

# Non-Departmental



## Expenditure and Revenue Summary



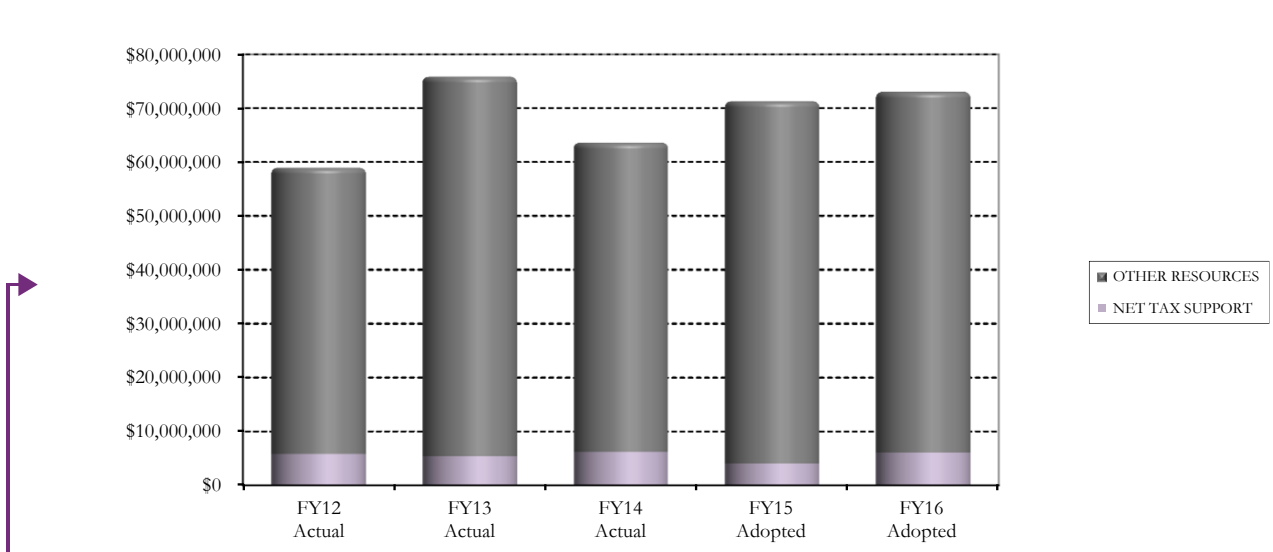
	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Adopted	FY16 Adopted	% Change Adopt15/ Adopted16
<b>Expenditure by Program</b>						
1 Administration	\$13,539,774	\$25,479,984	\$12,296,769	\$5,305,190	\$5,468,371	3.08%
2 Casualty Pool (All Funds)	\$1,037,017	\$1,326,931	\$1,045,828	\$1,629,381	\$1,629,381	0.00%
3 Workers Compensation (All Funds)	\$3,849,656	\$4,040,183	\$4,303,166	\$4,532,304	\$4,532,304	0.00%
4 Property & Miscellaneous Insurance	\$337,148	\$707,119	\$968,370	\$955,375	\$931,491	(2.50%)
5 Unemployment Insurance	\$49,684	\$148,974	\$185,559	\$125,000	\$125,000	0.00%
6 Medical Insurance (Internal Services)	\$40,129,380	\$44,145,490	\$44,794,671	\$58,745,000	\$60,341,000	2.72%
<b>Total Expenditures</b>	\$58,942,659	\$75,848,681	\$63,594,363	\$71,292,250	\$73,027,547	2.43%

### Expenditure by Classification

1 Personal Services	\$40,482	\$40,712	\$147,462	\$679,101	\$548,309	(19.26%)
2 Fringe Benefits	\$892,128	\$570,455	\$870,794	(\$116,949)	\$1,793,220	(1633.33%)
3 Contractual Services	\$3,504,459	\$3,930,141	\$3,093,697	\$4,818,439	\$4,265,439	(11.48%)
4 Internal Services	\$4,928,807	\$5,721,587	\$5,820,793	\$7,947,777	\$6,571,380	(17.32%)
5 Purchase Goods & Supplies	\$36,972,755	\$40,600,643	\$42,034,701	\$54,356,024	\$56,362,024	3.69%
6 Recovered Costs/Budgeted Savings	\$0	\$0	\$0	\$0	(\$1,442,634)	—
7 Transfers	\$12,604,028	\$24,985,144	\$11,626,916	\$3,607,858	\$4,929,809	36.64%
<b>Total Expenditures</b>	\$58,942,659	\$75,848,681	\$63,594,363	\$71,292,250	\$73,027,547	2.43%

### Funding Sources

1 Other Local Taxes	\$1,964,622	\$2,021,123	\$1,857,840	\$2,169,000	\$2,383,500	9.89%
2 Revenue From Use of Money & Property	\$563,007	(\$214,017)	\$699,984	\$300,000	\$325,000	8.33%
3 Charges for Services	\$36,774,635	\$38,541,830	\$40,394,799	\$45,775,000	\$48,543,000	6.05%
4 Miscellaneous Revenue	\$10,842,318	\$22,782,837	\$10,470,573	\$8,238,819	\$7,341,142	(10.90%)
5 Revenue From Other Localities	\$8,170	\$0	\$0	\$8,170	\$8,170	0.00%
6 Revenue From Federal Government	\$169,634	\$136,592	\$48,555	\$0	\$0	—
7 Non-Revenue Receipts	\$74,621	\$103,390	\$19,404	\$0	\$0	—
8 Transfers	\$2,576,302	\$4,402,571	\$3,746,599	\$2,001,434	\$1,471,168	(26.49%)
<b>Total Designated Funding Sources</b>	\$52,973,308	\$67,774,325	\$57,237,755	\$58,492,423	\$60,071,980	2.70%
<b>Use of Medical Insurance Internal Service Fund Balance</b>	\$0	\$2,397,842	\$0	\$8,658,000	\$6,809,000	(21.36%)
<b>Casualty Pool and Workers Compensation Costs Funded by Non-General Fund Sources</b>	\$148,885	\$318,745	\$187,528	\$45,713	\$45,713	0.00%
<b>Net General Tax Support</b>	\$5,820,466	\$5,357,769	\$6,169,080	\$4,096,114	\$6,100,854	48.94%
<b>Net General Tax Support</b>	9.87%	7.06%	9.70%	5.75%	8.35%	
<b>(Contribution To) Medical Internal Service Fund Balance</b>	(\$1,335,332)	\$0	(\$199,241)	\$0	\$0	—



## Mandates

The following mandated services are reported in the Non-Departmental section of the budget.

**Federal Code:** The unemployment insurance system, created by the [Social Security Act of 1935](#), is administered by each state.

**State Code:** The unemployment insurance system is administered in Virginia through Title [65.2](#) of the Code of Virginia. Title [2.2-1204](#) of the Code of Virginia requires local governments to make health insurance plans available to employees. The Auditor of Public Accounts for the Commonwealth requires political subdivisions in Virginia to adhere to Governmental Accounting Standards Board standards for financial reporting.

## General Overview

The Non-Departmental/Unclassified Administrative area of the budget includes those 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, an unclassified administrative budget item will often be assigned to an agency on a permanent basis. The funds would then be transferred from Unclassified Administrative to the agency budget. Due to the many items coming into and out of the Non-Departmental/Unclassified Administrative budget area between budget years, it is difficult to compare different fiscal year totals. The current components of the FY2016 Budget for Non-Departmental/Unclassified Administrative are discussed below.

- A. Casualty Pool, Workers Compensation, and Property and Miscellaneous Self-Insurance Programs** - The County maintains self-insurance programs for general liability, automobile, public official and law enforcement professional liability, pollution liability and workers compensation insurance through the Prince William County (PWC) Self-Insurance Group (PWSIG) casualty pool and workers compensation pool. The two self-insurance programs began operations July 1, 1989, and are licensed by the State Corporation Commission. The FY16 general fund workers compensation and casualty pool budget is \$5,746,115 and the all funds budget is \$6,161,685. The FY16 property and miscellaneous insurance budget is \$931,491.



These activities are reported in the internal services fund. Revenues come primarily from other County funds through “premiums” set to cover estimated self-insured claims and liabilities, excess and other insurance premiums and operating expenses. Claims filed or to be filed through the end of the previous fiscal year are accrued liabilities. Each of the programs has sufficient reserves to cover its estimated claims liability.

- B. Unemployment Insurance** - The Virginia Employment Commission (VEC) administers an unemployment insurance program that provides protection against loss of wages to individuals who become unemployed through no fault of their own. The FY16 unemployment insurance budget is \$125,000.
- C. Medical Insurance Internal Service Fund** - PWC established a health insurance fund to self-insure for employee medical coverage as well as provide fully insured dental, vision, and flexible spending benefits. The fund also provides additional insurance credits for retirees. County-wide medical and dental premiums are paid from the medical insurance internal service fund which is funded primarily from charges to County departments. The FY16 medical insurance budget is \$60,341,000.
- D. Shift Fleet Management Costs from Unclassified Administration** - A total of \$119,217 is shifted from the Unclassified Administration budget to the Police Department in order to accurately reflect fleet management fuel and maintenance costs.
- E. Transfer from Adult Detention Center Fund** - The transfer of \$1,373,168 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 Funding Sources area. Additional information concerning the ADC LEOS retirement program can be found in the General Overview section of the ADC departmental budget.
- F. Internal Service Fund (ISF) Technology Budget** - The County annually allocates all technology costs to agencies through an ISF, using the approved cost basis for each technology activity. Technology activities include phone, radio and computer support, business systems support, GIS, web services, capital equipment replacement, and administration. In FY16, the Non-Departmental/Unclassified Administration technology bill decreased by \$1,042,404 to \$224,472. The changes include the following:
  - base shifts of \$1,385,606 from Non-Departmental into the appropriate agency budgets;
  - a \$400,000 increase to support the Enterprise Agreement;
  - a \$160,871 decrease that previously supported a Project Manager for Independent Validation and Verification (IV&V);
  - a \$67,073 increase to support a Technical Services Analyst I position required for the Financial Management/ERP project; and
  - a \$37,000 increase to support the network pipeline required for the Financial Management/ERP project.
- G. Budgeted Savings** - For over two decades, the County has had a long-standing practice of using year-end savings as a funding source in the next year’s budget. Utilizing these savings has provided significant tax bill savings for County residents. The three major credit rating agencies have recently revised their rating criteria used to evaluate the creditworthiness of jurisdictions using bond proceeds to finance capital infrastructure projects. Under the new criteria, year-end savings are considered to be one-time funds, which should not be used to support ongoing expenditures. In order to address the issue, the FY2016 Budget includes a 2.5% reduction to the general fund portion of agency expenditure budgets (with the exception of state courts and magistrates), totaling \$13.0 million. This reduction has been implemented by adding a negative budget line item to agencies, similar to the budgeted salary lapse. The savings amount for Non-Departmental is \$2,310,549.



## Attracting and Retaining Quality County Employees

The County’s compensation policy is as follows:

PWC will have a combination of salaries, benefits, employee development and workplace environment that will attract and retain the most qualified employees in order to implement our vision. To accomplish this, the County recognizes the importance of maintaining salaries that are competitive with other Northern Virginia jurisdictions. Our success in implementing this strategy will be measured by our ability to attract quality applicants, retain quality employees and maintain employee satisfaction.

To implement this compensation policy, we will make every effort, within our position classification structure, to maintain salaries comparable to salaries of similar positions in Fairfax and Arlington counties and the City of Alexandria. The County will annually benchmark its starting salaries with the average starting salaries for these three jurisdictions. Since the County’s pay grades are based on the starting salary figure, increases in the starting salary will result in increases throughout the pay grade.

The County’s policy will be implemented through the following components:

### 1. Market Pay Adjustment

Total Cost	\$6,782,042
Supporting Revenue	\$714,402
Total PWC Cost	\$6,067,640

- a. **Market Pay Adjustment** - When an adjustment is required to maintain salaries that are competitive between Prince William and the other Northern Virginia jurisdictions, an across-the-board market pay adjustment will be proposed for all County employees. Funding is included to support a 2.0% market pay adjustment in FY16. Market pay adjustments of 2.0% in FY18 and FY20 are included in the five year plan. The total general fund cost of market pay adjustments is \$56,802,483 in FY16-20.
- b. **Sunday and Holiday Pay Increase** - This covers the increased cost of Sunday and holiday pay due to market pay adjustment increases. The total general fund cost is \$1,072,743 in FY16-20.

### 2. Pay for Performance Adjustment

Total Cost	\$0
Supporting Revenue	\$0
Total PWC Cost	\$0

- a. **Pay for Performance Adjustment** - No funding is included to support a pay for performance increase in FY16. The five year plan funds 3.0% pay for performance increases during FY17 and FY19. Pay for performance includes the following:
  - The basic pay for performance increase is calculated on the employee’s current salary/pay as a percentage increase until the employee reaches the maximum salary/pay for that position. Maximum salary/pay scales are not extended based on pay for performance adjustments. The total general fund cost of pay for performance adjustments is \$28,164,921 in FY16-20.
  - “Performance Plus” is a lump-sum award that will be added to the first paycheck the employee receives after his/her evaluation, if the performance is rated higher than the “Fully Achieved” rating. This one-time amount is not added to the employee’s base pay. Employees at the maximum salary/pay for their position (“topped out”) are eligible for this award. Funding to support “Performance Plus” is budgeted in FY17 and FY19. The total general fund cost of Performance Plus is \$1,555,735 in FY16-20.



- b. **Compensation “Rollover”** - Each year compensation actions are rolled over into the next budget year. This includes positions which were funded for a partial year that require a full year budget in the next fiscal year. Pay for performance rollovers are necessary because not all employees receive pay for performance increases at the beginning of the fiscal year. Therefore, a pay for performance increase given halfway through a fiscal year needs to be funded for the entire next fiscal year. This rollover captures the full cost of providing a pay for performance increase to employees. When no pay for performance increase is authorized, little if any compensation rollover funds are added to the budget in the next budget year. The total general fund cost of compensation rollover is \$9,082,224 in FY16-20.

### 3. Virginia Retirement System (VRS) Offset and Plan 1 Savings

Total Cost	\$1,516,896
Supporting Revenue	\$162,879
Total PWC Cost	\$1,354,017

- **VRS Background** - The Prince William County (PWC) FY16 VRS rate is 18.49%. This rate includes the employer (13.49%) and employee share (5.0%) of VRS contributions. VRS rates are calculated based on an actuarial valuation of political subdivision contribution rates as of June 30, 2013. In May 1981, the Board of County Supervisor (BOCS) approved that the employee share of VRS contributions would be paid by the County. From July 4, 1981, through June 30, 2012, the County paid the 5% employee share.
- **2012 Legislative Session Approves VRS Pension Reform** - During FY12 the Commonwealth of Virginia passed additional VRS legislation that required all individuals in VRS who are employed by local governments to pay the 5% employee contribution effective July 1, 2012. The state provided local governments the option to phase in the 5% VRS contribution paid by employees over a maximum of five years. However, localities must provide a salary increase to offset the mandatory VRS contributions from employees.
- **1% VRS Offset Cost** - \$3,191,042 - PWC elected in the FY2013 Budget to phase in the 5% employee VRS contribution over a period of five years. Therefore, an annual 1% VRS offset is included in FY16 and FY17 for the following employees at a total general fund cost of \$25,047,122 in FY16-20:
  - All VRS Plan 1 employees hired on or before June 30, 2010, will receive a 1% salary increase on July 1, 2015, to help offset their required 4% contribution to VRS.
  - All VRS Plan 2 employees hired between July 1, 2010, and June 30, 2011, will receive a 1% salary increase on July 1, 2014, to help offset their required 5% employee contribution to VRS.
  - VRS Plan 2 employees hired on or after July 1, 2011, will not receive any VRS-related salary increase because they were hired knowing that they are required to make the 5% employee contribution to VRS.

The FY16 general fund cost of providing the 1% VRS offset to all employees is \$2,833,842. Total savings of \$704,370 is included in the Non-Departmental FY16 base budget to account for VRS Plan 2 employees who are not eligible for the 1% VRS offset. Therefore, the FY16 net general fund cost of the 1% VRS offset for eligible employees is \$2,129,472.

- **VRS Plan 1 Savings** - (\$1,674,146) - During FY10 the Commonwealth of Virginia passed legislation that created VRS Plan 2 for employees hired after July 1, 2010, and who were not a member of VRS in a previous job. The BOCS approved the FY2012 Budget with all Plan 2 employees paying their 5% employee share of VRS.

PWC will realize savings as a result of the annual 1% shift in VRS costs from employer to Plan 1 employees as mandated by VRS legislation. Instead of paying the VRS actuarial rate of 18.49% in FY16, the County will pay a rate of 14.49% because of the cumulative 4% shift to Plan 1 employees (1% shifted per year in FY13-16). The savings to the County’s general fund will increase each year until FY17 which is when Plan 1 employees reach their mandated 5% contribution to VRS.

The total general fund savings associated with Plan 1 employees paying their 5% share of VRS by FY17 is projected to be \$11,756,021 in FY16-20.



- **VRS Actuarial Rate Decrease** - \$0 - Separate from the VRS reform legislation passed by the Commonwealth during FY12, the VRS actuary completed an actuarial valuation of political subdivision contribution rates for FY15 and FY16 as of June 30, 2013. As a result of these valuations the PWC contribution rate for FY15 decreased 0.21% from 13.70% to 13.49% effective July 1, 2014. The rate remains at 13.49% for FY16 at no additional cost to the general fund. The VRS rate is projected to decrease further by 1.13% to 12.36% for FY17 and FY18 at an additional general fund savings of \$2.5 million per year. Additional savings are projected in FY19 and FY20 as VRS Plan 1 employees either retire or leave public service and are replaced by VRS Plan 2 or VRS Hybrid employees. The combined FY17 and FY19 VRS rate decreases will realize additional general fund savings of \$5.0 million per year beginning in FY19. The total general fund savings associated with projected VRS actuarial rate decreases is \$14,942,196 in FY16-20.

#### 4. County Health Insurance/Dental Rate Increase

Total Cost	\$1,905,245
Supporting Revenue	\$201,138
Total PWC Cost	\$1,704,107

- a. **Description** - The County employer contributions to the Medical Insurance Self-Insurance Internal Service account for Health Insurance and Dental increases by \$1,905,245.
- b. **For FY16** - The County employer share of the contribution increase to the Medical Insurance Self-Insurance Internal Service account is \$1,905,245 and is required to maintain the stability of the County's self-insurance for health insurance. The increase is due to a 7.7% average increase for the County's health insurance and a 3.2% average increase for dental insurance.

The total general fund cost for the County's employer contribution for health insurance/dental is \$32,713,861 in FY16-20.

#### 5. Restore 401a Money Purchase Plan

Total Cost	\$1,200,000
Supporting Revenue	\$0
Total PWC Cost	\$1,200,000

- a. **Description** - The 401a Money Purchase Plan program began in 1998 with the provision that employees would contribute 0.5% of their salary and the County would match that contribution. Over the years, the benefit grew to 1.5% but was suspended in the FY2011 Budget due to the economic recession. This item restores the 401a Money Purchase Plan at 0.5%. The 0.5% rate is maintained throughout the adopted five year plan.

The total general fund cost of the 401a Money Purchase Plan is \$6,000,000 in FY16-20.

#### 6. Retiree Health Care Cost Increase

Total Cost	\$95,457
Supporting Revenue	\$8,983
Total PWC Cost	\$86,474

- a. **Description** - County employees are not provided health insurance coverage upon their retirement. The County Retiree Health Credit Program is available to employees upon separation and retirement from County service. This Retiree Health Credit Program is separate from and in addition to the existing VRS Health Credit Program, which is also totally funded by County contributions. All full-time employees and existing retirees with a minimum of 15 years of County service can receive \$5.50 per month for each year of service, up to a maximum of \$165 per month for 30 years of County service. When the \$45 maximum per month currently offered as part of the State VRS is added, the maximum for 30 years of County service increases to \$210 per month.

# Non-Departmental



- A 5% cost increase of \$95,457 in the retiree health care budget is included to cover projected growth in this benefit due to additional retirees. The amount paid to each individual retiree has not increased.

The total general fund cost to increase the retiree health care budget at 5% per year is \$1,386,894 in FY16-20.

Summary of FY2016 Adopted Compensation Adjustments							
General Fund	Pay Plan	401a Money * Purchase Plan	VRS Offset	VRS Plan 1 Savings	Health/Dental Insurance	Retiree Health	Total Additions
Aging	\$41,422		\$20,711	(\$11,209)	\$8,169	\$571	\$59,664
Audit Services	\$2,194		\$1,097	\$0	\$892	\$22	\$4,205
Board of County Supervisors	\$37,260		\$18,630	(\$7,629)	\$16,221	\$527	\$65,009
Circuit Court Judges	\$11,298		\$5,649	(\$937)	\$2,827	\$197	\$19,034
Clerk of the Court	\$59,198		\$29,599	(\$19,473)	\$20,772	\$1,009	\$91,105
Commonwealth Attorney	\$93,958		\$46,979	(\$34,376)	\$19,300	\$944	\$126,805
Community Services	\$476,760		\$238,380	(\$126,069)	\$117,489	\$6,188	\$712,748
County Attorney	\$62,636		\$31,318	(\$19,411)	\$12,682	\$592	\$87,817
Criminal Justice Services	\$53,970		\$26,985	(\$15,218)	\$12,221	\$724	\$78,682
Economic Development	\$26,712		\$13,356	(\$2,490)	\$6,363	\$285	\$44,226
Elections	\$14,902		\$7,451	(\$3,515)	\$4,482	\$285	\$23,605
Executive Management	\$56,782		\$28,391	(\$16,155)	\$12,595	\$571	\$82,184
Finance	\$236,454		\$118,227	(\$71,680)	\$68,417	\$3,401	\$354,819
Fire and Rescue	\$1,049,434		\$524,717	(\$286,253)	\$317,635	\$12,728	\$1,618,261
General District Court	\$1,076		\$538	(\$432)	\$383	\$22	\$1,587
Human Resources	\$41,264		\$20,632	(\$11,348)	\$9,144	\$483	\$60,175
Human Rights Office	\$10,196		\$5,098	(\$4,164)	\$2,057	\$110	\$13,297
Information Technology	\$182,465		\$91,232	(\$50,904)	\$41,634	\$1,909	\$266,336
Juvenile Court Service Unit	\$12,684		\$6,342	(\$5,095)	\$3,088	\$176	\$17,195
Law Library	\$2,244		\$1,122	(\$901)	\$383	\$22	\$2,870
Library	\$224,234		\$112,117	(\$57,090)	\$45,287	\$2,611	\$327,159
Management and Budget	\$27,138		\$13,569	(\$11,032)	\$5,366	\$263	\$35,304
Non Departmental	\$305,778	\$1,200,000	(\$47,089)	\$130,796	\$42,658	\$10,831	\$1,642,974
Parks and Recreation	\$176,430		\$88,215	(\$36,064)	\$67,584	\$2,063	\$298,228
Planning	\$19,386		\$9,693	(\$5,829)	\$4,902	\$239	\$28,391
Police	\$1,320,784		\$660,392	(\$361,982)	\$385,165	\$17,083	\$2,021,442
Public Health	\$5,306		\$2,653	(\$658)	\$2,410	\$66	\$9,777
Public Safety Communications	\$142,075		\$71,038	(\$40,184)	\$47,648	\$2,260	\$222,837
Public Works	\$260,703		\$130,351	(\$81,419)	\$90,613	\$4,258	\$404,506
Sheriff	\$146,723		\$73,362	(\$46,865)	\$39,682	\$1,953	\$214,855
Social Services	\$434,287		\$217,143	(\$126,734)	\$133,185	\$6,649	\$664,530
Transfer to Adult Detention Center	\$473,675		\$236,838	(\$140,395)	\$148,728	\$6,757	\$725,603
Transportation	\$49,328		\$24,664	(\$13,188)	\$12,300	\$587	\$73,691
Virginia Cooperative Extension Service	\$8,884		\$4,442	(\$1,922)	\$1,825	\$88	\$13,317
<b>General Fund Total</b>	<b>\$6,067,640</b>	<b>\$1,200,000</b>	<b>\$2,833,842</b>	<b>(\$1,479,825)</b>	<b>\$1,704,107</b>	<b>\$86,474</b>	<b>\$10,412,238</b>
<b>Other Funds</b>							
Adult Detention Center	\$58,544		\$29,272	(\$17,352)	\$18,382	\$835	\$89,681
Development Services	\$178,340		\$89,170	(\$57,761)	\$54,153	\$2,370	\$266,272
Fire and Rescue - Fire Marshal	\$14,059		\$7,029	(\$3,020)	\$4,146	\$176	\$22,390
Housing & Community Development	\$41,032		\$20,516	(\$16,552)	\$10,862	\$527	\$56,385
Parks and Recreation	\$152,600		\$76,300	(\$16,850)	\$22,436	\$1,031	\$235,517
Planning	\$30,066		\$15,033	(\$9,131)	\$9,340	\$397	\$45,705
Public Works - Const. Crew	\$20,778		\$10,389	(\$7,094)	\$4,778	\$329	\$29,180
Public Works - Landfill	\$76,410		\$38,205	(\$25,607)	\$31,211	\$1,310	\$121,529
Public Works - Special Levy	\$112,913		\$56,456	(\$30,571)	\$36,326	\$1,673	\$176,797
Transportation	\$29,660		\$14,830	(\$10,383)	\$9,504	\$335	\$43,946
<b>Other Funds Total</b>	<b>\$714,402</b>	<b>\$0</b>	<b>\$357,200</b>	<b>(\$194,321)</b>	<b>\$201,138</b>	<b>\$8,983</b>	<b>\$1,087,402</b>
<b>Grand Total</b>	<b>\$6,782,042</b>	<b>\$1,200,000</b>	<b>\$3,191,042</b>	<b>(\$1,674,146)</b>	<b>\$1,905,245</b>	<b>\$95,457</b>	<b>\$11,499,640</b>

\* 401a budget allocations will be distributed to agencies at the beginning of FY2016.



## Budget Initiatives

### 1. County Proffers for Capital Projects

Expenditure	\$1,832,076
Revenue	\$1,832,076
General Fund Impact	\$0
FTE Positions	0.00

- a. **Description** - Funding is transferred from proffer accounts to support capital projects. Of this amount, \$1,147,649 is budgeted for transportation projects; \$477,891 for fire & rescue projects; \$188,824 for library projects; and \$17,712 for watershed projects identified in the [FY2016-2021 Capital Improvement Program \(CIP\)](#). Please refer to the CIP section of this document for additional information regarding proffers and specific projects. This is a one-time transfer and there are no Five-Year Plan impacts.

### 2. Proffer Interest Support to Development Services

Expenditure	\$220,000
Revenue	\$220,000
General Fund Impact	\$0
FTE Positions	0.00

- a. **Description** - Proffer interest revenue is transferred from the general fund to the Department of Development Services to support two existing positions responsible for non-monetary proffer administration. Proffer interest is collected on unallocated monetary proffers and available to support monetary and non-monetary proffer administration. Proffer interest support will end in FY19 and development fees will fund these positions.

### 3. Proffer Funded Site Inspector Operating Costs

Expenditure	\$34
Revenue	\$34
General Fund Impact	\$0
FTE Positions	0.00

- a. **Description** - A full-time site inspector is proffered by the developer of Potomac Shores in eastern PWC. The inspector is necessary to mitigate stormwater impacts of the development while it is under construction. Annual funding for the existing position was included in the FY2015 Budget. This proposal provides additional operating costs for the position and is funded by the developer's proffer. The funding is transferred from proffer accounts to the Department of Public Works, Stormwater Infrastructure Management program.

### 4. Cable Equipment Grant

Expenditure	\$45,000
Revenue	\$45,000
General Fund Impact	\$0
FTE Positions	0.00

- a. **Description** - An annual 1% cable equipment grant is provided by cable television providers operating in PWC. 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. Cable grant revenue is expected to increase \$45,000 from \$1,340,000 in FY15 to \$1,385,000 in FY16. The transfer to the Schools will increase \$25,754 from \$766,882 to \$792,636. The total revenue to the County will increase \$19,246 from \$573,118 to \$592,364. Both





the County and Schools use cable equipment grant proceeds to support informational programming on their respective access channels. Cable equipment grant receipts are evaluated on an annual basis for potential, future increases.

## 5. Transient Occupancy Tax for Tourism

Expenditure	\$214,500
Revenue	\$214,500
General Fund Impact	\$0
FTE Positions	0.00

- a. Description** - Transient Occupancy Tax revenue designated for tourism increases \$214,500 from \$2,169,000 in FY15 to \$2,383,500 in FY16. Transient Occupancy Tax (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 30 consecutive days. This tax is reinvested to attract and serve more visitors. The portion of the County's 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.

The FY2016 Budget designated TOT fund allocation is shown in the table below:

<b>Table One: Transient Occupancy Tax (TOT) Fund Allocations for FY2016 Budget</b>	
The FY16 budget allocates the Transient Occupancy Tax (TOT) funding in the following manner:	Total
1. Transfer to Public Works/Historic Preservation	\$1,153,988
2. Transfer to the Convention and Visitors Bureau (CVB)	\$1,162,562
3. Dumfries Weems-Botts Museum	\$36,050
4. Prince William Soccer, Inc.	\$25,750
5. Occoquan Mill House Museum	\$5,150
<b>TOT Allocated Total</b>	<b>\$2,383,500</b>
<b>FY16 TOT Revenue Projection</b>	<b>\$2,383,500</b>
<b>Contribution To/(Use Of) TOT Fund Balance</b>	<b>\$0</b>

Transient occupancy tax expenditures for tourism in the FY2016 Budget total \$2,383,500 and are allocated as follows:

- The FY2016 Budget provided to the Public Works, Historic Preservation program increases \$212,550 from \$941,438 in FY15 to \$1,153,988 in FY16. Transient occupancy tax revenue to support the Public Works Historic Preservation program results in annual, general tax support savings of \$212,550.
- The FY2016 Budget for the Prince William/Manassas Convention and Visitors Bureau (CVB) is \$1,162,562 which decreases \$49,215 from the FY15 budget of \$1,211,777. After accounting for a \$49,215 one-time, non-recurring use of fund balance in FY15, the transient occupancy tax revenue allocation to the CVB is unchanged in FY16. Additional information on the CVB budget can be found in the Community Development section of this document.
- The FY2016 Budget for the Dumfries Weems-Botts Museum, Prince William Soccer, Inc. and Occoquan Mill House Museum are unchanged from FY15.



## 6. General Fund Support for Other Post-Employment Benefit (OPEB) Requirements

Expenditure	(\$601,000)
Revenue	\$0
General Fund Impact	(\$601,000)
FTE Positions	0.00

- a. **Description** - A total of \$601,000 was included in the FY2015 Budget to help support the BOCS' adopted compensation policy for PWC to have a combination of salaries and benefits to attract and retain the most qualified employees including post-employment benefits such as retiree health care credits. This funding is no longer required resulting in general fund savings of \$601,000 in the FY16 budget. The total general fund savings is \$3,005,000 in FY16-20.