



Non-Departmental/Unclassified Administration

EXPENDITURE AND REVENUE SUMMARY

	FY 12 Approp	FY 12 Actual	FY 13 Adopted	FY 14 Adopted	% Change Adopt 13/ Adopted 14
A. Expenditure by Program					
1 Administration	\$14,270,416	\$13,539,773	\$10,407,341	\$10,353,113	-0.52%
2 Medical Insurance - (Internal Services)	\$45,583,471	\$40,129,715	\$49,491,000	\$55,586,000	12.32%
Total Expenditures	\$59,853,887	\$53,669,488	\$59,898,341	\$65,939,113	10.09%
Total Designated Funding Sources	\$51,957,940	\$50,397,767	\$52,185,431	\$53,128,679	1.81%
Use Of Medical Insurance Internal Service Fund Balance	\$4,833,471	\$1,240,544	\$5,913,000	\$9,740,000	64.72%
Net General Tax Support	\$3,062,476	\$2,031,177	\$1,799,910	\$3,070,434	70.59%
Net General Tax Support	5.12%	3.78%	3.00%	4.66%	

MAJOR ISSUES

General Overview of Unclassified Administrative - The Unclassified Administrative area of the budget includes those budget areas representing general expenditures which are not assigned to specific agency budgets. During the course of the fiscal year, many of these dollars are allocated against agency budgets to properly account for where the expenditures actually occur. As a program becomes established, it will often be assigned to an agency on a permanent basis. The funds, once established, would then be transferred from Unclassified Administrative to the agency budget. Due to the many items coming into and out of the Unclassified Administrative budget area between budget years, it is difficult to compare different fiscal year totals. The items in the FY 2014 Budget for Unclassified Administrative are discussed below.

A. Reduction in One-time, Non-Recurring Compensation Items in the FY 14 Base Budget

- (\$721,602) - The FY 13 budget provided funding for a 3.0% pay for performance increase for all County employees. The basic pay for performance increase is calculated on the employee's current salary/pay as a percentage increase. The FY 13 budget extended the maximum salary/pay scales by 3.0% at a cost of \$339,577 which enabled all employees, including employees who were at the maximum salary/pay for their position, the opportunity to receive a salary increase associated with their pay for performance rating. The FY 13 budget also included \$382,025 for "Performance Plus" which is a one-time, lump-sum award that is added to an employee's first paycheck if their merit evaluation is rated higher than the "Fully Achieved" rating. A total reduction of \$721,602 is included in the FY 14 base budget because neither of these compensation initiatives is included in the FY 14 Budget. Additional information on employee compensation can be found in the section: "Adopted Compensation Budget Adjustments."

B. Reduction in Seat Management Contract Costs - (\$55,200) -

During FY 11, the County entered into a new five year contract with a new vendor to provide seat management services at a lower annual rate. The savings in the FY 12 budget was \$607,668 and \$90,240 was saved in the FY 13 Budget. An additional \$55,200 in savings is reduced in the Unclassified Administrative FY 2014 Budget.

C. Self-Insurance Support - \$5,746,115 -

The Unclassified Administrative area of the general fund includes funds to support the internal service fund of the Prince William County Self-Insurance Group (PWSIG). Included in this group are the Self-Insurance Workers Compensation, and the Self-Insurance Casualty Pool.



The FY 2014 Budget of \$5,746,115 increased \$605,877 from the FY 13 level of \$5,140,238. The total increase of \$605,877 is attributed to a \$300,000 increase in workers compensation insurance premiums and a \$305,877 budget shift from the Department of Parks and Recreation to workers compensation (\$240,435) and casualty pool (\$65,442) in the PWSIG. The shift is due to the integration of the Park Authority into the County government.

D. Transfer from Adult Detention Center Fund - \$1,269,057 - The transfer of \$1,269,057 to the general fund from the Adult Detention Center (ADC) is required to compensate the general fund for the cost of implementing the Law Enforcement Officers (LEOS) retirement program for Jail Officers and the Jail Superintendent. The funds are included as revenue in the Total Designated Funding Sources area. Additional information concerning the ADC LEOS retirement program can be found in the Major Issues section of the ADC departmental budget.

E. Funds to Support GASB 45 Requirements - \$630,000 - This item helps support the Board’s adopted compensation policy for Prince William County to have a combination of salaries and benefits that include post employment benefits such as retiree health care credits to attract and retain the most qualified employees.

OTHER BUDGET ADJUSTMENTS

A. Budget Transfer from Reserves to Solid Waste Fund

Expenditure	\$6,845,753
Use of Fund Balance	\$6,845,753
General Fund Impact	\$0
FTE Positions	0.00

- Description** - This initiative transfers funding from two Solid Waste Fee designated reserve funds (a use of committed fund balance) to the Solid Waste fund, including funds from the general fund Solid Waste Reserve (\$5,657,717) and the general fund Solid Waste Park Reserve (\$1,188,036). Both reserve funds are restricted revenue sources that can only be used for Solid Waste expenditures. The revenue increase in the Solid Waste program is included in the budget adjustments in the Public Works budget pages in the Community Development section of this document.
- Five Year Plan Impact** - This is a one-time transfer and there are no five year plan impacts associated with this initiative.

B. County Proffers

Expenditure	\$3,646,942
Revenue	\$3,646,942
General Fund Impact	\$0
FTE Positions	0.00

- Description** - Funding from proffer accounts is budgeted to support the transfer of \$3,646,942 to capital project accounts. Of this amount, \$1,495,039 is budgeted for Transportation projects; \$1,177,736 for Parks & Recreation projects; \$133,189 for library projects; \$761,944 for Fire & Rescue projects; and \$79,034 for Stormwater projects identified in the FY 2014-2019 Capital Improvement Program (CIP). Please refer to the General Debt/CIP section of this document for additional information regarding proffers and specific projects.



- Five Year Plan Impact** - This is a one-time transfer and there are no five year plan impacts associated with this initiative.

C. Department of Information Technology Internal Service Fund (DoIT ISF)

Expenditure	\$325,908
Revenue	\$0
General Fund Impact	\$325,908
FTE Positions	0.00

- Description** - This initiative increases the expenditures in the 4000 series related to the DoIT ISF related to the seat management contract (\$250,000) and compensation in DoIT (\$75,908) not covered by 4000 series increases in other agencies.
- Five Year Plan Impact** - The 4000 series increases by \$1,629,540, FY 14 through FY 18.

D. Cable Equipment Grant

Expenditure	\$268,909
Revenue	\$268,909
General Fund Impact	\$0
FTE Positions	0.00

- Description** - An annual 1% cable equipment grant is provided by cable television providers operating in Prince William County. Grant proceeds must be used for cable-related capital needs. Although not considered general revenue, revenue derived from the grant is shared with Prince William County Schools. Revenue generated by the grant is expected to increase \$268,909 from \$881,091 in FY 13 to \$1,150,000 in FY 14. The total adopted transfer to the Schools will increase \$152,606 from \$500,019 to \$652,625. The total revenue to the County will increase \$116,303 from \$381,072 to \$497,375. Both the County and Schools use cable equipment grant proceeds to support informational programming on their respective access channels.
- Five Year Plan Impact** - The five year impact of cable equipment revenue increases is \$1,344,545. Cable equipment grant receipts are evaluated on an annual basis for potential, future increases.

E. Transient Occupancy Tax for Tourism

Expenditure	\$231,000
Revenue	\$231,000
General Fund Impact	\$0
FTE Positions	0.00

- Description** - The FY 14 revenue projection represents a 12.32% increase (\$231,000) from the FY 2013 Budget of \$1,875,000 to \$2,106,000.

The portion of the County's Transient Occupancy Tax (TOT) revenue designated to support tourism-related expenditures is included under Other Local Taxes within the Funding Sources area of the Expenditure and Revenue Summary. Funding is restricted to a portion of the three cents of each five cents received from TOT revenue collected by the County. The three cents represent 60 percent of total TOT revenue collected and is designated for the promotion of tourism in the County. TOT revenue is derived from a levy on hotels,



motels, boarding houses, travel campgrounds and other facilities offering guest rooms rented out for continuous occupancy for fewer than thirty consecutive days. This tax is reinvested to attract and serve more visitors. The FY 2014 Budget designated TOT fund allocation is shown in the table below: *Transient Occupancy Tax (TOT) Fund Allocations for FY 2014 Budget.*

Table 1: Transient Occupancy Tax Fund Allocations for FY 2013 Budget

The FY 14 budget allocates the Transient Occupancy Tax (TOT) funding in the following manner:	Total
1. Transfer to the Convention and Visitors Bureau (CVB)	\$1,098,812
2. Transfer to Public Works/Historic Preservation	\$941,438
3. Dumfries Weems-Botts Museum	\$35,000
4. Prince William Soccer, Inc.	\$25,000
5. Occoquan Mill House Museum	\$5,000
TOT Allocated Total:	\$2,105,250
Unallocated Balance ¹	\$750
Total Designated TOT Revenues for Tourism	\$2,106,000

¹ The unallocated balance is available for tourism-related programs and activities.

The TOT revenue for tourism projected for the FY 2014 Budget totals \$2,106,000 and is allocated as follows:

- a. The FY 2014 Budget for the Prince William/Manassas Convention and Visitors Bureau (CVB) is a 6.80% increase (\$70,000) from FY 13. The total funding allocated to the CVB in FY 14 is \$1,098,812. Additional information on this addition can be found in the CVB budget pages, in the Community Development section.
- b. The FY 2014 Budget provided to Public Works, Historic Preservation program is a 20.63% increase (\$161,000) over FY 13. The total revenue for the Historic Preservation program is \$941,438.
- c. The FY 2014 Budget for the Dumfries Weems-Botts Museum, Prince William Soccer, Inc. and Occoquan Mill House Museum are unchanged from FY 13.
- d. The FY 2014 Budget includes \$750 as an unallocated balance available for tourism-related programs and activities.

F. Fuel and Parts Increase

Expenditure	\$219,822
Revenue	\$0
General Fund Impact	\$219,822
FTE Positions	0.00

- 1. **Description** - This initiative increases funding for fuel (gasoline and diesel) and vehicle parts in the internal service fund. This addition is included in the budget adjustments in the Public Works Fleet Management program in the Community Development section of this document.
- 2. **Five Year Plan Impact** - The total five year cost of the increase is \$1,099,110, FY 14 through FY 18.

**G. Virginia Line of Duty Act (LODA)**

Expenditure	\$70,000
Revenue	\$0
General Fund Impact	\$70,000
FTE Positions	0.00

- Description** - This addition is the estimated increased cost associated with the Virginia Line of Duty Act (LODA). Individuals or survivors of public safety officers or firefighters with the Commonwealth of Virginia or one of its political subdivisions who are disabled or die in the line of duty may be eligible for benefits under LODA. Beginning in FY 12, the Commonwealth required all political subdivision employers with employees covered under LODA to pay contributions for the cost of the program. Prior to FY 12 the program was funded by the Commonwealth. The County's LODA contribution to the Commonwealth increases \$70,000 from \$630,000 in FY 13 to \$700,000 in the FY 2014 Budget. The County's LODA contribution is anticipated to increase an additional \$60,000 in FY 15 to a total annual cost of \$760,000.
- Five Year Plan Impact** - The total five year cost of projected LODA rate increases is \$700,000.

H. Development Services Cost Recovery from General Fund

Expenditure	\$0
Revenue	\$0
General Fund Impact	\$0
FTE Positions	0.00

- Description** - As part of the FY 2012 Budget, \$3,370,000 was transferred from the Economic Development opportunity fund to create a new development services special revenue stabilization fund. It is projected that this stabilization fund will be depleted in FY 15 and development fee revenues alone are not projected to be sufficient to support existing expenditure budgets within the development services special revenue fund. Therefore, a general fund transfer is included in the five year plan beginning in FY 15 to assist in recovering projected land and building development budget deficits in future fiscal years. The stabilization fund balance is reviewed annually by OMB and special revenue agencies and the recovery plan is updated each year as part of the budget process.

The transfer from the general fund will support expenditure budgets in the Departments of Transportation, Public Works, Development Services and the Office of Planning on a cost recovery basis. It is anticipated that at least 90% of land and building development expenditures will be recovered from development fee revenue with up to 10% recovered from the general fund.

- Five Year Plan Impact** - Beginning in FY 15, \$550,000 per year is included in the five year plan for land and building development services. The total five year plan cost is \$2.2 million.

