

- **Suburb of Washington, D.C.**
- **Population approx. 411,686**
- **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



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.

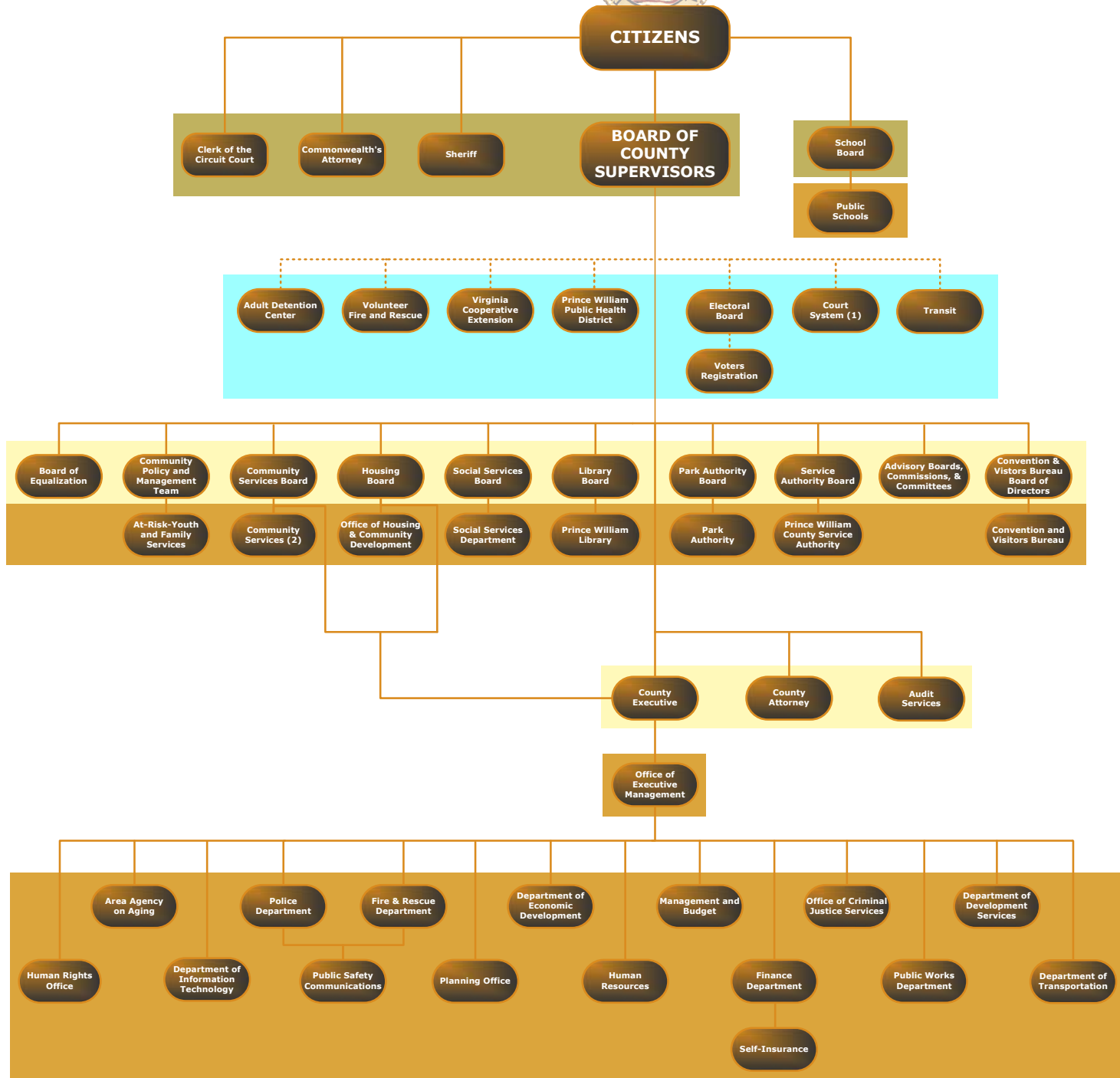
LOCAL GOVERNMENT

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 Service Unit, 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
- State and Local Services
- Appointed By BOCS, Boards and Commissions
- Agencies and Departments





Chairman At-Large

Corey A. Stewart

Brentsville District

W.S. "Wally" Covington III

Coles District

Martin E. Nohe

Potomac District

Maureen S. Caddigan, Vice Chairman

Gainesville District

John T. Stirrup, Jr.

Neabsco District

John D. Jenkins

Occoquan District

Michael C. May

Woodbridge District

Frank J. Principi



FY 2012

BUDGET

Prince William County, VA



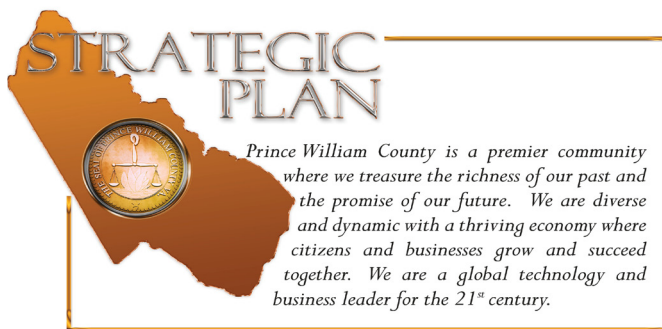
July 1, 2011

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 2012 Budget and the accompanying Five Year Plan. The Budget 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 2012 Budget and FY 2012-2016 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.

As part of Prince William County's Strategic Planning process, the Board of County Supervisors has adopted the following Vision statement to guide the community towards the future:



The County has had great success over the past years in implementing the statement - *"We treasure the richness of our past and the promise of our future"* through:

- The establishment of the world-class Marine Corps Heritage Museum

- The opening of the celebrated Hylton Performing Arts Center
- The announcement of the coming Americans in Wartime Museum
- The commemoration of the Sesquicentennial of the Civil War which began here in Prince William

The County's Vision recognizes the important role that Prince William plays in the economic development of our region - *"We are a global Business and Technology Leader for the 21st Century"*:

- CNN Money Magazine named Prince William in its top 25 places to create jobs in the United States - #1 in Virginia, #17 in the US
- Prince William earned its second AAA bond rating which is awarded to fewer than 1% of jurisdictions in the country and allows the County to use debt for important capital projects at lower interest rates
- ICMA recognized the County's innovative programs to mitigate the impacts of foreclosures

The County has weathered the economic storm always keeping in mind - *"We are Diverse and Dynamic with a Thriving Economy"*:

- #1 in Virginia for Job Growth
- Lower unemployment rate than Virginia or the United States
- Greater growth in monthly retail sales than Virginia or the United States
- Greater home sales growth than the United States
- Greater growth in median home sales price than Virginia or the United States



Finally, Prince William has a Vision of “*A Thriving Economy Where Citizens and Businesses Grow and Succeed Together*”:

- Prince William is America’s 14th richest county
- America’s Promise Alliance named Prince William one of the Nation’s 100 best communities for young people
- The Design/Build Institute of America named Prince William the nation’s top road builder

As the country continues to recover from the worst economic downturn facing our nation since World War II, we are seeing Prince William’s economy bouncing back faster than most other local governments. The residential housing market has not only stabilized but is experiencing a gradual increase in assessed values. While the commercial market is lagging slightly behind the residential market, recent polls of business owners in the Washington Metro region showed optimism at the business opportunities that lie ahead in coming years in our area. We are seeing strong growth in sales and personal property taxes, another sign that consumer confidence is growing. Many believe the economic recovery has already begun in our region but it will take some time to get back to normal.

Board of County Supervisors Budget Guidance

This adopted budget implements the Board of County Supervisors policy direction and budget guidance provided to the organization in December 2010:

- Implement the Board of County Supervisor’s Adopted Strategic Plan
- Maintain the County/School revenue agreement which provides 56.75% of General Revenues to the Schools and 43.25% to the County - a model for County/School relationships throughout the Commonwealth that contributed significantly to our receipt of the coveted AAA bond rating from both Moody’s and Fitch.
- Maintain the community’s coveted AAA bond ratings and implement the Board’s Principles of Sound Financial Management
- Keep average tax bills lower than they were in FY 07 - five years ago (not adjusted for inflation - in actual dollars)
- Increase revenue to the Schools and County from modest tax bill growth

FY 2012 Average Real Estate Tax Bill - \$3,188

By Dollar Amount within Functional Areas



- Use all the increased revenue from real estate tax bills to restart the deferred Road Bond and Library Bond Projects, overwhelmingly supported by citizens

Tax Policy

The FY 2012 Budget is based on an increase in the residential tax bills of 2.5%. The average residential tax bill in FY 12 will be \$3,188. This is \$249 lower than in FY 09 and \$69 lower than in FY 07.

Supporting economic development and small businesses, the Board of County Supervisors also raised the gross receipts level for the BPOL tax from \$100,000 to \$200,000. This reduces the tax burden on the small business community by \$400,000 in FY 12.

FY 2012 Budget

The FY 2012 Budget and FY 2012-2016 Five Year Budget Plan were developed through a participatory process involving all County agencies. This process culminated in a series of meetings and public hearings held in March and April 2011 to gain community input. The Board of County Supervisors deliberated over the proposed budget and made the final decisions on the FY 2012 Budget.



General Government/Administration

The FY 12 Budget includes a 15.9% (\$1.9M) decrease from the 2011 Fiscal Plan. Changes include the following:

- **Department of Information Technology** - negotiations with a new seat management vendor resulted in a \$3.5 million savings over the life of the 5 year contract and a FY 12 savings of \$607,668 in the department's internal service fund;
- **Finance** - \$103,000 from an administrative fee on delinquent taxes; and

- **Redistricting** - the population growth captured by the 2010 Census is anticipated to require the creation of 5 new voting precincts and boundary changes to the existing 73 precincts, at a cost of \$260,000 in FY 12.

Community Development

The FY 12 Budget includes a 6.4% (\$2.3M) increase from the 2011 Fiscal Plan. Changes include the following:

- **Public Works** - a \$300,000 reduction to the County's lease budget plus \$160,000 additional funding for vehicle parts, and
- **Fuel and Utilities** - to cover the increasing costs of fuel and utilities, despite the implementation of conservation policies, \$736,103 has been added to the Park Authority, Public Works and Transportation budgets; and
- **Development Services** - fees were increased to recover the costs of land and building development activities.

Human Services

The FY 12 Budget includes a 1.2% (\$1.0M) increase from the 2011 Fiscal Plan. Changes include the following:

- **New Horizons at Patriot High School** - the County's continued its commitment to place a New Horizons therapist at Patriot High School in FY 12;
- **Birmingham Green** - the cost of the County's participation in an interjurisdictional agreement for the care of our most vulnerable adults and disabled individuals will increase by \$224,068 in FY 12; and
- **Social Services** - increased demand for Social Service benefits requires the addition of 8 term limited FTEs to manage the growing eligibility case load.

Public Safety

The FY 12 Budget includes a 7.4% (\$12.8M) increase from the 2011 Fiscal Plan. Changes include the following:

- **Police** - the retention of 6 sworn officer positions that had been planned for elimination and the addition of 11 new sworn officer positions;
- **Line of Duty Act** - a new state mandate that shifts the cost of line of duty death benefits from the State to localities is anticipated to cost \$400,000 in FY 12;
- **Sheriff's Office** - the assistance provided by the Sheriff's Office to the Police Department for the transport of mentally ill individuals has impacted



service delivery in other areas to the point that 2 additional FTEs are recommended, at a cost of \$259,246; and

- **Fire and Rescue** - income generated from the Emergency Medical Services Billing program will fund a 24/7 advanced life support unit in Montclair as well as cover all program administrative costs.

Employee Compensation

County employee salaries have been frozen for the past two years. Employees have sacrificed along with citizens in reacting to this unprecedented recession. We must remain competitive in the job market and we already see some movement on salaries by our competitors. Just as with economic development, we must be poised to retain the most qualified employees as the recovery begins. To that end, the following changes are included in the FY 12 Budget:

- **2% COLA Adjustment** - all employees will receive a 2% increase to base salary on July 1, 2011
- **Employee Retirement Benefits** - Effective July 1, 2010, all VRS plan 2 employees will begin contributing 5% toward retirement. The county will contribute 10.54% in FY 12. The County will continue to pay the full amount for VRS plan 1 employees as required by state law (15.54%).

FY 2012 - 2016 Five Year Plan

Six-Year Capital Improvement Program

- **2006 Bond Projects** - This budget funds the road bond projects that were deferred and funds both the Montclair and Gainesville Community libraries. All the 2006 road bond projects will be completed as of 2014 and the two libraries will open in 2015. Three new parks will be created at Fuller Heights, Catharpin and Occoquan Riverfront, and the County's trail network will be significantly expanded. These capital improvements will add considerably to the community's quality of life and help achieve the Future Vision stated above.
- **Public Safety Projects** - The CIP includes the reconstruction of 3 fire and rescue stations - Coles, Nokesville and Gainesville - and the construction of the new Bacon Race Fire and Rescue Station.
- **Environmental Projects** - Improvements to the County's landfill in the form of caps, liners and

wetlands mitigation are included, as well as upgrades to the Balls Ford Road compost facility, the household hazardous waste/electronics recycling facility and the recycling building. Projects are also included in the various County watersheds to address stormwater issues.

- **Education Projects** - In addition to Prince William County School projects, the adopted CIP includes annual contributions to the Community College for operating and capital expenses.
- **Technology Improvement Plan** - Upgrades to, and the replacement of, several major technology systems are included in the CIP. Over the life of the program, the County will see improvements to the 800 MHz radio system, computer added dispatch, the land development tracking system, the financial reporting system, as well as several smaller systems.

Other Five Year Plan Elements

- **10 New Police Officer** positions will be added in each year of the Five Year Plan
- **The Fire Staffing Plan** will resume with 31 hires in FY 15 for the new Bacon Race station
- **2% Merit Increases** are budgeted in FY 13-16 of the Five Year Plan
- **No Market Adjustment/COLA** are included in FY 13-16 of the Five Year Plan

Conclusion

The adopted FY 12 General Fund budget totals \$890.2 million, including the school transfer. This is an increase of 5.5% over FY 11. The total County General Fund budget, excluding Schools, is \$464.4 million, a 5.9% increase over FY 11. The transfer to the Schools is \$425.8 million, an increase of 5.0% over FY 11.

We can face the upcoming final year of the 2012 Strategic Plan more confidently than we began three years ago, seeking opportunities to meet the challenges identified by the community. Our recent history shows that when the organization works together with the Board and the community to make the tough decisions, our combined efforts help to make our community the best. The most recent Citizen Survey showed us that county residents appreciate the efforts to keep their tax burden the lowest in the region while providing exceptional customer service. Our staff is committed to doing the "right thing for our customers and the community" every time.



In closing, let me thank the office of Management and Budget 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 yours,



Melissa S. Peacor
County Executive



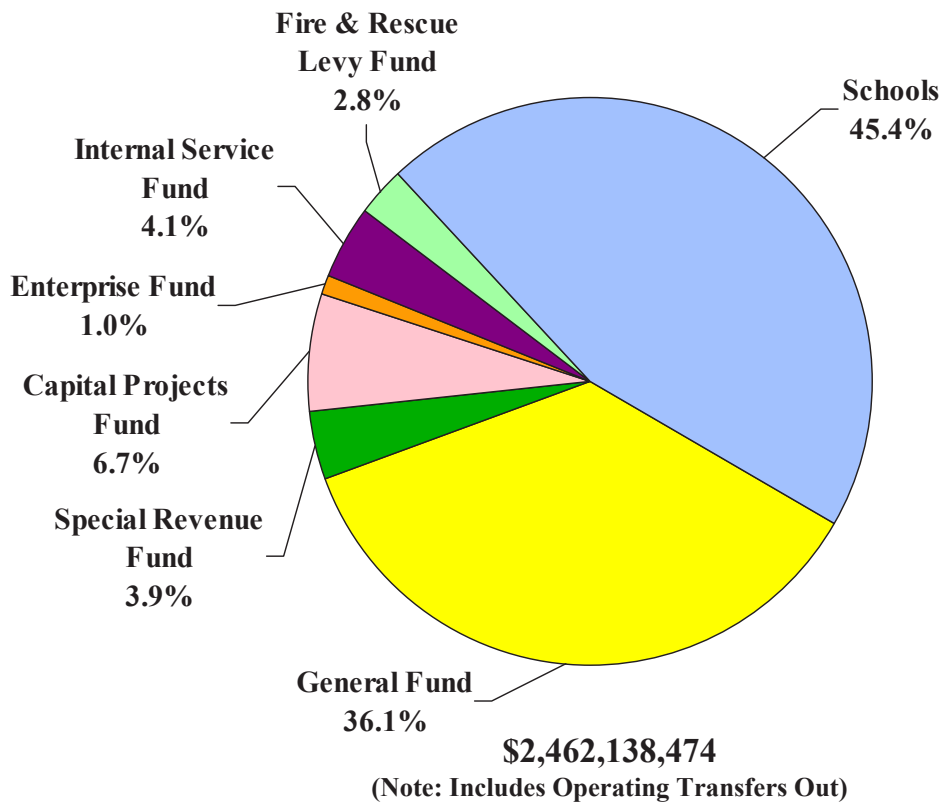
All Funds Expenditure Budget and General Fund Expenditures

The total FY 12 Adopted All Funds budget is \$2.462 billion as shown below. This is an increase of 15.41% from the FY 11 Adopted Total.

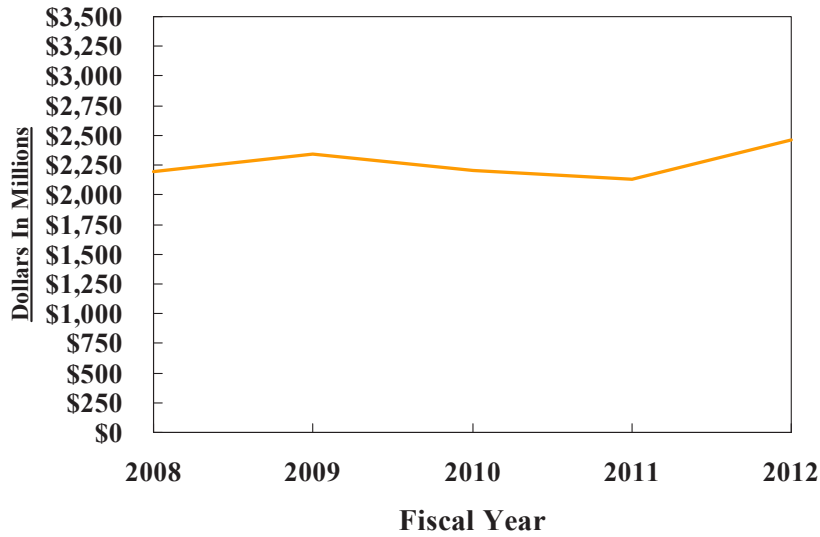
All Funds Expenditure Summary

Funding Area	FY 08 Adopted Budget	FY 09 Adopted Budget	FY 10 Adopted Budget	FY 11 Adopted Budget	FY 12 Adopted Budget	% Change 11 To 12 Adopted
General Fund	\$860,611,261	\$893,923,943	\$845,270,906	\$844,032,399	\$890,151,651	5.46%
Special Revenue Fund	\$74,289,799	\$94,073,890	\$91,442,271	\$92,333,014	\$95,295,934	3.21%
Capital Projects Fund	\$54,428,450	\$70,127,588	\$25,051,302	\$17,325,526	\$165,516,735	855.33%
Enterprise Fund	\$17,151,728	\$17,839,070	\$16,569,928	\$29,527,597	\$25,487,567	-13.68%
Internal Service Fund	\$60,774,314	\$61,522,950	\$66,827,351	\$71,852,714	\$101,266,872	40.94%
Fire & Rescue Levy Fund	\$26,948,237	\$28,407,455	\$23,344,302	\$26,594,565	\$67,516,135	153.87%
Schools	\$1,104,415,824	\$1,174,770,049	\$1,135,794,538	\$1,051,710,928	\$1,116,903,580	6.20%
Total All Funds	\$2,198,619,613	\$2,340,664,945	\$2,204,300,598	\$2,133,376,743	\$2,462,138,474	15.41%

FY 12 Total County Budget By Fund Areas



All Funds Expenditure Budget History



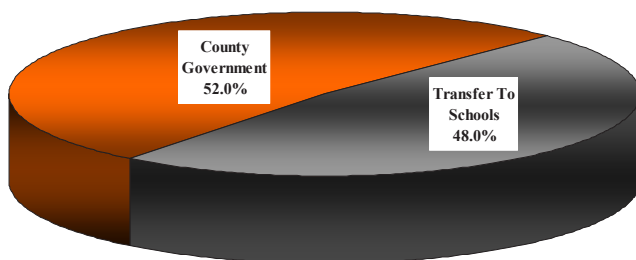
Note: All Years Adopted

General Fund Expenditures

Funding Area	FY 11 Adopted	FY 12 Adopted	Dollar Change	Percent Change
County Government	\$438,556,770	\$464,371,477	\$25,814,707	5.89%
Transfer To Schools	\$405,475,629	\$425,780,174	\$20,304,545	5.01%
Total General Fund	\$844,032,399	\$890,151,651	\$46,119,252	5.46%

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 11 and adopted for FY 12 for those two areas.

Fiscal Year 2011 Adopted General Fund Budget



Fiscal Year 2012 Adopted General Fund Budget

