

PRINCE WILLIAM
COUNTY

POPULAR ANNUAL FINANCIAL REPORT

FY2023

For the Year Ended June 30, 2023

**PRINCE
WILLIAM
— COUNTY**

Board of County Supervisors

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 Coles District

Bob Weir
 Gainesville District

We are pleased to present the Popular Annual Financial Report (PAFR) of the County of Prince William, Virginia (the County), as of and for the fiscal year ended June 30, 2023. The PAFR is derived from the information contained in the Annual Comprehensive Financial Report (ACFR), which is prepared in conformity with accounting principles generally accepted in the United States of America and can be accessed at pwcva.gov/finance.

The ACFR includes more than 300 pages of detailed County financial statements, notes and schedules and is available on the County's website or by contacting Prince William County Department of Finance. Copies of the PAFR can be picked up at the Information Desk in the Atrium of the James J. McCoart Building or at any Prince William Public Library.

The purpose of the PAFR is to provide a broad overview of the financial operations of the Prince William County Government for the fiscal year (July 1, 2022 – June 30, 2023) and focuses solely on the County's governmental and business-type activities.

The PAFR condenses financial information and therefore does not comply with generally accepted accounting principles. Additionally, the financial data of the Prince William County School Board and the Adult Detention Center, and activity from services provided by County agencies to other County agencies are omitted.

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Population	491,693 Persons*
No. of Households	158,525 Households*
No. of Students	89,205 Students ***
Citizens with a Bachelor's Degree or Higher	41.9%**
Median Household Income	\$120,398**
Distance from D.C.	35 Miles
Dulles International Airport	16 Miles
Ronald Reagan National Airport	18 Miles

* Per Prince William County GIS Demographer Q2 2023 estimates.

** Per 2020 U.S. Census American Community Survey data

*** Per official September 2023 student enrollment count for all Prince William County Schools

Prince William County is located in Northern Virginia, approximately 35 miles southwest of Washington, D.C. and encompasses an area of 348 square miles, of which 18.8% is federally owned land. As the second most populous jurisdiction in Virginia, the 2020 U.S. Census placed the County's population at an estimated 482,204 persons or 158,525 households.

Prince William County is almost 7.6% of the greater Washington-Metropolitan region's population, which stands at close to 6.4 million persons, according to the 2020 U.S. Census data. Prince William's location in the Metropolitan Washington, D.C. area and the availability of excellent transportation options in the region are a catalyst for growth in the County, which continue to provide numerous economic advantages.

Within the County's boundaries are the independent cities of Manassas and Manassas Park and the incorporated towns of Dumfries, Haymarket, Occoquan and Quantico. The cities and towns elect their own mayors and councils but rely on the County government for some of their services.

Our County

The County exercises local governing powers granted to it by the Virginia General Assembly. Since 1972, the County has operated under the County Executive form of government, as provided in Section 15.2-500 et seq. VA Code Ann. The governing policy-determining body of the County is an eight-member Board of County Supervisors (Board). Residents in each of the County's seven magisterial districts elect one member of the Board to serve a term of four years. The eighth member of the Board, elected at-large by County residents, serves a four-year term as the Chair. The current board members took office in January 2020, following an election held on November 5, 2019, and serves until December 31, 2023.

The County provides a full range of local government services, including police, fire and rescue, court administration, education, planning, development, libraries, parks, recreational and tourism services, health and social services, public improvements, and general administration. The County's School Board and Adult Detention Center both have a financial benefit/ burden relationship with the County and are reported as discretely presented component units, with the School Board issuing their own separately audited financial statements. A legally separate water and sewer service authority, the Prince William County Service Authority (Service Authority), provides sanitation services. User charges and bond financings are the primary funding sources for the Service Authority's operations and capital needs. The Service Authority is solely responsible for its outstanding debt and is not a component unit of the County. Readers should refer to the County's ACFR for additional information.


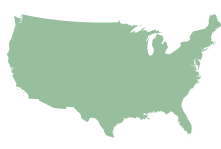
Total Revenues | \$1.9B

*Amounts are expressed in thousands

Revenues by Sources	FY 2023	FY 2022	FY 2021
Taxes	\$1,330,679 (70.50%)	\$1,231,989	\$1,137,858
Intergovernmental Revenues	\$430,024 (22.78%)	\$313,965	\$352,010
Charges for Services	\$60,726 (3.22%)	\$54,440	\$51,663
For Use of Money & Property	\$18,553 (0.98%)	\$(50,481)	\$15,929
Permits, Fees & Licenses	\$24,928 (1.10%)	\$23,651	\$20,888
Other Revenues	\$20,752 (1.32%)	\$10,594	\$30,890
Fines & Forfeitures	\$1,927 (0.10%)	\$1,757	\$1,788
Total Revenues	\$1,887,589	\$1,585,915	\$1,611,026

Tax Revenues by Sources	FY 2023	FY 2022	FY 2021
Real Estate	\$868,571 (65.27%)	\$839,452	\$787,059
Personal Property	\$228,713 (17.19%)	\$203,679	\$175,182
Business, Professional & Occupational Licenses	\$34,636 (2.60%)	\$32,910	\$29,882
Other	\$78,967 (5.93%)	\$35,172	\$32,262
Local Sales	\$93,246 (7.01%)	\$88,032	\$80,140
Consumer Utility	\$15,408 (1.16%)	\$15,278	\$13,266
Recordation	\$11,138 (0.84%)	\$17,466	\$20,067
Total Tax Revenues	\$1,330,679	\$1,231,989	\$1,137,858
Real Estate Collection Rate	99.7%	99.7%	99.1%

Total Intergovernmental Revenues | \$430M (including \$84M from local revenues)

	State Revenue: \$199M						
	12.76% Health & Welfare	17.93% Community Development	9.18% Public Safety	0.21% Other	3.45% Judicial	34.72% General Government	21.76% Public Works
	Federal Revenue: \$147M						
	36.42% General Government	17.73% Health & Welfare	28.04% Community Development	3.57% Public Safety	0.21% Judicial	1.03% Other	13.00% Public Works

Total Expenses | \$1.7B

*Amounts are expressed in thousands

County Expenses by Operational Area	FY 2023	FY 2022	FY 2021
Education	\$685,309 (39.60%)	660,808	\$694,445
Public Safety	\$386,346 (22.32%)	\$303,227	\$375,682
Health & Welfare	\$155,569 (8.99%)	\$139,577	\$136,895
Public Works	\$144,493 (8.35%)	\$98,907	\$93,970
General Government Administration	\$138,072 (7.98%)	\$87,723	\$95,112
Community Development	\$77,383 (4.47%)	\$76,136	\$90,729
Parks, Recreational & Cultural	\$36,130 (2.09%)	\$67,560	\$51,025
Interest on Long-Term Debt	\$43,134 (2.49%)	\$46,526	\$49,053
Judicial Administration	\$32,976 (1.91%)	\$30,826	\$29,253
Business Type	\$31,271 (1.81%)	\$25,034	\$22,928
Total Governmental Expenses	\$1,730,683	\$1,536,324	\$1,639,092

The County's Primary Government net position increased by \$164 million in fiscal year 2023. During fiscal year 2023, the County experienced a \$98 million increase in tax revenues, driven mainly by the inaugural assessment and collection of restaurant & beverage taxes of \$41M and an increase in real estate tax revenues due to a 10.7 percent increase in the total taxable assessed values. These outcomes are attributable to a more positive real estate market than the County has experienced over the past few fiscal years, with residential real estate values, which make up 76.1 percent of total assessments, increasing 13.5 percent, commercial and industrial values increasing 19.1 percent, and apartment values increasing 17.5 percent.

The County continues to monitor the economic impacts of the increasing inflation, having hit a 40-year high in recent months, and the possibility of a recession on the horizon. Despite the looming possibility of a recession, the County continues to maintain a healthy standing by continuing to receive a AAA bond rating from Fitch Ratings, a Aaa bond rating from Moody's Investors Services and AAA bond rating from Standard & Poors Global Ratings for over a decade, allowing the County to continue to secure long-term financing to fund County and Schools capital projects following the Board's appropriated Capital Improvements Plan (CIP). More details about the County's debt and long-term liabilities are presented in Note 12 of the ACFR. Additionally, the County continues to maintain compliance with the Board adopted Principles of Sound Financial Management, building adequate reserves to safeguard the County from unanticipated economic shocks or catastrophic events.

At the end of fiscal year 2023, the primary government had invested \$798 million in capital assets, net of accumulated depreciation and amortization. Accumulated depreciation and amortization remained stable between fiscal years 2023 and 2022. More details about the County's capital assets are presented in Note 11 of the ACFR.

Major Capital Assets

This year's major County capital asset additions included the following:

- The County's capital project activities for fiscal year 2023 included \$5 million expended for building and improvement sites and \$2 million for equipment.

55 CAPITAL PROJECTS | \$185.35M Authorized
 \$44.64M Spent-to-date as follows:



Parks and Libraries (24 Projects)

30.57%
 \$25.42M Spent

\$83.13M Authorized



Public Safety (5 Projects)

14.31%
 \$5.39M Spent

\$37.67M Authorized



Technology Infrastructure (1 Project)

3.47%
 \$0.29M Spent

\$8.21M Authorized



Community Development (13 Projects)

23.35%
 \$2.39M Spent

\$10.25M Authorized

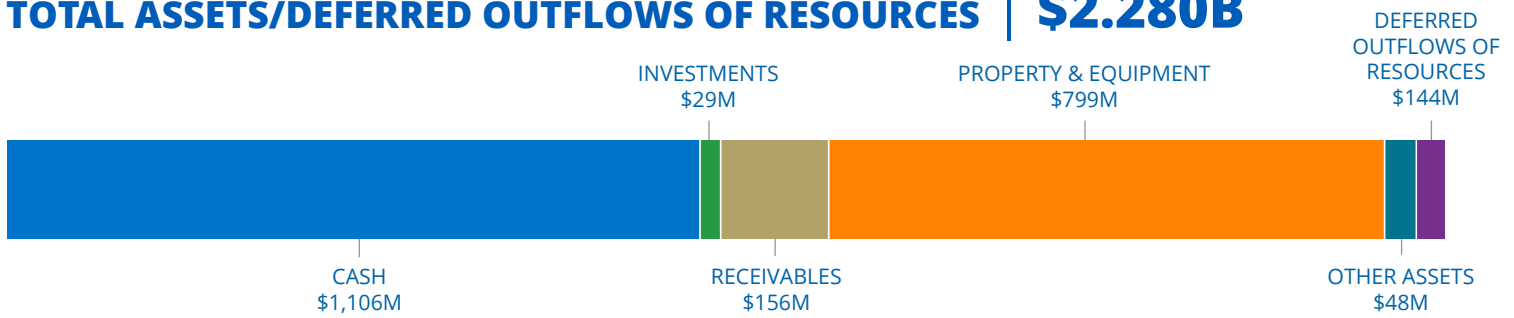


Other (8 Projects)

24.19%
 \$11.15M Spent

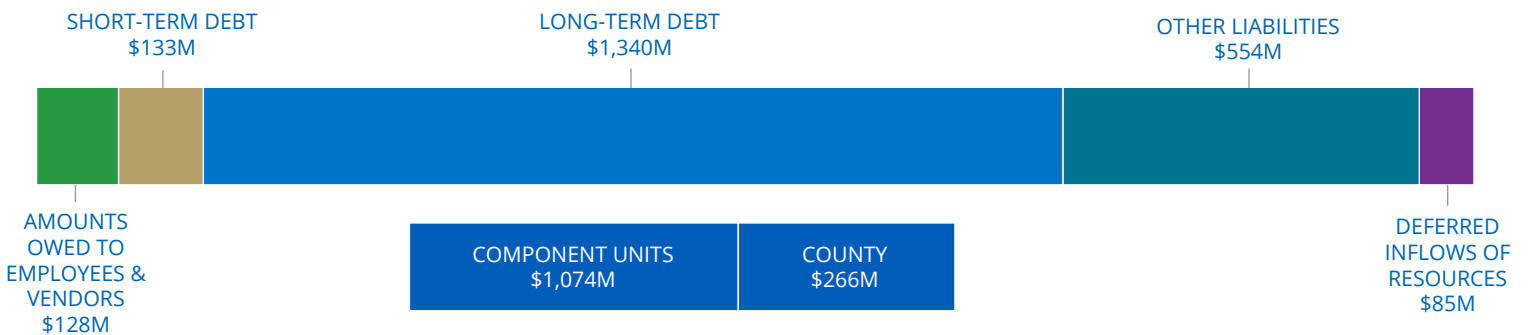
\$46.09M Authorized

TOTAL ASSETS/DEFERRED OUTFLOWS OF RESOURCES | \$2.280B



ASSETS BY TYPE	FY 2023	FY 2022	FY 2021
<i>(in \$000s)</i>			
Cash	\$1,105,774	\$878,234	\$890,586
Investments	\$28,725	\$27,083	\$19,301
Receivables	\$155,906	\$122,340	\$103,158
Property & Equipment	\$798,876	\$733,322	\$688,343
Other Assets	\$46,583	\$28,376	\$23,114
Total Assets	\$2,135,864	\$1,789,355	\$1,724,502
Deferred Outflows of Resources	\$144,041	\$169,720	\$168,567

TOTAL LIABILITIES/DEFERRED INFLOWS OF RESOURCES | \$2.239B

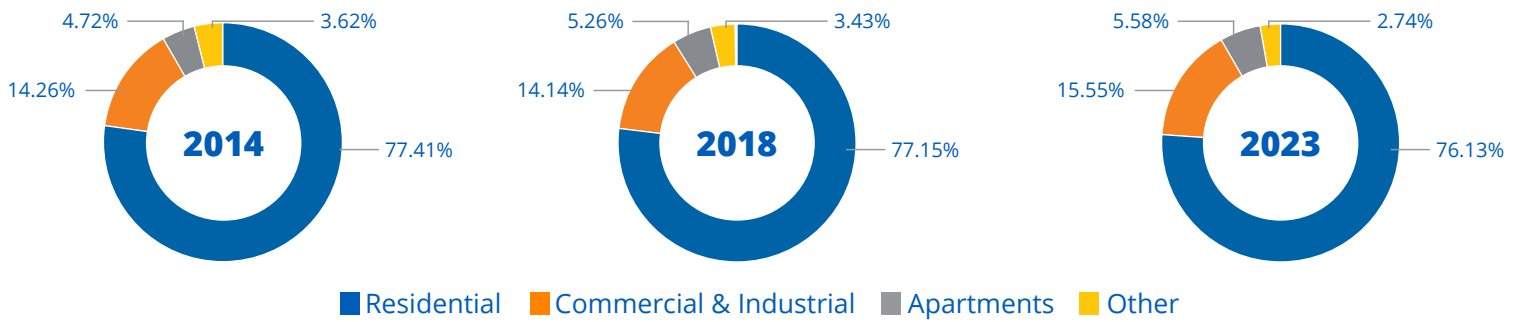


LIABILITIES BY TYPE	FY 2023	FY 2022	FY 2021
<i>(in \$000s)</i>			
Owed to Employees & Vendors	\$127,622	\$98,263	\$86,571
Short-Term Debt	\$132,562	\$133,255	\$199,545
Long-Term Debt	\$1,339,645	\$1,321,179	\$1,539,251
Other Liabilities	\$554,052	\$347,819	\$134,625
Total Liabilities	\$2,153,881	\$1,900,516	\$1,959,992
Deferred Inflows of Resources	\$84,669	\$181,485	\$144,992
* Net Position/(Deficit)	\$41,355	\$(122,926)	\$(211,915)

***NET POSITION | \$41M**

As a result of the implementation of GASB Statement 68, the County must now show pension liabilities. Prince William County School Board holds the property title of all school facilities and pays the debt service. The debt obligation resides with the County Government, which creates a net deficit to the net position.

Percentage of Total Real Estate Revenues



	2014	2018	2023
Residential	77.41%	77.15%	76.13%
Commercial & Industrial	14.26%	14.14%	15.55%
Apartments	4.72%	5.26%	5.58%
Other	3.62%	3.43%	2.74%

Assessed Value of Taxable Real Property

Residential



Commercial & Industrial



Apartments



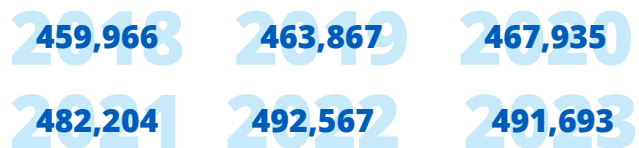
Vacant Land & Other



Average Home Sale Price



Population



Prince William County represents 7.6% of the Washington Metropolitan region's population, which stands close to 6.4 million persons according to the 2021 U.S. Census American Community Survey data.

Unemployment Rates

Prince William County



Virginia



Nationally



Prince William County's labor market retained a relatively healthy profile during FY 2023, highlighted in part by a modest decrease in the unemployment rate to 2.7 percent from 2.8 percent at the end of the prior fiscal year.

Personal Property Assessments



Tax Rates—Five-Year Comparison

Real Estate Taxes (per \$100 of assessed value)

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Base Rate	\$1.0300	\$1.0300	\$1.1150	\$1.1250	\$1.1250
Fire & Rescue Levy	\$0.0750	\$0.0750	\$0.0800	\$0.0800	\$0.0800
Mosquito & Forest Pest Management Fee	\$0.0025	\$0.0025	\$0.0025	\$0.0025	\$0.0025

Personal Property Taxes (per \$100 of assessed value)

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
General Class	\$3.7000	\$3.7000	\$3.7000	\$3.7000	\$3.7000
Heavy Equipment & Machinery	\$3.7000	\$3.7000	\$3.7000	\$3.7000	\$3.7000
Mining & Manufacturing Tools	\$2.0000	\$2.0000	\$2.0000	\$2.0000	\$2.0000
Mobile Homes	\$1.0300	\$1.0300	\$1.1150	\$1.1250	\$1.1250
Computer Equipment & Peripherals	\$1.6500	\$1.6500	\$1.5000	\$1.3500	\$1.2500
Research & Development	\$1.0000	\$1.0000	\$1.0000	\$1.0000	\$1.0000

Other Taxes—Motor Vehicle License Fees (per \$100 assessed value)

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Vehicles	\$33.00	\$33.00	\$33.00	\$33.00	\$24.00
Motorcycles	\$20.00	\$20.00	\$20.00	\$20.00	\$12.00

Solid Waste Management Annual Fee

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Single-Family	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00
Townhouse	\$63.00	\$63.00	\$63.00	\$63.00	\$63.00
Mobile Home	\$56.00	\$56.00	\$56.00	\$56.00	\$56.00
Multi-Family (Apartments & Condominiums)	\$47.00	\$47.00	\$47.00	\$47.00	\$47.00
Business/Non-Residential (per SFE where a SFE = 1.3 tons)	\$70.00	\$70.00	\$70.00	\$70.00	\$70.00

Storm Water Management Annual Fees

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Single-Family	\$44.08	\$44.08	\$44.08	\$39.36	\$39.36
Townhouse	\$33.06	\$33.06	\$33.06	\$29.52	\$29.52
Multi-Family (Apartments & Condominiums)	\$33.06	\$33.06	\$33.06	\$29.52	\$29.52
Business/Non-Residential (per 2,059 sq.ft. of impervious area)	\$44.08	\$44.08	\$44.08	\$39.36	\$39.36

Summary

The County’s Fiscal Plan is adopted annually by the Board. Their decisions are guided by the County’s Strategic Plan and the Comprehensive Plan. The Strategic Plan is adopted every four years and updated annually during the budget process and establishes the goals and long-term vision of the community to guide policy and fiscal decisions of the Board. The adopted strategic goal areas are: Health, Wellbeing & Human Services, Safe & Secure Community, Resilient Economy, Quality Education & Workforce Development, Environmental Conservation, Sustainable Growth and Transportation & Mobility. The Comprehensive Plan is a general guide to the location, character, and extent of proposed and anticipated land use, including public facilities.

The Budget is adopted by the Board on or before May 1 each year. In conjunction with the Fiscal Plan, the County also prepares a six-year Capital Improvement Plan, which is also adopted by the Board of County Supervisors. The budget directs the allocation of resources for use among the functional areas. The budget is a guiding document for Prince William County Government, while the accounting of actual revenues and expenditures are provided in the ACFR. [Click here to view.](#)



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Popular Annual
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Presented to

**County of Prince William
Virginia**

For its Annual Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morill
Executive Director/CEO



PRINCE WILLIAM
Finance

Prince William County, Virginia

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