

MOTION:

August 7, 2012
Regular Meeting
Res. No. 12-

SECOND:

RE: IMPLEMENT BOARD OF COUNTY SUPERVISORS POLICY DIRECTION, APPROVE ALLOCATION OF THE FISCAL YEAR 2012 GENERAL REVENUES IN EXCESS OF ADOPTED FISCAL YEAR 2012 BUDGET ESTIMATES AND APPROVE THE CONTRIBUTION OF \$2,208,000 TO FUND BALANCE TO MAINTAIN THE REQUIRED UNASSIGNED FUND BALANCE OF AT LEAST 7.5% OF GENERAL FUND REVENUES

ACTION:

WHEREAS, the Board of County Supervisors on April 24, 2012, approved the FY2013 real estate tax rate of \$1.209 per \$100 of assessed value for fiscal 2013; and

WHEREAS, a contribution sufficient to maintain the unassigned general fund balance at 7.5% of general fund revenues is recommended by year end FY2012; and

WHEREAS, based on pre-audit general fund revenue, a contribution of \$2,208,000 is required to maintain the unassigned general fund balance at 7.5% of general fund revenues; and

WHEREAS, the Board of County Supervisors remains committed to sharing general revenues with the Prince William County Schools in the ratio of 56.75% for the Schools and 43.25% for the County; and

WHEREAS, excess general revenues for FY2012 total \$1,908,244 with the Schools share at \$978,761 and the County's share at \$929,483 including the recordation tax which is reserved solely for County use; and

WHEREAS, an additional \$2,208,000 contribution to the general fund balance is required to maintain the unassigned general fund balance at 7.5%; and

WHEREAS, the additional \$2,208,000 contribution to the general fund balance will come from the County's 43.25% share (\$929,483) of the surplus FY2012 excess general revenues and County turnback (\$25,477), and the Schools' 56.75% share (\$1,253,040) is partially offset by the Schools revenue surplus (\$978,761) for a net shortfall of \$274,279, and this shortfall will be applied against the FY2013 transfer to the Schools once revenues and expenditures are audited later this year; and

WHEREAS, a duly advertised public hearing on the proposed amendments to the FY2013 budget was conducted on August 7, 2012, in the James J. McCoart Administration Building;

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NOW, THEREFORE, BE IT RESOLVED that the Prince William Board of County Supervisors does hereby maintain the unassigned general fund balance at 7.5% of general fund revenues; and

BE IT FURTHER RESOLVED that the Prince William Board of County Supervisors does hereby approve an additional allocation of \$2,208,000 to the unassigned general fund balance with the County's 43.25% share (\$954,960) coming from the surplus FY2012 excess general revenues (\$929,483) and County turnback (\$25,477), and the Schools' 56.75% share (\$1,253,040) coming from the Schools revenue surplus (\$978,761) and the net shortfall of \$274,279 to be applied against the FY2013 transfer to the Schools once revenues and expenditures are audited later this year; and

BE IT FURTHER RESOLVED that the Prince William Board of County Supervisors authorizes the Director of Finance to reduce the approved allocation should funds to maintain the unassigned general fund balance at 7.5% for FY2012 be unavailable once revenues and expenditures are audited.

ATTACHMENT: General Revenue/Fund Balance FY2012 to FY2013 Carryover Summary

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

For Information:

Deputy County Executive

Finance Director

Management & Budget Director

ATTEST: _____
Clerk to the Board

**GENERAL REVENUE / FUND BALANCE
FY 2012 TO FY 2013 CARRYOVER SUMMARY**

A. General Revenue Summary:

	Adopted Budget	Revenue Actual	Revenue Over Adopted
General Revenue Projected Year End Total	\$751,783,434	\$753,691,678	\$1,908,244
Less Investments Market Value Adjustment	\$0	\$0	\$0
Less Recordation Tax not split with Schools	\$1,510,000	\$1,693,555	\$183,555
Balance To Split With Schools	\$750,273,434	\$751,998,123	\$1,724,689
PWC 43.25% Share	\$324,493,260	\$325,239,188	\$745,928
Schools 56.75% Share	\$425,780,174	\$426,758,935	\$978,761
Total	\$750,273,434	\$751,998,123	\$1,724,689

B. Fund Balance Summary

	Total to Maintain Fund Balance
PWC 43.25% Share	\$954,960
Schools 56.75% Share	\$1,253,040
Total to Maintain Fund Balance at 7.5%	\$2,208,000

C. Remaining General Revenue Balance After Contribution to Maintain Fund Balance at 7.5%

	Gen. Revenue Available	Less Fund Bal. Addition	Remaining Balance
PWC 43.25% Share	\$745,928	\$954,960	(\$209,032)
Less Recordation Tax not split with Schools			\$183,555
Total PWC Share			(\$25,477)
Total Schools 56.75% Share	\$978,761	\$1,253,040	(\$274,279)
Total PWC and Schools	\$1,724,689	\$2,208,000	(\$299,756)



Melissa S. Peacor
County Executive

COUNTY OF PRINCE WILLIAM

OFFICE OF EXECUTIVE MANAGEMENT
1 County Complex Court, Prince William, Virginia 22192-9201
(703) 792-6600 Metro 631-1703 FAX: (703) 792-7484

8-W-Y

BOARD OF COUNTY SUPERVISORS

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August 1, 2012

TO: Board of County Supervisors

FROM: Michelle A. Casciato
Director of Management & Budget
[Signature]

Steven A. Solomon
Director of Finance
[Signature]

THRU: Melissa S. Peacor
County Executive

RE: Transfer, Budget and Appropriate the Carryover of the General Fund for \$8,795,591 and Other Funds for \$26,618,114 from FY 2012 to FY 2013 and Approve Allocation of the FY 2012 General Revenues in Excess of Adopted Fiscal Year 2012 Budget Estimates and Approve the Contribution of \$2,208,000 to Fund Balance to Maintain the Required Unassigned Fund Balance of at least 7.5% of General Fund Revenues

I. Background:

- A. State Code Requirement for Budget Amendment – Section 15.2-2507 of the Code of Virginia states that any local governing body may amend its annual budget appropriation. Any budget amendment which exceeds one percent of the total expenditures shown in the currently adopted budget must be preceded by a duly advertised public hearing.
- B. Prince William County Financial and Program Planning Ordinance – This ordinance, adopted by the Board of County Supervisors (BOCS) includes provisions for the County's Strategic Plan, multi-year revenue projections, the multi-year CIP and the annual budget with service level targets.
- C. County/School Revenue Agreement – The BOCS and the Prince William County School Board (Schools) have adopted a revenue sharing agreement which states that 56.75% of the County's general revenues are allocated to the Schools and 43.25% of the general revenues are allocated to the County.

- D. Fund Balance Policies – A jurisdiction’s unassigned fund balance is a crucial factor that bond rating agencies examine when making rating determinations. The BOCS is committed to maintaining an unassigned fund balance at 7.5% of general fund revenues. The County has achieved the goal of a 7.5% unassigned fund balance, consistent with the adopted “Principles of Sound Financial Management.”
-
- E. Carryover of Encumbered Purchase Orders and Contracts and Unencumbered Capital Construction Project Balances – On June 5, 2012 the BOCS approved the carryover of \$369.5 million in purchase orders and unencumbered capital project balances from FY 2012 to FY 2013. The approval of these items in advance of year end enables the County to continue to pay its contractual obligations and enables work to continue uninterrupted on the capital program during the peak construction season.
- F. Sources of Carryover Funding – Carryover recommendations may include the use of the following sources of funding:
1. General Revenue Variance – In years when the general revenues collected exceed the adopted projections, including such sources as personal property, real estate and sales tax, the excess revenues are split with the Schools as part of the Revenue Sharing Agreement. Likewise, in years when the actual general revenue receipts are less than the adopted projection, the shortfall is split with the Schools.
 2. General Fund Expenditure Savings and Excess Agency Revenues – These are unexpended budget amounts within agency budgets including agency revenues received in excess of projections.
 3. Non-General Fund Expenditure Savings/Revenues Restricted at Source – These are unexpended budget amounts within other funds and revenues collected in excess of projections that can be used only for the purposes for which the revenue was collected. These revenues include the fire levy funds, development fees and stormwater fees. If these funds are not carried over they revert to fund balances.
- G. Use of Carryover Resources – At the end of each fiscal year, the County has unspent expenditure funds that can be carried over to the next year. In some years, the County also has surplus general revenue and/or agency revenues that can be budgeted and appropriated.

II. Current Situation is as follows:

A. Sources of FY 2012 Carryover Funding – The FY 2012 carryover recommendations include the use of the following sources of funding:

1. General Revenue Variance – For FY 2012 general revenues are projected to be higher than the adopted FY 2012 Budget estimates by \$1.9 million. The County’s share of the projected \$1.9 million is \$745,928. Additionally, \$183,555 in recordation tax revenue not required to be shared with Schools is available.
 - a. Overall Variance from Budget – The total general revenue surplus reflects a variance of 0.3% compared to the adopted budget. Annual forecasting estimates between 1-3% are considered to be very good by national standards.
 - b. General Revenue Reconciliation – As part of the year end process, general revenues need to be reconciled. The current excess at year end FY 2012 is \$1.9 million. The preliminary year end general revenue summary is shown below. See also *Attachment A – Quarterly Financial Status Report 4th Quarter Fiscal Year 2012*.

(Amounts in millions) Category of General Revenues	Prior Year	FISCAL YEAR 2012						Net Variance	% from Adopted
	FY 11 Year-End	1st Qtr. Revised	2nd Qtr. Revised	3rd Qtr. Revised	4th Qtr. Prelim.	Adopted			
Real Estate Taxes	\$478.7	\$493.1	\$493.7	\$493.7	\$494.3	\$494.0	\$.3	0.1%	
Personal Property Taxes	122.8	125.8	126.7	126.7	128.6	124.7	\$3.9	3.1%	
Sales Tax	49.6	50.8	50.8	51.1	51.5	50.8	\$.7	1.4%	
Consumer Utility Tax	13.2	13.4	13.4	13.4	13.1	13.4	(\$.3)	-2.2%	
Communications Tax	18.9	19.6	18.9	18.8	18.4	19.6	(\$1.2)	-6.1%	
BPOL Tax	21.0	22.0	22.0	22.0	21.7	22.0	(\$.3)	-1.4%	
Investment Income	11.5	7.1	7.0	7.3	8.6	11.0	(\$2.4)	-21.8%	
All Other	17.1	17.1	16.9	16.9	17.4	16.2	\$1.2	7.4%	
Total General Revenues	\$732.8	\$748.9	\$749.4	\$749.9	\$753.6	\$751.7	\$1.9	0.3%	

General Property Taxes:
0.68% Variance

Other Revenue Sources
-1.73% Variance

2. Agency Expenditure Savings and Revenue Shortfall – Projected agency expenditures savings total \$18,763,040, while agency revenues report a shortfall totaling \$3,412,006 as noted on *General Fund Attachment B*.

B. Use of Carryover Funds – The BOCS will be asked to approve carryovers in the following categories.

1. Contribution to Fund Balance – This carryover recommends the contribution of \$2,208,000 to the General Fund balance to maintain the required 7.5% reserve of general fund revenues. The County’s 43.25% share (\$954,960) of the fund balance contribution is partially offset by the revenue surplus of \$745,928

and recordation tax revenue of \$183,555 for a net shortfall of \$25,477. The Schools 56.75% share of the fund balance contribution (\$1,253,040) is partially offset by the Schools revenue surplus (\$978,761) for a net shortfall of \$274,279. This shortfall will be applied against the FY 13 transfer to the Schools once revenues and expenditures are audited later this year.

2. County and Schools General Revenue – The FY 2012 general revenues exceed the adopted budget projection by \$1.9 million. All of the excess revenues will be used to offset the required contribution to fund balance, as noted above.
3. General Fund Carryovers – The total FY 2012 general fund carryovers requiring budget, appropriation and transfer in FY 2013 equal \$8,795,591. This amount is less than the \$24,719,163 of “total uses” shown in Attachment B because some items do not require budget and appropriation. Those items not requiring budget and appropriation are so noted on *General Fund Attachment B*.
 - a. BOCS Committed Items – Through the adoption of the FY 2013 Budget, the BOCS committed to carryover certain items including applying FY 2012 savings to support the FY 2013 Budget. Please see *General Fund Attachment B and C* for a list of committed carryover items totaling \$17,677,113. Of this amount, only \$1,753,541 requires budget and appropriation in FY 2013. In addition, the BOCS can make policy decisions after the budget adoption date which must be addressed in the carryover.
 - (1) Resolution 12-574 – designation of district office fund balances to County projects
 - b. Traditional Carryover Items – Traditional carryover items totaling \$5,969,451 represent unfinished projects or contracts at year end that must have their respective funding carried forward to the next fiscal year for completion. (See *General Fund Attachment C*.)
 - c. Other Carryover Items – Funding can be provided for one-time purchases or events as noted in *General Fund Attachment C*.

4. Other Fund Carryovers – Total FY 2012 “Other Fund” carryovers (funds outside the General Fund such as fire levy, stormwater and solid waste fees) requiring budget, appropriation and transfer actions equal \$26,618,114 in FY 2013, as shown in *Other Funds Attachment D*.
- C. Public Hearing Advertised – The notice of public hearing was published in accordance with §15.2-2507 of the Code of Virginia.
- D. Board Action Requested – The BOCS is asked to adopt the recommended FY 2012 carryover actions after the public hearing has closed.

III. Issues in order of importance are:

- A. Fiscal Impact – What are the fiscal impacts of the proposed alternatives on the FY 2013 Fiscal Plan?
- B. Timing – When do budget expenditure carryovers and revenue budget appropriation decisions need to be made?
- C. Policy – What are the policy and service implications associated with the alternatives?
- D. Legal – What are the legal issues associated with the alternatives?

IV. Alternatives in order of feasibility are:

- A. Transfer, Budget and Appropriate the Carryover of the General Fund for \$8,795,591 and Other Funds for \$26,618,114 from FY 2012 to FY 2013 and Approve Allocation of the FY 2012 General Revenues in Excess of Adopted Fiscal Year 2012 Budget Estimates and Approve the Contribution of \$2,208,000 to the General Fund Balance to Maintain the Minimum Required Unassigned Fund Balance at 7.5% of General Fund Revenues.
 1. Fiscal Impact – Approving Resolutions 8-W through 8-Y ensures the continued maintenance of the County’s General Fund Balance policies and the County/School revenue agreement.
 2. Timing – Approving Resolutions 8-W through 8-Y ensures that carryover funds would be available to agencies in FY 2013 and provides budget authority for projects.

3. Policy Impact – Approving Resolutions 8-W through 8-Y ensures the continuation of ongoing initiatives and the initiation of one-time improvements identified by the BOCS and County agencies. This meets the BOCS policy of carrying over unspent funds and surplus revenues.
4. Legal – BOCS approval of Resolutions 8-W through 8-Y following a duly advertised public hearing keeps the County in compliance with §15.2-2507 of the Code of Virginia.

B. Take No Action.

1. Fiscal Impact – Taking no action would result in all excess funds dropping to fund balances and no funding would be provided for the affected ongoing County projects or one-time improvements in FY 2013. This would create an unassigned General Fund Balance of \$89.3m or 11.8% of the projected General Fund revenues. Projects begun but not completed in FY 2012 could only be completed with the use of FY 2013 budgeted funds.
2. Timing – Carryover funds will not be available to agencies in FY 2013 if no action is taken.
3. Policy Impact – The County would be out of compliance with the Principles of Sound Financial Management. Diverting FY 2013 budgeted funds to FY 2012 projects will hamper agencies' abilities to meet adopted FY 2013 service levels and delay the start of new projects planned for FY 2013. Additionally, one-time improvements proposed by the agencies cannot be undertaken.
4. Legal – Taking no action will not preclude the BOCS from transferring funds to the Schools in accordance with the Revenue Sharing Agreement.

V. Recommendation is that the Board of County Supervisors concur with Alternative A and approve the attached resolutions.

Staff Contact: Michelle A. Casciato, Director of Management & Budget, x5539
Steven A. Solomon, Director of Finance, x6724

Attachments:

- A – General Fund Quarterly Financial Status Report 4th Quarter FY 12
- B – General Fund FY 12 to FY 13 Carryover Summary
- C – General Fund FY 12 to FY 13 Carryover Recommendation
- D – Other Funds FY 12 to FY 13 Carryover Summary
- E – Power Point Presentation - FY 12 to FY 13 Carryover



Melissa S. Peacor
County Executive

COUNTY OF PRINCE WILLIAM

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1 County Complex Court, Prince William, Virginia 22192-9201
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July 30, 2012

TO: Board of County Supervisors

FROM: Steven A. Solomon *saX*
Director of Finance

THRU: Melissa S. Peacor
County Executive

RE: Quarterly Financial Status Report
4th Quarter Fiscal Year 2012

I. Background is as follows:

- A. General County Revenues – The general revenue estimate included in the FY12 adopted budget was \$756,073,434 at a real estate tax rate of \$1.204 per \$100 of assessed value. This amount includes \$4,290,000 in recordation tax revenue designated for transportation projects. The FY12 adopted revenue budget without the portion of recordation tax revenue designated for transportation use is \$751,783,434.
- B. Quarterly Updates – Section 2.14 of “The Principles of Sound Financial Management” requires quarterly updates on the County’s general fund budget and trends to be presented to the Board of County Supervisors (BOCS) with revenue and expenditure projections through the end of the year.

Revenue and expenditure variances from the adopted budget are reviewed on a monthly basis and quarterly reports are presented to the BOCS.

II. Current Situation is as follows:

- A. Fourth Quarter Results – The FY12 pre-closing, pre-audit general revenues are more than the adopted budget by \$1.9 million or 0.3%. The National Advisory Council on State and Local Budgeting considers annual forecasting estimates between 1-3% to be very good.

(Amounts in millions) Category of General Revenues	Prior Year	FISCAL YEAR 2012						Net Variance	% from Adopted
	FY 11 Year-End	1st Qtr. Revised	2nd Qtr. Revised	3rd Qtr. Revised	4th Qtr. Prelim.	Adopted			
Real Estate Taxes	\$478.7	\$493.1	\$493.7	\$493.7	\$494.3	\$494.0	\$.3	0.1%	
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Investment Income	11.5	7.1	7.0	7.3	8.6	11.0	(\$2.4)	-21.8%	
All Other	17.1	17.1	16.9	16.9	17.4	16.2	\$1.2	7.4%	
Total General Revenues	\$732.8	\$748.9	\$749.4	\$749.9	\$753.6	\$751.7	\$1.9	0.3%	

General Property Taxes:
0.68% Variance

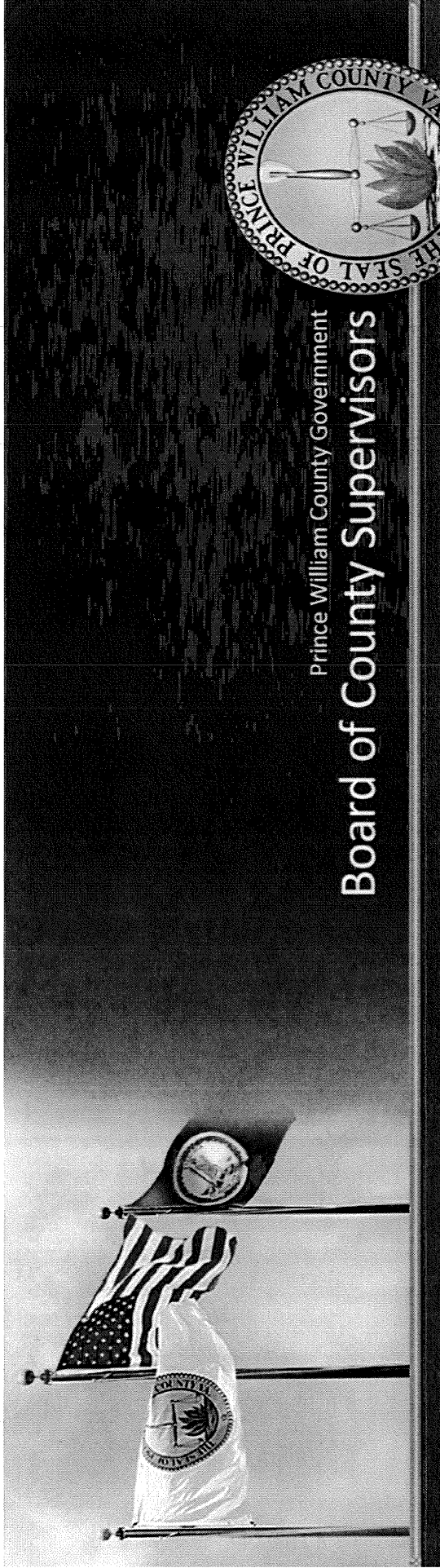
Other Revenue Sources:
-1.73% Variance

The change from the third quarter report is attributed to the following:

1. Real Estate and Personal Property Tax – Collection of delinquent real estate and personal property taxes by Tax Administration continue to outperform expectations and have set a County record for low delinquencies. In addition, the 5% increase in Personal Property Tax revenues also reflects the increase of 3,200 vehicles in the County.
2. Sales Tax - The 4% increase in Sales Tax from FY 11 is part of the 28 consecutive months of year-over-year sales tax growth the County is experiencing.
3. Investment Income – Although interest income (actual cash revenue available to the County) was less than the adopted budget by \$2.4 million, it increased \$1.3 million compared to the third quarter report. The revenue increase from the third quarter update is attributed to gains on sales of investments.

III. Recommendation: Information purposes only – no action is needed at this time.

Staff Contact: Steven Solomon, Finance Director, 792-6700



Prince William County Government
Board of County Supervisors

FY 2012 Fourth Quarter General Revenue Update August 7, 2012

*Steven A. Solomon – Director
Finance Department*

Summary of FY 2012 4th Quarter

Economic Trends



- **Positive Trends**
 - ◆ Real and Personal Property Delinquent Collections at record highs
 - ◆ Increased number of vehicles paying Personal Property tax
 - ◆ Sales Tax Revenue Increases 4% Over Prior Year
- **Negative Trends**
 - ◆ Communications Tax
 - The County continues to not received its share of this tax
 - ◆ Investment Income
 - Continued low interest rates into CY 2014



FY 2012 Fourth Quarter General Revenue Update Pre-Closing



Category of General Revenues	Prior Year	FISCAL YEAR 2012					Net Variance	% from Adopted
	FY 11 Year-End	1st Qtr. Revised	2nd Qtr. Revised	3rd Qtr. Revised	4th Qtr. Prelim.			
Real Estate Taxes	\$478.7	\$493.1	\$493.7	\$493.7	\$494.3	\$494.0	\$3	0.1%
Personal Property Taxes	122.8	125.8	126.7	126.7	128.6	124.7	\$3.9	3.1%
Sales Tax	49.6	50.8	50.8	51.1	51.5	50.8	\$.7	1.4%
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All Other	17.1	17.1	16.9	16.9	17.4	16.2	\$1.2	7.4%
Total General Revenues	\$732.8	\$748.9	\$749.4	\$749.9	\$753.6	\$751.7	\$1.9	0.3%

General Property Taxes:
0.68% Variance

Other Revenue Sources:
-1.73% Variance

FY 2012 Fourth Quarter General Revenue Update (Pre-Closing)



FY 2012 General Revenue Surplus	\$	1,908,244
Less: County Operating Recordation Surplus		183,555
FY 2012 Amount Subject to Schools/County Agreement	\$	<u>1,724,689</u>
County Share of General Revenue Surplus	\$	745,928
Schools Share of General Revenue Surplus		978,761
FY 2012 General Revenue Surplus	\$	<u>1,724,689</u>

GENERAL FUND - ATTACHMENT B
FY 2012 TO FY 2013 CARRYOVER SUMMARY

A. Resources:

General Revenue - Support Fund Balance Maintenance at 7.5%	\$1,724,689
General Revenue- County 43.25% Share	\$0
General Revenue- General County Recordation Tax	\$183,555
Agency Expenditure Balance	\$18,763,040
Agency Revenue	(\$3,412,006)
Use of Committed Fund Balance - Adult Detention Center Reimbursements	\$3,803,537
Use of Committed Fund Balance - Cable Television	\$50,000
Use of Unallocated FY 11 Balance	\$563,126
Transfer In from Economic Development Opportunity Fund	\$365,000
Transfer In from Capital Projects Fund	\$800,000
Anticipated Revenue - Grant Revenue Budgeted Not Yet Received	\$1,332,242
Anticipated Revenue - Neighborhood Services Grass Cutting	\$260,304
Anticipated Revenue - Four for Life & Fire Program Funds: from Vol. Fire	\$285,676
Total Resources	<u>\$24,719,163</u>

B. Uses:

Board Committed:

*1 Maintain Unassigned Fund Balance at 7.5% of General Fund Revenue	\$2,208,000
*2 Turnback to support the FY 13 budget	\$7,615,572
*3 Turnback to support FY 13 Technology Improvement Plan (TIP)	\$5,500,000
4 Aging - Birmingham Green Reserve	\$50,000
5 BOCS - Brentsville - Transfer to Capital Projects	\$267,665
Rollins Ford Park - \$140,000	
Brentsville Jail - \$89,000	
Bristoe Station Battlefield - \$38,665	
Floor at Old Manassas Courthouse - \$13,002 transferred to PW	
6 BOCS - Brentsville - Employee Reserve	\$19,660
7 BOCS - Chairman - Employee Reserve	\$9,916
8 BOCS - Coles - Transfer to Capital Projects	\$170,000
Dove's Landing - \$100,000	
Universal Field at Helwig Park Bathrooms - \$70,000	
9 BOCS - Coles - Employee Reserve	\$27,061
10 BOCS - Gainesville - Transfer to Capital Projects	\$46,606
Catharpin Park - \$40,000	
Silver Lake Park - \$6,606	
11 BOCS - Gainesville - Employee Reserve	\$29,607
12 BOCS - Neabsco - Employee Reserve	\$30,413
13 BOCS - Neabsco - Transfer to Capital Projects	\$22,843
Neabsco TRIP (Streetlights) - \$22,843	
14 BOCS - Occoquan - Employee Reserve	\$21,027
15 BOCS - Occoquan - Transfer to Capital Projects	\$0
Lake Ridge Dog Park - \$7,887 transferred to Dept. Parks & Rec.	
Lake Ridge Dog Park Landscape Buffer - \$20,000 to Parks & Rec.	

GENERAL FUND - ATTACHMENT B
FY 2012 TO FY 2013 CARRYOVER SUMMARY

16 BOCS - Potomac - Transfer to Capital Projects Montclair Library - \$60,000	\$60,000
17 BOCS - Potomac - Employee Reserve	\$8,697
18 BOCS - Woodbridge - Employee Reserve	\$28,508
19 BOCS - Woodbridge - Transfer to Capital Projects Woodbridge TRIP - \$13,754	\$13,754
20 Department of Parks and Recreation - Lake Ridge Dog Park (Occoquan Magisterial District Capital Designation)	\$27,887
*21 DFR - Designation to fund balance for future AED equipment replacement	\$600,000
22 DFR - Annual maintenance of AED equipment	\$483,070
23 DFR - Fire Marshal's Office space reconfiguration	\$40,000
24 DSS - Redesign of DSS lobbies and work space	\$10,000
25 Economic Development - Innovation Town Center Development	\$25,530
26 Economic Development - INET for relocated office	\$50,000
27 Finance - Commercial Appraisals	\$86,075
28 Planning - Consultant Services for Rural Area Evaluation and Potomac Communities Design Guidelines	\$150,000
29 Police - Animal Control Bureau Donations	\$62,220
30 Public Works - Floor Repair at the Old Manassas Courthouse (Brentsville Magisterial District Capital Designation)	\$13,002
Total Committed	<u>\$17,677,113</u>
Other Items:	
1 Traditional Carryover	\$5,969,451
2 Other Items	\$1,072,599
Total Other Items	<u>\$7,042,050</u>
Total Uses	<u>\$24,719,163</u>
Remaining Balance; Resources Over / (Under) Uses	<u>\$0</u>
C. * Total Items Not Requiring Budget and Appropriation (B&A)	<u>\$15,923,572</u>
Total General Fund Carryovers Requiring Budget And Appropriation	<u>\$8,795,591</u>

GENERAL FUND - ATTACHMENT C
FY 2012 CARRYOVER RECOMMENDATION TO FY 2013

I. General Fund:

A. Board Committed:

	<u>Amount</u>
*1 Maintain Unassigned Fund Balance at 7.5% of General Fund Revenue	\$2,208,000
*2 Turnback to support the FY 13 budget	\$7,615,572
*3 Turnback to support FY 13 Technology Improvement Plan (TIP)	\$5,500,000
4 Aging - Birmingham Green Reserve	\$50,000
5 BOCS - Brentsville - Transfer to Capital Projects	\$267,665
Rollins Ford Park - \$140,000	
Brentsville Jail - \$89,000	
Bristoe Station Battlefield - \$38,665	
Floor at Old Manassas Courthouse - \$13,002 transferred to PW	
6 BOCS - Brentsville - Employee Reserve	\$19,660
7 BOCS - Chairman - Employee Reserve	\$9,916
8 BOCS - Coles - Transfer to Capital Projects	\$170,000
Dove's Landing - \$100,000	
Universal Field at Helwig Park Bathrooms - \$70,000	
9 BOCS - Coles - Employee Reserve	\$27,061
10 BOCS - Gainesville - Transfer to Capital Projects	\$46,606
Catharpin Park - \$40,000	
Silver Lake Park - \$6,606	
11 BOCS - Gainesville - Employee Reserve	\$29,607
12 BOCS - Neabsco - Employee Reserve	\$30,413
13 BOCS - Neabsco - Transfer to Capital Projects	\$22,843
Neabsco TRIP (Streetlights) - \$22,843	
14 BOCS - Occoquan - Employee Reserve	\$21,027
15 BOCS - Occoquan - Transfer to Capital Projects	\$0
Lake Ridge Dog Park - \$7,887 transferred to Dept. Parks & Rec.	
Lake Ridge Dog Park Landscape Buffer - \$20,000 to Parks & Rec.	
16 BOCS - Potomac - Transfer to Capital Projects	\$60,000
Montclair Library - \$60,000	
17 BOCS - Potomac - Employee Reserve	\$8,697
18 BOCS - Woodbridge - Employee Reserve	\$28,508
19 BOCS - Woodbridge - Transfer to Capital Projects	\$13,754
Woodbridge TRIP - \$13,754	
20 Department of Parks and Recreation - Lake Ridge Dog Park (Occoquan Magisterial District Capital Designation)	\$27,887
*21 DFR - Designation to fund balance for future AED equipment replacement	\$600,000
22 DFR - Annual maintenance of AED equipment	\$483,070
23 DFR - Fire Marshal's Office space reconfiguration	\$40,000
24 DSS - Redesign of DSS lobbies and work space	\$10,000
25 Economic Development - Innovation Town Center Development	\$25,530
26 Economic Development - INET for relocated office	\$50,000

GENERAL FUND - ATTACHMENT C
FY 2012 CARRYOVER RECOMMENDATION TO FY 2013

27	Finance - Commercial Appraisals	\$86,075
28	Planning - Consultant Services for Rural Area Evaluation and Potomac Communities Design Guidelines	\$150,000
29	Police - Animal Control Bureau Donations	\$62,220
30	Public Works - Floor Repair at the Old Manassas Courthouse (Brentsville Magisterial District Capital Designation)	\$13,002
Total Committed		\$17,677,113
*Less Items Not Requiring Budget and Appropriation		\$15,923,572
Total Committed Items Requiring Budget and Appropriation		\$1,753,541

B. Traditional Carryovers:

1	Aging - Manassas Senior Center Walkway	\$1,500
2	Aging - Medical Transport Service Grant	\$227,254
3	Aging - Vehicles	\$42,536
4	BOCS- Clerk to BOCS	\$50,000
5	Clerk of Court - Remote Access Initiatives	\$482,352
6	CSB - Mental Health Recovery Emergency Funds Grant	\$57,486
7	Commonwealth's Attorney - Office Equipment	\$359
8	DFR - State Fire Programs	\$673,192
9	DFR - State Four For Life Programs	\$121,800
10	DFR - State Homeland Security Grant	\$10,700
11	DFR - Urban Area Security Initiative (UASI) Grant	\$480,158
12	Economic Development - Office Relocation	\$290,000
13	Executive Management - Connaughton Community Plaza Events	\$5,500
14	Human Resources - Training and Development	\$38,304
15	JCSU - Gang Task Force Grant	\$18,149
16	JCSU - Justice (JABG) Grant	\$22,685
17	OCJS - ARRA Intensive Community Program Grant	\$142,220
18	OCJS - Ferlazzo Office Building Renovations	\$30,000
19	OMB - Strategic Plan	\$10,000
20	Police - Alcohol Enforcement Grant	\$28,975
21	Police - Black History Month Celebration	\$7,445
22	Police - COPS Technology Grant	\$1,172
23	Police - Criminal Forfeitures	\$154,936
24	Police - Internet Crime Grant	\$1,000
25	Police - Justice Assistance Grant	\$145,686
26	Police - State Homeland Security Program Grant	\$22,386
27	Public Works - ARRA Energy Efficient Block Grant	\$6,053
28	Public Works - Construction Services - Internal Services	\$315,527
29	Public Works - Buildings and Grounds: Courthouse User Fees	\$227,297
30	Public Works-Buildings and Grounds: Cyclic Project Maintenance	\$273,783
31	Public Works - Buildings and Grounds: Liberty Memorial Maintenance	\$74,300

GENERAL FUND - ATTACHMENT C
FY 2012 CARRYOVER RECOMMENDATION TO FY 2013

32	Public Works - Fleet Management: Upfitting Costs of FY12 Purchased Police Vehicles	\$45,000
33	Public Works - Fleet: Fuel (Gasoline/Diesel) and Vehicle Parts/Maintenance	\$179,235
34	Public Works - Historic Preservation: Bristoe Station Battlefield Archeological Study	\$2,500
35	Public Works - Neighborhood Services: Magisterial District Landscaping	\$50,000
36	Public Works - Neighborhood Services: Repairs and Maintenance Enforcement of Weed Ordinance Cases	\$128,132
37	Public Works - Neighborhood Services: Spot Blight	\$172,172
38	Public Works - Property Management: Space Project Budget	\$800,000
39	Public Works - Solid Waste: Sprinkler System for Fleet Heavy Equipment Shop	\$170,258
40	Registrar - Presidential Election	\$46,000
41	Sheriff - Ident-A-Child Donations	\$500
42	Sheriff - Project Lifesaver Donations	\$500
43	Sheriff - Courthouse Security Equipment Replacement	\$66,179
44	Transportation - Condemnation Compensation Agreements	\$40,000
45	Transportation - DCSM Urban Standards Section Update	\$20,970
46	Transportation - Street Lighting	\$28,000
47	Transportation - Tacketts Village Square Commuter Parking Lease Extension	\$85,932
48	Transportation - Traffic Safety Signage	\$3,000
49	VCE - HUD Comprehensive Housing and Scams Grant	\$24,318
50	VCE - VHDA Foreclosure Prevention Grant	\$144,000
Total Traditional Carryovers		<u>\$5,969,451</u>

C. Other Items:

1	Department of Parks and Recreation - Oak Valley Fields	\$65,000
2	Department of Parks and Recreation - Silver Lake Therapeutic Riding Facility Site Improvements (Paving and HVAC)	\$178,398
3	Department of Parks and Recreation - Veterans Park Improvements	\$500,000
4	DSS - Molinari Juvenile Shelter Security and Equipment Upgrades	\$80,000
5	Economic Development - Targeted Industry Analysis	\$75,000
6	OMB - Temporary Employee	\$27,000
7	Public Works - Historic Preservation: 150th Commemoration Events for the American Civil War and Emancipation Conference	\$68,700
8	Public Works-Property Management: WAV Hydraulic Lift	\$15,000
9	Registrar - Asset Management Software	\$63,501
Total Other Items		<u>\$1,072,599</u>

General Fund Total	<u>\$24,719,163</u>
*Less General Fund Items Not Requiring Budget and Appropriation	<u>\$15,923,572</u>
General Fund Items Requiring Budget and Appropriation	<u>\$8,795,591</u>

OTHER FUNDS - ATTACHMENT D
FY 2012 TO FY 2013 CARRYOVER SUMMARY

OTHER FUNDS SUMMARY:

A. Service District Levies	\$88,598
B. Special Revenue	\$3,504,516
C. Special Levy Districts	\$672,069
D. Volunteer Fire And Rescue	\$13,418,827
E. Capital Improvement Projects	\$1,324,266
F. Solid Waste	\$626,426
G. Trust and Agency	\$16,118
H. Innovation @ Prince William	\$76,135
I. Adult Detention Center	\$723,487
J. Internal Service	<u>\$6,167,672</u>
Total Other Funds Carryovers	<u>\$26,618,114</u>
*Amounts Not Requiring Budget and Appropriation (B&A)	<u>\$0</u>
Total Other Funds Carryovers Requiring Budget and Appropriation	<u>\$26,618,114</u>



Prince William County Government
Board of County Supervisors

FY 2012 TO FY 2013 CARRYOVER



*Office of Management & Budget
August 7, 2012*

BOCS POLICY GUIDANCE

- Commitment to maintaining AAA bond ratings
- Strong financial management policies
 - ◆ Balanced five year budget
 - ◆ Maintain County fund balance at 7.5% of revenues
 - ◆ Maintain Revenue Stabilization Reserve to address economic downturns
 - ◆ Provide turnback savings from past fiscal year to support current fiscal year
 - ◆ Adhere to County/School revenue agreement



CARRYOVER PRINCIPLES

- Culture of efficiency and savings
 - ◆ General fund savings not reserved to agencies
 - ◆ No year-end spending down of agency budget balances
 - ◆ Savings realized from efficient use of tax dollars are pooled & reprogrammed to meet community needs
 - Maintain 7.5% uncommitted general fund reserve
 - Turnback savings from past fiscal year supports current budget and Technology Improvement Plan
 - ◆ One-time money used for one-time projects
 - Cash-to-capital opportunities



GENERAL REVENUE/GENERAL FUND BUDGET VARIANCES



(\$ expressed in millions)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
General Revenue - \$	\$2.1M	(\$6.3M)	\$4.5M	\$6.2M	\$16.1M *	\$1.9M
General Revenue Accuracy	99.7%	99.1%	99.4%	99.1%	97.8%	99.7%
General Fund Turnback - \$	\$43.9M	\$29.7M	\$35.7M	\$32.7M	\$27.9M	\$18.7M
General Fund Turnback - %	7.1%	5.2%	7.3%	7.2%	6.9%	3.3%

* In FY 2011, revenue surplus was generated by one-time recovery of public service utility taxes, increased volume in personal property tax, improved delinquent collections and unprecedented sales tax growth as PWC recovered from the effects of the Great Recession.



BUDGET CONTROL PRACTICES

- Salary savings – agency budget for personnel and fringe benefits reduced by \$1.8M per year
- Vacant positions reset at entry salary, not left at the salary of the last person holding the job
- No inflation factor built into agency budgets
 - ◆ Other than leases, utilities and fuel
- No contract escalators built into agency budgets
- Agency budget reductions reduce turnback
 - ◆ For example: \$540,839 reduction in FY 13 yields \$2.7M in savings over 5 year plan

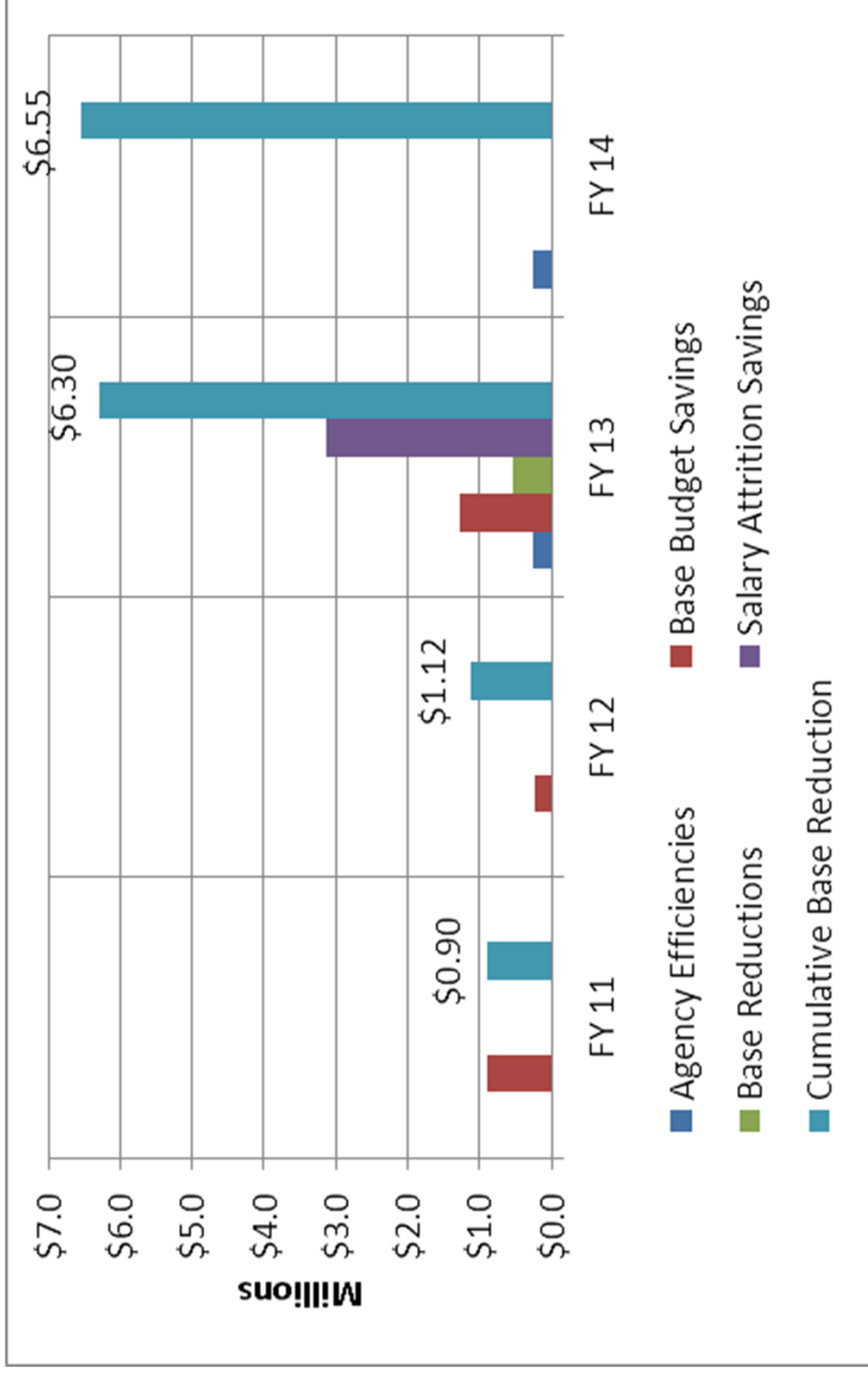


BUDGET CONTROL PRACTICES

- Base budget reviews save taxpayers \$2.4M annually
 - ◆ Reduce excess capacity
 - \$900K in DoIT; reduction taken in FY 11 base budget
 - \$220K in DFR; reduction taken in FY 12 base budget
 - \$1.27M in DFR; reduction taken in FY 13 base budget
 - ◆ Add necessary capacity
 - \$63K for new probation/pretrial FTE in OCJS in FY 13 base
- Efficiency requirement
 - ◆ \$250,000 reduction per year; must be ongoing
 - ◆ Annual \$250,000 reduction yields \$1.25M in savings for five year plan



AS COUNTY GETS LEANER, CAPACITY TO SUPPORT NEXT BUDGET DECLINES



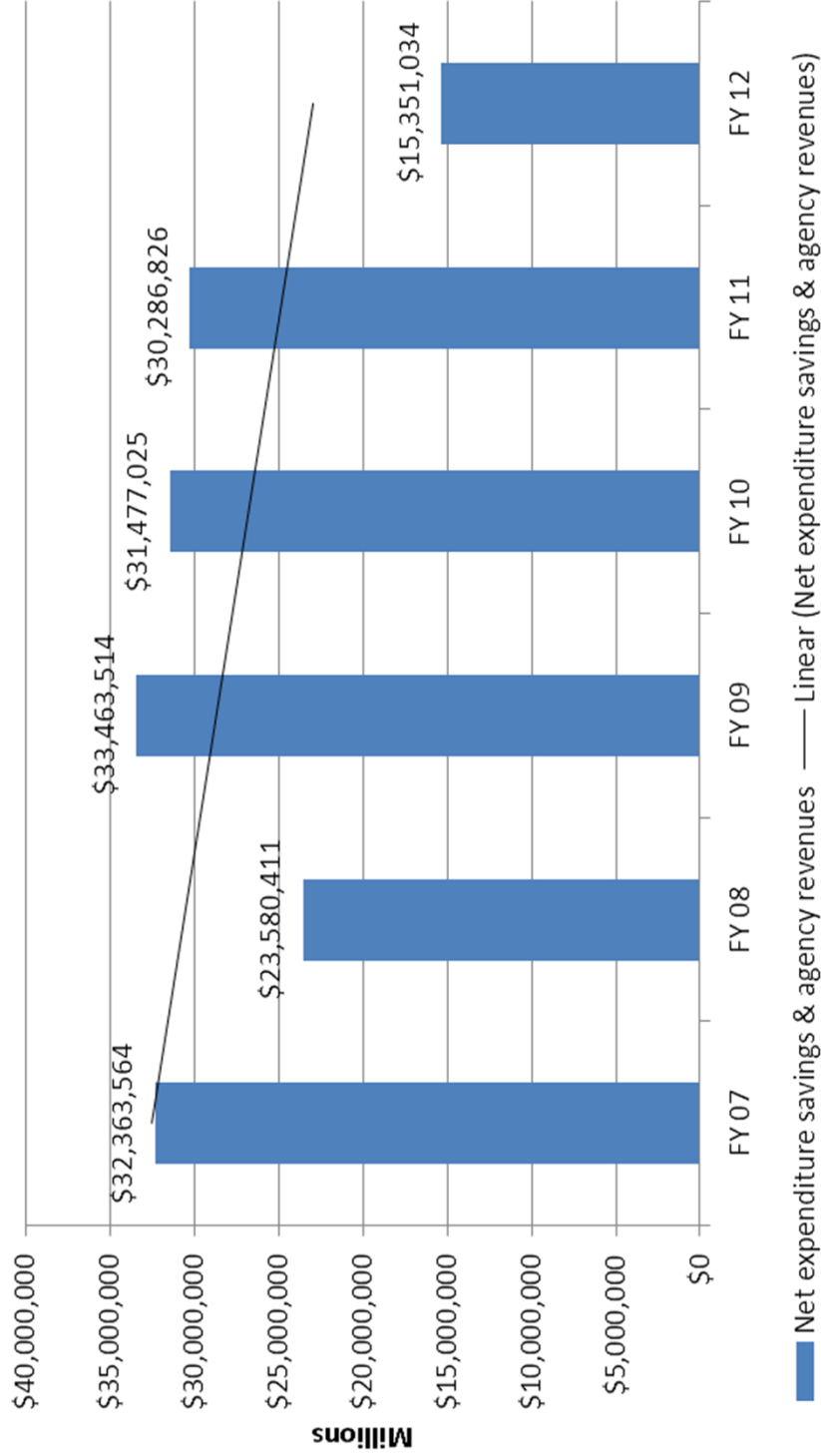
FY 13 County general fund budget grew by only 1% over FY 12



GENERAL FUND TURNBACK FY 2007 - FY 2012



Net Turnback Results FY 07-12



Smaller budgets mean less turnback





FY 2012 To FY 2013 Carryover Detail



GENERAL REVENUE SUMMARY



	Adopted	Revenue	Revenue
	<u>Budget</u>	<u>Actual</u>	<u>Over Adopted</u>
General Revenue Projected Year End Total	\$751,783,434	\$753,691,678	\$1,908,244
Less Recordation Tax not split with Schools	<u>\$1,510,000</u>	<u>\$1,693,555</u>	<u>\$183,555</u>
Balance To Split With Schools	\$750,273,434	\$751,998,123	\$1,724,689
PWC 43.25% Share	\$324,493,260	\$325,239,188	\$745,928
Schools 56.75% Share	<u>\$425,780,174</u>	<u>\$426,758,935</u>	<u>\$978,761</u>
Total	\$750,273,434	\$751,998,123	\$1,724,689

- No surplus revenue available after making required contribution to maintain 7.5% fund balance



CARRYOVER GENERAL FUND SOURCES



- Agency expenditure savings \$18.9M
- Agency excess revenues \$1.0M
- Transfers from sub-funds \$3.5M
- Grant revenues payable \$1.3M
- Total general funds available \$24.7M



CARRYOVER EXPENDITURE UPDATE



■ General Funds available	\$24.7M
◆ Savings required to support FY 13	\$ 7.6M
◆ Savings required to support TIP	\$ 5.5M
◆ Savings required to maintain Undesignated Fund Balance	<u>\$ 2.2M</u>
Balance Remaining	\$ 9.4M
◆ Traditional carryovers	<u>\$ 6.0M</u>
Balance Remaining	\$ 3.4M
◆ Board committed	<u>\$ 2.3M</u>
Balance Remaining	\$ 1.1M



TRADITIONAL CARRYOVERS- \$6M

- Grants and grant revenues on different funding cycle
 - ◆ Bristoe Station Archeological Study
- Public Works cyclic project maintenance
 - ◆ County owned facilities
- Public Works small construction crew projects
 - ◆ Projects still underway at year end
- Restricted use fees
 - ◆ Courthouse user fees mandated by state for building repairs
- Lease extensions
 - ◆ Tacketts Village commuter parking lease
- Transportation neighborhood safety projects
 - ◆ Street lighting, traffic safety signage



BOARD COMMITTED ITEMS – \$2.3M



■ AED equipment replacement contract	\$1,083,700
■ BOCs contributions to capital projects	\$ 580,868
◆ Library (Potomac)	
◆ TRIP (Neabsco, Woodbridge)	
◆ Parks (Brentsville, Coles, Gainesville, Occoquan)	
■ Silver Lake therapeutic riding facility improvements	\$ 178,398
■ BOCs employee reserve	\$ 174,889
■ Planning studies (Rural Crescent, Potomac Communities)	\$ 150,000
■ 150 th Civil War Conference (TOT funds)	\$ 68,700
■ Animal Control donations (restricted funds)	\$ 62,220
■ Economic Development I-NET (cable funds)	\$ 50,000
■ Old Manassas Courthouse floor repair	\$ 13,002





ONE TIME FUNDING RECOMMENDATIONS



RECOMMENDED CARRYOVER ONE TIME PROJECTS



- Public safety
 - ◆ ADC Modular Jail repairs
 - ◆ Upgrade security equipment at Molinari Juvenile Shelter
 - ◆ Upfitting new police vehicles
 - ◆ Wi-Fi access for 19 Fire and Rescue Association stations to support new CAD system
- Workplace safety
 - ◆ Courthouse security equipment replacement
 - ◆ Hydraulic lift for Records Center
 - ◆ Sprinkler system for Fleet Heavy Equipment shop
- Community maintenance
 - ◆ Weed ordinance enforcement
 - ◆ Landscaping roadway medians
- Additional costs associated with presidential elections
 - ◆ Done every four years



PUBLIC SAFETY TRAINING CENTER RIFLE RANGE

- \$1.6M available in PSTC expansion project
- Will be used to construct new facility to support existing and future firearms training for all public safety officers
- Facility will include
 - ◆ 200 x 25 yard range
 - ◆ Targeting system
 - ◆ Fence, lights, bleachers



PARKS AND RECREATION

- Transition update – one month since merger
- Community interest in field capacity
 - ◆ BOCS Directive 12-65 issued July 17, 2012
- New one time funding in FY 13
 - ◆ Expand field capacity for youth leagues
 - ◆ Increase disabled access to park sites



PARKS AND RECREATION WORK TO DATE



- Completing inventory of all current assets including programmable sports fields, passive recreation, open recreation, trails
- Discussing cooperative use of facilities with Schools
- Ongoing discussions with organized sports groups
- BOCs Directive 12-65 - Availability of Additional Athletic Fields
 - ◆ Staff was tasked with evaluating un-utilized fields throughout the County where athletic fields can be opened quickly; along with the availability of proffer monies, or carryover funds to support their readiness



PARKS AND RECREATION FIELD IMPROVEMENTS

- Veteran's Park – lighting two existing football fields to extend hours of use for youth football in eastern PWC
- Community Impact
 - ◆ Spring: 8 additional teams = 120 additional children
 - ◆ Fall: 16 additional teams = 240 additional children
- Capital Cost
 - ◆ \$500,000 for lighting and irrigation
- Maintenance Costs
 - ◆ Parks and Recreation will upgrade maintenance within base budget



PARKS AND RECREATION FIELD IMPROVEMENTS



- **Braemar** – Currently two fields for community use; one field is being returned to service for youth soccer league while the other field remains in use for the community
- **Community Impact**
 - ◆ 14 additional teams = 210 additional children
- **Costs**
 - ◆ No start up costs
 - ◆ Field is currently maintained by Parks and Rec so funding is included in base budget
 - ◆ Adequate parking facility already in place



PARKS AND RECREATION FIELD IMPROVEMENTS

- **Oak Valley** – Three soccer fields constructed by developer through a proffer at no cost to County. Recreation proffer was required at rezoning to meet levels of service for parks and recreation
 - Proffer value
 - ◆ \$1.1M for three fields including parking
 - Community Impact
 - ◆ Total Impact: 42 additional teams = 630 additional children
 - ◆ Impact Per Field: 14 additional teams = 210 additional children
 - Proposed County Improvements
 - ◆ Gravel parking lot
 - ◆ Maintenance of fields and existing playground
 - Upfront Cost
 - ◆ \$65,000 to place three more soccer fields in play in western PWC



PARKS AND RECREATION OPPORTUNITIES FOR DISABLED CITIZENS



- **Hellwig Universal Access Field** – ADA accessible restroom
 - ◆ \$70,000 to add facility at field

- **Silver Lake Therapeutic Riding Facility** – ADA accessible parking lot and HVAC upgrade
 - ◆ Capital cost - \$178,000
 - ◆ Value of private improvements - \$1.1M plus in-kind donations
 - ◆ Served 114 individuals in FY 12; 88% PWC residents
 - ◆ Facility also utilized by other County departments
 - Parks and Recreation specialty summer camps
 - Mounted Police training site

- **Lake Ridge Marina** – ADA accessible boat launch
 - ◆ \$75,000 in stream mitigation funds and \$75,000 parks revenue leverages \$75,000 National Park Service grant

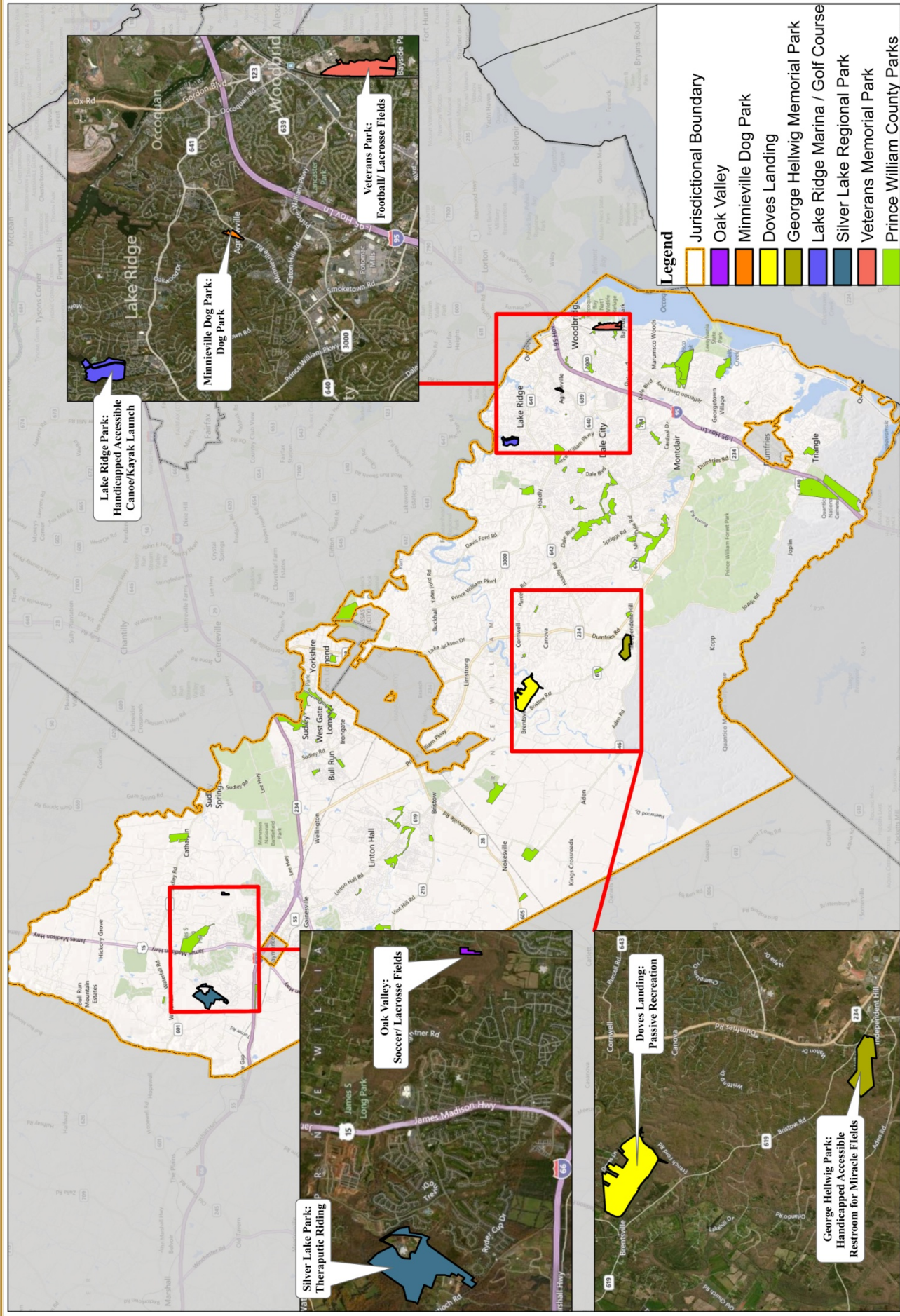


ADDITIONAL FUNDING FOR PARKS AND RECREATION



- Planned Improvements
 - ◆ Doves Landing – Coles district funding adds passive recreation site open to public
 - ◆ Silver Lake – Gainesville district funding toward future projects
 - ◆ Catharpin Park – Gainesville district funding toward future sports fields
 - ◆ Rollins Ford – Brentsville district funding for current CIP project with six soccer fields planned
 - ◆ Lake Ridge dog park – Occoquan district funding for small infrastructure needs (i.e., fencing) to help park open





Lake Ridge Park:
Handicapped Accessible
Canoe/Kayak Launch

Minnieville Dog Park:
Dog Park

Veterans Park:
Football/Lacrosse Fields

Silver Lake Park:
Therapeutic Riding

Oak Valley:
Soccer/Lacrosse Fields

Doves Landing:
Passive Recreation

George Helliwig Memorial Park:
Handicapped Accessible
Restroom for Miracle Fields

Legend

- Jurisdictional Boundary
- Oak Valley
- Minnieville Dog Park
- Doves Landing
- George Helliwig Memorial Park
- Lake Ridge Marina / Golf Course
- Silver Lake Regional Park
- Veterans Memorial Park
- Prince William County Parks

Carryover Recommendations Prince William County Parks

Sources: PWCPA, PWC, Virginia GIS
Prepared by: Ryan Conklin PP/ACP

PARKS AND RECREATION NEXT STEPS



- Complete inventory
- Develop data/metrics for needs analysis
- Continue discussions with Schools
- Schedule meeting with all sports groups this fall
- Provide recommendations to BOCs
 - ◆ Future funding strategies to address community needs
 - ◆ Field usage policies
 - ◆ Current CIP projects – do we have the right mix?



NEXT STEPS

- Today – Adopt FY 12 to FY 13 Carryover
- September – Response to BOCs Directive
- October – Economic Update
- November – County/Schools joint meeting
- November – Proposed FY 14 Budget Guidance

