

- Suburb of Washington, D.C.
- Population approx. 412,159
- Eight-Member Elected Board of County Supervisors
- Appointed County Executive



HISTORY

Captain John Smith first discovered Prince William County during an expedition up the Potomac River in 1608. Smith found the region inhabited by Anacostan, Doeg, Iroquois, and Piscataway Indians. The first known colonial settlement was founded in 1722. In 1730, the Virginia General Assembly carved out an area approximately 2,000 square miles in size and named it Prince William County, after the second son of England's King George II. At that time Prince William County comprised all of "Northern Virginia" but by 1759, the General Assembly substantially reduced the County's size. Fairfax County was formed in 1742 and Fauquier County was formed in 1759, both from the original Prince William County area.

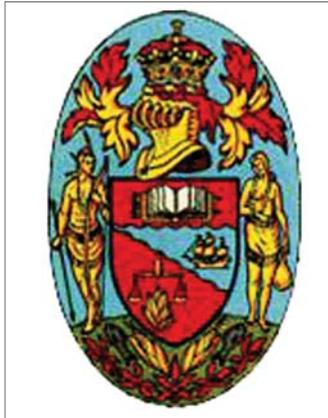
In 1730, the Dumfries area was prominent in the County and may have been the location of an official Tobacco Inspection Station due to its close proximity to the Potomac River. This is important because the Potomac River was a major regional route used to export tobacco to England, which was profitable for the southern colonial regions. The Tobacco Inspection law, passed in Virginia in 1730, required all exported tobacco shipments to bear an inspection certificate. Dumfries officially became a town in 1749 and in 1763 it reached an economic milestone by exporting more tobacco tonnage than the colony of New York.

Economic and political displeasure with the British government reached the breaking point for Prince William colonists in 1773. Pro-colony groups such as the Prince William Resolvers voiced protest against the erosion of colonial liberties. As England had ordered all colonial governors to cease granting lands, except to veterans of the French and Indian War, further financial strains were wrought against the colonies through taxation, including the infamous



Tea Act and Stamp Act. In 1774, under ever-mounting pressure, the Virginia Convention adopted resolves against the importation of British goods and the importation of slaves. The Virginia Convention also required each county to form a volunteer company of cavalry or infantry. Prince

William had already formed a volunteer unit a year before. The Independent Company of Prince William, under the leadership of Captains William Grayson and Philip



Original Seal of Prince William County

Richard Francis Lee, was a volunteer unit comprised of 40 plus infantrymen. Many troops from the Independent Company of Prince William joined others from around the state to form two [Colony] regiments sanctioned by the third Virginia Convention in 1775. After the start of the Revolutionary War, the remaining troops of the "Company" became known as the Prince William

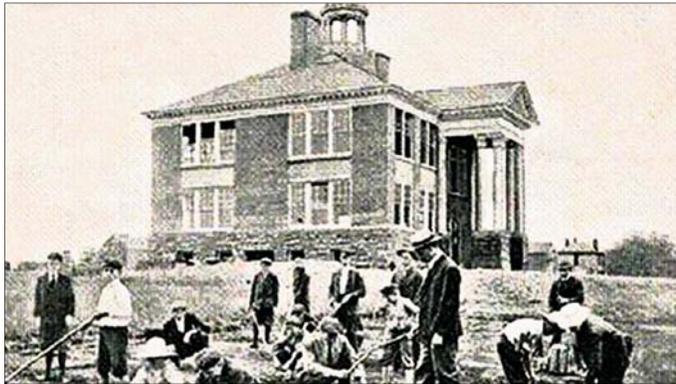
District Battalion in 1776. In June of that year, Captain Grayson was appointed Assistant Secretary to General George Washington.

The war ended and news of the ratification of the Treaty of Paris between the United States and Great Britain reached Virginia on February 3, 1784. Prince William County soldiers from the Virginia regiments returned home to their families. Although there was heavy troop movement through the County from all sides, it escaped the massive destruction leveled against Richmond. The County wasn't as fortunate, however, during the Civil War.

Before the Civil War, the population of Prince William County reached 11,000 and the African American population was 43.4 percent. Many African Americans in Virginia at this time were free from slavery and indentured servitude. Virginia legislators passed a law in 1782 permitting the freeing of slaves, however, colonies further south did not participate in similar legislation. Haymarket emerged as a large population center in 1799, with Occoquan following in 1804 and Brentsville in 1822. The County thrived through the early and mid 1800's. The railroad era began in Virginia around 1811 and in 1851 the railroad reached Manassas. Manassas Junction brought a new form of shipping and travel to the area. It also became a crucial stratagem for cutting off supplies to either side throughout the War. The first threat to the railroad junction was the Battle at Blackburn's Ford after Virginia seceded from the Union in 1861. Although the Battle at Blackburn's Ford was short-lived, it was a prelude to the First Manassas battle three days later. First Manassas at Bull Run was the first major land battle of Union and

Confederate armies in Virginia after the Confederate takeover of Fort Sumter in South Carolina. The Union objective was to seize the Manassas Junction Railroad. Thomas J. Jackson earned his very famous nickname “Stonewall” Jackson towards the end of this battle.

Many lesser-known battles were also fought in the County; they include Cockpit Point, Manassas Station, Chapman’s Mill, and Bristoe Station. Cockpit Point, a stretch of shoreline along the Occoquan River, is where the



Confederate army formed a blockade at the Potomac River to cut off supplies to Washington. The Battle at Manassas Station was a Confederate victory where the Union supply depot at Manassas Junction was destroyed. The skirmish near Chapman’s Mill ensured another Union defeat at the Second Battle of Bull Run; a swift Union retreat allowed two Confederate battalions to join together. This single seemingly inconsequential action virtually ensured the Union Army defeat during the Second Battle at Bull Run. The last battle fought in Prince William County was at Bristoe Station in 1863. A Confederate corps happened upon a retreating Union army at Bristoe Station and attacked. Other Union soldiers in the area countered the small corps and captured the Confederate battery of artillery.

Manassas became a town in 1873. In 1892 Manassas became the County Seat for Prince William. Rebuilding the area to its former glory was almost an impossible task for locals. Grand manors and local businesses blighted during the War were replaced by modern inventions and post war architecture. The railroad was reconstructed and expanded westward. Education became more important and schools sprung up - almost overnight. Ironically, a former Union Army Officer, George Carr Round, relocated to Manassas and helped to build its first public school. He later served on the Town Council and was a member of the Virginia General Assembly. Many schools and colleges opened in the County including the Manassas Industrial School

for Colored Youth and Eastern College. The Manassas Industrial School for Colored Youth was founded by Jennie Dean in 1894. The purpose of the school was to improve the moral and intellectual condition of the youth placed under its care. Eastern College attracted students from over 22 states and 2 foreign countries. Eastern was transformed into a military academy and later closed in 1935. Other academies and military schools opened in the area in the early 1900’s. The ultimate military training academy of a sort was founded on a peninsula southwest of the Town of Occoquan, on the Quantico River in 1917. The Quantico Marine Base became an official training facility for the Navy before World War I, and was one of the first Marine training centers not housed on a Naval base. The Town of Quantico, surrounded by the training center, was incorporated in 1927.

After two World Wars and the incorporation of the cities of Manassas and Manassas Park in 1975, present day Prince William County is a thriving and diverse community. The County has a population of 364,734 people and boasts a median household income of \$88,724 as indicated by the Census Bureau’s 2008 American Community Survey (2008 ACS). It is also a “young” County with 29.3% of its population below eighteen years of age as of the 2008 ACS. Prince William County was the birthplace or home of many notable personalities including George Mason II, Henry Lee III (the father of General Robert E. Lee), William Grayson, John Ballendine, Parson Mason Locke Weems, Benita Fitzgerald-Brown, the Chinn Family, Simon Kenton, Jennie Dean, James Robinson, Wilmer McLean, and many more. From pre-colonial times to modern day, Prince William County is a dynamic community continues to be.

REGIONAL PERSPECTIVE

Prince William County is located in Northern Virginia, approximately 30 miles southwest of Washington, D.C. The County encompasses an area of 348 square miles, 18.8% of which is federally owned land.

Prince William’s location in the Metropolitan Washington, D.C. area and the availability of excellent transportation in the region is a catalyst for growth in the County which continues to provide numerous economic advantages. Interstate 95 and U.S. Highway 1 connect the County with Washington, D. C. to the north and Richmond, Virginia to the south. Interstate 66 connects the western portion of the County with Washington, D.C. to the east and Interstate 81 to the west. The Route 234 Bypass



links Interstate 66 in the west with 7,000 acres designated for industrial and commercial growth. Prince William Parkway includes a new interchange on Interstate 95 and prime development locations through the eastern portion of the County.

The County has a number of freight and passenger rail service alternatives available to its citizens and businesses. CSX and Norfolk Southern Railway provide freight service to the County. Amtrak passenger trains provide inter-city service to points up and down the Eastern seaboard from stations in the Town of Quantico and the City of Manassas. The Virginia Railway Express provides passenger service thirty-two times a day to and from the District of Columbia from four stations within the County.

Dulles International Airport, Reagan National Airport, and Manassas Municipal Airport, a regional facility, provide air transportation within easy access of Prince William County.

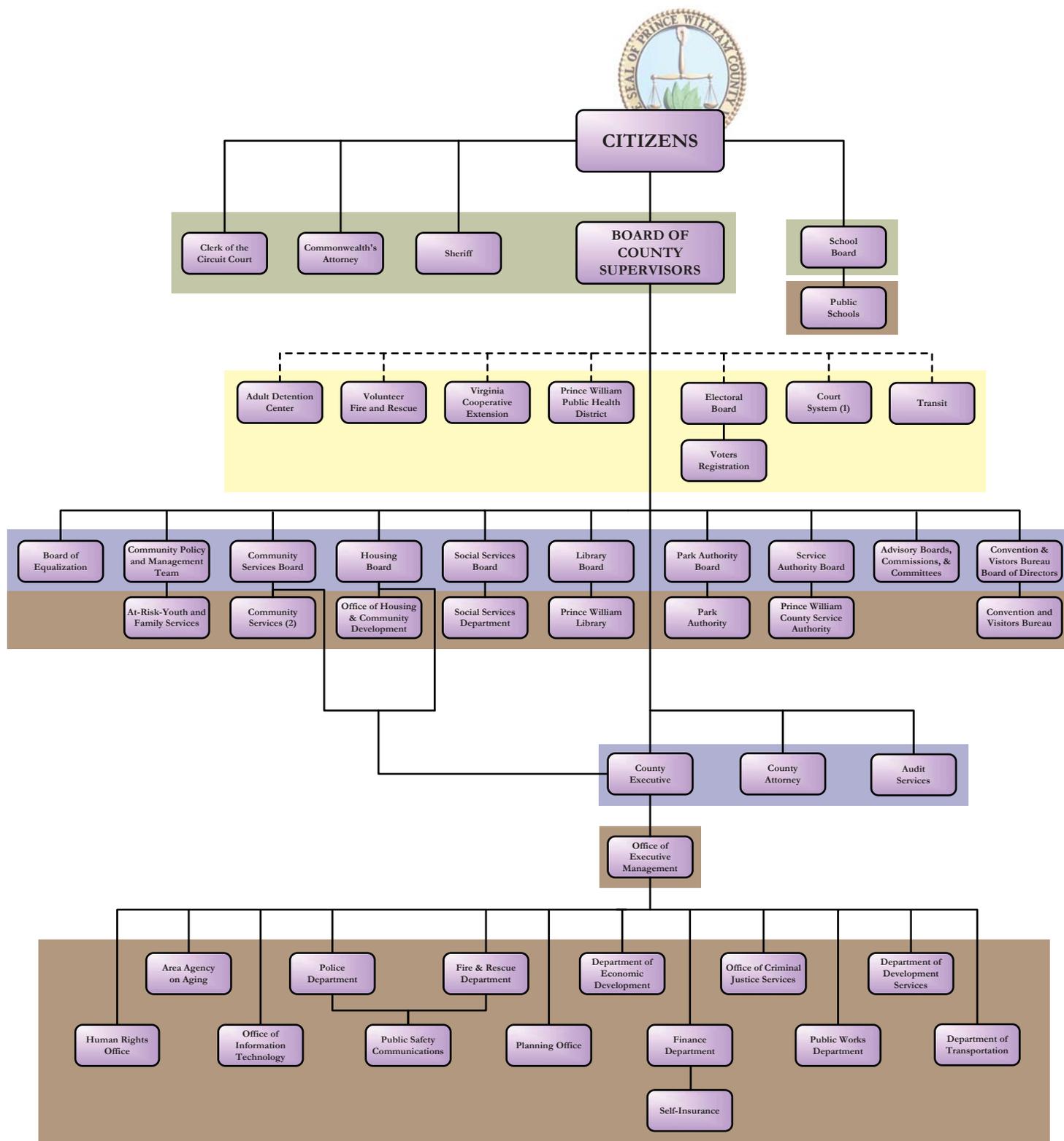
LOCAL GOVERNMENT

For 277 years, Prince William County Government has exercised local governing powers granted by the Virginia General Assembly. Since 1972, Prince William County has had the County Executive form of government. Under this form of government, an eight member Board of County Supervisors has full power to determine the policies covering the financial and business affairs of the County government. The Board appoints a County Executive to act as the County government's chief administrative officer and to execute the Board's policies. The Board also appoints a County Attorney, an Audit Services Director and several separate Boards and Authorities to administer the operations of certain services. The County provides a full range of local government services including police, fire and rescue, court services, education, development administration, library, water and sewer services, park and recreational services, health and social services, public improvements, planning and general administration.

Did you know?

The County Seal commemorates the most important cash crop of the colonial period. It depicts a hand holding scales evenly balanced over a stalk of tobacco.





Notes:

- (1) Circuit Court Judges, General District Court, Juvenile & Domestic Relations Court, Juvenile Court Services, Law Library & Magistrate
- (2) Mental Health, Intellectual Disability & Substance Abuse Services
- (3) Dotted lines are state and local services not directly accountable to the Board of County Supervisors

Legend

- Elected Officials / Constitutional Officers (shaded green box)
- State and Local Services (shaded yellow box)
- Appointed By BOCS, Boards and Commissions (shaded purple box)
- Agencies and Departments (shaded brown box)





Chairman At-Large

Corey A. Stewart

Brentsville District

W.S. "Wally" Covington III

Coles District

Martin E. Nohe

Dumfries District

Maureen S. Caddigan

Gainesville District

John T. Stirrup, Jr.

Neabsco District

John D. Jenkins

Occoquan District

Michael C. May, Vice Chairman

Woodbridge District

Frank J. Principi





2011 FISCAL PLAN

Prince William County, Virginia

June 30, 2010

Mr. Chairman and Members of the Board:

On behalf of Prince William County government staff, I am pleased to deliver the Prince William County FY 2011 Fiscal Plan and the accompanying Five-Year Plan. The Fiscal Plan implements the Board of County Supervisors' policy guidance and works to achieve the community's Vision and Strategic Goals. In legal terms, this document fulfills the statutory requirements and my administrative responsibilities under the County Executive form of government.

The FY 2011 Fiscal Plan and FY 2011-2015 Five-Year Budget Plan are based directly on the Board of County Supervisors' policy guidance and the expectations we hear from the citizens of the County.

FY 2011 Fiscal Plan Budget Summary

Economic Outlook

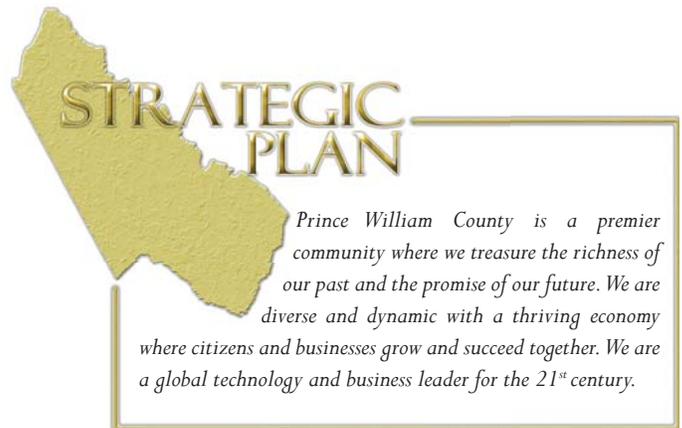
Prince William County's economic outlook is challenging in the short term with modest but cautionary expectations of improvement in the long term. The housing downturn has rippled through the national, regional and local economies. Likewise, continued challenges can be expected in revenues from commercial properties, business licenses and sales taxes. County services, however, will still be needed and expected, and in some cases these needs are at levels equal to or higher than in boom times. Providing these services in an environment of diminished resources is a challenge that will test the County over the next few years.

The County is well-placed for moderate growth in the future. Prince William County, as part of the Washington D.C. Metropolitan area and the Northern Virginia economy in particular, has shown remarkable resilience

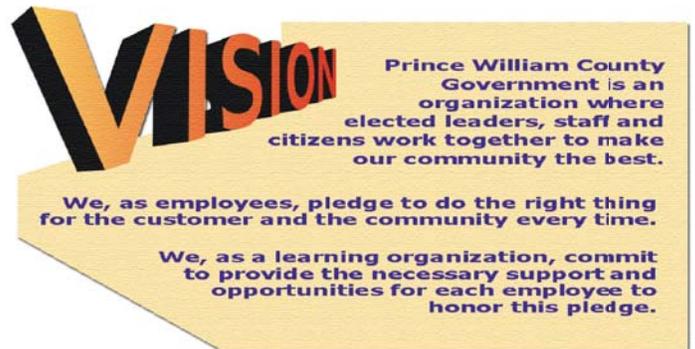
during the ups and downs of the normal business cycle. Federal Government spending and related job production have, in the past, provided a continuous stimulation to the local economy and largely insulated area jurisdictions from even the severest of downturns.

County Vision and Values

Even under these conditions, we continue to honor the Vision set forth by the Board of County Supervisors in its Strategic Plan. It states:



In order to make the Strategic Vision a reality and to assist the community in achieving its future vision, the County government organization has adopted its own guiding Vision and Values:



Each and every County employee is held responsible for how they live the following values: Respect, Integrity, Creativity, Teamwork, Excellence and Responsibility. It is our promise to our customers and our promise to each other.

We measure our

VALUES
on the



Board Budget Guidance

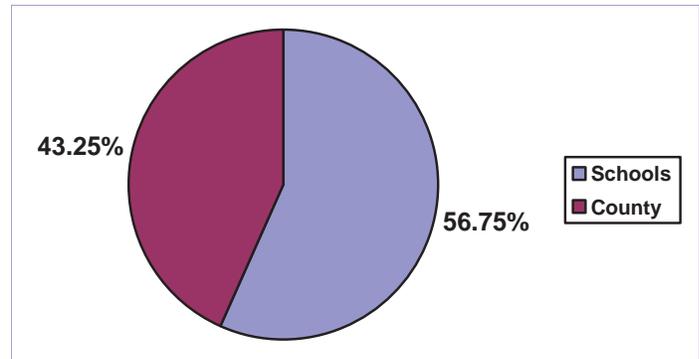
The Board of County Supervisors held their annual financial retreat in October, where they received information regarding the impact of the economic downturn on the projected revenues. In order to solve for an anticipated \$14.6 million shortfall in FY 11, staff presented a risk/stress analysis of County programs. The concept of risk analysis followed the Board's use of this approach in developing parts of the County's current Strategic Plan. Staff applied the risk analysis to all 160 County programs.

The Board provided the following direction and guidance for the development of the FY 2011 budget:

- Ensure the average residential tax bill does not increase more than 2.5% (this followed FY 2010 when tax bills were cut 12.7% on average);
- Support the County/School revenue agreement that directs 56.75% of General Revenue to the Schools and 43.25% to the County;
- Examine and recommend other revenue sources that could be used by the County to provide strategic services and reduce the tax burden on homeowners;
- Recommend any necessary budget shift and/or reductions using the risk/stress analysis presented to the Board at the annual financial retreat in October, 2009; and
- Maintain the County's AAA bond rating.

County/School Revenue Agreement

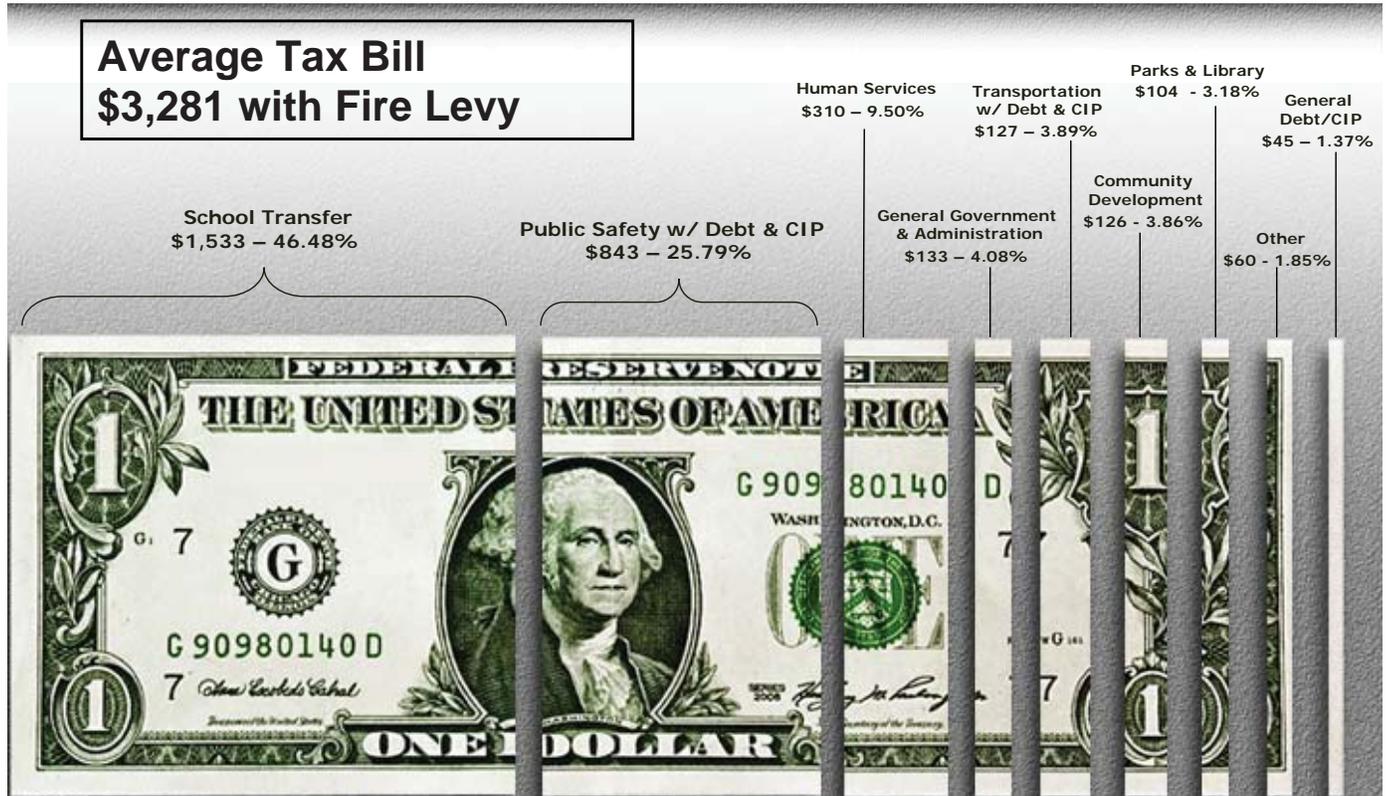
The revenue sharing agreement adopted by the Board of County Supervisors and the School Board establishes the split of General Revenues:



With this adopted budget, the Schools will receive \$405.5 million, \$2.3 million less than they did in FY 2010 under this agreement.

Tax Policy

The Adopted FY 2011 Fiscal Plan is based on an increase in average residential tax bills of 2.5% (\$74), and a decrease in average commercial tax bills of 15.8%. The average residential tax bill under this policy is projected to be \$3,091, 10.1% less than FY 09. With the fire levy added (\$190), the average tax bill increases to \$3,281.



FY 2011 Fiscal Plan

The FY 2011 Fiscal Plan and the FY 2011-2015 Five-Year Plan were developed through a participatory process show visually in the pyramid on the right. This process culminated in a series of public hearings held in March and April 2010 to gain community input. The Board of County Supervisors deliberated over the proposed budget and made the final decisions on the Adopted FY 2011 Fiscal Plan.



General Government/ Administration

The FY 11 budget includes a 1% reduction from the adopted FY 10 budgets of the combined General Government/Administration agencies. Changes include the following:

- **Finance Department** - add staff to strengthen internal controls over the County's payroll and benefits expenditures, and more efficiently use the existing Human Resources Information System (HRIS); increase administrative fees collected on delinquent taxes;
- **Office of Information Technology** - during the past year this department underwent a zero base budget analysis that yielded savings of \$900,000 in seat management costs and application services. Additionally, this analysis freed up \$7 million in reserves that are proposed to fund the five-year Technology Improvement Plan. Operating reductions include technical training savings and a Geographic Information Services (GIS) counter reorganization; and
- **County Attorney** - eliminate vacant Attorney position.

Planning & Development/Parks & Library

The FY 11 budget includes a 1.46% reduction from the adopted FY 10 budgets of the combined Planning & Development/Parks & Library agencies. Changes include the following:

- **Development Services** - adjustment to Land and Building Development fee schedules to align development fees with activity costs;
- **Library** - eliminate 4 positions including support services and Records Center Manager; State aid reduction will reduce materials and books expenditures; and create a fee for reserving library items;
- **Park Authority** - reduce capital maintenance, debt savings on bond refinancing, eliminate 3 FTEs including project management, planning and the Assistant Executive Director position; increase food sale revenue at water park;

- **Planning** - eliminate vacant planner position, reduce cost of Base Realignment and Closure (BRAC) coordinator position; and use interest earned on proffers to partially pay the cost of proffer administration;
- **Public Works** - reduce spot blight activities, eliminate vacant inspector position, and further reduce lease costs; use Transient Occupancy Tax (TOT) to support historic sites during the upcoming sesquicentennial commemoration of the American Civil War; shift funding of Litter Crew out of the General Fund to Solid Waste Fee.

Human Services

The FY 11 budget includes a 2.53% increase over the adopted FY 10 budgets of the combined Human Services agencies. Changes include the following:

- **Social Services** - replace lost Federal revenue of \$1.4 million to continue services in Child Welfare, Adult Services, and Benefits, Employment and Child Care; replace lost State revenue of \$100,000 to continue services at the Juvenile Detention Center, Juvenile Emergency Shelter and Outreach to Detention; transfer School Age Care program to Schools; provide additional funding and adds 11 FTEs in response to a Child Protective Services (CPS) audit and subsequent recommendations;
- **Community Services** - replace lost State revenue of \$100,000 to continue intellectual disability (formerly termed mental retardation) supported living services;
- **Ageing** - reduce food and recreation services for the Adult Day Care program;
- **At-Risk Youth & Family Services** - reduce funding for in-home and residential services; and
- **Virginia Cooperative Extension** - reduce three County-funded State positions from full time to part time.



Public Safety/Judicial Administration

The FY 11 budget includes a 1.63% increase over the adopted FY 10 budgets of the combined Public Safety/Judicial Administration agencies. Changes include the following:

- **Police Department** - replace lost State revenue of \$124,000; absorb State reduction of \$541,000 in HB 599 funding and eliminate 5 civilian FTEs; increase the Criminal Justice Training Academy fee;
- **Fire and Rescue** - add 26 new Fire and Rescue uniformed personnel for 24-hour engine staffing at Gainesville Station #4, 24-hour staffing of the East End Ladder Truck, and volunteer firefighter basic training using Fire Levy funds; reduce contractual instructor services;
- **Adult Detention Center (ADC)** - use fund balance to pay a portion of the debt on the 200 bed expansion;
- **Clerk of the Circuit Court** - eliminate two deputy clerk FTEs; and
- **Juvenile Court Services Unit** - eliminate vacant Juvenile Probation Officer position; reduce juvenile drug court contractual services and other operating costs.

Compensation and Benefits

In addition to reductions in agency base budgets, changes in employee compensation and benefits are included in the FY 11 Fiscal Plan:

- Continue to freeze salaries at the FY 09 levels with no market adjustment or pay for performance with a savings of \$3.8 million;
- Suspend the County's contribution to the 401a Money Purchase Plan, saving \$906,000;
- Continue to fund employer contributions to Virginia Retirement System (VRS), and health care premiums

FY 2011-2016 Six Year Plan Capital

The FY 2011-2016 Capital Improvement Program (CIP) defers roads, parks, and library bond projects not currently underway. In FY 11, it is anticipated that Phase I of the

Adult Detention Center expansion will be completed, along with the Nokesville Park Amphitheater. Roadway improvements already underway include Routes 1 and 28, University Boulevard, Purcell Road and Prince William Parkway. The Schools portion of the CIP includes 15 school additions, 3 replacements/renewals, 11 new schools and 2 bus parking facilities funded through debt, along with cash funded repairs and renewals and technology upgrades.

Operating

The Police staffing plan is suspended from FY 11 through FY 14, with reinstatement of one recruit class in FY 15. The Department of Fire and Rescue staffing plan is reduced to 16 recruits in FY 12-14, and resumes at full strength in FY 15. No other agencies have staffing plans in the Five-Year Plan.

Additionally, the Five-Year Plan incorporates operating reductions to leases, utility and fuel costs, and the technology upgrades for non-public safety agencies.

Conclusion

The General Fund budget totals \$844 million, including the school transfer. This is a decrease of 0.15% from FY 10. The total County General Fund budget, excluding Schools, is \$438.6 million, a 0.26% increase from FY 10. The transfer to the Schools is \$405.5 million, a decrease of 0.58%. We believe that this budget implements the Board's policy, and we are confident that this Five-Year Plan addresses many of the Board's and the community's priorities.

In closing, let me thank the Budget and Analysis office and Agency staff for their tireless efforts to produce this budget in keeping with the Board's and community's priorities and direction. As an organization, we look forward to working with the Board and the community over the coming year and providing whatever support is requested on budgetary matters.

Sincerely,



Melissa A. Peacor
County Executive



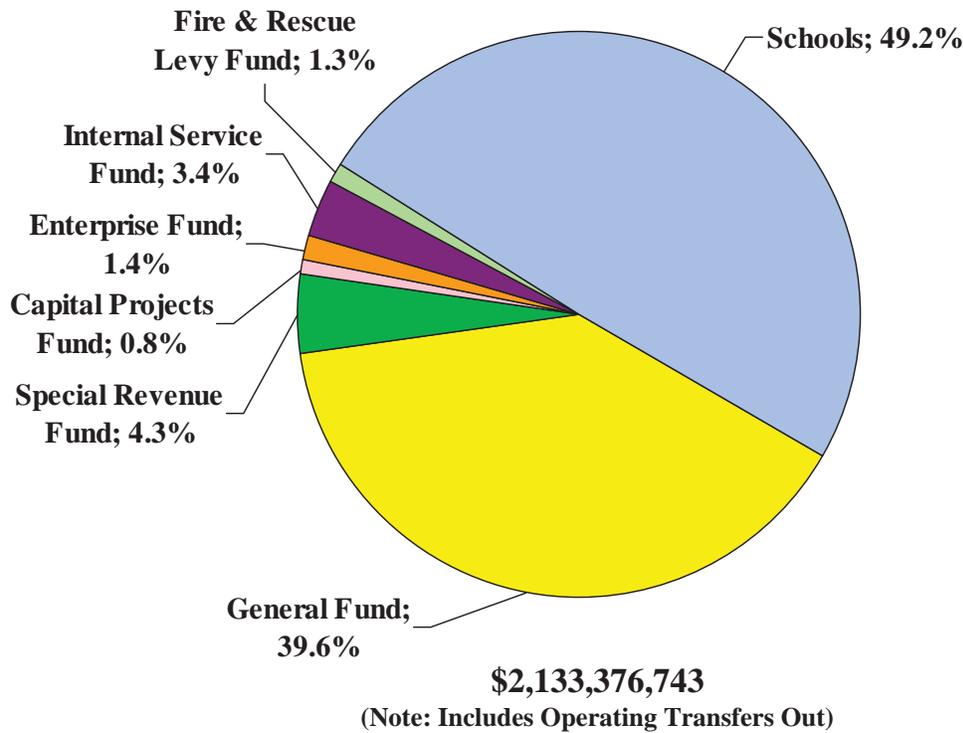
All Funds Expenditure Budget and General Fund Expenditures

The total FY 11 Adopted All Funds budget is \$2.133 billion as shown below. This is a decrease of 3.22% from the FY 10 Adopted Total.

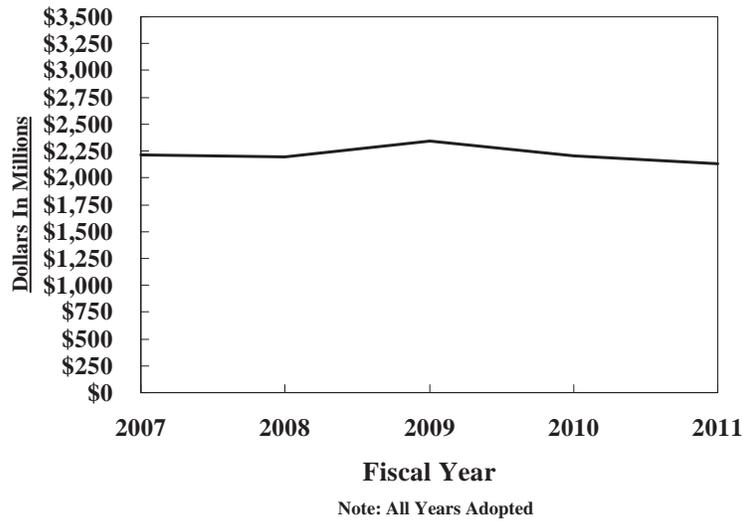
All Funds Expenditure Summary

Funding Area	FY 07 Adopted Budget	FY 08 Adopted Budget	FY 09 Adopted Budget	FY 10 Adopted Budget	FY 11 Adopted Budget	% Change 10 To 11 Adopted
General Fund	\$857,264,992	\$860,611,261	\$893,923,943	\$845,270,906	\$844,032,399	-0.15%
Special Revenue Fund	\$70,579,876	\$74,289,799	\$94,073,890	\$91,442,271	\$92,333,014	0.97%
Capital Projects Fund	\$68,411,017	\$54,428,450	\$70,127,588	\$25,051,302	\$17,325,526	-30.84%
Enterprise Fund	\$14,412,172	\$17,151,728	\$17,839,070	\$16,569,928	\$29,527,597	78.20%
Internal Service Fund	\$56,016,321	\$60,774,314	\$61,522,950	\$66,827,351	\$71,852,714	7.52%
Fire & Rescue Levy Fund	\$28,493,503	\$26,948,237	\$28,407,455	\$23,344,302	\$26,594,565	13.92%
Schools	\$1,118,696,340	\$1,104,415,824	\$1,174,770,049	\$1,135,794,538	\$1,051,710,928	-7.40%
Total All Funds	\$2,213,874,221	\$2,198,619,613	\$2,340,664,945	\$2,204,300,598	\$2,133,376,743	-3.22%

FY 11 Total County Budget By Fund Areas



All Funds Expenditure Budget History

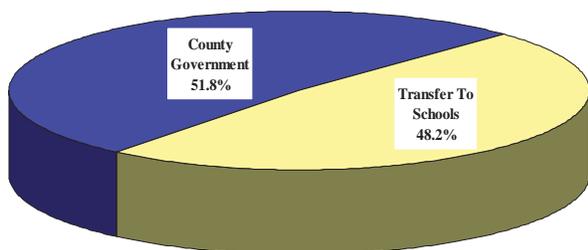


General Fund Expenditures

Funding Area	FY 10 Adopted	FY 11 Adopted	Dollar Change	Percent Change
County Government	\$437,437,201	\$438,556,770	\$1,119,569	0.26%
Transfer To Schools	\$407,833,705	\$405,475,629	(\$2,358,076)	-0.58%
Total General Fund	\$845,270,906	\$844,032,399	(\$1,238,507)	-0.15%

The two major components of General Fund expenditures are the Prince William County Government and the local share of the Prince William County Schools System’s budget. Shown below are the expenditure levels adopted for FY 10 and adopted for FY 11 for those two areas.

Fiscal Year 2010 Adopted General Fund Budget



Fiscal Year 2011 Adopted General Fund Budget

