



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

5-A #1-3

BOARD OF COUNTY SUPERVISORS

Corey A. Stewart, Chairman
Maureen S. Caddigan, Vice Chairman
W. S. Wally Covington, III
John D. Jenkins
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July 26, 2011

TO: Board of County Supervisors

FROM: Michelle A. Casciato
Director of Management & Budget

Steven A. Solomon
Director of Finance

THRU: Melissa S. Peacor
County Executive

RE: Budget, Appropriate and Transfer the Carryover of the General Fund for \$15,879,735 and Other Funds for \$30,557,888 from Fiscal 2011 to Fiscal 2012 and Approve Allocation of the Fiscal Year 2011 General Revenues in Excess of Adopted Fiscal Year 2011 Budget Estimates and Approve the Allocation of Fund Balance Exceeding the Requirement to Maintain an Unassigned Fund Balance of at least 7.5% of General Fund Revenues

I. Background:

- A. Prince William County Financial and Program Planning Ordinance – This ordinance, adopted by the Board of County Supervisors, includes provision for the County’s Strategic Plan, multi-year revenue projections, multi-year CIP and the annual budget with service level targets.
- B. County/School Revenue Agreement – The Board of County Supervisors and the County School Board 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.
- C. Fund Balance Policies – A jurisdiction’s unassigned fund balance is a crucial factor that bond rating agencies examine in 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 “Principles of Sound Financial Management.”

- D. Carryover of Encumbered Purchase Orders and Contracts and Unencumbered Capital Construction Project Balances – On June 21, 2011 the Board approved the carryover of \$212.4 million of purchase orders and unencumbered capital project balances from FY 11 to FY 12. The approval of these items in advance of year-end enables the County to continue to pay its contractual obligations (purchase orders) and enables work to continue uninterrupted on the capital program during the peak construction season.
- E. 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. In years where the actual general revenue receipts are less than the adopted projection, the shortfall is split with the Schools as part of the Revenue Sharing Agreement.
 2. General Fund Expenditure Savings and Agency Revenues – These are unexpended budget amounts within agency budgets including agency revenues that were 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 purposes for which the revenue was collected. This includes the fire levy funds, development fees and stormwater fees. If these funds are not carried over they revert to fund balances.
- F. 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 Carryover Funding – Carryover recommendations include the use of the following sources of funding:
1. General Revenue Variance – For FY 2011 the General Revenues are projected to be higher than the Adopted FY 2011 Budget estimates by \$16.1 million. The County's share of the projected

\$16.1 million is \$7,074,973 (including \$196,869 of recordation tax revenue not shared with Schools).

- a. Personal Property Taxes – The \$16.1 million includes \$7.3 million from Personal Property Taxes. Staff successfully pursued a revaluation of business property which brought in \$3.2 million in FY 11. An additional \$800,000 in revenues will be generated annually in each year of the Five Year Plan.
- b. Sales Tax – The \$16.1 million also includes \$3.9 million from Sales Tax. The Board has previously been advised of the steady increases in sales tax revenue during the quarterly updates.
- c. Overall Variance from Budget – With the removal of these two items from the \$16.1 million the total General Revenue surplus drops to \$4.9 million, a variance of less than 0.7% compared to the adopted budget.
- d. General Revenue Reconciliation – As part of the year-end process, general revenues need to be reconciled. The current excess at year-end FY 2011 is \$16.1 million. The General Revenue situation is shown below: (See *General Fund Attachment C – Quarterly Financial Status Report 4th Quarter Fiscal Year 2011*).

(Amounts in millions) Category of General Revenues	Prior Year	Fiscal Year 2011					Net Variance	% from Adopted	
	FY 10 Year-End	1st Qtr. Revised	2nd Qtr. Revised	3rd Qtr. Revised	4th Qtr. Prelim.	Adopted			
Real Estate Taxes	\$478.3	\$474.8	\$477.8	\$478.8	\$478.7	\$474.8	\$3.9	0.8%	} General Property Taxes: 1.9% Variance
Personal Property Taxes	117.7	119.0	118.1	122.3	122.8	115.5	7.3	6.3%	
Sales Tax	46.2	47.5	48.9	49.0	49.0	45.1	3.9	8.6%	
Consumer Utility Tax	12.8	13.1	13.1	13.1	13.1	13.1	.0	0.0%	} Other Revenue Sources: 3.9% Variance
Communications Tax	18.9	19.2	19.2	19.2	19.0	19.2	-.2	-1.0%	
BPOL Tax	20.3	20.6	21.6	21.6	21.0	20.1	.9	4.5%	
Investment Income	12.7	8.4	8.4	8.4	11.3	13.0	-1.7	-13.1%	
All Other	16.5	15.1	16.1	16.1	17.1	15.1	2.0	13.2%	
Total General Revenues	\$723.3	\$717.8	\$723.2	\$728.5	\$732.0	\$715.9	\$16.1	2.2%	

- 2. General Fund Carryovers – The total FY 2011 General Fund Carryovers requiring budget, appropriation and transfer in FY 2012 equal \$15,879,735. This amount is less than the \$38,718,038 of “total uses” shown in Attachment A because some items do not require budget and appropriation. Those items not requiring budget and appropriation are so noted on *General Fund Attachment A*.

3. Agency Expenditure Savings and Revenue Surplus – Projected agency expenditures savings total \$27,992,056 with an agency revenue surplus totaling \$2,294,770 (see *General Fund Attachment A*).
 4. Other Fund Carryovers – Total FY 2011 “Other Fund” carryovers (funds outside the General Fund) requiring budget, appropriation and transfer actions equals \$30,557,888 in FY 2012. (See *Other Fund Attachment A*).
- B. Use of Carryover Funds – The Board will be asked to approve carryovers in the following categories:

1. Excess Fund Balance – This carryover recommends the allocation of \$1,374,000 of General Fund Balance exceeding the required 7.5% of General Fund revenues. The County’s 43.25% share (\$594,255) of the surplus Fund Balance over the 7.5% requirement is recommended to be added to the Revenue Stabilization Reserve. The Schools 56.75% share (\$779,745) will be transferred to the Schools once revenues and expenditures are audited later this year.
2. County and Schools General Revenue – The FY 2011 General Revenues exceed the adopted budget projection by \$16.1 million. The Schools’ share of the excess general revenues equates to \$9,025,027, and the County share is \$7,074,973, which includes a \$196,869 surplus in general recordation tax. It is recommended that the County’s \$7,074,973 share be distributed to the Transportation Reserve.
3. BOCS committed items totaling \$27.3 million – The carryover of items which the BOCS have expressed an interest to fund include :

1	Tumbback to support the FY 12 budget.	\$8,628,352
2	FY 12 Information Technology (IT) Improvement Plan	\$5,500,000
3	Transportation Reserve	\$7,873,928
4	DoIT- Information Technology Disaster Recovery	\$2,000,000
5	Park Authority- Trail Development	\$2,000,000
6	Revenue Stabilization Reserve	\$836,023
7	Non-Departmental- 2.5% one-time payment for VRS Plan 2 employees hired before July 1, 2011	\$314,000
8	Transportation - Commuter Parking Lease (State Revenue)	\$90,187
9	OEM-County Executive: Design competition of World Trade Center Steel "I" Beams Monument	\$25,000
10	Police - Animal Shelter Building Alterations (funded thru trust)	\$23,977
11	Aging - COG Grant match	\$5,000
12	Community Services- COG Grant match	\$5,000
	Total Committed	<u><u>\$27,301,467</u></u>

(See *General Fund Attachment A or B*).

4. Traditional Carryover Items – Traditional carryover items totaling \$8,924,169 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 B*).
5. Other Carryover Items totaling \$2,492,402 – This recommendation funds the Other Items detailed in *General Fund Attachment B*.

III. Issues in order of importance are:

- A. Fiscal Impact – What are the fiscal impacts of the proposed alternatives on the FY 2012 Fiscal Plan and the Five Year Budget 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. Budget, Appropriate and Transfer the Carryover of the General Fund for \$15,879,735 and Other Funds for \$30,557,888 from Fiscal 2011 to Fiscal 2012 and Approve Allocation of the Fiscal Year 2011 General Revenues in Excess of Adopted Fiscal Year 2011 Budget Estimates and Approve the Allocation of Fund Balance Exceeding the Requirement to Maintain an Unassigned Fund Balance of at least 7.5% of General Fund Revenues
 1. Fiscal Impact – Approving Resolutions A through C ensures the continued maintenance of the County’s General Fund Balance policies and the County/School revenue agreement.
 2. Timing – Approving Resolutions A through C ensures that carryover funds would be available to agencies in FY 2012 and provides budget authority for projects.
 3. Policy Impact – Approving Resolutions A through C ensures the continuation of ongoing initiatives and the initiation of one time improvements identified by County agencies. This meets the Board’s policy of carrying over unspent funds and surplus revenues.
 4. Legal – Approval by the Board is in compliance Revenue Sharing Agreement.

MOTION:

**August 2, 2011
Regular Meeting
Res. No. 11-**

SECOND:

**RE: IMPLEMENT BOARD OF COUNTY SUPERVISORS POLICY
DIRECTION, APPROVE ALLOCATION OF THE FISCAL YEAR 2011
GENERAL REVENUES IN EXCESS OF ADOPTED FISCAL YEAR 2011
BUDGET ESTIMATES AND APPROVE THE ALLOCATION OF FUND
BALANCE EXCEEDING THE REQUIREMENT TO MAINTAIN AN
UNASSIGNED FUND BALANCE OF AT LEAST 7.5% OF GENERAL
FUND REVENUES**

ACTION:

WHEREAS, the Board of County Supervisors on April 26, 2011, approved the FY2012 Real Estate Tax Rate of \$1.204 per \$100 of assessed value for FY2012; and

WHEREAS, based on pre-audit General Fund revenue, no contribution 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, based on pre-audit General Fund revenue, the unassigned General Fund balance is currently 7.7% and exceeds the 7.5% requirement by \$1,374,000; and

WHEREAS, distribution of the surplus \$1,374,000 to the County and the Schools decreases the unassigned Fund Balance to \$62.6 million while maintaining the unassigned General Fund balance at 7.5%; and

WHEREAS, the County's 43.25% share (\$594,255) of the surplus unassigned General Fund balance over the 7.5% requirement is recommended to be added to the Revenue Stabilization Reserve and the Schools' 56.75% share (\$779,745) will be transferred to the Schools later this year once revenues and expenditures are audited; and

WHEREAS, excess General Revenue for FY2011 equals \$16,100,000, of which the Schools' share equates to \$9,025,027 and the County's share is \$7,074,973 (including \$196,869 of general recordation tax); and

WHEREAS, a duly advertised public hearing on the proposed amendments to the Fiscal 2011 budget was conducted on August 2, 2011, in the James J. McCoart Administration Building;

August 2, 2011
Regular Meeting
Res. No. 11-
Page Two

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;

BE IT FURTHER RESOLVED that the Prince William Board of County Supervisors does hereby approve the allocation of the surplus unassigned General Fund balance over the 7.5% requirement to the County (\$594,255) and the Schools (\$779,745) and commits the County's \$594,255 share to the Revenue Stabilization Reserve for FY2012;

BE IT FURTHER RESOLVED that the Prince William Board of County Supervisors does hereby approve the FY2011 General Revenue surplus allocation of \$9,025,027 to the Schools and \$7,074,973 to the County (including \$196,869 of general recordation tax) and commits the County's \$7,074,973 to the Transportation Reserve for FY2012;

BE IT FURTHER RESOLVED that the Prince William Board of County Supervisors authorizes the Director of Finance to reduce the approved allocation including the Transportation Reserve, should funds to maintain the unassigned General Fund Balance at 7.5% for FY2011 be unavailable once revenues and expenditures are audited.

ATTACHMENT: General Revenue / Fund Balance FY2011 to FY2012 Carryover Summary

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

For Information:

Deputy County Executive

Finance Director

Office of Management and Budget Director

ATTEST: _____
Clerk to the Board

GENEERAL REVENUE / FUND BALANCE - ATTACHMENT A
FY 2011 TO FY 2012 CARRYOVER SUMMARY

A. General Revenue Summary:

	Adopted Budget	Revenue Actual	Revenue Over Adopted
General Revenue Projected Year End Total	\$715,864,500	\$731,964,500	\$16,100,000
Less Investments Market Value Adjustment	\$0	\$0	\$0
Less Recordation Tax not split with Schools	\$1,370,000	\$1,566,869	\$196,869
Balance To Split With Schools	<u>\$714,494,500</u>	<u>\$730,397,631</u>	<u>\$15,903,131</u>
PWC 43.25% Share	\$309,018,871	\$315,896,975	\$6,878,104
Schools 56.75% Share	\$405,475,629	\$414,500,656	\$9,025,027
Total	<u>\$714,494,500</u>	<u>\$730,397,631</u>	<u>\$15,903,131</u>

B. Summary of Surplus Fund Balance over 7.5%:

	Total Surplus Fund Balance
PWC 43.25% Share	\$594,255
Schools 56.75% Share	\$779,745
Total Surplus Fund Balance over 7.5%	<u>\$1,374,000</u>

C. General Revenue Balance After Recordation Tax Allocation:

	Gen. Revenue Available	Remaining Balance
PWC 43.25% Share	\$6,878,104	\$6,878,104
Plus Recordation Tax not split with Schools		\$196,869
Total PWC Share		<u>\$7,074,973</u>
Total Schools 56.75% Share	\$9,025,027	\$9,025,027
Total PWC and Schools	<u>\$15,903,131</u>	<u>\$16,100,000</u>

5-A #2

MOTION:

**August 2, 2011
Regular Meeting
Res. No. 11-**

SECOND:

**RE: BUDGET, APPROPRIATE AND TRANSFER THE CARRYOVER OF
THE GENERAL FUND FOR \$15,879,735 FROM FISCAL 2011 TO
FISCAL 2012**

ACTION:

WHEREAS, budget savings were generated in fiscal 2011 through departmental efforts to control spending and through unfinished projects or contracts; and

WHEREAS, there are surplus agency revenues available at the end of fiscal 2011; and

WHEREAS, a duly advertised public hearing on the proposed amendments to the fiscal 2011 and 2012 budgets was conducted on August 2, 2011 in the James J. McCoart Administration Building;

NOW, THEREFORE, BE IT RESOLVED that the Prince William Board of County Supervisors does hereby budget, appropriate and transfer \$15,879,735 in General Fund carryovers for fiscal 2012 as indicated in detail in the attached carryover recommendation to this resolution;

BE IT FURTHER RESOLVED that the Prince William Board of County Supervisors does hereby commit \$14,128,352 to meet requirements in the FY2012 budget;

BE IT FURTHER RESOLVED that the Prince William Board of County Supervisors does hereby commit \$241,768 to the Revenue Stabilization Reserve for FY2012;

BE IT FURTHER RESOLVED that the Prince William Board of County Supervisors does hereby commit \$798,955 to the Transportation Reserve for FY2012;

BE IT FURTHER RESOLVED that the Prince William Board of County Supervisors authorizes the Director of Finance to reduce the amount of carryovers approved including the Transportation Reserve, should funds to support the request be unavailable after agencies have contributed their share of fiscal year 2011 savings for the purposes cited above.

ATTACHMENTS: General Fund FY 2011 to FY2012 Carryover Summary
General Fund FY 2011 Carryover Recommendation to FY2012
Quarterly Financial Status Report – 4th Quarter FY2011

**August 2, 2011
Regular Meeting
Res. No. 11-
Page Two**

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

For Information:

Deputy County Executive

Finance Director

Office of Management & Budget Director

ATTEST: _____
Clerk to the Board

GENERAL FUND - ATTACHMENT A
FY 2011 TO FY 2012 CARRYOVER SUMMARY

A. Resources:

Surplus Fund Balance over 7.5%- County 43.25% Share	\$594,255
General Revenue- County 43.25% Share	\$6,878,104
General Revenue- General County Recordation Tax	\$196,869
Agency Expenditure Balance	\$27,992,056
Agency Revenue	\$2,294,770
Anticipated Revenue - Neighborhood Services Grass Cutting	\$125,942
Anticipated Revenue - Four for Life & Fire Program Funds: from Vol. Fire	\$636,042
Total Resources	<u><u>\$38,718,038</u></u>

B. Uses:

Board Committed:

*1 Turnback to support the FY 12 budget.	\$8,628,352
*2 FY 12 Information Technology (IT) Improvement Plan	\$5,500,000
*3 Transportation Reserve	\$7,873,928
4 DoIT- Information Technology Disaster Recovery	\$2,000,000
5 Park Authority- Trail Development	\$2,000,000
*6 Revenue Stabilization Reserve	\$836,023
7 Non-Departmental- 2.5% one-time payment for VRS Plan 2 employees hired before July 1, 2011	\$314,000
8 Transportation - Commuter Parking Lease (State Revenue)	\$90,187
9 OEM-County Executive: Design competition of World Trade Center Steel "I" Beams Monument	\$25,000
10 Police - Animal Shelter Building Alterations (funded thru trust)	\$23,977
11 Aging - COG Grant match	\$5,000
12 Community Services- COG Grant match	\$5,000

Total Committed **\$27,301,467**

Other Items:

1 Traditional Carryover	\$8,924,169
2 Other Items	\$2,492,402

Total Other Items **\$11,416,571**

Total Uses **\$38,718,038**

Remaining Balance; Resources Over / (Under) Uses **\$0**

C. * Total Items Not Requiring Budget and Appropriation (B&A) **\$22,838,303**

Total General Fund Carryovers Requiring Budget And Appropriation **\$15,879,735**

GENERAL FUND - ATTACHMENT B
FY 2011 CARRYOVER RECOMMENDATION TO FY 2012

I. General Fund:

A. <u>Board Committed:</u>	<u>Amount</u>
*1 Turnback to support the FY 12 budget.	\$8,628,352
*2 FY 12 Information Technology (IT) Improvement Plan	\$5,500,000
*3 Transportation Reserve	\$7,873,928
4 DoIT- Information Technology Disaster Recovery	\$2,000,000
5 Park Authority- Trail Development	\$2,000,000
*6 Revenue Stabilization Reserve	\$836,023
7 Non-Departmental- 2.5% one-time payment for VRS Plan 2 employees hired before July 1, 2011	\$314,000
8 Transportation - Commuter Parking Lease (State Revenue)	\$90,187
9 OEM-County Executive: Design competition of World Trade Center Steel "I" Beams Monument	\$25,000
10 Police - Animal Shelter Building Alterations (funded thru trust)	\$23,977
11 Aging - COG Grant match	\$5,000
12 Community Services- COG Grant match	\$5,000
Total Committed	<u><u>\$27,301,467</u></u>
*Less Items Not Requiring Budget and Appropriation	<u><u>\$22,838,303</u></u>
Total Committed Items Requiring Budget and Appropriation	<u><u>\$4,463,164</u></u>

B. Traditional Carryovers:

1 BOCS- Administration	\$154,244
2 BOCS- Brentsville District	\$357,700
3 BOCS- Chairman	\$9,855
4 BOCS- Coles District	\$267,204
5 BOCS- Gainesville District	\$85,944
6 BOCS- Neabsco District	\$62,297
7 BOCS- Occoquan District	\$17,905
8 BOCS- Potomac District	\$87,727
9 BOCS-Woodbridge District	\$61,543
10 Communications- Citizens Outreach	\$68,000
11 Commonwealth Attorney - Office Equipment:Fund restricted, CWA Forfeited Asset Sharing Program	\$58
12 Commonwealth Attorney - Office Furniture:Fund restricted, CWA Forfeited Asset Sharing Program	\$1,889
13 Community Services- ARRA Part C Early Intervention Grant	\$24,282
14 Community Services- Electronic Health Record and HIPAA Compliance	\$123,282
15 Contingency Reserve- Carryover remaining FY 10 balance. This would increase the FY 12 total unobligated balance from \$750,000 to \$1,100,736.	\$350,736

GENERAL FUND - ATTACHMENT B
FY 2011 CARRYOVER RECOMMENDATION TO FY 2012

16	DFR - FMO EDMS	\$70,000
17	DFR - State Fire Programs Fund	\$878,754
18	DFR - State Four for Life (FFL) Fund	\$456,318
19	DoIT - 800 MHz Rebanding	\$228,869
20	DoIT - PBX Upgrades	\$270,000
21	DSS - CPS Training Funds	\$68,399
22	DSS - Security Equipment (cameras, radios, etc) for JDC	\$85,000
23	Economic Development - Advertising Funds	\$40,000
24	Finance - Increase in Audit Fees	\$17,300
25	Finance - Technical Writer	\$15,000
26	Human Resources: Executive Development/Scholarships to SEI (UVA), LEAD (UVA) & GMU MPA Cohort	\$15,000
27	OCJS - ARRA Intensive Community Supervision Program Grant	\$290,350
28	OEM-Communications: Connaughton Community Plaza Budget	\$25,000
29	OMB: Strategic Plan	\$28,000
30	Police - 2009 COPS Technology Grant	\$300,000
31	Police - 2009 Justice Assistance Grant (JAG) (Grant)	\$23,367
32	Police - Animal Friendly License Plate Program Veterinarian Services	\$16,038
33	Police - Criminal Forfeitures	\$459,070
34	Prince William County/Manassas Convention and Visitors Bureau: FY2011 Transient Occupancy Tax Surplus Revenue	\$140,000
35	Public Works: ARRA Energy Efficiency Block Grant	\$110,635
36	Public Works: Construction Services - Internal Services. Includes: Planning (\$48), Police (\$4,897), Circuit Court Judges (\$15), Fire and Rescue (\$6,800), Public Works (\$520,953), Transportation (\$2,507), Cooperative Extension (\$200), Library (\$10,954), Aging (\$30).	\$546,404
37	Public Works-Buildings and Grounds: Courthouse User Fees	\$101,788
38	Public Works-Buildings and Grounds: Cyclic Project Maintenance	\$30,483
39	Public Works-Buildings and Grounds: Liberty Memorial Maintenance	\$77,543
40	Public Works-Buildings and Grounds: Owens Building Loading Dock	\$26,964
41	Public Works-Historic Preservation: Support for Programming at County Historic Sites	\$79,500
42	Public Works-Neighborhood Services: Magisterial District Landscaping	\$293,435
43	Public Works-Neighborhood Services: Repairs and Maintenance Enforcement of Weed Ordinance Cases	\$125,942
44	Public Works-Neighborhood Services: Spot Blight	\$98,880
45	Public Works-Property Management: Record Center Relocation	\$340,400
46	Public Works-Property Management: Space Project Budget	\$1,243,874
47	Registrar; Funding for conducting primary elections in August instead of June due to redistricting. Funding will be used to pay election officers and for support of Atlantic Election Services to prepare ballots, voting machines including delivery and pickup of voting machines to all poll locations as well as technical support the day of the primary.	\$220,660
48	Sheriff- MDC Replacement	\$139,301

GENERAL FUND - ATTACHMENT B
FY 2011 CARRYOVER RECOMMENDATION TO FY 2012

49	Sheriff- Santa Cop program/donations	\$912
50	Sheriff- Security Equipment Replacement Fund	\$84,555
51	Transportation - Commuter Parking Lease	\$192,863
52	Transportation - DCSM Urban Standards Update	\$70,000
53	Transportation - Mass Transit Plan Study (Grant)	\$3,857
54	Transportation - Street Lighting Allocation Budget	\$37,042
Total Traditional Carryovers		\$8,924,169

C. Other Items:

1	Aging - Woodbridge Senior Center parking lot plans and construction	\$633,000
2	Community Services - Staff Development and Training	\$40,000
3	DFR - EMS Protocol Update to Patient Care Manual	\$95,000
4	DFR - Temporary position in DFR for FRA IT reporting	\$50,000
5	DoIT - WiFi at McCoart, DSB and Owens first, then the fire stations, the Judicial complex and the Supervisors' offices; then Sudley North and Ferlazzo, as funds permit	\$100,000
6	Finance - Capital Asset Inventory & Valuation Services	\$100,000
7	Finance - Collection of Delinquent Taxes	\$66,000
8	General District Court - Lektriever Filing System move from Clerk	\$3,000
9	Human Resources- Supervisory, Notary and IPSLEI Training	\$32,000
10	OCJS - Furniture for new office space	\$25,000
11	OEM-Communications: Branding/County Logo	\$30,000
12	OEM-Communications: Support for Video Production Services	\$12,000
13	OMB: Temporary Employee	\$50,000
14	Park Authority: 2.5% one-time payment for VRS Plan 2 employees	\$12,989
15	Park Authority: Addition to Fully Fund 2% COLA	\$25,500
16	Police - Animal Shelter Private Donations	\$11,101
17	Police - Black History Month	\$5,801
18	Public Works-Buildings and Grounds: ADA Parking Lot Alteration	\$320,000
19	Public Works-Buildings and Grounds: Lead Based Tile Removal at Bldg 102 (Courthouse Annex)	\$10,000
20	Public Works-Buildings and Grounds: Security Guard Contract Increases	\$107,107
21	Public Works-Fleet: Fuel (Gasoline/Diesel)	\$612,945
22	Public Works-Fleet: New Police Vehicle Pricing	\$87,400
23	Public Works-Fleet: Sprinkler System for Fleet Heavy Equipment Shop	\$62,500
24	VCE - Salary adjustments based on promotions, raises and changes to VRS	\$1,059

Total Other Items	\$2,492,402
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General Fund Total	\$38,718,038
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*Less General Fund Items Not Requiring Budget and Appropriation	\$22,838,303
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General Fund Items Requiring Budget and Appropriation	\$15,879,735
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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

BOARD OF COUNTY SUPERVISORS
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John T. Stirrup

Attachment C

July 25, 2011

TO: Board of County Supervisors
FROM: Steven A. Solomon *Sal*
Director of Finance
THRU: Melissa S. Peacor
County Executive
RE: Quarterly Financial Status Report
4th Quarter Fiscal Year 2011

I. Background is as follows:

- A. General County Revenues – The general revenue estimate included in the FY11 adopted budget was \$719,754,500 at a real estate tax rate of \$1.236 per \$100 of assessed value. This amount includes \$5,260,000 in recordation tax revenue designated for transportation projects. The FY11 adopted revenue budget without the portion of recordation tax revenue designated for transportation use is \$715,864,500.
- 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.
1. Fiscal Analysis – Revenue and expenditure variances from the adopted budget are reviewed on a monthly basis.
 2. First Quarter Report – The first quarter report was presented to the Board of County Supervisors on October 12, 2010, during the annual Board Retreat. A revenue surplus of \$1.9 million was forecast by the end of the fiscal year on June 30, 2011.
 3. Second Quarter Report – The second quarter report was presented by the Finance Director on February 15, 2011, during the FY2012-2016 Proposed General Revenue Forecast presentation. A revenue surplus
- An Equal Opportunity Employer*

of \$7.3 million was forecast by the end of the fiscal year. The projected surplus was due to increases in real estate taxes, sales tax and BPOL.

4. Third Quarter Report – The third quarter report on general revenue was presented on April 12, 2011, during the FY 2012 budget recap presentation. A revenue surplus of \$12.6 million was forecast by the end of the fiscal year. The incremental projected surplus was due to real property taxes and personal property taxes.

II. Current Situation is as follows:

- A. Fourth Quarter Results – The FY11 pre-closing, pre-audit general revenues are more (a surplus) than the adopted budget by \$16.1 million or 2.2%.

<i>(Amounts in millions)</i> Category of General Revenues	Prior Year FY 10 Year-End	Fiscal Year 2011					Net Variance	% from Adopted	
		1st Qtr. Revised	2nd Qtr. Revised	3rd Qtr. Revised	4th Qtr. Prelim. Adopted	Adopted			
Real Estate Taxes	\$478.3	\$474.8	\$477.8	\$478.8	\$478.7	\$474.8	\$3.9	0.8%	} General Property Taxes: 1.9% Variance
Personal Property Taxes	117.7	119.0	118.1	122.3	122.8	115.5	7.3	6.3%	
Sales Tax	46.2	47.5	48.9	49.0	49.0	45.1	3.9	8.6%	
Consumer Utility Tax	12.8	13.1	13.1	13.1	13.1	13.1	.0	0.0%	} Other Revenue Sources: 3.9% Variance
Communications Tax	18.9	19.2	19.2	19.2	19.0	19.2	-.2	-1.0%	
BPOL Tax	20.3	20.6	21.6	21.6	21.0	20.1	.9	4.5%	
Investment Income	12.7	8.4	8.4	8.4	11.3	13.0	-1.7	-13.1%	
All Other	16.5	15.1	16.1	16.1	17.1	15.1	2.0	13.2%	
Total General Revenues	\$723.3	\$717.8	\$723.2	\$728.5	\$732.	\$715.9	\$16.1	2.2%	

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

1. Investment Income – Although interest income (actual cash revenue available to the County) was less than the adopted budget by \$1.7 million, it increased \$2.9 million compared to the third quarter report. The revenue increase from the third quarter update is attributed to gains on sales of investments.
2. All Other Revenues – All other revenue sources ended FY11 \$2.0 million more than the adopted budget and \$1.0 million more than the third quarter report.

Increases in the bank stock tax revenue (\$0.5 million), motor vehicle license tax (\$0.2 million), public utility gross receipts tax (\$0.2 million), and passenger car rental tax (\$0.1 million) all contributed to the \$1.0 million increase since the third quarter report.

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

Staff Contact: Steven Solomon, Finance Director, 792-6700
Attachment C: Quarterly Financial Status Report

5-A #3

MOTION:

**August 2, 2011
Regular Meeting
Res. No. 11-**

SECOND:

**RE: BUDGET, APPROPRIATE AND TRANSFER THE CARRYOVER OF
OTHER FUNDS FOR \$30,557,888 FROM FISCAL 2011 TO FISCAL 2012**

ACTION:

WHEREAS, budget savings were generated in Fiscal Year 2011 through departmental efforts to control spending and through unfinished projects or contracts; and

WHEREAS, there are surplus agency revenues available at the end of Fiscal Year 2011; and

WHEREAS, a duly advertised public hearing on the proposed amendments to the Fiscal Year 2012 budget was conducted on August 2, 2011, in the James J. McCoart Administration Building;

NOW, THEREFORE, BE IT RESOLVED that the Prince William Board of County Supervisors does hereby budget, appropriate and transfer \$30,557,888 in other fund carryovers in fiscal 2012 as follows:

OTHER FUNDS SUMMARY:

A. Service District Levies	\$110,398
B. Special Revenue	\$1,080,675
C. Special Levy Districts	\$598,612
D. Volunteer Fire And Rescue	\$15,302,492
E. Capital Improvement Projects	\$2,979,964
F. Solid Waste	\$501,587
G. Trust and Agency	\$31,425
H. Innovation @ Prince William	\$180,909
I. Adult Detention Center	\$1,884,193
J. Internal Service	\$7,887,633
Total Other Funds Carryovers	<u><u>\$30,557,888</u></u>

BE IT FURTHER RESOLVED that the Prince William Board of County Supervisors authorizes the Director of Finance to reduce the amount of carryovers approved should funds to support the request be unavailable after agencies have contributed their share of Fiscal Year 2011 savings for the purposes cited above.

August 2, 2011
Regular Meeting
Res. No. 11-
Page Two

ATTACHMENTS: Other Funds FY2011 to FY2012 Carryover Summary
Other Funds FY2011 Carryover Recommendation to FY2012

Votes:

Ayes:

Nays:

Absent from Vote:

Absent from Meeting:

For Information:

Deputy County Executive

Finance Director

Office of Management and Budget Director

ATTEST: _____
Clerk to the Board

OTHER FUNDS - ATTACHMENT A
FY 2011 TO FY 2012 CARRYOVER SUMMARY

OTHER FUNDS SUMMARY:

A. Service District Levies	\$110,398
B. Special Revenue	\$1,080,675
C. Special Levy Districts	\$598,612
D. Volunteer Fire And Rescue	\$15,302,492
E. Capital Improvement Projects	\$2,979,964
F. Solid Waste	\$501,587
G. Trust and Agency	\$31,425
H. Innovation @ Prince William	\$180,909
I. Adult Detention Center	\$1,884,193
J. Internal Service	\$7,887,633
Total Other Funds Carryovers	<u>\$30,557,888</u>
*Amounts Not Requiring Budget and Appropriation (B&A)	<u>\$0</u>
Total Other Funds Carryovers Requiring Budget and Appropriation	<u>\$30,557,888</u>

OTHER FUNDS - ATTACHMENT B
FY 2011 CARRYOVER RECOMMENDATION TO FY 2012

I. Service District Levies:

1	Bull Run Mountain Service District Roads Maintenance/Repairs	\$10,899
2	Lake Jackson Service District Roads Maintenance/Repairs	\$99,261
3	Bull Run Mountain Service District: Construction Services - Internal Services.	\$238

Agency Total	\$110,398
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Service District Levy Total	\$110,398
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II. Special Revenue:

1	Housing: ARRA Homeless Prevention Grant	\$42,232
2	Housing: Neighborhood Stabilization Program Grant	\$83,034
3	Housing: ARRA Community Development Block Grant	\$338,470
4	Housing: ARRA Homeless Prevention Grant	\$78,931
5	Housing: Rental Rehabilitation Grant	\$396,930

Agency Total	\$939,597
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6	Development Services: Replacement Vehicles for Construction Inspections	\$80,000
7	Development Services: MDC Supplemental Components	\$7,500
8	Development Services: Update of Design and Construction Standards Manual (DCSM)	\$26,000
9	Development Services: Targeted Industry Fee Reimbursement	\$27,578

Agency Total	\$141,078
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Special Revenue Total	\$1,080,675
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III. Special Levy Districts:

1	Public Works-Stormwater Management: Stream Restoration/Corrective Action Funds	\$2,664
2	Public Works-Stormwater Management: Camera Van Retrofit	\$75,000
3	Public Works-Stormwater Management: Stream Assessments Program GIS Upgrade	\$37,715
4	Public Works-Stormwater Management: Andrew Leitch Park Stream Restoration Post-Construction Work	\$24,219
5	Public Works-Stormwater Management: Broad Run Watershed Study	\$80,000

Agency Total	\$219,598
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6	Public Works-Gypsy Moth/Mosquito Control (GMMC): GMMC Data Management System	\$52,000
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Agency Total	\$52,000
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7	Public Works: Construction Services - Internal Services. Gypsy Moth (\$27,254) and Stormwater (\$299,760).	\$327,014
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Agency Total	\$327,014
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Special Levy Districts Total	\$598,612
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OTHER FUNDS - ATTACHMENT B
FY 2011 CARRYOVER RECOMMENDATION TO FY 2012

IV. Volunteer Fire And Rescue:

1	DFR - Transfer State Fire Program Funds back to General Fund	\$283,492
2	DFR - Transfer State Four for Life (FFL) Funds back to General Fund	\$182,550
3	DFR - Temporary position in DFR for FRA IT reporting	\$50,000
4	DFR - EMS Protocol Update to Patient Care Manual	\$95,000
5	Buckhall	\$362,000
6	Coles	\$60,000
7	Dale City	\$1,155,000
8	DTRS	\$315,000
9	Evergreen	\$450,000
10	Nokesville	\$158,000
11	OWL	\$550,000
12	Stonewall	\$124,002
13	Gainesville	\$290,350
14	Antioch	\$122,376
15	FRA - Pay-off Coles mortgage - Systemwide Fund	\$476,517
16	FRA - Purchase of Hazmat vehicle	\$500,000
17	FRA - Transition bookkeeper to contractual at SJVFD, EVFD, and YVFD - FRA Systemwide Fund	\$210,000
18	FRA -Pay-off subfund deficit in LJVFD and DTVFD operating subfunds - FRA Systemwide Fund	\$316,873
19	FRA Membership Initiative	\$25,316
20	Project Carryovers - see separate worksheet	\$9,530,862
21	NFPA Medical Physicals	\$45,000
22	Public Works: Construction Services - Internal Services.	\$154
	Agency Total	<u><u>\$15,302,492</u></u>

Volunteer Fire And Rescue Total

\$15,302,492

V. Capital Improvement Projects:

1	Aging - Woodbridge Senior Center parking lot plans & construction	\$633,000
2	Public Works-Buildings and Grounds: Owens Building Loading Dock	\$26,964
3	Public Works-Buildings and Grounds: ADA Parking Lot Alteration	\$320,000
4	Park Authority: Trail Development	\$2,000,000
	Agency Total	<u><u>\$2,979,964</u></u>

Total Capital Improvement Projects

\$2,979,964

OTHER FUNDS - ATTACHMENT B
FY 2011 CARRYOVER RECOMMENDATION TO FY 2012

VI. Solid Waste:

1	Public Works-Solid Waste: Improvements to Landfill Convenience Center	\$35,000
2	Public Works-Solid Waste: Gasoline/Diesel Fuel for Landfill Vehicles and Equipment	\$50,000
3	Public Works-Solid Waste: Yard Waste Composting/Balance for "Trash Trade"	\$351,500
4	Public Works-Solid Waste: Sprinkler System for Fleet Heavy Equipment Shop	\$62,500
5	Public Works-Solid Waste: Construction Services - Internal Services	\$2,587
	Agency Total	\$501,587

Solid Waste Total

\$501,587

VII. Trust And Agency Fund:

1	Prince William County - Historic Preservation Foundation	\$31,425
	Agency Total	\$31,425

Trust And Agency Total

\$31,425

VIII. Innovation @ Prince William:

1	Innovation@Prince William - Operating Costs	\$130,766
2	Innovation@Prince William: Construction Services - Internal Services.	\$50,143
	Agency Total	\$180,909

Total Innovation @ Prince William

\$180,909

IX. Adult Detention Center:

1	ADC- Funding for replacing the drywall and addressing life-safety issues at the Modular Jail	\$1,884,193
	Agency Total	\$1,884,193

Total Adult Detention Center

\$1,884,193

X. Internal Service:

1	Public Works-Construction Services: Construction Crew (CIP)	\$3,847,025
2	Public Works-Construction Services: Construction Crew (Non-CIP)	\$927,431
3	Public Works-Construction Services: Vehicle Replacement	\$55,500
	Agency Total	\$4,829,956

4	Public Works-Fleet: Fuel (Gasoline/Diesel)	\$612,945
5	Public Works-Fleet: Fleet Management Information System	\$200,000
6	Public Works-Fleet: Sprinkler System for Fleet Heavy Equipment Shop	\$62,500
7	Public Works-Fleet: Construction Services - Internal Services.	\$891
	Agency Total	\$876,336

8	Public Works-Sign Shop: Street Sign Supplies.	\$66,341
	Agency Total	\$66,341

OTHER FUNDS - ATTACHMENT B

FY 2011 CARRYOVER RECOMMENDATION TO FY 2012

9	DoIT - County Attorney Case Management System	\$70,000
10	DoIT- Information Technology Disaster Recovery	\$2,000,000
	Agency Total	<u>\$2,070,000</u>
11	Medical Insurance Internal Service Fund- Employee Medical Services carryover from Fire Levy fund for Inova Employee Health Contract	\$45,000
	Agency Total	<u>\$45,000</u>
	Internal Service Total	<u>\$7,887,633</u>
XI.	Non General Fund Total	<u>\$30,557,888</u>
XII.	* Less Non General Fund Items Not Requiring Budget and Appropriation	\$0
	<u>Total Non General Fund Items Requiring Budget And Appropriation</u>	<u>\$30,557,888</u>

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 ongoing County projects or one-time improvements in FY 2012. This would create an unassigned General Fund Balance of \$101m or 12.2% of the projected General Fund revenues. Projects begun but not completed in FY 2011 could only be completed with the use of FY 2012 budgeted funds.
2. Timing – Carryover funds will not be available to agencies in FY 2012 if no action is taken.
3. Policy Impact – Taking no action would place the County out of compliance with the BOCS adopted Principles of Sound Financial Management. Diverting FY 2012 budgeted funds to complete FY 2011 projects will hamper agencies' abilities to meet adopted FY 2012 service levels and delay the start of new projects planned for FY 2012. Additionally, one-time improvements proposed by the agencies cannot be undertaken.
4. Legal – Taking no action will not preclude the Board from taking action at a later date to transfer excess 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, x 5539
Steven A. Solomon, Director of Finance, x 6724

Attachments to the Resolutions:

General Revenue / Fund Balance:

Attachment A – FY 2011 to FY 2012 Carryover Summary

General Fund:

Attachment A – FY 2011 to FY 2012 Carryover Summary

Attachment B – FY 2011 Carryover Recommendation to FY 2012

Attachment C – Quarterly Financial Status Report 4th Quarter Fiscal Year 2011

Other Funds:

Attachment A – FY 2011 to FY 2012 Carryover Summary

Attachment B – FY 2011 Carryover Recommendation to FY 2012