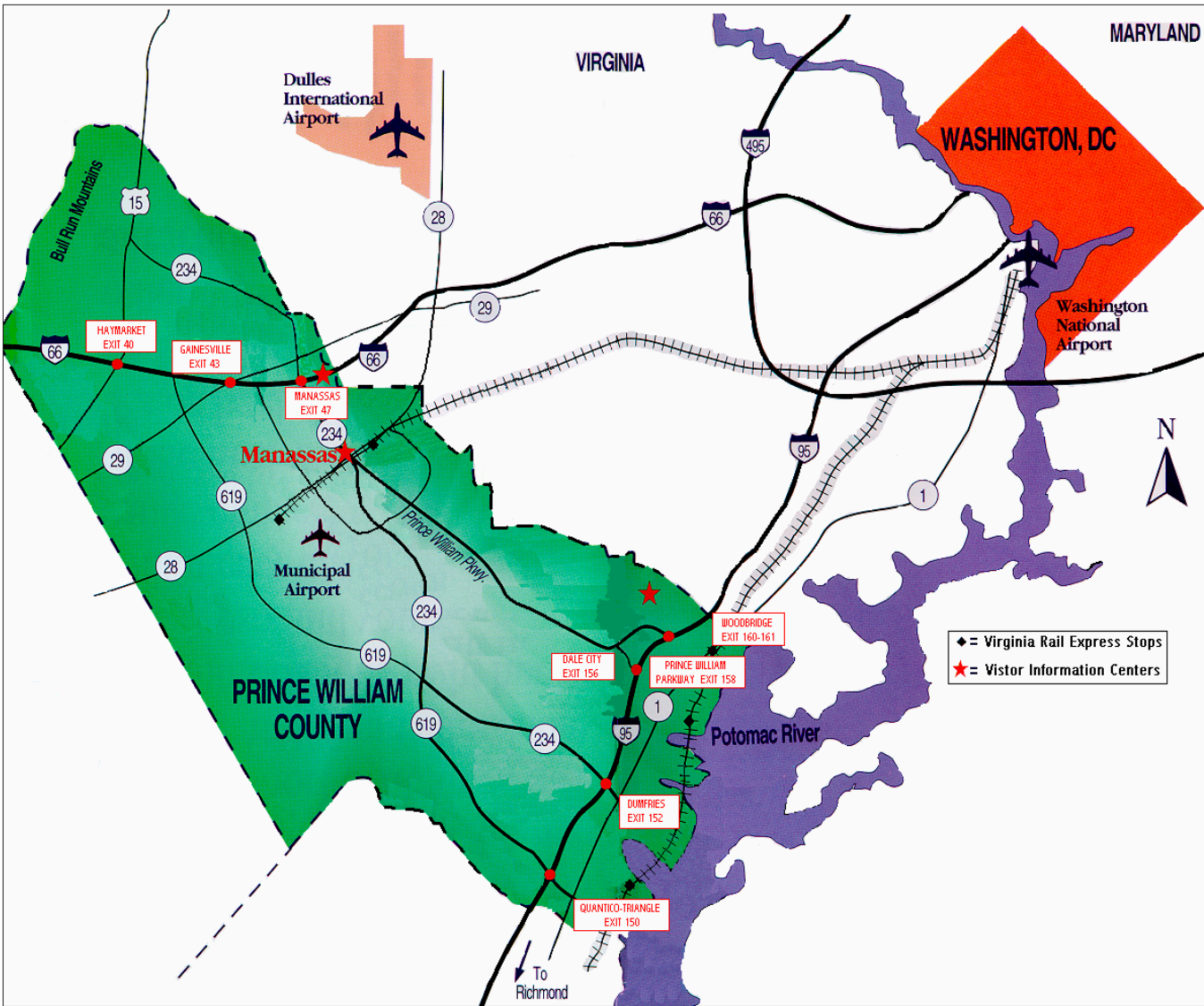


Alphabetical Listing of Agency Budget



Adult Detention Center.....	437	Lake Jackson Service District.....	411
Area Agency on Aging.....	539	Law Library	303
At-Risk Youth and Family Services	553	Magistrate	309
Audit Services	163	Management and Budget, Office of.....	237
Board of County Supervisors	131	Non-Departmental/Unclassified Administration	685
Board of Equalization	169	Parks and Recreation.....	655
Bull Run Mountain Service District.....	407	Planning.....	351
Circuit Court Judges	251	Police Department	495
Clerk of the Circuit Court	257	Prince William County Public Schools	695
Commonwealth's Attorney	265	Prince William Public Library System	643
Community Services	563	Prince William Self-Insurance.....	245
Contingency Reserve	173	Public Health.....	607
Cooperative Extension Service	597	Public Safety Communications.....	517
County Attorney.....	157	Public Works.....	369
Criminal Justice Services, Office of.....	273	PWC/Manassas Convention and Visitors Bureau	365
Development Services, Department of	315	Sheriff's Office	525
Economic Development, Department of.....	329	Social Services, Department of	621
Executive Management, Office of (OEM).....	141	Transit.....	413
Finance Department	177	Transportation, Department of	427
Fire and Rescue Department	453	Unemployment Insurance Reserve.....	249
General Debt/Capital Improvement Program	667	Volunteer Fire and Rescue Companies	473
General District Court.....	283		
General Registrar	195		
Housing and Community Development, Office of.....	339		
Human Resources	201		
Human Rights Office.....	211		
Information Technology, Department of	217		
Juvenile and Domestic Relations Court	289		
Juvenile Court Service Unit	293		





- **Suburb of Washington, D.C.**
- **Population approx. 411,686**
- **Eight-Member Elected Board of County Supervisors**
- **Appointed County Executive**





HISTORY

Captain John Smith first discovered Prince William County during an expedition up the Potomac River in 1608. Smith found the region inhabited by Anacostan, Doeg, Iroquois, and Piscataway Indians. The first known colonial settlement was founded in 1722. In 1730, the Virginia General Assembly carved out an area approximately 2,000 square miles in size and named it Prince William County, after the second son of England's King George II. At that time Prince William County comprised all of "Northern Virginia" but by 1759, the General Assembly substantially reduced the County's size. Fairfax County was formed in 1742 and Fauquier County was formed in 1759, both from the original Prince William County area.

In 1730, the Dumfries area was prominent in the County and may have been the location of an official Tobacco Inspection Station due to its close proximity to the Potomac River. This is important because the Potomac River was a major regional route used to export tobacco to England, which was profitable for the southern colonial regions. The Tobacco Inspection law, passed in Virginia in 1730, required all exported tobacco shipments to bear an inspection certificate. Dumfries officially became a town in 1749 and in 1763 it reached an economic milestone by exporting more tobacco tonnage than the colony of New York.

Economic and political displeasure with the British government reached the breaking point for Prince William colonists in 1773. Pro-colony groups such as the Prince William Resolvers voiced protest against the erosion of colonial liberties. As England had ordered all colonial governors to cease granting lands, except to veterans of the French and Indian War, further financial strains were wrought against the colonies through



taxation, including the infamous Tea Act and Stamp Act. In 1774, under ever-mounting pressure, the Virginia Convention adopted resolves against the importation of British goods and the importation of slaves. The

Virginia Convention also required each county to form a volunteer company of cavalry or infantry. Prince William had already formed a volunteer unit a year before. The Independent Company of Prince William, under the leadership of Captains William Grayson and Philip Richard Francis Lee, was a volunteer unit comprised



of 40 plus infantrymen. Many troops from the Independent Company of Prince William joined others from around the state to form two [Colony] regiments sanctioned by the third Virginia Convention in 1775. After the start of the Revolutionary War, the remaining troops of the "Company" became

known as the Prince William District Battalion in 1776. In June of that year, Captain Grayson was appointed Assistant Secretary to General George Washington.

The war ended and news of the ratification of the Treaty of Paris between the United States and Great Britain reached Virginia on February 3, 1784. Prince William County soldiers from the Virginia regiments returned home to their families. Although there was heavy troop movement through the County from all sides, it escaped the massive destruction leveled against Richmond. The County wasn't as fortunate, however, during the Civil War.

Before the Civil War, the population of Prince William County reached 11,000 and the African American population was 43.4 percent. Many African Americans in Virginia at this time were free from slavery and indentured servitude. Virginia legislators passed a law in 1782 permitting the freeing of slaves, however, colonies further south did not participate in similar legislation. Haymarket emerged as a large population center in 1799, with Occoquan following in 1804 and Brentsville in 1822. The County thrived through the early and mid 1800's. The railroad era began in Virginia around 1811 and in 1851 the railroad reached Manassas. Manassas Junction brought a new form of shipping and travel to the area. It also became a crucial stratagem for cutting off supplies to either side throughout the War. The first threat to the railroad junction was the Battle at Blackburn's Ford after Virginia seceded from the Union in 1861. Although the Battle at Blackburn's Ford was

short-lived, it was a prelude to the First Manassas battle three days later. First Manassas at Bull Run was the first major land battle of Union and Confederate armies in Virginia after the Confederate takeover of Fort Sumter in South Carolina. The Union objective was to seize the Manassas Junction Railroad. Thomas J. Jackson earned his very famous nickname “Stonewall” Jackson towards the end of this battle.

Many lesser-known battles were also fought in the County; they include Cockpit Point, Manassas Station,



Chapman’s Mill, and Bristoe Station. Cockpit Point, a stretch of shoreline along the Occoquan River, is where the Confederate army formed a blockade at the Potomac River to cut off supplies to Washington. The Battle at Manassas Station was a Confederate victory where the Union supply depot at Manassas Junction was destroyed. The skirmish near Chapman’s Mill ensured another Union defeat at the Second Battle of Bull Run; a swift Union retreat allowed two Confederate battalions to join together. This single seemingly inconsequential action virtually ensured the Union Army defeat during the Second Battle at Bull Run. The last battle fought in Prince William County was at Bristoe Station in 1863. A Confederate corps happened upon a retreating Union army at Bristoe Station and attacked. Other Union soldiers in the area countered the small corps and captured the Confederate battery of artillery.

Manassas became a town in 1873. In 1892 Manassas became the County Seat for Prince William. Rebuilding the area to its former glory was almost an impossible task for locals. Grand manors and local businesses blighted during the War were replaced by modern inventions and post war architecture. The railroad was reconstructed and expanded westward. Education became more important and schools sprung up - almost overnight. Ironically, a former Union Army Officer, George Carr Round, relocated to Manassas and helped to build its first public

school. He later served on the Town Council and was a member of the Virginia General Assembly. Many schools and colleges opened in the County including the Manassas Industrial School for Colored Youth and Eastern College. The Manassas Industrial School for Colored Youth was founded by Jennie Dean in 1894. The purpose of the school was to improve the moral and intellectual condition of the youth placed under its care. Eastern College attracted students from over 22 states and 2 foreign countries. Eastern was transformed into a military academy and later closed in 1935. Other academies and military schools opened in the area in the early 1900’s. The ultimate military training academy of a sort was founded on a peninsula southwest of the Town of Occoquan, on the Quantico River in 1917. The Quantico Marine Base became an official training facility for the Navy before World War I, and was one of the first Marine training centers not housed on a Naval base. The Town of Quantico, surrounded by the training center, was incorporated in 1927.

After two World Wars and the incorporation of the cities of Manassas and Manassas Park in 1975, present day Prince William County is a thriving and diverse community. The County has a population of 364,734 people and boasts a median household income of \$88,724 as indicated by the Census Bureau’s 2008 American Community Survey (2008 ACS). It is also a “young” County with 29.3% of its population below eighteen years of age as of the 2008 ACS. Prince William County was the birthplace or home of many notable personalities including George Mason II, Henry Lee III (the father of General Robert E. Lee), William Grayson, John Ballendine, Parson Mason Locke Weems, Benita Fitzgerald-Brown, the Chinn Family, Simon Kenton, Jennie Dean, James Robinson, Wilmer McLean, and many more. From pre-colonial times to modern day, Prince William County is a dynamic community continues to be.

REGIONAL PERSPECTIVE

Prince William County is located in Northern Virginia, approximately 30 miles southwest of Washington, D.C. The County encompasses an area of 348 square miles, 18.8% of which is federally owned land.

Prince William’s location in the Metropolitan Washington, D.C. area and the availability of excellent transportation in the region is a catalyst for growth in the County which continues to provide numerous economic





advantages. Interstate 95 and U.S. Highway 1 connect the County with Washington, D. C. to the north and Richmond, Virginia to the south. Interstate 66 connects the western portion of the County with Washington, D.C. to the east and Interstate 81 to the west. The Route 234 Bypass links Interstate 66 in the west with 7,000 acres designated for industrial and commercial growth. Prince William Parkway includes a new interchange on Interstate 95 and prime development locations through the eastern portion of the County.

The County has a number of freight and passenger rail service alternatives available to its citizens and businesses. CSX and Norfolk Southern Railway provide freight service to the County. Amtrak passenger trains provide inter-city service to points up and down the Eastern seaboard from stations in the Town of Quantico and the City of Manassas. The Virginia Railway Express provides passenger service thirty-two times a day to and from the District of Columbia from four stations within the County.

Dulles International Airport, Reagan National Airport, and Manassas Municipal Airport, a regional facility, provide air transportation within easy access of Prince William County.

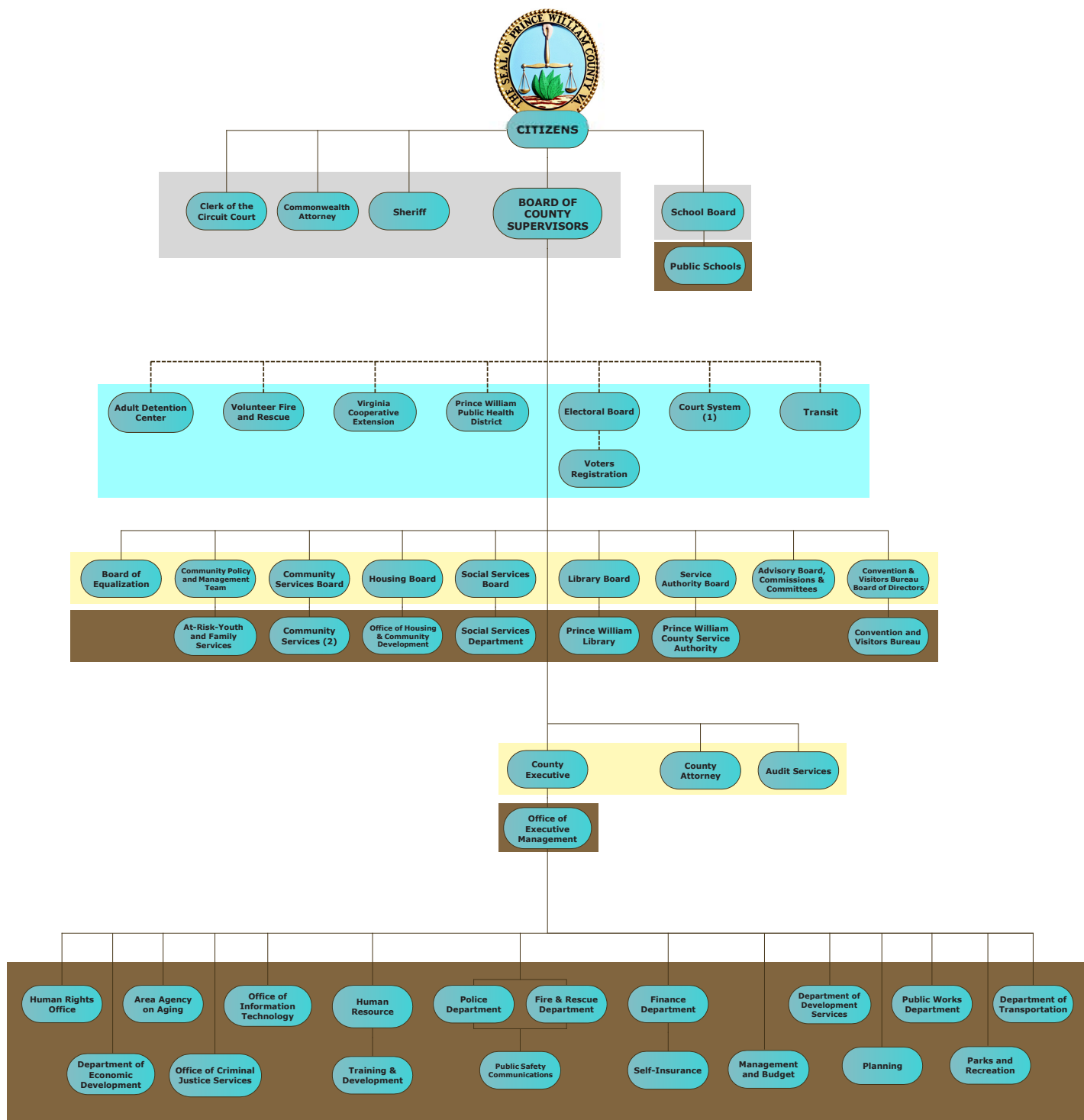
LOCAL GOVERNMENT

For 277 years, Prince William County Government has exercised local governing powers granted by the Virginia General Assembly. Since 1972, Prince William County has had the County Executive form of government. Under this form of government, an eight member Board of County Supervisors has full power to determine the policies covering the financial and business affairs of the County government. The Board appoints a County Executive to act as the County government's chief administrative officer and to execute the Board's policies. The Board also appoints a County Attorney, an Audit Services Director and several separate Boards and Authorities to administer the operations of certain services. The County provides a full range of local government services including police, fire and rescue, court services, education, development administration, library, water and sewer services, park and recreational services, health and social services, public improvements, planning and general administration.

Did you know?

The County Seal commemorates the most important cash crop of the colonial period. It depicts a hand holding scales evenly balanced over a stalk of tobacco.





Notes:

- (1) Circuit Court Judges, General District Court, Juvenile & Domestic Relations Court, Juvenile Court Services, Law Library & Magistrate
- (2) Mental Health, Intellectual Disability & Substance Abuse Services
- (3) Dotted lines are state and local services not directly accountable to the Board of County Supervisors

Legend

- Elected Officials / Constitutional Officers
- State and Local Services
- Appointed By BOCS, Boards and Commissions
- Agencies and Departments

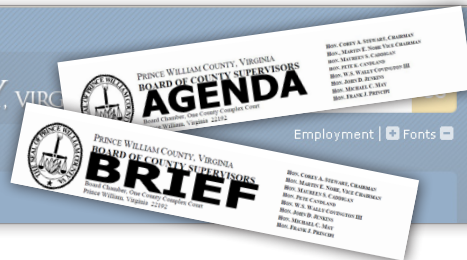




PRINCE WILLIAM COUNTY, VIRGINIA

PWC HOME

BOARD OF COUNTY SUPERVISORS



Chairman At-Large

Corey A. Stewart

Brentsville District

W.S. "Wally" Covington III

Coles District

Martin E. Nohe, Vice Chairman

Potomac District

Maureen S. Caddigan

Gainesville District

Pete Candland

Neabsco District

John D. Jenkins

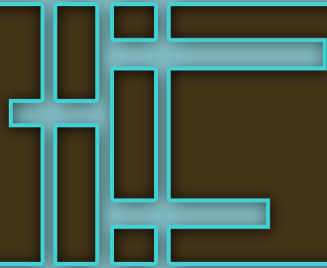
Occoquan District

Michael C. May

Woodbridge District

Frank J. Principi





FY 2013

BUDGET

Prince William County, VA

July 1, 2012

Mr. Chairman and Members of the Board:

On behalf of Prince William County government staff, I am pleased to deliver the Prince William County FY 2013 Budget and accompanying Five Year Plan. Fiscally, the budget implements the Board of County Supervisors' policy guidance and works to achieve the community's Vision and Strategic Goals. Legally, it fulfills the statutory requirements and my administrative responsibilities under the County Executive form of government.

The Board of County Supervisors' policy guidance and the expectations we hear from the citizens of the County create the basis for the FY 2013 Budget and the FY 2013-2017 Five Year Plan. As part of Prince William County's participatory strategic planning process, the Board of County Supervisors has adopted the following Vision statement to guide the community towards the future.

FY 2013 Budget Summary

- The FY 2013 Budget implements the Board of County Supervisors' policy and budget guidance contained in the Strategic Plan, the Principles of Sound Financial Management and the adopted Risk Matrix.
- The average residential tax bill in FY 13 increases 3.2% from the prior year which is less than the rate of inflation (3.4%). In doing so, the average tax bill for FY 13 is \$445 lower than FY 09 when adjusted for inflation.
- The total FY 13 County budget for all funds, exclusive of Schools, is \$777.3 million. This is a 15.5% decrease from FY 12.
- The FY 13 general fund budget, including the schools transfer, totals \$914.1 million. This is an increase of 2.7% over FY 12.
- The total County general fund budget, excluding Schools, is \$468.8 million, a 0.9% increase over FY 12.

STRATEGIC PLAN

Prince William County is a premier community where we treasure the richness of our past and the promise of our future. We are diverse and dynamic with a thriving economy where citizens and businesses grow and succeed together. We are a global technology and business leader for the 21st century.



- The transfer to the Schools is \$445.3 million, an increase of 4.6% over FY 12.
- The FY 2013-2018 Capital Improvement Plan, including the Schools, is planned for \$1.1 billion with \$96.7 million to be expended in FY 13. County projects exclusive of the Schools total \$300 million over the six years of the plan.
- The FY 13-17 Five Year Budget Plan is balanced in each year while maintaining a 1% Revenue Stabilization Reserve.

The average residential real estate tax bill for FY 13 is \$3,303 (\$3,507 including the fire levy). The largest portion of general revenues (56.75%) goes to Prince William County Schools. After that comes public safety at 21.8% and human services at 5.1%. We are very proud that our overhead rate for County government is extremely low at just over 4.2%. We are happy to compare this with any other private or public organization. The allocation of homeowners' tax bills is shown below.

Investment Dividends

During the past several years, as Prince William County has addressed the impacts of the Great Recession, our focus has been on a comprehensive analysis of all County government programs and services, and funding the needs of the community in our capital and operating budgets. Using the Board's adopted Strategic Plan, the Principles of Sound Financial Management and the adopted Risk Matrix, the community and the

Board of Supervisors have made the tough decisions that were necessary to best position the County for a changing economic future. Throughout the country, local governments are dealing with the reality of a "New Normal." Although we are seeing improvements in the economy, particularly here in Prince William County, balancing the needs and desires of the community with their willingness and ability to pay for those services continues to be a struggle. As County staff, we embrace the challenge that this offers and continue to demonstrate that we are excellent stewards of taxpayer money.

Decisions made by the Board of County Supervisors and the work done by staff to support those decisions have allowed us to begin re-investing in the community. As other government organizations are just now realizing the need to reduce and streamline their operations, Prince William County is in the enviable position of being able to invest in infrastructure and capital projects to ensure we remain a place where people want to live and businesses want to locate. Prince William County has many success stories as a result of the difficult decisions we made prior to and during the recession.

Board of County Supervisors' FY 13 Budget Guidance

The FY 2013 Budget implements the Board of County Supervisors' policy direction and budget guidance given in December 2011:

FY 2013 Average Real Estate Tax Bill - \$3,303

By Dollar Amount with Functional Areas



- Continue to implement the County's Strategic Plan.
- Maintain the County/School revenue agreement, providing 56.75% of all General Revenues to the Schools and 43.25% to the County. This is a model for County/School relationships throughout the Commonwealth and contributes significantly to our coveted AAA bond ratings.
- Maintain the community's AAA bond ratings and continue to implement the Board's Principles of Sound Financial Management.
- Keep average tax bills flat (when adjusted for inflation).
- Continue to fund and implement the capital improvement investment decisions made in FY 12.
- Continue to find efficiencies within the existing budget.
- Ensure that County investments achieve desired, measurable results.

Tax Policy

The FY 2013 Budget is based on a 3.2% increase in the average residential tax bill which is less than the inflation rate of 3.4%. The average residential tax bill in FY 13 will be \$3,303, \$134 lower than FY 09 and \$445 lower when adjusted for inflation.

FY 2013 Budget Highlights

The FY 2013 Budget and FY 2013-2017 Five Year Budget Plan were developed through a participatory process involving all County agencies, culminating in the presentation of this document. This process continued through a series of meetings and public hearings to gain community input prior to the Board of County Supervisors' adoption of the FY 2013 Budget.

Public Safety

The FY 2013 Budget includes a 1.7% (\$3.2 million) increase over the FY 2012 Budget. Changes include the following:

- Police: Staffing Plan adds 12 additional positions. While this is a big step forward, it is still short of the 25 sworn positions that were added annually before the Great Recession.
- Fire and Rescue: EMS fee revenue is funding 12 positions to complete the final 24-hour ALS

(Advanced Life Support Unit) needed in the County and an additional BLS (Basic Life Support) unit. Two additional arson investigators will provide more capacity in the Fire Marshal's Office to pursue criminal cases.

- Volunteer Fire and Rescue: Create a new apparatus fund to replace specialized equipment using EMS fee revenue.
- Public Safety Communications: Add five telecommunicators for 911 dispatch. The population has increased by 41% since 2000 but the staff complement has risen only 12%.
- Sheriff: Add three staff for mental health transport to complete the initiative begun in FY 12.

Judicial Administration

The FY 2013 Budget includes a 6.5% (\$0.9 million) increase over the FY 2012 Budget. Changes include the following:

- Office of Criminal Justice Services (OCJS): Add two probation/pre-trial officers and one therapist (in Community Services) for OCJS clients using increased revenues from City billings.
- Commonwealth's Attorney: Add one attorney to address caseload associated with population growth.
- Juvenile Court Systems Unit: Replace lost federal funding with local funding to retain the gang response and intervention team coordinator, a vital resource to the community.

Planning and Development

The FY 2013 Budget includes a 5.2% (\$2.0 million) increase over the FY 2012 Budget. Changes include the following:

- Transportation: Add one traffic safety engineer to enhance neighborhood safety, funded 50% through cost recovery.
- Development Services: Add one technical services analyst and two floating positions to address increased service demands, funded through development fees.
- Planning: Add one community development manager to support business and economic development efforts, particularly in older commercial areas of the County.





- **Public Works:** Fund lease, utility and fuel increases and, through the stormwater fee, add three environmental services staff to address more stringent regulatory requirements.

Administration/Revenue Enhancement

The FY 2013 Budget includes a 5.1% (\$1.5 million) decrease from the FY 2012 Budget. Changes include the following:

- **Finance:** Add one commercial real estate appraiser, two BPOL tax compliance trainees and one delinquent tax collector to improve revenue collection. Gross revenues are projected to increase by \$750,000 per year with this additional effort. A purchasing card program will be initiated, creating an administrator position which will be paid for with card rebates. Agency staff should recoup upwards of 8,000 hours of processing time as a result of this initiative.
- **Registrar:** Add a new Quantico voting precinct.
- **Information Technology:** Add one disaster recovery and business continuity manager and one systems engineer to improve systems reliability, funded by savings found within the agency.

Human Services

The FY 2013 Budget includes a 1.7% (\$3.2 million) decrease from the FY 2012 Budget. Changes include the following:

- **Aging:** Increased support to Birmingham Green to provide affordable housing to vulnerable residents, and use of federal funds for veterans care.
- **Community Services:** Add two therapists for mental health residential services and one nurse manager for medical services.

Parks and Libraries

The FY 2013 Budget includes a 5.8% (\$1.6 million) increase over the FY 2012 Budget. Changes include the following:

- **Parks and Recreation:** Add operating funds for parks and trails and utility increases.

General Government

The FY 2013 Budget includes a 7.6% (\$0.8 million) increase over the FY 2012 Budget. Changes include the following:

- **County Attorney:** Add one attorney for taxation matters and one legal administrative assistant.

Employee Compensation

The County provided a 2% pay plan adjustment in FY 12, the first increase to the pay scale since FY 08. Employees have not received merit increases since FY 2009. In order to retain and attract quality employees, the County must remain externally competitive while avoiding internal pay compression. Pay for performance increases will be alternated with pay plan adjustments to address both concerns. In FY 13, the County will provide the following adjustments to employee compensation:

- **3% Pay for Performance:** Eligible employees can receive up to a 3% increase to base salary based on performance evaluations.
- **Employee Retirement Benefits:** Effective July 1, 2012, all Virginia Retirement System (VRS) Plan 1 employees will begin contributing towards their retirement. The 5% total contribution will be phased in at 1% per year over 5 years. A matching pay offset is also required in accordance with the state code. VRS Plan 2 employees were already contributing as of July 1, 2011. By FY 17, all employees will be contributing 5%.

FY 2013 - 2017 Five Year Plan

Six Year Capital Improvement Program

- **2006 Bond Projects** - This budget continues to fund the bond projects restarted with the adoption of the FY 2012 Budget. All the 2006 road bond projects will be completed by 2014 and the Montclair and Gainesville libraries will open in 2015. Two new parks will be created at Fuller Heights and Occoquan Riverfront, six new sports fields are planned for Catharpin Park to address sports field capacity needs and the County's trail network will be significantly expanded. These capital improvements will add considerably to the community's quality of life and help achieve the County's Strategic Vision.
- **Public Safety Projects** - The CIP includes the reconstruction of three fire and rescue stations at Coles, Nokesville and Gainesville and the construction of the new Bacon Race Fire and Rescue Station. The Central District Police Station



is a new project added in FY 13. The construction of all of these facilities will improve emergency response times throughout the County. Also added in FY 13 is the replacement of the security system at the Juvenile Detention Center Security, funded as cash-to-capital.

- **Environmental Projects** - Improvements to the County's landfill in the form of caps, liners and wetlands mitigation are included, as well as upgrades to the Balls Ford Road compost facility, the household hazardous waste/electronics recycling facility and the recycling building. A new Eco Park is planned for the landfill. The restoration of the Silver Lake Dam is a new project in FY 13, funded as cash to capital. Projects are also included in the various County watersheds to address stormwater issues.
- **Education Projects** - In addition to Prince William County School projects, the adopted CIP includes annual contributions to the Northern Virginia Community College for operating and capital expenses. New in FY 13 is a \$1 million capital contribution to the planned Workforce Development Center at the Woodbridge campus, leveraging \$29 million in state funding.
- **Technology Improvement Plan** - Upgrades to, and the replacement of, several major technology systems are included in the CIP. Over the six year CIP, the County will see required improvements to the 800 MHz radio system, computer aided dispatch, the land development tracking system, the financial reporting system, real estate mass appraisal system, tax billing and collection systems as well as several smaller systems.

General Revenue Policy Change

- **Business, Professional and Occupational Licenses:** The exemption threshold has been increased to \$250,000 in support of small business development within the County.

Other Five Year Plan Elements

- **10 New Police Officer** positions will be added in each year of the Five Year Plan.
- **A Partial Fire Staffing Plan** will resume with 24 hours medic and career engine staffing in FY 15 for the new Bacon Race Station, and 31 hires (27 uniform and four non-uniform) in FY 16 and 17.

- **New Library Staff** positions to support the opening of the Montclair and Gainesville libraries will be hired in FY 15 and FY 16.
- **Future Compensation Adjustments** are budgeted as follows: 3% pay for performance in FY 15 and 17, and 2% pay plan increases are included in FY 14 and 16 of the Five Year Plan.
- **Employee Retirement** rate adjustments for VRS are budgeted at the actuarial recommended rates of 18.70% in FY 14 (same as FY 13) and 19.86% in FY 15-17.

Conclusion

Strong financial management, strict scrutiny of services, the willingness to make tough decisions when needed, a commitment to identifying and implementing long term efficiencies, and the wherewithal to postpone new projects all worked together to allow Prince William County to weather the Great Recession better than some of our neighbors. Decisions made by the Board of County Supervisors from 2007 through 2013 positioned the County to retain the lowest residential tax burden in Northern Virginia while maintaining high levels of customer satisfaction.

Our staff remains committed to doing the "right thing for our customers and the community" every time. History shows that when this organization works together with the Board and the community to make the tough decisions, our combined efforts move us toward our adopted vision. The most recent Citizen Survey showed us that county residents appreciate the efforts to keep their tax burden the lowest in the region while providing exceptional customer service.

In closing, let me thank the Office of Management and Budget and agency staff for their tireless efforts to produce this budget in keeping with the Board's and community's priorities and direction. As an organization, we look forward to working with the Board and the community over the coming year and providing whatever support is requested on budgetary matters.

Sincerely yours,



Melissa S. Peacor
County Executive



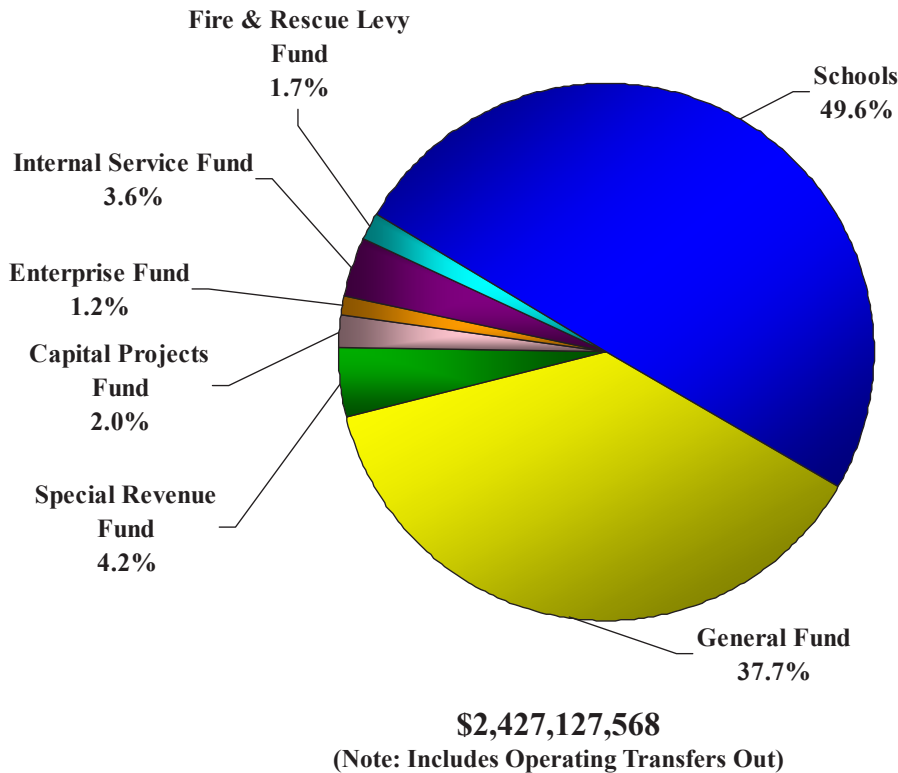
All Funds Expenditure Budget and General Fund Expenditures

The total FY 13 adopted all funds budget is \$2.427 billion as shown below. This is a decrease of 1.42% from the FY 12 adopted total.

All Funds Expenditure Summary

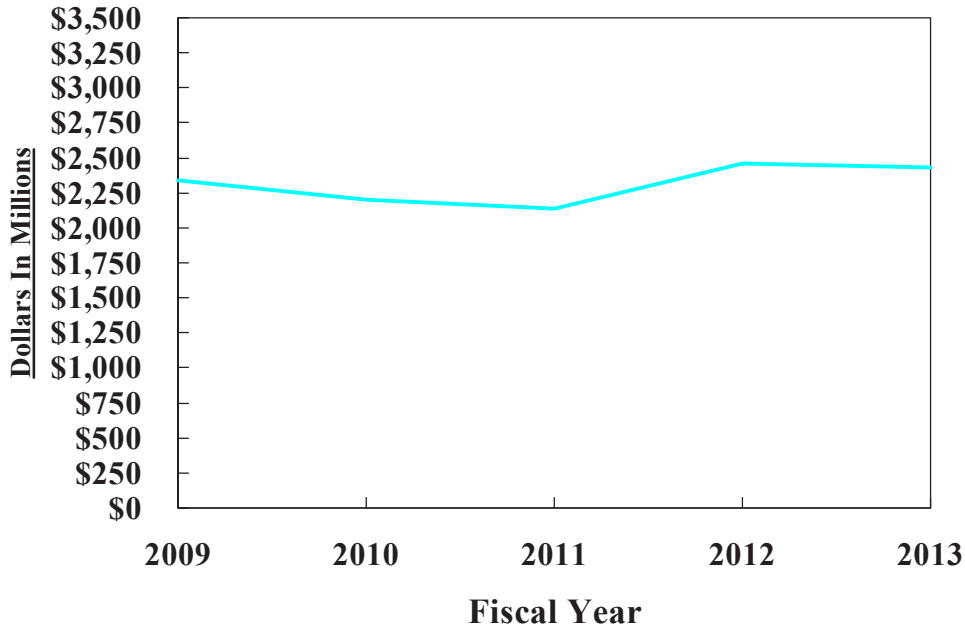
Funding Area	FY 09 Adopted Budget	FY 10 Adopted Budget	FY 11 Adopted Budget	FY 12 Adopted Budget	FY 13 Adopted Budget	% Change 12 To 13 Adopted
General Fund	\$893,923,943	\$845,270,906	\$844,032,399	\$890,151,651	\$914,084,122	2.69%
Special Revenue Fund	\$94,073,890	\$91,442,271	\$92,333,014	\$95,295,934	\$101,501,857	6.51%
Capital Projects Fund	\$70,127,588	\$25,051,302	\$17,325,526	\$165,516,735	\$48,862,403	-70.48%
Enterprise Fund	\$17,839,070	\$16,569,928	\$29,527,597	\$25,487,567	\$29,520,686	15.82%
Internal Service Fund	\$61,522,950	\$66,827,351	\$71,852,714	\$101,266,872	\$88,286,902	-12.82%
Fire & Rescue Levy Fund	\$28,407,455	\$23,344,302	\$26,594,565	\$67,516,135	\$40,346,600	-40.24%
Schools	\$1,174,770,049	\$1,135,794,538	\$1,051,710,928	\$1,116,903,580	\$1,204,524,999	7.85%
Total All Funds	\$2,340,664,945	\$2,204,300,598	\$2,133,376,743	\$2,462,138,474	\$2,427,127,568	-1.42%

FY 13 Total County Budget By Fund Areas





All Funds Expenditure Budget History



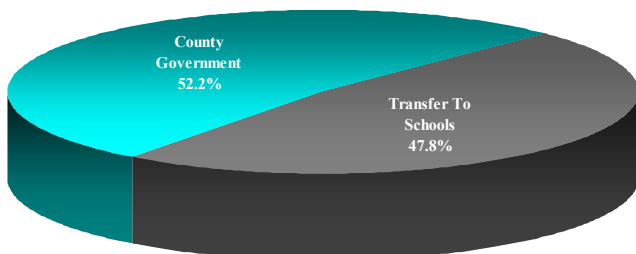
Note: All Years Adopted

General Fund Expenditures

Funding Area	FY 12 Adopted	FY 13 Adopted	Dollar Change	Percent Change
County Government	\$464,371,477	\$468,776,443	\$4,404,965	0.95%
Transfer To Schools	\$425,780,174	\$445,307,679	\$19,527,505	4.59%
Total General Fund	\$890,151,651	\$914,084,122	\$23,932,470	2.69%

The two major components of general fund expenditures are the Prince William County Government and the local share of the Prince William County Schools budget. Shown below are the expenditure levels adopted for FY 12 and adopted for FY 13 for those two areas.

Fiscal Year 2012 Adopted General Fund Budget



Fiscal Year 2013 Adopted General Fund Budget

