

PRINCE WILLIAM — COUNTY

Revenue and Expenditures **Report**



FY 2021

Published 11/15/20

PRINCE WILLIAM COUNTY

1st Quarter FY 2021 Revenues

Section 2.09 of the **Principles of Sound Financial Management** requires quarterly updates to the Board of County Supervisors (BOCS) within 45 days of the end of each quarter on the County's General Fund budget and trends with revenue projections through the end of the fiscal year.

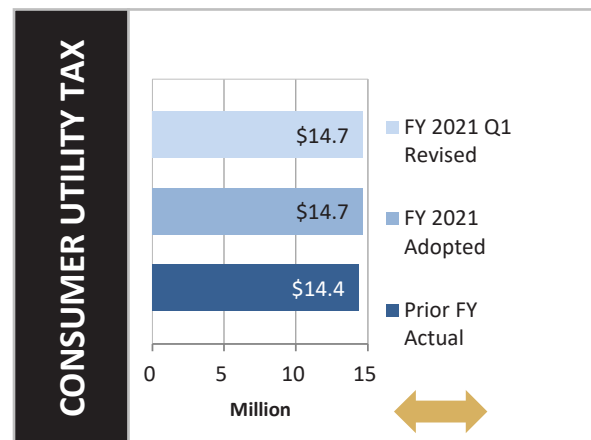
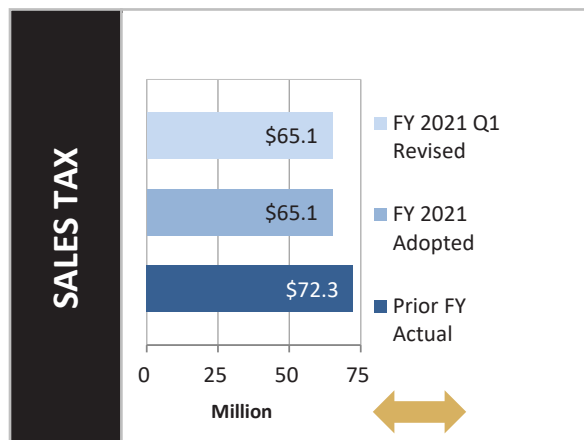
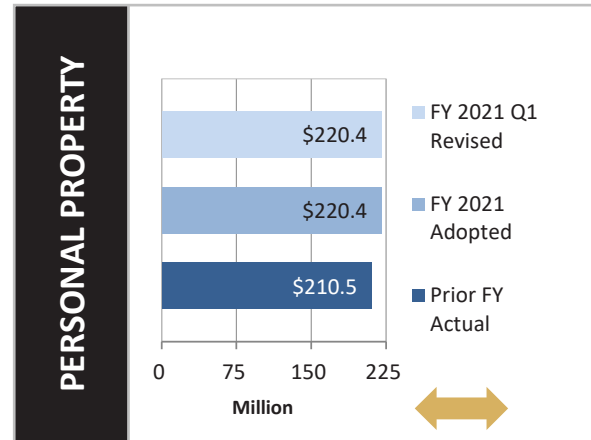
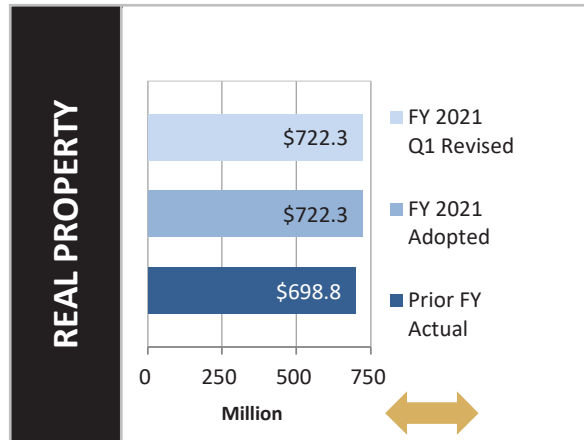
The FY 2021 Adopted Budget estimates general revenues to be \$1.09 billion.

As of the first quarter general revenues are expected to produce a deficit \$3.5 million from the adopted FY 2021 budget by June 30, 2021.

General Revenue Sources	Prior Year FY2020 Year-End	Current Year FY2021			
		Adopted	Q1 Revised	\$ Change Q1/ Adopted	% Change Q1/ Adopted
Real Property Taxes	\$698,789,299	\$722,258,000	\$722,258,000	\$0	0.00%
Personal Property Taxes	210,474,881	220,440,000	220,440,000	0	0.00%
Sales Tax	72,320,380	65,130,000	65,130,000	0	0.00%
Consumer Utility Tax	14,407,996	14,700,000	14,700,000	0	0.00%
Communications Tax	14,914,152	14,530,000	14,530,000	0	0.00%
BPOL Tax	28,236,279	24,375,000	24,375,000	0	0.00%
Investment Income	11,180,034	8,050,000	5,000,000	(3,050,000)	-37.89%
All Other	22,327,535	25,210,000	24,710,000	(500,000)	-1.98%
Total General Revenues	\$1,072,650,556	\$1,094,693,000	\$1,091,143,000	(\$3,550,000)	-0.32%

Revenues At-A-Glance

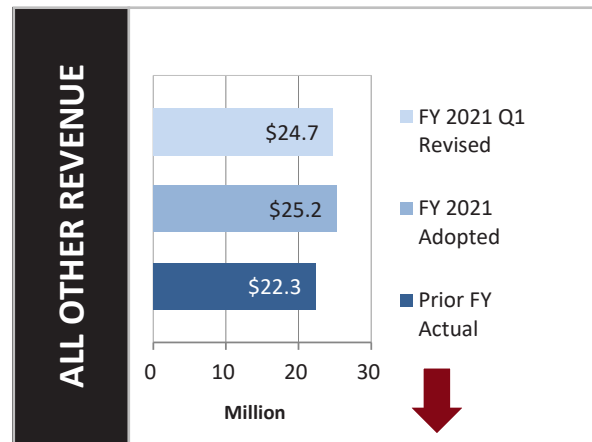
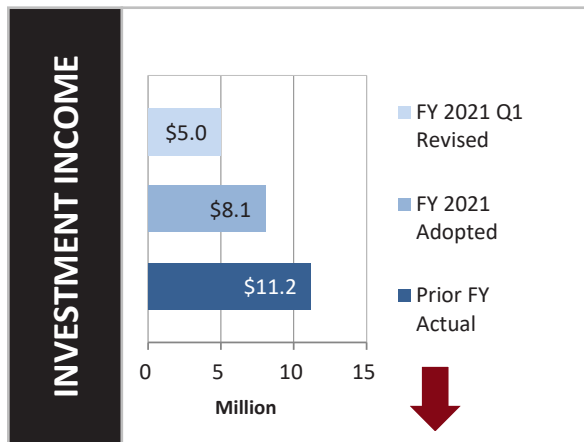
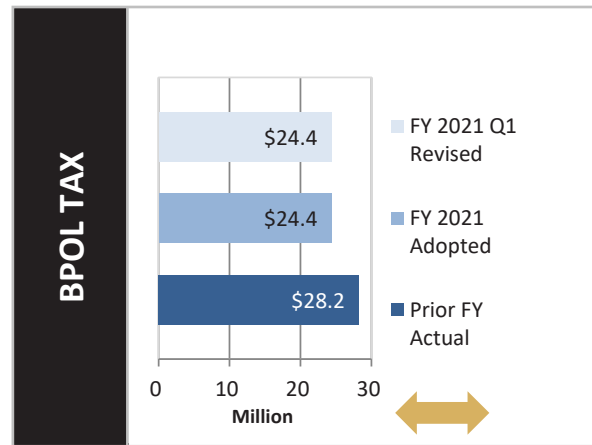
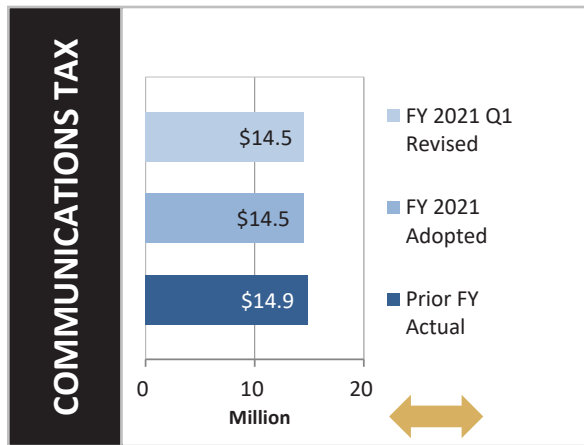
Many revenue sources are still vulnerable to economic impacts attributed to the Coronavirus. Given the level of uncertainty that remains, all revenues will be monitored closely. Further adjustments to other revenue sources, if warranted, may be made in the second quarter.



Variances from the FY 2021 Adopted Budget are as follows:

Investment Income for first quarter FY 2021 was \$1.9 million. Investment portfolio earnings will continue to face headwinds over the foreseeable future as reinvestment of available funds at significantly lower yields, coupled with the Federal Reserve's commitment to anchor short term interest rates at current levels, will drive the General Portfolio's weighted yield lower in the months ahead. The revised forecast projects a shortfall of \$3.05 million in investment income.

All Other Revenue is comprised of fifteen revenue sources. The largest revenue funds within this category are Motor Vehicle License and Recordation Tax, both estimated to be \$12.8 million and \$7.8 million, respectively. All other revenue streams are anticipated to be less than \$2.3 million each. Bank Franchise Tax is expected to produce a shortage of \$500 thousand for FY 2021. The revised forecast to Bank Franchise Tax is driven by data obtained from the Bureau of Economic Analysis that has exposed a steady decline of U.S. personal savings from June through September.



Looking Ahead

Economy At-A-Glance

Indicator	Prior ¹ 6/30/2020	Current ¹ 9/30/2020	Trend					Notes
General								
Consumer Price Index (CPI)	0.6%	0.2%	Orange	Yellow	●	Light Green	Dark Green	Measures prices paid by consumers for a basket of goods and services.
Gross Domestic Product (GDP)	-31.4%	33.1%	Orange	Yellow	●	Light Green	Dark Green	Measures the final market price for goods and services produced within the U.S.
Federal Funds Rate	0.08%	0.09%	Orange	Yellow	●	Light Green	Dark Green	Target interest rate set by the Federal Open Market Committee (FOMC). Establishes baseline lending rates and short term rates of return.
S&P 500 Index	3,100	3,363	Orange	Yellow	●	Light Green	Dark Green	Considered the best single gauge of large-cap U.S. equities. The index contains 500 leading companies and captures approximately 80% of available market capitalization.
Unemployment Rate								
National	11.1%	7.9%	Orange	Yellow	●	Light Green	Dark Green	Tracks the number of unemployed persons as a percentage of the total U.S. labor force.
Virginia	8.1%	6.2%	Orange	Yellow	●	Light Green	Dark Green	Tracks the number of unemployed persons as a percentage of the total VA labor force.
Prince William County	9.2%	6.4%	Orange	Yellow	●	Light Green	Dark Green	Tracks the number of unemployed persons as a percentage of the total PWC labor force.
Average Weekly Wages ²								
National	\$1,185	\$1,222	Orange	Yellow	●	Light Green	Dark Green	Tracks the average weekly monetary compensation paid to an employee in the U.S. Excludes bonus payments.
Virginia	\$1,204	\$1,233	Orange	Yellow	●	Light Green	Dark Green	Tracks the average weekly monetary compensation paid to an employee in VA. Excludes bonus payments.
Prince William County	\$1,028	\$981	Orange	Yellow	●	Light Green	Dark Green	Tracks the average weekly monetary compensation paid to an employee in PWC. Excludes bonus payments.
Employment Establishments ³								
Virginia	280,595	282,924	Orange	Yellow	●	Light Green	Dark Green	Tracks the total number of physical locations where business, services, or industrial operations are performed in Virginia.
Region	91,564	92,235	Orange	Yellow	●	Light Green	Dark Green	Tracks the total number of physical locations where business, services, or industrial operations are performed in Northern Virginia.
Prince William County	9,600	9,653	Orange	Yellow	●	Light Green	Dark Green	Tracks the total number of physical locations where business, services, or industrial operations are performed in Prince William County.
Revenue								
Retail Sales: National	7.5%	1.9%	Orange	●	Grey	Light Green	Dark Green	Retail sales tracks the resale of new and used goods to the general public for personal or household consumption.
Sales and Use Tax: Virginia	5.4%	7.5%	Orange	Yellow	●	Light Green	Dark Green	Tracks the percentage of state collections for sales and use tax.
Sales and Use Tax: Prince William County	4.1%	9.1%	Orange	Yellow	●	Light Green	Dark Green	Tracks the percentage of collections for sales and use tax in Prince William County. Current sales tax rate is 6.0%.
Revenue Collections: Virginia	-1.2%	9.9%	Orange	Yellow	●	Light Green	Dark Green	Aproximately 88% of Virginia's revenue consists of net individual income tax and sales tax.
Vehicles								
National Automobile Sales	13.03 M	13.78 M	Orange	Yellow	●	Light Green	Dark Green	Tracks the total number of year-to-date light-vehicle sales in the U.S. on a Seasonally Adjusted Annual Rate basis.
Real Estate Market: Prince William County								
Average Sales Price	\$452,945	\$458,360	Orange	Yellow	●	Light Green	Dark Green	Reflects the average sold price for a home.
Closed Sales	780	793	Orange	Yellow	●	Light Green	Dark Green	Reflects the number of closed home sales.
Average Days on Market	18	12	Orange	Yellow	●	Light Green	Dark Green	Reflects the average time a home is on the market from listing to closing.
Ratio of Homes on the Market to Homes Sold	0.53	0.48	Orange	●	Grey	Light Green	Dark Green	A ratio > 1 suggests supply of homes on the market exceeds current demand. A ratio < 1 suggests supply of homes on the market is below current demand.
Occupancy Permits Issued	359	383	Orange	Yellow	●	Light Green	Dark Green	Establishes that a property is suitable for habitation after meeting the requirements of the Uniformed Statewide Building Code.
Building Permits Issued	346	352	Orange	Yellow	●	Light Green	Dark Green	Tracks the number of new building permits issued for residential dwellings.
Commercial Vacancy Rate	6.0%	5.3%	Orange	Yellow	●	Light Green	Dark Green	Tracks the percentage of vacant store front property by square feet.

¹ Reflects data available as of the date displayed

² Average Weekly Wages lags current and prior period by 2 quarters

³ Employment Establishments lags current and prior period by 2



National, State, and Local Trends

National The United States enters the final quarter of 2020 with uncertainty maintaining a firm hold on the nation's economy amidst stalled fiscal stimulus negotiations and a second surge of coronavirus cases the country has struggled to contain. Nonetheless, economic activity displayed resilience during the third quarter of 2020 as many economic indicators revealed marked improvement. Likely owed to federal stimulus payments and expanded unemployment benefits, household spending recovered approximately three-fourths of its earlier decline. In addition, the housing sector exhibited robust activity and business fixed investment showed signs of improvement.

Overall economic activity, however, remains well below pre-pandemic levels. Federal Reserve Chairman Jerome Powell noted in testimony to the Committee on Financial Services on September 22nd that “the path ahead continues to be highly uncertain” and “the downturn has not fallen equally on all Americans; those least able to bear the burden have been most affected.” Business community leaders generally agree the blueprint to a full recovery has not changed - a vast majority of Americans will need to be confident it is safe to resume a broad range of activities complemented by policy actions taken at all levels of government.

The Consumer Price Index (CPI), a measurement of the change in prices paid by consumers for goods and services, surged in July to 0.6% led by the normalization of numerous categories acutely impacted by the pandemic. For the remainder of the quarter, headline inflation declined in August and September to 0.4% and 0.2%, respectively. Throughout most of the quarter the index was supported by strong demand for vehicles amid supply constraints and vehicle related categories such as insurance. Moving forward, sustained high unemployment and economic disruption could impact the rental housing component of CPI for a prolonged period. Monthly gains in rents have averaged 0.1% since the pandemic began, compared to a monthly rate of 0.3% over the previous 12 months. The rental housing portion has a weight of approximately one-third of the CPI. Assuming inflation pressure remains subdued, this scenario should allow the Federal Reserve to continue aggressive management of monetary policy within the scope of its new 2% average inflation framework that was announced in late August.

Gross Domestic Product (GDP), the broadest measure of economic activity, made history in the post WWII GDP era by rebounding in the third quarter to a 33.1% annualized pace following a record plunge of 31.4% in the second quarter. While third quarter growth was impressive from a historical perspective, the level of economic activity remained 3.5 % below the pre-COVID peak. The surge in third quarter GDP demonstrates the timing and scale of fiscal measures taken by the U.S Government in the midst of the pandemic. Nonetheless, measured activity throughout the quarter implied most of the strength was concentrated in the beginning of the period. Personal consumption was the most significant contributor, adding more than 25% to growth. Within the services sector, PCE (personal consumption expenditures) was led by health care, food services and accommodations. PCE that flowed into goods were paced by vehicles, parts, clothing, and footwear.

Non-farm payroll and continuing claims data released during the third quarter implied momentum had begun to cool owing to a tapering of net job creation since June. July non-farm payrolls rose 1.76 million and the unemployment rate stood at 10.2% versus a September non-farm payroll increase of 661 thousand and an unemployment rate of 7.9%. The sizeable drop in September's participation rate was a key driver behind the unemployment rate falling from 8.4% in August. If the participation rate had remained unchanged, the unemployment would have fallen a mere 0.1 percentage point. While the unemployment rate is approaching the Federal Reserve's year-end target of 7.6%, Americans leaving the labor market at such a brisk pace will not be interpreted as a positive sign by the Central Bank.

Retail sales decelerated significantly in July from the prior two months posting a modest increase of 0.9%. August dipped to a 0.6% advance followed by a respectable rebound in September of 1.9%. September's gain over the previous two months was largely attributed to purchases in back-to-school items and recreational goods. Furthermore, September's data revealed a continuation of work-from-home arrangements is creating dislocations in normal seasonal spending patterns. Generally, the pace of retail sales has begun to settle. Rapid accelerations may find difficulty gaining traction leading into the holiday season given elevated unemployment and the lack of new fiscal stimulus on the horizon.

The National Automobile Dealers Association (NADA) reported new light-vehicle sales increased for the fifth consecutive month in September, but that impressive run is somewhat tempered by a decrease in year-to-date sales of 19% compared to the same period in 2019. Raw sales for September was 1.34 million units versus 1.33 million sold in August. According to NADA, Original Equipment Manufacturers (OEMs) have been working to rebuild production, especially in the crossover and pickup truck segments, but consistent sales have led to inventory levels increasing to only 0.9%. In addition to inventory constraints, NADA considers elevated unemployment and tightening credit standards as economic hurdles moving forward.

State The Commonwealth reported 1st quarter FY 2021 general fund revenue grew 7.6% from the previous year, propelled by increases in payroll withholding, corporate, and recordation tax collections. Measured on a fiscal year-to-date basis, total revenue collections advanced 9.9% which was above the annual forecast of a 1.8% decline. The Commonwealth's fall revenue forecasting process has commenced. The Governor's Advisory Council on Revenue Estimates is scheduled to meet in late November to weigh the Joint Advisory Board of Economists economic recommendations and revenue collections through October. Governor Northam will introduce official revenue estimates on December 16th for fiscal 2021 and 2022 when his budget recommendations will be introduced to the General Assembly.

Virginia's seasonally adjusted unemployment rate edged upward by 0.1% in September to 6.2%, although remained below July's print of 7.9%. Despite the labor force falling by 71,954, specific trend lines have displayed signs of labor market improvement. Employment rose in nine of eleven major industry sectors with the largest job gains occurring in leisure & hospitality and professional and business services. In addition, continuing claims and initial claims declined 37.1% and 16.4%, respectively, in September from the previous month.

Local Prince William County's labor market mirrored state and national trends by revealing a steady decline in the unemployment rate throughout the third quarter. As of September, unemployment stood at 6.4% compared to 8.5% in July. The surge of COVID-19 cases that has swept through localities across the U.S. over recent weeks stands as an ominous reminder of the immeasurable human and economic hardship the disease can wield. Prince William County Government has continued to seek avenues to provide a measure of relief through disbursement of federal CARES Act funds. Approximately \$50 million has been distributed to local businesses and various resident services throughout the community, as well as the school district. The County will persist with this endeavor into year-end 2020.

Prince William County Real Estate Market

Residential Sales Activity According to the Metropolitan Regional Information Systems (MRIS) sales data for September 2020, the average residential sales price of \$420,000 represents a year-over-year gain of 10.2%. The number of sales for the same period rose to 793 units, an increase of 40.6% compared to September 2019. The County's residential market experienced a decrease in active listings of 59.86% versus the same period in 2019. On average, units are 12 days on the market, a decrease from 33 days during the same period last year.

New listings within Prince William County's residential real estate market drifted lower by 7.1% during the third quarter. September new listings tallied 909 units, but trailed the 2020 high of 979 listings established in July. Supply constraints continue to underpin the escalation of residential property valuations. Low interest rates have managed to provide a measure of relief for buyers, but affordability challenges for first time buyers remain. According to Freddie Mac's Primary Mortgage Market Survey released on November 5th, the average 30-year fixed rate mortgage hit another record low (2.78%) for the twelfth time this year.

Commercial Sector For the quarter ending September 2020, Costar Realty Group (Costar) reported the County's commercial inventory included 48.6 million occupied square feet (sq. ft.) of space in 2,130 buildings with 2.6 million sq. ft. of vacant space.

PRINCE WILLIAM COUNTY

1st Quarter FY 2021 Expenditures

General Information

The Board of County Supervisors (BOCS) adopted the ***Principles of Sound Financial Management***; the County government's guiding financial policies. The Principles require that the BOCS receive a quarterly general fund revenue and expenditure update within 45 days of the end of each quarter.

The County's fiscal year runs from July 1 to June 30. The BOCS adopted a FY 2021 general fund budget of \$1.29 billion.

- \$625.3 million adopted School transfer, in accordance with the County-Schools revenue sharing agreement.
- \$659.9 million adopted County government general fund budget, including transfers.

In accordance with State Code, the County cannot exceed the annual legal appropriation. As a result, the County general fund budget will always have a year-end surplus.

County agencies may have revenue sources other than local taxes that support the general fund expenditure budget. These include charges for services, federal and state revenue, court fines, and fees.

First Quarter Summary

1. **General Fund Reporting** – This report includes only unrestricted general fund expenditures. It does not include restricted funds within the general fund such as Transient Occupancy Tax mandated for tourism, proffers, grants, or criminal forfeitures.
2. **Revised FY 2021 Budget** – As of September 30, 2020, the revised County government unrestricted general fund budget, excluding transfers, was \$623.9 million.
3. **First Quarter General Fund Expenditures** – As of September 30, 2020, 33.8% of the expenditure budget was spent. Excluding Non-Departmental and Debt Service, which are not indicators of direct County agency operations and have a disproportionate share of expenditures during the first quarter, agencies spent 28.0% of the operating expenditure budget. **Current projections indicate 98.0% of the County government’s general fund expenditure budget will be expended by year-end. Projected expenditure savings at the end of the fiscal year are estimated at approximately \$12.0 million.**

Percent of Budget Spent (Including Debt Service & Non-Departmental)	Percent of Budget Spent (Excluding Debt Service & Non-Departmental)
33.8%	28.0%

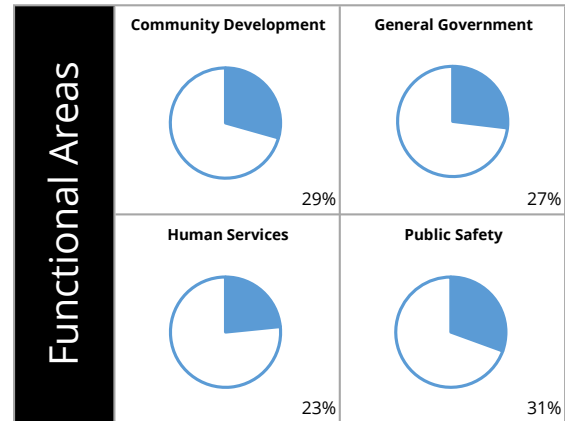
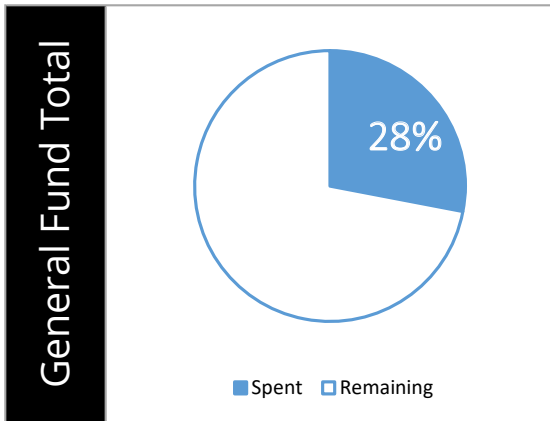
4. **Pay Periods per Quarter** - The number of pay periods differ by quarter. The first quarter included an additional two-week pay period. The additional payroll means agencies will have higher salary and benefit actuals through the first quarter. Additionally, \$2.4 million in retiree health benefit costs were charged for the entire fiscal year in the first quarter.
5. **Information Technology Charges** - Information technology costs for the entire fiscal year (approximately \$29 million) were billed to County agencies in the first quarter. Therefore, Internal Services expenditures are higher than normally anticipated, as well as overall general fund expenditures. **After accounting for full-year internal services costs, County agencies spent 24.3% of their expenditure budget.**

Percent of Budget Spent (Excluding Debt Service, Non-Departmental, & Internal Services)
24.3%

6. **COVID-19 Pandemic Impact on Agency Revenue** – The COVID-19 pandemic has impacted agency revenue as many Parks, Recreation & Tourism facilities operated at reduced service hours and capacity throughout the first quarter. In addition, fines and forfeitures collected by the Courts, Sheriff, and Library were all at reduced levels. Social Services special education private day school placement reimbursements are also projected at reduced levels due to the challenges of providing services in a remote environment. **General fund agency revenue is projected to be \$10 million below budget.**
7. **COVID-19 Pandemic and CARES Act** - The COVID-19 pandemic presents challenges for Prince William County with medium and long-term factors that cannot be fully predicted. The County has expedited a constantly evolving and multi-faceted response to the pandemic, emphasizing community-level response for those individuals, families, and businesses most impacted, as well as ensuring the health and safety of county employees. Discretionary spending within the County continues to be strictly monitored.

Prince William County has received \$82.1 million in Coronavirus Relief Funds (CRF) which must be spent by December 30, 2020. Without federal legislative action that either extends the CRF deadline or provides new funding, pandemic response and recovery efforts during the second half of FY 2021 will be absorbed within the County’s budget.

8. *Agency Variances* – Notable variances are reported based on the ‘Spent %’ column on the following pages. Encumbrances are not included in the agency detailed tables and charts.




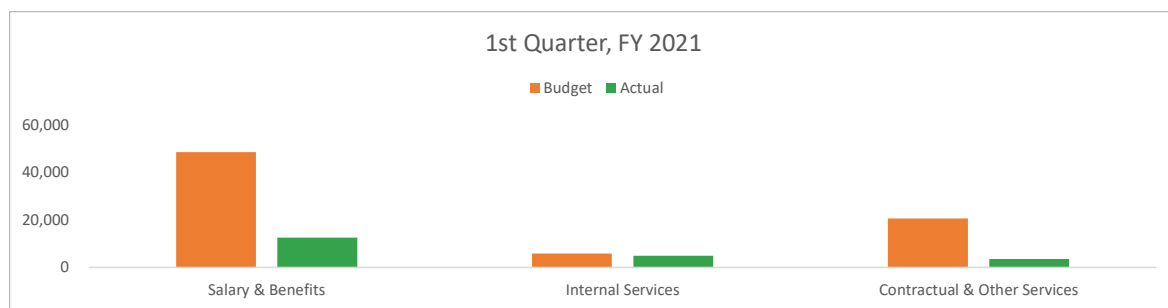
Community Development Functional Area

(Dollar amounts expressed in thousands)

Departments & Agencies

- Economic Development
- Library
- Parks, Recreation & Tourism
- Planning
- Public Works
- Transportation

Functional Area	Spending Category	Budget	Actual	Spent %
Community Development	Salary & Benefits	48,508.91	12,487.42	
	Internal Services	5,897.03	4,899.53	
	Contractual & Other Services	20,636.01	3,615.88	
	Reserves & Contingencies	(3,475.36)	(28.09)	
	71,566.58	20,974.73	29.31%	




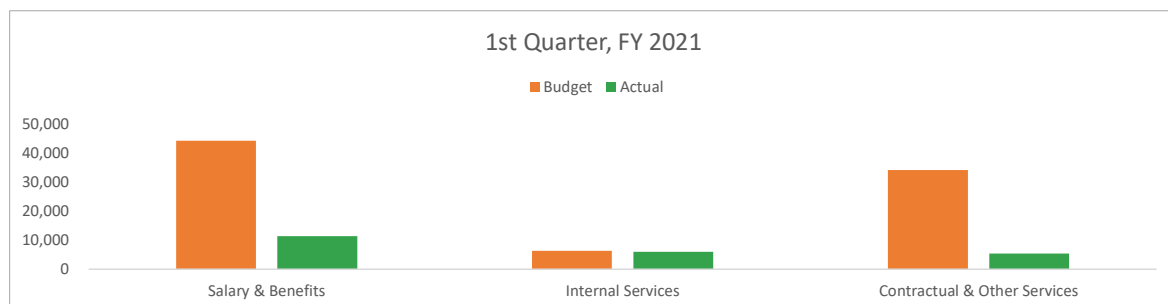
General Government Functional Area

(Dollar amounts expressed in thousands)

Departments & Agencies

- Board of County Supervisors
- County Attorney
- Elections
- Executive Management
- Facilities & Fleet Management
- Finance
- Human Resources
- Human Rights
- Management & Budget

Functional Area	Spending Category	Budget	Actual	Spent %
General Government	Salary & Benefits	44,207.47	11,350.75	
	Internal Services	6,277.97	5,987.24	
	Contractual & Other Services	34,100.94	5,368.44	
	Reserves & Contingencies	(3,973.44)	(1,076.23)	
	80,612.93	21,630.20	26.83%	




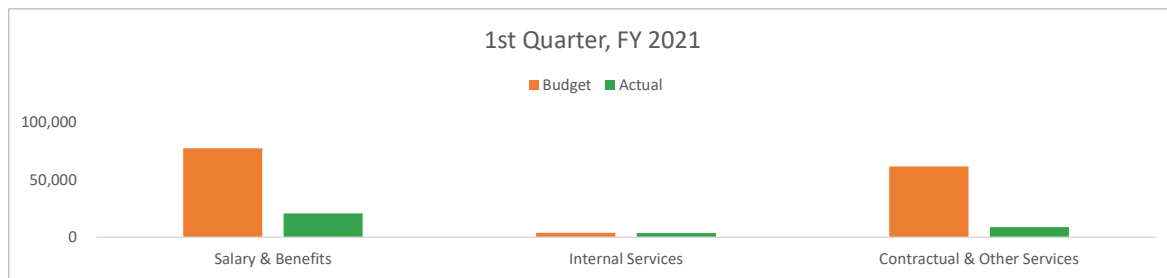
Human Services Functional Area

(Dollar amounts expressed in thousands)

Departments & Agencies

- Aging
- Community Services
- Cooperative Extension Service
- Public Health
- Social Services

Functional Area	Spending Category	Budget	Actual	Spent %
Human Services	Salary & Benefits	77,246.79	20,777.48	
	Internal Services	3,759.12	3,569.87	
	Contractual & Other Services	61,585.97	8,989.06	
	Reserves & Contingencies	0.00	0.00	
	142,591.89	33,336.42	23.38%	




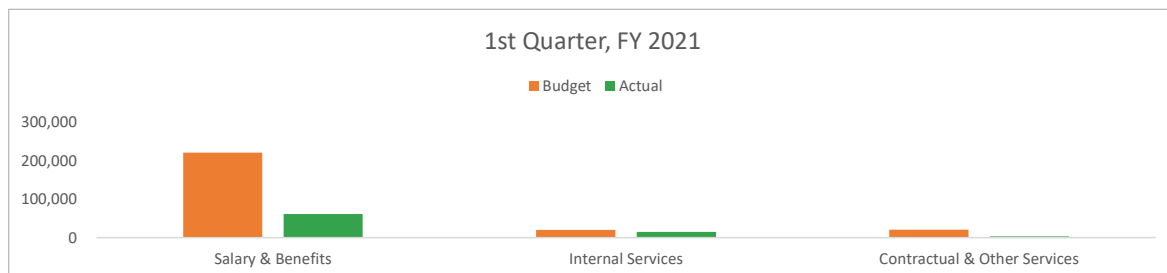
Public Safety Functional Area

(Dollar amounts expressed in thousands)

Departments & Agencies







- Circuit Court Judges
- Clerk of the Circuit Court
- Commonwealth's Attorney
- Criminal Justice Services
- Fire & Rescue
- General District Court
- Juvenile & Domestic Relations Court
- Juvenile Court Service Unit
- Magistrates
- Police
- Public Safety Communications
- Sheriff

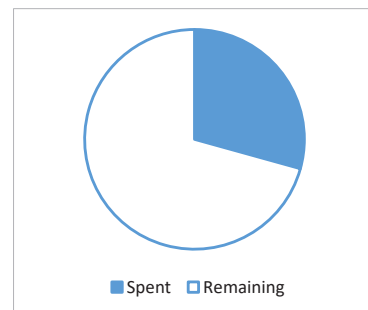
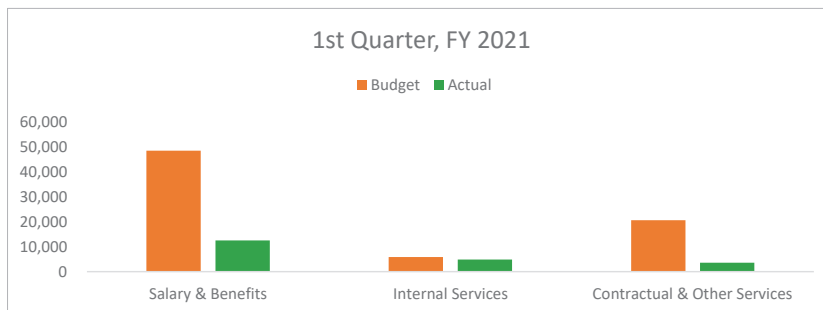
Functional Area	Spending Category	Budget	Actual	Spent %
Public Safety	Salary & Benefits	221,369.70	61,499.37	
	Internal Services	20,062.76	15,014.59	
	Contractual & Other Services	20,621.70	3,486.15	
	Reserves & Contingencies	0.00	0.00	
	262,054.15	80,000.10	30.53%	



Community Development Functional Area

(Dollar amounts expressed in thousands)

Department	Spending Category	Budget	Actual	Spent %
Economic Development	Salary & Benefits	2,292.87	571.27	
	Internal Services	65.88	63.37	
	Contractual & Other Services	1,751.68	194.90	
	Reserves & Contingencies	0.00	0.00	
		4,110.43	829.55	
Library	Salary & Benefits	14,877.57	3,692.81	
	Internal Services	1,079.82	1,050.33	
	Contractual & Other Services	3,121.34	474.02	
	Reserves & Contingencies	0.00	0.00	
		19,078.73	5,217.16	
Parks, Recreation & Tourism	Salary & Benefits	23,006.55	5,685.02	
	Internal Services	2,024.92	1,207.99	
	Contractual & Other Services	11,182.36	1,747.01	
	Reserves & Contingencies	(154.00)	0.00	
		36,059.84	8,640.02	
Planning	Salary & Benefits	1,268.04	332.77	
	Internal Services	2,262.77	2,256.71	
	Contractual & Other Services	804.16	593.62	
	Reserves & Contingencies	0.00	0.00	
		4,334.97	3,183.10	
Public Works	Salary & Benefits	3,505.34	1,064.09	
	Internal Services	311.03	209.29	
	Contractual & Other Services	1,138.36	126.23	
	Reserves & Contingencies	(168.49)	(28.09)	
		4,786.23	1,371.52	
Transportation	Salary & Benefits	3,558.54	1,141.46	
	Internal Services	152.60	111.83	
	Contractual & Other Services	2,638.12	480.08	
	Reserves & Contingencies	(3,152.87)	0.00	
		3,196.39	1,733.38	












Notable Variances

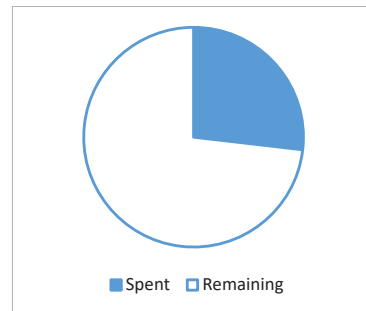
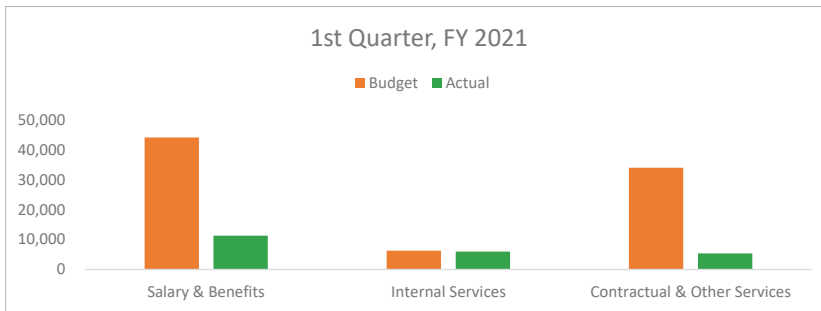
- Economic Development** - Contract payments for small business development services will not occur until later in the fiscal year.
- Planning** - A disproportionate amount of the Planning budget is in the Internal Services series due to being the countywide host for the Geographic Information System (GIS). These DoIT services have been billed for the entire year. Contractual & Other Services expenditures are higher than expected for the first quarter due to Council of Governments (COG) membership dues of \$0.6 million paid for the entire fiscal year. After adjusting for these expenses, the percent spent would be 24.38%.
- Public Works** - The Salary & Benefits budget will be adjusted in 2nd Quarter, shifting funds from Public Works to the Facilities & Fleet Management newly created Director's Office, unknown during the creation of the FY21 budget.
- Transportation** - Most personnel costs are cost-recovered from capital projects. First quarter cost recovery has not yet been billed to capital projects.

General Government Functional Area

(Dollar amounts expressed in thousands)

Department	Spending Category	Budget	Actual	Spent %
Board of County Supervisors	Salary & Benefits	3,181.46	750.31	
	Internal Services	127.70	127.54	
	Contractual & Other Services	2,136.01	347.95	
	Reserves & Contingencies	0.00	0.00	
	5,445.17	1,225.80	22.51%	
County Attorney	Salary & Benefits	3,969.76	1,048.28	
	Internal Services	88.28	87.83	
	Contractual & Other Services	188.14	(126.42)	
	Reserves & Contingencies	(176.93)	0.00	
	4,069.26	1,009.69	24.81%	
Elections	Salary & Benefits	2,877.15	502.56	
	Internal Services	84.08	87.29	
	Contractual & Other Services	851.15	297.65	
	Reserves & Contingencies	0.00	0.00	
	3,812.38	887.50	23.28%	
Executive Management	Salary & Benefits	3,380.35	883.77	
	Internal Services	112.93	108.82	
	Contractual & Other Services	490.73	67.41	
	Reserves & Contingencies	0.00	0.00	
	3,984.01	1,060.00	26.61%	
Facilities & Fleet Management	Salary & Benefits	8,794.55	2,392.08	
	Internal Services	612.86	349.69	
	Contractual & Other Services	25,428.91	4,199.92	
	Reserves & Contingencies	(2,583.76)	(296.39)	
	32,252.56	6,645.30	20.60%	
Finance	Salary & Benefits	16,213.66	4,307.89	
	Internal Services	4,608.43	4,582.59	
	Contractual & Other Services	4,436.95	381.50	
	Reserves & Contingencies	(523.31)	(279.44)	
	24,735.73	8,992.55	36.35%	
Human Resources	Salary & Benefits	3,519.26	864.58	
	Internal Services	578.00	578.00	
	Contractual & Other Services	373.31	190.94	
	Reserves & Contingencies	(689.46)	(500.40)	
	3,781.11	1,133.11	29.97%	
Human Rights Office	Salary & Benefits	818.21	223.61	
	Internal Services	24.93	24.93	
	Contractual & Other Services	98.77	2.60	
	Reserves & Contingencies	0.00	0.00	
	941.91	251.14	26.66%	
Management & Budget	Salary & Benefits	1,453.08	377.67	
	Internal Services	40.76	40.54	
	Contractual & Other Services	96.96	6.89	
	Reserves & Contingencies	0.00	0.00	
	1,590.80	425.11	26.72%	

General Government Functional Area *(Continued)*



Notable Variances

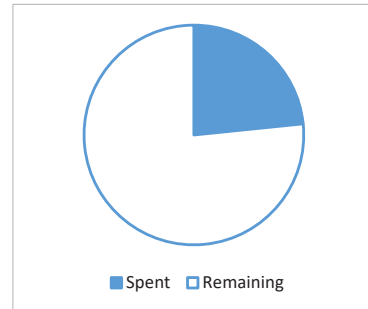
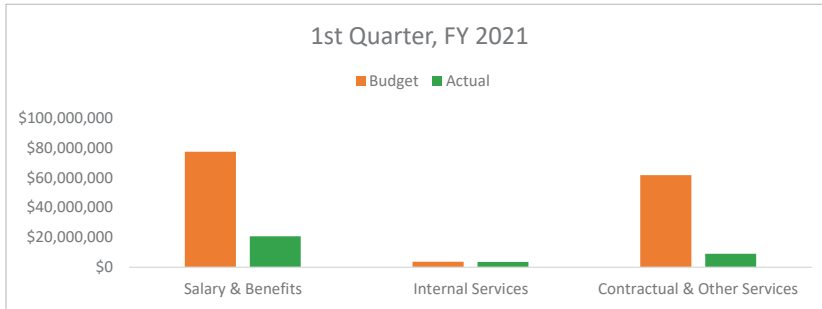
- Facilities & Fleet Management** - This newly formed department is transitioning and preparing for the remainder of FY21, including the many and varied effects of the COVID virus. Funds of \$685K have been encumbered, and spending is anticipated to escalate in the remaining three quarters.
- Finance** - The department has a disproportionate amount of its budget in the Internal Services series due to being the host for the County's financial systems. These DoIT services have been billed for the entire year. Without Internal Services overall charges, the percent spent would be 21.91%.
- Human Resources** - Annual cost (July 2020 - July 2021) for Skillssoft training application and services paid in first quarter. Full year FY21 cost recovery to Medical Internal Service Fund booked in first quarter. Without Internal Services overall charges, the percent spent would be 17.33%.

Human Services Functional Area

(Dollar amounts expressed in thousands)

Department	Spending Category	Budget	Actual	Spent %
Aging	Salary & Benefits	2,888.27	903.49	
	Internal Services	161.53	132.08	
	Contractual & Other Services	4,741.01	2,654.14	
	Reserves & Contingencies	0.00	0.00	
		7,790.81	3,689.72	47.36%
Community Services	Salary & Benefits	38,228.83	10,135.49	
	Internal Services	2,076.50	2,010.66	
	Contractual & Other Services	14,493.62	1,515.73	
	Reserves & Contingencies	0.00	0.00	
		54,798.95	13,661.87	24.93%
Cooperative Extension Service	Salary & Benefits	1,002.24	219.02	
	Internal Services	80.83	80.83	
	Contractual & Other Services	41.39	2.18	
	Reserves & Contingencies	0.00	0.00	
		1,124.47	302.04	26.86%
Public Health	Salary & Benefits	641.17	80.75	
	Internal Services	33.44	23.40	
	Contractual & Other Services	3,073.47	99.19	
	Reserves & Contingencies	0.00	0.00	
		3,748.08	203.34	5.43%
Social Services	Salary & Benefits	34,486.27	9,438.72	
	Internal Services	1,406.83	1,322.90	
	Contractual & Other Services	39,236.48	4,717.82	
	Reserves & Contingencies	0.00	0.00	
		75,129.58	15,479.44	20.60%

Human Services Functional Area *(Continued)*



Notable Variances

- 1. Aging** - Expenditures are high due to full year costs associated with Birmingham Green (\$2.2 million) paid in the first quarter.
- 2. Public Health** - First and second quarter payments of the state invoice were paid in October.
- 3. Social Services** - Children's Services Act expenditures timing lag between services provided, invoicing, and payment. Each year there is a 30-60 day lag in the first quarter, which is caught up at year-end.








Public Safety Functional Area

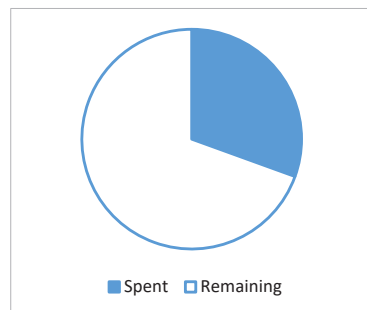
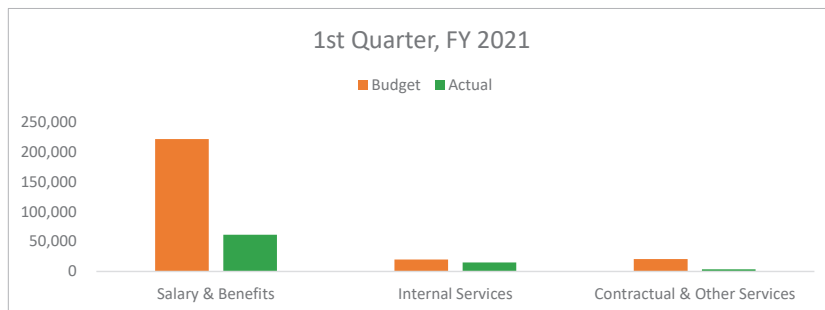
(Dollar amounts expressed in thousands)

Department	Spending Category	Budget	Actual	Spent %
Circuit Court Judges	Salary & Benefits	917.42	285.86	
	Internal Services	36.32	36.32	
	Contractual & Other Services	222.98	15.87	
	Reserves & Contingencies	0.00	0.00	
	1,176.73	338.05	28.73%	
Clerk of the Court	Salary & Benefits	3,694.06	1,021.66	
	Internal Services	150.46	150.46	
	Contractual & Other Services	482.20	111.48	
	Reserves & Contingencies	0.00	0.00	
	4,326.72	1,283.60	29.67%	
Commonwealth Attorney	Salary & Benefits	5,817.62	1,581.03	
	Internal Services	180.59	176.42	
	Contractual & Other Services	206.20	24.10	
	Reserves & Contingencies	0.00	0.00	
	6,204.40	1,781.54	28.71%	
Criminal Justice Services	Salary & Benefits	4,354.12	1,127.87	
	Internal Services	179.82	166.95	
	Contractual & Other Services	551.99	74.79	
	Reserves & Contingencies	0.00	0.00	
	5,085.93	1,369.62	26.93%	
Fire & Rescue	Salary & Benefits	89,240.03	25,105.24	
	Internal Services	6,516.37	5,555.14	
	Contractual & Other Services	6,552.46	621.67	
	Reserves & Contingencies	0.00	0.00	
	102,308.87	31,282.05	30.58%	

Public Safety Functional Area *(Continued)*

(Dollar amounts expressed in thousands)

Department	Spending Category	Budget	Actual	Spent %
General District Court	Salary & Benefits	545.33	65.58	
	Internal Services	33.80	33.80	
	Contractual & Other Services	192.47	22.06	
	Reserves & Contingencies	0.00	0.00	
	771.60	121.45	15.74%	
Juvenile & Domestic Relations Ct	Salary & Benefits	134.30	35.71	
	Internal Services	30.30	30.30	
	Contractual & Other Services	93.03	18.69	
	Reserves & Contingencies	0.00	0.00	
	257.63	84.70	32.88%	
Juvenile Court Services Unit	Salary & Benefits	633.64	136.39	
	Internal Services	81.40	70.29	
	Contractual & Other Services	373.35	38.61	
	Reserves & Contingencies	0.00	0.00	
	1,088.40	245.29	22.54%	
Magistrates	Salary & Benefits	88.73	23.89	
	Internal Services	18.23	18.23	
	Contractual & Other Services	7.62	2.12	
	Reserves & Contingencies	0.00	0.00	
	114.58	44.24	38.61%	
Police	Salary & Benefits	93,704.20	25,910.75	
	Internal Services	11,748.85	8,053.70	
	Contractual & Other Services	9,125.89	1,872.71	
	Reserves & Contingencies	0.00	0.00	
	114,578.94	35,837.17	31.28%	
Public Safety Communications	Salary & Benefits	10,670.95	2,696.15	
	Internal Services	313.91	302.70	
	Contractual & Other Services	1,973.06	598.00	
	Reserves & Contingencies	0.00	0.00	
	12,957.92	3,596.85	27.76%	
Sheriff	Salary & Benefits	11,569.28	3,509.23	
	Internal Services	772.71	420.29	
	Contractual & Other Services	840.46	86.03	
	Reserves & Contingencies	0.00	0.00	
	13,182.45	4,015.54	30.46%	




Public Safety Functional Area *(Continued)*

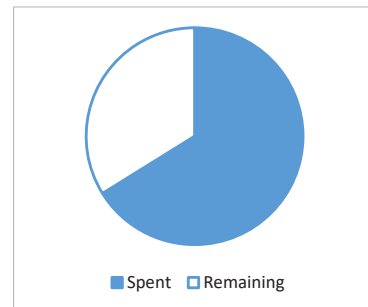
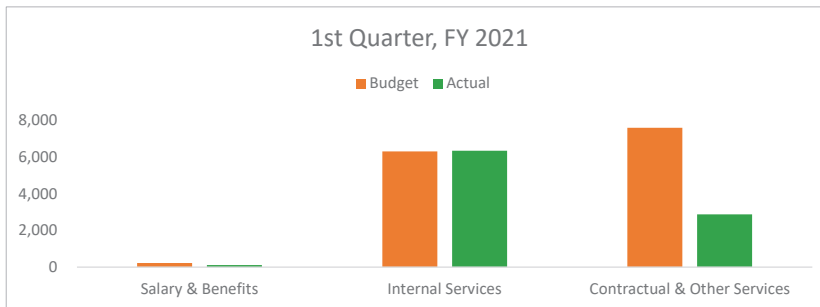
Notable Variances

- Fire & Rescue** - A full year of Internal Services charges booked in first quarter accounts for the overall variance. Without Internal Services overall charges, the percent spent would be 26.86%.
- General District Court** - Salaries and Benefits is underspent due to the Public Defender's Office is not being fully staffed.
- Police** - Technology internal services have been billed for the entire fiscal year. Excluding Internal Services charges, the percent spent would be 27.02%.
- Sheriff** - Salary and benefits is higher due to overtime expenditures.

Non-Departmental

(Dollar amounts expressed in thousands)

Department	Spending Category	Budget	Actual	Spent %
Non-Departmental	Salary & Benefits	218.93	112.87	
	Internal Services	6,311.12	6,348.35	
	Contractual & Other Services	7,592.49	2,881.08	
	Reserves & Contingencies	0.00	0.00	
		14,122.54	9,342.30	




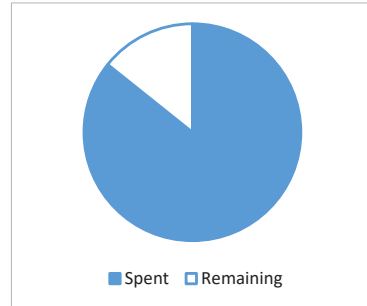
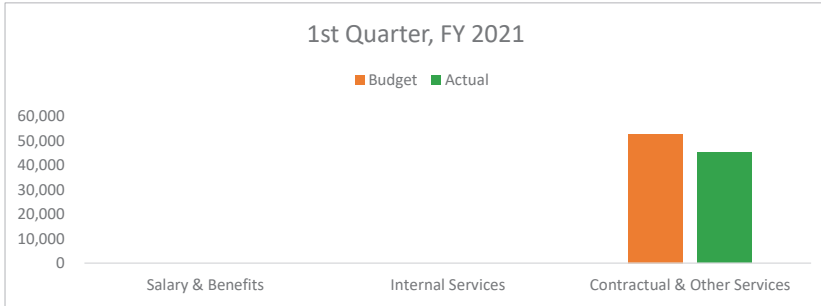
Notable Variances

- Non-Departmental** - The following payments were made during the first quarter of the fiscal year: Self-Insurance Workers Compensation (\$4.9M), Self-Insurance Casualty Pool (\$1.4M), Property and Miscellaneous Insurance Premiums (\$0.5M), Hylton Performing Arts Center Contribution (\$1.8M), and Northern Virginia Community College Contribution (\$0.3M).

Debt Service

(Dollar amounts expressed in thousands)

Department	Spending Category	Budget	Actual	Spent %
Debt Service	Salary & Benefits	0.00	0.00	
	Internal Services	0.00	0.00	
	Contractual & Other Services	52,914.38	45,363.58	
	Reserves & Contingencies	0.00	0.00	
			52,914.38	



Notable Variances

- Debt Service** - The majority of debt service obligations are scheduled for payment in the first quarter of the fiscal year.



PRINCE WILLIAM — COUNTY

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