

2nd Quarter Revenue and Expenditures



REPORT

FY 2019



2nd Quarter FY 2019

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 2019 Adopted Budget estimates general revenues at \$1.01 billion.

As of the second quarter, general revenues are expected to produce a surplus of \$8.3 million from the adopted FY 2019 budget by June 30, 2019, as follows:

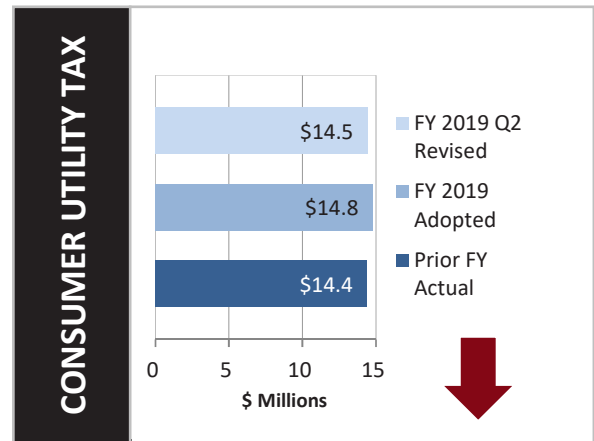
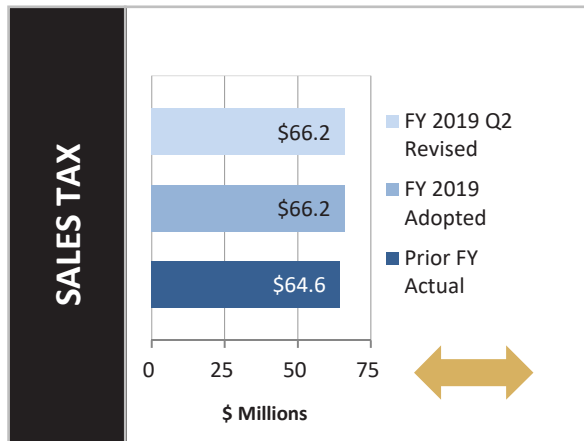
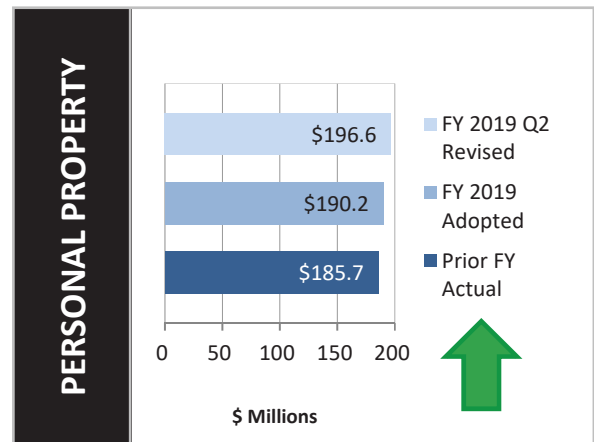
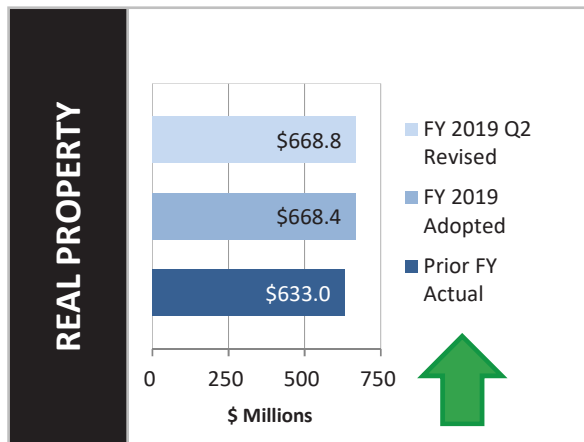
Category of General Revenues	Prior Year FY 2018 Year-End	FY 2019			\$ change from Adopted	% change from Adopted
		Adopted	Q1 Revised	Q2 Revised		
Real Property Taxes	\$633,041,083	\$668,363,816	\$668,363,816	\$668,776,703	\$412,887	0.06%
Personal Property Taxes	185,701,811	190,150,000	195,150,000	196,570,000	6,420,000	3.38%
Sales Tax	64,565,705	66,190,000	66,190,000	66,190,000	0	0.00%
Consumer Utility Tax	14,417,046	14,810,000	14,810,000	14,450,000	(360,000)	-2.43%
Communications Tax	16,509,503	16,700,000	16,700,000	16,000,000	(700,000)	-4.19%
BPOL Tax	26,553,957	26,200,000	26,200,000	26,200,000	0	0.00%
Investment Income	9,424,113	10,710,000	10,710,000	12,240,000	1,530,000	14.29%
All Other	21,536,989	20,413,000	20,413,000	21,437,000	1,024,000	5.02%
Total General Revenues	\$971,750,207	\$1,013,536,816	\$1,018,536,816	\$1,021,863,703	\$8,326,887	0.82%

Revenues At-A-Glance

Variances from the FY 2019 Adopted Budget are as follows:

Real Property Tax is expected to produce a revenue surplus of \$412 thousand due to an increase in gross billings (supplemental billings and rollbacks).

Personal Property Tax revenue is expected to generate a \$6.4 million surplus. Of this surplus, approximately \$3.7 million is attributable to increases in new taxable business tangible property, mainly from data centers and \$2.2 million is due to an increase in vehicle billings. The installation of the new Tax Administration System along with an improved collection rate and higher billings continues to make a positive impact in revenue collections.

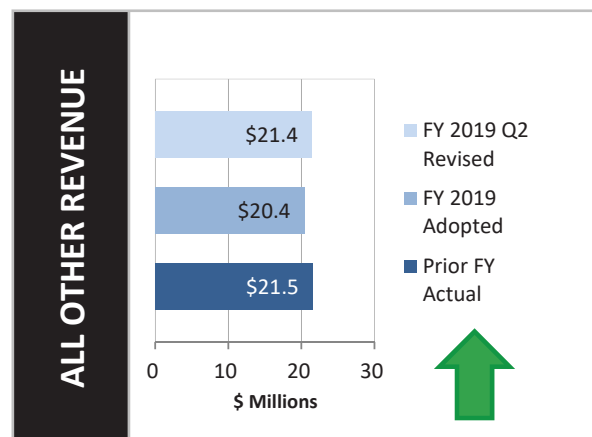
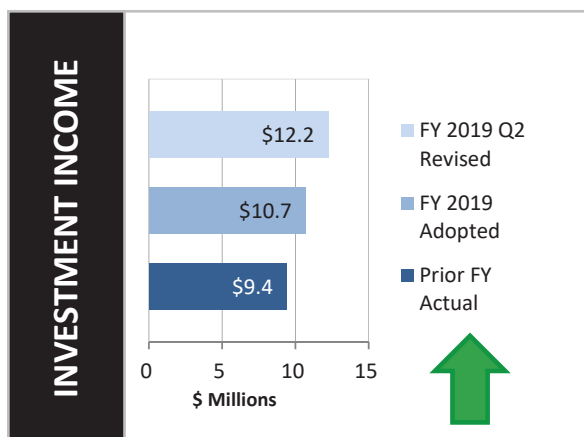
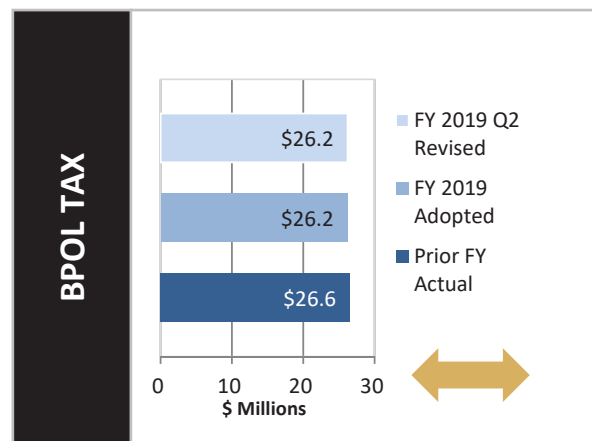
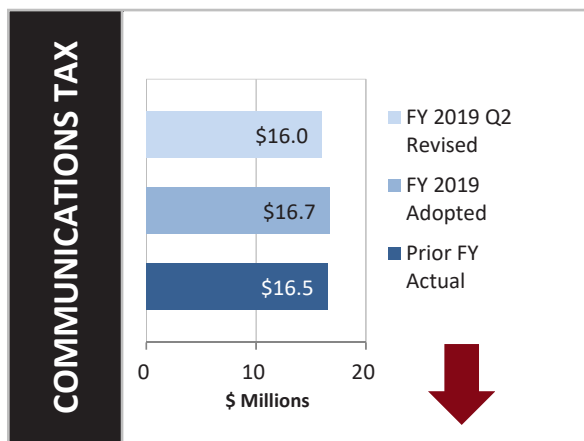


Consumer Utility Tax has been relatively flat over the last two fiscal years. A reduction of \$360 thousand is forecasted in this revenue source. Capped taxes along with limited growth in housing units has contributed to this small revenue reduction.

Communications Sales Tax revenue continues to decline as the number of American homes with only wireless telephones continues to grow. Additionally, the Commonwealth's 2018-2020 biennium budget provides an annual deposit to the general fund of \$2,000,000 each year, further reducing the revenue that is allocated to localities. This revenue source is expected to experience a revenue shortfall of \$700 thousand.

Investment Income is projected to produce a surplus of \$1.5 million in FY 2019. In December, the Federal Open Market Committee (FOMC) increased the target Federal Funds rate to a range of 2.25% to 2.50%, the ninth hike since 2015. Increased rates along with growth in the total value of the portfolio have contributed to this revenue increase.










All Other Revenue is comprised of fifteen revenue sources estimated to be less than \$5 million each. A net surplus of \$1 million is projected for FY 2019 led by increases in the Bank Franchise Tax of \$300 thousand, Rental Car Tax of \$237 thousand, Motor Vehicle License of \$250 thousand and Transient Occupancy Tax of \$214 thousand.



Looking Ahead

Economy At-A-Glance

The charts that follow identify some of the key indicators for the national, regional and local economies and show trends year-over-year (Y-O-Y). A “green” symbol stands for a positive trend, a “yellow” symbol signals a cautionary or neutral trend and a “red” symbol represents a negative trend.

Indicator			Explanation	Trend (Y-O-Y)
CPI (Inflation) (unadjusted year/year)	1.9% <i>(Dec 2018)</i>	2.1% <i>(Dec 2017)</i>	Reflects changes in the purchasing power per unit of money	
GDP (Gross Domestic Product)	2.6% – 2.9%* <i>(Q4 2018)</i>	2.6% <i>(Q4 2017)</i>	Indicator of the overall health of the U.S. economy	
Stock Market:				
S&P 500	2,506.85 <i>(12/31/18)</i>	2,673.61 <i>(12/31/17)</i>	Indicator of the overall health of the U.S. stock market	
Dow Jones	23,327.46 <i>(12/31/18)</i>	24,719.22 <i>(12/31/17)</i>	Indicator of the overall health of the U.S. stock market	
Federal Funds Rate	2.40% <i>(12/31/18)</i>	1.33% <i>(12/31/17)</i>	Indicator of return on investments	
Unemployment Rate[◇]:				
National (seasonally adjusted)	3.9% <i>(Dec 2018)</i>	4.1% <i>(Dec 2017)</i>	Indicator of overall health of U.S. job market	
State (seasonally adjusted)	2.8% <i>(Dec 2018)</i>	3.6% <i>(Dec 2017)</i>	Indicator of overall health of VA job market	
Region (not seasonally adjusted)	2.9% <i>(Dec 2018)</i>	3.4% <i>(Dec 2017)</i>	Indicator of overall health of NoVA job market	
Prince William County (not seasonally adjusted)	2.4% <i>(Dec 2018)</i>	3.0% <i>(Dec 2017)</i>	Indicator of overall health PWC of job market	

[◇] Bureau of Labor Statistics - U3

* Bureau of Economic Analysis reports delayed by the recent lapse in federal funding. Forecast reflects moderate growth between 2.6% and 2.9% in Q4 2018.

Indicator			Explanation	Trend (Y-O-Y)
National Retail Sales	n/a* <i>(M/M Dec 2018)</i>	+0.35% <i>(M/M Dec 2017)</i>	Indicator of relative health of U.S. economy	
# Employment Establishments:				
State	267,892 (+2.1%)	262,391	Indicator of overall health of VA	
Region	90,116 (+0.5%) <i>(Q2 2018)</i>	89,656 <i>(Q2 2017)</i>	Indicator of overall health of NoVA economy, businesses & job market	
Prince William County	9,119 (+0.5%) <i>(Q2 2018)</i>	9,070 <i>(Q2 2017)</i>	Indicator of overall health of PWC economy, businesses & job market	
Sales Tax Growth:				
State	+4.8% <i>(FYTD Dec 2018)</i>	+3.8% <i>(FYTD Dec 2017)</i>	Indicator of relative health of VA	
Prince William County	+4.4% <i>(FYTD Dec 2018)</i>	+2.0% <i>(FYTD Dec 2017)</i>	Indicator of relative health of PWC economy	
State Revenue Collections	+1.5% <i>(FYTD Dec 2018)</i>	+5.9% <i>(FYTD Dec 2017)</i>	Indicator of relative health of VA economy	
National Automobile Sales	17.19M <i>(Jan-Dec 2018)</i>	17.14M <i>(Jan-Dec 2017)</i>	Indicator of consumer purchasing power	
Commercial Vacancy Rates:				
Prince William County	5.7% <i>(Q4 2018)</i>	5.8% <i>(Q4 2017)</i>	Indicator of overall health of PWC businesses and commercial market	

*U.S. Census Bureau reports delayed by the recent lapse in federal funding.

National, State, and Local Trends

National A combination of a tumultuous policy environment in Washington and concerns about deepening U.S.-China trade war seemed to weigh on markets throughout the fourth quarter of 2018. Despite strong job growth, the U.S. economic conditions moderated, market volatility returned, and international markets outperformed U.S. markets for the first time all year. The Fed raised interest rates for the fourth time in 2018, but more disappointing to investors seemed to be only a modest softening in policymakers' outlook for 2019, with a majority of Fed officials still expecting two more quarter-point rate increases in the new year. As noted in T Rowe Price's Monthly Market Review, investors also focused on a phenomenon that has previously signaled an oncoming recession — in early December, the Treasury yield curve partially inverted, with the yield on the two-year Treasury note higher than that on the five-year note. In the equity markets, all major indexes, Dow Jones Industrial, NASDAQ and S&P 500, suffered their worst quarterly declines in roughly a decade.

The Consumer Price Index (CPI), a measurement of the change in prices paid by consumers for goods and services, rose by 1.9 percent for the 12 months ending in December 2018. Despite the solid growth, this was the first time the 12-month change has been under 2.0 percent since August 2017. The sharp decline in the gasoline index, which fell 7.5 percent in December, offset the increases in several indexes including shelter, food, and other energy components in the fourth quarter. The CPI levels are forecasted to moderate in the new year.

Gross Domestic Product (GDP), the broadest measure of economic activity, is estimated to increase at an annual rate of 2.6-2.9 percent in the fourth quarter (2018). On January 28, the U.S. Commerce Department's Bureau of Economic Analysis (BEA) announced it was delaying the GDP release due to the partial government shutdown and lapse in federal funding. Additional information was released on February 6, indicating that it would publish its advance fourth-quarter gross domestic product report on February 28. The report will include some of the data that would normally go into the second GDP estimate, the BEA said. "This will include source data that would have gone into producing BEA's advance estimate of fourth quarter and annual GDP for 2018, and some – but not all – of the source data that typically feed the second estimate," the agency said.

The unemployment rate rose to 3.9 percent at the end of December 2018, after reaching a 49-year low of 3.7 percent in September 2018. The U.S. enjoyed continued job growth with the latest jobs report beating expectations, adding 312,000 nonfarm payroll jobs, the most since February and well above the consensus expectation of 180,000.

For the first time in 9 years, the S&P 500 posted a negative return for the year. A sharp -13.5% fourth quarter drop reversed the steady gains of the two previous quarters putting the index's performance at -4.4% for 2018. During the fourth quarter, international equities outperformed U.S. equities for the first time all year and emerging markets outperformed both U.S. equities and international developed markets. Fears of a slowing global economy, escalating trade tensions, and tightening central banks sent all markets sharply lower.

U.S. retail sales rose 0.2 percent in November 2018, led by online stores such as Amazon and Best Buy, the Commerce Department said. The report for December 2018, scheduled for release on January 16, has been delayed due to the government shutdown. The November growth was dampened by a 2.3 percent decrease in gasoline sales; it was further attributed to the decline in oil prices which drive 71 percent of the gas prices. The latest oil price forecast is for a significant reduction in high oil prices. The U.S. Light Vehicle Sales (cars) increased 5.9 percent between December 2017 and December 2018.

State The Commonwealth's Office of the Governor reported that total general fund revenues in December fell 5.7 percent from the previous year, mainly due to a significant drop in individual estimated payments received ahead of the January 15 due date. On a fiscal year-to-date basis, total revenue collections rose 1.5 percent through December, trailing the revised annual forecast of 5.9 percent growth. Although collections are lagging the annual estimate, growth is expected to be higher in the second half of the fiscal year due to effects of the federal Tax Cuts and Jobs Act. Because the timing of payments at this time of year can distort growth in several sources, December and January collections should be viewed together to accurately assess growth.

On a year-to-date basis, sales tax collections have risen 4.8 percent, ahead of the annual estimate of 3.7 percent growth. Corporate income tax collections for the first half of the fiscal year have risen 1.2 percent from the same period last year, but are behind the annual estimate of a 5.6 percent increase. On a fiscal year-to-date basis, total revenue collections rose 1.5 percent through December, behind the revised annual forecast of 5.9 percent growth.

Another positive sign of the Commonwealth's economic growth is the continued decrease in Virginia's unemployment rate (down to 2.8 percent in December 2018) as the workforce continues to expand.

Local The Prince William County economy remains healthy with low mortgage rates and affordable housing relative to neighboring counties. The residential real estate market is stable in terms of average sold price, but the number of units sold year-to-date 2018 has decreased by 6 percent compared to year-to-date 2017.

The County's job market continues to improve with unemployment rate remaining low at 2.4 percent, at the end of December 2018, well below the national and state rates. Additionally, the number of employment establishments continues to increase, albeit at a slower pace than at the national level but still at the same pace as the rest of the region.

Prince William County Real Estate Market At-A-Glance

The chart below presents some of the key indicators for the local real estate market and shows trends year-over-year (Y-O-Y).

Residential Sales Activity According to the Metropolitan Regional Information Systems (MRIS) sales data for December 2018, the average residential sales price of \$379,768 is a 1.2 percent decrease over December 2017 as slight price stabilization occurred. The number of sales for the same period totaled 418 units, a decrease of 22.6 percent when compared to 2017 (540). This is also lower than the 5-year average in December of 508 units. The County's residential market remains a soft seller's market, mixed with tight inventories and an increase in active listings (2.3 percent). On average, units are 63 days on the market, only one day less than the same period last year.

Commercial Sector For the quarter ending December 2018, according to Costar Realty Group (Costar), the County's commercial inventory included 47.1 million occupied square feet (sq. ft.) of space in 2,075 buildings, with 2.65 million sq. ft. of vacant space. The County's commercial sector has progressively improved in all aspects and positive trends are anticipated going forward. The current rent per sq. ft. remains higher than the five-year average and the current vacancy rate of 5.7 percent is also below the vacancy rate of 5.8 percent at the same period last year.

Indicator			Explanation	Trend (Y-O-Y)
Average Sales Price (MRIS)	\$379,768 (-1.2%) (CYTD Dec 2018)	\$384,540 (CYTD Dec 2017)	Indicator of relative health of housing market	
# of Homes Sold	7,220 (-6.0%) (CYTD Dec 2018)	7,679 (CYTD Dec 2017)	Indicator of relative health of housing market	
Average # of Days on Market	63 (+1.6%) (Dec 2018)	62 (Dec 2017)	Indicator of relative health of housing market	
# of Occupancy Permits Issued	1,344 (0%) (2018)	1,343 (2017)	Indicator of relative health of housing market	
# of Building Permits Issued	1,216 (-18.6%) (2018)	1,494 (2017)	Indicator of relative health of housing market	
Ratio of Homes on the Market to Homes Sold	1.9 (+26.7%) (Dec 2018)	1.5 (Dec 2017)	Indicator of relative health of housing market	



2nd Quarter FY 2019

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 2019 general fund budget of \$1.18 billion.

- \$578.9 million School transfer adopted, in accordance with the County-Schools revenue sharing agreement.
- \$600.1 million County government general fund budget adopted, 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.

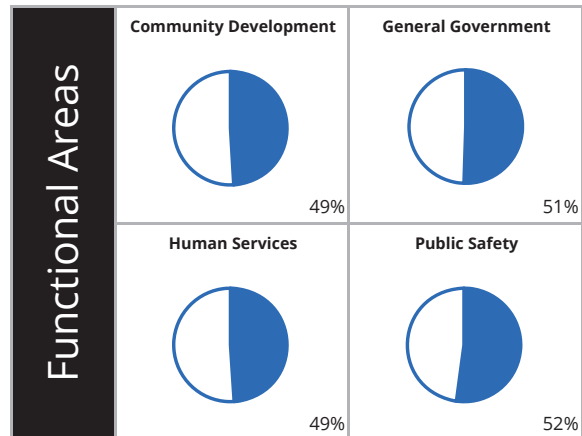
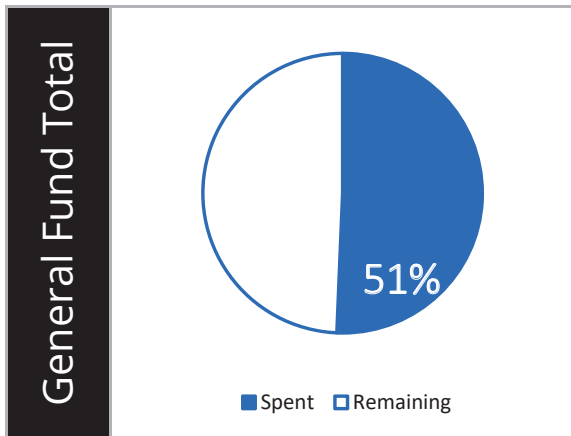
County agencies may have revenue sources other than the general fund that support the general fund expenditure budget. These include charges for services, federal and state revenue, court fines, and fees.

Second Quarter Summary

1. *Revised FY 2019 Budget* - As of December 31, 2018, the revised County unrestricted general fund budget, excluding transfers, was \$546.6 million.
2. *Second Quarter General Fund Expenditures and Projections* - As of December 31, 2018, 53.8% of the expenditure budget was spent. Excluding Non-Departmental and Debt Service, which are not indicators of direct County agency operations, agencies spent 50.7% 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.

Percent of Budget Spent (Including Non-Departmental and Debt Service)	Percent of Budget Spent (Excluding Non-Departmental and Debt Service)
53.8%	50.7%

3. *Information Technology Charges* - Information technology costs for the entire fiscal year were billed in the first quarter. Therefore, Internal Services expenditures will be higher than normally anticipated.
4. *Retiree Health Benefit* - Retiree health benefit costs of \$1.8 million were charged for the entire fiscal year in the first quarter.
5. *Other Notable Agency Variances* - Other notable variances are reported based on the Spent % column on the following pages. Encumbrances are not included in the report.



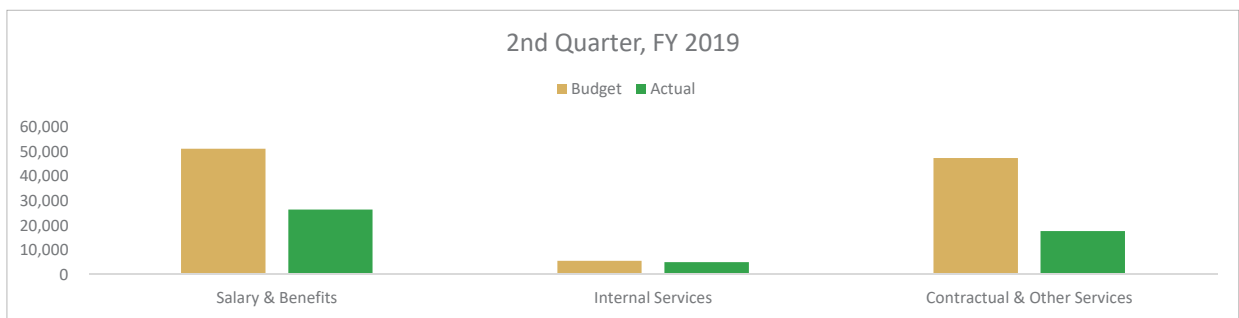
Community Development Functional Area

(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	51,217.86	26,482.39	
	Internal Services	5,545.67	5,030.29	
	Contractual & Other Services	47,359.35	17,695.79	
	Reserves & Contingencies	(5,818.25)	(962.25)	
	98,304.64	48,246.22	49.08%	



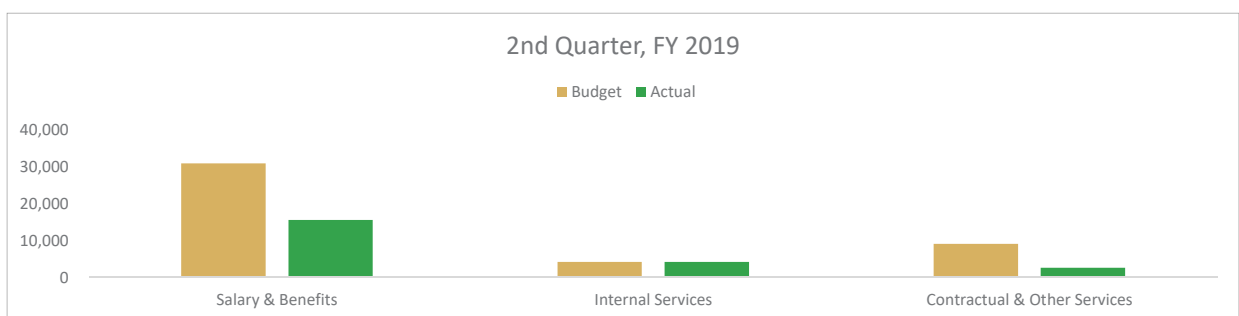
General Government Functional Area

(Dollar amounts expressed in thousands)

Departments & Agencies

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

Functional Area	Spending Category	Budget	Actual	Spent %
General Government	Salary & Benefits	30,959.62	15,571.80	
	Internal Services	4,229.13	4,202.22	
	Contractual & Other Services	9,093.10	2,582.73	
	Reserves & Contingencies	(1,055.36)	(520.49)	
	43,226.49	21,836.26	50.52%	




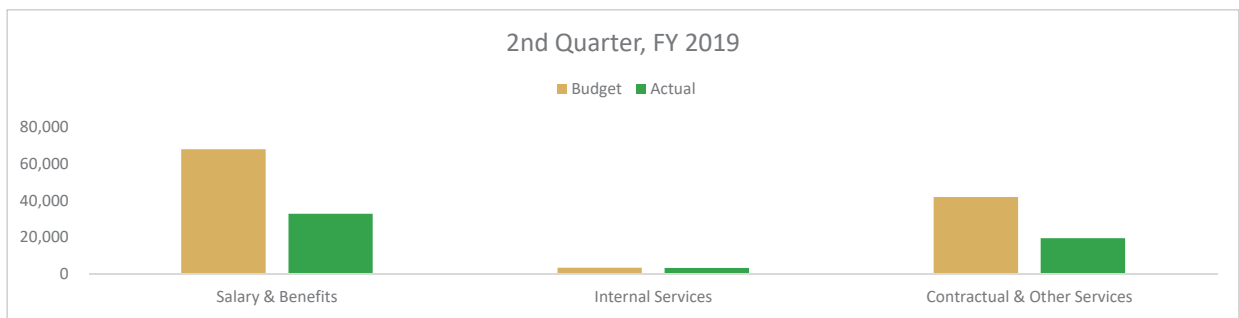
Human Services Functional Area

(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	67,719.96	32,667.24	
	Internal Services	3,486.83	3,226.55	
	Contractual & Other Services	41,810.42	19,426.98	
	Reserves & Contingencies	0.00	0.00	
	113,017.20	55,320.77	48.95%	




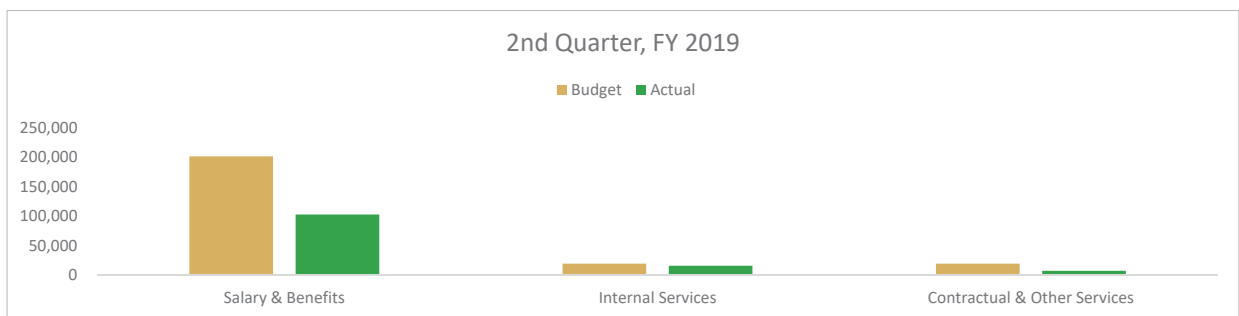
Public Safety Functional Area

(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

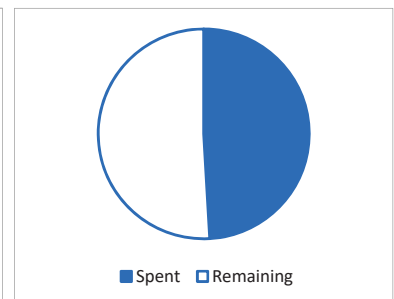
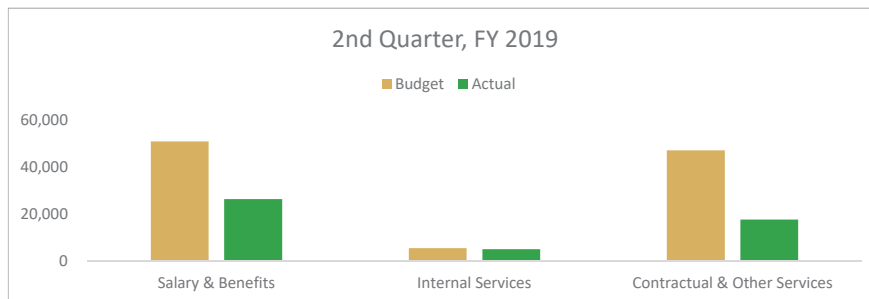
Functional Area	Spending Category	Budget	Actual	Spent %
Public Safety	Salary & Benefits	201,211.35	102,292.86	
	Internal Services	19,063.87	15,385.39	
	Contractual & Other Services	19,220.16	6,911.49	
	Reserves & Contingencies	(545.88)	0.00	
	238,949.51	124,589.73	52.14%	



Community Development Functional Area

(Dollar amounts expressed in thousands)

Department	Spending Category	Budget	Actual	Spent %
Economic Development	Salary & Benefits	1,681.47	843.86	
	Internal Services	53.89	51.11	
	Contractual & Other Services	1,422.25	452.81	
	Reserves & Contingencies	0.00	0.00	
	3,157.61	1,347.78	42.68%	
Library	Salary & Benefits	13,643.22	6,433.09	
	Internal Services	1,074.17	1,059.55	
	Contractual & Other Services	3,041.30	970.25	
	Reserves & Contingencies	0.00	0.00	
	17,758.69	8,462.89	47.65%	
Parks, Recreation & Tourism	Salary & Benefits	18,744.27	10,092.49	
	Internal Services	1,028.75	1,024.56	
	Contractual & Other Services	11,899.64	4,672.26	
	Reserves & Contingencies	(154.00)	0.00	
	31,518.66	15,789.31	50.10%	
Planning	Salary & Benefits	1,103.52	567.04	
	Internal Services	2,051.69	2,046.04	
	Contractual & Other Services	915.93	66.01	
	Reserves & Contingencies	0.00	0.00	
	4,071.14	2,679.10	65.81%	
Public Works	Salary & Benefits	12,851.23	6,721.61	
	Internal Services	1,194.52	736.79	
	Contractual & Other Services	27,378.31	10,499.47	
	Reserves & Contingencies	(2,823.51)	(962.25)	
	38,600.55	16,995.62	44.03%	
Transportation	Salary & Benefits	3,194.15	1,824.30	
	Internal Services	142.66	112.23	
	Contractual & Other Services	2,701.92	1,035.00	
	Reserves & Contingencies	(2,840.74)	0.00	
	3,197.99	2,971.53	92.92%	











Notable Variances

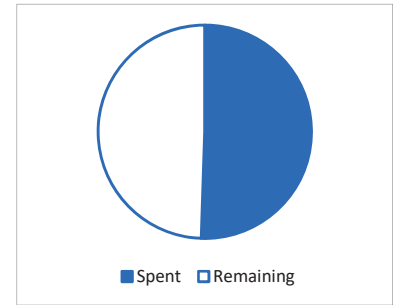
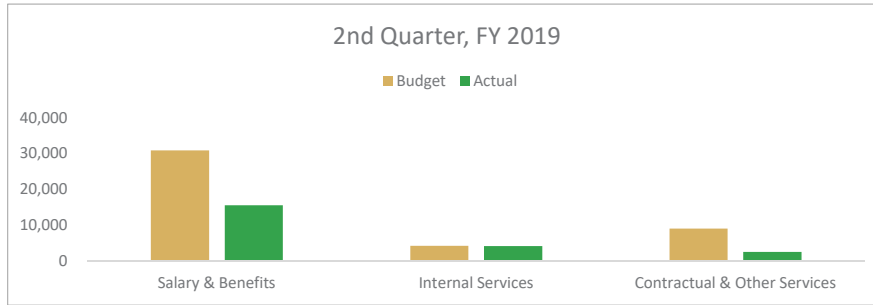
- Parks, Recreation & Tourism** - Salary & Benefits expenditures are elevated due to seasonal employees during the summer months (1st quarter).
- Planning** - The department has a disproportionate amount of its budget in the Internal Services series due to being the countywide host for the Geographic Information System (GIS).
- Transportation** - Most personnel costs are cost-recovered from capital projects. Adjusting for time lag, Transportation expenses are on target.

General Government Functional Area

(Dollar amounts expressed in thousands)

Department	Spending Category	Budget	Actual	Spent %
Board of County Supervisors	Salary & Benefits	2,810.07	1,368.97	
	Internal Services	127.70	127.73	
	Contractual & Other Services	2,391.37	744.54	
	Reserves & Contingencies	0.00	0.00	
	5,329.14	2,241.25	42.06%	
County Attorney	Salary & Benefits	3,730.30	1,888.50	
	Internal Services	88.28	87.83	
	Contractual & Other Services	194.20	71.51	
	Reserves & Contingencies	(88.70)	(51.54)	
	3,924.09	1,996.30	50.87%	
Elections	Salary & Benefits	1,084.18	687.43	
	Internal Services	80.60	80.71	
	Contractual & Other Services	692.50	316.38	
	Reserves & Contingencies	0.00	0.00	
	1,857.28	1,084.52	58.39%	
Executive Management	Salary & Benefits	3,674.04	1,898.97	
	Internal Services	121.94	112.84	
	Contractual & Other Services	545.14	187.78	
	Reserves & Contingencies	0.00	0.00	
	4,341.13	2,199.59	50.67%	
Finance	Salary & Benefits	14,610.25	7,094.58	
	Internal Services	3,180.35	3,163.07	
	Contractual & Other Services	4,695.85	1,061.49	
	Reserves & Contingencies	(541.17)	(225.89)	
	21,945.28	11,093.26	50.55%	
Human Resources	Salary & Benefits	2,898.45	1,573.62	
	Internal Services	568.68	568.68	
	Contractual & Other Services	412.30	174.12	
	Reserves & Contingencies	(425.49)	(243.07)	
	3,453.94	2,073.35	60.03%	
Human Rights	Salary & Benefits	700.29	315.09	
	Internal Services	20.82	20.82	
	Contractual & Other Services	56.25	13.02	
	Reserves & Contingencies	0.00	0.00	
	777.36	348.94	44.89%	
Management & Budget	Salary & Benefits	1,452.03	744.63	
	Internal Services	40.76	40.54	
	Contractual & Other Services	105.48	13.88	
	Reserves & Contingencies	0.00	0.00	
	1,598.27	799.06	50.00%	

General Government Functional Area *(Continued)*



Notable Variances

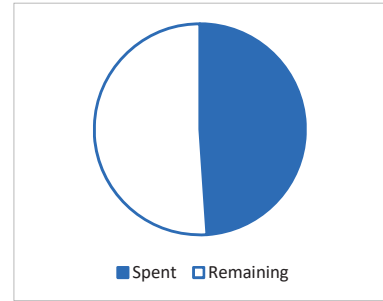
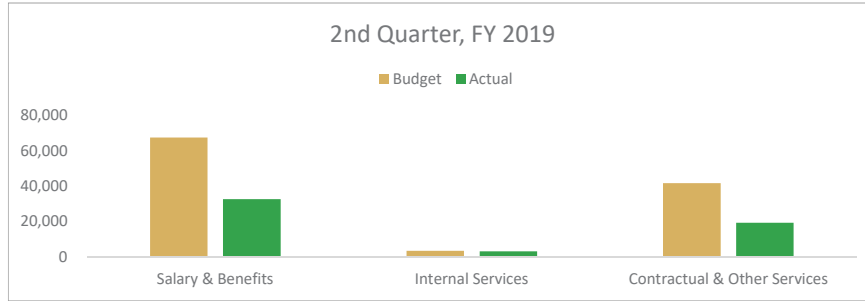
- Elections** - The general election held in November 2018 resulted in additional expenditures for election officers, temporary employees, and overtime.
- Human Resources** - The department has a disproportionate amount of its budget in the Internal Services series due to being the host for the County's human resources information systems. Transfer of funding for Human Resources position shifted from Finance still needs to occur resulting in artificially low budget for salaries and benefits.

Human Services Functional Area

(Dollar amounts expressed in thousands)

Department	Spending Category	Budget	Actual	Spent %
Aging	Salary & Benefits	2,433.48	1,128.78	
	Internal Services	155.78	130.89	
	Contractual & Other Services	4,044.97	2,603.04	
	Reserves & Contingencies	0.00	0.00	
	6,634.22	3,862.71	58.22%	
Community Services	Salary & Benefits	33,869.54	16,405.74	
	Internal Services	1,873.18	1,787.70	
	Contractual & Other Services	12,498.63	4,149.81	
	Reserves & Contingencies	0.00	0.00	
	48,241.35	22,343.25	46.32%	
Cooperative Extension Service	Salary & Benefits	956.06	299.72	
	Internal Services	80.83	81.00	
	Contractual & Other Services	73.33	24.14	
	Reserves & Contingencies	0.00	0.00	
	1,110.23	404.86	36.47%	
Public Health	Salary & Benefits	276.30	69.55	
	Internal Services	33.44	27.81	
	Contractual & Other Services	3,092.73	2,330.46	
	Reserves & Contingencies	0.00	0.00	
	3,402.47	2,427.83	71.35%	
Social Services	Salary & Benefits	30,184.57	14,763.45	
	Internal Services	1,343.61	1,199.14	
	Contractual & Other Services	22,100.76	10,319.53	
	Reserves & Contingencies	0.00	0.00	
	53,628.94	26,282.13	49.01%	

Human Services Functional Area *(Continued)*



Notable Variances







- Aging** - Spending is higher due to full fiscal year funding of \$1.7 million for Birmingham Green paid during the 1st quarter.
- Public Health** - Expenditures include 1st, 2nd, and 3rd quarterly distributions to the State.

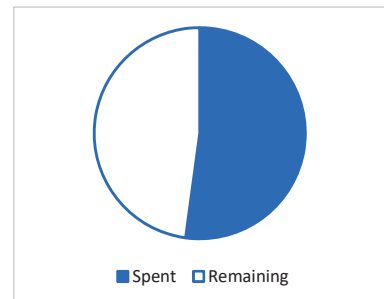
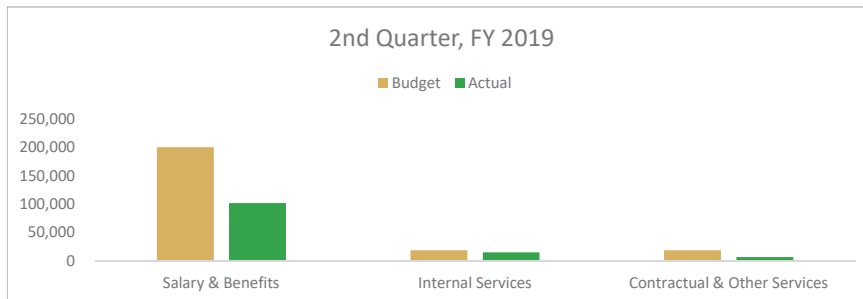
Public Safety Functional Area

(Dollar amounts expressed in thousands)

Department	Spending Category	Budget	Actual	Spent %
Circuit Court Judges	Salary & Benefits	745.24	409.48	
	Internal Services	27.38	27.38	
	Contractual & Other Services	39.23	25.55	
	Reserves & Contingencies	0.00	0.00	
	811.85	462.41	56.96%	
Clerk of the Court	Salary & Benefits	3,472.56	1,766.60	
	Internal Services	150.46	150.46	
	Contractual & Other Services	487.20	176.94	
	Reserves & Contingencies	0.00	0.00	
	4,110.21	2,093.99	50.95%	
Commonwealth's Attorney	Salary & Benefits	5,545.31	2,631.96	
	Internal Services	141.99	137.44	
	Contractual & Other Services	188.87	53.36	
	Reserves & Contingencies	0.00	0.00	
	5,876.17	2,822.76	48.04%	
Criminal Justice Services	Salary & Benefits	3,741.79	1,851.55	
	Internal Services	170.50	159.41	
	Contractual & Other Services	539.12	178.08	
	Reserves & Contingencies	0.00	0.00	
	4,451.41	2,189.04	49.18%	
Fire & Rescue	Salary & Benefits	80,145.62	40,898.67	
	Internal Services	6,493.95	5,724.24	
	Contractual & Other Services	6,827.93	1,726.42	
	Reserves & Contingencies	(545.88)	0.00	
	92,921.62	48,349.32	52.03%	
General District Court	Salary & Benefits	67.83	31.04	
	Internal Services	27.59	27.59	
	Contractual & Other Services	204.09	64.17	
	Reserves & Contingencies	0.00	0.00	
	299.51	122.80	41.00%	

Public Safety Functional Area *(Continued)*

Juvenile & Domestic Relations Court	Salary & Benefits	0.00	0.00	
	Internal Services	24.09	24.09	
	Contractual & Other Services	92.35	34.96	
	Reserves & Contingencies	0.00	0.00	
	116.44	59.05	50.71%	
Juvenile Court Services Unit	Salary & Benefits	610.44	257.45	
	Internal Services	82.83	75.73	
	Contractual & Other Services	343.01	97.61	
	Reserves & Contingencies	0.00	0.00	
	1,036.28	430.80	41.57%	
Magistrates	Salary & Benefits	90.50	44.37	
	Internal Services	15.35	15.35	
	Contractual & Other Services	10.27	3.69	
	Reserves & Contingencies	0.00	0.00	
	116.13	63.41	54.60%	
Police	Salary & Benefits	87,552.03	45,359.18	
	Internal Services	10,863.79	8,235.82	
	Contractual & Other Services	8,532.83	3,850.81	
	Reserves & Contingencies	0.00	0.00	
	106,948.64	57,445.82	53.71%	
Public Safety Communications	Salary & Benefits	9,662.76	4,310.32	
	Internal Services	299.11	288.92	
	Contractual & Other Services	1,426.95	554.58	
	Reserves & Contingencies	0.00	0.00	
	11,388.81	5,153.83	45.25%	
Sheriff	Salary & Benefits	9,577.29	4,732.23	
	Internal Services	766.84	518.96	
	Contractual & Other Services	528.31	145.32	
	Reserves & Contingencies	0.00	0.00	
	10,872.44	5,396.51	49.63%	




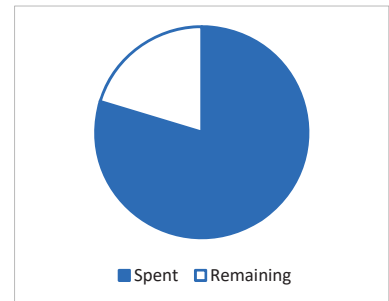
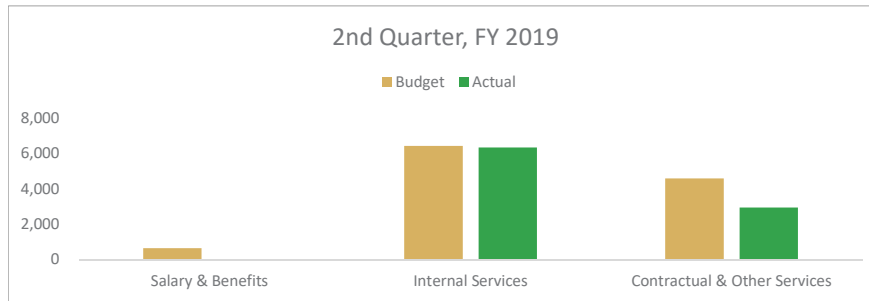
Notable Variances

- Circuit Court Judges** - Salary & Benefits expenditures are high due to the overlapping of law clerks to ensure continuity of services.
- Police** - The department has a disproportionate amount of its budget in the Internal Services series due to being the countywide host for the public safety systems. Salary & Benefits expenditures are higher due to retiree health benefits being charged for the entire fiscal year and higher overtime costs.

Non-Departmental

(Dollar amounts expressed in thousands)

Department	Spending Category	Budget	Actual	Spent %
Non-Departmental	Salary & Benefits	665.86	24.54	
	Internal Services	6,454.55	6,366.55	
	Contractual & Other Services	4,608.10	2,958.88	
	Reserves & Contingencies	0.00	0.00	
		11,728.51	9,349.97	




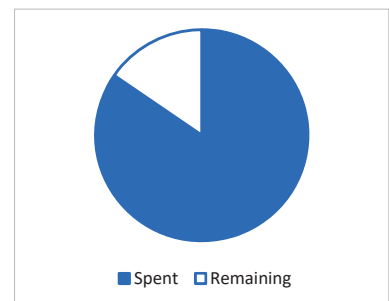
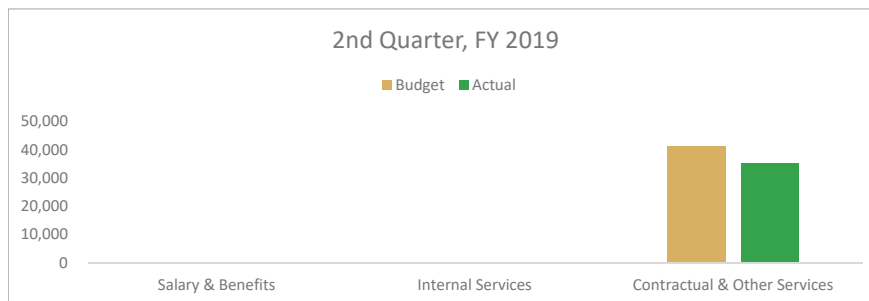
Notable Variances

- Non-Departmental** - The following payments are made during the first quarter of the fiscal year:
 - Self Insurance Workers Compensation (\$4.1M), Self-Insurance Casualty Pool (\$1.6M), and Property and Miscellaneous insurance premiums (\$0.3M)
 - Hylton Performing Arts Center Contribution (\$1.8M) and Northern Virginia Community College Contribution (\$0.5M)

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	41,348.29	34,984.59	
	Reserves & Contingencies	0.00	0.00	
		41,348.29	34,984.59	



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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Office of Management and Budget
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