



PRINCE WILLIAM
— VIRGINIA —

FY2020

POPULAR ANNUAL FINANCIAL REPORT

For the Year Ended June 30, 2020



pwcgov.org/finance



PRINCE WILLIAM

COUNTY



Board of County Supervisors

Ann B. Wheeler
Chair (At-Large)

Andrea O. Bailey
Vice Chair
Potomac District

Victor S. Angry
Neabsco District

Kenny A. Boddy
Occoquan District

Pete K. Candland
Gainesville District

Margaret Angela Franklin
Woodbridge District

Jeanine M. Lawson
Brentsville District

Yesli Vega
Coles District

We are pleased to present the Popular Annual Financial Report (PAFR) of the County of Prince William, Virginia (the "County") for the fiscal year ended June 30, 2020. The PAFR is derived from the information contained in the Comprehensive Annual Financial Report (CAFR) which is prepared in conformity with Generally Accepted Accounting Principles (GAAP) and can be accessed at **pwcgov.org/cafr**.

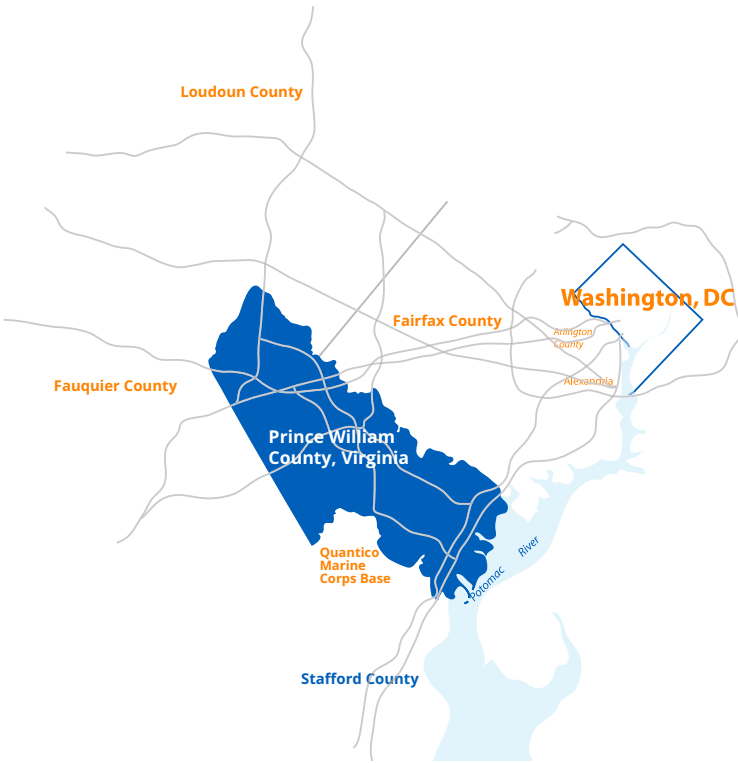
The CAFR which is available at the County's website, your local library, or by contacting Prince William County Department of Finance, includes more than 300 pages of detailed County financial statements, notes, schedules and reports.

The intention of this report is to provide a broad overview of the financial operations of Prince William County Government for fiscal year 2020 (July 1, 2019 - June 30, 2020), and focuses solely on the County's governmental and business-type activities.

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

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Population	467,935
No. of Students	92,270
Citizens with a Degree	41.1%
Median Household Income	\$103,455
Distance from D.C.	35 Miles
Dulles International Airport	16 Miles
Ronald Reagan National Airport	18 Miles

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 of June 30, 2020, Prince William’s Geographic Information Systems (GIS) Division placed the County’s population at an estimated 467,935 persons.

Prince William County is almost 7.5% of the Washington-Metropolitan region’s population, which stands at close to 6.28 million persons according to the 2019 U.S. Census

American Community Survey (ACS) data. Prince William’s location in Metropolitan Washington, D.C. and the availability of excellent transportation by way of regional, national and international airports, freight and passenger rail services and interstate and highway roadways is a catalyst for growth in the County, which continues 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 Government

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 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 Chair. The current Board took office in January 2020, following an election held in November 2019, and serve 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 in the County’s CAFR as discretely presented component units, with the School Board issuing separately audited financial statements. A legally separate water and sewer service authority, known as the Prince William County Service (“Authority”), provides sanitation services. User charges and bond financings are the primary funding sources for the Authority’s operations and capital needs. The Authority is solely responsible for its outstanding debt. The Authority is not a component unit of the County. Users should refer to the County’s CAFR for additional information.

Total Revenue | \$1,473,916


*Amounts are expressed in thousands

Revenue by Sources	FY2020	FY2019	FY2018
Taxes	\$1,070,922 (72.66%)	\$1,010,746	\$949,308
Intergovernmental Revenue	\$259,251 (17.59%)	\$260,189	\$239,419
Charges for Services	\$54,873 (3.72%)	\$60,134	\$58,132
From Use of Money & Property	\$39,503 (2.68%)	\$45,265	\$13,945
Permits, Fees & Licenses	\$19,847 (1.35%)	\$20,156	\$19,141
Other Revenues	\$26,815 (1.82%)	\$12,541	\$28,531
Fines & Forfeitures	\$2,705 (0.18%)	\$3,456	\$3,050

Tax Revenue Sources	FY2020	FY2019	FY2018
Real Estate	\$754,989 (70.50%)*	\$713,059**	\$679,762**
Personal Property	\$162,528 (15.18%)	\$150,269	\$137,198
BPOL	\$28,236 (2.64%)	\$26,945	\$26,554
Other	\$25,403 (2.37%)	\$26,633	\$16,972
Local Sales	\$72,342 (6.76%)	\$68,710	\$64,566
Consumer Utility	\$14,408 (1.34%)	\$14,443	\$14,417
Recordation	\$13,016 (1.21%)	\$10,687	\$9,839
Total:	\$1,070,922		

*98.8% collection rate of real estate tax revenues
 **99.8% collection rate of real estate tax revenues

Total Intergovernmental Revenues | \$211M

	State Revenue: \$149M						
	48.82% General Government	9.36% Public Works	25.38% Health	11.90% Public Safety	4.04% Judicial	0.40% Other	0.10% Community Development

	Federal Revenue: \$62M						
	48.27% Community Development	6.55% Public Works	34.03% Health	0.10% Other	6.37% Public Safety	4.20% General Government	0.47% Judicial

Total Expenses | \$1,455,372

*Amounts are expressed in thousands

County Expenses	FY2020	FY2019	FY2018
Education	\$633,749 (43.54%)	\$468,667	\$589,737
Public Safety	\$323,824 (22.25%)	\$335,421	\$292,517
Public Works	\$102,006 (7.01%)	\$107,447	\$112,634
Health & Welfare	\$111,427 (7.66%)	\$100,931	\$95,658
Community Development	\$76,709 (5.27%)	\$65,623	\$71,037
Parks, Recreational & Cultural	\$56,706 (3.90%)	\$57,677	\$49,000
Interest on Long-Term Debt	\$49,964 (3.43%)	\$49,473	\$51,305
General Government Admin.	\$51,328 (3.53%)	\$47,572	\$47,002
Judicial Administration	\$26,943 (1.85%)	\$23,677	\$21,557
Business Type	\$22,716 (1.56%)	\$21,675	\$21,956
Total Governmental Expenses	\$1,455,372	\$1,278,163	\$1,352,403

The County's (Primary Government) net position increased by \$19 million in fiscal year 2020. Factors effecting the change in net position include total revenues of \$1,474 million (4.3 percent higher than fiscal year 2019), exceeding total expenses of \$1,455 million (13.9 percent higher than expenses of the prior year).

The total cost of all County programs and services of \$1,455 million cover a range of endeavors, with 65.8 percent related to public safety and education. Quality Education, Workforce Development, and a Safe and Secure Community are significant goal areas of the strategic plan.

At the end of fiscal year 2020, the total reporting entity had invested \$2,475 million in a broad range of capital assets, including land, buildings, improvements, machinery and equipment, library collections, infrastructure, and construction in progress. This amount represents a net increase (including additions and deductions) of \$132 million or 5.6 percent, over fiscal year 2019. The Primary Government had invested \$664 million in capital assets, net of accumulated depreciation. Accumulated depreciation remained relatively stable between fiscal year 2020 and 2019. More detailed information about the County's capital assets is presented in Note 9 of the financial statements.

Major Capital Asset Additions

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

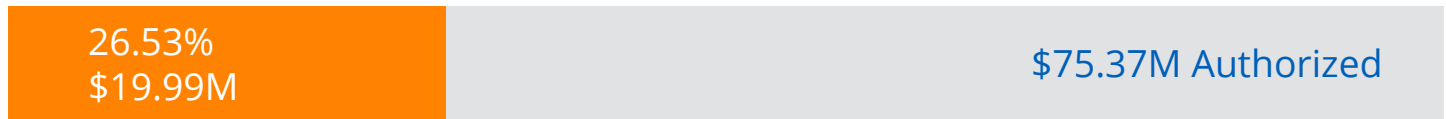
- The County's capital project activities for fiscal year 2020 included \$12 million expended on technology infrastructure and other technology improvements, and \$9 million on fire and rescue station construction.
- The School Board reported capital asset increases of \$108 million, which includes increases to construction in progress of \$100 million due to continued construction on two new schools. Major capital asset additions in fiscal year 2020 include completed construction of two bus operation facilities, five school renovation projects, as well as the replacement of 55 school buses, 19 support vehicles, and the addition of 12 new support vehicles to the School fleet.
- The Adult Detention Center (ADC) component unit's assets increased \$12 million as a result of continued construction in progress on the ADC expansion Phase II project.

43 CAPITAL PROJECTS | \$142M Authorized

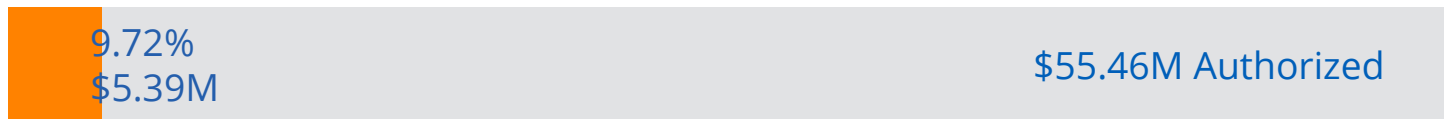
\$29M Spent-to-date as follows:



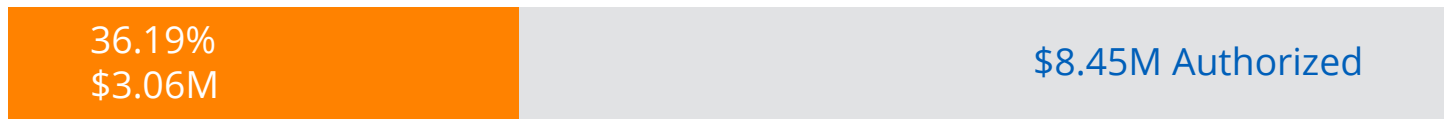
Parks and Libraries (29 Projects)



Public Safety (6 Projects)



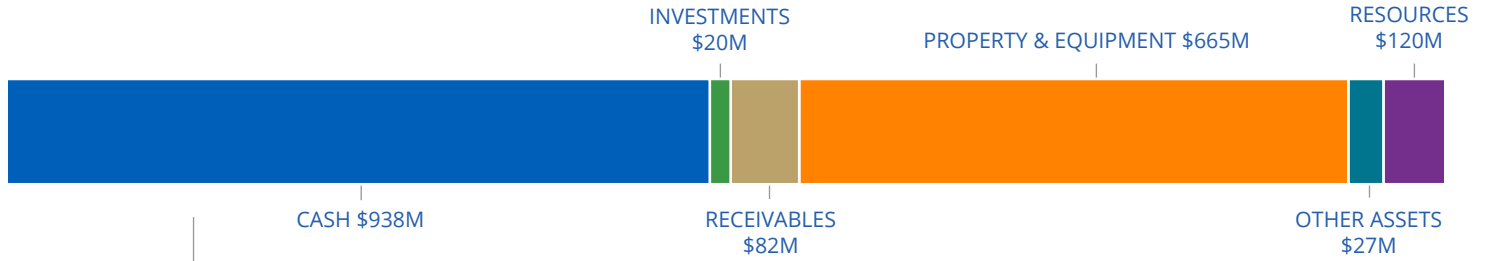
Technology Infrastructure (5 Projects)



Other (3 Projects)



TOTAL ASSETS/RESOURCES | \$1.852B

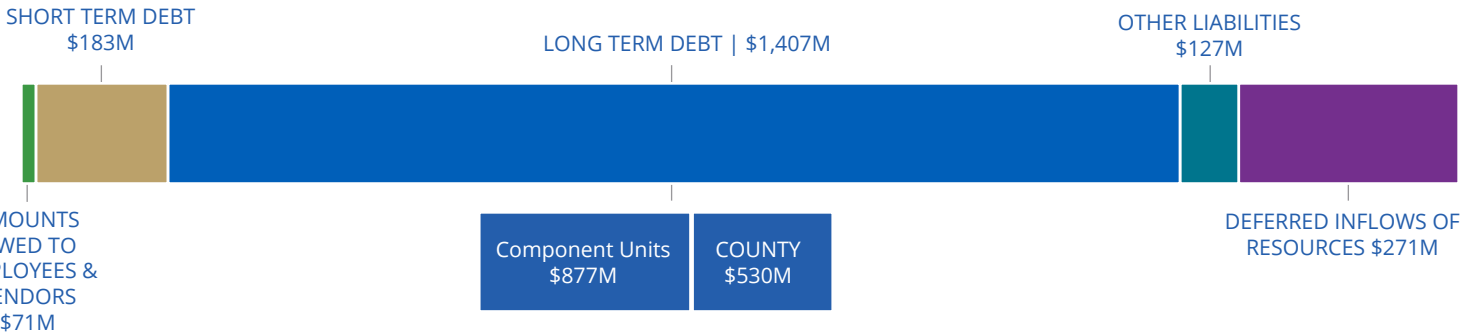


NET DEFICIT | \$206M

As a result of the implementation of GASB Statement No. 68, we are now required to show pension liabilities. Prince William County School Board holds the property title of all schools and school facilities and pays the debt services. The debt obligation resides with the County Government, which creates a net deficit to the Net Position.

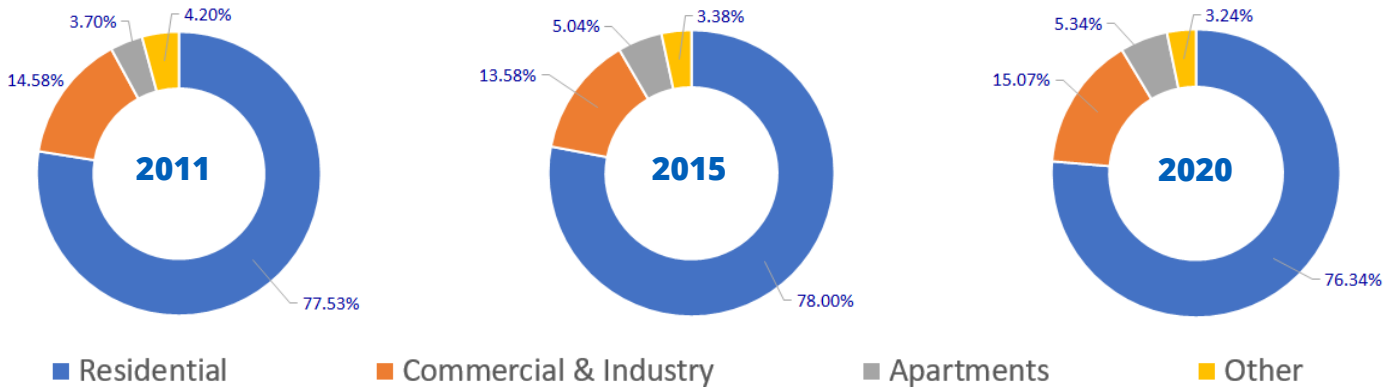
(in 000's)	FY2020	FY2019	FY2018
Cash	\$938,402	\$868,694	\$847,962
Investments	\$20,108	\$26,311	\$26,759
Receivables	\$82,186	\$83,474	\$74,599
Property & Equipment	\$664,717	\$653,605	\$642,484
Other Assets	\$27,176	\$17,681	\$17,371
Total Assets	\$1,732,589	\$1,649,765	\$1,609,175
Deferred Outflows of Resources	\$119,510	\$74,605	\$67,693

TOTAL LIABILITIES/OBLIGATIONS | \$2.058B



(in 000's)	FY2020	FY2019	FY2018
Owed to Employees & Vendors	\$70,805	\$67,004	\$70,925
Short-term Debt	\$183,446	\$172,577	\$174,425
Long-term Debt	\$1,406,666	\$1,340,511	\$1,422,222
Other Liabilities	\$126,919	\$81,997	\$77,298
Total Liabilities	\$1,787,836	\$1,662,089	\$1,744,870
Deferred Inflows of Resources	\$270,650	\$287,212	\$291,253
Net Position/(Deficit)	(\$206,387)	(\$224,931)	(\$359,255)

Percentage of Total Real Estate Revenues



Assessed Value of Taxable Real Property

Residential



Apartments



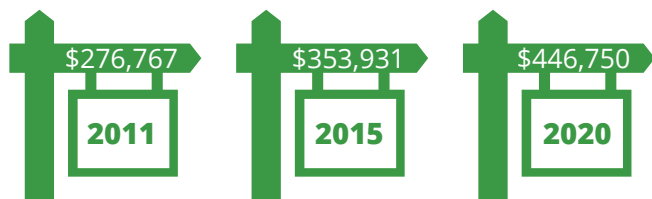
Commercial & Industry



Vacant Land & Other



Average Home Sale Price



Population Estimates



Prince William County is almost 7.5% of the Washington-Metropolitan region's population, which stands at close to 6.3 million persons according to the 2019 U.S. Census American Community Survey (ACS) data.

Unemployment Rates



The unemployment rate has shown steady improvement since 2011 when it was at 5.7% in Prince William County and 9.1% nationally. The sharp increase in the unemployment rate at all levels in 2020 was a result of the economic impact of the COVID-19 pandemic.

Personal Property Assessments



Tax Rates 5 - Year Comparison

Real Estate (per \$100 of value)

	FY2020	FY2019	FY2018	FY2017	FY2016
Base Rate	\$1.125	\$1.125	\$1.125	\$1.122	\$1.122
Fire & Rescue Levy	\$0.0800	\$0.0792	\$0.0792	\$0.0705	\$0.0691
Mosquito & Forest Pest Management Fee	\$0.0025	\$0.0025	\$0.0025	\$0.0025	\$0.0025

Personal Property (per \$100 of value)

	FY2020	FY2019	FY2018	FY2017	FY2016
General Class	\$3.70	\$3.70	\$3.70	\$3.70	\$3.70
Heavy Equipment and Machinery	\$3.70	\$3.70	\$3.70	\$3.70	\$3.70
Mining & Manufacturing Tools	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Mobile Homes	\$1.125	\$1.125	\$1.122	\$1.122	\$1.122
Computer Equipment & Peripherals	\$1.35	\$1.25	\$1.25	\$1.25	\$1.25
Research & Development	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00

Other Taxes - Motor Vehicle License Fee

	FY2020	FY2019	FY2018	FY2017	FY2016
Vehicles	\$33.00	\$24.00	\$24.00	\$24.00	\$24.00
Motorcycles	\$20.00	\$12.00	\$12.00	\$12.00	\$12.00

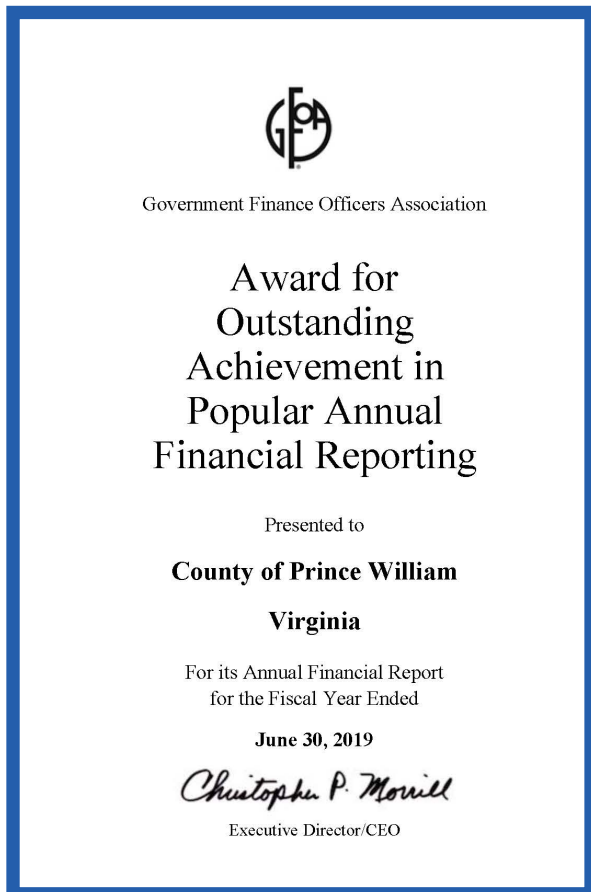
Solid Waste Management Annual Fee

	FY2020	FY2019	FY2018	FY2017	FY2016
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 (Apartment or Condo)	\$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 Fee

	FY2020	FY2019	FY2018	FY2017	FY2016
Single Family	\$39.36	\$39.36	\$39.36	\$39.36	\$39.36
Townhouse	\$29.52	\$29.52	\$29.52	\$29.55	\$29.54
Mobile Home	\$29.52	\$29.52	\$29.52	\$29.55	\$29.54
Multi-Family (Apartment or Condo)	\$29.52	\$29.52	\$29.52	\$29.55	\$29.54
Business/Non-Residential (per 2,059 sq.ft. of impervious area)	\$39.36	\$39.36	\$39.36	\$19.12	\$19.12

Summary



The County's Fiscal Plan is adopted annually by the Prince William Board of County Supervisors (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: Robust Economy, Mobility, Wellbeing, Safe & Secure Community and Quality Education & Workforce Development. The Board also includes a strategic priority of Connectivity. 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 Comprehensive Annual Financial Report (CAFR) [Click here to view.](#)

Prince William County, Virginia

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