

# Non-Departmental

## Non-Departmental Overview

The Non-Departmental budget is a miscellaneous collection of budgets not attributed to specific agency operations. As such, the budgets do not directly impact agency services provided to the community. The budget includes the following program areas:

- Budgetary support for countywide insurance expenditures (medical, casualty, property, and workers compensation).
- Restricted use funds that may only be expended for a specific purpose as mandated by the Code of Virginia (transient occupancy taxes for transportation purposes, proffers, and transportation districts) or by County policy (recordation tax for transportation).
- Accounts where the County acts in a trustee capacity for another organization (library donations and other trust/fiduciary funds).
- Accounts where the County acts merely as a collecting agent and remits all revenue received to the Commonwealth or a Community Development Authority.
- Other miscellaneous expenditures including the Contingency budget and contributions to the Hylton Performing Arts Center and Northern Virginia Community College (NOVA) and membership in the Council of Governments.

Please see the General Overview section for a more detailed description of each program area.

## Mandates

The following mandated services are reported in the Non-Departmental section of the budget.

**Federal Code:** The unemployment insurance system, created by the [Social Security Act of 1935](#), is administered by each state.

**State Code:** The unemployment insurance system is administered in Virginia through Title [65.2](#) (Workers' Compensation). Title [2.2-1204](#) (Health insurance programs for employees of local governments) requires local governments to make health insurance plans available to employees. The Auditor of Public Accounts for the Commonwealth requires political subdivisions in Virginia to adhere to financial reporting standards defined by the Governmental Accounting Standards Board. Requirements for transient occupancy taxes are defined in [58.1-1744](#) (Local transportation transient occupancy tax).

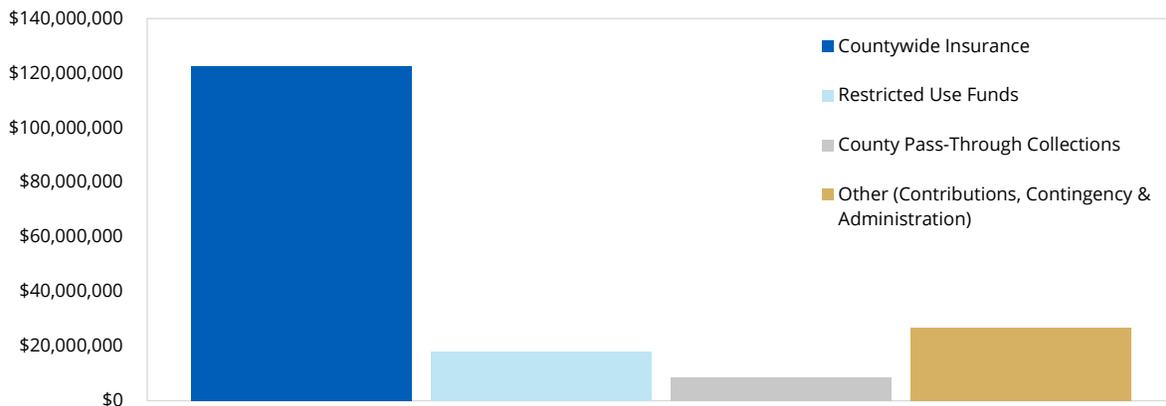
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## Expenditure and Revenue Summary



Expenditure by Program	FY22 Actuals	FY23 Actuals	FY24 Actuals	FY25 Adopted	FY26 Adopted	% Change Budget FY25/ Budget FY26
<b>Countywide Insurance:</b>						
Medical Insurance Internal Service	\$73,488,057	\$74,638,501	\$78,962,172	\$102,666,374	\$109,692,243	6.84%
Workers Compensation	\$6,817,769	\$11,472,516	\$8,839,361	\$7,170,414	\$7,370,414	2.79%
Casualty Pool	\$2,302,627	\$3,353,106	\$2,615,890	\$3,575,701	\$3,825,701	6.99%
Property & Miscellaneous Insurance	\$1,110,421	\$651,234	\$660,910	\$1,264,337	\$1,362,812	7.79%
Unemployment Insurance	\$237,046	\$40,270	\$54,648	\$170,000	\$170,000	0.00%
<b>Restricted Use Funds:</b>						
Proffers	\$1,304,622	\$7,473,110	\$9,319,297	\$967,373	\$973,409	0.62%
Recordation Tax for Transportation	\$1,012,500	\$9,907,165	\$6,295,325	\$6,156,526	\$6,519,610	5.90%
Cable Equipment Capital Grant	\$1,958,145	\$541,569	\$817,238	\$1,125,760	\$1,039,915	(7.63%)
Transportation Districts	\$696,563	\$989,499	\$2,071,136	\$762,150	\$0	(100.00%)
Additional TOT 3% for Public Transportation (formerly NVTA Taxes)	\$150,000	\$150,000	\$150,000	\$4,650,000	\$3,673,024	(21.01%)
General Fund Contribution to PRTC	\$0	\$0	\$0	\$700,000	\$0	(100.00%)
PWC Grantor's Tax Contribution to PRTC	\$0	\$0	\$0	\$4,650,000	\$5,900,000	26.88%
<b>County Pass-Through Collections:</b>						
Community Development Authorities	\$3,176,874	\$5,482,748	\$6,635,567	\$7,565,000	\$8,565,017	13.22%
Commonwealth Taxes	\$316,242	\$411,217	\$562,718	\$0	\$0	-
<b>Trust/Fiduciary Funds:</b>						
OPEB/LODA Trusts	\$5,024,637	\$4,877,683	\$4,507,234	\$0	\$0	-
Police/Fire Supp. Retirement/LOSAP	\$4,067,195	\$4,651,667	\$5,235,831	\$0	\$0	-
Library Donations	\$128,131	\$230,697	\$228,882	\$0	\$0	-
Innovation Property Owners Association	(\$405)	\$367,834	\$0	\$0	\$0	-
<b>Other:</b>						
Contributions - Hylton Performing Arts/Northern VA Community College/Council of Government	\$1,701,377	\$1,705,679	\$3,169,097	\$3,182,842	\$3,943,503	23.90%
Contingency	\$0	\$0	\$0	\$3,638,050	\$1,626,656	(55.29%)
Administration	\$5,865,332	\$4,134,649	\$5,458,908	\$12,741,651	\$21,252,855	66.80%
<b>Total Expenditures</b>	<b>\$109,357,132</b>	<b>\$131,079,145</b>	<b>\$135,584,213</b>	<b>\$160,986,177</b>	<b>\$175,915,158</b>	<b>9.27%</b>

### Non-Departmental Expenditure Budget by Program Area



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## Expenditure and Revenue Summary



Expenditure by Classification	FY22 Actuals	FY23 Actuals	FY24 Actuals	FY25 Adopted	FY26 Adopted	% Change Budget FY25/ Budget FY26
Salaries & Benefits	\$4,790,557	\$5,001,908	\$5,432,105	\$4,248,639	\$4,855,006	14.27%
Contractual Services	\$8,127,392	\$5,792,190	\$6,194,728	\$1,905,269	\$2,785,269	46.19%
Internal Services	\$5,702,678	\$3,738,371	\$4,792,116	\$19,704,316	\$28,087,628	42.55%
Purchase of Goods & Services	\$80,559,378	\$90,152,585	\$91,976,524	\$116,990,144	\$121,528,304	3.88%
Capital Outlay	\$0	\$0	\$10,178	\$0	\$0	-
Leases & Rentals	\$479	\$0	\$0	\$0	\$0	-
Payments to Other Local Agencies	\$3,169,374	\$5,467,748	\$6,620,567	\$7,550,000	\$8,550,017	13.25%
Transfers Out	\$8,970,590	\$24,894,815	\$21,017,996	\$10,587,809	\$10,108,933	(4.52%)
<b>Total Expenditures</b>	<b>\$111,320,448</b>	<b>\$135,047,616</b>	<b>\$136,044,213</b>	<b>\$160,986,177</b>	<b>\$175,915,158</b>	<b>9.27%</b>
<b>Funding Sources</b>						
Permits & Fees	\$1,224,883	\$1,224,291	\$1,051,141	\$1,150,000	\$1,050,000	(8.70%)
Use of Money & Property	\$23,052,164	\$14,848,467	\$22,091,956	(\$33,000)	(\$192,000)	481.82%
Revenue from Other Localities	\$184,800	\$0	\$0	\$46,283	\$0	(100.00%)
Miscellaneous Revenue	\$22,653,417	\$29,195,376	\$27,785,396	\$5,556,613	\$5,141,179	(7.48%)
Non-Revenue Receipts	\$1,095,464	\$4,335,335	\$1,658,430	\$0	\$0	-
Other Local Taxes	\$23,914,001	\$17,210,313	\$17,655,198	\$16,300,000	\$18,573,024	13.94%
General Property Taxes	\$4,511,882	\$6,725,947	\$8,544,897	\$8,327,150	\$8,565,017	2.86%
Charges for Services	\$74,752,124	\$76,724,121	\$83,985,648	\$87,856,120	\$98,243,000	11.82%
Transfers In	\$5,006,264	\$3,963,692	\$4,016,177	\$4,155,221	\$4,213,101	1.39%
<b>Total Designated Funding Sources</b>	<b>\$110,290,672</b>	<b>\$154,227,542</b>	<b>\$166,788,843</b>	<b>\$123,358,388</b>	<b>\$135,593,321</b>	<b>9.92%</b>
<b>(Contribution To) / Use of Cable Equipment Capital Grant</b>	<b>\$733,262</b>	<b>(\$682,722)</b>	<b>(\$233,903)</b>	<b>(\$24,240)</b>	<b>(\$10,085)</b>	<b>(58.40%)</b>
<b>(Contribution To) / Use of Recordation Tax for Transportation</b>	<b>(\$9,270,211)</b>	<b>\$3,469,826</b>	<b>(\$127,236)</b>	<b>\$961,126</b>	<b>(\$160,190)</b>	<b>(116.67%)</b>
<b>(Contribution To) / Use of County- wide Insurance Internal Service Funds</b>	<b>\$2,161,122</b>	<b>\$7,345,544</b>	<b>\$1,961,852</b>	<b>\$10,797,254</b>	<b>\$8,014,243</b>	<b>(25.78%)</b>
<b>(Contribution To) / Use of Trust / Fiduciary Fund Balance</b>	<b>\$19,338,388</b>	<b>(\$16,993,181)</b>	<b>(\$24,831,121)</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>
<b>(Contribution To) / Use of Special Revenue Fund Balance</b>	<b>(\$10,548,081)</b>	<b>(\$7,815,692)</b>	<b>(\$8,689,981)</b>	<b>\$0</b>	<b>\$0</b>	<b>-</b>
<b>Net General Tax Support</b>	<b>(\$597,409)</b>	<b>(\$479,524)</b>	<b>\$2,508,943</b>	<b>\$25,893,650</b>	<b>\$32,477,868</b>	<b>25.43%</b>
<b>Net General Tax Support</b>	<b>(0.54%)</b>	<b>(0.36%)</b>	<b>1.84%</b>	<b>16.08%</b>	<b>18.46%</b>	

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## General Overview

The components of the Non-Departmental budget are discussed below.

### A. Countywide Insurance:

- 1. Medical Insurance Internal Service Fund** – Prince William County (PWC) established a health insurance fund to self-insure for employee medical coverage as well as provide fully insured dental, vision, and flexible spending benefits. The fund also provides additional insurance credits for retirees as well as required self-insured contributions for the Virginia Line of Duty Act (LODA) benefits. Countywide medical and dental premiums are paid from the medical insurance internal service fund, which is funded primarily from charges to County departments. The FY26 medical insurance budget is \$109,692,243.
- 2. Casualty Pool, Workers Compensation, and Property and Miscellaneous Self-Insurance Programs** – The County maintains self-insurance programs for general liability, automobile, public official, law enforcement professional liability, pollution liability, cyber security liability, and workers compensation insurance through the Prince William Self-Insurance Group casualty pool and workers compensation pool. The two self-insurance programs began operations July 1, 1989, and are licensed by the State Corporation Commission. The FY26 general fund workers compensation budget is \$7,370,414 and the casualty pool budget is \$3,825,701. The FY26 property and miscellaneous insurance budget is \$1,362,812.  
  
These activities are reported in an internal services fund. Revenues come primarily from other County funds through “premiums” set to cover estimated self-insured claims and liabilities, excess, other insurance premiums, and operating expenses. Claims filed or to be filed through the end of the previous fiscal year are accrued liabilities.
- 3. Unemployment Insurance** – The Virginia Employment Commission administers an unemployment insurance program that provides protection against loss of wages to individuals who become unemployed through no fault of their own. The FY26 unemployment insurance budget is \$170,000.

### B. Restricted Use Funds:

- 1. Proffers** – Prior to July 2016, Virginia Code [15.2-2303.2](#) allowed PWC to accept voluntary proffers from zoning applicants. Proffers were intended to help mitigate the impacts of development resulting from a zoning change. The County's Zoning Ordinance includes provisions for the acceptance and enforcement of proffers submitted with rezoning applications prior to June 30, 2016. Available monetary proffers to support County capital projects are evaluated on an annual basis. In addition, investment income, or proffer interest, is used to support agency operating budgets. Please see the Capital Improvement Program section for detail on proffers assigned to capital projects.
- 2. Recordation Tax** – Recordation tax revenue is generated when a legal instrument regarding real property such as a deed (including home refinance activity) or deed of trust is recorded with the Circuit Court Clerk. Approximately 74% of recordation tax revenue is dedicated by Board of County Supervisors (BOCS) policy to support transportation initiatives in the County. Recordation tax revenue was previously budgeted as general revenue at the beginning of each fiscal year, and the portion committed for transportation was transferred to Non-Departmental during the course of the fiscal year. Beginning in FY22, recordation tax revenue was budgeted as agency revenue in Non-Departmental. Most of the recordation tax revenue committed for transportation is used to pay existing debt service costs on selected road construction projects (\$2.8 million). In addition, recordation tax funds the Transportation and Roadway Improvement Program (TRIP) at \$3.2 million, Orphan Roads program at \$500,000, and a \$113,571 transfer for staffing support to the Department of Transportation in the budget. Please see the Debt Service section for a summary of transportation projects financed by recordation tax revenue, the Capital Improvement section for TRIP information, and the Department of Transportation section for information on the staffing support.
- 3. Cable Equipment Grant** – An annual 1% cable equipment grant is provided by cable television providers operating in the County. Grant proceeds must be used for cable related capital needs. Although not considered general revenue, revenue derived from the grant is shared with PWC Schools in accordance with the County/Schools revenue agreement. Cable equipment grant revenue is forecasted at \$1,050,000 in FY26, which is a \$100,000 decrease from FY25. Of this amount, the Schools receive \$600,915 and the County's share is \$449,085. Both the County and Schools use cable equipment grant proceeds to support informational programming on their respective access channels. Cable equipment grant receipts are evaluated on an annual basis for potential future adjustments.

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4. **Additional 3% Transient Occupancy Tax (TOT) to Support Transportation Purposes** – Section [58.1-1744](#) (as amended, effective May 1, 2021) authorizes the local tax on transient occupancy as an additional 3% levied to support transportation improvements authorized as part of the Northern Virginia Transportation Authority (NVTA) legislation. The revenue is collected and retained by the County. Two-thirds of the revenue collected may be used only for public transportation purposes and the remaining revenue may be used for any transportation purpose. The budget includes \$3,523,024 to support PRTC operations and \$150,000 of TOT funds to support the Wheels-to-Wellness program provided by PRTC. The program is a medical transportation assistance program to help eligible residents access health services and is sponsored by Potomac and Rappahannock Transportation Commission (PRTC) through support from community partners including medical service providers and the County.
  5. **Grantor's Tax Support to PRTC** – Virginia code mandates a portion of grantor's tax revenue in a special fund to increase transportation capacity, including public transportation options. The FY2026 Budget includes a total of \$5,900,000 of County grantor's tax revenue to support PRTC in order to sustain public transit in the County,
  6. **Transportation Districts** – The Route 234 Bypass Transportation Improvement District was created in 1991 after landowners within the District boundaries petitioned the BOCS to create a special taxing district. Revenue generated by the district reimbursed the County's general fund for debt service paid to finance the Route 234 Bypass road bond project approved by voters in 1988. The transportation district will expire December 27, 2026 and the reimbursements from the district have fully paid the debt service, therefore there will be no additional reimbursement in FY26 or beyond.
- C. County Pass-Through Collections:**
1. **Community Development Authorities (CDA)** – CDAs are governed under Section [15.2-5152](#) of the Code of Virginia. CDAs are created to promote economic development in the County. Properties within established boundaries are levied a CDA assessment to provide certain public infrastructure such as road improvements, bridges, stormwater, and water and sewer improvements within the district. There are three CDAs in PWC: Virginia Gateway (created in 1998), Heritage Hunt (created in 1999), and Cherry Hill (created in 2013). Property owners within each CDA boundary petitioned the County to create each CDA.  
  
In accordance with Section [15.2-5158](#) of the Code of Virginia, all three CDAs in the County request annually that the County levy and collect a special tax on taxable real property within the development authority's jurisdiction to finance the services and facilities provided by the authority. This code section also requires that all revenue received by the County will be paid over to the development authority subject to annual appropriation. The budget includes \$8,565,017 in a special revenue fund for the three CDAs in the County: Cherry Hill/Potomac Shores (\$7,089,017), Virginia Gateway (\$1,230,000), and Heritage Hunt (\$246,000). There is no impact on the County's general fund.
  2. **Pass-Through Collections to Commonwealth for Sheriff Fees** – PWC collects Sheriff fee revenue on behalf of the Commonwealth of Virginia. The revenue is collected by the County and remitted to the Commonwealth. The budget for this fund was eliminated in FY24. Although this is categorized as a County pass-through, this fund is also categorized as a trust/fiduciary fund which does not require appropriation by the BOCS. This action is consistent with how other trust accounts are administered by the County.
- D. Trust/Fiduciary Funds:**
1. **Trust/Fiduciary Funds** – Fiduciary funds are used to account for assets held by the County in a trustee capacity or as an agent for individuals, private organizations, or other governments. Agency funds are custodial in nature whereby assets equal liabilities and do not measure results of County operations. Trust/Fiduciary funds do not require budget and appropriation by the BOCS. Each respective fund is administered by a board of trustees. Trust/Fiduciary funds included in Non-Departmental are:
    - Other Post-Employment Benefits (OPEB) – Police Officer, Uniformed Fire & Rescue, Sheriff, and Adult Detention Center Personnel Supplemental Retirement
    - OPEB – Length of Service Award Program (LOSAP)
    - OPEB – Post-Retirement Medical Benefits Credit Plan
    - OPEB – Virginia LODA for public safety personnel
    - Innovation Property Owners Association
    - Donations from the Friends of the Library and private sources supporting library services
- For a detailed description of each OPEB plan as well as the benefits provided, see PWC's Annual Comprehensive Financial Report in [Finance and Revenue Publications](#).

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## E. Other:

- Contributions to the Hylton Performing Arts Center (HPAC) and NOVA** – County contributions to the HPAC (\$2,034,377) and NOVA (\$1,157,177) are included in the Non-Departmental budget. The FY26 contribution to the HPAC provides \$1,884,377 for debt service and \$150,000 for capital expenses. Please see the detail below for County contributions to the HPAC in the next five years.

	FY26	FY27	FY28	FY29	FY30
Debt Service	\$1,884,377	\$1,899,407	\$1,870,412	\$1,678,490	\$1,529,796
Capital	\$150,000	\$150,000	\$150,000	\$150,000	\$150,000
<b>Total</b>	<b>\$2,034,377</b>	<b>\$2,049,407</b>	<b>\$2,020,412</b>	<b>\$1,828,490</b>	<b>\$1,679,796</b>

In prior years, there were two components to PWC's contribution to NOVA, including a per capita annual capital development contribution and an allocation to support maintenance and operations at NOVA. Contributions were multi-jurisdictional and helped support construction and maintenance at NOVA campuses. Due to recent changes in budget language at the state level, there is no longer a need to support construction and maintenance at local campuses with multi-jurisdictional contributions. With this change, the County and NOVA have agreed to work together in partnership to help achieve mutually beneficial post-secondary education goals for the local community. The FY26 contribution will support Early College programs for the County's local school system and Workforce Development programs for residents or targeted workforce development opportunities for County residents.

- Metropolitan Washington Council of Government for Membership (MWCOG)** – The County's membership cost for the MWCOG is being shifted from Planning to the Non-Departmental budget to better reflect its organization-wide impact. While MWCOG supports regional planning, its benefits extend to multiple County departments, including Transportation, Public Safety, Environmental Services, and Economic Development. The total membership cost for MWCOG in FY26 is \$751,948. The reallocation does not change the total funding amount but better aligns budgeting with the County's operational structure.
- Contingency** – The budget includes a contingency budget of \$1,626,656 consistent with Policy 2.13 in the adopted [Principles of Sound Financial Management](#): "The County will annually appropriate a contingency budget to provide for unanticipated increases in service delivery costs and needs that may arise throughout the fiscal year. The contingency budget will be established at a minimum of \$1,000,000 annually and may be allocated only by resolution of the BOCS."
- Administration** – The Unclassified Administrative area of the budget includes those general fund expenditures which are not assigned to specific agency budgets. During the course of the fiscal year, many of these dollars are allocated against agency budgets to properly account for where the expenditures actually occur. As a program becomes established, an unclassified administrative budget item will often be assigned to an agency on a permanent basis. The funds would then be transferred from Unclassified Administrative to the agency budget. Due to the many items coming into and out of this budget area between budget years, it is difficult to compare different fiscal year totals.
  - Internal Service Fund (ISF) Technology Budget** – The County annually allocates all information technology (IT) costs to agencies through an ISF, using the approved cost basis for each technology activity. Technology activities include computer support (hardware replacement, software licenses, and helpdesk customer services), IT security, business systems support (public safety communications, financial systems, human services systems, etc.), geographic information system, web services, capital equipment replacement, messaging, cloud storage, network and infrastructure services, telecommunications, and radio. The cost basis is calculated through a formula derived from the Department of Information Technology's (DoIT) ISF fee schedule. The Administration budget includes ISF costs associated with FY26 adjustments and will be reallocated to agencies in future budget years to properly align costs within agency budgets.
  - Transfer from Adult Detention Center (ADC) Fund** – The transfer of \$2,115,101 to the general fund from the ADC is required to compensate the general fund for the cost of implementing the Law Enforcement Officers' Supplement (LEOS) retirement program for Jail Officers and the Jail Superintendent. The funds are included as revenue in the Funding Sources area. Additional information concerning the ADC LEOS retirement program can be found in the General Overview section of the ADC departmental budget.

# Non-Departmental

## Budget Initiatives

### A. Budget Initiatives

#### 1. Information Technology Capital and Operating Funding Support

Expenditure	\$7,989,685
Revenue	\$0
General Fund Impact	\$7,989,685
FTE Positions	0.00

a. **Description** – Funding is provided for capital and operating costs to support information technology costs, including:

- Funding support for enterprise technology improvements and planning to ensure information technology hardware refresh across County enterprise systems (\$5,062,685), specifically enterprise border security firewalls.
- Contract and services (ongoing) support for 311 constituent digital services (\$1,600,000).
- Contractual increases for agreements, licenses and subscriptions totaling \$1,327,000 including, data center subscriptions (\$839,000), Wide Area Network Circuits (\$263,000), public safety communication software system licenses (\$83,000), information technology help desk contract increase (\$82,000), and social services case management software licenses (\$60,000).

This funding allocated in Non-Departmental supports the FY26 internal services fund billings for the Department of Information Technology. In the future, these budgets will be transferred out of Non-Departmental and reallocated to specific agencies to better represent the functional areas supported by these initiatives. Please refer to the Department of Information Technology section of this document for comprehensive information on technology initiatives planned in FY26 and throughout the Five-Year Plan.

#### 2. Casualty Pool Insurance and Workers' Compensation Premium Increase

Expenditure	\$450,000
Revenue	\$0
General Fund Impact	\$450,000
FTE Positions	0.00

a. **Description** – This initiative provides additional ongoing funding of \$250,000 for casualty pool insurance premiums and \$200,000 for workers' compensation premiums. Casualty pool insurance supports addressing legal liability and losses due to injuries and damage to property of others. Factors affecting the premium increase include the continuing addition of new programs and staffing to County government, which increases exposure to liability situations; national trends; the increase in cyber security and terrorism insurance; and increasing claim severity and frequency.

Factors affecting the premiums increase for workers' compensation include the County payroll (specifically increases in personnel within public safety agencies), increasing health insurance costs, and increasing claim severity and frequency.

#### 3. Fleet Insurance Repair Adjustment

Expenditure	\$500,000
Revenue	\$0
General Fund Impact	\$500,000
FTE Positions	0.00

a. **Description** – This initiative provides additional ongoing funding of \$500,000 to cover increased costs associated with fleet repairs or replacements not covered by the County's insurance. The County's fleet insurance budget covers damages to County-owned vehicles due to accidents, weather events, and other unforeseen incidents. Factors driving the increased costs include rising repair expenses due to inflation in parts and labor, an aging vehicle fleet requiring more frequent maintenance and repairs, and an increase in claims from accidents involving County vehicles. Ensuring adequate funding for fleet insurance repairs helps maintain operational readiness and minimizes service disruptions for County departments that rely on fleet vehicles.

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## 4. Position Reclassification for Enhanced Capital Project Delivery

Expenditure	\$100,000
Revenue	\$0
General Fund Impact	\$100,000
FTE Positions	0.00

- a. Description** – This initiative provides funding to support the reclassification of an existing position to a Director of Transportation & Capital Construction to enhance the County's capital project delivery model. By establishing a centralized leadership role, the County aims to streamline project oversight, improve coordination, and ensure greater efficiency in capital construction and transportation projects. Over the next year, County staff will perform an evaluation of the current project delivery structure and lay the groundwork for a full organizational shift in the proposed FY27 budget to create a more unified approach to capital project management. The reclassification does not add an FTE, minimizing immediate budget impact while positioning the County for long-term improvements in project execution. Ultimately, this initiative aligns with the County's strategic goals by enhancing accountability, efficiency, and service delivery in infrastructure development.